

DAILY FOREX NEWSLETTER

Monday, 9th November 2020

Local Markets:

The Kenyan Shilling was steady against the dollar on Friday, amid slow trade but activity was expected to pick up on Monday.

Top News:

- Gold prices firmed on Monday, bolstered by a weaker dollar and hopes of more coronavirus stimulus measures under U.S. President-elect Joe Biden.
- Oil was up on Monday morning in Asia as the outcome of the U.S. election became clear, with both Brent and WTI futures gaining more than 2%. However, the worsening COVID-19 pandemic and oversupply concerns are still at the forefront of investors' minds.

International Markets

USD: The dollar hit a 10-week low on Monday as investors heralded Joe Biden's election as U.S. president by buying trade-exposed currencies on expectations that a calmer White House could boost world commerce and that monetary policy will remain easy. The Chinese yuan struck a 28-month peak, the New Zealand dollar made a 19-month high and the Australian dollar hit a seven-week top as the dollar index fell to its lowest since early September. The South Korean won hit a 21-month high of 1,115.33 per dollar

GBP: GBP/USD wavers around multi-day high as US dollar stays offered amid risk-on mood. Market sentiment stays positive following Biden's victory in US elections. UK PM Johnson suggests the "outlines" of an agreement is clear, EU's Barnier cheers continuing Brexit talks in London. BOE's Bailey will be observed to reconfirm the latest cautious optimism. Despite recently easing from 1.3188 to 1.3183, GBP/USD prints 0.23% intraday gains while heading into Monday's London open. The broad US dollar weakness, amid market optimism backed by the US election results, propels the run-up to the fresh multi-day high. Also favoring the bulls could be Brexit optimism ahead of the key trade talks in the UK.

EUR: EUR/USD nears 1.19 to hit the highest level since Sept. 15. Biden win, split Congress boost risk appetite, weighs over US dollar. Coronavirus resurgence poses a downside risk to EUR. EUR/USD extends last week's gains to hit multi-week highs as investors buy risk and offer the safe-haven US dollar on expectations of more monetary stimulus and less confrontational policies under Democrat Biden's leadership. The pair is currently trading in the green at 1.1893, the highest level since Sept. 15, having rallied by nearly 2% last week.

INR: The Indian rupee opened 25 paise higher against the US dollar on Monday amid weakness in the greenback after Democrat Joe Biden won the US Presidential elections. The Indian rupee opened at 73.95 against the US dollar compared to the previous close of 74.20.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	108.35	110.85			
GBP/KES	142.20	146.40	GBP/USD	1.3185	1.3130
EUR/KES	128.40	132.15	EUR/USD	1.1895	1.1820
INR/KES		1.5000	AUD/USD	0.7300	0.7270
			USD/INR	74.80	74.00
			Commodities		
			Gold	1962	1939
			Brent Crude	40.48	39.88

T-Bills Rates:

Duration	Current	Previous
91 Days	6.666%	6.653%
182 Days	7.072%	7.038%
364 Days	7.994%	7.933%

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