

FOREIGN EXCHANGE MARKET

News

> The greenback pared some of its earlier losses on Thursday after data from the US showed a larger-than-expected decline in jobless claims. The preliminary readings of the US PMIs for March along with the US durable goods orders for February will be in focus today.

> EUR/USD failed to hold above 1.0900 and retreated sharply from monthly highs to below 1.0850 on the back of a US Dollar recovery ahead of the preliminary PMIs in the Eurozone due this Friday.

> GBP/USD also pulled back, sliding under 1.2300 while the Bank of England raised its key interest rate by 25 basis points to 4.25 percent as expected.

> The USD/JPY pair bounced off six-week lows at 130.18 but remains under strong selling pressure amid mixed Japanese inflation data and a negative risk

> AUD/USD dropped below 0.6700 after Australia PMIs came in softer for March and hence weighed on the Aussie pair.

> USD/CAD bounced from weekly lows at 1.3620 back above 1.3700 ahead of the release of Canada January retail sales figures this Friday.

> The Swiss National Bank raised its benchmark interest rate by 50 basis points on Thursday and stated that UBS's takeover of Credit Suisse had averted a financial disaster.

> South Africa's rand strengthened against a weaker US dollar and is trading around 18.09 this morning.

> The USD/MUR opens at MUR 46.95/USD on the offer this morning, while the

Daily Technical View

EUR/USD – The single currency remains sluggish around 1.0830 on early Friday after reversing from a seven-week high at 1.0930. A resumption above resistance at 1.0910 would activate short-term bull trend, while a dive below 1.0765 would trigger sellers

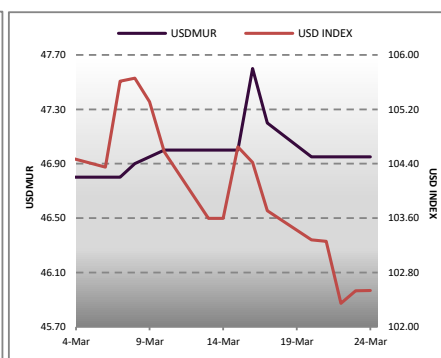
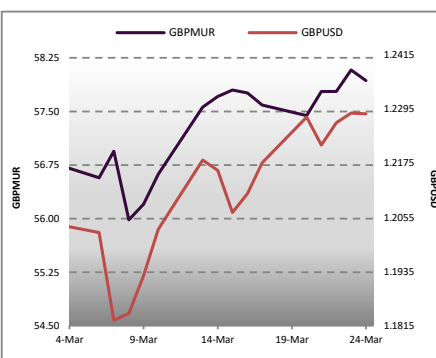
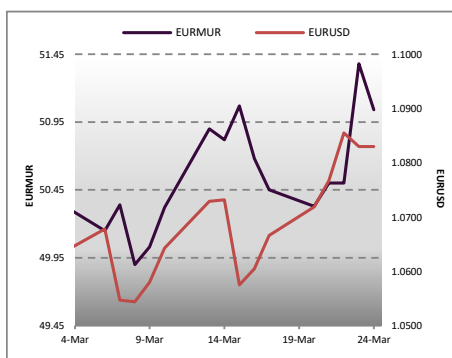
Market Highlights

Indicative Spot Rates

	Bid		Offer	
	Today	Change (Rs.)	Today	Change (Rs.)
AUDMUR	30.76	(0.23)	32.27	(0.24)
CNYMUR	6.72	(0.01)	7.06	(0.01)
EURMUR	49.55	(0.33)	51.04	(0.34)
JPYMUR	35.14	0.07	37.00	0.07
ZARMUR	2.53	0.01	2.69	0.01
USDMUR	46.05	-	46.95	-
GBPMUR	56.24	(0.15)	57.93	(0.15)

Indicative Forward Rates

	Bid			Offer		
	1m	3m	6m	1m	3m	6m
AUDMUR	30.75	30.73	30.66	32.29	32.35	32.43
EURMUR	49.54	49.51	49.41	51.10	51.24	51.39
ZARMUR	2.52	2.49	2.44	2.69	2.69	2.70
USDMUR	45.97	45.82	45.55	46.93	46.90	46.88
GBPMUR	56.19	56.08	55.85	57.93	57.95	57.97



Previous Day Trading Levels

	Previous Day Trading Levels			Today
	Opening	High	Low	Latest
AUDUSD	0.6684	0.6689	0.6660	0.6685
EURUSD	1.0827	1.0838	1.0818	1.0833
GBPUSD	1.2288	1.2292	1.2262	1.2284
USDJPY	130.80	130.94	130.06	130.26
USDCHF	0.9162	0.9181	0.9156	0.9164
USDCNH	6.83	6.85	6.83	6.85

Major Indices

	Value at Close	Day Change %
DOW JONES	32,030.11	0.23
S&P 500	8,445.87	0.30
FTSE 100	7,499.60	(0.89)
DAX	15,210.39	(0.04)
CAC 40	7,139.25	0.11
NIKKEI 225	27,419.61	(0.17)
HANGSENG	19,938.03	0.10

Major Economic Releases (at GMT)

Date	Time	Country	Event	Period	Actual	Expected	Prior
23-Mar	12 00	UK	BoE Interest Rate Decision	-	4.25%	4.25%	4.00%
23-Mar	08 30	SW	SNB Interest Rate Decision	-	1.50%	1.50%	1.00%
24-Mar	08 30	DE	S&P Global/BME Composite PMI	Mar	-	51	50.7
24-Mar	12 30	US	Durable Goods Orders	Feb	-	0.60%	-4.50%

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

> US Treasury yields edged lower yesterday with bank-stability risks back in focus, a day after the Federal Reserve signalled it was close to the end of its cycle of interest rate increases.

> The yield on the 2-year US Treasury dropped 16.9 basis points to 3.808 percent, while the benchmark 10-year yield gave away 9.1 basis points, trading at 3.406 percent. The long-bond yield retreated to 3.682 percent.

> The UK 10-year gilt yield weakened to 3.357 percent, after the Bank of England raised interest rates by 25 basis points to 4.25 percent after data showed inflation had picked up to 10.4 percent year-over-year rate in February.

> Meanwhile, fed funds futures traders priced in a 70 percent probability that the Fed will stand pat in May, and a 30 percent chance that policy makers will raise rates by another 25 basis points to between 5 and 5.25 percent by then, according to the CME FedWatch tool.

> The Bank of Mauritius received applications for the 364-Day Government of Mauritius Treasury Bills for a total amount of MUR 2,150 Mio and allotted only MUR 800 Mio at the weighted average rate of 4.70 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

[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	4.95	4.70
10 Year	5.85	5.60
15 year	6.15	5.90
20 Year	6.25	6.00

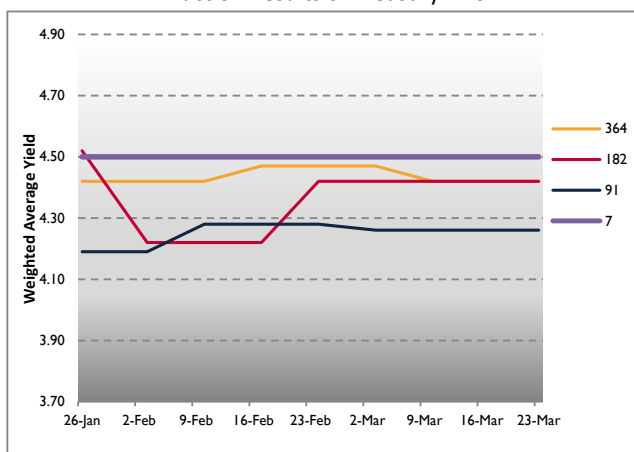
Key Central Bank Rates

	Current Level (%)	Previous (%)
BOM Key Rate	4.50	4.00
Fed Funds Rate	5.00	4.75
BoE Bank Rate	4.25	4.00
ECB Ref. Rate	3.50	3.00
RBA Cash Rate	3.60	3.35

Government Benchmark Yields (%)

	2 Year	5 Year
US Bonds	3.8024	3.396
UK Bonds	3.279	3.207
German Bonds	2.471	2.164

Auction Results of Treasury Bills



Money Market Rates

LIBOR* (%)	1 Week	1 Month	3 Months	6 Months
EUR	-	-	-	-
USD	-	4.797	5.080	5.115
GBP	-	4.192	4.387	4.700
EURIBOR	2.827	2.902	3.002	3.214

* LIBOR rates delayed by 48 hours. Source: ICE

Indicative Generic Swap Rates* (%)

Tenor	2yr	5yr	7yr	10yr
EURIBOR - 3m	3.247	2.927	2.883	2.903
USD LIBOR - 3m	4.102	3.476	3.404	3.386

*Pay fixed and receive floating swap

COMMODITIES

Rolling Gold & Oil Prices



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News

> Oil prices tumbled as much as 2 percent during the previous day session on talks that OPEC+ might not announce a wider production cut after this week's 15-month low in prices. Comments from US Energy Secretary Jennifer Granholm that it will be difficult to immediately refill the country's Strategic Petroleum Reserve (SPR) also undermined prices.

> Gold regained upward momentum, returning to the USD 2,000 level on Thursday, as signs of a less hawkish Fed and turmoil in the banking sector saw traders turn to the yellow metal as their preferred safe haven.

Spot Market

	Today	Change (\$)
Brent Crude Oil (\$)	75.97	1.45
Gold (\$)	1,990.24	20.66