



WEEKLY MAD INSIGHTS

CURRENCIES

WEEKLY VARIATIONS

		+0.16%			+1.84%
USD/MAD		8.9173	CAD/MAD		7.2640
		+0.29%			+0.31%
EUR/MAD		10.7730	GBP/MAD		12.4010
		-0.95%			+0.67%
JPY/MAD		8.1863	CHF/MAD		9.7971

INTERNATIONAL HIGHLIGHTS



	USD/MAD	EUR/MAD
[Basket ⁽¹⁾ effect]	-0.08%	+0.05%
[Liquidity ⁽²⁾ effect]	+0.24%	+0.24%

(1) Impact of the variation in the EUR/USD parity
(2) Impact of the variation in the liquidity spread (Supply / Demand)

Banks Foreign Exchange position ⁽³⁾ W	MAD 1,085 MN
Banks Foreign Exchange position W-1	MAD 2,142 MN

(3) Calculated over the period from 04/19/2021 to 04/23/2021

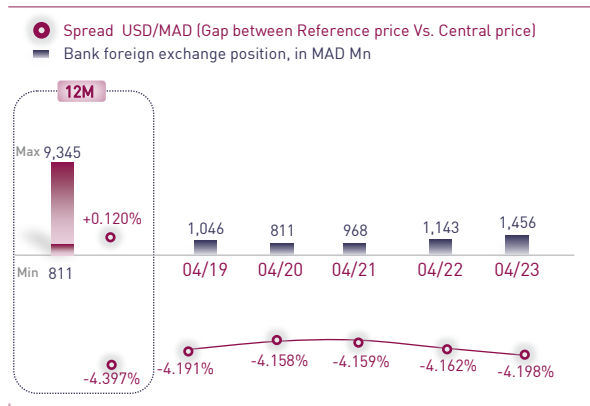
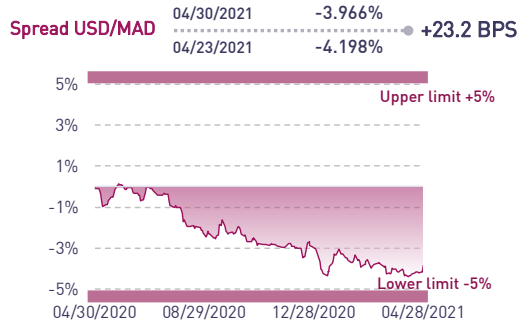
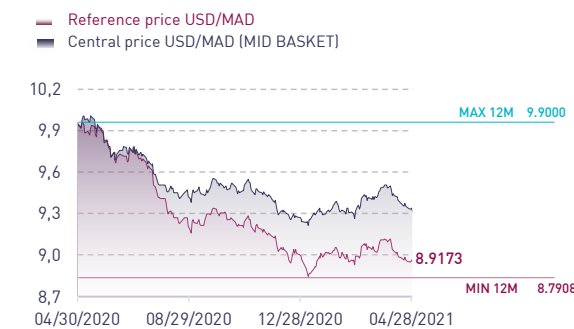
The dollar appreciates for the 1st time since April

While the European currency experienced a bullish trend throughout April, the latter fell this week against the dollar by -0.64% to 1.202 from 1.210 a week earlier.

The dollar strengthened thanks to positive data in the United States which attest to the acceleration of the economic recovery. This is evidenced by the Q1-21 GDP released this week, which rose by 6.4%.

The Fed is optimistic and anticipates a solid economic recovery in 2021. In fact, the vaccination rate in the United States is at its peak with more than half of adults having received at least one injection.

MAD EVOLUTION AND FOREIGN EXCHANGE MARKET LIQUIDITY INDICATORS



The MAD initiates a depreciation movement

The MAD depreciated this week against the dollar by 0.16% to 8.92. This orientation is explained by a market effect of +0.24%, resulting from the evolution of liquidity conditions on the foreign exchange market. The basket effect remains limited at -0.08%.

The banks foreign exchange position contracted by more than MAD 1 Bn on average to MAD 1.1 Bn. This is its lowest annually. This situation is explained by the time lag between the execution of export and import operations. For its part, the gap between the MAD reference price and its central price is reduced to -3.97% against -4.20% last week.

VOLATILITY INDICATORS

	USDMAD	EURMAD	JPYMAD	CADMAD	GBPMAD	CFMAD
1 MONTH	3.32%	3.20%	5.54%	6.86%	6.86%	4.93%
2 MONTHS	4.24%	3.73%	4.91%	6.82%	7.29%	5.90%
3 MONTHS	4.70%	3.80%	5.12%	6.29%	7.31%	6.15%

Sustained volatility of the MAD over the short-term

Following the significant fluctuations in EUR/USD, the dirham could be significantly affected.

In order to secure the import activities margins, we recommend that companies importing in dollars opt for hedging strategies over the short term.

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WEEKLY MAD INSIGHTS

CURRENCIES

05 | MAY
2021

Week from 04/26/2021 to 04/30/2021

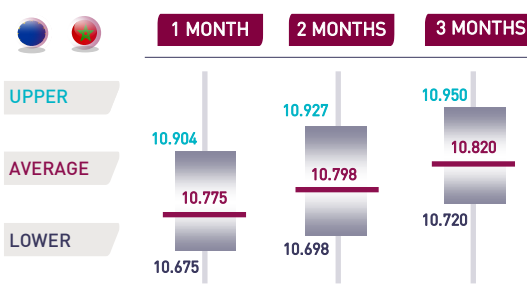
EUR/USD OUTLOOK – BLOOMBERG

	SPOT	Q2-21	Q3-21	Q4-21	Q1-22	2022	2023	2024	2025
MEDIAN		1.20	1.20	1.22	1.22	1.23	1.21	1.22	1.26
AVERAGE	1.2020	1.20	1.21	1.22	1.22	1.22	1.21	1.21	1.24
+HIGH	04/30/2021	1.26	1.29	1.33	1.35	1.31	1.26	1.26	1.26
+LOW		1.16	1.15	1.15	1.13	1.10	1.16	1.14	1.18
FORWARD		1.21	1.21	1.21	1.21	1.22	1.24	1.26	1.28

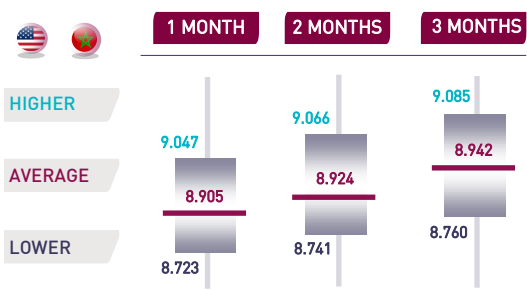
The main international brokers revised upwards their bullish forecasts over the MST regarding the development of the EUR/USD parity. The forecast consensus concerns a parity of 1.20 by Q2-21, against an initial forecast of 1.19. Brokers anticipate a level of 1.22 between the end of 2021 and 2022. Over 2023-2024, the pair would drop slightly to 1.21 before reaching 1.24 by 2025.

Faced with investors uncertainties, the ECB confirmed this week its arsenal of monetary support, judging premature any debate on the end of massive debt purchases, its main anti-crisis weapon. It also decided to maintain the significant increase in the pace of this program in Q2-21. This strong commitment from the European Central Bank reassures investors and would therefore support the uptrend of the euro over the short term.

EUR/MAD AND USD/MAD OUTLOOK - AGR



Based on EUR/USD Bloomberg forecast for Q2-20



Based on EUR/USD Bloomberg forecast for Q2-20

Taking into account the liquidity conditions on the foreign exchange market and the current spread levels, we revised downwards our forecasts for the evolution of the USD/MAD parity in the 1, 2 and 3 month horizons. We therefore expect the MAD to appreciate slightly against the dollar over the next month. However, this trend would reverse within 2-3 months.

In more detail, the MAD would appreciate against the dollar by 0.1% over the next month before depreciating by 0.1% and 0.3% in the 2 and 3 month horizons compared to a current level of 8.92. The USD/MAD parity would thus be at 8.91, 8.92 and 8.94 for 1, 2 and 3 month horizons, against an initial forecast of 8.92, 8.94 and 8.95.

At the same time, the MAD would stabilize at its current level against the euro over the next month, before depreciating by 0.2% and 0.4% over 2 and 3 months. Therefore, the EUR/MAD parity would reach 10.78, 10.80 and 10.82 against an initial forecast of 10.80, 10.82 and 10.83 over the same periods and against a current price of 10.77.

MAD DASHBOARD (YTD PERFORMANCE)

	USD/MAD	EUR/MAD	JPY/MAD	CAD/MAD	GBP/MAD	CHF/MAD
1 WEEK	+0.16%	+0.29%	-0.95%	+1.84%	+0.31%	+0.67%
1 MONTH	-1.65%	+1.27%	-0.37%	+0.99%	-0.55%	+1.82%
YTD 2021	+0.14%	-1.48%	-5.26%	+3.92%	+1.99%	-3.13%

Prices as of 04/30/2021



APPENDICES

DATA AS OF APRIL 30TH, 2021

APPENDIX 1 : BLOOMBERG FORECASTS FOR TENOR CURRENCIES

		Q2-21	Q3-21	Q4-21	2022	2023	2024	2025
FORECAST	USD/JPY	108	108	108	108	111	107	103
FORWARD	109	109	109	109	108	107	105	103
FORECAST	USD/CAD	1.25	1.25	1.24	1.24	1.25	1.25	1.25
FORWARD	1.23	1.23	1.23	1.23	1.23	1.24	1.24	1.25
FORECAST	USD/CHF	0.92	0.92	0.92	0.92	0.91	0.93	0.95
FORWARD	0.91	0.91	0.91	0.91	0.90	0.88	0.87	0.85
FORECAST	GBP/USD	1.39	1.40	1.40	1.44	1.44	1.42	1.39
FORWARD	1.38	1.39	1.39	1.39	1.39	1.39	1.39	1.40

APPENDIX 2 : MAIN BROKERS FORECASTS FOR THE EUR/USD PARITY

	Date	Q2-2021	Q3-2021	Q4-2021	2022	2023
X-Trade Brokers Dom Maklerski	04/30/21	1.19	1.17	1.17	1.18	1.24
Mouvement Desjardins	04/28/21	1.21	1.22	1.22	1.19	1.18
Landesbank Baden-Wuerttemberg	04/27/21	1.21	1.19	1.18	1.15	1.18
Rabobank	04/23/21	1.19	1.17	1.18	1.17	1.18
Swedbank	04/23/21	1.20	1.22	1.22	1.20	1.18
Maybank Singapore	04/15/21	1.20	1.22	1.24	1.25	1.25
Ballinger & Co.	04/13/21	1.20	1.23	1.24	1.23	1.21
Banco Bilbao Vizcaya Argentaria	04/09/21	1.19	1.20	1.22	1.23	1.29
Standard Chartered	04/08/21	1.17	1.17	1.20	1.26	1.26
NAB/BNZ	04/07/21	1.26	1.28	1.30	1.31	1.25
ING Financial Markets	04/06/21	1.22	1.25	1.28	1.22	1.20
United Overseas Bank	03/31/21	1.18	1.19	1.20	1.18	1.16
BNP Paribas	03/29/21	1.18	1.20	1.23	1.18	1.32
Commonwealth Bank of Australia	03/09/21	1.24	1.26	1.28	1.34	1.34
SCB Securities	12/18/20	1.30	1.25	1.28	1.32	1.25
Westpac Banking	12/14/20	1.24	1.25	1.26	1.27	1.25
Barclays	12/03/20	1.16	1.15	1.19	1.15	1.17

Data as of 04/30/2021

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