

Ruble over 30% weaker; another volatile day



By [Andre Cilliers](#)

28 Feb 2022

We start the new trading week with a big move back to the dollar and other safe-haven assets after Putin ordered Russia's nuclear deterrence forces on high alert and the West imposed even heavier sanctions on Moscow.



Source: [Fxabay](#)

Rand update

Several Russian banks have been blocked from using the SWIFT international payments system, pushing the Ruble over 30% weaker to an all-time worst level of 101.00 against the dollar. The rand, which had closed firmly at R15.14 on Friday, is trading back at R15.36 this morning. The local currency traded near R15.50 earlier this morning in thin Far East markets, and we are likely to see another volatile day.

Commodity update

Gold, Platinum, and Palladium all closed weaker on Friday as last week's panic in markets subsided, but this morning's risk-off sentiment has seen commodity prices jump once more. Gold is up 1.2% at \$1,909, Platinum is up 0.5% at \$1,059, and Palladium is up 5.5% at \$2,500. The price of Aluminium has opened at a record high this morning as well.

Both Brent and WTI are up by over 5.0% as supply disruption concerns underpin the price of Oil. Brent is trading at \$103.15 and WTI at \$97.09 this morning.

International update

The escalation in the Ukraine crisis has pushed the dollar to 1.1150 against the euro and to 1.3355 against the pound, with the DXY index now at 97.36, up from Friday's 96.62 close. US bond yields remain flat, with markets focusing on Eastern Europe above any Fed moves for now. The rollercoaster on global equity markets continues with US futures opening heavily in the red this morning in a sharp turnaround from Friday's strong close.

Asian markets are all in the red this morning, while the major European bourses are expected to open well down.

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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