

DAILY FX NEWSLETTER 26TH November 2019

Local Markets:

The Kenyan shilling KES weakened against the dollar on Monday due to end month dollar demand from merchandise importers and the energy sector.

Kenya's Central Bank cut its benchmark lending rate CBR from 9.0% to 8.5% for the first time in more than a year on Monday, saying tightening fiscal policy had provided room to ease in an effort to coax an economy operating below its potential.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	101.60	102.40			
GBP/KES	131.10	132.10	GBP/USD	1.2910	1.2960
EUR/KES	112.10	112.80	EUR/USD	1.1025	1.1040
INR/KES		1.4370	AUD/USD	0.6800	0.6810
			USD/INR	71.57	71.58
			Commodities		
			Gold	1455	1461
			Brent Crude	63.68	63.58

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 stocks rose on Tuesday, bolstered by Wall Street's record closing highs and signs of new momentum in Beijing's and Washington's efforts to end their long and acrimonious trade dispute.
- Oil prices were steady on Tuesday, hanging onto gains from the previous session, after comments from the United States and China kept alive hopes that the world's two largest economies are soon to agree on ending their trade war

International Markets:

USD: The dollar held an upper hand against the yen on Tuesday as optimism on a trade deal between the United States and China dented the allure of the safe-haven unit while the British pound was supported by hopes of an end to a hung parliament.

GBP: GBP/USD takes clues from trade news, Fed's Powell statement amid languishing UK politics. GBP/USD fails to hold onto recovery gains amid trade optimism, upbeat comments from Fed's Powell. The UK's Tories remain on the top of the poll, though with lesser margin. US data, trade/political headlines will be the key drivers to watch.

EUR: Fed's Powell signaled that rates will likely hold steady. Markets may offer US dollar, helping EUR/USD end the four-day losing streak. Weak Eurozone data and trade issues may cap upside.+ EUR/USD could snap four-day winning streak as Federal Reserve's President Jerome Powell on Monday signaled that interest rates are unlikely to rise anytime soon.

INR: Rupee tracks the Chinese yuan higher amid fresh trade optimism. USD/INR tests 71.60 key support amid rising odds of RBI rate cut next month. Focus remains on trade-related developments and US macro data. The USD/INR pair is seen on the back foot near four-day lows of 71.609, starting out this Tuesday's business, as the rupee benefits from the rise in its Chinese peers on fresh trade talks momentum

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