

# DAILY FOREX NEWSLETTER

Friday 22nd April 2022

## Local Markets:

The Kenyan shilling was broadly holding steady on Thursday but remains under pressure from fuel importers and other sectors as the supply of dollars is lackluster.

## Top News:

- Asian shares tumbled on Friday as investors fretted about an increasingly aggressive rate-hike outlook for the United States as well as the fallout for the global economy from lockdowns in China
- Oil prices fell on Friday, heading for a drop of nearly 4% for the week, burdened by the prospect of rate hikes, weaker global growth and COVID-19 lockdowns in China hurting demand, even as the European Union weighed a ban on Russian oil.

## International Markets

**USD:** The dollar was up on Friday morning in Asia. The greenback headed for a seventh consecutive weekly gain on the yen and the best one-week rise on China's yuan in more than two years, boosted by higher U.S. yields.

**GBP:** GBP/USD pressured at hourly resistance as markets monitor central banks. Money markets are pricing in 160 bps of BoE rate hikes by the end of 2022. At 1.3029, GBP/USD is flat in Asia, pressured at an hourly resistance and has traded between a narrow range of 1.3022 and 1.3035. However, the pound has been falling against a strong euro while it was reasonably sideways versus the US dollar in the latter part of the day on Wednesday.

**EUR:** EUR/USD is flat in Asia, stuck around 1.0840 as markets consolidate the overnight volatility. The Fed and ECB took the spotlight on Thursday into the end of the week, both of which impacted the euro and USD. EUR/USD is flat on the day after a relatively choppy end to the week with the US dollar that was supported by the US yield rising overnight. The single currency was also finding support from remarks from European central bankers, but the move faded into New York day

**INR:** The rupee depreciated 14 paise to 76.31 against the US dollar in opening trade on Friday, as a lackluster trend in the domestic equity markets and a firm American dollar weighed on investor sentiment. However, a pullback in international crude prices restricted the losses

## Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
<b>USD/KES</b>	114.50	117.50			
<b>GBP/KES</b>	147.50	153.35	<b>GBP/USD</b>	1.3060	1.3090
<b>EUR/KES</b>	122.50	127.70	<b>EUR/USD</b>	1.0875	1.0890
<b>INR/KES</b>		1.5680	<b>AUD/USD</b>	0.7380	0.7485
			<b>USD/INR</b>	75.95	75.85
			<b>Commodities</b>		
			<b>Gold</b>	1952	1951
			<b>Brent Crude</b>	107.45	108.04

## T-Bills Rates:

Duration	Current	Previous
91 Days	7.448%	7.424%
182 Days	8.373%	8.315%
364 Days	9.755%	9.745%

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