

Daily Market Report

18 September 2017

SBM

FX Market Update		Trading Idea					Currency	Latest	Change
USD	<p>The dollar held firm near a seven-week high versus the yen today, supported by recent rises in U.S. yields. The focus for this week is the Fed's Sept. 19-20 policy meeting. The Fed is seen likely to declare a plan to start reducing its balance sheet at the meeting, but is widely expected to keep interest rates unchanged. Investors will be watching the Fed's views on the outlook for the economy and inflation, as well as as possible assessments of the impact from Hurricanes Harvey and Irma.</p>	BUY EUR/USD AT 1.1925 TP AT 1.1995 SL AT 1.1895					EUR/USD	1.1942	▲
		Mauritian Market Highlights					GBP/USD	1.3592	▲
EUR	<p>The euro held steady at \$1.1946, staying below a 2-1/2 year high of \$1.2092 set earlier this month.</p>	<p>The results of the weekly auction of short term T-Bills held last Friday for a total amount of MUR 1,600 million came to a weighted yield of 1.74 and 1.76 for maturities of 91,182 Days Bank of Mauritius Bills and a weighted yield of 1.90 for maturities of 364 Days Government of Mauritius Treasury Bills.</p>					USD/ZAR	13.1416	▲
		Bond Buzz and Money Market news					USD/JPY	111.15	▲
GBP	<p>Sterling held steady against the dollar after having rallied sharply last week on growing bets the Bank of England will raise interest rates soon. On Friday, sterling rose past the \$1.36 level for the first time since the Brexit vote, after comments from BoE policymaker Gertjan Vlieghe echoed the central bank's signal that the first rate increase in a decade could happen in "coming months". Sterling held steady at \$1.3597. On Friday, it had risen to as high as \$1.3616, the strongest since June 24, 2016.</p>	<p>The US 10yr yield increased 1.76bps to 2.2023% and the US 2yr yield rose 1.88bps to 1.3803%.</p>					USD/INR	64.0050	▼
		Today's Data Watch					USD/MGA	2968	▲
ZAR	<p>South Africa's rand weakened for a sixth straight session on Friday to end a miserable week as a better than expected inflation print in the United States boosted the dollar.</p>	Time	Data	Fore-cast	Prev.	Importance	USD/MUR	34.2190	▼
		13:00	EUR Euro-Zone Consumer Price Index (MoM) (AUG)	0.3%	-0.5%	MEDIUM	EUR/MUR	40.7970	▲
JPY	<p>The dollar rose 0.3 percent to 111.19 yen, trading within sight of Friday's peak at 111.33 yen, the dollar's highest level since late July. Today, trading conditions in Asia were thinner than usual, with Japanese markets closed for a public holiday.</p>	18:00	USD NAHB Housing Market Index (SEP)	67	68	MEDIUM	GBP/MUR	46.1460	▲
		19:00	GBP BOE Governor Carney Speaks at IMF in Washington, DC	-	-	HIGH	ZAR/MUR	2.6100	▼
INR	<p>INR has opened higher at 64.05 as compared to Friday's close of 64.0850, as a result of broad Dollar weakness after a disappointing U.S. retail sales data for August. India's trade deficit widened to \$11.64 billion in August from \$11.45 billion in July. Also India's Current Account Deficit stood at \$14.3 billion, or 2.4% of GDP in the first quarter of this fiscal year. USD/INR currently trading at 64.02. USD/INR is expected to trade in the range of 63.95 to 64.15.</p>	Data from Yesterday					INR/MUR	0.5342	▲
		Time	Data	Actual	Fore-cast	Prev.	MGA/MUR	1.2000	▬
MGA	<p>USD/MGA trading at 2995-3050 and Euro/MGA trading in the range 3585/3640 for the day. The local FX market is long to the tune of USD 5 M .</p>	16:30	USD Advance Retail Sales(AUG)	-0.2%	0.1%	0.3%	Equity		Change
		17:15	USD Industrial Production (AUG)	-0.9%	0.1%	0.4%	DJIA	22,268.34	▲
		18:00	USD U. of Michigan Confidence (SEP P)	95.3	95.0	96.8	NASDAQ	6448.467	▲
							FTSE100	7215.47	▼
							NIKKEI 225	19,909.50	▼
							SEMDEX	2186.672	▼
							Commodities		Change
							BRENT	55.68	▲
							GOLD	1317.9	▼
							SILVER	17.5907	▼
							LIBOR	3M	6M
							USD	1.32389	1.47111
							EUR	-0.37657	-0.30286
							GBP	0.32688	0.47119

Central Bank Rates

FED	1.25%
BOE	0.25%
ECB	0.00%
BOM Repo	3.50%
RBI Repo	6.25%
BCM Repo	8.70%

Government of Mauritius Securities

91 days	1.74%
182 days	1.76%
364 days	1.90%
3 Year	2.61%
5 Year	3.52%
10 Year	4.89%

International Bond

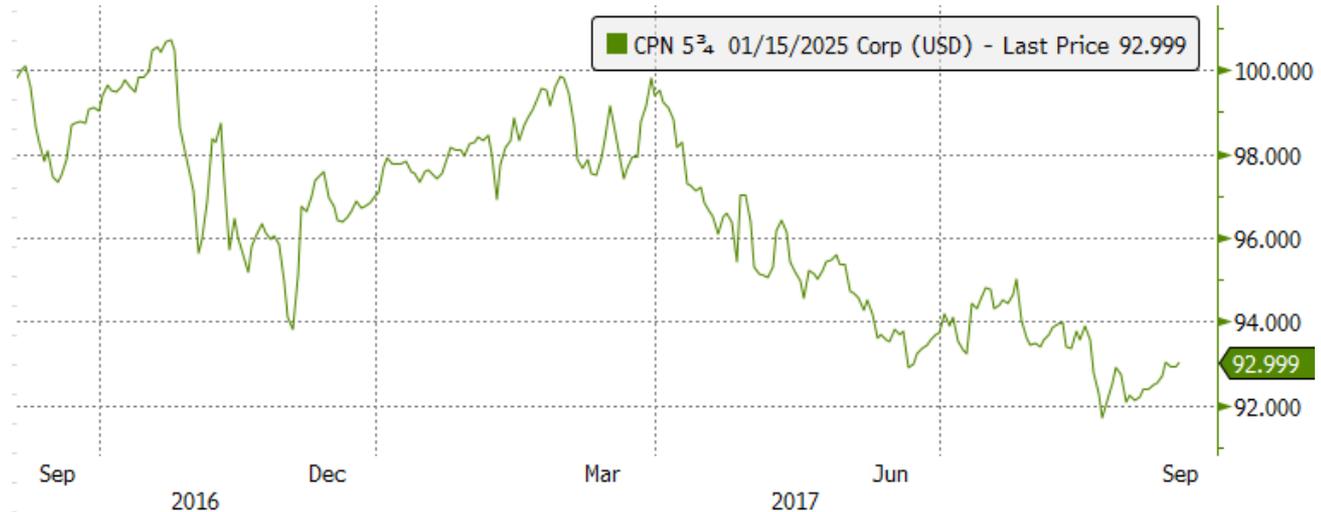
Calpine Corporation acquires, develops, owns, and operates power generation facilities, as well as sells electricity in the United States. The Company also provides thermal energy for industrial customers.

Calpine Corporation USD Bond maturing on 15th January 2025 is trading at a yield of 6.90% p.a.

Bonds Ratings

Moody's	B2
S&P	B
Fitch	BB-

Crude oil



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Sources : Bloomberg, Reuters, Bank of Mauritius

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