

DAILY FOREX NEWSLETTER

Thursday 7th April 2022

Local Markets:

The Kenya's shilling was unchanged on Wednesday, but it was forecast to weaken due to increased dollar demand from the manufacturing and energy sectors.

Top News:

- Asian shares retreated on Thursday in line with a global selloff, as markets were spooked by more aggressive noises from U.S. policymakers about the need for tighter monetary policy, which also kept the dollar near a two-year peak.
- Oil prices clawed back some losses on Thursday after tumbling more than 5% to a three-week low in the previous session after consuming nations announced a huge release of oil from emergency reserves to offset supply lost from Russia.

International Markets

USD: The dollar was down on Thursday morning in Asia but near a two-year high as the U.S. Federal Reserve maintained its hawkish stance in its latest meeting minutes.

GBP: GBP/USD is scaling higher amid falling US Treasury yields. In coordination with the US, the UK has announced fresh sanctions on Russia. Investors are shrugging off the impact of an aggressive tightening policy by the Fed. The GBP/USD pair has rebounded sharply after hitting a low of 1.3048 on Wednesday. The cable is trading mildly positive on Thursday after the US Treasury yields lose steam. The 10-year benchmark US Treasury yields have fallen sharply after registering a fresh three-year high at 2.66%.

EUR: EUR/USD is marching towards 1.0920 on optimism of monthly Retail Sales. The ECB minutes will dictate the mathematics behind the unchanged policy stance in March. Falling US Treasury yields have kept the DXY on the side-lines. The EUR/USD pair is displaying a bullish open drive trading session on Thursday as investors are awaiting the release of European Central Bank (ECB) meeting minutes and Retail Sales data, which are due on Thursday. The major started scaling higher right from the first opening tick at 1.0898

INR: The Indian rupee was at 75.9750/75.9850 to the U.S. currency, against 75.7550/75.7650 in the previous session, tracking declines in most Asian currencies and equities after the U.S. Federal Reserve laid out its plan for balance sheet runoff.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	114.50	117.50			
GBP/KES	147.50	154.20	GBP/USD	1.3105	1.3110
EUR/KES	123.50	129.80	EUR/USD	1.0935	1.0910
INR/KES		1.5680	AUD/USD	0.7510	0.7615
			USD/INR	75.50	75.21
			Commodities		
			Gold	1922	1921
			Brent Crude	102.23	106.92

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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