

DAILY FOREX NEWSLETTER

Thursday 28th April 2022

Local Markets:

The Kenyan shilling held firm on Wednesday, but dollar demand from the fuel sector continued to exert downward pressure on the local unit.

Top News:

- Share markets steadied on Thursday, taking comfort in technology earnings, though an energy crisis in Europe and China's lengthy lockdowns kept the mood cautious and have propelled the dollar close to 20-year highs as investors seek out safety and yield.
- Oil prices edged lower in early Asian trade on Thursday as concerns about rising coronavirus cases in China, the world's biggest oil importer, weighed on futures markets.

International Markets

USD: The dollar shot to two-decade highs on the yen on Thursday after the Bank of Japan (BOJ) doubled-down on its super-low yield policy by offering to buy endless amounts of bonds every session as needed.

GBP: GBP/USD skids to near yearly lows at 1.2513 as DXY strengthens on risk-off impulse. The uncertainty ahead of the Fed's rate decision has improved safe-haven appeal. An interest rate hike by 25 bps is expected from the BOE. A rangebound move was displayed by the GBP/USD pair in the early Tokyo session in a narrow range of 1.2528-1.2545, which has been broken down and may mark a fresh leg of weakness in the major. The asset has remained in negative territory for the past few trading sessions amid broader strength in the greenback.

EUR: EUR/USD off five-year lows but the downside bias remains intact. The US dollar remains elevated following the USD/JPY upsurge. EU-Russia energy crisis eyed ahead of German inflation, US GDP. EUR/USD is defending 1.0500, moving away from the lowest level since March 2017 even as bears look to extend the losing streak into the sixth straight day this Thursday. The US dollar strength remains the dominant underlying theme, which continues to exert bearish pressure on the EUR/USD pair. The safe-haven dollar remains attractive in times of growing concerns over global growth amidst China's lockdowns and aggressive Fed rate hike bets.

INR: The Indian rupee was trading lower against the dollar as the Chinese yuan resumed its decline and the Japanese yen fell to its lowest level in two decades following the Bank of Japan's policy decision.

Indicative FX rates as at 8.30am:

Currency	Buying	Selling	Currency	Today	Previous
USD/KES	115.50	118.30			
GBP/KES	144.00	148.50	GBP/USD	1.2540	1.2610
EUR/KES	120.60	124.80	EUR/USD	1.0540	1.0680
INR/KES		1.5600	AUD/USD	0.7110	0.7220
			USD/INR	76.25	76.20
			Commodities		
			Gold	1876	1899
			Brent Crude	103.90	105.50

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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