

Daily Market Report

6th January 2025



FX Market Update

USD The US Dollar is trading at 108.88. The DXY holds steady above 108.00 amid cautious, low-volume trading ahead of Christmas. Data showing contraction in Japan's Industrial Production and declining Chinese profits had little effect on the USD.

EUR The EUR/USD is trading at 1.0317. Diverging ECB and Fed policies pressure EUR/USD near 1.0300, with markets expecting significant ECB rate cuts. Key Eurozone PMI and German CPI releases could impact market sentiment.

GBP The GBP/USD pair is currently trading at 1.2441 level. GBP/USD starts the week subdued, struggling near 1.2400 amid a strong USD driven by the Fed's hawkish stance, trade war fears, and geopolitical risks. Weak UK data, concerns over fiscal policies, and the BoE's dovish stance add to the pair's downtrend.

ZAR The USD/ZAR pair is trading at 18.7731.

JPY The USD/JPY pair is trading at 157.79 level. USD/JPY approaches a multi-month high as the JPY weakens on BoJ's dovish stance and risk-on sentiment, while a strong USD benefits from the Fed's hawkish outlook and US policy optimism.

INR The Indian Rupee is trading at 85.8225 – 85.8325 against the dollar.

MGA The USD/MGA is trading at the 4691.54– 4720.54 level.

KES The USD/KES is trading at 129 – 129.5 level.

Mauritian Market Highlights

On the 16th December 2024, the Bank intervened on the domestic foreign exchange market and sold a total amount of USD10.0 million at the rate of Rs46.50/USD.

Bond Buzz and Money Market news

-Excess liquidity on the market stood at around MUR 25.7 Bn on 03 Jan 25.
 -Auction result for Treasury Bills
 o7D BoM Bill was issued for nominal amount of MUR 1 Bn on 03 Jan 2025 at 4.00%

Today's Data

Time	Data	Forecast	Previous	Importance
17:00	EUR: German CPI (MoM) (Dec)	0.3%	-0.2%	High

Data for yesterday

Time	Data	Forecast	Previous	Importance

CURRENCIES	Latest	Change
EUR/USD	1.0317	▲
GBP/USD	1.2441	▲
USD/ZAR	18.7731	▲
USD/JPY	157.79	▲
USD/INR	85.8325	▲
USD/MGA	4720.54	▲
USD/KES	129.50	▲
USD/MUR	47.9700	▼
EUR/MUR	49.5100	▲
GBP/MUR	59.8900	▲
ZAR/MUR	2.6200	▼
INR/MUR	0.5705	▼
MGA/MUR	1.0800	▬
Equity		Change
DJIA	42,495.76	▲
NASDAQ	19621.68	▲
FTSE100	8223.9800	▲
NIKKEI 225	39377.8900	▼
SEMDEX	2,412.17	▲
Commodities		Change
BRENT	76.17	▲
GOLD	2,632.27	▲
SILVER	29.44	▼
IIBOR	3 MONTHS	6 MONTHS
USD	4.29369	4.24195
EUR	2.731	2.554
DAILY SONIA (GBP)	4.70	

Central Bank Rates

FED – Upper Bound	4.50%
BOE	4.75%
ECB	3.15%
BOM Repo	4.00%
RBI Repo	6.50%

Government of Mauritius Securities

	Bid	Ask
91 days	3.50%	3.35%
182 days	3.75%	3.60%
364 days	3.95%	3.80%
3 Year	4.45%	4.25%
5 Year	4.75%	4.50%
10 Year	5.10%	4.85%

U.S Treasuries

2 Year	4.308%
5 Year	4.411%
10 Year	4.562%

Trading Idea – EUR/USD Chart

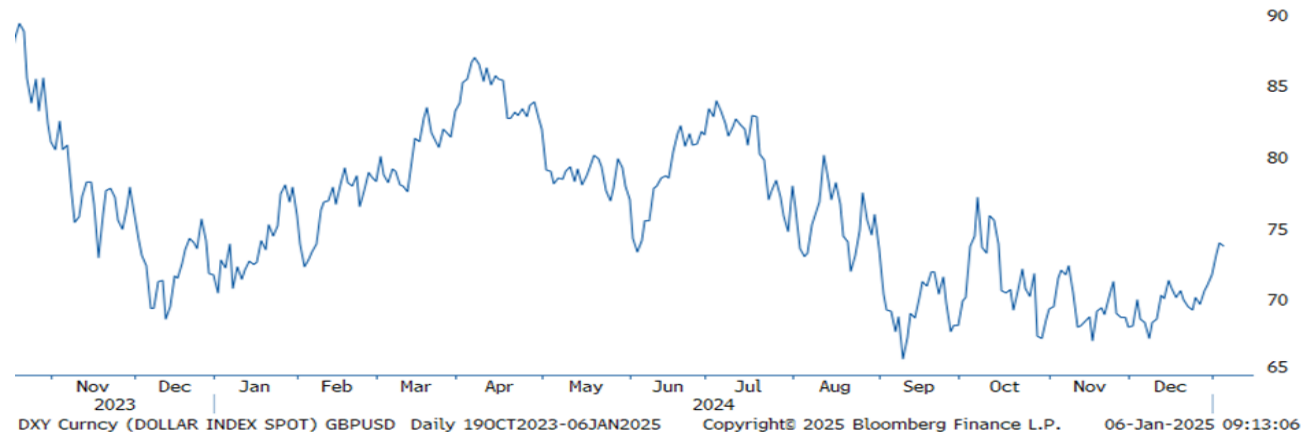
The EUR/USD trades near 1.0300 and faces potential declines to parity .

Markets anticipate a 113 basis point ECB rate cut in 2025, contrasting with the Fed's pause in January. Traders await Eurozone PMI and Germany's CPI data for direction.

Sell at 1.0317 , TP at 1.0300, SL at 1.0325.



Crude oil



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Sources: Bloomberg, Reuters, Bank of Mauritius