

DAILY FOREX NEWSLETTE

Tuesday 8th March 2022

Local Markets:

The Kenyan shilling weakened on Monday due to a pick-up in dollar demand from commodity traders and companies in the energy sector.

Top News:

- Oil prices see-sawed near 14-year highs on Tuesday as the United States considered acting alone to ban Russian oil imports rather than teaming up with allies in Europe, easing concerns of a wider disruption to crude supplies.
- Gold slid from the key \$2,000-mark on Tuesday as investors paused to reassess the Russia-Ukraine conflict after talks hardly advanced, with a strong U.S. dollar weighing further on the safe-haven metal.

International Markets

USD: The dollar was down on Tuesday morning in Asia, while the euro was stuck near a 22-month low. Russia's invasion of Ukraine continues to dim Europe's economic outlook, but a weeks-long rally in commodity currencies showed signs of a pause.

GBP: GBP/USD licks its wounds near the lowest levels since November 2020. Oversold RSI conditions probe further downside, multiple levels marked since October 2020 guard recovery moves. GBP/USD seesaws around 1.3120, up 0.12% intraday after refreshing the 16-month low with a small downtick in early Asian session during Tuesday. Although the oversold RSI conditions seem to have triggered the cable pair's latest rebound, the previous support line from October 2020, around 1.3170-80, restricts the quote's further upside.

EUR: EUR/USD tries to correct a touch higher as oil prices start to deteriorate from a 14-year high. Traders look to the ECB for clarification of the renewed dovish stance vs the Fed's hawkish pitch. EUR/USD is attempting to correct higher in Asia, following the lead from yesterday's trade where the price established just ahead of 1.08 the figure where it was pinned near a 22-month low

INR: USD/INR consolidates recent losses around all-time high, sidelined of late. India reports lowest covid infections in 22 months, rallying commodities challenge INR. Absence of major negatives from Russia-Ukraine front joins EU, UK's resistance in sanctioning Moscow's oil to favor market sentiment. Fed's silence, light calendar can keep markets steady but geopolitical headlines will be key for fresh impulse. USD/INR bulls take a breather around 77.00 during Tuesday's Asian session, following a run-up to refresh the record top 77.14 the previous day

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	112.40	115.00			
GBP/KES	145.50	151.20	GBP/USD	1.3133	1.3245
EUR/KES	120.40	125.10	EUR/USD	1.0895	1.0895
INR/KES		1.5050	AUD/USD	0.7330	0.7440
			USD/INR	76.76	76.65
			Commodities		
			Gold	1990	1985
			Brent Crude	125.81	130.51

T-Bills Rates:

Duration	Current	Previous
91 Days	7.265%	7.254%
182 Days	8.063%	8.062%
364 Days	9.774%	9.764%

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