

DAILY FX NEWSLETTER

22nd APRIL 2020

Local Markets:

The Kenyan Shilling was unmoved on Tuesday but was seen under pressure due to an economic slowdown induced by measures taken to stop the novel coronavirus amid thin trading activity.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	106.45	107.95			
GBP/KES	130.10	133.45	GBP/USD	1.2305	1.2423
EUR/KES	114.80	117.90	EUR/USD	1.0865	1.0853
INR/KES		1.4150	AUD/USD	0.6330	0.6329
			USD/INR	76.70	76.58
			Commodities		
			Gold	1707	1704
			Brent Crude	16.87	25.36

T-Bills Rates:

Duration	Current	Previous
91 Days	7.201%	7.209%
182 Days	8.089%	8.106%
364 Days	9.091%	9.040%

Top News:

- Gold prices held steady on Wednesday as fragile equities, hammered by falling crude prices, offset a stronger U.S. dollar. Despite continued economic volatility that is affecting even safe havens such as gold, the bank remained bullish that the fiscal and monetary stimuli unleashed by governments worldwide will offset the impact of the COVID-19 pandemic.
- Oil prices found some respite on Wednesday as U.S. oil futures rose more than 20% and Brent prices steadied after a two-day price plunge, as markets struggle with a massive crude glut amid the coronavirus outbreak.

International Markets

USD: The dollar and yen held broad gains on Wednesday, as a bounce in oil prices failed to calm market nerves, with the week's rout and frail fuel demand underlining a grim outlook for the global economy. The greenback sat just below a two-week peak against a basket of peers, and barely budged against commodity currencies whacked by the oil collapse, even as U.S. crude jumped 20%.

GBP: GBP/USD stays depressed near a two-week low. Experts question the UK's social distancing guidelines, death toll cross 17,000. Human trials of the vaccine begin on Thursday amid criticism of lack of medical supplies. UK CPI, Brexit and coronavirus updates will be crucial to follow. GBP/USD registers three-day losing streak, down 0.07% on a day to 1.2285, while heading into the London open on Wednesday.

EUR: EUR/USD is trapped in an 81-pip range amid and trades in an indecisive manner. No debt-sharing consensus ahead of the Euro area summit could keep the single currency under pressure. Analysts caution against reading too much into the surge in Germany's Zew Expectations index. The EUR/USD pair is trapped in an indecisive trading range defined by Monday's high of 1.0897 and Tuesday's low of 1.0816.

INR: USD/INR benefits from Monday's bullish Doji candlestick formation. Bollinger's upper band will take clues from the bearish MACD, overbought RSI to restrict the further advances. Sellers will look for entry below the mid-month lows. While taking clues from the previous day's bullish Doji, USD/INR rises 0.27% on a day to 76.78 during the initial hours of the Indian session on Tuesday.

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