

DAILY FOREX NEWSLETTER

Monday 14th Feb 2022

Local Markets:

The Kenyan shilling was steady on Friday, mainly due to dollar inflows from Kenyans living abroad and international non-governmental organizations.

Top News:

- Asian shares sagged on Monday as warnings that Russia could invade Ukraine at any time sent oil prices to seven-year peaks, boosted bonds, and belted the euro.
- Oil prices on Monday hit their highest in more than seven years on fears that a possible invasion of Ukraine by Russia could trigger U.S. and European sanctions that would disrupt exports from the world's top producer in an already tight market.

International Markets

USD: The dollar and safe-haven currencies held gains and riskier ones struggled for traction on Monday, with traders on edge about the prospect of war in Europe and unsettled by soaring inflation

GBP: GBP/USD grinds lower as yields rebound on cautious optimism, Brexit fears stay on the table. Truss probed over NI deadlock, hints of easing stand in Brexit. UK police contacted PM Johnson over 'Partygate' issues, Britain observing hybrid Delta-Omicron strain. Ukraine requests Russia for talks, eases geopolitical pressures and favours yields ahead of UK jobs, CPI and Retail Sales data. GBP/USD licks its wounds around 1.3540 during the early Monday morning in Europe.

EUR: EUR/USD treads water, mostly pressured after declining the most in two weeks the previous day. ECB policymakers keep taming rate-hike concerns, Fed's 0.50% lift in March also tested. Risk appetite improves after Ukraine requests a meeting with Russia. Fed's Bullard, ECB's Lagarde will entertain traders, FOMC Minutes becomes the week's key event. EUR/USD bears take a breather around 1.1350 heading into Monday's European session, after positing the heaviest daily fall in two weeks the previous day.

INR: USD/INR snaps four-day uptrend inside six-week-old bullish channel. Firmer MACD signals, sustained trading beyond the key SMAs keep buyer's hopeful. 200-DMA becomes the key support, 75.80 guard's immediate upside. USD/INR pulls back from yearly high while snapping a four-day uptrend around 75.55 during Monday's Asian session.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	112.40	115.00			
GBP/KES	150.10	156.10	GBP/USD	1.3580	1.3560
EUR/KES	126.10	130.80	EUR/USD	1.1387	1.1410
INR/KES		1.5560	AUD/USD	0.7150	0.7145
			USD/INR	75.35	75.10
			Commodities		
			Gold	1852	1826
			Brent Crude	95.51	91.16

T-Bills Rates:

Duration	Current	Previous
91 Days	7.285%	7.317%
182 Days	8.108%	8.095%
364 Days	9.668%	9.594%

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