



# WEEKLY MAD INSIGHTS

## CURRENCIES

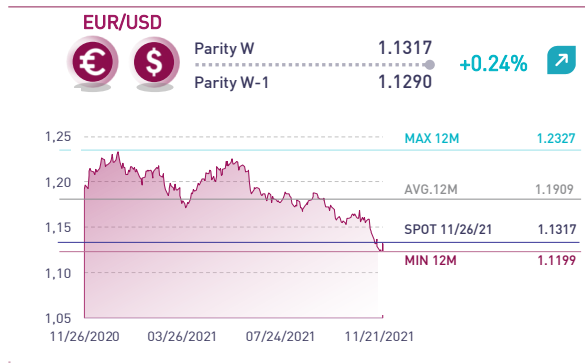
03 DECEMBER 2021

Week from 11/22/2021 to 11/26/2021

### MAIN WEEKLY VARIATIONS

		<b>+0.37%</b>			<b>-0.46%</b>
USD/MAD		9.2429	CAD/MAD		7.2442
		<b>+0.27%</b>			<b>-0.33%</b>
EUR/MAD		10.4315	GBP/MAD		12.3250
		<b>+0.30%</b>			<b>+0.60%</b>
JPY/MAD		8.1057	CHF/MAD		9.9902

### INTERNATIONAL HIGHLIGHTS



	Basket <sup>(1)</sup> effect	<b>+0.06%</b>	<b>-0.04%</b>
	Market <sup>(2)</sup> effect	<b>+0.31%</b>	<b>+0.31%</b>

(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 <sup>(3)</sup> W	<b>-50 MN</b>
	Banks Foreign Exchange position W-1	<b>1,784 MN</b>

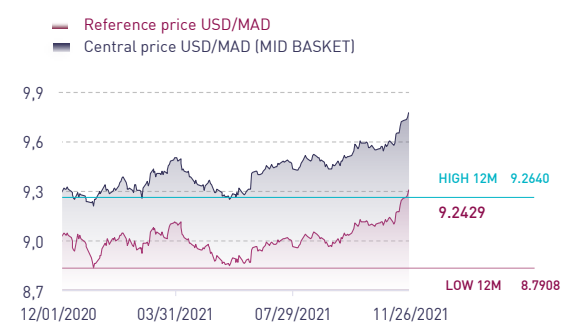
(3) Calculated over the period from 11/11/2021 to 11/17/2021

### The Euro Bounces against the Dollar This Week

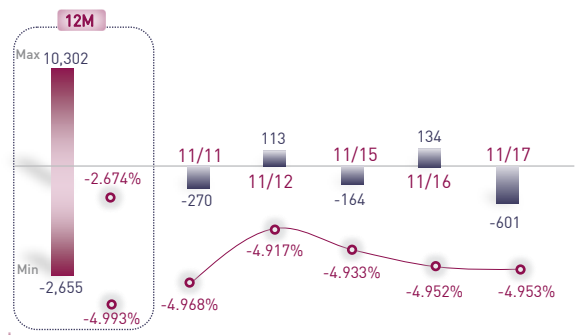
The euro traded higher this week against the dollar at 1.1317 from 1.1290 a week earlier, a performance of +0.24%. This evolution can be explained by the return of investor risk aversion following the appearance of the new variant "Omicron". New concerns are emerging about its impact on the global economic recovery.

Nonetheless, the dollar remains stuck at levels close to a 16-month high, following the release of the FOMC meeting on Wednesday, which bolstered expectations of a rise in US rates over SMT.

### MAD EVOLUTION AND FOREIGN EXCHANGE MARKET LIQUIDITY INDICATORS



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



### USD/MAD hits 14-month high

The MAD depreciates for the fourth week in a row against the dollar, given a restrictive market effect. This week, we saw a significant drop in liquidity conditions on the interbank market. The bank foreign exchange position fell to MAD -50 Mn against a weekly average of MAD 1.8 Bn a week earlier. USD/MAD appreciates +0.37% to 9.24, a 14-month high.

The liquidity spread between the MAD reference price and its central price increases by +30 bps this week. It stands at -4.59%, at lowest levels since June 2021. At the origin of this development, a recovery in import flows greater than export flows.

### VOLATILITY INDICATORS

	USDMAD	EURMAD	JPYMAD	CADMAD	GBPMAD	CHFMAD
1 MONTH	4.27%	2.98%	6.35%	7.78%	8.37%	5.28%
2 MONTHS	3.84%	2.81%	7.16%	6.86%	7.58%	5.45%
3 MONTHS	3.70%	2.60%	6.78%	7.47%	6.83%	5.56%

### Significant volatility following the new variant

In a context of high EUR/USD volatility, we recommend adopting higher ST hedging strategies.

Nonetheless, we maintain our central scenario that concerns the appreciation of the MAD against the US dollar over the next three months.

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



# WEEKLY MAD INSIGHTS

## CURRENCIES

03 | DECEMBER  
2021

Week from 11/22/2021 to 11/26/2021

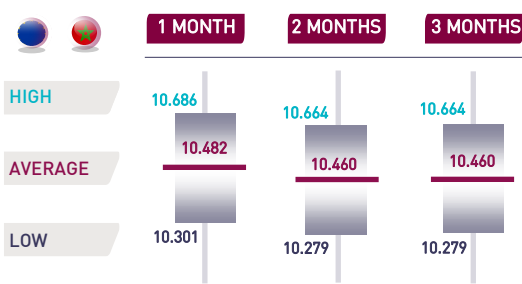
### EUR/USD OUTLOOK – BLOOMBERG

	SPOT	Q4-21	Q1-22	Q2-22	Q3-22	2022	2023	2024	2025
<b>MEDIAN</b>		1.15	1.15	1.15	1.16	1.18	1.18	1.20	1.21
<b>AVERAGE</b>	1.1317	1.14	1.15	1.15	1.15	1.16	1.18	1.19	1.21
<b>+HIGH</b>	11/26/2021	1.19	1.20	1.20	1.21	1.21	1.28	1.24	1.26
<b>+LOW</b>		1.10	1.09	1.07	1.06	1.05	1.09	1.11	1.12
<b>FORWARD</b>		1.13	1.14	1.14	1.14	1.14	1.16	1.18	1.20

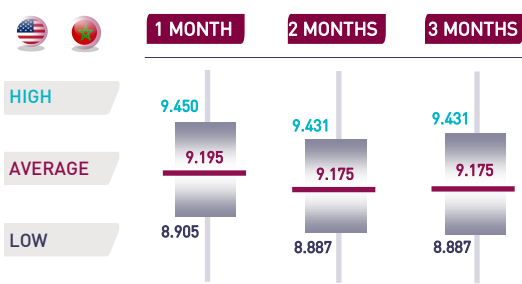
The EUR/USD forecasts of major international brokers was revised downward overall this week. Over the ST, the pair is expected to remain stable at 1.14 in Q4-21 from 1.15 a week earlier. In Q1-22, it would evolve at an unchanged level at 1.15. During the period [Q2-22; Q3-22], the pair would stabilize at 1.15 against 1.16 initially, before reaching 1.16 in 2022. This would evolve around 1.18 in 2023 against 1.19 last week before reaching 1.19 in 2024 compared to 1.18 a week earlier. By 2025, the target level is 1.21.

The Fed's monetary policy has moved towards gradual normalization with the start of its reduction in asset purchases in November. The recent reappointment of Jerome Powell confirms this focus over MT and the latest FOMC report, released this week, has bolstered expectations of a faster-than-expected Fed rate hike. The international consensus fell from 1.15 to 1.14 this week on the CT.

### AN APPRECIATION SCENARIO ON 1 MONTH, 2 MONTHS AND 3 MONTHS HORIZON



Based on EUR/USD Bloomberg forecast for Q4-21



Based on EUR/USD Bloomberg forecast for Q4-21

In view of the decrease in liquidity in the Moroccan foreign exchange market and the decline in EUR/USD forecasts, we adjusted our USD/MAD forecasts to 1, 2 and 3 month horizons.

The MAD appreciates against the dollar at 1, 2 and 3 month horizons. Against the euro, it should depreciate slightly over the same horizons.

The MAD would appreciate against the dollar by 0.5%, 0.7% and 0.7% in 1, 2 and 3 month horizons. The USD/MAD parity would reach 9.20, 9.17 and 9.17 at 1, 2 and 3 month horizons, against an initial forecast of 9.11, 9.12 and 9.12 on the same horizons and against a price spot of 9.24.

Against the euro, the MAD would depreciate by 0.5%, 0.3% and 0.3% over the next 3 months against a spot rate of 10.43. The EUR/MAD parity would reach 10.48, 10.46 and 10.46 in 1, 2 and 3 month horizons against 10.47, 10.48 and 10.48 initially expected.

### MAD YTD PERFORMANCE DASHBOARD IN FRONT OF A REFERENCE BASKET

	USD/MAD	EUR/MAD	JPY/MAD	CAD/MAD	GBP/MAD	CHF/MAD
<b>1 WEEK</b>	+0.37%	+0.27%	+0.30%	-0.46%	-0.33%	+0.60%
<b>1 MONTH</b>	+1.98%	-0.99%	+1.92%	-1.26%	-1.66%	+1.32%
<b>YTD 2021</b>	+3.80%	-4.61%	-6.19%	+3.63%	+1.37%	-1.22%

Prices as of 11/26/2021



# APPENDICES

DATA AS OF NOVEMBER 29<sup>TH</sup>, 2021

## APPENDIX 1 : BLOOMBERG FORECASTS FOR TENOR CURRENCIES

		Q4-21	Q1-22	Q2-22	2022	2023	2024	2025
<b>FORECAST</b>	USD/JPY	114	113	113	115	112	109	112
<b>FORWARD</b>	113	113	113	113	112	111	109	106
<b>FORECAST</b>	USD/CAD	1.24	1.24	1.24	1.22	1.22	1.23	1.25
<b>FORWARD</b>	1.28	1.28	1.28	1.28	1.28	1.29	1.3	1.3
<b>FORECAST</b>	USD/CHF	0.93	0.94	0.95	0.95	0.94	0.93	0.94
<b>FORWARD</b>	0.92	0.92	0.92	0.92	0.91	0.89	0.88	0.86
<b>FORECAST</b>	GBP/USD	1.36	1.37	1.37	1.39	1.42	1.40	1.41
<b>FORWARD</b>	1.33	1.33	1.33	1.33	1.33	1.33	1.33	1.34

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

	Date	Q4-2021	Q1-2022	Q2-2022	2022	2023
Rabobank	11/26/21	1.14	1.13	1.13	1.13	1.18
Nomura Bank International	11/25/21	1.1	1.11	1.14	1.18	1.22
BNP Paribas	11/23/21	1.15	1.13	1.12	1.09	1.09
Landesbank Baden-Wuerttemberg	11/22/21	1.18	1.16	1.15	1.15	1.18
Maybank Singapore	11/22/21	1.18	1.18	1.17	1.18	1.22
Commonwealth Bank of Australia	11/19/21	1.13	1.14	1.16	1.2	1.28
Australia & New Zealand Banking Group	11/18/21	1.13	1.13	1.13	1.15	1.16
Barclays	11/16/21	1.15	1.16	1.18	1.19	1.15
United Overseas Bank	11/16/21	1.15	1.14	1.13	1.12	1.11
Morgan Stanley	11/15/21	1.14	1.13	1.12	1.18	1.16
Swedbank	11/15/21	1.14	1.13	1.12	1.15	1.17
NAB/BNZ	11/12/21	1.15	1.16	1.17	1.2	1.25
Banco Bilbao Vizcaya Argentaria	11/04/21	1.17	1.18	1.2	1.21	1.24
Mouvement Desjardins	10/29/21	1.17	1.18	1.18	1.16	1.2
Standard Chartered	10/29/21	1.16	1.17	1.19	1.21	1.21
TD Securities	10/29/21	1.15	1.18	1.16	1.18	1.13
Scotiabank	10/28/21	1.15	1.15	1.14	1.12	1.18

Prices as of 11/29/2021

# 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

Felix Dikosso  
+237 233 43 14 46  
f.dikosso@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

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.