

## FOREIGN EXCHANGE MARKET

### News

> The US dollar ended the day with modest gains against its peers on Monday in holiday-thinned trading with US markets closed amid the Martin Luther King holiday.

> EUR/USD hit a fresh nine-month high of 1.0874 before retreating towards 1.0800. The release today of the ZEW Survey on economic sentiment for the month of January will provide further direction to the market.

> GBP/USD dropped just below the 1.2200 level after rising to its highest since mid-December to 1.2288 while traders await UK jobs and inflation data due later this week for clues on Bank of England monetary policy plans.

> USD/JPY advanced sharply above 128.75 after hitting an eight-month low around 127.21 ahead of the Bank of Japan monetary policy meeting on Wednesday.

> AUD/USD eased from five-month high trading below 0.7000 despite the release of the upbeat Chinese Q4 GDP report and business activity data.

> The Canadian dollar was little changed against its US counterpart on Monday as a Bank of Canada survey showed businesses growing more pessimistic about the economic outlook.

> The South African rand weakened on Monday as investors' concerns mounted over a power crisis that prompted President Cyril Ramaphosa to cancel a trip to the World Economic Forum in Davos.

> USD/MUR opens at MUR 44.15/USD on the offer, while the EUR/MUR opens at MUR 47.90/EUR.

### Daily Technical View

EUR/USD – The single currency stayed sluggish around 1.0830 amid waiting for inflation directional clues from US PPI tomorrow. Further upside towards Fibonacci level at 1.0940 could be seen, while support remains elevated at 1.0780.

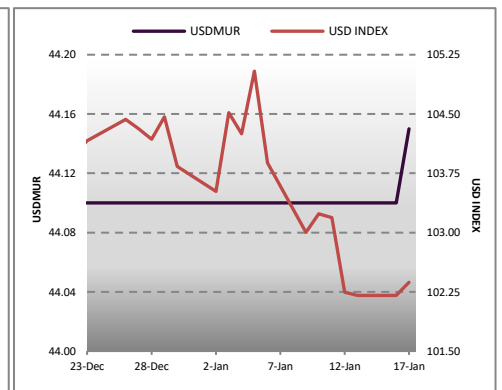
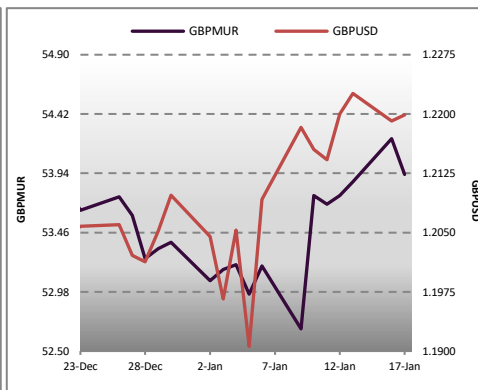
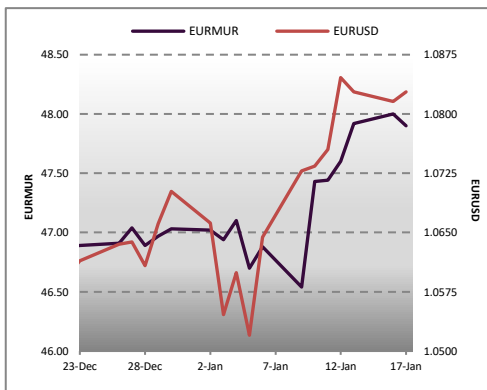
### Market Highlights

#### Indicative Spot Rates

	Bid		Offer	
	Today	Change (Rs.)	Today	Change (Rs.)
AUDMUR	29.99	(0.12)	31.46	(0.13)
CNYMUR	6.38	(0.05)	6.71	(0.05)
EURMUR	46.50	(0.10)	47.90	(0.10)
JPYMUR	33.26	(0.32)	35.02	(0.34)
ZARMUR	2.49	(0.05)	2.65	(0.06)
USDMUR	43.25	0.05	44.15	0.05
GBPMUR	52.36	(0.28)	53.93	(0.29)

#### Indicative Forward Rates

	Bid			Offer		
	1m	3m	6m	1m	3m	6m
AUDMUR	29.98	29.94	29.87	31.47	31.48	31.51
EURMUR	46.52	46.54	46.48	47.97	48.08	48.18
ZARMUR	2.48	2.46	2.43	2.64	2.63	2.61
USDMUR	43.18	43.02	42.77	44.11	44.05	44.00
GBPMUR	52.31	52.23	52.12	53.93	53.95	54.01



#### Previous Day Trading Levels

	Previous Day Trading Levels			Today
	Opening	High	Low	Latest
AUDUSD	0.6953	0.6978	0.6951	0.6971
EURUSD	1.0820	1.0833	1.0809	1.0832
GBPUSD	1.2199	1.2212	1.2174	1.2206
USDJPY	128.55	129.13	128.23	128.63
USDCHF	0.9263	0.9277	0.9244	0.9247
USDCNH	6.74	6.78	6.73	6.77

#### Today

#### Major Indices

	Value at Close	Day Change %
DOW JONES	34,189.97	0.33
S&P 500	0.00	-
FTSE 100	7,860.07	0.20
DAX	15,134.04	0.31
CAC 40	7,043.31	0.28
NIKKEI 225	26,153.60	1.28
HANGSENG	21,481.70	(1.22)

### Major Economic Releases (at GMT)

Date	Time	Country	Event	Period	Actual	Expected	Prior
17-Jan	02 00	CN	Gross Domestic Product (YoY)	Q4	2.9%	1.8%	3.9%
17-Jan	07 00	UK	ILO Unemployment Rate (3M)	Nov	-	3.7%	3.7%
18-Jan	07 00	UK	Consumer Price Index (YoY)	Dec	-	10.6%	10.7%
18-Jan	13 30	US	Retail Sales (MoM)	Dec	-	0.1%	-0.6%

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**

> Asian shares slipped earlier today, as Beijing released weak fourth-quarter economic data, although investors' expectations for a strong China rebound remained high even as the global economy edges closer to recession.

> The Hong Kong Hang Seng Index dropped 0.6 percent and China's benchmark CSI300 Index was down 0.11 percent.

> Meanwhile, Japan's Nikkei 225 gained 1.35 percent as the Bank of Japan kicked off its two-day meeting. BoJ is under pressure to change its interest rate policy as soon as Wednesday, after the central bank's attempt to buy itself breathing room backfired, emboldening bond investors to test its resolve.

> US markets were closed on Monday for the Martin Luther King Jr holiday.

**Market Highlights**

**Local Secondary Market T-Bills**

	Bid (%)	Offer (%)
1M	2.85	2.70
2M	3.00	2.85
3M	3.15	3.00
4M	3.25	3.10
6M	3.40	3.25
8M	3.48	3.33
10M	3.57	3.42
1Y	3.65	3.50

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**Local Secondary Market T-Bonds**

	Bid (%)	Offer (%)
2 year	4.25	4.05
3 year	4.90	4.70
4 Year	5.05	4.85
5 Year	5.25	5.00
10 Year	6.00	5.75
15 year	6.30	6.05
20 Year	6.55	6.30

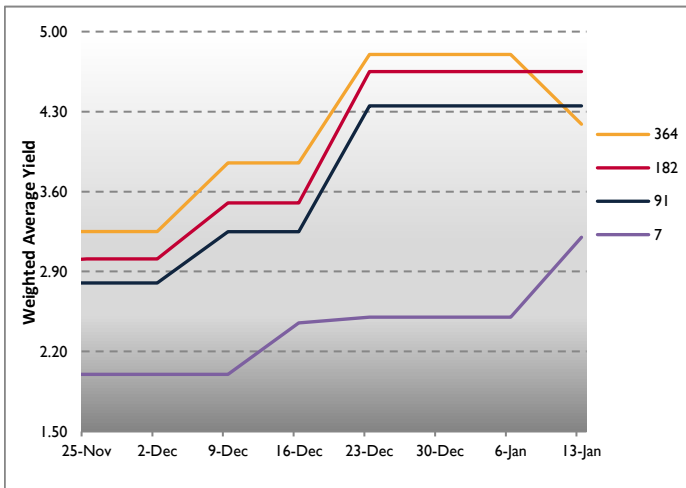
**Key Central Bank Rates**

	Current Level (%)	Previous (%)
BOM Repo Rate	4.50	4.00
Fed Funds Rate	4.25 - 4.50	3.75 - 4.00
BoE Bank Rate	3.50	3.00
ECB Ref. Rate	2.50	2.00
RBA Cash Rate	3.10	2.85

**Government Benchmark Yields (%)**

	2 Year	5 Year
US Bonds	4.2447	3.630
UK Bonds	3.496	3.311
German Bonds	2.564	2.181

**Auction Results of Treasury Bills**



**Money Market Rates**

LIBOR* (%)	1 Week	1 Month	3 Months	6 Months
EUR	-	-	-	-
USD	-	4.454	4.792	5.101
GBP	-	3.622	3.975	4.381
EURIBOR	1.895	1.908	2.328	2.876

\* LIBOR rates delayed by 48 hours. Source: ICE

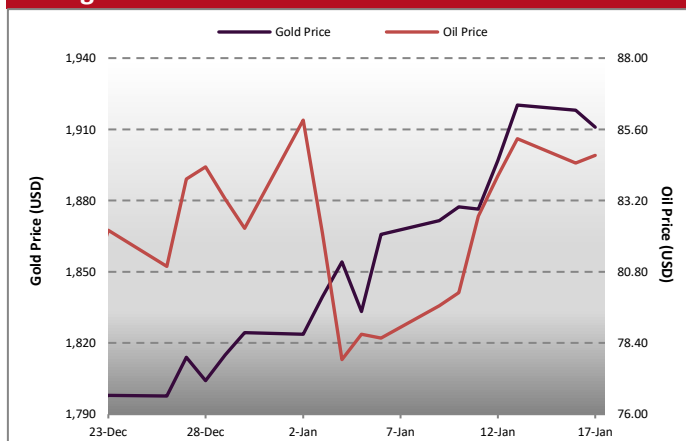
**Indicative Generic Swap Rates\* (%)**

Tenor	2yr	5yr	7yr	10yr
EURIBOR - 3m	3.124	2.717	2.673	2.712
USD LIBOR - 3m	4.496	3.669	3.536	3.502

\* Pay fixed and receive floating swap

**COMMODITIES**

**Rolling Gold & Oil Prices**



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**News**

> Gold rallied to USD 1,928.93 an ounce on Monday, its highest since April 2022, as market optimism weighed on the dollar. However, the bullion shed some gains this morning as investors await more cues from a slew of economic data due this week, with particular focus on any signs of a recession.

> Oil prices showed a muted reaction to data showing that China's economy grew at a better-than-expected pace in the fourth quarter. Focus is now on a monthly report from OPEC due later today. Traders will be looking for any change in the cartel's demand forecast for the year, amid expectations of a Chinese recovery and a potential global recession.

**Spot Market**

	Today	Change (\$)
Brent Crude Oil (\$)	84.66	(0.54)
Gold (\$)	1,911.60	(6.40)