

## FOREIGN EXCHANGE MARKET

### News

> The USD edged lower on Tuesday following the better performance of global equities and weaker US yields. The focus now shifts to the minutes of the latest FOMC meeting, which may shed some light on what the Fed may do in December.

> EUR/USD picked up pace trading above 1.0300 after hitting fresh multi-day lows near 1.0220 at the beginning of the week as the US dollar retreated ahead of the minutes of the FOMC. This Wednesday S&P Global will publish the preliminary estimates of its November PMIs, with German and Eurozone services and manufacturing output.

> GBP/USD rose on Tuesday after falling in the previous session as bets for smaller Fed rate hikes, sliding US bond yields and a positive risk tone weakened the USD.

> USD/JPY is on the back foot in Asian trade this morning hitting a low of 140.9 as a decline in Treasury yields undermined the safe haven US dollar.

> AUD/USD recovered some ground after hitting a daily low below 0.6600 on Tuesday, amid an improvement in sentiment.

> NZD/USD rallied above 0.6150 after the Reserve Bank of New Zealand hiked its official cash rate by 75 basis points.

> The Canadian dollar rose against its US counterpart on Tuesday as investor risk appetite picked up and preliminary domestic data showed retail sales climbing in October.

> South African rand gained on Tuesday, as the dollar retreated amid investor demand for riskier assets.

> The USD/MUR opens once again at MUR 44.15/USD on the offer, while the EUR/MUR is offered at MUR 45.62/EUR this morning.

### Daily Technical View

EUR/USD - The single currency recovered to a high at 1.0325, on the back of US weakness ahead of the FOMC minutes tonight. A break above confluent level at 1.0360 would open the door for more upticks above 1.05. For today, support lies at Monday's double bottom low at 1.0225.

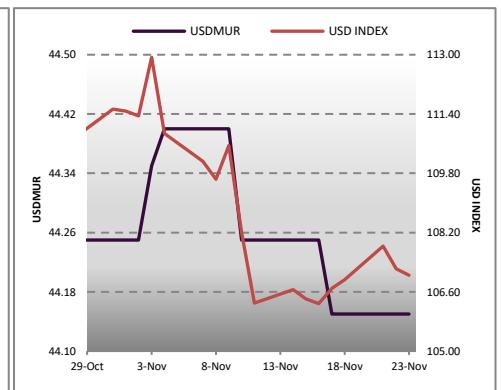
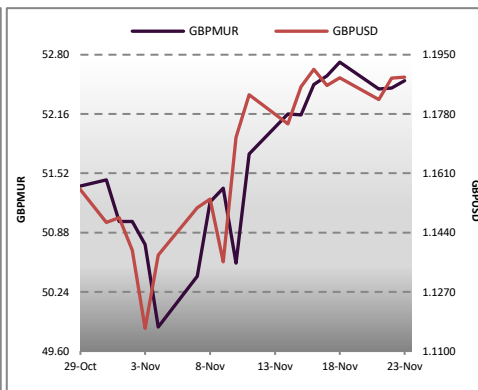
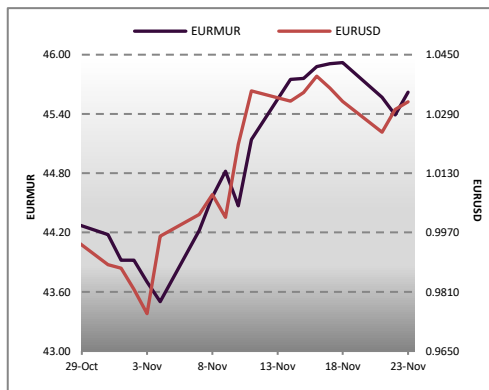
### Market Highlights

#### Indicative Spot Rates

	Bid		Offer	
	Today	Change (Rs.)	Today	Change (Rs.)
AUDMUR	28.55	0.09	29.95	0.10
CNYMUR	6.03	-	6.34	-
EURMUR	44.29	0.22	45.62	0.23
JPYMUR	30.27	0.07	31.87	0.07
ZARMUR	2.46	-	2.62	-
USDMUR	43.25	-	44.15	-
GBPMUR	50.99	0.08	52.52	0.08

#### Indicative Forward Rates

	Bid			Offer		
	1m	3m	6m	1m	3m	6m
AUDMUR	28.53	28.49	28.37	29.95	29.95	29.93
EURMUR	44.31	44.34	44.30	45.68	45.81	45.92
ZARMUR	2.45	2.43	2.40	2.61	2.60	2.58
USDMUR	43.18	43.02	42.71	44.12	44.05	43.95
GBPMUR	50.94	50.88	50.78	52.52	52.55	52.63



#### Previous Day Trading Levels

	Previous Day Trading Levels			Today
	Opening	High	Low	Latest
AUDUSD	0.6648	0.6659	0.6635	0.6645
EURUSD	1.0303	1.0331	1.0301	1.0327
GBPUSD	1.1884	1.1909	1.1873	1.1889
USDJPY	141.24	141.51	140.92	141.40
USDCHF	0.9518	0.9524	0.9504	0.9509
USDCNH	7.14	7.17	7.13	7.16

#### Today

#### Major Indices

	Value at Close	Day Change %
DOW JONES	33,700.28	1.18
S&P 500	8,511.48	1.30
FTSE 100	7,452.84	1.03
DAX	14,422.35	0.29
CAC 40	5,002.47	0.35
NIKKEI 225	28,115.74	0.61
HANGSENG	17,529.24	0.60

### Major Economic Releases (at GMT)

Date	Time	Country	Event	Period	Actual	Expected	Prior
23-Nov	01 00	NZ	RBNZ Interest Rate Decision	-	4.25%	4.25%	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

**News**

> Treasury yields retreated yesterday, as additional COVID-19 lockdowns in China triggered concerns over the chances of a global economic slowdown.

> The yield on the 2-year US Treasury weakened to 4.517 percent, while the 10-year US Treasury yield declined to 3.757 percent. The yield on the 30-year Treasury bond gave away 7.8 basis points to 3.827 percent.

> The spread between 2- and 10-year Treasury yields ended the New York session at minus 76 basis points, its most inverted level since October 5, 1981.

> Today, the Bank of Mauritius will hold the auction for the 7-year Government of Mauritius Treasury Bonds for a nominal amount of MUR 1,700 Mio.

**Market Highlights**
**Local Secondary Market T-Bills**

	Bid (%)	Offer (%)
1M	2.40	2.25
2M	2.60	2.45
3M	2.80	2.65
4M	2.90	2.75
6M	3.00	2.85
8M	3.05	2.90
10M	3.15	3.00
1Y	3.25	3.10

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

**Local Secondary Market T-Bonds**

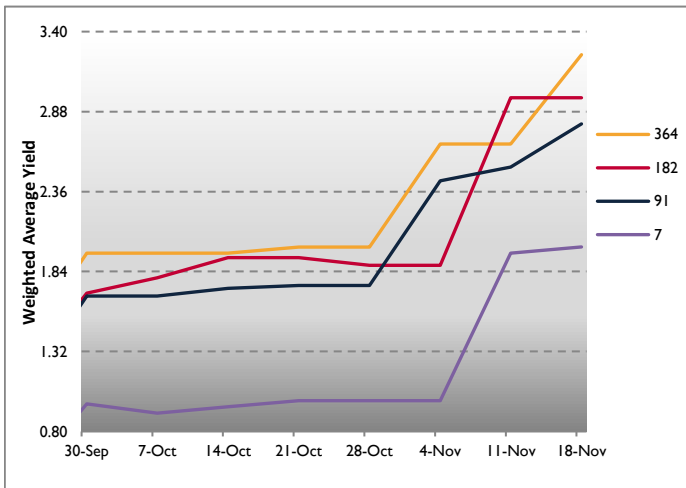
	Bid (%)	Offer (%)
2 year	3.60	3.40
3 year	3.95	3.75
4 Year	4.05	3.85
5 Year	4.20	3.95
10 Year	5.35	5.10
15 year	5.55	5.30
20 Year	5.75	5.50

**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	4.5144	3.946
UK Bonds	3.122	3.214
German Bonds	2.13	1.973

**Auction Results of Treasury Bills**

**Money Market Rates**

LIBOR* (%)	1 Week	1 Month	3 Months	6 Months
EUR	-	-	-	-
USD	-	3.979	4.692	5.172
GBP	-	3.080	3.586	4.161
EURIBOR	1.399	1.400	1.817	2.327

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

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

Tenor	2yr	5yr	7yr	10yr
EURIBOR - 3m	2.806	2.651	2.641	2.700
USD LIBOR - 3m	4.837	4.010	3.831	3.724

\* Pay fixed and receive floating swap

**COMMODITIES**
**Rolling Gold & Oil Prices**


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**News**

> Oil prices firmed after United Arab Emirates, Kuwait, Iraq and Algeria also stated that they are not considering an output rise, which outweighed worries about soaring coronavirus cases in China and global recession fears.

> Oil benchmarks were also supported by industry data showing that US crude inventories fell more than forecasted last week.

> Softer US dollar and benchmark US Treasury yields drove the yellow metal higher on Tuesday. Market participants now focus on minutes from Fed latest policy meeting due later today.

	Spot Market	
	Today	Change (\$)
Brent Crude Oil (\$)	91.32	6.64
Gold (\$)	1,736.88	(3.36)