

DAILY EYE-OPENER

Stock Markets

SEMDEX	2152.9	↑
SEMTRI	8077.9	↑
SEM10	420.0	↑
Nikkei	21534	→
DAX	12569	→
Dow Jones	26922	→

FX Markets

\$/Rs	35.85	↓
€/Rs	40.43	↑
£/Rs	44.93	↑
R/Rs	2.570	↑
¥/Rs	33.21	↑
€/€	1.1277	↑
£/\$	1.2534	↑
\$/¥	107.97	↓
\$/R	13.93	↓

Commodities

Brent Oil	67.01	↑
Gold	1410.10	↓
Sugar	393.30	→
Cattle	107.63	↑
Cotton	63.54	↓

Benchmark Rates

Rs	3.50%	→
\$	2.50%	→
€	0.00%	→
£	0.75%	→
\$ 3M Libor	2.3408	→
\$ 6M Libor	2.2568	→

Domestic Markets

USD/MUR slips!

The dollar losses ground by 20 cents after the highly awaited US Fed Chair Powell's testimony gave markets reasons to anticipate a rate cut later this month. The dollar is trading versus the rupee at 36.30 on the offer side.

The EUR/USD gives back some of its gains today as investors await the account of the latest ECB Meeting and extends to 1.1280. ECB will publish its minutes later today.

The cable dipped to 1.2534 level and took advantage of the broad-based US Dollar selling on Wednesday.

The USD/JPY rallied to 107.97 on USD broad-based weakness.

Global Markets

EUR/USD solidly bid after Powell!

All thanks to Powell's dovish testimony rising probability of a rate cut later this month, we are back to the weak USD theme across the board. The Fiber climbed to 1.1260 from 1.1215 on the release, and the pair ended the day at 1.1250. Also, the minutes of the ECB's June meeting are due for release later today. While Draghi emphasized easing bias in Sintra last month, the Euro could face a new wave of selling if the minutes confirm same. Currently consolidating in the 1.1265/75 range, any continuation of the rally will look to the next key level at 1.1285 while on the flip side, 1.1230, followed by 1.1180 are the nearby supports. Elsewhere, the cable ignored a big bag of economic data from the UK, as all eyes were on the Fed. Sterling buyers cheered the dollar weakness, but the road to recovery remains intact, still in the lower 1.2500 band.

Switching to commodities, gold prices caught a bid following Powell and FOMC minutes. The surge also came in due to escalating of geopolitical risk between US and Iran. Meanwhile, oil prices gained more than 4% after US crude inventories shrank more than expected in the Gulf of Mexico ahead of an expected storm.

Did you know?



GCY Holidays- Jul 19	
France	Sun 14
JPY	Mon 15

In 1988 Australia's Reserve Bank of Australia introduced the first polymer currency. Now, all of their banknotes are made of polymer.

FI & MM

Overnight transactions were at MUR 250 Mio recently as market is quite liquid. Tomorrow, an amount of MUR 2,000 Mio will be on auction tomorrow for both Government of Mauritius Treasury Bills and Bank of Mauritius Bills. On another note, CPI YoY inflation has dropped to 0.6% as at June 2019.

Economic Data Scheduled Today

Country	Data	Time	Prior	Expected
USA	Core CPI	16:30	↓	↑

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