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(* when available)*

Key daily driver




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SNIPPETS

(Charts of the day)	SA CPI eases in contrast to hawkish market rhetoric as food inflation falls off a high base and most other subcomponents disinflates
(Currencies)	USDZAR maintain strengthening trend; Dollar remains downbeat keeping global majors elevated
(Equities)	Top 40 down 0.22%, led by broad-based losses; US equities mixed; Asian markets upbeat this morning
(Economics)	Japanese trade surplus narrows as imports surge

Key overnight factors and upcoming events

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Date	Region	Event   	Actual/expected/prior	Implications
18/04	UK	Political risks	--	Possible early election announced, May requests House of Commons to vote on early election tomorrow
19/04	SA	CPI y/y	6.1%/6.4%/6.3%	CPI likely to ease marginally on the back of base effects
19/04	EZ	CPI y/y final	1.5%/1.5%/1.5%	CPI expected to remain elevated in Mover the medium term

Source: Nedbank

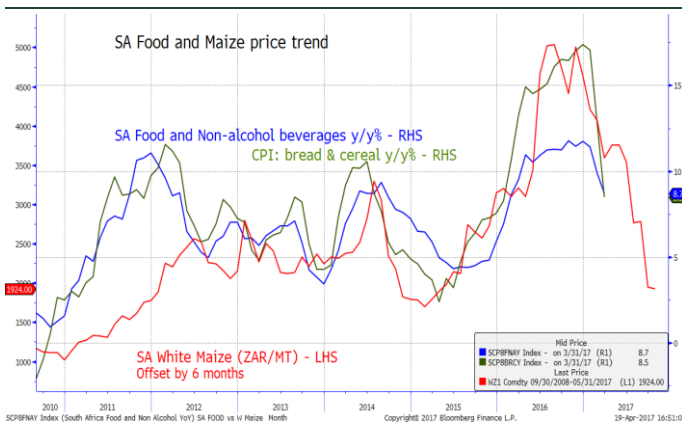
Charts of the day

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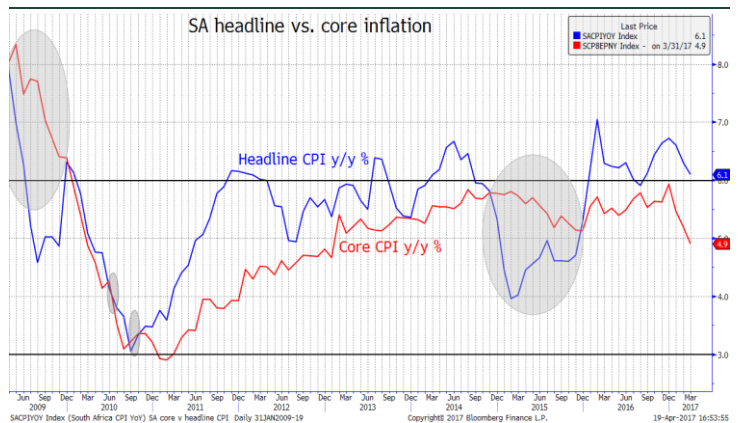
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- SA CPI surprised to the downside in March, at 6.1% y/y, from 6.3% in February, in line with our expectations but better than consensus of 6.4%. Over the month, CPI eased to 0.6% (prev. 1.1%), while core inflation fell to 4.9% y/y from 5.2% previously and 5.3% expected. Both goods and services inflation declined. CPI for administered prices rose sharply, to 8.4%, from 6.6% previously. Markets turned decidedly hawkish after the recent political noise, credit rating downgrades and therefore forecasted a still elevated CPI profile even while food inflation showed evidence of a slowdown in Q1.
- The food disinflation was the key contributor towards lower inflation in March, falling to 8.7% y/y (prev. 9.9%) and shaving off 20 bps from the headline print. Lower food inflation was due to lower breads and cereals prices, sharply lower fruit prices and lower dairy prices. The residual component shaved off 30 bps from headline CPI, while transport, education and miscellaneous goods signalled rising price pressures. In March, education, crèche fees, toll fees, public transport and vehicle insurance were surveyed, hence the higher inflation for these particular subcomponents. Expect miscellaneous inflation to continue to rise as April is a survey month for gym fees and funeral expenses.
- Other easing pressures came from clothing and footwear, household contents and services, health, communication and restaurants and hotels – hence we see much of the CPI basket already in disinflation due to the high base effect from last year.
- We expect continued easing pressures emanating from the food basket, and will likely see headline CPI fall and remain below the 6% upper target band over the medium term. The rand remains a key risk to our inflation outlook, hence we foresee no change to the SARB repo rate this year, with the SARB likely to tread cautiously and consider any rate cuts in 2018. Growth is expected to remain benign, with GDP projected at 0.7% this year, with downside risks

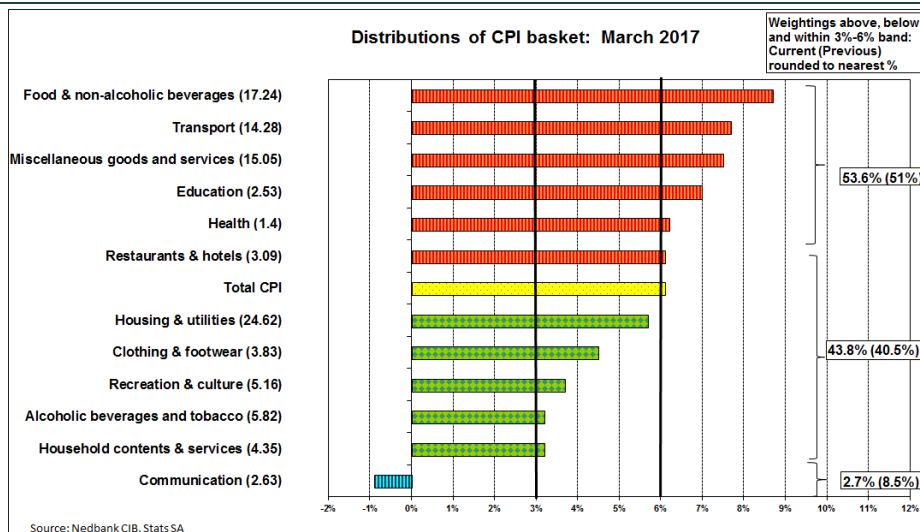
Food remains key disinflationary driver



Underlying price pressures have eased materially



54% of CPI subcomponents remain above the 6% upper band



Source: Stats SA, Nedbank

Currencies

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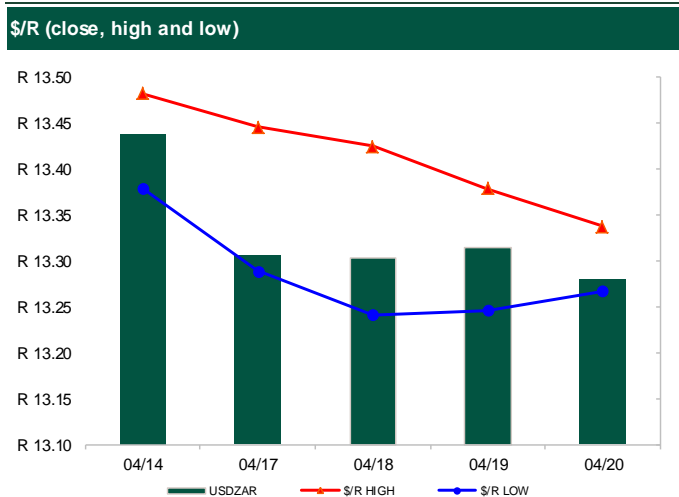
- The local trading session opened with the rand trading in the low 13.30's, once again some demand for dollars but this was easily satisfied and the move topped out at 13.3800, before trading firmer for the remainder of the session, closing the day trading at 13.2850. This morning the rand currently trades at 13.2785, EURZAR is trading at 14.2420 and GBPZAR at 17.0060.
- International markets saw the euro hold steady above the 1.07000 level on the day, although the absolute levels of activity appeared to be limited, currently it trades at 1.0725.
- After posting gains to the tune of 30 dollars or so over the past week gold has seen some apparent profit taking, after starting the day at 1286.00 yesterday, it is currently trading at 1278.50.
- On the data front today, nothing scheduled locally, from Europe we have German PPI and Eurozone construction output and consumer confidence, and from the U.S we have Philadelphia FED business outlook and leading index indicators.
- Over the preceding sessions we had alluded to the fact that despite a number of forays by the rand below the 13.30 level it had not managed to sustain these breaches, in the overnight session it did trade back above that level in the NY session, this morning it continues to hold below that level, once again some expectation of dollar covering at the improved levels but a sustained move lower to test 13.1800 appears to be possible
- Possible trading range in the rand today 13.1800 to 13,4800

Majors	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend	USD trend
GBPUSD	1.28	0.15	2.02	3.76	↑	USD weakness
EURUSD	1.07	0.14	0.69	1.98	↑	USD weakness
USDJPY	108.96	0.08	-2.18	-6.84	↓	USD weakness
USDAUD	1.33	-0.10	1.64	-4.06	↑	USD strength
Rand crosses	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend	ZAR trend
USDZAR	13.28	-0.26	-0.99	-3.34	↓	ZAR strength
GBPZAR	17.01	-0.11	0.96	0.36	↑	ZAR weakness
EURZAR	14.24	-0.12	-0.41	-1.43	↓	ZAR strength
AUDZAR	9.97	-0.15	-2.72	0.67	↓	ZAR strength
ZARJPY	8.20	0.34	-1.12	-3.81	↓	ZAR weakness
African FX	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend	ZAR trend
ZARMMWK (Malawian kwacha)	54.66	0.23	1.02	3.18	↑	ZAR strength
ZARBWP (Botswana pula)	0.78	0.00	0.03	0.82	↑	ZAR strength
ZARKES (Kenyan shilling)	7.79	0.27	1.44	4.38	↑	ZAR strength
ZARMUR (Mauritian rupee)	2.66	0.32	1.23	1.36	↑	ZAR strength
ZARNGN (Nigerian naira)	23.76	-0.04	1.90	3.58	↑	ZAR strength
ZARGHS (Ghanian cedi)	0.32	-2.51	-1.74	1.67	↓	ZAR weakness
ZARZMW (Zambian kwacha)	0.71	0.74	-1.96	-2.58	↓	ZAR weakness
ZARMZN (Mozambican metical)	4.97	1.12	-1.20	-4.67	↓	ZAR weakness

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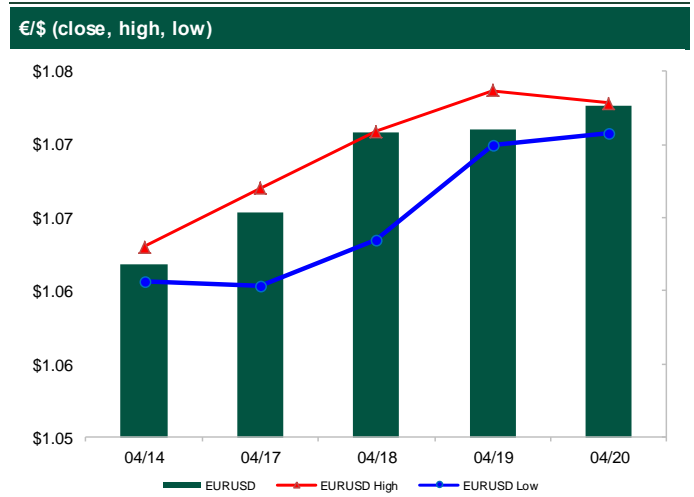
**Please note that the sign on the % change reflects the change on the headline number. The narrative indicates the trend direction over the month. For trade in any of these currencies, contact our FX dealing desks*

USDZAR



Source: Bloomberg, Nedbank

EUR/USD



Source: Bloomberg, Nedbank

Commodities

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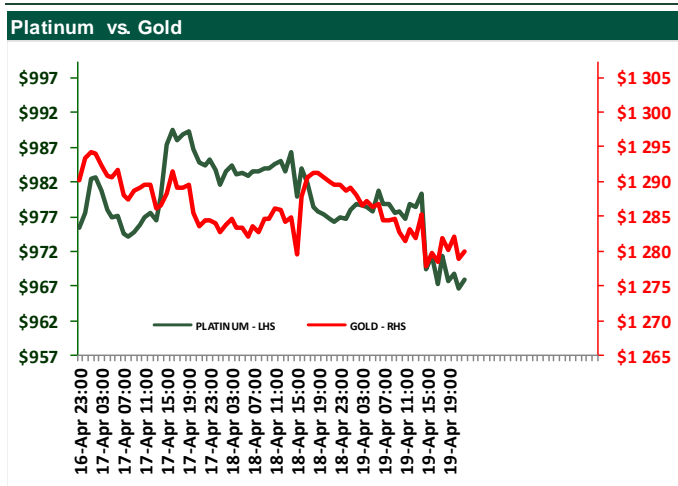
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- Oil traded below \$51 a barrel after slumping the most in six weeks as expanding U.S. crude production countered a fall in stockpiles. Futures climbed 0.6% after losing 3.8% on Wednesday, the most since March 8.
- Bullion for immediate delivery little changed at \$1,279.78/oz following 0.7% decline yesterday.
- Silver +0.1% to \$18.1661/oz. Platinum +0.2% to \$969.05/oz. Palladium +0.5% to \$781.88/oz.
- Copper climbs from lowest level since early January as Rio Tinto reports lower-than-expected production in first quarter and reduces full-year guidance by as much as 25% amid disruptions at top two mines. Aluminum rises for second day as stockpiles shrink. LME copper +1% to \$5,613/ton.

Commodities	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend
Brent near future (\$)	53.10	0.32	0.51	-6.55	↑
WTI crude (\$)	50.55	0.22	-0.10	-5.90	↓
Gold spot (\$)	1 278.48	-0.29	2.34	11.41	↑
Platinum spot (\$)	968.34	-0.28	1.89	7.22	↑
SA white maize spot (R)	1 925.00	#VALUE!	-0.98	-45.65	↓

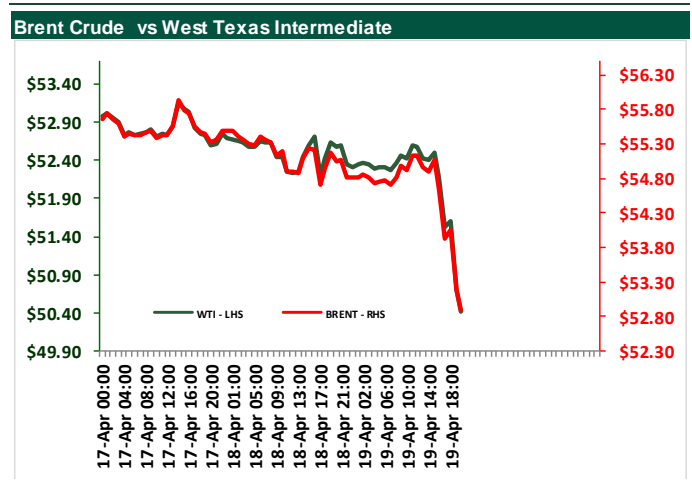
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Platinum vs Gold



Source: Bloomberg

Brent Crude vs West Texas Intermediate



Source: Bloomberg

Fixed income and interest rates

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

Bonds	Last price	Δ 1d	Δ MTD	Δ YTD	Month trend
	%	bps	bps	bps	
R203-0.4 yrs	7.43	-1.60	0.10	-27.10	↑
R208-3.9 yrs	7.80	0.20	-12.00	-47.70	↓
R186-9.7 yrs	8.77	-0.10	-9.60	-13.60	↓
R2048-30.9 yrs	9.72	0.10	-0.20	10.30	↓
US 10 yr	2.20	-1.14	-18.44	-24.14	↓
UK 10 yr	1.07	5.03	-6.50	-14.04	↓
German 10 yr	0.20	30.13	-38.11	16.00	↓
Japan 10 yr	0.01	18.18	-81.43	-71.74	↓

Money Market	Last price	Δ 1d	Δ MTD	Δ YTD	Month trend
	%	bps	bps	bps	
SA repo rate	7.00	0.00	0.00	0.00	→
SA prime rate	10.50	0.00	0.00	0.00	→
SA CPI (MTD = previous month)	6.10		-20.00		↓
SA 3m JIBAR	7.34	-0.80	-1.60	-1.60	↓
SA 3m NCD	7.33	-2.50	-5.00	-5.00	↓
SA 6m NCD	7.93	-1.25	-2.50	-5.00	↓
SA 12m NCD	8.40	-2.50	2.50	-5.00	↑
US 3m LIBOR	1.16	-0.06	0.61	15.78	↑
UK 3m LIBOR	0.34	0.12	-0.06	-2.98	↓
Japan 3m LIBOR	0.00	0.29	-1.60	5.64	↓

FRA's and Swaps	Last price	Δ 1d	Δ MTD	Δ YTD	Month trend
	%	bps	bps	bps	
3X6 FRA	7.31	0.00	-11.00	-8.00	↓
6X9 FRA	7.26	0.00	-25.00	-16.00	↓
9X12 FRA	7.25	0.00	-31.00	-20.00	↓
18X21 FRA	7.28	0.00	-9.00	-25.00	↓
SA 2yr Swap	7.28	0.00	-6.40	-18.00	↓
SA 3yr Sw ap	7.36	0.00	-6.90	-19.50	↓
SA 5yr Sw ap	7.63	0.00	-6.00	-18.60	↓
SA 10yr Sw ap	8.08	0.00	-7.75	-26.50	↓
SA 15yr Sw ap	8.26	0.70	-7.10	-22.10	↓

Spreads	Last price	Δ 1d	Δ MTD	Δ YTD	Month trend
	%	bps	bps	bps	
2v10y	-0.80	0.00	1.35	8.50	↑
3v10y	-0.72	0.00	0.85	7.00	↑
R186-R203	1.33	1.50	-9.70	13.50	↓
R2048-R186	0.95	0.20	9.40	23.90	↑
5y-R186	-1.15	0.10	3.60	-5.00	↑
10y-R186	-0.70	0.10	1.85	-12.90	↑
15y-R186	-0.52	0.80	2.50	-8.50	↑
SA 5yr CDS spread - basis points	204.89	-5.41	14.55	-12.11	↑

Source: Bloomberg & Nedbank CIB Time 2017/04/20 07:24

Equities

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Cash equities | +2711 535 4030/31

South Africa

- After a positive start to the day the JSE pulled back in the afternoon session with both major indices closing over 2 tenths of a percent lower as the local market declined for the 4th consecutive session. The Top 40 closed at 45,771.96 and the broader based All Share at 52,545.12. Financials closed flat and Nedbank lagged falling a percent as investors digested Ecobank's results. Sibanye Gold tumbled over 6% as investors showed their dissatisfaction of the company's plans to raise funds for the Stillwater transaction through an equity and debt raising while Pick n Pay lost over 4 percent. The retailer reported that earnings per share rose 18% but investors were concerned around future growth opportunities and the ability to increase market share. Data released showed that South Africa's inflation rate dropped to 6.1% from 6.3% in March its lowest level in 6 months while the World Bank cut South Africa's 2018 growth forecast from 1.8% to 1.1%. The rand was trading around R13.27 to the dollar.

UK/Europe

- European markets closed mixed with shares in the UK still under pressure due to the to the latest political uncertainty in the region and the stronger pound which weighed on exporters. The FTSE closed just under half a percent weaker. Utility shares with exposure to oil fell as the price of crude weakened while banking shares rose on the back of higher bond yields. The DAX gained over a tenth of a percent and the CAC rose just under 3 tenths of a percent. Automakers put in a strong performance as European car sales jumped to the highest level on record but their performance was overshadowed by Financials which snapped back gains as bargain hunters picked up stock. Commerzbank jumped over 4% while Credit Agricole and Société Generale rose over 2%.

USA

- U.S. markets ended mixed as the weaker oil price weighed on energy shares and financials overturned an early rally. Real Estate and utilities weakened as the 10-year Treasury yield moved from 2.21% to 2.17%. The DOW dropped 6 tenths of a percent and the S&P 2 tenths of a percent while the Nasdaq gained a quarter of a percent. IBM dropped 4.9%. The company's first quarter earnings beat forecasts while revenues were weaker than expected. Morgan Stanley rose 2% on better than expected first quarter results. Traders were waiting for the release of the Fed's beige book which showed that economic activity increased in each of the 12 districts between February and March as wage increases broadened and employment expanded. With inflation expectations diminishing odds for a June interest rate hike reduced from 60% earlier this month to about 44%.

Asia

- Asian markets are trading higher this morning with positive Japanese export data and release of the Fed's beige book overnight strengthening sentiment that the global economy is strengthening. At the time of writing the Nikkei was up 3 tenths of a percent. The weaker yen supported exporters. Canon advanced over 3% on reports that the firm's operating profit will double for the quarter. The Hang Seng also gained 3 tenths of a percent. Insurance company AIA and Tencent rose 1.7% and 1.5% respectively while energy shares declined as oil remained under pressure. The Shanghai Composite lost a tenth of a percent while the ASX in Australia advanced a quarter of a percent after three days of losses. Stronger financial and industrial shares supported the market with iron ore mining shares also advancing investors digested quarterly production numbers.

Developed Markets	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend
Dow Jones	20 404.49	-0.58	-1.25	3.25	↓
Nasdaq	5 863.03	0.23	-0.82	8.92	↓
S&P 500	2 338.17	-0.17	-1.04	4.44	↓
DJ Eurostoxx 50	3 448.26	-0.58	-1.50	4.79	↓
DAX	12 016.45	0.13	-2.41	4.66	↓
CAC	5 003.73	0.27	-2.32	2.91	↓
FTSE	7 114.36	-0.46	-2.85	-0.40	↓
ASX200	5 817.50	0.23	-0.81	2.68	↓
Nikkei 225	18 496.13	0.35	-2.18	-3.23	↓
MSCI World	1 835.04	-0.13	-1.01	4.79	↓
Emerging Markets	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend
Hang Seng	23 926.03	0.42	-0.77	8.75	↓
Shanghai	3 168.86	-0.06	-1.67	2.10	↓
Brazil Bovespa	63 406.97	-1.17	-2.43	5.28	↓
India - NSE	29 369.10	0.11	-0.85	10.30	↓
Russia Micex	1 916.50	-0.20	-3.98	-14.16	↓
MSCI Emerging	952.92	-0.50	-0.57	10.51	↓
SA Indices	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend
JSE All Share	52 545.12	-0.24	0.94	3.73	↑
Top 40	45 771.96	-0.22	1.34	4.26	↑
Resi 10	32 509.48	-0.36	0.58	1.25	↑
Indi 25	69 667.34	-0.35	1.92	8.38	↑
Fini 15	14 617.26	0.23	0.23	-3.06	↑

Source: Bloomberg & Nedbank CIB

Time

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Economics

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Japan

- Japanese trade surplus narrowed to ¥614.7 billion in March, from ¥813.4 billion previously, better than estimates of ¥608 billion. The reason for the slippage was due to a surge in imports over the month.
- Imports surged 15.8% y/y in March, after a dismal 1.2% growth previously. However exports were also quite strong, rising 12% y/y, compared to consensus of just 6%. Imports from the US and Asia surged, while exports were driven by the rest of Asia.

Synopsis: The BOJ will likely keep monetary policy loose in order to spur price pressures in the economy. Inflation remains very low while household spending remains in contraction. Hence we are unlikely to see restrictive policy in the medium term as the BOJ remains very cautious.

JSE performance

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Top40 constituents	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend
AGL : Anglo American Plc	191.46	0.87	-6.17	-1.87	↓
ANG : Anglogold Ashanti Ltd	171.40	-1.66	19.65	12.33	↑
APN : Aspen Pharmacare Holdings Lt	271.77	1.22	-1.07	-4.16	↓
BGA : Barclays Africa Group Ltd	143.50	-0.35	2.86	-14.93	↑
BID : Bid Corp Ltd	273.91	1.81	5.47	11.73	↑
BIL : Bhp Billiton Plc	204.50	-0.20	-1.30	-6.48	↓
BTI : British American Tobacco Plc	882.75	-1.43	0.15	13.38	↑
BVT : Bidvest Group Ltd	154.95	0.44	0.70	-14.51	↑
CFR : Financiere Richemont-Dep Rec	104.91	-0.91	-1.05	15.62	↓
DSY : Discovery Ltd	129.46	-0.30	0.58	13.07	↑
FFA : Fortress Income Fund Ltd-A	16.67	-2.23	-0.71	0.60	↓
FFB : Fortress Income Fund Ltd	33.23	-1.69	-0.03	2.78	↓
FSR : Firstrand Ltd	47.70	0.93	2.89	-10.29	↑
GFI : Gold Fields Ltd	53.26	-1.06	13.88	22.18	↑
GRT : Grow thpoint Properties Ltd	25.25	-1.75	-2.51	-2.47	↓
IMP : Impala Platinum Holdings Ltd	47.60	1.51	5.26	11.37	↑
INL : Investec Ltd	94.65	1.28	3.49	4.30	↑
INP : Investec Plc	94.05	1.55	2.67	3.64	↑
ITU : Intu Properties Plc	47.24	-2.74	1.44	0.55	↑
LHC : Life Healthcare Group Holdin	26.85	3.07	-7.38	-11.48	↓
MEI : Mediclinic International Plc	123.93	-1.64	3.99	-4.67	↑
MND : Mondi Ltd	327.45	-0.33	2.16	16.95	↑
MNP : Mondi Plc	327.02	-0.76	1.57	17.33	↑
MRP : Mr Price Group Ltd	152.50	-1.34	-4.63	-4.42	↓
MTN : Mtn Group Ltd	122.29	-0.57	0.24	-3.08	↑
NED : Nedbank Group Ltd	222.22	-1.04	-7.98	-6.68	↓
NPN : Naspers Ltd-N Shs	2 450.82	0.24	5.87	21.68	↑
NTC : Netcare Ltd	24.75	-0.04	-3.32	-22.27	↓
OML : Old Mutual Plc	33.00	1.79	-2.02	-4.18	↓
RDF : Redefine Properties Ltd	10.92	-1.71	-0.82	-2.41	↓
REI : Reinnet Investments Sa-Dr	30.59	-0.49	4.90	14.14	↑
REM : Remgro Ltd	214.90	-0.51	4.27	-3.65	↑
RMH : Rmb Holdings Ltd	58.91	0.99	0.58	-11.28	↑
SAP : Sappi Limited	95.00	-3.06	4.25	5.61	↑
SBK : Standard Bank Group Ltd	142.01	1.00	-1.21	-6.42	↓
SHP : Shoprite Holdings Ltd	201.43	-0.77	4.04	17.48	↑
SLM : Sanlam Ltd	69.00	0.58	2.42	9.70	↑
SNH : Steinhoff International H Nv	65.10	-2.06	1.45	-8.67	↑
SOL : Sasol Ltd	400.63	-0.47	2.57	0.43	↑
TBS : Tiger Brands Ltd	400.00	-0.99	-0.11	0.55	↓
TRU : Truworths International Ltd	85.06	-0.84	-1.79	6.77	↓
VOD : Vodacom Group Ltd	147.11	-0.60	-3.22	-3.47	↓
WHL : Woolworths Holdings Ltd	72.00	-1.34	2.99	1.38	↑

Source: Bloomberg & Nedbank CIB

Time 2017/04/20 07:24

Economic calendar

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Time	Country	Event	Period	Survey	Actual	Prior	Revised
19-Apr							
10:00	SA	CPI YoY	Mar	6.40%	6.10%	6.30%	--
11:00	EC	Trade Balance SA	Feb	18.0b	19.2b	15.7b	--
11:00	EC	CPI YoY	Mar F	--	1.50%	1.50%	--
11:00	EC	CPI Core YoY	Mar F	--	0.70%	0.70%	--
13:00	US	MBA Mortgage Applications	14-Apr	--	-1.80%	1.50%	--
20:00	US	U.S. Federal Reserve Releases Beige Book					
20-Apr							
01:50	JN	Trade Balance Adjusted	Mar	¥159.5b	--	¥680.3b	--
01:50	JN	Exports YoY	Mar	6.10%	--	11.30%	--
01:50	JN	Imports YoY	Mar	9.80%	--	1.20%	--
08:00	GE	PPI YoY	Mar	--	--	3.10%	--
14:30	US	Initial Jobless Claims	15-Apr	--	--	--	--
14:30	US	Continuing Claims	08-Apr	--	--	--	--
14:30	US	Philadelphia Fed Business Outlook	Apr	25.5	--	32.8	--
16:00	EC	Consumer Confidence	Apr A	--	--	-5	--
16:00	US	Leading Index	Mar	0.20%	--	0.60%	--

Source: Bloomberg

Contacts

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Money Market Institutional Sales Desk
 (011) 535 4008

Bond Trading
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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
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Credit Derivatives
 (011) 535 4047

Forex Corporate Sales Desk
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 CTN (021) 413 9300

Inflation Trading
 (011) 535 4026

Money Market Corporate Sales Desk
 JHB (011) 535 4007; DBN (031) 327 3000;
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Preference shares desk
 (011) 535 4072

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