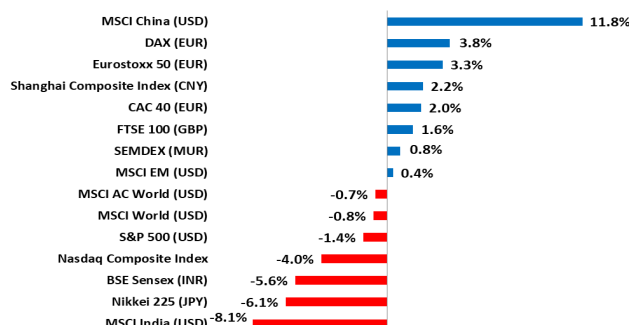


## MARKET SUMMARY – February 2025

Equities: Feb 25 performance (in Index currency)



- The main headlines over the month related to **tariffs**. A brief list of President Trump's major threats and their upcoming deadlines are as follows:  
March 4 - 25% tariffs on Canada and Mexico over fentanyl and illegal migration and additional 10% duties on China (more recently, these were delayed for some products until April 2); March 12 - Blanket 25% tariffs on steel and aluminum on producers around the world; April 2 - Reciprocal tariffs could begin to come into effect on an array of nations; TBC - 25% tariffs on the EU.  
The EU bloc is broadening its list of US goods it will target with retaliatory tariffs if President Trump imposes the 25% duties on steel and aluminum as from March 12. Japan asked President Trump to exclude Japanese companies from the fresh tariffs on steel and aluminum. China hit the US with 10-15% retaliatory tariffs on farm products, for which China is the largest overseas market.

**Foreign**

- In the **US**, the unemployment rate fell slightly from 4.1% to 4%. CPI rose to 3% in January, its highest rate for six months. The PCE price index, which strips out food and energy prices and is the Fed's preferred gauge of inflation, increased by 0.3% in January. In the 12 months through January, prices rose by 2.5% after increasing by 2.6% in December.
- In **Europe**, the annual inflation rate rose to 2.5% in January 2025 from 2.4% in December. It was the highest inflation rate since July 2024, driven primarily by a sharp acceleration in energy costs. The European stock market rose over the month on expectations that an end in the war in Ukraine might be near. GDP in the Euro Area stagnated at 0% in Q4 2024.
- In the **UK**, inflation rose sharply from 2.5% to 3.0% in

January, driven by rising food prices, air fares and an increase in private school fees. This was the fastest pace for 10 months.

- In **Japan**, preliminary GDP growth rate for Q4 came in at 2.8% annualised. Japan Inflation rose by 3.2% in January from the previous year, reaching a 19-month high and reinforcing expectations that the central bank will continue to raise interest rates.
- In **China**, annual inflation rate rose to 0.5% in January 2025 from 0.1% in December. This marked the highest level since August 2024. The latest result also reflected the impact of recent government stimulus measures and the central bank's accommodative monetary policy. The stock market rose after a meeting between President Xi Jinping and prominent entrepreneurs, signalling Beijing's endorsement of the private sector.
- Brent and WTI** prices fell (-4.7% and -3.8% respectively over the month).
- Gold** prices rose by 0.9% over the month, mainly attributed to continued central bank buying, geopolitical risks and uncertainty over US tariffs.

**Local**

- The MPC of the BoM unanimously voted to raise the Key Rate by 50 bps from 4.00% p.a to 4.50% p.a at its meeting in February.
- Y-o-y inflation was 0.1% in February 2025 (LY: 6.2%). The CPI increased by 0.7% m-o-m. The headline inflation for the 12 months ended February 2025 was 2.8% (LY: 6.1%).
- For the month of February 2025, the total number of tourist arrivals dropped y-o-y by 12.1% to 95,991.
- Gross Tourism Earnings for the month of January stood at Rs 8.6Bn (LY: Rs 9.2Bn, -6.5%).

**Local Corporate News – Dividend Declarations:**

Company	DPS Declared (Rs)	Ex Div Date
ABC Banking	0.90	18 Mar 25
Swan General	20.15	20 Feb 25
Swan Life	75.90	20 Feb 25
NMH (Pref)	0.33	27 Feb 25
Attitude	0.48	21 Feb 25
Medine	1.45	04 Mar 25
BMH	1.00	14 Mar 25

11<sup>th</sup> March 2025

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Source: FED, ECB, BOE, BoM, Bloomberg, SEMDEX, Statistics Mauritius, MSCI.

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