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(* when available)*

Key daily driver




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SNIPPETS

(Charts of the day)	SA crop estimates upwardly revised for this year, may place downside pressure on food and agricultural prices
(Currencies)	Dollar loses ground overnight despite hawkish Yellen commentary; global majors firmer as a result; USDZAR moves steadily stronger on Friday
(Equities)	Top 40 down 0.45%, led by resources; US equities generally flat after Yellen commentary; Asian equities upbeat this morning
(Economics)	Eurozone retail sales growth unchanged and upbeat in January

Key overnight factors and upcoming events

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Date	Region	Event   	Actual/expected/prior	Implications
27/02 03/03	– US	Fed speakers	--	An assortment of Fed speakers across the dovish-hawkish spectrum. March Fed hike probability surges
03/03	US	Fed speaker	--	Yellen gives economic outlook speech – likely to affirm hawkish stance on economy
03/03	EZ	Retail sales y/y	1.2%/1.2%1.5%	Retail sales remain upbeat in Jan as consumer buoys economic activity

Source: Nedbank

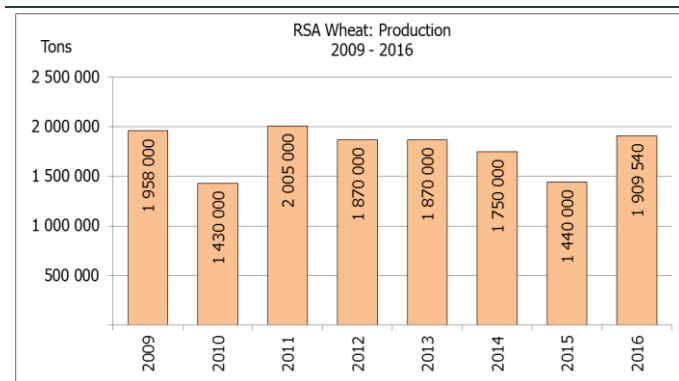
Charts of the day

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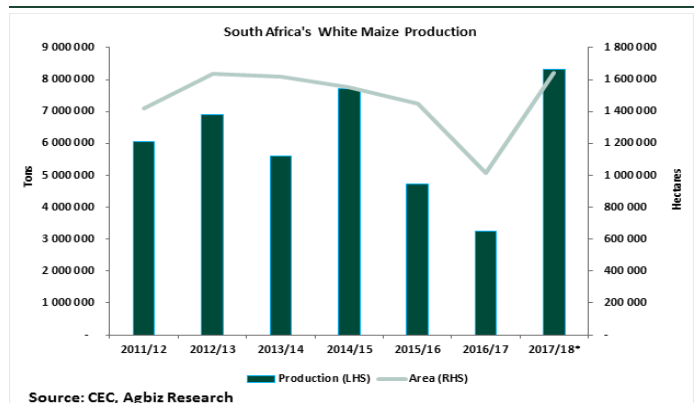
- SA food inflation may come off later in the year as crop harvest estimates continue to improve, with the latest white maize production estimate at around 8.3 million tons, from a previous forecast of 6.9 million tons – an estimated 79% y/y rise from last year’s output of 3.2 million tons. The estimated planting area is also expected to rise to the highest since 2004, to 1.6 million hectares – this will be a 62% y/y rise should it materialise. This is significantly higher than last year’s output as the drought had hindered planting in 2016. As a result of this news, the SA white maize price slumped by more than 15% this week alone and is currently down 33.6% for the YTD, and continuing to fall. While technical support levels come through around R2400/MT, the price has already reached this level quite sharply and may target the R2000/MT mark in the next few weeks. Technical resistance will continue to hold around R3000/MT over the medium term, unless crop conditions and estimates deteriorate substantially.
- The SA wheat market saw marginally higher production estimates for this year, with the bulk of wheat output coming from the Western Cape which is still relatively drier compared to other parts of the country. However, crop estimates have improved on aggregate across the board from levels seen last year, due to favourable weather conditions recently. For now, this is likely to bring much relief to households that have struggled with elevated prices, debt levels, unemployment and subdued wage growth. This is assuming wholesalers and retailers pass on the boon to consumers in the form of lower retail prices.
- Local agricultural prices may sustain the declining trend this year, which may bring food inflation back into low single digits, thereby easing CPI below the 6% upper target band. Should CPI remain below 6% for a prolonged period of time, the risk or debate of a rate cut by the SARB will rise. Our base case is for flat interest rates this year, with a tail risk of a cut, dependent on the CPI trajectory, the rand and the pace of Fed monetary tightening.

SA annual wheat production (tons) improves



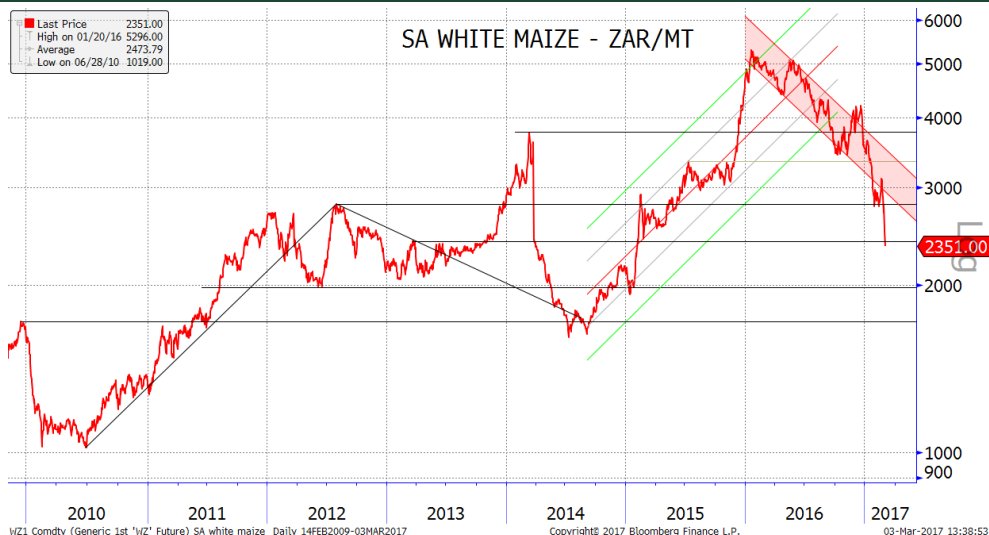
Source: CEC

SA maize expected to provide a bumper harvest this year



Source: CEC, Agbiz Research

SA maize price on a free fall as crop estimates are upwardly revised



Source: Bloomberg, Nedbank

Currencies

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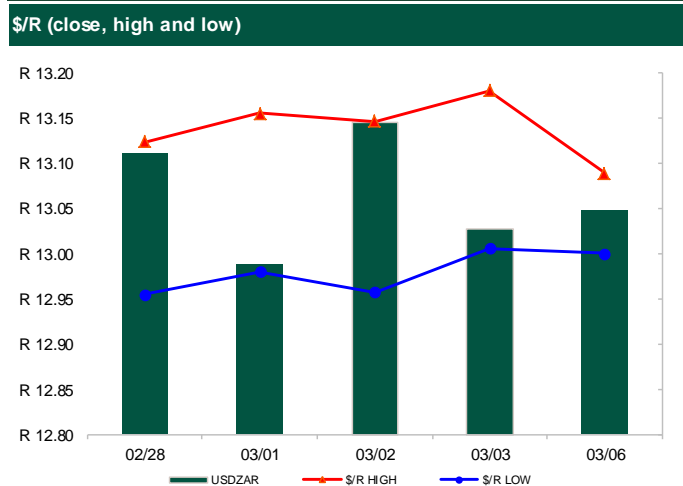
- The final session of the week saw the rand open the day trading around the 13.1600 level, from these levels the rand traded generally firmer posting lows on the day around the 13.0300 level, but a significant portion of the day was spent trading around the 13.1000 level, before a close at 13.0775.
- Since the local close on Friday, the rand has traded to a best level of 13.0050 in the New York session and this morning in the Far East the rand has traded to a best level of 13.000. This morning the rand is currently trading at 13.0500, EURZAR is trading at 13.8300 and GBPZAR at 16.0270.
- International markets were once again confined to a limited range on the day EURUSD trading between 1.0507 and 1.0573 , however post the European close , it has traded to a high of 1.0620 , currently trading at 1.0602.
- Gold generally holding steady, after trading lower for much of the week, it currently trades around the 1234.00 level.
- This week the international focus will be firmly on the release of the NFP data on Friday, although the various FED speakers have been united and resolute in their opinions on a March hike, it is unlikely that this data point will have a significant influence on this scenario.
- Possible trading range in the rand today 12.9000 to 13.2000.

Majors	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend	USD trend
GBPUSD	1.23	-0.02	-1.03	-0.42	↓	USD strength
EURUSD	1.06	-0.20	-0.06	0.80	↓	USD strength
USDJPY	113.90	-0.12	1.75	-2.62	↑	USD strength
USDAUD	1.32	0.29	1.38	-4.93	↑	USD strength
Rand crosses	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend	ZAR trend
USDZAR	13.05	0.15	-0.49	-5.04	↓	ZAR strength
GBPZAR	16.03	0.10	-1.52	-5.38	↓	ZAR strength
EURZAR	13.83	-0.05	-0.54	-4.29	↓	ZAR strength
AUDZAR	9.88	-0.13	-1.76	-0.19	↓	ZAR strength
ZARJPY	8.73	-0.22	2.24	2.34	↑	ZAR strength
African FX	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend	ZAR trend
ZARMWK (Malawian kwacha)	55.51	0.32	0.46	4.78	↑	ZAR strength
ZARBWP (Botswana pula)	0.80	0.16	0.83	2.72	↑	ZAR strength
ZARKES (Kenyan shilling)	7.87	-0.13	0.23	5.46	↑	ZAR strength
ZARMUR (Mauritian rupee)	2.72	0.32	0.57	3.82	↑	ZAR strength
ZARNGN (Nigerian naira)	24.12	0.31	0.33	5.16	↑	ZAR strength
ZARGHS (Ghanian cedi)	0.36	0.83	1.65	17.17	↑	ZAR strength
ZARZMW (Zambian kwacha)	0.75	0.33	3.66	3.67	↑	ZAR strength
ZARMZN (Mozambican metical)	5.40	0.18	0.86	3.50	↑	ZAR strength

Source: Bloomberg & Nedbank CIB
Time: 2017/03/06 07:20

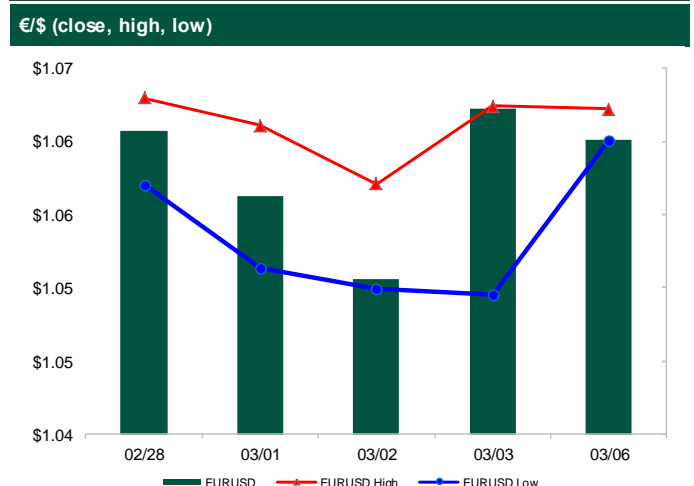
**Please note that the sign on the % change reflects the change on the headline number. The narrative indicates the trend direction over the month. For trade in any of these currencies, contact our FX dealing desks*

USDZAR



Source: Bloomberg, Nedbank

EUR/USD



Source: Bloomberg, Nedbank

Commodities

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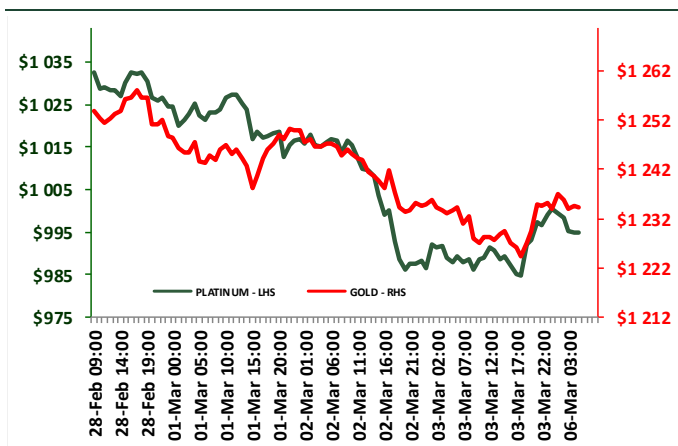
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- Brent crude oil remained supported despite a generally upbeat US dollar as crude exports from Libya were impacted by tensions in the region. The market will await OPEC production data for February to confirm higher levels of compliance with production cuts.
- Gold bullion traded off session highs on Friday but remained supported as geopolitical tensions from North Korea helped counter pressure from expected hikes from the US Fed in March. Yellen's comments served to underscore such a move and will serve as the near term catalyst for price action.

Commodities	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend
Brent near future (\$)	55.71	-0.34	0.22	-1.95	↑
WTI crude (\$)	53.11	-0.41	-1.67	-1.14	↓
Gold spot (\$)	1 232.84	-0.16	-1.87	7.44	↓
Platinum spot (\$)	992.58	-0.62	-3.64	9.91	↓
SA white maize spot (R)	2 369.00	-5.24	-14.78	-33.12	↓

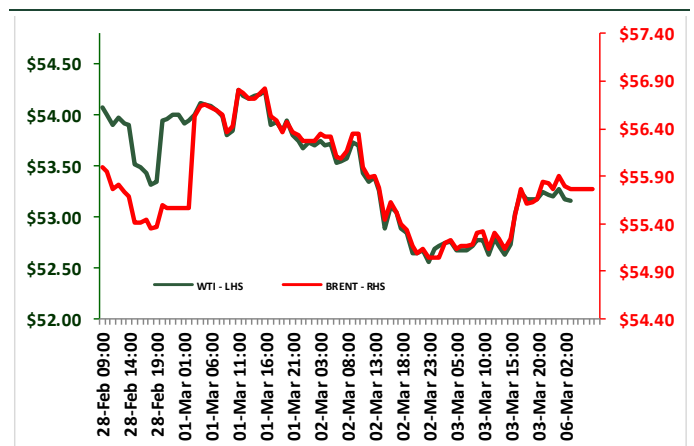
Source: Bloomberg & Nedbank CIB
Time: 2017/03/06 07:20

Platinum vs Gold



Source: Bloomberg

Brent Crude vs West Texas Intermediate



Source: Bloomberg

Fixed income and interest rates

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Bonds						FRAs and Swaps					
	Last price	Δ 1d	Δ MTD	Δ YTD	Month trend		Last price	Δ 1d	Δ MTD	Δ YTD	Month trend
	%	bps	bps	bps			%	bps	bps	bps	
R203-0.5 yrs	7.50	13.94	11.04	-20.76	↑	3X6 FRA	7.32	-0.50	-1.50	-7.50	↓
R208-4.1 yrs	7.89	-2.55	-4.95	-38.75	↓	6X9 FRA	7.32	0.00	-1.00	-10.00	↓
R186-9.8 yrs	8.72	-2.55	-6.65	-18.65	↓	9X12 FRA	7.31	0.50	-0.50	-14.50	↓
R2048-31 yrs	9.54	-3.20	-9.40	-8.20	↓	18X21 FRA	7.34	-0.50	-3.50	-19.50	↓
US 10 yr	2.48	-0.27	8.53	3.13	↑	SA 2yr Swap	7.32	-0.50	-1.80	-14.10	↓
UK 10 yr	1.19	-2.23	2.95	-4.36	↑	SA 3yr Swap	7.40	-1.25	-2.05	-15.85	↓
German 10 yr	0.36	12.30	71.15	103.43	↑	SA 5yr Swap	7.65	-0.50	-1.50	-16.10	↓
Japan 10 yr	0.08	-3.85	33.93	63.04	↑	SA 10yr Swap	8.12	0.00	-1.50	-22.50	↓
						SA 15yr Swap	8.28	-0.50	-1.75	-21.00	↓
Money Market						Spreads					
	Last price	Δ 1d	Δ MTD	Δ YTD	Month trend		Last price	Δ 1d	Δ MTD	Δ YTD	Month trend
	%	bps	bps	bps			%	bps	bps	bps	
SA repo rate	7.00	0.00	0.00	0.00	→	2v10y	-0.80	-0.50	-0.30	8.40	↓
SA prime rate	10.50	0.00	0.00	0.00	→	3v10y	-0.71	-1.25	-0.55	6.65	↓
SA CPI (MTD = previous month)	6.60		-10.00		↓	R186-R203	1.39	-16.49	-17.69	2.11	↓
SA 3m JIBAR	7.33	0.00	0.00	-3.30	→	R2048-R186	0.82	-0.65	-2.75	10.45	↓
SA 3m NCD	7.30	-7.50	-5.00	-7.50	↓	5y-R186	-1.09	2.05	5.15	2.55	↑
SA 6m NCD	7.90	-2.50	-2.50	-7.50	↓	10y-R186	-0.63	2.55	5.15	-3.85	↑
SA 12m NCD	8.35	0.00	0.00	-10.00	→	15y-R186	-0.47	2.05	4.90	-2.35	↑
US 3m LIBOR	1.10	0.17	3.77	10.38	↑	SA 5yr CDS spread - basis points	187.43	-2.11	-2.91	-29.57	↓
UK 3m LIBOR	0.36	0.16	-0.09	-1.11	↓						
Japan 3m LIBOR	-0.03	0.32	0.17	2.90	↑						
Source: Bloomberg & Nedbank CIB		Time		2017/03/06 07:20		Source: Bloomberg & Nedbank CIB		Time		2017/03/06 07:20	

Equities

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Cash equities | +2711 535 4030/31

South Africa

- The All Share index started its trading day in negative territory on Friday morning led lower by the previous day's outperformers such as MTN and Standard Bank. The local bourse did however stage an afternoon rally to close well off session lows down 0.36%
- The Platinum & Precious Metals and Gold sector led the downside dropping 2.39% and 2.26% respectively with the like of Impala Platinum and AngloGold sliding 3.02% and 3.28% respectively.
- Hyprop published its results for the six months ended 31 December 2016 showing a 16.6% increase in its dividend and very low vacancies at 1.1%. The stock advanced 1.95% on the day.
- Value traded at 5pm was around R20bn with the currency at R13.07 vs. the USD at the close.

UK/Europe

- European markets were mixed on the day with the CAC40 advancing 0.63% while the DAX declined 0.27% on the day.
- German retail sales came in below expectation at -0.8% (m/m) but well above forecasts at 2.3% (y/y).
- The Euro Stoxx 50 was up 0.55% with the likes of Societe Generale and BNP Paribas gaining 4.57% and 2.84% respectively.

USA

- US markets were basically flat on Friday night as traders assessed Yellen's intention to raise interest rates at the March meeting.
- The Dow Jones and S&P 500 were marginally up 0.01% and 0.05% with the Fed Funds futures rate showing a 94% chance of a hike at the March meeting.
- On the economic data front, US ISM Non-Manufacturing came in above market expectations at 57.6 index points versus a 56.5 consensus estimate.

Asia

- Asian markets are mixed this morning with the Nikkei retreating 0.57% while the Hang Seng is up 0.37%
- Chinese investors seem to be liking what's coming out of the party conference in Beijing with growth rates set at 6.5% or higher.
- The Australian ASX is up 0.29% as retail sales were in line with market expectations at 0.4% (m/m)

Developed Markets	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend
Dow Jones	21 005.71	0.01	0.93	6.29	↑
Nasdaq	5 870.75	0.16	0.78	9.06	↑
S&P 500	2 383.12	0.05	0.82	6.44	↑
DJ Eurostoxx 50	3 403.39	0.55	2.52	3.43	↑
DAX	12 027.36	-0.27	1.63	4.76	↑
CAC	4 995.13	0.63	2.81	2.73	↑
FTSE	7 374.26	-0.11	1.53	3.24	↑
ASX200	5 746.50	0.29	0.60	1.42	↑
Nikkei 225	19 371.41	-0.50	1.32	1.34	↑
MSCI World	1 848.98	0.01	0.56	5.58	↑
Emerging Markets	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend
Hang Seng	23 635.20	0.35	-0.44	7.43	↓
Shanghai	3 229.87	0.36	-0.37	4.07	↓
Brazil Bovespa	66 785.53	1.41	0.19	10.89	↑
India - NSE	29 036.92	0.71	1.02	9.05	↑
Russia Micex	2 056.89	0.39	1.04	-7.88	↑
MSCI Emerging	931.07	-0.57	-0.57	7.98	↓
SA Indices	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend
JSE All Share	51 708.61	-0.36	1.10	2.08	↑
Top 40	44 636.30	-0.45	1.14	1.67	↑
Resi 10	32 022.78	-1.15	1.17	-0.27	↑
Indi 25	65 998.44	-0.53	0.43	2.67	↑
Fini 15	15 383.45	0.60	3.14	2.03	↑

Source: Bloomberg & Nedbank CIB

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Economics

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Europe

- Eurozone retail sales growth remained unchanged at 1.2% y/y in January, worse than expectations of 1.5%. Sales of foods, drink and tobacco products eased sharply, which offset growth in auto fuel sales and non-food product sales. Sales of textiles, clothing and footwear, electrical goods and furniture, medical goods and non-traditional forms of retail sales (internet/mail-order) remained upbeat in January.
- Retail activity remains strong in the Eurozone, but should confidence deteriorate on the back of Brexit woes and geopolitical uncertainties, this will have a knock-on impact on retail and spending in the region.
- For now, consumer spending is keeping the economic recovery positive, but still at a subdued pace. This will likely remain a feature for most of this year.

Synopsis: The ECB maintains a 2% inflation target, which has now been reached. The rhetoric now has shifted to underlying price pressures in the economy, which has remained stubbornly low for an extended period of time. While energy costs, have been and will likely continue to be transitory, the ECB currently faces the dilemma of whether to maintain QE given price stability achieved on the headline metrics, or whether to begin tapering debates. We anticipate loose monetary policy this year as we believe the ECB will probably err on the side of caution, rather than tighten monetary policy too soon. We maintain a longer term weaker euro view.

JSE performance

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Top40 constituents	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend
AGL : Anglo American Plc	203.37	-2.12	-0.12	4.24	↓
ANG : Anglogold Ashanti Ltd	136.80	-3.28	-6.05	-10.34	↓
APN : Aspen Pharmacare Holdings Lt	274.00	-0.45	-3.31	-3.38	↓
BAT : Brait Se	74.57	-0.71	1.29	-14.84	↑
BGA : Barclays Africa Group Ltd	153.50	-0.32	1.02	-9.00	↑
BID : Bid Corp Ltd	272.45	0.54	3.60	11.14	↑
BIL : Bhp Billiton Plc	217.07	-0.16	3.90	-0.74	↑
BTI : British American Tobacco Plc	816.19	-1.42	-0.62	4.83	↓
BVT : Bidvest Group Ltd	159.38	0.24	2.81	-12.07	↑
CFR : Financiere Richemont-Dep Rec	96.61	-0.65	1.13	6.47	↑
DSY : Discovery Ltd	125.99	1.85	2.43	10.03	↑
FFA : Fortress Income Fund Ltd-A	17.38	-0.23	-0.11	4.89	↓
FFB : Fortress Income Fund Ltd	35.15	0.06	0.83	8.72	↑
FSR : Firstrand Ltd	51.62	0.29	3.82	-2.92	↑
GFI : Gold Fields Ltd	41.50	1.02	3.11	-4.79	↑
GRT : Growthpoint Properties Ltd	26.89	1.24	1.55	3.86	↑
IMP : Impala Platinum Holdings Ltd	42.35	-3.02	-3.84	-0.91	↓
INL : Investec Ltd	94.12	-0.81	2.08	3.71	↑
INP : Investec Plc	93.96	-0.31	1.56	3.54	↑
ITU : Intu Properties Plc	45.27	-0.18	-2.60	-3.64	↓
LHC : Life Healthcare Group Holdin	33.93	1.83	1.25	4.08	↑
MEI : Mediclinic International Plc	118.48	-0.28	-1.53	-8.86	↓
MND : Mondi Ltd	308.71	-0.63	2.72	10.26	↑
MNP : Mondi Plc	308.27	-0.94	1.63	10.60	↑
MRP : Mr Price Group Ltd	170.16	1.45	0.09	6.65	↑
MTN : Mtn Group Ltd	124.27	-1.96	3.74	-1.51	↑
NED : Nedbank Group Ltd	260.39	3.27	6.28	9.35	↑
NPN : Naspers Ltd-N Shs	2 103.70	-0.78	0.29	4.45	↑
NTC : Netcare Ltd	30.77	-0.58	-3.24	-3.36	↓
OML : Old Mutual Plc	35.98	1.27	2.48	4.47	↑
RDF : Redefine Properties Ltd	10.93	0.37	0.55	-2.32	↑
REI : Reinnet Investments Sa-Dr	27.85	-1.03	-0.82	3.92	↓
REM : Remgro Ltd	222.20	-0.98	-0.49	-0.38	↓
RMH : Rmb Holdings Ltd	65.79	0.35	3.75	-0.92	↑
SAP : Sappi Limited	82.55	-0.19	0.90	-8.23	↑
SBK : Standard Bank Group Ltd	157.50	0.99	9.98	3.79	↑
SHP : Shoprite Holdings Ltd	193.89	1.35	2.45	13.08	↑
SLM : Sanlam Ltd	68.50	0.26	1.08	8.90	↑
SNH : Steinhoff International H Nv	65.55	-0.98	-6.13	-8.04	↓
SOL : Sasol Ltd	372.00	-1.52	-0.27	-6.74	↓
TBS : Tiger Brands Ltd	422.00	-0.24	0.96	6.08	↑
VOD : Vodacom Group Ltd	147.80	0.09	-0.29	-3.02	↓
WHL : Woolworths Holdings Ltd	72.03	1.75	2.90	1.42	↑

Source: Bloomberg & Nedbank CIB

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Last day to trade

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Share Code	Share name	Dividend / interest rate
7 March 2017		
BIL	BHP Billiton plc	dividend @ 522cps
CLH	City Lodge Hotels Limited	dividend @ 272cps
DSBP	Discovery Limited B Preference	dividend @ 529.31507cps
EMI	Emira Property Fund Limited	dividend @ 68.93cps
FFA	Fortress Income Fund A	dividend @ 67.96cps
FFB	Fortress Income Fund B	dividend @ 78.59cps
GFI	Gold Fields Limited	dividend @ 60cps
GPA	Gemgrow Properties Limited A	dividend @ 24.84563cps
GPB	Gemgrow Properties Limited B	dividend @ 17.842050cps
HMN	Hammerson PLC	dividend @ TBA
NEP	New Europe Prop Inv plc	dividend @ 302cps
PNC	Pinnacle Hldgs Ltd	name change to Alviva Hldgs Ltd (AVV)
S32	South32 Limited	dividend TBA
TRU	Truworths International Limited	dividend 270cps
WHL	Woolworths Holdings Limited	dividend 133cps

Source: JSE

Economic calendar

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Time	Country	Event	Period	Survey	Actual	Prior	Revised
03-Mar							
01:30	JN	Jobless Rate	Jan	3.00%	3.00%	3.10%	--
01:30	JN	Overall Household Spending YoY	Jan	-0.40%	-1.20%	-0.30%	--
01:30	JN	Natl CPI YoY	Jan	0.40%	0.40%	0.30%	--
07:00	JN	Consumer Confidence Index	Feb	43.5	43.1	43.2	--
09:00	GE	Retail Sales YoY	Jan	0.70%	2.30%	-1.10%	0.40%
12:00	EC	Retail Sales YoY	Jan	1.50%	1.20%	1.10%	1.20%
17:00	US	ISM Non-Manf. Composite	Feb	56.5	--	56.5	--
06-Mar							
11:30	EC	Sentix Investor Confidence	Mar	18.8	--	17.4	--
17:00	US	Factory Orders	Jan	1.00%	--	1.30%	--
17:00	US	Factory Orders Ex Trans	Jan	--	--	2.10%	--
17:00	US	Durables Ex Transportation	Jan F	--	--	-0.20%	--
17:00	US	Cap Goods Orders Nondef Ex Air	Jan F	--	--	-0.40%	--

Source: Bloomberg

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