

# The Russian Ruble recovers from worst levels

By [Andre Cilliers](#)

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Tensions in Eastern Europe eased slightly with the news that some Russian troops had been withdrawn back to their bases. We saw some improved risk sentiment and a marginally softer Dollar.



Source: [Fxabay](#)

## Rand update

The rand firmed to just below the R15.00 level but ended the day flat at R15.11 and remains entrenched in the R14.95/R15.25 range for now.

We are currently trading at R15.08 and remain the star EM performer. The Russian Ruble has also recovered from its worst levels on the back of the partial troop withdrawal. Look out for local CPI numbers later today, with economists looking for a 5.7% YoY number for January versus December's 5.9% print.

## Commodity update

Gold fell heavily from yesterday's \$1,879 high as risk sentiment improved and closed 0.9% weaker at \$1,853. Platinum ended flat on the day, Palladium fell 4.8%, while Copper managed to close above \$10,000. Gold and Platinum are trading relatively unchanged this morning at \$1,853 and \$1,026, respectively, while Palladium is up over 2.0% at \$2,296. Oil also slipped after the Russian news, with Brent closing at \$93.28 and WTI at \$92.07, which is where we are currently trading flat in the Far East.

## International update

The slight easing in geopolitical tensions seems to have shifted the focus back onto US interest rates. US bond yields have jumped in the longer end, with the 30y-yield up at 2.35% and the 10y-yield up at 2.03%, while the shorter 2y-yield is steady at 1.56%. The DXY index is currently at 96.04, with the Dollar trading at 1.1355 against the Euro and at 1.3550 against the Pound.

The improved risk appetite saw Wall Street recover yesterday as the S&P was 1.58% higher, the Nasdaq was 2.53% stronger, while the Dow gained by 1.22%.

US futures have opened softer this morning, but Asian markets are following the positive move on Wall Street with all the major indices up on the day. The local ALSI ended slightly positive at 75,853.

## ABOUT ANDRE CILLIERS

Andre is the Currency Risk Strategist at TreasuryONE. Andre's career in treasury spans more than 30 years. He has gained his extensive currency risk experience in both the banking and corporate arena. Before joining TreasuryONE, Andre headed up the treasury department for a Tier One German international bank in South Africa.

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