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Key daily drivers




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

SNIPPETS

| | |
|----------------|--|
| (Fixed Income) | Outflows from the SA bond market persists, risk-off continues as ZAR remains under pressure |
| (Currencies) | The dollar remains resilient across the board |
| (Commodities) | Commodities prices ease as a result of a strong dollar, oil remains elevated |
| (Equities) | Global markets closed mixed in a subdued trading day; The sharp selloff in the States is negatively affecting Asian markets this morning |
| (Economics) | SA leading index remains upbeat in February |

Key overnight factors and upcoming events this week

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| Date | Region | Event    | Actual/expected/prior | Implications |
|-------|--------|---|-----------------------|---|
| 24/04 | SA | Leading indicator | 108.3/--/106.8 | The leading index is expected to continue to rise, indicating better economic activity in the next 6 to 9 months' time |
| 25/04 | SA | BER consumer confidence | --/--/8 | Consumer confidence is expected to have recovered somewhat in Q1, resulting in better consumption spending |
| 26/04 | EZ | ECB interest rate decision | --/--/0% | Interest rates are likely to be left unchanged, however ECB is expected reflect some hawkishness as it had done in the previous meeting |

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 | | Δ | | MTD trend |
|----------------|------------|-------|-------|--------|---------|-----------|
| | | 1d | MTD | YTD | 12Month | |
| | % | bps | bps | bps | bps | |
| R204-0.7 yrs | 6.82 | -0.05 | 14.65 | -24.35 | -0.62 | ↑ |
| R208-2.9 yrs | 7.35 | -0.05 | 34.45 | -20.95 | -0.35 | ↑ |
| R186-8.7 yrs | 8.22 | 0.05 | 24.25 | -36.75 | -0.46 | ↑ |
| R2048-29.8 yrs | 9.12 | -0.10 | 26.80 | -59.30 | -0.54 | ↑ |
| US 10 yr | 3.00 | 0.01 | 26.07 | 59.42 | 66.74 | ↑ |
| UK 10 yr | 1.54 | 0.00 | 18.90 | 34.90 | 48.80 | ↑ |
| German 10 yr | 0.63 | -0.50 | 13.40 | 20.40 | 30.20 | ↑ |
| Japan 10 yr | 0.06 | 0.60 | 1.50 | 1.60 | 3.80 | ↑ |

| Money Market | Last price | Δ | | Δ | | MTD trend |
|-------------------------------|------------|------|--------|--------|---------|-----------|
| | | 1d | MTD | YTD | 12Month | |
| | % | bps | bps | bps | bps | |
| SA repo rate | 6.50 | 0.00 | 0.00 | -25.00 | -50.00 | ⇒ |
| SA prime rate | 10.00 | 0.00 | 0.00 | -25.00 | -50.00 | ⇒ |
| SA CPI (MTD = previous month) | 3.80 | | -20.00 | | | ↓ |
| SA 3m JIBAR | 6.90 | 0.00 | 3.30 | -25.80 | -44.20 | ↑ |
| SA 3m NCD | 6.90 | 0.00 | 0.00 | -25.00 | -45.00 | ⇒ |
| SA 6m NCD | 7.38 | 0.00 | -2.50 | -22.50 | -50.00 | ↓ |
| SA 12m NCD | 7.80 | 0.00 | 5.00 | -10.00 | -47.50 | ↑ |
| US 3m LIBOR | 2.36 | 0.21 | 4.99 | 66.74 | 119.52 | ↑ |
| UK 3m LIBOR | 0.75 | 0.32 | 4.26 | 23.33 | 42.04 | ↑ |
| Japan 3m LIBOR | -0.03 | 0.50 | -0.03 | -0.75 | -4.48 | ↓ |

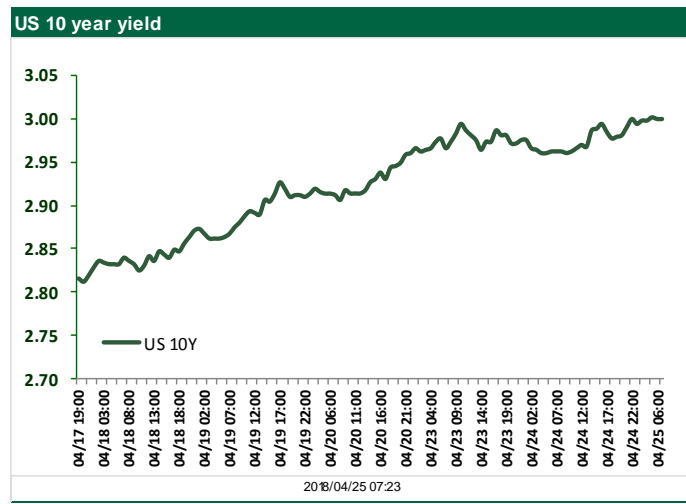
Source: Bloomberg & Nedbank CIB
Time: 2018/04/25 07:23

| FRAs and Swaps | Last price | Δ | | Δ | | MTD trend |
|----------------|------------|-------|-------|--------|---------|-----------|
| | | 1d | MTD | YTD | 12Month | |
| | % | bps | bps | bps | bps | |
| 3X6 FRA | 6.81 | 0.50 | -1.00 | -8.50 | -39.50 | ↓ |
| 6X9 FRA | 6.86 | 0.00 | 4.00 | 3.00 | 4.00 | ↑ |
| 9X12 FRA | 6.78 | 1.00 | 6.50 | -1.00 | -31.00 | ↑ |
| 18X21 FRA | 6.92 | 0.00 | 9.50 | -6.00 | -24.00 | ↑ |
| SA 2yr Swap | 6.85 | -0.02 | 6.21 | -7.79 | -31.41 | ↑ |
| SA 3yr Swap | 6.97 | -0.02 | 7.89 | -7.61 | -28.41 | ↑ |
| SA 5yr Swap | 7.25 | 0.00 | 11.00 | -8.50 | -25.00 | ↑ |
| SA 10yr Swap | 7.74 | -0.50 | 12.00 | -18.50 | -23.00 | ↑ |
| SA 15yr Swap | 8.02 | -0.50 | 12.50 | -14.00 | -14.00 | ↑ |

| Spreads | Last price | Δ | | Δ | | MTD trend |
|----------------------------------|------------|-------|--------|--------|---------|-----------|
| | | 1d | MTD | YTD | 12Month | |
| | % | bps | bps | bps | bps | |
| 2v10y | -0.89 | 0.48 | -5.79 | 10.71 | -8.41 | ↓ |
| 3v10y | -0.77 | 0.48 | -4.11 | 10.89 | -5.41 | ↓ |
| R186-R204 | 1.40 | 0.10 | 9.60 | -12.40 | 0.17 | ↑ |
| R2048-R186 | 0.90 | -0.15 | 2.55 | -22.55 | -0.08 | ↑ |
| 5y-R186 | -0.98 | -0.05 | -13.25 | 28.25 | -24.54 | ↓ |
| 10y-R186 | -0.48 | -0.55 | -12.25 | 18.25 | -22.54 | ↓ |
| 15y-R186 | -0.20 | -0.55 | -11.75 | 22.75 | -13.54 | ↓ |
| SA 5yr CDS spread - basis points | 159.02 | 1.48 | 6.95 | 2.07 | -32.00 | ↑ |

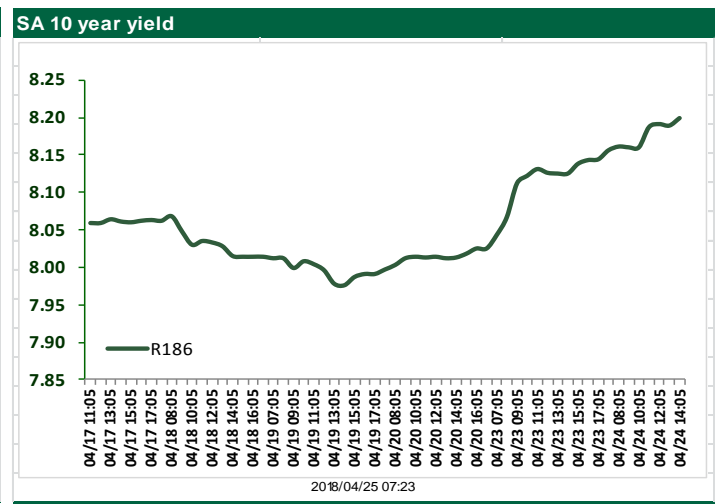
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US 10 year yield



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

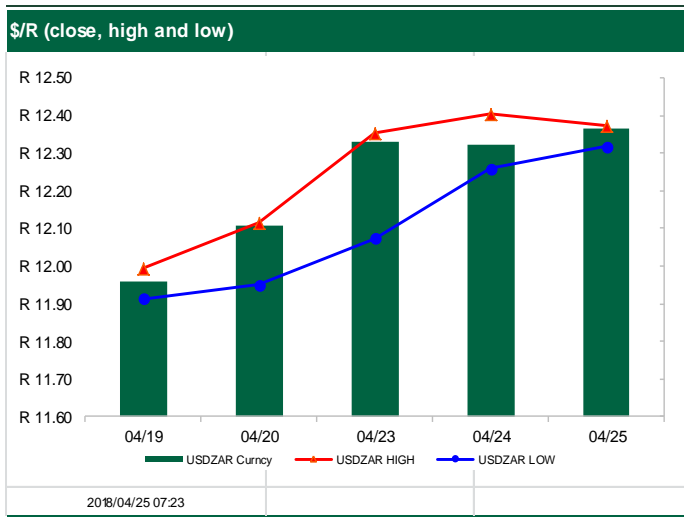
- The local session opened with the rand trading firmly on the back foot, the levels of activity on the day relatively limited but with liquidity at a premium, as a result, the moves were exacerbated and the local unit traded to a weakest level of 12.4000 on the day, closing the session trading at 12.3800. This morning the rand is currently trading at 12.3665, EURZAR is trading at 15.1105 and GBPZAR at 17.2755.
- International markets had a subdued session, EURUSD confined to a trading range on the day between 1.2183 and 1.2235, this morning currently trading at 1.2218 were it closed last night. Gold holding steady throughout the session trading at 1328.00 at the time of the local close, and this morning it trades unchanged from that level.
- Data releases scheduled for today, locally we have BER consumer confidence and the Deputy President is scheduled to answer questions in the national assembly, from France consumer confidence and from the U.S mortgage applications
- Over the last three trading sessions we have seen the rand lose ground, after having held onto levels sub 12.0000 it traded to a high of 12.4000 yesterday, this in the wake of various factors, primarily a global recovery by the dollar, but various local factors are likely to continue weighing on the local unit, including ongoing unrest in the Northwest province, broad based strike action and the indications that electricity supplies may be affected at Eskom.
- Possible trading range on the rand today 12.2500 to 12.4500

| Majors | Last price | %Δ -1d | %Δ MTD | %Δ YTD | %Δ 12Month | MTD trend | USD trend |
|-----------------------------|------------|--------|--------|--------|------------|-----------|--------------|
| GBPUSD | 1.40 | -0.07 | -0.34 | 3.37 | 8.79 | ↓ | USD strength |
| EURUSD | 1.22 | -0.22 | -0.89 | 1.74 | 11.55 | ↓ | USD strength |
| USDJPY | 109.07 | 0.32 | 2.56 | 3.32 | -1.75 | ↑ | USD strength |
| USDAUD | 1.32 | 0.34 | 1.42 | 3.01 | -0.60 | ↑ | USD strength |
| Rand crosses | Last price | %Δ -1d | %Δ MTD | %Δ YTD | %Δ 12Month | MTD trend | ZAR trend |
| USDZAR | 12.37 | 0.34 | 4.25 | -0.13 | -6.08 | ↑ | ZAR weakness |
| GBPZAR | 17.27 | 0.29 | 3.92 | 3.20 | 2.49 | ↑ | ZAR weakness |
| EURZAR | 15.11 | 0.15 | 3.37 | 1.67 | 4.92 | ↑ | ZAR weakness |
| AUDZAR | 9.37 | -0.06 | 2.98 | -3.12 | -5.30 | ↑ | ZAR weakness |
| ZARJPY | 8.82 | -0.10 | -1.82 | -2.43 | 4.03 | ↓ | ZAR weakness |
| African FX | Last price | %Δ -1d | %Δ MTD | %Δ YTD | %Δ 12Month | MTD trend | ZAR trend |
| ZARMWK (Malawian kwacha) | 58.58 | -0.34 | -4.77 | -0.04 | 5.47 | ↓ | ZAR weakness |
| ZARBWP (Botswana pula) | 0.79 | -0.16 | -2.22 | -0.24 | 0.40 | ↓ | ZAR weakness |
| ZARKES (Kenyan shilling) | 8.09 | -0.35 | -5.38 | -3.11 | 2.67 | ↓ | ZAR weakness |
| ZARMUR (Mauritian rupee) | 2.75 | -0.08 | -2.47 | 0.77 | 2.13 | ↓ | ZAR weakness |
| ZARNGN (Nigerian naira) | 29.07 | -0.36 | -4.75 | 0.05 | 18.12 | ↓ | ZAR weakness |
| ZARGHS (Ghanian cedi) | 0.36 | 0.03 | -3.75 | -1.56 | 11.00 | ↓ | ZAR weakness |
| ZARZMW (Zambian kwacha) | 0.77 | -0.38 | -6.68 | -4.01 | 7.50 | ↓ | ZAR weakness |
| ZARZMN (Mozambican metical) | 4.82 | -0.36 | -9.05 | 1.76 | -2.26 | ↓ | ZAR weakness |

Source: Bloomberg & Nedbank CIB
Time: 2018/04/25 07:23

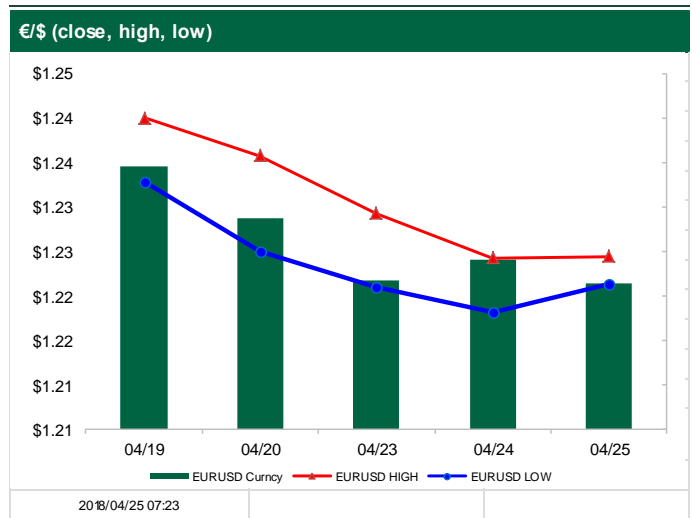
***Please note that the sign on the % change reflects the change on the headline number. The narrative indicates the trend direction over the month. For trade in any of these currencies, contact our FX dealing desks**

USDZAR



Source: Bloomberg, Nedbank

EUR/USD



Source: Bloomberg, Nedbank

Commodities

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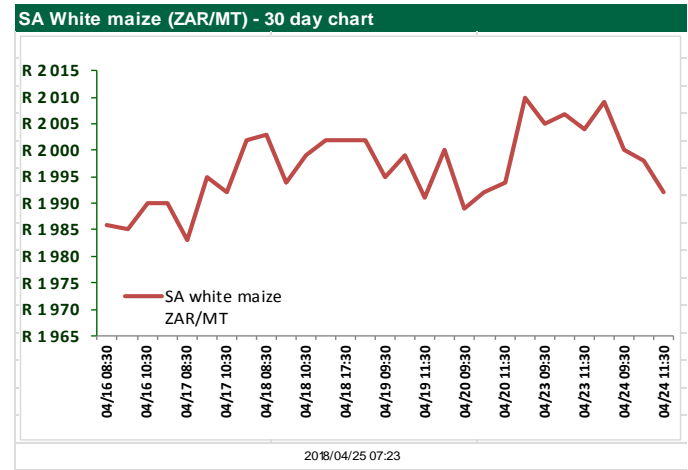
- Oil prices stable below more than three-year highs reached in the previous session as rising U.S. fuel inventories and production dragged on an otherwise bullish market.
- Gold steady as markets weigh stronger dollar and Treasury yields at highest since 2014, versus slump in equities. Palladium retreats as threat of Russian sanctions eases. Silver -0.2% to \$16.6905/oz, Platinum -0.3% to \$928.33/oz, Palladium -0.4% to \$971.25/oz for fifth straight decline.
- Aluminium declines for 5th day, heading for longest run of losses in almost a year, as supply disruption eases after U.S. softens position on sanctions against Russian producer United Co. Rusal, Nickel snapped a four-day drop.

Source: Bloomberg

| Commodities | Last price | %Δ -1d | %Δ MTD | %Δ YTD | %Δ 12Month | MTD trend |
|-------------------------|------------|--------|--------|--------|------------|-----------|
| Brent near future (\$) | 73.89 | 0.04 | 5.15 | 10.50 | 41.82 | ↑ |
| WTI crude (\$) | 67.71 | 0.01 | 4.27 | 12.07 | 36.62 | ↑ |
| Gold spot (\$) | 1 327.17 | -0.36 | 0.13 | 1.87 | 4.94 | ↑ |
| Platinum spot (\$) | 926.76 | -0.86 | -0.57 | -0.16 | -2.91 | ↓ |
| SA white maize spot (R) | 1 992.00 | -0.60 | 4.13 | 4.84 | 9.39 | ↑ |

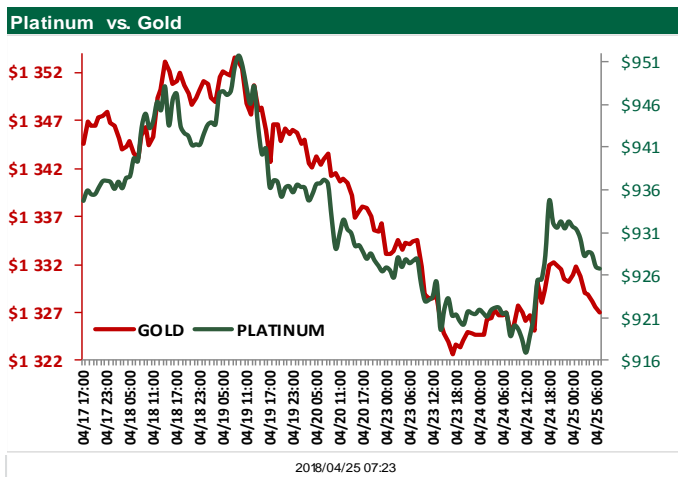
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SA white maize



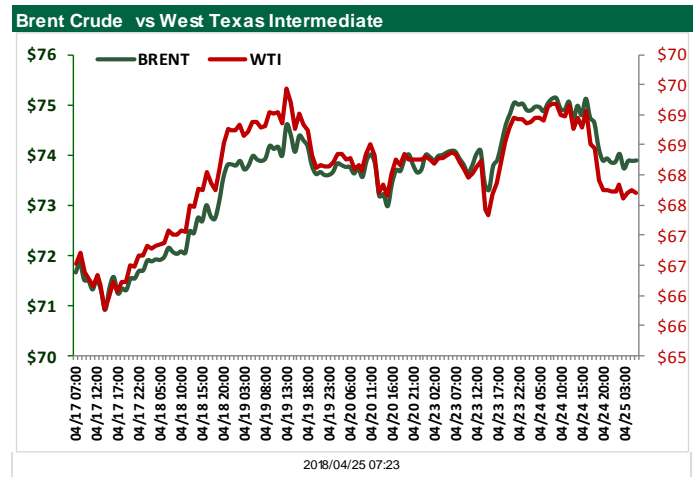
Source: Bloomberg, Nedbank

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 closed a dull trading session flat; gains in resources were offset by losses in financials. (Resi +1.2%, Fini -1% & Indi -0.06%)
- Anglo America and Kumba reported their 1Q production figures which both increased by 4%, the stocks closed with marginal losses.
- After the close, Anglo America Platinum (+8%) announced that they will be selling R320 million worth of Royal Bafokeng Platinum (+0.3%) via an accelerated book build.
- The value traded was R16.7 billion and the rand was trading around 12.37 to the US dollar at the close.

UK/Europe

- European markets lack of direction persisted with the major indexes closing on opposite sides of the unchanged mark.
- The FTSE climbed at the open and traded in a sideways direction until it closed up +0.4%. Energy and health care stocks led the gains.
- After spending the majority of the day in positive territory, the Dax closed down -0.2%. German business confidence came in weaker than expected and dampened sentiment.
- The Cac fluctuated across the unchanged mark and closed up +0.1%. Michelin, the tire maker shed -2% after disappointing results.

USA

- Market participants tuned negative on upcoming earnings results and all the major US indexes closed deep in negative territory.
- The S&P500 lost -1.3%, the Nasdaq tanked -1.7% and the Dow tumbled -1.7%, with this move, the Dow marked the 5th consecutive day of losses.
- The selloff was broad-based with all the major sub-sectors closing in the red besides telecommunications and utilities.
- Caterpillar report results which topped expectations, the stock initially rallied but management comments that this quarter would be the peak, saw the stock close down -6%.

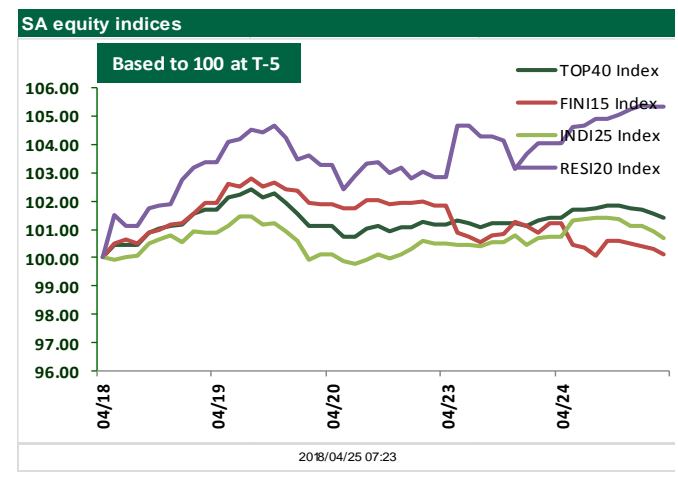
Asia

- Asian markets are trading in negative territory taking the lead from a weak close on Wall Street overnight, the MSCI Asian Pacific ex-Japan is down -0.9%
- The selloff was caused by rising bond yields and concerns about upcoming corporate earnings.
- The Japanese market is down -0.4% dragged lower by information technology and energy stocks.
- Tencent is currently trading down -2.5% in Hong Kong this morning.

| Developed Markets | Last price | %Δ -1d | %Δ MTD | %Δ YTD | %Δ 12Month | 2017 Performance % | MTD trend |
|-------------------|------------|--------|--------|--------|------------|--------------------|-----------|
| Dow Jones | 24 024.13 | -1.74 | -0.33 | -2.81 | 14.42 | 24.33 | ↓ |
| Nasdaq | 7 007.35 | -1.70 | -0.79 | 1.51 | 16.30 | 27.16 | ↓ |
| S&P 500 | 2 634.56 | -1.34 | -0.24 | -1.46 | 10.30 | 18.42 | ↓ |
| DJ Eurostoxx 50 | 3 510.88 | -0.06 | 4.44 | 0.20 | -2.02 | 5.70 | ↑ |
| DAX | 12 550.82 | -0.17 | 3.75 | -2.84 | 0.67 | 11.51 | ↑ |
| CAC | 5 444.16 | 0.10 | 5.36 | 2.48 | 3.15 | 8.43 | ↑ |
| FTSE | 7 425.40 | 0.36 | 5.23 | -3.41 | 2.06 | 7.10 | ↑ |
| ASX200 | 5 921.55 | 0.60 | 2.82 | -2.37 | 0.85 | 6.42 | ↑ |
| Nikkei 225 | 22 191.01 | -0.39 | 3.43 | -2.52 | 16.31 | 16.18 | ↑ |
| MSCI World | 2 081.52 | -0.75 | 0.71 | -1.04 | 10.60 | 19.65 | ↑ |
| Emerging Markets | Last price | %Δ -1d | %Δ MTD | %Δ YTD | %Δ 12Month | 2017 Performance % | MTD trend |
| Hang Seng | 30 378.89 | -0.84 | 0.95 | 1.54 | 24.22 | 35.19 | ↑ |
| Shanghai | 3 119.31 | -0.31 | -1.56 | -5.68 | -0.49 | 5.46 | ↓ |
| Brazil Bovespa | 85 469.08 | -0.16 | 0.12 | 11.87 | 31.19 | 28.22 | ↑ |
| India - NSE | 34 552.36 | -0.19 | 4.80 | 1.46 | 15.39 | 27.91 | ↑ |
| Russia Mccx | 2 253.77 | 0.12 | -0.76 | 6.83 | 12.78 | -7.69 | ↓ |
| MSCI Emerging | 1 154.21 | -0.35 | -1.42 | -0.37 | 17.46 | 34.35 | ↓ |
| SA Indices | Last price | %Δ -1d | %Δ MTD | %Δ YTD | %Δ 12Month | 2017 Performance % | MTD trend |
| JSE All Share | 57 675.21 | -0.01 | 3.97 | -3.07 | 8.30 | 17.47 | ↑ |
| Top 40 | 50 871.02 | -0.01 | 4.26 | -3.16 | 9.34 | 19.66 | ↑ |
| Resi 10 | 38 147.54 | 1.24 | 9.91 | 5.11 | 19.07 | 13.03 | ↑ |
| Indi 25 | 74 624.69 | -0.06 | 3.97 | -5.64 | 4.46 | 23.03 | ↑ |
| Fini 15 | 17 620.32 | -1.09 | 0.38 | -1.42 | 17.98 | 18.54 | ↑ |

Source: Bloomberg & Nedbank CIB
Time: 2018/04/25 07:23

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 |
|----------------------|-----------------------------|--|
| 30 April 2018 | | |
| ANH | Anheuser-Busch InBev Sa INV | dividend @ 2 EUR |
| BAWP | Barworld Ltd 6% Pref | dividend @ 6cps |
| CSP500 | Coreshares SP 500 | dividend @ 16.577970cps |
| GLPROP | Coreshares Global Prop | dividend @ 24.191870cps |
| MND | Mondi Ltd | dividend @ 625.735970cps and Special dividend @ 1458.5920cps |
| MNP | Mondi Plc | dividend @ 625.735970cps and Special dividend @ 1458.5920cps |
| NFP | New Frontier Prop Ltd | dividend @ 50.8758cps |
| RES | Resilient REIT Limited | Unbundling 0.4 FFB per 1 RES held |

Source: JSE

JSE performance

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| Top40 constituents | Last price | %Δ -1d | %Δ MTD | %Δ YTD | %Δ 12Month | 2017 Performance % | MTD trend |
|------------------------------------|------------|-----------|-----------|-----------|---------------|--------------------------|-----------|
| AGL : Anglo American Plc | 301.29 | -0.56 | 9.05 | 17.87 | 60.27 | 29.43 | ↑ |
| ANG : AngloGold Ashanti Ltd | 112.18 | 1.06 | -0.30 | -12.78 | -26.50 | -14.78 | ↓ |
| APN : Aspen Pharmacare Holdings Lt | 263.61 | -0.15 | 1.60 | -5.01 | -3.58 | -1.62 | ↑ |
| BGA : Barclays Africa Group Ltd | 174.00 | 0.00 | -8.28 | -4.39 | 17.71 | 7.05 | ↓ |
| BID : Bid Corp Ltd | 277.35 | -0.90 | 7.60 | -7.85 | -1.09 | 20.93 | ↑ |
| BL : Bhp Billiton Plc | 268.75 | 2.41 | 14.08 | 7.26 | 32.99 | 11.95 | ↑ |
| BTI : British American Tobacco Plc | 642.32 | 0.21 | -7.79 | -22.57 | -27.91 | 6.38 | ↓ |
| BVT : Bidvest Group Ltd | 241.50 | -0.12 | 7.76 | 10.73 | 51.82 | 21.18 | ↑ |
| CFR : Financiere Richemont-Dep Rec | 117.37 | 1.10 | 9.98 | 5.03 | 8.32 | 24.15 | ↑ |
| CPI : Capitec Bank Holdings Ltd | 874.00 | 1.20 | 0.43 | -20.40 | 11.62 | 58.44 | ↑ |
| DSY : Discovery Ltd | 170.39 | -1.40 | -0.06 | -8.39 | 27.58 | 61.26 | ↓ |
| FSR : Firstrand Ltd | 65.52 | -1.40 | -2.06 | -2.57 | 33.17 | 25.00 | ↓ |
| GFI : Gold Fields Ltd | 49.04 | 0.22 | 2.21 | -9.35 | 5.69 | 23.12 | ↑ |
| GRT : Grow thpoint Properties Ltd | 28.49 | -1.42 | 0.28 | 3.00 | 12.61 | 6.59 | ↑ |
| INL : Investec Ltd | 98.70 | 0.56 | 6.96 | 10.01 | 1.36 | -1.57 | ↑ |
| INP : Investec Plc | 99.50 | 0.56 | 7.68 | 10.85 | 3.11 | -1.52 | ↑ |
| IPL : Imperial Holdings Ltd | 236.00 | -0.31 | 1.18 | -9.97 | 45.39 | 41.52 | ↑ |
| LHC : Life Healthcare Group Holdin | 29.16 | -0.98 | 5.61 | 5.08 | 2.10 | -9.23 | ↑ |
| MEI : Mediclinic International Plc | 116.01 | -1.33 | 15.84 | 9.05 | -6.58 | -18.17 | ↑ |
| MND : Mondi Ltd | 351.65 | 2.52 | 9.13 | 10.14 | 4.04 | 14.66 | ↑ |
| MNP : Mondi Plc | 352.30 | 2.01 | 9.07 | 10.33 | 4.31 | 14.14 | ↑ |
| MRP : Mr Price Group Ltd | 268.75 | -1.76 | -5.70 | 9.75 | 67.60 | 53.52 | ↓ |
| MTN : Mtn Group Ltd | 122.70 | 0.25 | 3.09 | -10.18 | -0.45 | 5.08 | ↑ |
| NED : Nedbank Group Ltd | 293.75 | -0.11 | 2.88 | 14.70 | 30.03 | 6.16 | ↑ |
| NPN : Naspers Ltd-N Shs | 3 026.25 | -0.07 | 4.65 | -12.31 | 19.38 | 69.72 | ↑ |
| NRP : Nepi Rockcastle Plc | 133.19 | -3.10 | 15.82 | -37.64 | | | ↑ |
| OML : Old Mutual Plc | 43.75 | 2.22 | 8.21 | 15.13 | 31.18 | 9.35 | ↑ |
| RDF : Redefine Properties Ltd | 11.80 | -0.42 | 1.81 | 10.28 | 7.66 | -6.96 | ↑ |
| REM : Remgro Ltd | 225.00 | -0.79 | 1.35 | -4.66 | 1.48 | 4.19 | ↑ |
| RMH : Rmb Holdings Ltd | 76.90 | -0.70 | -0.32 | -2.87 | 26.07 | 18.13 | ↓ |
| RNI : Reinet Investments Sca | 227.50 | 0.89 | -1.09 | -16.97 | | | ↓ |
| SAP : Sappi Limited | 82.49 | 2.61 | 8.25 | -7.83 | -14.96 | 0.56 | ↑ |
| SBK : Standard Bank Group Ltd | 213.93 | -5.01 | -2.17 | 9.34 | 44.62 | 28.22 | ↓ |
| SHP : Shoprite Holdings Ltd | 244.61 | 0.34 | -3.16 | 10.59 | 19.64 | 27.89 | ↓ |
| SLM : Sanlam Ltd | 80.12 | -0.29 | -6.07 | -7.91 | 13.02 | 36.30 | ↓ |
| SOL : Sasol Ltd | 433.80 | 0.18 | 7.58 | 1.31 | 7.11 | 5.32 | ↑ |
| SPP : Spar Group Limited/The | 206.76 | -0.91 | 2.07 | 1.69 | 15.19 | 2.82 | ↑ |
| TBS : Tiger Brands Ltd | 384.73 | -0.89 | 3.42 | -16.36 | -3.93 | 16.65 | ↑ |
| TFG : The Foschini Group Ltd | 206.64 | -3.13 | -7.65 | 4.72 | 31.78 | 24.11 | ↓ |
| TRU : Truworths International Ltd | 100.12 | -3.07 | -6.89 | 5.98 | 15.04 | 17.70 | ↓ |
| VOD : Vodacom Group Ltd | 153.40 | 0.70 | 0.22 | 5.30 | 2.21 | -3.27 | ↑ |
| WHL : Woolworths Holdings Ltd | 62.44 | -2.74 | 4.07 | -4.39 | -14.80 | -9.09 | ↑ |

Source: Bloomberg & Nedbank CIB

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Economics

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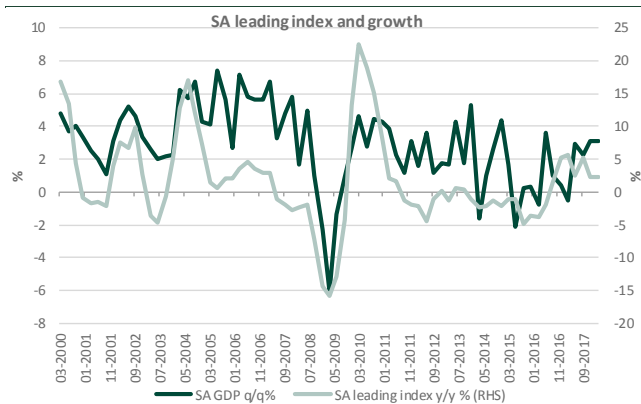
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SA

- The SARB's leading index rose by 1.4% m/m to 108.3 index points in February, from 106.8 in January. Of the 10 subcomponents, 5 increased while the remaining 5 declined, however the strength of the subcomponents that improved, more than offset losses from the rest of the indicators. The leading index provides a view on growth and economic activity in the next 6 to 9 months' time.
- The largest positive contributions towards the index came from higher building plans passed, improved business confidence and new vehicle sales, as well as better money supply growth. Commodity prices also influenced the index positively.
- Of the negative subcomponents, there are two that stand out as the most concerning – the composite leading index of SA's key trading partner countries turning lower, and a slowdown in manufacturing activity as new order volumes and worker hours declined. This indicates that real economy conditions remain extremely vulnerable to a slowdown in global economic activity, global demand and any disruptions to global trade. Job advertisement's had declined, weighing on the leading index, which means that labour market conditions still remain negative.

Synopsis: While the headline index continues to reflect optimism over the real economy, it has lost some steam lately, and this concerns us because of the relative accuracy of the index as well as what this easing means for SA GDP growth. For now, consumption remains the key driver of economic activity and this will likely be supported by lower inflation and interest rates. The medium term outlook is clouded by the global uncertainties, and local structural deficiencies.

SARB's leading index remains positive



Source: Bloomberg, Nedbank

Economic calendar

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| | Country | Event | Period | Survey | Actual | Prior | Revised |
|-----------------|---------|----------------------------------|--------|------------|----------|----------|----------|
| 24-April | | | | | | | |
| 07:00 AM | JN | Leading Index CI | FEB F | - | 106.0 | 106.0 | - |
| 09:00 AM | SA | Leading Indicator | FEB | - | 108.3 | 106.1 | 106.8 |
| 10:00 AM | GE | IFO Business Climate | APR | 102.8 | 102.1 | 114.7 | 103.3 |
| 10:00 AM | GE | IFO Current Assessment | APR | 106.0 | 105.7 | 125.9 | 106.6 |
| 10:00 AM | GE | IFO Expectations | APR | 99.5 | 98.7 | 104.4 | 100.0 |
| 10:30 AM | UK | PSNB ex Banking Groups | MAR | GBP 3.0b | GBP 1.3b | GBP 1.3b | GBP 1.2b |
| 03:00 PM | US | S&P CoreLogic CS 20-City YoY NSA | FEB | 6.35% | 6.80% | 6.40% | 6.43% |
| 04:00 PM | US | Conf. Board Consumer Confidence | APR | 126.0 | 128.7 | 127.7 | 127.0 |
| 04:00 PM | US | Richmond Fed Manufact. Index | APR | 16 | -3 | 15 | - |
| 04:00 PM | US | New Home Sales | MAR | 630k | 694k | 618k | 667k |
| 04:00 PM | US | New Home Sales MoM | MAR | 1.94% | 4.00% | -0.60% | 3.60% |
| 25-April | | | | | | | |
| 10:00 AM | SA | BER Consumer Confidence | 1Q | - | - | -8.0 | - |
| 26-April | | | | | | | |
| 11:30 AM | SA | PPI YoY | | 4.00% | - | 4.20% | - |
| 01:45 PM | EC | ECB Deposit Facility Rate | APR 26 | -0.40% | - | -0.40% | - |
| 01:45 PM | EC | ECB Main Refinancing Rate | APR 26 | 0.00% | - | 0.00% | - |
| 01:45 PM | EC | ECB Marginal Lending Facility | APR 26 | 0.25% | - | 0.25% | - |
| 02:30 PM | US | Wholesale Inventories MoM | MAR P | 0.65% | - | 1.00% | - |
| 02:30 PM | US | Cap Goods Orders Nondef Ex Air | MAR P | 0.6% | - | 1.4% | - |
| 02:30 PM | US | Durables Ex Transportation | MAR P | 0.50% | - | 1.00% | - |
| 02:30 PM | US | Durable Goods Orders | MAR P | 1.6% | - | 3.0% | - |
| 02:30 PM | US | Advance Goods Trade Balance | MAR | USD -75.0b | - | 00:00 | - |
| 05:00 PM | US | Kansas City Fed Manf. Activity | APR | 17.0 | - | 17.0 | - |

Source: Bloomberg 2018/04/25 07:22

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