



DIB Bank Kenya

A subsidiary of Dubai Islamic Bank PJSC

TREASURY MARKET UPDATE 14TH NOVEMBER 2022

DOMESTIC NEWS

Kenya Shilling eased on Friday to a fresh all time low undermined by demand for dollars from the energy and manufacturing sectors, but it was expected to soon get some relief from inflows from remittances. Commercial banks quoted the Shilling at 121.80/122.00 per dollar compared with Thursday's close of 121.70/121.90.

In other news locally, The Central Bank of Kenya (CBK) has asked lenders to consider other metrics in addition to a borrower's credit score to offer appropriately priced credit. This comes amid concern that lenders are relying on adverse reports issued by Credit Reference Bureaus (CRBs) to blacklist and deny borrower's credit. In a statement the CBK said this approach would allow borrowers and especially micro, small, and medium-sized enterprises to access appropriately priced credit.

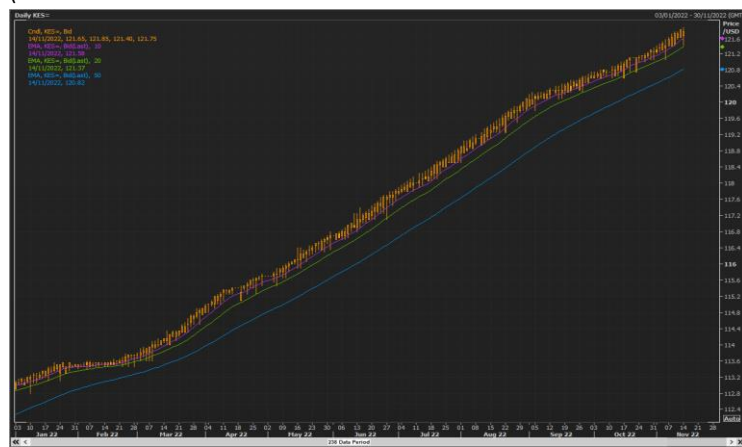
(Business daily)

Indicative Forex Rates

	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	118.35	128.85	117.85	128.35
GBP/KES	138.41	157.91	137.61	152.41
EUR/KES	119.34	145.24	119.64	138.24
AED/KES	29.17	39.17	31.17	38.67

Amounts > 10 million		Amounts >100,000
KES		USD
2 Weeks	7.00%	1.25%
1 Month	7.00%	2.00%
3 Months	7.50%	2.50%
6 Months	8.00%	3.25%
1 year	8.50%	4.00%

(Source: Reuters)



INTERNATIONAL NEWS

The Dollar fell across the board for a second straight day on Friday, as investors favoured riskier currencies following signs U.S. inflation is cooling that boosted the case for the Federal Reserve to ease off its hefty interest rate hikes. Against a basket of currencies, the Dollar was down about 3.8% over two sessions, on pace for its largest two-day percentage loss since March 2009. The Greenback also fell 1.7% against the Yen at 138.55. Euro advanced 1.46% against the U.S. unit to \$1.036.

In the commodities market, oil prices rose on Monday, extending gains from the previous session, after China eased some of its strict COVID-19 protocols, fuelling hopes of a recovery in economic activity and demand at the world's top crude importer. Contracts for Brent crude and U.S. West Texas Intermediate edged up nearly 1% earlier in the session but later pared some gains. Brent crude futures were last up 31 cents, or 0.3%, to \$96.30 a barrel by 0430 GMT after settling 1.1% on Friday. U.S. West Texas Intermediate crude futures were also up 23 cents, or 0.3%, at \$89.19 a barrel after closing Friday's session 2.9% higher.

Gold prices on the other hand retreated from a 2-½ month high on Monday as comments from some members of the Federal Reserve suggested that the bank will continue to act tough against inflation. While October's inflation reading was milder than expected, it was still well above the Fed's 2% annual target. This is likely to see the bank keep raising interest rates, until it sees clear signs that inflation is easing. Elevated interest rates are expected to weigh on metal markets in the near-term. Spot gold fell 0.4% to \$1,764.24 an ounce, while gold futures fell a similar amount to \$1,766.95 an ounce. Both instruments surged over \$90 in the past week, while the dollar retreated.

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Indicative Cross Rates		
	Bid	Offer
EUR/USD	1.0101	1.0504
GBP/USD	1.1570	1.1975
USD/AED	3.6630	3.6832
USD/JPY	137.05	141.52

For more details, contact our Treasury staff Mary, Bernard, Loryne Evelyn on Tel +254 20 5131311, DL +254 20 513 1354/55/51, Cell +254 709913351/54/55. The views expressed here are not solicitation for investment but dealers' own opinion. The bank cannot be held responsible for any losses of whatever nature resulting from action taken based on comments contained in this publication. DIB Bank Kenya Ltd is regulated by the Central Bank of Kenya.