

DAILY FOREX NEWSLETTER

Monday 14th June 2021

Local Markets:

The Kenya's shilling was steady on Friday, and it was forecast to strengthen due to tightening liquidity in the money markets.

Kenya has received a \$750 million loan from the World Bank to support its budget and help the East African economy recover from the effects of the COVID-19 pandemic, the multilateral lender said on Friday.

Top News:

- Global shares held firm near record highs on Monday while U.S. bond yields flirted with three-month lows as investors expect the Federal Reserve to stick to its dovish mantra later this week.
- Oil prices held near multi-year highs on Monday, underpinned by an improved outlook for demand as increased COVID-19 vaccinations help lift travel curbs.

International Markets

USD: The U.S. dollar held steady against major currencies on Monday, after posting its biggest weekly gain in more than a month, as traders closed short positions ahead of a Federal Reserve policy meeting this week.

GBP: GBP/USD trades with a cautious tone in the Asian session. Uptick in US Treasury yields lifts the US dollar. GBP is under stress amid unlocking delay and Brexit concerns. The rebound in the US dollar from the lower level keeps GBP/USD gains limited on the first trading day of the week. The pair subsides following a combination of factors in the absence of any major fundamental release.

EUR: EUR/USD remains pressured around one-month low, down for third consecutive day. Sluggish markets back US dollar amid fears of Fed action. G7 could not pamper EU policymakers despite upbeat announcements. Eurozone Industrial Production may entertain traders, but risk catalysts are the key. EUR/USD sellers flirt with monthly bottom, flashed Friday, amid sluggish trading hours of early Monday. Even so, the bearish bias remains intact for the third day as the quote prints 0.10% losses on the day around 1.2095 heading into the European session.

INR: USD/INR consolidates Friday's breakout of six-week-old resistance line, now support. Bullish MACD, monthly support line favors the buyers. 200-day SMA adds to upside filters, 74.00 becomes the key hurdle. USD/INR struggles to extend Friday's uptrend above 73.00, up 0.05% around 73.35, amid the initial hour of Monday's Indian trading session. The Indian rupee pair broke a key upside hurdle, now support, from early May the previous day. However, 100-day SMA restricts the quote's immediate upside by the press time. Given the bullish MACD and the pair's sustained breakout of the said trend line, not to forget an ascending support line from May 28, keep USD/INR buyers hopeful.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	107.30	108.35			
GBP/KES	151.20	152.70	GBP/USD	1.4140	1.4195
EUR/KES	130.00	130.90	EUR/USD	1.2145	1.2215
INR/KES		1.4950	AUD/USD	0.7750	0.7785
			USD/INR	72.90	72.70
			Commodities		
			Gold	1863	1896
			Brent Crude	73.02	70.96

T-Bills Rates:

Duration	Current	Previous
91 Days	7.104%	7.137%
182 Days	7.731%	7.818%
364 Days	8.648%	8.973%

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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