

# DAILY EYE-OPENER

Stock Markets		
SEMDEX	2212.9	↓
SEMTRI	8182.4	↓
SEM10	428.0	↓
Nikkei	20788	↑
DAX	11181	↓
Dow Jones	25000	↑

FX Markets		
\$/Rs	34.10	→
€/Rs	39.03	↓
£/Rs	44.60	↓
R/Rs	2.554	↓
¥/Rs	31.08	↓
€/£	1.1445	↓
£/\$	1.3078	↓
\$/¥	109.71	↑
\$/R	13.35	↑

Commodity Markets		
Brent Oil	62.75	↑
Gold	1316.90	↑
Sugar	393.30	→
Cattle	125.45	↓
Cotton	73.64	↓

Benchmark Rates		
Rs	3.50%	→
\$	2.50%	→
€	0.00%	→
£	0.75%	→
\$ 3M Libor	2.7326	→
\$ 6M Libor	2.7900	→

## Domestic Markets

### Steady USD/MUR!

USD/MUR opens at a stable rate trading at 34.10 with no major activity on the domestic market. On the international front, remarks from FED officials are awaited this week after announcement of pause in rate hikes. Stronger than expected US employment data release provided some support to the greenback.

EUR/MUR trades 19 cents lower today as EUR/USD failed to extend to gain beyond 1.1500. During the past month, EUR managed to sustain against other currencies despite weak economic data release indicating an economic slowdown.

GBP/MUR slides by 17 cents trading under 1.3100 against the greenback after poor data UK Construction PMI. The Bank of England is set to meet on Thursday to discuss interest rates which investors expect will be kept on hold surrounding Brexit uncertainties.

The USD/JPY pair climbed to 109.71 at the start of a new trading week, followed by positive upbeat US ISM manufacturing PMI.

South Africa's Rand weakened early on Friday, trading at 2.60 on the offer side, with weak economic data from China dampening risk demand. Of note, markets in China will be closed for Chinese New Year celebrations.

## Global Markets

### Post NFP, EUR/USD settles below 1.15!

The US nonfarm payrolls exceeded expectations with 304K reported against estimates at 165K. Following the release, the Fiber kept within the daily range around the 1.1460 region before falling to 1.1440 this morning. The price action was mixed as traders were undecided where to go next, but the Euro remains bullish unless the pair falls below 1.1425. To the upside, the level to beat will be 1.1500 while supports can be seen at 1.1400, 1.1390 and 1.1350. The coming week will be driven by political news, when Trump addresses the Congress on Tuesday, and a handful of Fed officials speeches, with Powell being the highlight as investors will look for cues on the monetary policy outlook.

Switching to commodities, oil prices dipped, but they remain supported by tightening supply outlook while gold prices also fell in thin trade as risk aversion recedes.

## Did you know?!

The Canadian 2-dollar coins which feature a polar bear are called 'twonies' or 'toonies'. It comes from the word loonie, the nickname of the CAD, and the word two.

## FI & MM

Today the Bank of Mauritius will hold the auctions of the 182-Day Government of Mauritius Treasury Bills for a nominal amount of MUR 900 Mio and the 91-Day & 364-Day Bank of Mauritius Bills for a nominal amount of MUR 2,200 Mio. Key event this week is the auction for the 20 Yr Government of Mauritius Bonds which will be held on Wednesday for a nominal amount of MUR 1,900 Mio.

## Economic Data Scheduled Today

Country	Data	Time	Prior	Expected	
UK	Construction PMI (Jan)	13:30	52.8	52.6	↓
USA	Factory Orders (MoM) (Nov)	19:00	-2.1%	0.3%	↑

Tel: (230) 206 8017 Email: Treasury@abcbanking.mu RD Code: ABCO

The comments and data displayed in this research document are for information only and reflect the personal opinions of our dealers and other market participants. Readers are encouraged to perform their own assessment before undertaking dealing decisions. ABC Banking Corporation Ltd, its staff and agents shall not be responsible or liable to any claim or loss resulting from the use of the above information in relation to decision making.

## ABC BANKING CORPORATION LTD

WEAL HOUSE, Duke of Edinburgh Avenue, Place d'Armes, 11328, Port Louis, Mauritius

Tel: (230) 206 8000 Fax: (230) 208 0088 Web: www.abcbanking.mu BRN: C07018920

