

## FOREIGN EXCHANGE MARKET

### News

> The greenback ignored US economic data and ended higher on Wednesday, boosted by risk aversion on renewed fear of financial contagion which started from the implosion of US-based Silicon Valley Bank and has now spread across the Atlantic to Swiss bank Credit Suisse.

> EUR/USD tumbled on Wednesday from weekly highs to monthly lows in a volatile session on elevated levels of uncertainties ahead of the European Central Bank meeting later today.

> GBP/USD slid below the 1.2100 level as safe haven USD buying overshadowed the UK budget.

> USD/JPY is extending its previous day sell-off towards 132 global policymakers' efforts to ease fear emanating from the Credit Suisse crisis

> USD/CAD soared, hitting levels above 1.3800 before pulling back amid a recovery in oil prices.

> AUD/USD climbed back above 0.6600 on better-than-expected Australian employment data while the NZD edged lower after weak economic data released this morning showing New Zealand's economy shrinking in the fourth quarter.

> The Swiss franc is pinned close to a week low against the dollar after the SNB threw a financial lifeline to the embattled bank with its largest shareholder refraining from providing further support while its shares had plunged by over 30 percent.

> The USD/MUR gains 10 cents this morning, to open at MUR 47.10/USD on the offer. With the single currency trading at 1.0610 against the greenback, the EUR/MUR sees a drop to MUR 50.13/EUR on the offer.

### Daily Technical View

EUR/USD – The single currency recovered from a low at 1.0513 to above 1.06 after experiencing the biggest daily loss in almost 6 months. Markets turn cautious amid ECB interest rate decision later. Further correction towards golden ratio zone at 1.0660, where the 200-EMA sits on the 4-hour chart. Trend remains bearish and any plunge below support at 1.0550 would extend towards 1.0485.

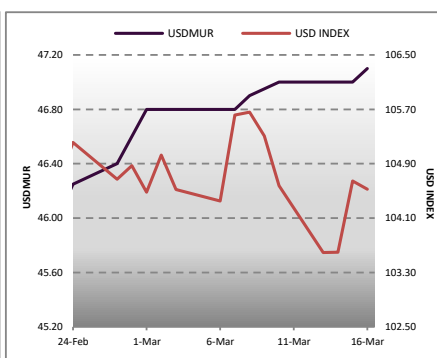
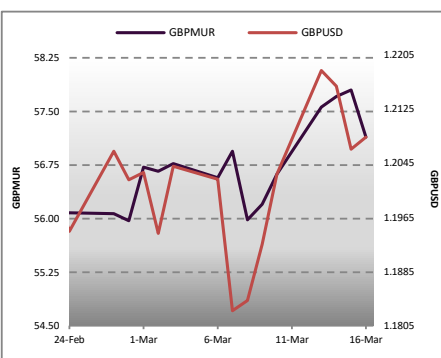
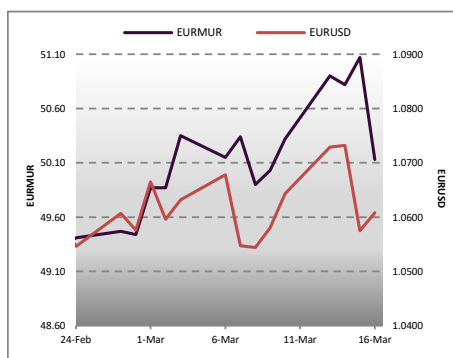
### Market Highlights

#### Indicative Spot Rates

	Bid		Offer	
	Today	Change (Rs.)	Today	Change (Rs.)
AUDMUR	30.63	(0.25)	32.13	(0.26)
CNYMUR	6.68	(0.01)	7.02	(0.01)
EURMUR	48.67	(0.91)	50.13	(0.94)
JPYMUR	34.65	0.49	36.49	0.52
ZARMUR	2.50	(0.03)	2.66	(0.03)
USDMUR	46.20	0.10	47.10	0.10
GBPMUR	55.48	(0.64)	57.14	(0.66)

#### Indicative Forward Rates

	Bid			Offer		
	1m	3m	6m	1m	3m	6m
AUDMUR	30.62	30.61	30.55	32.16	32.22	32.31
EURMUR	48.68	48.69	48.59	50.21	50.37	50.53
ZARMUR	2.49	2.46	2.41	2.66	2.66	2.66
USDMUR	46.13	46.00	45.78	47.07	47.08	47.11
GBPMUR	55.45	55.33	55.11	57.15	57.18	57.25



#### Previous Day Trading Levels

	Previous Day Trading Levels			Today
	Opening	High	Low	Latest
AUDUSD	0.6614	0.6643	0.6609	0.6641
EURUSD	1.0576	1.0610	1.0574	1.0612
GBPUSD	1.2066	1.2084	1.2046	1.2086
USDJPY	133.37	133.49	132.51	132.98
USDCHE	0.9330	0.9343	0.9297	0.9297
USDCNH	6.89	6.91	6.88	6.90

#### Major Indices

	Value at Close	Day Change %
DOW JONES	32,155.40	(0.87)
S&P 500	8,320.96	(0.69)
FTSE 100	7,344.45	(3.83)
DAX	14,735.26	(3.38)
CAC 40	6,885.71	(3.58)
NIKKEI 225	27,229.48	0.03
HANGSENG	19,287.63	0.10

### Major Economic Releases (at GMT)

Date	Time	Country	Event	Period	Actual	Expected	Prior
15-Mar	12:30	US	Retail Sales	Feb	-0.40%	-0.30%	3.20%
16-Mar	16:30	US	Building Permits	Feb		1.34M	1.339M
16-Mar	16:30	US	Housing Starts	Feb		1.31M	1.309M
16-Mar	17:15	EU	ECB Monetary Policy Decision Statement				

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 dived yesterday, after the biggest shareholder in Credit Suisse stated that it would not invest any more funds in the troubled Swiss lender.

> Credit Suisse's shares dropped to a record low and dragged European banks lower, while triggering a fresh wave of government-bond buying as investors seek safety in sovereign paper. The bank's woes also sparked a fresh wave of selling across US stocks, and raised fears that the banking sector remains highly vulnerable to the past year's climb in interest rates.

> The yield on the US 2-year Treasury gave away 24.8 basis points to trade at 3.973 percent, while the 10-year Treasury note yield dropped 14.1 basis points, trading at 3.492 percent. The yield on the 30-year Treasury bond weakened to 3.687 percent.

> The focus on the market will now turn to central bankers and the challenge to manage inflation.

> Today, the Bank of Mauritius will hold the auction for the 182-Day Government of Mauritius Treasury Bills for a nominal amount of MUR 800 Mio.

### 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

[Click here to access our Mauritian Bond Market page](#)

#### 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

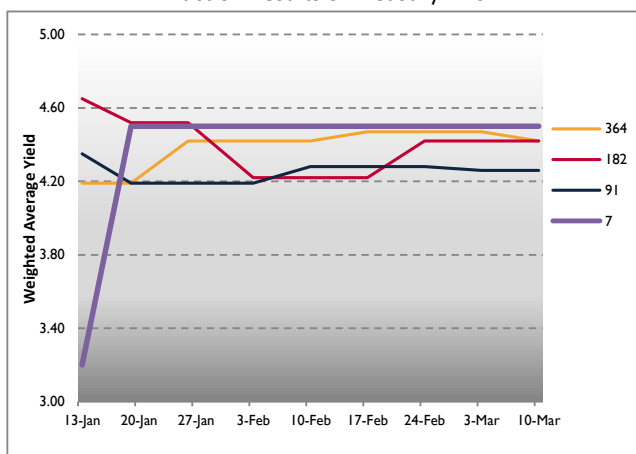
#### Key Central Bank Rates

	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	3.9674	3.592
UK Bonds	3.298	3.225
German Bonds	2.499	2.213

#### Auction Results of Treasury Bills



#### Money Market Rates

LIBOR* (%)	1 Week	1 Month	3 Months	6 Months
EUR	-	-	-	-
USD	-	4.684	4.866	5.051
GBP	-	4.084	4.264	4.541
EURIBOR	2.378	2.646	2.957	3.375

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

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

Tenor	2yr	5yr	7yr	10yr
EURIBOR - 3m	3.274	3.029	2.957	2.958
USD LIBOR - 3m	4.212	3.700	3.593	3.547

\* Pay fixed and receive floating swap

## COMMODITIES

### Rolling Gold & Oil Prices



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### News

> Oil regain some ground during the Asian hours this morning after dropping by nearly 5 percent on Wednesday amid concerns that a crisis of confidence in the banking sector could trigger a recession and weigh on oil demand.

> Fears of a brewing banking crisis and uncertainty over monetary policy kept gold's safe haven appeal high, propelling the yellow metal to a six-week high on Wednesday.

#### Spot Market

	Today	Change (\$)
Brent Crude Oil (\$)	72.26	(8.99)
Gold (\$)	1,915.64	13.52