

## FOREIGN EXCHANGE MARKET

## News

- > The greenback fell across the board on Monday due to return of risk appetite as concern over slow global economy growth eased.
- > EUR/USD rallied to 1.1275, an 11-day high, ahead of European Central Bank meeting on Wednesday. The ECB will have its monetary policy meeting and the Fed will unveil the Minutes of the latest meeting.
- > The GBP/USD edged higher to 1.3065 as UK Prime Minister Theresa May continued talks with opposition leader Jeremy Corbyn to break the Brexit impasse.
- > USD/JPY weakened to 111.35 due to a rise in the yen on the back of safe haven amid a selloff on Wall Street.
- > The AUD/USD rose to of 0.7137 as commodity prices soared with crude oil prices reaching fresh 2019 highs.
- > The rand weakened slightly on Monday versus the US dollar, as traders remained cautious ahead of the local economic indicators due later in the week. South Africa will published its monthly business confidence index on Wednesday followed by manufacturing and mining production figures on Thursday.
- > USD/CAD fell to 1.3305 as rising oil prices helped the loonie shrugged off weaker-than-expected Canadian housing data.
- > The US Dollar opens sheds 11 cents this morning against the Rupee, with the Redbook Index and the 3-year Note Auction data due later today.

## Daily Technical View

EUR/USD - The EUR rallied to a session high of 1.1275 versus the USD on improvement in risk appetite and as the market took profit on its elevated short EUR positions ahead of tomorrow's ECB interest rate meeting. Nearby resistance is at 1.1280, with a break targeting technical resistance at 1.1350 (100 DMA), on the downside 1.1180/1.1210 area is expected to provide support on pull-back.

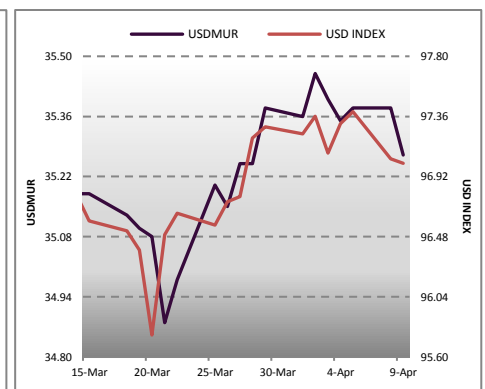
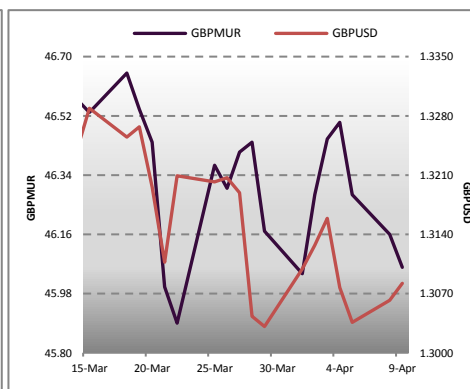
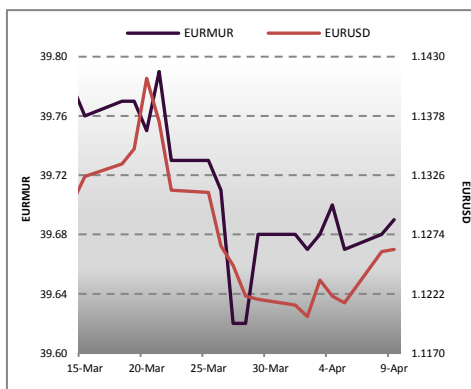
## Market Highlights

## Indicative Spot Rates

	Bid		Offer	
	Today	Change (Rs.)	Today	Change (Rs.)
AUDMUR	24.40	0.07	25.38	0.08
CNYMUR	5.11	(0.01)	5.37	(0.01)
EURMUR	38.53	0.01	39.69	0.01
JPYMUR	30.55	(0.10)	31.77	(0.11)
ZARMUR	2.40	-	2.52	-
USDMUR	34.37	(0.11)	35.27	(0.11)
GBPMUR	44.72	(0.10)	46.06	(0.10)

## Indicative Forward Rates

	Bid			Offer		
	1m	3m	6m	1m	3m	6m
AUDMUR	24.40	24.42	24.47	25.42	25.49	25.65
EURMUR	38.62	38.81	39.13	39.81	40.06	40.49
ZARMUR	2.39	2.37	2.34	2.51	2.50	2.48
USDMUR	34.37	34.37	34.39	35.29	35.34	35.46
GBPMUR	44.79	44.91	45.14	46.16	46.35	46.70



## Previous Day Trading Levels

	Previous Day Trading Levels			Today
	Opening	High	Low	Latest
AUDUSD	0.7126	0.7139	0.7119	0.7136
EURUSD	1.1269	1.1271	1.1255	1.1265
GBPUSD	1.3063	1.3083	1.3054	1.3084
USDJPY	111.47	111.57	111.28	111.36
USDCHE	0.9985	0.9996	0.9984	0.9989
USDCNH	6.72	6.72	6.72	6.72

## Today

## Major Indices

	Value at Close	Day Change %
DOW JONES	26,424.99	(0.32)
S&P 500	2,895.77	0.10
FTSE 100	7,451.89	0.07
DAX	11,963.40	(0.39)
CAC 40	5,471.78	(0.08)
NIKKEI 225	21,777.87	0.08
HANGSENG	30,137.12	0.20

## Major Economic Releases (at GMT)

Date	Time	Country	Event	Period	Actual	Expected	Prior
10-Apr	11 45	EU	ECB Interest Rate Decision	-	-	0%	0%
10-Apr	12 30	US	Consumer Price Index ex Food & Energy	Mar	-	2.1%	2.1%
10-Apr	16 00	UK	European Council Summit on Brexit	-	-	-	-
10-Apr	18 00	US	FOMC Minutes	-	-	-	-

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 prices retreated yesterday, pushing yields off intraday lows, as traders sold government paper to make way for a raft of debt auctions this week.

> Investors made room for the fresh wave of supply this week during the so-called "concession" process, when broker-dealers pushed yields higher in an effort to ensure a successful showing in coming bond auctions. The US Treasury is set to sell USD 78 billion of government paper, across 3-year, 10-year and 30-year maturities.

> The 10-year Treasury note yield rose 1.4 basis points to 2.517 percent, while the 2-year note was up 1.3 basis points to 2.358 percent.

**Market Highlights**

**Local Secondary Market T-Bills**

	Bid (%)	Offer (%)
1M	2.90	-
2M	2.95	-
3M	3.02	2.87
4M	3.17	-
6M	3.32	3.17
8M	3.39	-
10M	3.46	-
1Y	3.52	3.37

**Local Secondary Market T-Bonds**

	Bid (%)	Offer (%)
2 year	3.85	3.65
3 year	4.00	3.80
4 Year	4.30	4.10
5 Year	4.70	4.45
10 Year	5.40	5.15
15 year	5.90	5.65
20 Year	6.15	5.90

**Key Central Bank Rates**

	Current Level (%)	Previous (%)
BOM Repo Rate	3.50	3.50
Fed Funds Rate	2.25 - 2.50	2.25 - 2.50
BoE Bank Rate	0.75	0.75
ECB Ref. Rate	0.0	0.0
RBA Cash Rate	1.50	1.50

**Government Benchmark Yields (%)**

	2 Year	5 Year
US Bonds	2.3599	2.329
UK Bonds	0.709	0.85
German Bonds	-0.578	-0.440

**Money Market Rates**

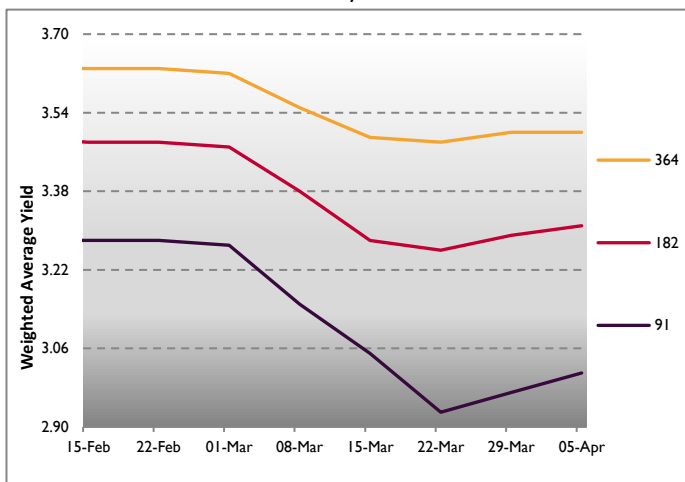
LIBOR (%)	1 Week	1 Month	3 Months	6 Months
EUR	-0.445	-0.416	-0.360	-0.310
USD	2.414	2.481	2.584	2.632
GBP	0.693	0.729	0.818	0.940
EURIBOR	-0.379	-0.367	-0.310	-0.231

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

Tenor	2yr	5yr	7yr	10yr
EURIBOR - 3m	-0.271	-0.028	0.170	0.468
USD LIBOR - 3m	2.447	2.359	2.420	2.509

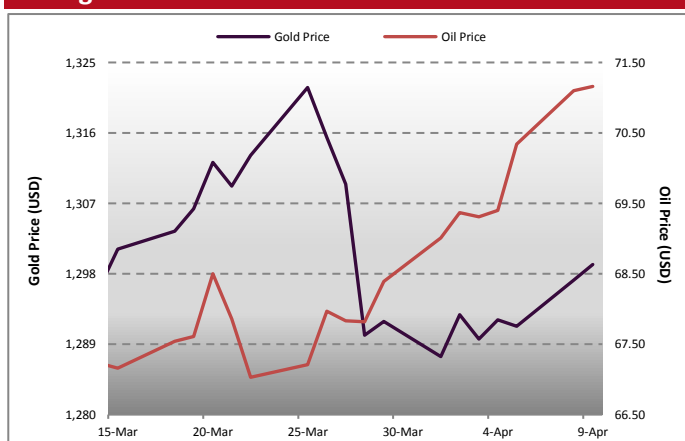
\*Pay fixed and receive floating swap

**Local Treasury Bills Market**



**COMMODITIES**

**Rolling Gold & Oil Prices**



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**News**

> Both oil benchmarks hit their highest level since November last with Brent trading at USD 71.19 and WTI hitting USD 64.44 yesterday on increasing concerns that global supplies would tighten due to fighting in Libya given that the country is a significant supplier of oil in Europe, producing around 1.1 million barrels per day of crude in March.

> Gold prices revisited the USD 1,300 level yesterday boosted by a weaker US dollar while support also came from headlines in China, which reported an expansion in their gold reserves for the fourth straight month.

	Spot Market		Futures Market	
	Today	Change (\$)	Today	Change (\$)
Brent Crude Oil (\$)	71.78	1.25	71.16	0.06
Gold (\$)	1,299.62	2.45	1,298.50	1.40