

DAILY FOREX NEWSLETTER

Friday 25th March 2022

Local Markets:

The Kenyan shilling weakened to a new all-time low on Thursday, undermined by sustained dollar demand from the energy sector.

Top News:

- Asian shares were headed for a second successive week of gains on Friday, though trading was choppy amid hawkish U.S. monetary policy, shifts in Chinese economic policy, and ongoing ructions in commodity markets due to the war in Ukraine.
- Oil prices fell about a \$1 on Friday as the United States and allies considered releasing more oil from storage to cool markets and as traders faced higher costs for trading benchmark Brent futures.

International Markets

USD: The dollar was down on Friday morning in Asia, and the Japanese yen was set for its worst week in two years. Rising import costs and low interest rates contributed to the yen's downward trend, but commodity currencies were set for a second consecutive weekly gain on the dollar as export prices continue to soar.

GBP: GBP/USD takes the bids to refresh intraday high, prints the biggest daily gains in three. Sluggish Asian session triggered market's consolidation amid steady yields. UK, US PMIs came in mixed to challenge central bankers but Ukraine-led risk-aversion favored bears previously. UK Retail Sales for February, Fed speak and Eurogroup meetings will be important to watch for intraday directions. GBP/USD bulls retake controls after a two-day absence, up 0.26% intraday around 1.3220 during early Friday morning in Europe.

EUR: EUR/USD takes the bids to refresh intraday high, prints the biggest daily jump in a week. US dollar struggles to capitalize on hawkish Fed speak on steady yields, mixed sentiment. West versus Russia story fails to extend risk-off mood amid hopes of progress on peace talks. German IFO, US housing data and Fed policymakers' speech will offer additional catalysts to watch for fresh impulse. EUR/USD refreshes intraday high around 1.1035 as buyers cheer USD weakness to print the biggest daily gains in a week during the mid-Asian session on Friday. In doing so, the major currency pair rises for the first time in the last three days while consolidating the weekly losses.

INR: The Indian rupee was at 76.1375/76.1475 against the U.S. currency, compared with 76.3650/76.3750 in the previous session, amid a mild pullback in crude oil prices and the dollar index.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	113.20	116.00			
GBP/KES	146.60	153.70	GBP/USD	1.3250	1.3230
EUR/KES	121.20	128.20	EUR/USD	1.1060	1.1020
INR/KES		1.5365	AUD/USD	0.7565	0.7540
			USD/INR	75.80	75.95
			Commodities		
			Gold	1958	1940
			Brent Crude	118.90	121.03

T-Bills Rates:

Duration	Current	Previous
91 Days	7.283%	7.252%
182 Days	8.134%	8.093%
364 Days	9.767%	9.763%

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

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