



DIB Bank Kenya

A subsidiary of Dubai Islamic Bank PJSC

TREASURY MARKET UPDATE 19TH NOVEMBER 2024

DOMESTIC NEWS

The Kenyan shilling was unchanged against the dollar on Monday. The shilling traded at 129.00/130.00, according to LSEG data, the same as Friday's closing rate. (Reuters)

The Treasury will be seeking an additional Sh343 billion in tax revenue in the next financial year, signaling additional taxes that could raise the risk of a fresh round of social unrest. The Kenya Revenue Authority (KRA) will be required to collect Sh2.732 trillion as tax revenue, according to Treasury projections, being 14.4 percent or Sh343 billion more than the Sh2.389 trillion targeted in the current financial year. The latest target, set in the budget review and outlook paper (BROP), is more than the Sh2.659 trillion that the government initially eyed before the withdrawal of the Finance Bill, 2024 that has left the Treasury in a financial strain.

In other local news, about 33.2% of urban dwellers in Kenya consumed less than KSh 8,000 per month, while 42.9% of Kenyans living in rural areas spent less than KSh 4,300 per month, comprised the overall poverty headcount which stood at 39.8%. According to the KNBS, these signals that over 20 million Kenyans were unable to viably sustain themselves. (Business Daily).

Indicative Forex Rates

	Buy Cash	Sell Cash	Buy TT	Sell TT
USD/KES	124.25	134.25	124.25	134.25
GBP/KES	159.77	172.77	158.97	173.67
EUR/KES	131.92	145.82	132.22	148.72
AED/KES	31.19	44.19	33.19	44.69

	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%	4.00%



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

INTERNATIONAL NEWS

Most Asian currencies were nursing steep losses through the past week, as strong U.S. inflation readings and less dovish statements from the Federal Reserve sparked some uncertainty over just how much interest rates will fall in the coming months.

The dollar index and dollar index futures fell 0.1% each on Tuesday, retreating further from recent peaks as markets held on to bets that rates will fall in the short-term, dollar pricing was with a 59.8% chance for a 25-basis point cut in December, and a 40.2% chance rates will remain unchanged, CME Fed watch showed.

On the other hand, the pound held steady on Monday after falling to a six-month low the previous week as the dollar surged on the back of Donald Trump's victory in the U.S. presidential election. Sterling was last up 0.1% at \$1.2627, from \$1.2598 on Friday, its lowest since mid-May.

Elsewhere the euro fell to a 2-1/2 year low against the pound of 82.62 pence early last week as investors bet Trump's tariffs would be worse for the euro zone than Britain. It was last up 0.23% at 83.70 pence, after also rising on Friday in the wake of the weak British data.

In the commodities markets, Oil prices edged up on Tuesday, extending the previous day's rally driven by a halt in production at Norway's Johan Sverdrup oilfield, though investors remained cautious amid fears of an escalation in the Russia-Ukraine war. Brent crude futures for January delivery rose 15 cents, or 0.2%, to \$73.45 a barrel, while U.S. West Texas Intermediate crude futures for December delivery were at \$69.31 a barrel, up 15 cents, or 0.2%. The more active WTI January contract rose 13 cents, or 0.2%, to \$69.30.

On the other hand, gold prices rose in Asian trade on Tuesday, extending a recovery from two-month lows as the dollar retreated from recent peaks, while increased tensions between Russia and Ukraine also fed safe haven demand. The yellow metal rose sharply from a two-month low this week, as a rally in risk-driven assets, in the wake of a Donald Trump victory in the 2024 presidential election. Spot gold rose 0.4% to \$2,622.59 an ounce, while gold futures expiring in December rose 0.5% to \$2,626.90 an ounce. (investing.com).

Indicative Cross Rates

	Bid	Offer
EUR/USD	1.0385	1.0787
GBP/USD	1.2468	1.2875
USD/ZAR	15.9689	19.9754
USD/AED	3.6526	3.6936
USD/JPY	152.47	156.51

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