

DAILY FX NEWSLETTER

13th December 2019

Local Markets:

The Kenyan shilling held steady on Wednesday with diaspora remittances helping to meet increased dollar demand from merchandise importers ahead of the holiday season.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	101.40	102.00			
GBP/KES	136.40	137.50	GBP/USD	1.3490	1.3155
EUR/KES	113.20	113.95	EUR/USD	1.1190	1.1100
INR/KES		1.4500	AUD/USD	0.6935	0.6830
			USD/INR	70.703	70.70
			Commodities		
			Gold	1468	1463
			Brent Crude	64.65	64.00

T-Bills Rates:

Duration	Current	Previous
91 Days	7.151%	7.162%
182 Days	8.107%	8.201%
364 Days	9.798%	9.804%

Top News:

- Asian shares scaled eight-month peaks on Friday as a last-gasp Sino-U.S. trade deal and a likely major election win by Britain's Conservative Party looked to have cleared a couple of dark clouds from the global horizon.
- Oil prices extended gains on Friday, scaling three-month highs as the United States and China moved closer to a resolution to the 18-month trade war between the world's two biggest economies that has raised big questions about global demand for crude.

International Markets

USD: The British pound jumps more than 2% against the U.S. dollar after a U.K. election exit poll suggested that Boris Johnson's Conservative Party is projected to win the election. The GBP/USD pair jumped 2.3% by 11:15 PM ET.

GBP: GBP/USD rallied hard on a clear majority for Conservatives. Bulls took a breather amid extremely overbought conditions. The GBP/USD pair now seems to have entered a bullish consolidation phase and was seen oscillating in a narrow trading band, just above mid-1.3400s.

EUR: President Trump may announce a Sino-US trade deal on Friday. UK's PM Johnson is heading for a big win in elections. Brexit optimism and fading trade tensions could keep EUR and GBP better in Europe. EUR/USD is better bid on reports stating the US could announce China trade deal on Friday and due to Brexit optimism. The currency pair is currently trading at 1.1178, representing a 0.45% gain on the day, having hit a high of 1.12 in the Asian session. That level was last seen on Aug. 13.

INR: USD/INR extended its four-day losing streak and hit fresh three-month lows of 70.54 over the last hour, mainly in response to broad-based US dollar weakness and foreign fund inflows. The Indian rupee kept its recent upbeat momentum intact vs. its American peer, as higher domestic equities and persistent foreign fund inflows strengthened investors' sentiment in the local currency.

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