



INTERNATIONAL MARKET FOCUS

The EUR/USD treads water after the recently downbeat performance as bears struggle to justify strength amid a sluggish start to the key week. That said, the major currency pair seesaw around 1.0180—85 during early Monday trading. The quote's latest inaction could be linked to the absence of major data, as well as anxiety ahead of Wednesday's key US Consumer Price Index data for July. However, hawkish bias over the US Federal Reserve's next move and pessimism surrounding the Eurozone keep the EUR/USD bears hopeful.

The US dollar extended its best rally against the Japanese yen since mid-June on Monday, buoyed by higher Treasury yields after Friday's blockbuster U.S. jobs data lifted expectations for more aggressive Federal Reserve policy tightening. The greenback was last 0.31% higher at 135.42 yen and earlier rose to 135.585 yen, its highest level since July 28, after surging 1.57% in the previous session, its biggest since-day gain since June 17.

Sterling fell 1% against the US dollar on Friday after the stronger-than-expected US non-farm payrolls report cemented the case for another super-sized U.S. rate hike. While the Bank of England lifted rates by 50 basis points on Thursday, raising the key rate by the most in 27 years, its rate-hiking pace has been slower than that of the U.S. Federal Reserve. So, not only has it been hard for Sterling to benefit from the UK monetary tightening but the currency has also been hurt by the BOE's bearish view on the economy. The BOE said on Thursday the economy would slip into recession at the end of 2022, and not emerge until 2024. The gloomy outlook, coupled with the BOE's resolve to fight inflation, which the bank expects to hit 13%, is likely to keep sterling under pressure.

The Australian dollar was trying to steady on Monday after the super-strong U.S. payrolls report boosted the greenback across the board. The Aussie did regain a little ground to \$0.6926, having lost 0.8% on Friday to reach as low as \$0.6870 before finding support. Resistance now lies at \$0.6987.

The Indian rupee added to its opening losses against the dollar on Monday, as the US Federal Reserve was seen maintaining the aggressive pace of monetary tightening following Friday's stellar U.S. jobs report. The INR was trading at \$79.54, down from \$79.23 on Friday. The local unit had opened at \$79.45.

South Africa's rand steadied in early trade on Monday as investors brace for fresh clues after Friday's unexpectedly strong U.S. jobs report. At 06:37GMT, the rand traded at \$16.7650, near its previous close of \$16.7775. In the absence of major local economic data points, all eyes on Monday will be on U.S. Secretary of State Anthony Blinken, who is on visit to South Africa, where he is expected to outline the U.S. government's approach to Africa.

(Reuters)

LOCAL MARKET

Last week the USD/MUR traded flat at 45.80, while the EUR/MUR traded within a range of 46.89/47.41 and the GBP/MUR traded within a range of 55.84/56.38

Results of last week auctions:

- The Bank of Mauritius held on the 03rd of August an auction of 4.79% Ten-Year Government of Mauritius Bonds for a tender amount of MUR 2,300.0 million. Out of the 11 bids received (representing MUR 5,990.0 million), 11 were accepted for the tender amount at a weighted average yield of 4.79%.
- The Bank of Mauritius also held on the 04th of August an auction of 7-Day Bank of Mauritius Bills for a nominal amount of MUR 1,500.0 million. Out of the 21 bids received (representing MUR 3,675.0 million), 5 were accepted for MUR 275.0 million at a weighted average yield of 0.66%.
- The Bank of Mauritius finally held on Friday an auction of 182-Day Government of Mauritius Treasury Bills for a tender amount of MUR 900.0 million. Out of the 6 bids received (representing MUR 1,770.0 million), 1 only was accepted for the auction amount. The weighted average yield was 1.12%.
- The Bank of Mauritius also held on Friday an auction of 91 & 364-Day Bank of Mauritius Bills for an aggregate nominal amount of MUR 1,500.0 million. Out of the 11 bids received (representing MUR 2,900.0 million), 3 were accepted for MUR 1,800.0 million. The detailed weighted average yields were as follows: 7 bids received for 91 days for MUR 2,350.0Mio and 2 were accepted for MUR 1,600.0 million at 1.00%; 4 bids received for 364 days for MUR 550.0Mio and only 1 was accepted for MUR 200.0 million at 1.30%.

INDICATIVE SPOT AND FORWARD MUR RATES

	USD	EUR	GBP
SPOT	44.90/45.80	45.69/46.97	54.00/55.52
1 MTH	44.91/45.81	45.70/46.98	54.01/55.53
3 MTH	44.92/45.82	45.71/46.99	54.02/55.54

Source: BCP Bank (Mauritius) Ltd.

LATEST WEIGHTED TREASURY BILLS YIELDS

7 DAYS	91 DAYS	182 DAYS	364 DAYS
0.66%	1.00%	1.12%	1.30%

Source : Bank of Mauritius

CURRENCY QUOTES AGAINST USD

CURRENCY	OPENING	OPENING LAST WEEK
EUR	1.0180	1.0230
GBP	1.2072	1.2187
JPY	135.23	132.445
ZAR	16.7854	16.6221

INDICATIVE USDSOFR, EURIBOR & SONIA RATES

SONIA	USD	EUR	GBP (Terms Ref. Rate)
1 MTH	2.29086	-0.070	1.6396
3 MTH	2.63604	0.277	1.8921
6 MTH	2.98677	0.678	2.2823



BCP BANK (MAURITIUS)

GRUPE BANQUE CENTRALE POPULAIRE

Weekly Market Update

THIS WEEK MAJOR ECONOMIC INDICATORS

08Aug	12:30	EUR	Sentix Investor Confidence
10Aug	10:00	GER	C.P.I.
10Aug	16:30	U.S.	C.P.I.
11Aug	05:00	AUD	Consumer Inflation Expectations
11Aug	16:30	U.S.	Weekly Jobless Claims
12Aug	10:00	U.K.	G.D.P.
12Aug	18:00	U.S.	Michigan Consumer Sentiment Index

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