

# Daily Market Report

29<sup>th</sup> March 2023



## FX Market Update

USD	The DXY is trading at 102.58 level as the acquisition of the deposits and loans of the defunct Silicon Valley Bank (SVB) by First Citizens Banc Shares calmed investor concerns about the stability of the United States banking system, leading to a sharp decline in the US Dollar Index (DXY).
EUR	The EUR/USD is trading at 1.0835 level as the DXY, which did not benefit from the upbeat US Consumer Confidence data. There are no signs of weariness, so the major currency pair should continue to gain ground.
GBP	The GBP/USD is trading at 1.2321 level as after a massive gain, the cable has leveled out and is likely to continue its ascent as investor sentiment toward riskier assets improves. Investors have backed the market because they do not expect the Federal Reserve (Fed) to make any big changes to interest rates.
ZAR	The USD/ZAR is trading at 18.1762 level as U.S. inflation can be restrained without more monetary tightening from the Federal Reserve.
JPY	The USD/JPY is trading at 131.72 level since the currency pair dropped as risk sentiment was mixed as the US Dollar came under pressure. The value of the yen went up after the Japanese cabinet agreed to use 2.2 trillion yen from the fiscal 2022 budget's reserve funds to take steps to lessen the effects of inflation.
INR	The Indian Rupee closed lower against the USD dollar in the previous trading session moving to the 82.26 level.
MGA	The USDMGA is trading in the close band of 4298.50-4327.50.
KES	The USDKES is expected to trade in the close range of 131.70-131.90.

## Mauritian Market Highlights

On the 24 <sup>th</sup> March 2023, the Bank of Mauritius intervened on the domestic foreign exchange market and sold a total amount of USD10.0 million at the rate of Rs46.00/USD.				
<b>Bond Buzz and Money Market news</b>				
US treasuries are trading higher this morning: The 10 Year US yield is trading at 3.575% vs the previous close of 3.568%.				
<b>Today's data</b>				
Time	Data	Forecast	Previous	Importance
18:00	USD Pending Home Sales (MoM) (Feb)	-2.3%	8.1%	High
18:30	Crude oil inventories	0.092M	1.117M	High
-	-	-	-	-
<b>Data for yesterday</b>				
Time	Data	Actual	Forecast	Importance
12:45	UK BoE Bailey Speaks	-	-	High
17:15	EUR ECB President Lagarde Speaks	-	-	High
18:00	USD CB Consumer Confidence (Mar)	104.2	101.0	High

CURRENCIES	Latest	Change
EUR/USD	1.0836	▲
GBP/USD	1.2327	▲
USD/ZAR	18.1772	▼
USD/JPY	131.7000	▲
USD/INR	82.3125	▲
USD/MGA	4298.50	▼
USD/KES	131.70	▲
USD/MUR	46.4500	▬
EUR/MUR	50.6540	▲
GBP/MUR	57.6170	▲
ZAR/MUR	2.6200	▲
INR/MUR	0.5761	▼
MGA/MUR	1.1500	▬
Equity	Latest	Change
DJIA	31874.57	▬
NASDAQ	11434.05	▬
FTSE100	7344.45	▬
NIKKEI 225	26967.36	▬
SEMDEX	1987.08	▬
Commodities	Latest	Change
BRENT	74.46	▬
GOLD	1918.43	▬
SILVER	21.824	▬
IIBOR	3 MONTHS	6 MONTHS
USD	4.89116	4.83681
EUR	3.012	3.239
DAILY SONIA (GBP)	3.927	

## Central Bank Rates

FED – Upper Bound	5.00%
BOE	4.25%
ECB	3.50%
BOM Repo	4.50%
RBI Repo	6.50%

## Government of Mauritius Securities

91 days	4.26%
182 days	4.42%
364 days	4.70%
3 Year	4.76%
5 Year	4.85%
10 Year	5.93%

## U.S Treasuries

2 Year	4.087%
5 Year	3.668%
10 Year	3.562%

## Trading Idea – EUR/USD Chart

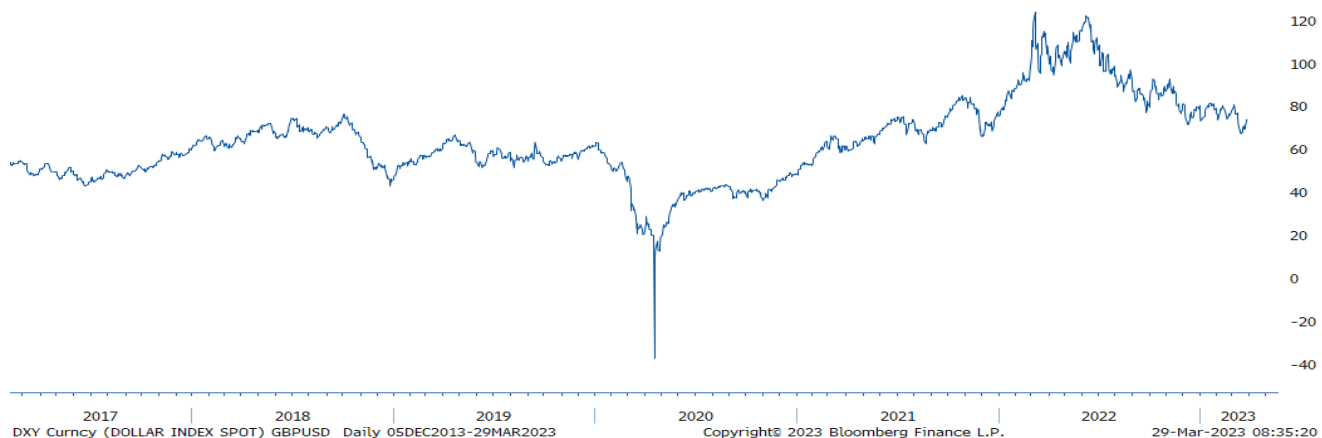
**Euro seems more tilted towards the upside...**

Yesterday, prior to settling at 1.0840 levels, the EUR increased to a high of 1.0848. The upward momentum has slightly increased the pair is expected to potentially finish above 1.0870 today. On the other hand, the US Dollar is not yet out of the woods. Key resistance is at 1.0870 followed by 1.0900. Key support is seen at 1.0800 followed by 1.0770.

**Buy at 1.0810 , TP at 1.0880, SL at 1.0780**



## Crude oil



## 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)



Disclaimer: This report has been prepared by members of the Financial Markets Division of SBM Bank (Mauritius) Ltd (the "Bank"), who are not research analysts, and is meant for information purposes, without taking into consideration any objective or aim of whoever is receiving this report. . Information has been collected from sources believed to be reliable and in good faith by the Bank and no representation or warranty, expressed or implied, is made as to its accuracy, completeness or correctness. The Bank shall not be liable for any loss or damage (including, without limitation, damages for loss of business or loss of profits) or prejudice of any nature whatsoever, arising in contract, tort or otherwise suffered by any person / entity relying on the information contained in this document or arising from any shortcoming, mistake, omission, defect or inaccuracy, in the document arising for any reason. The information herein 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 herein are based on numerous assumptions, which could result in materially different opinions. This report must be interpreted as market commentary and not research. This report is owned by the Bank and no part of this report may be reproduced or transmitted in any form or by any means, including photocopying and recording, or by any information storage and retrieval system without the permission of the Bank.

Sources: Bloomberg, Reuters, Bank of Mauritius