

Daily Market Report

14th January 2021



FX Market Update

USD	The dollar reversed its previous day losses yesterday as US yields picked up again. Today, Joe Biden is set to announce its new fiscal stimulus plan and market will likely be driven by this announcement. Currently, the DXY index is trading around the 90.30 level.
EUR	The EUR/USD fell below 1.22 as a consequence of the renewed dollar strength. It is currently trading at a key support at 1.2140.
GBP	Sterling touched 1.37 yesterday versus the dollar but upside was quickly capped. The GBP/USD pair then eased towards 1.3620. As UK is ramping up vaccinations and putting stricter restrictions on International arrivals, sentiment around the pound will likely be underpinned.
ZAR	South Africa's rand had a relatively uneventful session yesterday. The USD/ZAR pair traded between 15.20-15.32 level.
JPY	The yen is moving together with yield. As yield is picking up, the yen is losing ground against majors.
INR	The Indian rupee was stable yesterday. It traded between 73.10-73.25.
MGA	USD/MGA trading at 3750/3780 and EUR/MGA trading in the range 4550/4590 for the day.
KES	The USD/KES pair is trading in the range of 109.90/110.10.

Mauritian Market Highlights

On the 11-JAN-2021, the Bank of Mauritius intervened on the domestic foreign exchange market and sold a total amount of USD 25.0 million at the rate of Rs39.25/USD.				
Bond Buzz and Money Market news				
US treasuries are trading lower this morning. The 10 Y US yield is trading at 1.11% vs the previous close of 1.088.				
Today's data				
Time	Data	Forecast	Previous	Importance
11:00	German GDP (QoQ)	-	8.5%	HIGH
16:30	ECB Monetary Policy Statement	-	-	HIGH
17:30	USD Initial Jobless Claims	780k	787k	HIGH
Data for yesterday				
Time	Data	Actual	Forecast	Importance
13:00	ECB President Lagarde Speaks	-	-	HIGH
17:30	USD Core CPI (MoM) (Dec)	0.1%	0.1%	HIGH
19:30	USD Crude Oil Inventories	-3.247M	-2.266M	HIGH

Currency	Latest	Change
EUR/USD	1.2145	▼
GBP/USD	1.3636	▼
USD/ZAR	15.2670	▲
USD/JPY	104.0500	▲
USD/INR	73.2080	▲
USD/MGA	3782.37	▼
USD/KES	110.10	▲
USD/MUR	39.7500	▲
EUR/MUR	48.3460	▼
GBP/MUR	54.3400	▼
ZAR/MUR	2.6700	▬
INR/MUR	0.5534	▲
MGA/MUR	1.1200	▬
Equity		Change
DJIA	31,060.47	▼
NASDAQ	13,128.95	▲
FTSE100	6,745.52	▼
NIKKEI 225	28,973.63	▲
SEMDEX	1,656.43	▲
Commodities		Change
BRENT	55.89	▼
GOLD	1,838.50	▼
SILVER	25.26	▼
LIBOR	3M	6M
USD	0.23375	0.24763
EUR	-0.57086	-0.53600
GBP	0.03138	0.04250

Central Bank Rates

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

Government of Mauritius Securities

91 days	0.25%
182 days	0.32%
364 days	0.41%
3 Year	0.79%
5 Year	1.24%
10 Year	1.35%

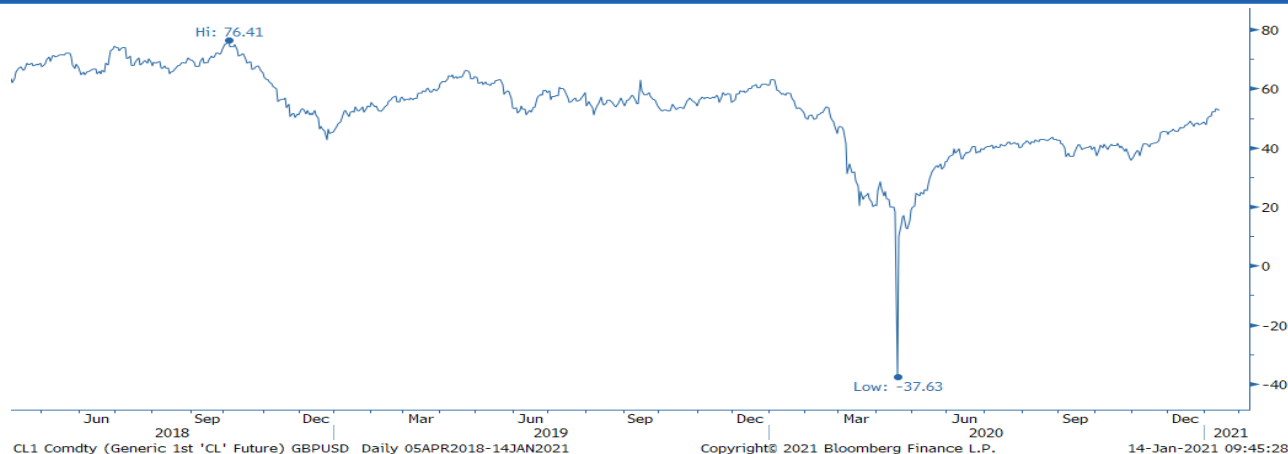
U.S Treasuries

2 Year	0.15%
5 Year	0.49%
10 Year	1.111%

Trading Idea



Crude oil



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Sources: Bloomberg, Reuters, Bank of Mauritius