

DAILY FOREX NEWSLETTER

Thursday, 3rd December 2020

Local Markets:

The Kenyan shilling weakened against the dollar on Wednesday, due to the impact of the coronavirus crisis on the tourism sector, a key source of hard currency.

Top News:

- Asian shares were mixed on Thursday after a choppy day of Wall Street trade, thanks in part to a disappointing U.S. jobs report, while the greenback languished near 2-1/2-year lows on growing optimism of a coronavirus vaccine.
- Oil prices fell on Thursday as producers including Saudi Arabia and Russia locked horns over the need to extend record production cuts set in place in the first wave of the COVID-19 pandemic.

International Markets

USD: The dollar was up on Thursday morning in Asia, reversing its earlier downward trend, even as the possibility of U.S. economic stimulus measures and the first approval of a COVID-19 vaccine increased investors' risk appetites.

GBP: GBP/USD looks to regain 1.3400 as DXY remains pressured. Vaccine and stimulus hope, softer ADP data down the dollar. Brexit drama extends, as Barnier says a 'deal hangs in the balance'. GBP/USD gathers pace to take on the recovery above 1.3400 heading into the London open, as the market shrug-off looming Brexit concerns amid persistent US dollar weakness.

EUR: EUR/USD sets a new 32-month high above 1.2120. Broad-based dollars sell-off and a slowdown in coronavirus across Europe propel EUR/USD higher. There seems to be no stopping the EUR/USD rally. The currency pair is now trading near 1.2124, the highest level since April 2018, having charted a convincing breakout above 1.20 earlier this week.

INR: The Indian rupee was trading higher against the U.S. currency tracking a further decline on the dollar index amid a buoyant risk mood. However, expectations that the Reserve Bank of India will keep stepping in to absorb capital flows capped large gains in the local unit, traders said. The rupee was quoting at 73.71 to the dollar compared with 73.80 in the previous session.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	109.00	111.50			
GBP/KES	146.40	148.95	GBP/USD	1.3425	1.3425
EUR/KES	130.20	134.80	EUR/USD	1.2170	1.2080
INR/KES		1.5500	AUD/USD	0.7435	0.7380
			USD/INR	73.66	76.60
			Commodities		
			Gold	1834	1813
			Brent Crude	48.11	47.09

T-Bills Rates:

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

For further enquiries, kindly contact: Joseph Nyamache /Daniel Yegon/Mayuri Mistry, D/L 020-2223409/2213470 or general nos. 2228461/2

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