

The yen rose on Monday, helped by comments from Bank of Japan Governor Kazuo Ueda who left the door open to a near-term rate hike, while the dollar began the month on the back foot as investors ramped up bets of a U.S. rate cut this month. Ueda said earlier on Monday the central bank will consider the "pros and cons" of raising interest rates at its next policy meeting in December, in the strongest signal yet of a hike later this month. He subsequently said in a press conference that he will elaborate more on the central bank's future rate hike path once rates are raised to 0.75%, adding that December's policy decision will take into account wage information and other data. That helped the Japanese currency JPY extend gains, as it rose roughly 0.5% to a session-high of 155.395 per dollar. In the broader market, the dollar eased as investors braced for a pivotal month that could bring the Fed's final rate cut of the year and the confirmation of a dovish successor to Chair Jerome Powell.

The euro EUR rose to a two-week high of \$1.16155, while sterling GBP last bought \$1.3225, after having clocked its best week in over three months on Friday in a relief rally following British Finance Minister Rachel Reeves' budget reveal. Traders are now pricing in an 87% chance the Fed will cut by 25 basis points when it meets next week, according to the CME FedWatch tool.

November's U.S. employment report will be released on December 16, after the Fed's policy meeting this month, and will include October nonfarm payrolls. There will be no unemployment rate for October as the longest shutdown in history prevented the collection of the household survey data.

The Australian dollar AUD= eased 0.12% to \$0.6540, while the New Zealand dollar NZD= fell 0.18% to \$0.5728.

The South African rand weakened in early trade on Monday, ahead of the release of a local manufacturing purchasing managers' index (PMI) survey and vehicle sales numbers for November. At 0622 GMT, the rand traded at 17.1550 against the dollar ZAR, about 0.2% weaker than Friday's close.

The Indian rupee opened December on a subdued note, with support from a stronger-than-expected growth print quickly outweighed by routine dollar demand from importer hedging, outflows and maturing positions in the non-deliverable forwards market. The currency INR was at 89.47 per U.S. dollar as of 10:00 a.m. IST, broadly steady from 89.4575 on Friday.

Source: Reuters)

LOCAL MARKET

Last week the USD/MUR traded within a range of 46.54/46.77, the EUR/MUR traded within a range of 54.13/54.36 and the GBP/MUR traded within a range of 61.56/62.08

Results of last week auctions held by the Bank of Mauritius

- On the 27 of November was held an auction of 91-Day and 364-Day Government of Mauritius Treasury Bills for a nominal amount of MUR 1,200.0 million and MUR 1,500.0 million respectively. Out of the 15 bids received (representing MUR 7,250.0 million), 6 were allocated as follows: 8 bids received for 91-Day for MUR 1,200.0 million and 4 were allocated for the auction amount at a weighted average yield of 4.34 %; 7 bids received for 364-Day for MUR 1,500.0 million and 2 were allocated for the auction amount at a weighted average yield of 4.96%. On the 28th of November was held an auction of 5-year GOM bonds. Tender amount was MUR 3,300.0 million. Out of 15 Bids received for an amount of MUR 5,900.0 million, 5 were allocated at 5.40% for MUR 3,300.0 million

INDICATIVE SPOT AND FORWARD MUR RATES

	USD	EUR	GBP
SPOT	45.71/46.61	52.80/54.38	60.19/61.99
1 MTH	45.72/46.62	52.81/54.39	60.20/62.00
3 MTH	45.73/46.63	52.82/54.40	60.21/62.01

Source: BCP Bank (Mauritius) Ltd.

LATEST WEIGHTED TREASURY BILLS YIELDS

91 DAYS	182 DAYS	364 DAYS
4.34%	4.68%	4.96%

Source : Bank of Mauritius

CURRENCY QUOTES

CURRENCY	OPENING	OPENING LAST WEEK
EUR/USD	1.1600	1.1522
GBP/USD	1.32305	1.3101
USD/ZAR	17.14455	17.3732
USD/JPY	155.47	156.56

INDICATIVE USDSOFR, EURIBOR & SONIA RATES

	USD	EUR	GBP
O/N	4.05	1.891	3.969
1 MTH	3.86417	1.946	3.8899
3 MTH	3.78743	2.06	3.7908
6 MTH	3.70377	2.11	3.7075

THIS WEEK MAJOR ECONOMIC INDICATORS (GMT Time)

01 Dec	05.05	JPY	BOJ GOV Ueda Speech
01Dec	19.00	USD	ISM Manufacturing PMI
02 Dec	14.00	EUR	Inflation Rate YoY Flash
03 Dec	04:30	AUD	GBP Growth Rate QoQ
03 Dec	17.15	USD	ADP National Employment Report
03 Dec	19.00	USD	ISM Services PMI
04 Dec	17.30	USD	Initial Jobless Claim
05 Dec	19.00	USD	Unemployment Rate, Personal Spending MoM, Core PCE Price Index MoM, Personal Income, University of Michigan Consumer Sentiment Index

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