

DAILY FOREX NEWSLETTER

Thursday, 17th December 2020

Local Markets:

The Kenyan was stable against the dollar on Wednesday amid slow activity as companies were closing for the festive season.

Top News:

- Gold held firm near a one-week high on Thursday as progress on a U.S. fiscal stimulus deal weighed on the dollar, while a pledge by the Federal Reserve to keep rates low until an economic recovery is secure lent further support.
- Oil prices hit a nine-month high early on Thursday after U.S. government data showed that crude stockpiles fell last week and on optimism over a coronavirus relief package in the United States.

International Markets

USD: The dollar languished near fresh 2-1/2-year lows against its major rivals on Thursday as progress toward agreeing a U.S. stimulus package and a Brexit deal boosted risk appetite at the expense of the safest assets. Congressional negotiators were “closing in on” a \$900 billion Covid-19 aid bill, lawmakers and aides said on Wednesday, with the tone the most positive it’s been in months. Across the Atlantic, the European Union’s chief executive said a deal with the UK was nearer, although success wasn’t guaranteed

GBP: GBP/USD probes the highest since May 2018, flashed on Wednesday. Upper line of short-term channel, 2.5-month-long ascending trend line probe upside momentum. Bears will refrain entries unless breaking bullish chart pattern. GBP/USD buyers attack an intraday high of 1.3512, up 0.18% on a day, during Thursday’s Asian session. The cable rose to the fresh multi-month high the previous day while staying inside an ascending trend channel formation establishes since mid-September.

EUR: EUR/USD’s EUR/USD trades near 1.2210 versus 1.2190 in Asia. Powell’s dovish comments on inflation continue to weigh over the greenback. EUR/USD looks set to extend Wednesday’s gains as the US dollar remains on the offer, courtesy of the Federal Reserve President Jerome Powell’s dovish tone on inflation. The pair is currently trading at 1.2210, representing a 0.11% gain on the day, having printed a bullish close on Wednesday

INR: The Indian rupee was at 73.52/ 73.53 to dollar, against 73.57/ 73.58 in the previous session, amid focus on the Federal Reserve’s new guidance on asset purchases and the U.S. Treasury putting India back on the watchlist of countries being monitored for currency manipulation

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	109.85	112.50			
GBP/KES	147.80	152.95	GBP/USD	1.3555	1.3490
EUR/KES	134.00	138.05	EUR/USD	1.2235	1.2195
INR/KES		1.5740	AUD/USD	0.7600	0.7590
			USD/INR	73.40	73.41
			Commodities		
			Gold	1872	1857
			Brent Crude	51.62	50.64

T-Bills Rates:

Duration	Current	Previous
91 Days	6.901%	6.861%
182 Days	7.363%	7.333%
364 Days	8.246%	8.204%

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