

DAILY FX NEWSLETTER

23rd APRIL 2020

Local Markets:

The Kenyan shilling was stable on Wednesday as market activity remained subdued by the COVID-19 pandemic

Top News:

- Oil extended gains on Thursday amid signs that producers are cutting production to cope with a collapse in demand for fuel as the coronavirus outbreak ravages the world's economies.
- Gold eased on Thursday as investors booked profits from a near 2% rally in the previous session, while U.S. stimulus measures to ease the economic blow from the coronavirus outbreak limited losses and kept prices above \$1,700 an ounce.

International Markets

USD: The dollar pushed ahead against the currencies of oil producers on Thursday as a rebound in crude prices from an unprecedented collapse only partially calmed markets unnerved by the massive coronavirus-led drop in global demand. The dollar was little changed versus the yen as the pair remains stuck in a holding pattern.

GBP: GBP/USD registers modest losses following Wednesday's upbeat performance. Tory leaders anticipate being "at the peak" of the outbreak, are criticized for mishandling the coronavirus, UK PMIs to portray downbeat scenario but \$3.2 billion worth of bets say Pound will go up. US Jobless Claims, Markit PMI and virus updates are important too. GBP/USD drops to 1.2325, down 0.07% on a day, while heading into the London open on Thursday. A lack of major catalysts held the Cable pair tightly during Asia. Though, the key UK PMI and US Jobless Claims, coupled with activity numbers, will offer an active session ahead.

EUR: EUR/USD drops 0.10% ahead of the European PMIs. Weaker-than-expected data could bolster the soft tone around the single currency. EU leaders meet today on the fiscal response, but the north-south divide may hinder progress. The single currency is prolonging the pessimism seen on Wednesday and pushing EUR/USD to weekly lows in the 1.08 neighborhood. The pair is currently trading near 1.0810, representing a 0.10% drop on the day, having declined by 0.30% on Wednesday.

INR: USD/INR confirms multi-day-old rising wedge bearish technical pattern. 21-day SMA checks the sellers, 77.00 acts as near-term key resistance. While extending its break below the six-week-old rising trend line, USD/INR drops to 76.22, down 0.25% on a day, during the pre-European session on Thursday. In doing so, the pair confirms short-term rising wedge bearish formation.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	106.45	107.95			
GBP/KES	130.85	134.20	GBP/USD	1.2372	1.2305
EUR/KES	114.50	117.65	EUR/USD	1.0838	1.0865
INR/KES		1.4300	AUD/USD	0.6343	0.6330
			USD/INR	76.02	76.70
			Commodities		
			Gold	1741	1707
			Brent Crude	22.42	16.87

T-Bills Rates:

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

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