

Daily Market Report

16th July 2019



FX Market Update		Mauritian Market Highlights					Currency	Latest	Change
USD	The dollar fought for traction against the yen as the prospect of a Federal Reserve interest rate cut later in the month continued to keep the dollar on the defensive. The dollar index versus a basket of six major currencies was nearly flat at 96.924 after edging up 0.13% yesterday.	The auction results held last Friday for 182-Day Government of Mauritius Treasury Bills and 91-Day and 364-Day Bank of Mauritius treasury Bills for a total nominal amount of MUR 2,000 Mio were 3.22%, 3.06% and 3.39% respectively.					EUR/USD	1.1259	▼
							GBP/USD	1.2513	▼
							USD/ZAR	13.9074	▼
							USD/JPY	108.0000	▼
EUR	The euro was little changed at \$1.1260 after shedding 0.1% yesterday, constrained by expectations for a dovish European Central Bank meeting next week.	Bond Buzz and Money Market news US Treasuries are trading higher today. 10 year treasury yield is at 2.08% compared to previous session's close at 2.09%					USD/INR	68.5530	—
							USD/MGA	3605	▼
GBP	The pound was a shade lower at \$1.2515 following an overnight loss of 0.5%. A slip below \$1.2439 would take sterling to its lowest since early January.	Today's data					USD/KES	103.15	▲
							USD/MUR	36.3000	—
ZAR	South Africa's rand firmed yesterday as bets the Federal Reserve will cut interest rates next week continued to boost the currency in the absence of any local economic drivers, on a day dominated by ex-president Jacob Zuma's testimony at a graft inquiry. At 1700 GMT the rand was 0.45% firmer at 13.8975 per dollar from a Friday close of 13.9600.	Time	Data	Forecast	Previous	Importance	EUR/MUR	40.8110	▼
		13:00	EUR German ZEW Survey Expectations (JUL)	-22.0	-21.1	HIGH	GBP/MUR	45.4010	▼
		16:30	USD Retail Sales Advance (MoM) (JUN)	0.2%	0.5%	HIGH	ZAR/MUR	2.6700	▲
		18:00	USD Business Inventories (MAY)	0.3%	0.5%	MEDIUM	INR/MUR	0.5388	—
JPY	The dollar was little changed at 107.960 yen. The U.S. currency rose to a six-week high of 108.990 yen last week but slid after Federal Reserve Chairman Jerome Powell set the stage for a rate cut later this month by highlighting uncertainties facing the world's largest economy.	Data for Yesterday					MGA/MUR	1.0600	—
		Time	Data	Actual	Forecast	Importance	Equity		Change
INR	INR has opened flat at 68.57 as against previous close of 68.55. The Indian rupee opened little changed against the dollar as investors await U.S. retail sales data and speeches by Federal Reserve officials. INR is expected to remain in range of 68.40-68.70.	12:00	CHF Total Sights CHF (JUL 12)	578.95b	-	LOW	DJIA	27,359.16	▲
		16:30	USD Empire Manufacturing (JUL)	4.3	2.0	LOW	NASDAQ	8258.188	▲
MGA	USD/MGA was trading at 3615/3625 and Euro/MGA was trading in the range 4070/4085 today. The local FX market is short to the tune of USD 2.70 M.	17:00	CAD Existing Home Sales (MoM) (JUN)	0.2%	0.1%	MEDIUM	FTSE100	7531.72	▲
							NIKKEI 225	21,538.94	▼
KES	The Kenyan shilling was stable against the dollar on Monday with inflows from offshore investors buying government debt reducing pressure from excess liquidity in the local money markets. At 0851 GMT, KES was quoted at 102.90/103.10 per dollar, the same as Friday's close.						SEMDEX	2153.86	▼
							Commodities		Change
							BRENT	66.54	▼
							GOLD	1414.38	▲
							SILVER	15.3479	—
							LIBOR	3M	6M
							USD	2.32225	2.22925
							EUR	-0.40000	-0.39529
							GBP	0.76750	0.81588

Central Bank Rates

FED – Upper Bound	2.50%
BOE	0.75%
ECB	0.00%
BOM Repo	3.50%
RBI Repo	6.25%
BCM Repo	8.70%

Government of Mauritius Securities

91 days	3.06%
182 days	3.22%
364 days	3.39%
3 Year	3.99%
5 Year	3.42%
10 Year	4.35%

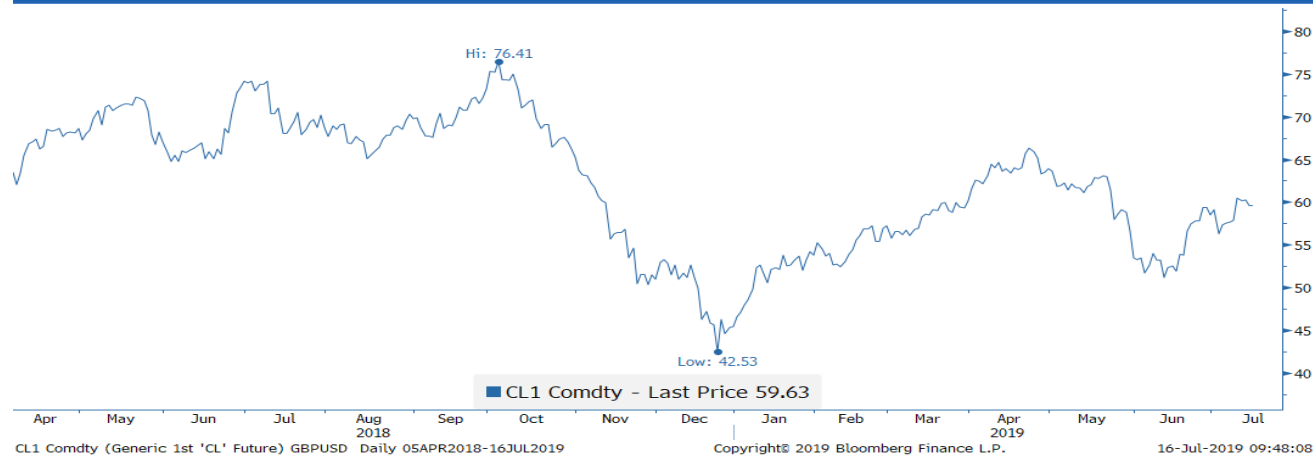
U.S Treasuries

2 Year	1.83%
5 Year	1.84%
10 Year	2.08%

Trading Idea – EUR/USD



Crude oil



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Sources : Bloomberg, Reuters, Bank of Mauritius