

FOREIGN EXCHANGE MARKET

News

- > The greenback traded lower against majority of its peers on Tuesday after the US indicated that it was considering to propose tariffs on 11 billion US dollar worth of European goods. Moreover, the International Monetary Fund cut its forecast on the global economy.
- > The IMF cut its global economic growth forecasts for 2019 to 3.3 percent, the slowest expansion since 2016 and from its earlier projection of 3.5 percent in January.
- > The EUR/USD pair extended its weekly advance up to 1.1283 before easing to 1.1255 ahead of the ECB monetary policy meeting and the release of minutes of the Federal Reserve last policy meeting due this Wednesday
- > The GBP/USD fell to the 1.3030 region after hitting a daily high of 1.3121 while the UK will release this Wednesday, February Manufacturing Production, Industrial Production, Trade Balance and monthly GDP.
- > The AUD/USD remained above the 0.7100 level as the aussie benefited from better-than-expected housing data with home loans up in February by 2 percent against an expected -2 percent.
- > The Japanese yen rebounded sharply to 110.98 against the greenback due to falling US Treasury yields.
- > The Canadian dollar edged lower against the greenback on Tuesday, pulling back from an earlier near three-week high, undermined by the latest IMF forecasts along with a pullback in oil prices.
- > The US Dollar opens at the same level as yesterday, with the FOMC Minutes awaited later today.

Daily Technical View

EUR/USD - The single currency short-covering rally against the USD reached intra-day resistance at 1.1285 before retreating to 1.1256 in Asia this morning. The market is likely to shuffle in a 1.1220-1.1280 range and on the wide 1.1170/1.1350 ahead of today's event risks, the ECB interest rate meeting and the release of the FOMC minutes.

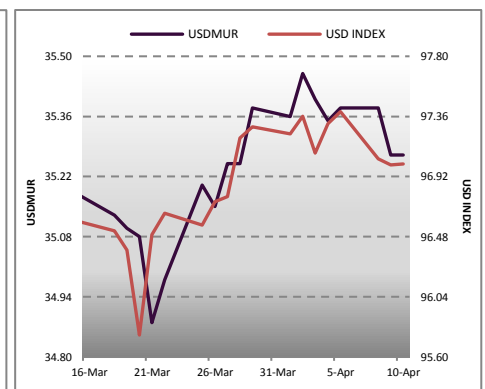
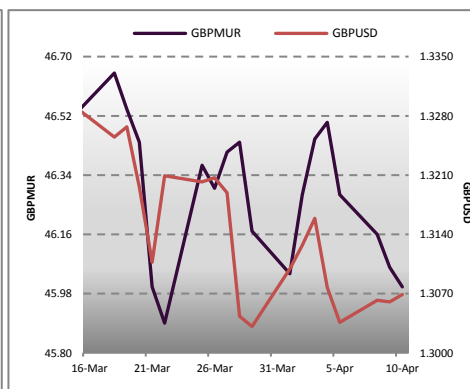
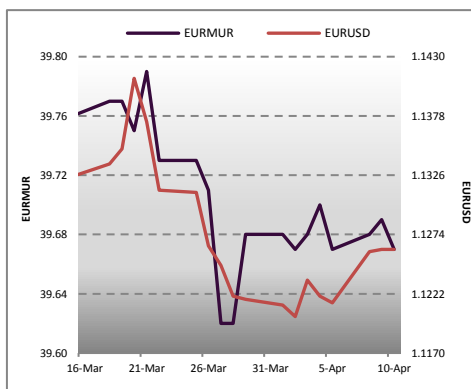
Market Highlights

Indicative Spot Rates

	Bid		Offer	
	Today	Change (Rs.)	Today	Change (Rs.)
AUDMUR	24.38	(0.02)	25.36	(0.02)
CNYMUR	5.11	-	5.37	-
EURMUR	38.51	(0.02)	39.67	(0.02)
JPYMUR	30.62	0.07	31.84	0.07
ZARMUR	2.41	0.01	2.53	0.01
USDMUR	34.37	-	35.27	-
GBPMUR	44.66	(0.06)	46.00	(0.06)

Indicative Forward Rates

	Bid			Offer		
	1m	3m	6m	1m	3m	6m
AUDMUR	24.38	24.40	24.45	25.40	25.47	25.63
EURMUR	38.60	38.79	39.11	39.79	40.04	40.47
ZARMUR	2.40	2.38	2.35	2.52	2.51	2.49
USDMUR	34.37	34.37	34.39	35.29	35.34	35.46
GBPMUR	44.73	44.85	45.08	46.10	46.29	46.64



Previous Day Trading Levels

	Previous Day Trading Levels			Today
	Opening	High	Low	Latest
AUDUSD	0.7122	0.7142	0.7110	0.7140
EURUSD	1.1261	1.1271	1.1256	1.1265
GBPUSD	1.3055	1.3072	1.3045	1.3073
USDJPY	111.12	111.22	111.07	111.17
USDCHE	0.9999	1.0005	0.9995	1.0004
USDCNH	6.72	6.72	6.72	6.72

Today

Major Indices

	Value at Close	Day Change %
DOW JONES	26,341.02	(0.72)
S&P 500	2,878.20	(0.61)
FTSE 100	7,425.57	(0.35)
DAX	11,850.57	(0.94)
CAC 40	5,436.42	(0.65)
NIKKEI 225	21,657.82	(0.68)
HANGSENG	30,051.80	(0.35)

Major Economic Releases (at GMT)

Date	Time	Country	Event	Period	Actual	Expected	Prior
10-Apr	11 45	EU	ECB Interest Rate Decision	-	-	0%	0%
10-Apr	12 30	US	Consumer Price Index ex Food & Energy	Mar	-	2.1%	2.1%
10-Apr	16 00	UK	European Council Summit on Brexit	-	-	-	-
10-Apr	18 00	US	FOMC 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

News

> Treasury prices edged higher yesterday, pulling bond yields lower, as traders grappled with the renewed threat of a trade conflict after the US threatened to slap import levies on the European Union.

> Stocks fell and assets perceived as havens, like government paper, rose following the US Trade Office's representative talk of imposing tariffs on the European Union, in retaliation against the EU financial support for aircraft manufacturer Airbus. This comes on the heels of reports that the US is in the last stages of its talks to end its longstanding trade dispute with China.

> The 10-year US Treasury note yield dropped 2 basis points to 2.497 percent, while the 2-year note yield fell by 1.4 basis points to 2.343 percent.

Market Highlights

Local Secondary Market T-Bills

	Bid (%)	Offer (%)
1M	2.90	-
2M	2.95	-
3M	3.02	2.87
4M	3.17	-
6M	3.32	3.17
8M	3.39	-
10M	3.46	-
1Y	3.52	3.37

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

Local Secondary Market T-Bonds

	Bid (%)	Offer (%)
2 year	3.85	3.65
3 year	4.00	3.80
4 Year	4.30	4.10
5 Year	4.70	4.45
10 Year	5.40	5.15
15 year	5.90	5.65
20 Year	6.15	5.90

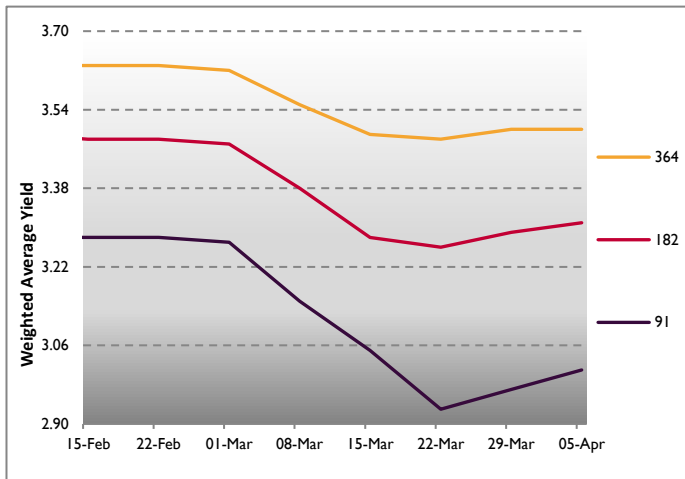
Key Central Bank Rates

	Current Level (%)	Previous (%)
BOM Repo Rate	3.50	3.50
Fed Funds Rate	2.25 - 2.50	2.25 - 2.50
BoE Bank Rate	0.75	0.75
ECB Ref. Rate	0.0	0.0
RBA Cash Rate	1.50	1.50

Government Benchmark Yields (%)

	2 Year	5 Year
US Bonds	2.3314	2.292
UK Bonds	0.691	0.841
German Bonds	-0.575	-0.453

Local Treasury Bills Market



Money Market Rates

LIBOR (%)	1 Week	1 Month	3 Months	6 Months
EUR	-0.444	-0.417	-0.358	-0.310
USD	2.412	2.484	2.581	2.629
GBP	0.693	0.729	0.822	0.937
EURIBOR	-0.379	-0.367	-0.310	-0.231

Indicative Generic Swap Rates* (%)

Tenor	2yr	5yr	7yr	10yr
EURIBOR - 3m	-0.273	-0.036	0.161	0.455
USD LIBOR - 3m	2.402	2.309	2.376	2.468

*Pay fixed and receive floating swap

COMMODITIES

Rolling Gold & Oil Prices



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News

> Oil prices edged lower yesterday, slipping off five-month highs after the International Monetary Fund cut its global economic growth forecasts while Russia signalled it may retreat from its production-cutting deal with OPEC.

> The yellow metal extended gains and traded above the USD 1,300 level, hitting a two-week high of USD 1,306.24, as the US dollar fell in anticipation of the Fed Minutes later today. Support for the commodity also came from data pointing to a decline in new orders for US-made goods in February.

	Spot Market		Futures Market	
	Today	Change (\$)	Today	Change (\$)
Brent Crude Oil (\$)	71.68	(0.09)	70.70	0.09
Gold (\$)	1,302.81	(1.07)	1,301.50	(2.00)