MARKET BUZZ

October 7, 2026

BANK ONE

Market Highlights:

- The U.S dollar edged lower as market participants continued to reassess the Federal Reserve's tightening path following weaker-than-expected U.S employment reading of last week. The release of the Federal Open Market Committee (FOMC) Minutes due later today, will be closely watched for fresh guidance on policymakers' views regarding inflation and the future path of interest rates.
- Meanwhile, market concerns over France's ability to reduce its budget deficit, coupled with last week's sharp selloff in European bond markets, have heightened worries about fiscal sustainability within the Eurozone.
- The pound remained on firmed grounds, supported by a cautious improvement in market sentiment and expectations that the Bank of England (BoE) may need to keep a restrictive policy stance amid persistent inflation pressures in the UK. Recent economic data showed UK growth was revised higher, while services-sector price pressures remain elevated, keeping the possibility of future policy tightening in focus.
- The Canadian dollar strengthened following the release of stronger-than-expected Canadian trade data. Canada's trade surplus widened significantly to C$4.2 billion in August, well above market expectations of C$1.55 billion and up from an upwardly revised C$787 million in the previous month. The stronger trade balance was largely driven by exporters accelerating shipments to the U.S ahead of the implementation of new U.S tariffs announced by Donald Trump.
- The Japanese yen weakened after expectations for a near-term Bank of Japan (BoJ) rate hike have eased. Kazuo Ueda, BoJ Governor, stated that policymakers would carefully assess economic and inflation conditions before deciding on the timing and pace of future rate increases. As a result, markets expect the BoJ to remain cautious at its October policy meeting, putting pressure on the JPY.
- Oil prices rose as investors assessed potential supply disruptions stemming from a storm approaching key U.S oil-producing regions and renewed attacks by Yemen's Iran-backed Houthi forces on Saudi Arabia.

Term of the Day: FOMC Minutes

Minutes of the Federal Open Market Committee (FOMC) is usually published three weeks after the day of the policy decision. Investors look for clues regarding the policy outlook in this publication alongside the vote split. A bullish tone is likely to provide a boost to the greenback while a dovish stance is seen as USD-negative. It needs to be noted that the market reaction to FOMC Minutes could be delayed as news outlets don't have access to the publication before the release, unlike the FOMC's Policy Statement.

Source: fxstreet.com

Local Securities:

The Government of Mauritius will conduct the following auction on 08-October-2026:

Tenor	BOM/GOM	Amount (Mio)
182-D	GOM	1,000.00
364-D	GOM	2,000.00

Govt/BoM Securities

Settlement Date	TBills/Notes/Bonds	Actual	Previous
1-Oct-26	91 - Day	3.64%	3.67%
1-Oct-26	182 - Day	3.85%	3.90%
1-Oct-26	364 - Day	4.14%	4.15%
5-Oct-26	2-Year	4.32%	4.35%
25-Sep-26	3 -Year	4.67%	4.79%
23-Sep-26	5 - Year	5.17%	4.98%
21-Aug-26	7 - Year	5.28%	5.29%
14-Aug-26	10 - Year	5.60%	5.62%
24-Jul-26	15 - Year	5.75%	5.68%
13-May-26	20 - Year	5.91%	5.86%

Today Economic Calendar:

Country	Indicators	Poll	Prior
22:00 US	FOMC Minutes		

Market Currency

Currency	Actual	Previous
EUR - USD	1.1232	1.1218
GBP - USD	1.3250	1.3219
USD - JPY	158.41	158.09
USD - ZAR	16.5846	16.6466
USD - MUR	48.070	48.110
EUR - MUR	53.997	53.971
GBP - MUR	63.697	63.588
ZAR - MUR	3.054	3.044

Equities Market

Indices	Last	Previous	% Change
DOW JONES	51,521.28	51,267.90	0.49%
FTSE	10,541.69	10,497.94	0.42%
NIKKEI	70,173.96	70,514.20	-0.48%
NASDAQ	27,599.89	27,477.31	0.45%
SEM	2,304.96	2,303.95	0.04%

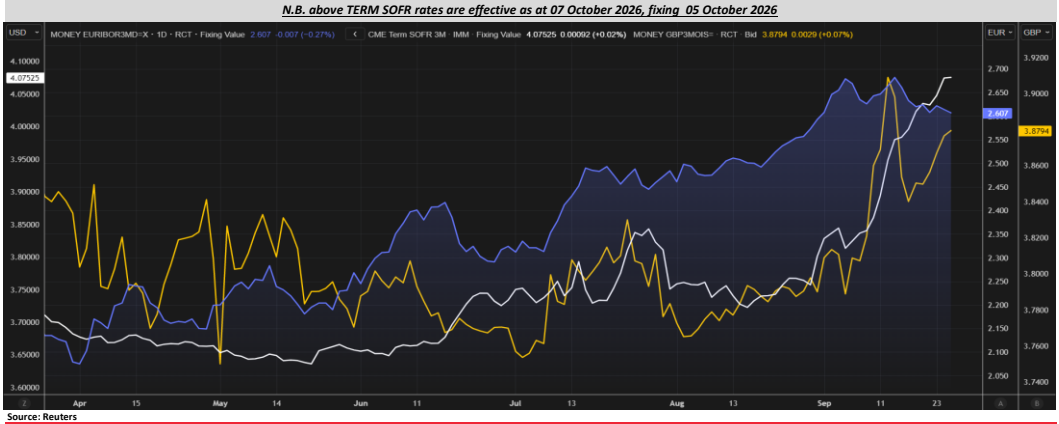
Key Central Bank Rates

Institution	Actual (%)	Previous (%)
BoM Key Rate	4.75	4.75
Fed Funds Rate	4.00	3.75
BoE Bank Rate	3.75	3.75
ECB Ref Rate	2.50	2.25

Money Market Rates

Tenor	CME Term SOFR (USD%)	SONIA (GBP %)	EURIBOR (EUR %)
1 Week		3.74750	2.43500
1 Month	3.91411	3.76000	2.43200
2 Months		3.86410	
3 Months	4.01795	3.92940	2.59700
6 Months	4.16768	4.12210	2.98600
12 Months	4.45338	4.43520	3.18600

N.B. above TERM SOFR rates are effective as at 07 October 2026, fixing 05 October 2026



Source: Reuters

We will be pleased to assist you, should you require any further information:

satish.shibdat@bankone.mu
praveshwaree.doorgachurn@bankone.mu
yadavi.rampul@bankone.mu
ariana.dawoo@bankone.mu

DISCLAIMER: This report has been issued by members of the Treasury Department of Bank One Limited. This document has been prepared in good faith on the basis of information available at the date of publication without any independent verification. This communication is provided for information and discussion purposes o nly. Unless otherwise indicated, it does not constitute an offer or recommendation to purchase or sell any financial instruments or other products. Bank One does not guarantee or warrant the accuracy, reliability, completeness of the information in this publication.Our references are Bloomberg, Reuters and Bank of Mauritius.