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[Charts of the day](#) | [Currencies](#) | [Commodities](#) | [Fixed income & interest rates](#) | [Equities](#) | [Equity derivatives](#)  
| [Economics](#) | [\\*Foreign flows](#) | [JSE performance](#) | [LDT](#) | [Economic calendar](#) | [Other reports](#)  
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## Key daily drivers

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### SNIPPETS

(Fixed Income)	Week to date inflows into the bond market are R2.62 billion
(Currencies)	Rand strength dominates on the day
(Commodities)	Gold remains subdued as dollar rises marginally; Brent declined yesterday as OPEC is unsure how to extend production cuts
(Equities)	The JSE and global markets close higher lifted by strong corporate earnings reports and the House approving the US Republican tax reform bill
(Economics)	UK retail sales sharply lower; US industrial production growth rises in October

## Key overnight factors and upcoming events this week

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Date	Region	Event <span style="color:red">↓</span> <span style="color:green">↑</span> <span style="color:orange">→</span>	Actual/expected/prior	Implications
16/11	US	Industrial production	0.9%/0.5%/0.3%	Output likely to grow as a result of better local and global demand
21/11	SA	Leading index	--/--/97.2	Should the leading indicator continue to fall, it signals continued below-trend growth in the economy
22/11	SA	CPI	--/4.9%/5.1%	CPI is expected to ease, but upside risks in the form of transport prices remain
23/11	SA	SARB MPC	--/6.75%/6.75%	No change to repo rate expected as a result of a variety of event-risks

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	
R204-1.1 yrs	7.69	-1.05	29.55	-23.95	↑
R208-3.4 yrs	8.28	-0.45	24.65	0.45	↑
R186-9.1 yrs	9.33	-1.05	24.05	42.05	↑
R2048-30.3 yrs	10.35	-0.45	27.05	72.65	↑
US 10 yr	2.36	-1.77	-2.17	-8.67	↓
UK 10 yr	1.31	2.30	-2.30	7.00	↓
German 10 yr	0.38	0.00	1.30	16.80	↑
Japan 10 yr	0.04	-1.40	-3.30	-0.80	↓

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)	5.10		30.00		↑
SA 3m JIBAR	7.07	0.00	1.70	-29.10	↑
SA 3m NCD	7.05	0.00	0.00	-32.50	→
SA 6m NCD	7.65	0.00	10.00	-32.50	↑
SA 12m NCD	8.28	0.00	12.50	-17.50	↑
US 3m LIBOR	1.44	1.38	5.45	43.78	↑
UK 3m LIBOR	0.53	-0.10	8.57	15.86	↑
Japan 3m LIBOR	-0.03	0.75	1.35	1.60	↑

Source: Bloomberg & Nedbank CIB  
Time: 2017/11/17 07:28

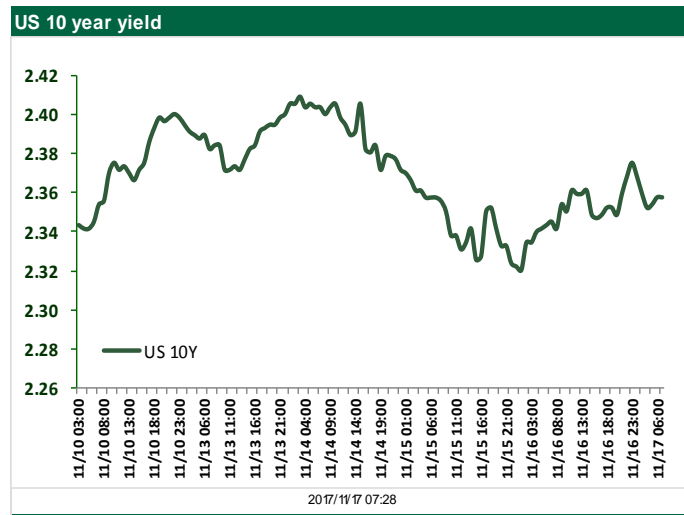
FRAs and Swaps	Last price	Δ 1d	Δ MTD	Δ YTD	Month trend
	%	bps	bps	bps	
3X6 FRA	7.23	-1.00	8.00	-16.00	↑
6X9 FRA	7.33	-2.00	12.00	-9.00	↑
9X12 FRA	7.45	-3.00	12.00	0.00	↑
18X21 FRA	7.66	-5.00	14.00	13.00	↑
SA 2yr Swap	7.45	-1.81	11.80	-1.30	↑
SA 3yr Swap	7.64	-2.29	14.57	7.97	↑
SA 5yr Swap	7.93	-4.50	12.50	11.40	↑
SA 10yr Swap	8.43	-4.50	7.50	9.90	↑
SA 15yr Swap	8.68	-4.50	5.15	19.00	↑

Spreads	Last price	Δ 1d	Δ MTD	Δ YTD	Month trend
	%	bps	bps	bps	
2v10y	-0.98	2.69	4.30	-11.20	↑
3v10y	-0.79	2.21	7.07	-1.93	↑
R186-R204	1.64	0.00	-5.50	66.00	↓
R2048-R186	1.02	0.60	3.00	30.60	↑
5y-R186	-1.41	-3.45	-11.55	-30.65	↓
10y-R186	-0.91	-3.45	-16.55	-32.15	↓
15y-R186	-0.66	-3.45	-18.90	-23.05	↓
SA 5yr CDS spread - basis points	197.00	1.00	12.50	-18.00	↑

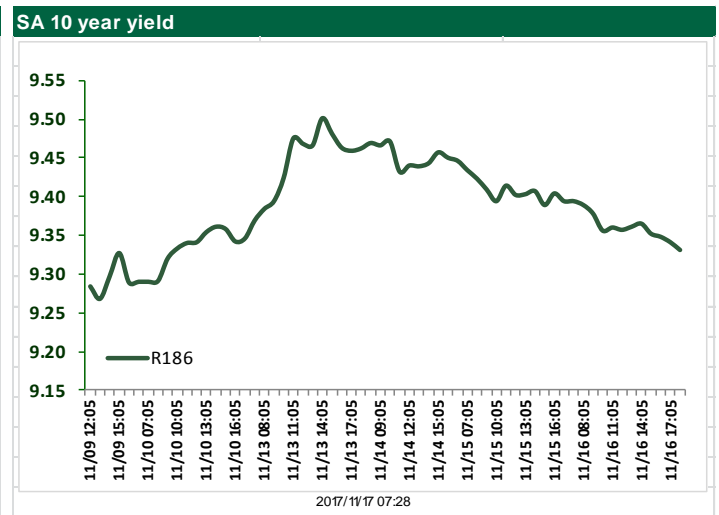
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## US 10 year yield



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

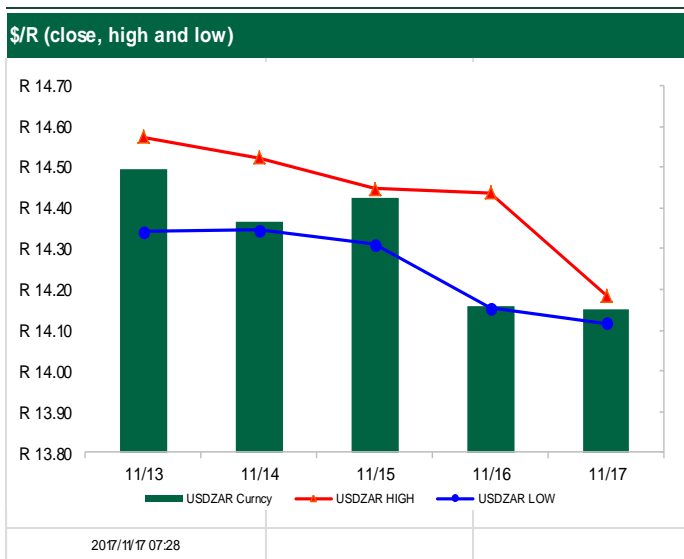
- The rand opened the day trading in the high 14.30's, and from the start of the day dollar selling seemed to be the theme. Despite no changes in the current political backdrop, and marginally better US economic data. The rand traded remarkably well, with stops triggered through 14.3000 and then a technical break around 14.2500. The local unit touched a best level of 14.2200 into the close of the local session, strengthening further through New York trading to a best level of 14.1525. This morning we continue to see a firmer rand, as we open at 14.1400.
- International markets fairly subdued, with the dollar weakness filtering through most majors. Euro and Pound both traded firmer on the day. This morning they open at 1.1805 and 1.3225 respectively. EUR/ZAR trading at 16.6975 and GBPZAR trading at 18.7100.
- Gold is trading \$4 firmer, opening this morning at \$1283.40.
- Muted day on the economic data front, with US housing starts and building permits being the highlight.
- Possible trading range: 14.0500- 14.2500.

Majors	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend	USD trend
GBPUSD	1.32	0.30	-0.32	7.22	↓	USD strength
EURUSD	1.18	0.30	1.38	12.28	↑	USD weakness
USDJPY	112.53	-0.30	-1.02	-3.94	↓	USD weakness
USDAUD	1.32	0.30	1.20	-4.88	↑	USD strength
Rand crosses	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend	ZAR trend
USDZAR	14.15	-0.04	0.11	2.92	↑	ZAR weakness
GBPZAR	18.72	0.25	-0.21	9.51	↓	ZAR strength
EURZAR	16.71	0.26	1.47	13.53	↑	ZAR weakness
AUDZAR	10.71	-0.35	-1.14	7.58	↓	ZAR strength
ZARJPY	7.95	-0.27	-1.14	-7.28	↓	ZAR weakness
African FX	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend	ZAR trend
ZARMWK (Malawian kwacha)	51.22	-0.06	-0.23	-3.43	↓	ZAR weakness
ZARBWP (Botswana pula)	0.75	0.45	0.35	-4.05	↑	ZAR strength
ZARKES (Kenyan shilling)	7.33	0.04	-0.15	-1.81	↓	ZAR weakness
ZARMUR (Mauritian rupee)	2.40	-0.27	-2.64	-9.19	↓	ZAR weakness
ZARNGN (Nigerian naira)	25.44	0.03	-0.06	9.82	↓	ZAR weakness
ZARGHS (Ghanian cedi)	0.32	0.28	3.44	3.60	↑	ZAR strength
ZARZMW (Zambian kwacha)	0.71	0.03	-0.17	-2.14	↓	ZAR weakness
ZARMZN (Mozambican metical)	4.33	0.04	0.88	-20.47	↑	ZAR strength

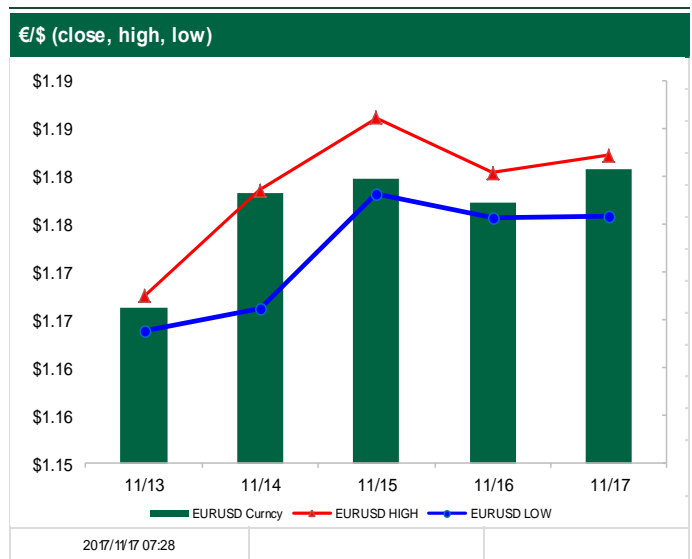
Source: Bloomberg & Nedbank CIB  
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*\*Please note that the sign on the % change reflects the change on the headline number. The narrative indicates the trend direction over the month. For trade in any of these currencies, contact our FX dealing desks*

## USDZAR



## EUR/USD



# Commodities

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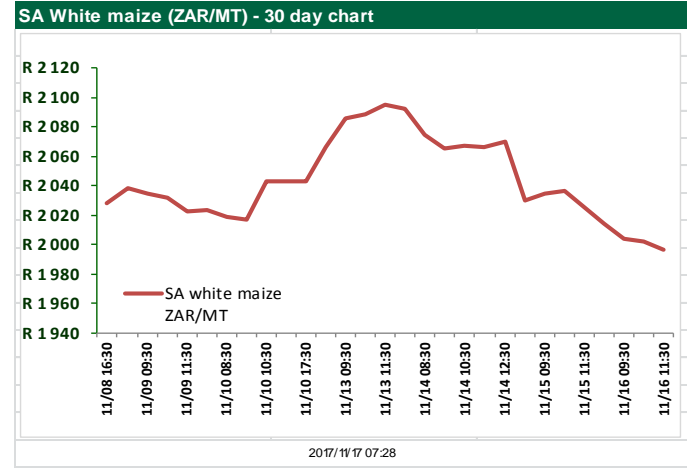
- Oil is heading for the first weekly decline since the start of October after the IEA trimmed demand estimates. Futures rose 0.3%, trimming the weekly decline to 2.5%.
- Gold's set for second weekly advance as dollar retreats. Bullion for immediate delivery +0.3% to \$1,282.63/oz; +0.6% this week.

Source: Bloomberg

Commodities	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend
Brent near future (\$)	61.19	-0.28	-0.29	7.69	↓
WTI crude (\$)	55.29	0.27	1.67	2.92	↑
Gold spot (\$)	1 282.76	0.19	0.98	11.79	↑
Platinum spot (\$)	936.82	0.25	2.00	3.73	↑
SA white maize spot (R)	1 997.00	-1.38	-0.15	-43.62	↓

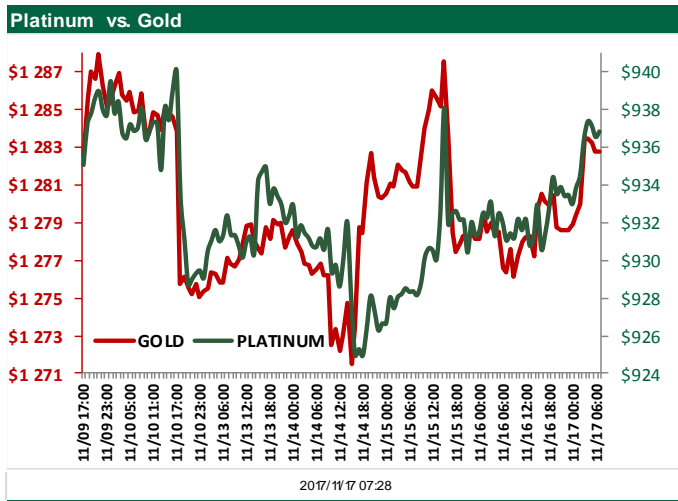
Source: Bloomberg & Nedbank CIB  
Time: 2017/11/17 07:28

## SA white maize



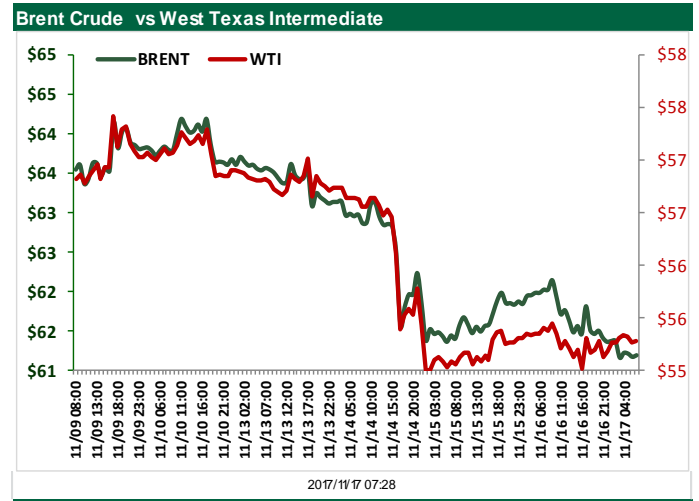
Source: Bloomberg, Nedbank

## Platinum vs Gold



Source: Bloomberg, Nedbank

## Brent Crude vs West Texas Intermediate



Source: Bloomberg, Nedbank

# Equities

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Cash equities | +2711 535 4030/31

## South Africa

- The Top40 ended the day up 0.71% at 53378.70, with the stronger currency lifting sentiment. Retailers outperformed, boosted by a 5.57% gain in The Spar Group, a day after releasing a good set of results. Woolworths, however, disappointed, losing 2.41% after their trading update missed analyst's expectations. Sappi gained 4% after reporting robust full year and fourth quarter results. Naspers continued higher, adding 1.41% following the sold Tencent results reported on Wednesday. The stronger currency weighed on some of the miners, with the gold sector losing 1.48%. The value traded at the close was R26billion and the ZAR was trading at 14.20 vs the dollar.

## UK/Europe

- European markets ended Thursday's session firmer snapping a five day losing streak buoyed by a number of solid corporate updates and strong EU new car sales. In London, British Land rose 4.12% after swinging to a first half profit, while engineering giant GKN lost 4.7% after reporting write-offs related to problems at its US plant could amount to up to 130 million pounds. In Paris, Bouygues rallied 5.06% after more than doubling their nine month net profit. In Germany, Deutsche Bank added 2.4% after US buyout fund, Cerberus took a 3% stake in the bank. Volkswagen was up 2.5% after announcing they will invest nearly \$12billion by 2025 in developing electric cars for the market in China. The DAX rose 0.55%, the CAC40 climbed 0.66% and the FTSE100 added 0.19%.

## USA

- US markets closed higher for the first time in 3 days lifted by some upbeat corporate results and reacted positively after the House voted to approve the Republican tax reform bill. Walmart and Cisco both beat analyst's estimates and rallied 10.9% and 5.2% respectively. The Nasdaq(+1.3%) closed at a record high with telecoms outperforming. Most sectors closed in the black but energy stocks edged lower. The Dow added 0.8% and the S&P500 was up 0.82% at the close.

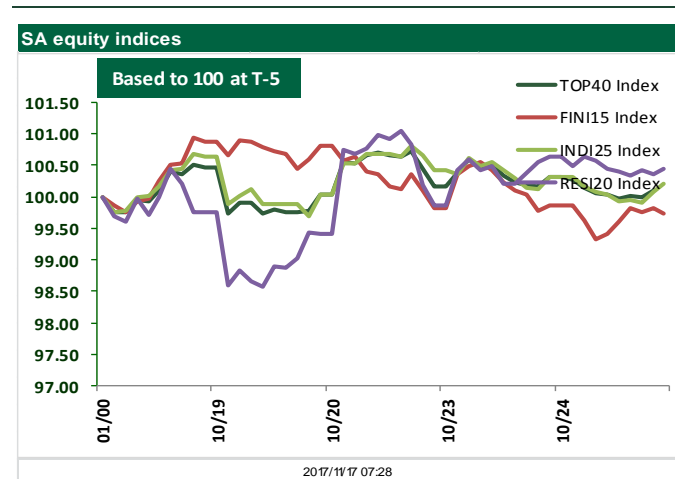
## Asia

- Asian markets are taking their lead from the strong overnight close in the US, with oil stocks rebounding despite crude oil prices extending losses overnight. In Japan, exporters were stronger despite a stronger yen and in Hong Kong, financial and tech stocks lead the gains with Tencent heading to a record high, up more than 2%. In Australia, gold miners were strong while the likes of BHP Billiton and Rio Tinto were down 0.7% and 0.6% respectively.

Developed Markets	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend
Dow Jones	23 458.36	0.80	0.35	18.70	↑
Nasdaq	6 793.29	1.30	0.98	26.20	↑
S&P 500	2 585.64	0.82	0.40	15.49	↑
DJ Eurostoxx 50	3 564.80	0.54	-2.97	8.34	↓
DAX	13 047.22	0.55	-1.38	13.64	↓
CAC	5 336.39	0.66	-3.03	9.75	↓
FTSE	7 386.94	0.19	-1.42	3.42	↓
ASX200	5 957.30	0.23	0.82	5.14	↑
Nikkei 225	22 423.09	0.32	1.87	17.31	↑
MSCI World	2 035.81	0.73	-0.05	16.25	↓
Emerging Markets	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend
Hang Seng	29 262.94	0.84	3.60	33.01	↑
Shanghai	3 374.47	-0.73	-0.56	8.73	↓
Brazil Bovespa	72 511.79	2.38	-2.42	20.40	↓
India - NSE	33 463.57	1.08	0.75	25.68	↑
Russia Micex	2 132.65	0.04	3.31	-4.48	↑
MSCI Emerging	1 125.36	1.28	0.56	30.51	↑
SA Indices	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend
JSE All Share	59 549.22	0.62	0.96	17.56	↑
Top 40	53 378.66	0.71	1.54	21.59	↑
Resi 10	37 521.47	-0.06	0.74	16.85	↑
Indi 25	83 284.40	1.10	1.75	29.56	↑
Fini 15	15 641.57	0.53	1.41	3.74	↑

Source: Bloomberg & Nedbank CIB Time 2017/11/17 07:28

## Short-term performance of SA equity indices



Source: Bloomberg, Nedbank

## Last day to trade

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Susan Correia | Scorreia@Nedbankcapital.co.za | +27 11 295 8227

Share code	Share name	Dividend / interest rate
21 November 2017		
ALP	Atlantic Leaf Properties Ltd	Tender @ 1760cps
CND	Conduit Capital Limited	Rights Offer 29.68899505 CNDN : 100 CND @ 200cps
DLT	Delta Property Fund Limited	DRIP 6.40403 : 100 or div @ 46.39874cps
ITEN	Italtile Limited NPL's	take up at 1157cps
LNF	London Finance Investment Group PLC	dividend @ 9.90489cps
MIX	MIX Telematics Limited	dividend @ 2.5cps
NFP	New Frontier Prop Ltd	dividend @ 67.16160cps
OCT	Octodec Investments Ltd	dividend @ 98.3cps
STXRAF	Satrix Rafi 40 Portfolio	Distribution TBA
TBG	Tiso Blackstar Group SE	dividend @ 4.65912cps
TDHP	Tradehold Limited A Pref	dividend @ 19.262080cps

Source: JSE

# JSE performance

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Top40 constituents	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend
AGL : Anglo American Plc	269.00	0.00	1.47	37.88	↑
ANG : Anglogold Ashanti Ltd	138.16	-1.60	6.01	-9.45	↑
APN : Aspen Pharmacare Holdings Lt	309.51	0.28	-3.11	9.14	↓
BGA : Barclays Africa Group Ltd	143.00	0.00	2.04	-15.23	↑
BID : Bid Corp Ltd	291.83	0.53	-6.16	19.04	↓
BIL : Bhp Billiton Plc	256.09	-0.35	0.32	17.11	↑
BTI : British American Tobacco Plc	927.00	0.00	1.87	19.06	↑
BVT : Bidvest Group Ltd	179.35	1.90	4.58	-1.05	↑
CFR : Financiere Richemont-Dep Rec	125.22	0.72	-3.93	38.00	↓
CPI : Capitec Bank Holdings Ltd	941.53	1.44	0.18	35.47	↑
DSY : Discovery Ltd	157.74	2.42	7.64	37.76	↑
FFA : Fortress Reit Ltd-A	17.20	2.08	1.59	3.80	↑
FFB : Fortress Reit Ltd-B	41.15	2.62	2.49	27.28	↑
FSR : Firstrand Ltd	52.92	0.67	3.26	-0.47	↑
GFI : Gold Fields Ltd	56.82	1.28	0.67	30.35	↑
GRT : Grow thpoint Properties Ltd	24.71	0.65	0.82	-4.56	↑
INL : Investec Ltd	93.96	-1.35	-2.57	3.54	↓
INP : Investec Plc	93.98	-1.95	-2.61	3.56	↓
ITU : Intu Properties Plc	38.00	-0.50	-6.13	-19.11	↓
LHC : Life Healthcare Group Holdin	24.70	0.28	-5.73	-18.57	↓
MEI : Mediclinic International Plc	109.45	-1.79	0.47	-15.81	↑
MND : Mondi Ltd	326.78	-0.06	-3.65	16.71	↓
MNP : Mondi Plc	328.77	0.11	-3.45	17.96	↓
MRP : Mr Price Group Ltd	192.50	1.48	9.84	20.65	↑
MTN : Mtn Group Ltd	127.77	1.88	4.07	1.27	↑
NED : Nedbank Group Ltd	208.20	0.70	0.40	-12.57	↑
NPN : Naspers Ltd-N Shs	3 713.00	1.41	7.78	84.48	↑
NRP : Nepi Rockcastle Plc	208.88	1.80	5.68		↑
NTC : Netcare Ltd	22.95	-2.55	-7.79	-27.92	↓
OML : Old Mutual Plc	35.65	-0.42	-0.03	3.51	↓
RDF : Redefine Properties Ltd	10.61	0.86	0.00	-5.18	→
REI : Reinet Investments Sa-Dr	30.30	-1.78	0.33	13.06	↑
REM : Rengro Ltd	204.50	0.20	-4.44	-8.32	↓
RMH : Rmb Holdings Ltd	64.32	1.39	2.91	-3.13	↑
SAP : Sappi Limited	98.80	4.00	4.33	9.84	↑
SBK : Standard Bank Group Ltd	162.98	0.12	-0.62	7.40	↓
SHP : Shoprite Holdings Ltd	212.50	2.66	5.01	23.94	↑
SLM : Sanlam Ltd	73.25	2.15	3.61	16.45	↑
SNH : Steinhoff International H Nv	53.55	2.65	-12.80	-24.87	↓
SOL : Sasol Ltd	426.10	0.02	3.00	6.82	↑
TBS : Tiger Brands Ltd	389.01	0.52	0.78	-2.22	↑
VOD : Vodacom Group Ltd	147.65	1.17	-3.87	-3.12	↓
WHL : Woolworths Holdings Ltd	53.75	-2.41	-4.61	-24.32	↓

Source: Bloomberg & Nedbank CIB

Time 2017/11/17 07:28

## US

- US industrial production growth improved in October, at 0.9% m/m, from 0.4% previously, better than consensus of 0.5%. The key driver of output was manufacturing, which rose 1.3% m/m, from 0.4% previously. Manufacturing in turn was driven by computers and electronics production (business equipment). Utilities production surged, while mining production contracted sharply. Capacity utilization improved, and this may be an indication of better seasonal activity in the run-up to the November period. Upbeat factory activity will likely add positively towards GDP growth in Q4, along with consumer spending.

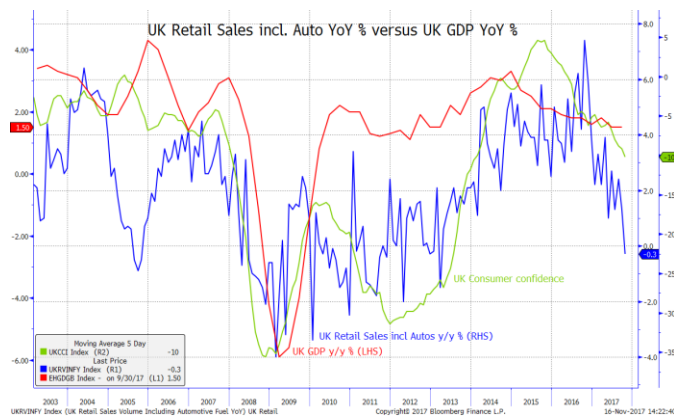
**Synopsis: The Fed seems on track to provide a last rate hike for the year in December, and 3 rate hikes next year. This is premised on a growing economy and unemployment falling further. However the Fed seems to almost ignore the subdued pace of inflation, which remains below the 2% target. Core inflation has recently risen, which may be an indication that the underlying price pressures are starting to rise.**

## UK

- UK retail sales contracted by 0.3% y/y in October, from 1.3% previously, better than consensus of -0.5%. Over the month however, retail sales grew by 0.3%, after contracting by 0.7% previously.
- Over the month, sales of food and clothing, and internet sales contracted sharply, while all other categories of sales remained upbeat. The concern now is that we may not see this seasonal boost in consumption in the last quarter of the year, because the categories of products which contracted imply household spending has waned.
- Any sustained slowdown in consumer spending in the UK will hamper growth.

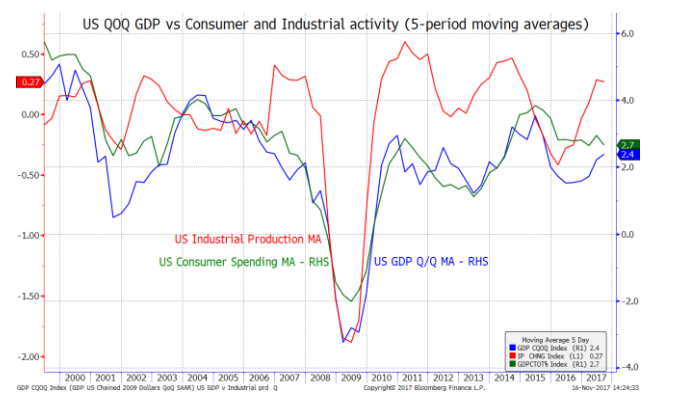
**Synopsis: The elevated inflation rate will likely keep the BOE on a hawkish path; however the BOE is unlikely to hike again over the medium term, for fear of derailing the current economic recovery.**

### UK retail sales sharply lower, will weigh on growth if sustained



Source: Bloomberg, Nedbank

### US industrial activity remains upbeat



Source: Bloomberg, Nedbank



## Economic calendar

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	Country	Event	Period	Survey	Actual	Prior	Revised
<b>16-November</b>							
11:30 AM	UK	Retail Sales Inc Auto Fuel YoY	OCT	-0.50%	-0.30%	1.20%	1.30%
12:00 PM	EC	CPI Core YoY	OCT F	0.90%	0.90%	0.90%	-
12:00 PM	EC	CPI YoY	OCT F	1.40%	1.40%	1.50%	-
03:30 PM	US	Initial Jobless Claims		235k	249k	239k	-
03:30 PM	US	Continuing Claims		1900k	1860k	1901k	-
03:30 PM	US	Philadelphia Fed Business Outlook	NOV	24.6	22.7	27.9	-
04:15 PM	US	Capacity Utilization	OCT	76.30%	77.02%	76.00%	76.40%
04:15 PM	US	Industrial Production MoM	OCT	0.50%	0.94%	0.30%	0.40%
04:15 PM	US	Manufacturing (SIC) Production	OCT	0.60%	1.30%	0.10%	0.40%
<b>17-November</b>							
11:00 AM	EC	Current Account NSA	SEP	-	-	EUR 29.6b	-
11:00 AM	EC	ECB Current Account SA	SEP	-	-	EUR 33.3b	-
03:30 PM	US	Building Permits	OCT	1250k	-	1215k	-
03:30 PM	US	Building Permits MoM	OCT	2.04%	-	-4.50%	-
03:30 PM	US	Housing Starts	OCT	1190k	-	1127k	-
03:30 PM	US	Housing Starts MoM	OCT	5.59%	-	-4.70%	-
06:00 PM	US	Kansas City Fed Manf. Activity	NOV	20.5	-	23.0	-
<b>20-November</b>							
01:50 AM	JN	Exports YoY	OCT	15.70%	-	14.10%	-
01:50 AM	JN	Imports YoY	OCT	20.20%	-	12.10%	-
01:50 AM	JN	Trade Balance Adjusted	OCT	JPY 206.7b	-	JPY 240.3b	-
09:00 AM	GE	PPI YoY	OCT	2.50%	-	3.10%	-
05:00 PM	US	Leading Index	OCT	0.55%	-	-0.20%	-

Source: Bloomberg

2017/11/17 07:28

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