

FOREIGN EXCHANGE MARKET

News

- > The greenback gained against majority of its peers on Tuesday due to rising US Treasury yields and US stocks.
- > EUR/USD edged lower to 1.1286 as better-than-expected euro zone economic sentiment data was offset by reports that ECB members are uncertain over whether the trading bloc will mount an economic recovery in the second half of the year.
- > GBP/USD fell to 1.3050 on Tuesday due to mixed employment data and Brexit uncertainty while the UK will release March CPI and PPI figures this Wednesday.
- > AUD/USD rose to 0.7205 the highest level since February 21 on upbeat China data showing that the economy expanded at an annualized rate of 6.4 percent in three months to March 2019, beating the expected growth rate of 6.3 percent.
- > The NZD/USD weakened as the country annual inflation slowed in the first quarter, raising the chances of an interest rate cut in the coming months.
- > The USD/JPY remained unchanged trading around 111.95 while the Bank of Japan Deputy Governor Masayoshi Amamiya indicated that the Central Bank is ready to deploy monetary policy tools in event of financial crisis.
- > South African rand slipped against the USD on Tuesday, as Moody's warned of risks to the country last investment grade credit rating including rising government debt and slow economic growth.
- > The Canadian dollar edged higher against its US counterpart on Tuesday, rebounding from an earlier 11-day low as higher oil prices offset weaker-than-expected domestic manufacturing data.
- > The Pound sterling sees an 11-cent drop this morning, with the inflation data and a speech from BOE Governor Mark Carney due later today.

Daily Technical View

EUR/USD - Yesterday we witnessed another sideways trading session in a 1.1280-1.1320 range and it looks likely to hold for the week as the market has little momentum to break the range ahead of the Easter holidays. The release of today's euro-zone CPI data looks to be the main data that could inject some volatility in the pair but we expect the 1.1260-1.1350 range to hold for now.

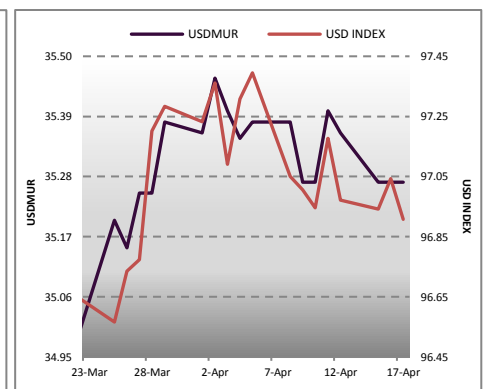
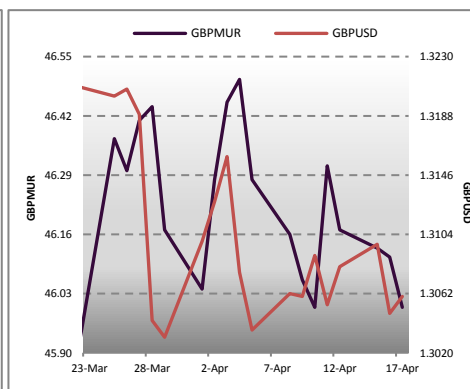
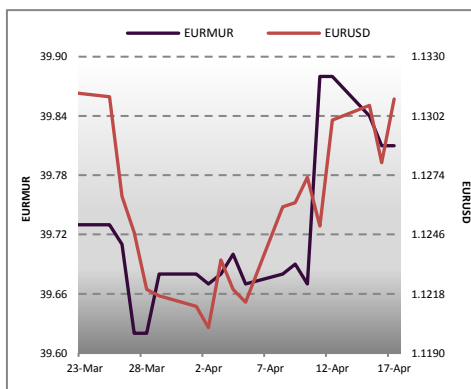
Market Highlights

Indicative Spot Rates

	Bid		Offer	
	Today	Change (Rs.)	Today	Change (Rs.)
AUDMUR	24.59	0.14	25.57	0.14
CNYMUR	5.12	0.01	5.38	0.01
EURMUR	38.65	-	39.81	-
JPYMUR	30.39	(0.01)	31.61	(0.01)
ZARMUR	2.42	0.01	2.54	0.01
USDMUR	34.37	-	35.27	-
GBPMUR	44.66	(0.11)	46.00	(0.11)

Indicative Forward Rates

	Bid			Offer		
	1m	3m	6m	1m	3m	6m
AUDMUR	24.59	24.60	24.64	25.61	25.68	25.82
EURMUR	38.74	38.92	39.23	39.93	40.17	40.59
ZARMUR	2.41	2.39	2.36	2.53	2.52	2.50
USDMUR	34.37	34.35	34.37	35.29	35.33	35.44
GBPMUR	44.72	44.84	45.04	46.09	46.28	46.61



Previous Day Trading Levels

	Previous Day Trading Levels			Today
	Opening	High	Low	Latest
AUDUSD	0.7174	0.7205	0.7154	0.7204
EURUSD	1.1280	1.1312	1.1280	1.1312
GBPUSD	1.3047	1.3065	1.3033	1.3066
USDJPY	112.01	112.16	111.93	111.99
USDCHE	1.0077	1.0081	1.0070	1.0072
USDCNH	6.71	6.71	6.69	6.69

Today

Major Indices

	Value at Close	Day Change %
DOW JONES	26,384.77	0.26
S&P 500	2,907.06	0.05
FTSE 100	7,469.92	0.44
DAX	12,101.32	0.67
CAC 40	5,528.67	0.36
NIKKEI 225	22,283.67	0.28
HANGSENG	30,131.60	0.01

Major Economic Releases (at GMT)

Date	Time	Country	Event	Period	Actual	Expected	Prior
16-Apr	08 30	UK	Average Earnings ex Bonus	Feb	3.4%	3.4%	3.5%
16-Apr	08 30	UK	ILO Unemployment Rate (3M)	Feb	3.9%	3.9%	3.9%
17-Apr	08 30	UK	Consumer Price Index (YoY)	Mar	-	1.6%	1.9%
17-Apr	12 30	CA	BoC Consumer Price Index Core (YoY)	Mar	-	-	1.5%

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 prices edged lower yesterday, pushing yields higher, with a modest rise in stocks sapping demand for government paper.
- > The positive tone in US equities dulled demand for haven assets like bonds after another round of corporate earnings. Investor attention will remain focused on the profits picture amid expectation for the S&P 500 constituent firms to post their first overall earnings decline in three years.

- > The 10-year US Treasury note yield gained 4 basis points to 2.592 percent, its highest since March 19, while the 2-year note yield was up 2.3 basis point to 2.414 percent.
- > Today, the Bank of Mauritius will issue the New Benchmark Three-Year Government of Mauritius Treasury Notes for a nominal amount of MUR 2,000 Mio.

Market Highlights

Local Secondary Market T-Bills

	Bid (%)	Offer (%)
1M	2.90	-
2M	2.95	-
3M	3.02	2.87
4M	3.20	-
6M	3.31	3.17
8M	3.38	-
10M	3.45	-
1Y	3.51	3.36

Local Secondary Market T-Bonds

	Bid (%)	Offer (%)
2 year	3.85	3.65
3 year	4.00	3.80
4 Year	4.30	4.10
5 Year	4.70	4.45
10 Year	5.40	5.15
15 year	5.90	5.65
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	2.4188	2.415
UK Bonds	0.798	0.942
German Bonds	-0.586	-0.361

Money Market Rates

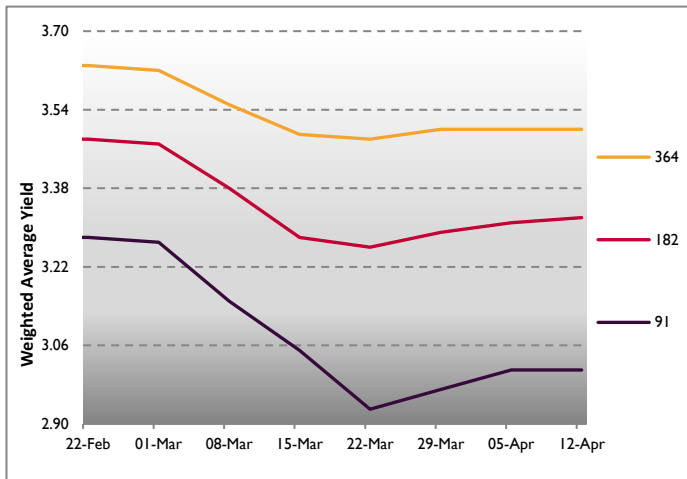
LIBOR (%)	1 Week	1 Month	3 Months	6 Months
EUR	-0.438	-0.413	-0.347	-0.307
USD	2.413	2.480	2.601	2.631
GBP	0.694	0.734	0.822	0.947
EURIBOR	-0.378	-0.367	-0.310	-0.231

Indicative Generic Swap Rates* (%)

Tenor	2yr	5yr	7yr	10yr
EURIBOR - 3m	-0.268	-0.009	0.202	0.509
USD LIBOR - 3m	2.497	2.446	2.497	2.587

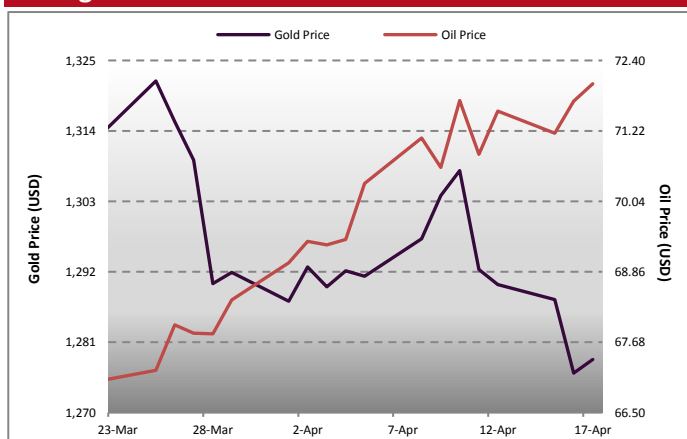
*Pay fixed and receive floating swap

Local Treasury Bills Market



COMMODITIES

Rolling Gold & Oil Prices



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News

- > Oil prices edged slightly higher overnight after data from the industry group, the American Petroleum Institute, showed that US crude inventories fell unexpectedly last week, dropping by 3.1 million barrels compared to analysts' expectations of a 1.7 million barrel.
- > The yellow metal fell for a fifth day in a row and is driving further away from its perch of US 1,300 touched last week, as investors returned to a risk-on mode after encouraging Wall Street earnings, upbeat Chinese economic data and improved consumer sentiment in Germany.

	Spot Market		Futures Market	
	Today	Change (\$)	Today	Change (\$)
Brent Crude Oil (\$)	71.40	(0.15)	72.00	0.28
Gold (\$)	1,278.88	2.71	1,272.60	(14.20)