

DAILY FOREX NEWSLETTER

Tuesday 15th April 2022

Local Markets:

The Kenyan shilling was stable on Thursday although healthy demand from merchandise importers still outweighed inflows and posed a depreciation risk,

Top News:

- Asian shares traded cautiously on Tuesday, with investors weighing China's measures to cushion an economic slowdown and the prospect of aggressive Federal Reserve monetary policy tightening.
- Oil prices rose on Tuesday as investors fretted over tight global supply after Libya was forced to halt some exports and as factories in Shanghai prepared to reopen post a COVID-19 shutdown, easing some demand worries.

International Markets

USD: The dollar was up on Tuesday morning in Asia, while the Japanese yen hit a 20-year low against the U.S. currency as Treasury yields remain high.

GBP: GBP/USD is auctioning below 1.3000 amid rising odds of a tight Fed policy. FOMC member James Bullard sees interest rates at 3.5% by the end of 2022. The UK's CPI at 7% has dented the demand for the pound. The GBP/USD pair has plunged below the psychological support of 1.3000 amid an improvement in the demand for the safe-haven assets. Risk-on impulse has dented the demand for the risk-perceived assets, which is continuing the three-day losing streak of the asset on Tuesday.

EUR: EUR/USD bears are in control into fresh long-term lows. There are meanwhile bullish prospects to consider. EUR/USD has been pressured by a strong US dollar at the start of this week and the price is making fresh lows in the bear cycle. The following illustrates the current markets structure from an hourly perspective and all the way out to a weekly chart as it moves in on a long-term support structure

INR: The Indian rupee was trading lower against the U.S. currency as the prospect of aggressive Federal Reserve rate hikes pushed the dollar index to a new two-year high. The rupee was quoting at 76.32 to a dollar, down from 76.26 yesterday. The dollar index rose to 101 today, a level last seen in March 2020 at the peak of the pandemic fears

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	114.50	117.50			
GBP/KES	147.50	153.15	GBP/USD	1.3030	1.3185
EUR/KES	122.50	126.95	EUR/USD	1.0790	1.0965
INR/KES		1.5680	AUD/USD	0.7410	0.7485
			USD/INR	75.90	75.80
			Commodities		
			Gold	1974	1974
			Brent Crude	113.27	108.43

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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