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Key daily drivers

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SNIPPETS

(Fixed Income)	Bonds yet again closed the week on the back foot, largely due to further currency weakness; The key data prints for the market this week would be local CPI for May and the current account balance for Q1:18
(Currencies)	Global trade wars weigh on emerging markets
(Commodities)	Oil fell near \$64 a barrel as Saudi Arabia and Russia prepared for a clash with allied crude producers over whether to lift output and as China and the U.S. exchanged threats over trade
(Equities)	The JSE tracked global markets lower as trade war concerns weigh across the globe

Key overnight factors and upcoming events this week

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Date	Region	Event ↓ ↑ →	Actual/expected/prior	Implications
19/06	EZ	Current account	--/--/32b	Current account surplus may widen as per the seasonal trend
20/06	SA	CPI	--/--/4.5%	SA CPI is expected to rise due to higher transport inflation
21/06	SA	Current account	--/--/2.9%	Deficit may widen due to a decline in exports over the quarter
21/06	UK	BOE interest rate decision	--/--/0.5%	Market expects no change to BOE interest rates, however may sound cautious in the midst of geopolitical tensions and inflation still above target

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				MTD trend
		1d	MTD	YTD	12Month	
R204-0.5 yrs	6.86	-0.10	10.20	-20.70	-54.50	↑
R208-2.8 yrs	7.97	-0.05	31.55	41.05	39.75	↑
R186-8.5 yrs	9.00	0.30	42.80	41.00	52.40	↑
R2048-29.7 yrs	9.86	0.10	41.00	14.40	17.90	↑
US 10 yr	2.91	-1.28	4.91	50.23	75.64	↑
UK 10 yr	1.33	-0.60	9.80	13.80	29.70	↑
German 10 yr	0.40	-2.30	6.20	-2.40	12.10	↑
Japan 10 yr	0.04	0.00	-0.20	-1.00	-1.80	↓

Money Market	Last price	Δ				MTD trend
		1d	MTD	YTD	12Month	
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)	4.50		70.00	-20.00	-80.00	↑
SA 3m JIBAR	6.92	0.00	0.90	-24.10	-40.00	↑
SA 3m NCD	6.90	0.00	-1.25	-25.00	-42.50	↓
SA 6m NCD	7.43	0.00	0.00	-17.50	-40.00	⇒
SA 12m NCD	8.08	0.00	13.75	17.50	-7.50	↑
US 3m LIBOR	2.33	-0.88	0.47	63.17	105.85	↑
UK 3m LIBOR	0.63	0.28	1.93	10.97	34.21	↑
Japan 3m LIBOR	-0.04	0.00	-2.23	-1.63	-2.96	↓

Source: Bloomberg & Nedbank CIB

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FRAs and Swaps	Last price	Δ				MTD trend
		1d	MTD	YTD	12Month	
3X6 FRA	6.98	-1.00	6.00	9.00	-24.00	↑
6X9 FRA	6.86	0.00	4.00	3.00	4.00	↑
9X12 FRA	7.25	-0.50	22.50	45.50	34.50	↑
18X21 FRA	7.57	-0.50	30.50	58.50	63.50	↑
SA 2yr Swap	7.28	-0.06	20.24	35.26	26.74	↑
SA 3yr Swap	7.50	1.00	27.80	45.00	41.80	↑
SA 5yr Swap	7.86	0.50	35.50	52.50	55.00	↑
SA 10yr Swap	8.37	-0.25	39.75	44.25	55.75	↑
SA 15yr Swap	8.64	-1.50	40.00	47.50	61.25	↑

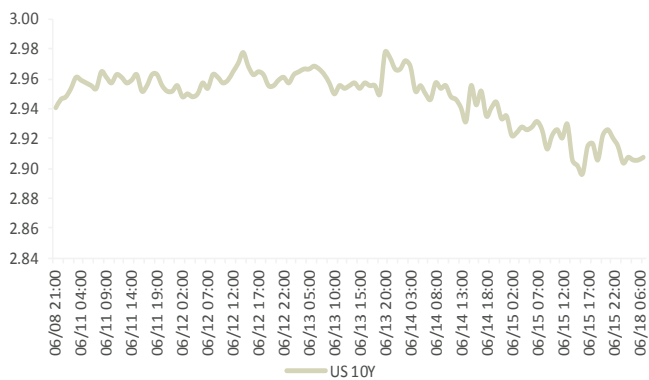
Spreads	Last price	Δ				MTD trend
		1d	MTD	YTD	12Month	
2v10y	-1.08	0.19	-19.51	-8.99	-29.01	↓
3v10y	-0.87	1.25	-11.95	0.75	-13.95	↓
R186-R204	2.14	0.40	32.60	61.70	106.90	↑
R2048-R186	0.86	-0.20	-1.80	-26.60	-34.50	↓
5y-R186	-1.14	0.20	-7.30	11.50	2.60	↓
10y-R186	-0.63	-0.55	-3.05	3.25	3.35	↓
15y-R186	-0.36	-1.80	-2.80	6.50	8.85	↓
SA 5yr CDS spread - basis points	206.05	0.00	29.78	49.08	15.28	↑

Source: Bloomberg & Nedbank CIB

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US 10 year yield

US 10 year yield



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Source: Bloomberg, Nedbank

SA 10 year yield

SA 10 year yield



2018/06/18 08:02

Source: Bloomberg, Nedbank

Currencies

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- The final session of the week saw the rand open the session trading in the mid 13.40's, after the capitulation by the local unit the day before, on Friday the markets were understandably cautious, the currency managing a best level of 13.3650 on the day, the session closing the week trading at 13.4875. Limited price action since the time of the close, currently the rand trades at 13.4450, EURZAR is trading at 15.5815 and GBPZAR at 17.8375.
- International markets saw the dollar remain generally resilient, EURUSD trading around the 1.1600 pivot, but the effects of the ECB announcement still weighing on the currency, this morning currently trading at 1.1592.
- As the dollar has flourished, the markets have retreated from gold, on Friday it opened the session trading at 1301.00, losing some 20 dollars over the course of the day, this morning it currently trades at 1279.20.
- Very limited data today, only U.S NAHB housing index, locally the focus will be on the new mining charter and the details thereof, various central bankers over the course of the week.
- The rand has traded exceptionally poorly going into the close of last week, this attributable to various factors, locally the majority of the provincial structures remain in crises, the rolling black outs from Eskom will weigh on the economy and globally our emerging markets peers Argentina and Turkey continue to struggle.
- Possible trading range in the rand today 13.3000 to 13.6500

Majors	Last price	%Δ -1d	%Δ MTD	%Δ YTD	%Δ 12Month	MTD trend	USD trend
GBPUSD	1.33	-0.04	-0.19	-1.78	4.21	↓	USD strength
EURUSD	1.16	-0.14	-0.85	-3.42	3.99	↓	USD strength
USDJPY	110.50	-0.14	1.52	1.98	-0.93	↑	USD strength
USDAUD	1.34	-0.10	1.60	4.81	2.02	↑	USD strength

Rand crosses	Last price	%Δ -1d	%Δ MTD	%Δ YTD	%Δ 12Month	MTD trend	ZAR trend
USDZAR	13.43	0.01	5.45	7.81	3.20	↑	ZAR weakness
GBPZAR	17.83	0.01	5.27	6.21	7.11	↑	ZAR weakness
EURZAR	15.57	-0.17	4.64	4.61	6.92	↑	ZAR weakness
AUDZAR	10.00	0.11	3.94	3.41	1.24	↑	ZAR weakness
ZARJPY	8.23	-0.17	-4.15	-9.75	-4.44	↓	ZAR weakness

African FX	Last price	%Δ -1d	%Δ MTD	%Δ YTD	%Δ 12Month	MTD trend	ZAR trend
ZARMWK (Malawian kwacha)	53.91	-0.02	-5.99	-8.89	-3.75	↓	ZAR weakness
ZARBWP (Botswana pula)	0.77	0.30	-2.52	-3.29	-2.82	↓	ZAR weakness
ZARKES (Kenyan shilling)	7.53	-0.02	-5.98	-10.68	-5.86	↓	ZAR weakness
ZARMUR (Mauritian rupee)	2.56	-0.79	-7.09	-6.60	-4.48	↓	ZAR weakness
ZARNGN (Nigerian naira)	26.91	-0.02	-5.57	-8.08	7.86	↓	ZAR weakness
ZARGHS (Ghanian cedi)	0.35	-0.03	-5.60	-4.31	2.91	↓	ZAR weakness
ZARZMW (Zambian kwacha)	0.74	0.48	-8.66	-8.24	4.58	↓	ZAR weakness
ZARMZN (Mozambican metical)	4.43	0.40	-6.18	-6.94	-4.39	↓	ZAR weakness

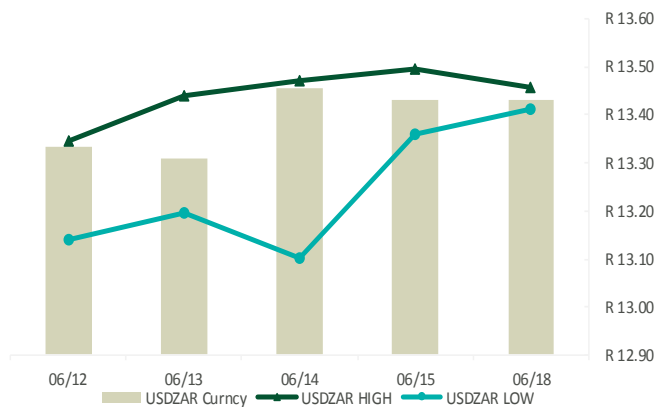
Source: Bloomberg & Nedbank CIB

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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

\$/R (close, high and low)

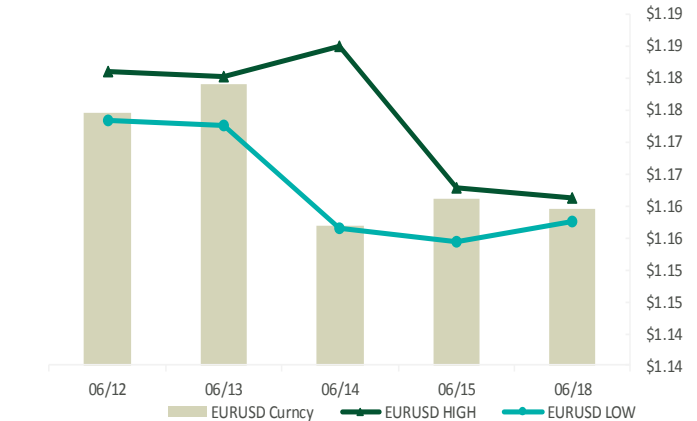


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Source: Bloomberg, Nedbank

EUR/USD

€/€ (close, high and low)



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Source: Bloomberg, Nedbank

Commodities

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- Oil fell near \$64 a barrel as Saudi Arabia and Russia prepared for a clash with allied crude producers over whether to lift output and as China and the U.S. exchanged threats over trade. Futures dropped 2.3%, on course for the lowest close since April 9 after a 2.7% decline Friday.
- Gold steadies, after tumbling Friday on divergence in interest rate outlook in major economies. Bullion for immediate delivery flat at \$1,279.98/oz; metal slid 2.1% on Friday.
- Silver -0.3%; palladium, platinum little changed.
- Industrial metals mixed after dropping most since April 23 Friday as trade war fears escalate.
- LME copper -0.1% to \$7,010/ton after -2.2% Fri; aluminum +0.4% after -2.3%; others flat.

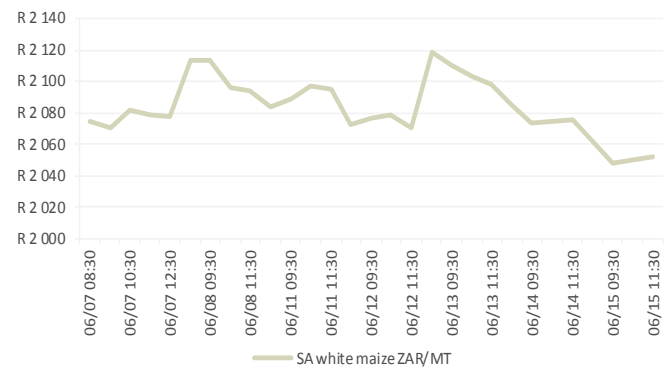
Source: Bloomberg

Commodities	Last price	%Δ -1d	%Δ MTD	%Δ YTD	%Δ 12Month	MTD trend
Brent near future (\$)	72.91	-0.72	-6.03	9.03	53.92	↓
WTI crude (\$)	63.90	-1.78	-4.68	5.76	42.83	↓
Gold spot (\$)	1 279.70	0.06	-1.45	-1.77	2.88	↓
Platinum spot (\$)	887.41	-0.09	-2.16	-4.40	-4.07	↓
SA white maize spot (R)	2 052.00	-1.16	-3.44	8.00	17.06	↓

Source: Bloomberg & Nedbank CIB
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SA white maize

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



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Source: Bloomberg, Nedbank

Platinum vs Gold

Platinum vs. Gold

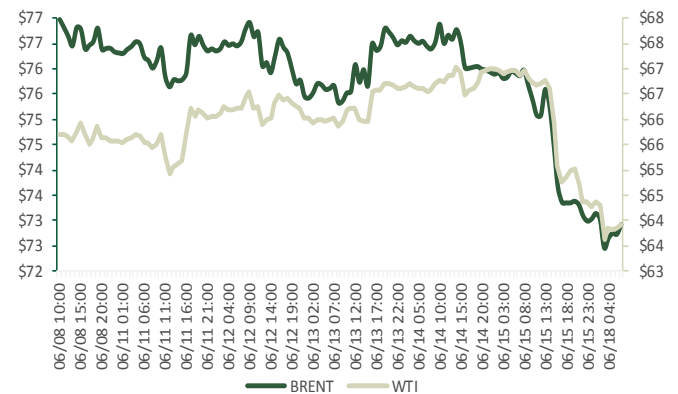


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Source: Bloomberg, Nedbank

Brent Crude vs West Texas Intermediate

Brent Crude vs West Texas Intermediate



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Source: Bloomberg, Nedbank

Equities

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Cash equities | +2711 535 4030/31

South Africa

- The JSE tracked global markets lower, with the Top40 ending the day down 1.63% at 51327.70
- The banking index was the worst performer, losing 3.94%
- In corporate news, PPC tumbled 8.6% following a trading update.
- The value traded at the close was well above average, R44billion, due to the index rebalance and the ZAR was trading at 13.40 vs the dollar.

UK/Europe

- European markets ended Friday's session lower, with tariff disputes between the US and China weighing on the region.
- Commodity and banking stocks took the most pain, with the pan-European basic resources sector losing 3.3% and banks were down 1.9%.
- Rolls Royce, bucked the trend, surging 7.6% after reporting they would exceed their 2020 guidance, announcing new mid-term goals.
- Britain's largest retailer, Tesco, added 1.9% after a drive to lower prices, booster their quarterly sales.
- The DAX lost 0.74%, the CAC40 fell 0.485 and the FTSE 100 declined 1.7%.

USA

- US markets closed weaker on trade war concerns, but off session lows, with companies most sensitive to trade war worries dragging the market lower.
- Boeing and Caterpillar Inc lost 1.3% and 2% respectively.
- The energy sector was the biggest loser, closing down 2.1% tracking a 3% fall in oil prices ahead of this week's OPEC meeting.
- Volumes were heavy due to "quadruple witching"- the quarterly simultaneous expiry of US options and futures contracts.
- The Dow lost 0.3%, the S&P500 fell 0.1% and the Nasdaq ended the down 0.2%

Asia

- Asian markets are trading lower this morning, with weak commodity and oil prices dragging markets lower.
- In Japan, a 6.1 magnitude earthquake in Osaka, weighed on utility companies headquartered in the Kansai region.
- Chinese markets are closed today for the Dragon Boat Festival.
- Material and energy stocks weighed on the ASX, offsetting gains in the financial and healthcare sectors.
- BHP Billiton was down 2.31% and Rio Tinto lost 1.93%.

Developed Markets	Last price	%Δ				2017 Performance	MTD trend
		-1d	MTD	YTD	12Month		
Dow Jones	25 090.48	-0.34	2.76	1.50	17.33	24.33	↑
Nasdaq	7 746.38	-0.19	4.09	12.21	25.92	27.16	↑
S&P 500	2 779.66	-0.10	2.75	3.97	14.24	18.42	↑
DJ Eurostoxx 50	3 505.02	-0.63	2.89	0.03	-1.49	5.70	↑
DAX	13 010.55	-0.74	3.22	0.72	1.92	11.51	↑
CAC	5 501.88	-0.48	1.92	3.56	4.56	8.43	↑
FTSE	7 633.91	-1.70	-0.58	-0.70	1.78	7.10	↓
ASX200	6 101.20	0.12	1.49	0.59	5.67	6.42	↑
Nikkei 225	22 660.79	-0.84	2.07	-0.46	13.63	16.18	↑
MSCI World	2 134.15	-0.37	1.97	1.46	10.97	19.65	↑

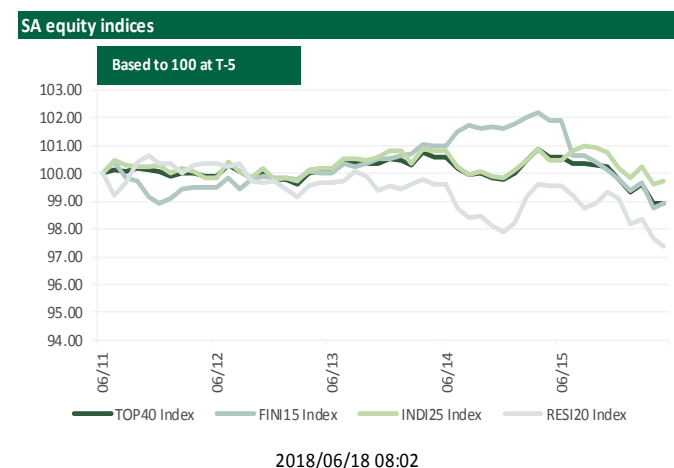
Emerging Markets	Last price	%Δ				2017 Performance	MTD trend
		-1d	MTD	YTD	12Month		
Hang Seng	30 309.49	-0.43	-0.52	1.30	18.27	35.19	↓
Shanghai	3 021.90	-0.73	-2.38	-8.63	-3.24	5.46	↓
Brazil Bovespa	70 757.73	-0.93	-7.81	-7.39	14.82	28.22	↓
India - NSE	35 643.47	0.06	0.91	4.66	14.60	27.91	↑
Russia Micex	2 237.53	-0.71	-2.84	6.06	18.81	-7.69	↓
MSCI Emerging	1 113.76	-1.06	-0.62	-3.86	11.03	34.35	↓

SA Indices	Last price	%Δ				2017 Performance	MTD trend
		-1d	MTD	YTD	12Month		
JSE All Share	57 660.50	-1.43	2.68	-3.10	11.69	17.47	↑
Top 40	51 327.70	-1.63	3.10	-2.29	13.39	19.66	↑
Resi 10	41 258.18	-2.19	4.20	13.68	36.21	13.03	↑
Indi 25	75 342.47	-0.70	4.61	-4.73	7.56	23.03	↑
Fini 15	16 324.34	-2.96	-1.72	-8.67	12.56	18.54	↓

Source: Bloomberg & Nedbank CIB

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Short-term performance of SA equity indices



Source: Bloomberg, Nedbank

Last day to trade

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Share code	Share name	Dividend / interest rate
19 June 2018		
AWA	Arrowhead Properties Ltd	dividend @ 40.430cps
HCI	Hosken Cons Inv Ltd	dividend @ 190cps
LHC	Life Healthcare Group Holdings Ltd	dividend @ 38cps or 1.41843 new per 100 held
MRP	Mr Price Group Ltd	dividend @ 414.10cps
QFH	Quantum Foods Holdings Ltd	dividend @ 20cps
RLO	Reunert Ltd	dividend @ 125cps
SPP	The Spar Group Ltd	dividend @ 270cps
TKG	Telkom SA Soc Ltd	dividend @ 236.974460cps
TON	Tongaat Hulett Ltd	dividend @ 60cps
VKE	Vukile Property Fund Ltd	dividend @ 96.166250cps or 4.73725 new per 100 held
VOD	Vodacom Group Ltd	dividend @ 425cps

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	307.25	-3.41	1.57	20.20	88.14	29.43	↑
ANG : Anglogold Ashanti Ltd	109.28	-5.25	1.20	-15.04	-20.99	-14.78	↑
APN : Aspen Pharmacare Holdings Lt	264.43	-1.13	5.77	-4.71	-4.88	-1.62	↑
BGA : Barclays Africa Group Ltd	162.30	-2.04	0.38	-10.82	10.78	7.05	↑
BID : Bid Corp Ltd	276.10	-1.43	8.74	-8.27	-4.36	20.93	↑
BIL : Bhp Billiton Plc	300.76	-2.90	3.95	20.04	59.00	11.95	↑
BTI : British American Tobacco Plc	667.82	0.88	2.99	-19.49	-25.06	6.38	↑
BVT : Bidvest Group Ltd	204.00	-1.81	0.99	-6.46	30.24	21.18	↑
CFR : Financiere Richemont-Dep Rec	124.64	0.41	6.89	11.53	18.84	24.15	↑
CLS : Clicks Group Ltd	203.70	0.84	0.85	12.46	47.40	54.21	↑
CPI : Capitec Bank Holdings Ltd	865.00	-1.96	-1.08	-21.22	14.41	58.44	↓
DSY : Discovery Ltd	143.69	-0.59	-6.79	-22.75	15.30	61.26	↓
FSR : Firstrand Ltd	60.50	-4.30	0.83	-10.04	27.83	25.00	↑
GFI : Gold Fields Ltd	48.93	-1.11	8.30	-9.56	9.22	23.12	↑
GRT : Growthpoint Properties Ltd	27.01	-0.66	-0.70	-2.35	9.13	6.59	↓
INL : Investec Ltd	96.89	-2.93	5.17	7.99	1.88	-1.57	↑
INP : Investec Plc	99.81	-1.52	6.98	11.20	5.62	-1.52	↑
LHC : Life Healthcare Group Holdin	26.56	2.11	-6.81	-4.29	2.71	-9.23	↓
MEI : Mediclinic International Plc	97.99	-1.94	-4.41	-7.89	-23.49	-18.17	↓
MND : Mondi Ltd	368.25	-0.07	5.00	20.24	17.29	14.66	↑
MNP : Mondi Plc	371.80	0.62	5.64	21.75	18.15	14.14	↑
MRP : Mr Price Group Ltd	242.80	-0.90	-3.27	-0.85	53.79	53.52	↓
MTN : Mtn Group Ltd	111.21	-1.58	-2.87	-18.59	0.72	5.08	↓
NED : Nedbank Group Ltd	264.95	-3.94	-3.16	3.46	27.57	6.16	↓
NPN : Naspers Ltd-N Shs	3 299.12	-1.08	9.03	-4.40	32.17	69.72	↑
NRP : Nepi Rockcastle Plc	122.00	-3.85	-1.61	-42.88			↓
NTC : Netcare Ltd	29.66	2.35	0.17	17.93	19.07	-20.66	↑
OML : Old Mutual Plc	39.32	-2.19	-2.65	3.47	19.37	9.35	↓
RDF : Redefine Properties Ltd	10.72	-0.83	-2.28	0.19	2.10	-6.96	↓
REM : Remgro Ltd	202.75	-1.57	-0.61	-14.09	-2.00	4.19	↓
RMH : Rmb Holdings Ltd	73.28	-1.68	0.89	-7.44			↑
SAP : Sappi Limited	93.76	2.19	12.65	4.76	9.66	0.56	↑
SBK : Standard Bank Group Ltd	197.10	-5.23	-4.97	0.74	39.06	28.22	↓
SHP : Shoprite Holdings Ltd	233.17	-1.62	-0.38	5.42	17.47	27.89	↓
SLM : Sanlam Ltd	71.88	-3.35	-5.48	-17.38	11.44	36.30	↓
SOL : Sasol Ltd	479.36	-1.37	4.78	11.95	32.10	5.32	↑
SPP : Spar Group Limited/The	188.66	-0.71	-2.12	-7.21	23.71	2.82	↓
TBS : Tiger Brands Ltd	324.93	-0.63	-3.27	-29.36	-12.89	16.65	↓
TFG : The Foschini Group Ltd	188.77	-0.39	2.46	-4.34	34.11	24.11	↑
TRU : Truworths International Ltd	82.00	-1.20	-2.47	-13.20	12.53	17.70	↓
VOD : Vodacom Group Ltd	134.55	-2.85	-6.24	-7.64	-18.10	-3.27	↓
WHL : Woolworths Holdings Ltd	55.67	-1.73	-4.58	-14.76	-10.60	-9.09	↓

Source: Bloomberg & Nedbank CIB

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Economic calendar

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	Country	Event	Period	Survey	Actual	Prior	Revised
15-June							
04:41 AM	JN	BOJ 10-Yr Yield Target	JUN 15	-	0.00%	0.00%	-
04:41 AM	JN	BOJ Policy Balance Rate	JUN 15	-	-0.10%	-0.10%	-
08:00 AM	GE	Wholesale Price Index YoY	APR	-	2.90%	1.40%	-
11:00 AM	EC	CPI Core YoY	MAY F	-	1.10%	1.10%	-
11:00 AM	EC	Trade Balance SA	APR	-	EUR 18.1b	EUR 21.2b	EUR 19.8b
11:00 AM	EC	CPI YoY	MAY F	-	1.30%	1.20%	-
03:15 PM	US	Capacity Utilization	MAY	-	77.86%	78.00%	78.10%
03:15 PM	US	Industrial Production MoM	MAY	-	-0.09%	0.70%	0.90%
03:15 PM	US	Manufacturing (SIC) Production	MAY	-	-0.70%	0.50%	0.60%
04:00 PM	US	U. of Mich. Sentiment	JUN P	-	99.3	98.0	-
10:00 PM	US	Net Long-term TIC Flows	APR	-	USD 93.9b	USD 61.8b	-
10:00 PM	US	Total Net TIC Flows	APR	-	USD 138.7b	USD -38.5b	USD -43.6b
18-June							
01:50 AM	JN	Exports YoY	MAY	7.50%	8.10%	7.80%	-
01:50 AM	JN	Imports YoY	MAY	8.00%	14.00%	5.90%	-
01:50 AM	JN	Trade Balance Adjusted	MAY	JPY 144.1b	JPY -296.8b	JPY 550.0b	JPY 453.9b
19-June							
10:00 AM	EC	Current Account NSA	APR	-	-	EUR 40.6b	-
10:00 AM	EC	ECB Current Account SA	APR	-	-	EUR 32.0b	-
02:30 PM	US	Building Permits	MAY	1350k	-	1364k	-
02:30 PM	US	Building Permits MoM	MAY	-1.00%	-	-0.90%	-
02:30 PM	US	Housing Starts	MAY	1312k	-	1287k	-
02:30 PM	US	Housing Starts MoM	MAY	1.90%	-	-3.70%	-
20-June							
08:00 AM	GE	PPI YoY	MAY	2.50%	-	2.00%	-
10:00 AM	SA	CPI YoY	MAY	4.60%	-	4.50%	-
04:00 PM	US	Existing Home Sales	MAY	5.53m	-	5.46m	-
04:00 PM	US	Existing Home Sales MoM	MAY	1.28%	-	-2.50%	-

Source: Bloomberg 2018/06/18 07:57

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