

FOREIGN EXCHANGE MARKET

News

> The greenback plummeted against all of its major peers on Thursday on speculation that the Federal Reserve would slow down its pace on upcoming interest rate hike after the release of weaker-than-expected US CPI.

> US consumer prices rose by 7.7 percent year-on-year in October, the smallest gain since January and below forecast of an 8 percent increase. Markets in the US will remain closed this Friday on account of Veterans Day.

> EUR/USD consolidated a break above parity and extended above 1.0200 on soft US inflation data, causing the US Dollar to suffer heavy losses.

> GBP/USD rose sharply to a two-month high at 1.1738 amid broad-based US dollar weakness. Investors will today focus on the release of UK 3rd quarter GDP data.

> USD/JPY fell to the lowest in more than a month trading just above 140 amid a decline in Treasury yields.

> AUD/USD jumped the most in 11 years on Thursday after the US CPI pushed back hawkish expectations from the US Federal Reserve.

> The Canadian dollar strengthened to a seven-week high against its US counterpart on Thursday as US inflation pressures cooled and Bank of Canada Governor Tiff Macklem stated that the economy could avoid a major rise in the unemployment rate.

> South African rand rallied against a weaker greenback while domestic manufacturing data for September surprised to the upside, rising by 2.9 percent year-on-year against analysts' predictions for a 2.35 percent fall.

> The USD/MUR opens at MUR 44.25/USD on the offer, while the EUR/MUR is offered at MUR 45.14/EUR this morning.

Daily Technical View

EUR/USD – The single currency exploded from a low at 0.9938 to a top 1.0220 after the US CPI data yesterday. Pullback of the gigantic bullish move for the pair towards support at 1.0115 could be seen today. A new tone is now set for the single currency to touch resistance at 1.0340 zone.

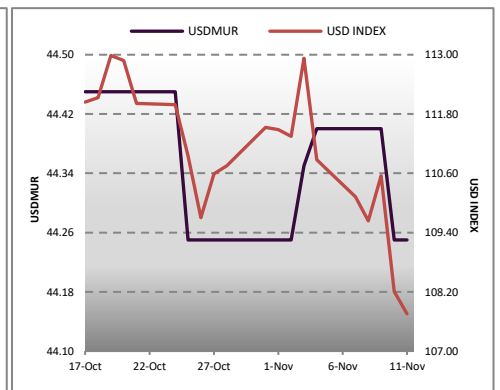
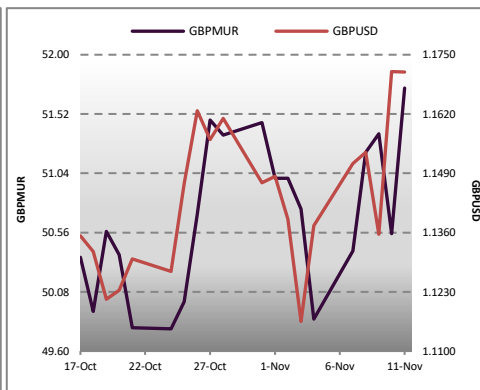
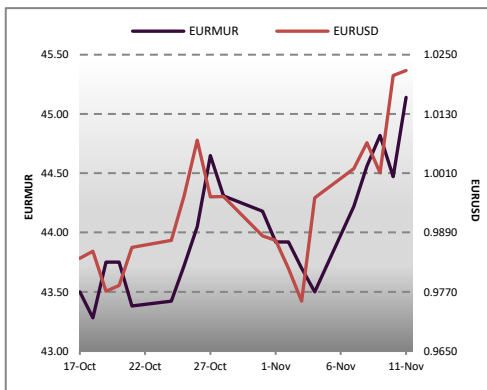
Market Highlights

Indicative Spot Rates

	Bid		Offer	
	Today	Change (Rs.)	Today	Change (Rs.)
AUDMUR	28.49	0.80	29.89	0.84
CNYMUR	6.04	0.08	6.35	0.08
EURMUR	43.83	0.66	45.14	0.67
JPYMUR	30.23	0.86	31.83	0.90
ZARMUR	2.44	0.04	2.60	0.04
USDMUR	43.35	-	44.25	-
GBPMUR	50.22	1.14	51.73	1.18

Indicative Forward Rates

	Bid			Offer		
	1m	3m	6m	1m	3m	6m
AUDMUR	28.48	28.42	28.28	29.89	29.88	29.84
EURMUR	43.85	43.86	43.78	45.20	45.30	45.37
ZARMUR	2.43	2.41	2.37	2.59	2.58	2.56
USDMUR	43.28	43.11	42.74	44.22	44.13	43.97
GBPMUR	50.17	50.08	49.92	51.72	51.73	51.75



Previous Day Trading Levels

	Previous Day Trading Levels			Today
	Opening	High	Low	Latest
AUDUSD	0.6618	0.6661	0.6579	0.6640
EURUSD	1.0207	1.0234	1.0164	1.0221
GBPUSD	1.1714	1.1729	1.1648	1.1715
USDJPY	140.99	142.48	140.96	141.61
USDCHF	0.9635	0.9683	0.9635	0.9648
USDCNH	7.15	7.19	7.06	7.09

Today

Major Indices

	Value at Close	Day Change %
DOW JONES	32,513.94	3.70
S&P 500	8,403.48	5.50
FTSE 100	7,375.34	1.08
DAX	14,146.09	3.51
CAC 40	4,942.74	1.96
NIKKEI 225	28,252.26	2.94
HANGSENG	17,337.63	7.81

Major Economic Releases (at GMT)

Date	Time	Country	Event	Period	Actual	Expected	Prior
10-Nov	17 30	US	CPI ex Food & Energy (MoM)	Oct	0.3%	0.5%	0.6%
10-Nov	17 30	US	Initial Jobless Claims	Nov	225K	220K	218K
11-Nov	11 00	UK	GDP (QoQ) PREL	Q3	-	-0.5%	0.2%
11-Nov	11 00	DE	Harmonized Index of Consumer Prices	Oct	-	11.6%	11.6%

FIXED INCOME

News

> US Treasury yields tumbled across the board on Thursday after weaker-than-expected October inflation data reinforced expectations that the Federal Reserve might pull back from aggressive interest rate hike in December.

> The drop in yields reflected huge demand for government bonds, leading to the biggest decline in 2 year and 10-year Treasuries in at least 13 years.

> The yield on the on the 2-year Treasury fell by 30.4 basis points to 4.324 percent, the largest one-day decline in the yield since September 2008.

> The yield on the 10-year Treasury shed 31.3 basis points to 3.828 percent, falling below the psychological 4 percent level.

> 30-year Treasury yield slipped by 23.7 basis points to 4.080 percent, the largest one day decline since March 2020.

> Today, the Bank of Mauritius will hold the auction for the 182-Day Government of Mauritius Treasury Bills for a nominal amount of MUR 600 Mio as well as the auction for the 91-Day Bank of Mauritius Treasury Bills for a nominal amount of MUR 2,500 Mio.

> The weighted average yield of the 7-Day Bank of Mauritius Treasury Bills was published at 1.96 percent for a total amount of MUR 9,650 Mio.

Market Highlights

Local Secondary Market T-Bills

	Bid (%)	Offer (%)
1M	2.25	2.10
2M	2.40	2.25
3M	2.55	2.40
4M	2.60	2.45
6M	2.65	2.50
8M	2.68	2.53
10M	2.71	2.56
1Y	2.75	2.60

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

Local Secondary Market T-Bonds

	Bid (%)	Offer (%)
2 year	3.05	2.85
3 year	3.30	3.10
4 Year	3.60	3.40
5 Year	4.00	3.75
10 Year	5.25	5.00
15 year	5.55	5.30
20 Year	5.75	5.50

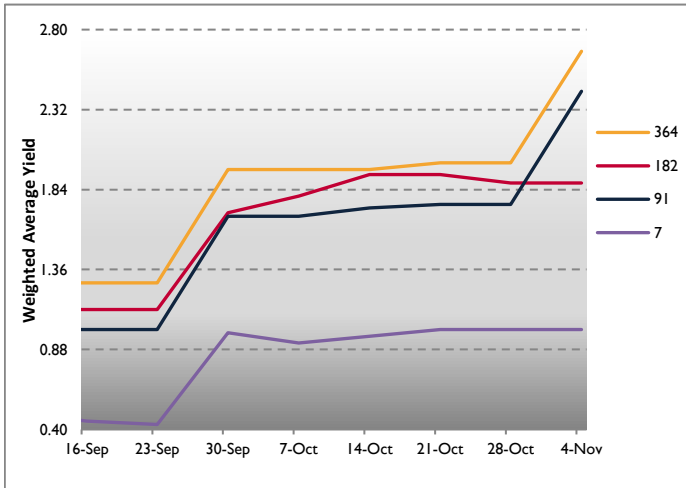
Key Central Bank Rates

	Current Level (%)	Previous (%)
BOM Repo Rate	4.00	3.00
Fed Funds Rate	3.75 - 4.00	3.00 - 3.25
BoE Bank Rate	2.25	1.75
ECB Ref. Rate	1.50	0.75
RBA Cash Rate	2.85	2.60

Government Benchmark Yields (%)

	2 Year	5 Year
US Bonds	4.33	3.936
UK Bonds	3.074	3.304
German Bonds	1.979	1.935

Auction Results of Treasury Bills



Money Market Rates

LIBOR* (%)	1 Week	1 Month	3 Months	6 Months
EUR	-	-	-	-
USD	-	3.879	4.630	5.156
GBP	-	2.962	3.466	4.071
EURIBOR	1.393	1.415	1.802	2.333

* LIBOR rates delayed by 48 hours. Source: ICE

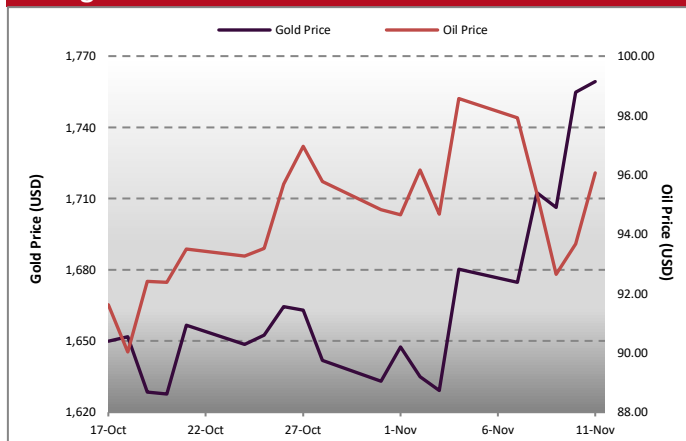
Indicative Generic Swap Rates* (%)

Tenor	2yr	5yr	7yr	10yr
EURIBOR - 3m	2.779	2.682	2.708	2.804
USD LIBOR - 3m	4.731	4.000	3.872	3.821

* Pay fixed and receive floating swap

COMMODITIES

Rolling Gold & Oil Prices



News

> The precious metal surged on Thursday after the closely watched US inflation data for October came in cooler than expected, fueling expectations for slower pace of Fed interest rate hikes.

> Benchmark oil prices recovered as the weaker US dollar after US inflation slowdown offset worries about fuel demand.

Spot Market

	Today	Change (\$)
Brent Crude Oil (\$)	95.64	0.01
Gold (\$)	1,759.56	4.81

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Source: MCB Treasury, Reuters, Bloomberg, Bank of Mauritius