

# AXYS

MARKET AS A  
REFLECTION  
OF THE STATE OF  
ECONOMY

29-OCT - 2020



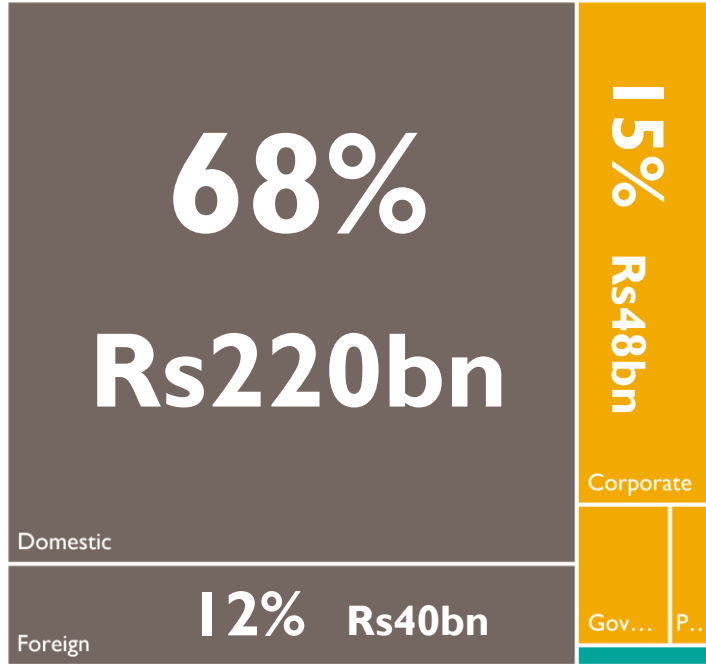
# TOPICS

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# MAURITIAN STOCK MARKET

BREAKING DOWN THE Rs324bn MARKET CAP



## STOCKS [Rs260bn]

76 | 24

Domestic | Foreign

## BONDS [Rs62bn]

18 (54) | 5 (5) | 1 (66)

Corporate | Pref.Share | Government

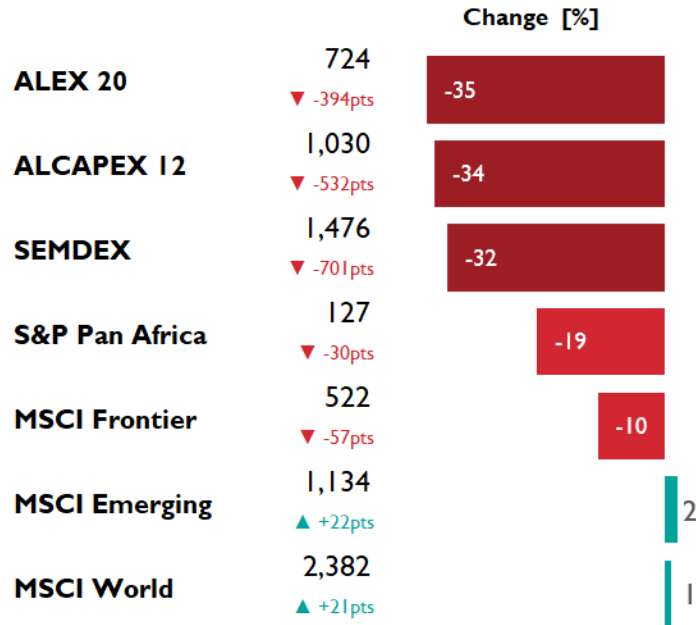
## ETF

2 | 1 | 1

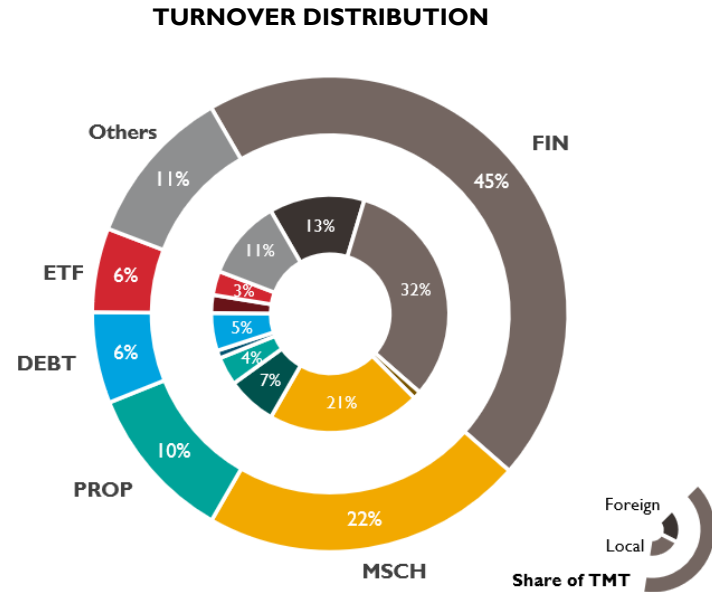
Debt | Stock | Gold

# STOCK EXCHANGE

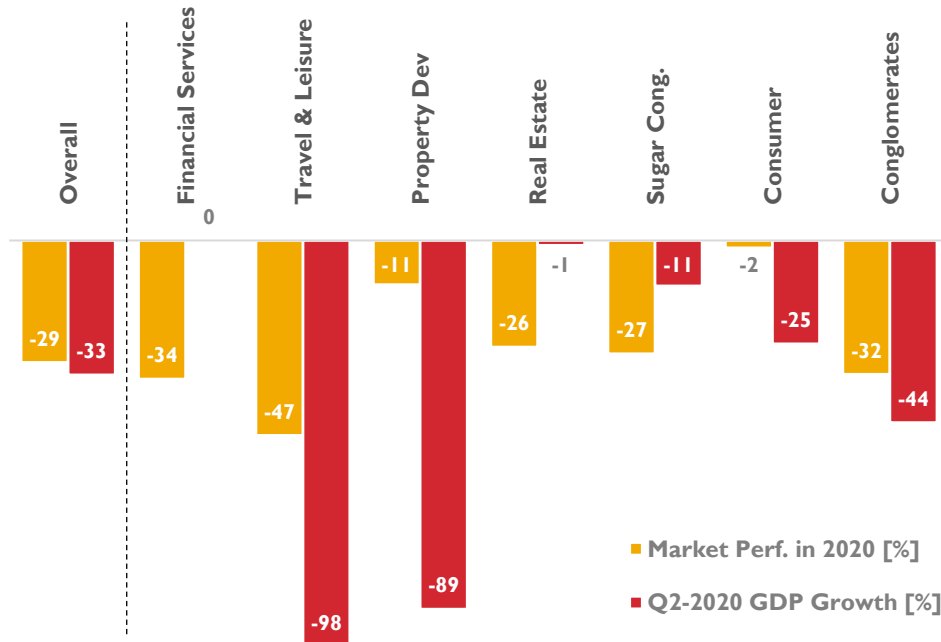
## PERFORMANCE IN 2020



Previous day's closing values except for Mauritian indices.



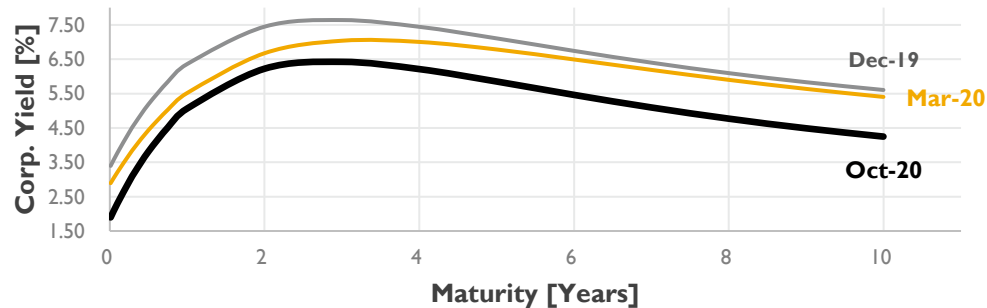
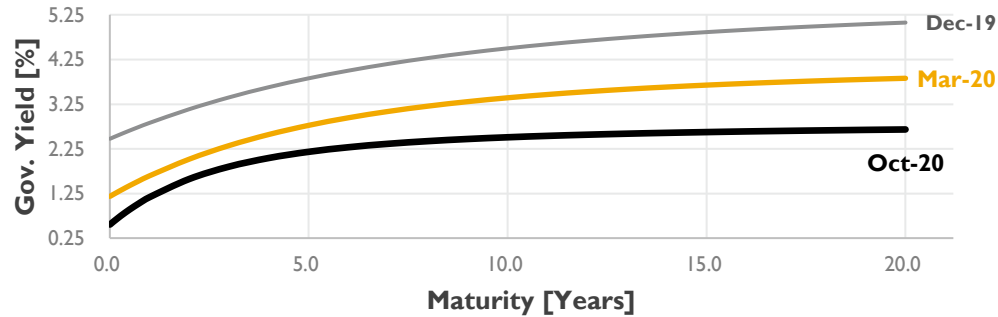
# MARKET v/s ECONOMY



- Mauritian companies have seen their **market capitalisation** fall by **29%** which is on the order of the **33%** annualised **GDP contraction** recorded during Q2-2020

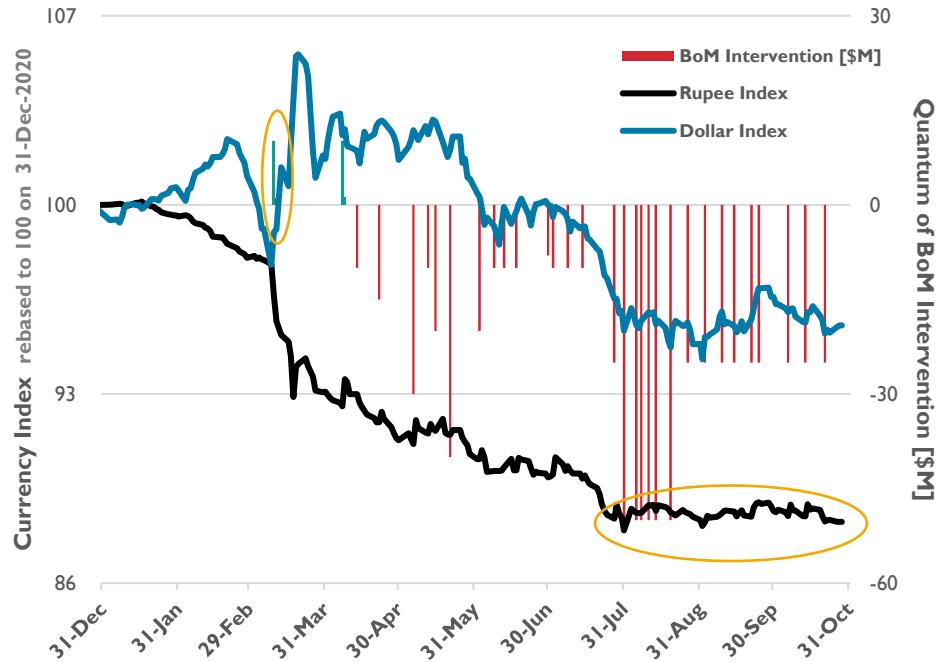
# INTEREST RATES

## I-YEAR EVOLUTION



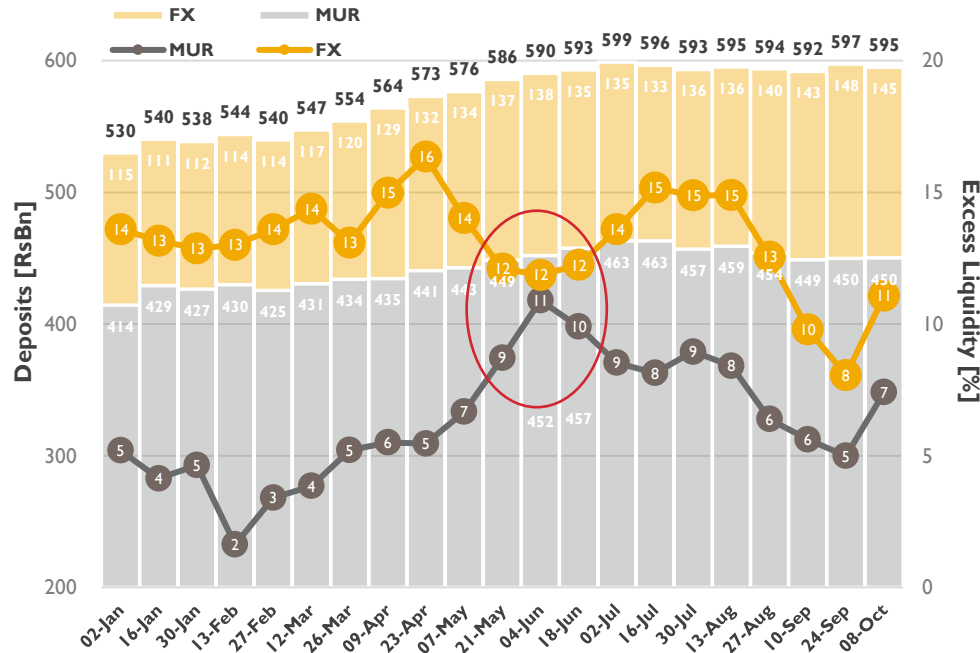
- **Moody's** downgraded Mauritius' **outlook** from "Stable" to "Negative" in April
- Government is borrowing at **rate lower by ~2%**
- Due to the "floating-rate" corporate bonds, **corporate yields** shrank by ~100bps

# FOREIGN EXCHANGE



- The **Dollar** has fallen by **~5%**
- The **Rupee** has fallen by **~12%**
- The Bank of Mauritius (BoM) has been **defending** the Rupee at **~Rs39.75** since mid-April

# BANK DEPOSITS & LIQUIDITY



- **Deposits** have been rather stable at **~Rs600bn** since June
- **Foreign currency** deposits grew from **\$3.1bn** in Q1 to average **\$3.4bn** between May–Aug
- Excess **undeployed** deposits peaked in June



# RESTORING CONFIDENCE

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1 REDUCE  
UNCERTAINTY

2 REFORMS or  
MAJOR POLICY

3 MANAGE  
EXPECTATIONS

$$\Delta\chi\Delta\rho \geq \frac{\hbar}{2}$$

# CONTACT US

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