



DIB Bank Kenya

A subsidiary of Dubai Islamic Bank PJSC

TREASURY MARKET UPDATE 25TH OCTOBER 2022

DOMESTIC NEWS

Kenya Shilling held steady versus the dollar on Monday amid plentiful liquidity on Monday with fuel importer demand for hard currency supported by the pharmaceutical and agricultural sectors. Commercial banks quoted the shilling at 121.00/20 per dollar same as Fridays close.

In other news, tea prices at the weekly Mombasa auction continue to hold steadily, after a streak of poor performances in September and August.

The value of the beverage rose to \$2.37 per kilogramme (Sh286) in the latest sale when compared with the previous trading where it fetched \$2.32 (Sh280).

This marks the fourth week in a row that the price of the beverage has taken an upward trend at the sale.

The price increase, which was boosted by demand, comes on the back of a rise in the volume of tea, which was offered for sale during the session. The quantities were 120,000 kilogrammes more than the previous auction. (Business daily)

Indicative Forex Rates

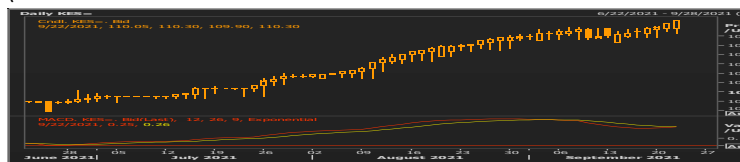
	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	117.70	128.20	117.20	127.70
GBP/KES	132.93	152.43	132.13	146.93
EUR/KES	114.83	152.43	115.13	133.73
AED/KES	29.00	39.00	31.00	38.50

Money Rates	Market	Current	Previous	Change
Interbank Rate		5.150%	5.180%	0.030
91-Day T-bill		9.100%	9.058%	0.042
182-Day T-Bill		9.664%	9.656%	0.008
364-Day T-Bill		9.928%	9.910%	0.018
Inflation		9.200%	8.530%	0.670
CBR RATE		7.500%	8.250%	0.750

Source; Central Bank of Kenya)

LIBOR Rates	USD	JPY	GBP
6 Months	4.73743	0.04206	4.24470
12 months	5.33943	-	-

(Source: Reuters



INTERNATIONAL NEWS

The pound's rebound since hitting an all-time low may soon run out of steam as the challenges facing new Prime Minister Rishi Sunak have deepened following outgoing PM Liz Truss' economically damaging "Trussonomics" policies.

GBP/USD fell 0.2% to \$1.1279 but remains well above its all-time low of \$1.0327 seen last month.

Sunak is expected to be appointed as U.K. Prime Minister by King Charles on Tuesday after winning the race to become the leader of the governing Conservative Party.

Elsewhere, dollar edged higher on Monday despite another suspected foreign exchange intervention by Japan, and China's offshore yuan fell to a record low.

The yen hit a low of 149.70 per dollar overnight before surging to a high of 145.28 within minutes in a move that suggested the Bank of Japan (BOJ), acting for Japan's Ministry of Finance, had stepped in again.

In the commodities market, Oil prices rose on Tuesday as the U.S. dollar eased against major peers, but gains were limited by worries of slowing global fuel demand growth amid bearish economic data from key oil importing economies such as China.

International benchmark Brent crude futures gained 27 cents to \$93.53 per barrel by 0415 GMT, after falling 0.3% in the previous session. U.S. West Texas Intermediate crude futures for December delivery rose 36 cents to \$84.94 per barrel, after a previous decline of 0.6%.

Gold prices were pressured near key support levels on Tuesday as the dollar steadied from recent losses, while copper prices retained recent losses amid growing concerns over slowing global economic growth.

Spot gold prices rose 0.2% to \$1,652.10 an ounce, while gold futures expiring in December also rose 0.2% by 19:23 ET (23:23 GMT). Bullion prices fell 0.6% on Monday as the dollar curbed recent losses.

In the commodities market, Indicative Profit Rates on Deposits

	Amounts > 10 million		Amounts >100,000	
	KES	USD	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	0.9670	1.0077
GBP/USD	1.1075	1.1479
USD/AED	3.6630	3.6832
USD/JPY	146.75	150.75

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.