

DAILY FX NEWSLETTER 5th MAY 2020

Local Markets:

The Kenyan shilling was stable on Monday, supported by foreign currency inflows from diaspora remittances and non-governmental organizations amid waning dollar demand from merchandise importers.

Top News:

- Oil prices climbed in early trade on Tuesday, adding to gains in the previous session, on expectations that fuel demand will begin to pick up as some U.S. states and nations in Europe and Asia start to ease coronavirus lockdown measures.
- Asian stocks rose on Tuesday, tracking a late Wall Street rally as governments eased coronavirus lockdowns while oil extended gains on expectations fuel demand would begin to pick up

International Markets

USD: The U.S. dollar was down on Tuesday morning in Asia, with stocks up as some countries reopened their economies the day before. US-China trade war, coronavirus take center stage once again. US ISM Non-Manufacturing, Trade Balance figures next of note.

GBP: GBP/USD snaps two-day losing streak. UK coronavirus-led death toll drops to the lowest since early-March but still could soon reach to Italy's levels. UK-US trade talks start today, could push the EU towards easing Brexit bias. British PMI can confirm downbeat performance during April. GBP/USD snaps two-day losing streak while flashing 1.2465 as a quote, up 0.15% on a day, ahead of Tuesday's London open.

EUR: EUR/USD registered biggest daily drop in over a month on Monday. Easing of lockdown measures in Germany could support the single currency. Technical charts indicate Monday's high is the level to beat for the bulls. EUR/USD is trading in a sideways manner around 1.09 on Tuesday, having dropped by 0.67% on Monday. That was the biggest single-day percentage drop since April 2.

INR: The rupee on Tuesday opened 8 paise higher at 75.63 against the US dollar NSE 1.13 %, following a rise in domestic equity markets and reopening of the economy. The domestic currency is back on the upwards trajectory after a day of pause. The dollar index, which measures the strength of the US dollar against a basket of six currencies, dropped 0.12 per cent, as commodity currencies inched up, with the Australian dollar rising 0.4 per cent against the greenback.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	106.00	107.00			
GBP/KES	132.45	133.20	GBP/USD	1.2485	1.2460
EUR/KES	115.20	116.75	EUR/USD	1.0925	1.0945
INR/KES		1.4280	AUD/USD	0.6470	0.6410
			USD/INR	75.40	75.70
			Commodities		
			Gold	1700	1732
			Brent Crude	28.31	26.17

T-Bills Rates:

Duration	Current	Previous
91 Days	7.242%	7.212%
182 Days	8.134%	8.121%
364 Days	9.115%	9.110%

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