

FOREIGN EXCHANGE MARKET

News

>The greenback erased its initial losses after falling to fresh multi-month lows against most peers and ended the day higher on Monday due to a jump in US yields. Focus today is on the first readings of January's S&P Global PMIs for the US, which will offer intraday directions.

>EUR/USD reached a high of 1.0927, its highest level since April 2022, before slipping back below 1.0900 amid improved USD demand. The preliminary readings of January PMIs for Germany and Eurozone will be eyed today.

>GBP/USD failed to hold above 1.2400 after hitting a seven-month high at 1.2447 on Monday while investors are awaiting the release of US and UK PMIs for fresh impetus.

> Against the Japanese Yen, the US dollar dropped 0.36% to 130.19, following last week's wild gyrations between 127.22 and 131.58.

>AUD/USD outperformed through trade on Monday, trading above 0.7000 amid a sustained recovery in risk appetite

>The Canadian dollar was little changed against its US counterpart on Monday ahead of a Bank of Canada interest rate decision on Wednesday.

>South Africa's rand weakened on Monday as the US dollar went up on global markets. The rand traded at 17.1500 against the dollar, 0.16% weaker than its previous close. This week, investors will focus on South African Reserve Bank's interest rate decision.

> The USD/MUR gains 10 cents from yesterday's opening, trading at MUR 44.30/USD on the offer this morning while the EUR/MUR opens at MUR 48.27/EUR on the offer as the single currency trades slightly below 1.0900 against the greenback.

Daily Technical View

EUR/USD – The single currency retreated from yesterday's high of 1.0927 to 1.0845, failing to cross the upward-sloping resistance line from mid-December. Peeking through April 2022 high at 1.0940 could challenge more upside towards 1.10. Bearish divergence indicated by the RSI on the 4-hour chart could plummet the pair towards support at 1.07 in the immediate term.

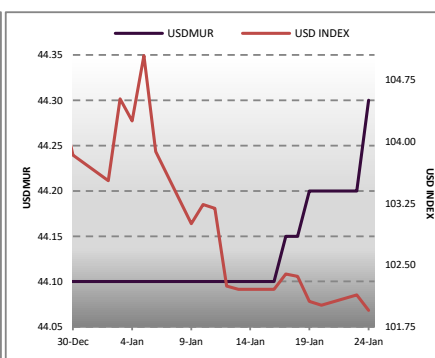
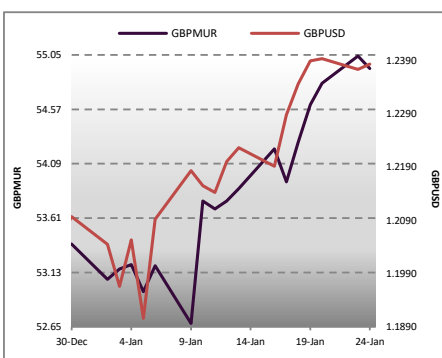
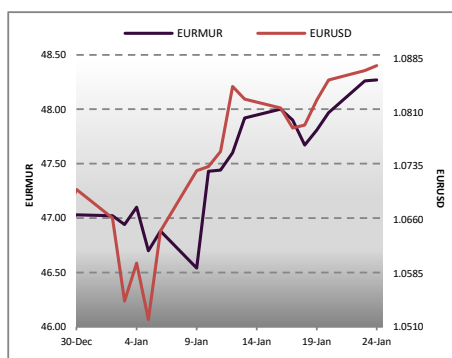
Market Highlights

Indicative Spot Rates

	Bid		Offer	
	Today	Change (Rs.)	Today	Change (Rs.)
AUDMUR	30.35	0.27	31.84	0.29
CNYMUR	6.39	0.01	6.72	0.01
EURMUR	46.86	0.01	48.27	0.01
JPYMUR	32.96	(0.13)	34.71	(0.13)
ZARMUR	2.48	(0.01)	2.64	(0.01)
USDMUR	43.40	0.10	44.30	0.10
GBPMUR	53.33	(0.11)	54.93	(0.11)

Indicative Forward Rates

	Bid			Offer		
	1m	3m	6m	1m	3m	6m
AUDMUR	30.34	30.30	30.23	31.85	31.86	31.90
EURMUR	46.88	46.90	46.84	48.33	48.45	48.55
ZARMUR	2.47	2.45	2.42	2.63	2.62	2.60
USDMUR	43.33	43.17	42.91	44.26	44.20	44.14
GBPMUR	53.28	53.19	53.08	54.93	54.95	55.02



Previous Day Trading Levels

	Previous Day Trading Levels			Today
	Opening	High	Low	Latest
AUDUSD	0.7028	0.7044	0.7021	0.7037
EURUSD	1.0870	1.0883	1.0869	1.0881
GBPUSD	1.2376	1.2391	1.2375	1.2391
USDJPY	130.64	130.73	130.15	130.23
USDCHF	0.9215	0.9226	0.9211	0.9215
USDCNH	6.78	6.78	6.77	6.78

Major Indices

	Value at Close	Day Change %
DOW JONES	33,375.49	0.76
S&P 500	8,568.77	1.10
FTSE 100	7,784.67	0.18
DAX	15,102.95	0.46
CAC 40	7,032.02	0.52
NIKKEI 225	26,906.04	1.89
HANGSENG	22,044.65	1.82

Major Economic Releases (at GMT)

Date	Time	Country	Event	Period	Actual	Expected	Prior
24-Jan	15 00	EU	Consumer Confidence	Jan	-	-22.5	-22.2
24-Jan	08 30	DE	S&P Manufacturing PMI	Jan	-	-49.6	-49.0
24-Jan	21 45	NZ	Consumer Price Index	Q4	-	7.1%	7.2%
25-Jan	00 30	AU	Consumer Price Index	Q4	-	1.6%	1.80%

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 firmed yesterday, with the 2-year Treasury yield rising to 4.238 percent and the benchmark 10-year Treasury note yield strengthening at 3.522 percent. The long-bond yield advanced to 3.690 percent.

> Meanwhile, in Europe, the benchmark 10-year German bund yield gained 2.4 basis points to trade at a two-week high of 2.199 percent, after European Central Bank President Mrs. Christine Lagarde reiterated late last week that she expected to continue raising interest rates to dampen inflation.

Market Highlights

Local Secondary Market T-Bills

	Bid (%)	Offer (%)
1M	4.20	4.05
2M	4.35	4.20
3M	4.50	4.35
4M	4.52	4.37
6M	4.55	4.40
8M	4.56	4.41
10M	4.57	4.42
1Y	4.60	4.45

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Local Secondary Market T-Bonds

	Bid (%)	Offer (%)
2 year	4.70	4.50
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

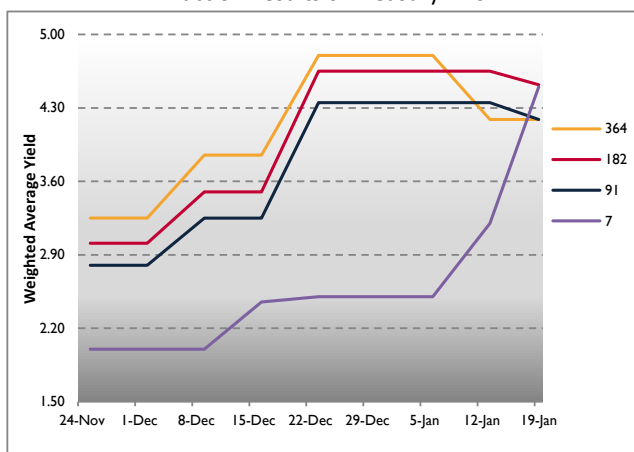
Key Central Bank Rates

	Current Level (%)	Previous (%)
BOM Key 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	4.2337	3.620
UK Bonds	3.443	3.261
German Bonds	2.612	2.247

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

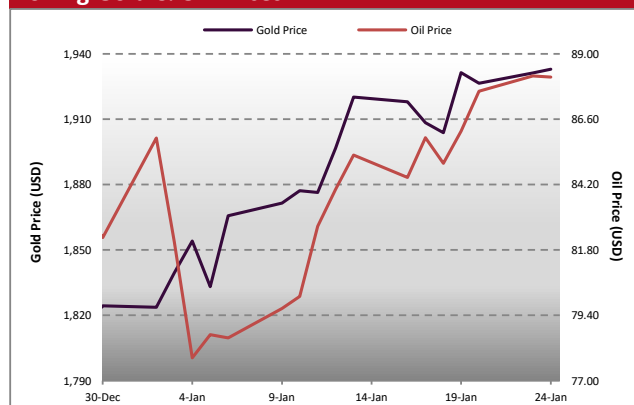
Indicative Generic Swap Rates* (%)

Tenor	2yr	5yr	7yr	10yr
EURIBOR - 3m	3.179	2.805	2.755	2.789
USD LIBOR - 3m	4.467	3.661	3.531	3.478

* Pay fixed and receive floating swap

COMMODITIES

Rolling Gold & Oil Prices



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News

> Gold rallied from a low of USD 1,911 an ounce on Monday to trade in the USD 1,920 zone, supported by a weak dollar and mounting speculation about a less hawkish Fed.

> Prospects of demand recovery from top importer China and on the global economic outlook ahead of company earnings underpinned oil prices during the Asian session.

Spot Market

	Today	Change (\$)
Brent Crude Oil (\$)	88.59	0.29
Gold (\$)	1,935.17	3.87