

**DAILY FX NEWSLETTER**  
**23<sup>rd</sup> March 2020**

**Local Markets:**

The Kenyan shilling fell to a new four and a half year low on Friday, extending its weakening streak due to persistent worries about the impact of the coronavirus pandemic on export earnings.

**Top News:**

- Gold prices fell on Monday as investors stockpiled cash, with a rising numbers of coronavirus-led national lockdowns threatening to overshadow stimulus measures from global central banks to combat the economic damage.
- Oil prices fell on Monday as governments escalated lockdowns to curb the spread of the global coronavirus outbreak that has slashed the demand outlook for oil and threatened a global economic contraction.

**International Markets**

**USD:** The dollar rose against major currencies on Monday as fresh declines in global stocks and worries about tightening liquidity amid the worsening coronavirus crisis accelerated the flight to cash. Investors are also hoping for big fiscal spending to mitigate the damage to the global economy, but uncertainty about the spread of the virus is likely to support the dollar in the future. The dollar has also surged against many emerging market currencies, highlighting the growing sense of risk aversion across the globe.

**GBP:** GBP/USD pays a little heed to the UK lockdown concerns while taking the bids to 1.1655 ahead of the London open on Monday. In doing so, the Cable could have taken clues from the US Senate's failure to pass President Donald Trump's Coronavirus (COVID-19) Bill. Moving on, the G20 conference call and another voting on the Bill will be the keys to watch.

**EUR:** EUR/USD defended Friday's low in Asia and now looks to be charting a double bottom pattern. Haven demand against commodity dollars is likely boding well for EUR/USD. EUR/USD is charting a bullish reversal pattern on technical charts amid another brutal sell-off in the global equity markets. The common currency is drawing haven bids against currencies like the New Zealand dollar and the Australian dollar and the uptick in the crosses seems to be lifting EUR/USD.

**INR:** USD/INR remains on the front foot for the fourth consecutive day. Coronavirus cases in Indian surge to near 400, multiple state governments announced lockdown. Indian PM Modi to seek industry body's feedback on the impact of the deadly virus. With the recent coronavirus outbreak in India, USD/INR prints yet another record top of 76.90, currently up 0.67% around 76.15, during the pre-European session on Monday.

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

Currency	Buying	Selling	Currency	Today	Previous
<b>USD/KES</b>	105.70	106.70			
<b>GBP/KES</b>	123.45	124.65	<b>GBP/USD</b>	1.1707	1.1670
<b>EUR/KES</b>	110.20	111.40	<b>EUR/USD</b>	1.0459	1.0758
<b>INR/KES</b>		1.4130	<b>AUD/USD</b>	0.5780	0.5865
			<b>USD/INR</b>	75.91	74.92
			<b>Commodities</b>		
			<b>Gold</b>	1497	1486
			<b>Brent Crude</b>	25.98	28.67

**T-Bills Rates:**

Duration	Current	Previous
91 Days	7.275%	7.313%
182 Days	8.030%	8.104%
364 Days	9.051%	9.100%

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