

Daily Market Report

15th January 2020



FX Market Update

USD	U.S. President Donald Trump is slated to sign the trade agreement with Chinese Vice Premier Liu He at the White House. The formal agreement is aimed at drawing a line under 18 months of tit-for-tat tariff hikes that have hurt global growth, but it will not end the trade dispute between the world's two largest economy.
EUR	The euro was steady at \$1.1136.
GBP	The British pound recouped some losses after dropping to its lowest in weeks on Tuesday amid concerns about the state of the economy and talk of a possible cut in interest rates this month. the British pound trod water at \$1.3023
ZAR	South Africa's rand slumped to a one month-low on Tuesday, as data pointed to continued weakness in the economy, while a surge in Woolworths Holdings WHLJ.J and Old Mutual OMUJ.J led stocks higher.
JPY	The safe-haven yen held firm and riskier Asian currencies softened a little on Wednesday, as currency investors awaited the signing of the U.S.-China trade deal with trepidation. The yen was nearly 0.1% firmer at 109.91.
INR	The Indian rupee trading lower against the dollar, tracking the decline in major Asian currencies ahead of the signing of the interim U.S.-China trade deal. We expect INR to remain in range of 70.75-71.10.
MGA	USD/MGA was trading at 3670/3710 and Euro/MGA was trading in the range 4080/4115 yesterday. The local FX market is short to the tune of USD 1.3 M as at 13/01/20.
KES	The Kenyan shilling firmed against the dollar on Tuesday supported by inflows from offshore investors buying stocks and government debt amid thin importer demand

Mauritian Market Highlights

Today the Bank of Mauritius will receive bids from banks for the 28-Day Bank of Mauritius Bills for a nominal amount of MUR 3,500 Mio at a fixed rate of 2.20% for same day settlement.

Bond Buzz and Money Market news

US Treasuries are trading marginally higher with 10Y yield at 1.81%.

Today's data

Time	Data	Forecast	Previous	Importance
13:30	GBP CPI (YoY) (Dec)	1.5%	1.5%	high
17:30	USD PPI (MoM) (Dec)	0.2%	0.0%	HIGH
19:30	USD Crude Oil Inventories	-0.474M	1.164M	HIGH

Data for yesterday

Time	Data	Actual	Forecast	Importance
12:30	EUR ECB's Mersch Speaks	-	-	MEDIUM
17:30	USD Core CPI (MoM) (Dec)	0.1%	0.2%	HIGH
18:00	USD FOMC Member Williams Speaks	-	-	MEDIUM

Currency	Latest	Change
EUR/USD	1.1136	▼
GBP/USD	1.3039	▲
USD/ZAR	14.3549	▼
USD/JPY	109.9200	▼
USD/INR	70.8675	▼
USD/MGA	3675.00	▼
USD/KES	101.30	▼
USD/MUR	36.8800	▬
EUR/MUR	40.9960	▼
GBP/MUR	48.0310	▲
ZAR/MUR	2.6200	▬
INR/MUR	0.5291	▼
MGA/MUR	1.0600	▬
Equity		Change
DJIA	28,939.67	▲
NASDAQ	9,251.33	▼
FTSE100	7622.35	▲
NIKKEI 225	23,880.00	▼
SEMDEX	2247.46	▼
Commodities		Change
BRENT	64.35	▲
GOLD	1551.34	▲
SILVER	17.84	▲
LIBOR	3M	6M
USD	1.83125	1.87250
EUR	-0.42414	-0.36100
GBP	0.75238	0.79625

Central Bank Rates

FED – Upper Bound	1.75%
BOE	0.75%
ECB	0.00%
BOM Repo	3.35%
RBI Repo	5.15%
BCM Repo	8.70%

Government of Mauritius Securities

91 days	2.20%
182 days	2.30%
364 days	2.40%
3 Year	3.64%
5 Year	3.70%
10 Year	4.41%

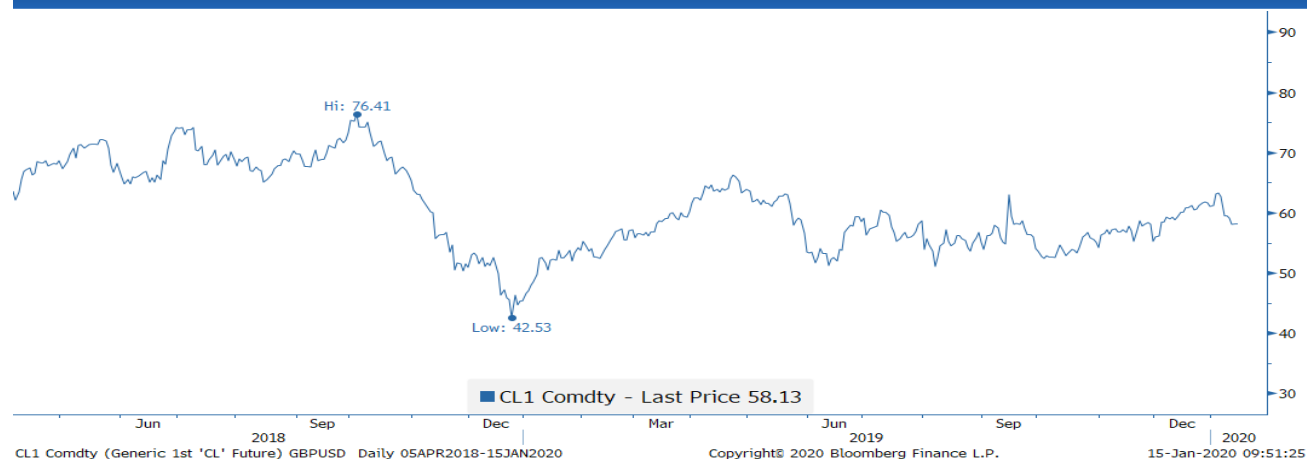
U.S Treasuries

2 Year	1.57%
5 Year	1.62%
10 Year	1.81%

Trading Idea – EUR/USD



Crude oil



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Sources : Bloomberg, Reuters, Bank of Mauritius