

## FOREIGN EXCHANGE MARKET

### News

>The greenback tumbled across the board in tandem with US Treasury yields on Monday on speculation that the Fed would slow down its rate hike path sooner than expected or the possibility of a no interest rate hike at the March meeting after US authorities signaled to limit the fallout from the collapse of Silicon Valley Bank and Signature Bank.

>EUR/USD took advantage of the weaker dollar and broke above 1.0700, hitting the strongest level in a month ahead of the US CPI this Tuesday but recovered in Asia this morning as some analysts believe that the fall in US yields may be overdone.

>GBP/USD rose sharply from near 1.2050 toward 1.2200 ahead of UK employment data later in the day.

> Against the Japanese yen, the US dollar was last marginally higher at 133.42, after having lost 1.4 percent on Monday.

>AUD/USD edged higher, buoyed by a steep correction in US rate expectations.

>USD/CAD dropped from around daily highs of 1.3815 on overall US dollar weakness, spurred on by an ongoing regional bank crisis in the US.

> The USD/ZAR was trading flat around 18.20 on Monday as the US dollar weakened sharply leading the South African rand to move away from an over two-year low of 18.60 touched on 8th March.

> The USD/MUR opens unchanged while the EUR/MUR drops 8 cents and GBP/MUR gains 15 cents this morning.

### Daily Technical View

EUR/USD-Bulls lead the pair towards a 1.0749 high amid a subdued US dollar on the back of the cascading yields on US Treasuries. A convincing break above key psychological support at 1.08 would warrant trend reversal. On the flipside, any plunge in the single currency would be limited above resistance at 1.0645, coinciding with the 200-EMA on the hourly chart.

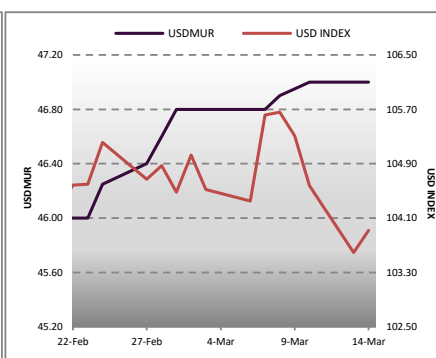
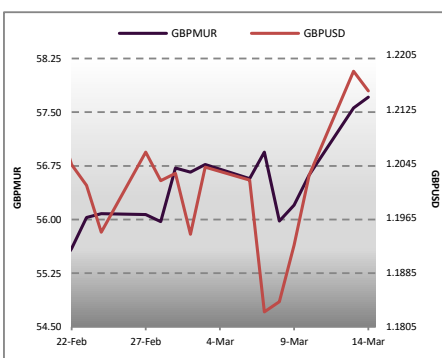
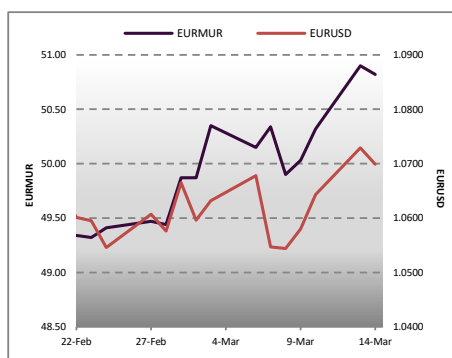
### Market Highlights

#### Indicative Spot Rates

	Bid		Offer	
	Today	Change (Rs.)	Today	Change (Rs.)
AUDMUR	30.63	(0.10)	32.13	(0.11)
CNYMUR	6.70	0.01	7.04	0.01
EURMUR	49.34	(0.08)	50.82	(0.08)
JPYMUR	34.27	0.05	36.09	0.06
ZARMUR	2.52	-	2.68	-
USDMUR	46.10	-	47.00	-
GBPMUR	56.03	0.15	57.70	0.14

#### Indicative Forward Rates

	Bid			Offer		
	1m	3m	6m	1m	3m	6m
AUDMUR	30.62	30.61	30.53	32.16	32.22	32.29
EURMUR	49.34	49.33	49.25	50.89	51.06	51.21
ZARMUR	2.51	2.48	2.42	2.68	2.68	2.67
USDMUR	46.04	45.92	45.59	46.99	46.98	46.92
GBPMUR	55.99	55.91	55.66	57.71	57.76	57.76



#### Previous Day Trading Levels

	Previous Day Trading Levels			Today
	Opening	High	Low	Latest
AUDUSD	0.6664	0.6671	0.6633	0.6649
EURUSD	1.0729	1.0735	1.0699	1.0702
GBPUSD	1.2182	1.2187	1.2146	1.2151
USDJPY	133.17	134.03	133.04	133.95
USDCHF	0.9116	0.9148	0.9111	0.9139
USDCNH	6.85	6.88	6.85	6.88

#### Major Indices

	Value at Close	Day Change %
DOW JONES	31,909.64	(0.28)
S&P 500	8,241.39	(0.14)
FTSE 100	7,548.63	(2.58)
DAX	14,959.47	(3.04)
CAC 40	7,011.50	(2.89)
NIKKEI 225	27,832.96	(1.11)
HANGSENG	19,388.95	0.10

### Major Economic Releases (at GMT)

Date	Time	Country	Event	Period	Actual	Expected	Prior
14-Mar	07 00	UK	Claimant Count Change	Feb		-12.4K	-12.9K
14-Mar	07 00	UK	ILO Unemployment Rate	Feb		3.80%	3.70%
14-Mar	12 30	US	Consumer Price Index ex Food & Energy	Feb		5.50%	5.60%
14-Mar	23 50	JP	BoJ Monetary Policy Meeting 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

## FIXED INCOME

### News

> US Treasury yields declined sharply yesterday, as the failures of Silicon Valley Bank and Signature Bank had investors factoring in the chances of the Federal Reserve either pausing its rate-hike campaign or raising borrowing costs more slowly next week.

> The monetary policy-sensitive 2-year Treasury yield gave away more than a half-of-a-percentage point as investors fretted that spillover from the banking system, after the collapse of California's Silicon Valley Bank and New York's Signature Bank would force the Federal Reserve to either halt or slow the pace of interest-rate increases on March 22.

> The yield on the 2-year US Treasury retreated to 4.03 percent, while the 10-year Treasury note gave away 17.9 basis points to 3.515 percent. The long-bond yield weakened 3.665 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

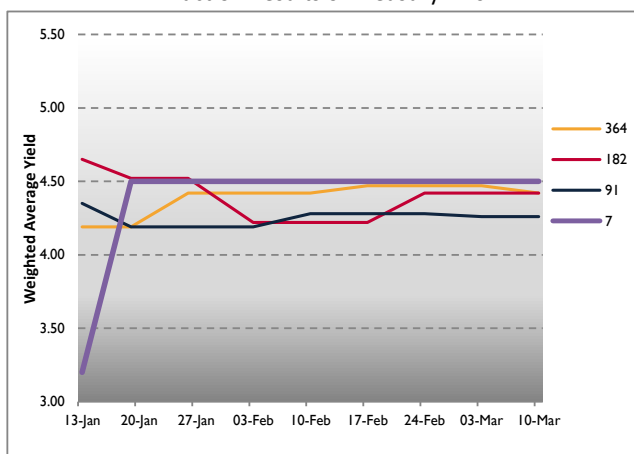
#### Key Central Bank Rates

	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	4.1669	3.768
UK Bonds	3.365	3.278
German Bonds	2.631	2.307

#### Auction Results of Treasury Bills



#### Money Market Rates

LIBOR* (%)	1 Week	1 Month	3 Months	6 Months
EUR	-	-	-	-
USD	-	4.799	5.138	5.428
GBP	-	4.104	4.343	4.712
EURIBOR	2.378	2.630	2.978	3.445

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

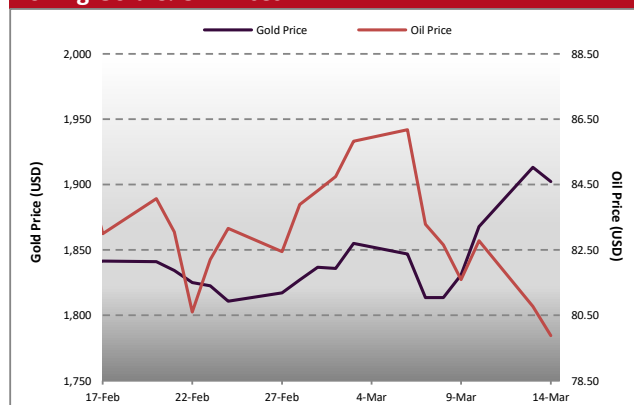
#### Indicative Generic Swap Rates\* (%)

Tenor	2yr	5yr	7yr	10yr
EURIBOR - 3m	3.445	3.029	2.947	2.942
USD LIBOR - 3m	4.373	3.843	3.708	3.597

\* Pay fixed and receive floating swap

## COMMODITIES

### Rolling Gold & Oil Prices



### News

> Worries about the US banking turmoil weighed on the oil market, with prices falling as much as 4 percent on Monday before settling down more than 2 percent.

> Gold prices rallied to a near six-week high on Monday, above the USD 1900 level, as concerns over a US banking crisis saw investors scramble for traditional safe havens.

#### Spot Market

	Today	Change (\$)
Brent Crude Oil (\$)	81.26	(1.64)
Gold (\$)	1,902.63	34.80

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