

DAILY FOREX NEWSLETTER

Friday, 27th November 2020

Local Markets:

The Kenyan Shilling weakened on Thursday against the dollar due to demand from merchandise and energy importers looking to meet their end of month obligations.

Top News:

- Gold prices were set for a third straight week of declines as growing optimism over a coronavirus vaccine drove investors into traditionally riskier assets and out of the safe-haven metal.
- Oil prices were mixed on Friday in quiet trade due to the U.S. Thanksgiving holiday, with West Texas Intermediate (WTI) dropping more than 1% amid concerns about oversupply and doubts about a vaccine to end the coronavirus pandemic.

International Markets

USD: The dollar held steady in thin trade on Friday but was on track for weekly losses against a basket of major currencies as it remained under pressure on improving risk appetite. U.S. markets were closed for the Thanksgiving holiday on Thursday. The U.S. dollar index was steady at 92.03 against a basket of major currencies, trading water around a near three-month low of 91.84 it hit overnight. The dollar has been under pressure this week, as riskier currencies benefited from increased optimism over a string of Covid-19 vaccines news reports and hopes for a more stable period in U.S. politics.

GBP: GBP/USD keeps late-Thursday's recovery moves, nears intraday high. British government pushes MHRA for temporary supply of AstraZeneca vaccine approval. EU-UK policymakers to hold a brief Brexit meeting during the weekend, no progress expected. GBP/USD stays mildly bid, currently up 0.10% to 1.3370, while heading into Friday's London open. Disappointment over AstraZeneca's extra trials and Brexit woes dragged the quote back from three months high the previous day.

EUR: EUR/USD trades 0.58% higher on the week near 1.1925. Upbeat China data weighs over the US dollar. Weak tone in the US stock futures caps gains. EUR/USD looks set to end the holiday-shortened trading week on a positive note, with the US dollar trading under pressure across the board. The currency pair is currently hovering near 1.1925, representing a 0.58% gain on the week. On a daily basis, the pair is up just 0.10%. The upbeat China data released in Asia looks to be drawing offers for the US dollar.

INR: The India rupee opened 10 paise higher against the US dollar on Friday as the greenback continued to remain under pressure. The rupee opened at Rs 73.79 against the dollar compared with the previous close of 73.89. After appreciating in the past few sessions, the rupee consolidated in a narrow range on Thursday as market participants awaited India's GDP number that will be released later today.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	109.70	113.40			
GBP/KES	145.00	151.95	GBP/USD	1.3375	1.3395
EUR/KES	130.60	135.60	EUR/USD	1.1930	1.1935
INR/KES		1.5500	AUD/USD	0.7380	0.7365
			USD/INR	73.70	73.80
			Commodities		
			Gold	1803	1806
			Brent Crude	47.69	48.84

T-Bills Rates:

Duration	Current	Previous
91 Days	6.730%	6.706%
182 Days	7.193%	7.152%
364 Days	8.151%	8.094%

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