

Market Highlights

- The single currency is trading around the \$1.0800 level ahead of the release of the high-impact Nonfarm Payrolls (NFP) data for July, slated for release today, as markets continue to assess this week’s US Federal Reserve (Fed) policy decision.
- The Pound sterling plummeted after the Bank of England (BoE) cut its Official Bank Rate by 25 bps to 5.0% yesterday. BoE Governor Andrew Bailey explained the decision to reduce the policy rate was due to the fact that the overall inflation trajectory is now closer to the 2% target.
- The Australian dollar was almost unchanged against the greenback as second-quarter local inflation data has diminished expectations for another rate hike by the Reserve Bank of Australia (RBA) at its policy meeting next week.
- The Canadian dollar slid against the U.S dollar after July’s Canadian S&P Global Manufacturing PMI tumbled to a seven-month low of 47.8 from the previous 49.3 as local manufacturing activity continues to decline.
- The South African rand was little changed against its stronger U.S counterpart on increased investors’ expectation of a September interest rate cut by the Fed Bank.
- The Japanese yen grinded higher, nearing the 149.00/\$ mark, following the Bank of Japan’s decision to hike its policy rate as well as a robust increase in Japanese Retail Sales.
- Crude Oil found support from supply risks arising from heightened geopolitical tensions in the Middle East, despite ongoing global concerns about oil demand.

Term of the Day: Harvard MBA Indicator

The Harvard MBA Indicator is a contrarian long-term stock market indicator that evaluates the percentage of Harvard Business School MBA graduates that accept "market sensitive" jobs. Market sensitive jobs exist in fields such as investment banking, securities sales and trading, private equity, venture capital, and leveraged buyouts. If more than 30% of a year's graduating class take jobs in these areas, the Harvard MBA Indicator is said to generate a sell signal for stocks. Conversely, if less than 10% of graduates take jobs in this sector, it represents a long-term buy signal for stocks. In between can be regarded as "neutral".

Source: Investopedia

Local Securities:

The Bank of Mauritius has accepted the following bid yesterday:

Tenor	BOM/GOM	Amount (Mio)	Yield	Settlement
182-D	GOM	1,450.00	3.61%	01-Aug-24
364-D	GOM	1,500.00	3.81%	01-Aug-24

Govt of Mauritius Securities			
Date	Tbills/Govt Bonds	Actual	Previous
26-Jul-24	7 - Day	4.50%	4.50%
11-Jul-24	91 - Day	3.15%	3.14%
1-Aug-24	182 - Day	3.61%	3.48%
1-Aug-24	364 - Day	3.81%	3.72%
9-Feb-24	2 - Year	3.91%	3.88%
29-Jul-24	3 - Year	4.59%	4.55%
19-Jun-24	5 - Year	4.79%	5.25%
19-Jul-24	7 - Year	4.90%	5.29%
17-Apr-24	10 - Year	5.68%	4.41%
26-Jul-24	15 - Year	5.38%	5.20%
28-May-24	20 - Year	5.61%	5.69%

Today Economic Calendar:

Country	Indicators	Poll	Prior
15:15 UK	BoE Member Pill Speech		
16:30 US	Non Farm Payrolls (Jul)	175K	206K
16:30 US	Unemployment Rate (Jul)	4.10%	4.10%
16:30 US	Average Hourly Earnings MoM (Jul)	0.30%	0.30%
16:30 US	Average Weekly Hours (Jul)	34.3	34.3
18:00 US	Factory Orders MoM (Jun)	-2.90%	-0.50%

Market Currency

Currency	Actual	Previous
EUR - USD	1.0800	1.0829
GBP - USD	1.2797	1.2848
USD - JPY	149.21	149.97
USD - ZAR	18.2503	18.2357
USD - MUR	47.210	47.080
EUR - MUR	51.885	51.899
GBP - MUR	61.111	61.552
ZAR - MUR	2.6800	2.6790

Equities Market			
Indices	Last	Previous	% Change
DOW JONES	40,347.97	40,842.79	-1.21%
FTSE	8,283.36	8,367.98	-1.01%
NIKKEI	36,224.31	38,110.01	-4.95%
NASDAQ	17,194.14	17,599.40	-2.30%
SEM	2,122.90	2,113.49	0.45%

We will be pleased to assist you, should you require any further information:	
anju.benimadhu@bankone.mu	2029322
nawsheen.nunkoo@bankone.mu	2029359
raymode.yasine@bankone.mu	2029414
ariana.dawoo@bankone.mu	2029460

**DISCLAIMER:** This report has been issued by members of the Treasury Department of Bank One Limited. This document has been prepared in good faith on the basis of information available at the date of publication without any independent verification. This communication is provided for information and discussion purposes only. Unless otherwise indicated, it does not constitute an offer or recommendation to purchase or sell any financial instruments or other products. Bank One does not guarantee or warrant the accuracy, reliability, completeness of the information in this publication.Our references are Bloomberg, Reuters and Bank of Mauritius.