

FOREIGN EXCHANGE MARKET

News

- > The US Dollar Index observed modest losses yesterday, trailing at 102.4, as market participants stick to the sidelines awaiting drivers. The focus is set on the release of the US CPI, due later on today.
- > The EUR/USD pair receives upward support as the greenback faces challenges on risk-on market mood ahead of the US Consumer Price Index today.
- > GBP/USD's uptick is mainly influenced by Governor Bailey's comments on inflation control and stable UK employment levels. Expectations of BoE rate cuts and upcoming US inflation report are keeping the pair's movements within known ranges.
- > Subdued USD demand and high oil prices drove the Canadian Dollar higher against the greenback, with the loonie moving further away from a nearly four-week low around the 1.3415 region touched on Tuesday.
- > Improved risk-on sentiment and upbeat Australian Trade Balance data underpinned the AUD/USD pair while the USD faces downward pressure as traders price in the possibility of five rate cuts in 2024.
- > The USD/JPY firmed to 145.80, as sluggish Japanese wages weighed on the Japanese yen while the greenback traded steady as market participants await the release of inflation data in the US.
- > The South African rand recovered on Thursday following losses recorded since the start of the week, as focus remained on the release of US inflation data later today.
- > While USD/MUR stagnates at MUR 44.85/USD on the offer, the EUR/MUR gains 24 cents to be offered at MUR 49.72/EUR this morning.

Daily Technical View

EUR/USD: The common currency was bid against most peers during the US session as market participants brace themselves for the release much anticipated US CPI figures later during the day. Today's figures will hopefully provide some clues on the Fed's next move regarding their interest rate policy and subsequently on the market's direction. A sell off can potentially target the yearly low at 1.0878 while 1.1040 followed by 1.1080 are important levels to watch on the upside.

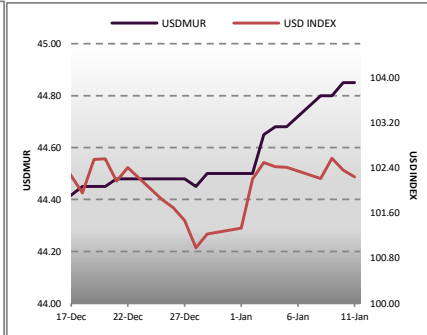
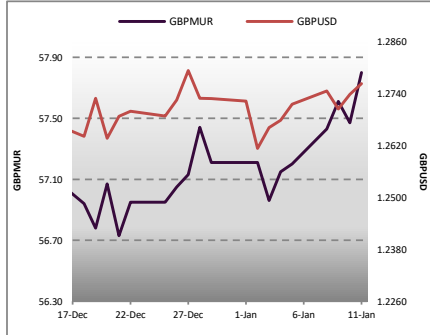
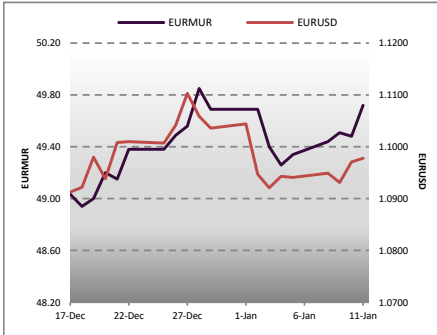
Market Highlights

Indicative Spot Rates

	Bid		Offer	
	Today	Change (Rs.)	Today	Change (Rs.)
AUDMUR	29.55	0.10	31.00	0.11
CNYMUR	6.12	0.01	6.43	0.01
EURMUR	48.27	0.23	49.72	0.24
JPYMUR	30.10	(0.09)	31.70	(0.09)
ZARMUR	2.35	0.01	2.50	0.0
USDMUR	43.95	-	44.85	-
GBPMUR	56.12	0.32	57.80	0.33

Indicative Forward Rates

	Bid			Offer		
	1m	3m	6m	1m	3m	6m
AUDMUR	29.50	29.40	29.23	30.98	30.95	30.94
EURMUR	48.18	48.02	47.76	49.71	49.70	49.71
ZARMUR	2.33	2.30	2.24	2.50	2.49	2.48
USDMUR	43.84	43.58	43.19	44.79	44.66	44.51
GBPMUR	55.99	55.71	55.25	57.72	57.58	57.38



Previous Day Trading Levels

	Previous Day Trading Levels			Today
	Opening	High	Low	Latest
AUDUSD	0.6695	0.6725	0.6696	0.6720
EURUSD	1.0971	1.0984	1.0970	1.0980
GBPUSD	1.2739	1.2770	1.2730	1.2763
USDJPY	145.72	145.80	145.29	145.51
USDCHF	0.8508	0.8511	0.8492	0.8503
USDCNH	7.18	7.19	7.17	7.17

Major Indices

	Value at Close	Day Change %
DOW JONES	37,525.16	0.45
S&P 500	4,756.50	(0.15)
FTSE 100	7,651.76	(0.42)
DAX	16,689.81	0.01
CAC 40	7,426.08	(0.00)
Nikkei 225	34,441.72	3.18
HANGSENG	16,097.28	(0.57)

Major Economic Releases (at GMT)

Date	Time	Country	Event	Period	Actual	Expected	Prior
11-Jan	13 00	EU	Economic Bulletin	-	-	-	-
11-Jan	17 30	US	Consumer Price Index (YoY)	Dec	-	3.2%	3.1%
12-Jan	17 30	US	Producer Price Index (YoY)	Dec	-	1.9%	2.0%

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 little changed following a decent 10-year government auction and ahead of the December consumer-price index report due today.
- > The yield on the 2-year Treasury was marginally lower at 4.369 percent, versus 4.37 percent on Tuesday.
- > The yield on the 10-year Treasury rose 1.3 basis points to 4.029 percent, from 4.016 percent on Tuesday.
- > The yield on the 30-year Treasury advanced 1.8 basis points to 4.2 percent, from 4.182 percent on Tuesday.
- > Today, the Bank of Mauritius will issue the 364-Day Government of Mauritius Treasury Bills for a nominal amount of MUR 500 million.

Market Highlights

Local Secondary Market T-Bills

	Bid (%)	Offer (%)
1M	3.25	3.10
2M	3.30	3.15
3M	3.35	3.20
4M	3.55	3.40
6M	3.70	3.55
8M	3.75	3.60
10M	3.80	3.65
1Y	3.85	3.70

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

Local Secondary Market T-Bonds

	Bid (%)	Offer (%)
2 year	4.40	4.20
3 year	4.75	4.55
4 Year	4.75	4.55
5 Year	4.80	4.55
10 Year	4.95	4.70
15 year	5.40	5.15
20 Year	5.80	5.55

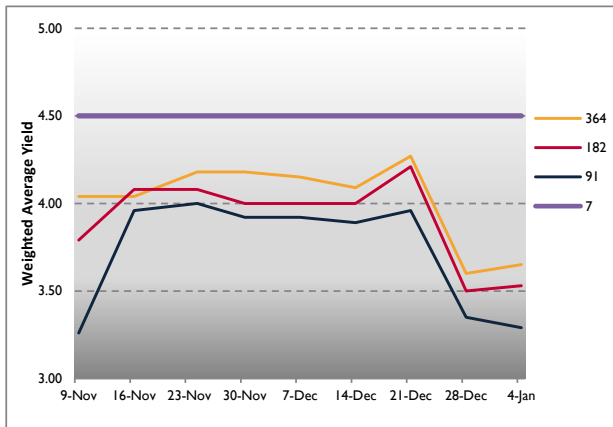
Key Central Bank Rates

	Current Level (%)	Previous (%)
BOM Key Rate	4.50	4.00
Fed Funds Rate	5.50	5.50
BoE Bank Rate	5.25	5.00
ECB Ref. Rate	4.50	4.50
RBA Cash Rate	4.35	4.35

Government Benchmark Yields (%)

	2 Year	5 Year
US Bonds	4.3581	#N/A
UK Bonds	4.203	3.733
German Bonds	2.665	2.192

Auction Results of Treasury Bills



Money Market Rates

Reference Rate*(%)	1 Week	1 Month	3 Months	6 Months
Term SOFR	-	5.450	5.585	5.601
EURIBOR	3.869	3.867	3.928	3.891
SONIA	-	5.196	5.203	5.149

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

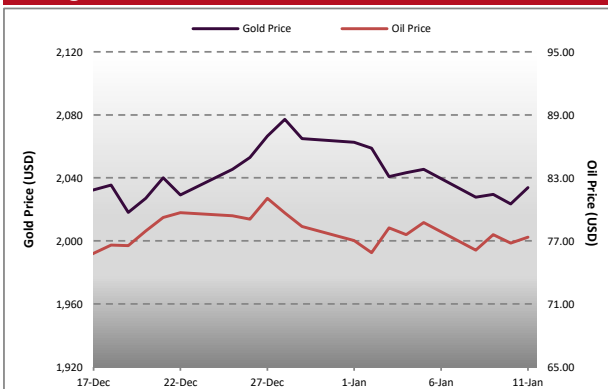
Indicative Generic Swap Rates* (%)

Tenor	2yr	5yr	7yr	10yr
EURIBOR - 3m	2.938	2.572	2.575	2.644
USD OIS	4.123	3.638	3.576	3.591

*Pay fixed and receive floating swap

COMMODITIES

Rolling Gold & Oil Prices



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News

- > Oil prices moved sideways in Asian trade on Thursday after the release of Energy Information Administration inventory data indicated an unforeseen weekly build in US inventories.
- > Gold price remained confined in a multi-day-old trading range as traders are looking forward for US CPI data due today.

Spot Market

	Today	Change (\$)
Brent Crude Oil (\$)	81.08	3.01
Gold (\$)	2,033.70	4.11