

FOREIGN EXCHANGE MARKET

News

> The greenback ended the day marginally higher on Thursday as the release of upbeat US retail sales increased speculation of an aggressive Federal Reserve rate hike. Focus today will be on the preliminary readings of the Michigan consumer sentiment index for September ahead of next week's Fed meeting.

> EUR/USD remained under pressure, trading in a range of 0.9955-1.0025 amid soaring bets for a full percent rate hike by the Federal Reserve next week.

> GBP/USD surrendered the psychological level of 1.1500 falling to session lows of 1.1451 ahead of the release of UK retail sales data later in the day.

> USD/JPY traded around 143.50 as investors await fresh development on BOJ intervention.

> The Australian dollar tracked lower through trade on Thursday, hitting below 0.6700 amid sustained risk aversion.

> The Canadian dollar weakened to around 1.3250 against its US counterpart, its weakest since November 2020, as oil prices dropped the most in a week.

> South African rand weakened on Thursday, as the US dollar held near recent peaks after traders continued to bet that the Federal Reserve will be aggressive next week in its battle to curb inflation.

> The USD/MUR opens at MUR 44.60/USD on the offer and the EUR/MUR opens at MUR 45.38/EUR.

Daily Technical View

EUR/USD – The shared currency tread water overnight in a bounded range between 0.9980 and 1.0015, shrugging off better-than-expected US retail sales data. The 200-EMA on the hourly chart is displaying strong resistance for the pair, and a break above 1.0015 would accelerate the flight to 1.0040. On the flipside, support is drawn at confluent level at 0.9955.

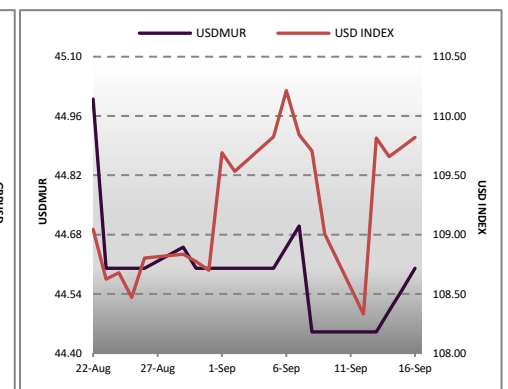
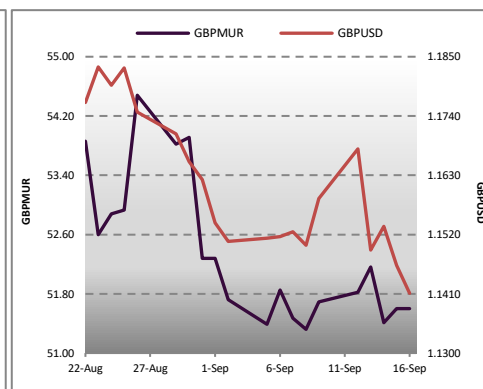
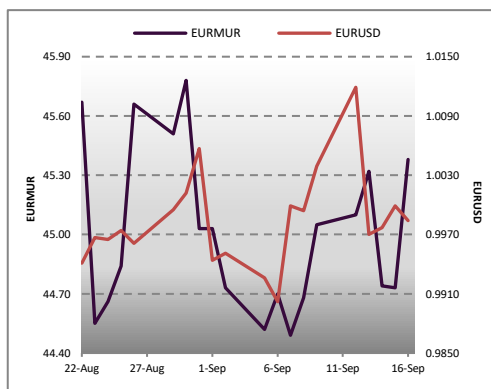
Market Highlights

Indicative Spot Rates

	Bid		Offer	
	Today	Change (Rs.)	Today	Change (Rs.)
AUDMUR	29.19	(0.17)	30.62	(0.18)
CNYMUR	6.21	(0.04)	6.53	(0.04)
EURMUR	44.06	0.63	45.38	0.65
JPYMUR	30.17	0.02	31.77	0.02
ZARMUR	2.45	-	2.61	-
USDMUR	43.70	0.05	44.60	0.05
GBPMUR	50.10	-	51.60	-

Indicative Forward Rates

	Bid			Offer		
	1m	3m	6m	1m	3m	6m
AUDMUR	29.15	29.03	28.81	30.60	30.52	30.39
EURMUR	44.06	44.01	43.85	45.42	45.46	45.45
ZARMUR	2.44	2.42	2.37	2.60	2.59	2.56
USDMUR	43.62	43.40	42.99	44.55	44.42	44.23
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	0.6701	0.6724	0.6685	0.6695
EURUSD	0.9999	1.0012	0.9978	0.9987
GBPUSD	1.1465	1.1480	1.1409	1.1414
USDJPY	143.50	143.68	142.84	143.29
USDCHF	0.9618	0.9645	0.9601	0.9635
USDCNH	7.01	7.03	7.00	7.03

Today

Major Indices

	Value at Close	Day Change %
DOW JONES	31,135.09	(0.56)
S&P 500	3,901.35	(1.13)
FTSE 100	7,261.55	(0.28)
DAX	12,956.66	(0.55)
CAC 40	6,157.84	(1.04)
NIKKEI 225	27,568.83	(1.10)
HANGSENG	18,778.37	(0.80)

Major Economic Releases (at GMT)

Date	Time	Country	Event	Period	Actual	Expected	Prior
15-Sep	12 30	US	Initial Jobless Claims	Sep	213K	226K	218K
15-Sep	12 30	US	Retail Sales (MoM)	Aug	0.3%	0.0%	-0.4%
20-Sep	01 30	CN	PBoC Interest Rate Decision	-	-	-	3.65%
20-Sep	01 30	AU	RBA Meeting Minutes	-	-	-	-

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

> US Treasury yields edged higher yesterday, as markets expect another large interest rate hike by the Federal Reserve next week.

> Expectations for the Fed to raise its benchmark interest rate by at least 75 basis points were cemented by an August consumer-price index that came in higher than expected. Fed funds futures traders are pricing in a 20 percent chance of a 100 basis points hike, and 80 percent chance of a 75-basis-point increase, according to the CME FedWatch Tool.

> The yield on the 2-year US Treasury note gained 8.9 basis points to trade at 3.871 percent, its highest level since October 31 2007, while the 10-year yield rose to 3.458 percent. The long-bond yield firmed to 3.479 percent.

> The weighted average yield of the 7-Day Bank of Mauritius Bills was published at 0.45 percent.

> Today, 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

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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

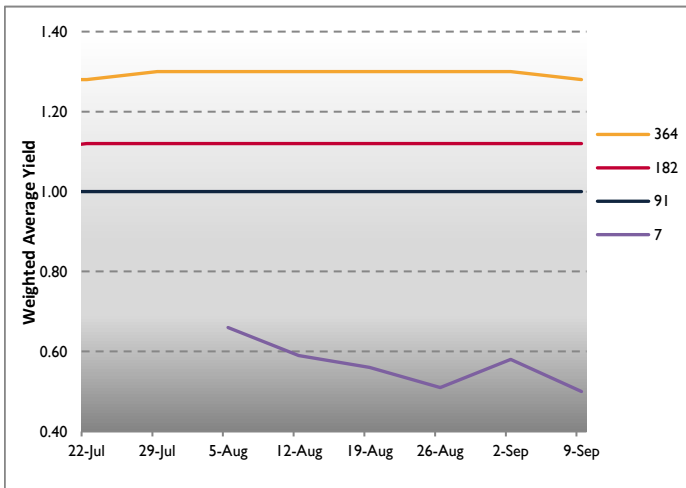
Key Central Bank Rates

	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	3.9052	3.684
UK Bonds	3.09	3.091
German Bonds	1.588	1.687

Auction Results of Treasury Bills



Money Market Rates

LIBOR* (%)	1 Week	1 Month	3 Months	6 Months
EUR	-	-	-	-
USD	-	2.939	3.483	4.010
GBP	-	2.218	2.744	3.504
EURIBOR	0.608	0.669	1.013	1.548

* LIBOR rates delayed by 48 hours. Source: ICE

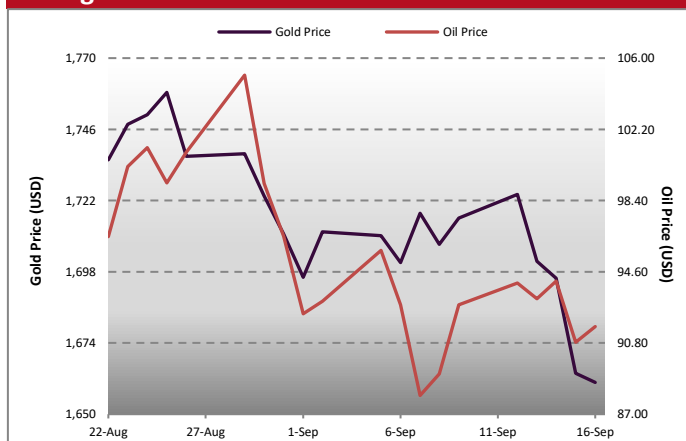
Indicative Generic Swap Rates* (%)

Tenor	2yr	5yr	7yr	10yr
EURIBOR - 3m	2.521	2.477	2.484	2.555
USD LIBOR - 3m	4.301	3.758	3.621	3.535

* Pay fixed and receive floating swap

COMMODITIES

Rolling Gold & Oil Prices



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

News

> Oil prices recovered slightly on Friday from a third straight week of losses amid continued concerns of sharp US interest rate hikes and a potential economic recession that will reduce demand for crude despite positive Chinese data this morning.

> Gold prices continued on its losing trend as the Fed tightening monetary policy continues to put pressure on the metal markets since investors seek better yields in the dollar and sovereign debt.

	Spot Market	
	Today	Change (\$)
Brent Crude Oil (\$)	93.56	(4.18)
Gold (\$)	1,661.50	(2.24)