



WEEKLY MAD INSIGHTS

CURRENCIES

Attijari Global Research

Lamyae Oudghiri

Head of Market Activities
+212 529 03 68 18
l.oudghiri@attijari.ma

Walid Kabbaj

Senior 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**

21 MAY
2025

Week from 05/12/2025 to 05/16/2025

MAIN WEEKLY VARIATIONS

		+0.40%			+0.08%
USD/MAD		9.2885	CAD/MAD		6.6534
		-0.12%			+0.51%
EUR/MAD		10.3985	GBP/MAD		12.3470
		+0.17%			-0.31%
JPY/MAD		6.3814	CHF/MAD		11.1010

INTERNATIONAL HIGHLIGHTS



	USD/MAD	EUR/MAD
Basket Effect ⁽¹⁾	+0.32%	-0.20%
Market Effect ⁽²⁾	+0.08%	+0.08%

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

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

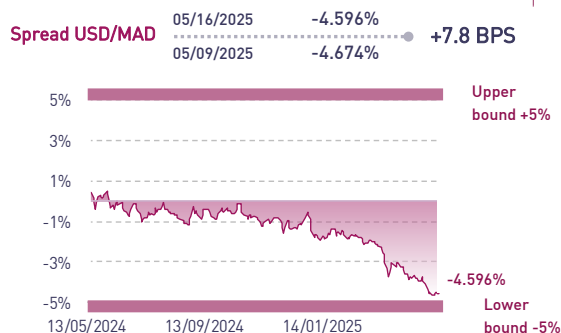
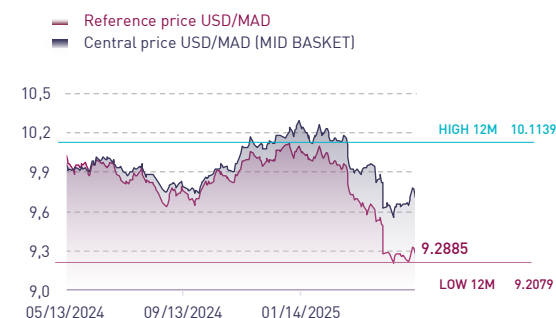
Trade truce between China and the United States

The EUR/USD pair depreciated by -0.77% to 1.1163.

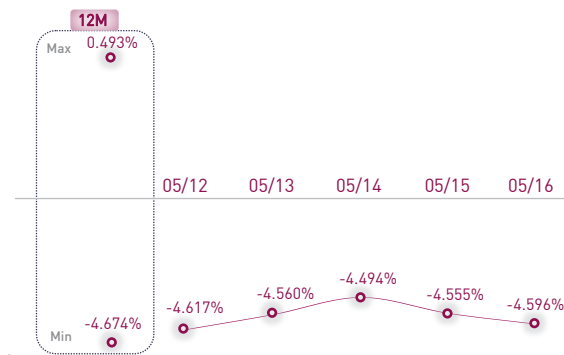
The announcement of a trade agreement between China and the United States during the weekend revived hopes of a de-escalation in trade tensions, which significantly strengthened the US dollar this week. The two countries jointly decided to suspend new tariffs measures for 90 days. These tariffs have been reduced to 30% on US imports from China instead of 145%, and to 10% on Chinese imports from the United States instead of 125%.

In April, US inflation stood at 2.3%, after 2.4% in March. This decrease would further reinforce the scenario of the Fed monetary policy easing in September 2025.

MAD EVOLUTION AND FOREIGN EXCHANGE MARKET LIQUIDITY INDICATORS



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



Very comfortable Dirham liquidity spreads

The USD/MAD pair appreciated by +0.40%, from 9.25 to 9.29 this week.

This evolution was primarily due to a positive *basket effect* of +0.32%, related to the Dollar's strong appreciation this week following the trade agreement between China and the United States. On the other hand, the *market effect* was slightly positive at +0.08%.

The Dirham's liquidity spreads thus tightened slightly, by +8 BPS, still at over three-year lows, at -4.60%, thanks to lower import flows related to the decrease of energy prices. These levels are approaching the lower band of the Dirham's fluctuation band, at -5.0%.

VOLATILITY INDICATORS

	USDMAD	EURMAD	JPYMAD	CADMAD	GBPMAD	CHFMAD
1 MONTH	4.63%	4.36%	8.30%	3.68%	3.92%	6.26%
2 MONTHS	7.29%	5.52%	8.95%	5.28%	6.56%	8.98%
3 MONTHS	6.51%	5.00%	9.10%	5.15%	5.52%	8.00%

Trade tensions cause uncertainty

Despite the lull between China and the United States, uncertainties related to trade tensions, particularly between the United States and its major trading partners, persist, fueling concerns about global economic growth and international currency volatility.

As such, significant currency volatility is expected. We recommend traders to hedge their trades over time horizons from 1 month to 3 months.



WEEKLY MAD INSIGHTS

CURRENCIES

21 MAY
2025

Week from 05/12/2025 to 05/16/2025

EUR/USD OUTLOOK – BLOOMBERG

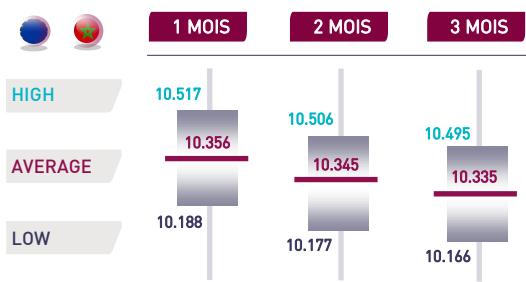
	SPOT	Q2-25	Q3-25	Q4-25	Q1-26	2026	2027	2028	2029
MEDIAN		1.13	1.14	1.14	1.15	1.16	1.20	1.20	1.20
AVERAGE	1.1163	1.12	1.14	1.14	1.15	1.17	1.18	1.20	1.19
+HIGH	05/16/2025	1.18	1.24	1.23	1.25	1.28	1.26	1.32	1.21
+LOW		1.08	1.07	1.06	1.04	1.02	1.12	1.12	1.12
FORWARD		1.13	1.14	1.14	1.15	1.16	1.18	1.20	1.22

Brokers' forecasts for the EUR/USD pair have been reviewed upwards over the ST and MT this week. The pair is expected to reach 1.12 in Q2-25 and 1.14 in Q3-25, compared to 1.13 a week earlier. It would rise to 1.14 in Q4-25 before 1.15 in Q1-26, vs 1.14 initially. It is expected to reach 1.17 in 2026, vs 1.16 previously. Between 2027 and 2028, the pair would appreciate further to 1.18 and then 1.20. In 2029, the target is 1.19, compared to 1.17 initially.

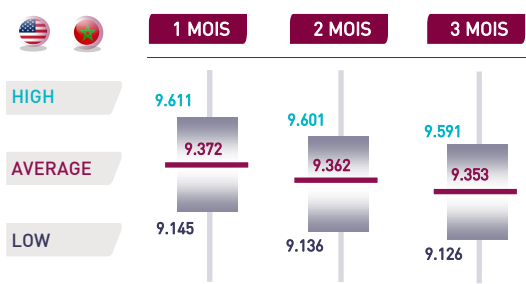
In the United States, inflation fell to 2.3% in April, after 2.8% in February and 2.4% in March. In the face of uncertainties related to trade tensions, the Fed decided a monetary pause in May, and therefore Fed Fund rates remain in the range [4.25% - 4.50%]. Markets have shifted their expectations for the next rate cut to September instead of June. Markets currently anticipate a reduction of -50 BPS by the end of 2025.

In the Eurozone, inflation stabilized at 2.2% in April. Despite an acceleration of the underlying component to 2.7% in April (from 2.4%), markets expect at least two ECB rate cuts in 2025. This is due to the disinflationary outlook supported by low energy prices and the strengthening of the Euro, which makes imports cheaper. Inflation would thus return to the 2% target over the MT. The ECB is now focusing on economic growth, given the negative impact of the trade war.

REVIEW OF OUR 1, 2 AND 3 MONTHS HORIZON FORECASTS



Based on the average EUR/USD consensus of major brokers for Q2-25



Based on the average EUR/USD consensus of major brokers for Q2-25

Given the EUR/USD exchange rate forecasts and liquidity conditions in the foreign exchange market, we have reviewed our USD/MAD exchange rate forecasts for the 1-month, 2-month, and 3-month horizons.

Brokers' EUR/USD exchange rate forecasts still favor a depreciation of the Euro against the dollar over the 3-month horizon.

MAD liquidity spreads are expected to stabilize around spot levels over the 1-month horizon and then ease very slightly over the 2-month and 3-month horizons.

Under these conditions, the target levels for the USD/MAD exchange rate are 9.37, 9.36, and 9.35 over the 1-month, 2-months, and 3-month horizons, compared to a spot rate of 9.29.

The target levels for the EUR/MAD exchange rate are 10.36; 10.35 and 10.33 at 1-month, 2-months and 3 month horizons against a spot price of 10.40.

MAD YTD PERFORMANCE DASHBOARD IN FRONT OF A REFERENCE BASKET

	USD/MAD	EUR/MAD	JPY/MAD	CAD/MAD	GBP/MAD	CHF/MAD
1 WEEK	+0.40%	-0.12%	+0.17%	+0.08%	+0.51%	-0.31%
1 MONTH	+0.03%	-1.46%	-1.94%	-0.34%	+0.19%	-2.37%
YTD	-8.14%	-1.15%	-1.15%	-5.37%	-2.64%	-0.72%

Prices as of 05/16/2025



Attijari
Global Research



APPENDICES

DATA AS OF MAY 20TH, 2025

APPENDIX 1 : BLOOMBERG FORECASTS OF CURRENCY PAIRS TENORS

		Q2-25	Q3-25	Q4-25	Q1-26	2026	2027	2028
FORECAST FORWARD	USD/JPY 145	144	142	140	139	135	130	120
		144	142	141	140	137	133	129
FORECAST FORWARD	USD/CAD 1.39	1.40	1.39	1.38	1.37	1.36	1.35	1.34
		1.39	1.38	1.38	1.37	1.36	1.35	1.34
FORECAST FORWARD	USD/CHF 0.83	0.83	0.83	0.82	0.82	0.82	0.83	0.86
		0.83	0.82	0.81	0.80	0.78	0.75	0.72
FORECAST FORWARD	GBP/USD 1.34	1.32	1.33	1.35	1.35	1.38	1.38	1.37
		1.34	1.34	1.34	1.34	1.34	1.33	1.33

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

	Date	Q2-2025	Q3-2025	Q4-2025	Q1-2026	2026
BNP Paribas	05/20/25	1.14	1.16	1.18	1.19	1.22
Commerzbank	05/16/25	1.08	1.1	1.12	1.13	1.15
JPMorgan Chase	05/16/25	1.15	1.17	1.2	1.22	--
Wells Fargo	04/25/25	1.1	1.11	1.11	1.1	--
RBC Capital Markets	04/09/25	1.1	1.09	1.1	1.11	1.15
Standard Chartered	03/24/25	1.06	1.05	1.04	1.03	1.04
AFEX	05/20/25	1.14	1.17	1.15	--	--
United Overseas Bank	05/20/25	1.14	1.15	1.16	1.17	1.2
DNB	05/19/25	1.11	1.11	1.13	1.14	--
Ebury	05/19/25	1.13	1.14	1.15	1.16	1.18
ING Financial Markets	05/19/25	1.13	1.13	1.13	--	1.15
Prestige Economics LLC	05/19/25	1.13	1.14	1.15	1.16	--
Rabobank	05/19/25	1.11	1.11	1.13	1.14	1.18
Danske Bank	05/16/25	1.14	1.17	1.19	1.2	--
Axis Bank	05/15/25	1.07	1.08	1.12	1.12	1.13
Sumitomo Mitsui Trust Bank	05/15/25	1.13	1.15	1.13	1.11	--
Argentex LLP	05/13/25	1.09	1.13	1.15	--	--

In gray, the main brokers selected to compute the EURUSD consensus for Q2-25
Prices as at 05/20/2025

ATTIJARI GLOBAL RESEARCH

HEAD OF STRATEGY Taha Jaidi +212 5 29 03 68 23 t.jaidi@attijari.ma Casablanca	HEAD OF ECONOMY Abdelaziz Lahlou +212 5 29 03 68 37 ab.lahlou@attijari.ma Casablanca	HEAD OF MARKET ACTIVITIES Lamyae Oudghiri +212 5 29 03 68 18 l.oudghiri@attijari.ma Casablanca	SENIOR MANAGER Maria Iraqui +212 5 29 03 68 01 m.iraqui@attijari.ma Casablanca
SENIOR ASSOCIATE Mahat Zerhouni +212 5 29 03 68 16 m.zerhouni@attijari.ma Casablanca	SENIOR ASSOCIATE Meryeme Hadi +212 5 22 49 14 82 m.hadi@attijari.ma Casablanca	SENIOR ASSOCIATE Walid Kabbaj +212 5 22 49 14 82 w.kabbaj@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 49 14 82 a.drif@attijari.ma Casablanca	SENIOR ANALYST Inès Khouaja +216 31 34 13 10 khouaja.ines@attijaribourse.com.tn Tunis	FINANCIAL ANALYST Ulдерic Djadjo +237 681 77 89 40 u.djadjo@attijarisecurities.com Douala	

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 29 03 68 21 s.mohcine@attijari.ma	Mehdi Benckekroun +212 5 29 03 68 14 m.benckekroun@attijari.ma
---	---	---	---	--	--

AIIS - 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

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
---	---	--	---

EUROPE

Youssef Hansali +33 1 81 69 79 45 y.hansali@attijariwafa.net
--

EGYPT

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

TUNISIA

Mehdi Belhabib +216 71 80 29 22 mehdi.belhabib@attijaribank.com.tn
--

MIDDLE EAST - DUBAI

Sherif Reda +971 50 560 8865 sreda@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

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.