

DAILY FOREX NEWSLETTER

Thursday, 19th November 2020

Local Markets:

The Kenyan Shilling was a little changed on Wednesday and traders said it was expected to ease due to a general increase in importer dollar demand.

Top News:

- Gold was down on Thursday morning in Asia as Pfizer Inc announced safety data to advance its vaccine to the U.S. Food and Drug Administration (FDA) approval stage and the dollar firmed.
- Oil was down on Thursday morning in Asia, as COVID-19 numbers across the globe continued upwards and added to fuel demand worries.

International Markets

USD: The dollar nursed losses on Thursday following five sessions of declines as investors' longer-term optimism about COVID-19 vaccines ran in to worries about rising infections and risks to the fragile global economic recovery. Small gains against most majors lifted the greenback from Wednesday's eight-session low against a basket of currencies, but it remains near the month's trough of 92.129. Surging coronavirus cases in the United States have exerted opposing forces on the dollar, with a safety bid supporting the currency while fresh speculation of monetary easing to boost the economy has undermined it.

GBP: GBP/USD wavers around intraday low after snapping a four-day uptrend. Bloc members to push the European Commission for no-deal Brexit preparations, UK policymakers were hopeful earlier. UK PM Johnson works in self-isolation, New York shuts down the schools amid virus woes. China's response to 'five eyes', EU Summit becomes the key. GBP/USD consolidates intraday losses around 1.3230, down 0.28% on a day, while heading into the London open on Thursday. The Cable dropped recently as The Times triggered chatters over no-deal Brexit.

EUR: EUR/USD trades flat after Wednesday's marginal losses. France says EU leaders could move ahead with a budget without Hungary and Poland. The Eurozone needs fiscal aid to combat the second wave of the coronavirus. EUR/USD fell 0.10% on Wednesday, ending a four-day winning streak as the US stocks dropped and the dollar regained poise. The focus now is on the European Union (EU) summit scheduled to happen on Thursday, where leaders could push ahead with the coronavirus recovery fund. The pair is currently trading near 1.1847, having faced rejection at 1.19 on Wednesday.

INR: The rupee depreciated 13 paise to 74.32 against the US dollar in opening trade on Thursday tracking muted domestic equities and strong American currency. At the interbank forex market, the domestic unit opened at 74.28 against the US dollar, then gained ground and touched 74.23 against the American currency. In volatile trade, the local unit also touched 74.32 against the greenback, down 13 paise over its previous close.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	108.80	111.40			
GBP/KES	143.00	147.60	GBP/USD	1.3235	1.3270
EUR/KES	128.40	132.10	EUR/USD	1.1845	1.1880
INR/KES		1.1530	AUD/USD	0.7290	0.7300
			USD/INR	74.20	74.40
			Commodities		
			Gold	1858	1878
			Brent Crude	44.17	43.73

T-Bills Rates:

Duration	Current	Previous
91 Days	6.674%	6.666%
182 Days	7.114%	7.072%
364 Days	8.042%	7.994%

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