



WEEKLY MAD INSIGHTS

CURRENCIES

Attijari Global Research

Lamyae Oudghiri

Manager
+212 529 03 68 18
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 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.alaoui@attijariwafa.com



Attijari
Global Research

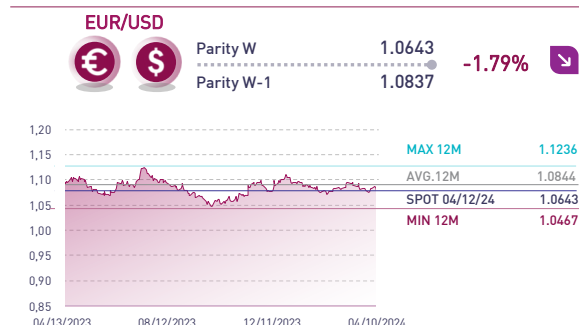
17 APRIL
2024

Week from 04/08/2024 to 04/12/2024

MAIN WEEKLY VARIATIONS

		-0.47%			-0.46%
USD/MAD	10.0200		CAD/MAD	7.3847	
		-0.15%			-0.04%
EUR/MAD	10.8899		GBP/MAD	12.7070	
		-0.71%			-0.42%
JPY/MAD	6.6009		CHF/MAD	11.0950	

INTERNATIONAL HIGHLIGHTS



	USD/MAD	EUR/MAD
Basket Effect ⁽¹⁾	-0.19%	+0.13%
Market Effect ⁽²⁾	-0.28%	-0.28%

(1) Impact of the variation of the EUR/USD parity

(2) Impact of the variation in the liquidity spread (Supply / Demand)

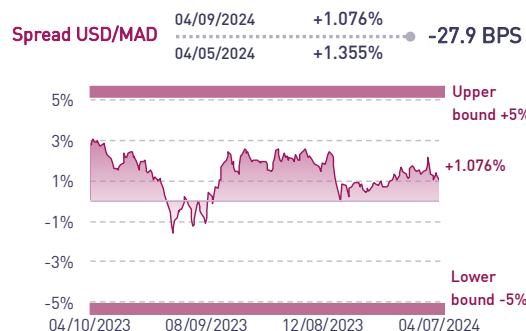
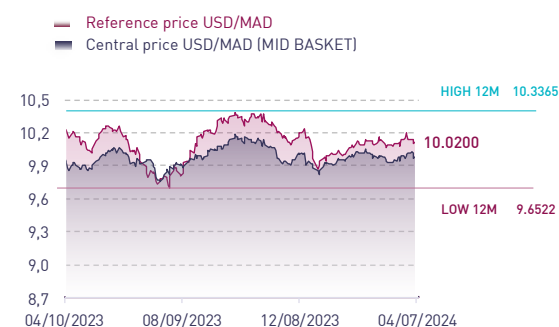
US inflation higher than expected

EUR/USD lost momentum and closed the week down 1.8%. The pair traded at the limit of 1.06 compared to 1.084 a week ago.

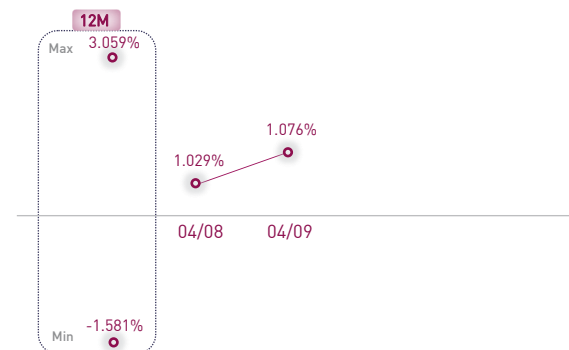
The announcement of an acceleration in inflation in the United States at the end of March to 3.5% further ruled out the possibility of a rate cut by the Fed in June. Additionally, U.S. data showed retail sales increasing at a faster-than-expected pace in March 2024, i.e. 0.7% versus consensus of 0.4%.

Furthermore, the exacerbation of the military conflict in the Middle East has enhanced investors' risk aversion. A situation which thus benefited the dollar, considered a safe-haven currency.

MAD EVOLUTION AND FOREIGN EXCHANGE MARKET LIQUIDITY INDICATORS



Spread USD/MAD (Gap between Reference price Vs. Central price)



A shortened week for the MAD

The Dollar depreciates against the Dirham this week to 10.02 against 10.07 the previous week, down -0.47%. Recall that last week was marked by several public holidays in Morocco.

This development is explained by a negative basket effect of -0.19%, combined with a greater liquidity effect of -0.28% in favor of the Dirham.

Liquidity spreads eased by 28 BPS this week, to a level of 1.08%. This finds origin in the export flows which eased the liquidity within the interbank foreign exchange market.

VOLATILITY INDICATORS

	USDMAD	EURMAD	JPYMAD	CADMAD	GBPMAD	CHFMAD
1 MOIS	3.68%	4.49%	6.32%	3.52%	5.07%	4.45%
2 MOIS	3.51%	3.88%	6.05%	3.86%	4.51%	4.99%
3 MOIS	3.32%	3.55%	6.17%	4.15%	4.39%	4.98%

Accelerating inflation fuels uncertainties

The Fed's next decisions are increasingly uncertain and expected by the markets. Indeed, the recent inflationary acceleration, deviating further from the 2% target, is strongly fueling volatility on the international currency market.

We advise importers to reduce the hedging horizons of their Dollar operations.



WEEKLY MAD INSIGHTS

CURRENCIES

17 | APRIL
2024

Week from 04/08/2024 to 04/12/2024

EUR/USD OUTLOOK – BLOOMBERG

	SPOT	Q2-24	Q3-24	Q4-24	Q1-25	2025	2026	2027	2028
MEDIAN		1.08	1.09	1.10	1.11	1.12	1.12	1.13	1.14
AVERAGE	1.0643	1.08	1.09	1.10	1.11	1.13	1.12	1.14	1.15
+HIGH	04/12/2024	1.13	1.16	1.17	1.18	1.24	1.20	1.20	1.20
+LOW		1.05	1.01	1.03	1.03	1.01	1.05	1.10	1.12
FORWARD		1.07	1.07	1.08	1.08	1.10	1.12	1.14	1.16

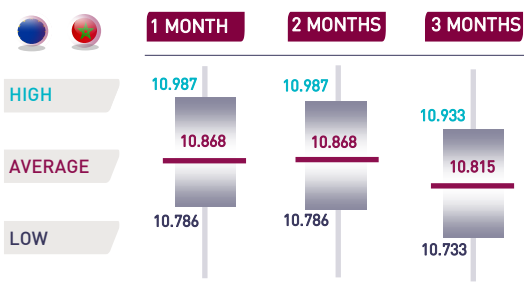
Broker forecasts for the EUR/USD pair were almost stable this week. The pair would move to 1.08 in Q2-24 against 1.09 initially, reaching 1.09 in Q3-24. It would increase to 1.10 in T4-24 then to 1.11 in Q1-25. On an annual basis, the target is 1.13 in 2025. Over the long run, the pair would stand at 1.12 in 2026 compared to 1.13 initially. In 2027 and 2028, it would stand at 1.14 and 1.15 respectively.

American inflation rebounded to 3.5% in March after 3.2% in February. The CME FedWatch tool shows that markets estimate a 80% probability that the Fed will keep its key rate unchanged in June. Remember that this indicator was established at 40% before the publication of price developments at the end of March 2024.

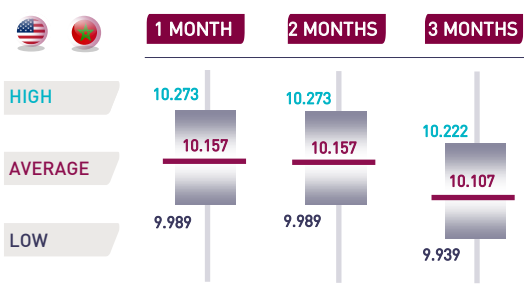
In the Euro Zone, inflation fell to 2.4% in March after 2.6% in February. The markets anticipate a first cut in ECB rates starting June, supported by the easing of inflationary pressures in the EZ.

Over the MLT, the reduction in the rate divergence between the Fed and the ECB should benefit the Euro.

MAINTAINING OUR 1-MONTH, 2-MONTHS AND 3-MONTHS HORIZON FORECASTS



Based on EUR/USD Bloomberg forecast for Q2-24



Based on EUR/USD Bloomberg forecast for Q2-24

Taking into account the forecasts for the EUR/USD pair and the liquidity conditions on the foreign exchange market, we have maintained our forecasts for the USD/MAD pair.

Brokers' EUR/USD forecasts are in favor of an appreciation of the Dollar over the next 3 months compared to spot levels.

MAD liquidity spreads should tighten very slightly over 1 month and 2 month horizons then relax over the 3 month horizon compared to spot levels at the start of the summer period.

Under these conditions, the target levels of the USD/MAD parity stand at 10.16, 10.16 and 10.11 over horizons of 1, 2 and 3 months against a spot price of 10.02.

The target levels of the EUR/MAD parity stand at 10.87, 10.87 and 10.82 over 1, 2 and 3 month horizons against a spot price of 10.89.

MAD YTD PERFORMANCE DASHBOARD IN FRONT OF A REFERENCE BASKET

	USD/MAD	EUR/MAD	JPY/MAD	CAD/MAD	GBP/MAD	CHF/MAD
1 WEEK	-0.47%	-0.15%	-0.71%	-0.46%	-0.04%	-0.42%
1 MONTH	-0.14%	-0.77%	-2.86%	-1.09%	-1.23%	-3.08%
YTD 2023	+1.28%	-0.50%	-5.43%	-1.06%	+0.94%	-6.00%

Prices as of 04/09/2024



Attijari
Global Research



APPENDICES

DATA AS OF APRIL 16TH, 2024

ANNEXE 1 : PRÉVISIONS BLOOMBERG DES PARITÉS DEVISES TENOR

		Q2-24	Q3-24	Q4-24	Q1-25	2025	2026	2027
FORECAST	USD/JPY	148	145	143	140	135	130	125
FORWARD	154	153	151	149	147	142	136	131
FORECAST	USD/CAD	1.35	1.34	1.33	1.32	1.28	1.29	1.3
FORWARD	1.38	1.38	1.37	1.37	1.37	1.36	1.35	1.34
FORECAST	USD/CHF	0.91	0.90	0.90	0.90	0.90	0.91	0.93
FORWARD	0.91	0.91	0.90	0.89	0.88	0.85	0.82	0.80
FORECAST	GBP/USD	1.26	1.27	1.28	1.28	1.30	1.29	1.31
FORWARD	1.25	1.25	1.25	1.25	1.25	1.25	1.26	1.26

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

	Date	Q2-2024	Q3-2024	Q4-2024	Q1-2025	2025
JPMorgan Chase	04/12/24	1.05	1.05	1.09	1.12	--
Wells Fargo	03/26/24	1.07	1.08	1.09	1.1	--
Commerzbank	03/22/24	1.09	1.11	1.1	1.09	1.08
BNP Paribas	03/15/24	1.1	1.1	1.1	1.11	1.14
RBC Capital Markets	03/08/24	1.06	1.06	1.08	1.1	1.18
Standard Chartered	12/13/23	1.05	1.07	1.09	--	1.11
Landesbank Baden-Wuerttemberg	04/12/24	1.06	1.06	1.05	1.04	1.01
Nomura Bank International	04/12/24	1.06	1.07	1.07	1.1	1.11
Sumitomo Mitsui Trust Bank	04/12/24	1.08	1.09	1.09	1.1	--
Monex USA Corp	04/12/24	1.08	1.09	1.11	1.13	--
NAB/BNZ	04/10/24	1.13	1.16	1.17	1.18	1.22
Rabobank	04/10/24	1.05	1.06	1.08	1.09	1.2
Commonwealth Bank of Australia	04/09/24	1.09	1.12	1.15	1.18	1.24
Kshitij Consultancy Services	04/09/24	1.09	1.1	1.09	1.1	--
TD Securities	04/09/24	1.09	1.11	1.08	1.07	1.11
Axis Bank	04/08/24	1.08	1.06	1.05	1.07	1.08
Monex Europe Ltd	04/08/24	1.05	1.08	1.12	1.14	--

In gray, the main brokers retained to calculate the EURUSD consensus for Q2-24
Prices as of 04/16/2024

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 Iraqi +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
FINANCIAL ANALYST Anass Drif +212 5 22 54 42 98 a.drif@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.benrhomdane@attijaribank.com.tns
--

CEMAC - CAMEROUN

Ernest Pouhe +237 651 23 51 15 e.pouhe@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

Atef GABSI (Gabon) +241 60 18 60 02 atef.gabsi@ugb-banque.com
Elvira NOMO (Cameroun) +237 67 27 34 367 e.nomo@attijarisecurities.com

DISCLAIMER

<p>RISKS</p> <p>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.</p> <p>LIABILITY LIMITS</p> <p>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.</p> <p>INFORMATION SOURCE</p> <p>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.</p> <p>CHANGE OF OPINION</p> <p>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.</p> <p>INDEPENDENCE OF OPINION</p> <p>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.</p> <p>REMUNERATION AND BUSINESS STREAM</p> <p>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 .</p> <p>ADEQUACY OF OBJECTIVES</p> <p>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.</p> <p>OWNERSHIP AND DIFFUSION</p> <p>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.</p> <p>SUPERVISORY AUTHORITIES</p> <p>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.</p>
--