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(when available)*

Key daily drivers




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SNIPPETS

(Fixed Income)	SAGBs open near recent lows
(Currencies)	USDZAR stages significant recovery
(Commodities)	Both crude and gold extends recent gains, oil due to possible disruption to Iranian crude and gold on the back of geopolitical tensions
(Equities)	Corporate earnings and economic data push global markets higher.
(Economics)	US retail sales and CPI surprises to the upside in September

Key overnight factors and upcoming events this week

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Date	Region	Event   	Actual/expected/prior	Implications
13/10	US	CPI yoy	--/2.3%/1.9%	CPI is expected to rise on the back of services, fuel and energy costs
16/10	EZ	Trade balance	--/--/18.6b	Surplus may widen due to better exports
17/10	UK	CPI yoy	--/--/2.9%	CPI is expected to rise to 3%, will test the BOE's tolerance for elevated CPI
17/10	US	Industrial production	--/0%/ -0.9%	Industrial activity likely affected by adverse weather conditions in September

Source: Nedbank

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	
R204-1.2 yrs	7.02	-0.90	7.10	-90.60	↑
R208-3.5 yrs	7.53	-0.10	4.00	-75.20	↑
R186-9.2 yrs	8.61	-0.30	5.70	-30.30	↑
R2048-30.4 yrs	9.77	0.70	4.50	14.80	↑
US 10 yr	2.29	1.43	-4.63	-15.70	↓
UK 10 yr	1.37	-1.40	0.20	12.80	↑
German 10 yr	0.40	-4.20	-6.10	19.50	↓
Japan 10 yr	0.07	0.10	-0.30	1.90	↓

Money Market	Last price	Δ 1d	Δ MTD	Δ YTD	Month trend
	%	bps	bps	bps	
SA repo rate	6.75	0.00	0.00	-25.00	→
SA prime rate	10.25	0.00	0.00	-25.00	→
SA CPI (MTD = previous month)	4.80		20.00		↑
SA 3m JIBAR	7.03	0.80	3.30	-33.30	↑
SA 3m NCD	7.00	0.00	2.50	-37.50	↑
SA 6m NCD	7.40	0.00	-2.50	-57.50	↓
SA 12m NCD	7.85	1.25	7.50	-60.00	↑
US 3m LIBOR	1.35	-0.58	1.94	35.54	↑
UK 3m LIBOR	0.37	0.38	3.88	0.71	↑
Japan 3m LIBOR	-0.04	0.31	1.37	0.91	↑

Source: Bloomberg & Nedbank CIB
Time: 2017/10/16 07:29

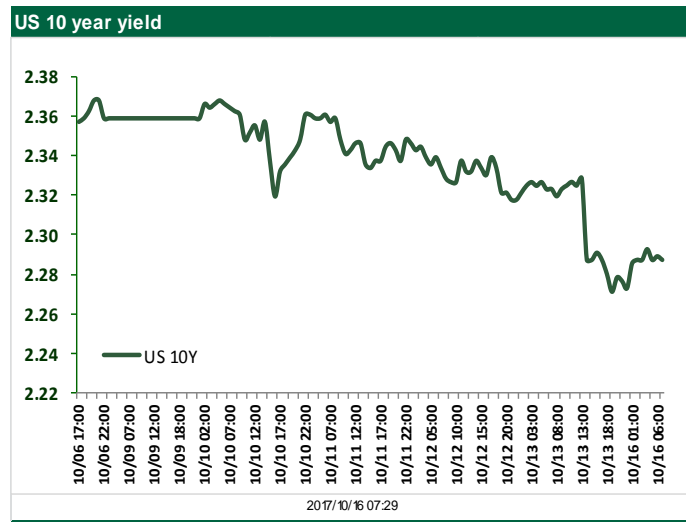
FRAs and Swaps	Last price	Δ 1d	Δ MTD	Δ YTD	Month trend
	%	bps	bps	bps	
3X6 FRA	6.94	0.00	3.00	-45.00	↑
6X9 FRA	6.80	0.00	4.00	-62.00	↑
9X12 FRA	6.75	-1.00	3.00	-70.00	↑
18X21 FRA	6.90	-0.50	6.50	-63.50	↑
SA 2yr Sw ap	6.88	-0.25	4.50	-58.60	↑
SA 3yr Sw ap	7.00	0.75	5.50	-56.10	↑
SA 5yr Sw ap	7.29	0.50	4.50	-52.60	↑
SA 10yr Sw ap	7.88	-0.75	3.25	-44.35	↑
SA 15yr Sw ap	8.18	-2.75	0.50	-30.50	↑

Spreads	Last price	Δ 1d	Δ MTD	Δ YTD	Month trend
	%	bps	bps	bps	
2v10y	-1.01	0.50	1.25	-14.25	↑
3v10y	-0.89	1.50	2.25	-11.75	↑
R186-R204	1.59	0.60	-1.40	60.30	↓
R2048-R186	1.16	1.00	-1.20	45.10	↓
5y-R186	-1.32	0.80	-1.20	-22.30	↓
10y-R186	-0.72	-0.45	-2.45	-14.05	↓
15y-R186	-0.43	-2.45	-5.20	-0.20	↓
SA 5yr CDS spread - basis points	171.00	-1.00	-16.00	-44.00	↓

Source: Bloomberg & Nedbank CIB
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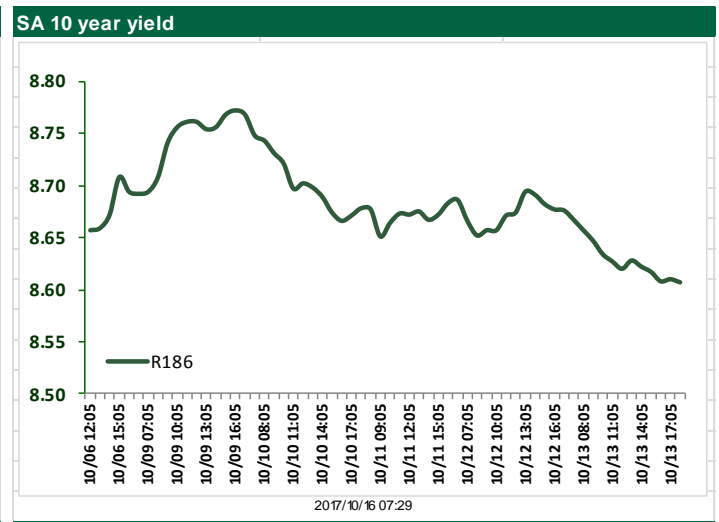
- Indicators unchanged over the weekend so SAGBs open as we were Friday -towards the recent lows. We would expect the curve to hold its recent steepening at least until the auction tomorrow, which will require offshore buying for us to rally further as locals don't like these levels.
- Expect street to chase the ZAR price action, locals to fade rallies still but ultimately SAGBs to be capped with USTs, and dull until MTPBS.

US 10 year yield



Source: Bloomberg, Nedbank

SA 10 year yield



Source: Bloomberg, Nedbank

Currencies

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

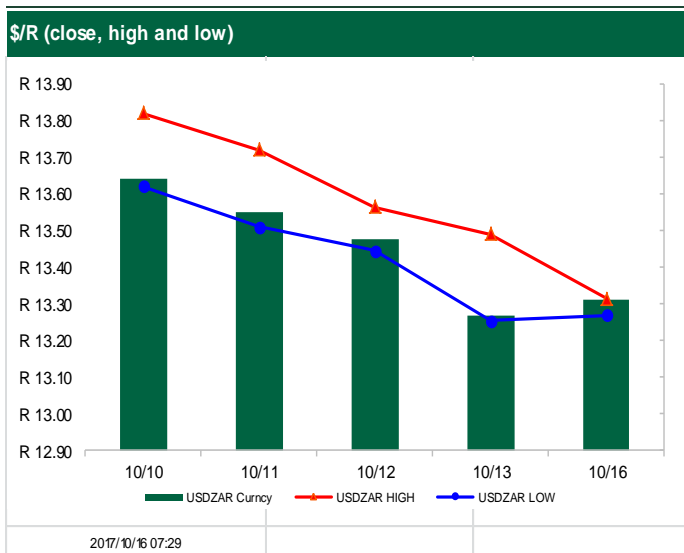
- On Friday the local trading session opened with the rand trading in the low 13.40's , the local unit continued to find support throughout the session and post the U.S data , the local unit managed to trade to a best level of 13.2700 , closing the day trading around 13.2850 . This morning the rand is currently trading just around the 13.30 level, EURZAR is trading at 15.7085 and GBPZAR at 17.6850.
- On the international front, the major currency pairs were again confined to limited trading ranges on the day, but overall did not prosper against the dollar, EURUSD posted a high of 1.1875 in the session, but by the time of our close it was trading at 1.1830, this morning currently trading marginally above the 1.1800 pivot.
- Gold has continued to post incremental gains as the dollar faltered , last week posting some 20 dollars in gains over the 5 days , this morning currently trading at 1302.00
- The rand has continued to post gains over the entire week, recovering some 55 cents in value in that time, technically the local unit has now completed the formation, this despite the ongoing uncertainty in the local political landscape, the significant likelihood of a ratings agency downgrade later in the year, in the near term the local markets will be focussing on the MTBS.
- Data releases for today, Eurozone trade balance and U.S Empire manufacturing survey, Mr Mminele from the SARB is scheduled to speak in NY this evening. Possible trading range in the rand today 13.2000 to 13.5000.

Majors	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend	USD trend
GBPUSD	1.33	-0.04	-0.79	7.71	↓	USD strength
EURUSD	1.18	-0.18	-0.06	12.27	↓	USD strength
USDJPY	111.92	0.04	-0.53	-4.50	↓	USD weakness
USDAUD	1.27	0.19	-0.50	-8.54	↓	USD weakness
Rand crosses	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend	ZAR trend
USDZAR	13.31	0.26	-1.86	-3.22	↓	ZAR strength
GBPZAR	17.69	0.22	-2.67	4.24	↓	ZAR strength
EURZAR	15.72	0.08	-1.92	8.04	↓	ZAR strength
AUDZAR	10.48	0.10	-1.37	5.52	↓	ZAR strength
ZARJPY	8.41	-0.21	1.54	-1.43	↑	ZAR strength
African FX	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend	ZAR trend
ZARMMK (Malawian kwacha)	54.51	-0.33	1.59	2.80	↑	ZAR strength
ZARBWP (Botswana pula)	0.77	-0.23	0.92	-1.33	↑	ZAR strength
ZARKES (Kenyan shilling)	7.76	-0.29	1.98	3.87	↑	ZAR strength
ZARMUR (Mauritian rupee)	2.55	-0.14	2.08	-2.68	↑	ZAR strength
ZARNGN (Nigerian naira)	27.05	-0.41	1.98	15.21	↑	ZAR strength
ZARGHS (Ghanian cedi)	0.33	0.63	2.02	6.35	↑	ZAR strength
ZARZMW (Zambian kwacha)	0.72	-0.52	1.12	0.00	↑	ZAR strength
ZARMZN (Mozambican metical)	4.61	0.24	1.84	-13.16	↑	ZAR strength

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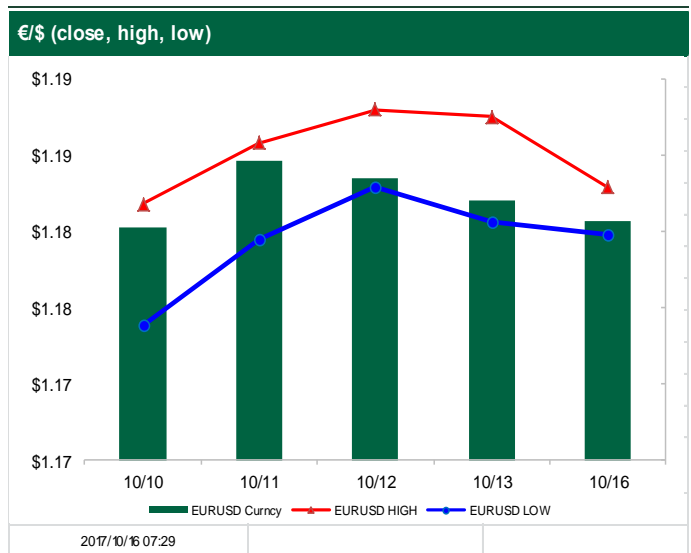
*Please note that the sign on the % change reflects the change on the headline number. The narrative indicates the trend direction over the month. For trade in any of these currencies, contact our FX dealing desks

USDZAR



Source: Bloomberg, Nedbank

EUR/USD



Source: Bloomberg, Nedbank

Commodities

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- Crude extended gains from the highest close in two weeks as speculation mounted over potential disruptions to output in a region that's home to Iraq's oldest producing oil fields. Iraqi forces began a military operation to take over fields in the northern city of Kirkuk from Kurdish forces, al-Sumaria television reported. Futures up 1.3% after gaining 2.8% last week.
- Gold trades near highest level in three weeks after lower US CPI and joint drill by U.S. and South Korean navies amid signs North Korea's preparing another provocation such as missile launch. Palladium trades close to \$1,000/oz. Bullion for immediate delivery -0.1% to \$1,302.07/oz; +2.1% last week.

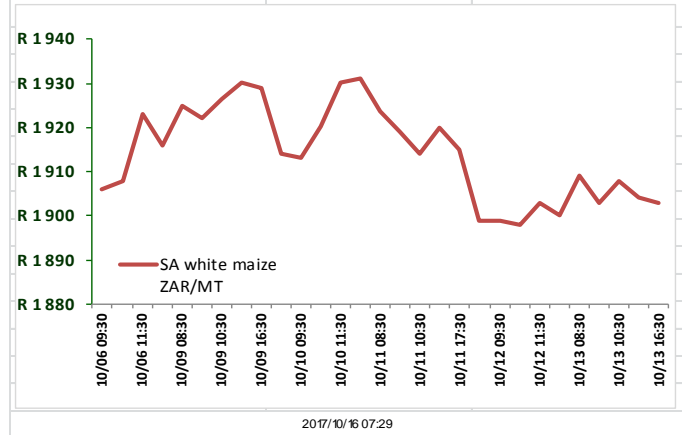
Source: Bloomberg

Commodities	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend
Brent near future (\$)	57.78	1.07	0.42	1.69	↑
WTI crude (\$)	51.86	0.80	0.37	-3.46	↑
Gold spot (\$)	1 302.33	0.08	1.76	13.49	↑
Platinum spot (\$)	942.30	-0.38	3.32	4.34	↑
SA white maize spot (R)	1 903.00	0.16	0.53	-46.27	↑

Source: Bloomberg & Nedbank CIB
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SA white maize

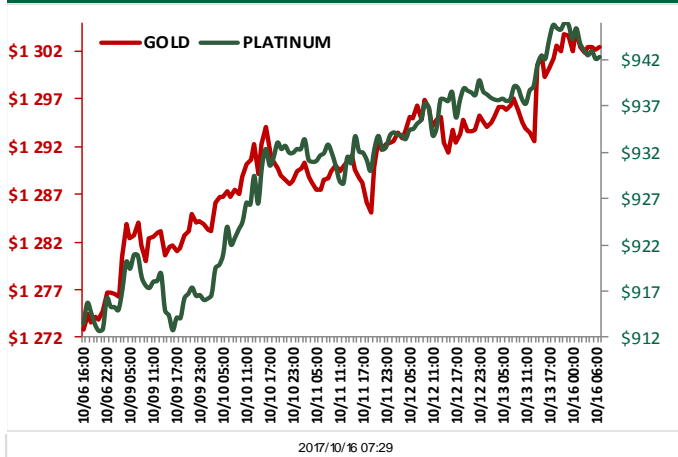
SA White maize (ZAR/MT) - 30 day chart



Source: Bloomberg, Nedbank

Platinum vs Gold

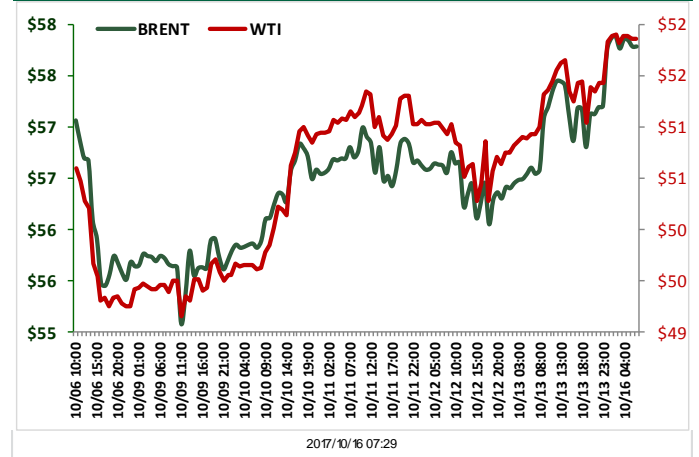
Platinum vs. Gold



Source: Bloomberg, Nedbank

Brent Crude vs West Texas Intermediate

Brent Crude vs West Texas Intermediate



Source: Bloomberg, Nedbank

Equities

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Cash equities | +2711 535 4030/31

South Africa

- The Top40 recovered the losses from the previous day and advanced +0.2% for Friday and +0.85% for the week. The rand weakened significantly and dragged industrials (-0.1%) lower, resources jumped +0.7% and financials climbed +0.6%. There was no major local economic or company news out and the rally was on the back of positive start to US earnings season with JPMorgan and Bank of America topping analyst estimates. Indian billionaire, Agarwal increased his stake in Anglo American to 19%. The value traded was R20.2 billion and the rand was hovering around 13.30 to the US dollar at the close.

UK/Europe

- The major European markets swung between gains and losses throughout the day and closed on opposite side of the unchanged mark. The FTSE shed -0.3%, the Dax rose +0.07% and the Cac lost -0.2%. On the upside the market was supported by an increase in Chinese imports and positive earnings results from the Ststes. BASF agreed to purchase some operations business from Bayer for 5.9 billion euros and the former slid -0.3% while the latter rose +1.2%.

USA

- The major US markets recovered losses from the previous session and closed in the black but off the highs for the day. The Dow inched up by +0.1%, the Nasdaq rose +0.2% and the S&P500 marginally gained +0.1%. With these moves, the Dow and Nasdaq record yet another record high. The factors driving the market were economic data and corporate earnings results. Retail sales surged +1.6% in September boosted by higher gas prices and October's consumer sentiment unexpectedly increased. HP and Bank of America beat expectations while Well Fargo didn't.

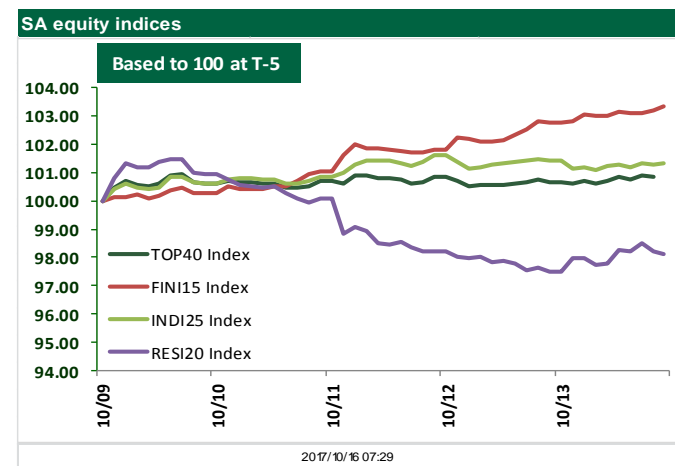
Asia

- Asian markets are trading higher this morning taking the lead from a positive close on Wall Street, the MSCI Asian Pacific ex-Japan is up +0.4%. China's CPI for September rose +1.6% in line with expectations but still 1.8% lower than August. Crude oil advanced +1% during Asia trade as Iraqi forces captured parts of northern Kirkuk from Kurdish forces. In Australia, BHP Billiton and South 32 are up +2% and +0.6% respectively. In Hong Kong, Tencent is currently trading up +1%.

Developed Markets	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend
Dow Jones	22 871.72	0.13	2.08	15.73	↑
Nasdaq	6 605.80	0.22	1.69	22.71	↑
S&P 500	2 553.17	0.09	1.34	14.04	↑
DJ Eurostoxx 50	3 604.55	-0.03	0.27	9.54	↑
DAX	12 991.87	0.07	1.27	13.16	↑
CAC	5 351.74	-0.17	0.41	10.07	↑
FTSE	7 535.44	-0.28	2.21	5.50	↑
ASX200	5 846.80	0.56	2.91	3.19	↑
Nikkei 225	21 306.24	0.71	4.67	11.47	↑
MSCI World	2 028.01	0.22	1.37	15.81	↑
Emerging Markets	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend
Hang Seng	28 730.13	0.89	4.27	30.59	↑
Shanghai	3 383.42	-0.21	1.03	9.01	↑
Brazil Bovespa	76 989.79	0.43	3.63	27.83	↑
India - NSE	32 588.24	0.48	4.17	22.39	↑
Russia Micex	2 098.77	0.18	1.04	-6.00	↑
MSCI Emerging	1 125.91	0.38	4.09	30.58	↑
SA Indices	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend
JSE All Share	57 876.60	0.22	4.13	14.26	↑
Top 40	51 450.39	0.19	4.20	17.19	↑
Resi 10	35 944.11	0.67	2.65	11.94	↑
Indi 25	79 379.91	-0.11	4.82	23.49	↑
Fini 15	15 762.21	0.58	4.33	4.54	↑

Source: Bloomberg & Nedbank CIB
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Short-term performance of SA equity indices



Source: Bloomberg, Nedbank

Last day to trade

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Share code	Share name	Dividend / interest rate
17 October 2017		
CGN	Cognition Holdings Ltd	dividend @ 8.5cps
CPI	Capitec Bank Ltd	dividend @ 525cps
ELR	ELB Group Ltd	dividend @ 50cps
GTR	Grit Real Estate Inc Grp	dividend @ 18.9612cps
IBRP1	IB redeemable Pref1 Mar21	dividend @ 1448.902080
ILRP2	IL redeemable Pref2 Mar19	dividend @ 1448.90208cps
IMRP2	IM redeemable Pref2 Aug21	dividend @ 9998.34260cps
ITU	Intu Props plc	Dividend Option @ 84.068220cps
NIV	Niveus Investments Ltd	Unbundling - distribution in specie 3.619 GameCo : 1
RCL	RCL Foods Ltd	dividend @ 20cps
RLF	Rolfes Technology Africa	dividend @ 4cps
SFN	Sasfin Holdings Ltd	dividend @ 160.42cps
SHFF	Steinhoff International Hldg Ltd - Pref	dividend @ 429.56cps
TLM	Telemasters Holdings Ltd	dividend @ 1cps
WBO	Wilson Bayly Holmes-Ovcon Ltd	dividend @ 325cps

Source: JSE

JSE performance

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Top40 constituents	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend
AGL : Anglo American Plc	261.08	1.71	7.70	33.82	↑
ANG : Anglogold Ashanti Ltd	124.53	-0.90	-2.18	-18.38	↓
APN : Aspen Pharmacare Holdings Lt	321.50	0.72	5.90	13.37	↑
BGA : Barclays Africa Group Ltd	147.50	0.65	6.12	-12.56	↑
BID : Bid Corp Ltd	316.79	0.25	4.24	29.22	↑
BIL : Bhp Billiton Plc	247.90	1.67	3.88	13.36	↑
BTI : British American Tobacco Plc	860.00	-0.50	1.60	10.45	↑
BVT : Bidvest Group Ltd	176.22	-1.53	2.06	-2.78	↑
CFR : Financiere Richemont-Dep Rec	122.27	-1.19	-0.51	34.75	↓
CPI : Capitec Bank Holdings Ltd	938.00	1.30	9.19	34.96	↑
DSY : Discovery Ltd	142.79	0.30	1.51	24.71	↑
FFA : Fortress Income Fund Ltd-A	17.75	1.14	2.90	7.12	↑
FFB : Fortress Income Fund Ltd	40.40	0.12	4.26	24.96	↑
FSR : Firstrand Ltd	53.35	-1.89	2.54	0.34	↑
GFI : Gold Fields Ltd	54.07	-0.53	-8.32	24.04	↓
GRT : Growthpoint Properties Ltd	25.55	0.67	5.14	-1.31	↑
INL : Investec Ltd	98.70	-0.38	0.71	8.76	↑
INP : Investec Plc	98.81	-0.17	0.83	8.88	↑
ITU : Intu Properties Plc	40.80	-0.61	-1.92	-13.15	↓
LHC : Life Healthcare Group Holdin	27.20	0.37	14.77	-10.32	↑
MEI : Mediclinic International Plc	119.76	-0.47	1.91	-7.88	↑
MND : Mondi Ltd	336.51	-2.47	-6.91	20.19	↓
MNP : Mondi Plc	338.14	-2.08	-6.80	21.32	↓
MRP : Mr Price Group Ltd	185.20	-0.16	2.87	16.08	↑
MTN : Mtn Group Ltd	125.77	0.68	1.12	-0.32	↑
NED : Nedbank Group Ltd	216.60	-0.14	6.88	-9.04	↑
NPN : Naspers Ltd-N Shs	3 200.00	0.00	9.59	58.99	↑
NRP : Nepi Rockcastle Plc	189.21	4.05	2.89		↑
NTC : Netcare Ltd	25.66	1.74	7.82	-19.41	↑
OML : Old Mutual Plc	35.74	1.16	1.91	3.77	↑
RDF : Redefine Properties Ltd	11.02	0.18	3.09	-1.52	↑
REI : Reinnet Investments Sa-Dr	29.00	-1.43	1.05	8.21	↑
REM : Rengro Ltd	227.36	1.05	10.72	1.93	↑
RMH : Rmb Holdings Ltd	64.98	-0.69	2.33	-2.14	↑
SAP : Sappi Limited	91.42	0.10	-0.70	1.63	↓
SBK : Standard Bank Group Ltd	171.00	2.09	8.36	12.69	↑
SHP : Shoprite Holdings Ltd	216.71	-0.59	4.75	26.39	↑
SLM : Sanlam Ltd	71.84	1.03	6.18	14.21	↑
SNH : Steinhoff International H Nv	60.91	1.52	1.47	-14.55	↑
SOL : Sasol Ltd	387.30	-0.63	4.39	-2.91	↑
TBS : Tiger Brands Ltd	394.40	-0.12	4.52	-0.86	↑
VOD : Vodacom Group Ltd	156.25	0.20	-3.03	2.53	↓
WHL : Woolworths Holdings Ltd	61.75	0.11	3.11	-13.05	↑

Source: Bloomberg & Nedbank CIB

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Economics

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US

- US CPI rose 2.2% y/y in September, from 1.9% previously, marginally behind consensus of 2.3%. Key drivers of higher inflation were beverages and energy costs.
- Retail sales growth rose 1.6% y/y in September, from -0.1% previously. Sales were boosted by motor vehicles and food.

Synopsis: Overall, upbeat economic data has allowed the Fed to maintain its hawkishness, despite inflation surprising to the downside. The Fed's dot plot still reflects policymaker's forecast for a final rate hike for the year in December, thereafter for 3 rate hikes in 2018. Our base case is for inflation to be maintained at current levels and for economic activity to expand at a moderate pace, which may warrant a rate hike in December.

Economic calendar

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	Country	Event	Period	Survey	Actual	Prior	Revised
13-October							
01:50 AM	JN	Money Stock M3 YoY	SEP	3.40%	3.40%	3.40%	-
04:00 AM	CH	Exports YoY CNY	SEP	10.90%	9.00%	6.90%	-
04:00 AM	CH	Imports YoY CNY	SEP	16.45%	19.50%	14.40%	-
04:00 AM	CH	Trade Balance CNY	SEP	CNY 266.1b	CNY 193.0b	CNY 286.5b	-
05:27 AM	CH	Exports YoY	SEP	10.0%	8.1%	5.5%	-
05:27 AM	CH	Imports YoY	SEP	14.70%	18.70%	13.30%	13.50%
05:27 AM	CH	Trade Balance	SEP	USD 38.0b	USD 28.5b	USD 42.0b	USD 41.9b
08:00 AM	GE	CPI YoY	MAY F	1.80%	1.80%	1.80%	-
02:30 PM	US	Retail Sales Advance MoM	SEP	1.70%	1.60%	-0.20%	-0.10%
02:30 PM	US	CPI YoY	SEP	2.30%	2.20%	1.90%	-
02:30 PM	US	Real Avg Hourly Earning YoY	SEP	-	0.70%	0.60%	0.70%
02:30 PM	US	Real Avg Weekly Earnings YoY	SEP	-	0.60%	0.90%	1.00%
04:00 PM	US	U. of Mich. Sentiment	OCT P	95.0	101.1	95.1	-
16-October							
03:30 AM	CH	CPI YoY	SEP	1.60%	1.60%	1.80%	-
03:30 AM	CH	PPI YoY	SEP	6.40%	6.90%	6.30%	-
06:30 AM	JN	Industrial Production YoY	AUG F	-	5.30%	5.40%	-
08:00 AM	GE	Wholesale Price Index YoY	SEP	-	-	3.20%	-
11:00 AM	EC	Trade Balance SA	AUG	EUR 0.0b	-	EUR 0.0b	-
17-October							
10:30 AM	UK	CPI YoY	SEP	3.00%	-	2.90%	-
10:30 AM	UK	PPI Input NSA YoY	SEP	8.20%	-	7.60%	-
11:00 AM	EC	CPI Core YoY	SEP F	1.10%	-	1.10%	-
11:00 AM	EC	ZEW Survey Expectations	OCT	-	-	31.7	-
11:00 AM	GE	ZEW Survey Current Situation	OCT	88.5	-	87.9	-
11:00 AM	GE	ZEW Survey Expectations	OCT	20.0	-	17.0	-
11:00 AM	EC	CPI YoY	SEP F	1.50%	-	1.50%	-
03:15 PM	US	Capacity Utilization	SEP	76.20%	-	76.12%	-
03:15 PM	US	Industrial Production MoM	SEP	0.20%	-	-0.90%	-
03:15 PM	US	Manufacturing (SIC) Production	SEP	0.10%	-	-0.30%	-
10:00 PM	US	Net Long-term TIC Flow s	AUG	-	-	USD 1.3b	-
10:00 PM	US	Total Net TIC Flow s	AUG	-	-	USD -7.3b	-

Source: Bloomberg 2017/10/16 07:29

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