

FOREIGN EXCHANGE MARKET

News

> The greenback traded mixed against its peers on Wednesday after Tuesday's rally following the release of hot US inflation data. Focus today will be on the release of US retail sales.

> EUR/USD reached a weekly low at 0.9955 as the single currency failed to cheer hawkish comments from the ECB policymakers, as well as the European Commission's release of an energy plan.

> The pound trimmed some of Tuesday's losses and gained against the dollar on Wednesday as British inflation unexpectedly eased for the first time in a year.

> USD/JPY reversed sharply from daily highs of 144.96 amid speculation around a potential BOJ intervention.

> AUD/USD advanced towards 0.6780 despite the disappointing Australian employment data.

> The New Zealand dollar jumped to 0.6012 against the USD, as data showed GDP rose by 1.7 percent in the June quarter, beating forecasts of a 1.0 percent gain.

> The Canadian dollar was little changed against its US counterpart on Wednesday, holding near an earlier one-week low, as investors bet that the Federal Reserve would lift interest rates to a higher end-point than the Bank of Canada.

> The USD/MUR opens at MUR 44.55/USD on the offer and the EUR/MUR opens at MUR 44.73/EUR.

Daily Technical View

EUR/USD – The single currency staged a brief recovery to yesterday's high at 1.0024, before plunging back to 0.9962 in Asian session this morning. A dive below 0.9930 would fuel downside momentum to test one-week support at 0.9877. Resistance is dented above 200-EMA at 1.0024.

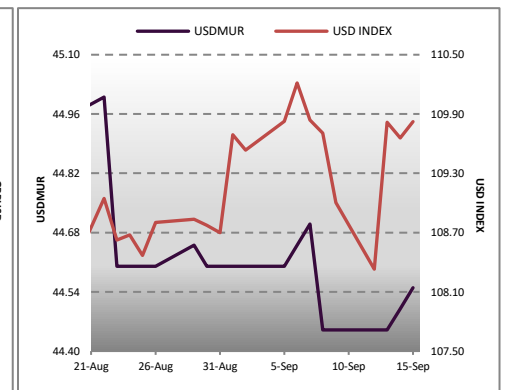
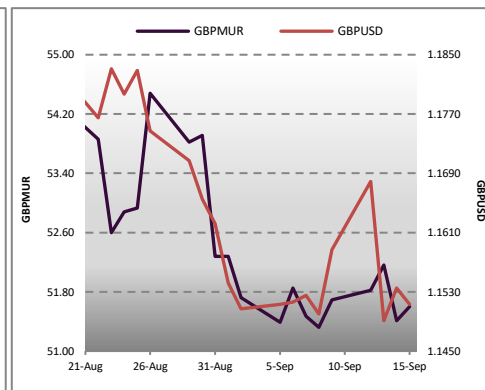
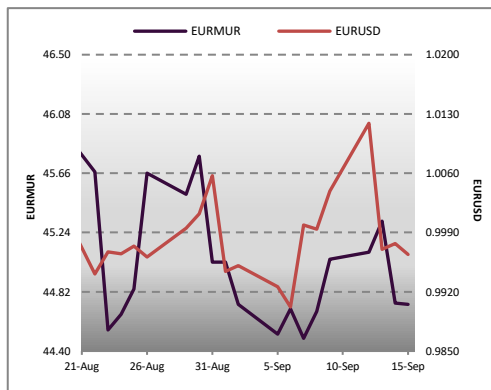
Market Highlights

Indicative Spot Rates

	Bid		Offer	
	Today	Change (Rs.)	Today	Change (Rs.)
AUDMUR	29.36	0.18	30.80	0.45
CNYMUR	6.25	-	6.57	-
EURMUR	43.43	(0.01)	44.73	(0.01)
JPYMUR	30.15	0.26	31.75	0.66
ZARMUR	2.45	(0.01)	2.61	(0.01)
USDMUR	43.65	0.05	44.55	0.05
GBPMUR	50.10	0.19	51.60	0.19

Indicative Forward Rates

	Bid			Offer		
	1m	3m	6m	1m	3m	6m
AUDMUR	29.32	29.20	28.97	30.78	30.70	30.57
EURMUR	43.43	43.38	43.23	44.77	44.80	44.80
ZARMUR	2.44	2.42	2.37	2.60	2.59	2.56
USDMUR	43.57	43.35	42.95	44.50	44.37	44.18
GBPMUR	50.04	49.92	49.74	51.59	51.56	51.55



Previous Day Trading Levels

	Previous Day Trading Levels			Today
	Opening	High	Low	Latest
AUDUSD	0.6749	0.6770	0.6719	0.6734
EURUSD	0.9979	1.0000	0.9957	0.9990
GBPUSD	1.1543	1.1549	1.1488	1.1507
USDJPY	143.15	143.80	142.80	143.47
USDCHF	0.9618	0.9642	0.9619	0.9572
USDCNH	6.97	7.02	6.97	7.00

Today

Major Indices

	Value at Close	Day Change %
DOW JONES	31,104.97	0.10
S&P 500	0.00	-
FTSE 100	7,305.93	0.39
DAX	13,028.00	(1.22)
CAC 40	6,222.41	(0.37)
NIKKEI 225	27,872.09	0.19
HANGSENG	18,930.38	0.44

Major Economic Releases (at GMT)

Date	Time	Country	Event	Period	Actual	Expected	Prior
13-Sep	12 30	US	CPI ex Food & Energy (YoY)	Aug	6.3%	6.1%	5.9%
14-Sep	06 00	UK	Consumer Price Index (YoY)	Aug	9.9%	10.2%	10.1%
15-Sep	12 30	US	Initial Jobless Claims	Sep	-	225K	222K
15-Sep	12 30	US	Retail Sales (MoM)	Aug	-	0.0%	0.0%

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

> The 2-year Treasury yield remained at its highest level since November 2007 on Wednesday, as traders continued to digest unexpectedly high consumer price inflation in August and a second straight monthly drop in the costs of US wholesale goods and services.

> The yield on the 2-year US Treasury, the part of the curve most sensitive to Fed Policy, maintained its five-day uptrend, gaining 2.8 basis points to 3.782 percent on Wednesday. The 2-year yield climbed as high as 3.834 percent during the session.

> The yield on the 10-year Treasury declined 1.1 basis points to 3.411 percent while the yield on the 30-year Treasury bond dipped 4 basis points to 3.468 percent.

> Today, the Bank of Mauritius will hold the auction for the 7-Day Bank of Mauritius Bills for a nominal amount of MUR 500 Mio.

> Tomorrow, the Bank of Mauritius will hold the auction for the 182-Day Government of Mauritius Treasury Bills for a nominal amount of MUR 500 Mio as well as the auction for the 91-Day and 364-Day Bank of Mauritius Bills for a nominal amount of MUR 2,000 Mio.

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

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

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	3.833	3.651
UK Bonds	3.089	3.091
German Bonds	1.518	1.626

Money Market Rates

LIBOR* (%)	1 Week	1 Month	3 Months	6 Months
EUR	-	-	-	-
USD	-	2.818	3.293	3.837
GBP	-	2.196	2.725	3.459
EURIBOR	0.542	0.619	1.000	1.538

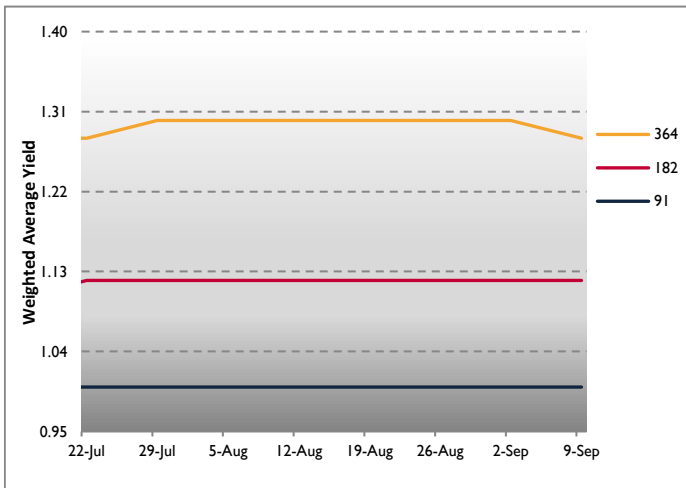
* LIBOR rates delayed by 48 hours. Source: ICE

Indicative Generic Swap Rates* (%)

Tenor	2yr	5yr	7yr	10yr
EURIBOR - 3m	2.480	2.428	2.439	2.514
USD LIBOR - 3m	4.253	3.722	3.602	3.526

* Pay fixed and receive floating swap

Auction Results of Treasury Bills



COMMODITIES

Rolling Gold & Oil Prices



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

News

> Oil prices edged higher on Thursday as investors gauged potential headwinds from Covid-19 disruptions in China, although a supply crunch in the US and demand for heating oil in Europe pointed to some upside in the near-term.

> Gold price extended its losing streak into a third straight day this morning in Asia, hovering near the lowest point in over a week below the USD 1,700 threshold, as concerns over more hawkish measures by the Federal Reserve continued to chip away at metal markets.

> Pressure on bullion prices is expected to continue for the remainder of the year, given that traders expect US interest rates to cross the 4 percent mark by end of 2022

	Spot Market	
	Today	Change (\$)
Brent Crude Oil (\$)	96.43	0.39
Gold (\$)	1,687.40	(8.39)