

DAILY FX NEWSLETTER

16th June 2020

Local Markets:

The Kenyan shilling held steady on Monday as dollar demand from oil and merchandise importers was matched by remittances and horticulture export proceeds.

Top News:

- Oil prices slid on Tuesday on lingering concerns over the threat to fuel demand from the resurgence of new coronavirus infections around the world, though hopes for further cuts in crude supplies stemmed losses.
- Asian shares and Wall Street futures rallied on Tuesday as the formal start of the Federal Reserve's corporate bond buying program boosted global investor sentiment and calmed earlier worries about a second wave of coronavirus infections.

International Markets

USD: The dollar nursed losses on Tuesday, after the U.S. Federal Reserve announced it would begin broad buying of corporate debt, boosting investor sentiment and appetite for riskier currencies. The Fed said it will start purchasing a diversified range of investment grade U.S. corporate bonds on Tuesday in a bid to secure companies' access to cash and ensure credit market liquidity amid the COVID-19 pandemic.

GBP: The pound jumped from session lows against the dollar as the U.K and European Union agreed to intensify post-Brexit talks. Prime Minister Boris Johnson stoked hopes that an outline of a deal could be reached by the end of next month.

EUR: EUR/USD extends Monday's gain on President Trump's stimulus talk. President Trump's team weighs \$1 trillion for infrastructure. Risk-on weighs over the US dollar, a preferred safe haven since the beginning of the coronavirus crisis. EUR/USD is extending Monday's bullish move with markets offering US dollars on reports that President Trump is considering an additional fiscal stimulus plan.

INR: USD/INR prints mild losses following Friday's pullback from short-term trading range's resistance. A resistance-turned-support line from April 06 gains sellers' attention. 100-day SMA adds to the downside support, 77.00 offers additional upside barrier. USD/INR declines to 75.83, down 0.15% on the day, during the pre-European session on Tuesday. The quote has been trading in a broad range between 76.22 and 74.95 since early-May. As a result, it's the latest pullback from the upper limit suggests further declines

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	105.75	107.00			
GBP/KES	134.20	135.80	GBP/USD	1.2690	1.2500
EUR/KES	120.10	121.50	EUR/USD	1.1380	1.1260
INR/KES		1.4180	AUD/USD	0.6980	0.6800
			USD/INR	75.70	76.00
			Commodities		
			Gold	1728	1726
			Brent Crude	39.78	37.45

T-Bills Rates:

Duration	Current	Previous
91 Days	7.259%	7.325%
182 Days	8.060%	8.200%
364 Days	9.030%	9.165%

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