

FOREIGN EXCHANGE MARKET

News

- > The dollar remained under pressure today on expectation that the Federal Reserve would soon cut interest rates as from next year. The dollar index was last down 0.04% on the day at 101.59.
- > The EUR/USD pair was down 0.07% to 1.1034 after trading around four months high of 1.1045 on Tuesday. The currency pair is up nearly 3% for the year.
- > The cable hovers around 1.2720 during the Asian session on Wednesday. The British Pound found support on Friday last, thanks to positive Retail Sales figures from the United Kingdom in November.
- > Today, AUD/USD is gaining upside traction towards 0.6850. The pair finds support from a subdued US Dollar. Australia's Central Bank reflects a hawkish outlook, driven by robust inflation and stable housing prices, contributing to the resilience of the Australian dollar.
- > USD/CAD hovers below 1.3200 during the Asian trading hours on Wednesday. However, Canadian economic data showed an economic slowdown. Canadian GDP (MoM) failed to print growth for a fourth straight in October.
- > The USD/JPY pair gained ground during the early Asian session this morning following the release of the BoJ Summary of Opinions which suggested that the Central Bank will consider a policy shift if the wage-price cycle intensifies.
- > The USD/MUR sees no change overnight, still trading at MUR 44.48/USD on the offer, while the EUR/MUR continues the upward trend, to be offered at MUR 49.56/EUR this morning.

Daily Technical View

The EURUSD pair trades near the highest level since August around 1.1040 on broad dollar weakness amid light trading. Market eyes for Initial Jobless Claim data tomorrow. On the upside, 1.1075 remains a key resistance to breach while on the downside 1.1000 can provide intermediate support.

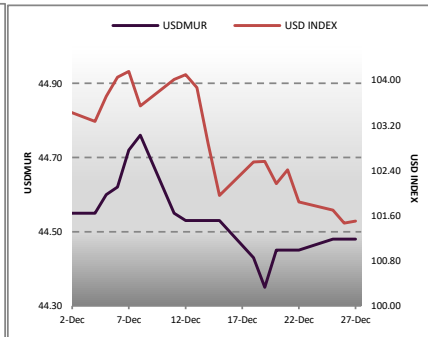
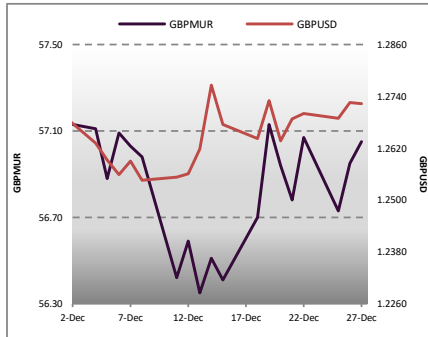
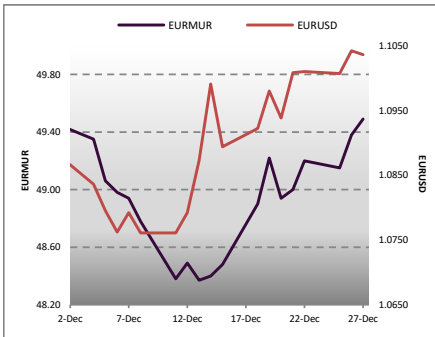
Market Highlights

Indicative Spot Rates

	Bid		Offer	
	Today	Change (Rs.)	Today	Change (Rs.)
AUDMUR	29.80	0.10	31.26	0.10
CNYMUR	6.09	-	6.40	-
EURMUR	48.12	0.07	49.56	0.07
JPYMUR	30.41	(0.08)	32.02	(0.09)
ZARMUR	2.33	(0.02)	2.48	(0.0)
USDMUR	43.58	-	44.48	-
GBPMUR	55.47	0.08	57.13	0.08

Indicative Forward Rates

	Bid			Offer		
	1m	3m	6m	1m	3m	6m
AUDMUR	29.75	29.65	29.44	31.25	31.21	31.14
EURMUR	48.04	47.84	47.60	49.55	49.52	49.54
ZARMUR	2.31	2.28	2.22	2.48	2.47	2.46
USDMUR	43.47	43.22	42.82	44.42	44.29	44.11
GBPMUR	55.33	55.06	54.60	57.05	56.90	56.70



Previous Day Trading Levels

	Previous Day Trading Levels			Today
	Opening	High	Low	Latest
AUDUSD	0.6822	0.6840	0.6819	0.6827
EURUSD	1.1041	1.1044	1.1029	1.1040
GBPUSD	1.2717	1.2732	1.2717	1.2731
USDJPY	142.37	142.84	142.31	142.57
USDCHF	0.8535	0.8545	0.8534	0.8540
USDCNH	7.14	7.15	7.14	7.15

Major Indices

	Value at Close	Day Change %
DOW JONES	37,385.97	0.43
S&P 500	4,754.63	-
FTSE 100	7,697.51	0.04
DAX	16,706.18	0.11
CAC 40	7,568.82	(0.03)
Nikkei 225	33,305.85	0.16
HANGSENG	16,340.41	(1.68)

Major Economic Releases (at GMT)

Date	Time	Country	Event	Period	Actual	Expected	Prior
26-Dec	18 00	US	Housing Price Index (MoM)	Oct	0.3%	0.50%	0.70%
28-Dec	03 50	JPY	Retail Trade (YoY)	Nov	-	5.0%	4.2%
28-Dec	17 30	US	Initial Jobless Claims	-	-	210K	205K

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 traded almost unchanged yesterday, as market participants returned from the Christmas holiday. Looking ahead, analysts expect a calm week with only a couple of notable economic-data releases on the calendar.

> The yield on the 2-year US note traded at 4.339 percent, while the benchmark 10-year yield eased to 3.885 percent. The 30-year Treasury bond yield dropped 1.7 basis points, to 4.042 percent.

> Tomorrow, the Bank of Mauritius will hold the auction for the 91-Day, 182-Day and 364-Day Government of Mauritius Treasury Bills for a nominal amount of MUR 3,000 Mio.

Market Highlights

Local Secondary Market T-Bills

	Bid (%)	Offer (%)
1M	3.70	3.55
2M	3.80	3.65
3M	3.90	3.75
4M	3.95	3.80
6M	4.00	3.85
8M	4.05	3.90
10M	4.10	3.95
1Y	4.15	4.00

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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

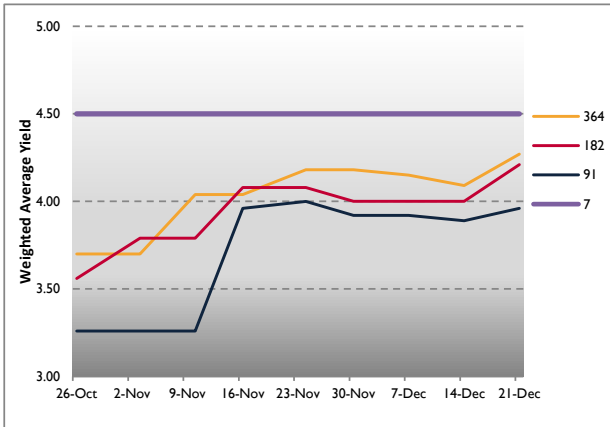
Key Central Bank Rates

	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	4.2953	#N/A
UK Bonds	4.028	3.451
German Bonds	2.428	1.917

Auction Results of Treasury Bills



Money Market Rates

Reference Rate*(%)	1 Week	1 Month	3 Months	6 Months
Term SOFR	-	5.470	5.613	5.616
EURIBOR	3.872	3.865	3.931	3.895
SONIA	-	5.199	5.213	5.144

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

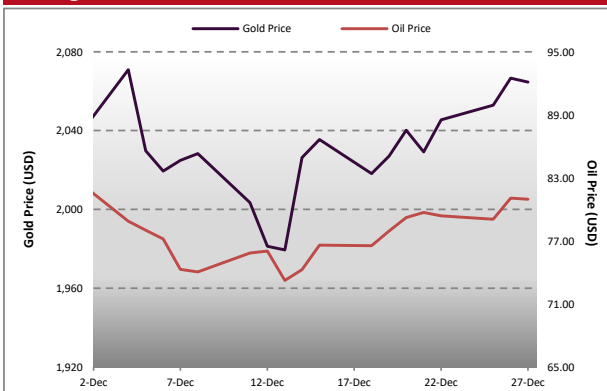
Indicative Generic Swap Rates* (%)

Tenor	2yr	5yr	7yr	10yr
EURIBOR - 3m	2.761	2.349	2.357	2.434
USD OIS	4.051	3.509	3.444	3.427

*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 gained momentum as transit disruptions continued following several attacks on ships in the Red Sea. WTI crude was up 1.9 percent to USD 74.99, while Brent crude gained 1.8 percent to USD 80.24.

> The yellow metal price holds above USD 2,060 this morning, with the last week of 2023 likely to be quiet amid light trading volume.

Spot Market

	Today	Change (\$)
Brent Crude Oil (\$)	82.84	(0.88)
Gold (\$)	2,064.94	11.96