

World Markets

25-Jul-2024

	Index	Value at close	Day on Day	YTD	YTD(Rs)
	MSCI All Country World	802.58	-1.67%	10.40%	17.24%
US	S&P 500	5,427.13	-2.31%	13.78%	20.83%
	DOW JONES	39,853.87	-1.25%	5.74%	12.30%
	NASDAQ	17,342.41	-3.64%	15.53%	22.69%
	STOXX 600	512.30	-0.61%	6.95%	12.49%
Europe	CAC 40	7,513.73	-1.12%	-0.39%	4.77%
	DAX	18,387.46	-0.92%	9.77%	15.45%
	FTSE 100	8,153.69	-0.17%	5.44%	14.53%
Asia	NIKKEI 225	39,154.85	-1.11%	17.01%	16.65%
	HANG SENG	17,311.05	-0.91%	1.55%	8.16%
	CSI 300	3,418.17	-0.63%	-0.38%	3.59%
	SENSEX	80,148.88	-0.35%	10.95%	17.10%
Mauritius	SEMDEX	2,106.60	-0.08%	3.36%	3.36%
	SEM-10	395.87	0.00%	7.88%	7.88%
	SEMTRI	9,316.26	-0.08%	6.59%	6.59%
	DEMEX	237.93	-0.12%	-11.04%	-11.04%
Commodities	Bloomberg Commodity	97.30	-0.20%	-1.37%	4.74%
	WTI Crude Oil	77.59	0.82%	8.29%	15.00%
	Gold	2,397.70	-0.50%	16.23%	23.43%
	Silver	28.91	-1.15%	21.49%	29.02%

Country	Central Bank	Policy Rate	Govt Yields	
			2 Yr	10 Yr
US	FED	5.25-5.50%	4.43%	4.28%
UK	BOE	5.25%	3.99%	4.16%
Europe	ECB	3.75%	2.66%	2.44%
Japan	BOJ	0-0.1%	0.37%	1.08%
Mauritius	BOM	4.50%	4.05%	5.04%

Currency*	Value Today	Day on Day	YTD
USD/MUR	46.78	0.06%	6.20%
GBP/MUR	61.24	0.10%	8.62%
EUR/MUR	51.50	0.04%	5.18%
AUD/MUR	31.36	-0.03%	2.72%
ZAR/MUR	2.59	0.00%	7.25%
GBP/USD	1.29	-0.01%	1.38%
EUR/USD	1.08	-0.13%	-1.80%
AUD/USD	0.66	-0.51%	-3.39%
USD/JPY	153.89	-1.09%	9.11%
USD/CNY	7.26	-0.16%	2.30%

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

Weekly Events Calendar

Monday	Tuesday	Wednesday	Thursday	Friday
China Foreign Direct Investment YoY	US Existing Home Sales	US Manuf. PMI US New Home Sales Euro Area Manuf UK Manuf PMI	US GDP QoQ	US PCE Price Index YoY

World News

US

- US stock indices on Wednesday recorded their worst day in more than 18 months after lacklustre overnight results from index heavyweights Tesla and Alphabet deepened a technology sector sell-off. The blue-chip S&P 500 had its worst day since December 2022, while the tech-heavy Nasdaq Composite had its worst day since October 2022. The losses in both were driven by big tech stocks, including Nvidia, Microsoft, Apple and Tesla. [\(Source\)](#)
- The US yield curve steepened sharply amid growing calls for the Federal Reserve to start cutting interest rates as soon as next week. Yields on policy-sensitive two-year Treasuries slid three basis points on Wednesday, while those on 10-year bonds were up by about the same amount. That pushed the differential between those yields to about 14 basis points, the smallest margin since October 2023. That's an indication investors see the Fed potentially reducing rates faster and deeper than previously anticipated. Swaps traders still price in more than two quarter-point cuts this year, with the first move likely in September. [\(Source\)](#)

Europe

- The Euro zone's biggest banks largely beat second quarter earnings expectations on Wednesday, benefiting from still-high interest rates and bumper investment banking business, although concerns about a tougher outlook held back their shares. BNP Paribas's revenue and profits exceeded expectations. Santander reported a record net profit, up 20% year-on-year. UniCredit's profit topped forecasts as it announced it was buying a Belgian digital bank. However, Deutsche Bank bucked the general trend with a quarterly loss related to a provision for a lawsuit linked to its Postbank unit. It was also axing plans for another buyback and saw a rise in bad loan loss charges, sending its stock down 7%. [\(Source\)](#)
- The Bank of England revealed details of a new facility designed to avoid UK bond market blow-ups like the one two years ago by lending directly to asset managers. During times of "severe" market dysfunction, the BOE will provide non-bank financial institutions such as pension funds cash in return for gilts pledged as collateral, the central bank said in a note Wednesday. Lending directly to firms other than banks is a radical proposal as it greatly expands the central bank's purview, which traditionally has relied on commercial banks to manage the liquidity needs of financial markets. [\(Source\)](#)

Asia & Emerging

- The People's Bank of China unexpectedly lowered the cost of its one-year policy loans by the most since April 2020, acting days after cutting a key short-term rate in a sign of greater support for the slowing economy. The central bank decreased the rate of the medium-term lending facility by 20 basis points to 2.3%, according to a statement Thursday, the first reduction in almost a year. The cut followed the PBOC's trim of the seven-day reverse repo by 10 basis points on Monday. [\(Source\)](#)
- Japan's labor ministry proposed a record increase in the minimum wage for the fourth consecutive year, in a bid to support low-income households amid rising prices. An advisory panel at the ministry called for raising the minimum hourly wage for the current fiscal year by 50 yen. The 5% increase exceeds the previous year's 43 yen, marking the highest jump since the government began setting a target for minimum wages in 1978. This will bring the nation's average minimum pay to 1,054 yen (\$6.90) per hour. [\(Source\)](#)

Other

- Kenyan President William Ruto named John Mbadi as finance minister who is the opposition leader, as he extends an overhaul of his administration in an effort to end anti-government protests in which at least 54 people have died. Mbadi, an accountant by profession, is chairman of the opposition Orange Democratic Movement and allied to leader Raila Odinga. His appointment fulfills another pledge by Ruto to form a so-called government of national unity to garner wider public support. The new finance minister will have to come up with a plan to boost government revenue after the deadly protests forced Ruto to abandon a plan to raise about \$2 billion in new taxes. [\(Source\)](#)

Local News

- The SEMDEX edged down by 0.1% to close at 2,108.38. MCBG closed unchanged at MUR 382.50 with MUR 18.7m traded while SBMH ticked up to MUR 4.71 (+0.2%) with MUR 588k traded. CIEL advanced to MUR 7.34 (+0.3%) while IBL and Emtel fell to MUR 40.00 (-0.3%)

and MUR 22.00 (-3.3%) respectively. Alteo climbed to MUR 10.45 (+4.0%) with only MUR 2k traded while ASL plunged to MUR 45.00 (-9.1%) with MUR 110k traded.

- For the Three-Year Government of Mauritius Treasury Notes, the nominal amount of MUR 2.17bn was allocated at a weighted average yield of 4.59% on 24 July 2024, 4 bps higher relative to the previous auction held on 29 May 2024.

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Sources: Bloomberg, Reuters, FT



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