



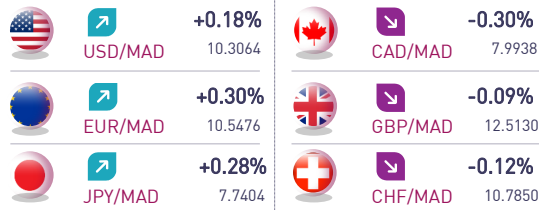
WEEKLY MAD INSIGHTS

CURRENCIES

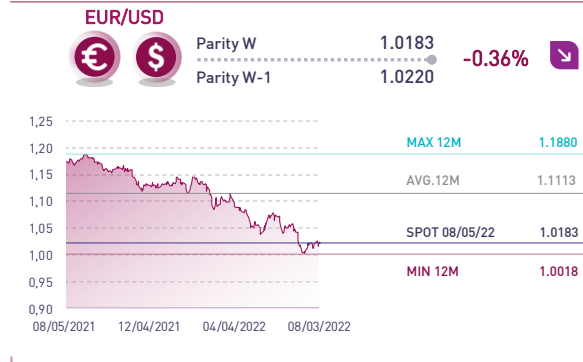
12 | AUGUST
2022

Week from 08/01/2022 to 08/05/2022

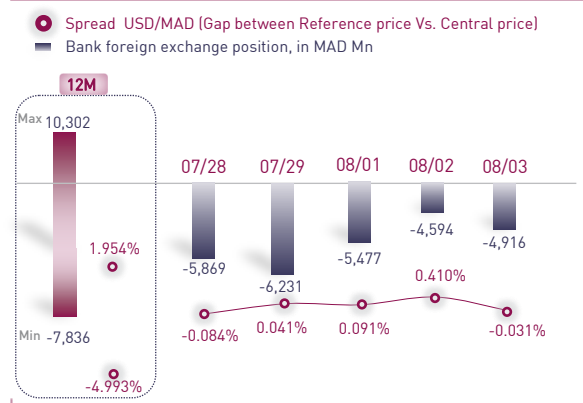
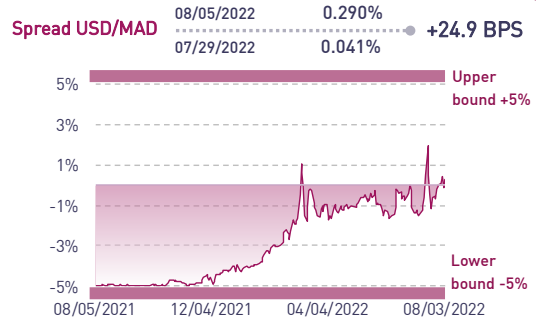
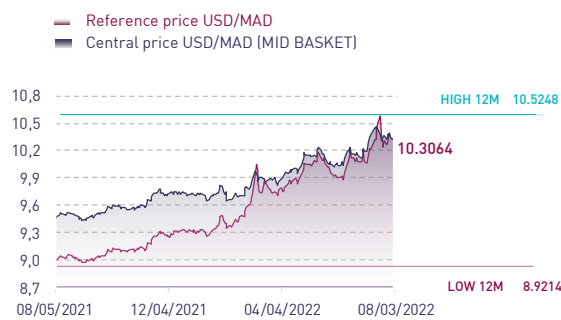
MAIN WEEKLY VARIATIONS



INTERNATIONAL HIGHLIGHTS



MAD EVOLUTION AND FOREIGN EXCHANGE MARKET LIQUIDITY INDICATORS



VOLATILITY INDICATORS

	USDMAD	EURMAD	JPYMAD	CADMAD	GBPMAD	CFMAD
1 MONTH	13.00%	13.41%	19.58%	13.91%	14.99%	13.44%
2 MONTHS	11.59%	11.07%	17.97%	11.98%	13.38%	14.40%
3 MONTHS	10.18%	9.70%	16.38%	10.66%	12.16%	13.59%

	USD/MAD	EUR/MAD
Basket ⁽¹⁾ effect	-0.07%	+0.05%
Market ⁽²⁾ effect	+0.25%	+0.25%

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

Banks Foreign Exchange position ⁽³⁾ W	-5,417 MN
Banks Foreign Exchange position W-1	-6,674 MN

(3) Calculated over the period from 07/28/2022 to 08/03/2022

The Dollar supported by employment figures

At the end of this week, the Euro lost ground against the Dollar and fell by -0.36% to 1.018.

Despite fears of a recession in the US economy, the latest indicators of the employment report and the US Services SM are positive. The latter support the Fed in the continuation of its monetary tightening.

In more detail, the US economy created far more jobs than expected in July, at 528K, against a consensus of 250K. Likewise, the unemployment rate has returned to its pre-Covid level at 3.5%. For its part, the non-manufacturing PMI index rose in July to 56.7 against 55.3 a month earlier.

The Dirham exceeds once again the 10.30 threshold

The Dirham depreciated jointly against the Dollar and the Euro penalized by a significant liquidity effect. The market effect comes out at +0.25%, justifying the variation of the USD/MAD pair by +0.18% to more than 10.30.

Moreover, the effects of foreign currency inflows during this summer period were felt on banks' foreign currency liquidity. The average bank exchange position stands at MAD -5.4 Bn against MAD -6.7 Bn a week earlier.

As for MAD liquidity spreads, they continue to move up by +25 PBS to +0.29% against +0.04% last week.

Recession fears fueling volatility

Concerns about global growth prospects are gaining more and more ground. Indeed, the tightening of financial conditions on an international scale as well as the persistence of high inflation induce high volatility in the foreign exchange market.

We recommend that dollar exporters reduce their hedging horizons.

Attijari Global Research

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

Walid Kabbaj
Associate
+212 522 49 14 82
w.kabbaj@attijari.ma

Nisrine Jamali
Investor relations
+212 522 49 14 82
n.jamali@attijari.ma

Capital Market - Trading

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

Amine Elhajli
05 22 42 87 09
a.elhajli@attijariwafa.com

Capital Market - Sales

Loubaba Alaoui Mdaghri
06 47 47 48 34
l.lalaouim@attijariwafa.com



Attijari
Global Research



WEEKLY MAD INSIGHTS

CURRENCIES

12 | AUGUST
2022

Week from 08/01/2022 to 08/05/2022

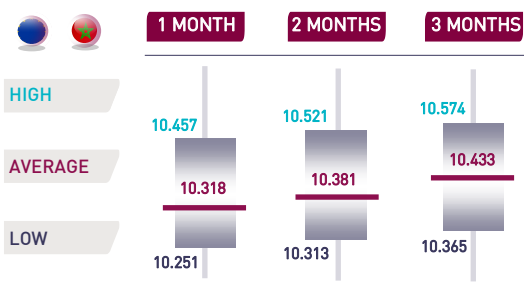
EUR/USD OUTLOOK – BLOOMBERG

	SPOT	Q3-22	Q4-22	Q1-23	Q2-23	2023	2024	2025	2026
MEDIAN		1.02	1.05	1.06	1.08	1.10	1.15	1.13	--
AVERAGE	1.0183	1.02	1.03	1.05	1.07	1.09	1.14	1.13	--
+HIGH	08/05/2022	1.07	1.09	1.11	1.13	1.16	1.20	1.20	--
+LOW		0.95	0.96	0.96	0.95	1.01	1.05	1.07	--
FORWARD		1.02	1.03	1.04	1.04	1.05	1.07	1.09	1.10

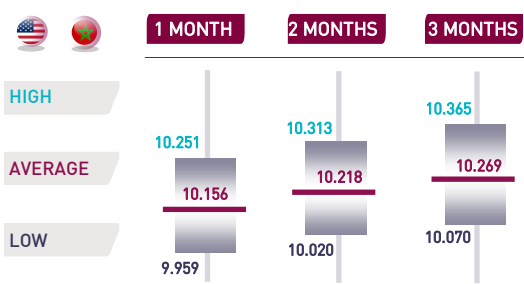
EUR/USD forecasts from international brokers have been revised downwards overall this week. In Q3-22, the pair would evolve at 1.02, against 1.03 initially. The pair would retreat to 1.03 in Q4-22 against an initial forecast of 1.05, then move to 1.05 in Q1-23 against 1.06 for the week before. In Q2-23, this comes out at 1.07 instead of 1.08 initially. On an annual basis, the target is 1.09 in 2023 against 1.10 previously, before reaching 1.14 a year later. In 2025, the target stands at 1.13 against a forecast of 1.16 last week.

The release of strong employment data in the US revived investors' expectations that the Fed will continue to tighten monetary policy at its September meeting. The latest report gives an idea of a relatively strong economy despite two consecutive quarters of GDP contraction. The focus is currently on US inflation data for July which will be released this week.

UPWARD REVIEW OF 1-MONTH, 2-MONTH AND 3-MONTH HORIZON FORECASTS



Based on EUR/USD Bloomberg forecast for Q3-22



Based on EUR/USD Bloomberg forecast for Q3-22

Given the updated forecasts for the EUR/USD parity and liquidity conditions on the foreign exchange market, we have revised our USD/MAD ST forecasts upwards for the 2nd week in a row. Compared to the current spot price, the MAD would appreciate against the USD over a 3-month horizon.

We anticipate the continued improvement in ST foreign currency liquidity of the Moroccan banking market, in line with the significant flows of travel receipts. The banking foreign exchange position improved by more than MAD 2.8 Bn in the space of 2 weeks to MAD -5.0 Bn at the beginning of August.

The target levels of the USD/MAD parity stand at 10.16, 10.22 and 10.27 of 1, 2 and 3 months horizons against a spot price of 10.31.

Against the Euro, the Dirham should appreciate over 1, 2 and 3 months horizons where the target levels of the EUR/MAD parity stand at 10.32, 10.38 and 10.43 respectively against a spot rate of 10.55.

MAD YTD PERFORMANCE DASHBOARD IN FRONT OF A REFERENCE BASKET

	USD/MAD	EUR/MAD	JPY/MAD	CAD/MAD	GBP/MAD	CHF/MAD
1 WEEK	+0.18%	+0.30%	+0.28%	-0.30%	-0.09%	-0.12%
1 MONTH	+2.08%	+1.45%	+4.33%	+2.45%	+3.17%	+3.15%
YTD 2022	+11.06%	+0.30%	-4.01%	+9.61%	-0.10%	+6.01%

Prices as of 08/05/2022



APPENDICES

DATA AS OF AUGUST 5TH, 2022

APPENDIX 1 : BLOOMBERG FORECASTS FOR TENOR CURRENCIES

		Q3-22	Q4-22	Q1-23	Q2-23	2023	2024	2025
FORECAST	USD/JPY	134	132	130	128	125	120	115
FORWARD	135	135	133	132	131	128	124	120
FORECAST	USD/CAD	1.28	1.28	1.28	1.26	1.25	1.26	1.28
FORWARD	1.29	1.29	1.29	1.29	1.29	1.29	1.29	1.29
FORECAST	USD/CHF	0.97	0.96	0.95	0.95	0.95	0.90	0.93
FORWARD	0.96	0.96	0.95	0.94	0.94	0.92	0.90	0.88
FORECAST	GBP/USD	1.20	1.22	1.24	1.25	1.26	1.34	1.38
FORWARD	1.21	1.21	1.21	1.21	1.22	1.22	1.22	1.23

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

	Date	Q3-2022	Q4-2022	Q1-2023	Q2-2023	2023
RBC Capital Markets	08/04/22	1.02	1.00	0.97	1.00	1.06
Wells Fargo	07/26/22	1.00	0.98	0.96	0.97	1.01
JPMorgan Chase	28/06/22	1.00	1.01	1.02	1.03	--
Commerzbank	24/06/22	1.07	1.10	1.12	1.14	1.14
BNP Paribas	20/06/22	1.09	1.12	1.14	1.16	1.20
Standard Chartered	06/06/22	1.07	1.10	1.12	1.15	1.20
Canadian Imperial Bank of Commerce	08/05/22	0.99	1.00	1.03	1.05	1.08
Investec	08/05/22	1.02	1.05	1.06	1.06	1.10
Landesbank Baden-Wuerttemberg	08/05/22	0.98	1.00	1.01	1.02	1.03
MPS Capital Services	08/05/22	1.03	1.06	1.08	1.11	--
Rabobank	08/05/22	0.98	1.04	1.06	1.08	1.18
United Overseas Bank	08/05/22	1.00	1.00	1.02	1.04	1.06
X-Trade Brokers Dom Maklerski	08/05/22	1.03	1.04	1.05	1.07	1.08
Credit Agricole CIB	08/04/22	1.01	1.02	1.03	1.05	1.10
Capital Economics	08/04/22	1.01	1.00	1.02	1.05	1.10
Alpha Bank	08/03/22	1.01	1.01	1.05	1.08	1.09
Argentex LLP	08/03/22	1.04	1.08	1.10	1.12	1.16

In gray, the main brokers retained to calculate the EURUSD consensus for Q3-22
Prices as of 08/05/2022

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

Walid Kabbaj
+212 5 22 49 14 82
w.kabbaj@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

Ulderic Djado
+237 681 77 89 40
u.djado@attijarisecurities.com
Douala

FINANCIAL ANALYST

Yves André Angaman
+225 07 49 24 60 35
yves.angaman@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

WAEMU - CÔTE D'IVOIRE

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

BROKERAGE - TUNISIA

Hichem Ben Romdhane
+225 29 318 965
h.benromdhane@attijaribank.com.tns

CEMAC - CAMEROUN

Felix Dikosso
+237 651 23 51 15
f.dikosso@attijarisecurities.com

Bonds /Forex /Commodities

MOROCCO

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

Amine Elhajli
+212 5 22 42 87 09
m.elhajli@attijariwafa.com

Loubaba Alaoui Mdaghri
+212 6 47 47 48 34
l.alaouim@attijariwafa.com

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

EGYPT

Ahmed Darwish
+20 127 755 90 13
ahmed.darwish@attijariwafa.com.eg

TUNISIA

Atef Gabsi
+216 71 80 29 22
gabsi.atef@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 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.