

DAILY FX NEWSLETTER
27th November 2018

Local Markets:

The Kenyan shilling was stable against the dollar on Monday due to inflows from offshore investors buying government debt meeting increased demand from oil and merchandise importers. The pair traded within a range of 102.30/102.70 throughout the day.

Top News:

- Saudi Arabia raised oil production to an all-time high in November, pulling down crude prices on Tuesday amid cautious trading ahead of the G20 gathering that starts in Argentina on Friday and next week's OPEC meeting in Austria.

International Markets:

USD: The dollar held steady on Tuesday as fresh concerns about the Sino-U.S. trade war lent support to safe haven currencies after U.S. President Donald Trump hosed down hopes of a trade truce with China on Monday weighing on global risk sentiment. Traders are focused this week on a speech on Wednesday by Fed Chairman Jerome Powell and minutes from the central bank's Nov. 7-8 meeting to be released on Thursday, for further cues of how many more times the Fed is likely to hike interest rates. On the docket today is the CB consumer confidence figure.

GBP: The pound steadied at \$1.2830 on Monday after Britain sealed a deal with the European Union on quitting the bloc, with the currency's gains curbed by doubts about whether Prime Minister Theresa May can get the agreement through a divided parliament with markets already pricing-in increased odds of the UK PM Theresa May's Brexit deal getting rejected by the Parliament amid a lack of agreement on the Irish backstop. With no significant data out on the cards today, the sterling is likely to remain subdued with range-bound action with support seen at \$1.2770 and resistance at \$1.2870.

EUR: The euro weakened against the greenback on Monday, giving up earlier gains from highs of \$1.1385 down to \$1.1340, after European Central Bank President Mario Draghi acknowledged slowing growth in the region. Adding to the downside of the pair was a larger than expected fall in German Ifo business climate index, coming in at 102.00 for November, as compared to 102.8 previous and consensus estimates pointing to a reading of 102.3. No data is slated for release today and the euro is likely to trade within a range with support seen at \$1.1300 and resistance at \$1.1390.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	102.00	103.10			
GBP/KES	131.00	132.10	GBP/USD	1.2815	1.2820
EUR/KES	115.80	116.90	EUR/USD	1.1340	1.1350
INR/KES		1.4520	AUD/USD	0.7240	0.7250
			USD/INR	70.85	70.55
			Commodities		
			Gold	1229	1231
			Brent Crude	60.42	59.93

T-Bills Rates:

Duration	Current	Previous
91 Days	7.342%	7.347%
182 Days	8.245%	8.320%
364 Days	9.570%	9.512%

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