

## FOREIGN EXCHANGE MARKET

### News

> The Japanese yen had seen a volatile day on Thursday, rallying across the board after monetary authorities intervened in foreign exchange markets for the first time since 1998, selling US dollars in an attempt to slow the decline in its currency. USD/JPY plummeted to 140.31 from a high of 145.89 to later settle around 142.50.

> The greenback continues to trade near its 20-year high, with the Euro back lower and the GBP unable to sustain a recovery back above 1.1300.

> EUR/USD declined below 0.9850 in the American session, erasing its daily gains amid risk aversion. Flash September PMI for the euro zone, the UK and the United States are due later this Friday.

> GBP/USD eased back from earlier highs above 1.1350 after the Bank of England monetary policy committee voted 5-4 to raise rates to 2.25 percent.

> USD/CAD pair retreated sharply from 1.3544, its highest level since July 2020 touched earlier on Thursday amid an uptick in oil prices.

> The Swiss National Bank raised its policy rate by 75 basis points, ending years of negative rates while Norway's Central Bank raised its benchmark rate by 50 basis points to 2.25 percent.

> The South African Reserve Bank hiked rates by 75 basis points, for a second meeting in a row.

> The USD/MUR opens at MUR 44.40/USD on the offer and the EUR/MUR opens at MUR 43.90/EUR.

### Daily Technical View

EUR/USD – Japan's FX intervention yesterday pulled the single currency to test September 21st high at 0.9907, before plunging back to 0.9813 in US hours. A break above double top resistance at 0.9900 could drag the pair to touch 0.9935. On the flipside, a break below years low at 0.9808 would prove brutal for the pair.

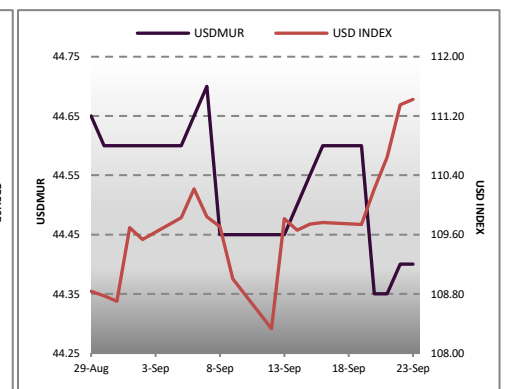
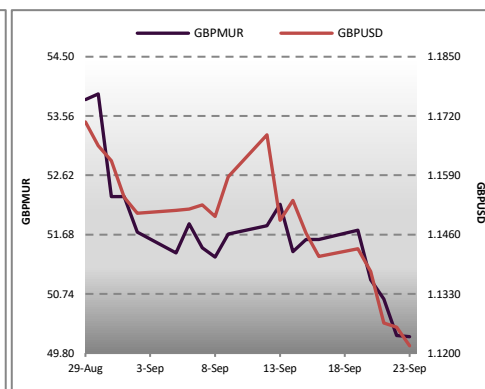
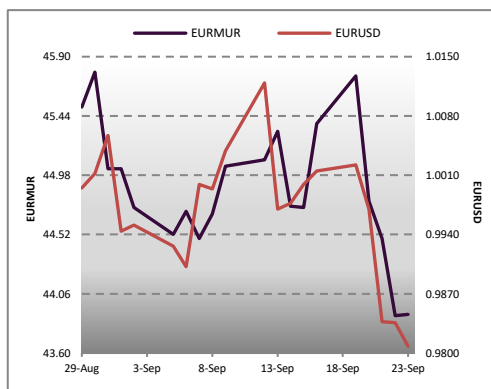
### Market Highlights

#### Indicative Spot Rates

	Bid		Offer	
	Today	Change (Rs.)	Today	Change (Rs.)
AUDMUR	28.64	0.11	30.04	0.11
CNYMUR	6.11	(0.01)	6.42	(0.01)
EURMUR	42.62	0.01	43.90	0.01
JPYMUR	30.28	0.55	31.88	0.57
ZARMUR	2.43	0.02	2.59	0.02
USDMUR	43.50	-	44.40	-
GBPMUR	48.60	(0.02)	50.06	(0.02)

#### Indicative Forward Rates

	Bid			Offer		
	1m	3m	6m	1m	3m	6m
AUDMUR	28.59	28.46	28.22	30.01	29.92	29.78
EURMUR	42.61	42.56	42.37	43.93	43.96	43.91
ZARMUR	2.42	2.40	2.35	2.58	2.57	2.53
USDMUR	43.41	43.16	42.71	44.34	44.19	43.94
GBPMUR	48.55	48.42	48.25	50.05	50.02	50.01



#### Previous Day Trading Levels

	Previous Day Trading Levels			Today
	Opening	High	Low	Latest
AUDUSD	0.6644	0.6655	0.6611	0.6622
EURUSD	0.9835	0.9851	0.9809	0.9816
GBPUSD	1.1255	1.1273	1.1218	1.1221
USDJPY	142.35	142.59	141.77	142.32
USDCHF	0.9769	0.9791	0.9756	0.9788
USDCNH	7.08	7.11	7.08	7.11

#### Major Indices

	Value at Close	Day Change %
DOW JONES	30,183.78	(0.35)
S&P 500	3,757.99	(0.84)
FTSE 100	7,159.52	(1.08)
DAX	12,531.63	(1.84)
CAC 40	5,918.50	(1.87)
NIKKEI 225	27,153.83	(0.58)
HANGSENG	18,057.99	(0.50)

### Major Economic Releases (at GMT)

Date	Time	Country	Event	Period	Actual	Expected	Prior
22-Sep	07 30	CH	SNB Interest Rate Decision	-	0.5%	0.5%	-0.25%
22-Sep	11 00	UK	BoE Interest Rate Decision	-	2.25%	2.25%	1.75%
23-Sep	08 00	EU	S&P Global Composite PMI PREL	Sep	-	48.2	48.9
27-Sep	12 30	US	Durable Goods Orders	Aug	-	-	-0.1%

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 rallied on Thursday, sending the 10- and 30-year rates to levels last seen 11 years ago, as market participants priced in the prospect of a determinedly aggressive Federal Reserve.

> Investors aggressively sold off government debt after Wednesday's interest rate hike by the Federal Reserve was accompanied by hawkish comments from Fed Chairman Mr. Jerome Powell.

> The 2-year US Treasury yield climbed above 4.1 percent, keeping the rate at its highest level in almost 15 years, while the yield on the benchmark 10-year Treasury gained 19.4 basis points to trade at 3.705 percent. The long-bond yield strengthened to 3.705 percent.

> Other central banks continued to raise borrowing costs to combat rapid price pressures Norway hiked by 50 basis points to 2.25 percent and Switzerland pushed rates up by 75 basis points to 0.5 percent. The Bank of England also lifted rates by 50 basis points to 2.25 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 500 Mio as well as the auction for the 91-Day and 182-Day Bank of Mauritius Treasury bills for a nominal amount of MUR 2,000 Mio.

**Market Highlights**

**Local Secondary Market T-Bills**

	Bid (%)	Offer (%)
1M	0.90	0.75
2M	0.95	0.80
3M	1.00	0.85
4M	1.05	0.90
6M	1.15	1.00
8M	1.20	1.05
10M	1.25	1.10
1Y	1.30	1.15

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

**Local Secondary Market T-Bonds**

	Bid (%)	Offer (%)
2 year	2.45	2.25
3 year	3.00	2.80
4 Year	3.25	3.05
5 Year	3.55	3.30
10 Year	4.80	4.55
15 year	5.10	4.85
20 Year	5.35	5.10

**Key Central Bank Rates**

	Current Level (%)	Previous (%)
BOM Repo Rate	2.25	2.00
Fed Funds Rate	3.00 - 3.25	2.25 - 2.50
BoE Bank Rate	2.25	1.75
ECB Ref. Rate	1.25	0.50
RBA Cash Rate	2.35	1.85

**Government Benchmark Yields (%)**

	2 Year	5 Year
US Bonds	4.1408	3.939
UK Bonds	3.529	3.567
German Bonds	1.85	1.952

**Money Market Rates**

LIBOR* (%)	1 Week	1 Month	3 Months	6 Months
EUR	-	-	-	-
USD	-	3.059	3.604	4.124
GBP	-	2.357	2.882	3.656
EURIBOR	0.671	0.708	1.118	1.766

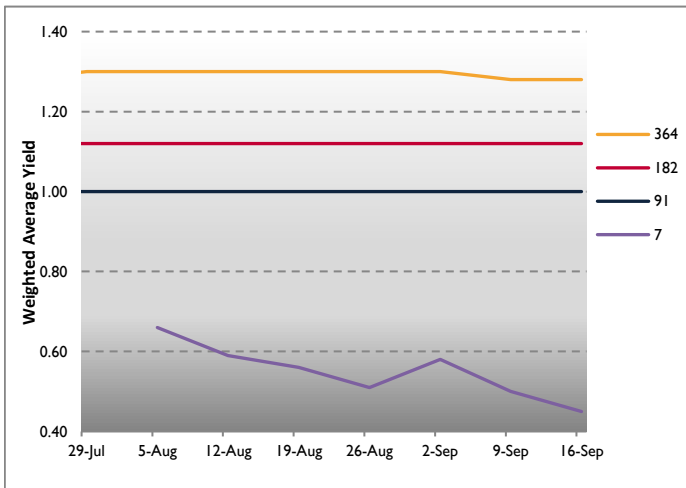
\* LIBOR rates delayed by 48 hours. Source: ICE

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

Tenor	2yr	5yr	7yr	10yr
EURIBOR - 3m	2.782	2.762	2.740	2.766
USD LIBOR - 3m	4.526	4.021	3.866	3.753

\* 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**

> Oil prices remain under pressure in the wake of accelerating rate hikes by major central banks and recession fears. However, losses were limited on Friday by supply concerns due to Russia-Ukraine conflict.

> Gold prices steadied on Friday, but still trading under the USD 1,700 level on the back of a strong dollar and hawkish Federal Reserve projections.

	Spot Market	
	Today	Change (\$)
Brent Crude Oil (\$)	95.18	1.06
Gold (\$)	1,670.30	(0.23)