

FOREIGN EXCHANGE MARKET

News

> The greenback fell across the board on Friday as investors booked profits from USD recent winning streak ahead of a US inflation report that could determine the size of the Federal Reserve rate hike at this month policy meeting.

> This week, the key number will be August US CPI on Tuesday while the Bank of England postponed its September interest rate decision for a week, from September 15 to September 22.

> EUR/USD rose back above parity to a three-week high a day after the European Central Bank raised rates by a record 75 basis points and signaled further hikes to fight inflation.

> GBP/USD edged up to 1.1648 as most majors fought back against the greenback recent strength, capping a volatile week in which the pound hit a 35-year low as the UK saw a new Prime Minister and Queen Elizabeth passed away.

> The Japanese yen posted its best daily gain in a month, at 141.50 against the dollar as Bank of Japan Governor Haruhiko Kuroda stated that rapid yen moves were undesirable after a meeting with Prime Minister Fumio Kishida on Friday.

> AUD/USD peaked at 0.6877 on Friday, the highest level since August 31, amid a broad-based correction of the US dollar and higher commodity and equity prices.

> Despite weaker-than-expected domestic employment data, the Canadian dollar climbed to a 10-day high against its US counterpart as the greenback gave back some of its recent gains.

> South African rand strengthened on Friday against the dollar while this week investors will be looking at mining and retail sales figures for clues on the health of the economy.

> The USD/MUR opens at MUR 44.45/USD on the offer and the EUR/MUR opens at MUR 45.10/EUR.

Daily Technical View

EUR/USD – The single currency opened higher on Monday topping 1.0105 amid dollar weakness on the tail-risk chance speculation. The pair is trapped in a bullish trend channel, with the direction tilting to the upside at 1.02 as resistance. On the downside, a dive below support at 1.0030 would accelerate retracement towards 0.9990.

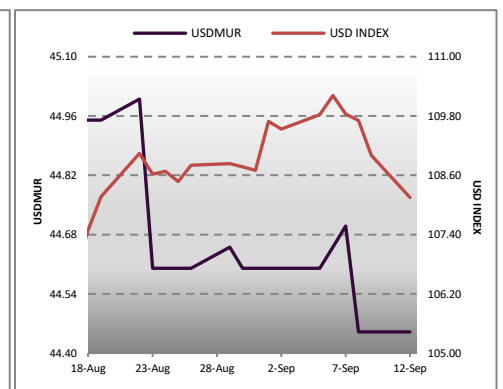
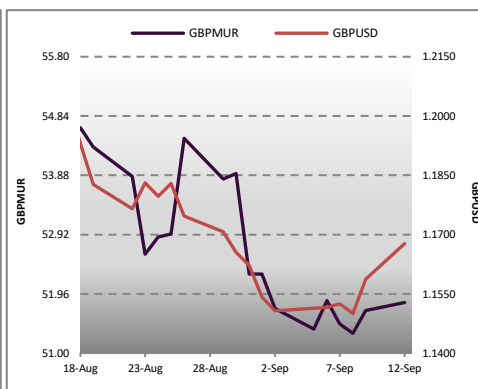
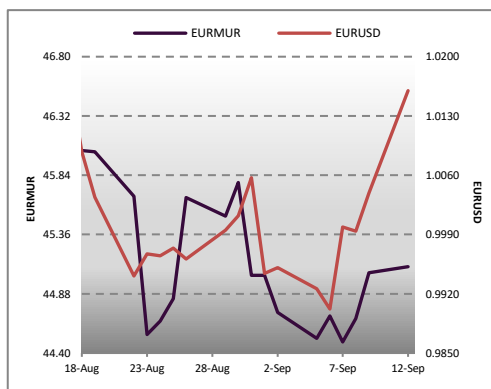
Market Highlights

Indicative Spot Rates

	Bid		Offer	
	Today	Change (Rs.)	Today	Change (Rs.)
AUDMUR	29.61	0.04	30.79	0.04
CNYMUR	6.26	-	6.58	-
EURMUR	43.79	0.05	45.10	0.05
JPYMUR	30.16	0.04	31.37	0.05
ZARMUR	2.47	-	2.63	-
USDMUR	43.55	-	44.45	-
GBPMUR	50.31	0.13	51.82	0.13

Indicative Forward Rates

	Bid			Offer		
	1m	3m	6m	1m	3m	6m
AUDMUR	29.58	29.45	29.23	30.78	30.70	30.57
EURMUR	43.80	43.75	43.61	45.15	45.19	45.20
ZARMUR	2.46	2.44	2.39	2.62	2.61	2.58
USDMUR	43.47	43.25	42.85	44.40	44.28	44.08
GBPMUR	50.25	50.13	49.95	51.81	51.78	51.77



Previous Day Trading Levels

	Previous Day Trading Levels			Today
	Opening	High	Low	Latest
AUDUSD	0.6837	0.6885	0.6805	0.6886
EURUSD	1.0078	1.0182	1.0061	1.0183
GBPUSD	1.1592	1.1687	1.1600	1.1684
USDJPY	142.32	143.49	142.34	142.74
USDCHE	0.9595	0.9612	0.9558	0.9560
USDCNH	6.94	6.95	6.93	6.93

Today

Major Indices

	Value at Close	Day Change %
DOW JONES	31,774.52	1.19
S&P 500	4,067.36	1.53
FTSE 100	7,374.72	0.32
DAX	13,088.21	1.43
CAC 40	6,212.33	1.41
NIKKEI 225	28,516.50	1.07
HANGSENG	19,362.25	2.69

Major Economic Releases (at GMT)

Date	Time	Country	Event	Period	Actual	Expected	Prior
8-Sep	12 30	US	Initial Jobless Claims	Sep	222K	240K	228K
9-Sep	12 30	CA	Unemployment Rate	Aug	5.4%	5.0%	4.9%
13-Sep	12 30	US	CPI ex Food & Energy (YoY)	Aug	-	6.0%	5.9%
14-Sep	06 00	UK	Consumer Price Index (YoY)	Aug	-	10.2%	10.1%

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 yields edged higher on Friday, with the two-year yield rising to its highest level since 2007 as Federal Reserve officials suggested that the central bank would likely hike its benchmark rate by another 75 basis points at its meeting later this month.

> The yield on the 2-year US Treasury note gained 8 basis points to trade at 3.569 percent, its highest level since November 7 2007, while the 10-year Treasury note yield rose by 3 basis points to 3.321 percent. The long-bond yielded 3.428 percent.

> The weighted average yield for the 364-Day Government of Mauritius Treasury Bills was published at 1.28 percent. As for the 91-Day and 182-Day Bank of Mauritius Treasury Bills, the weighted average yields were published at 1 percent and 1.12 percent respectively.

> The Bank of Mauritius published the Mauritius Exchange Rate index last week, showing a fall in the MERI 1 from 123.762 to 123.359, a 0.35 percent appreciation in the Rupee for the period July 2022 to August 2022.

Market Highlights
Local Secondary Market T-Bills

	Bid (%)	Offer (%)
1M	0.90	0.75
2M	0.95	0.80
3M	1.00	0.85
4M	1.05	0.90
6M	1.15	1.00
8M	1.20	1.05
10M	1.25	1.10
1Y	1.30	1.15

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Local Secondary Market T-Bonds

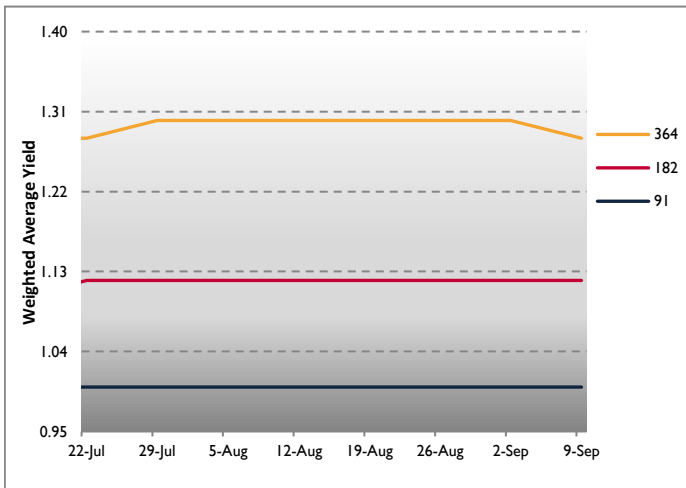
	Bid (%)	Offer (%)
2 year	2.45	2.25
3 year	3.00	2.80
4 Year	3.25	3.05
5 Year	3.50	3.25
10 Year	4.80	4.55
15 year	5.10	4.85
20 Year	5.35	5.10

Key Central Bank Rates

	Current Level (%)	Previous (%)
BOM Repo Rate	2.25	2.00
Fed Funds Rate	2.25 - 2.50	1.50 - 1.75
BoE Bank Rate	1.75	1.25
ECB Ref. Rate	0.50	0.00
RBA Cash Rate	2.35	1.85

Government Benchmark Yields (%)

	2 Year	5 Year
US Bonds	3.5444	3.427
UK Bonds	3.089	2.999
German Bonds	1.377	1.581

Auction Results of Treasury Bills

Money Market Rates

LIBOR* (%)	1 Week	1 Month	3 Months	6 Months
EUR	-	-	-	-
USD	-	2.705	3.194	3.752
GBP	-	2.213	2.688	3.399
EURIBOR	0.173	0.480	0.934	1.442

* LIBOR rates delayed by 48 hours. Source: ICE

Indicative Generic Swap Rates* (%)

Tenor	2yr	5yr	7yr	10yr
EURIBOR - 3m	2.252	2.335	2.403	2.533
USD LIBOR - 3m	3.886	3.480	3.420	3.393

* Pay fixed and receive floating swap

COMMODITIES
Rolling Gold & Oil Prices


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News

> Oil prices were lower this morning after a volatile week, as traders gauged concerns over slowing demand and US-led price caps on Russian crude exports.

> Gold snapped a three-week downtrend and ended the week with modest gains, underpinned by an extended correction in the US dollar from a 20-year peak. However, market players remain cautious amid hawkish ECB bets and pre-US inflation data anxiety.

	Spot Market	
	Today	Change (\$)
Brent Crude Oil (\$)	94.99	2.69
Gold (\$)	1,724.60	8.55