ABC BANKING CORPORATION
count on us

25 June 2019

DAILY EYE-OPENER

Stock Markets		
SEMDEX	2115.7	↑
SEMTRI	7885.1	↑
SEM10	412.9	→
Nikkei	21204	→
DAX	12193	→
Dow Jones	26063	→

FX Markets		
$/Rs	35.55	↓
€/Rs	40.44	↑
£/Rs	45.33	↓
R/Rs	2.486	↓
¥/Rs	33.10	↓
€/$	1.1375	↑
£/$	1.2750	↑
$/¥	107.42	↑
$/R	14.30	↓

Commodity Markets		
Brent Oil	65.20	↓
Gold	1396.20	↑
Sugar	393.30	→
Cattle	106.55	↓
Cotton	61.19	↓

Benchmark Rates		
Rs	3.50%	→
$	2.50%	→
€	0.00%	→
£	0.75%	→
$ 3M Libor	2.3493	→
$ 6M Libor	2.2201	→

Domestic Markets

The greenback continues to slide!

The dollar slides 15 cents against the rupee and remains under pressure after the US President Donald Trump's latest criticism over the US central bank's recent policy tightening.

EUR/USD continued to push higher, trading on 1.1409 while later Powell is set to discuss monetary and economic outlook at a speech in New York.

GBP/USD finally broke out to 1.2751 as fears of a no-deal Brexit takes over the Cables latest surge led by the greenback decline.

South Africa’s rand climbed to 14.3546 leading gains in emerging market currencies.

USD/JPY dropped to a fresh 24-week low of 106.80 and Powell’s speech will be closely observed to get the clues of future monetary moves whereas second-tier data from the US and Japan could also grab the market attention.

Global Markets

EUR/USD jostles at 1.1400!

The Fiber rose for a straight week, currently jostling at the 1.1400 handle. The rally will likely gather pace should if Fed’s Powell reinforces rate cuts expectations as he speaks later today. Technical indicators show the pair is comfortable as long as support levels at 1.1350 remain intact. Dollar selling was further exacerbated after Trump’s latest comments on the Fed’s policy tightening. Apart from Fed speak, investors might take cues from US economic data- New home sales and Consumer confidence figures. Elsewhere, the Sterling gains remain capped at 1.2775 as any strong follow through is being limited due to no-Brexit fears.

Gold hovers near its six year high up by 0.3% at $1,402.50 as Central Banks turn dovish and mounting tensions between the US and Iran boosted demand for the yellow metal.

Oil prices climb by 25 cents as tensions simmers in the Middle East with significant sanctions imposed on Tehran.

Did you know?

Foreign exchange trading dates back to as early as Biblical times. Modern FX markets began with the gold standard, and Bretton Woods Accord encouraged trading at fixed regime. Freely floated markets began in 1973, following the demise of Bretto Woods Accord.

FI & MM

Market liquidity is still high recently as can be suggested by scarce transactions on the interbank money market. The central bank issued the 182-Day Government of Mauritius Treasury Certificates for an amount of MUR 862 Mio at 2.67% for the parastatal entities last week. Yields are still on the rise in the market!

Economic Data Scheduled Today

Country	Data	Time	Prior	Expected
USA	Consumer Confidence	18:00	↑	↓
USA	FED Chairman Powell Speaks	21:00		

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

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