

Daily Market Report

8th May 2024



FX Market Update

USD The DXY is trading at the 105.576 level. The US Dollar strengthens on expectations of prolonged higher interest rates by the Fed.

EUR EUR/USD is trading at the 1.0741 level. The ECB is anticipated to start cutting borrowing costs in June. Chief Economist Philip Lane mentioned that recent data have increased his confidence in inflation nearing the 2% target. While several ECB officials seem to favor easing measures next month, President Christine Lagarde has not indicated further cuts at this stage.

GBP The GBP/USD is trading at the 1.2488 level. Hawkish remarks from Minneapolis Fed President Neel Kashkari on Tuesday strengthened the US Dollar.

ZAR The USD/ZAR is trading at the 18.5396 level. Ongoing expectations of prolonged higher US rates bolster the US Dollar.

JPY The USD/JPY is trading at the 155.16 level. BoJ Governor Kazuo Ueda stated that he's closely watching the weakening Yen and suggested that the central bank may intervene in the currency markets if the Yen continues to decline against the US Dollar. This potential intervention by Japanese authorities could limit the downside of the Japanese Yen in the near term.

INR The Indian Rupee closed at 83.50 against the USD vs 83.49 in the previous session.

MGA The USD/MGA is trading at 4431.82 – 4446.72.

KES The USD/KES is trading at 133.00 – 134.00.

Mauritian Market Highlights

On the 1st April 2024, the Bank of Mauritius intervened on the domestic foreign exchange market and sold a total amount of USD5.0 million at the rate of Rs46.40/USD.

Bond Buzz and Money Market news

US treasuries are trading lower this morning: The 10 Year US yield is trading at 4.465% vs 4.481% in the previous session.

Today's Data

Time	Data	Forecast	Previous	Importance
18:30	Crude Oil Inventories	-	7.265M	Medium

Data for yesterday

Time	Data	Actual	Forecast	Importance
14:00	Eurogroup Meetings	-	-	Medium

CURRENCIES	Latest	Change
EUR/USD	1.0745	▼
GBP/USD	1.2486	▼
USD/ZAR	18.5610	▲
USD/JPY	155.3100	▲
USD/INR	83.5102	▲
USD/MGA	4422.52	▼
USD/KES	131.00	▼
USD/MUR	46.8500	▲
EUR/MUR	50.7560	▢
GBP/MUR	59.2830	▼
ZAR/MUR	2.5900	▢
INR/MUR	0.5724	▲
MGA/MUR	1.1200	▢
Equity	Latest	Change
DJIA	38,884.26	▲
NASDAQ	16,332.56	▼
FTSE100	8,345.91	▲
NIKKEI 225	38,202.37	▼
SEMDEX	2,150.74	▲
Commodities	Latest	Change
BRENT	82.30	▼
GOLD	2,313.14	▼
SILVER	27.29	▲
IIBOR	3 MONTHS	6 MONTHS
USD	5.32322	5.28738
EUR	3.824	3.791
DAILY SONIA (GBP)	5.1998	

Central Bank Rates

FED – Upper Bound	5.50%
BOE	5.25%
ECB	4.50%
BOM Repo	4.50%
RBI Repo	6.50%

Government of Mauritius Securities

91 days	3.92%
182 days	4.18%
364 days	4.35%
3 Year	5.02%
5 Year	5.22%
10 Year	5.68%

U.S Treasuries

2 Year	4.839%
5 Year	4.485%
10 Year	4.473%

Trading Idea – EUR/USD Chart

The EUR/USD is trading at the 1.0744 level with US Dollar recovering

The EUR/USD is trading at the 1.0744 level with the US Dollar recovering. The ECB is expected to begin reducing borrowing costs in June, with Chief Economist Philip Lane expressing confidence in inflation nearing the 2% target. While many ECB officials support easing measures, President Christine Lagarde hasn't signaled further cuts yet.

Sell at 1.0755, Tp at 1.0705, Sl at 1.0780



Crude oil



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Sources: Bloomberg, Reuters, Bank of Mauritius