

DAILY FX NEWSLETTER 25TH November 2019

Local Markets:

The Kenyan shilling was stable on Friday due to dollar demand from merchandise importers being met by inflows from diaspora remittances and offshore investors buying government debt.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	101.20	101.80			
GBP/KES	130.10	131.00	GBP/USD	1.2960	1.2926
EUR/KES	111.50	112.50	EUR/USD	1.1040	1.1075
INR/KES		1.4300	AUD/USD	0.6810	0.6794
			USD/INR	71.58	71.66
			Commodities		
			Gold	1461	1466
			Brent Crude	63.58	62.55

T-Bills Rates:

Duration	Current	Previous
91 Days	7.131%	6.680%
182 Days	8.215%	7.774%
364 Days	9.804%	9.784%

Top News:

- Asian shares staged a cautious rally on Monday as investors dared to hope for some progress in the endless Sino-U.S. trade dispute, while the outperformance of recent U.S. economic data gave the dollar a leg up on its peers.
- Oil prices began the week on a brighter note on Monday, posting early gains as positive noises from Washington over the weekend rekindled optimism in global markets that the United States and China could soon sign a deal to end their bitter trade war.

International Markets:

USD: The U.S. dollar was unchanged on Monday in Asia amid persistent uncertainty over Sino-U.S. trade talk progress. The U.S. Dollar Index last traded at 98.180 by 12:01 AM ET (04:01 GMT)

GBP: GBP/USD remains on the back foot amid broad USD strength. Stories concerning the US-China trade talks, Hong Kong trouble traders. The UK PM Boris Johnson's manifesto fails to impress business leaders. The Tory manifesto fails to receive a warm welcome from the investors' fraternity as the GBP/USD seesaws around 1.2850 while heading into the London open on Monday.

EUR: Weak German IFO data may bolster bearish pressures EUR/USD established a bearish lower high near 1.11 last week. A drop to 1.10 looks likely courtesy of trade tensions. The psychological support will likely be breached if the German IFO - Expectations (Nov) prints below estimates.

INR: USD/INR remains under pressure while also respecting the pullback from near-term key SMA. Asian equities mark guarded gains amid mixed trade headlines. Second-tier US data can entertain momentum traders while US-China headlines could keep markets busy. Following its failure to provide a daily closing beyond 10-day SMA, USD/INR drops to 71.66 while heading into the European open on Monday.

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