

DAILY FOREX NEWSLETTER

Thursday 14th April 2022

Local Markets:

The Kenyan shilling traded stable on Wednesday with some hard currency inflows from exporters of commodities like coffee lending support.

Top News:

- Asian shares tracked Wall Street higher on Thursday, while U.S. Treasury yields steadied and dollar retreated, as latest U.S. data raised hopes that inflation may be close to peaking, though several major central banks raised rates aggressively.
- Oil futures were down slightly Thursday morning, after rising sharply in the first half of the week, as traders weighed a larger-than-expected build in U.S. oil stocks against tightening global supply.

International Markets

USD: The dollar was down on Thursday morning in Asia, after falling overnight against the pound and the euro in particular. U.S. yields hit pause on their recent rally, offering some relief to the Japanese yen

GBP: Pound bulls are witnessing wider ticks after exploding the consolidation formed in a 1.2982-1.3058 range. A double-bottom formation has driven the cable strongly to near 1.3120. The loud move on the RSI (14) is indicating a bullish bias ahead. The GBP/USD pair is experiencing a strong upside after the successful re-test of its critical bottom at 1.3000. The cable has witnessed a vertical positive move after breaking out of the consolidation formed in a range of 1.2982-1.3058.

EUR: EUR/USD bulls are out and about in the run-up to the ECB. The US dollar is giving some relief to the forex space for which the euro is benefitting from. At 1.0902, the euro vs the greenback is higher by 0.13% and has travelled between 1.0882 and 1.0908 within a relatively tight range as markets consolidated within hourly ranges. Traders are awaiting the European Central Bank while the US dollar has been on the back foot on Thursday after tumbling overnight.

INR: USD/INR consolidates in 76.00-30 band as traders mull global inflation risks. Higher oil prices limit downside; U.S. crude stabilizes above \$100/barrel. Hawkish Fed talk counterbalanced by rising RBI rate hike expectations. India 10-year bond yield closes at 7.21%, highest since May 24, 2019 WPI inflation data for March and ECB rate decision awaited Thursday. India's currency, debt, equity markets closed Thursday and Friday.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	114.50	117.50			
GBP/KES	147.50	154.65	GBP/USD	1.3185	1.3020
EUR/KES	123.50	128.45	EUR/USD	1.0965	1.0860
INR/KES		1.5680	AUD/USD	0.7485	0.7460
			USD/INR	75.80	75.85
			Commodities		
			Gold	1974	1969
			Brent Crude	108.43	104.64

T-Bills Rates:

Duration	Current	Previous
91 Days	7.424%	7.377%
182 Days	8.315%	8.219%
364 Days	9.745%	9.743%

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