

FOREIGN EXCHANGE MARKET

News

>The greenback eased on Thursday following weaker than anticipated US labor market data. Attention now turns to US Non-Farm payrolls data which could have a significant impact on Fed's monetary policy.

>EUR/USD rose toward 1.0600 ahead of the US employment report for February, as well as a speech from ECB President Christine Lagarde.

>GBP/USD peaked at 1.1937, the highest in two days while investors await for the release of the UK monthly GDP and manufacturing sector data.

> The Japanese yen dropped 0.15 percent at 136.36 per US dollar after the Bank of Japan kept stimulus settings unchanged on Friday. Japan's currency hit a nearly three-month low at 137.90 earlier in the week.

>AUD/USD dropped toward 0.6550 on renewed USD demand in Asia this morning.

>USD/CAD rose for the fourth consecutive day, reaching 1.1348, the highest level since mid-October amid diverging policy between the Bank of Canada and the Federal Reserve and ahead of the release of US and Canadian employment reports later in the day.

> The South African rand strengthened on Thursday, recovering from a near three-year low hit the day before when S&P Global downgraded South Africa's outlook to "stable" from "positive".

> The USD/MUR maintains the upward pattern, opening at MUR 47.00/USD on the offer this morning. With the single currency trading around 1.0600 against the greenback, the EUR/MUR opens at MUR 50.32/EUR.

Daily Technical View

EUR/USD – The single currency retraced to a high at 1.06 amid market is waiting impatiently for US NFP data. Near-term resistance rests at 1.0630 for any further corrective push, while overall bear trend would resume if the pair crosses resistance at Jan 6th low at 1.0485.

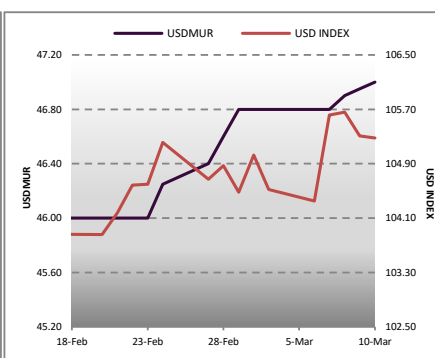
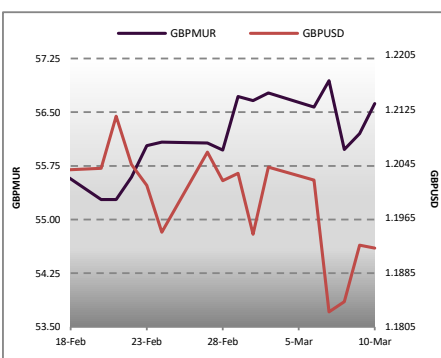
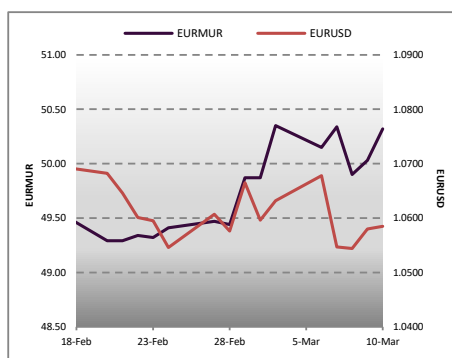
Market Highlights

Indicative Spot Rates

	Bid		Offer	
	Today	Change (Rs.)	Today	Change (Rs.)
AUDMUR	30.34	(0.02)	31.83	(0.02)
CNYMUR	6.60	0.01	6.94	0.01
EURMUR	48.85	0.28	50.32	0.29
JPYMUR	33.55	0.09	35.33	0.10
ZARMUR	2.48	0.02	2.64	0.02
USDMUR	46.10	0.05	47.00	0.05
GBPMUR	54.97	0.41	56.62	0.42

Indicative Forward Rates

	Bid			Offer		
	1m	3m	6m	1m	3m	6m
AUDMUR	30.33	30.31	30.21	31.86	31.92	31.98
EURMUR	48.84	48.82	48.67	50.39	50.53	50.62
ZARMUR	2.47	2.44	2.39	2.64	2.64	2.63
USDMUR	46.03	45.86	45.50	46.98	46.94	46.83
GBPMUR	54.93	54.84	54.59	56.64	56.66	56.67



Previous Day Trading Levels

	Previous Day Trading Levels			Today
	Opening	High	Low	Latest
AUDUSD	0.6589	0.6600	0.6565	0.6590
EURUSD	1.0578	1.0599	1.0579	1.0587
GBPUSD	1.1924	1.1933	1.1909	1.1925
USDJPY	136.13	136.96	135.82	136.67
USDCHF	0.9323	0.9335	0.9282	0.9306
USDCNH	6.98	6.99	6.97	6.98

Major Indices

	Value at Close	Day Change %
DOW JONES	32,798.40	(1.66)
S&P 500	8,374.25	(1.80)
FTSE 100	7,879.98	(0.63)
DAX	15,633.21	0.01
CAC 40	7,315.88	(0.12)
NIKKEI 225	28,623.15	0.53
HANGSENG	19,412.45	0.10

Major Economic Releases (at GMT)

Date	Time	Country	Event	Period	Actual	Expected	Prior
09-Mar	13 30	US	Initial Jobless Claims	Mar 3	211K	195K	190K
10-Mar	07 00	DE	Harmonized Index of Consumer Prices	Feb	-	9.30%	9.30%
10-Mar	13 30	US	NonFarm Payrolls	Feb	-	205K	517K
10-Mar	13 30	CA	Unemployment Rate	Feb	-	5.10%	5.00%

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

> Treasury yields edged lower yesterday, after data showed that weekly initial US jobless claims jumped to a 10-week high and a broad-based flight-to-safety trade took off in the afternoon.

> The initial jobless benefit claims jumped to a 10-week high of 211,000 in early March, prompting yields to pull back in morning trading, while investors continued to absorb this week's hawkish guidance from Federal Reserve Chairman Jerome Powell and looked ahead to today's employment data.

> The yield on the US 2-year Treasury dropped 16.4 basis points to trade at 4.9 percent, while the benchmark 10-year Treasury yield gave away 5.3 basis points, trading at 3.922. The yield on the 30-year Treasury weakened to 3.868 percent.

> The Bank of Mauritius received applications for the 364-Day Government of Mauritius Treasury Bills for a total amount of MUR 2,200 Mio but allotted only MUR 800 Mio at the weighted average rate of 4.42 percent.

Market Highlights

Local Secondary Market T-Bills

	Bid (%)	Offer (%)
1M	4.00	3.85
2M	4.15	4.00
3M	4.25	4.10
4M	4.30	4.15
6M	4.35	4.20
8M	4.40	4.25
10M	4.45	4.30
1Y	4.50	4.35

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Local Secondary Market T-Bonds

	Bid (%)	Offer (%)
2 year	4.70	4.50
3 year	4.75	4.55
4 Year	4.80	4.60
5 Year	4.90	4.65
10 Year	5.85	5.60
15 year	6.15	5.90
20 Year	6.25	6.00

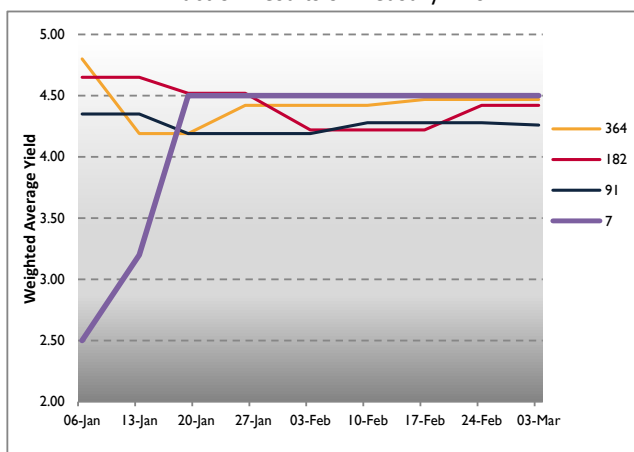
Key Central Bank Rates

	Current Level (%)	Previous (%)
BOM Key Rate	4.50	4.00
Fed Funds Rate	4.75	4.25 - 4.50
BoE Bank Rate	4.00	3.50
ECB Ref. Rate	3.00	2.50
RBA Cash Rate	3.60	3.35

Government Benchmark Yields (%)

	2 Year	5 Year
US Bonds	4.7842	4.093
UK Bonds	3.812	3.684
German Bonds	3.231	2.759

Auction Results of Treasury Bills



Money Market Rates

LIBOR* (%)	1 Week	1 Month	3 Months	6 Months
EUR	-	-	-	-
USD	-	4.719	5.025	5.346
GBP	-	4.930	4.320	4.686
EURIBOR	2.348	2.562	2.920	3.418

* LIBOR rates delayed by 48 hours. Source: ICE

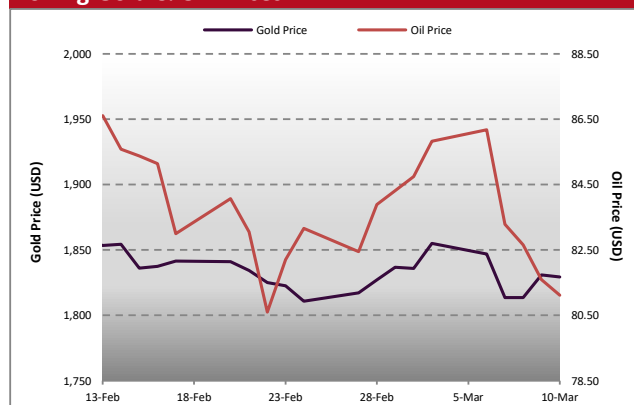
Indicative Generic Swap Rates* (%)

Tenor	2yr	5yr	7yr	10yr
EURIBOR - 3m	3.810	3.306	3.192	3.158
USD LIBOR - 3m	5.092	4.138	3.936	3.813

* Pay fixed and receive floating swap

COMMODITIES

Rolling Gold & Oil Prices



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

News

> Oil extended losses this morning, after sliding about 1 percent to a two-week low on Thursday on recession fears.

> Gold price rebounded on Thursday, as the dollar extended its corrective downside along with the US Treasury bond yields after the United States weekly Jobless Claims jumped to the highest in five months. However, the yellow metal is still heading for weekly losses as markets are pricing in higher interest rates.

Spot Market

	Today	Change (\$)
Brent Crude Oil (\$)	82.91	(1.24)
Gold (\$)	1,829.36	15.77