

DAILY MARKET COMMENTARY

12 October 2018



[Fixed Income and Interest Rates](#) | [Currencies](#) | [Commodities](#) | [Equities](#) | [LDT](#) | [JSE performance](#) | [Economics](#) | [*Foreign flows](#) | [Economic calendar](#) | [#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 11 537 4091

SNIPPETS

| | |
|----------------|---|
| (Fixed Income) | Risk-off results in rising bond yields |
| (Currencies) | Market focus will likely be on the Moody's announcement |
| (Commodities) | Brent crude sharply lower amid rising crude inventories and risk-off sentiment |
| (Equities) | The global sell off continued in Europe and the US, with signs of recovery in Asia this morning |
| (Economics) | SA manufacturing output eases in August |

KEY OVERNIGHT FACTORS AND UPCOMING EVENTS THIS WEEK

Nedbank CIB Market Commentary | CIBMarketComm@Nedbank.co.za | +27 11 537 4091

| Date | Region | Event | Actual/expected/prior | Implications |
|----------|--------|-------------------------------------|-----------------------|--|
| 08-15/10 | SA | BER consumer confidence | --/--/22 | Confidence likely to remain subdued as a result of weak economic activity |
| 11/10 | SA | Mining and manufacturing production | -- | Growth expected in August on the back of surge in exports and rebuilding of stockpiles |
| 11/10 | US | CPI | --/2.4%/2.7% | CPI expected to ease but remain above Fed target |
| 15/10 | US | Retail sales | --/0.7%/0.1% | Retail sales likely to be supported by strong consumer demand |

Source: Nedbank

CONTACT FOR QUERIES

REEZWANA SUMAD
Strategy: Research Analyst
Tel: +27 11 537 4091
ReezwanaS@Nedbank.co.za

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 | Δ 12Month | MTD trend |
|----------------|------------|--------|--------|--------|-----------|-----------|
| | % | bps | bps | bps | bps | |
| R204-0.2 yrs | 6.17 | -18.00 | -15.70 | -89.50 | #VALUE! | ↓ |
| R208-2.5 yrs | 7.86 | -0.70 | -2.40 | 30.30 | #VALUE! | ↓ |
| R186-8.2 yrs | 9.26 | 2.95 | 27.05 | 66.95 | #VALUE! | ↑ |
| R2048-29.4 yrs | 10.17 | 5.70 | 26.00 | 46.00 | #VALUE! | ↑ |
| US10 yr | 3.17 | 2.09 | 10.96 | 76.54 | 85.31 | ↑ |
| UK 10 yr | 1.67 | -5.40 | 10.10 | 48.40 | 29.40 | ↑ |
| German 10 yr | 0.52 | -3.40 | 4.80 | 9.10 | 5.50 | ↑ |
| Japan 10 yr | 0.14 | -0.20 | 1.40 | 9.60 | 7.70 | ↑ |

| Money Market | Last price | Δ 1d | Δ MTD | Δ YTD | Δ 12Month | MTD trend |
|-----------------------------|------------|-------|--------|--------|-----------|-----------|
| | % | bps | bps | bps | bps | |
| SA repo rate | 6.50 | 0.00 | 0.00 | -25.00 | -25.00 | ⇒ |
| SA prime rate | 10.00 | 0.00 | 0.00 | -25.00 | -25.00 | ⇒ |
| SA CPI (MTD=previous month) | 4.90 | | -20.00 | 20.00 | 10.00 | ↓ |
| SA 3m JIBAR | 7.02 | -0.80 | 1.70 | -14.10 | 0.90 | ↑ |
| SA 3m NCD | 6.95 | -2.50 | 0.00 | -20.00 | -5.00 | ⇒ |
| SA 6m NCD | 7.63 | 0.00 | 5.00 | 2.50 | 22.50 | ↑ |
| SA 12m NCD | 8.35 | -2.50 | 5.00 | 45.00 | 51.25 | ↑ |
| US3m LIBOR | 2.43 | 0.48 | 2.68 | 73.09 | 106.85 | ↑ |
| UK 3m LIBOR | 0.80 | -0.06 | 0.43 | 28.34 | 44.18 | ↑ |
| Japan 3m LIBOR | -0.08 | -0.12 | -2.23 | -5.30 | -3.34 | ↓ |

Source: Bloomberg & Nedbank CIB

Time 20/18/10/12 07:00

| FRAs and Swaps | Last price | Δ 1d | Δ MTD | Δ YTD | Δ 12Month | MTD trend |
|----------------|------------|-------|-------|--------|-----------|-----------|
| | % | bps | bps | bps | bps | |
| 3X6 FRA | 7.20 | 1.00 | 4.00 | 31.00 | 24.00 | ↑ |
| 6X9 FRA | 7.47 | 0.00 | 4.00 | 3.00 | 4.00 | ↑ |
| 9X12 FRA | 7.62 | 0.00 | 11.00 | 83.00 | 80.00 | ↑ |
| 18X21 FRA | 7.98 | -1.00 | 16.00 | 100.00 | 101.00 | ↑ |
| SA 2yr Swap | 7.61 | 0.01 | 10.71 | 68.03 | 68.71 | ↑ |
| SA 3yr Swap | 7.84 | 0.10 | 15.00 | 78.50 | 79.00 | ↑ |
| SA 5yr Swap | 8.17 | 0.00 | 18.50 | 83.50 | 81.50 | ↑ |
| SA 10yr Swap | 8.72 | 1.00 | 21.50 | 79.50 | 76.00 | ↑ |
| SA 15yr Swap | 8.97 | -0.50 | 22.50 | 81.00 | 71.25 | ↑ |

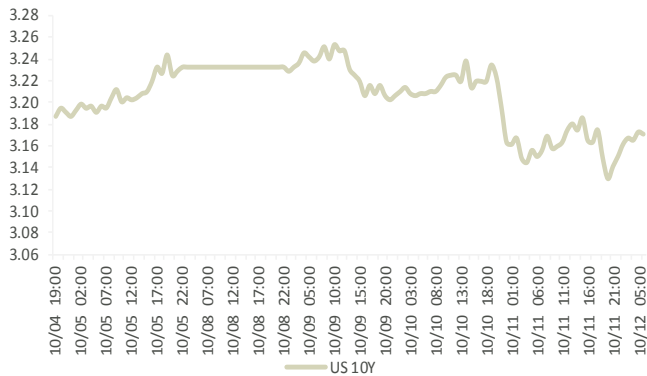
| Spreads | Last price | Δ 1d | Δ MTD | Δ YTD | Δ 12Month | MTD trend |
|----------------------------------|------------|-------|--------|--------|-----------|-----------|
| | % | bps | bps | bps | bps | |
| 2v10y | -1.11 | -0.99 | -10.79 | -11.47 | -7.29 | ↓ |
| 3v10y | -0.89 | -0.90 | -6.50 | -1.00 | 3.00 | ↓ |
| R186-R204 | 3.09 | 20.95 | 42.75 | 156.45 | #VALUE! | ↑ |
| R2048-R186 | 0.92 | 2.75 | -1.05 | -20.95 | #VALUE! | ↓ |
| 5y-R186 | -1.09 | -2.95 | -8.55 | 16.55 | #VALUE! | ↓ |
| 10y-R186 | -0.54 | -1.95 | -5.55 | 12.55 | #VALUE! | ↓ |
| 15y-R186 | -0.29 | -3.45 | -4.55 | 14.05 | #VALUE! | ↓ |
| SA 5yr CDS spread - basis points | 233.00 | 0.00 | 29.00 | 76.00 | 61.50 | ↑ |

Source: Bloomberg & Nedbank CIB

Time 20/18/10/12 07:00

US 10 year yield

US 10 year yield

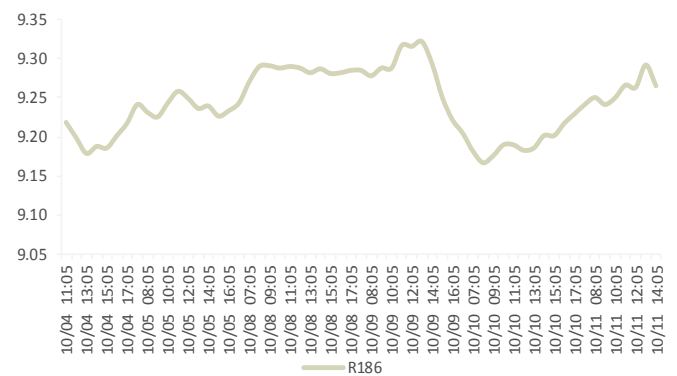


20/18/10/12 07:00

Source: Bloomberg, Nedbank

SA 10 year yield

SA 10 year yield



20/18/10/12 07:00

Source: Bloomberg, Nedbank

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

- On Thursday, the local session opened with the rand trading in the 14.70s. On a day of limited real activity, the local unit was confined to a relatively limited range, trading between 14.5225 and 14.7725 and closing the session trading at 14.6500. After the local close, the rand managed additional gains and is currently trading at 14.5700. The EURZAR is currently trading at 16.9080, and the GBPZAR is currently trading at 19.2875.
- International markets initially reacted to broad-based dollar strength but thereafter resumed trading on an upward trajectory, with the EURUSD printing a low of 1.1533 and a high of 1.1599. This morning, the EURUSD has breached above the 1.1600 level and is currently trading at 1.1608. Gold encountered renewed support against the backdrop of a risk-off environment and had posted gains of USD18 to trade at 1,215.00 by the time of the local close last night; this morning, it is currently trading at 1,220.00.
- Data releases scheduled for today: no local releases; from Europe, we have the German CPI and Eurozone industrial production; from the US, we have import prices, export prices and Michigan survey data. Tonight, we have the release of Moody's review of SA.
- The rand continues to occupy a relatively limited range. It has, however, shown a degree of resilience over the most recent sessions, and current price action suggests another test of the 14.50 level. The real catalyst of further strength would be a breach of 14.2000.
- Possible trading range for the rand today: 14.4000 to 14.7500

| Majors | Last price | %Δ -1d | %Δ MTD | %Δ YTD | %Δ 12Month | MTD trend | USD trend |
|--------|------------|-----------|-----------|-----------|---------------|-----------|--------------|
| GBPUSD | 1.32 | 0.03 | 1.56 | -2.06 | -0.21 | ↑ | USD weakness |
| EURUSD | 1.16 | 0.09 | 0.00 | -3.34 | -1.91 | ↔ | USD weakness |
| USDJPY | 112.36 | 0.18 | -1.19 | 0.29 | 0.07 | ↓ | USD weakness |
| USDAUD | 1.40 | 0.04 | 1.45 | 9.64 | 9.84 | ↑ | USD strength |

| Rand crosses | Last price | %Δ -1d | %Δ MTD | %Δ YTD | %Δ 12Month | MTD trend | ZAR trend |
|--------------|------------|-----------|-----------|-----------|---------------|-----------|--------------|
| USDZAR | 14.57 | -0.40 | 2.97 | 15.04 | 7.54 | ↑ | ZAR weakness |
| GBPZAR | 19.29 | -0.38 | 4.45 | 13.31 | 7.34 | ↑ | ZAR weakness |
| EURZAR | 16.91 | -0.32 | 2.95 | 12.16 | 5.73 | ↑ | ZAR weakness |
| AUDZAR | 10.38 | -0.45 | 1.53 | 6.88 | -1.56 | ↑ | ZAR weakness |
| ZARJPY | 7.71 | 0.59 | -4.32 | -17.13 | -8.07 | ↓ | ZAR weakness |

| African FX | Last price | %Δ -1d | %Δ MTD | %Δ YTD | %Δ 12Month | MTD trend | ZAR trend |
|-----------------------------|------------|-----------|-----------|-----------|---------------|-----------|--------------|
| ZARMWK (Malawian kwacha) | 49.94 | 0.38 | -2.92 | -17.53 | -7.79 | ↓ | ZAR weakness |
| ZARBWP (Botswana pula) | 0.74 | 0.38 | -1.25 | -7.42 | -3.21 | ↓ | ZAR weakness |
| ZARKES (Kenyan shilling) | 6.92 | 0.40 | -2.98 | -20.43 | -10.71 | ↓ | ZAR weakness |
| ZARMUR (Mauritian rupee) | 2.37 | 0.41 | -2.69 | -15.37 | -6.48 | ↓ | ZAR weakness |
| ZARNGN (Nigerian naira) | 24.91 | 0.42 | -3.53 | -16.79 | -7.37 | ↓ | ZAR weakness |
| ZARGHS (Ghanian cedi) | 0.34 | 0.42 | -4.27 | -8.40 | 3.18 | ↓ | ZAR weakness |
| ZARZMW (Zambian kwacha) | 0.83 | 0.42 | -2.05 | 3.18 | 13.75 | ↓ | ZAR weakness |
| ZARMZN (Mozambican metical) | 4.14 | 0.42 | -3.86 | -14.30 | -9.17 | ↓ | ZAR weakness |

| Emerging Market FX | Last price | %Δ -1d | %Δ MTD | %Δ YTD | %Δ 12Month | MTD trend | USD trend |
|-------------------------|------------|-----------|-----------|-----------|---------------|-----------|--------------|
| USDBRL (Brazilian Real) | 3.78 | 0.65 | -7.10 | 12.50 | 16.03 | ↓ | USD weakness |
| USDTRY (Turkish Lira) | 5.91 | -0.35 | -2.56 | 35.68 | 38.09 | ↓ | USD weakness |
| USDMXN (Mexican Peso) | 18.96 | -0.08 | 1.29 | -3.68 | 0.29 | ↑ | USD strength |
| USDINR (Indian Rupee) | 73.62 | -0.68 | 1.54 | 13.24 | 11.59 | ↑ | USD strength |
| USDRUB (Russian Ruble) | 66.27 | -0.94 | 1.08 | 13.04 | 12.73 | ↑ | USD strength |

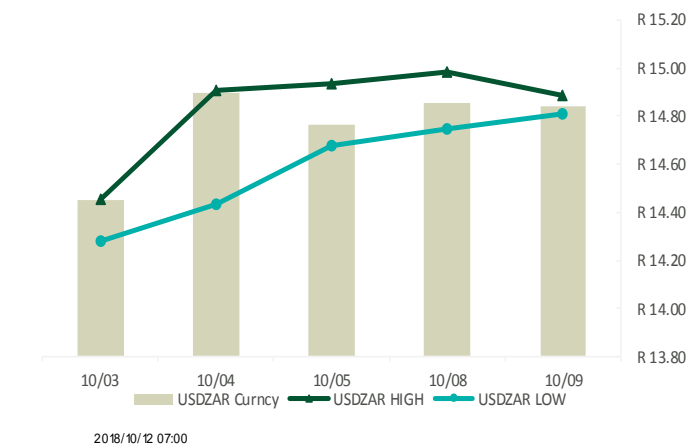
Source: Bloomberg & Nedbank CIB

Time 2018/10/12 07:00

*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

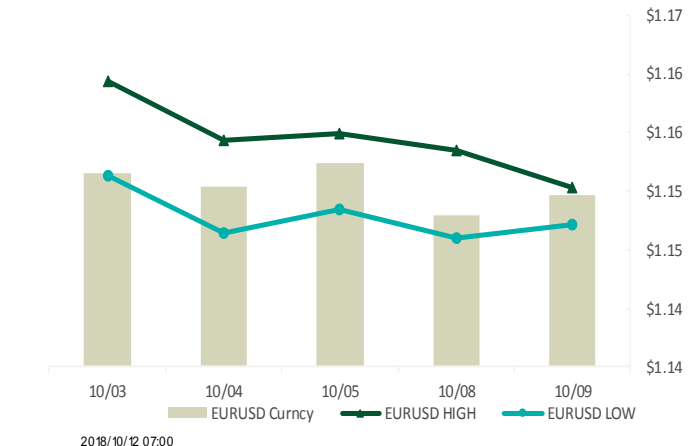
\$/R (close, high and low)



Source: Bloomberg, Nedbank

EUR/USD

€/€ (close, high and low)



Source: Bloomberg, Nedbank

- Oil is poised for the biggest weekly decline since May. Futures little changed, heading for a weekly drop of over 4%.
- Gold, which hit a 10-week-high of \$1,226.42 an ounce on Thursday, had held near \$1,200 since late August as traders weighed geopolitical risks that could boost the metal's allure as a haven against rising interest rates that curb its appeal. On Friday, prices eased 0.5% to \$1,218.35 in early Asian trade.
- Industrial metals regained some poise after two days of turmoil on global markets, with aluminium rallying from its lowest level since July.
- LME aluminium +0.4% to \$2,027/ton after 6 days of losses.
- LME copper flat; zinc, lead -0.5%.

Source: Bloomberg

| Commodities | Last price | %Δ -1d | %Δ MTD | %Δ YTD | %Δ 12Month | MTD trend |
|-------------------------|------------|--------|--------|--------|------------|-----------|
| Brent near future (\$) | 80.90 | 0.80 | -2.20 | 20.98 | 43.82 | ↓ |
| WTI crude (\$) | 71.51 | 0.76 | -2.38 | 18.35 | 41.32 | ↓ |
| Gold spot (\$) | 1219.55 | -0.37 | 2.41 | -6.39 | -5.73 | ↑ |
| Platinum spot (\$) | 840.67 | -0.03 | 3.03 | -9.44 | -10.40 | ↑ |
| SA white maize spot (R) | 2410.00 | -0.99 | 1.73 | 26.84 | 25.85 | ↑ |

Source: Bloomberg & Nedbank CIB
Time: 2018/10/12 07:00

SA white maize

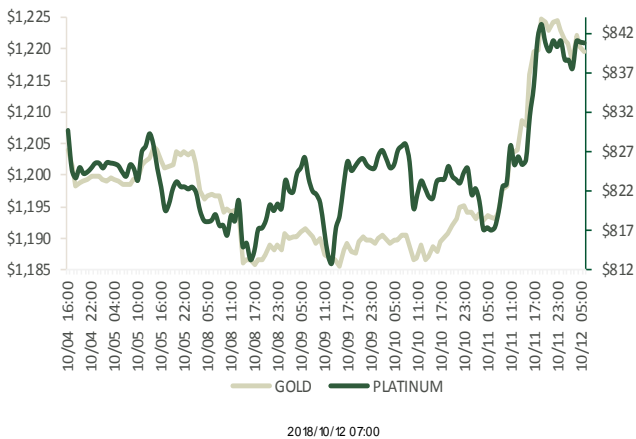
SA White maize (ZAR/MT) - 30 day chart



Source: Bloomberg, Nedbank

Platinum vs Gold

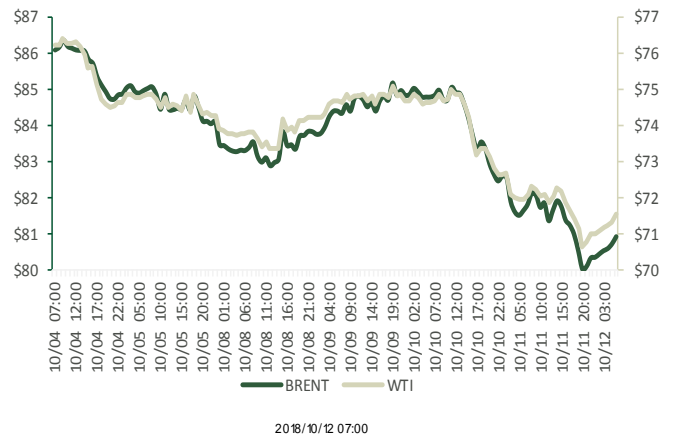
Platinum vs. Gold



Source: Bloomberg, Nedbank

Brent Crude vs West Texas Intermediate

Brent Crude vs West Texas Intermediate



Source: Bloomberg, Nedbank

Cash equities | +2711 535 4030/31

South Africa

- The global market sell-off continued, dragging the JSE lower, with most sectors closing in negative territory.
- The Top40 lost 1.23% to close at 46,050.30, while the All Share fell 1.11%, closing at 52,229.30.
- Market players turned to safe-haven assets; this was evident in the mining sector as the gold index surged 10.24%.
- Index heavyweight Naspers reversed earlier losses to close in the black, adding 0.91%.
- The value traded at the close was R29.9bn, and the ZAR was trading at 14.66 vs the dollar.

UK/Europe

- European markets closed at their lowest levels in 21 months as rising US Treasury yields and concerns of slowing global growth continued to weigh on markets.
- Selling was broad-based yet again, but the tech sector was more resilient, buoyed by a 7.6% rally in Ingenico after Natixis reported that it was looking at merging its payments activities with the financial and payments firm.
- Pandora rallied 6.7% on market rumours that it was seeking advisers to fend off a possible acquisition bid.
- The oil sector was the worst performer on the day, slumping 3.1% while tracking oil prices lower.
- Banks and insurers were down 2.4% and 3.1%, respectively.
- The DAX fell 1.48%, the CAC40 lost 1.92% and the FTSE100 declined 1.94%.

USA

- US stocks ended a volatile trading session losing ground for a sixth consecutive session.
- Lower oil prices weighed on the energy sector, while banks lost 2.7%, closing at their lowest levels in more than 10 months.
- The NYSE Arca Gold BUGS Index outperformed, adding 7.4%.
- The Dow tumbled 2.1%, the S&P 500 fell 2.1% and the Nasdaq slumped 1.3%.

Asia

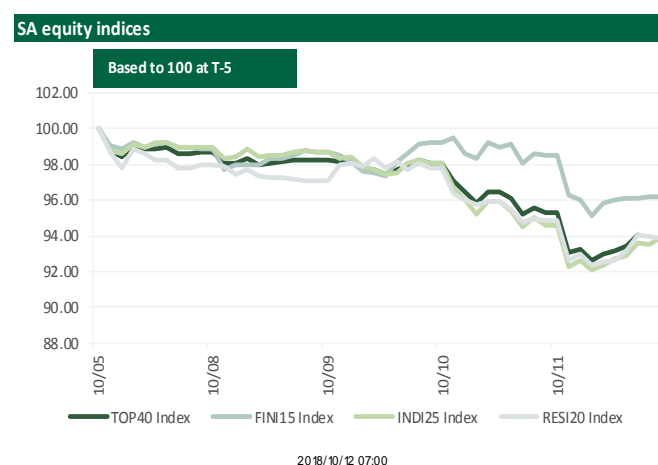
- Asian markets are trading mostly lower this morning, tracking overnight weakness in the US.
- In Japan, insurers dragged the market lower, with the index losing 3.4%.
- Hong Kong stocks are trading firmer. Tencent outperformed, surging 5.09% as it continued with its share repurchase programme, buying back shares for a 22nd straight session.
- China reported strong export data, which also lent support to the market.
- Australian stocks reversed earlier losses to end the day marginally in positive territory, up 0.05%.
- Mining stocks led the gains, with the likes of BHP Billiton, Rio Tinto and South 32 adding more than 1%.

| Developed Markets | Last price | %Δ | %Δ | %Δ | %Δ | 2017 Performance | MTD trend |
|-------------------|------------|-------|-------|--------|---------|------------------|-----------|
| | | -1d | MTD | YTD | 12Month | | |
| Dow Jones | 25 052.83 | -2.13 | -5.31 | 1.35 | 9.68 | 24.33 | ↓ |
| Nasdaq | 7 329.06 | -1.25 | -8.91 | 6.17 | 11.19 | 27.16 | ↓ |
| S&P 500 | 2 728.37 | -2.06 | -6.37 | 2.05 | 6.96 | 18.42 | ↓ |
| DJ Eurostoxx 50 | 3 209.19 | -1.77 | -5.59 | -8.41 | -10.99 | 5.70 | ↓ |
| DAX | 11 539.35 | -1.48 | -5.78 | -10.67 | -11.12 | 11.51 | ↓ |
| CAC | 5 106.37 | -1.92 | -7.05 | -3.88 | -4.75 | 8.43 | ↓ |
| FTSE | 7 006.93 | -1.94 | -6.70 | -8.86 | -7.27 | 7.10 | ↓ |
| ASX200 | 5 883.20 | -0.01 | -5.23 | -3.00 | 1.53 | 6.42 | ↓ |
| Nikkei 225 | 22 510.12 | -0.36 | -6.67 | -1.12 | 7.42 | 16.18 | ↓ |
| MSCI World | 2 044.95 | -2.11 | -6.37 | -2.78 | 1.05 | 19.65 | ↓ |
| Emerging Markets | Last price | %Δ | %Δ | %Δ | %Δ | 2017 Performance | MTD trend |
| Hang Seng | 25 563.53 | 1.18 | -8.01 | -14.56 | -10.17 | 35.19 | ↓ |
| Shanghai | 2 580.24 | -0.12 | -8.55 | -21.98 | -23.80 | 5.46 | ↓ |
| Brazil Bovespa | 82 921.08 | -0.91 | 4.51 | 8.53 | 8.17 | 28.22 | ↑ |
| India - NSE | 34 579.52 | 1.70 | -4.55 | 1.53 | 7.45 | 27.91 | ↓ |
| Russia Micex | 2 366.47 | -2.12 | -4.40 | 12.17 | 12.96 | -7.69 | ↓ |
| MSCI Emerging | 954.66 | -3.15 | -8.90 | -17.59 | -14.89 | 34.35 | ↓ |
| SA Indices | Last price | %Δ | %Δ | %Δ | %Δ | 2017 Performance | MTD trend |
| JSE All Share | 52 229.33 | -1.11 | -6.25 | -12.23 | -9.56 | 17.47 | ↓ |
| Top 40 | 46 050.35 | -1.23 | -7.01 | -12.34 | -10.33 | 19.66 | ↓ |
| Resi 10 | 42 018.23 | -1.05 | -2.75 | 15.77 | 17.68 | 13.03 | ↓ |
| Indi 25 | 62 832.01 | -0.76 | -8.49 | -20.55 | -20.93 | 23.03 | ↓ |
| Fini 15 | 15 271.07 | -2.38 | -7.87 | -14.56 | -2.55 | 18.54 | ↓ |

Source: Bloomberg & Nedbank CIB

Time 2018/10/12 07:00

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 October 2018 | | |
| CGN | Cognition Holdings Ltd | dividend @ 6cps |
| CPI | Capitec Bank Holdings Ltd | dividend @ 630cps |
| ELR | ELB Group Ltd | dividend @ 50cps |
| GTR | Grit Real Estate Inc Group | dividend @ 91.212480cps |
| ITU | Intu Properties Plc | dividend @ 89.685280cps |
| JSC | Jasco Electron Holdings Ltd | dividend @ 1cps |
| RCL | RCL Foods Ltd | dividend @ 25cps |
| RLF | Rolfes Technology Holdings | dividend @ 4cps |
| RMI | Rand Merchant Inv Holdings Ltd | dividend @ 65cps or 1.71053 new shares per 100 held |
| SFN | Sasfin Holdigns Ltd | dividend @ 104.370cps |
| TEX | Texton Property Fund Ltd | dividend @ 41.36cps |
| TLM | Telemaster Holdings Ltd | dividend @ 1.50cps |
| WBO | Wilson Bayly Holmes-Ovcon Ltd | dividend @ 325cps |

Source: JSE

JSE PERFORMANCE

[back to top](#)

Nedbank CIB Market Commentary | CIBMarketComm@Nedbank.co.za | +27 11 537 4091

| Top40 constituents | Last price | %Δ -1d | %Δ MTD | %Δ YTD | %Δ 12Month | 2017 Performance | MTD trend |
|------------------------------------|------------|-----------|-----------|-----------|---------------|---------------------|-----------|
| ABG : Absa Group Ltd | 144.62 | -2.32 | -4.78 | -20.53 | -1.32 | 7.05 | ↓ |
| AGL : Anglo American Plc | 314.45 | -1.33 | -1.67 | 23.01 | 22.50 | 29.43 | ↓ |
| ANG : AngloGold Ashanti Ltd | 136.88 | 9.18 | 11.83 | 6.42 | 8.93 | -14.78 | ↑ |
| APN : Aspen Pharmacare Holdings Lt | 154.69 | -3.32 | -8.67 | -44.26 | -51.54 | -1.62 | ↓ |
| BID : Bid Corp Ltd | 275.62 | -1.25 | -6.54 | -8.43 | -12.78 | 20.93 | ↓ |
| BIL : Bhp Billiton Plc | 303.74 | -0.66 | -1.83 | 21.23 | 24.57 | 11.95 | ↓ |
| BTI : British American Tobacco Plc | 659.01 | -1.76 | -1.31 | -20.55 | -23.75 | 6.38 | ↓ |
| BVT : Bidvest Group Ltd | 175.91 | -2.00 | -4.91 | -19.34 | -1.70 | 21.18 | ↓ |
| CFR : Financiere Richemont-Dep Rec | 106.11 | -2.02 | -8.58 | -5.05 | -14.25 | 24.15 | ↓ |
| CLS : Clicks Group Ltd | 156.14 | -2.90 | -10.78 | -13.80 | -3.77 | 54.21 | ↓ |
| CPI : Capitec Bank Holdings Ltd | 968.52 | -1.89 | -5.44 | -11.79 | 4.60 | 58.44 | ↓ |
| DSY : Discovery Ltd | 154.80 | -3.01 | -8.94 | -16.77 | 8.74 | 61.26 | ↓ |
| FSR : Firstrand Ltd | 60.05 | -1.15 | -11.52 | -10.71 | 10.43 | 25.00 | ↓ |
| GRT : Growthpoint Properties Ltd | 23.06 | -0.39 | -0.73 | -16.63 | -9.14 | 6.59 | ↓ |
| INL : Investec Ltd | 90.77 | -3.56 | -8.80 | 1.17 | -8.39 | -1.57 | ↓ |
| INP : Investec Plc | 91.10 | -3.50 | -8.67 | 1.49 | -7.96 | -1.52 | ↓ |
| LHC : Life Healthcare Group Holdin | 23.46 | -2.49 | -4.48 | -15.46 | -13.43 | -9.23 | ↓ |
| MEI : Mediclinic International Plc | 87.10 | 0.95 | 9.56 | -18.12 | -27.61 | -18.17 | ↑ |
| MND : Mondi Ltd | 347.47 | -1.57 | -10.56 | 13.46 | 4.99 | 14.66 | ↓ |
| MNP : Mondi Plc | 345.46 | -1.38 | -11.11 | 13.12 | 4.61 | 14.14 | ↓ |
| MRP : Mr Price Group Ltd | 222.05 | -0.20 | -2.72 | -9.32 | 19.70 | 53.52 | ↓ |
| MTN : Mtn Group Ltd | 84.00 | -2.61 | -4.09 | -38.51 | -32.76 | 5.08 | ↓ |
| NED : Nedbank Group Ltd | 238.14 | -4.20 | -10.01 | -7.01 | 9.79 | 6.16 | ↓ |
| NPN : Naspers Ltd-N Shs | 2 681.28 | 0.91 | -12.14 | -22.30 | -16.21 | 69.72 | ↓ |
| NRP : Nepi Rockcastle Plc | 125.96 | -2.42 | -2.01 | -41.02 | -30.73 | | ↓ |
| NTC : Netcare Ltd | 23.86 | -2.65 | -1.45 | -5.13 | -5.39 | -20.66 | ↓ |
| OMU : Old Mutual Ltd | 21.13 | -1.95 | -3.67 | | | | ↓ |
| RDF : Redefine Properties Ltd | 9.55 | -1.04 | -4.69 | -10.75 | -13.18 | -6.96 | ↓ |
| REM : Remgro Ltd | 186.84 | -0.86 | -5.28 | -20.83 | -16.96 | 4.19 | ↓ |
| RMH : Rmb Holdings Ltd | 68.40 | -1.07 | -13.58 | -13.60 | 4.54 | 18.13 | ↓ |
| RNI : Reinet Investments Sca | 254.46 | -1.20 | -3.29 | -7.13 | | | ↓ |
| SAP : Sappi Limited | 81.90 | -2.67 | -7.72 | -8.49 | -10.33 | 0.56 | ↓ |
| SBK : Standard Bank Group Ltd | 159.00 | -2.97 | -9.14 | -18.74 | -5.07 | 28.22 | ↓ |
| SHP : Shoprite Holdings Ltd | 181.67 | 0.03 | #N/A | #N/A | #N/A | 27.89 | ↓ |
| SLM : Sanlam Ltd | 71.04 | -3.73 | -10.20 | -18.34 | -0.10 | 36.30 | ↓ |
| SOL : Sasol Ltd | 520.82 | -3.67 | -4.88 | 21.64 | 33.62 | 5.32 | ↓ |
| SPP : Spar Group Limited/The | 168.00 | -2.21 | -8.76 | -17.38 | -4.29 | 2.82 | ↓ |
| TBS : Tiger Brands Ltd | 246.00 | -1.79 | -7.18 | -46.52 | -37.70 | 16.65 | ↓ |
| TFG : The Foschini Group Ltd | 162.19 | -1.75 | -6.45 | -17.81 | 15.08 | 24.11 | ↓ |
| TRU : Truworths International Ltd | 78.00 | -3.60 | -6.59 | -17.43 | -1.30 | 17.70 | ↓ |
| VOD : Vodacom Group Ltd | 119.56 | -2.88 | -5.06 | -17.93 | -23.33 | -3.27 | ↓ |
| WHL : Woolworths Holdings Ltd | 48.04 | -0.74 | -3.15 | -26.44 | -22.11 | -9.09 | ↓ |

Source: Bloomberg & Nedbank CIB

Time 2018/10/12 07:00

SA

- Manufacturing production growth eased in August, at 1.3% year-on-year, from 2.8% growth in July, better than consensus of 1.2%. The biggest contributor towards manufacturing output in August was food and beverage production, and basic iron and steel.
- Textiles, clothing and footwear output contracted along with electric machinery production. Over the 3 months to August, manufacturing production rose by 1.9%, and is likely to contribute positively towards GDP growth in Q3.

Synopsis: Manufacturing activity is highly dependent on global conditions and local demand. Should we see a protracted global slowdowns in trade activity, this will weigh on exports and manufacturing production. We anticipate some recovery in the industry over the near term, from the low base in 1H18, however the longer term trajectory will be dependent on global developments.

ECONOMIC CALENDAR

[back to top](#)

Nedbank CIB Market Commentary | CIBMarketComm@Nedbank.co.za | +27 11 537 4091

| | Country | Event | Period | Survey | Actual | Prior | Revised |
|-------------------|---------|--------------------------------|--------|------------|------------|------------|---------|
| 11-October | | | | | | | |
| 01:50 AM | JN | PPI YoY | SEP | 2.90% | 3.00% | 3.00% | - |
| 01:00 PM | SA | Manufacturing Prod NSA YoY | AUG | 1.15% | 1.30% | 2.90% | 2.80% |
| 02:30 PM | US | CPI YoY | SEP | 2.40% | 2.30% | 2.70% | - |
| 02:30 PM | US | Real Avg Weekly Earnings YoY | SEP | 0.00% | 1.10% | 0.50% | - |
| 02:30 PM | US | Real Avg Hourly Earning YoY | SEP | - | 0.50% | 0.20% | - |
| 12-October | | | | | | | |
| 12:00 AM | CH | Exports YoY CNY | SEP | 9.15% | 17.00% | 7.90% | - |
| 12:00 AM | CH | Imports YoY CNY | SEP | 15.15% | 17.40% | 18.80% | - |
| 12:00 AM | CH | Trade Balance CNY | SEP | CNY 136.2b | CNY 213.2b | CNY 179.8b | - |
| 12:00 AM | CH | Imports YoY | SEP | 15.25% | 14.30% | 20.00% | - |
| 12:00 AM | CH | Exports YoY | SEP | 8.2% | 14.5% | 9.8% | - |
| 12:00 AM | CH | Trade Balance | SEP | USD 19.2b | USD 31.7b | USD 28.1b | - |
| 01:50 AM | JN | Money Stock M3 YoY | SEP | 2.50% | 2.50% | 2.50% | - |
| 08:00 AM | GE | CPI YoY | MAY F | 2.30% | - | 2.30% | - |
| 11:00 AM | EC | Industrial Production WDA YoY | AUG | -0.20% | - | -0.10% | - |
| 04:00 PM | US | U. of Mich. Sentiment | OCT P | 100.4 | - | 100.1 | - |
| 15-October | | | | | | | |
| 06:30 AM | JN | Industrial Production YoY | AUG F | - | - | 0.60% | - |
| 02:30 PM | US | Retail Sales Advance MoM | SEP | 0.70% | - | 0.10% | - |
| 16-October | | | | | | | |
| 03:30 AM | CH | CPI YoY | SEP | 2.50% | - | 2.30% | - |
| 03:30 AM | CH | PPI YoY | SEP | 3.50% | - | 4.10% | - |
| 10:30 AM | UK | ILO Unemployment Rate 3Mths | AUG | 4.00% | - | 4.00% | - |
| 11:00 AM | EC | Trade Balance SA | AUG | EUR 0.0b | - | EUR 12.8b | - |
| 11:00 AM | EC | ZEW Survey Expectations | OCT | - | - | -7.2 | - |
| 11:00 AM | GE | ZEW Survey Current Situation | OCT | 75.0 | - | 76.0 | - |
| 11:00 AM | GE | ZEW Survey Expectations | OCT | -10.8 | - | -10.6 | - |
| 03:15 PM | US | Capacity Utilization | SEP | 78.20% | - | 78.10% | - |
| 03:15 PM | US | Industrial Production MoM | SEP | 0.25% | - | 0.41% | - |
| 03:15 PM | US | Manufacturing (SIC) Production | SEP | 0.30% | - | 0.20% | - |
| 04:00 PM | US | JOLTS Job Openings | AUG | 6900 | - | 6939 | - |
| 10:00 PM | US | Net Long-term TIC Flows | AUG | USD 0.0b | - | USD 74.8b | - |
| 10:00 PM | US | Total Net TIC Flows | AUG | USD 0.0b | - | USD 52.2b | - |

Source: Bloomberg 2018/10/12 06:59

CONTACTS

| | | |
|--|---|---|
| Research Analyst Reezwana Sumad (011) 537 4091 | Fixed Income and Currency Strategist Walter de Wet (011) 537 4140 | Research Publishers (011) 294 0206 |
| ALM Portfolio Management (011) 535 4042 | Bond Trading (011) 535 4021 | Credit Derivatives (011) 535 4047 |
| Equities Sales and Distribution (011) 535 4030/31 | Forex Business Banking Sales Desk (011) 535 4003 | Forex Corporate Sales Desk JHB (011) 535 4002; DBN (031) 327 3000; CTN (021) 413 9300 |
| Forex Institutional Sales Desk (011) 535 4005 | Forex Retail Sales Desk (011) 535 4020 | Inflation Trading (011) 535 4026 |
| Interest Rate Swaps & FRA's Trading (011) 535 4004 | Money Market Business Banking Sales Desk (011) 535 4006 | Money Market Corporate Sales Desk JHB (011) 535 4007; DBN (031) 327 3000; CTN (021) 413 9300 |
| Money Market Institutional Sales Desk (011) 535 4008 | Non Soft & Soft Commodities Trading (011) 535 4038 | 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).