

FOREIGN EXCHANGE MARKET

News

> The greenback rebounded a little after falling in recent weeks as inflation data and Fed policymakers' remarks had fuelled bets that the US Central Bank could soon slow the pace of its interest rate hikes.

> EUR/USD recovered from 1.0305 and ended the day in the 1.0360 price zone. EU inflation was downwardly revised from 10.7 percent to 10.6 percent in October, still at record highs. Focus today will be on the speech from European Central Bank President Christine Lagarde.

> GBP/USD pair tumbled to 1.1760 before rising back above 1.1800 after UK Finance Minister Jeremy Hunt unveiled a tough budget, which includes tax increases and tighter public spending, stating that the economy was already in recession and set to contract next year.

> USD/JPY edged up to 140.49 and away from its recent low of 137.67 as rebounding US Treasury bond yields and the risk-off impulse boosted the safe-haven greenback.

> AUD/USD remained mildly bid around 0.6700 in Asian trade this morning after a two-day downtrend.

> USD/CAD hovered around 1.3300 as a steep decline in crude oil prices weighed on the Loonie.

> The South African rand slipped against a stronger dollar on Thursday while investor attention today shifts to scheduled reviews of South Africa's sovereign credit ratings by S&P Global and Moody's.

> Euro and pound trades at MUR 45.92 and MUR 52.72 respectively against the local currency today.

Daily Technical View

EUR/USD – The pair recovered almost all of yesterday's 100 pips loss from a low at 1.0305 to 1.0390. A bullish moving average set-up highlights positive market sentiment and a break-out of the triangle formation would draw an extension towards 1.0536, late June high. On the flipside, a dive below 1.0280 would open the door towards firm support at 1.0094 the Oct 27 high.

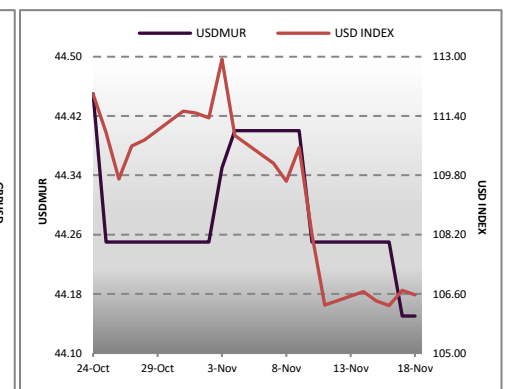
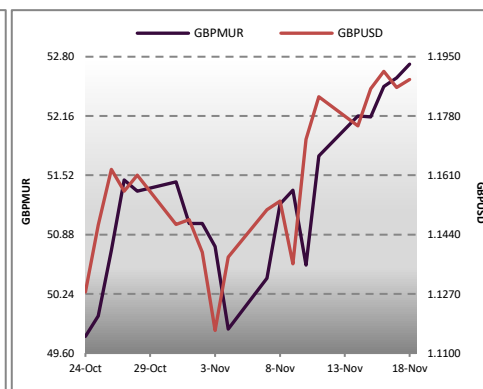
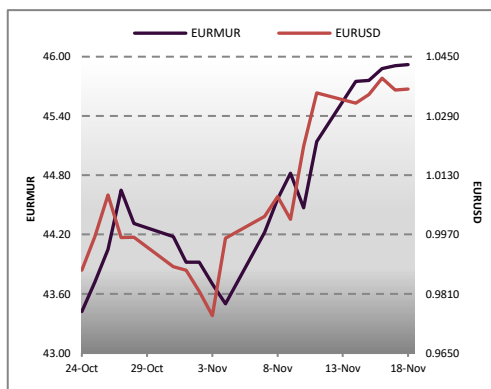
Market Highlights

Indicative Spot Rates

	Bid		Offer	
	Today	Change (Rs.)	Today	Change (Rs.)
AUDMUR	28.87	(0.03)	30.28	(0.04)
CNYMUR	6.05	-	6.36	-
EURMUR	44.58	0.01	45.92	0.01
JPYMUR	30.62	(0.07)	32.24	(0.08)
ZARMUR	2.45	(0.01)	2.61	(0.01)
USDMUR	43.25	-	44.15	-
GBPMUR	51.18	0.14	52.72	0.15

Indicative Forward Rates

	Bid			Offer		
	1m	3m	6m	1m	3m	6m
AUDMUR	28.85	28.79	28.63	30.28	30.27	30.21
EURMUR	44.60	44.61	44.53	45.98	46.09	46.15
ZARMUR	2.44	2.42	2.38	2.60	2.59	2.57
USDMUR	43.18	43.00	42.66	44.12	44.03	43.89
GBPMUR	51.13	51.04	50.88	52.71	52.72	52.74



Previous Day Trading Levels

	Previous Day Trading Levels			Today
	Opening	High	Low	Latest
AUDUSD	0.6684	0.6725	0.6680	0.6699
EURUSD	1.0360	1.0390	1.0358	1.0364
GBPUSD	1.1862	1.1931	1.1859	1.1887
USDJPY	140.19	140.50	139.66	139.94
USDCHF	0.9519	0.9531	0.9507	0.9525
USDCNH	7.15	7.16	7.12	7.14

Today

Major Indices

	Value at Close	Day Change %
DOW JONES	33,553.83	(0.02)
S&P 500	8,388.84	(0.28)
FTSE 100	7,346.54	(0.06)
DAX	14,266.38	0.23
CAC 40	4,942.74	(0.47)
NIKKEI 225	27,908.09	(0.08)
HANGSENG	17,987.83	(0.32)

Major Economic Releases (at GMT)

Date	Time	Country	Event	Period	Actual	Expected	Prior
23-Nov	01 00	NZ	RBNZ Interest Rate Decision	-	-	-	3.5%
23-Nov	09 00	EU	S&P Global Composite PMI PREL	Nov	-	47.2	47.3
23-Nov	13 30	US	Durable Goods Orders	Oct	-	0.3%	0.4%
23-Nov	13 30	US	Initial Jobless Claims	Nov	-	-	222K

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 up on Thursday in reaction to comments from St. Louis Fed President James Bullard who suggested that the Fed's main policy rate may need to get around 5 percent to 7 percent.

> Multiple bond-market gauges pointed to the likelihood of an approaching US recession with the spread between the 2-year and 10-year rates narrowing to minus 68 basis points, a level last seen in February 1982.

> The spread between yields on the 3-month bill and 10-year note was near its most negative level since March 2007 while the spread between the 1-year and 10-year yields inverted by almost a full percentage point.

> The yield on the 2-year Treasury jumped 8.9 basis points to 4.452 percent while the 10-year Treasury yield gained 8.1 basis points to 3.771 percent, the biggest one day advance since October 20. The yield on the 30-year Treasury advanced 2.8 basis points to 3.888 percent from 3.860 percent.

> The weighted average yield of the 7-Day BoM Bills was published at 2 percent.

> The weighted average yield of the 3.13 percent Three-Year Government of Mauritius Treasury Notes for a nominal amount of MUR 1,500 Mio was published at 3.90 percent.

> Today, the Bank of Mauritius will hold the auction for the 364-Day Government of Mauritius treasury Bills for a nominal amount of MUR 600 Mio as well as the auction for the 91-Day Bank of Mauritius Bills for a nominal amount of MUR 2,500 Mio.

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	3.55	3.35
3 year	3.95	3.75
4 Year	4.05	3.85
5 Year	4.20	3.95
10 Year	5.35	5.10
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	4.4522	3.923
UK Bonds	3.105	3.245
German Bonds	2.137	2.000

Money Market Rates

LIBOR* (%)	1 Week	1 Month	3 Months	6 Months
EUR	-	-	-	-
USD	-	3.911	4.674	5.082
GBP	-	2.983	3.560	4.135
EURIBOR	1.382	1.395	1.803	2.311

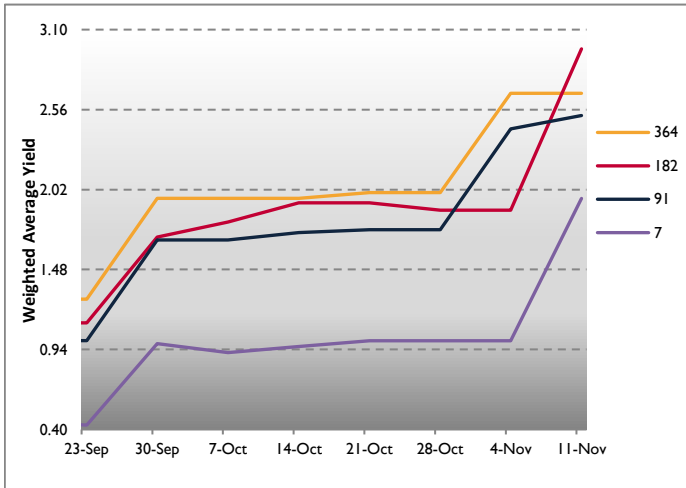
* LIBOR rates delayed by 48 hours. Source: ICE

Indicative Generic Swap Rates* (%)

Tenor	2yr	5yr	7yr	10yr
EURIBOR - 3m	2.818	2.690	2.692	2.767
USD LIBOR - 3m	4.762	3.967	3.811	3.724

* 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

> A slight decline in the greenback pushed oil prices up on Friday, but both oil benchmarks remained under pressure on the week as rising COVID cases in China and worries about more aggressive interest rate hikes in the US continue to weigh on demand.

> WTI is down more than 7 percent so far this week while Brent is down nearly 6 percent.

> Gold is trading on a firm tone this morning, supported by the lower US dollar, but the precious metal is still set for a weekly decline, the first in three weeks, on Fed interest rate rise bets.

Spot Market

	Today	Change (\$)
Brent Crude Oil (\$)	93.09	(0.10)
Gold (\$)	1,763.47	2.60