



DOMESTIC NEWS

Kenya shilling was stable on Tuesday after recovering from a new all time low said it could weaken due to dollar demand from the manufacturing sector. Commercial banks quoted the Shilling at 121.85/122.05 compared with Monday's close of 121.80/122.00.

In local news on financial regulation the outgoing Competition Authority of Kenya's director general has asked legislators and his successor to consider increasing the financial penalties for companies and businesses engaging in commercial malpractices. According to Mr Wang'ombe Kariuki, although fines in place are in line with global standards, they need to be improved by charging repeat offenders more.

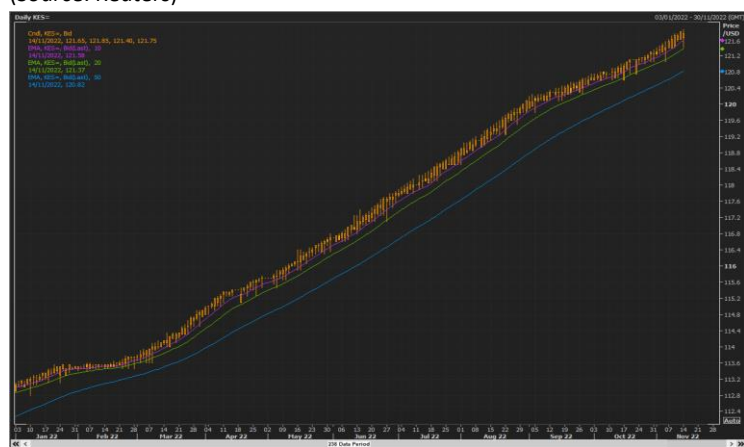
Mr. Kariuki said that the culture of penalizing people in the economy must be put on and agrees that we need to increase the percentage of the average penalties we have to a higher one, especially where there is recidivism. CAK financial penalties as provided in the Competition Act, allow the regulator to fine offenders up to 10 percent of the immediately preceding year's gross annual turnover. (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

Most Asian currencies sank on Wednesday as a potential Russian missile strike on Poland drove investors away from risk-driven assets, while the dollar steadied from recent losses as investors sought haven in the greenback. The dollar index and dollar index futures both steadied around 106.58, recovering from mild losses in the prior session. Several Fed members also called for smaller rate hikes, while bets that the Fed will enact a smaller, 50 basis point hike in December grew sharply this week.

Euro on the other hand was up 0.38% at \$1.0364 after falling as much as 0.44% following the reports from Poland. News of the explosions had overshadowed earlier gains in the euro after U.S. economic data suggested easing U.S. inflation. The U.S. producer price index (PPI) increased 8.0% for the 12 months through October compared with economist expectations for 8.3% and September's 8.4% increase, according to the Labor Department data. Before the U.S. data the euro, sterling and the Swedish crown had already risen sharply against the dollar as traders assessed a slew of economic data, including British and euro zone job figures, plus German economic sentiment.

In the commodities market, Oil prices slid on Wednesday as COVID-19 cases in China continued to climb, sparking worries of lower fuel demand in the world's top crude importer that outweighed concerns about an escalation of geopolitical tensions and tighter oil supply. Brent crude futures dropped by 60 cents, or 0.6%, to \$93.26 a barrel by 0501 GMT, while U.S. West Texas Intermediate (WTI) crude futures fell 69 cents, or 0.8%, to \$86.23 a barrel.

Gold prices hit a three-month high on Wednesday after a Russian missile strike on Polish territory ramped up fears of a NATO-led escalation in the Ukraine conflict, boosting demand for traditional haven assets. Spot gold rose 0.1% to \$1,780.62 an ounce, while gold futures advanced 0.1% to \$1,784.05 an ounce, with both instruments touching their highest level since mid-August. They also rose 0.5% each on Tuesday. (Reuters)

LIBOR Rates	USD	JPY	GBP
1 Months	3.81857	-0.06005	2.96210
3 months	4.64386	-0.04097	3.51000
6 months	5.10386	0.03035	4.08780
12 months	5.48357	-	

Indicative Cross Rates		
	Bid	Offer
EUR/USD	1.0170	1.0565
GBP/USD	1.1670	1.2075
USD/AED	3.6630	3.6832
USD/JPY	137.05	141.52