



DOMESTIC NEWS

Kenya Shilling stable on Monday but is expected to weaken during the session due to increased demand for dollars especially from oil retailing companies. Commercial banks quoted the shilling at 121.25/45 per dollar versus 121.20/40 closing on Friday.

In other news, Kenya's cost-of-living measure hit a 65-month high in President William Ruto's first full month in office on the back of runaway food prices, fuel as well as home equipment and appliances, the statistics agency reported Monday.

Inflation — a measure of cost of living over the last 12 months — climbed to 9.6 percent in October from 9.2 percent a month earlier.

The jump in the cost of basic commodities will further narrow the shopping basket of households who have already been forced to cut on non-essential expenditure amid negative growth in real wages.

The rise in the cost-of-living last month was the fastest since May 2017 when inflation stood at 11.7 percent.

(Business daily)

Indicative Forex Rates

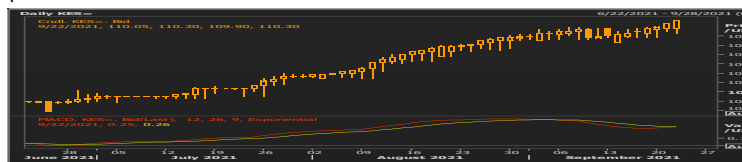
	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	117.90	128.40	117.40	127.90
GBP/KES	135.91	155.41	135.11	149.91
EUR/KES	115.57	141.47	115.87	134.47
AED/KES	29.05	39.05	31.05	38.55

Money Rates	Market	Current	Previous	Change
Interbank Rate		4.800%	5.020%	0.220
91-Day T-bill		9.127%	9.100%	0.027
182-Day T-Bill		9.678%	9.664%	0.014
364-Day T-Bill		9.965%	9.928%	0.037
Inflation		9.600%	9.200%	0.040
CBR RATE		7.500%	8.250%	0.750

Source; Central Bank of Kenya)

LIBOR Rates	USD	JPY	GBP
6 Months	4.93086	0.03836	4.01990
12 months	5.36900	-	-

(Source: Reuters



INTERNATIONAL NEWS

The dollar gained across the board on Monday, regaining some of the luster it lost earlier in the month, bolstered by expectations of another supersized rate increase at this week's Federal Reserve monetary policy meeting.

The dollar's gains however could be limited if the Fed signals on Wednesday that the pace of rate hikes will slow as it assesses the impact so far of its policy tightening.

In afternoon trading, the dollar rose 0.8% against the struggling yen to 148.62 yen. For the month of October, the dollar was up 2.7%, on track to post its third monthly gain versus the Japanese currency.

In the commodity markets, Oil prices rose on Tuesday, paring losses from the previous session, as a weaker U.S. dollar offset widening COVID-19 curbs in China that have stoked fears of slowing fuel demand in the world's second-largest oil consumer.

Brent crude for January delivery rose 73 cents, or 0.8%, to \$93.54 a barrel at 0406 GMT. The December contract expired on Monday at \$94.83 a barrel, down 1%.

U.S. West Texas Intermediate (WTI) crude rose 58 cents, or 0.7%, to \$87.11 a barrel, after falling 1.6% in the previous session.

Gold prices hit a 10-day low on Tuesday, with broader metal markets losing more ground as the dollar rebounded ahead of a widely expected Federal Reserve interest rate hike.

Spot gold fell 0.1% to \$1,631.70 an ounce, while gold futures fell 0.4% to \$1,634.75 an ounce by 20:05 ET (00:05 GMT). Both instruments were trading at a 10-day low, after tumbling for a seventh straight month in October,

Bullion prices are set to lose more ground as caution kicks in ahead of a Federal Reserve meeting that is set to conclude on Wednesday. The central bank is widely expected to hike interest rates by 75 basis points (bps).

In the commodities market, Indicative Profit Rates on Deposits

	Amounts > 10 million	
	KES	USD
2 Weeks	6.00%	1.00%
1 Month	6.55%	1.75%
3 Months	7.00%	2.25%
6 Months	7.50%	3.00%
1 year	8.00%	3.75%

Indicative Cross Rates

	Bid	Offer
EUR/USD	0.9720	1.0203
GBP/USD	1.1323	1.1762
USD/AED	3.6630	3.6832
USD/JPY	146.25	150.25