



WEEKLY MAD INSIGHTS

CURRENCIES

Attijari Global Research

Lamyae Oudghiri

Manager
+212 529 03 68 18
L.oudghiri@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

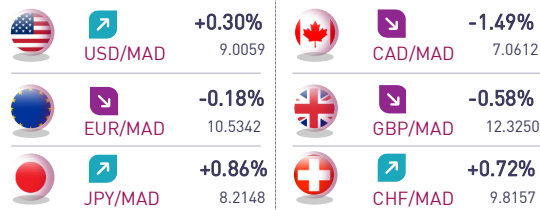


Attijari
Global Research

26 | AUGUST
2021

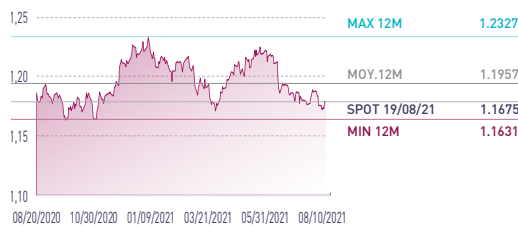
Week from 08/16/2021 to 08/19/2021

MAIN WEEKLY VARIATIONS



INTERNATIONAL HIGHLIGHTS

EUR/USD



| | USD/MAD | EUR/MAD |
|------------------------------|---------------|---------------|
| Basket ⁽¹⁾ effect | +0.30% | -0.18% |
| Market ⁽²⁾ effect | +0.00% | +0.00% |

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

| | | |
|--|--|-----------------|
| | Banks Foreign Exchange position ⁽³⁾ W | 8,039 MN |
| | Banks Foreign Exchange position W-1 | 6,648 MN |

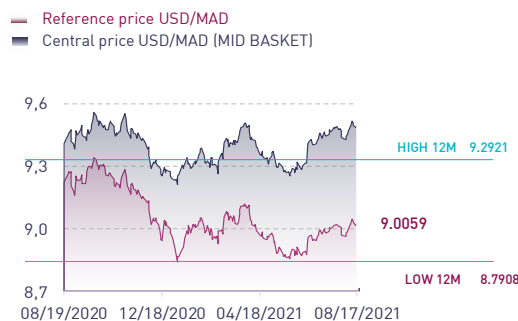
(3) Calculated over the period from 08/12/2021 to 08/18/2021

Euro hits 10-month low against dollar

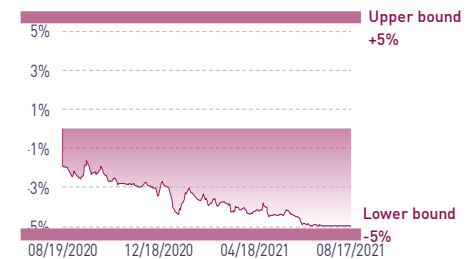
The Euro has fallen against the Dollar this week by -0.84% to 1.1698. During Thursday's session, the Euro hit 1.1675, i.e. its lowest level since November 2020.

Several factors support the Dollar recovery: (1) the optimistic prospects of the employment market in the United States, (2) the rise in health risks, mainly in China and (3) the less accommodating speech of the Fed during the minutes of the FOMC meeting on Wednesday night. Indeed, the institution could start reducing asset purchases before the end of 2021. These are currently set at \$ 120 billion/month.

MAD EVOLUTION AND FOREIGN EXCHANGE MARKET LIQUIDITY INDICATORS



| | | | |
|----------------|------------|----------------|-----------------|
| Spread USD/MAD | 08/19/2021 | -4.956% | +0.1 BPS |
| | 08/13/2021 | -4.958% | |



Capital Market - Trading

Yassine Rafa

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

Mohammed Hassoun Filali

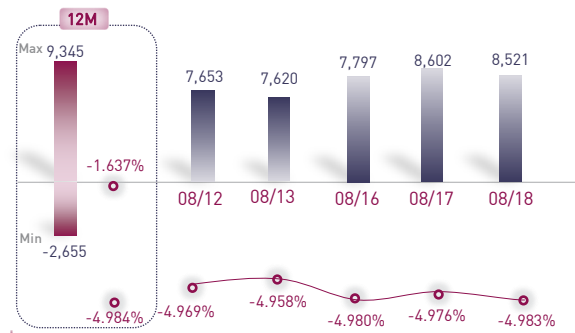
05 22 42 87 24 / 06 47 47 48 38
m.hassounfilali@attijariwafa.com

Capital Market - Sales

Btissam Dakkouni

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

Spread USD/MAD (Gap between Reference price Vs. Central price)
 Bank foreign exchange position, in MAD Mn



USD/MAD parity goes above 9.0 DH

The USD/MAD parity crosses upwards the level of 9.0 for the first time since April, i.e. a change of -0.30%. This is explained exclusively by the EUR/USD basket effect. In contrast, the market effect is neutral.

The spread between the reference price and the central price of the MAD remains stable at -4.96%. Thus, the Dirham's liquidity spreads resist close to the lower limit of its fluctuation band.

Regarding market liquidity conditions, the bank foreign exchange position continued to improve, exceeding a daily average of MAD 8.0 billion this week. At the origin of this improvement, the favorable evolution of MRE receipts and travel receipts during the summer season thanks to the operation "Marhaba".

VOLATILITY INDICATORS

| | USDMAD | EURMAD | JPYMAD | CADMAD | GBPMAD | CHFMAD |
|---------------|--------|--------|--------|--------|--------|--------|
| 1 MOIS | 3.15% | 1.92% | 6.10% | 10.70% | 7.81% | 5.62% |
| 2 MOIS | 2.84% | 1.76% | 6.37% | 8.89% | 6.66% | 4.76% |
| 3 MOIS | 3.67% | 2.37% | 5.94% | 7.49% | 6.25% | 4.81% |

Increasingly higher EUR/USD volatility

The increased level of volatility of the EUR/USD parity confirms our recommendation to hedge currency transactions on CT horizons.

Given the current spread levels, we recommend that companies exporting in USD hedge their transactions in USD over a 3 month-horizon.



WEEKLY MAD INSIGHTS

CURRENCIES

26 | AUGUST
2021

Week from 08/16/2021 to 08/19/2021

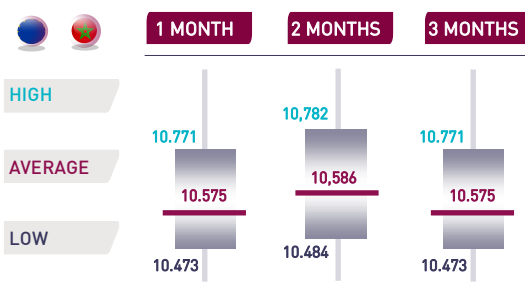
EUR/USD OUTLOOK – BLOOMBERG

| | SPOT | Q3-21 | Q4-21 | Q1-22 | Q2-22 | 2022 | 2023 | 2024 | 2025 |
|----------------|------------|-------|-------|-------|-------|------|------|------|------|
| MEDIAN | | 1.18 | 1.19 | 1.20 | 1.20 | 1.21 | 1.21 | 1.21 | 1.25 |
| AVERAGE | 1.1675 | 1.18 | 1.19 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.23 |
| +HIGH | 08/19/2021 | 1.24 | 1.26 | 1.26 | 1.26 | 1.30 | 1.26 | 1.25 | 1.25 |
| +LOW | | 1.15 | 1.14 | 1.13 | 1.12 | 1.12 | 1.10 | 1.11 | 1.16 |
| FORWARD | | 1.17 | 1.17 | 1.17 | 1.18 | 1.18 | 1.20 | 1.21 | 1.23 |

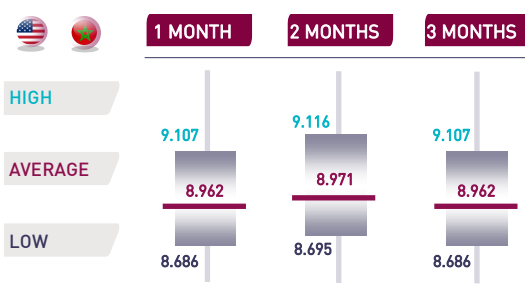
The bullish forecasts of the EUR / USD parity of international brokers were maintained during this week. The pair would settle at 1.18 in Q3-21 before rising to 1.19 in Q4-21. It should reach 1.20 at the start of 2022 and stabilize at this level until 2024. In 2025, the target level is 1.23.

Expectations of market operators in the LT remain in favor of the euro in a context marked by growing concerns about the strength of global growth, mainly in the United States. To this end, several banks have revised their US growth forecasts downwards. Originally, the larger than expected impact of the "Delta" variant on the dynamics of global growth, implying increasingly high inflationary pressures at SMT.

EUR/MAD AND USD/MAD OUTLOOK - AGR



Based on EUR/USD Bloomberg forecast for Q3-21



Based on EUR/USD Bloomberg forecast for Q3-21

Following lower forecasts for EUR/USD over the ST and stable liquidity conditions in local market, we have adjusted our EUR/MAD and USD/MAD forecasts.

The MAD appreciates against the dollar in 1, 2 and 3 month horizons. Against the Euro, it should depreciate over the same horizons. The MAD would appreciate against the Dollar by 0.5%, 0.4% and 0.5% in 1, 2 and 3 month horizons. The USD/MAD parity would reach 8.96, 8.97 and 8.96 at 1, 2 and 3 month horizons, against a spot price of 9.01.

Against the Euro, the MAD should depreciate by 0.4%, 0.5% and 0.4% over the next 3 months against a spot rate of 10.53. The EUR/MAD parity should reach 10.57, 10.59 and 10.57 at 1, 2 and 3 month horizons.

MAD YTD PERFORMANCE DASHBOARD IN FRONT OF A REFERENCE BASKET

| | USD/MAD | EUR/MAD | JPY/MAD | CAD/MAD | GBP/MAD | CHF/MAD |
|-----------------|---------|---------|---------|---------|---------|---------|
| 1 WEEK | +0.30% | -0.18% | +0.86% | -1.49% | -0.58% | +0.72% |
| 1 MONTH | +0.43% | -0.25% | +0.57% | +0.55% | +0.28% | +0.80% |
| YTD 2021 | +1.14% | -3.67% | -4.93% | +1.02% | +1.37% | -2.95% |

Prices as of 08/19/2021



Attijari
Global Research



APPENDICES

DATA AS OF AUGUST 23TH, 2021

APPENDIX 1 : BLOOMBERG FORECASTS FOR TENOR CURRENCIES

| | | Q3-21 | Q4-21 | Q1-22 | 2022 | 2023 | 2024 | 2025 |
|-----------------|---------|-------|-------|-------|------|------|------|------|
| FORECAST | USD/JPY | 110 | 110 | 111 | 112 | 113 | 112 | 106 |
| FORWARD | 110 | 110 | 110 | 110 | 109 | 108 | 107 | 105 |
| FORECAST | USD/CAD | 1.24 | 1.23 | 1.22 | 1.22 | 1.2 | 1.2 | 1.2 |
| FORWARD | 1.29 | 1.29 | 1.29 | 1.29 | 1.29 | 1.29 | 1.3 | 1.3 |
| FORECAST | USD/CHF | 0.92 | 0.92 | 0.92 | 0.92 | 0.91 | 0.93 | 0.95 |
| FORWARD | 0.92 | 0.92 | 0.91 | 0.91 | 0.91 | 0.89 | 0.88 | 0.86 |
| FORECAST | GBP/USD | 1.40 | 1.40 | 1.41 | 1.44 | 1.43 | 1.42 | 1.41 |
| FORWARD | 1.36 | 1.36 | 1.36 | 1.36 | 1.36 | 1.36 | 1.37 | 1.38 |

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

| | Date | Q3-2021 | Q4-2021 | Q1-2022 | 2022 | 2023 |
|---------------------------------------|----------|---------|---------|---------|------|------|
| Rabobank | 08/20/21 | 1.18 | 1.17 | 1.16 | 1.17 | 1.18 |
| Standard Chartered | 08/20/21 | 1.24 | 1.26 | 1.26 | 1.26 | 1.26 |
| Swedbank | 08/10/21 | 1.16 | 1.17 | 1.2 | 1.16 | 1.16 |
| BNP Paribas | 08/09/21 | 1.18 | 1.17 | 1.16 | 1.14 | 1.32 |
| ING Financial Markets | 08/09/21 | 1.2 | 1.23 | 1.23 | 1.15 | 1.1 |
| Banco Bilbao Vizcaya Argentaria | 08/06/21 | 1.18 | 1.18 | 1.2 | 1.24 | 1.25 |
| Maybank Singapore | 08/04/21 | 1.22 | 1.24 | 1.25 | 1.25 | 1.25 |
| PNC Financial | 08/03/21 | 1.18 | 1.18 | 1.17 | 1.17 | 1.16 |
| United Overseas Bank | 08/02/21 | 1.16 | 1.15 | 1.14 | 1.12 | 1.11 |
| Australia & New Zealand Banking Group | 07/30/21 | 1.18 | 1.22 | 1.24 | 1.25 | 1.25 |
| Landesbank Baden-Wuerttemberg | 07/30/21 | 1.19 | 1.18 | 1.16 | 1.15 | 1.18 |
| X-Trade Brokers Dom Maklerski | 07/30/21 | 1.19 | 1.19 | 1.19 | 1.19 | 1.23 |
| Intesa Sanpaolo | 07/27/21 | 1.16 | 1.15 | 1.16 | 1.21 | 1.22 |
| NAB/BNZ | 07/26/21 | 1.21 | 1.23 | 1.24 | 1.3 | 1.24 |
| Westpac Banking | 07/26/21 | 1.21 | 1.22 | 1.23 | 1.21 | 1.19 |
| Mouvement Desjardins | 07/20/21 | 1.19 | 1.2 | 1.21 | 1.18 | 1.19 |
| Commonwealth Bank of Australia | 07/07/21 | 1.16 | 1.13 | 1.12 | 1.18 | 1.3 |

Prices as of 08/23/2021

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 - DUBAI

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 orally 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.