

## DAILY FX NEWSLETTER 12<sup>TH</sup> November 2019

### **Local Markets:**

The Kenyan shilling strengthened on Monday to a four-month high, by dollar inflows from remittances and offshore investors buying shares on the stock market. The pair opened at 102.40/102.60 and closed at 102.35/102.55.

### **Indicative FX rates as at 8.30am:**

Currency	Buying	Selling	Currency	Today	Previous
<b>USD/KES</b>	102.10	102.70			
<b>GBP/KES</b>	131.35	132.15	<b>GBP/USD</b>	1.2867	1.2803
<b>EUR/KES</b>	112.65	113.45	<b>EUR/USD</b>	1.1041	1.1031
<b>INR/KES</b>		1.4520	<b>AUD/USD</b>	0.6856	0.6862
			<b>USD/INR</b>	71.51	71.33
			<b>Commodities</b>		
			<b>Gold</b>	1454	1463
			<b>Brent Crude</b>	62.38	61.99

### **T-Bills Rates:**

Duration	Current	Previous
91 Days	6.390%	6.390%
182 Days	7.261%	7.189%
364 Days	9.787%	9.780%

### **Top News:**

- U.S. oil prices fell for a second day on Tuesday, weighed down by uncertainty over whether U.S.-China trade talks are making much progress, while higher Saudi Arabian crude output reinforced concerns about oversupply.
- Gold prices were flat on Tuesday, as investors looked for clues from U.S. President Donald Trump on the status of trade talks with China, while the political unrest in Hong Kong provided some support to the safe-haven metal.

### **International Markets:**

**USD:** The U.S. dollar was broadly lower on Monday after President Donald Trump said over the weekend that trade talks with China were moving along “very nicely,” but that the United States would only make a deal with Beijing if it was right for America

**GBP:** Despite benefiting from the UK’s political optimism, the GBP/USD pair awaits fresh clues from monthly employment numbers while taking the bids to 1.2865 ahead of the London open on Tuesday. The Brexit party leader Nigel Farage’s step back from 317 constituencies earlier won by Tories increase the odds of another Conservative leadership and smooth Parliament functioning after the United Kingdom’s (UK) departure from the bloc.

**EUR:** EUR/USD stuck in range as USD sees a steady recovery. Meanwhile, on the EUR-side of the equation, the inconclusive outcome of the Spanish general election combined with Eurozone economic growth worries continue to remain a dragged on the common currency.

**INR:** The rupee, on Monday, tumbled by 19 paise to a near one-month low against the US dollar as fresh concerns over US-China trade deal and Hong Kong unrest kept forex market participants edgy. Investors also played their bets cautiously in view of India’s rating outlook cut by Moody’s investors Services last week.

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