

## DAILY FX NEWSLETTER 9th December 2019

### **Local Markets:**

The Kenyan shilling extended its recent gains on Friday, supported by hard currency inflows from offshore investors buying government debt amid tight local currency liquidity conditions.

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

<i>Currency</i>	<i>Buying</i>	<i>Selling</i>	<i>Currency</i>	<i>Today</i>	<i>Previous</i>
<b>USD/KES</b>	101.40	101.90			
<b>GBP/KES</b>	133.10	134.00	<b>GBP/USD</b>	1.3160	1.3165
<b>EUR/KES</b>	112.00	112.70	<b>EUR/USD</b>	1.1080	1.1120
<b>INR/KES</b>		1.4405	<b>AUD/USD</b>	0.6845	0.6852
			<b>USD/INR</b>	71.10	71.20
			<b>Commodities</b>		
			<b>Gold</b>	1461	1475
			<b>Brent Crude</b>	64.14	63.17

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

<i>Duration</i>	<i>Current</i>	<i>Previous</i>
91 Days	7.162%	7.162%
182 Days	8.201%	8.204%
364 Days	9.804%	9.803%

### **Top News:**

- Asian stocks edged up on Monday, catching some of Wall Street's momentum after surprisingly strong U.S. jobs data although regional gains were capped by concerns about China's economic slowdown due to the prolonged Sino-U.S. trade war.
- Oil prices fell on Monday after data showing China's overall exports of goods and services shrank for a fourth straight month, sending shivers through a market already concerned about damage being done to global demand by the Sino-U.S. trade war.

### **International Markets:**

**USD:** The U.S. dollar and the euro were little changed on Monday in Asia as traders await Central Bank meetings due later this week. The U.S. Dollar Index was little changed at 97.685 by 11:57 PM ET (03:57 GMT). The Federal Reserve is expected to keep rates steady on Wednesday this week at the conclusion of its policy meeting. The Fed has cut rates three times this year to shield the U.S. economy from a global slowdown.

**GBP:** GBP/USD has been resuming its gains at the beginning of the new trading week as opinion polls remain favorable for Prime Minister Boris Johnson. The Technical Confluences Indicator is showing that pound/dollar is trading around 1.3145, where we see a dense cluster of levels including the Fibonacci 61.8% one-day, the Simple Moving Average 10-4h, the SMA 10-15m, the BB15min-Lower, and more.

**EUR:** EUR/USD fell sharply on Friday, invalidating a bullish breakout. The US dollar may remain bid on upbeat payrolls data and trade tensions. EUR/USD risks reporting losses on Monday, having charted a bearish outside day candlestick pattern on Friday

**INR:** USD/INR drops more than 20 pips during the active hours of Indian markets. Ex-RBI Governor says India is in "growth recession", suggests trade agreements, broad reforms. Fed, ECB, UK election and trade war to direct this week's momentum. USD/INR declines to 71.10 ahead of the European session on Monday. The quote recently dropped heavily as traders booked profits from the US dollar's (USD) surge on Friday. Also affecting the trading sentiment is the presence of key events during the week.

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