



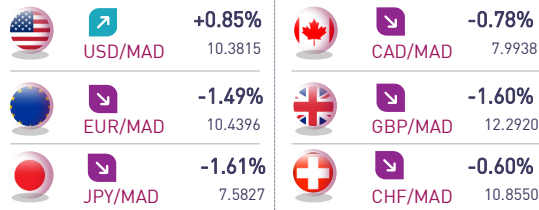
WEEKLY MAD INSIGHTS

CURRENCIES

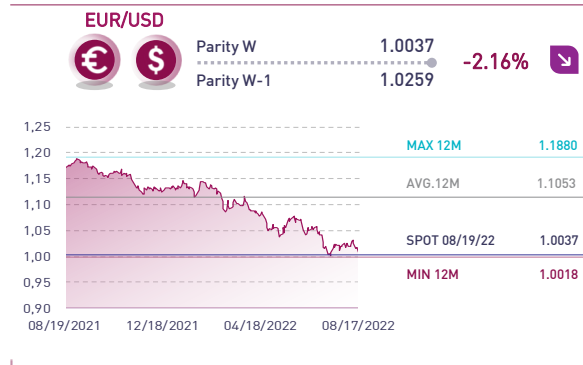
25 | AUGUST
2022

Week from 08/15/2022 to 08/19/2022

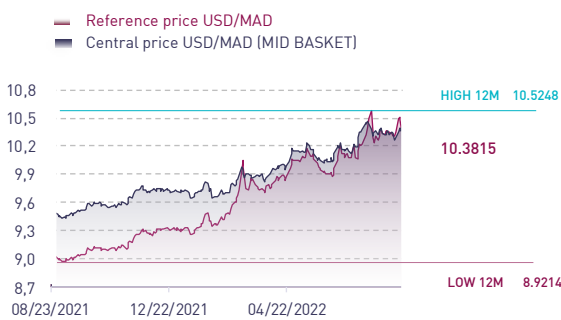
MAIN WEEKLY VARIATIONS



INTERNATIONAL HIGHLIGHTS



MAD EVOLUTION AND FOREIGN EXCHANGE MARKET LIQUIDITY INDICATORS



	USD/MAD	EUR/MAD
Basket ⁽¹⁾ effect	+1.39%	-0.95%
Market ⁽²⁾ effect	-0.54%	-0.54%

(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	-3,883 MN
Banks Foreign Exchange position W-1	-5,127 MN

(3) Calculated over the period from 08/09/2022 to 08/15/2022

Euro falls to 20-year historical low

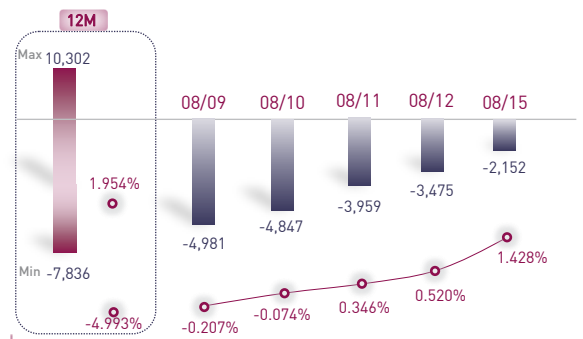
The Euro fell sharply against the Dollar this week by -2.16% from 1.0259 to 1.0037 due to the deterioration of the economic outlook in Europe.

The Zew index of German economic sentiment in August and the trade balance in the Euro Zone in June came out below expectations. Russian gas supply fears for the coming months further reinforce the likelihood of a recession scenario.

The release of the last FOMC meeting minutes in July highlighted the Fed's determination to continue its monetary tightening.

Reference price USD/MAD

Central price USD/MAD (MID BASKET)



Foreign exchange position improves thanks to MLA

The Dirham has weakened this week against the US Dollar, despite an improvement in the liquidity of the Moroccan interbank foreign exchange market. This is due to the strong appreciation of the Dollar inducing a significant basket effect of +1.39%. For its part, the market effect comes out at -0.54%. The USD/MAD pair therefore appreciated by +0.85% to 10.3815 this week.

The foreign exchange position improved to MAD -3.9 Bn on average weekly compared to MAD -5.1 Bn the previous week. This variation has been supported by foreign exchange inflows from MLA.

Liquidity spreads are back in negative territory, falling from -54 BPS to -0.02%.

VOLATILITY INDICATORS

	USDMAD	EURMAD	JPYMAD	CADMAD	GBPMAD	CFMAD
1 MONTH	12.31%	10.92%	21.34%	11.55%	14.44%	12.91%
2 MONTHS	11.77%	11.29%	17.79%	11.67%	13.86%	12.86%
3 MONTHS	10.70%	10.30%	17.38%	10.72%	12.66%	13.75%

EZ recession fears drive markets

Energy supply fears are weighing on growth prospects in Europe. This situation fuels the recession scenario and therefore the level of volatility of the EUR/USD pair.

We advise Corporates to favor hedging strategies on very ST horizons.

Attijari Global Research

Lamae Oudghiri

Manager
+212 5 22 49 14 82
L.oudghiri@attijari.ma

Walid Kabbaj

Associate
+212 5 22 49 14 82
w.kabbaj@attijari.ma

Nisrine Jamali

Investor relations
+212 5 22 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.alaouim@attijariwafa.com



Attijari
Global Research



WEEKLY MAD INSIGHTS

CURRENCIES

25 | AUGUST
2022

Week from 08/15/2022 to 08/19/2022

EUR/USD OUTLOOK – BLOOMBERG

	SPOT	Q3-22	Q4-22	Q1-23	Q2-23	2023	2024	2025	2026
MEDIAN		1.02	1.03	1.05	1.06	1.10	1.13	1.16	1.16
AVERAGE	1.0037	1.02	1.02	1.04	1.06	1.09	1.13	1.15	1.15
+HIGH	08/19/2022	1.07	1.09	1.11	1.13	1.16	1.18	1.20	1.20
+LOW		0.96	0.95	0.96	0.95	1.02	1.05	1.07	1.09
FORWARD		1.00	1.01	1.02	1.02	1.03	1.05	1.06	1.07

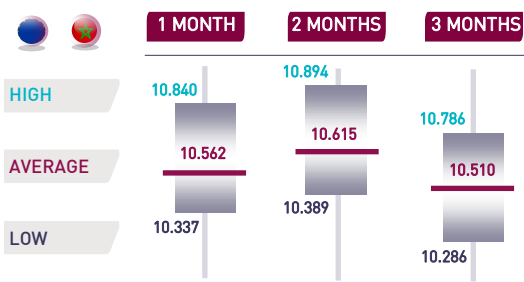
EUR/USD forecasts from international brokers have been revised downwards this week. In Q3-22, the pair would move to 1.02. It should drop to 1.02 in Q4-22 against 1.03 initially, then settle at 1.04 in Q1-23 against 1.05 the previous week. In Q2 23, this would reach 1.06 versus 1.07 previously. On an annual basis, the target is still 1.09 in 2023, before reaching 1.13 in 2024 against 1.14 a week earlier. In 2025, the target stands at 1.15 against 1.13 initially.

US inflation came out at 8.5% in July from 9.1% in June. Despite this slowdown, the markets are still anticipating monetary tightening by the Fed, as long as inflation remains above 2%. A 3.00%-3.25% target range for Fed Fund rates is most likely at the next FOMC meeting in September.

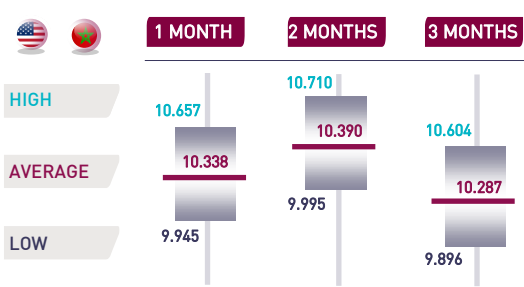
On the Euro Zone side, inflation reached a new record at 8.9% in July after 8.6% in June. The ECB carried out its first rate hike in 11 years, bringing the main ECB key rate to 0.50% in July.

The single currency remains penalized mainly by the risk of recession in Europe.

REVIEW OF OUR 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 EUR/USD parity forecasts and liquidity conditions on the foreign exchange market, we have reviewed our USD/MAD ST forecasts upwards.

Against the spot rate, the MAD should appreciate over the next 1 and 3 months against the Dollar and depreciate slightly over the next 2 months.

We anticipate the continued improvement in the Moroccan banking market's foreign currency liquidity on ST until mid-September, in line with significant export flows and foreign currency inflows.

The target levels of the USD/MAD parity stand at 10.34, 10.39 and 10.29 at horizons of 1, 2 and 3 months against a spot price of 10.38.

Against the Euro, the Dirham should depreciate over the next 1 month, 2 months and 3 months.

The target levels of the EUR/MAD parity stand at 10.56, 10.62 and 10.51 at horizons of 1, 2 and 3 months against a spot price of 10.44.

MAD YTD PERFORMANCE DASHBOARD IN FRONT OF A REFERENCE BASKET

	USD/MAD	EUR/MAD	JPY/MAD	CAD/MAD	GBP/MAD	CHF/MAD
1 WEEK	+0.85%	-1.49%	-1.61%	-0.78%	-1.60%	-0.60%
1 MONTH	+0.65%	-1.35%	+1.06%	+0.32%	-0.84%	+1.88%
YTD 2022	+11.86%	-0.73%	-5.96%	+9.61%	-1.87%	+6.69%

Prices as of 08/19/2022



APPENDICES

DATA AS OF AUGUST 24TH, 2022

APPENDIX 1 : BLOOMBERG FORECASTS FOR TENOR CURRENCIES

		Q3-22	Q4-22	Q1-23	Q2-23	2023	2024	2025
FORECAST	USD/JPY	134	133	130	128	125	120	115
FORWARD	136	136	135	133	132	129	124	120
FORECAST	USD/CAD	1.28	1.29	1.29	1.28	1.25	1.27	1.3
FORWARD	1.30	1.3	1.3	1.3	1.3	1.3	1.3	1.3
FORECAST	USD/CHF	0.96	0.96	0.96	0.95	0.95	0.91	--
FORWARD	0.96	0.96	0.95	0.94	0.94	0.92	0.90	0.89
FORECAST	GBP/USD	1.20	1.20	1.22	1.24	1.25	1.30	1.38
FORWARD	1.19	1.19	1.19	1.19	1.19	1.19	1.18	1.18

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

	Date	Q3-2022	Q4-2022	Q1-2023	Q2-2023	2023
Wells Fargo	08/23/22	0.98	0.96	0.97	0.98	1.02
JPMorgan Chase	08/19/22	0.97	0.95	0.98	1.02	--
Commerzbank	08/12/22	1	0.98	0.98	1.02	1.1
RBC Capital Markets	08/04/22	1.02	1	0.97	1	1.06
BNP Paribas	06/20/22	1.09	1.12	1.14	1.16	1.2
Standard Chartered	06/06/22	1.07	1.1	1.12	1.15	1.2
ABN Amro	08/19/22	1.02	1	1.02	1.05	1.1
Commonwealth Bank of Australia	08/19/22	1.03	1.01	0.99	0.98	1.02
Skandinaviska Enskilda Banken	08/19/22	1	1.04	1.07	1.11	1.15
Swedbank	08/19/22	1	0.99	1.02	1.07	1.1
Westpac Banking	08/19/22	1.05	1.09	1.11	1.13	1.15
Mouvement Desjardins	08/18/22	1.01	1	0.99	1	1.05
Danske Bank	08/17/22	0.99	0.97	0.96	0.95	--
Sumitomo Mitsui Trust Bank	08/16/22	1.04	1.06	1.08	1.08	--
Cinkciarz.pl	08/15/22	1.04	1.06	1.08	1.09	1.11
Banco Bilbao Vizcaya Argentaria	08/12/22	1.03	1.03	1.04	1.05	1.09
United Overseas Bank	08/05/22	1	1	1.02	1.04	1.06

In gray, the main brokers retained to calculate the EURUSD consensus for Q3-22
Prices as of 08/24/2022

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 Djadjo
+237 681 77 89 40
u.djadjo@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 - 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.