

# DAILY FOREX NEWSLETTER

Monday 4th April 2022

## Local Markets:

The Kenyan shilling was steady on Friday with slow dollar demand and supply.

## Top News:

- World share markets were mixed on Monday amid talk of yet more sanctions against Russia over its invasion of Ukraine, while bonds continued to spell the risk of a hard landing for the U.S. economy as short-term yields hit three-year highs.
- Oil prices extended losses on Monday as investors eyed the release of supplies from strategic reserves from consuming nations, while a truce in Yemen could ease supply disruption concerns in the Middle East.

## International Markets

**USD:** The dollar was down on Monday morning in Asia. However, it started the week on a firm foot as U.S. Treasury yields rose over expectations that the U.S. will further tighten its monetary policy. On the other hand, potential bans on Russian gas kept the euro within sight of its 2022 lows.

**GBP:** GBP/USD's weekly closing below 21-DMA points to more pain ahead. GBP bears need a decisive break below the rising trendline support on the 1D chart. Bearish RSI keeps seller's hopeful, as they await BOE-speak due later this Monday. GBP/USD is reversing a brief dip below 1.3100, although remains almost unchanged on the day, as traders remain cautious ahead of a slew of speeches from the Bank of England (BOE) official later this Monday.

**EUR:** Bulls move in and eye potential for a bullish extension. EUR/USD bulls are eyeing an upside daily extension at this juncture. EUR/USD has corrected to a 61.8% Fibonacci retracement level near 1.1030 from which bulls have started to engage. H4 resistance needs to give to enable the way to 1.1150 for the first instance.

**INR:** USD/INR has tumbled near 75.80 as falling oil prices are hoping for lesser outflows for India. The DXY is losing strength on upbeat market sentiment. An announcement of a ceasefire is likely after the Putin-Zelenskyy meeting. The USD/INR pair has witnessed intense selling pressure at open and has slipped near 75.80 at the press time. The Indian rupee is benefitting from falling oil prices and a risk-on impulse amid de-escalation in the Russia-Ukraine war.

## Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
<b>USD/KES</b>	114.50	117.00			
<b>GBP/KES</b>	146.50	153.20	<b>GBP/USD</b>	1.3155	1.3165
<b>EUR/KES</b>	123.50	129.20	<b>EUR/USD</b>	1.1080	1.1095
<b>INR/KES</b>		1.5580	<b>AUD/USD</b>	0.7540	0.7521
			<b>USD/INR</b>	75.40	75.45
			<b>Commodities</b>		
			<b>Gold</b>	1919	1937
			<b>Brent Crude</b>	104.59	104.48

## T-Bills Rates:

Duration	Current	Previous
91 Days	7.302%	7.283%
182 Days	8.164%	8.134%
364 Days	9.752%	9.767%

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