

# DAILY FOREX NEWSLETTER

Wednesday 23rd March 2022

## Local Markets:

The Kenya's shilling hit a new all-time low on Tuesday and was expected to weaken further due to increase demand from oil companies and general importers.

## Top News:

- Asian equities hit three-week highs on Wednesday as cash fleeing tumbling bond markets flowed back toward big tech and other beaten-up sectors, while the Ukraine conflict's potential to further hit supplies kept oil and commodity prices high.
- Oil prices turned higher on Wednesday, erasing losses from the previous session, after industry data showed U.S. crude stocks fell last week, underlining how tight global supplies are amid the hit to Russian output from economic sanctions on Moscow.

## International Markets

**USD:** The dollar was up on Wednesday morning in Asia. The Australian dollar minimized losses while the Japanese yen continued its slide, as investors slowly turn to riskier assets and climbing commodity prices continue to drive market movements.

**GBP:** GBP/USD marches towards 1.3300 ahead of UK's CPI numbers. The GBP/USD pair has witnessed a strong upside move on Tuesday amid the improvement in demand for risk-sensitive assets after the DXY weakens as investors digested the announcement of seven interest rate hikes in 2022.

**EUR:** EUR/USD retreats towards 1.1000 on bond rout ahead of Fed's Powell. EUR/USD fades bounce off weekly low as traders await key catalysts. EUR/USD remains pressured on the US dollar's resistance to extending the previous day's losses during Wednesday morning in Europe. Covid resurgence adds to the list of catalysts needing attention, bears eye Powell's hawkish remarks.

**INR:** USD/INR remains depressed after declining the most in a week the previous day. 50-SMA pierces 100-SMA from above, suggesting further downside amid steady RSI, sluggish MACD. Failures to extend fortnight-old trend line break adds strength to the bearish bias. USD/INR struggles to defend the 76.00 threshold, side-lined during the mid-Asian session on Wednesday.

## Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	113.20	115.50			
GBP/KES	147.40	153.80	GBP/USD	1.3340	1.3165
EUR/KES	122.20	127.80	EUR/USD	1.1065	1.1010
INR/KES		1.5365	AUD/USD	0.7485	0.7435
			USD/INR	75.90	76.15
			Commodities		
			Gold	1921	1936
			Brent Crude	117.03	118.58

## T-Bills Rates:

Duration	Current	Previous
91 Days	7.252%	7.206%
182 Days	8.093%	8.032%
364 Days	9.763%	9.771%

For further enquiries, kindly contact: Joseph Nyamache /Daniel Yegon/, D/L 020-2223409/2213470 or general nos. 2228461/2

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