

WORLD NEWS

US

- Housing starts in the US sank 14.4% month on month in May 2022, the most since April 2020, as the housing market is facing high pressure from rising inflation and mortgage rates, which coupled with elevated building material costs and supply constraints weigh on consumers' affordability.
- Adobe shares fell 5% in extended trading on Thursday after the design software maker gave full-year guidance that fell short of analysts' expectations. During the quarter ended June 3, the company's revenue grew 14% year over year. The company pointed to the war in Ukraine, a USD175 million foreign-exchange headwind, and summer seasonality.

Europe

- The Bank of England raised its main Bank Rate by 25bps to 1.25% during its June 2022 meeting, a fifth consecutive rate hike and pushing borrowing costs to the highest in 13 years as it tries to temper soaring inflation. The central bank raised its commitment to bring inflation back to the 2% target and 'act forcefully' if necessary. It now expects inflation to be over 9% during the next few months and to rise to slightly above 11% in October.
- European Central Bank President Christine Lagarde told euro-area finance ministers that the ECB's new anti-crisis tool will kick in if the borrowing costs for weaker nations rise too far or too fast, according to people briefed on their discussions. She said the instrument may be triggered if bond spreads widen beyond certain thresholds or if market movements exceed a certain speed. Lagarde did not specify whether those limits would be made public.

Asia & Emerging Markets

- The Bank of Japan maintained ultra-low interest rates during its June meeting and its guidance to keep borrowing costs at "present or lower" levels, signaling its resolve to focus on supporting the economy's tepid recovery from the COVID-19 pandemic. The board also said it would offer to buy unlimited amounts of the bonds to defend an implicit 0.25% cap every market day. The BoJ reiterated that it will not hesitate to take extra easing measures if needed.
- Argentina's central bank raised its benchmark interest rate by the most in three years on Thursday as the South American country firefights sky-high inflation running at over 60%. The central bank upped the benchmark Leliq rate by 300 basis points to 52%, the sharpest rise since 2019, citing rising perception of financial risk, soaring global prices and the need to spur saving in the hard-hit local peso currency.

Others

- Elon Musk was sued for USD258 billion on Thursday by a Dogecoin investor who accused him of running a pyramid scheme to support the cryptocurrency. In a complaint filed in federal court in Manhattan, plaintiff Keith Johnson accused Musk, electric car company Tesla Inc and space tourism company SpaceX of racketeering for touting Dogecoin and driving up its price, only to then let the price tumble.

LOCAL NEWS

The SEMDEX dropped 0.3% to 2,172.53 points with a relatively low market turnover of MUR13.2m. MCBG dropped 0.3% to MUR312.00 on 13.5k shares traded, while SBMH closed unchanged at MUR4.92. Financial stock, CIM gave up 3.00% to MUR9.70 on 161.2k shares traded. Conglomerate, Ciel and Rogers dropped 1.5% to MUR6.80 and 0.2% to MUR31.45 respectively. Among hotels, SUN fell by 3.4% to MUR25.80 on 12.8k shares traded, while NMH gained 0.9% to MUR8.60 on 3.3k shares traded.

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CHANGE

Indices	Value at Close	Day on Day	YTD	YTD(Rs)
MSCI World	2,490.54	-2.59%	-22.93%	-21.33%

US

S&P 500	3,666.77	-3.25%	-23.07%	-21.46%
DOW JONES	29,927.07	-2.42%	-17.64%	-15.92%
NASDAQ	10,646.10	-4.08%	-31.95%	-30.53%

Europe

FTSE 100	7,044.98	-3.14%	-4.60%	-11.26%
CAC 40	5,886.24	-2.39%	-17.71%	-21.64%
DAX	13,038.49	-3.31%	-17.92%	-21.83%

Asia

NIKKEI 225	26,431.20	0.40%	-8.20%	-19.43%
HANG SENG	20,845.43	-2.17%	-10.91%	-9.63%
SENSEX	51,495.79	-1.99%	-11.60%	-13.98%

Mauritius

SEMDEX	2,172.53	-0.27%	3.56%
SEM-10	393.79	-0.21%	1.49%
SEMTRI	8,730.27	-0.27%	4.61%
DEMEX	300.56	0.35%	-1.67%

CHANGE

Currencies	Value Today	Day on Day	YTD
USD/MUR*	44.00	-0.23%	2.09%
GBP/MUR*	54.09	0.99%	-6.98%
EUR/MUR*	46.42	0.57%	-4.77%
AUD/MUR*	31.04	-0.16%	-1.13%
ZAR/MUR*	2.77	-1.25%	1.84%
GBP/USD	1.24	1.41%	-8.72%
EUR/USD	1.05	1.01%	-7.22%
AUD/USD	0.70	0.63%	-2.97%

Central Bank Rates

USD	1.50%-1.75%
GBP	1.25%
EUR	0.00%
AUD	0.85%
MUR	2.25%

CHANGE

Commodities	Value at Close	Day on Day	YTD
Oil (NYMEX)	117.59	1.98%	56.35%
Gold	1,857.33	1.28%	1.54%
CRB	317.17	0.75%	36.49%

* 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