

DAILY FOREX NEWSLETTER

Monday 28th Feb 2022

Local Markets:

The Kenya's shilling was little changed on Friday, and it was expected it to weaken due to a general increase in dollar demand from importers and portfolio investors.

Top News:

- Crude oil jumped while the rouble plunged nearly 30% to a fresh record low on Monday after Western nations imposed new sanctions on Russia for its invasion of Ukraine, including blocking some banks from the SWIFT international payments system.
- Oil prices jumped on Monday on escalating sanctions against Russia over its invasion of Ukraine, which in turn led President Vladimir Putin to put his country's nuclear deterrent on high alert

International Markets

USD: The dollar was up on Monday morning in Asia, while the Russian rouble fell to a record low. Tensions over the Russian invasion of Ukraine continue to rise, with Western nations announcing fresh sanctions against Russia and Russian President Vladimir Putin putting nuclear-armed forces on high alert.

GBP: GBP/USD holds in the bearish territory following the opening gap. Ukraine crisis weighing on risk-currencies as US dollar firms. GBP/USD is under pressure at the start of the week, down some 0.44% at the time of writing. The price, however, is off the lows that were printed following an opening gap of over 100 pips to 1.3307. Risk-off is the theme with US futures and Asian share prices in a sea of red as the Ukraine tensions mount.

EUR: EUR/USD is likely to plunge near 1.1108 on weaponry aid from the Western leaders .Belarus is preparing to join Russia, bringing in a fresh wave of risk-aversion. The recession situation in Europe has underpinned the greenback against the euro. The EUR/USD pair is likely to retest fresh 2022 lows near 1.1100, as the tensions between Russia and Ukraine escalate after the Washington Post has reported that Belarus is likely to join Russia's invasion. The former is preparing its military troops to send them to support the Russian military as soon as on Monday, a US administration official cited.

INR: USD/INR stays on the front foot around nine-week high. Sustained bounce off 10-DMA, bullish MACD signals favor buyers. Upper line of the megaphone restricts immediate advances, 200-DMA acts as additional downside filter. USD/INR prints stellar gains around 75.70, despite the recent retreat from the intraday top during early hours of Indian trading session on Monday.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	112.40	115.00			
GBP/KES	148.50	153.80	GBP/USD	1.3385	1.3465
EUR/KES	123.80	128.40	EUR/USD	1.1185	1.1245
INR/KES		1.5380	AUD/USD	0.7220	0.7210
			USD/INR	75.40	75.17
			Commodities		
			Gold	1906	1913
			Brent Crude	102.86	101.48

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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