

For any queries, please contact:

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 drivers

Nedbank CIB Market Commentary | CIBMarketComm@Nedbank.co.za | +27 11 294 1753

SNIPPETS

(Fixed Income)	Small foreign capital outflows persist into the week, R186 open this morning unchanged from close
(Currencies)	USDZAR strengthens on the back of political headlines, dollar remains strong, weighing on majors this morning
(Commodities)	Gold loses some ground as a result of a stronger dollar; Brent gains on uncertainty over Iranian sanctions relief from the US
(Equities)	The Top40 closed up +0.1% in a lacklustre day, European market traded sideways and Wall Street made record highs
(Economics)	Eurozone unemployment levels lower

Key overnight factors and upcoming events this week

Nedbank CIB Market Commentary | CIBMarketComm@Nedbank.co.za | +27 11 294 1753

Date	Region	Event ↓ ↑ →	Actual/expected/prior	Implications
08-12/01	SA	Manufacturing PMI	--/--/48.6	PMI is expected to improve marginally but remain below 50-points in December
10/01	UK	Industrial production	--/1.8%/3.6%	Industrial activity is expected to slow in November, but positive growth still reflects better global demand as the key driver of factory output
13/01	SA	Political events	--	ANC NEC meeting, local media reports possible discussion of the removal of President Zuma

Source: Nedbank

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	Last price	Δ 1d	Δ MTD	Δ YTD	Month trend
	%	bps	bps	bps	
R204-0.9 yrs	7.06	-1.10	0.20	0.20	↑
R208-3.2 yrs	7.52	0.70	-3.80	-3.80	↓
R186-8.9 yrs	8.57	0.35	-2.25	-2.25	↓
R2048-30.1 yrs	9.69	0.35	-2.75	-2.75	↓
US 10 yr	2.56	0.56	15.32	15.32	↑
UK 10 yr	1.28	4.70	9.30	9.30	↑
German 10 yr	0.47	3.50	3.90	3.90	↑
Japan 10 yr	0.09	1.70	4.00	4.00	↑
Money Market	Last price	Δ 1d	Δ MTD	Δ YTD	Month trend
	%	bps	bps	bps	
SA repo rate	6.75	0.00	0.00	0.00	→
SA prime rate	10.25	0.00	0.00	0.00	→
SA CPI (MTD = previous month)	4.60		-20.00		↓
SA 3m JIBAR	7.16	0.00	0.00	0.00	→
SA 3m NCD	7.15	-2.50	0.00	0.00	→
SA 6m NCD	7.60	2.50	0.00	0.00	→
SA 12m NCD	7.98	2.50	7.50	7.50	↑
US 3m LIBOR	1.70	-0.35	1.03	1.03	↑
UK 3m LIBOR	0.52	0.05	0.03	0.03	↑
Japan 3m LIBOR	-0.02	0.50	0.65	0.65	↑

Source: Bloomberg & Nedbank CIB
Time: 2018/01/10 08:18

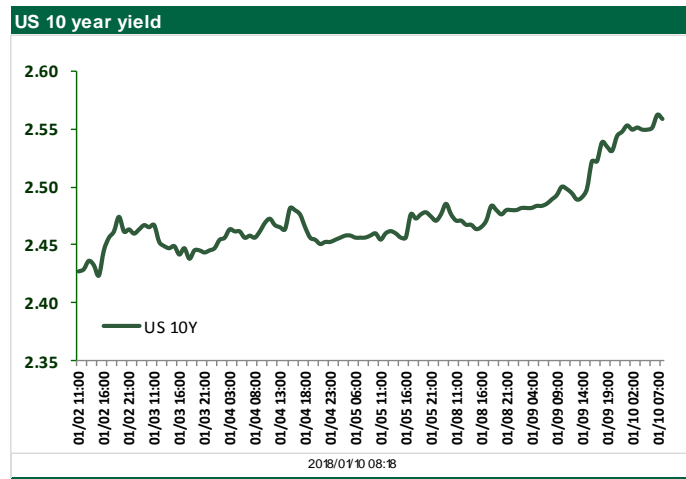
FRAs and Swaps	Last price	Δ 1d	Δ MTD	Δ YTD	Month trend
	%	bps	bps	bps	
3X6 FRA	6.97	0.50	7.50	7.50	↑
6X9 FRA	6.86	0.00	4.00	4.00	↑
9X12 FRA	6.81	1.50	1.50	1.50	↑
18X21 FRA	7.02	-0.50	3.50	3.50	↑
SA 2yr Sw ap	6.96	0.05	3.13	3.13	↑
SA 3yr Sw ap	7.11	0.55	6.31	6.31	↑
SA 5yr Sw ap	7.40	1.25	7.25	7.25	↑
SA 10yr Sw ap	7.97	2.50	4.00	4.00	↑
SA 15yr Sw ap	8.20	2.50	4.00	4.00	↑
Spreads	Last price	Δ 1d	Δ MTD	Δ YTD	Month trend
	%	bps	bps	bps	
2v10y	-1.00	-2.45	-0.87	-0.87	↓
3v10y	-0.85	-1.95	2.31	2.31	↑
R186-R204	1.50	1.45	-2.45	-2.45	↓
R2048-R186	1.12	0.00	-0.50	-0.50	↓
5y-R186	-1.16	0.90	9.50	9.50	↑
10y-R186	-0.60	2.15	6.25	6.25	↑
15y-R186	-0.37	2.15	6.25	6.25	↑
SA 5yr CDS spread - basis points	147.00	0.00	-10.00	-10.00	↓

Source: Bloomberg & Nedbank CIB
Time: 2018/01/10 08:18

- USTs yields power through 2.50 and weaken meaningfully to 2.55 but the USD remains pretty stable overnight.
- The ZAR has a decent night reaching 12.3375 on the news that Zuma has finally set up a commission to investigate state capture, although it's no coincidence that this comes on the eve of the first NEC meeting where his future is sure to be discussed, so there is plenty of politicking going on, as expected.
- SAGBs open as we closed, which is weaker from the MTM as R186s trade heavy with the UST move.

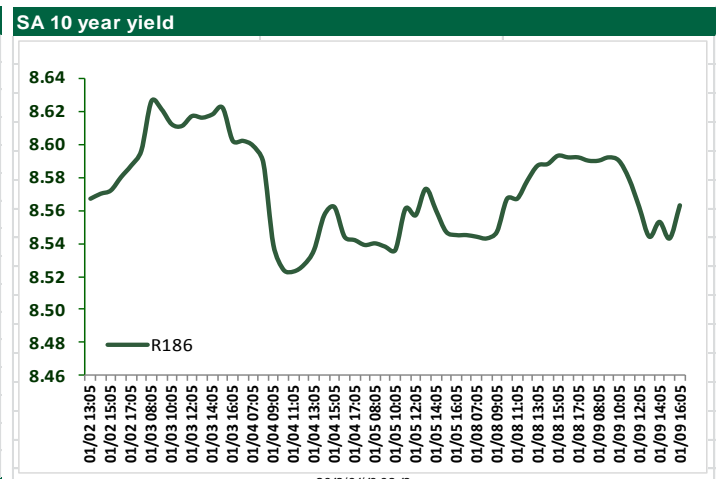
Source: Fixed income sales and trading desk

US 10 year yield



Source: Bloomberg, Nedbank

SA 10 year yield



Source: Bloomberg, Nedbank

Currencies

[back to top](#)

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

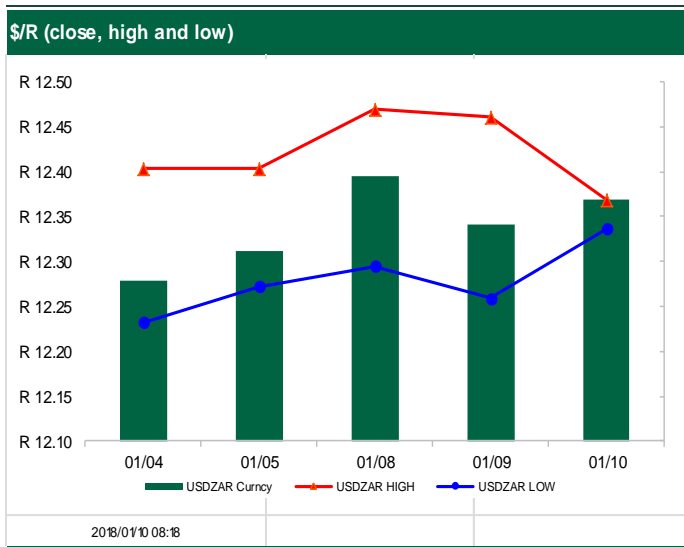
- The rand opened the session trading around the 12.4000 mark. The rand traded between 12.3800 and 12.4600 for majority of the session. In early New York trade, news spread in the market that current president Jacob Zuma had resigned. This sent the rand into a frenzy strengthening from 12.4200 to a low print of 12.2775 in the blink of an eye. After the dust settled and it was brought to light that this was merely posted on a fake news website and was not correct, the rand slowly surrendered the gains made to trade back to the 12.4100 level into local close. New York range 12.3375 and 12.4200, Far East this morning extremely quiet 12.3400/12.3600 with hardly a trade being done.
- International markets found both Euro and Pound trade weaker on the day against the dollar. Euro opened at 1.1972, and closed around the lows of 1.1920. The Sterling followed a similar pattern after opening at 1.3582, it closed at 1.3510. Gold traded \$8 softer, closing at \$1311. EURZAR opening at 14.7500, and GBPZAR opening at 16.7225.
- International data releases for the day include UK Industrial Production, UK Manufacturing Production and UK trade numbers. Locally, focus will be set on the ANC NEC meeting over the next few days. Focal point being a proposal of Zuma to step down, before his term ends next year. Possible trading range: 12.2000-12.5000.

Majors	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend	USD trend
GBPUSD	1.35	-0.07	0.04	0.04	↑	USD weakness
EURUSD	1.19	0.06	-0.64	-0.64	↓	USD strength
USDJPY	112.35	-0.20	-0.30	-0.30	↓	USD weakness
USDAUD	1.28	0.05	-0.11	-0.11	↓	USD weakness
Rand crosses	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend	ZAR trend
USDZAR	12.37	0.21	-0.12	-0.12	↓	ZAR strength
GBPZAR	16.72	0.14	-0.02	-0.02	↓	ZAR strength
EURZAR	14.75	0.27	-0.69	-0.69	↓	ZAR strength
AUDZAR	9.67	0.16	0.02	0.02	↑	ZAR weakness
ZARJPY	9.08	-0.43	0.61	0.61	↑	ZAR strength
African FX	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend	ZAR trend
ZARMWK (Malawian kwacha)	58.73	-0.06	0.21	0.21	↑	ZAR strength
ZARBWP (Botswana pula)	0.80	-0.19	0.44	0.44	↑	ZAR strength
ZARKES (Kenyan shilling)	8.34	-0.22	0.07	0.07	↑	ZAR strength
ZARMUR (Mauritian rupee)	2.71	-0.13	-0.52	-0.52	↓	ZAR weakness
ZARNGN (Nigerian naira)	29.15	-0.22	0.31	0.31	↑	ZAR strength
ZARGHS (Ghanian cedi)	0.37	0.46	0.98	0.98	↑	ZAR strength
ZARZMW (Zambian kwacha)	0.80	-1.70	-0.32	-0.32	↓	ZAR weakness
ZARMZN (Mozambican metical)	4.74	-0.22	0.05	0.05	↑	ZAR strength

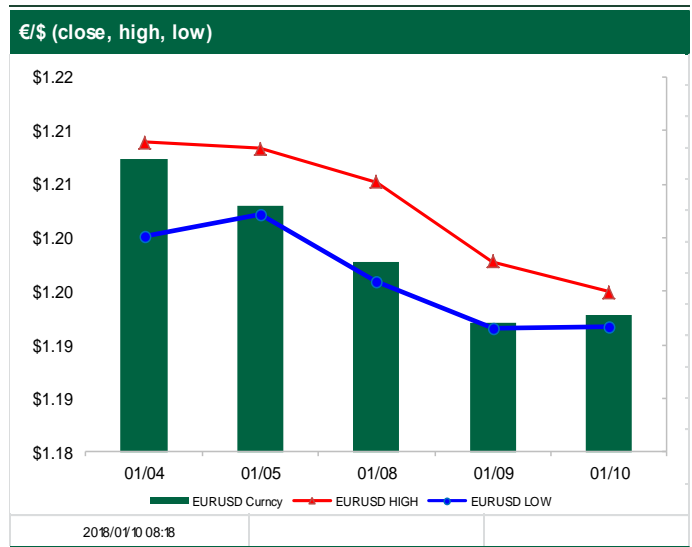
Source: Bloomberg & Nedbank CIB
Time: 2018/01/10 08:18

***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

[back to top](#)

Nedbank CIB Market Commentary | CIBMarketComm@Nedbank.co.za | +27 11 294 1753 | +27 11 535 4038

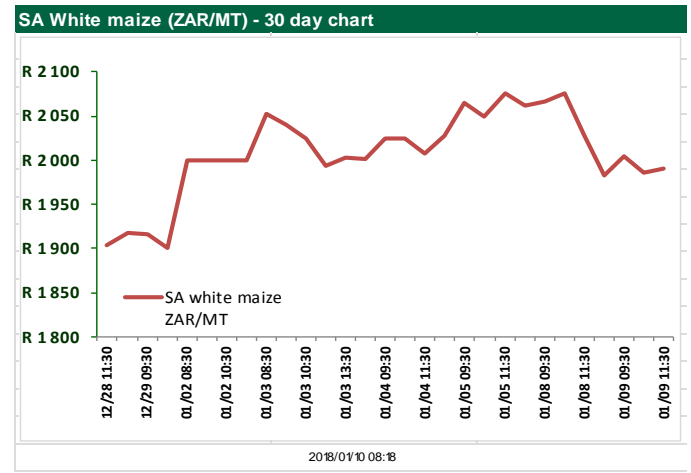
- Gold drops for a second day after yields on 10-year U.S. Treasuries climbed to the highest level in almost 10 months. Bullion for immediate delivery -0.17% at \$1,310.67/oz, Silver -0.1% to \$16.9485/oz, Platinum -0.6% to \$960.05/oz, Palladium -0.3% to \$1,098.55/oz. Aluminium climbs to snap three days of losses, leading rebound for industrial metals. Aluminium +0.6% to \$2,165/ton, copper +0.4%, zinc +0.2%, lead +0.6%. Analysts predict higher environmental compliance costs at Chinese commodities producers could support steel, coal, copper, aluminium, nickel and zinc.
- Oil prices hit their highest levels since 2014 this morning due to on-going OPEC lead production cuts as well as healthy demand. A broad global rally including stocks has also been fuelling investment into crude oil futures.

Source: Bloomberg

Commodities	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend
Brent near future (\$)	69.19	0.54	3.47	3.47	↑
WTI crude (\$)	63.47	0.81	5.05	5.05	↑
Gold spot (\$)	1 309.67	-0.17	0.53	0.53	↑
Platinum spot (\$)	960.10	-0.84	3.43	3.43	↑
SA white maize spot (R)	1 990.00	-1.83	4.74	4.74	↑

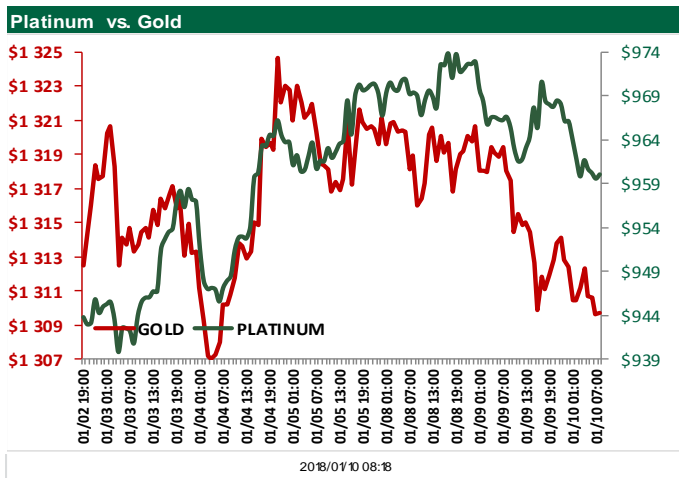
Source: Bloomberg & Nedbank CIB
Time: 2018/01/10 08:18

SA white maize



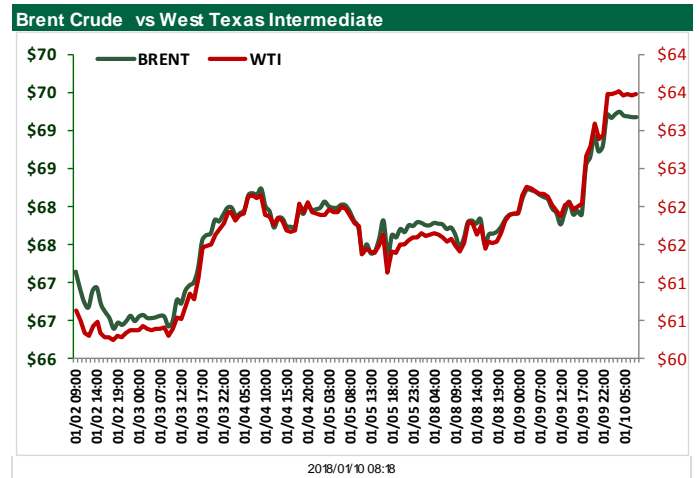
Source: Bloomberg, Nedbank

Platinum vs Gold



Source: Bloomberg, Nedbank

Brent Crude vs West Texas Intermediate



Source: Bloomberg, Nedbank

Equities

[back to top](#)

Cash equities | +2711 535 4030/31

South Africa

- The Top40 fluctuated around the unchanged mark several times before closing up +0.1%. Resources rose +0.18%, financial added +0.2% and industrials inched higher by 0.07%. A report showed that the ECB sold all their Steinhoff bonds at half the purchase price and the stock was drilled down -13%. Authors of the Steinhoff expose research report, Viceroy, are rumoured to be writing a report on Aspen. Aspen plunged as much as -10% intraday but recovered and only closed down -5%. The value traded was R21.3 billion and the rand was hovering around 12.40 to the US dollar at the close.

UK/Europe

- The majority European markets posted marginal gains in a lacklustre trading day. The Dax climbed +0.13%, the Cac rose +0.7% and the FTSE jumped +0.5%. Traders are on the side-lines ahead of the US earning season but positive Germany's industrial production data added an upward bias. 10 of the 12 sub-sectors in Europe were in the black led by materials and consumer discretionary stocks, real estates and utilities were in the red.

USA

- US markets rallied to a new record high but closed just off the best level of the day. The Dow gained +0.4%, the Nasdaq and S&P500 both rose +0.1%. The lack of liquidity, lack of economic data and traders waiting on the side-lines ahead of the earnings season all contributed to the lacklustre performance on the day. Strength was most notably in the healthcare, financial and industrial sectors while weakness was seen in the real estates and telecommunications sectors.

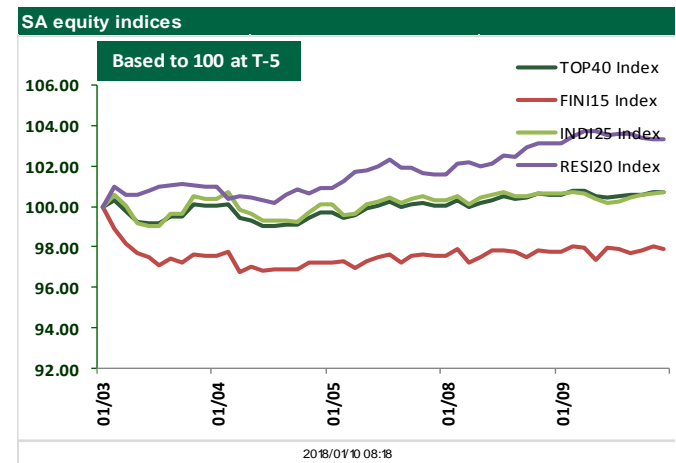
Asia

- Asian markets are trading in negative territory despite the fresh record highs posted by Wall Street overnight, the MSCI Asia Pacific ex-Japan is currently down -0.21%. After opening in the black, the Australian market has turned negative and currently down -0.64% with all the subsectors of the market in the red. The Hang Seng is up +0.7% led by energy stocks tracking Brent crude's +2% rally overnight. Tencent is currently down -0.05% this morning.

Developed Markets	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend
Dow Jones	25 385.80	0.41	2.70	2.70	↑
Nasdaq	7 163.58	0.09	3.77	3.77	↑
S&P 500	2 751.29	0.13	2.91	2.91	↑
DJ Eurostoxx 50	3 622.87	0.18	3.39	3.39	↑
DAX	13 385.59	0.13	3.62	3.62	↑
CAC	5 523.94	0.67	3.98	3.98	↑
FTSE	7 731.02	0.45	0.56	0.56	↑
ASX200	6 096.68	-0.64	0.52	0.52	↑
Nikkei 225	23 793.22	-0.24	4.52	4.52	↑
MSCI World	2 161.78	0.18	2.77	2.77	↑
Emerging Markets	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend
Hang Seng	31 102.64	0.29	3.96	3.96	↑
Shanghai	3 406.55	-0.22	3.00	3.00	↑
Brazil Bovespa	78 863.54	-0.65	3.22	3.22	↑
India - NSE	34 391.67	-0.15	0.98	0.98	↑
Russia Mircex	2 225.39	0.81	5.48	5.48	↑
MSCI Emerging	1 205.14	-0.14	4.03	4.03	↑
SA Indices	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend
JSE All Share	60 113.65	0.13	1.02	1.02	↑
Top 40	53 184.36	0.10	1.24	1.24	↑
Resi 10	37 867.85	0.18	4.34	4.34	↑
Indi 25	80 359.86	0.07	1.61	1.61	↑
Fini 15	17 317.53	0.20	-3.11	-3.11	↓

Source: Bloomberg & Nedbank CIB Time 2018/01/10 08:18

Short-term performance of SA equity indices



Source: Bloomberg, Nedbank

Last day to trade

[back to top](#)

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

Share code	Share name	Dividend / interest rate
16 Jan 2018		
AEE	African Equity Emp Inv Ltd	dividend @ 5.50cps
AEGCB	Aveng Group Limited Conv	dividend @ 6250cps
ARL	Astral Foods Ltd	dividend @ 875cps
RLO	Reunert Ltd	dividend @ 354cps
VLE	value Group Ltd	dividend @ 8cps

Source: JSE

JSE performance

[back to top](#)

Nedbank CIB Market Commentary | CIBMarketComm@Nedbank.co.za | +27 11 294 1753

Top40 constituents	Last price	%Δ -1d	%Δ MTD	%Δ YTD	Month trend
AGL : Anglo American Plc	279.00	1.82	9.15	9.15	↑
ANG : Anglogold Ashanti Ltd	128.83	-2.34	0.16	0.16	↑
APN : Aspen Pharmacare Holdings Lt	250.13	-4.56	-9.86	-9.86	↓
BGA : Barclays Africa Group Ltd	176.20	3.07	-3.18	-3.18	↓
BID : Bid Corp Ltd	297.86	0.37	-1.04	-1.04	↓
BIL : Bhp Billiton Plc	268.35	0.57	7.10	7.10	↑
BTI : British American Tobacco Plc	833.05	0.34	0.43	0.43	↑
BVT : Bidvest Group Ltd	210.84	-0.20	-3.32	-3.32	↓
CFR : Financiere Richemont-Dep Rec	113.00	-1.31	1.12	1.12	↑
CPI : Capitec Bank Holdings Ltd	1 062.85	0.25	-3.20	-3.20	↓
DSY : Discovery Ltd	180.18	0.09	-3.13	-3.13	↓
FFA : Fortress Reit Ltd-A	18.57	-0.85	0.05	0.05	↑
FFB : Fortress Reit Ltd-B	40.45	-1.51	-4.15	-4.15	↓
FSR : Firstrand Ltd	63.39	0.40	-5.74	-5.74	↓
GFI : Gold Fields Ltd	52.00	-3.08	-3.88	-3.88	↓
GRT : Grow thpoint Properties Ltd	26.55	-0.56	-4.01	-4.01	↓
INL : Investec Ltd	88.64	-0.21	-1.20	-1.20	↓
INP : Investec Plc	89.13	-0.64	-0.70	-0.70	↓
ITU : Intu Properties Plc	41.20	-1.08	-1.79	-1.79	↓
LHC : Life Healthcare Group Holdin	26.50	0.95	-4.50	-4.50	↓
MEI : Mediclinic International Plc	107.10	0.18	0.68	0.68	↑
MND : Mondi Ltd	320.93	-0.46	0.52	0.52	↑
MNP : Mondi Plc	321.93	-0.34	0.82	0.82	↑
MRP : Mr Price Group Ltd	247.50	1.12	1.07	1.07	↑
MTN : Mtn Group Ltd	135.60	-0.11	-0.73	-0.73	↓
NED : Nedbank Group Ltd	260.25	1.86	1.62	1.62	↑
NPN : Naspers Ltd-N Shs	3 631.00	0.94	5.22	5.22	↑
NRP : Nepi Rockcastle Plc	203.00	-0.73	-4.95	-4.95	↓
OML : Old Mutual Plc	37.76	-0.37	-0.63	-0.63	↓
RDF : Redefine Properties Ltd	10.50	-0.47	-1.87	-1.87	↓
REM : Remgro Ltd	231.55	-0.13	-1.89	-1.89	↓
RES : Resilient Reit Ltd	145.01	-0.88	-4.07	-4.07	↓
RMH : Rmb Holdings Ltd	75.34	0.49	-4.84	-4.84	↓
RNI : Reinet Investments Sca	261.42	-0.92	-4.59	-4.59	↓
SAP : Sappi Limited	85.79	-0.61	-4.15	-4.15	↓
SBK : Standard Bank Group Ltd	192.08	1.23	-1.83	-1.83	↓
SHP : Shoprite Holdings Ltd	216.49	-0.80	-2.12	-2.12	↓
SLM : Sanlam Ltd	82.03	-1.75	-5.71	-5.71	↓
SNH : Steinhoff International H Nv	7.55	-13.02	62.37	62.37	↑
SOL : Sasol Ltd	429.71	-0.99	0.36	0.36	↑
TBS : Tiger Brands Ltd	447.34	0.38	-2.75	-2.75	↓
VOD : Vodacom Group Ltd	144.00	-0.59	-1.15	-1.15	↓
WHL : Woolworths Holdings Ltd	65.66	2.58	0.54	0.54	↑

Source: Bloomberg & Nedbank CIB

Time 2018/01/10 08:18

Economics

[back to top](#)

Nedbank CIB Market Commentary | CIBMarketComm@Nedbank.co.za | +27 11 294 1753

Europe

- The Eurozone unemployment rate fell to 8.7% in November, from 8.8% previously, in line with consensus. The labour market continues to eke out modest gains as a result of the on-going economic recovery.
- Lower unemployment rates were recorded in Germany, Ireland, France, Italy and the Netherlands, among others.
- Youth unemployment rates were also sharply lower across the board, compared to a year ago which has also aided to restore social stability, and aid in the reduction of slack in the economy.

Synopsis: The ECB continues to reiterate that even though the asset purchase programme will be halved this year, its continued bond-buying, holdings and reinvestments will be supportive of financial conditions and the economy over the medium term. Hence, despite a continued decline in the amount of slack in the economy, this hasn't translated into a sustainable rise in inflation, thereby keeping the ECB dovish.

Economic calendar

[back to top](#)

Nedbank CIB Market Commentary | CIBMarketComm@Nedbank.co.za | +27 11 294 1753

	Country	Event	Period	Survey	Actual	Prior	Revised
09-January							
09:00 AM	GE	Current Account Balance	NOV	EUR 25.3b	EUR 25.4b	EUR 18.1b	-
09:00 AM	GE	Exports SA MoM	NOV	1.20%	4.10%	-0.40%	-
09:00 AM	GE	Imports SA MoM	NOV	0.40%	2.30%	1.80%	-
09:00 AM	GE	Trade Balance	NOV	EUR 21.3b	EUR 23.7b	EUR 18.9b	-
09:00 AM	GE	Industrial Production WDA YoY	NOV	3.90%	5.60%	2.70%	2.80%
12:00 PM	EC	Unemployment Rate	NOV	8.70%	8.70%	8.80%	-
03:11 PM	SA	Naamsa Vehicle Sales YoY	DEC	-	-2.4%	7.2%	-
05:00 PM	US	JOLTS Job Openings	NOV	6025	5879	5996	5925
10-January							
03:30 AM	CH	CPI YoY	DEC	1.90%	1.80%	1.70%	-
03:30 AM	CH	PPI YoY	DEC	4.80%	4.90%	5.80%	-
11:30 AM	UK	Industrial Production YoY	NOV	1.80%	-	3.60%	-
11:30 AM	UK	Manufacturing Production YoY	NOV	2.80%	-	3.90%	-
11:30 AM	UK	Trade Balance	NOV	GBP -1500m	-	GBP -1405m	-
11:30 AM	SA	SACCI Business Confidence	DEC	-	-	95.1	-
03:00 PM	UK	NIESR GDP Estimate	DEC	0.50%	-	0.50%	-
05:00 PM	US	Wholesale Inventories MoM	NOV F	0.70%	-	0.70%	-
05:00 PM	US	Wholesale Trade Sales MoM	NOV	0.55%	-	0.70%	-
11-January							
07:00 AM	JN	Leading Index CI	NOV P	108.6	-	106.5	-
12:00 PM	EC	Industrial Production WDA YoY	NOV	3.10%	-	3.70%	-
01:00 PM	SA	Manufacturing Prod NSA YoY	NOV	-	-	2.20%	-
03:30 PM	US	PPI Final Demand YoY	DEC	3.00%	-	3.10%	-
09:00 PM	US	Monthly Budget Statement	DEC	USD -26.5b	-	USD -138.5b	-

Source: Bloomberg

2018/01/10 07:15

Contacts

Treasury: Economic Analyst
Reezwana Sumad
 (011) 294 1753

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

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

This report is personal to the recipient and any unauthorised use, redistribution, retransmission or reprinting of this report (whether by digital, mechanical or other means) is strictly prohibited.

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).