

# DAILY FOREX NEWSLETTER

Thursday 24th March 2022

## Local Markets:

The Kenya's shilling edged down to a fresh record low on Wednesday due to demand for dollars from the energy sector and firms paying dividends to their foreign shareholders.

## Top News:

- Asian shares fell on Thursday, while the sell-off in U.S. Treasuries paused and oil prices rose, as investors and traders weighed the latest developments in the Ukraine war and more hawkish comments from U.S. Federal Reserve officials.
- Oil futures extended gains on Thursday morning, after sharply rising in the first portion of the week, as traders weighed additional supply disruptions following reports of storm damage at a major export terminal system on the Black Sea.

## International Markets

**USD:** The dollar was up on Thursday morning in Asia, finding some support as commodity currencies took a breather from their recent steep rally. However, a struggling Japanese yen from a recovery in the U.S. bond market

**GBP:** GBP/USD is trading lacklustre around 1.3200 as investors await the outcome of the NATO meeting. The cable faced intensified selling pressure on higher UK's CPI print at 6.2%. The BOE may resort to a fourth interest rate hike to contain the inflation mess. The GBP/USD pair is auctioning near bearish Wednesday's low at 1.3180 as investors await the outcome of US President Joe Biden's meeting with its NATO counterparts on Thursday. The outcome of the NATO meeting is likely to settle the next phase of the Russia-Ukraine war as the market participants are expecting a diplomatic solution to bring a ceasefire between Moscow and Kyiv.

**EUR:** EUR/USD back under pressure as Asia picks up the baton. EUR/USD is weighted in Asia as the US dollar remains firm. The US dollar climbed on Wednesday as oil prices rallied again with US President Joe Biden poised to announce, alongside European leaders, new sanctions against Russia during his trip to Europe.

**INR:** USD/INR consolidates the biggest daily jump in a fortnight. WTI crude oil prices ease around 11-day top amid risk-off mood, USD rebound. Upside momentum likely to remain intact as Indian economy faces the heat of rising prices, China fears. US data, Biden's talks with NATO allies will be crucial for fresh impulse. USD/INR remains pressured around an intraday low of 76.46 during the initial hour of the Indian trading session on Thursday.

## Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
<b>USD/KES</b>	113.20	116.00			
<b>GBP/KES</b>	146.40	153.20	<b>GBP/USD</b>	1.3230	1.3340
<b>EUR/KES</b>	121.20	127.60	<b>EUR/USD</b>	1.1020	1.1065
<b>INR/KES</b>		1.5365	<b>AUD/USD</b>	0.7540	0.7485
			<b>USD/INR</b>	75.95	75.90
			<b>Commodities</b>		
			<b>Gold</b>	1940	1921
			<b>Brent Crude</b>	121.03	117.03

## T-Bills Rates:

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

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