



For any queries, please contact:

Mohammed Yaseen Nalla, CFA | MohammedN@Nedbankcapital.co.za

Reezwana Sumad | ReezwanaS@Nedbank.co.za

[Charts of the day](#) | [Currencies](#) | [Commodities](#) | [Fixed income & interest rates](#) | [Equities](#) | [Equity derivatives](#)

| [Economics](#) | [*Foreign flows](#) | [JSE performance](#) | [LDT](#) | [Economic calendar](#) | [Other reports](#)

[#Contacts](#)

Click on any of the above links to access your point of interest

(when available)*

Key daily driver

Nedbank CIB Market Commentary | CIBMarketComm@Nedbank.co.za | +27 11 295 5430

SNIPPETS

(Charts of the day)	Mining production beats estimates, manufacturing production disappoints, but trajectory in Q1 is looking positive
(Currencies)	USDZAR strengthens this morning after peaking at R13.24/\$ intraday; dollar remains resilient, global majors weaken
(Equities)	Top 40 loses 0.4%, led lower by global equities; US markets weighed by lower oil prices; Asia mixed to lower this morning
(Economics)	Eurozone data showing upbeat investor confidence, industrial production disappoints; US PPI firmer in February, likely to be supportive of consumer prices, Japanese final industrial production upwardly revised

Key overnight factors and upcoming events

Nedbank CIB Market Commentary | CIBMarketComm@Nedbank.co.za | +27 11 295 5430

Date	Region	Event ↓ ↑ →	Actual/expected/prior	Implications
14/03	SA	Mining production y/y ↑	1.3%/1.2%/-3.1%	Mining production growth expected to tick higher as a result of low base effects and higher commodity prices
14/03	SA	Manufacturing prod y/y ↑	0.8%/1.6%/-2.0%	Manufacturing production signalled higher by bullish PMI, likely to reflect further uptick in Feb, March
14/03	EZ	Industrial production y/y ↓	0.6%/0.9%/2.5%	Production growth slows due to seasonal effects in January
14/03	US	PPI y/y ↑	2.2%/1.9%/1.6%	PPI expected to be supported by rising commodity prices over the medium term – upside risks to CPI
15/03	US	Fed FOMC rate decision	--/1.00%/0.75%	Fed expected to hike, markets will watch tonality and guidance for subsequent meetings

Source: Nedbank

Charts of the day

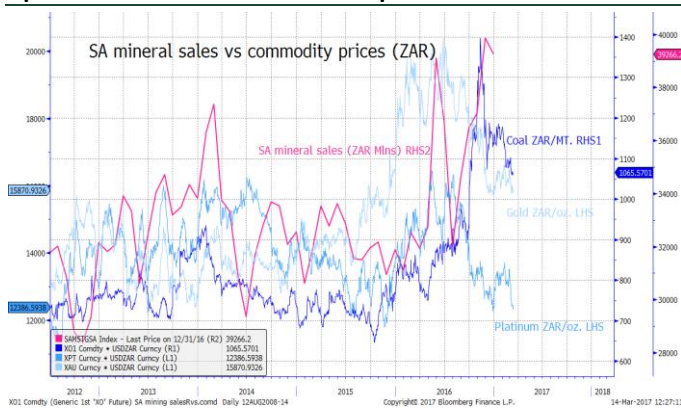
[back to top](#)

Nedbank CIB Market Commentary | CIBMarketComm@Nedbank.co.za | +27 11 295 5430

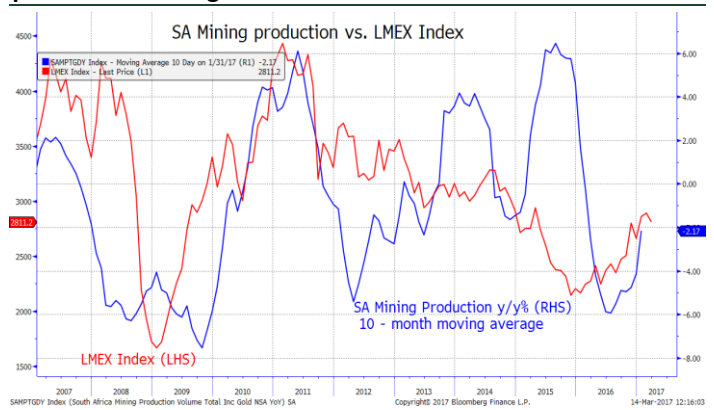
- SA mining production growth beat expectations at 1.3% y/y growth in January, from the downwardly revised 3.1% contraction in December (revised from -1.9%), compared to forecasts of 1.2%. Over the month, mining production surged by 1.7% m/m, due to the low base effect from December's 0.3% contraction.
- The key positive drivers of mining production growth in January were iron ore, manganese ore, and PGMs, which collectively contributed +2.9% growth to the headline rate. Big negative drivers were coal, nickel and other non-metallic minerals, shedding 2.7% from the headline growth rate. The rest of the positive contribution came from other ores, copper, and diamonds.
- The trajectory for mining production will likely be higher in 2017, premised on higher commodity prices, and better global demand as a result of a cyclical uptick in the business cycle. One indication of the latter has been an uptick in mineral sales towards the latter part of 2016, rising by 9.8% y/y in December alone. This is expected to persist into 2017 as well. Hence we are likely to see a positive contribution from the mining sector towards GDP growth in Q1/2017.
- Manufacturing production growth disappointed in January, in contrast to our expectation of growth in excess of 1% y/y. Manufacturing production rose by 0.8% y/y, from -2% in December, worse than consensus of +1.6%. Over the month, manufacturing production actually contracted by 0.4% m/m, after 0.2% growth in December.
- The biggest negative drivers of the annualised print were wood (and related), glass and non-metallic minerals, electrical machinery, communication equipment, motor vehicle and parts, and textiles, clothing and footwear. These subcomponents subtracted a cumulative 1.2% from the headline print. Big positive contributions (and recoveries) were seen within the following industries in January: food and beverages, petroleum and chemicals, basic iron and steel, non-ferrous metals and machinery, and furniture.
- Although the January (manufacturing) print did disappoint, it was reflective of only a marginal recovery in the PMI indicator. The big uptick in the PMI came in February, which could also extend into March, hence we may see the boost in manufacturing production come through in the next two prints. An improved outlook for demand from some of our key trading partners may underpin this rebound in manufacturing activity in 2017, as well as low base effects from 2016. We will watch the February and March production data closely to inform this view.

Our growth outlook is marginally firmer compared to the very subdued level in 2016. Nedbank's GDP forecast for 2017 stands at 1.2%. We also see easing price pressures this year, from the high base in 2016. While we anticipate a flat interest rate cycle by the SARB for most of this year, the risk of a rate cut towards the latter part of 2017 or early 2018 will rise should inflation fall below the 6% target band fairly soon, and sustain its stay below the 6% mark for a prolonged period.

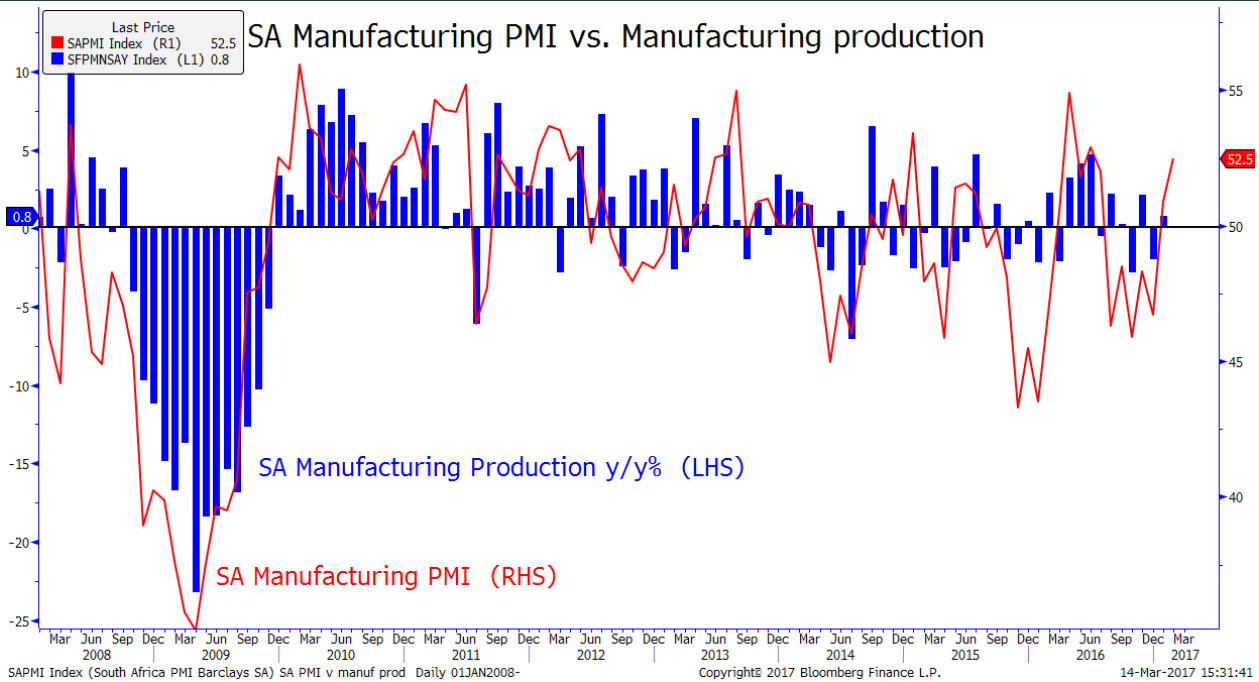
Mineral sales growth surges in December, may remain upbeat in 2017 if demand holds up



Mining production rebound premised on higher commodity prices and better global demand



Despite the disappointment, manufacturing production growth still follows upbeat PMI data



Source: Bloomberg, Nedbank

Economic calendar

[back to top](#)

Nedbank CIB Market Commentary | CIBMarketComm@Nedbank.co.za | +27 11 295 5430

Time	Country	Event	Period	Survey	Actual	Prior	Revised
14-Mar							
04:00	CH	Retail Sales YTD YoY	Feb	10.60%	9.50%	10.40%	--
04:00	CH	Fixed Assets Ex Rural YTD YoY	Feb	8.20%	8.90%	8.10%	--
04:00	CH	Industrial Production YTD YoY	Feb	6.20%	6.30%	6.00%	--
09:00	GE	CPI YoY	Feb F	2.20%	2.20%	2.20%	--
11:30	SA	Mining Production YoY	Jan	1.20%	1.30%	-1.90%	-3.10%
12:00	EC	Industrial Production WDA YoY	Jan	0.90%	0.60%	2.00%	2.50%
12:00	GE	ZEW Survey Current Situation	Mar	77.7	77.3	76.4	--
13:00	SA	Manufacturing Prod NSA YoY	Jan	1.50%	0.80%	-2.00%	--
14:30	US	PPI Final Demand YoY	Feb	1.90%	2.20%	1.60%	--
15-Mar							
06:30	JN	Industrial Production YoY	Jan F	--	3.70%	3.20%	--
11:30	UK	ILO Unemployment Rate 3Mths	Jan	4.80%	--	4.80%	--
12:00	SA	BER Business Confidence	1Q	--	--	38	--
13:00	SA	Retail Sales Constant YoY	Jan	1.00%	--	0.90%	--
13:00	US	MBA Mortgage Applications	10-Mar	--	--	3.30%	--
14:30	US	Empire Manufacturing	Mar	15	--	18.7	--
14:30	US	CPI YoY	Feb	2.70%	--	2.50%	--
14:30	US	Real Avg Weekly Earnings YoY	Feb	--	--	-0.60%	--
14:30	US	Retail Sales Advance MoM	Feb	-0.10%	--	0.40%	--
20:00	US	FOMC Rate Decision (Upper Bound)	15-Mar	1.00%	--	0.75%	--
20:00	US	FOMC Rate Decision (Lower Bound)	15-Mar	0.75%	--	0.50%	--
22:00	US	Total Net TIC Flows	Jan	--	--	-\$42.8b	--
22:00	US	Net Long-term TIC Flows	Jan	--	--	-\$12.9b	--

Source: Bloomberg

Currencies

[back to top](#)

Business Banking FX | +27 11 535 4003 | Corporate FX | +2711 535 4002 | Institutional FX | +2711 535 4005

- The local trading session opened with the rand trading around the 13.1200 level. Once again the markets traded cautiously and on the day the bias was dollar supportive, the local unit trading to a high of 13.2450, but forays to the upside were short lived and we closed the session trading at 13.1475. This morning the rand is currently trading at 13.1400, after quiet sessions in New York and the Far East, EURZAR is currently trading at 13.9340 and GBPZAR at 15.9750.
- International markets similarly characterised by a general lack of activity, EURUSD trading between 1.0626 and 1.0660 on the day, this morning currently trading at 1.0615. Gold continues to hold marginally above the 1200.00 level, currently at 1202.40.
- Data releases scheduled for today, locally we have BER consumer confidence and retail sales, and from Europe we have French CPI, U.K unemployment and Eurozone employment and the Dutch election. From the U.S mortgage applications, Empire manufacturing, CPI, retails sales, earnings, NAHB index, business inventories and capital flows, as well as the much anticipated FOMC meeting.
- The FOMC insights regarding the trajectory of interest rate activity is likely to set the tone for the foreign exchange markets for the foreseeable future, and could provide the catalyst for significant price action in the overnight session.
- Possible trading range in the rand today 13.000 to 13.3000.

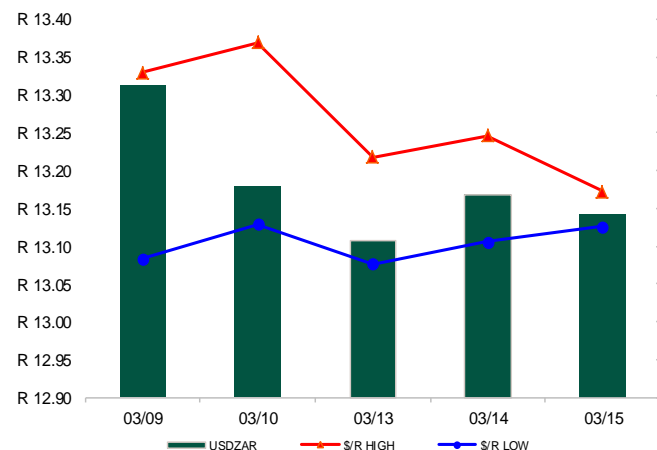
Majors	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend	USD trend
GBPUSD	1.22	0.00	-2.02	-1.42	↓	USD strength
EURUSD	1.06	-0.07	0.07	0.92	↑	USD weakness
USDJPY	114.80	0.11	2.55	-1.85	↑	USD strength
USDAUD	1.32	-0.08	1.42	-4.89	↑	USD strength
Rand crosses	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend	ZAR trend
USDZAR	13.14	-0.19	0.24	-4.35	↑	ZAR weakness
GBPZAR	15.98	-0.22	-1.81	-5.66	↓	ZAR strength
EURZAR	13.95	-0.28	0.29	-3.49	↑	ZAR weakness
AUDZAR	9.95	-0.13	-1.10	0.48	↓	ZAR strength
ZARJPY	8.74	0.34	2.34	2.44	↑	ZAR strength
African FX	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend	ZAR trend
ZARMWK (Malawian kwacha)	55.13	0.01	-0.24	4.06	↓	ZAR weakness
ZARBWP (Botswana pula)	0.80	0.13	0.32	2.20	↑	ZAR strength
ZARKES (Kenyan shilling)	7.83	0.27	-0.28	4.92	↓	ZAR weakness
ZARMUR (Mauritian rupee)	2.71	0.64	0.06	3.30	↑	ZAR strength
ZARNGN (Nigerian naira)	23.95	0.22	-0.38	4.42	↓	ZAR weakness
ZARGHS (Ghanian cedi)	0.35	0.66	-2.04	12.93	↓	ZAR weakness
ZARZMW (Zambian kwacha)	0.73	0.45	1.03	1.05	↑	ZAR strength
ZARMZN (Mozambican metical)	5.25	0.28	-1.85	0.72	↓	ZAR weakness

Source: Bloomberg & Nedbank CIB
Time: 2017/03/15 07:13

**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

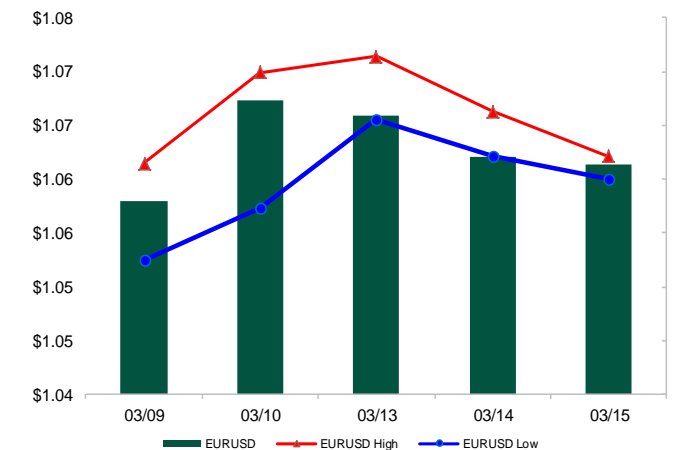
\$/R (close, high and low)



Source: Bloomberg, Nedbank

EUR/USD

€/€ (close, high, low)



Source: Bloomberg, Nedbank

Commodities

[back to top](#)

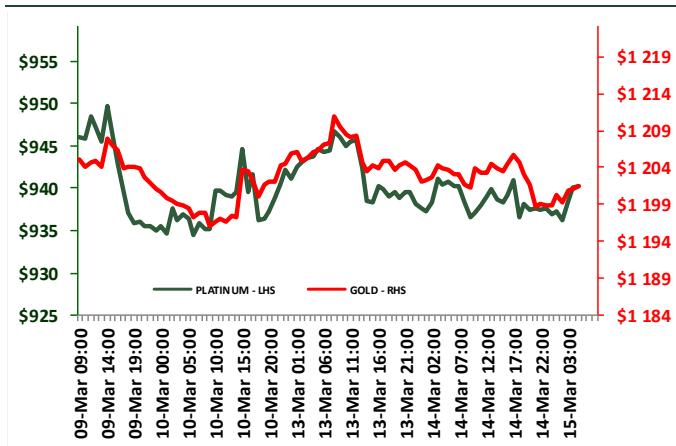
Nedbank CIB Market Commentary | CIBMarketComm@Nedbank.co.za | +27 11 295 5430 | +27 11 535 4038

- A stronger dollar weighed on the gold price overnight. Gold spot fell below \$1200/oz. briefly in the US session, but recovered marginally back above this level in Asia this morning, as Asian investors take advantage of the dip. Gold will likely track the dollar inversely in the near term as safe haven and bargain buying comes under pressure amid a stronger dollar possibly.
- Oil whip-sawed yesterday, with the price falling to \$50.2/bbl. in New York before recovering just as sharply in Asia this morning. This after Saudi Arabia said it reversed 30% of its production cuts provided in January, but remains committed to the stabilisation efforts. Thereafter the API reported an estimated decline of 531 000 barrels in US inventories last week.

Commodities	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend
Brent near future (\$)	51.65	1.43	-7.09	-9.10	↓
WTI crude (\$)	48.52	1.68	-10.16	-9.68	↓
Gold spot (\$)	1 202.27	-0.08	-4.31	4.77	↓
Platinum spot (\$)	940.60	0.22	-8.69	4.15	↓
SA white maize spot (R)	2 157.00	-1.73	-22.41	-39.10	↓

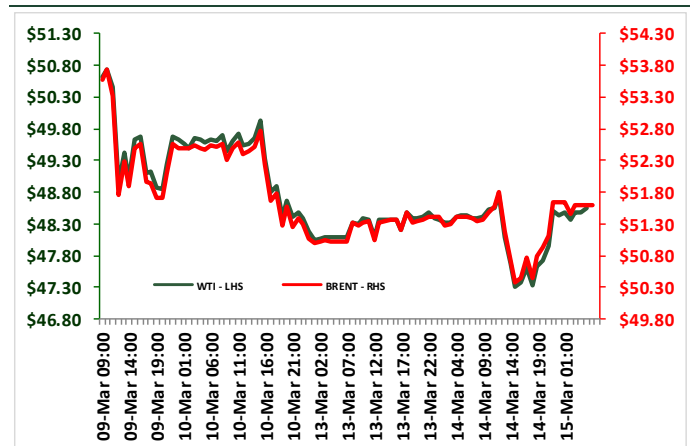
Source: Bloomberg & Nedbank CIB
Time: 2017/03/15 07:13

Platinum vs Gold



Source: Bloomberg

Brent Crude vs West Texas Intermediate



Source: Bloomberg

Fixed income and interest rates

[back to top](#)

Bond flow sales | +2711 535 4021 | Corporate Money Markets | +2711 535 4007 | Business Bank Money Markets | +2711 535 4006

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	7.30	-1.90	-8.50	-40.30	↓	3X6 FRA	7.32	0.00	-1.00	-7.00	↓
R208-4 yrs	7.85	0.10	-8.80	-42.60	↓	6X9 FRA	7.30	0.00	-3.00	-12.00	↓
R186-9.8 yrs	8.69	-0.10	-10.20	-22.20	↓	9X12 FRA	7.28	0.00	-3.00	-17.00	↓
R2048-31 yrs	9.46	-0.10	-16.90	-15.70	↓	18X21 FRA	7.31	0.00	-6.00	-22.00	↓
US 10 yr	2.60	-0.43	20.57	15.17	↑	SA 2yr Swap	7.30	0.00	-3.40	-15.70	↓
UK 10 yr	1.22	-1.84	6.34	-1.21	↑	SA 3yr Swap	7.38	0.00	-3.90	-17.70	↓
German 10 yr	0.45	-5.52	113.94	154.29	↑	SA 5yr Swap	7.64	0.00	-2.50	-17.10	↓
Japan 10 yr	0.10	-2.06	69.64	106.52	↑	SA 10yr Swap	8.11	0.00	-2.50	-23.50	↓
						SA 15yr Swap	8.28	0.00	-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	-0.81	0.00	-0.90	7.80	↓
SA prime rate	10.50	0.00	0.00	0.00	→	3v10y	-0.73	0.00	-1.40	5.80	↓
SA CPI (MTD = previous month)	6.60		-10.00		↓	R186-R203	1.37	1.80	-1.70	18.10	↓
SA 3m JIBAR	7.34	0.00	1.70	-1.60	↑	R2048-R186	0.78	0.00	-6.70	6.50	↓
SA 3m NCD	7.30	0.00	-5.00	-7.50	↓	5y-R186	-1.05	0.10	7.70	5.10	↑
SA 6m NCD	7.93	0.00	0.00	-5.00	→	10y-R186	-0.58	0.10	7.70	-1.30	↑
SA 12m NCD	8.35	0.00	0.00	-10.00	→	15y-R186	-0.41	0.10	8.45	1.20	↑
US 3m LIBOR	1.14	0.61	7.33	13.94	↑	SA 5yr CDS spread - basis points	188.88	2.22	-1.46	-28.12	↓
UK 3m LIBOR	0.34	-0.11	-1.39	-2.40	↓						
Japan 3m LIBOR	-0.03	0.79	0.56	3.29	↑						
Source: Bloomberg & Nedbank CIB		Time		2017/03/15 07:13		Source: Bloomberg & Nedbank CIB		Time		2017/03/15 07:16	

Equities

[back to top](#)

Cash equities | +2711 535 4030/31

South Africa

- A lack of direction in the morning session saw the JSE move sideways crossing the unchanged line a few times. The afternoon session took its cue from European markets trading lower as markets are cautious ahead of the FOMC meeting. The Top 40 closed 4 tenths of a percent lower and the broader based All Share lost 3 tenths of a percent. Gold and platinum miners were the top performers. Mining data showed an increase in production in January to 1.3% from a decline in December. Impala Platinum and Goldfields both gained over 3.5%. Industrials and financials were mixed with notable moves including Tiger Brands and Standard Bank both up over a percent while Bid Corp and MTN both lost over 2%. Value traded was R21.5bn and the rand was at R13.16 to the dollar.

UK/Europe

- European markets traded lower as investors prepared themselves for the FOMC meeting and the Dutch election while a weaker oil price weighed on energy counters after Saudi Arabia overturned a third of its production cuts. The FTSE lost just over a tenth of a percent. Prudential gained over 3%. The Company reported an increase in profits and raised its dividend. The Pound was under pressure as the British Parliament gave the Prime Minister the go ahead to proceed with Brexit pushing the currency lower against all G10 peers. The DAX closed flat as gains in non-cyclical consumer and basic material sectors offset by weaker financials. RWE energy was the top performer jumping over 6% after rising 2017 profit forecasts. The CAC in France lost half a percent. Energy counters, financial shares and industrials all traded lower. BNP Paribas lost over 2%. Sentiment was rattled after presidential candidate Francois Fillon was charged with misuse of public funds.

USA

- Weaker oil prices weighed on US stocks while investors were hesitant to increase exposure ahead of today's FOMC meeting. Analysts are pricing in a 100% probability that interest rates will rise and are more interested in the press conference which should give an indication on the number of increases the central bank foresees this year. The DOW closed 2 tenths of a percent lower. The S&P lost 3 tenths of a percent with 10 of the 11 sectors down on the day. Energy shares took the most pain as oil declined for the seventh consecutive session. CPI data will be released today analysts are forecasting a 2.7% year on year increase. (From 2.5%). Earnings season in the US is practically done, so far approximately half the companies have exceeded sales forecasts while three quarters have beaten profit estimates.

Asia

- Asian markets are tracking global markets lower. At the time of writing the Nikkei was down 3 tenths of a percent led by weaker energy shares while a stronger yen weighed on exporting companies. Toshiba plunged over 7% as the company delayed its earnings announcement for the second time. Traders also exercised caution ahead of the Bank of Japans monetary policy meeting which starts today. The Hang Seng slipped half a percent ending its two-day winning streak. Banking shares were among the worst performers on the day. China Construction Bank, Industrial & Commercial Bank of China and Bank of China all dropped over a percent. The Shanghai Composite lost 2 tenths of a percent and the ASX in Australia fell 3 tenths of a percent.

Developed Markets	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend
Dow Jones	20 837.37	-0.21	0.12	5.44	↑
Nasdaq	5 856.82	-0.32	0.54	8.80	↑
S&P 500	2 365.45	-0.34	0.08	5.66	↑
DJ Eurostoxx 50	3 399.43	-0.47	2.40	3.31	↑
DAX	11 988.79	-0.01	1.30	4.42	↑
CAC	4 974.26	-0.51	2.38	2.30	↑
FTSE	7 357.85	-0.13	1.30	3.01	↑
ASX200	5 774.00	0.26	1.08	1.91	↑
Nikkei 225	19 547.82	-0.31	2.24	2.27	↑
MSCI World	1 842.98	-0.38	0.23	5.24	↑
Emerging Markets	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend
Hang Seng	23 815.03	-0.05	0.31	8.25	↑
Shanghai	3 241.97	0.08	0.01	4.46	↑
Brazil Bovespa	64 699.46	-1.27	-2.94	7.43	↓
India - NSE	29 482.68	0.14	2.57	10.73	↑
Russia Micex	2 001.25	0.06	-1.70	-10.37	↓
MSCI Emerging	939.97	0.16	0.38	9.01	↑
SA Indices	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend
JSE All Share	51 699.46	-0.30	1.08	2.06	↑
Top 40	44 652.55	-0.43	1.18	1.71	↑
Resi 10	30 590.82	-0.49	-3.35	-4.73	↓
Indi 25	67 228.35	-0.39	2.30	4.58	↑
Fini 15	15 430.39	-0.13	3.46	2.34	↑

Source: Bloomberg & Nedbank CIB

Time 2017/03/15 07:13

Economics

[back to top](#)

Nedbank CIB Market Commentary | CIBMarketComm@Nedbank.co.za | +27 11 295 5430

SA

- Key highlights from the S&P Global Ratings conference: SA remains on the cusp on a GDP per capita basis and while rand strength may help this metric, further growth will need to be evidenced to prove sustainability.
- The external assessment has not been bad as the CAD has narrowed on both the trade balance as well as lower dividend payments following low growth domestically.
- While the external debt stock remains moderate, S&P were at pains to stress the risk of higher drawdowns on government guarantees and in specific, higher drawdowns from Eskom. The lower than expected tariff increase from NERSA would serve to heighten this risk.
- A fiscal deficit of below 3% will be needed to underpin debt sustainability and faster fiscal consolidation is needed.
- **S&P is looking to resolve its negative outlook this year. Directional risks to the outlook as follows:**
- **Downgrade risk:**
 - If GDP is below their expectations (currently exp 1.4% 2017)
 - Political interference and any erosion in institutional integrity
 - Higher profile of general govt debt incorporating rising contingent liability risks
- **Upside factors (change outlook to stable):**
 - Policy implementation resulting in uplift in confidence levels and higher investment from the private sector.
 - Higher GDP and improving fiscal dynamics as a result.
- A key point is that while headlines suggested that a shift in the economic policy centre to the Presidency may affect ratings, the actual comment in response to a question, was that S&P assess many countries in which the Budget office (policy) sit outside the Treasury. Regardless of whether it is independent or in the executive, the extent to which it results in a deviation from the expected fiscal trajectory may pose a risk to the rating. As such, we maintain a focus on actual achievement of fiscal metrics and as such, would not see this as a key ratings risk in the near term.

Synopsis: In sum, there was little to change our view that a June review may well see ratings kept on hold. Given our expectations for a global cyclical uplift and a potential upside risk to our growth view of 1.2% for this year, that there may be sufficient flex for SA's rating to be kept on hold this year barring any material adverse political developments in the interim.

US

- US PPI accelerated to 2.2% y/y in February, from 1.6% in January, better than expectations of 1.9%. Over the month however, PPI eased to 0.3%, from 0.6% previously.
- The key drivers of the annualised print were higher prices of food, apparel, chemicals, healthcare and overall services costs also ticked higher.
- Rising commodity prices, and elevated energy costs will likely keep PPI elevated, and this may filter through to CPI in coming months.

Synopsis: To avoid any overheating in the economy and the commensurate impact on inflation, the Fed will likely remain largely hawkish if economic data holds up. While we believe 3 rate hikes this year may be on the aggressive side, the risk of it materialising is high should inflation signal a sustained stay around 2% for an extended period of time.

Europe

- Eurozone industrial production growth disappointed at 0.6% y/y in January, from 2.5% in December, worse than expectations of 0.9%. The slowdown was driven by sharply lower growth of production of intermediate goods and durable consumer goods, as well as a sharp contraction in capital and non-durable consumer goods production. In contrast, production of energy and energy-related goods remained upbeat.
- Eurozone and German ZEW survey investor expectations firmed up this month (GE: 12.8 vs. 10.4 prev./EZ: 25.6 vs. 17.1 prev.). In both regions, investor confidence over the current situation improved sharply, along with expectations over the next 6 to 9 months. An on-going recovery and continued support from loose monetary policy are likely some of the reasons for upbeat confidence levels recently. This should be viewed with some caution, pending Brexit uncertainties this year.

Synopsis: 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.

Japan

- Japanese industrial production growth rose to 3.7% y/y in January, from 3.2% in December. This was better than the previous estimate of 3.2%. Shipments surged on the back of rising global demand.
- As a result of the surge, there was a run-down of inventories. Production was driven by mining, manufacturing, electricity and gas. On a granular level, food, tobacco, petroleum, transport equipment, iron and steel, electronics and most machinery led the gains.
- Production is expected to continue on the positive trend this year as a result of an uptick in global growth and demand. This will likely be supportive of the gradual recovery in the country.

Synopsis: The BOJ has further impetus to keep monetary policy accommodative as they combat sluggish growth despite a recent (small) uptick in inflation. Interest rates will likely remain low for as long as inflation shows no evidence of rising to 2%. We expect a weaker yen into year end.

JSE performance

[back to top](#)

Nedbank CIB Market Commentary | CIBMarketComm@Nedbank.co.za | +27 11 295 5430

Top40 constituents	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend
AGL : Anglo American Plc	188.87	-1.27	-7.24	-3.19	↓
ANG : Anglogold Ashanti Ltd	132.67	1.25	-8.89	-13.05	↓
APN : Aspen Pharmacare Holdings Lt	280.00	0.20	-1.19	-1.26	↓
BAT : Brait Se	74.80	0.92	1.60	-14.57	↑
BGA : Barclays Africa Group Ltd	148.27	-2.45	-2.42	-12.11	↓
BID : Bid Corp Ltd	263.60	-3.38	0.24	7.53	↑
BIL : Bhp Billiton Plc	203.23	-0.77	-2.73	-7.07	↓
BTI : British American Tobacco Plc	827.15	0.32	0.71	6.23	↑
BVT : Bidvest Group Ltd	160.60	-1.85	3.60	-11.39	↑
CFR : Financiere Richemont-Dep Rec	99.65	-0.38	4.31	9.82	↑
DSY : Discovery Ltd	133.20	1.32	8.29	16.33	↑
FFA : Fortress Income Fund Ltd-A	17.12	0.65	-1.61	3.32	↓
FFB : Fortress Income Fund Ltd	34.58	-0.06	-0.80	6.96	↓
FSR : Firstrand Ltd	51.31	-0.75	3.20	-3.50	↑
GFI : Gold Fields Ltd	41.16	3.81	2.26	-5.57	↑
GRT : Grow thpoint Properties Ltd	27.74	0.91	4.76	7.15	↑
IMP : Impala Platinum Holdings Ltd	41.80	4.06	-5.09	-2.20	↓
INL : Investec Ltd	96.01	-0.71	4.13	5.80	↑
INP : Investec Plc	96.00	-0.35	3.76	5.79	↑
ITU : Intu Properties Plc	44.57	-0.78	-4.11	-5.13	↓
LHC : Life Healthcare Group Holdin	33.37	-0.54	-0.42	2.36	↓
MEI : Mediclinic International Plc	120.00	-0.55	-0.27	-7.69	↓
MND : Mondi Ltd	301.50	-0.66	0.32	7.68	↑
MNP : Mondi Plc	301.75	-0.90	-0.52	8.26	↓
MRP : Mr Price Group Ltd	172.33	-0.56	1.37	8.01	↑
MTN : Mtn Group Ltd	122.10	-2.39	1.93	-3.23	↑
NED : Nedbank Group Ltd	256.80	0.52	4.82	7.84	↑
NPN : Naspers Ltd-N Shs	2 178.84	-0.36	3.87	8.18	↑
NTC : Netcare Ltd	30.95	-0.06	-2.67	-2.80	↓
OML : Old Mutual Plc	36.01	-1.02	2.56	4.56	↑
RDF : Redefine Properties Ltd	11.18	0.27	2.85	-0.09	↑
REI : Reinet Investments Sa-Dr	27.80	0.22	-1.00	3.73	↓
REM : Remgro Ltd	219.90	-1.56	-1.52	-1.41	↓
RMH : Rmb Holdings Ltd	64.61	-1.51	1.89	-2.70	↑
SAP : Sappi Limited	86.15	-0.17	5.30	-4.22	↑
SBK : Standard Bank Group Ltd	157.48	1.49	9.96	3.78	↑
SHP : Shoprite Holdings Ltd	205.89	3.28	8.79	20.08	↑
SLM : Sanlam Ltd	69.64	-0.40	2.76	10.72	↑
SNH : Steinhoff International H Nv	66.73	-0.39	-4.44	-6.38	↓
SOL : Sasol Ltd	363.00	-1.14	-2.68	-9.00	↓
TBS : Tiger Brands Ltd	425.00	2.66	1.67	6.83	↑
VOD : Vodacom Group Ltd	151.50	-0.59	2.21	-0.59	↑
WHL : Woolworths Holdings Ltd	70.98	-1.88	1.40	-0.06	↑

Source: Bloomberg & Nedbank CIB

Time 2017/03/15 07:13

Contacts

Head: Strategic Research
Mohammed Yaseen Nalla, CFA
 (011) 295 5430

ALM Portfolio Management
 (011) 535 4042

Equities Sales and Distribution
 (011) 535 4030/31

Forex Institutional Sales Desk
 (011) 535 4005

Interest Rate Swaps & FRA's Trading
 (011) 535 4004

Money Market Institutional Sales Desk
 (011) 535 4008

Treasury: Economic Analyst
Reezwana Sumad
 (011) 294 1753

Bond Trading
 (011) 535 4021

Forex Business Banking Sales Desk
 (011) 535 4003

Forex Retail Sales Desk
 (011) 535 4020

Money Market Business Banking Sales Desk
 (011) 535 4006

Non Soft & Soft Commodities Trading
 (011) 535 4038

Credit Derivatives
 (011) 535 4047

Forex Corporate Sales Desk
 JHB (011) 535 4002; DBN (031) 327 3000;
 CTN (021) 413 9300

Inflation Trading
 (011) 535 4026

Money Market Corporate Sales Desk
 JHB (011) 535 4007; DBN (031) 327 3000;
 CTN (021) 413 9300

Preference shares desk
 (011) 535 4072

Disclaimer

The information furnished in this report, brochure, document, material, or communication (“the Commentary”), has been prepared by Nedbank Limited (acting through its Nedbank Corporate and Investment Banking division), a registered bank in the Republic of South Africa, with registration number: 1951/000009/06 and having its registered office at 135 Rivonia Road, Sandton, Johannesburg (“Nedbank”). The information contained herein may include facts relating to current events or prevailing market conditions as at the date of this Commentary, which conditions may change and Nedbank shall be under no obligation to notify the recipient thereof or modify or amend this Commentary. The information included herein has been obtained from various sources believed by Nedbank to be reliable and expressed in good faith, however, Nedbank does not guarantee the accuracy and/or completeness thereof and accepts no liability in relation thereto.

Nedbank does not expressly, or by implication represent, recommend or propose that any securities and/or financial or investment products or services referred to in this Commentary are appropriate and or/ suitable for the recipient’s particular investment objectives or financial situation. This Commentary should not be construed as “advice” as contemplated in the Financial Advisory and Intermediary Services Act, 37 of 2002 in relation to the specified products. The recipient must obtain its own advice prior to making any decision or taking any action whatsoever.

This Commentary is neither an offer to sell nor a solicitation of an offer to buy any of the products mentioned herein. Any offer to purchase or sell would be subject to Nedbank’s internal approvals and agreement between the recipient and Nedbank. Any prices or levels contained herein are preliminary and indicative only and do not represent bids or offers and may not be considered to be binding on Nedbank. All risks associated with any products mentioned herein may not be disclosed to any third party and the recipient is obliged to ascertain all such risks prior to investing or transacting in the product or services. Products may involve a high degree of risk including but not limited to a low or no investment return, capital loss, counterparty risk, or issuer default, adverse or unanticipated financial markets fluctuations, inflation and currency exchange. As a result of these risks, the value of the product may fluctuate. Nedbank cannot predict actual results, performance or actual returns and no guarantee, assurance or warranties are given in this regard. Any information relating to past financial performance is not an indication of future performance.

Nedbank does not warrant or guarantee merchantability, non-infringement or third party rights or fitness for a particular purpose. Nedbank, its affiliates and individuals associated with them may have positions or may deal in securities or financial products or investments identical or similar to the products.

This Commentary is available to persons in the Republic of South Africa, financial services providers as defined in the FAIS Act, as well as to other investment and financial professionals who have experience in financial and investment matters.

All rights reserved. Any unauthorized use or disclosure of this material is prohibited. This material may not be reproduced without the prior written consent of Nedbank, and should the information be so distributed and/or used by any recipients and/or unauthorized third party, Nedbank disclaims any liability for any loss of whatsoever nature that may be suffered by any party by relying on the information contained in this Commentary.

Certain information and views contained in this Commentary are proprietary to Nedbank and are protected under the Berne Convention and in terms of the Copyright Act 98 of 1978 as amended. Any unlawful or attempted illegal copyright or use of this information or views may result in criminal or civil legal liability.

All trademarks, service marks and logos used in this Commentary are trademarks or service marks or registered trademarks or service marks of Nedbank or its affiliates.

Nedbank Limited is a licensed Financial Services Provider and a Registered Credit Provider (FSP License Number 9363 and National Credit Provider License Number NCRCP 16).