



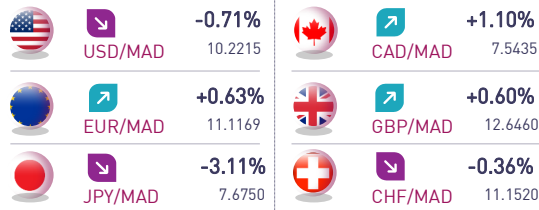
WEEKLY MAD INSIGHTS

CURRENCIES

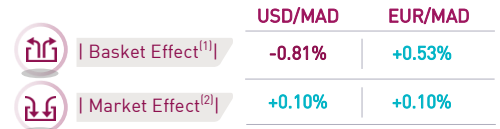
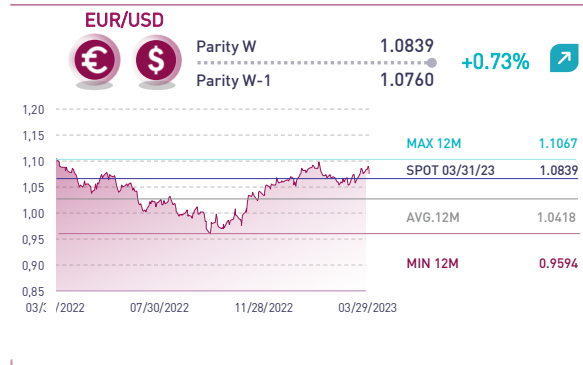
05 | APRIL
2023

Week from 03/27/2023 to 03/31/2023

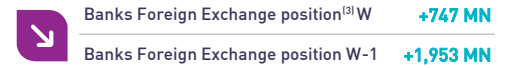
MAIN WEEKLY VARIATIONS



INTERNATIONAL HIGHLIGHTS



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



(3) Calculated over the period from 12/23/2022 to 12/30/2022

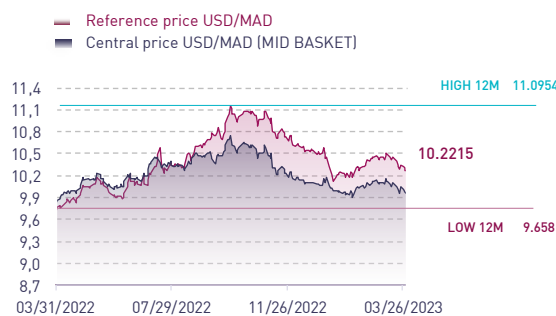
Banking sector concerns are fading out

The EUR/USD pair appreciated by +0.73% from 1.0760 to 1.0839.

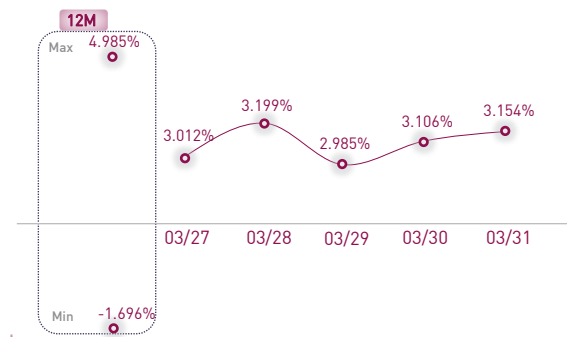
European stock market indices, particularly banking stocks, started to rise again this week. The latter benefited from an improvement in economic sentiment following of the reassuring speech of the President of the ECB, Christine Lagarde. She reaffirmed the solidity of the European banking sector in terms of capital and liquidity.

At the end of the week, preliminary inflation in the Euro Zone came out at 6.9% in March, below expectations of 7.1%.

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



Dirham liquidity spreads are stabilizing

The MAD appreciates this week against the Dollar. The USD/MAD pair fell -0.71% from 10.29 to 10.22 in one week.

This change is explained by a basket effect of -0.81% related to the sharp rise in the euro this week and a market effect of +0.10%.

Dirham liquidity spreads appreciated by +10 BPS this week to 3.15%. In our view, the latter should fall slightly on the ST due to the rebalancing of import and export flows.

VOLATILITY INDICATORS

	USD/MAD	EUR/MAD	JPY/MAD	CAD/MAD	GBP/MAD	CHF/MAD
1 MONTH	6.02%	6.91%	18.93%	5.83%	7.57%	10.14%
2 MONTHS	6.41%	6.07%	15.51%	6.92%	9.34%	9.07%
3 MONTHS	7.98%	6.63%	15.14%	8.10%	10.14%	10.30%

A currency market sensitive to inflation figures

The EUR/USD pair remains mainly sensitive to Fed and ECB monetary policy expectations. These expectations are linked to the evolution of the inflation figures.

As Central Banks focus on inflation, we recommend that importers in dollars hedge their operations on the very ST.

Attijari Global Research

Lamyae Oudghiri
Manager
+212 5 22 49 14 82
Loudghiri@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 Rafa
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.lalaoui@attijariwafa.com



Attijari
Global Research



WEEKLY MAD INSIGHTS

CURRENCIES

05 | APRIL
2023

Week from 03/27/2023 to 03/31/2023

EUR/USD OUTLOOK – BLOOMBERG

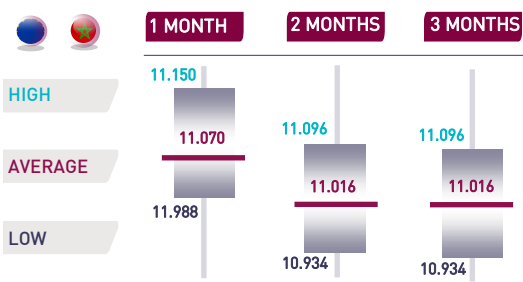
	SPOT	Q2-23	Q3-23	Q4-23	Q1-24	2024	2025	2026	2027
MEDIAN		1.08	1.10	1.12	1.12	1.15	1.15	1.17	1.15
AVERAGE	1.0839	1.08	1.10	1.11	1.12	1.14	1.15	1.16	1.15
+HIGH	03/31/2023	1.15	1.15	1.18	1.16	1.23	1.21	1.20	1.20
+LOW		1.00	1.02	1.02	1.02	1.05	1.10	1.10	1.10
FORWARD		1.09	1.10	1.10	1.10	1.11	1.12	1.12	1.13

Brokers' EUR/USD forecasts have been stable this week. This would change to 1.08 in Q2-23 to reach 1.10 in Q3-23. On an annual basis, the target is 1.11 in 2023. It should evolve to 1.12 in Q1-24 against 1.11 the previous week, before reaching 1.14 in 2024 and 1.15 in 2025 against 1.14 initially. At LT, the target is 1.16 in 2026 and 1.15 in 2027.

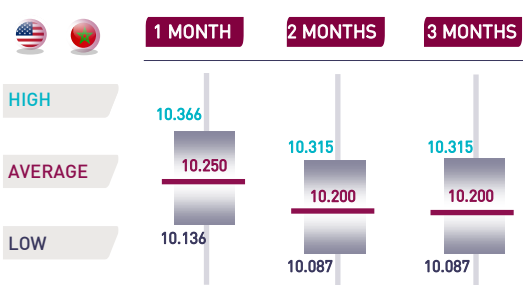
US inflation fell in February 2023 to 6.0% in line with expectations after 6.4% in January. In March, the Fed decided to raise the Fed Funds rates by +25 BPS. They are now within the range [4.75%-5.00%]. The US employment report for March, which will be released on Friday, would be decisive for expectations of the Fed's next decisions.

In the Euro Zone, inflation fell to 6.9% in March against 8.5% in February according to preliminary figures from Eurostat. Despite this drop, it remains well above the 2% target. The ECB has decided to raise its main key rate to 3.50%, an increase of +50 BPS. The ECB would likely catch up in terms of monetary tightening, which would support the euro on the ST.

DOWNWARD REVIEW OF OUR 2-MONTH HORIZON FORECAST



Based on EUR/USD Bloomberg forecast for Q2-23



Based on EUR/USD Bloomberg forecast for Q2-23

Given the forecasts for the EUR/USD parity and the liquidity conditions of the foreign exchange market, we have reviewed our USD/MAD forecasts down to a 2-month horizon.

EUR/USD forecasts from international brokers have been stable this week. They are in favor of a slight appreciation of the dollar over the next 3 months compared to spot levels.

According to our forecasts, MAD liquidity spreads should remain stable over the 1-month horizon, then fall relative to spot levels and stabilize over the 2 and 3-month horizon.

Under these conditions, the target levels of the USD/MAD parity stand at 10.25, 10.20 and 10.20 at horizons of 1, 2 and 3 months against a spot rate of 10.22.

The target levels of the EUR/MAD parity stand at 11.07, 11.02 and 11.02 at horizons of 1, 2 and 3 months against a spot rate of 11.12.

MAD YTD PERFORMANCE DASHBOARD IN FRONT OF A REFERENCE BASKET

	USD/MAD	EUR/MAD	JPY/MAD	CAD/MAD	GBP/MAD	CHF/MAD
1 WEEK	-0.71%	+0.63%	-3.11%	+1.10%	+0.60%	-0.36%
1 MONTH	-1.66%	+0.79%	+0.61%	-1.53%	+1.48%	+0.76%
YTD 2023	-2.17%	-0.38%	-3.19%	-2.32%	+0.45%	-1.61%

Prices as of 03/31/2023



APPENDICES

DATA AS OF APRIL 3RD, 2023

APPENDIX 1 : BLOOMBERG FORECASTS FOR TENOR CURRENCIES

		Q2-23	Q3-23	Q4-23	Q1-24	2024	2025	2026
FORECAST	USD/JPY	130	127	125	125	120	115	--
FORWARD	133	131	130	128	126	123	118	114
FORECAST	USD/CAD	1.34	1.32	1.3	1.29	1.26	1.26	1.26
FORWARD	1.35	1.35	1.35	1.35	1.35	1.34	1.34	1.33
FORECAST	USD/CHF	0.92	0.92	0.91	0.92	0.91	0.90	--
FORWARD	0.91	0.91	0.90	0.89	0.88	0.87	0.86	0.84
FORECAST	GBP/USD	1.22	1.24	1.25	1.26	1.29	1.31	--
FORWARD	1.24	1.24	1.24	1.24	1.24	1.24	1.23	1.23

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

	Date	Q2-2023	Q3-2023	Q4-2023	Q1-2024	2024
Wells Fargo	03/23/23	1.09	1.11	1.13	1.15	--
BNP Paribas	03/17/23	1.1	1.12	1.14	1.15	1.18
Commerzbank	03/10/23	1.06	1.07	1.08	1.1	1.08
Standard Chartered	03/07/23	1.06	1.09	1.12	1.12	1.13
JPMorgan Chase	03/03/23	1.1	1.08	1.08	--	--
RBC Capital Markets	03/02/23	1.07	1.05	1.03	1.03	1.15
Capital Economics	03/31/23	1	1.04	1.08	1.09	1.12
Rabobank	03/31/23	1.05	1.06	1.07	--	1.18
TD Securities	03/31/23	1.11	1.13	1.14	1.15	1.16
Australia & New Zealand Banking Group	03/30/23	1.1	1.12	1.14	1.16	1.2
Credit Agricole CIB	03/30/23	1.07	1.09	1.1	--	1.05
CIMB	03/30/23	1.07	1.08	1.1	1.11	--
Mouvement Desjardins	03/30/23	1.06	1.05	1.08	1.12	1.15
Nomura Bank International	03/30/23	1.11	1.11	1.14	1.15	1.18
Swedbank	03/30/23	1.1	1.12	1.12	1.14	1.14
Banco Bilbao Vizcaya Argentaria	03/29/23	1.07	1.09	1.12	--	1.18
Landesbank Baden-Wuerttemberg	03/29/23	1.08	1.09	1.1	1.1	1.1

In gray, the main brokers retained to calculate the EURUSD consensus for Q2-23
Prices as of 04/03/2023

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.