



DIB Bank Kenya
A subsidiary of Dubai Islamic Bank PJSC

TREASURY MARKET UPDATE 15TH NOVEMBER 2022

DOMESTIC NEWS

Kenya Shilling was little changed on Monday, and it's expected to weaken due to increased demand for dollars from the energy sector. That outpaced inflows from remittances and non-governmental organizations. Commercial banks quoted the Shilling at 121.85/122.05 per dollar compared with Friday's close of 121.80/122.00.

In other news locally, The Treasury will seek a foreign strategic investor to buy a controlling stake in Kenya Airways as a path of returning the national carrier to profitability.

Treasury Principal Secretary nominee Chris Kiptoo told MPs the government will push for a fresh equity investor who is expected to inject capital and offer management expertise in the next step of restructuring.

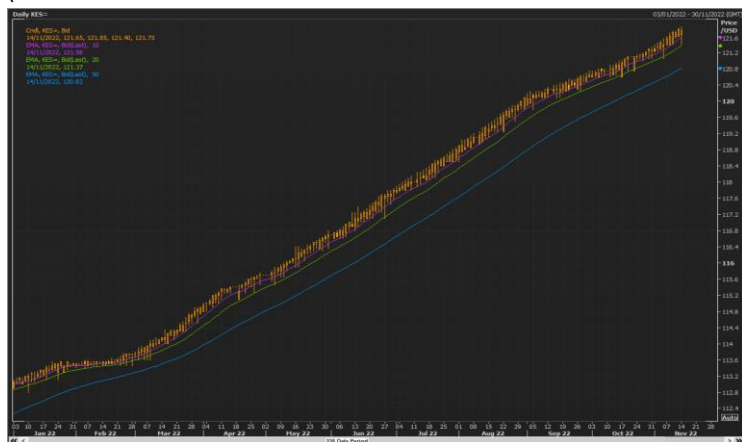
If the sale goes through, it will see the State reduce its shareholding from 48.9 percent and cut the ownership of lenders who converted their debt to a 38 percent stake. (Business daily)

Indicative Forex Rates

	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	118.45	128.95	117.95	128.45
GBP/KES	139.44	158.94	138.64	153.44
EUR/KES	120.98	146.88	121.28	139.88
AED/KES	29.20	39.20	31.20	38.70

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 U.S. dollar gained against the yen and the euro on Monday but pulled back from its highs of the day with investors betting on a slower pace of Federal Reserve interest rate hikes going forward. The dollar index was higher after falling 4% last week, marking its biggest weekly drop since March 2020, after data showing U.S. consumer prices rose less than expected in October and prompted bets for slower hikes. The dollar index, which gauges the greenback against a basket of six other major currencies including the euro, yen, and sterling, rose 0.93% to 107.274 before it pulled back to last trade up 0.4% at 106.73. The euro was last down 0.01% against the dollar at \$1.0342, after earlier rising to a three-month high of \$1.0368.

In the commodities market, oil prices slid on Tuesday as rising COVID-19 cases in China sparked fears of lower fuel consumption from the world's top crude oil importer and after OPEC cut its 2022 global demand forecast.

Brent crude futures fell 27 cents, or 0.3%, to \$92.87 a barrel by 0416 GMT after settling down 3% on Monday. U.S. West Texas Intermediate crude was at \$85.37 a barrel, down 50 cents, or 0.6%, after tumbling 3.5% in the previous session.

Gold prices hovered near three-month highs on Tuesday as mixed signals from Federal Reserve officials on the path of U.S. interest rates kept the dollar pinned to recent lows, while copper prices sank as rising COVID-19 cases in major importer China pointed to more potential demand disruption. Spot gold fell 0.1% to \$1,768.72 an ounce, while gold futures fell 0.3% to \$1,771.90 an ounce by 19:26 ET (00:26 GMT). But bullion prices rallied over 5% last week, while the dollar retreated after U.S. inflation read lower than expected for October. (Reuters)

LIBOR Rates	USD	JPY	GBP
1 Months	4.91857	0.03836	4.03960
3 months	5.44543	-	-
6 months			
12 months			

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.