



**DIB Bank Kenya**

A subsidiary of Dubai Islamic Bank PJSC

## TREASURY MARKET UPDATE 13<sup>TH</sup> NOVEMBER 2024

### DOMESTIC NEWS

The Kenyan shilling was stable against the dollar on Tuesday, data from the London Stock Exchange Group showed. The shilling traded at 128.50/129.50 to the dollar, the same as Monday's closing rate. (Reuters).

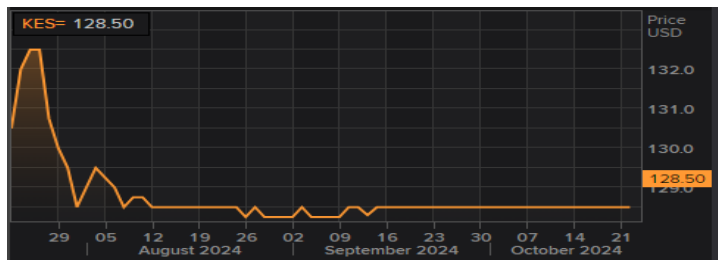
The International Monetary Fund (IMF) and the World Bank have differed on the push to end Kenya Power's monopoly in the sale of electricity to homes and businesses. The IMF wants Kenya to speed up regulations that will allow other firms to sell power in competition with the utility, arguing that the country is behind schedule in liberalising the electricity market. But the World Bank has warned the government against its push to end the monopoly, saying an open market will trigger a surge in electricity prices which has risen the most among basic items over the past five years. Kenya has published regulations that allow private firms to sell electricity directly to consumers, with the government targeting ending the monopoly next year. (Business Daily).

In other local news, President William Ruto's administration absorbed less than a third of Sh54.16 billion remitted by employers and employees towards housing development levy in the first year of enforcement, pointing to delays in the implementation of projects. Treasury Cabinet Secretary John Mbadi says the deductions, narrowly missed the target of Sh54.58 billion for the year ended June 2024 by Sh415 million or 0.76 percent. The Treasury made the disclosures on the housing levy deductions from workers' payslips following requests from the public who sent their views on the 2024 Budget Review and Outlook Paper (BROP). (Business Daily).

### Indicative Forex Rates

	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	124.00	134.00	124.00	134.00
GBP/KES	160.33	173.33	159.53	174.23
EUR/KES	131.97	145.87	132.27	148.77
AED/KES	31.12	44.12	33.12	44.62

	Amounts > 10 million	Amounts >100,000
	KES	USD
2 Weeks	9.50%	1.50%
1 Month	9.75%	2.50%
3 Months	10.00%	3.25%
6 Months	10.25%	3.50%
1 year	10.50%	4.25%



USD movement from August 2024 – Date (Source: Reuters)

### INTERNATIONAL NEWS

Most Asian currencies moved little on Wednesday, while the dollar steadied near recent peaks as focus turned squarely to upcoming U.S. inflation data for more cues on interest rates. The dollar shot up over the past week, while most Asian units weakened after Donald Trump won the 2024 presidential election. Uncertainty over what a second Trump presidency will entail for Asia remained in play. Traders were also seen holding out for more stimulus measures from China, after the country's latest bout of fiscal measures underwhelmed. The dollar index and dollar index futures steadied in Asian trade after falling slightly from a four-month high in the prior session. Traders piled into the greenback amid bets that Trump will introduce more expansionary policies, potentially underpinning inflation in the coming years.

On the other hand, EUR/USD dropped 0.3% to 1.0623, with the single currency trading near an almost seven-month low, as traders react to the incoming US administration as well as regional economic weakness. GBP/USD fell 0.4% to 1.2814, after the UK unemployment rate increased by more than expected in September, data showed Tuesday, rising to 4.3% in the three months to September, from 4.0% in the three months to August. USD/CNY climbed 0.3% to 7.2375, with the yuan weakening, falling to a three-month low, after Beijing's latest round of fiscal measures largely underwhelmed, especially as China faces increased economic pressure from a Trump administration.

In the commodities markets, gold prices rose in Asian trade on Wednesday, recouping a measure of recent losses as a rally in the dollar, on a Donald Trump election win, paused before inflation data that is likely to factor into interest rates. The yellow metal was nursing a sharp tumble from record highs over the past few weeks, as Trump's election win sparked a major risk-on rally across global financial markets. Recent losses saw spot gold hit a near two-month low on Tuesday. Spot gold rose 0.5% to \$2,609.90 an ounce, while gold futures expiring in December fell 0.4% to \$2,615.70 an ounce. The yellow metal appeared to have steadied from recent losses, with focus turning to upcoming consumer price index inflation data for more cues on interest rates.

On the other hand, Oil prices edged up on Wednesday on signs of near-term supply tightness but remained near their lowest in two weeks, a day after OPEC downgraded its forecast for global oil demand growth in 2024 and 2025. Brent futures rose 17 cents, or 0.24%, to \$72.06 a barrel, while U.S. West Texas Intermediate (WTI) crude futures gained 14 cents, or 0.21%, at \$68.26. (Reuters).

### Indicative Cross Rates

	Bid	Offer
EUR/USD	1.0413	1.0815
GBP/USD	1.2543	1.2945
USD/ZAR	16.0886	20.0956
USD/AED	3.6524	3.6934
USD/JPY	152.84	156.85

For more details, contact our Treasury staff Mary, John, Alice & Joseph on Tel +254 20 5131311, DL +254 20 513 1354/55/51/52, Cell +254 709913351/52/54/55. 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. The rates quoted includes the Banks mark up. DIB Bank Kenya Ltd is regulated by the Central Bank of Kenya.