

FOREIGN EXCHANGE MARKET

News

- > The Dollar Index is currently trading just above the 102.40 range. Markets are still adjusting post the release of December's Nonfarm Payrolls (NFP) and the ISM PMIs released on Friday.
- > The EUR/USD pair holds some positive ground during the early Asian session on Monday. The currency pair trades around 1.0948, up 0.09 percent.
- > The cable is trading around the 1.2710 range. The Pound Sterling received support against the US Dollar after mixed economic data from the US.
- > The Australian Dollar lost ground against a stronger US dollar while market awaits Australian retail sales data due on Tuesday.
- > Higher US bond yields and lower crude oil prices weighed on the Canadian dollar this morning during the Asian hours.
- > The South African rand traded on a firm tone on Friday, mainly tracking the moves in the US dollar amid thin local economic data calendar.
- > The Japanese Yen was little changed after recording its worst week in 16 months last week, on bets that the Bank of Japan is unlikely to end its negative interest rates policy at its next meeting, in the wake of the recent powerful earthquake in Japan.
- > The USD ticks up by 12 cents against the rupee trading at 44.80 while both the EURMUR and GBPMUR gain 10 and 23 cents respectively.

Daily Technical View

EUR/USD: EURUSD hit a high of 1.0996 before retracing back to 1.0940 on broad USD strength. The Federal Reserve pivot is supported by a moderating of inflation but not necessarily by aggressive rate cuts. Markets will focus today on Eurozone retail sales. Support lies at 1.0900 while on the upside 1.1015 might act as a resistance.

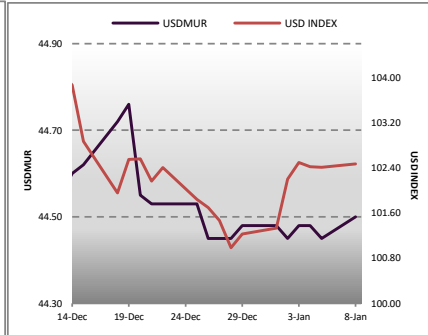
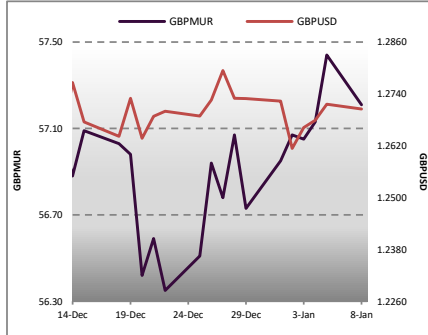
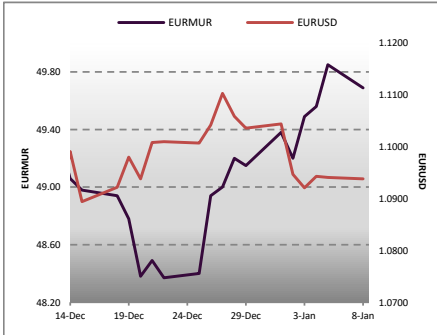
Market Highlights

Indicative Spot Rates

	Bid		Offer	
	Today	Change (Rs.)	Today	Change (Rs.)
AUDMUR	29.39	0.03	30.83	0.03
CNYMUR	6.11	0.02	6.42	0.02
EURMUR	48.00	0.10	49.44	0.10
JPYMUR	30.24	0.16	31.84	0.17
ZARMUR	2.33	-	2.48	-
USDMUR	43.90	0.12	44.80	0.12
GBPMUR	55.76	0.23	57.43	0.23

Indicative Forward Rates

	Bid			Offer		
	1m	3m	6m	1m	3m	6m
AUDMUR	29.34	29.24	29.03	30.82	30.79	30.74
EURMUR	47.92	47.75	47.49	49.43	49.41	49.42
ZARMUR	2.31	2.28	2.23	2.48	2.47	2.46
USDMUR	43.79	43.56	43.16	44.73	44.61	44.43
GBPMUR	55.63	55.37	54.92	57.35	57.21	57.01



Previous Day Trading Levels

	Previous Day Trading Levels			Today
	Opening	High	Low	Latest
AUDUSD	0.6708	0.6734	0.6695	0.6705
EURUSD	1.0944	1.0952	1.0931	1.0938
GBPUSD	1.2719	1.2730	1.2699	1.2707
USDJPY	144.57	144.92	144.29	144.34
USDCHF	0.8495	0.8521	0.8494	0.8520
USDCNH	7.16	7.17	7.15	7.17

Major Indices

	Value at Close	Day Change %
DOW JONES	37,440.34	0.07
S&P 500	4,688.68	(0.34)
FTSE 100	7,689.61	(0.43)
DAX	16,594.21	(0.13)
CAC 40	7,420.69	(0.40)
Nikkei 225	33,288.29	-
HANGSENG	16,535.33	(0.66)

Major Economic Releases (at GMT)

Date	Time	Country	Event	Period	Actual	Expected	Prior
8-Jan	14 00	EU	Retail Sales (YoY)	Nov	-	-1.5%	-1.2%
10-Jan	04 30	AUS	Monthly Consumer Price Index	Nov	-	4.4%	4.9%
11-Jan	17 30	US	Consumer Price Index (MoM)	Dec	-	0.2%	-

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 gained on Friday, leaving long-term rates with their biggest weekly rise since October, on the back of strong jobs data.
- > The yield on the 2-year Treasury rose by less than 1 basis point to 4.389 percent from 4.382 percent.
- > The yield on the 10-year Treasury rose 5.1 basis points to 4.041 percent from 3.990 percent.
- > The yield on the 30-year Treasury jumped 6.3 basis points to 4.199 percent from 4.136 percent.
- > On Friday, the Bank of Mauritius received applications for the 7-Day Bank of Mauritius Treasury Bills for a total amount of MUR 10,310 Mio but allocated only MUR 1,000 Mio at the weighted average rate of 4.50 percent.

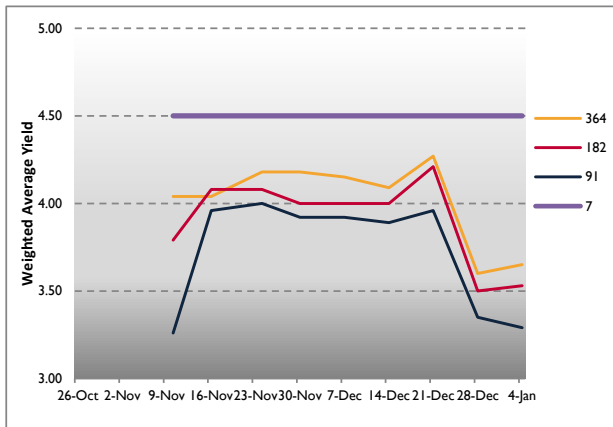
Market Highlights

Local Secondary Market T-Bills			Local Secondary Market T-Bonds			Key Central Bank Rates		
	Bid (%)	Offer (%)		Bid (%)	Offer (%)		Current Level (%)	Previous (%)
1M	3.25	3.10	2 year	4.40	4.20	BOM Key Rate	4.50	4.00
2M	3.30	3.15	3 year	4.75	4.55	Fed Funds Rate	5.50	5.50
3M	3.35	3.20	4 Year	4.75	4.55	BoE Bank Rate	5.25	5.00
4M	3.55	3.40	5 Year	4.80	4.55	ECB Ref. Rate	4.50	4.50
6M	3.70	3.55	10 Year	4.95	4.70	RBA Cash Rate	4.35	4.35
8M	3.75	3.60	15 year	5.40	5.15			
10M	3.80	3.65	20 Year	5.80	5.55			
1Y	3.85	3.70						

Government Benchmark Yields (%)		
	2 Year	5 Year
US Bonds	4.3932	#N/A
UK Bonds	4.204	3.76
German Bonds	2.583	2.122

[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	-	5.454	5.591	5.621
EURIBOR	3.892	3.878	3.936	3.912
SONIA	-	5.197	5.204	5.156

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

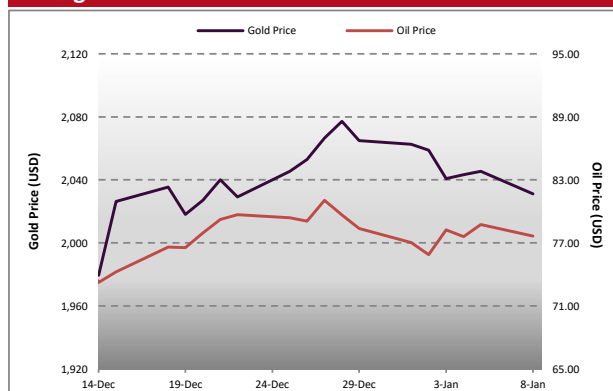
Indicative Generic Swap Rates* (%)

Tenor	2yr	5yr	7yr	10yr
EURIBOR - 3m	2.888	2.524	2.527	2.599
USD OIS	4.177	3.664	3.602	3.599

*Pay fixed and receive floating swap

COMMODITIES

Rolling Gold & Oil Prices



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Source: MCB Treasury, Reuters, Bloomberg, Bank of Mauritius

News

- > Higher US treasury bonds yields and FED rate cut uncertainty drove gold prices lower although softer risk tone could limit deeper losses.
- > Oil prices fell by more than 1 percent on Monday during the Asian hours as Saudi Arabia reduced its official selling prices across all regions, overshadowing concerns about supply disruptions and geopolitical tensions in the Middle East.

Spot Market		
	Today	Change (\$)
Brent Crude Oil (\$)	80.96	1.18
Gold (\$)	2,031.60	(11.66)