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(* when available)*

Key daily drivers




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SNIPPETS

(Fixed Income)	US rates continue to under-perform and this is keeping risk on the back foot, Barclays index exclusions and JPM reweights will drive the market again this morning
(Currencies)	Local focus on ANC related headlines
(Commodities)	Oil declines marginally, as expected after OPEC meeting; Gold remains downbeat as a result of strong dollar
(Equities)	The JSE and European markets end lower. The S&P500 closed at a record high and Dow broke the 24000 mark. Asian markets are mixed
(Economics)	SA budget posts a deficit while trade posts a surplus; Eurozone unemployment rate declines; US PCE eases as consumers halt spending surge; Japanese data

Key overnight factors and upcoming events this week

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Date	Region	Event   	Actual/expected/prior	Implications
29/11	SA	Politics	--	As provinces submit their nominations for the ANC leadership conference, expect political noise to persist
30/11	Global	Manufacturing PMIs	--	Global PMIs expected to improve marginally in November
30/11	SA	Trade and budget balance	--	Trade posts a surplus as exports continue to rise, budget posts large deficit on the back of revenue disappointments
05/12	SA	GDP	--/--/2.5%	SA GDP growth expected to show a similar strong level of growth in Q3, lifted by agriculture, mining and finance

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	7.56	-0.05	-0.05	-36.95	↓
R208-3.3 yrs	8.33	0.70	0.70	4.90	↑
R186-9.1 yrs	9.33	1.00	1.00	42.10	↑
R2048-30.2 yrs	10.32	0.55	0.55	70.15	↑
US 10 yr	2.40	-0.62	-0.62	-4.08	↓
UK 10 yr	1.33	-0.80	-0.20	9.10	↓
German 10 yr	0.37	-1.80	0.40	15.90	↑
Japan 10 yr	0.04	-0.10	-0.10	-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)	4.80		-30.00		↓
SA 3m JIBAR	7.13	0.00	7.50	-23.30	↑
SA 3m NCD	7.10	0.00	0.00	-27.50	→
SA 6m NCD	7.70	0.00	0.00	-27.50	→
SA 12m NCD	8.33	0.00	0.00	-12.50	→
US 3m LIBOR	1.49	0.68	10.62	48.95	↑
UK 3m LIBOR	0.52	0.00	8.18	15.48	↑
Japan 3m LIBOR	-0.02	-0.60	2.81	3.06	↑

Source: Bloomberg & Nedbank CIB
Time: 2017/12/01 07:25

FRAs and Swaps	Last price	Δ 1d	Δ MTD	Δ YTD	Month trend
	%	bps	bps	bps	
3X6 FRA	7.26	-0.50	-0.50	-13.50	↓
6X9 FRA	7.51	12.00	12.00	9.00	↑
9X12 FRA	7.46	-1.00	-1.00	1.00	↓
18X21 FRA	7.74	-2.00	-2.00	21.00	↓
SA 2yr Sw ap	7.50	0.45	0.45	4.08	↑
SA 3yr Sw ap	7.69	-0.77	-0.77	13.61	↓
SA 5yr Sw ap	8.01	-3.00	-3.00	19.90	↓
SA 10yr Sw ap	8.52	-4.00	-4.00	18.90	↓
SA 15yr Sw ap	8.75	-4.50	-4.50	26.50	↓

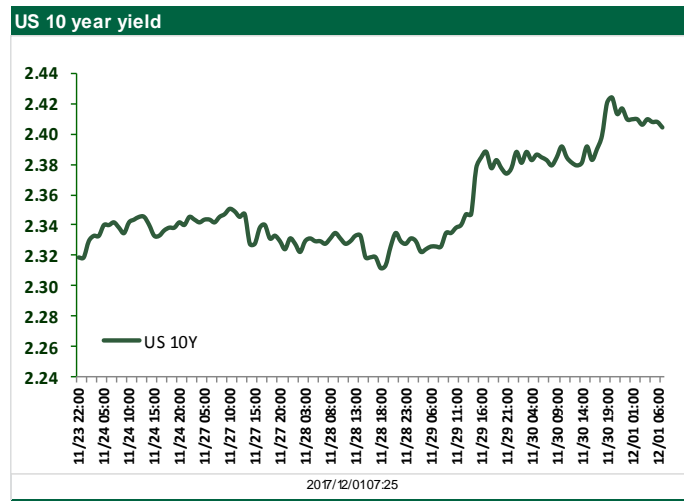
Spreads	Last price	Δ 1d	Δ MTD	Δ YTD	Month trend
	%	bps	bps	bps	
2v10y	-1.01	4.45	4.45	-14.82	↑
3v10y	-0.82	3.23	3.23	-5.29	↑
R186-R204	1.77	1.05	1.05	79.05	↑
R2048-R186	0.99	-0.45	-0.45	28.05	↓
5y-R186	-1.32	-4.00	-4.00	-22.20	↓
10y-R186	-0.82	-5.00	-5.00	-23.20	↓
15y-R186	-0.58	-5.50	-5.50	-15.60	↓
SA 5yr CDS spread - basis points	181.00	0.50	0.50	-34.00	↑

Source: Bloomberg & Nedbank CIB
Time: 2017/12/01 07:25

- US rates continue to under-perform on the US tax bill and this is keeping risk on the back foot. SAGBs start the month slightly weaker than we went out last night but pretty much at the 16h30 MTM. Barclays index exclusions and JPM reweights will drive the market again this morning, but from next week it's all about the elective conference where many experts will opine on the likely outcome, treat each one with caution.
- The successful switch auction yesterday brought a lot of DV01 into the market, and interestingly there appears a larger than usual foreign participation, presumably JP index related, but this data distorts the JSE inflow/outflow stats for the day.

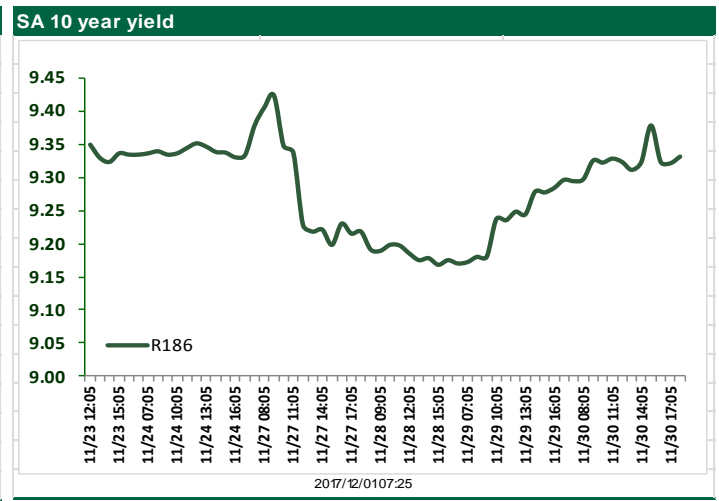
Source: Fixed income trading desk

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

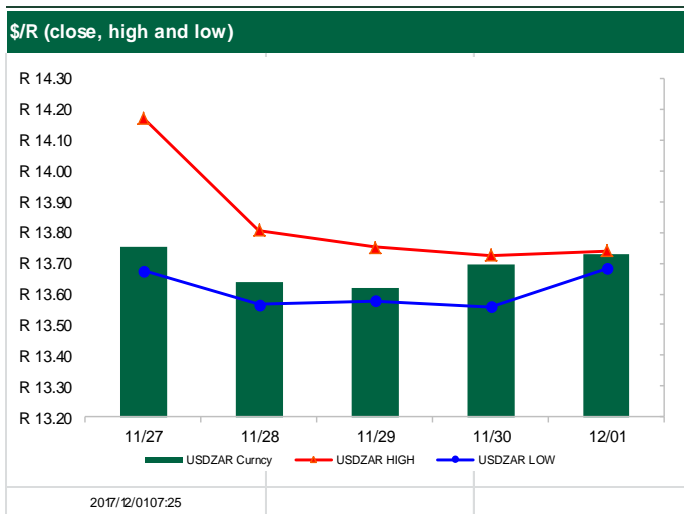
- The local trading session was again subdued, for the majority of our session the rand traded with a marginally firmer bias, touching a best level of 13.5575 on the day, before closing the day trading in the low 13.60s, In the overnight session the rand traded weaker, along with risk generally, this as there was some optimism regarding the U.S tax overhaul. This morning the rand is currently trading at 113.7300, EURZAR trading at 16.3550 and GBPZAR is at 18.5700.
- On the international front, after another generally subdued session, the major currency pairs found some support in the wake of a broadly weaker dollar, EURUSD trading from a low of 1.1810 to the current levels around 1.1912.
- Gold has continues to slide after having found support earlier in the week, this morning some 10 dollars off from the same time yesterday at 1275.00.
- Data releases scheduled for today, locally we have the Barclays manufacturing PMI and new vehicle sales , from Europe we have manufacturing PMI for Italy, France, Germany and the zone as well as Italian GDP, from the U.S we have manufacturing and ISM PMI as well construction spending.
- Possible trading range in the rand today 13.6000 to 13.9000

Majors	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend	USD trend
GBPUSD	1.35	0.14	0.14	9.63	↑	USD weakness
EURUSD	1.19	0.18	0.18	13.27	↑	USD weakness
USDJPY	112.56	0.04	0.04	-3.91	↑	USD strength
USDAUD	1.32	0.00	0.00	-4.78	→	USD weakness
Rand crosses	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend	ZAR trend
USDZAR	13.73	0.22	0.22	-0.09	↑	ZAR weakness
GBPZAR	18.57	0.36	0.36	8.76	↑	ZAR weakness
EURZAR	16.36	0.41	0.41	11.64	↑	ZAR weakness
AUDZAR	10.38	0.24	0.24	4.64	↑	ZAR weakness
ZARJPY	8.20	-0.18	-0.18	-4.03	↓	ZAR weakness
African FX	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend	ZAR trend
ZARMMK (Malawian kwacha)	52.89	-0.20	-0.20	-0.17	↓	ZAR weakness
ZARBWP (Botswana pula)	0.75	-0.28	-0.28	-3.50	↓	ZAR weakness
ZARKES (Kenyan shilling)	7.51	-0.24	-0.24	0.63	↓	ZAR weakness
ZARMUR (Mauritian rupee)	2.45	-0.31	-0.31	-6.90	↓	ZAR weakness
ZARNGN (Nigerian naira)	26.26	0.04	0.04	12.64	↑	ZAR strength
ZARGHS (Ghanian cedi)	0.33	0.09	0.09	6.66	↑	ZAR strength
ZARZMW (Zambian kwacha)	0.74	-0.22	-0.22	1.75	↓	ZAR weakness
ZARMZN (Mozambican metical)	4.45	-0.24	-0.24	-17.06	↓	ZAR weakness

Source: Bloomberg & Nedbank CIB
Time: 2017/12/01 07:25

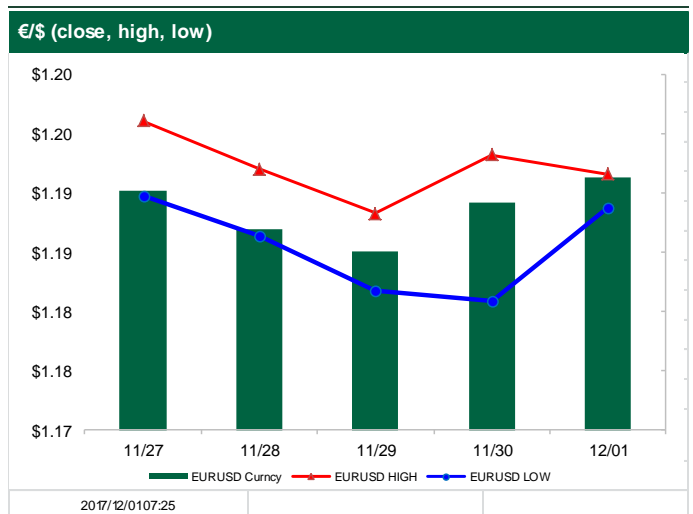
**Please note that the sign on the % change reflects the change on the headline number. The narrative indicates the trend direction over the month. For trade in any of these currencies, contact our FX dealing desks*

USDZAR



Source: Bloomberg, Nedbank

EUR/USD



Source: Bloomberg, Nedbank

Commodities

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- Oil extended gains as OPEC agreed to prolong production cuts through to the end of 2018 in an effort to drain a global glut. Futures added 0.4% after rising 0.2% Thursday.
- Gold set for weekly decline as global investors optimistic amid developments in U.S. tax reform bill, with final vote expected by end of week. Bullion for immediate delivery -0.9% this week.

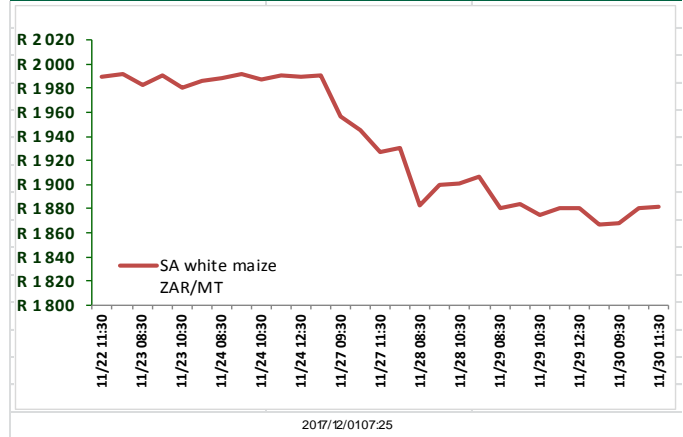
Source: Bloomberg

Commodities	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend
Brent near future (\$)	63.18	-0.68	2.95	11.19	↑
WTI crude (\$)	57.68	-0.53	6.07	7.37	↑
Gold spot (\$)	1 295.60	0.08	1.99	12.91	↑
Platinum spot (\$)	949.90	-0.38	3.42	5.18	↑
SA white maize spot (R)	1 907.00	-1.24	-4.65	-46.16	↓

Source: Bloomberg & Nedbank CIB
Time: 2017/11/29 07:21

SA white maize

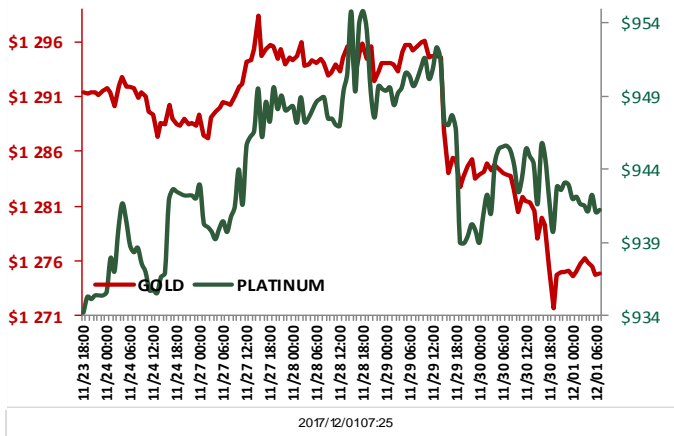
SA White maize (ZAR/MT) - 30 day chart



Source: Bloomberg, Nedbank

Platinum vs Gold

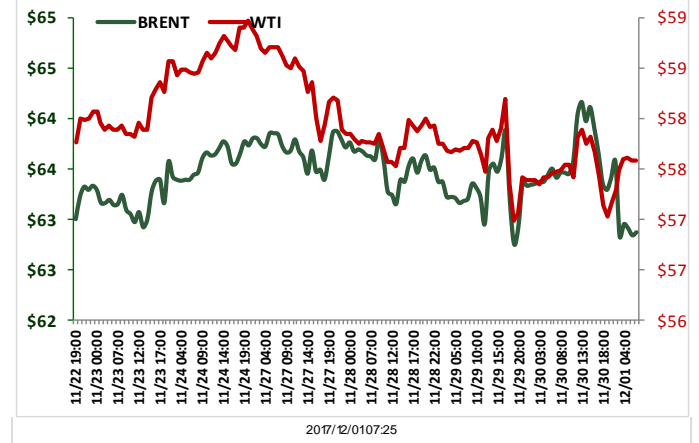
Platinum vs. Gold



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 JSE ended the day lower, with the TOP40 losing 1.27%, dragged mostly lower by Naspers, which fell 3.1%. Volumes were heavy due the MSCI index rebalancing. Impala Platinum declined 8.15%, falling out of the index, while Kumba Iron Ore added 3% after being included. Harmony outperformed in the gold space, adding 5.3% after announcing that the planned shutdown at its Hidden Valley mine in Papua New Guinea was completed ahead of schedule, expecting that commercial levels of production will be achieved in the June quarter. The banking sector eased lower after recent strong gains, with the sector ending the day down 0.37%.
- The value traded at the close was R43.5 billion and the ZAR was trading at 13.62 vs the dollar.

UK/Europe

- European markets closed mostly lower on Thursday, with the FTSE100 underperforming in the region after the pound continued to move higher, trading at a two month high, on further signs of a breakthrough in the Brexit negotiations. Financial stocks weighed across the region, but Credit Suisse outperformed adding 1.96% after raising its 2018 profit targets. Energy stocks were firmer after OPEC and non-OPEC crude producers agreed to extend oil output cuts until the end of 2018, but pared gains in the late afternoon as the decision had already been priced in. In London, Newspaper company, Daily Mail and General Trust PLC tumbled 247% after reporting a pre-tax loss in fiscal 2017. The DAX fell 0.33%, the CAC40 lost 0.47% and the FTSE ended the day down 0.9%.

USA

- US markets closed sharply higher, with the S&P 500 closing at a record high and the Dow Jones broke above the 24000 mark for the first time after Republican Senator John McCain decided to back the tax bill, saying it would boost the economy. Upbeat economic data, also added to the sentiment, with a Labour Department showed a modest decrease in first time claims for unemployment benefits. Energy stocks outperformed, with transportation stocks, which would benefit from the corporate tax cuts, lifting industrials. The Dow added 1.39%, the S&P500 was up 0.82% and the Nasdaq rose 0.73%.

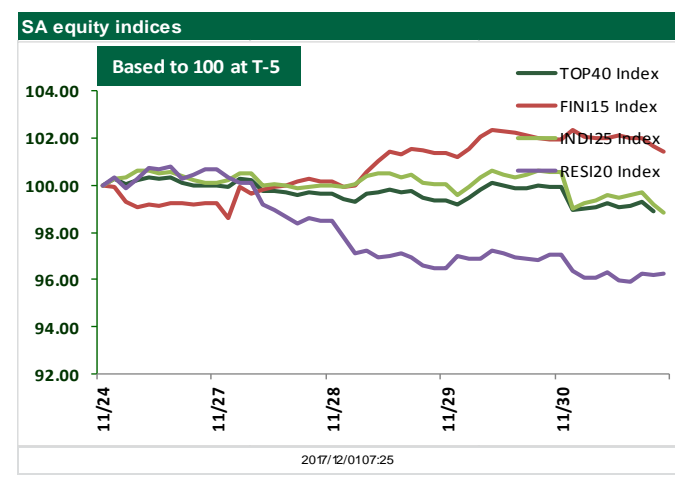
Asia

- Asian markets are trading mixed this morning. The Nikkei is experiencing a choppy session, swinging between gains and losses. Real Estate stocks were lower, while energy stocks outperformed and exporters were mixed. Chinese and Hong Kong stocks are lower, after manufacturing activity grew at its weakest pace in five months with input costs remaining high and tougher pollution measures weighed on business confidence. Tencent was down a further 2.16% at the time of writing. Australian stocks rose, heading for their fourth week of gains, tracking the strong close in the US last night. Eight out of the ten sectors rose, with energy stocks amongst the best performers.

Developed Markets	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend
Dow Jones	24 272.35	1.39	0.00	22.82	→
Nasdaq	6 873.97	0.73	0.00	27.70	→
S&P 500	2 647.58	0.82	0.00	18.26	→
DJ Eurostoxx 50	3 569.93	-0.56	0.00	8.49	→
DAX	13 023.98	-0.29	0.00	13.44	→
CAC	5 372.79	-0.47	0.00	10.50	→
FTSE	7 326.67	-0.90	0.00	2.57	→
ASX200	5 989.80	0.33	0.33	5.72	↑
Nikkei 225	22 843.93	0.52	0.52	19.51	↑
MSCI World	2 077.36	0.54	0.00	18.62	→
Emerging Markets	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend
Hang Seng	29 163.42	-0.05	-0.05	32.56	↓
Shanghai	3 306.39	-0.33	-0.33	6.53	↓
Brazil Bovespa	71 970.99	-1.00	0.00	19.50	→
India - NSE	33 249.06	0.30	0.30	24.87	↑
Russia Mccx	2 100.62	-1.10	0.00	-5.92	→
MSCI Emerging	1 120.79	-1.80	0.00	29.98	→
SA Indices	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend
JSE All Share	59 772.83	-1.07	0.00	18.00	→
Top 40	53 269.83	-1.27	0.00	21.34	→
Resi 10	36 681.78	-0.86	0.00	14.24	→
Indi 25	83 064.41	-1.66	0.00	29.22	→
Fini 15	16 303.27	-0.49	0.00	8.13	→

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
5 Dec 2017		
AFEP	AECI Limited 5.5% Pref	dividend @ 52.127570cps
ALP	Atlantic Leaf Properties Ltd	Tender @ 1760cps
APF	Accelerate Prop Fund Ltd	dividend @ 28.777130cps
CML	Coronation Fund Managers Ltd	dividend @ 217cps
CNDN	Conduit Capital Limited Npl's	Take up @ 200cps
CTK	Cartrack Holdings Limited	dividend @ 18cps
DIA	Dipula Income Fund A	dividend @ 50.648920cps
DIB	Dipula Income Fund B	dividend @ 53.658410cps
GPA	Gemgrow Properties Ltd A	dividend @ 26.087910cps
GPB	Gemgrow Properties Ltd B	dividend @ 19.000010cps
IAP	Investec Australia Property Fund	dividend @ 43.510980cps
IDQ	Indequity Group Ltd	dividend @ 13.50cps
INL	Investec Ltd	dividend @ 200cps
INLP	Investec Bank Ltd Pref	dividend @ 434.571660cps
INP	Investec Plc	dividend @ 200cps
INPR	Investec Ltd Pref	dividend @ 405.575880cps
MEI	Mediclinic Int Plc	dividend @ 59.8720cps
MRP	Mr Price Group Ltd	dividend @ 279cps
PAN	PAN Africa Resources PLC	dividend @ 8.279cps
PIK	Pick N Pay Stores Ltd	dividend @ 33.4cps
SAR	Safari Investments RSA Ltd	dividend @ 35cps
SPP	The Spar Group Ltd	dividend @ 435cps
SSS	Stor Age Prop Ltd	dividend @ 47.02cps
TCP	Transaction Capital Ltd	dividend @ 25cps

Source: JSE

JSE performance

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Top40 constituents	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend
AGL : Anglo American Plc	252.80	-0.96	0.00	29.57	→
ANG : Anglogold Ashanti Ltd	142.80	0.93	0.00	-6.41	→
APN : Aspen Pharmacare Holdings Lt	305.50	-2.55	0.00	7.73	→
BGA : Barclays Africa Group Ltd	157.78	-0.45	0.00	-6.47	→
BID : Bid Corp Ltd	295.03	-1.00	0.00	20.35	→
BIL : Bhp Billiton Plc	247.46	-1.12	0.00	13.16	→
BTI : British American Tobacco Plc	876.04	-2.40	0.00	12.51	→
BVT : Bidvest Group Ltd	191.36	-1.51	0.00	5.58	→
CFR : Financiere Richemont-Dep Rec	117.02	-0.99	0.00	28.96	→
CPI : Capitec Bank Holdings Ltd	984.79	-0.34	0.00	41.70	→
DSY : Discovery Ltd	164.71	-0.18	0.00	43.85	→
FFA : Fortress Reit Ltd-A	17.25	0.00	0.00	4.10	→
FFB : Fortress Reit Ltd-B	42.15	0.24	0.00	30.37	→
FSR : Firstrand Ltd	56.35	-1.19	0.00	5.98	→
GFI : Gold Fields Ltd	58.19	0.31	0.00	33.49	→
GRT : Grow thpoint Properties Ltd	25.00	0.20	0.00	-3.44	→
INL : Investec Ltd	95.04	-0.45	0.00	4.73	→
INP : Investec Plc	94.80	-0.40	0.00	4.46	→
ITU : Intu Properties Plc	35.81	-0.64	0.00	-23.78	→
LHC : Life Healthcare Group Holdin	26.11	-1.36	0.00	-13.92	→
MEI : Mediclinic International Plc	101.06	2.60	0.00	-22.26	→
MND : Mondi Ltd	325.08	-1.13	0.00	16.10	→
MNP : Mondi Plc	325.34	-1.47	0.00	16.73	→
MRP : Mr Price Group Ltd	208.01	-2.32	0.00	30.37	→
MTN : Mtn Group Ltd	129.27	0.74	0.00	2.46	→
NED : Nedbank Group Ltd	231.30	1.83	0.00	-2.87	→
NPN : Naspers Ltd-N Shs	3 687.71	-3.18	0.00	83.22	→
NRP : Nepi Rockcastle Plc	213.36	1.16	0.00		→
NTC : Netcare Ltd	22.50	0.40	0.00	-29.33	→
OML : Old Mutual Plc	36.37	-1.33	0.00	5.60	→
RDF : Redefine Properties Ltd	10.12	-0.20	0.00	-9.56	→
REM : Remgro Ltd	214.00	0.63	0.00	-4.06	→
RMH : Rmb Holdings Ltd	66.92	-0.59	0.00	0.78	→
RNI : Reinet Investments Sca	290.00	-1.98	0.00		→
SAP : Sappi Limited	97.29	-3.07	0.00	8.16	→
SBK : Standard Bank Group Ltd	173.00	-0.10	0.00	14.00	→
SHP : Shoprite Holdings Ltd	227.85	0.37	0.00	32.89	→
SLM : Sanlam Ltd	78.26	-1.19	0.00	24.42	→
SNH : Steinhoff International H Nv	56.26	-0.42	0.00	-21.07	→
SOL : Sasol Ltd	430.00	1.09	0.00	7.80	→
TBS : Tiger Brands Ltd	417.47	1.91	0.00	4.94	→
VOD : Vodacom Group Ltd	145.06	-0.27	0.00	-4.82	→
WHL : Woolworths Holdings Ltd	58.00	-0.46	0.00	-18.33	→

Source: Bloomberg & Nedbank CIB

Time 2017/12/0107:25

US

- US personal income growth remained unchanged at 0.4% m/m in October – The uptick mainly came from rental income, personal income assets and social security benefits. On an annualised basis, personal income growth was a strong 3.4% y/y, indicating that consumer trends may remain positive over the medium term.
- Personal spending growth fell to 0.3% m/m, from 0.9% in September, in line with consensus. Spending on durable goods declined, while spending on services eased marginally. Consequently, the savings rate rose to 3.2%, from 3% in September.
- The PCE deflator fell to 1.6% y/y in October, from 1.7% previously. This was due to a decline in durable goods purchases and growth in purchases of non-durable goods easing, while energy prices fell.

Synopsis: The Fed seems on track on their path of gradual monetary policy tightening, with the last rate hike for the year likely to come in December, and 3 rate hikes in 2018. However, the recent shift in focus towards financial conditions and the fact that higher interest rates are not having the desired impact on asset prices and may warrant revisions to the pace of tightening if there are any adverse developments within financial markets over the long-run.

Europe

- The Eurozone unemployment rate fell to 8.8% in October, from 8.9% previously, beating expectations for no change. Declines in unemployment were seen in Ireland, France, Malta and Belgium. Youth unemployment also decline in the Eurozone, but rose sharply in Spain and Portugal.
- Eurozone CPI rose to 1.5% y/y in November, from 1.4% previously, worse than forecasts of 1.6%. Core inflation remained unchanged, and this indicates that underlying price pressures remains sluggish. The key driver of inflation was energy prices, which rose 4.7% y/y, from 3% previously. Food, alcohol and tobacco prices eased, while services inflation remained unchanged.

Synopsis: The ECB remains very dovish despite announcing tapering of its QE programme. This is due to inflation remaining below the 2% target and unlikely to reach this target over the medium term. However, the economic recovery remains upbeat and buoyed by local demand and global trade.

Japan

- The Japanese unemployment rate remained unchanged at 2.8% in October, in line with forecasts. The jobs-to-applicants ratio continued to climb, indicative of a shrinking workforce and tightening labour market.
- Japanese CPI fell sharply in October, to 0.2% y/y, from 0.7% previously, in line with forecasts. However the core measure remained unchanged at 0.2%. In contrast, the Tokyo CPI rose modestly, which may be a leading indicator of inflation in the rest of the country. Food prices fell sharply infot deflation, along with most other smaller subcomponents. Only transport, utilities and communication costs rose in October.
- Household spending remained weak, with no growth in October, from the 0.3% contraction previously. Spending remains unresponsive of economic growth, and will likely detract from growth in the near term. The only item that households ramped up their spending on was education. The rest of the goods categories continued to reflect contraction, or very weak growth in spending.

Synopsis: The BOJ is unlikely to undertake explicit monetary tightening just yet, as inflation remains below the 2% target, despite rising marginally recently.

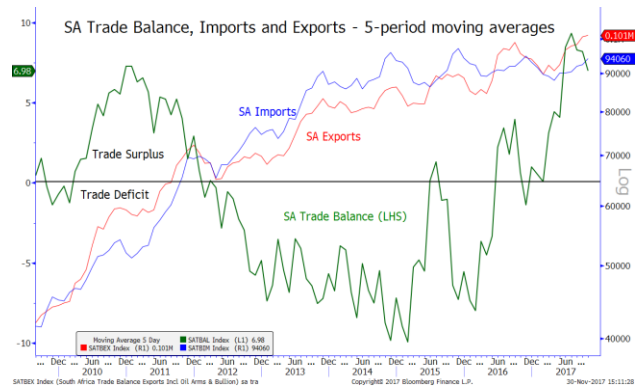
SA

- SA PPI eased to 5% y/y in October, from 5.2% previously, in line with consensus. The food and beverage category had a material disinflationary impact on PPI, as a result of lower protein inflation. The main inflationary driver was still 'coke, petroleum and chemicals'. PPI is expected to remain subdued in the near term, but rise gradually in 2018, placing some upside pressure on headline inflation.
- SA's monthly budget turned a deficit of R34.8 billion in October, from R3.5 billion in September, worse than our forecast of R28 billion. Expenditures rose 2.6% m/m, while revenues slumped 27.8% m/m in October. The main decline came from corporate taxes, but this was mainly due to seasonal trends. Gross tax revenue growth is currently 5.9% fyoy, compared to 6.14% growth targeted by the recent MTBPS. Given subdued confidence levels, an increase in tax avoidance and a decline in tax morality, we are unlikely to see significant improvement in revenue collection over the medium term. Even though the second half of the fiscal year generally attracts better revenue growth, much of the damage has already been done in the first half – this implies that the hurdle rate is much higher for even seasonal trends to try and absolve. The run rate of revenue collection for the FYTD is currently 49.6%, compared to 52.3% collected during the same period last year, while expenditures incurred are still palatable at 56.5%, compared to 57.3% spent in the same period last year. The YTD deficit stands at a staggering R180 billion, compared to R153 billion last year. The full-year deficit projected by NT is R219 billion, or 4.7% of GDP.
- SA's trade balance posted a surprise surplus in October, of R4.6 billion, from R4.5 billion in September, better than consensus of –R5.5 billion. Contrary to expectations for imports to surge as a result of a wholesale re-stock ahead of the festive season, imports only rose 2.3% m/m, while export growth was 2.2%. Because of the surge in exports for the YTD, even if we see marginal increases in imports in the near term, the trade balance will probably still remain in a surplus as a result of a large base. Exports were driven by base metals, chemicals and minerals, while

imports of wood, machinery and electronics and precious metals were some of the key drivers in October. Exports were primarily driven by Africa and Europe, while imports from Asia surged. For the YTD, the trade surplus is currently sitting at R51.6 billion, from a deficit of R9.9 billion during the same period last year – this is due to a 6.6% y/y increase in exports and a 0.2% contraction in imports this year. Should global growth keep global trade upbeat, SA may continue to be a beneficiary of improved global demand.

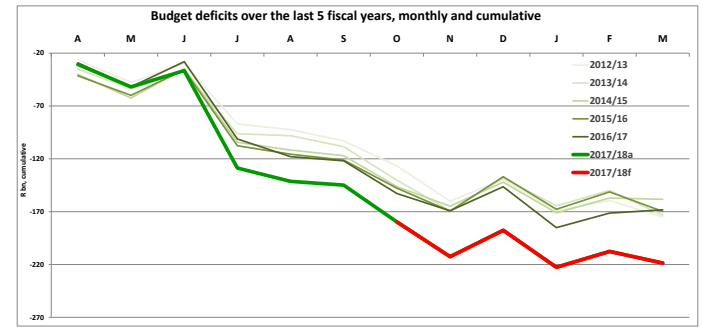
Synopsis: While growth is expected to remain below potential over the medium term, possible changes in the political landscape will impact growth significantly over this period. Inflation is expected to remain below 6% until 2019, but there are significant upside risks to the CPI profile, hence we believe that the window of opportunity for further easing has closed.

Trade ekes out a surprise surplus in October



Source: Bloomberg, Nedbank

Significant slippage envisioned in the MTBPS, materialises in October



Source: Bloomberg, Nedbank

Economic calendar

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	Country	Event	Period	Survey	Actual	Prior	Revised
30-November							
01:50 AM	JN	Industrial Production YoY	OCT P	7.10%	5.90%	2.60%	-
09:00 AM	GE	Retail Sales YoY	OCT	2.80%	-1.40%	4.10%	-
11:30 AM	SA	PPI YoY	OCT	5.00%	5.00%	5.20%	-
12:00 PM	EC	CPI Core YoY	NOV A	1.00%	0.90%	0.90%	-
12:00 PM	EC	Unemployment Rate	OCT	8.90%	8.80%	8.90%	-
12:00 PM	EC	CPI Estimate YoY	NOV	1.60%	1.50%	1.40%	-
02:00 PM	SA	Trade Balance Rand	OCT	-5.5b	4.6b	4.0b	4.5b
02:00 PM	SA	South Africa Budget	OCT	-	ZAR -34.8b	ZAR -3.5b	-
03:30 PM	US	Initial Jobless Claims	NOV 25	240k	238k	239k	-
03:30 PM	US	Continuing Claims	NOV 18	1890k	1957k	1904k	-
03:30 PM	US	PCE Core YoY	OCT	1.40%	1.45%	1.30%	1.40%
03:30 PM	US	PCE Deflator YoY	OCT	1.50%	1.60%	1.60%	1.70%
03:30 PM	US	Personal Income	OCT	0.30%	0.40%	0.40%	-
03:30 PM	US	Personal Spending	OCT	0.30%	0.30%	1.00%	0.90%
03:30 PM	US	Real Personal Spending	OCT	0.20%	0.10%	0.60%	0.50%
04:45 PM	US	Chicago Purchasing Manager	NOV	63.0	63.9	66.2	-
01-December							
12:00 AM	SA	Naamsa Vehicle Sales YoY	NOV	-	4.6%	4.6%	-
01:30 AM	JN	Jobless Rate	OCT	2.80%	2.80%	2.80%	-
01:30 AM	JN	Job-To-Applicant Ratio	OCT	1.52	1.55	1.52	-
01:30 AM	JN	Overall Household Spending YoY	OCT	-0.30%	0.00%	-0.30%	-
01:30 AM	JN	Natl CPI YoY	OCT	0.20%	0.20%	0.70%	-
03:45 AM	CH	Caixin China PMI Mfg	NOV	50.9	50.8	51.0	-
10:55 AM	GE	Markit/BME Germany Manufacturing PMI	NOV F	62.5	-	62.5	-
11:00 AM	EC	Markit Eurozone Manufacturing PMI	NOV F	60.0	-	60.0	-
11:00 AM	SA	Barclays Manufacturing PMI	NOV	-	-	47.8	-
11:30 AM	UK	Markit UK PMI Manufacturing SA	NOV	56.5	-	56.3	-
05:00 PM	US	ISM Manufacturing	NOV	58.3	-	58.7	-
04-December							
11:30 AM	EC	Sentix Investor Confidence	DEC	33.6	-	34.0	-
12:00 PM	EC	PPI YoY	OCT	2.6%	-	2.9%	-
05:00 PM	US	Cap Goods Orders Nondef Ex Air	OCT F	-	-	-0.5%	-
05:00 PM	US	Durables Ex Transportation	OCT F	-	-	0.40%	-
05:00 PM	US	Durable Goods Orders	OCT F	0.0%	-	-1.2%	-
05:00 PM	US	Factory Orders	OCT	-0.4%	-	1.4%	-
05:00 PM	US	Factory Orders Ex Trans	OCT	-	-	0.7%	-

Source: Bloomberg

2017/12/01 07:24

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