

FOREIGN EXCHANGE MARKET

News

- > The Dollar Index trades around the range of 102.4 and recovers after a tough week for the Dollar. Strong US Services PMI data released on Friday contributed towards the positive gains of the Dollar.
- > The EUR/USD pair edges higher around 1.0910 during the Asian session but remains capped under the key barrier of 1.10. Investors are still betting heavily on rate cuts from the central bank next year.
- > The cable was trading around the mid 1.26 area against the dollar during the Asian session today. Bank of England's monetary Policy Committee member, Ben Broadbent, is to speak later during the day.
- > The AUD/USD pair received upward support in anticipation of rate cuts by the Federal Reserve, which weighs on the US Dollar. Australia's economy showcases resilience, buoyed by strong employment outcomes and increasing incomes, as data released last week indicates. Additionally, the enhanced Purchasing Managers Index
- > The Canadian Dollar received a boost against the US dollar following the hawkish comments made by the Bank of Canada's Governor Tiff Macklem on Friday.
- > The South African rand edged up after data from Statistics South Africa indicated local formal sector employment, excluding agriculture, rose 0.3 percent quarter-on-quarter to 10.176 million people in the third quarter, while annual producer inflation slowed to 4.6 percent in November from 5.8 percent in October.
- > The Japanese yen dropped as positive stance from China's Central Finance Office further lifts investors' confidence and turns out to be a key factor pressuring the safe-haven JPY.
- > The USD ticks up by 10 cents versus the rupee today as the EURUSD retreats towards the 1.09 level.

Daily Technical View

The EURUSD posts modest gains this morning but remained capped under 1.1000, the key barrier amid rebound in US dollar and weaker Eurozone data. Business activity surprisingly fell in December and indicated the bloc's economy is almost certainly into recession. Furthermore, Eurozone Manufacturing PMI came in worse than expected dropping to 44.2 in December while Services PMI fell to 48.1 from 48.7 in previous reading. Immediate support lies around 1.0900 followed by 1.0868 while to the upside 1.10 remain key level to break.

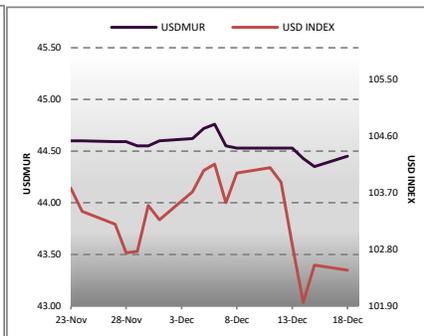
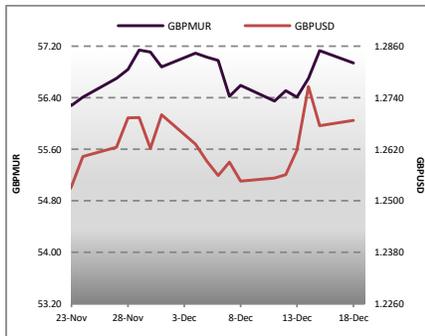
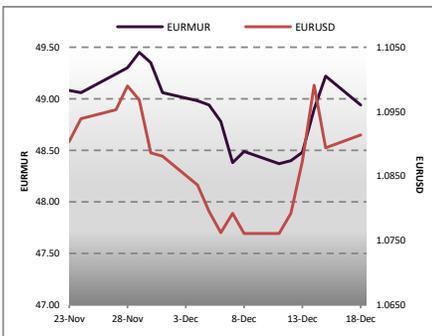
Market Highlights

Indicative Spot Rates

	Bid		Offer	
	Today	Change (Rs.)	Today	Change (Rs.)
AUDMUR	29.24	0.05	30.67	0.05
CNYMUR	6.10	-	6.41	-
EURMUR	47.51	(0.28)	48.94	(0.28)
JPYMUR	30.47	(0.02)	32.08	(0.03)
ZARMUR	2.37	0.01	2.52	0.0
USDMUR	43.55	0.10	44.45	0.10
GBPMUR	55.28	(0.19)	56.94	(0.19)

Indicative Forward Rates

	Bid			Offer		
	1m	3m	6m	1m	3m	6m
AUDMUR	29.20	29.09	28.88	30.66	30.63	30.55
EURMUR	47.43	47.25	47.01	48.93	48.91	48.89
ZARMUR	2.35	2.32	2.26	2.52	2.51	2.50
USDMUR	43.43	43.19	42.79	44.38	44.26	44.09
GBPMUR	55.15	54.87	54.39	56.86	56.71	56.50



Previous Day Trading Levels

	Previous Day Trading Levels			Today
	Opening	High	Low	Latest
AUDUSD	0.6691	0.6726	0.6694	0.6728
EURUSD	1.0901	1.0919	1.0893	1.0922
GBPUSD	1.2675	1.2699	1.2668	1.2693
USDJPY	142.14	142.45	142.08	142.22
USDCHF	0.8697	0.8711	0.8690	0.8692
USDCNH	7.13	7.14	7.13	7.13

Major Indices

	Value at Close	Day Change %
DOW JONES	37,248.35	0.15
S&P 500	9,849.74	(0.00)
FTSE 100	7,576.36	(0.95)
DAX	16,751.44	(0.790)
CAC 40	7,596.91	0.28
Nikkei 225	32,718.85	(0.76)
HANGSENG	16,792.19	(1.07)

Major Economic Releases (at GMT)

Date	Time	Country	Event	Period	Actual	Expected	Prior
15-Dec	8:30	EU	Manufacturing PMI		43.1	43.2	42.6
15-Dec	9:30	UK	Manufacturing PMI	-	46.4	47.5	47.2
18-Dec	9:00	DE	IFO	Dec	-	87.8	87.3

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

- > The US 10-year Treasury yield ended with biggest weekly decline in a year, as government debt rallied on the prospect of rate cuts in 2024 by the Federal Reserve.
- > On Friday, a pair of Fed officials pushed back on the possibility of rate cuts beginning early next year, even as fed-funds futures traders clung to a 69.4 percent chance of at least a quarter-point reduction by next March.
- > The yield on the 2-year US Treasury gained rose 5.8 basis points to trade at 4.455 percent, while benchmark 10-year Treasury yield retreated to 3.927 percent. The long-bond yield gave away 2.7 basis points to trade at 4.026 percent.
- > On Thursday, the Bank of Mauritius will issue the 182-Day Government of Mauritius Treasury Bills for a nominal amount of MUR 500 million.

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

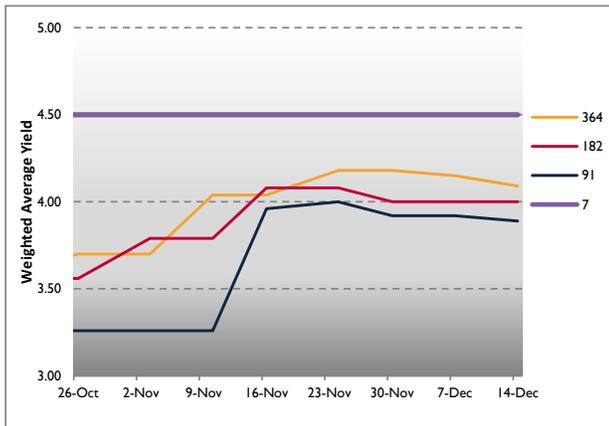
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Local Secondary Market T-Bonds		
	Bid (%)	Offer (%)
2 year	4.40	4.20
3 year	4.75	4.55
4 Year	4.75	4.55
5 Year	4.80	4.55
10 Year	4.95	4.70
15 year	5.15	4.90
20 Year	5.35	5.10

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	4.4211	3.900
UK Bonds	4.286	3.746
German Bonds	2.527	2.023

Auction Results of Treasury Bills



Money Market Rates

Reference Rate*(%)	1 Week	1 Month	3 Months	6 Months
Term SOFR	-	5.470	5.626	5.648
EURIBOR	3.877	3.853	3.920	3.912
SONIA	-	5.198	5.223	5.192

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

Indicative Generic Swap Rates* (%)

Tenor	2yr	5yr	7yr	10yr
EURIBOR - 3m	2.841	2.436	2.423	2.477
USD OIS	4.167	3.577	3.478	3.465

*Pay fixed and receive floating swap

COMMODITIES

Rolling Gold & Oil Prices



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News

- > WTI prices head towards \$ 74 a barrel as the Federal Reserve's dovishness enhances the demand outlook.
- > Gold edges to \$ 2,020 during this morning's session on the back of a slight recovery in the greenback.

Spot Market		
	Today	Change (\$)
Brent Crude Oil (\$)	79.45	2.71
Gold (\$)	2,025.30	(10.23)