ABC BANKING CORPORATION
count on us

6 June 2019

DAILY EYE-OPENER

Stock Markets		
SEMDEX	2133.2	⇩
SEMTRI	7938.0	⇩
SEM10	414.3	⇩
Nikkei	20601	⇩
DAX	11727	⇩
Dow Jones	25170	⇩
FX Markets		
$/Rs	35.73	⇧
€/Rs	39.93	⇧
£/Rs	45.17	⇧
R/Rs	2.460	⇧
¥/Rs	33.03	⇧
€/$	1.1176	⇧
£/$	1.2642	⇧
$/¥	108.17	⇩
$/R	14.55	⇩
Commodity Markets		
Brent Oil	61.99	⇩
Gold	1305.80	⇧
Sugar	393.30	⇨
Cattle	108.48	⇩
Cotton	68.08	⇩
Benchmark Rates		
Rs	3.50%	⇨
$	2.50%	⇨
€	0.00%	⇨
£	0.75%	⇨
$ 3M Libor	2.5025	⇨

Did you know?

The Purchasing Managers Index [PMI] is a monthly survey of business conditions. Data collected relates to business activity, employment, input prices, business expectations etc. The index ranges between 0-100, with 50 meaning no change on the previous month.

Domestic Markets

USD/MUR maintains its level!

The dollar remains steady against the rupees as the market remained closed yesterday. The dollar is still trading at 36.00 on the offer side with expectations set on further upward moves.

EUR/MUR slumps by 8 cents, heading at 1.1228 following the post-meeting press conference, where the ECB President Mario Draghi is expected to maintain a dovish stance.

The Cable is actually trading on 1.2687 as contenders to replace Theresa May as UK Prime minister set to leave the European Union without a deal. It is still unclear if Britain will leave the EU on Oct. 31.

The Yen advances for the first time, 108.21 in three days as investors rush into safer assets after the US and Mexico failed to reach an agreement in tariff talks on Wednesday.

The Rand weakened to 14.8559 against the dollar after foreigners dumped the nation's bonds at the fastest pace in a month on Wednesday.

Global Markets

EUR/USD advanced to 1.1300 and retreated again!

Ahead of the ECB rate decision due later today, the Euro looks directionless after having touched a high of 1.1307 yesterday, and quickly regained the lower 1.1200 band. The immediate outlook seems neutral, with support at 1.1220 securing the downside. Else, quotes need to regain the 1.1270 band to be able to aim for the previous high again. While the ECB is widely expected to keep rates unchanged and with escalating trade tensions, any dovish comments from Draghi would have little impact on the Fiber. The cable struggles to keep momentum, currently trading at 1.2680 after PMI numbers offered no impetus for investors. We will look to signals of future monetary policy action by BoE's Carney when he speaks in Tokyo later.

Switching to commodities, gold prices rose on rate cut expectations to maintain economic growth. It soared to 4-month highs after ADP jobs data suggested the world's largest economy added a meager 27k jobs last month. Meanwhile, oil prices fell again after a brief respite as US inventories swell.

FI & MM

The Ten-Year Government of Mauritius Bonds ended with a weighted average yield of 4.35%. As expected, yield on the longer tenor of the curve has gone down. Transactions on the interbank money market still remain scarce as market is flushed with liquidity.

Economic Data Scheduled Today

Country	Data	Time
EU Zone	ECB Interest Rate Decision	15:45

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