

FOREIGN EXCHANGE MARKET

News

- > The US dollar was still standing strong near its six-month top at 105.29 against a basket of major currencies.
- > The euro recovered to 1.0673 in early Asia trade, after slumping to a 3-1/2 month low of 1.0629 last week as the European Central Bank signaled its rate hikes could be over.
- > Global central bank decisions this week hold a strong possibility of stirring volatility. The US Federal Reserve Decision will be on Wednesday, Bank of England will meet on Thursday and the Bank of Japan will meet on Friday.
- > GBP/USD rallies and moves away from over a three-month low on softer USD. The cable is trading near 1.2395 ahead of Bank of England meeting scheduled this week
- > AUD/USD pair struggled to get any significant traction on Monday, trading in a narrow band during the Asian session.
- > USD/IPY ended the week near the 148.00 area ahead of Central Banks policy decisions this week.
- > South African rand edged lower against the dollar on Friday, weighed down by a worsening power crisis, ahead of local inflation figures and an interest rate decision this week.
- > The USD/MUR pair opens the week 2 cents lower to trade at 45.31 on the offer while GBP/MUR shed 18 cents to be offered at 56.68.

Daily Technical View

EUR/USD – The pair retraced from a high at 1.0688 to 1.0673 in Asian session on Monday, amid cautious market ahead of Fed policy decision this week. Further weakness in the shared currency could extend if the pair breaks psychological support level at 1.0635. On the flipside, a resumption above resistance at 1.08 would warrant a deeper correction.

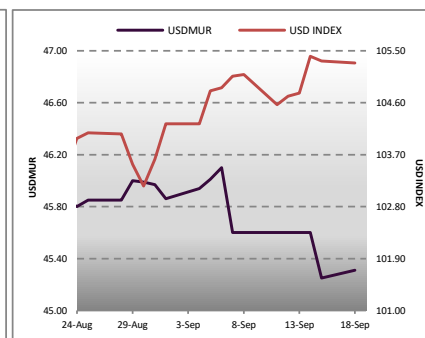
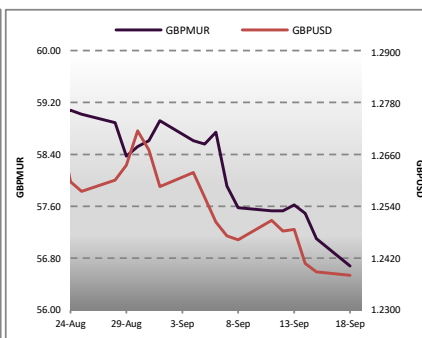
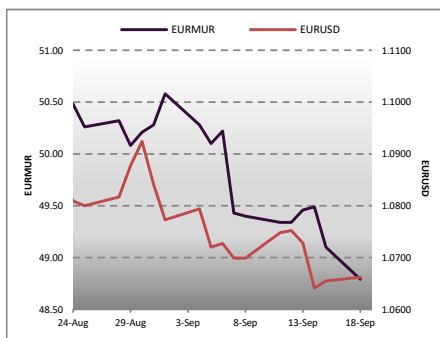
Market Highlights

Indicative Spot Rates

| | Bid | | Offer | |
|--------|-------|--------------|-------|--------------|
| | Today | Change (Rs.) | Today | Change (Rs.) |
| AUDMUR | 28.62 | (0.10) | 30.02 | (0.11) |
| CNYMUR | 6.08 | (0.03) | 6.39 | (0.03) |
| EURMUR | 47.37 | 0.06 | 48.79 | 0.06 |
| JPYMUR | 29.91 | (0.07) | 31.50 | (0.07) |
| ZARMUR | 2.33 | - | 2.48 | - |
| USDMUR | 44.41 | (0.02) | 45.31 | (0.02) |
| GBPMUR | 55.03 | (0.17) | 56.68 | (0.18) |

Indicative Forward Rates

| | Bid | | | Offer | | |
|--------|-------|-------|-------|-------|-------|-------|
| | 1m | 3m | 6m | 1m | 3m | 6m |
| AUDMUR | 28.58 | 28.48 | 28.29 | 30.01 | 29.98 | 29.92 |
| EURMUR | 47.30 | 47.12 | 46.86 | 48.78 | 48.78 | 48.73 |
| ZARMUR | 2.31 | 2.28 | 2.22 | 2.48 | 2.47 | 2.46 |
| USDMUR | 44.29 | 44.04 | 43.58 | 45.25 | 45.11 | 44.89 |
| GBPMUR | 54.89 | 54.62 | 54.06 | 56.60 | 56.43 | 56.15 |



Previous Day Trading Levels

| | Previous Day Trading Levels | | | Today |
|--------|-----------------------------|--------|--------|--------|
| | Opening | High | Low | Latest |
| AUDUSD | 0.6431 | 0.6449 | 0.6428 | 0.6440 |
| EURUSD | 1.0661 | 1.0677 | 1.0657 | 1.0665 |
| GBPUSD | 1.2381 | 1.2404 | 1.2371 | 1.2384 |
| USDJPY | 147.72 | 147.87 | 147.57 | 147.68 |
| USDCHF | 0.8959 | 0.8977 | 0.8959 | 0.8965 |
| USDCNH | 7.28 | 7.30 | 7.27 | 7.29 |

Major Indices

| | Value at Close | Day Change % |
|------------|----------------|--------------|
| DOW JONES | 34,907.11 | (0.83) |
| S&P 500 | 9,592.86 | (1.20) |
| FTSE 100 | 7,711.43 | - |
| DAX | 15,893.53 | 0.56 |
| CAC 40 | 7,378.82 | 0.96 |
| Nikkei 225 | 33,533.09 | 1.10 |
| HANGSENG | 18,182.89 | (1.39) |

Major Economic Releases (at GMT)

| Date | Time | Country | Event | Period | Actual | Expected | Prior |
|--------|-------|---------|-----------------------------------|--------|--------|----------|-------|
| 15-Sep | 13 15 | US | Industrial Production(MoM) | Aug | 0.40% | 0.10% | 1.00% |
| 15-Sep | 14 00 | US | Michigan Consumer Sentiment Index | Sep | 67.7 | 69.1 | 69.5 |
| 18-Sep | 14 00 | US | NAHB Housing Market Index | Sep | - | 50 | 50 |

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 ended at their highest levels of the month on Friday and notched their second weekly advance as the United Auto Workers went on strike, raising concerns about a return of price pressures in the auto sector.

> US 10 Year Government Bond Yield increased to a near 16-year high of 4.3986 percent.

> The Monetary Policy Committee (MPC) of the Bank of Mauritius unanimously decided to keep the Key Rate unchanged at 4.50 per cent per annum on Friday.

Market Highlights

Local Secondary Market T-Bills

| | Bid (%) | Offer (%) |
|-----|---------|-----------|
| 1M | 3.27 | 3.12 |
| 2M | 3.30 | 3.15 |
| 3M | 3.33 | 3.18 |
| 4M | 3.39 | 3.24 |
| 6M | 3.45 | 3.30 |
| 8M | 3.50 | 3.35 |
| 10M | 3.55 | 3.40 |
| 1Y | 3.62 | 3.47 |

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

Local Secondary Market T-Bonds

| | Bid (%) | Offer (%) |
|---------|---------|-----------|
| 2 year | 3.80 | 3.60 |
| 3 year | 3.83 | 3.63 |
| 4 Year | 3.87 | 3.67 |
| 5 Year | 3.95 | 3.70 |
| 10 Year | 4.60 | 4.35 |
| 15 year | 4.85 | 4.60 |
| 20 Year | 5.15 | 4.90 |

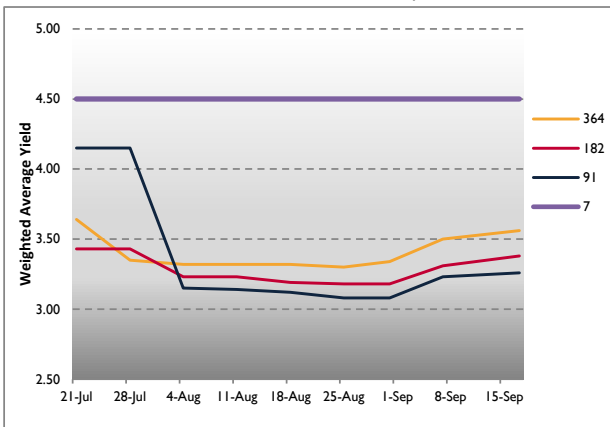
Key Central Bank Rates

| | Current Level (%) | Previous (%) |
|----------------|-------------------|--------------|
| BOM Key Rate | 4.50 | 4.00 |
| Fed Funds Rate | 5.50 | 5.25 |
| BoE Bank Rate | 5.25 | 5.00 |
| ECB Ref. Rate | 4.50 | 4.25 |
| RBA Cash Rate | 4.10 | 4.10 |

Government Benchmark Yields (%)

| | 2 Year | 5 Year |
|--------------|--------|--------|
| US Bonds | 5.0517 | 4.476 |
| UK Bonds | 5.017 | 4.55 |
| German Bonds | 3.226 | 2.705 |

Auction Results of Treasury Bills



Money Market Rates

| Reference Rate*(%) | 1 Week | 1 Month | 3 Months | 6 Months |
|--------------------|--------|---------|----------|----------|
| Term SOFR | - | 5.442 | 5.663 | 5.894 |
| EURIBOR | 3.690 | 3.762 | 3.878 | 4.055 |
| SONIA | - | 5.356 | 5.459 | 5.557 |

* rates delayed by 48 hours. Source: ICE & Refinitiv

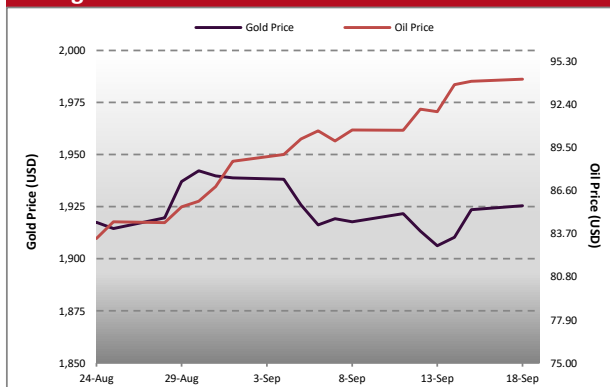
Indicative Generic Swap Rates* (%)

| Tenor | 2yr | 5yr | 7yr | 10yr |
|--------------|-------|-------|-------|-------|
| EURIBOR - 3m | 3.738 | 3.264 | 3.199 | 3.210 |
| USD OIS | 4.942 | 4.225 | 4.075 | 4.002 |

*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 price steadies near its 10 month high on prospects of more supply cuts. However the market remains cautious in anticipation of several key central bank meetings this week.

> The yellow metal continues to trade around the USD 1900 level amid a strong dollar.

Spot Market

| | Today | Change (\$) |
|----------------------|----------|-------------|
| Brent Crude Oil (\$) | 96.56 | 1.02 |
| Gold (\$) | 1,926.70 | 16.38 |