

DAILY FX NEWSLETTER

15th APRIL 2020

Local Markets:

The Kenya shilling was stable on Tuesday due to lower demand for dollars from oil and retail importers as markets resumed trading after the Easter holidays.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	105.55	106.85			
GBP/KES	133.15	134.65	GBP/USD	1.2600	1.2580
EUR/KES	115.90	117.35	EUR/USD	1.0975	1.0958
INR/KES		1.4135	AUD/USD	0.6395	0.6435
			USD/INR	76.09	76.21
			Commodities		
			Gold	1755	1768
			Brent Crude	29.92	32.04

T-Bills Rates:

Duration	Current	Previous
91 Days	7.209%	7.220%
182 Days	8.106%	8.145%
364 Days	9.040%	9.049%

Top News:

- Gold prices fell on Wednesday as investors locked in profits after the metal rallied to a more than seven-year high in the previous session, but fears of a global recession due to the coronavirus pandemic limited losses.
- Oil prices rose on Wednesday as investors looked for bargains after the previous session's slump and on hopes that consuming countries will look to fill their strategic reserves, although oversupply fears and warnings of a deep recession capped gains.

USD: The dollar nursed losses on Wednesday as investors cautiously returned to riskier currencies after U.S. President Donald Trump edged toward rolling back some restrictions put in place to contain the coronavirus pandemic. The greenback also remains under pressure following heavy measures by the Federal Reserve to boost dollar supply, however, analysts say it is too early for a full-scale retreat from safe-havens with the public health threat not yet eliminated.

GBP: GBP/USD steps back from the five-week top. US Dollar consolidates losses amid hopes of the early restart of some US states. The EU-UK Brexit negotiators will discuss a future timetable for talks, the deadline remains the key issue. The US economic docket, virus updates in the spotlight too. GBP/USD steps back from the five-week top, currently down 0.15% on a day to 1.2607, while heading into the London open on Wednesday.

EUR: EUR/USD has retreated from overnight highs near 1.0990. Optimism that the coronavirus crisis has peaked is supportive of risk assets and gains in EUR/USD. On the data front, the focus is on Italy's inflation figure and the US monthly retail sales. The bid tone around the single currency weakened in Asia on Wednesday, allowing for a pullback in the EUR/USD pair ahead of the London open. The currency pair is trading near 1.0977 at press time, representing a marginal decline on the day, having hit a high of 1.0991 late Tuesday (UTC time).

INR: USD/INR consolidates losses after breaking the 13-day-old trend line. 21-day SMA up on the seller's radar, a five-week-old support line will be watched next. Buyers can aim to refresh the monthly top during fresh upside. USD/INR stays mildly positive, up 0.07% on a day to currently around 76.03, amid the initial trading hour of the Indian session on Wednesday.

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