

DAILY FOREX NEWSLETTER

Wednesday 13th April 2022

Local Markets:

The Kenyan shilling was little changed on Tuesday amid a slowdown in appetite for hard currency from merchandise importers.

Top News:

- Asian shares rose on Wednesday boosted by U.S. inflation figures that fared better than markets' worst expectations - and caused U.S. yields to pause their march higher - though Chinese shares remained pressured by COVID-19.
- Oil prices climbed on Wednesday on worries that sliding output in sanctions-hit Russia, the world's second-biggest oil exporter, will tighten supply after Moscow said peace talks to resolve its invasion of Ukraine had come to a dead end.

International Markets

USD: The dollar was down on Wednesday morning in Asia, with the euro stuck at a five-week low as the war in Ukraine shows no sign of ending anytime soon. Investors also digested the Reserve Bank of New Zealand (RBNZ)'s biggest interest rate hike in 22 years.

GBP: GBP/USD sinking to test 1.30 the figure again as the US dollar firms up. Markets are volatile following a mixed day in sentiment, with the US CPI data at the core of the moves. UK data this week so far has been underwhelming and has weighed on the pound. Trading at 1.3017, GBP/USD is slightly underwater in the mid-day New York session, down 0.1%. Sterling has been tested by the bears to below 1.30 the figure once again on Tuesday when it traded at a low of 1.2993 in the London session after sliding from a high of 1.3030. Cable has since rallied to a high for the day at 1.3053 but has since started to slide again below Monday's closing price.

EUR: The euro was pinned to a five-week low on Wednesday as prospects for peace in Ukraine seemed to darken, while the kiwi was whipsawed after New Zealand's central bank announced its sharpest rate hike in two decades to curb inflation. Bulls eye 50% mean reversion. EUR/USD bulls moving in from daily support but bears eye hourly W-neckline. EUR/USD has left a W-formation on the hourly chart as defined between the last bearish impulse to the lows, the correction that was followed by a subsequent drop only to rally again for a fresh corrective high.

INR: The Indian rupee fell to an over two-week low and was at 76.20/76.21 to the U.S. currency, against 76.13/76.14 in the previous session, as the dollar index continued to rise and crude oil prices rose, even as U.S. inflation was in line with estimates.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	114.50	117.50			
GBP/KES	147.50	153.10	GBP/USD	1.3020	1.3060
EUR/KES	123.50	127.55	EUR/USD	1.0860	1.0910
INR/KES		1.5680	AUD/USD	0.7460	0.7460
			USD/INR	75.85	75.80
			Commodities		
			Gold	1969	1959
			Brent Crude	104.64	100.53

T-Bills Rates:

Duration	Current	Previous
91 Days	7.377%	7.302%
182 Days	8.219%	8.164%
364 Days	9.743%	9.752%

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