

FOREIGN EXCHANGE MARKET

News

- > The EUR/USD currency pair maintains its level below 1.0600 against the US dollar ahead of the ECB rate decision on Thursday.
- > The Pound Sterling was trading around 1.2150 with the focus on UK Employment and US S&P Global PMI.
- > The AUD/USD pair strengthened to 0.6323 this morning, supported by a decline of the greenback and a correction in the US Treasury bond yield.
- > The USD/CAD pair trades sideways around the 1.3715 mark in Asia today, as market participants cautiously await the Bank of Canada interest rate decision on Wednesday, which is expected to hold the rate at 5.0 percent.
- > The south african rand continues to trade around the 19.00 level against the dollar as global focus remains on Middle East conflict.
- > The Japanese yen briefly weakened beyond 150 against the dollar in early asian trading on Monday before quickly recovering amid the wide gap of interest rates between Japan and the US.
- > The USD/MUR sees no change overnight, still trading at MUR 44.80/USD on the offer. With the single currency trading around 1.0580 against the greenback, the EUR/opens at MUR 47.81/EUR.

Daily Technical View

EURUSD – The main theme overnight was a possible escalation of the Middle East conflict, clouding the sentiment for the forthcoming week amidst numerous important economic releases globally. A large proportion of market players seem to be on the sideline pending the release of these key figures as the cross traded in a narrow range on Friday. 1.0640 is expected to be a key resistance level on the upside while the levels to watch on the downside are 1.0495 followed by 1.0450.

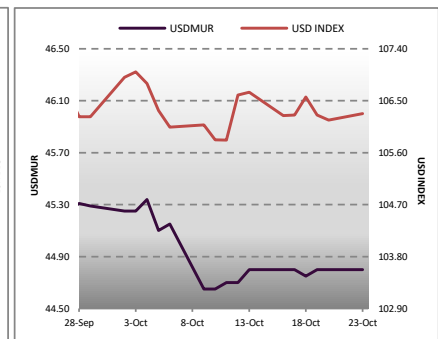
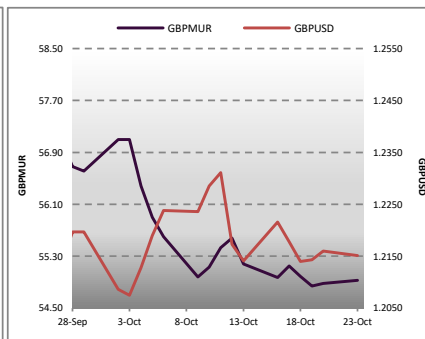
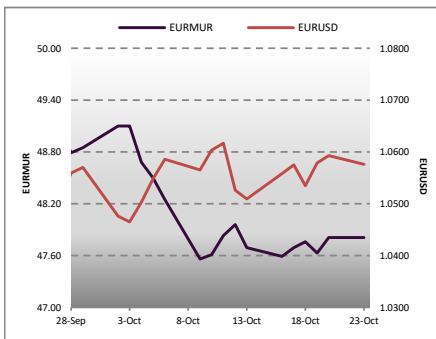
Market Highlights

Indicative Spot Rates

	Bid		Offer	
	Today	Change (Rs.)	Today	Change (Rs.)
AUDMUR	27.70	(0.03)	29.06	(0.03)
CNYMUR	5.98	-	6.29	-
EURMUR	46.42	-	47.81	-
JPYMUR	29.13	(0.02)	30.67	(0.02)
ZARMUR	2.29	(0.01)	2.44	(0.01)
USDMUR	43.90	-	44.80	-
GBPMUR	53.33	0.05	54.93	0.05

Indicative Forward Rates

	Bid			Offer		
	1m	3m	6m	1m	3m	6m
AUDMUR	27.66	27.56	27.38	29.05	29.02	28.97
EURMUR	46.35	46.17	45.92	47.80	47.80	47.76
ZARMUR	2.27	2.24	2.19	2.44	2.43	2.42
USDMUR	43.79	43.53	43.08	44.74	44.61	44.39
GBPMUR	53.20	52.93	52.39	54.85	54.69	54.41



Previous Day Trading Levels

	Previous Day Trading Levels			Today
	Opening	High	Low	Latest
AUDUSD	0.6309	0.6322	0.6308	0.6314
EURUSD	1.0592	1.0600	1.0574	1.0580
GBPUSD	1.2158	1.2166	1.2145	1.2152
USDJPY	149.79	149.97	149.79	149.96
USDCHF	0.8918	0.8952	0.8915	0.8954
USDCNH	7.33	7.33	7.32	7.33

Major Indices

	Value at Close	Day Change %
DOW JONES	33,414.17	(0.86)
S&P 500	9,115.84	(1.20)
FTSE 100	7,402.14	(1.30)
DAX	14,798.47	(1.64)
CAC 40	6,816.22	(1.52)
Nikkei 225	31,259.36	(0.54)
HANGSENG	17,295.89	(0.72)

Major Economic Releases (at GMT)

Date	Time	Country	Event	Period	Actual	Expected	Prior
24-Oct	17 45	US	S&P Global Services PMI	Oct	-	49.9	50.1
25-Oct	16 00	US	Building Permits	-	-	1.473M	1.541M
25-Oct	18 00	CAD	BoC Interest Rate Decision	-	-	5.00%	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 finished broadly lower on Friday, pulling the 10-year rate away from 5 percent, as buyers of US government debt re-emerged amid escalating tensions in the Middle East.
- > The yield on the 2-year Treasury shed 8.9 basis points to a one-week low of 5.082 percent while the yield on the 10-year Treasury lost 6.3 basis points to 4.924 percent.
- > The 10-year yield nonetheless ended with its biggest weekly gain since April, rising by 29.6 basis points.
- > The yield on the 30-year Treasury dropped by 1.4 basis points to 5.087 percent on Friday but rose by 31 basis points, the biggest weekly gain since the period that ended Oct. 21.
- > The Bank of Mauritius received applications for the 7-Day Bank of Mauritius Treasury Bills for a total amount of MUR 18,520 Mio but allotted only MUR 2,000.00 Mio at the weighted average rate of 4.50 percent.

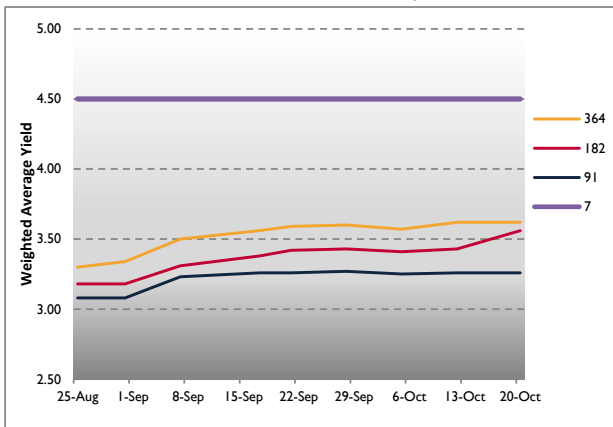
Market Highlights

Local Secondary Market T-Bills			Local Secondary Market T-Bonds			Key Central Bank Rates		
	Bid (%)	Offer (%)		Bid (%)	Offer (%)		Current Level (%)	Previous (%)
1M	3.27	3.12	2 year	3.80	3.60	BOM Key Rate	4.50	4.00
2M	3.30	3.15	3 year	3.90	3.70	Fed Funds Rate	5.50	5.25
3M	3.33	3.18	4 Year	3.95	3.75	BoE Bank Rate	5.25	5.00
4M	3.39	3.24	5 Year	4.05	3.80	ECB Ref. Rate	4.50	4.25
6M	3.45	3.30	10 Year	4.60	4.35	RBA Cash Rate	4.10	4.10
8M	3.50	3.35	15 year	4.85	4.60			
10M	3.55	3.40	20 Year	5.15	4.90			
1Y	3.62	3.47						

Government Benchmark Yields (%)		
	2 Year	5 Year
US Bonds	5.1269	4.916
UK Bonds	4.874	4.632
German Bonds	3.204	2.813

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

Auction Results of Treasury Bills



Money Market Rates

Reference Rate*(%)	1 Week	1 Month	3 Months	6 Months
Term SOFR	-	5.446	5.660	5.898
EURIBOR	3.890	3.863	3.969	4.107
SONIA	-	5.219	5.277	5.350

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

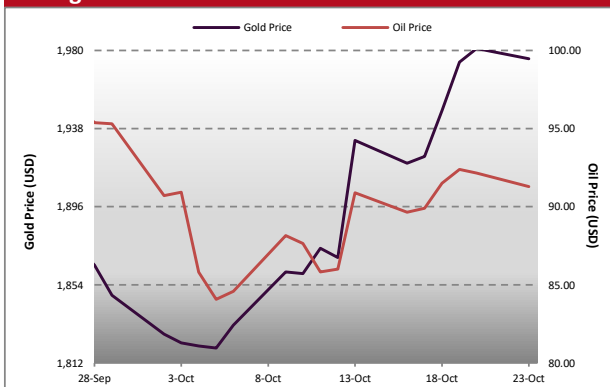
Indicative Generic Swap Rates* (%)

Tenor	2yr	5yr	7yr	10yr
EURIBOR - 3m	3.694	3.367	3.369	3.447
USD OIS	4.982	4.605	4.569	4.576

*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 prices settled lower on Friday on possible signs that the Israeli-Palestinian crisis could ease without disrupting oil supplies after Hamas released two US hostages.
- > Both oil benchmarks initially rose more than a dollar per barrel during the session on signs of escalation of the Middle East conflict. For the week, contracts rose over 1 percent, a second straight weekly jump.
- > Gold prices retreated from five-month high this morning as the US dollar and Treasury yields rose ahead of key economic data this week.

Spot Market	
	Change (\$)
Brent Crude Oil (\$)	97.55 3.24
Gold (\$)	1,976.05 2.34