

DAILY FOREX NEWSLETTER

Monday, 26th October 2020

Local Market

The Kenyan Shilling weakened on Friday due to increased dollar demand from the energy sector.

Top News:

- The dollar found support on Monday, as surging coronavirus cases in Europe and the United States and a lack of progress toward a U.S. stimulus package put traders in a cautious mood, although hopes for a Brexit trade deal held sterling steady.
- Gold prices eased to an over one-week low on Monday in early Asia trade as the dollar firmed and talks over the new U.S. coronavirus aid package showed no signs of progress.

International Markets

USD: The dollar found support on Monday, as surging coronavirus cases in Europe and the United States and a lack of progress toward a U.S. stimulus package put traders in a cautious mood, although hopes for a Brexit trade deal held sterling steady. Against a basket of currencies (=USD), the greenback trod water in the Asia session, after having fallen broadly last week. Against the risk-sensitive Australian dollar and against the euro it gained about 0.2%.

GBP: GBP/USD licks wounds near Friday's lows amid risk-off mood. Brexit talks 'on knife-edge', UK records 23K new coronavirus cases. Markets await fresh Brexit, virus and US stimulus updates. GBP/USD extends losing streak into a third straight day on Monday, pressured by the downbeat market mood amid a rapid surge in coronavirus cases globally.

EUR: EUR/USD dips as coronavirus concerns weigh over the single currency. France registers record single-day rise in infections while Spain announces national curfew. The resurgence of coronavirus could raise pressure on the ECB to boost stimulus.

INR: The Indian rupee opened 17 paise lower against the US dollar amid weak domestic equity markets and a firm greenback. at 10:15 am, the rupee traded at 73.74 against the US dollar, compared to the previous close of 73.60. It had opened at 73.77.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	108.20	110.40			
GBP/KES	140.20	143.85	GBP/USD	1.3060	1.3065
EUR/KES	126.70	130.80	EUR/USD	1.1880	1.1805
INR/KES		1.5150	AUD/USD	0.7155	0.7115
			USD/INR	72.50	73.55
			Commodities		
			Gold	1899	1907
			Brent Crude	41.17	42.29

T-Bills Rates:

Duration	Current	Previous
91 Days	6.589%	6.520%
182 Days	6.967%	6.909%
364 Days	7.840%	7.800%

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