

FOREIGN EXCHANGE MARKET

News

- > The US Dollar is caught in an upbeat mood, with the DXY Index trading at 103.50. The gains are sustained by strong housing and labor data and negative market sentiment.
- > The EUR/USD pair trades higher around 1.0890 during the Asian trading hours on Friday. However, the Euro could confront a challenge arising from speculations regarding potential rate cuts by the European Central Bank in September.
- > Investors trimmed their bets for an early interest rate cut by the Bank of England. This continues to underpin the British Pound, which, along with subdued US Dollar price action, acts as a tailwind for the GBP/USD pair.
- > The AUD/USD increased 0.2 percent to 0.6587 having bounced from support around 0.6525 the previous session.
- > The South Africa's rand firmed, trading at 18.90 versus the greenback, after monthly mining figures showed a rise in production.
- > The Japanese yen fell further against the dollar, losing almost 5% so far this year.
- > The USD/CAD edged lower below the 1.3500 barrier earlier today amid improved risk sentiment.
- > USDMUR opens higher this morning trading at 45.10 on the offer .EURMUR and GBPMUR remain strong on the local market trading at 49.56 and 57.87 respectively.

Daily Technical View

EUR/USD – The single currency held above yesterday's low at 200-hour SMA 1.0845, bouncing towards 1.0885 during Friday's session. Current price action favors a push towards resistance at 1.0930/40, while a decisive plunge below 1.0850 would restore bearish momentum towards 1.0785.

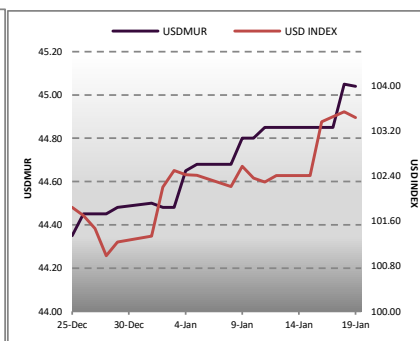
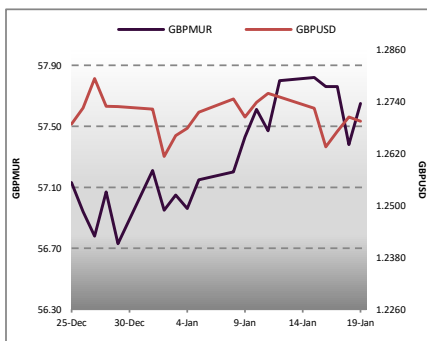
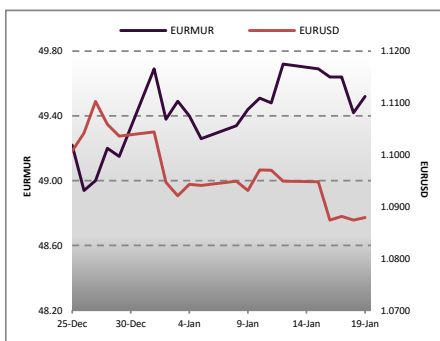
Market Highlights

Indicative Spot Rates

	Bid		Offer	
	Today	Change (Rs.)	Today	Change (Rs.)
AUDMUR	29.09	0.15	30.52	0.16
CNYMUR	6.12	0.01	6.43	0.01
EURMUR	48.12	0.04	49.56	0.04
JPYMUR	29.66	(0.02)	31.23	(0.02)
ZARMUR	2.33	0.02	2.48	0.0
USDMUR	44.20	0.06	45.10	0.06
GBPMUR	56.18	0.21	57.87	0.22

Indicative Forward Rates

	Bid			Offer		
	1m	3m	6m	1m	3m	6m
AUDMUR	29.04	28.94	28.74	30.51	30.47	30.41
EURMUR	48.03	47.87	47.60	49.55	49.54	49.54
ZARMUR	2.31	2.28	2.23	2.48	2.47	2.46
USDMUR	44.09	43.85	43.46	45.04	44.92	44.77
GBPMUR	56.05	55.78	55.30	57.79	57.65	57.44



Previous Day Trading Levels

	Opening	High	Low	Today Latest
AUDUSD	0.6571	0.6589	0.6569	0.6570
EURUSD	1.0874	1.0889	1.0868	1.0882
GBPUSD	1.2705	1.2714	1.2697	1.2699
USDJPY	148.11	148.73	147.95	148.69
USDCHF	0.8680	0.8690	0.8678	0.8691
USDCNH	7.22	7.22	7.21	7.21

Major Indices

	Value at Close	Day Change %
DOW JONES	37,266.67	0.54
S&P 500	4,780.94	0.88
FTSE 100	7,459.09	0.17
DAX	16,567.35	0.82
CAC 40	7,401.35	(1.13)
Nikkei 225	35,931.46	1.31
HANGSENG	15,391.79	(0.45)

Major Economic Releases (at GMT)

Date	Time	Country	Event	Period	Actual	Expected	Prior
18-Jan	04 30	AUS	Unemployment Rate	Dec	3.9%	3.9%	3.9%
18-Jan	19 15	EU	ECB's President Lagarde Speech	-	-	-	-
19-Jan	11 00	GBP	Retail Sales (MoM)	Dec	-	-0.5%	1.3%

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

- > Ten- and 30-year Treasury yields finished at their highest levels of the year for a third straight session on Thursday after the release of lower-than-expected initial jobless claims.
- > The yield on the 10-year Treasury note rose by around 4 basis points to 4.14 percent, after climbing above 4.15 percent.
- > The 2-year Treasury yield was down less than 1 basis point at 4.352 percent.
- > The 30-Year yield is trading at 4.3840 percent.
- > The 182D GoM T-Bill which was auctioned yesterday had a weighted average yield of 3.56%. Three bids were accepted at a bid to cover ratio of 2.30.
- > Today's focus will be on the issuance of the weekly 7D BOM Bills and a 2YR BOM Note for a nominal amount of MUR 1 and MUR 3 Billion respectively. The latter is part of Central bank's monetary policy to mop up the excess liquidity on the market, currently standing around at MUR 27 Billion
- > The 15Yr GOM Bond will be auctioned on Monday 22nd January 2024. Bidders appetite will be assessed for this instrument after the 20Yr Bond, which auctioned in December 2023, was allocated at a weighted yield of 5.69%.

Market Highlights

Local Secondary Market T-Bills

	Bid (%)	Offer (%)
1M	3.25	3.10
2M	3.30	3.15
3M	3.35	3.20
4M	3.55	3.40
6M	3.60	3.45
8M	3.70	3.55
10M	3.80	3.65
1Y	3.85	3.70

[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	5.40	5.15
20 Year	5.80	5.55

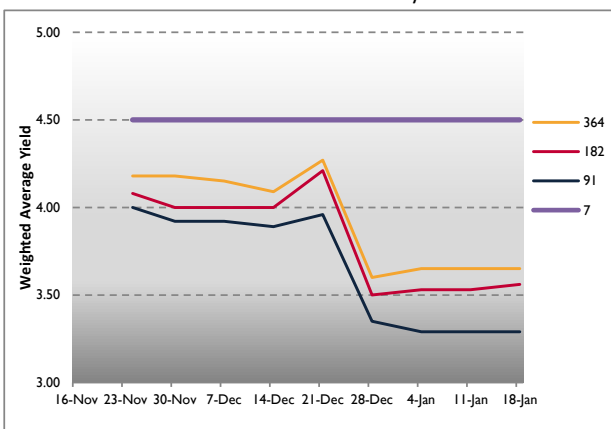
Key Central Bank Rates

	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	4.3675	#N/A
UK Bonds	4.302	3.83
German Bonds	2.685	2.257

Auction Results of Treasury Bills



Money Market Rates

Reference Rate*(%)	1 Week	1 Month	3 Months	6 Months
Term SOFR	-	5.449	5.571	5.544
EURIBOR	3.886	3.875	3.903	3.862
SONIA	-	5.196	5.207	5.157

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

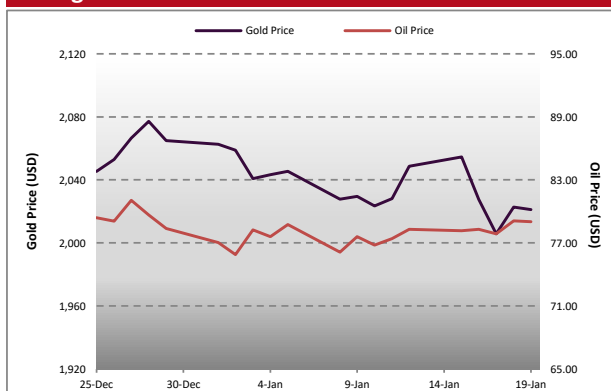
Indicative Generic Swap Rates* (%)

Tenor	2yr	5yr	7yr	10yr
EURIBOR - 3m	2.958	2.637	2.646	2.717
USD OIS	4.161	3.748	3.711	3.732

*Pay fixed and receive floating swap

COMMODITIES

Rolling Gold & Oil Prices



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

News

- > Escalating tensions in the Middle East and disruptions in US oil production from a cold blast underpinned the oil prices.
- > Gold prices rose slightly on Thursday, steadying from a sharp tumble this week, as escalating geopolitical tensions underpin the safe-haven metal.

Spot Market

	Today	Change (\$)
Brent Crude Oil (\$)	83.65	0.90
Gold (\$)	2,021.80	16.08