

FOREIGN EXCHANGE MARKET

News

- > The euro gains 0.15 percent against a softer US dollar, trading around a 1.0575 during the Asian session on Tuesday.
- > Amidst holiday thinned trading, the cable inches higher to 1.2244.
- > AUD/USD is holding higher ground above 0.6400 in the Asian session this morning, benefiting from a broadly weaker US dollar amid a return of risk appetite, as renewed dovish Fed expectations outweigh the Middle East geopolitical tensions.
- > The Japanese yen continues to see some temporary strength in light of geopolitical risks and a rally in Treasuries. However spot prices remain confined within last week range.
- > The Canadian dollar extends gains against its US counterpart due to the improved crude oil prices on Israeli-Hamas conflict concerns.
- > The South african Rand weakened as the shockwaves from Hamas attack on Israel pushed investors towards safe haven assets and reduced appetite for risk.
- > The USD/MUR sees no change overnight, still trading at MUR 44.65/USD on the offer. With the single currency trading around 1.0560 against the greenback, the EUR/MUR opens at MUR 47.61/EUR.

Daily Technical View

EUR/USD – The common currency soared to a high at 1.0582, filling Monday's open bearish gap, buoyed by a decline in US bond yields. An uptick above double-top resistance at 1.06 would accelerate bullish momentum towards confluent level at 1.0650. On the flipside, a plunge below support at 1.0535 would accelerate status quo structure.

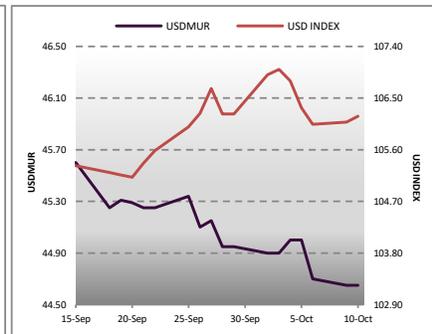
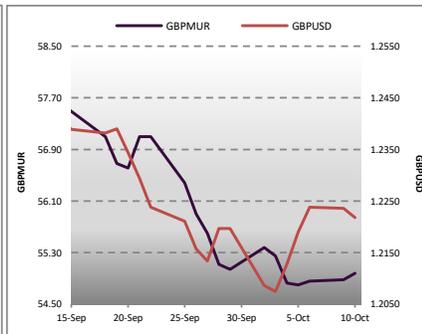
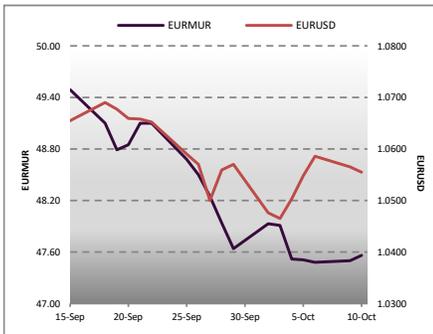
Market Highlights

Indicative Spot Rates

	Bid		Offer	
	Today	Change (Rs.)	Today	Change (Rs.)
AUDMUR	28.04	0.24	29.41	0.25
CNYMUR	6.00	0.01	6.31	0.01
EURMUR	46.22	0.05	47.61	0.05
JPYMUR	29.28	0.09	30.83	0.09
ZARMUR	2.25	-	2.40	-
USDMUR	43.75	-	44.65	-
GBPMUR	53.52	0.14	55.13	0.15

Indicative Forward Rates

	Bid			Offer		
	1m	3m	6m	1m	3m	6m
AUDMUR	28.00	27.90	27.72	29.40	29.37	29.32
EURMUR	46.15	45.98	45.72	47.60	47.60	47.56
ZARMUR	2.23	2.20	2.15	2.40	2.39	2.38
USDMUR	43.64	43.38	42.93	44.59	44.46	44.24
GBPMUR	53.39	53.12	52.58	55.05	54.89	54.61



Previous Day Trading Levels

	Previous Day Trading Levels			Today
	Opening	High	Low	Latest
AUDUSD	0.6411	0.6433	0.6399	0.6400
EURUSD	1.0565	1.0583	1.0555	1.0558
GBPUSD	1.2237	1.2256	1.2217	1.2218
USDJPY	148.54	148.92	148.17	148.92
USDCHF	0.9066	0.9071	0.9045	0.9073
USDCNH	7.29	7.30	7.27	7.29

Major Indices

	Value at Close	Day Change %
DOW JONES	33,407.58	0.59
S&P 500	9,353.41	0.63
FTSE 100	7,492.21	(0.03)
DAX	15,128.11	(0.67)
CAC 40	7,021.40	(0.55)
Nikkei 225	30,994.67	(0.26)
HANGSENG	17,517.40	0.78

Major Economic Releases (at GMT)

Date	Time	Country	Event	Period	Actual	Expected	Prior
10-Oct	11 00	EU	ECB President Lagarde Speaks	-	-	-	-
11-Oct	11 30	US	US Core Producer Price Index	Sep	2.20%	2.20%	2.40%
11-Oct	17 00	US	FOMC Meeting Minutes	-	-	-	-

This commentary is for information only, and the comments and forecasts are intended to be of a general nature, and are current at the date of issue. This document is not intended as an offer, solicitation, or recommendation to buy or sell financial instruments or for any individual investment.

Source: MCB Treasury, Reuters, Bloomberg, Bank of Mauritius

FIXED INCOME

News

- > Treasuries jumped driving 10 year US yields down by 18 basis points after dovish comments from Federal Reserve officials and as conflicts in the Middle East fueled a flight to safer assets.
- > Yield on the 2 year slipped by 16 basis points as investors boosted bets the Federal Reserve will keep rates unchanged through the end of 2023.
- > Yields on Australian and New Zealand bonds also declined.

> On Friday, the Bank of Mauritius received applications for the 7-Day Bank of Mauritius Treasury Bills for a total amount of MUR 17,770 Mio but allotted only MUR 2,000 Mio at the weighted average rate of 4.50 percent.

Market Highlights

Local Secondary Market T-Bills

	Bid (%)	Offer (%)
1M	3.27	3.12
2M	3.30	3.15
3M	3.33	3.18
4M	3.39	3.24
6M	3.45	3.30
8M	3.50	3.35
10M	3.55	3.40
1Y	3.62	3.47

[Click here to access our Mauritian Bond Market page](#)

Local Secondary Market T-Bonds

	Bid (%)	Offer (%)
2 year	3.80	3.60
3 year	3.90	3.70
4 Year	3.95	3.75
5 Year	4.05	3.80
10 Year	4.60	4.35
15 year	4.85	4.60
20 Year	5.15	4.90

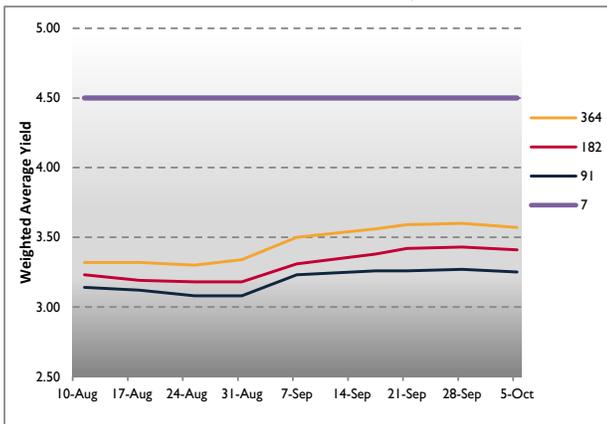
Key Central Bank Rates

	Current Level (%)	Previous (%)
BOM Key Rate	4.50	4.00
Fed Funds Rate	5.50	5.25
BoE Bank Rate	5.25	5.00
ECB Ref. Rate	4.50	4.25
RBA Cash Rate	4.10	4.10

Government Benchmark Yields (%)

	2 Year	5 Year
US Bonds	4.9928	4.630
UK Bonds	4.85	4.469
German Bonds	3.06	2.658

Auction Results of Treasury Bills



Money Market Rates

Reference Rate*(%)	1 Week	1 Month	3 Months	6 Months
Term SOFR	-	5.456	5.668	5.883
EURIBOR	3.898	3.863	3.983	4.113
SONIA	-	5.215	5.289	5.361

* rates delayed by 48 hours. Source: ICE & Refinitiv

Indicative Generic Swap Rates* (%)

Tenor	2yr	5yr	7yr	10yr
EURIBOR - 3m	3.617	3.258	3.260	3.337
USD OIS	4.843	4.352	4.301	4.307

*Pay fixed and receive floating swap

COMMODITIES

Rolling Gold & Oil Prices



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News

- > Oil prices fell slightly today after rising more than 4 percent on Monday as markets weighed the potential for supply disruptions amid the Middle East conflict, which will likely lead to higher volatility and speculation in oil markets.
- > Gold recorded its biggest one-day jump in five months on Monday as the yellow metal is seen as a safe-haven investment during times of uncertainty while dovish remarks from top US Federal Reserve officials weighed on the US dollar and bond yields.

Spot Market

	Today	Change (\$)
Brent Crude Oil (\$)	93.69	2.91
Gold (\$)	1,855.76	23.50