

DAILY FOREX NEWSLETTER

Friday 28th Jan 2021

Local Markets:

The Kenya's shilling was stable on Thursday, and it was expected to weaken over the next few days due to increased demand for dollars from oil companies and other importers.

Top News:

- Asian stocks recovered some of their steep losses from the previous session on Friday after U.S. markets limited further declines from hawkish U.S. Fed comments, supported by firm economy and strong earnings at Apple Inc
- Oil prices rose on Friday, set for their sixth weekly gain, amid concerns of tight supplies as major producers continue their policy of limited output increases amid rising fuel demand.

International Markets

USD: The dollar was down on Friday morning in Asia but was headed towards its best week in seven months. The U.S. currency broke through key levels against the euro after investors increased bets on multiple U.S. interest rate hikes in 2022.

GBP: GBP/USD struggles to keep the bounce off five-week low. Bearish MACD signals, sustained trading below short-term key supports favour sellers. Fortnight-old resistance line, 21-DMA challenge immediate upside moves. GBP/USD fades the corrective pullback from a horizontal area established since early November, retreating to 1.3380 amid Friday's Asian session. The cable pair dropped during the last two trading sessions before the bears took a breather around the five-week low of 1.3357.

EUR: EUR/USD licks its wounds at the lowest levels in 20 months, recently easing from intraday high. Markets remain lackluster amid mixed concerns over Russia-Ukraine and softer start to Friday. ECB's Kazimir expects near-term increase in inflation, improvement in German Consumer Confidence teases ECB hawks ahead of key GDP. US Q4 GDP jumped, inflation expectations gained but PCE Price Index awaited. UR/USD hovers around 1.1150 during a sluggish Friday morning as markets take a breather following the heavily volatile session post-Fed

INR: USD/INR snaps a four-day winning streak, eases from five-week lows. Indian rupee buyers emerge near 75.30, as the USD eases across the board. 50-DMA at 74.90 eyed if USD/INR corrects further ahead of US inflation. USD/INR is retreating from five-week highs of 75.31, tracking the pullback in the US dollar across the board.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	112.40	115.00			
GBP/KES	149.10	154.60	GBP/USD	1.3450	1.3480
EUR/KES	123.50	128.50	EUR/USD	1.1185	1.1260
INR/KES		1.5480	AUD/USD	0.7080	0.7120
			USD/INR	75.80	75.10
			Commodities		
			Gold	1798	1814
			Brent Crude	89.81	89.17

T-Bills Rates:

Duration	Current	Previous
91 Days	7.343%	7.331%
182 Days	8.112%	8.069%
364 Days	9.544%	9.510%

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