

Weekly Market Update

02 February 2026

BCP BANK
(MAURITIUS)



The US dollar clung to its gains on Monday as investors weighed what a Federal Reserve under Kevin Warsh might look like, with his preference for a smaller balance sheet. U.S President D. Trump's pick of Warsh as the next Fed Chair sparked a wave of selling across risky assets and sent precious metals tumbling on Friday, while the dollar clawed back its losses from earlier last week. While investors think Warsh will be inclined to cut rates, they expect him to reign in the Fed's balance sheet, which is typically supportive for the dollar as it reduces the money supply in the market. The greenback remained on the front foot in early trade this morning leaving the euro firmly away from the \$1.20 level it hit last week, and as it last stood around \$1.1875.

The Japanese Yen was down 0.4% to around \$155.00 at time of writing, pressured in part by the dollar's strength and PM Takaichi's weekend comments which seemed to condone a weaker currency. The February 8 snap election is likely to be the next key local catalyst for the yen. A newspaper survey showed the PM's party LDP likely to score a landslide victory in the upcoming lower house election. An LDP majority could likely push the USD/JPY toward 160, whereas a coalition outcome could leave the pair near the 155.00 level depending on the coalition partners.

The Pound Sterling was trading flat around \$1.3695 in Monday's early session on the expectations that Warsh will be less dovish than the other potential candidates, and this could underpin the US dollar. On another note, the BoE is likely to hold the key interest rates steady at its next meeting on February 5. The Indian central bank's interventions helped boost the rupee away from record low levels on Monday, a day after the announcement of the country's federal budget. The INR appeared on course to open near its all-time low of \$91.9875, but the central bank's intervention helped shore it up to \$91.60, a gain of 0.4% from its closing level on Friday.

The Australian dollar hit a one-week low of \$0.6923 this morning. it lost 1.2% on Friday to break a nine-day winning streak, which saw it retreat further from a three-year peak of \$0.7094. still, it was up 4.3% in January alone, aided by growing bets that the Reserve Bank of Australia could resume a hiking cycle after three rate cuts last year. Much is riding on the outcome of a policy meeting on Tuesday where a quarter-point increase is about 75% priced. A surprise decision to hold would sting the Aussie, while an increase would push it up.

The South Africa rand weakened in early trade on Monday, pressured by a firmer U.S. dollar in line with other Emerging Markets and commodity-linked currencies. The local currency, which fell by 2.5% on Friday to close at \$16.12, has opened even softer this morning as gold dropped a further 5.0%.

Source: (Reuters)

INDICATIVE SPOT AND FORWARD MUR RATES

	USD	EUR	GBP
SPOT	45.25/46.15	53.43/55.03	61.62/63.46
1 MTH	45.26/46.16	53.44/55.04	61.63/63.47
3 MTH	45.27/46.17	53.45/55.05	61.64/63.48

Source: BCP Bank (Mauritius) Ltd.

LATEST WEIGHTED TREASURY BILLS YIELDS

91 DAYS	182 DAYS	364 DAYS
4.10%	4.40%	4.70%

Source : Bank of Mauritius

CURRENCY QUOTES

CURRENCY	OPENING	OPENING LAST WEEK
EUR/USD	1.1863	1.1861
GBP/USD	1.3682	1.36605
USD/ZAR	16.2320	16.0784
USD/JPY	154.875	154.02

INDICATIVE USDSOFR, EURIBOR & SONIA RATES

	USD	EUR	GBP
O/N	3.75000	1.933	3.7247
1 MTH	3.66877	1.968	3.7276
3 MTH	3.66017	2.031	3.7159
6 MTH	3.61597	2.158	3.6392

LOCAL MARKET

Last week the USD/MUR traded within a range of 45.55/45.98, the EUR/MUR traded within a range of 54.81/55.01 and the GBP/MUR traded within a range of 63.13/63.44

Results of last week auctions held by the Bank of Mauritius

- On the 29th of January was held an auction of 182-Day and 364-Day Government of Mauritius Treasury Bills for a nominal amount of MUR 1,000.0 Million each. Out of the 12 bids received (representing MUR 4,800.0 million), 3 were allocated as follows: 6 bids received for 182-Day for MUR 2,200.0 million and 2 were allocated for MUR 1,200.0 million at a weighted average yield of 4.40%; 6 bids received for 364-Day for MUR 2,600.0 million and only 1 was allocated for MUR 1,000.0 million at a weighted average yield of 4.70%.

- On the 29th of January was also held an auction of 91-Day Bank of Mauritius Treasury Bills for a nominal amount of MUR 4,000.0 Million. Out of the 14 bids received (representing MUR 5,650.0 million), 3 were accepted for the auction amount at a weighted average yield of 4.10%.

- On the 27th of January was held an auction of 5.22% Five-Year Government of Mauritius Bonds for a nominal amount of MUR 2,000.0 Million. Out of the 15 bids received for MUR 5,600.0 million, 3 were allocated for MUR 2,200.0 Million at a weighted average yield of 5.23%.



THIS WEEK MAJOR ECONOMIC INDICATORS (GMT Time)

02 Feb	13:00	EUR	HCOB Manufacturing PMI
02 Feb	19:00	USD	ISM Manufacturing PMI
03 Feb	07:30	AUD	RBA Interest Rate Decision / RBA Monetary Policy Statement
04 Feb	14:00	EUR	Core Harmonized Index Of Consumer Prices
04 Feb	19:00	USD	ISM Services PMI
05 Feb	14:00	EUR	Retail Sales
05 Feb	16:00	GBP	BoE Interest Rate Decision / BoE Minutes
05 Feb	17:15	EUR	ECB Interest Rate Decision
05 Feb	17:30	USD	Weekly Jobless Claims
06 Feb	17:30	USD	Nonfarm Payrolls / Average Hourly Earnings / Unemployment Rate
06 Feb	19:00	USD	Michigan Consumer Sentiment Index

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