



The safe-haven US dollar advanced broadly in early trade on Monday, as peace talks between the U.S. and Iran broke down. After the marathon talks with Iran failed to end the war, thus jeopardizing a fragile two-week ceasefire, U.S. President D. Trump said on Sunday that the U.S. navy would begin the blockade of all maritime traffic entering and exiting Iranian ports in the Strait of Hormuz as from 1400 GMT today.

The Euro weakened slightly on risk-off sentiment following the failure of the U.S.-Iran talks. The EUR/USD pair is trading around 1.1680 during the early Asian hours after opening a gap down on Monday.

The Pound Sterling opened with a bearish gap at the start of the new week and, for now, seems to have snapped a five-day winning streak to its highest level since late February, around the \$1.3485 region set last week. Spot prices, however, rebounded a few pips from the Asian session low, and currently trade slightly above the \$1.3400 level, still down nearly 0.45% on the day. On another note, the BoE's signal about a potential interest rate hike as early as April raises downside risks to the economy, which remains highly vulnerable to energy price shocks linked to the Iran war. This might hold back traders from placing aggressive bullish bets on the GBP.

Against the Japanese Yen, the U.S. dollar was up 0.4% at \$159.83 as yields on Japan's benchmark 10-year government bonds jumped 5.5 basis points to 2.49%, the highest level in almost three decades.

The Australian dollar also lost ground on Monday after the peace talks to resolve the war in the Middle East collapsed. The Aussie hit an intraday low of \$0.6979 before recouping some losses to be last down 0.5% around \$0.7035. It rallied 2.7% last week, the biggest weekly gain in almost three months, but resistance is heavy at 71 cents.

The Indian rupee faced pressure in early trade, starting at \$93.28, which was a decline of 55 paise from Friday's close value of \$92.73, following a two-week relief rally that was hindered by a spike in oil prices after the U.S. and Iran could not finalize a deal to stop the conflict.

South Africa's rand weakened on Monday as investors reacted to the U.S.-Iran standoff that threatened oil flows through the Strait of Hormuz, pushing crude prices back above \$100/barrel and lifting the US dollar. At 0639 GMT, the rand was trading at \$16.5650, about 0.8% down from its Friday close.

Source: (Reuters)

### INDICATIVE SPOT AND FORWARD MUR RATES

	USD	EUR	GBP
<b>SPOT</b>	46.08/46.98	53.59/55.19	61.47/63.31
<b>1 MTH</b>	46.09/46.99	53.60/55.20	61.48/63.32
<b>3 MTH</b>	46.10/47.00	53.61/55.21	61.49/63.33

Source: BCP Bank (Mauritius) Ltd.

### LATEST WEIGHTED TREASURY BILLS YIELDS

91 DAYS	182 DAYS	364 DAYS
4.14%	4.24%	4.50%

Source: Bank of Mauritius

### CURRENCY QUOTES

CURRENCY	OPENING	OPENING LAST WEEK
<b>EUR/USD</b>	1.1692	1.1524
<b>GBP/USD</b>	1.3421	1.32125
<b>USD/ZAR</b>	16.4212	16.93285
<b>USD/JPY</b>	159.205	159.575

### INDICATIVE USDSOFR, EURIBOR & SONIA RATES

	USD	EUR	GBP
<b>O/N</b>	3.57000	1.918	3.7294
<b>1 MTH</b>	3.64863	1.998	3.7492
<b>3 MTH</b>	3.66895	2.198	3.8067
<b>6 MTH</b>	3.68636	2.453	3.9366

## LOCAL MARKET

Last week the USD/MUR traded within a range of 46.94/47.48, the EUR/MUR traded within a range of 55.01/55.17 and the GBP/MUR traded within a range of 63.07/63.34

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

- On the 09th of April 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 16 bids received (representing MUR 5,200.0 million), 6 were allocated as follows: 8 bids received for 182-Day for MUR 2,600.0 million and 4 allocated for the tender amount at a weighted average yield of 4.24%; 8 bids received for 364-Day for MUR 2,600.0 million and 2 were allocated for the tender amount at a weighted average yield of 4.50%.

- On the 09th of April was also held an auction of 91-Day Bank of Mauritius Treasury Bills for a nominal amount of MUR 3,000.0 Million. 10 bids (representing MUR 2,250.0 million) were received, and all were accepted at a weighted average yield of 4.14%.

- On the 08th of April was held an auction of 5.58% Ten-Year Government of Mauritius Bonds for a tender amount of MUR 2,200.0 Million maturing on 10 April 2036. Out of the 19 bids received for MUR 5,800.0 million, 8 were allocated for MUR 2,450.0 Million at a weighted average yield of 5.62%.



## THIS WEEK MAJOR ECONOMIC INDICATORS (GMT Time)

14 Apr	16:30	USD	Producer Price Index
14 Apr	20:00	GBP	BoE's Governor Bailey Speech
15 Apr	16:30	USD	NY Empire State Manufacturing Index
16 Apr	05:30	AUD	Consumer Inflation Expectations / Unemployment Rate
16 Apr	13:00	EUR	Harmonized Index of Consumer Prices
16 Apr	16:30	USD	Weekly Jobless Claims

### DISCLAIMER

This publication has been prepared by the Treasury department of BCP Bank (Mauritius) Ltd. It is provided to you for information purposes. Any pricing in this report is indicative and is not intended as an offer or solicitation for the purchase or sale of any financial instrument. The information contained herein has been obtained from sources believed to be reliable but BCP Bank (Mauritius) Ltd does not represent or warrant that it is accurate and complete. The views reflected herein are those of BCP Bank (Mauritius) and are subject to change without notice. Any such person should before acting on the information in the report, seek appropriate professional advice. Neither BCP Bank (Mauritius), nor any officer or employee thereof accepts any liability whatsoever for any direct or consequential loss arising from any use of this publication or its contents.

Copyright in this report is owned by BCP Bank (Mauritius) Ltd.

### TREASURY TEAM CONTACT DETAILS:

**TREASURER:**  
**GOVINDEN MODELAR**  
**VYAPOOREE**  
Direct line: 207 8732

**ASSISTANT TREASURER:**  
**VEGANADEN YETEN**  
Direct line: 207 8628

**CORPORATE DEALER:**  
**JEAN-PIERRE JEROME**  
Direct line: 207 8605

**DEALER:**  
**WARREN POUILLAY PALLANY**  
Direct line: 207 8718