

# Daily Market Report

16<sup>th</sup> September 2020



## FX Market Update

USD	The dollar was down earlier today in Asia, with investors fine-tuning their positions ahead of a U.S. Federal Reserve policy meeting. The Fed will meet later in the day to hand down its policy decision.
EUR	EUR/USD is currently trading mostly unchanged at 1.1848, having hit a low of 1.1829 earlier today.
GBP	Sterling rose after better-than-expected jobs data on Tuesday and British Prime Minister Boris Johnson faced opposition within his party to proposed legislation that would breach the Brexit treaty.
ZAR	Yesterday, South Africa's rand climbed to a six-week best as demand for risk assets was lifted by renewed hopes for a COVID-19 vaccine and solid industrial and retail data from China.
JPY	The dollar and the yen both found support on Wednesday as traders finessed positions ahead of a U.S. Federal Reserve policy decision. The yen was last at a two-week high of 105.26 per dollar.
INR	Indian Rupee ended weaker against the Dollar yesterday as RBI's intervention strategy weighed on the local unit while global risk-on sentiment supported the Rupee and capped the losses. The Indian Rupee is currently trading flat at the 73.64 level in today's trading session compared to a previous close of 73.65.
MGA	USD/MGA trading at 3820/3860 and EUR/MGA trading in the range 4530/4570 yesterday. The local FX market is short to the tune of USD 4.1 M as at 14 September 2020.
KES	Yesterday, the Kenyan shilling weakened due to significant corporate demand for dollars, traders said. Commercial banks posted the shilling at 108.75/95, compared with Monday's closing rate of 108.65/85.

## Mauritian Market Highlights

On 14 September 2020, the Bank of Mauritius intervened on the domestic foreign exchange market and sold a total amount of USD 25 Mio at the rate of 39.75/USD.

## Bond Buzz and Money Market news

US Treasuries are trading flat this morning. The 10-year treasury yield is trading at 0.67% level unchanged from the previous session.

## Today's data

Time	Data	Forecast	Previous	Importance
16:30	USD Core Retail Sales (MoM) (Aug)	0.9%	1.9%	HIGH
18:30	USD Crude Oil Inventories	1.271M	2.032M	HIGH
22:00	USD Fed Interest Rate Decision	0.25%	0.25%	HIGH

## Data for Yesterday

Time	Data	Actual	Forecast	Importance
10:00	GBP Claimant Count Change (AUG)	73.7K	100.0K	HIGH
13:00	EUR German ZEW Economic Sentiment (SEP)	77.4	69.8	HIGH
16:30	USD NY Empire State Manufacturing Index (SEP)	17.00	6.00	MEDIUM

Currency	Latest	Change
EUR/USD	1.1850	▼
GBP/USD	1.2899	▲
USD/ZAR	16.4040	▼
USD/JPY	105.2700	▼
USD/INR	73.7330	▲
USD/MGA	3828.00	▼
USD/KES	108.55	▲
USD/MUR	40.2000	▬
EUR/MUR	47.7140	▼
GBP/MUR	51.9930	▲
ZAR/MUR	2.5100	▲
INR/MUR	0.5557	▼
MGA/MUR	1.1400	▲
Equity		Change
DJIA	27,995.60	▲
NASDAQ	11,190.32	▲
FTSE100	6,105.54	▲
NIKKEI 225	23,300.00	▼
SEMDEX	1,542.08	▼
Commodities		Change
BRENT	41.13	▲
GOLD	1961.29	▲
SILVER	27.34	▲
LIBOR	3M	6M
USD	0.23725	0.27450
EUR	-0.51043	-0.42329
GBP	0.05963	0.08013

## Central Bank Rates

FED – Upper Bound	0.25%
BOE	0.10%
ECB	0.00%
BOM Repo	1.85%
RBI Repo	5.15%
BCM Repo	8.70%

## Government of Mauritius Securities

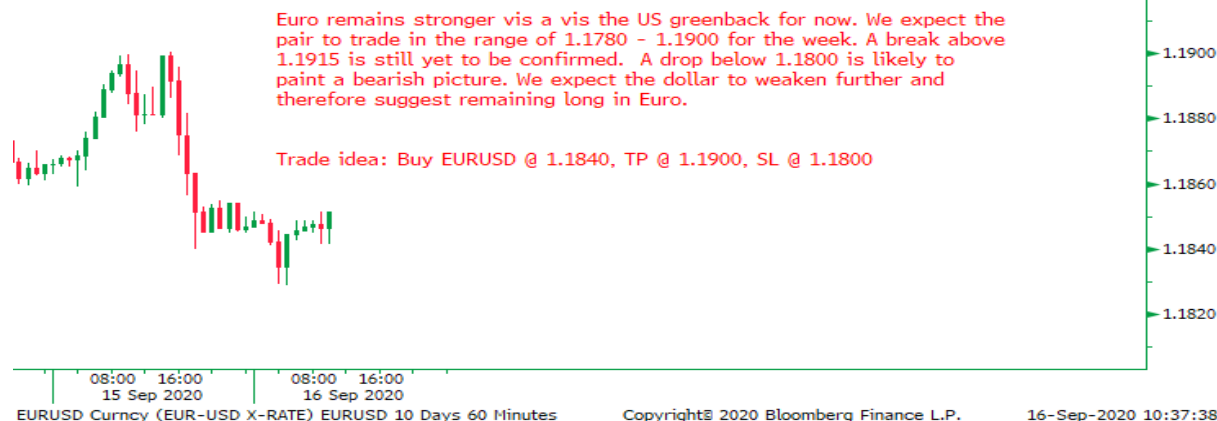
91 days	0.91%
182 days	0.90%
364 days	1.40%
3 Year	1.80%
5 Year	1.90%
10 Year	2.02%

## U.S Treasuries

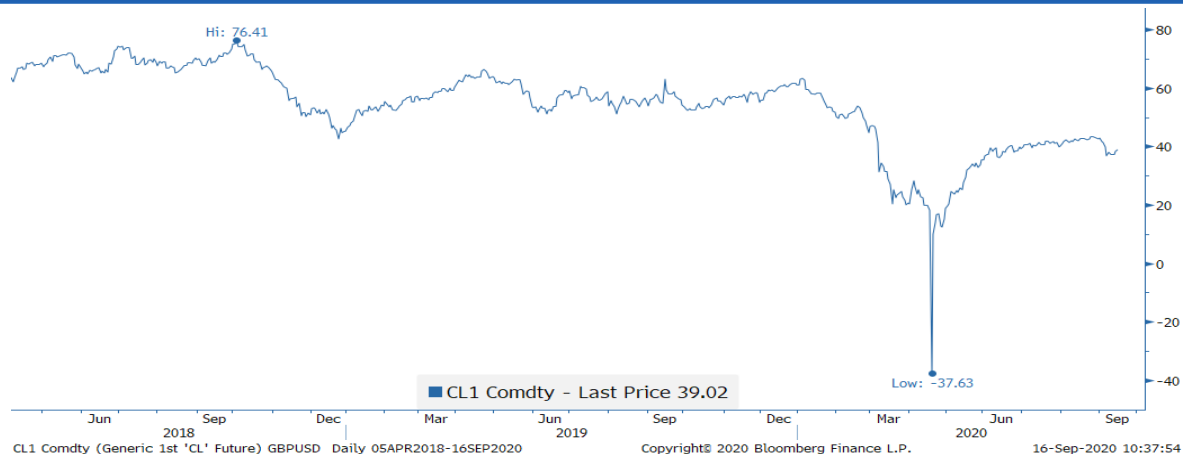
2 Year	0.14%
5 Year	0.27%
10 Year	0.67%

## Trading Idea

### Euro holding above 1.1800



## Crude oil



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Sources : Bloomberg, Reuters, Bank of Mauritius

## Contact :

### SBM Treasury Sales

[treasurysales@sbmgroup.mu](mailto:treasurysales@sbmgroup.mu)

### SBM Trading Desk

[SBMtreasurytradingdesk@sbmgroup.mu](mailto:SBMtreasurytradingdesk@sbmgroup.mu)

### Treasury Back Office

[treasurybackoffice@sbmgroup.mu](mailto:treasurybackoffice@sbmgroup.mu)

