

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)	Good buying into the MTM for half year end so rates and FX close well in SA after an otherwise quiet day, with most of the action in the last hour
(Currencies)	An eventful week ahead for FX markets with trade wars and FOMC minutes likely to feature, USDZAR end the week in a fairly steady range
(Commodities)	Gold price remains downbeat, oil supported by concerns over Libyan production
(Equities)	The All Share index rallied quite hard on Friday initially tracking Asian markets higher as the second quarter drew to a close
(Economics)	SA trade balance disappoints, but posts surplus in May; Eurozone inflation rises to 2%, US personal income growth higher; UK GDP upwardly revised

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
29/06	UK	GDP q/q	0.2%/0.1%/0.1%	Final estimate of UK GDP growth remains very low in Q1 despite upward revision
29/06	SA	Trade and budget balances	--	Trade balance shows wider surplus as a result of higher exports. Budget deficit better than expected as revenues rise
02/07	Global	PMIs	--	PMIs are expected to remain subdued, threat of global trade wars likely to weigh on manufacturing activity
02/07	SA	PMI	--	PMI expected to remain close to the 50-index point mark. While some recovery is anticipated in H2, this is highly dependent on global demand
05/07	US	ADP employment	--/190k/178k	Private sector payrolls is expected to improve in line with broad-based labour market growth

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				MTD trend
		1d	MTD	YTD	12Month	
	%	bps	bps	bps	bps	
R204-0.5 yrs	6.71	-0.70	-0.70	-35.10	-82.40	↓
R208-2.7 yrs	7.81	0.30	0.30	24.70	6.00	↑
R186-8.5 yrs	8.84	0.15	0.15	24.85	6.45	↑
R2048-29.7 yrs	9.67	0.05	0.05	-4.35	-18.75	↑
US 10 yr	2.85	-1.37	-1.37	44.10	54.28	↓
UK 10 yr	1.28	1.50	4.80	8.80	2.80	↑
German 10 yr	0.30	-1.70	-3.90	-12.50	-15.00	↓
Japan 10 yr	0.03	-0.40	-0.40	-1.60	-5.40	↓

Money Market	Last price	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)	4.40		-10.00	-30.00	-100.00	↓
SA 3m JIBAR	6.96	0.00	5.00	-20.00	-37.50	↑
SA 3m NCD	6.95	-1.25	-1.25	-20.00	-40.00	↓
SA 6m NCD	7.45	1.25	1.25	-15.00	-37.50	↑
SA 12m NCD	8.15	2.50	2.50	25.00	-7.50	↑
US 3m LIBOR	2.34	-0.16	1.45	64.15	103.71	↑
UK 3m LIBOR	0.67	0.60	6.26	15.31	36.74	↑
Japan 3m LIBOR	-0.05	0.25	-2.68	-2.08	-4.59	↓

Source: Bloomberg & Nedbank CIB

Time 2018/07/02 07:24

FRAs and Swaps	Last price	Δ				MTD trend
		1d	MTD	YTD	12Month	
	%	bps	bps	bps	bps	
3X6 FRA	7.05	-1.00	-1.00	16.00	-18.00	↓
6X9 FRA	6.86	0.00	4.00	3.00	4.00	↑
9X12 FRA	7.30	-0.50	-0.50	50.50	25.50	↓
18X21 FRA	7.54	-2.00	-2.00	56.00	42.00	↓
SA 2yr Swap	7.30	-1.41	-1.41	36.40	14.98	↓
SA 3yr Swap	7.48	-1.00	-1.00	42.50	23.90	↓
SA 5yr Swap	7.78	-1.50	-1.50	45.00	26.50	↓
SA 10yr Swap	8.30	-0.50	-0.50	37.00	21.50	↓
SA 15yr Swap	8.56	-1.00	-1.00	40.00	26.75	↓

Spreads	Last price	Δ				MTD trend
		1d	MTD	YTD	12Month	
	%	bps	bps	bps	bps	
2v10y	-1.00	-0.91	-0.91	-0.60	-6.52	↓
3v10y	-0.82	-0.50	-0.50	5.50	2.40	↓
R186-R204	2.13	0.85	0.85	59.95	88.85	↑
R2048-R186	0.83	-0.10	-0.10	-29.20	-25.20	↓
5y-R186	-1.06	-1.65	-1.65	20.15	20.05	↓
10y-R186	-0.54	-0.65	-0.65	12.15	15.05	↓
15y-R186	-0.28	-1.15	-1.15	15.15	20.30	↓
SA 5yr CDS spread - basis points	216.09	6.63	6.63	59.15	15.88	↑

Source: Bloomberg & Nedbank CIB

Time 2018/07/02 07:24

US 10 year yield

US 10 year yield

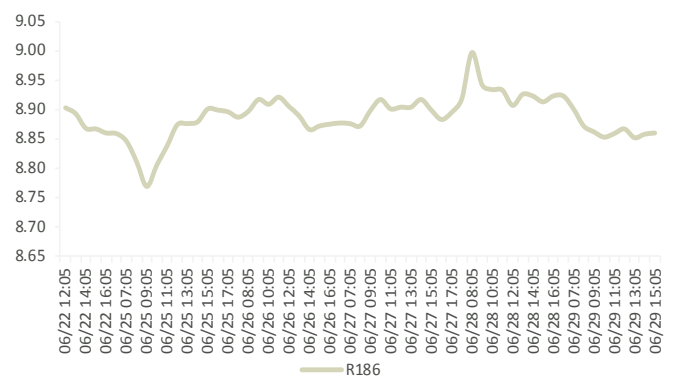


2018/07/02 07:24

Source: Bloomberg, Nedbank

SA 10 year yield

SA 10 year yield



2018/07/02 07:24

Source: Bloomberg, Nedbank

Currencies

[back to top](#)

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

- A fairly steady end to the week/month on Friday with the Rand basically tracking EUR moves and trading in more or less a 13.70-13.85 range, closing in New York around the 13.73 level. This morning we start around the mid 13.70's in what could be quite an eventful week with the 'trade wars' likely to come to the forefront again, FOMC minutes, a US holiday thrown in for good measure then US non-farm payrolls on Friday. Not much on the local front as local politics remain subdued for the time being but the SOE saga is bound to be in the headlines at some stage especially around Eskom's wage negotiations
- EUR got as high as 1.1690 in New York trade but is struggling again this morning as the Migration issue was stirred up in German political circles again over the weekend, currently around the 1.1645 level .
- Not much on the data front to start the week with UK Markit PMI data and the US ISM numbers this afternoon.
- Today's expected range 13.6500-13.8500

Majors	Last price	%Δ -1d	%Δ MTD	%Δ YTD	%Δ 12Month	MTD trend	USD trend
GBPUSD	1.32	-0.24	-0.24	-2.50	1.68	↓	USD strength
EURUSD	1.16	-0.31	-0.31	-2.97	2.56	↓	USD strength
USDJPY	110.72	-0.04	-0.04	1.78	-2.42	↓	USD weakness
USDAUD	1.35	0.34	0.34	5.77	3.71	↑	USD strength

Rand crosses	Last price	%Δ -1d	%Δ MTD	%Δ YTD	%Δ 12Month	MTD trend	ZAR trend
USDZAR	13.75	0.15	0.15	9.92	3.74	↑	ZAR weakness
GBPZAR	18.11	-0.10	-0.10	7.67	5.34	↓	ZAR strength
EURZAR	16.01	-0.15	-0.15	7.23	6.15	↓	ZAR strength
AUDZAR	10.15	-0.19	-0.19	4.75	0.17	↓	ZAR strength
ZARJPY	8.05	-0.18	-0.18	-12.10	-6.41	↓	ZAR weakness

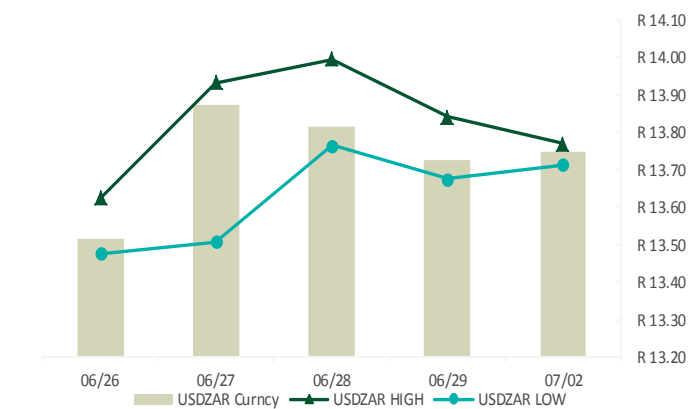
African FX	Last price	%Δ -1d	%Δ MTD	%Δ YTD	%Δ 12Month	MTD trend	ZAR trend
ZARMWK (Malawian kwacha)	52.79	0.05	0.05	-11.02	-3.96	↑	ZAR strength
ZARBWP (Botswana pula)	0.76	0.19	0.19	-4.88	-3.23	↑	ZAR strength
ZARKES (Kenyan shilling)	7.34	-0.19	-0.19	-13.67	-6.98	↓	ZAR weakness
ZARMUR (Mauritian rupee)	2.49	-1.54	-1.54	-9.41	-4.55	↓	ZAR weakness
ZARNGN (Nigerian naira)	26.30	0.06	0.06	-10.50	9.41	↑	ZAR strength
ZARGHS (Ghanian cedi)	0.33	-5.87	-5.87	-11.09	-0.09	↓	ZAR weakness
ZARZMW (Zambian kwacha)	0.72	-0.33	-0.33	-11.00	4.30	↓	ZAR weakness
ZARMZN (Mozambican metical)	4.30	-0.03	-0.03	-10.00	-5.70	↓	ZAR weakness

Source: Bloomberg & Nedbank CIB Time 2018/07/02 07:24

***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)

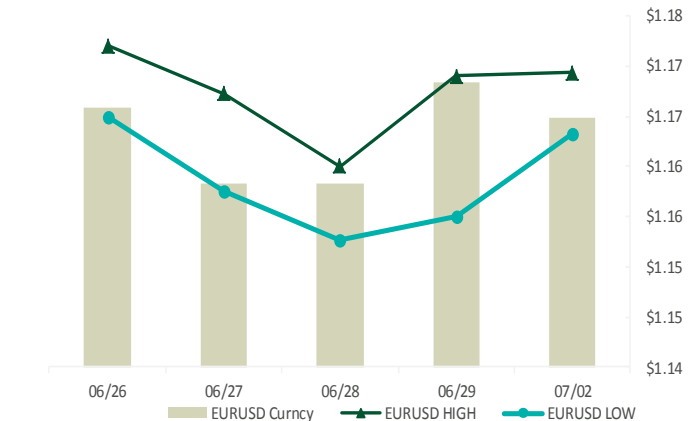


2018/07/02 07:24

Source: Bloomberg, Nedbank

EUR/USD

€/\$(close, high and low)



2018/07/02 07:24

Source: Bloomberg, Nedbank

Commodities

[back to top](#)

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

- WTI crude fell 1.2 percent to \$73.26 a barrel. Gold steady after suffering biggest monthly loss since November 2016 and metal's ETF holdings reach lowest in almost 3 months. Bullion for immediate delivery -0.1% to \$1,251.59/oz; monthly loss of 3.5% in June.
- Silver -0.1% to \$16.0974/oz. Platinum -0.5% to \$849.85/oz. Palladium -0.2% to \$953.77/oz. Industrial metals mostly steady after capping worst monthly drop since Dec. 2016 as investors grapple with trade war jitters.
- LME copper +0.1% to \$6,633.50/ton, down almost 10% from high on June 7; zinc also holds losses after entering into bear market last week.

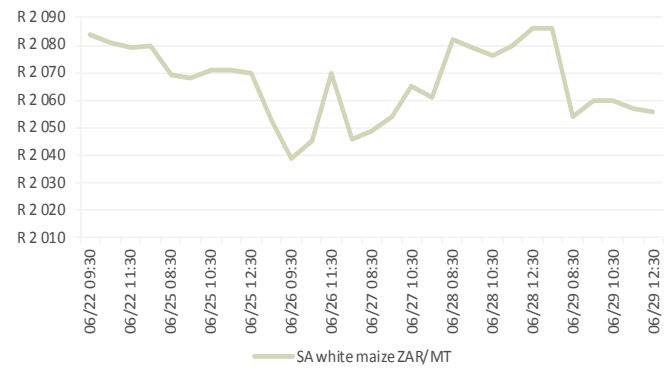
Source: Bloomberg

Commodities	Last price	%Δ -1d	%Δ MTD	%Δ YTD	%Δ 12Month	MTD trend
Brent near future (\$)	78.21	-1.29	-1.55	16.96	63.21	↓
WTI crude (\$)	73.33	-1.11	-1.11	21.37	59.27	↓
Gold spot (\$)	1 250.82	-0.14	-0.14	-3.99	2.50	↓
Platinum spot (\$)	846.10	-0.85	-0.85	-8.85	-6.60	↓
SA white maize spot (R)	2 056.00	-1.44	0.00	8.21	21.66	↔

Source: Bloomberg & Nedbank CIB Time 2018/07/02 07:24

SA white maize

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



2018/07/02 07:24

Source: Bloomberg, Nedbank

Platinum vs Gold

Platinum vs. Gold

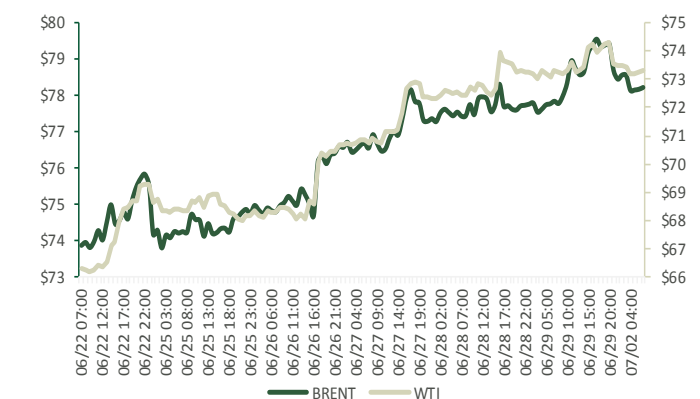


2018/07/02 07:24

Source: Bloomberg, Nedbank

Brent Crude vs West Texas Intermediate

Brent Crude vs West Texas Intermediate



2018/07/02 07:24

Source: Bloomberg, Nedbank

Equities

[back to top](#)

Cash equities | +2711 535 4030/31

South Africa

- The All Share index rallied quite hard on Friday initially tracking Asian markets higher as the second quarter drew to a close.
- The Resource index advanced 2.78% on the day with the likes of Sasol and Impala gaining 3.58% and 6.36% respectively.
- On the company front, Trustco released its year end results showing a 56% increase in its NAV.
- Value traded at 5pm was around R28bn with the currency at R13.71c vs. the USD at the close.

UK/Europe

- European markets were mostly stronger on Thursday with the DAX gaining 1.06%
- German Retail Sales declined 2.1% for May, this was worse than consensus estimates of -0.5%
- The Stoxx 50 was up 0.23% with the likes of Safran SA and Allianz SE advancing 3.89% and 2.50%

USA

- US markets ended the day in marginally positive territory on Friday as investors grapple with an unclear strategy towards Chinese trade
- The Dow Jones was up 0.41% while the S&P 500 climbed 0.62% with the energy index leading the upside.
- On the economic data front, PCE Deflator came in at 2.3% (y/y).

Asia

- Asian markets have failed to hold on to their gains from Friday in what seemed like a bit of window dressing before quarter end.
- The Hang Seng is closing for a public holiday while the Nikkei is down 1.56%
- The Australian ASX is down 0.17% with the likes of BHP Billiton retreating 0.77%

Developed Markets	Last price	%Δ		%Δ		2017 Performance	MTD trend
		-1d	MTD	YTD	12Month		
Dow Jones	24 271.41	0.23	0.00	-1.81	13.69	24.33	↗
Nasdaq	7 510.30	0.09	0.00	8.79	22.31	27.16	↗
S&P 500	2 718.37	0.08	0.00	1.67	12.17	18.42	↗
DJ Eurostoxx 50	3 395.60	0.89	0.00	-3.09	-1.34	5.70	↗
DAX	12 306.00	1.06	0.00	-4.73	-0.16	11.51	↗
CAC	5 323.53	0.91	0.00	0.21	3.96	8.43	↗
FTSE	7 636.93	0.28	0.00	-0.66	4.43	7.10	↗
ASX200	6 186.60	-0.13	-0.13	2.00	8.13	6.42	↘
Nikkei 225	21 998.15	-1.37	-1.37	-3.37	9.81	16.18	↘
MSCI World	2 089.30	0.47	0.00	-0.67	9.02	19.65	↗

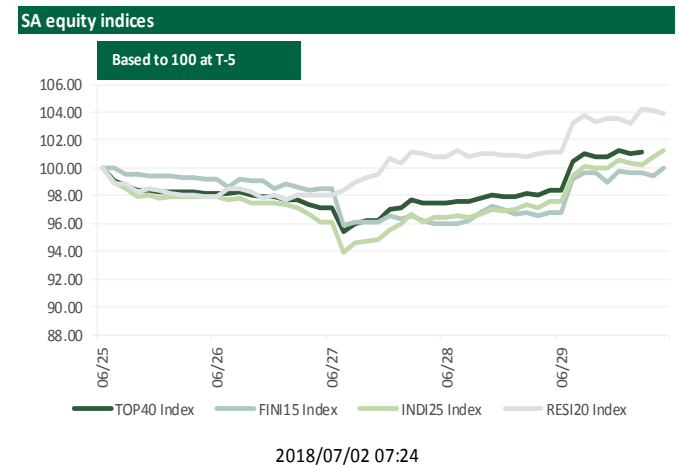
Emerging Markets	Last price	%Δ		%Δ		2017 Performance	MTD trend
		-1d	MTD	YTD	12Month		
Hang Seng	28 955.11	1.61	0.00	-3.22	12.38	35.19	↗
Shanghai	2 812.65	-1.22	-1.22	-14.95	-11.90	5.46	↘
Brazil Bovespa	72 762.51	1.39	0.00	-4.76	15.68	28.22	↗
India - NSE	35 212.98	-0.59	-0.59	3.39	13.88	27.91	↘
Russia Micex	2 295.95	2.03	0.00	8.83	22.16	-7.69	↗
MSCI Emerging	1 069.52	2.18	0.00	-7.68	5.81	34.35	↗

SA Indices	Last price	%Δ		%Δ		2017 Performance	MTD trend
		-1d	MTD	YTD	12Month		
JSE All Share	57 610.98	3.25	0.00	-3.18	11.63	17.47	↗
Top 40	51 516.06	3.49	0.00	-1.94	13.42	19.66	↗
Resi 10	42 130.25	2.78	0.00	16.08	39.10	13.03	↗
Indi 25	75 341.78	3.84	0.00	-4.73	6.85	23.03	↗
Fini 15	16 139.25	3.30	0.00	-9.70	11.54	18.54	↗

Source: Bloomberg & Nedbank CIB

Time 2018/07/02 07:24

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
3 July 2018		
AFH	Alexander Forbes Group Holdings	dividend @ 24cps
AOVP	African	dividend @ 6cps
CSG	CSG Holdings Ltd	dividend @ 5cps
CTK	Cartrack Holdings Ltd	dividend @ 28cps
GAI	Gaia Infrastruct Cap Ltd	dividend @ 42cps
NTC	Netcare Limited	dividend @ 44cps
RTOP	Rex Trueform Grp 6% Pref	dividend @ 6cps
SCD	Schroder Eur REIT Plc	dividend @ 28.939550cps

Source: JSE

JSE performance

[back to top](#)

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

Top40 constituents	Last price	%Δ		%Δ		2017 Performance	MTD trend
		-1d	MTD	YTD	12Month		
AGL : Anglo American Plc	307.43	3.89	0.00	20.27	75.15	29.43	→
ANG : Anglogold Ashanti Ltd	112.12	3.99	0.00	-12.83	-12.41	-14.78	→
APN : Aspen Pharmacare Holdings Lt	258.22	3.61	0.00	-6.95	-10.06	-1.62	→
BGA : Barclays Africa Group Ltd	159.99	5.35	0.00	-12.09	11.30	7.05	→
BID : Bid Corp Ltd	275.31	3.95	0.00	-8.53	-7.99	20.93	→
BIL : Bhp Billiton Plc	310.76	2.00	0.00	24.03	55.64	11.95	→
BTI : British American Tobacco Plc	691.91	-1.70	0.00	-16.59	-22.56	6.38	→
BVT : Bidvest Group Ltd	197.01	3.56	0.00	-9.67	25.02	21.18	→
CFR : Financiere Richemont-Dep Rec	116.30	1.33	0.00	4.07	7.52	24.15	→
CLS : Clicks Group Ltd	196.53	1.83	0.00	8.50	40.38	54.21	→
CPI : Capitec Bank Holdings Ltd	868.00	2.77	0.00	-20.94	4.58	58.44	→
DSY : Discovery Ltd	147.50	1.79	0.00	-20.70	15.31	61.26	→
FSR : Firstrand Ltd	63.89	5.95	0.00	-5.00	35.50	25.00	→
GFI : Gold Fields Ltd	49.20	3.27	0.00	-9.06	9.50	23.12	→
GRT : Growthpoint Properties Ltd	26.69	4.46	0.00	-3.51	9.03	6.59	→
INL : Investec Ltd	96.06	2.22	0.00	7.07	-0.46	-1.57	→
INP : Investec Plc	97.62	1.31	0.00	8.76	0.33	-1.52	→
LHC : Life Healthcare Group Holdin	24.88	1.88	0.00	-10.34	-3.00	-9.23	→
MEI : Mediclinic International Plc	95.39	-0.15	0.00	-10.33	-24.62	-18.17	→
MND : Mondi Ltd	371.59	2.45	0.00	21.34	14.24	14.66	→
MNP : Mondi Plc	372.81	1.91	0.00	22.08	14.43	14.14	→
MRP : Mr Price Group Ltd	226.26	4.65	0.00	-7.60	45.04	53.52	→
MTN : Mtn Group Ltd	107.90	3.17	0.00	-21.01	-5.43	5.08	→
NED : Nedbank Group Ltd	249.58	1.87	0.00	-2.55	19.54	6.16	→
NPN : Naspers Ltd-N Shs	3485.00	6.52	0.00	0.99	37.03	69.72	→
NRP : Nepi Rockcastle Plc	122.46	3.56	0.00	-42.66			→
NTC : Netcare Ltd	27.62	2.14	0.00	9.82	7.35	-20.66	→
OMU : Old Mutual Ltd	27.79	-1.98	0.00				→
RDF : Redefine Properties Ltd	10.49	2.14	0.00	-1.96	-0.29	-6.96	→
REM : Remgro Ltd	204.29	3.90	0.00	-13.44	-4.30	4.19	→
RMH : Rmb Holdings Ltd	75.79	5.09	0.00	-4.27	29.00	18.13	→
SAP : Sappi Limited	91.50	0.55	0.00	2.23	5.06	0.56	→
SBK : Standard Bank Group Ltd	191.87	4.16	0.00	-1.94	33.21	28.22	→
SHP : Shoprite Holdings Ltd	220.61	2.61	0.00	-0.26	10.65	27.89	→
SLM : Sanlam Ltd	70.07	3.39	0.00	-19.46	8.13	36.30	→
SOL : Sasol Ltd	502.86	3.58	0.00	17.44	37.21	5.32	→
SPP : Spar Group Limited/The	185.42	3.24	0.00	-8.81	20.32	2.82	→
TBS : Tiger Brands Ltd	331.40	3.55	0.00	-27.96	-9.92	16.65	→
TFG : The Foschini Group Ltd	174.00	1.59	0.00	-11.82	26.75	24.11	→
TRU : Truworths International Ltd	77.25	2.32	0.00	-18.23	8.04	17.70	→
VOD : Vodacom Group Ltd	122.79	1.46	0.00	-15.71	-25.25	-3.27	→
WHL : Woolworths Holdings Ltd	55.45	2.82	0.00	-15.10	-10.06	-9.09	→

Source: Bloomberg & Nedbank CIB

Time 2018/07/02 07:24

Economics

[back to top](#)

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

US

- US personal income growth rose to 0.4% m/m in May, from 0.2% previously; in line with consensus. Wage growth was driven by large increases in the trade, transport and utilities wages. Proprietor income, rental income and personal income assets rose the most over the month.
- However, despite solid wage increases, personal spending growth fell to 0% from 0.2% expected and 0.3% previously. Spending on services declined, spending on food also fell.
- The PCE deflator rose to 2.3% y/y from 2% previously, better than forecasts of 2.2%. Higher wage growth has been driving consumption and the PCE in the past.

Synopsis: The Fed has recently revised its dot plot to reflect a slightly faster pace of rate hikes in 2018 (3.5X25bps vs. 3X25bps prev.). The Fed remains fairly hawkish, with markets expecting one last hike in September, after the recent hike in June. Should the on-going positive economic momentum persist, we are likely to see the Fed maintain its hawkish rhetoric into 2019. The recent uptick in inflation would help the Fed achieve its normalisation goals, but the strength of the current recovery hangs in the balance, especially amid the trade policy uncertainty.

UK

- UK GDP growth for Q1 was upwardly revised to 0.2% q/q from 0.1% previously estimated, better than consensus of 0.1%. However this was down from 0.4% in 4Q17.
- The positive development though was household real disposable incomes rising in Q1 which drove consumption spending. The slowdown over that quarter came from the services sector and a decline in business investment. Uncertainty over Brexit has stalled business planning and expansion. Nonetheless, a pick-up in growth is expected in Q2 due to low base effects and strong demand
- The upward revision to the GDP print will prove supportive of the BOE's intention to raise rates soon - markets are forecasting a hike in August.

Synopsis: The BOE remains concerned about demand-pull inflationary pressures, but less so now compared to a few months earlier. The uncertain trajectory of inflation, higher energy costs and on-going Brexit negotiations will likely keep the BOE cautious. We maintain our view of gradual monetary policy tightening over the long run, but this will be dependent on a more moderate pace of economic expansion occurring over the next few quarters.

Europe

- Eurozone CPI accelerated to 2% y/y in June, from 1.9% previously, in line with consensus. However underlying inflationary pressures eased, which may be a sign that headline inflation is being driven by petroleum and food inflation.
- Core inflation fell to 1% y/y, from 1.1% in May. Food, alcohol, tobacco, energy and non-industrial energy goods prices rose, while services inflation declined to 1.3% y/y, from 1.6% previously.
- The recent rise in inflation will be supportive of the ECB's plan to end QE, however the question remains as to how long inflation will remain elevated and close to the ECB target before transitory effects fade.

Synopsis: The ECB seems committed to ending its asset purchase programme at the end of the year, and have sounded more upbeat on inflation and growth recently. However regional tensions combined with global trade war fears does threaten to hamper economic activity. As a result, the ECB has committed to continue reinvesting proceeds from maturing bonds, while still promising unchanged interest rates until at least 4Q19.

SA

- The SA trade balance disappointed in May, posting a surplus of R3.5 billion, compared to R5.8 billion expected, from R1.2 billion in April. Exports rose 16% m/m in May, while imports also recovered, rising 13.5%. This was after contractions of 9.8% and 1.6% recorded in April.
- Both exports and imports recovered across the board – exports of fresh produce and other food surged, along with exports of vehicles and mineral products. The rise in imports was driven by vehicles, machinery, electronics and vegetable products. Exports across all our major trading partners countries rose, notably exports to Asia and Europe rising by 15.4% and 26.9% m/m respectively.
- The SA budget deficit was narrower than expected in May, at R17.7 billion, relative to our estimate of R23 billion and from –R43.7 billion in April. Despite the improvement, revenue collection is running behind the run rate achieved in the last fiscal year, while expenditure is running ahead.

Synopsis: The YTD trade deficit stands at R14.2 billion, compared to a surplus of R16.4 billion recorded in the same period last year. Trade activity is largely dependent on global demand and growth, particularly in China, the UK, US and India. These countries are the largest consumers of SA products, and any slowdown in demand will hamper export activity. The current trade spat between the US and China does threaten to slow down global trade activity amidst protectionist policies being considered by both countries. This remains a key risk to the outlook for SA exports over the next six months.

Economic calendar

[back to top](#)

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

	Country	Event	Period	Survey	Actual	Prior	Revised
29-June							
12:00 AM	CH	BoP Current Account Balance	1Q F	-	USD -34.1b	USD -34.1b	-
01:30 AM	JN	Jobless Rate	MAY	-	2.20%	2.50%	-
01:30 AM	JN	Job-To-Applicant Ratio	MAY	-	1.60	1.59	-
01:50 AM	JN	Industrial Production YoY	MAY P	-	4.20%	2.60%	-
08:00 AM	SA	Money Supply M3 YoY	MAY	-	5.73%	6.39%	-
08:00 AM	SA	Private Sector Credit YoY	MAY	-	4.56%	5.07%	-
08:00 AM	GE	Retail Sales YoY	MAY	-	-1.60%	1.20%	-
10:30 AM	UK	M4 Money Supply YoY	MAY	-	1.80%	1.10%	1.20%
10:30 AM	UK	Net Consumer Credit	MAY	-	GBP 1.41b	GBP 1.80b	-
10:30 AM	UK	GDP QoQ	1Q F	-	0.10%	0.20%	-
10:30 AM	UK	GDP YoY	1Q F	-	1.20%	1.20%	-
11:00 AM	EC	CPI Core YoY	JUN A	-	1.00%	1.10%	-
11:00 AM	EC	CPI Estimate YoY	JUN	-	2.00%	1.90%	-
02:00 PM	SA	Trade Balance Rand	MAY	-	3.5b	1.1b	1.2b
02:00 PM	SA	South Africa Budget	MAY	-	ZAR -17.7b	ZAR -43.7b	-
02:30 PM	US	PCE Core YoY	MAY	-	1.96%	1.80%	-
02:30 PM	US	PCE Deflator YoY	MAY	-	2.30%	2.00%	-
02:30 PM	US	Personal Income	MAY	-	0.40%	0.30%	0.20%
02:30 PM	US	Personal Spending	MAY	-	0.20%	0.60%	0.50%
02:30 PM	US	Real Personal Spending	MAY	-	0.00%	0.40%	0.30%
03:45 PM	US	Chicago Purchasing Manager	JUN	-	64.1	62.7	-
04:00 PM	US	U. of Mich. Sentiment	JUN F	-	98.2	98.2	-
02-July							
12:00 AM	SA	Naamsa Vehicle Sales YoY	JUN	-	2.9%	2.4%	-
02:30 AM	JN	Nikkei Japan PMI Mfg	JUN F	-	53.0	52.8	-
03:45 AM	CH	Caixin China PMI Mfg	JUN	51.1	51.0	51.1	-
09:55 AM	GE	Markit/BME Germany Manufacturing PMI	JUN F	55.9	-	55.9	-
10:00 AM	EC	Markit Eurozone Manufacturing PMI	JUN F	55.0	-	55.0	-
10:30 AM	UK	Markit UK PMI Manufacturing SA	JUN	54.0	-	54.4	-
11:00 AM	SA	Barclays Manufacturing PMI	JUN	-	-	49.8	-
11:00 AM	EC	PPI YoY	MAY	2.7%	-	2.0%	-
11:00 AM	EC	Unemployment Rate	MAY	8.50%	-	8.50%	-
03:45 PM	US	Markit US Manufacturing PMI	JUN F	54.7	-	54.6	-
04:00 PM	US	ISM Manufacturing	JUN	58.5	-	58.7	-
03-July							
11:00 AM	EC	Retail Sales YoY	MAY	1.6%	-	1.7%	-
04:00 PM	US	Factory Orders	MAY	0.0%	-	-0.8%	-
04:00 PM	US	Factory Orders Ex Trans	MAY	-	-	0.4%	-
04-July							
03:45 AM	CH	Caixin China PMI Services	JUN	52.7	-	52.9	-
09:55 AM	GE	Markit Germany Services PMI	JUN F	53.9	-	53.9	-
10:00 AM	EC	Markit Eurozone Services PMI	JUN F	55.0	-	55.0	-
10:30 AM	UK	Markit/CIPS UK Services PMI	JUN	54.0	-	54.0	-

Source: Bloomberg 2018/07/02 07:23

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).