

DAILY FOREX NEWSLETTER

Friday 25th Feb 2022

Local Markets:

The Kenyan shilling inched down to a new all-time low on Thursday, and it was expected to lose more ground due to increased demand for dollars from manufacturing companies.

Top News:

- Asian shares regained ground on Friday, following Wall Street's overnight lead as U.S. President Joe Biden hit back at Russia with harsh sanctions after it unleashed troops, tanks and missiles on Ukraine.
- Oil prices jumped nearly 3% on Friday as Russia's invasion of Ukraine stoked global supply concerns as markets brace for the potential impact of trade sanctions on major crude exporter Russia.

International Markets

USD: The dollar was down on Friday morning in Asia, and the euro attempted to claw back its losses from the previous day. The Russian invasion of Ukraine on Thursday hit the single currency hard, and investors fled towards safe-haven assets including the dollar, Japanese yen, and Swiss franc

GBP: GBP/USD bears are moving in as risk sours over Ukraine. Attacks continue for another night with no sign of a cease-fire. There are explosions in Kyiv being reported which is hurting risk sentiment in Asia. nevertheless, GBP/USD is still higher by some 0.15% but is struggling to convince in the correction that has started to decelerate in the face of risk aversion and the Ukraine crisis. At 1.3392, the price is below the 1.3394 highs that were made following a recovery from 1.3366 lows.

EUR: EUR/USD pares the biggest daily gains in three months, grinds near intraday top of late. Hopes that US could broker ceasefire deal through NATO triggered the latest rebound even as Russia bombards Ukraine. US President Biden will have a virtual meeting with global allies NATO members. ECB President Lagarde's speech, US/Eurozone data may also entertain traders. EUR/USD consolidates the previous day's losses around 1.1220, up 0.15% intraday as markets expect a halt in the Russia-Ukraine war despite witnessing the latest bombarding of Moscow over Kyiv. In doing so, the quote seesaws around daily highs during the early Friday morning in Europe.

INR: USD/INR opens lower as Asian equities recover from yesterday's selloff and dollar pulls back. Pair now at 75.30 against 75.65 previous session. Sensex up 2.2% following turnaround in US equities. S&P 500 Index closed 1.5% higher overnight after falling by over 2% earlier in the session.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	112.40	115.00			
GBP/KES	149.20	154.65	GBP/USD	1.3465	1.3520
EUR/KES	124.40	129.20	EUR/USD	1.1245	1.1265
INR/KES		1.5460	AUD/USD	0.7210	0.7230
			USD/INR	75.17	74.90
			Commodities		
			Gold	1913	1937
			Brent Crude	101.48	101.28

T-Bills Rates:

Duration	Current	Previous
91 Days	7.254%	7.250%
182 Days	8.062%	8.075%
364 Days	9.764%	9.724%

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