



INTERNATIONAL MARKET FOCUS

Markets are relatively calm on Monday as traders already have this Wednesday's Fed decision in mind. Analysts seem split between calling for the Fed to provide the first hint of tapering its bond-buying scheme and no change in policy at this stage. The US dollar has been edging higher, extending gains recorded on Friday as the University of Michigan's Consumer Sentiment index beat expectations in June while its inflation component dropped. That somewhat contrasts the stronger-than-expected Consumer Price Index figures published earlier.

The EUR/USD remained pressured around a one-month low at 1.2095 as the bearish bias remains intact. The market's rush to risk-safety has put a bid under the US dollar and is weighing down the quote in the absence of fresh catalysts. The cautious mood could be traced from the pre-Fed indecision and a lack of major positives for the EU zone after the Group of Seven meeting. Also offering a tailwind to the pair could be the recently strong US data and the G7 verdict that seems to escalate the tussles between the West and China.

Sterling was on track for its second consecutive weekly loss versus the dollar on Friday after data releases that failed to impress investors, while post-Brexit trade troubles over Northern Ireland also soured the mood. On 1450GMT on Friday, the pound was down 0.5% to \$1.4107, after falling to a one-month low of \$1.4071 on Thursday.

The Japanese fell to 0.1% to \$109.75, after weakening to \$109.84 on Friday for the first time since June 4.

The Australian dollar regained the \$0.7700 threshold, following a drop to the intraday low of \$0.7692, amid a lacklustre trading session on Monday. While an extended weekend in Australia and China restricted market moves, a light calendar and thin news kept the Aussie tight-lipped.

The Indian rupee weakened against the US dollar on Monday amid weakness in equities in the domestic market with investors awaiting consumer price inflation data for May due later in the day. Investors also await the US Fed's policy meeting later this week globally. Moreover, strengthening of the US dollar in the overseas market and rising crude oil prices also dragged down the domestic unit. Sustained foreign inflows, however, managed to support the rupee sentiment. The INR/USD is currently trading at 73.17, weaker by 10 paise from its previous close at 73.07 on Friday.

South Africa's rand suffered the Monday morning blues as traders continued to cash in some of their gains on 2021's top performing emerging market currency. A fifth drop in six sessions left the rand down 0.4% at \$13.70 in early moves and kept it almost 2.5% off its recent 28-month high.

(Source: Reuters)

LOCAL MARKET

Last week the USD/MUR traded within a range of 41.00/41.15, the EUR/MUR traded within a range of 50.16/50.45, while the GBP/MUR traded within a range of 58.03/58.55

The Bank of Mauritius held on Friday an auction of 91, 182 & 364-Day Government of Mauritius Treasury Bills for an aggregate nominal amount of MUR 1,500.0 million. Out of the 21 bids received (representing MUR 2,950.0 million), 8 were accepted for auction amount. The weighted average yields and allocated amounts were as follows: 0.99% for 91 days – MUR 559.3Mio; 1.18% for 182 days – MUR 483.1Mio and 1.40% for 364 days – MUR 457.6Mio.

An additional issue of 91, 182 & 364-Day Government of Mauritius Treasury Bills was allocated at the same average yield as above and as follows: MUR 400.0 Mio each for 91 & 182 days and MUR 550.0 Mio for 364 days.

The Bank of Mauritius also held on the 09th of June an auction of Five-Year Government of Mauritius Bonds (Re-Opening) for a tender amount of MUR 2,500.0 million maturing on 20th May 2026. Out of the 20 bids received (representing MUR 5,750.0Mio), 11 were allocated for the tender amount. The weighted average yield was 2.59%.

INDICATIVE SPOT AND FORWARD MUR RATES

	USD	EUR	GBP
SPOT	40.35/41.25	48.77/50.20	56.75/58.41
1 MTH	40.36/41.26	48.78/50.21	56.76/58.42
3 MTH	40.37/41.27	48.79/50.22	56.77/58.43

Source: BCP Bank (Mauritius) Ltd.

LATEST WEIGHTED TREASURY BILLS YIELDS

91 DAYS	182 DAYS	364 DAYS
0.99%	1.18%	1.40%

Source : Bank of Mauritius

CURRENCY QUOTES AGAINST USD

CURRENCY	OPENING	OPENING LAST WEEK
EUR	1.2099	1.2170
GBP	1.4114	1.41485
JPY	109.755	109.405
ZAR	13.7345	13.4159

INDICATIVE LIBOR RATES

	USD	EUR	GBP
1 MTH	0.07288	-0.57643	0.05213
3 MTH	0.11888	-0.55114	0.08475
6 MTH	0.15250	-0.53214	0.10688



BCP BANK (MAURITIUS)

GRUPE BANQUE CENTRALE POPULAIRE

Weekly Market Update

THIS WEEK MAJOR ECONOMIC INDICATORS IN GMT

14Jun	11:00	EUR	Industrial Production
15Jun	08:00	U.K.	ILO Unemployment Rate
15Jun	08:00	GER	C.P.I.
15Jun	14:30	U.S.	Retail Sales
16Jun	08:00	U.K.	C.P.I.
16Jun	20:00	U.S.	Fed Interest Rate Decision / Fed's Monetary Policy Statement
16Jun	20:30	U.S.	FOMC Press Conference
17Jun	11:00	EUR	C.P.I.
17Jun	14:30	U.S.	Weekly Jobless Claims
18Jun	08:00	U.K.	Retail Sales

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