

FOREIGN EXCHANGE MARKET

News

- > The greenback hovered close to a near three-month high this morning, as investors continued to favour the USD amid global growth concerns. The dollar index, which measures the greenback against a basket of six key rivals, gained 0.1 percent to 97.412.
- > The GBP/USD pair fell as much as 0.5 per cent to 1.2947, as pressure builds over Prime Minister Theresa May's leadership ahead of a crucial Brexit vote this week.
- > The EUR/USD retreated to 1.1222 during the Asian session, as pair the fell short of extending Friday's NFP-backed recovery after recent comments from the US Federal Reserve Chairman Jerome Powell gave little importance to the data miss.
- > The South African rand strengthened around the 14.42 level against its US counterpart on the back of weaker than expected US employment data.
- > Nonfarm payrolls disappointment in the US eased the pressure on both the AUD and the CAD, although further retreat of those commodity-sensitive currencies remains possible.
- > The Bank of Mauritius intervened twice on the domestic foreign exchange market and purchased a total of USD 33 Mio: USD 23 Mio at MUR 34.50/USD on 5 March and USD 10 Mio at MUR 34.90/USD on 8 March.
- > The Bank of Mauritius published the Mauritius Exchange Rate Index, showing a 0.12 percent decrease in the MERI 1, indicating and appreciation of the Rupee from January to February.
- > The US Dollar opens 23 cents higher this morning, ahead of Retail Sales data due later today.

Daily Technical View

The greenback retraced some of its recent gains as mixed jobs data showing a weak payroll growth triggered some profit-taking. EURUSD bounced from its yearly low of 1.1175 hit on Friday to trade around 1.1235 this morning. The overall bearish trend on the Euro remains firm though and rallies should be capped at 1.1260/75. Only a clear break above would provide further upside momentum towards 1.1310/20. To the downside, intraday support lies at 1.1200 ahead of 1.1170/80.

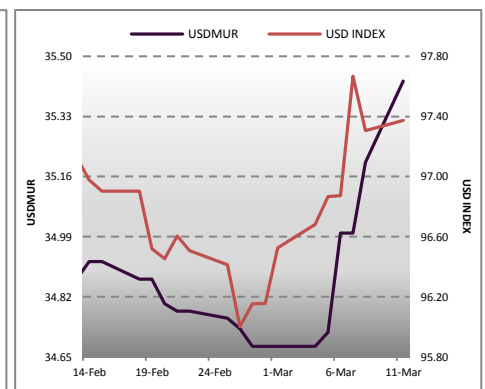
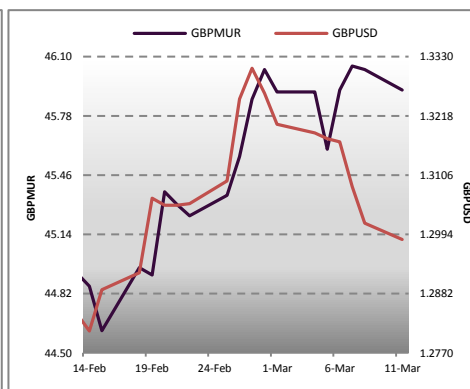
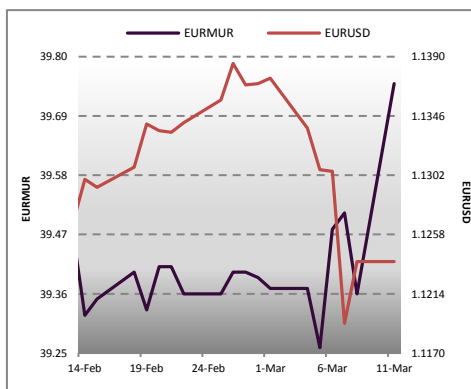
Market Highlights

Indicative Spot Rates

	Bid		Offer	
	Today	Change (Rs.)	Today	Change (Rs.)
AUDMUR	24.18	0.26	25.15	0.27
CNYMUR	5.12	0.03	5.38	0.03
EURMUR	38.59	0.38	39.75	0.39
JPYMUR	30.76	0.27	31.99	0.28
ZARMUR	2.36	0.03	2.48	0.03
USDMUR	34.53	0.23	35.43	0.23
GBPMUR	44.58	(0.11)	45.92	(0.11)

Indicative Forward Rates

	Bid			Offer		
	1m	3m	6m	1m	3m	6m
AUDMUR	24.19	24.21	24.24	25.19	25.27	25.41
EURMUR	38.69	38.89	39.22	39.87	40.14	40.58
ZARMUR	2.35	2.33	2.30	2.47	2.46	2.44
USDMUR	34.53	34.55	34.57	35.46	35.52	35.64
GBPMUR	44.65	44.80	45.01	46.02	46.24	46.58



Previous Day Trading Levels

	Previous Day Trading Levels			Today
	Opening	High	Low	Latest
AUDUSD	0.7034	0.7049	0.7027	0.7042
EURUSD	1.1238	1.1243	1.1223	1.1241
GBPUSD	1.3017	1.3021	1.2949	1.2986
USDJPY	111.12	111.17	110.88	111.17
USDCHF	1.0075	1.0086	1.0076	1.0085
USDCNH	6.73	6.73	6.73	6.73

Today

Major Indices

	Value at Close	Day Change %
DOW JONES	25,473.23	(0.09)
S&P 500	2,743.07	(0.21)
FTSE 100	7,104.31	(0.74)
DAX	11,457.84	(0.52)
CAC 40	5,231.22	(0.70)
NIKKEI 225	21,109.42	0.40
HANGSENG	28,383.82	0.55

Major Economic Releases (at GMT)

Date	Time	Country	Event	Period	Actual	Expected	Prior
08-Mar	13 30	US	Nonfarm Payrolls	Feb	20K	180K	311K
08-Mar	13 30	US	Average Hourly Earnings (YoY)	Feb	3.4%	3.3%	3.1%
11-Mar	12 30	US	Retail Sales control group	Jan	-	0.6%	-1.7%
12-Mar	-	UK	Parliamentary vote on Brexit	-	-	-	-

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

- > Treasury prices rose on Friday, dragging yields lower, after a much weaker-than-expected jobs report offered up a potential sign that the global economic slowdown could be making its way to US shores.
- > The US Bureau of Labour Statistics reported that the economy had picked up only 20,000 jobs in February, sharply down from the 311,000 jobs added in the previous month.
- > The 10-year US Treasury note yield gave away 1.1 basis points to 2.627 percent, its lowest since January 3, contributing to a weekly decline of 12.8 basis points, its largest fall since December 7.

- > The result of the 182-Day Government of Mauritius T-Bills was as follows: out of 9 bids received, 5 were successful, with a bid to cover ratio of 2.9 compared to 2.2 in the previous auction. The weighted average yield was at 3.48 percent.
- > As for the 91-Day and 364-Day Bank of Mauritius Bills, the bid to cover ratio was at 2.94 for both compared to 2.15 in the previous auction. The weighted average yields were published at 3.15 percent and 3.55 percent respectively.
- > The Bank of Mauritius published the Minutes of meeting for the 50th MPC meeting held on 22 February. The reports states that the rupee exchange rate has been stable, benefiting from capital inflows, the MERI 1 showed the Rupee appreciated by 0.2 percent and 0.6 percent in November 2018 and December 2018 respectively.

Market Highlights

Local Secondary Market T-Bills

	Bid (%)	Offer (%)
1M	3.05	-
2M	3.10	-
3M	3.19	3.04
4M	3.30	-
6M	3.40	3.25
8M	3.45	-
10M	3.50	-
1Y	3.57	3.42

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

Local Secondary Market T-Bonds

	Bid (%)	Offer (%)
2 year	3.90	3.70
3 year	4.10	3.90
4 Year	4.35	4.15
5 Year	4.70	4.45
10 Year	5.45	5.20
15 year	6.00	5.75
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	2.4772	2.439
UK Bonds	0.751	0.899
German Bonds	-0.545	-0.382

Money Market Rates

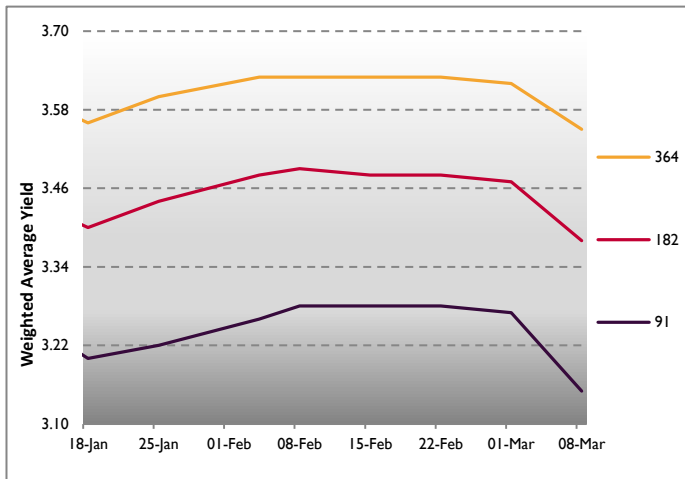
LIBOR (%)	1 Week	1 Month	3 Months	6 Months
EUR	-0.447	-0.414	-0.330	-0.294
USD	2.404	2.492	2.597	2.679
GBP	0.697	0.727	0.846	0.977
EURIBOR	-0.375	-0.367	-0.308	-0.232

Indicative Generic Swap Rates* (%)

Tenor	2yr	5yr	7yr	10yr
EURIBOR - 3m	-0.247	-0.009	0.197	0.498
USD LIBOR - 3m	2.594	2.510	2.542	2.662

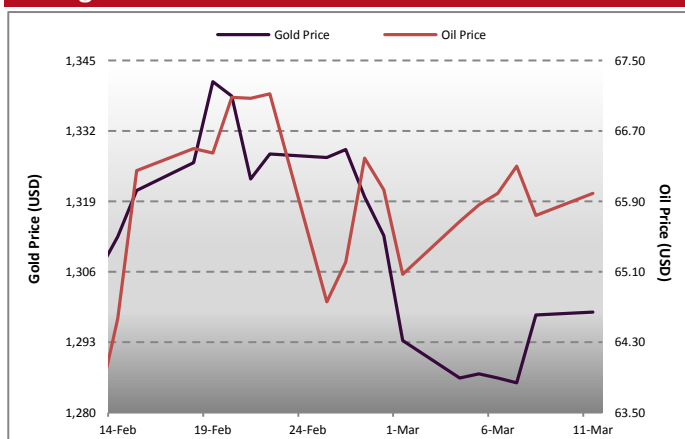
*Pay fixed and receive floating swap

Local Treasury Bills Market



COMMODITIES

Rolling Gold & Oil Prices



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News

- > Oil prices rose on Monday after Saudi oil minister stated OPEC-led supply cuts would not end before June, just as US drilling activity is reportedly falling. The OPEC+ alliance has pledged to cut 1.2 million barrels per day in crude supply to tighten markets and prop up prices.
- > Brent crude futures were priced at USD 65.91 a barrel at 01:56 GMT.
- > Gold prices slipped on Monday in Asia after gaining almost 1 percent in the previous session on the back of weakest US hiring in more than a year.

	Spot Market		Futures Market	
	Today	Change (\$)	Today	Change (\$)
Brent Crude Oil (\$)	63.09	(1.18)	65.99	0.25
Gold (\$)	1,298.85	0.84	1,297.00	13.20