

FOREIGN EXCHANGE MARKET

News

> The US dollar steadied on Wednesday as geopolitical fear receded while investors tried to assess the outlook for Federal Reserve policy following a stronger-than-expected retail sales data. The US will today publish the usual weekly unemployment figures and October housing starts and building permits.

> EUR/USD declined below 1.0400 as the poor performance of global equities undermined demand for the shared currency. The Euro area financial stability review, published by the ECB pointed out how the deterioration in economic and financial conditions has increased the risks to financial stability amid the ongoing energy crisis prompted by the war in Ukraine. This Thursday, the Eurozone will publish the final estimate of the October CPI.

> GBP/USD fell below 1.1900 amid market's cautious mood ahead of the UK Autumn statement. The British Finance Minister is due to provide a budget update, with markets focused on what the timing of government spending cuts might mean for inflation and rates.

> The USD/JPY pair continues to stabilize after sharply moving last week and hovers around 139.50 in Asia this morning.

> Despite the release of the upbeat Aussie jobs report for October, AUD/USD retreated toward 0.6700 amid risk aversion.

> The Canadian dollar weakened against its US counterpart on Wednesday as annual inflation in Canada held steady at 6.9 percent in October as expected, leaving the door open to a smaller interest rate hike by the BoC at a policy decision next month.

> The Bank of Mauritius intervened on the domestic foreign exchange market and sold a total amount of USD 100 million at the rate of Rs 43.70/USD.

> Euro and pound trades at 45.91 and 52.57 respectively against the local currency today.

Daily Technical View

EUR/USD – The single currency spiked to a fresh high yesterday at 1.0482, before retreating to a low at 1.0355. The pair seems trapped in a bullish triangle formation, waiting for any catalyst for a directional clue. Rejection of the sideways price action could drag the quote towards support at 1.0280, and eventually 1.0180. Violation of the resistance level at 1.0450 could easily open the door towards 1.06.

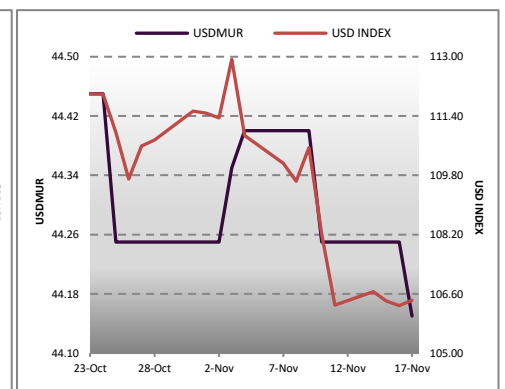
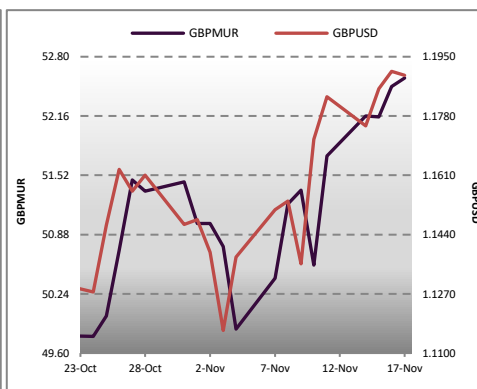
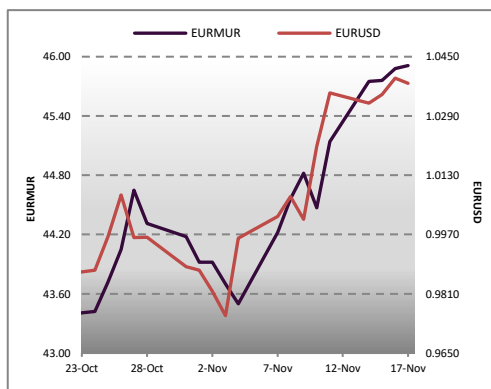
Market Highlights

Indicative Spot Rates

	Bid		Offer	
	Today	Change (Rs.)	Today	Change (Rs.)
AUDMUR	28.90	(0.15)	30.32	(0.15)
CNYMUR	6.05	(0.06)	6.36	(0.06)
EURMUR	44.57	0.03	45.91	0.03
JPYMUR	30.69	0.08	32.32	0.09
ZARMUR	2.46	0.01	2.62	0.01
USDMUR	43.25	(0.10)	44.15	(0.10)
GBPMUR	51.04	0.09	52.57	0.09

Indicative Forward Rates

	Bid			Offer		
	1m	3m	6m	1m	3m	6m
AUDMUR	28.88	28.82	28.66	30.32	30.31	30.25
EURMUR	44.59	44.60	44.52	45.97	46.08	46.14
ZARMUR	2.45	2.43	2.39	2.61	2.60	2.58
USDMUR	43.18	43.00	42.66	44.12	44.03	43.89
GBPMUR	50.99	50.90	50.74	52.56	52.57	52.59



Previous Day Trading Levels

	Previous Day Trading Levels			Today
	Opening	High	Low	Latest
AUDUSD	0.6735	0.6747	0.6698	0.6719
EURUSD	1.0393	1.0398	1.0361	1.0380
GBPUSD	1.1912	1.1920	1.1868	1.1904
USDJPY	139.54	139.80	139.23	139.43
USDCHF	0.9444	0.9470	0.9440	0.9455
USDCNH	7.11	7.15	7.09	7.14

Today

Major Indices

	Value at Close	Day Change %
DOW JONES	33,592.92	(0.12)
S&P 500	8,413.09	(0.80)
FTSE 100	7,351.19	(0.25)
DAX	14,234.03	(1.00)
CAC 40	4,966.26	(0.52)
NIKKEI 225	27,941.21	(0.31)
HANGSENG	17,855.71	(2.20)

Major Economic Releases (at GMT)

Date	Time	Country	Event	Period	Actual	Expected	Prior
15-Nov	14 00	EU	GDP s.a. (QoQ) PREL	Q3	0.2%	0.2%	0.2%
16-Nov	11 00	UK	CPI (YoY)	Oct	11.1%	10.7%	10.1%
16-Nov	17 30	US	Retail Sales (MoM)	Oct	1.3%	1.0%	0.0%
16-Nov	17 30	CA	BoC CPI Core (YoY)	Oct	5.8%	6.3%	6.0%

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

News

> Bond investors looked past Wednesday's US retail sales report and focused instead on a worsening economic outlook as the Federal Reserve keeps hiking interest rates.

> The yield on the 2-year Treasury rose less than 1 basis point to 4.363 percent while the yield on the 10-year Treasury dropped to another one-month low, shedding 10.5 basis points to 3.693 percent.

> The spread between the 2-year and 10-year rates shrank to 67 basis points, a level not seen since February 1982 when it went to minus 70.5 basis points.

> The yield on the 30-year Treasury fell 12 basis points to 3.860 percent, the lowest level since October 7.

> UK 10-year gilt yields fell 14.7 basis points to 3.147 percent even though data revealed surging food and energy prices pushed inflation up last month by more than expected.

> The Bank of Mauritius will hold auction for 7-day Bank of Mauritius (BoM Bills) today.

Market Highlights
Local Secondary Market T-Bills

	Bid (%)	Offer (%)
1M	2.40	2.25
2M	2.45	2.30
3M	2.60	2.45
4M	2.75	2.60
6M	2.95	2.80
8M	2.98	2.83
10M	3.02	2.87
1Y	3.05	2.90

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

Local Secondary Market T-Bonds

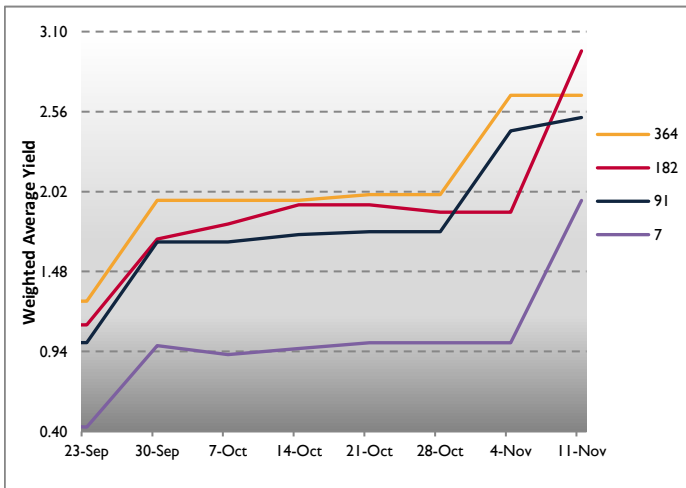
	Bid (%)	Offer (%)
2 year	3.20	3.00
3 year	3.30	3.10
4 Year	3.60	3.40
5 Year	4.00	3.75
10 Year	5.25	5.00
15 year	5.55	5.30
20 Year	5.75	5.50

Key Central Bank Rates

	Current Level (%)	Previous (%)
BOM Repo Rate	4.00	3.00
Fed Funds Rate	3.75 - 4.00	3.00 - 3.25
BoE Bank Rate	2.25	1.75
ECB Ref. Rate	1.50	0.75
RBA Cash Rate	2.85	2.60

Government Benchmark Yields (%)

	2 Year	5 Year
US Bonds	4.3718	3.868
UK Bonds	2.995	3.185
German Bonds	2.074	1.931

Auction Results of Treasury Bills

Money Market Rates

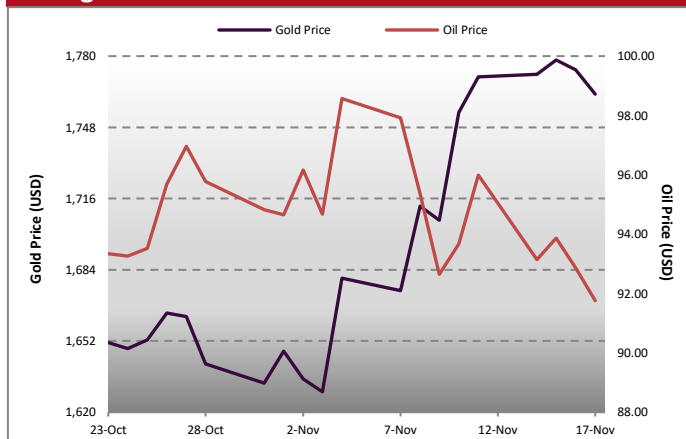
LIBOR* (%)	1 Week	1 Month	3 Months	6 Months
EUR	-	-	-	-
USD	-	3.904	4.650	5.085
GBP	-	2.961	3.529	4.096
EURIBOR	1.388	1.414	1.795	2.300

* LIBOR rates delayed by 48 hours. Source: ICE

Indicative Generic Swap Rates* (%)

Tenor	2yr	5yr	7yr	10yr
EURIBOR - 3m	2.759	2.641	2.642	2.720
USD LIBOR - 3m	4.702	3.911	3.753	3.670

* Pay fixed and receive floating swap

COMMODITIES
Rolling Gold & Oil Prices

News

> Gold dropped from its three-month high, weighed down by a stronger US dollar after positive US retail sales figures, as well as lower demand for the precious metal on easing geopolitical tensions.

> Oil prices declined following the reopening of the Druzhba pipeline, fading geopolitical tensions and increasing COVID-19 cases in China.

	Spot Market	
	Today	Change (\$)
Brent Crude Oil (\$)	93.20	(2.12)
Gold (\$)	1,763.58	(10.19)

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