

## DAILY FX NEWSLETTER

11<sup>th</sup> August 2020

### Local Markets:

The Kenyan shilling inched down on Monday due to demand for hard currencies by importers including those from the energy sector.

### Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
<b>USD/KES</b>	107.35	108.55			
<b>GBP/KES</b>	140.30	142.40	<b>GBP/USD</b>	1.3095	1.3080
<b>EUR/KES</b>	126.00	127.95	<b>EUR/USD</b>	1.1765	1.1800
<b>INR/KES</b>		1.4620	<b>AUD/USD</b>	0.7185	0.7175
			<b>USD/INR</b>	74.75	74.80
			<b>Commodities</b>		
			<b>Gold</b>	2009	2033
			<b>Brent Crude</b>	45.19	44.86

### T-Bills Rates:

Duration	Current	Previous
91 Days	6.123%	6.121%
182 Days	6.549%	6.455%
364 Days	7.455%	7.391%

### Top News:

- Oil was up for a second day in a row Tuesday morning in Asia on signs that demand for fuel may be recovering along with renewed hope of a new stimulus package in the U.S.
- Although the US dollar fades the upside momentum, after rising for two days, gold prices print a three-day losing streak while declining to \$2,016.60, down 0.56% on a day, ahead of Tuesday's European session.

### International Markets

**USD:** The dollar held overnight gains on Tuesday following seven weeks of an almost relentless fall as investors clung to hopes of a bi-partisan stimulus deal in Washington and U.S. bond yields rebounded from multi-month lows. U.S. President Donald Trump on Saturday signed executive orders restoring part of enhanced unemployment payments and suspending payroll taxes. U.S. congressional leaders and Trump administration officials said on Monday they were ready to resume negotiations on a coronavirus aid deal, although it was unclear whether Democrats and Republicans would be able to bridge their differences.

**GBP:** GBP/USD keeps gains from 1.3065 despite the latest pullback from 1.3096. UK Consumer Spending recovers in July, London-Tokyo trade talks linger. No10 vows action on illegal French fishers, BOE's Ramsden signal further QE if the economy worsens. US dollar fades upside momentum, market sentiment stays positive despite risk-negative headlines. GBP/USD picks up the bids near 1.3090, up 0.11% on a day, while heading into the London open on Tuesday. The Cable extends Monday's winning streak despite downbeat comments from the BOE policymaker as well as Brexit woes.

**EUR:** EUR/USD finds acceptance under key SMA, charts double top pattern. German ZEW Survey is forecasted to show slight decline in economic sentiment. The focus would also be on US stimulus talks and Sino-US tussle. EUR/USD closed below the 10-day simple moving average (SMA) for the second straight trading day on Monday, establishing the widely tracked short-term SMA as resistance for the first time since June 25.

**INR:** The rupee settled with gains of 3 paise at 74.90 (provisional) against US dollar NSE 0.57 % on Monday tracking positive domestic equities. At the interbank forex market, the rupee opened weak at 74.96, then recovered the lost ground and finally settled at 74.90 against the greenback.

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