

## FOREIGN EXCHANGE MARKET

### News

- > The EUR/USD pair starts the week on a positive note following the stronger than expected US employment data on Friday.
- > The US labour market improved in November with better than expected growth, lower unemployment and higher wages. The market will now closely watch the US CPI data and the FOMC and ECB meetings this week.
- > The pound sterling recovers and trades near 1.2550 against the dollar with focus now on the Bank of England meeting this week.
- > The Japanese yen strengthened as bets grew that the Bank of Japan's ultra-low interest rates policy may be nearing an end.
- > The South African rand weakened against the dollar on Friday after a surge in US payroll gains diminished hopes of an early interest rate cut by the Federal Reserve.
- > The Australian dollar extends its losses for the second successive session on Monday. The robust employment figures in the US bolstered the Greenback on Friday, exerting downward pressure on the AUD/USD pair.
- > The USD/CAD pair trades higher around 1.3600 on Monday. However, the stronger crude oil prices could limit the losses of the Canadian Dollar.
- > The USD/MUR opens flat today while the EUR and GBP drop 12 and 24 cents respectively against the rupee.

### Daily Technical View

EUR/USD – The single currency rebounded its 3-week low at 1.0723 to 1.0760 in Monday's Asian session, despite upbeat US Nonfarm Payrolls for November. A break of immediate support at 1.0690 would catapult the pair to a psychological support at 1.0660. On the flipside, a resumption above resistance at 1.08 would propel the pair towards 1.0830.

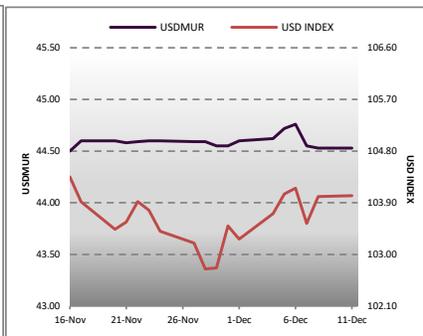
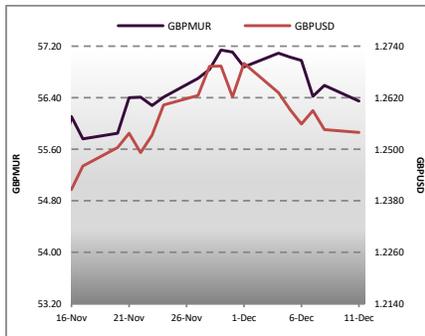
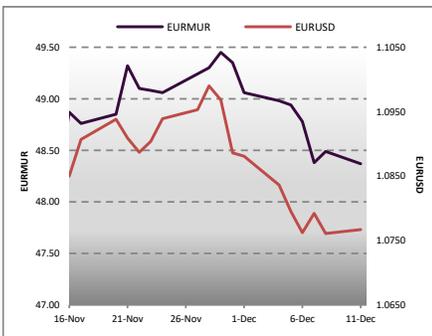
### Market Highlights

#### Indicative Spot Rates

	Bid		Offer	
	Today	Change (Rs.)	Today	Change (Rs.)
AUDMUR	28.61	(0.23)	30.01	(0.24)
CNYMUR	6.05	(0.03)	6.36	(0.03)
EURMUR	46.96	(0.12)	48.37	(0.12)
JPYMUR	29.83	(0.35)	31.41	(0.37)
ZARMUR	2.28	(0.04)	2.43	(0.0)
USDMUR	43.63	-	44.53	-
GBPMUR	54.71	(0.23)	56.35	(0.24)

#### Indicative Forward Rates

	Bid			Offer		
	1m	3m	6m	1m	3m	6m
AUDMUR	28.57	28.46	28.26	30.00	29.96	29.88
EURMUR	46.88	46.71	46.42	48.36	48.34	48.31
ZARMUR	2.26	2.23	2.17	2.43	2.42	2.41
USDMUR	43.51	43.27	42.85	44.46	44.34	44.16
GBPMUR	54.58	54.32	53.82	56.27	56.13	55.91



#### Previous Day Trading Levels

	Previous Day Trading Levels			Today
	Opening	High	Low	Latest
AUDUSD	0.6573	0.6583	0.6552	0.6560
EURUSD	1.0760	1.0773	1.0759	1.0771
GBPUSD	1.2540	1.2558	1.2534	1.2540
USDJPY	144.85	145.69	144.82	145.53
USDCHF	0.8794	0.8804	0.8789	0.8800
USDCNH	7.18	7.20	7.18	7.19

#### Today

#### Major Indices

	Value at Close	Day Change %
DOW JONES	36,117.38	0.36
S&P 500	9,849.74	0.41
FTSE 100	7,554.47	0.54
DAX	16,759.22	0.78
CAC 40	7,526.55	1.32
Nikkei 225	32,784.30	1.47
HANGSENG	16,334.37	(0.66)

### Major Economic Releases (at GMT)

Date	Time	Country	Event	Period	Actual	Expected	Prior
12-Dec	7:00	UK	Employment Change	Oct	-	-	54k
12-Dec	13:30	US	Consumer Price Index	Nov	-	0.10%	0.00%
12-Dec	23:50	Japan	Tankan Large Manufacturing Index	Q4	-	10.00	9.00

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

> US Treasury yields jumped on Friday after data showed that employers added more jobs than expected in November, leading traders to pare back expectations that the Federal Reserve could cut interest rates as soon as March.

> Two-year yields rose 15 basis points to 4.727% and got as high as 4.740%, the highest since November 28. The yields are on track for the biggest one-day increase since June 29. They have risen from 4.540% on December 1, which was the lowest since June 13.

> Benchmark 10-year yields were last up 12 basis points on the day at 4.245%, after earlier reaching 4.278%, the highest since Monday.

### Market Highlights

#### Local Secondary Market T-Bills

	Bid (%)	Offer (%)
1M	3.85	3.70
2M	3.90	3.75
3M	3.98	3.83
4M	4.01	3.86
6M	4.05	3.90
8M	4.10	3.95
10M	4.15	4.00
1Y	4.20	4.05

#### Local Secondary Market T-Bonds

	Bid (%)	Offer (%)
2 year	4.35	4.15
3 year	4.55	4.35
4 Year	4.60	4.40
5 Year	4.75	4.50
10 Year	5.00	4.75
15 year	5.15	4.90
20 Year	5.35	5.10

#### Key Central Bank Rates

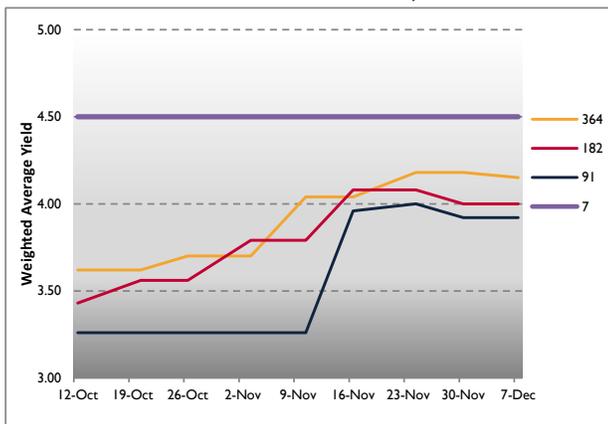
	Current Level (%)	Previous (%)
BOM Key Rate	4.50	4.00
Fed Funds Rate	5.50	5.25
BoE Bank Rate	5.25	5.00
ECB Ref. Rate	4.50	4.25
RBA Cash Rate	4.35	4.35

#### Government Benchmark Yields (%)

	2 Year	5 Year
US Bonds	4.752	4.274
UK Bonds	4.558	4.077
German Bonds	2.7	2.237

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

#### Auction Results of Treasury Bills



#### Money Market Rates

Reference Rate*(%)	1 Week	1 Month	3 Months	6 Months
Term SOFR	-	5.469	5.628	5.720
EURIBOR	3.843	3.853	3.950	3.935
SONIA	-	5.200	5.226	5.225

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

#### Indicative Generic Swap Rates\* (%)

Tenor	2yr	5yr	7yr	10yr
EURIBOR - 3m	3.065	2.662	2.663	2.730
USD OIS	4.493	3.925	3.836	3.806

\*Pay fixed and receive floating swap

## COMMODITIES

### Rolling Gold & Oil Prices



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### News

> WTI Crude Oil prices picked up during the Asian session on Monday and tried to recover from last week's range of \$69.00/barrel but trades above the mid-\$71.00s. The strong US Nonfarm Payrolls data released on last Friday pointed to a still strong economy and prompted some assurance over the outlook for crude demand in the world's largest fuel consumer.

> Following the release of the NFP data, gold price losses ground of 1.5% intraday and remains under pressure for the second successive day on Monday.

#### Spot Market

	Today	Change (\$)
Brent Crude Oil (\$)	78.44	1.10
Gold (\$)	1,999.00	(29.34)