



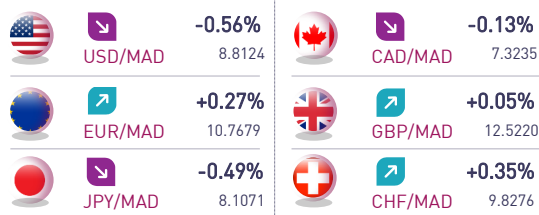
WEEKLY MAD INSIGHTS

CURRENCIES

27 | MAY
2021

Week from 05/17/2021 to 05/21/2021

WEEKLY VARIATIONS



INTERNATIONAL HIGHLIGHTS



	USD/MAD	EUR/MAD
Basket ⁽¹⁾ effect	-0.53%	+0.30%
Liquidity ⁽²⁾ effect	-0.03%	-0.03%

(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 3,178 MN**
 Banks Foreign Exchange position W-1 **MAD 2,750 MN**

(3) Calculated over the period from 05/06/2021 to 05/12/2021

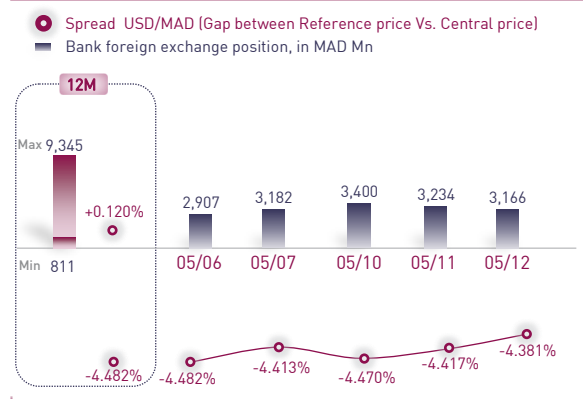
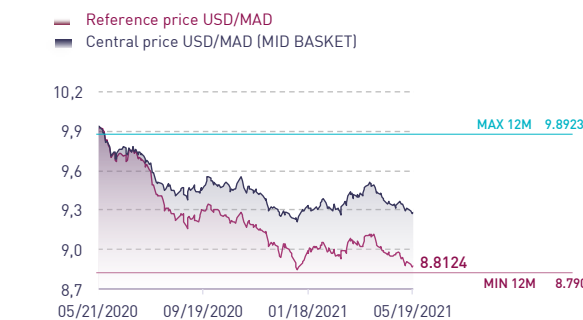
EUR/USD at its highest since early 2021

This week was marked by the rise of the euro against the dollar by +0.34%, going from 1.214 to 1.218. The pair even reached this week its highest since early 2021 at 1.223.

With the advancement of the vaccine campaign, Eurozone countries eased restrictions during this month, allowing an acceleration of economic activity recovery. The Eurozone PMI index attests to this, going from 53.8 to 56.9 pts during the month of May.

Across the Atlantic, the latest disappointing US data weighed on the dollar. Indeed, the Philadelphia Fed index fell sharply in May, from 50.2 to 31.5.

MAD EVOLUTION AND FOREIGN EXCHANGE MARKET LIQUIDITY INDICATORS



The bank's FX position at more than MAD 3.0 Bn

According to recent data, the weekly average of the bank's foreign exchange position crossed the threshold of MAD 3.0 Bn against MAD 2.8 Bn a week earlier. At the origin, the seasonal effect of remittances by Moroccans living abroad during Eid Al-Fitr. The spread between the MAD reference price and its central price widened slightly by 3 PBS to -4.41% against -4.38% a week earlier.

Concerning the MAD, it continues to appreciate against the dollar by +0.56%. The USD/MAD parity stood at 8.81 against 8.86 a week earlier. Originally, a basket effect relating to the EUR/USD pair variation of -0.53% versus a market effect of -0.03%.

VOLATILITY INDICATORS

	USDMAD	EURMAD	JPYMAD	CADMAD	GBPMAD	CFMAD
1 MONTH	4.18%	3.38%	5.60%	7.31%	7.01%	4.69%
2 MONTHS	4.02%	3.03%	5.26%	6.93%	7.29%	4.99%
3 MONTHS	4.65%	3.56%	5.13%	7.01%	7.70%	5.95%

Attractive levels for hedging

The high MAD volatility levels comfort the companies operating in foreign currencies in their dynamic hedging strategies over the ST. These allow them to better manage the currency risk in such context.

We recommend to importing Corporates in dollar to hedge their operations at the current levels of the dirham which we consider attractive.

Attijari Global Research

Lamyae Oudghiri

Manager
+212 529 03 68 18
Loudghiri@attijari.ma

Meryeme Hadi

Associate
+212 529 03 68 19
m.hadi@attijari.ma

Nisrine Jamali

Investor relations
+212 5 22 49 14 82
n.jamali@attijari.ma

Capital Market - Trading

Yassine Rafa

05 22 42 87 72 / 06 47 47 48 23
y.rafa@attijariwafa.com

Mohammed Hassoun Filali

05 22 42 87 24 / 06 47 47 48 38
m.hassounfilali@attijariwafa.com

Capital Market - Sales

Btissam Dakkouni

05 22 42 87 74 / 06 00 04 95 80
b.dakkouni@attijariwafa.com



Attijari
Global Research



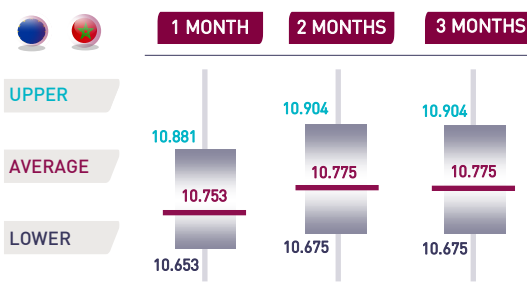
EUR/USD OUTLOOK – BLOOMBERG

	SPOT	Q2-21	Q3-21	Q4-21	Q1-22	2022	2023	2024	2025
MEDIAN		1.20	1.21	1.21	1.21	1.24	1.21	1.22	--
AVERAGE	1.2182	1.21	1.21	1.21	1.21	1.23	1.21	1.21	--
+HIGH	05/21/2021	1.26	1.29	1.33	1.35	1.31	1.26	1.24	--
+LOW		1.16	1.17	1.17	1.16	1.15	1.16	1.18	--
FORWARD		1.22	1.22	1.22	1.23	1.23	1.25	1.27	1.29

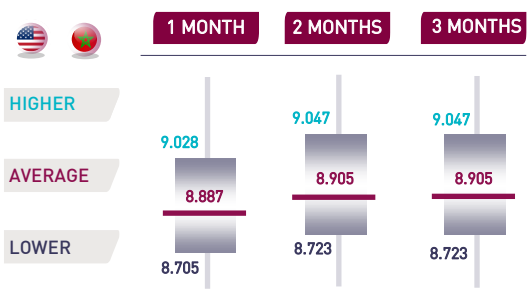
The main international brokers slightly revised upwards their forecasts concerning the EUR/USD parity. The consensus is for a bearish forecast until early 2022. The pair would settle at 1.21 at the end of Q2-21 from an initial forecast of 1.20. It would stabilize at this level until the beginning of 2022. At the end of 2022, EUR/USD is aiming for a level of 1.23 against an initial forecast of 1.22. It would drop to 1.21 by 2024.

While policymakers said that debates on debt reduction in the United States could begin in June 2021, the latest disappointing data could delay the start of such a process. Indeed, while the US economy recovery remains relevant, there is no indication that its pace is accelerating. At the same time, the more favorable outlook for the global recovery could steer investors towards other currencies that are both growth-oriented and relatively higher risk, such as the euro.

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 our projections of improving liquidity conditions by the ST, supported by the current low levels of liquidity spreads, we are keeping our forecasts for the MAD. Our scenario concerns a MAD depreciation against the dollar during the next 3 months.

The MAD would depreciate against the dollar by 0.8% over 1 month and 1.1% over 2 and 3 months from a current level of 8.81. The USD/MAD parity would thus reach 8.89, 8.91 and 8.91 at 1, 2 and 3 months horizons respectively.

Against the euro, the MAD would appreciate slightly by 0.1% over 1 month before depreciating by 0.1% over 2 and 3 months. The EUR/MAD parity would reach 10.75, 10.78 and 10.78 over the same periods against a spot rate of 10.78.

MAD DASHBOARD (YTD PERFORMANCE)

	USD/MAD	EUR/MAD	JPY/MAD	CAD/MAD	GBP/MAD	CHF/MAD
1 WEEK	-0.56%	+0.27%	-0.49%	-0.13%	+0.05%	+0.35%
1 MONTH	-1.36%	+0.38%	-1.90%	+3.34%	+0.68%	+1.01%
YTD 2021	-1.04%	-1.53%	-6.17%	+4.77%	+2.99%	-2.83%

Prices as of 05/21/2021



APPENDICES

DATA AS OF MAY 21ST, 2021

APPENDIX 1 : BLOOMBERG FORECASTS FOR TENOR CURRENCIES

		Q2-21	Q3-21	Q4-21	2022	2023	2024	2025
FORECAST	USD/JPY	109	109	110	110	112	109	--
FORWARD	109	109	109	109	108	107	105	103
FORECAST	USD/CAD	1.23	1.23	1.23	1.23	1.22	1.23	1.23
FORWARD	1.20	1.2	1.21	1.21	1.21	1.21	1.22	1.22
FORECAST	USD/CHF	0.92	0.92	0.93	0.93	0.90	0.93	--
FORWARD	0.90	0.90	0.90	0.89	0.88	0.87	0.86	0.84
FORECAST	GBP/USD	1.40	1.40	1.40	1.42	1.41	1.39	--
FORWARD	1.42	1.42	1.42	1.42	1.42	1.42	1.42	1.43

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

	Date	Q2-2021	Q3-2021	Q4-2021	2022	2023
Rabobank	05/21/21	1.20	1.18	1.17	1.17	1.18
Banco Bilbao Vizcaya Argentaria	05/20/21	1.20	1.22	1.23	1.25	1.29
Swedbank	05/20/21	1.21	1.23	1.24	1.18	1.16
NAB/BNZ	05/19/21	1.26	1.28	1.30	1.31	1.25
Westpac Banking	05/10/21	1.21	1.23	1.23	1.27	1.26
Citigroup	05/07/21	1.21	1.19	1.17	1.15	1.40
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
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
Standard Chartered	04/08/21	1.17	1.17	1.20	1.26	1.26
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

Data as of 05/21/2021

ATTIJARI GLOBAL RESEARCH

HEAD OF STRATEGY

Taha Jaidi
+212 5 29 03 68 23
t.jaidi@attijari.ma
Casablanca

MANAGER

Lamyae Oudghiri
+212 5 29 03 68 18
l.oudghiri@attijari.ma
Casablanca

SENIOR ASSOCIATE

Mahat Zerhouni
+212 5 29 03 68 16
m.zerhouni@attijari.ma
Casablanca

ASSOCIATE

Omar Cherkaoui
+212 5 22 49 14 82
o.cherkaoui@attijari.ma
Casablanca

CHIEF ECONOMIST

Abdelaziz Lahlou
+212 5 29 03 68 37
ab.lahlou@attijari.ma
Casablanca

MANAGER

Maria Iraqui
+212 5 29 03 68 01
m.iraqui@attijari.ma
Casablanca

ASSOCIATE

Meryeme Hadi
+212 5 22 49 14 82
m.hadi@attijari.ma
Casablanca

INVESTOR RELATIONS ANALYST

Nisrine Jamali
+212 5 22 49 14 82
n.jamali@attijari.ma
Casablanca

SENIOR ANALYST

Ines Khouaja
+216 31 34 13 10
khouaja.ines@attijaribourse.com.tn
Tunis

FINANCIAL ANALYST

Josiane Ouakam
+237 233 43 14 46
j.ouakam@attijarisecurities.com
Douala

FINANCIAL ANALYST

Jean-Jacques Birba
+225 20 21 98 26
jean-jacques.birba@sib.ci
Abidjan

Equity

BROKERAGE - MOROCCO

Abdellah Alaoui
+212 5 29 03 68 27
a.alaoui@attijari.ma

Rachid Zakaria
+212 5 29 03 68 48
r.zakaria@attijari.ma

Anis Hares
+212 5 29 03 68 34
a.hares@attijari.ma

Alae Yahya
+212 5 29 03 68 15
a.yahya@attijari.ma

Sofia Mohcine
+212 5 22 49 59 52
s.mohcine@wafabourse.com

CUSTODY - MOROCCO

Tarik Loudiyi
+212 5 22 54 42 98
t.loudiyi@attijariwafa.com

UEMOA - CÔTE D'IVOIRE

Mohamed Lemridi
+225 20 21 98 26
mohamed.lemridi@sib.ci

BROKERAGE - TUNISIA

Abdelkader Trad
+225 20 21 98 26
trad.abdelkader@attijaribank.com.tn

CEMAC - CAMEROUN

Sammy N.Ekambi
+237 678 43 87 19
s.ekambi@attijarisecurities.com

Bonds /Forex /Commodities

MOROCCO

Mehdi Mabkhout
+212 5 22 42 87 22
m.mabkhout@attijariwafa.com

Mohammed Hassoun Filali
+212 5 22 42 87 24
m.hassounfilali@attijariwafa.com

Btissam Dakkouni
+212 5 22 42 87 74
b.dakkouni@attijariwafa.com

Dalal Tahoune
+212 5 22 42 87 07
d.tahoune@attijariwafa.com

EGYPT

Mahmoud Bahaa
+202 27 97 04 80
mahmoud.bahaa@barclays.com

TUNISIA

Abdelkader Trad
+216 71 80 29 22
trad.abdelkader@attijaribank.com.tn

MIDDLE EAST - DUBAÏ

Serge Bahaderian
+971 0 43 77 03 00
sbahaderian@attijari-me.com

WAEMU - CÔTE D'IVOIRE

Abid Halim
+225 20 20 01 55
abid.halim@sib.ci

CEMAC - GABON

Youssef Hansali
+241 01 77 72 42
youssef.hansali@ugb-banque.com

DISCLAIMER

RISKS
Investment in Securities is a risky operation. This document is intended for informed investors. The value and yield of an investment can be influenced by several factors both economic and technical. Previous performances of the different assets classes do not constitute a guarantee for subsequent achievements. Furthermore, forecast of future achievements may be based on assumptions that could not be realized.

LIABILITY LIMITS
The investor acknowledges that these opinions constitute an element of decision support. He assumes full responsibility for his investment choices. Attijari Global Research can't be considered responsible for his investment choices. This document can under no circumstances be considered as an official confirmation of a transaction addressed to a person or entity and no guarantee can be made that this transaction will be concluded on the basis of the terms and conditions contained in this document or on the basis of other conditions. Attijari Global Research has neither verified nor conducted an independent analysis of the information contained in this document. Therefore, Attijari Global Research doesn't make any statement or guarantee and makes no commitment to this document's readers, in any way whatsoever regarding the relevance, accuracy or completeness of the information contained therein. In any case, readers should collect the internal and external opinions they deem necessary, including from lawyers, tax specialists, accountants, financial advisers, or any other experts, to verify the adequacy of the transactions which are presented to them. The final decision is the sole responsibility of the investor. Attijari Global Research can not be held responsible for financial losses or any decision made on the basis of the information contained in its presentations.

INFORMATION SOURCE
Our publications are based on public information. Attijari Global Research strives for the reliability of the information provided. However, it is unable to guarantee its veracity or completeness. The opinions provided are expressed only by the analysts writers. This document and all attachments are based on public information and may in no circumstances be used or considered as a commitment from Attijari Global Research.

CHANGE OF OPINION
The expressed recommendations reflect an opinion consisting of available and public elements during the preparation period of the said note. The views, opinions and other information expressed in this document are indicative and may be modified or removed at any time without prior notice.

INDEPENDENCE OF OPINION
Attijari Global Research preserves full independence regarding the opinions and recommendations issued. As a result, the investment decisions of Attijariwafa bank Group subsidiaries may conflict with the recommendations and / or strategies published in the Research notes.

REMUNERATION AND BUSINESS STREAM
Financial analysts responsible for the preparation of this report receive remunerations based on various factors, among which the quality of the research and the relevance of the topics discussed. Attijariwafa bank Group maintains a business stream with the companies covered in the publications of Attijari Global Research.

ADEQUACY OF OBJECTIVES
The various publications of Attijari Global Research are prepared excluding the individual financial circumstances and objectives of persons who receive them. The instruments and discussed strategies may not be appropriate for the different investor profiles. For this reason, making an investment decision solely on these opinions may not lead to the intended objectives.

OWNERSHIP AND DIFFUSION
This document is the property of Attijari Global Research. It may not be duplicated or copied partially or fully without the written consent of the management of Attijari Global Research. This document can be distributed only by Attijari Global Research or one of Attijariwafa bank Group's subsidiaries.

SUPERVISORY AUTHORITIES
Attijari Global Research is subject to the supervision of the regulatory authorities for the various countries of presence. These include AMMC in Morocco, CMF in Tunisia, CREPMF in WAEMU, COSUMAF in CEMAC and CMA in Egypt. Any person accepting to receive this document is bound by the terms above.

par l'organe de contrôle relatif aux différents pays de présence. Il s'agit plus précisément de l'AMMC au Maroc, de la CMF en Tunisie, de la CREPMF à l'UEMOA, de la COSUMAF à la CEMAC et de la CMA en Egypt. Toute personne acceptant la réception de ce document est liée par les termes ci-dessus.