



INTERNATIONAL MARKET FOCUS

THE U.S. dollar was a shade softer in early deals on Monday, thinned by a holiday in Japan, though the yen, euro and sterling stayed near the bottom of the ranges hit during Friday's volatile session. The Federal Reserve's May 1 policy review is the prime focus for markets this week, with investors already anticipating a delay in its rate cuts after a batch of sticky U.S. inflation and as officials including Chair J. Powell emphasise even those plans are dependent on data. Investors now see perhaps only a single cut this year, currently anticipated by November.

The Japanese yen jumped suddenly against the dollar this morning, with traders citing yen-buying intervention by Japanese authorities to boost the currency that is languishing near 34-year lows. The dollar fell sharply to 156.55 yen from as high as 160.245 earlier in the day. Trade sources said Japanese banks were seen selling dollars for yen. Traders had been on edge for any signs of action from Tokyo to prop up the currency that has fallen 11% against the dollar so far this year. As even a historic exit from negative rates has failed to lift the currency.

The Euro was trading on a stronger note around \$1.0730 early on Monday. The weaker US Dollar index below the 106.00 mark is providing some support to the major pair. All eyes will be on the Federal Reserve monetary policy meeting on Wednesday.

Sterling was holding ground near \$1.2550 in early trade amid a weaker US Dollar. On the other hand, investors have raised their bets that the BOE will start lowering borrowing costs at its June meeting. During the press conference after the last monetary policy meeting, BOE Governor A. Bailey said that two or three rate cuts this year are not "unreasonable".

The Australian Dollar continued its winning streak on Monday that began on April 22, trading around the three-week high of \$0.6560. The AUD's upward momentum is fuelled by increasing hawkish sentiment surrounding the RBA, spurred by last week's CPI inflation data surpassing expectations. Investors are likely awaiting the March Retail Sales data, scheduled for release on Tuesday, as it provides insight into Australia's consumer spending habits, which significantly impact inflation and GDP trends.

The Indian rupee weakened in early trade pressured by dollar demand from foreign banks and weakness in Asian currencies amid concerns that U.S. rate cuts this year will be delayed. The rupee was last at \$83.41, down from its close at \$83.34 in the previous session.

South Africa's rand strengthened late last week as analysts said a recent local poll suggested there was no alternative to the governing African National Congress, despite a fall in its support. At 1543GMT, the rand was trading at \$18.8250, 1.1% stronger than its previous close. This week, local investors will turn their attention to monthly money supply, trade and budget balance figures for clues on the health of South Africa's economy.

(Reuters)

LOCAL MARKET

Last week the USD/MUR traded within a range of 46.79/47.00, the EUR/MUR traded within a range of 50.62/50.72 and the GBP/MUR traded within a range of 58.55/58.99

Results of last week auctions held by the Bank of Mauritius:

- On the 26th of April was held an auction of 7-Day Bank of Mauritius Bills at fixed yield of 4.50% for a nominal amount of MUR 1,000 million. MUR 1,000.00 million was allocated out of MUR 10,310.0 million received.

- On the 25th of April was held an auction of 182-Day and 364-Day Government of Mauritius Treasury Bills for a nominal amount of MUR 1,500.0 Million each. Out of the 20 bids received (representing MUR 8,200.0 million), 7 were allocated for MUR 3,550.0 million. The amounts and weighted average yields were as follows: MUR 1,500.0 million @ 3.90% for 182-Day and MUR 2,050.0 million @ 4.08% for 364-Day.

- On the 24th of April was held an auction of 4.29% Three-Year Government of Mauritius Treasury Notes (Re-Opening) for a nominal amount of MUR 1,700 million. Out of the 17 bids received (representing MUR 4,850.0 million), 6 were allocated for MUR 2,100.0 million at a weighted average yield of 5.02%.

INDICATIVE SPOT AND FORWARD MUR RATES

	USD	EUR	GBP
SPOT	45.87/46.77	49.31/50.73	57.55/59.17
1 MTH	45.88/46.78	49.32/50.74	57.56/59.18
3 MTH	45.89/46.79	49.33/50.75	57.57/59.19

Source: BCP Bank (Mauritius) Ltd.

LATEST WEIGHTED TREASURY BILLS YIELDS

7 DAYS	91 DAYS	182 DAYS	364 DAYS
4.50%	3.20% (12/04/24)	3.90% (25/04/24)	4.08% (25/04/24)

Source : Bank of Mauritius

CURRENCY QUOTES AGAINST USD

CURRENCY	OPENING	OPENING LAST WEEK
EUR	1.0732	1.0655
GBP	1.25455	1.23515
ZAR	18.7381	19.18165
JPY	155.535	154.735

INDICATIVE USDSOFR, EURIBOR & SONIA RATES

	USD	EUR	GBP (Overnight Terms Ref. Rate)
1 MTH	5.3169	3.837	5.2016
3 MTH	5.3264	3.892	5.1930
6 MTH	5.3029	3.846	5.1370



THIS WEEK MAJOR ECONOMIC INDICATORS (Local Time)

29Apr	13:00	EUR	Business Climate / Consumer Confidence
29Apr	16:00	GER	C.P.I.
30Apr	13:30	EUR	Harmonized Index of Consumer Prices
30Apr	18:00	U.S.	Consumer Confidence
01May	17:45	U.S.	S&P Global Manufacturing PMI
01May	18:00	U.S.	ISM Manufacturing PMI
01May	22:00	U.S.	Fed Interest Rate Decision / Fed Monetary Policy Statement
01May	22:30	U.S.	Fed Press Conference
02May	16:30	U.S.	Weekly Jobless Claims
03May	13:00	EUR	Unemployment Rate
03May	16:30	U.S.	Nonfarm Payrolls / Unemployment Rate / Average Hourly Earnings

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