

FOREIGN EXCHANGE MARKET

News

> The euro gains momentum and trades around 1.10000 against the dollar amid dollar weakness. US retail sales came in better than expected growing 0.30 percent in November from a drop of 0.20 percent for the previous month.

> As widely expected, the ECB kept rates unchanged at 4.50 percent at its policy meeting yesterday. The ECB also highlighted that rates would remain high despite lower inflation.

> The hawkish tone of the Bank of England lent some support to the pound sterling. Though the BoE kept rates steady at 5.25 percent yesterday, the BoE Governor highlighted that there is still some way until inflation reached its target.

> The Australian dollar continues its winning streak for the third consecutive day this Friday on improved Australian and Chinese data.

> The Canadian dollar gains further ground against the US dollar supported by a rebound in crude oil prices. Bank of Canada Governor Tiff Macklem is scheduled to speak later in the day.

> The Japanese yen weakened as mounting acceptance that the Bank of Japan (BoJ) may exit its negative rate policy early next year continues to influence the currency, while data indicated Japan's factory activity contracted for a seventh straight month in December.

> The South African rand climbed after the Fed increased its rate cut forecast for 2024 by an additional 25bps and the neutral response by Fed Chair Jerome Powell was welcomed by risk assets across financial markets including most Emerging Market (EM) currencies.

> With the EURUSD trading higher on the international market, the USDMUR ends the week lower at 44.35.

Daily Technical View

The fact that the European Central Bank has reaffirmed the need to hold interest rate for a longer period has given support to EURUSD. The pair continues to trade with a bullish bias for fifth consecutive day and is currently trading around psychological level of 1.1000. Support lies at 1.0900 while a break of resistance 1.1015, we might see some additional buying towards 1.1068.

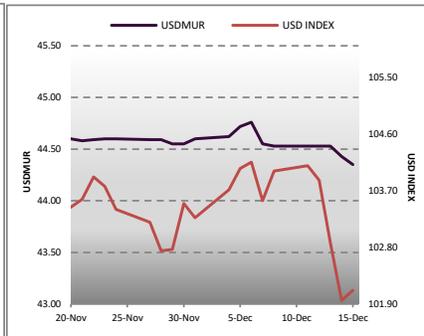
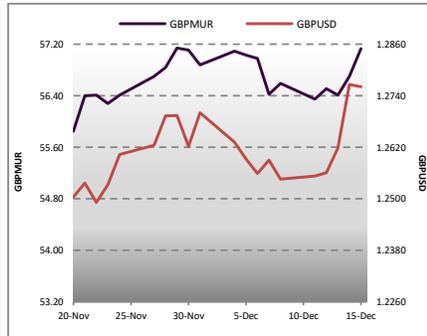
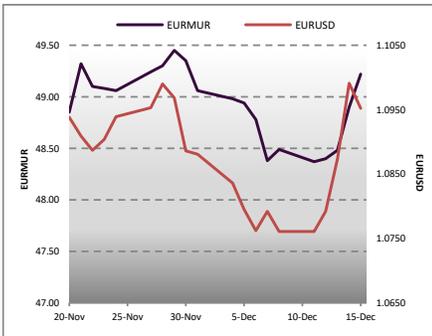
Market Highlights

Indicative Spot Rates

	Bid		Offer	
	Today	Change (Rs.)	Today	Change (Rs.)
AUDMUR	29.19	(0.04)	30.62	(0.04)
CNYMUR	6.10	0.01	6.41	0.01
EURMUR	47.79	0.31	49.22	0.32
JPYMUR	30.49	(0.14)	32.11	(0.14)
ZARMUR	2.36	0.03	2.51	0.0
USDMUR	43.45	(0.08)	44.35	(0.08)
GBPMUR	55.47	0.42	57.13	0.43

Indicative Forward Rates

	Bid			Offer		
	1m	3m	6m	1m	3m	6m
AUDMUR	29.14	29.04	28.84	30.60	30.57	30.50
EURMUR	47.71	47.54	47.27	49.21	49.20	49.15
ZARMUR	2.34	2.31	2.25	2.51	2.50	2.49
USDMUR	43.33	43.09	42.68	44.28	44.16	43.95
GBPMUR	55.34	55.08	54.61	57.05	56.91	56.70



Previous Day Trading Levels

	Previous Day Trading Levels			Today
	Opening	High	Low	Latest
AUDUSD	0.6699	0.6724	0.6694	0.6719
EURUSD	1.0992	1.1003	1.0947	1.0952
GBPUSD	1.2760	1.2774	1.2741	1.2760
USDJPY	141.85	142.46	141.57	141.78
USDCHF	0.8670	0.8681	0.8653	0.8671
USDCNH	7.12	7.13	7.10	7.11

Major Indices

	Value at Close	Day Change %
DOW JONES	37,090.24	0.43
S&P 500	9,849.74	0.29
FTSE 100	7,649.58	0.01
DAX	16,752.23	0.082
CAC 40	7,575.85	0.59
Nikkei 225	32,879.63	0.59
HANGSENG	16,402.19	(0.66)

Major Economic Releases (at GMT)

Date	Time	Country	Event	Period	Actual	Expected	Prior
15-Dec	8:30	EU	Manufacturing PMI			43.2	42.6
15-Dec	9:30	UK	Manufacturing PMI	-	-	47.5	47.2
15-Dec	14:45	US	Manufacturing PMI	-	-	49.3	49.4

FIXED INCOME

News

> US Treasury yields dropped to multi-month lows on Thursday as bond investors braced for looming rate cuts after the Federal Reserve shifted to a dovish stance amid central bank projections that saw lower interest rates next year.

> Retail sales in the US rebounded by 0.3% last month and a report showing initial claims for state unemployment benefits dropped 19,000 to a seasonally-adjusted 202,000 for the week ended December 9 against a forecast of 220,000 claims for the latest week.

> US benchmark 10-year yields on Thursday sank to their lowest since July at 3.932% while 2-year yields fell to their lowest since May at 4.28%.

> The Bank of Mauritius allocated a total amount of MUR 1.5 billion in 91-Day and 364 Day at the weighted average rate of 3.89 percent and 4.09 percent respectively.

Market Highlights

Local Secondary Market T-Bills

	Bid (%)	Offer (%)
1M	3.70	3.55
2M	3.80	3.65
3M	3.90	3.75
4M	3.95	3.80
6M	4.00	3.85
8M	4.05	3.90
10M	4.10	3.95
1Y	4.15	4.00

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

Local Secondary Market T-Bonds

	Bid (%)	Offer (%)
2 year	4.40	4.20
3 year	4.75	4.55
4 Year	4.75	4.55
5 Year	4.80	4.55
10 Year	4.95	4.70
15 year	5.15	4.90
20 Year	5.35	5.10

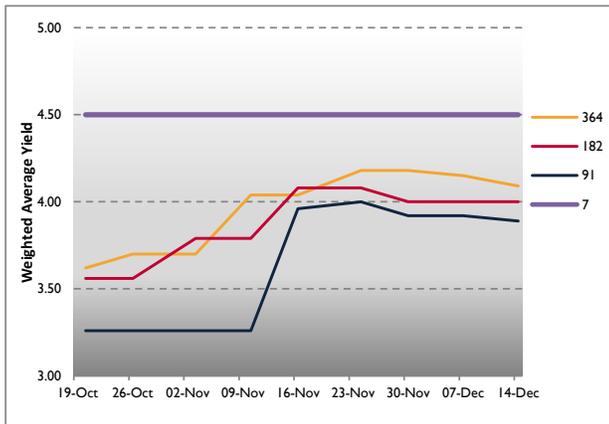
Key Central Bank Rates

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

Government Benchmark Yields (%)

	2 Year	5 Year
US Bonds	4.3651	3.879
UK Bonds	4.298	3.772
German Bonds	2.507	2.015

Auction Results of Treasury Bills



Money Market Rates

Reference Rate*(%)	1 Week	1 Month	3 Months	6 Months
Term SOFR	-	5.473	5.639	5.722
EURIBOR	3.854	3.833	3.925	3.945
SONIA	-	5.197	5.212	5.167

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

Indicative Generic Swap Rates* (%)

Tenor	2yr	5yr	7yr	10yr
EURIBOR - 3m	2.861	2.445	2.437	2.499
USD OIS	4.114	3.560	3.477	3.469

*Pay fixed and receive floating swap

COMMODITIES

Rolling Gold & Oil Prices



News

> WTI edges to USD 72.20, with prevailing bullish sentiment by the International Energy Agency on oil demand and supported by a weaker greenback. Brent crude futures rose nearly USD 77 a barrel.

> The precious metal extends gains for a third consecutive session, around USD 2,035, on the back of dollar weakness and lower US treasury bond yields.

Spot Market

	Today	Change (\$)
Brent Crude Oil (\$)	79.79	3.05
Gold (\$)	2,041.20	14.81