

## FOREIGN EXCHANGE MARKET

### News

- > The US dollar fell against its peers after the minutes from the Federal Reserve March meeting showed that the majority of policymakers expect the Central Bank to remain on pause for the rest of the year.
- > The EUR initially fell after the ECB President Mario Draghi warned of downside risks to the economy while keeping interest rates unchanged. However, price was lifted later after the release of dovish Fed minutes.
- > The GBP/USD pair edged higher to 1.3113 after UK Prime Minister Theresa May signalled that she would be willing to accept a potential EU offer for a longer Brexit delay.
- > The USD/JPY pair fell to 110.84, dragged by US Treasury yields, which fell to their lowest in over a week.
- > The AUD/USD advanced to 0.7174, its highest since late February boosted by the strong momentum of commodities with both oil and gold reaching fresh highs.
- > South African rand firmed below the 14.00 threshold on Wednesday for the first time in six weeks as a softer dollar boosted investor appetite for emerging markets.
- > The Canadian dollar edged higher against its US counterpart on Wednesday, holding near a three-week high as oil prices rose and minutes from the Federal Reserve latest meeting signalled patience on raising interest rates further.
- > The Bank of Mauritius intervened on the domestic foreign exchange market yesterday at the bid rate of MUR 34.80/USD.
- > The US Dollar opens 13 cents higher this morning, with several Fed speeches in the pipeline for today as well as the US Production Price Index data.

### Daily Technical View

EUR/USD - Yesterday the pair whipsawed in a 1.1230-1.1290 range to close the day flat at 1.1270 as the outcome of the ECB meeting and FOMC minutes did not surprise markets and US CPI data came out mixed. It looks like the single currency has found a base in the 1.1200/20 area and there is potential for more upside towards 1.1330/50 before encountering stronger resistance.

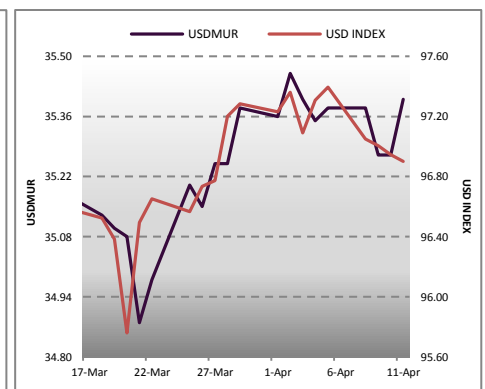
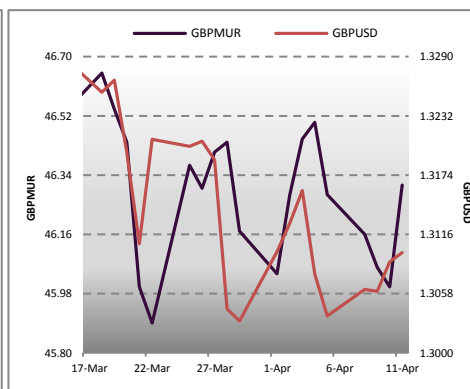
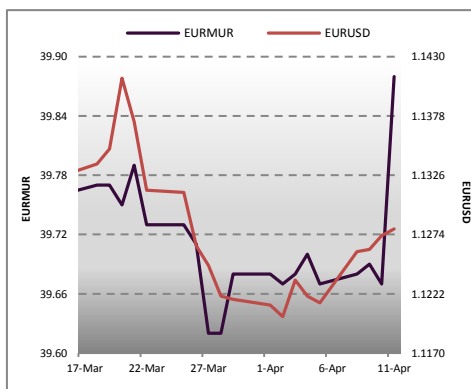
### Market Highlights

#### Indicative Spot Rates

	Bid		Offer	
	Today	Change (Rs.)	Today	Change (Rs.)
AUDMUR	24.58	0.20	25.56	0.20
CNYMUR	5.13	0.02	5.39	0.02
EURMUR	38.72	0.21	39.88	0.21
JPYMUR	30.75	0.13	31.98	0.14
ZARMUR	2.44	0.03	2.56	0.03
USDMUR	34.50	0.13	35.40	0.13
GBPMUR	44.96	0.30	46.31	0.31

#### Indicative Forward Rates

	Bid			Offer		
	1m	3m	6m	1m	3m	6m
AUDMUR	24.58	24.60	24.65	25.60	25.68	25.83
EURMUR	38.81	39.00	39.32	40.00	40.25	40.69
ZARMUR	2.43	2.41	2.38	2.55	2.54	2.52
USDMUR	34.50	34.50	34.52	35.42	35.47	35.59
GBPMUR	45.03	45.15	45.38	46.41	46.61	46.96



#### Previous Day Trading Levels

	Previous Day Trading Levels			Today
	Opening	High	Low	Latest
AUDUSD	0.7170	0.7171	0.7153	0.7163
EURUSD	1.1271	1.1290	1.1273	1.1280
GBPUSD	1.3090	1.3108	1.3083	1.3100
USDJPY	111.01	111.12	110.91	111.07
USDCHE	1.0024	1.0029	1.0019	1.0021
USDCNH	6.72	6.72	6.72	6.72

#### Today

#### Major Indices

	Value at Close	Day Change %
DOW JONES	26,150.58	0.03
S&P 500	2,888.21	0.35
FTSE 100	7,421.91	(0.05)
DAX	11,905.91	0.47
CAC 40	5,449.88	0.25
NIKKEI 225	21,712.17	0.11
HANGSENG	29,881.07	(0.79)

### Major Economic Releases (at GMT)

Date	Time	Country	Event	Period	Actual	Expected	Prior
10-Apr	11 45	EU	ECB Interest Rate Decision	-	0%	0%	0%
10-Apr	12 30	US	Consumer Price Index ex Food & Energy	Mar	2.0%	2.1%	2.1%
11-Apr	12 30	US	Initial Jobless Claims	Mar	-	211K	202K
11-Apr	14 00	US	Michigan Consumer Sentiment Index	Apr	-	98.0	98.4

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**

- > US Treasury yields retreated alongside their European counterparts yields, after ECB President Mario Draghi reiterated his downbeat view of the Eurozone growth outlook, and a key inflation reading came in line with expectations.
- > The ECB made no changes to its policy measures at its March meeting. The central bank repeated that it would keep rates at their current level at least through the end of the year. Mr. Draghi stated that the balance of risks to the Eurozone economy remained tilted to the downside.
- > Separately, the Federal Reserve's minutes from its March meeting showed the central bank's decision to pause its rate increase cycle this year came from concerns around the US and global economy's health and the lack of inflation pressures.
- > The 10-year US Treasury note yield dropped 1.8 basis points to 2.479 percent, while the 2-year note yield fell 1.6 basis points to 2.327 percent.
- > The 10-year German government bond yield retreated 2 basis points to negative 0.03 percent.
- > Tomorrow, the Bank of Mauritius will issue the 364-Day Government of Mauritius Treasury Bills for a nominal amount of MUR 1,100 Mio as well as the 91-Day and 182-Day for a nominal amount of MUR 1,100 Mio.

**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	2.3233	2.277
UK Bonds	0.688	0.827
German Bonds	-0.59	-0.474

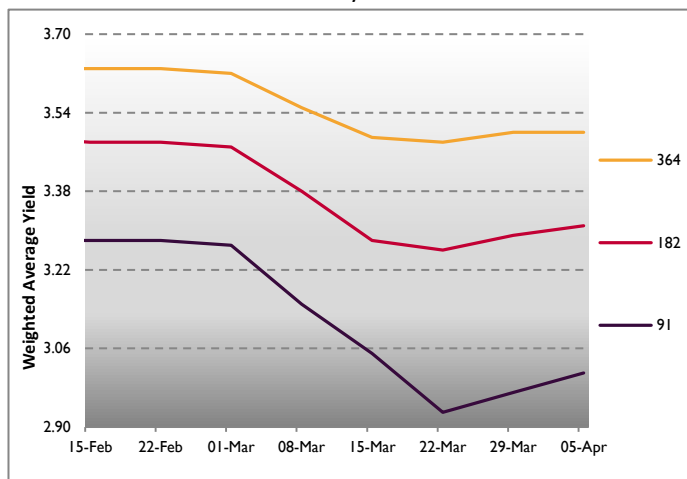
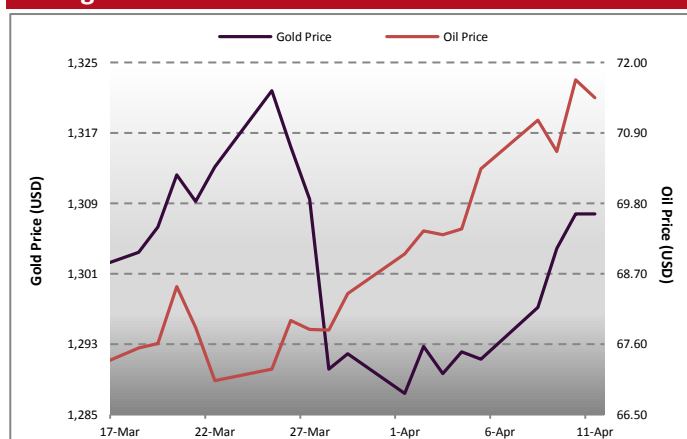
**Money Market Rates**

LIBOR (%)	1 Week	1 Month	3 Months	6 Months
EUR	-0.455	-0.417	-0.356	-0.309
USD	2.414	2.482	2.604	2.627
GBP	0.694	0.729	0.824	0.942
EURIBOR	-0.378	-0.367	-0.310	-0.231

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

Tenor	2yr	5yr	7yr	10yr
EURIBOR - 3m	-0.292	-0.069	0.128	0.427
USD LIBOR - 3m	2.416	2.306	2.353	2.451

\*Pay fixed and receive floating swap

**Local Treasury Bills Market**

**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**

- > Oil prices traded flat overnight after US crude inventories rose 7 million barrels to 456.6 million barrels in the last week, the highest level since November 2017, according to data released yesterday by the Energy Information Administration.
- > The yellow metal finished a fourth straight session higher, hitting a 2-week high, supported by softer US economic data and as the European Central Bank reinforced an accommodative monetary policy while the Federal Reserve has also signalled it will not be easing as yet.

	Spot Market		Futures Market	
	Today	Change (\$)	Today	Change (\$)
Brent Crude Oil (\$)	72.29	0.62	71.45	(0.28)
Gold (\$)	1,308.11	0.31	1,306.60	(2.50)