

Daily Market Report

16th October 2019



FX Market Update

USD

The greenback index is trading in narrow ranges around the 98.30 levels. Skepticism around US-China deal remains on the rise. On the other hand, rising hope of a Brexit deal is also keeping the US dollar under pressure.

EUR

The euro is being traded at 1.1035 today. There has been an increase in euro as it was traded at 1.1030 in the previous trading session.

GBP

The pound pulled back from its highest level in almost five months versus the dollar today, erasing some of the rally sparked by signs Britain is closing in on a deal to leave the European Union. The pound fell 0.27% to \$1.2756, pulling back from a five-month high of \$1.2800 reached yesterday.

ZAR

South Africa's rand steadied in late trade yesterday, struggling for momentum as fading optimism over the latest China-U.S. trade truce weighed on risk appetite, while stocks rose, led by chemicals firm Sasol SOLJ.J. At 1510 GMT, the rand traded at 14.8450 per dollar, not far off its close of 14.8350 on Monday.

JPY

The yen rose slightly to 108.70 per dollar, pulling away from a two-month low.

INR

INR has opened flat at 71.59 against a previous close of 71.55. The Indian rupee opened little changed against the dollar amid further weakness in the Chinese yuan and a larger-than-expected fall in the trade deficit at home. INR is expected to remain in range of 71.40-71.80.

MGA

USD/MGA was trading at 3645/3660 and Euro/MGA was trading in the range 4010/4025 today. The local FX market is short to the tune of USD 0.3 M as at 14/10/19.

KES

KES increased by 0.10% to 103.7500 today compared to 103.6500 in the previous trading session.

Mauritian Market Highlights

Today, The Bank of Mauritius will receive bids from banks for the 28-Day bank of Mauritius Bills (BoM Bills) for a nominal amount of MUR 500 Mio.

Treasury yields rose yesterday along with global rates as Brexit deal hopes increase. The benchmark 10 yr treasury yield rose to 1.75% .

Today's data

Time	Data	Forecast	Previous	Importance
12:30	GBP Consumer Price Index (YoY) (SEP)	1.8%	1.7%	HIGH
12:30	GBP Core Consumer Price Index (YoY) (SEP)	1.7%	1.5%	HIGH
16:30	USD Retail Sales Advance (MoM) (SEP)	0.3%	0.4%	HIGH

Data for yesterday

Time	Data	Actual	Forecast	Importance
13:00	EUR Euro-Zone ZEW Survey (Economic sentiment) (OCT)	-23.5	-33.0	HIGH
13:00	EUR German Zew Survey Expectations (OCT)	-22.8	-26.8	HIGH
17:00	CAD Existing Home Sales (MoM) (SEP)	0.6%	2.0%	MEDIUM

Currency	Latest	Change
EUR/USD	1.1035	▲
GBP/USD	1.2753	▲
USD/ZAR	14.9210	▲
USD/JPY	108.6800	▲
USD/INR	71.4930	▲
USD/MGA	3650.00	▲
USD/KES	103.75	▲

USD/MUR	36.9000	▼
EUR/MUR	40.6470	▲
GBP/MUR	47.0430	▲
ZAR/MUR	2.5300	▼
INR/MUR	0.5238	▼
MGA/MUR	1.0600	▼

Equity		Change
DJIA	27,024.80	▲
NASDAQ	7942.85	▲
FTSE100	7211.64	▼
NIKKEI 225	22,470.11	▲

SEMDEX	2123.23	▼
--------	---------	---

Commodities		Change
-------------	--	--------

BRENT	58.85	▼
GOLD	1483.91	▼

SILVER	17.41	▼
--------	-------	---

LIBOR	3M	6M
-------	----	----

USD	2.00088	1.97800
-----	---------	---------

EUR	-0.43686	-0.41114
-----	----------	----------

GBP	0.78250	0.85838
-----	---------	---------

Central Bank Rates

FED – Upper Bound	2.00%
BOE	0.75%
ECB	0.00%
BOM Repo	3.35%
RBI Repo	5.15%
BCM Repo	8.70%

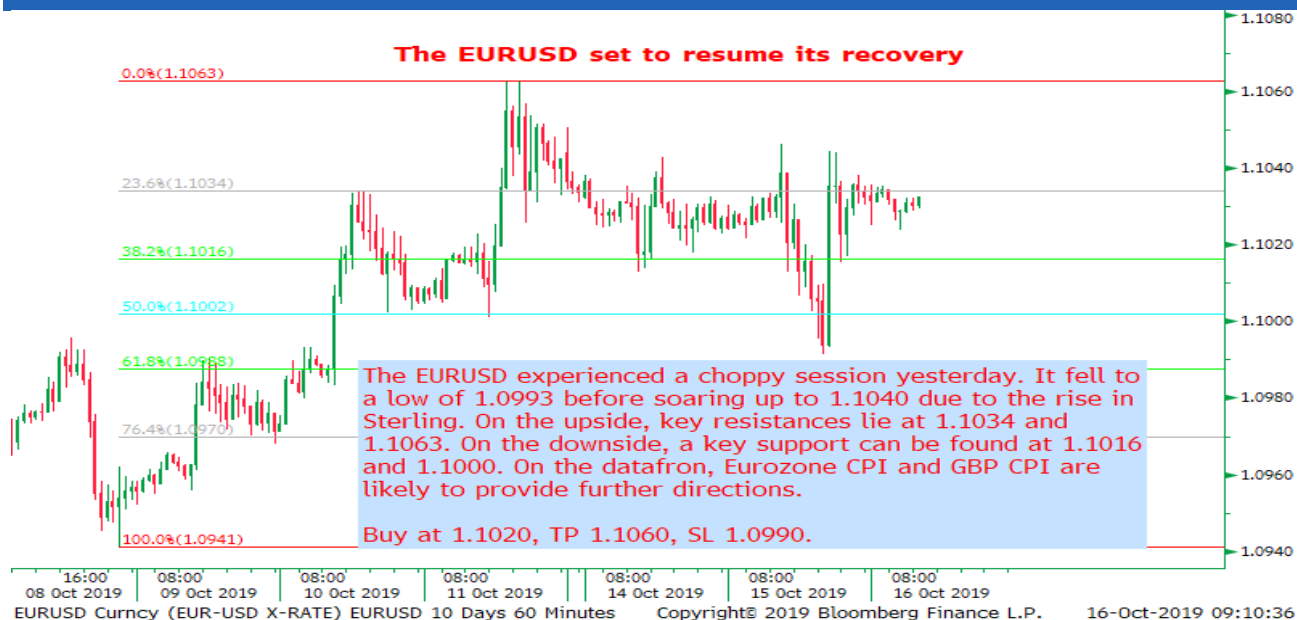
Government of Mauritius Securities

91 days	2.48%
182 days	2.61%
364 days	2.72%
3 Year	3.60%
5 Year	3.92%
10 Year	4.41%

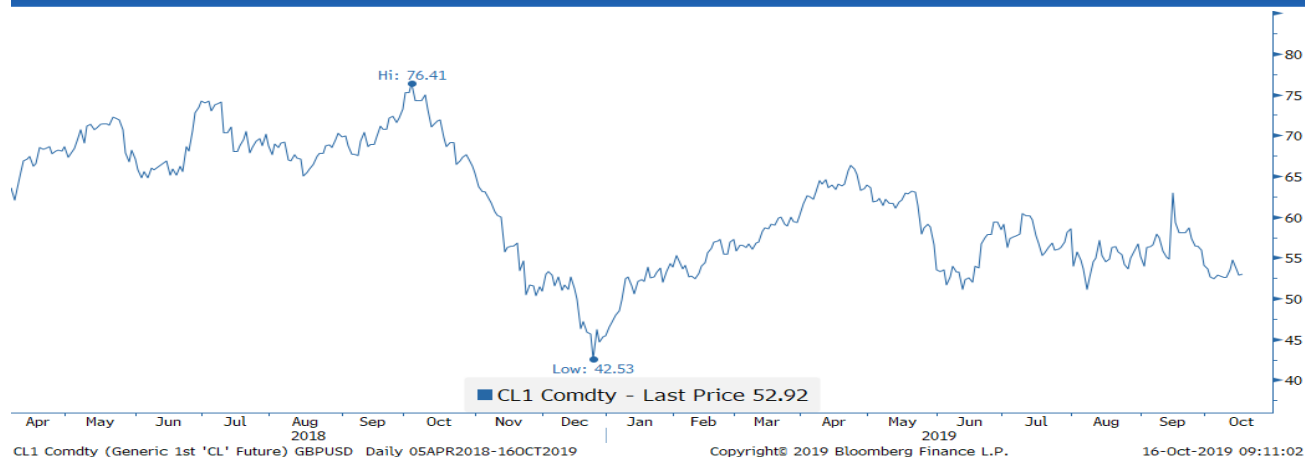
U.S Treasuries

2 Year	1.59%
5 Year	1.56%
10 Year	1.74%

Trading Idea – EUR/USD



Crude oil



Contact :

SBM Bank (Mauritius) Ltd
Financial Markets Division

R. Soobroydoo : + 230 202 1633

Anju Issur : +230 202 1170

E: treasurysales@sbmgroup.mu



Disclaimer: This report has been prepared by members of the Financial Markets Division of the SBM Bank (Mauritius) Ltd, who are not considered as research analysts and information contained therein should not be considered as "research" as that term is defined by applicable regulations. Information has been collected from sources believed to be reliable and in good faith by the bank, but no representation or warranty, expressed or implied, is made as to their accuracy, completeness or correctness. The information may include opinions, estimates, indicative rates, terms, price quotations and projections which reflect existing market conditions and are subject to change, modification or amendment without any prior notice and may vary from views expressed by other members and reports of the bank or any other institution. The analysis and data compilations contained therein are based on numerous assumptions; different assumptions could result in materially different opinions. This communication should be interpreted as market commentary and not research.

Sources : Bloomberg, Reuters, Bank of Mauritius