

WORLD NEWS

US

- After a series of rapid rate hikes over the past 18 months, the Fed can now "proceed carefully," Powell said, a sentiment he repeated at least a dozen times Wednesday during a press conference that followed the central bank's decision to leave rates unchanged. In quarterly economic projections released following a two-day policy meeting, 12 of 19 Fed officials said they still expect to raise rates once more this year. The bigger takeaway for investors was the revelation that policymakers see fewer rate cuts than previously anticipated in 2024, in part due to a stronger labor market.
- General Motors said in a statement Wednesday that it has halted production at its assembly plant in Fairfax, Kansas, because of a "shortage of critical stampings" that would have been supplied by its factory in Wentzville, Missouri, where workers went on strike last week. About 2,000 workers are affected.

Europe

- Consumer price inflation in the United Kingdom eased to 6.7% in August 2023 from 6.8% in the previous month, falling below the market consensus of 7.0%. This marked the lowest rate since February 2022, primarily due to a slowdown in food inflation and a decline in the cost of accommodation services. Additionally, the core rate, which excludes volatile items such as energy and food, dropped to 6.2%, the lowest rate since March and well below forecasts of 6.8%.
- The Bank of Spain lowered the country's economic growth forecasts for 2024 and 2025 due to the impact of rising energy costs that also led it to raise its inflation estimates for this year and next. The central bank kept unchanged its economic outlook for 2023 at 2.3%. For 2024, it revised its growth forecast to 1.8% from 2.2% due to higher energy prices and a deterioration of the external economic environment. It also lowered the forecast for 2025 to 2% from 2.1%.

Asia & Emerging Markets

- China kept benchmark lending rates unchanged at a monthly fixing on Wednesday, in line with expectations, as fresh signs of economic stabilisation and a weakening yuan reduced the need for immediate monetary easing. The one-year loan prime rate was kept at 3.45%, while the five-year LPR was unchanged at 4.20%.
- The central bank of Brazil lowered its key Selic rate by 50 bps to 12.75% for the second consecutive meeting in September 2023, as widely expected. The Committee stated that the decision is compatible with the strategy of anchoring inflation around the target over a relevant horizon, while anticipating further cuts of the same magnitude in the next meetings.
- Toshiba said on Thursday that a USD14 billion tender offer from private equity firm Japan Industrial Partners had ended in success - a deal which paves the way for the embattled industrial conglomerate to go private. The JIP-led consortium saw 78.65% of Toshiba shares tendered, giving the group a majority of more than two thirds which would be enough to squeeze out remaining shareholders.

Others

- The Nigerian naira fell to a record low on the parallel market, as the dwindling supply of dollars from the central bank forced buyers to take to the streets to obtain hard currency. The naira was trading at 970 to the dollar on Wednesday, compared with 962 the previous day and 903 naira at the beginning of this month. Importers everywhere are looking for dollars to import goods for Christmas sales. The central bank is struggling to keep up with demand for dollars at the moment.

LOCAL NEWS

Markets were closed on Wednesday for a public holiday.

Regarding the Three-Year Government of Mauritius Treasury Notes, a total nominal amount of MUR 2.1bn was allocated at a weighted average yield of 3.79% on 19 September 2023, 16 bps higher than previous auction of 23 August 2023.

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CHANGE

| Indices | Value at Close | Day on Day | YTD | YTD(Rs) |
|------------|----------------|------------|--------|---------|
| MSCI World | 2,936.36 | -0.50% | 12.82% | 15.40% |

US

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|-----------|-----------|--------|--------|--------|
| S&P 500 | 4,402.20 | -0.94% | 14.66% | 17.28% |
| DOW JONES | 34,440.88 | -0.22% | 3.90% | 6.28% |
| NASDAQ | 13,469.13 | -1.53% | 28.69% | 31.64% |

Europe

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|----------|-----------|-------|--------|--------|
| FTSE 100 | 7,731.65 | 0.93% | 3.76% | 9.34% |
| CAC 40 | 7,330.79 | 0.67% | 13.24% | 16.48% |
| DAX | 15,781.59 | 0.75% | 13.34% | 16.59% |

Asia

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|------------|-----------|--------|--------|--------|
| NIKKEI 225 | 33,023.78 | -0.66% | 26.55% | 14.68% |
| HANG SENG | 17,885.60 | -0.62% | -9.58% | -7.58% |
| SENSEX | 66,800.84 | 1.28% | 9.80% | 11.94% |

Mauritius

| | | | |
|--------|----------|-------|-------|
| SEMDEX | 2,083.67 | 0.00% | 1.38% |
| SEM-10 | 374.54 | 0.00% | 0.41% |
| SEMTRI | 8,771.57 | 0.00% | 4.08% |
| DEMEX | 269.40 | 0.00% | 1.05% |

CHANGE

| Currencies | Value Today | Day on Day | YTD |
|------------|-------------|------------|--------|
| USD/MUR* | 44.65 | 0.00% | 2.29% |
| GBP/MUR* | 55.25 | -0.97% | 5.38% |
| EUR/MUR* | 47.75 | -0.82% | 2.87% |
| AUD/MUR* | 29.04 | -0.84% | -2.62% |
| ZAR/MUR* | 2.41 | 0.42% | -6.78% |
| GBP/USD | 1.23 | -0.39% | 2.16% |
| EUR/USD | 1.07 | -0.17% | -0.41% |
| AUD/USD | 0.64 | -0.09% | -5.36% |

Central Bank Rates

| | |
|-----|------------|
| USD | 5.25-5.50% |
| GBP | 5.25% |
| EUR | 4.00% |
| AUD | 4.10% |
| MUR | 4.50% |

CHANGE

| Commodities | Value at Close | Day on Day | YTD |
|-------------|----------------|------------|--------|
| Oil (NYMEX) | 90.28 | -1.01% | 12.48% |
| Gold | 1,930.30 | -0.05% | 5.83% |
| CRB | 288.48 | -0.53% | 3.86% |

* Foreign Currency Rates against the Mauritian Rupee are MCB's mid-rates. For transactions purposes, kindly contact your Private Banker.

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Source: WSJ, Bloomberg, Reuters, FT