

DAILY EYE-OPENER

Domestic Markets

USD/MUR unchanged!

The greenback recovered some ground particularly against its European rivals and continues to be weighed down by the growing market conviction that the US Central Bank might slow the pace, trading on 34.50 on the offer side.

The EUR/USD pair is trading below 1.1530 after the ECB released its monetary policy meeting which showed that policymakers are concerned about economic growth, stating that risk is balanced.

The Cable is trading on 1.2764. However it has been a struggling week for GBP/USD as Brexit anxiety in the run-up to January 15th's parliamentary vote.

The USD/JPY pair struggled to build on the previous session's modest uptick, heading to 108.28 and South Africa's rand gained early on Friday trading on 13.82.

Global Markets

The dollar recovers some losses!

Dovish minutes from Fed's Powell helped the dollar recoup some of its losses, but the gains are restrained, as we cannot find enough reasons to sustain the dollar's strength anymore. That being said, we do expect the Euro to remain at the lower 1.15 bound, as yesterday it toughed its highest level since October 2017, at 1.1570. Technical indicators are in the positive territory while the pair holds above moving averages, but a firm advance above 1.1560 levels is critical to confirm that 1.16 is on the table. The Sterling was also strained, as Brexit woes continue to dampen investor confidence.

Gold has lost ground on Thursday, after posting strong gains a day earlier, retreating to a daily low near \$1288 while oil prices were little changed on Friday, with investors awaiting a new catalyst to take the market higher.

Stock Markets		
SEMDEX	2215.0	↓
SEMTRI	8190.1	↓
SEM10	424.9	↓
Nikkei	20164	↓
DAX	10922	↑
Dow Jones	23879	↑
FX Markets		
\$/Rs	34.05	→
€/Rs	39.25	↓
£/Rs	43.46	↓
R/Rs	2.464	↑
¥/Rs	31.45	↓
€/\$	1.1527	↓
£/\$	1.2764	↓
\$/¥	108.28	↑
\$/R	13.82	↓
Commodity Markets		
Brent Oil	61.68	↑
Gold	1284.70	↓
Sugar	393.30	→
Cattle	124.88	↑
Cotton	72.85	↓
Benchmark Rates		
Rs	3.50%	→
\$	2.50%	→
€	0.00%	→
£	0.75%	→
\$ 3M Libor	2.7989	→
\$ 6M Libor	2.8698	→

Did you know?!

The American dollar was created by the Continental Congress in 1785, but it was only distributed privately until the First Bank of the United States was chartered in 1790.

Friday Auctions!

Today the Bank of Mauritius will hold auctions for 364-Day Government of Mauritius Treasury Bills for a nominal amount of MUR 900 Mio and Bank of Mauritius Bills with maturities namely 91-Day and 182-Day for a nominal amount of MUR 1,100 Mio. On a separate note, average cash ratios for period ended 03 January 2019 for MUR is 11.70%, lower than the previous period which were at 12.58%. As for FCY, the average cash ratio is 16.37%.

Economic Data Scheduled Today

Country	Data	Time	Prior	Expected	
UK	GDP (MoM)	13:30	0.1%	0.1%	→
USA	Core CPI (MoM) (Dec)	17:30	0.2%	0.2%	→

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