

DAILY FX NEWSLETTER 28TH November 2019

Local Markets:

Kenya's shilling weakened on Wednesday due to increased dollar demand from importers in sectors like energy.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	102.40	102.90			
GBP/KES	132.25	133.10	GBP/USD	1.2946	1.2865
EUR/KES	112.60	113.40	EUR/USD	1.1015	1.1020
INR/KES		1.4490	AUD/USD	0.6776	0.6785
			USD/INR	71.40	71.30
			Commodities		
			Gold	1457	1458
			Brent Crude	63.87	64.21

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 share markets wobbled on Thursday as concerns that tensions over Hong Kong may stymie a U.S.-China trade deal cast a pall over Thanksgiving cheer from positive U.S. economic data.
- Oil prices fell on Thursday, extending losses from the previous session after official data showed U.S. crude and gasoline stocks rose against expectations and production hit a record.

International Markets:

USD: The safe-haven yen rose against the dollar after U.S. President Donald Trump signed into law support for anti-government protesters in Hong Kong, which could complicate efforts to end the U.S.-China trade war.

GBP: GBP/USD seesaws around one-week top as the key poll suggests the ruling Tory Party to keep the helm of the United Kingdom (UK). The opposition Labour Party's allegations on the Tories, over NHS, fail to disappoint cable buyers. US-China trade war fears add strength to the upside.

EUR: EUR risks falling below 61.8% Fib support, courtesy of an upbeat US data and US-China political tensions. A break lower will likely remain elusive if the German CPI blows past expectations. German inflation is forecasted to have dropped 0.6% in November. EUR/USD is operating on slippery grounds and will likely have a hard time defending key support, unless German inflation data, due at 13:00 GMT, blows past estimates, weakening dovish ECB expectations.

INR: The US President's passage of Hong Kong bill recently triggered trade war fears, USD/INR responds to the news after markets in India open. Thanksgiving Holiday, a lack of major data/events can restrict the market's reaction to the news. Given the increasing odds of a trade war between the United States (US) and China, Asian traders adhere to risk aversion. In doing so, the USD/INR pair takes a U-turn from multi-day low to 71.37 as Indian markets open for Thursday's trading.

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