

DAILY FOREX NEWSLETTER

Thursday 24th Feb 2022

Local Markets:

The Kenya's shilling was stable on Wednesday, but it was forecast to weaken due to importer demand especially from the energy and manufacturing sectors.

Top News:

- Global stocks and U.S. bond yields dived on Thursday, while the dollar, gold and oil prices rocketed higher after Russian President Vladimir Putin issued a blistering warning against Ukraine and authorized special military operations in Ukraine's Donbass region.
- Oil breached \$100 a barrel for the first time since 2014 on Thursday as Russia moved troops into Ukraine, sparking concerns that a war in Europe could disrupt global energy supplies.

International Markets

USD: The dollar was up on Thursday morning in Asia, with the euro weakening and increased demand for safe-haven currencies as concerns of an imminent Russian invasion of Ukraine intensify.

GBP: GBP/USD has fallen like a house of cards on soaring Russia-Ukraine tensions. The official announcement of Russia's invasion of Ukraine by NATO has pushed DXY higher. Investors are dumping risk-perceived assets on heightening the war-like situation in Eastern Ukraine. The GBP/USD pair has attracted some significant offers near 1.3532, which has sent the cable towards 1.3500.

EUR: EUR/USD prints the biggest daily fall in a month as market sentiment sours on geopolitical concerns. Russia formally invades Ukraine, tries to seize Kyiv airport, attacks capital. Hawkish comments from Fed's Daly battles upbeat ECB speakers. Second reading of US Q4 GDP will decorate calendar, but risk catalysts will keep the driver's seat. EUR/USD bears attack 1.1200, down 0.75% intraday near 1.1210 as Russian forces play their role to shake global markets, as already feared by the West. The geopolitical tussles propelled the safe-havens and oil prices during early Thursday morning in Europe.

INR: Indian rupee today depreciated past 75 against US dollar, as investors fled risk assets after Russian President Vladimir Putin authorized military operation in eastern Ukraine and explosions were heard in the Ukrainian capital of Kyiv. Domestic equity gauges Sensex and Nifty crashed over 3% following massive selloffs in global share markets.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	112.40	115.00			
GBP/KES	150.00	155.60	GBP/USD	1.3520	1.3625
EUR/KES	124.80	129.50	EUR/USD	1.1265	1.1340
INR/KES		1.5460	AUD/USD	0.7230	0.7260
			USD/INR	74.90	74.55
			Commodities		
			Gold	1937	1895
			Brent Crude	101.28	97.21

T-Bills Rates:

Duration	Current	Previous
91 Days	7.250%	7.285%
182 Days	8.075%	8.108%
364 Days	9.724%	9.668%

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