

# Daily Market Report

23<sup>rd</sup> SEPT 2021



FX Market Update		Mauritian Market Highlights						Latest	Change																				
USD	Yesterday, the US Fed gave hints on the much-awaited bond purchase tapering. This caused a rally in the greenback. However, the move was quickly absorbed and a dollar pullback ensued. The DXY index is trading at 93.30.	On the 20 <sup>th</sup> Sept 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 Rs42.40/USD.					EUR/USD	1.1706	▼																				
		<b>Bond Buzz and Money Market news</b> US treasuries traded higher. The 10 Year US yield is trading at 1.304% vs the previous close of 1.328%.					GBP/USD	1.3640	▼																				
EUR	EUR/USD remains under pressure near 1.1700 despite an improving risk sentiment.						<b>Today's data</b> <table border="1"> <thead> <tr> <th>Time</th> <th>Data</th> <th>Forecast</th> <th>Previous</th> <th>Importance</th> </tr> </thead> <tbody> <tr> <td>11:30</td> <td>German Manufacturing PMI (Sept)</td> <td>61.5</td> <td>62.6</td> <td>HIGH</td> </tr> <tr> <td>12:30</td> <td>UK Composite PMI</td> <td>-</td> <td>54.8</td> <td>HIGH</td> </tr> <tr> <td>16:30</td> <td>US Initial Jobless Claims</td> <td>320k</td> <td>332k</td> <td>HIGH</td> </tr> </tbody> </table>					Time	Data	Forecast	Previous	Importance	11:30	German Manufacturing PMI (Sept)	61.5	62.6	HIGH	12:30	UK Composite PMI	-	54.8	HIGH	16:30	US Initial Jobless Claims	320k
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GBP	GBP/USD similar to the Euro, remains on the defensive. Bulls managed to defend the 1.3600 handle and the pair has rebounded to 1.3640 in the early Asian hours.	<b>Data for yesterday</b> <table border="1"> <thead> <tr> <th>Time</th> <th>Data</th> <th>Actual</th> <th>Forecast</th> <th>Importance</th> </tr> </thead> <tbody> <tr> <td>18:00</td> <td>Existing Home Sales (Aug)</td> <td>5.89M</td> <td>5.99M</td> <td>HIGH</td> </tr> <tr> <td>18:30</td> <td>Crude Oil Inventories</td> <td>-2.440M</td> <td>-6.422M</td> <td>HIGH</td> </tr> <tr> <td>22:30</td> <td>FOMC Press Conference</td> <td>-</td> <td>-</td> <td>HIGH</td> </tr> </tbody> </table>					Time	Data	Actual	Forecast	Importance	18:00	Existing Home Sales (Aug)	5.89M	5.99M	HIGH	18:30	Crude Oil Inventories	-2.440M	-6.422M	HIGH	22:30	FOMC Press Conference	-	-	HIGH	USD/JPY	109.8200	▲
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ZAR	USD/ZAR is steady near the 14.80 level.	<b>Equity</b> <table border="1"> <thead> <tr> <th></th> <th>Change</th> </tr> </thead> <tbody> <tr> <td>DJIA</td> <td>▲</td> </tr> <tr> <td>NASDAQ</td> <td>▲</td> </tr> <tr> <td>FTSE100</td> <td>▲</td> </tr> <tr> <td>NIKKEI 225</td> <td>▼</td> </tr> <tr> <td>SEMDEX</td> <td>▲</td> </tr> </tbody> </table>						Change	DJIA	▲	NASDAQ	▲	FTSE100	▲	NIKKEI 225	▼	SEMDEX	▲	USD/INR	73.7800	▲								
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JPY	US yields have dropped post-FOMC. However, USD/JPY remains sluggish. The pair is still trading sub 110.00 ahead of the European open.	<b>Commodities</b> <table border="1"> <thead> <tr> <th></th> <th>Change</th> </tr> </thead> <tbody> <tr> <td>BRENT</td> <td>▲</td> </tr> <tr> <td>GOLD</td> <td>▲</td> </tr> <tr> <td>SILVER</td> <td>▲</td> </tr> <tr> <td>LIBOR</td> <td>3M 6M</td> </tr> <tr> <td>USD</td> <td>0.12838 0.15338</td> </tr> <tr> <td>EUR</td> <td>-0.56086 -0.54100</td> </tr> <tr> <td>GBP</td> <td>0.07513 0.11075</td> </tr> </tbody> </table>						Change	BRENT	▲	GOLD	▲	SILVER	▲	LIBOR	3M 6M	USD	0.12838 0.15338	EUR	-0.56086 -0.54100	GBP	0.07513 0.11075	USD/MGA	3931.00	▲				
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INR	USD/INR is trading marginally higher at 73.78.	<b>Commodities</b> <table border="1"> <thead> <tr> <th></th> <th>Change</th> </tr> </thead> <tbody> <tr> <td>BRENT</td> <td>▲</td> </tr> <tr> <td>GOLD</td> <td>▲</td> </tr> <tr> <td>SILVER</td> <td>▲</td> </tr> <tr> <td>LIBOR</td> <td>3M 6M</td> </tr> <tr> <td>USD</td> <td>0.12838 0.15338</td> </tr> <tr> <td>EUR</td> <td>-0.56086 -0.54100</td> </tr> <tr> <td>GBP</td> <td>0.07513 0.11075</td> </tr> </tbody> </table>						Change	BRENT	▲	GOLD	▲	SILVER	▲	LIBOR	3M 6M	USD	0.12838 0.15338	EUR	-0.56086 -0.54100	GBP	0.07513 0.11075	USD/KES	110.50	▲				
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MGA	USD/MGA is trading at 3850/4000 and EUR/MGA trading in the range 4500/4800 for the day.	<b>Commodities</b> <table border="1"> <thead> <tr> <th></th> <th>Change</th> </tr> </thead> <tbody> <tr> <td>BRENT</td> <td>▲</td> </tr> <tr> <td>GOLD</td> <td>▲</td> </tr> <tr> <td>SILVER</td> <td>▲</td> </tr> <tr> <td>LIBOR</td> <td>3M 6M</td> </tr> <tr> <td>USD</td> <td>0.12838 0.15338</td> </tr> <tr> <td>EUR</td> <td>-0.56086 -0.54100</td> </tr> <tr> <td>GBP</td> <td>0.07513 0.11075</td> </tr> </tbody> </table>						Change	BRENT	▲	GOLD	▲	SILVER	▲	LIBOR	3M 6M	USD	0.12838 0.15338	EUR	-0.56086 -0.54100	GBP	0.07513 0.11075	USD/MUR	42.9000	▲				
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KES	The USD/KES pair is trading in the range of 110.30-110.50.	<b>Commodities</b> <table border="1"> <thead> <tr> <th></th> <th>Change</th> </tr> </thead> <tbody> <tr> <td>BRENT</td> <td>▲</td> </tr> <tr> <td>GOLD</td> <td>▲</td> </tr> <tr> <td>SILVER</td> <td>▲</td> </tr> <tr> <td>LIBOR</td> <td>3M 6M</td> </tr> <tr> <td>USD</td> <td>0.12838 0.15338</td> </tr> <tr> <td>EUR</td> <td>-0.56086 -0.54100</td> </tr> <tr> <td>GBP</td> <td>0.07513 0.11075</td> </tr> </tbody> </table>						Change	BRENT	▲	GOLD	▲	SILVER	▲	LIBOR	3M 6M	USD	0.12838 0.15338	EUR	-0.56086 -0.54100	GBP	0.07513 0.11075	EUR/MUR	50.4060	▼				
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							ZAR/MUR	2.9700	▼																				
							INR/MUR	0.5920	▼																				
							MGA/MUR	1.1600	▬																				

## Central Bank Rates

FED – Upper Bound	0.25%
BOE	0.10%
ECB	0.00%
BOM Repo	1.85%
RBI Repo	4.00%

## Government of Mauritius Securities

91 days	0.65%
182 days	0.83%
364 days	1.00%
3 Year	1.97%
5 Year	2.87%
10 Year	4.56%

## U.S Treasuries

2 Year	0.2352%
5 Year	0.8488%
10 Year	1.3015%

## Trading Idea

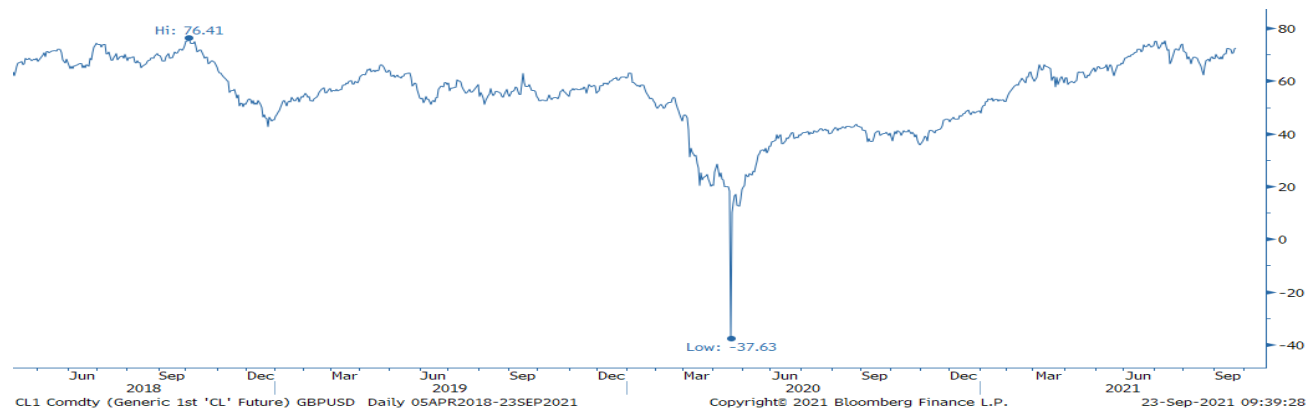
### Euro remains above 1.1700 post-FOMC

Euro is currently under mild bid pressure and trading above 1.1700. The pair clocked a daily low of 1.1685 yesterday following hawkish comments made by the Fed. The weak phase in Euro remains intact and a drop below key support 1.1665 could be possible by end of this week if the pair does not manage to break above 1.1760.

Sell at 1.1755, TP 1.1670, SL 1.1780



## Crude oil



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Sources: Bloomberg, Reuters, Bank of Mauritius