



The US dollar touched a 10-day low against its major peers this morning as a preliminary agreement to end the war between the U.S. and Iran sent oil prices tumbling and boosted demand for riskier assets. The memorandum of understanding is scheduled to be officially signed on Friday in Switzerland. Major central banks, including the Federal Reserve, the Bank of Japan and the Reserve Bank of Australia, will deliver rate decisions this week, with markets focused on whether prospects for a peace deal will ease their inflation concerns and influence the current tightening trajectory. The Federal Reserve is widely expected to hold rates on Wednesday, but all eyes will be on policy statement and press conference for what the new chair Kevin Warsh signals. The euro was last trading around \$1.1600, up 0.3% so far, whilst the Pound Sterling strengthened 0.2% to around \$1.3440.

The Japanese yen weakened to as much as \$160.225, continuing to hover around the 160 level widely seen as a line in the sand for potential intervention. The Bank of Japan is set to raise interest rates to 1%, a 31-year high, at its two-day meeting concluding on Tuesday. It is also expected to signal readiness to keep pushing up borrowing costs to combat inflation risks despite the peace deal.

The risk-sensitive Australian dollar fetched \$0.7079, up 0.6%. the Reserve Bank of Australia is also expected to hold rates steady at 4.35% on Tuesday, having hiked three times this year.

The Indian rupee strengthened by 58 paise to \$94.60 in early trading on Monday, supported by the sharp decline in oil prices (4.66% to \$83.26 per barrel). The domestic market also benefited from a strong opening in Indian equity markets and weakness in the U.S. dollar.

The South African rand firmed in early trade, trading around \$16.1725 ,about 0.8% up from its previous close, after the U.S. and Iran officials said they had reached an agreement to end their war. Statistics South Africa will release May inflation data on Wednesday, with analysts expecting it to accelerate to 4.7% year-on-year, from 4% in April. Traders will also watch retail sales data, due on Wednesday, for further clues on the health of Africa's biggest economy.

Source: (Reuters)

INDICATIVE SPOT AND FORWARD MUR RATES

	USD	EUR	GBP
SPOT	46.44/47.82	53.94/55.56	62.47/64.34
1 MTH	46.45/47.83	53.95/55.57	62.48/64.35
3 MTH	46.46/47.84	53.96/55.58	62.49/64.36

Source: BCP Bank (Mauritius) Ltd.

LATEST WEIGHTED TREASURY BILLS YIELDS

91 DAYS	182 DAYS	364 DAYS
4.02%	4.30%	4.51%

Source : Bank of Mauritius

CURRENCY QUOTES

CURRENCY	OPENING	OPENING LAST WEEK
EUR/USD	1.1614	1.1533
GBP/USD	1.3452	1.33425
USD/ZAR	16.1512	16.5641
USD/JPY	160.045	160.335

INDICATIVE USDSOFR, EURIBOR & SONIA RATES

	USD	EUR	GBP
O/N	3.60000	1.931	3.7305
1 MTH	3.63312	2.167	3.7434
3 MTH	3.67045	2.380	3.7936
6 MTH	3.75101	2.639	3.8984

LOCAL MARKET

Last week the USD/MUR traded within a range of 48.48/48.60, the EUR/MUR traded within a range of 56.08/56.14 and the GBP/MUR traded within a range of 64.87/65.05

Results of last week auctions held by the Bank of Mauritius

- On the 11th of June was held an auction of 182-Day Government of Mauritius Treasury Bills for a nominal amount of MUR 1,500.0 Million. 10 bids (representing MUR 3,200.0 million) were received, and 3 were accepted for the tender amount at a weighted average yield of 4.30%.

- On the 11th of June was also held an auction of 91-Day and 364-Day Bank of Mauritius Treasury Bills for a nominal amount of MUR 2,000.0 Million each. Out of the 19 bids received (representing MUR 7,850.0 million), 10 bids were allocated as follows: 9 bids received for 91-Day for MUR 4,350.0 million and 5 were allocated for the tender amount at a weighted average yield of 4.02%; 10 bids received for 364-Day for MUR 3,500.0 million and 5 were allocated for the tender amount at a weighted average yield of 4.51%.



THIS WEEK MAJOR ECONOMIC INDICATORS (GMT Time)

16 Jun	N/A	JPY	BoJ Interest Rate Decision / BoJ Monetary Policy Statement
16 Jun	04:30	AUD	RBA Interest Rate Decision / RBA Monetary Policy Statement
16 Jun	09:00	EUR	ZEW Survey Economic Sentiment
17 Jun	06:00	GBP	C.P.I. / P.P.I.
17 Jun	09:00	EUR	Harmonized Index of Consumer Prices
17 Jun	12:30	USD	Retail Sales
17 Jun	18:00	USD	Fed Interest Rate Decision / Fed Monetary Policy Statement
17 Jun	18:30	USD	FOMC Press Conference
18 Jun	06:00	GBP	ILO Unemployment Rate
18 Jun	11:00	GBP	BoE Interest Rate Decision / BoE Minutes
18 Jun	12:30	USD	Weekly Jobless Claims

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