Weekly Market Update

17 August 2026

BCP BANK (MAURITIUS)

The EUR/USD pair gathered strength to around 1.1585 during the early trading hours on Monday. The US dollar edged lower against the euro amid weaker-than-expected US economic data and shifting central bank expectations. Traders will take more cues from the speech of the European Central Bank President C. Lagarde on Wednesday. On the other hand, traders reduced their bets on the Federal Reserve rate hikes following a slew of softer US data, including CPI, PPI and Retail Sales. This, in turn, weighs on the greenback. Markets are now pricing a 33.1% chance of a rate hike next month, down from 44% last week.

The Pound Sterling is attracting some dip buyers at the start of the new week and climbed above mid-1.3500s during the early session, closer to over a three-month high touched on Friday. Moreover, the prevalent US dollar selling bias favours bullish traders and suggests that the path of least resistance for spot prices remains to the upside. The GBP is also drawing support from last week's upbeat UK GDP report, showing that the economy has expanded 0.3% in June, the strongest growth among the G7 economies in the first half of 2026.

The Japanese yen was last trading 0.2% stronger at 158.965, on track for a second straight day of modest gains against the greenback but still firmly within its trading range of the past week, after data released on Monday showed Japanese GDP for the second quarter expanded at an annualised 1.1%.

The Australian dollar hit 10-week highs on Monday as the fading bets that the Federal Reserve will need to raise interest rates to tame inflation weighed on the U.S. dollar. The Aussie rose 0.2% to $0.7098, extending a seven-week winning streak. The rally helped it break major resistance at $0.7089, with bulls now targeting the May top of 72 cents. Market focus is now on the local jobs report on Thursday where forecasts are centered on a gain of 15,000 jobs for July, and a steady unemployment rate at 4.4%. The RBA judged the labour market has eased somewhat, tipping the jobless rate to reach 4.8%. Markets are split on the chance of another rise in interest rates from the RBA to 4.6% by year-end, as policymakers turned hawkish after holding interest rates for a second time this year.

The Indian rupee slipped after the RBI said late on Friday it is bringing forward by a month the cutoff for its discounted forex swap facility, following more than $50 billion in inflows from non-resident Indian deposits. The INR was last trading at $95.60, its weakest level in two weeks, and down 0.2% on the day. Persistent importer dollar demand further weighed on the rupee, while likely intervention limited losses, extending a pattern seen last week.

The South African rand firmed against the US dollar in early trade on Monday as investors looked ahead to inflation data later this week for clues on the health of Africa's largest economy. At 0645GMT the rand was trading at $16.1425, up roughly 0.4% from its previous close. Statistics South Africa is due to release July inflation data on Wednesday, with analysts expecting a cooler reading of 4.5%, from 5.0% in June.

Source: (Reuters)

INDICATIVE SPOT AND FORWARD MUR RATES

	USD	EUR	GBP
SPOT	46.25/47.63	53.58/55.18	62.69/64.56
1 MTH	46.26/47.64	53.59/55.19	62.70/64.57
3 MTH	46.27/47.65	53.60/55.20	62.71/64.58

Source: BCP Bank (Mauritius) Ltd.

LATEST WEIGHTED TREASURY BILLS YIELDS

91 DAYS	182 DAYS	364 DAYS
4.00%	4.18%	4.42%

Source : Bank of Mauritius

CURRENCY QUOTES

CURRENCY	OPENING	OPENING LAST WEEK
EUR/USD	1.1585	1.1552
GBP/USD	1.3553	1.34885
USD/ZAR	16.171	16.1697
USD/JPY	159.105	158.34

INDICATIVE USDSOFR, EURIBOR & SONIA RATES

	USD	EUR	GBP
O/N	3.62000	2.188	3.7308
1 MTH	3.63881	2.214	3.7371
3 MTH	3.72774	2.508	3.7915
6 MTH	3.83204	2.671	3.9086

LOCAL MARKET

Last week the USD/MUR traded within a range of 47.71/47.85, the EUR/MUR traded within a range of 55.12/55.18 and the GBP/MUR traded within a range of 64.36/64.59

Results of last week auctions held by the Bank of Mauritius

- On the 13th of August 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 and MUR 2,000.0 Million respectively. Out of the 17 bids received (representing MUR 6,300.0 million), 3 were allocated as follows: 7 bids received for 182-Day for MUR 2,100.0 million and only 1 was allocated for the tender amount at a weighted average yield of 4.18%; 8 bids received for 364-Day for MUR 4,200.0 million and 2 were allocated for the tender amount at a weighted average yield of 4.42%.

- On the 13th of August was also held an auction of 91-Day Bank of Mauritius Bills for a nominal amount of MUR 4,000.0 Million. Out of the 9 bids received (representing MUR 6,250.0 million), 3 were accepted for the tender amount at a weighted average yield of 4.00%.

- On the 12th of August was held an auction of 5.55% Ten-Year Government of Mauritius Bonds for a nominal amount of MUR 2,500.0 Million. Out of the 19 bids received for MUR 6,650.0 million, 8 were allocated for the auction amount at a weighted average yield of 5.55%.

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THIS WEEK MAJOR ECONOMIC INDICATORS (GMT Time)

18 Aug	06:00	GBP	ILO Unemployment Rate
18 Aug	09:00	EUR	ZEW Survey – Economic Sentiment
19 Aug	06:00	GBP	C.P.I. / P.P.I.
19 Aug	09:00	EUR	Harmonized Index of Consumer Prices
19 Aug	18:00	USD	FOMC Minutes
20 Aug	01:30	AUD	Unemployment Rate
20 Aug	12:30	USD	Weekly Jobless Claims
21 Aug	06:00	GBP	Retail Sales
21 Aug	08:00	EUR	HCOB Manufacturing & Services PMI
21 Aug	08:30	GBP	S&P Global Manufacturing & Services PMI
21 Aug	13:45	USD	S&P Global Manufacturing & Services PMI

TREASURY TEAM CONTACT DETAILS:

TREASURER:
GOVINDEN MODELIAR VYAPOOREE
Direct line: 207 8732

ASSISTANT TREASURER:
VEGANADEN YETEN
Direct line: 207 8628

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

DEALER:
WARREN POULLAY PALLANY
Direct line: 207 8718