

FOREIGN EXCHANGE MARKET

News

> The greenback tumbled across the board on Wednesday as minutes from the Federal Reserve November meeting showed most participants agreed with a slower pace of interest rate hikes while data showed that US business activity contracted for a fifth straight month in November. US markets are closed for the Thanksgiving holiday this Thursday.

> EUR/USD surged above 1.0400 boosted by a weaker US Dollar following the release of the FOMC Meeting Minutes and tepid US data. Focus today will be on the first readings of Germany's IFO sentiment numbers for November and the ECB Monetary Policy meeting accounts.

> GBP/USD rallied sharply above the psychological level of 1.2000 after preliminary British economic activity data beat expectations, though it still showed that a contraction was underway.

> USD/JPY weakened to 138.65 after hitting the highest level in two weeks above 142.00 on Monday undermined by lower US yields.

> The Canadian dollar edged higher against its US counterpart trading around 1.3335 as oil prices rebounded after a heavy slump amid cautious optimism in the market.

> South African rand strengthened on Wednesday ahead of a highly anticipated interest rate decision by the South African Reserve Bank later today.

> The Bank of Mauritius intervened on the domestic foreign exchange market yesterday and sold a total of USD 100 Mio at the rate of MUR 43.65/USD.

> Post intervention, the USD/MUR is offered at MUR 44.10/USD, while the EUR/MUR and GBP/MUR trade at MUR 46.15/EUR and 53.48/GBP respectively this morning.

Daily Technical View

EUR/USD – The single currency soared to a high at 1.0447, after Fed policy makers affirmed the need to slow down interest rate hike in the dovish FOMC meeting minutes. A stronger resumption of gains would refocus attention on 1.0479, the Nov 15 high, where a break would mark the end of the correction and confirm bullish view above 1.05. Strong support is drawn on the line above 1.0360.

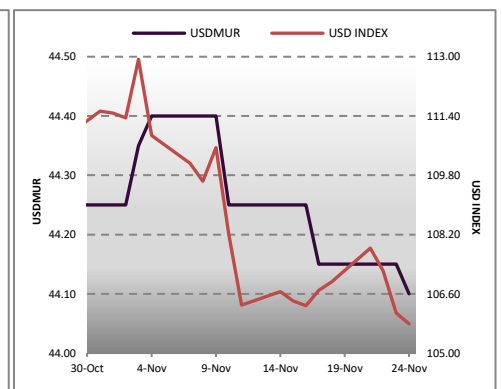
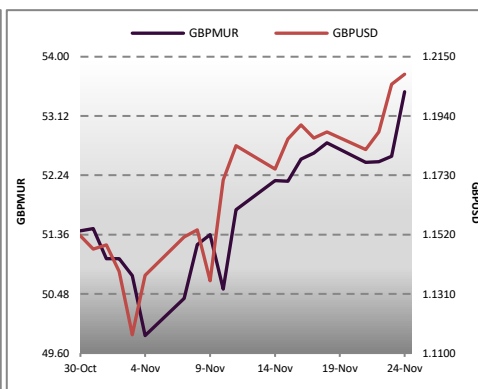
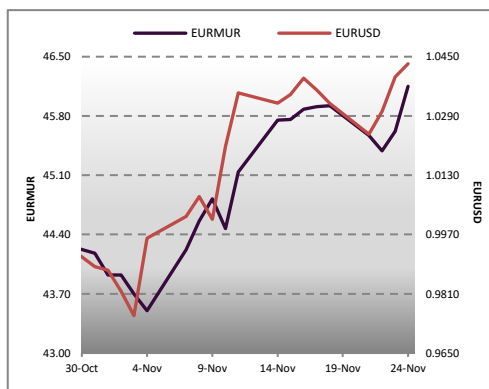
Market Highlights

Indicative Spot Rates

	Bid		Offer	
	Today	Change (Rs.)	Today	Change (Rs.)
AUDMUR	29.09	0.54	30.52	0.57
CNYMUR	6.04	0.01	6.35	0.01
EURMUR	44.81	0.52	46.15	0.53
JPYMUR	30.84	0.57	32.47	0.60
ZARMUR	2.51	0.05	2.67	0.05
USDMUR	43.20	(0.05)	44.10	(0.05)
GBPMUR	51.92	0.93	53.48	0.96

Indicative Forward Rates

	Bid			Offer		
	1m	3m	6m	1m	3m	6m
AUDMUR	29.07	29.02	28.90	30.52	30.52	30.50
EURMUR	44.83	44.86	44.83	46.22	46.34	46.46
ZARMUR	2.50	2.48	2.45	2.66	2.65	2.63
USDMUR	43.13	42.97	42.66	44.06	43.99	43.89
GBPMUR	51.87	51.81	51.71	53.48	53.52	53.59



Previous Day Trading Levels

	Previous Day Trading Levels			Today
	Opening	High	Low	Latest
AUDUSD	0.6730	0.6768	0.6727	0.6759
EURUSD	1.0396	1.0448	1.0395	1.0437
GBPUSD	1.2051	1.2113	1.2049	1.2094
USDJPY	139.59	139.63	138.62	138.86
USDCHF	0.9427	0.9427	0.9388	0.9406
USDCNH	7.15	7.16	7.13	7.15

Today

Major Indices

	Value at Close	Day Change %
DOW JONES	34,098.10	0.28
S&P 500	8,562.27	0.59
FTSE 100	7,465.24	0.17
DAX	14,427.59	0.04
CAC 40	5,017.73	0.32
NIKKEI 225	28,423.10	1.10
HANGSENG	17,614.28	0.52

Major Economic Releases (at GMT)

Date	Time	Country	Event	Period	Actual	Expected	Prior
23-Nov	13 30	US	Durable Goods Orders	Oct	1.0%	0.4%	0.3%
23-Nov	13 30	US	Initial Jobless Claims	Nov	240K	225K	223K
24-Nov	21 45	NZ	Retail Sales (QoQ)	Q3	-	-3.4%	-2.3%
28-Nov	00 30	AU	Retail Sales s.a. (MoM)	Oct	-	0.3%	0.6%

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 traded lower yesterday, as investors assessed the Federal Reserve November meeting minutes and as global economic growth concerns rose.

> Minutes of the Fed November 1-2 meeting indicated that a substantial majority of the Federal Open Market Committee believed that a slower pace of interest rate increases would likely be appropriate.

The minutes also pointed out that many policy makers were not sure how much higher interest rates will need to go even as they hiked by another 75 basis points at the November meeting.

> The yield on the 2-year US Treasury note gave away 3.6 basis points to trade at 4.481 percent, while the 10-year Treasury note yield eased to 3.708 percent. The long-bond yield retreated to 3.742 percent.

> The weighted average yield of the 7-year Government of Mauritius Bonds was published at 4.91 percent for a total allocation of MUR 1,750 Mio.

> Tomorrow, the Bank for Mauritius will hold the auction for the 182-day Government of Mauritius Treasury Bills for a nominal amount of MUR 600 Mio as well as the 91-day Bank of Mauritius Treasury Bills for a nominal amount of MUR 1,500 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

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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

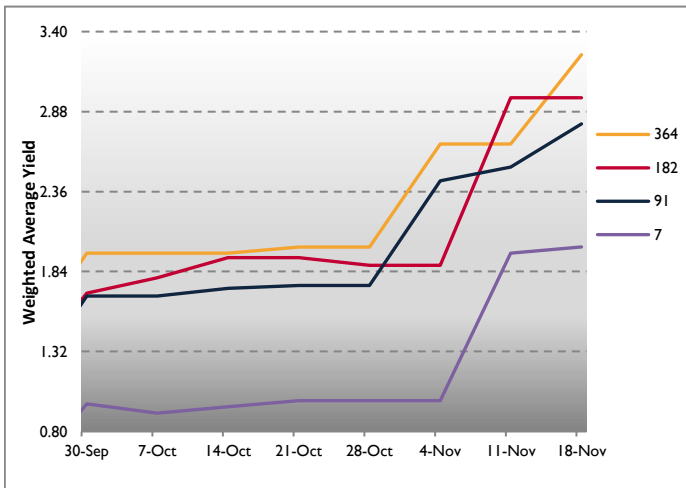
Key Central Bank Rates

	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	4.4732	3.877
UK Bonds	3.215	3.177
German Bonds	2.15	1.960

Auction Results of Treasury Bills



Money Market Rates

LIBOR* (%)	1 Week	1 Month	3 Months	6 Months
EUR	-	-	-	-
USD	-	4.016	4.699	5.162
GBP	-	3.095	3.586	4.150
EURIBOR	1.406	1.418	1.863	2.338

* LIBOR rates delayed by 48 hours. Source: ICE

Indicative Generic Swap Rates* (%)

Tenor	2yr	5yr	7yr	10yr
EURIBOR - 3m	2.811	2.640	2.614	2.655
USD LIBOR - 3m	4.755	3.953	3.777	3.669

* Pay fixed and receive floating swap

COMMODITIES

Rolling Gold & Oil Prices



News

> Gold prices consolidated gains as the US dollar extended its decline in New York afternoon trading, after FOMC minutes revealed that most Federal Reserve officials back a slower pace of interest rate hikes.

> Oil benchmarks tumbled on Wednesday as the EIA reported that US gasoline stocks rose by 3.1 million barrels, far exceeding forecasts, while G7 talks over a proposed price cap on the price of Russian oil also weighed on oil prices.

Spot Market

	Today	Change (\$)
Brent Crude Oil (\$)	87.57	(3.74)
Gold (\$)	1,754.70	5.42

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Source: MCB Treasury, Reuters, Bloomberg, Bank of Mauritius