Daily Market Report

19 April 2017

SBM

FX Market Update

USD	The dollar index traded near three-week lows today dragged down by a resurgent sterling after British Prime Minister Theresa May called for an early general election ahead of Brexit negotiations.
EUR	French opinion polls show that far-right leader Marine Le Pen and centrist Emmanuel Macron qualifying next Sunday for the May 7 run-off, but the gap with conservative Francois Fillon and far-leftist Jean-Luc Melenchon has been tightening.
GBP	The British currency sailed to more than six-month highs after May said the election would "secure the strong and stable leadership" position needed for talks with the European Union about terms for the looming exit. Sterling was steady on the day at $1.2845 after rising as high as $1.2908 yesterday, its highest since early October, as investors scurried to cover short positions.
ZAR	South African stocks slid yesterday, dragged down by resources companies, while the rand firmed slightly amid lingering political uncertainty. During early trading on yesterday, the rand reached 13.2400 against the dollar, its strongest since March 30. By the close the currency was up 0.08 percent at 13.2800.
JPY	The dollar edged up 0.1 percent to 108.57 yen. Moreover, a senior government official said that Japanese Deputy Prime Minister Taro Aso and U.S. Vice President Mike Pence did not discuss currencies in the first round of the bilateral economic dialogue.
INR	INR has opened higher at 64.60 as compared to Tuesday's close of 64.63 as a result of sharp fall in the Dollar globally. USD/INR is expected to trade in the range of 64.40 to 64.70.
MGA	USD/MGA trading at 3190-3250 and EUR/MGA trading in the range 3400-3475 for the day. The local FX market is short to the tune of USD 14 M

Trading Idea

SELL EUR/USD AT 1.0775 TP AT 1.0700 SL AT 1.0815

Mauritian Market Highlights

Result of the Re-Opening of 3.25% Five Year Government of Mauritius Bonds due 10th February 2022 held yesterday came to a weighted yield of 3.99% p.a.

Bond Buzz and Money Market news

The increased geopolitical event risk has caused the Treasury curve to flatten. Investors are keeping a keen eye on the North Korean situation, the tightening French presidential election and the snap UK general election. The two-year note yield rallied 4.1bps to 1.16%. The 10-year bond yield decreased 8.2bps to 2.168%.

Today's Data Watch

Time	Data	Fore-cast	Prev.	Importa nce
18:00	USD U.S. Federal Reserve Releases Beige Book	-	-	MEDIUM
22:45	NZD Consumer Prices Index (YoY) (1Q)	2.0%	1.3%	HIGH
23:50	JPY Japan Buying Foreign Bonds (Yen) (APR 14)	-	-¥2176.8b	MEDIUM

Data from Yesterday

Time	Data	Actual	Fore-cast	Prev.
13:00	CAD Existing Home Sales (MOM) (MAR)	1.1%	-	5.2%
13:15	USD Industrial Production (MAR)	0.5%	0.5%	0.1%
22:30	USD Manufacturing (SIC) Production (MAR)	-0.4%	0.0%	0.3%

Currency	Latest	Change
EUR/USD	1.0725	▲
GBP/USD	1.2831	▲
USD/ZAR	13.3110	▼
USD/JPY	108.63	▼
USD/INR	64.5325	▼
USD/MGA	3185	—
USD/MUR	36.2510	▼
EUR/MUR	38.7440	▲
GBP/MUR	46.3730	▲
ZAR/MUR	2.7500	—
INR/MUR	0.5641	▼
MGA/MUR	1.1900	▼
Equity		**Change**
DJIA	20,523.28	▼
NASDAQ	5849.471	▼
FTSE100	7147.5	▼
NIKKEI 225	18427.74	▲
SEMDEX	1983.852	▼
Commodities		**Change**
BRENT	54.76	▼
GOLD	1287.14	▲
SILVER	18.255	▼
LIBOR		**6M**
USD	1.15844	1.40322
EUR	-0.35786	-0.25657
GBP	0.33931	0.48463

Central Bank Rates

FED	1.00%
BOE	0.25%
ECB	0.00%
BOM Repo	4.00%
RBI Repo	6.25%
BCM Repo	8.70%

Government of Mauritius Securities

91 days	2.73%
182 days	2.78%
364 days	2.85%
3 Year	3.65%
5 Year	3.99%
10 Year	4.95%

International Bond

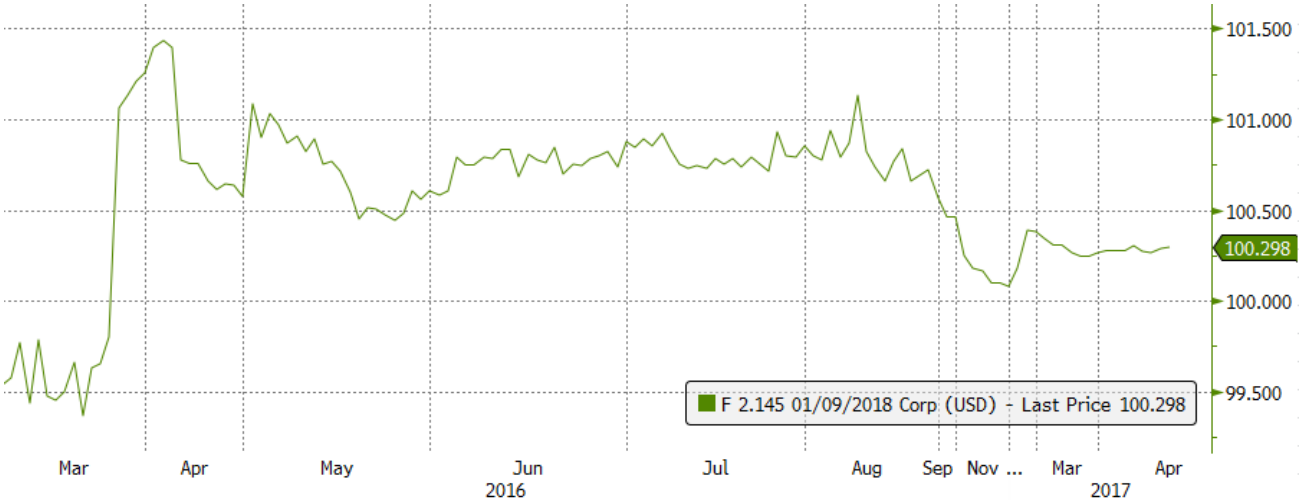
Ford Motor Credit Company LLC provides automotive financing services. The Ford Motor Credit Company LLC provides automotive financing services. The Company offers retail installment sales, lease contracts, and direct financing to retail customers, government entities, and corporations.

FORD MOTOR CREDIT CO LLC USD Dollar Bond maturing on the 9th of January 2018vis trading at a yield of 1.623% p.a.

Bonds Ratings

Moody's	Baa2
S&P	BBB
Fitch	BBB

Crude oil



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Sources : Bloomberg, Reuters, Bank of Mauritius

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