

# DAILY MARKET COMMENTARY

12 April 2019



[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)	SAGB yields marginally higher as the ZAR weakens in line with EM FX, weighed by concerns over global growth
(Currencies)	This morning we are back around the 14.00 level after a quiet overnight session
(Commodities)	Oil is set for the longest weekly winning streak since 2016 as supply disruptions in Libya and Venezuela persist
(Equities)	The Brexit extension lifts European markets while a slowdown in global growth continues to dampen sentiment worldwide
(Economics)	SA mining and manufacturing production point to negative contributions towards 1Q19 real GDP

## KEY OVERNIGHT FACTORS AND UPCOMING EVENTS THIS WEEK

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Date	Region	Event	Actual/expected/prior	Implications
11/04	SA	Mining and manufacturing production	--	Mining output continues to contract, manufacturing production likely to remain very weak in the midst of a low PMI
12/04	EZ	Industrial production	--/-0.9%/-1.1%	Industrial production may be weighed by weaker export activity in Germany
17/04	CH	GDP	--/1.4%/1.5%	Growth likely to ease on the back of weak export activity early in the year
17/04	SA	CPI	--/4.5%/4.1%	CPI likely to rise on higher transport inflation
17/04	SA	Retail sales	--/0.1%/1.2%	Retail sales likely to reflect subdued demand, elevated unemployment, and falling disposable income growth

Source: Nedbank

### CONTACT FOR QUERIES

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# 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 1d	Δ MTD	Δ YTD	Δ 12Month	MTD trend
	%	bps	bps	bps	bps	
R208-2 yrs	6,87	-0,05	-3,55	-12,75	-28,35	↓
R186-7,7 yrs	8,48	-0,10	-11,30	-39,10	41,20	↓
R2048-28,9 yrs	9,60	0,05	-11,15	-30,25	66,75	↓
US10 yr	2,50	0,17	9,37	-18,55	-33,71	↑
UK 10 yr	1,15	5,30	15,00	-12,70	-23,90	↑
German 10 yr	-0,01	1,70	6,10	-25,10	-50,80	↑
Japan 10 yr	-0,06	-0,20	2,40	-6,00	-9,40	↑

Money Market	Last price	Δ 1d	Δ MTD	Δ YTD	Δ 12Month	MTD trend
	%	bps	bps	bps	bps	
SA repo rate	6,75	0,00	0,00	0,00	25,00	→
SA prime rate	10,25	0,00	0,00	0,00	25,00	→
SA CPI (MTD=previous month)	4,10		10,00	-40,00	10,00	↑
SA 3m JIBAR	7,16	0,00	0,80	0,80	25,80	↑
SA 3m NCD	7,13	-2,50	-1,25	0,00	27,50	↓
SA 6m NCD	7,70	0,00	-2,50	-5,00	35,00	↓
SA 12m NCD	8,18	0,00	-5,00	-15,00	42,50	↓
US3m LIBOR	2,60	-0,68	-0,30	-21,09	25,51	↓
UK 3m LIBOR	0,83	0,36	-2,08	-8,48	5,92	↓
Japan 3m LIBOR	-0,06	0,07	0,23	1,10	-2,37	↑

Source: Bloomberg & Nedbank CIB

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FRAs and Swaps	Last price	Δ 1d	Δ MTD	Δ YTD	Δ 12Month	MTD trend
	%	bps	bps	bps	bps	
3X6 FRA	7,13	0,25	1,50	-8,50	28,50	↑
6X9 FRA	7,07	0,00	4,00	3,00	4,00	↑
9X12 FRA	7,05	0,00	-3,50	-28,50	28,50	↓
18X21 FRA	7,14	0,00	-5,50	-32,00	26,00	↓
SA 2yr Swap	7,10	1,80	-3,20	-23,20	27,36	↓
SA 3yr Swap	7,17	2,00	-5,00	-27,50	22,50	↓
SA 5yr Swap	7,40	4,00	-4,00	-27,00	20,50	↓
SA 10yr Swap	7,95	0,00	-4,00	-24,50	26,00	↓
SA 15yr Swap	8,21	3,50	-4,70	-26,00	23,00	↓

Spreads	Last price	Δ 1d	Δ MTD	Δ YTD	Δ 12Month	MTD trend
	%	bps	bps	bps	bps	
2v10y	-0,84	1,80	0,80	1,30	1,36	↑
3v10y	-0,78	2,00	-1,00	-3,00	-3,50	↓
R186-R208	1,61	-0,05	-7,75	-26,35	69,55	↓
R2048-R186	1,12	0,15	0,15	8,85	25,55	↑
5y-R186	-1,08	4,10	7,30	12,10	-20,70	↑
10y-R186	-0,54	0,10	7,30	14,60	-15,20	↑
15y-R186	-0,28	3,60	6,60	13,10	-18,20	↑
SA 5yr CDS spread - basis points	185,40	1,50	-21,17	-37,55	29,10	↓

Source: Bloomberg & Nedbank CIB

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## US 10 year yield

### US 10 year yield

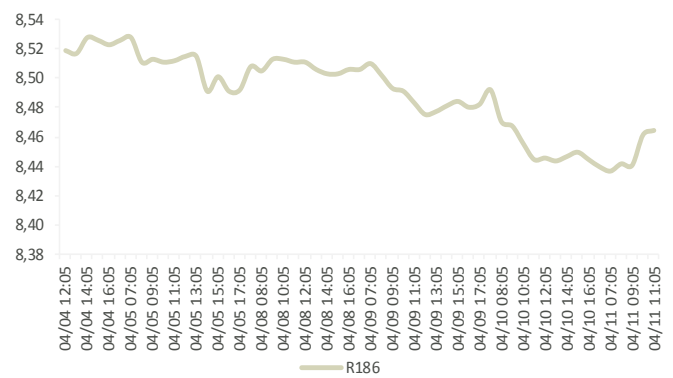


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Source: Bloomberg, Nedbank

## SA 10 year yield

### SA 10 year yield



Time 2019/04/12 07:07

Source: Bloomberg, Nedbank

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

- The rand started the day at around the 13.92 level and initially saw the 13.8750 level, but good buying interest emerged at that level, and it was soon back to trading at around the 13.93/95 level. From there, it was a steady move higher, touching 14.0550. While we cannot be sure about the reason for the move, it was probably a combination of a few things, such as a weaker TRY, some local services protests and the threat of further load shedding, but overall, we just think the market probably got ahead of itself and this was some short covering. This morning, we are back at around the 14.00 level after a quiet overnight session, and it appears as if this could be a quiet local session, with not much on the radar today. We think there is a possibility of further short covering ahead of the weekend, so we could see this trade up towards 14.10/12, but as we said, we don't see too much happening today.
- The EUR is slightly higher this morning, up to around 1.1290 after spending the day yesterday in a 1.1250-80 range, more or less, but the GBP is unchanged from yesterday and is still at around 1.3070. The UK parliament is to go on a two-week break, so Brexit chatter should quieten for some time now.
- Overall; we expect the rand to be driven by general dollar and EM movements, as well as the TRY, the EUR, etc.
- Range: 13.9000-14.1000

Majors	Last price	%Δ -1d	%Δ MTD	%Δ YTD	%Δ 12Month	MTD trend	USD trend
GBPUSD	1,31	0,05	0,29	2,57	-8,11	↑	USD weakness
EURUSD	1,13	0,28	0,64	-1,41	-8,46	↑	USD weakness
USDJPY	111,76	0,17	0,81	-1,88	4,06	↑	USD strength
USDAUD	1,40	-0,17	-0,55	-1,32	8,80	↓	USD weakness

Rand crosses	Last price	%Δ -1d	%Δ MTD	%Δ YTD	%Δ 12Month	MTD trend	ZAR trend
USDZAR	13,99	-0,13	-3,66	-2,79	14,07	↓	ZAR strength
GBPZAR	18,29	-0,09	-3,31	-0,27	6,48	↓	ZAR strength
EURZAR	15,79	0,15	-3,02	-4,27	6,12	↓	ZAR strength
AUDZAR	9,98	0,04	-3,09	-1,51	6,50	↓	ZAR strength
ZARJPY	7,99	0,29	4,30	4,59	-11,63	↑	ZAR strength

African FX	Last price	%Δ -1d	%Δ MTD	%Δ YTD	%Δ 12Month	MTD trend	ZAR trend
ZARMWK (Malawian kwacha)	52,42	-0,05	3,34	3,31	-15,08	↑	ZAR strength
ZARBWP (Botswana pula)	0,76	0,46	1,81	1,74	-5,46	↑	ZAR strength
ZARKES (Kenyan shilling)	7,22	0,14	3,67	1,84	-16,34	↑	ZAR strength
ZARMUR (Mauritian rupee)	2,49	0,09	2,87	4,40	-12,42	↑	ZAR strength
ZARNGN (Nigerian naira)	25,70	0,12	2,58	1,68	-16,70	↑	ZAR strength
ZARGHS (Ghanian cedi)	0,38	0,13	-1,20	9,43	2,42	↓	ZAR weakness
ZARZMW (Zambian kwacha)	0,88	1,13	4,60	6,11	10,57	↑	ZAR strength
ZARMZN (Mozambican metical)	4,58	0,12	3,97	7,75	-9,75	↑	ZAR strength

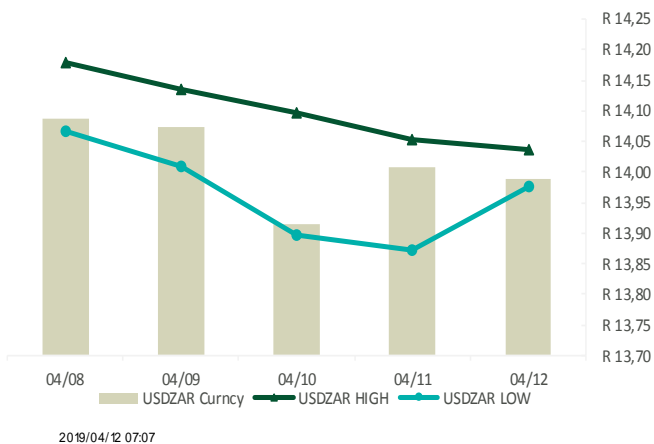
Emerging Market FX	Last price	%Δ -1d	%Δ MTD	%Δ YTD	%Δ 12Month	MTD trend	USD trend
USDBRL (Brazilian Real)	3,86	0,91	-1,58	-0,55	12,58	↓	USD weakness
USDTRY (Turkish Lira)	5,75	0,19	3,11	7,97	28,74	↑	USD strength
USDMXN (Mexican Peso)	18,81	-0,10	-3,27	-4,53	3,58	↓	USD weakness
USDINR (Indian Rupee)	69,08	0,22	-0,12	-1,00	5,54	↓	USD weakness
USDRUB (Russian Ruble)	64,46	-0,32	-2,01	-7,63	4,03	↓	USD weakness

Source: Bloomberg & Nedbank CIB  
Time: 2019/04/12 07:07

\*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

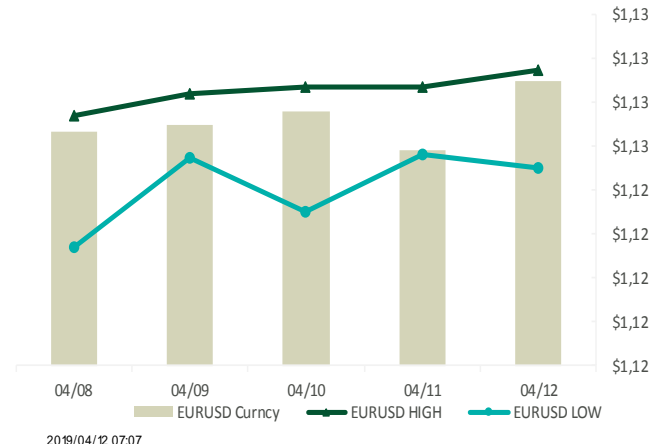
\$/R (close, high and low)



Source: Bloomberg, Nedbank

## EUR/USD

€/€ (close, high, low)



Source: Bloomberg, Nedbank

- Oil is set for the longest weekly winning streak since 2016 as supply disruptions in Libya and Venezuela persist. Futures little changed, heading for a 1.1% advance this week.
- Gold was steady after posting the biggest decline in two weeks as investors weighed data that signalled the US economy remained on a solid footing, boosting the dollar and eroding the appeal of bullion. Spot gold +0.1% to \$1,293.34/oz; +0.1% this week after two weeks of losses.
- Spot silver flat; heads for a third straight weekly drop in worst losing run since Sept. Platinum +0.4%, set for weekly loss. Palladium -0.1%, little change on the week. The continuing lack of clarity as to whether the U.S. and China are close to a trade deal and other geopolitical risks weighed on base metals.
- LME copper -0.9% to \$6,408/ton. Lead, nickel, tin, zinc and aluminium also fall. Iron ore futures drop ahead of release of China imports data for March on Friday. Iron ore on DCE -0.5% to 651.5 yuan/ton.

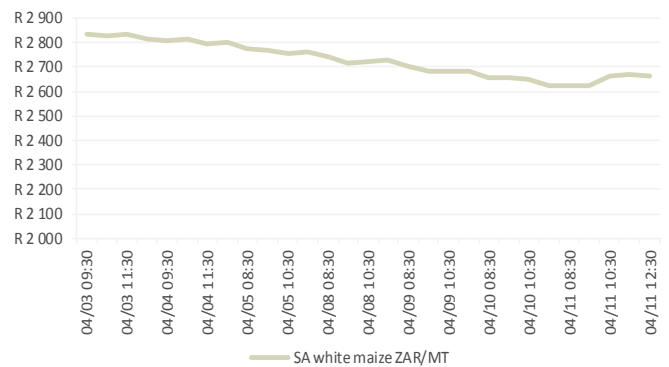
Source: Bloomberg

Commodities	Last price	%Δ -1d	%Δ MTD	%Δ YTD	%Δ 12Month	MTD trend
Brent near future (\$)	71,10	0,38	3,96	32,16	-1,28	↑
WTI crude (\$)	63,86	0,44	6,19	40,63	-4,79	↑
Gold spot (\$)	1 292,62	-0,02	0,02	0,86	-3,40	↑
Platinum spot (\$)	893,18	0,29	5,15	12,33	-4,19	↑
SA white maize spot (R)	2 662,00	1,41	-7,67	-9,15	33,70	↓

Source: Bloomberg & Nedbank CIB  
Time: 2019/04/12 07:07

## SA white maize

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

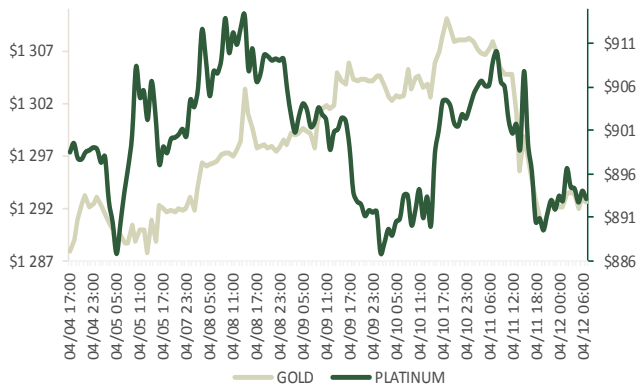


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Source: Bloomberg, Nedbank

## Platinum vs Gold

Platinum vs. Gold

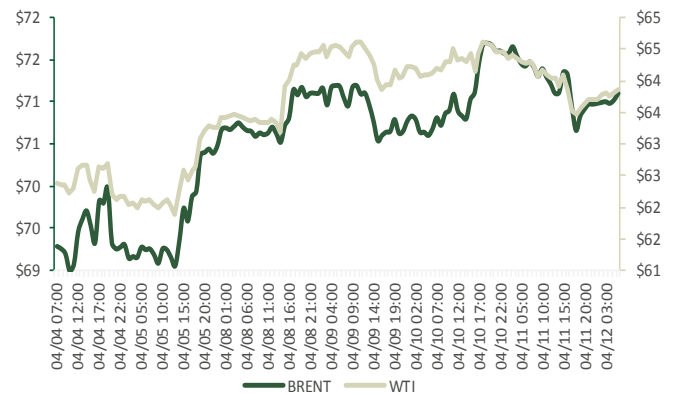


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Source: Bloomberg, Nedbank

## Brent Crude vs West Texas Intermediate

Brent Crude vs West Texas Intermediate



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Source: Bloomberg, Nedbank

Cash equities | +2711 535 4030/31

**South Africa**

- The JSE tracked its Asian counterparts lower, with the Top40 ending the day down 0.42% at 51,942, well off the day's lows.
- Most sectors closed in the red, with the mining sector being the worst performer on the day.
- Gold prices fell, weighing on the gold index, which lost 2.97%.
- The rand weakened slightly, ending the trading session at 14.00 vs the dollar, lending support to the likes of Richemont (+2.27%) and Anheuser-Busch InBev (+1.97%).
- On the corporate news front, Barloworld Ltd (-2.21%) traded lower, following a cautionary announcement saying it had entered into negotiations to acquire an asset that would complement and grow its Equipment division.
- MTN Group Ltd added 3.14% on news that Nigeria had awarded it additional broadband spectrum related to its 2015 acquisition of Visafone Communications Ltd, following a lengthy regulator battle.
- Value traded at the close was R16.2bn.

**UK/Europe**

- Most European markets ended Thursday's session higher, lifted by comments from the French central bank's head saying that the Eurozone was not in a situation similar to that of Japan and that the ECB was "not short of ammunition" to accelerate price growth and buoy the economy.
- On the company front, LVMH rallied 4.6%, closing at a record high after posting strong first-quarter sales.
- Airline stocks soared, following news of a six-month Brexit extension, with the likes of EasyJet gaining 8.4%, while Deutsche Lufthansa added 3.1%.
- Resource stocks lost ground, weighed by lower copper prices and concerns about a global slowdown.
- The FTSE100 lost 0.05%, the CAC40 gained 0.66% and the DAX added 0.25%.

**USA**

- US markets ended little changed, with anxiety over a global slowdown offsetting strong US data.
- Producer prices in March saw their biggest gains since October, and the US Department of Labor showed that first-time claims for US unemployment benefits slid to their lowest level in nearly 50 years in the week ended 6 April.
- Financial stocks rose ahead of earnings reports from the likes of JP Morgan Chase & Co and Wells Fargo, due today, and Citigroup and Goldman Sachs on Monday.
- Healthcare stocks were among the worst performers after a US senator introduced a "Medicine for All" plan in Congress and the Senate Finance Committee concluded a hearing to discuss the role pharmacy benefit managers play in drug pricing.
- The Dow lost 0.05%, the S&P500 closed flat and the Nasdaq lost 0.21%.

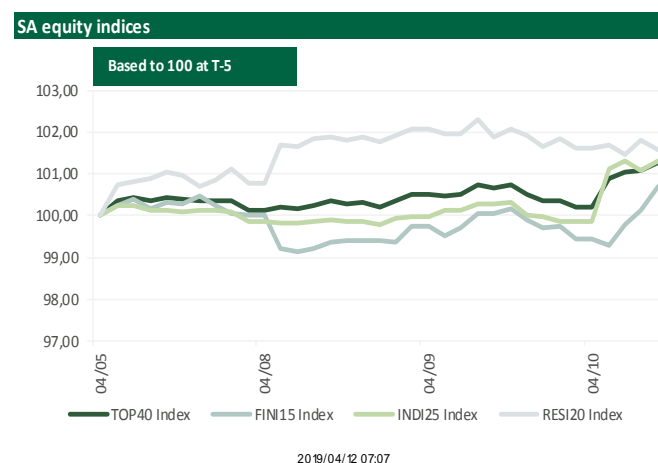
**Asia**

- Asian markets are trading mixed this morning, with many investors seen sitting on the sidelines ahead of the US and domestic earnings season.
- The Nikkei crossed the unchanged line a few times during the session, with investors trading cautiously ahead of a 10-day holiday from 27 April to 6 May to mark the ascension of Japan's new emperor. This will be the longest break ever for Japanese stocks and bonds.
- Chinese and Hong Kong stocks traded lower as investors awaited trade data for signs of a recovery amid mounting concerns over slowing global growth.
- Higher iron ore prices lifted the mining sector in Australia, while a lower gold price weighed on the gold sector. Financials posted solid gains.

Developed Markets	Last price	%Δ		%Δ		2018		MTD trend
		-1d	MTD	YTD	12Month	Performance		
Dow Jones	26 143,05	-0,05	0,83	12,07	6,78	-6,03	👆	
Nasdaq	7 947,36	-0,21	2,82	19,77	11,30	-5,30	👆	
S&P 500	2 888,32	0,00	1,90	15,22	8,42	-7,01	👆	
DJ Eurostoxx 50	3 435,34	0,31	2,50	14,46	-0,25	-14,00	👆	
DAX	11 935,20	0,25	3,55	13,03	-3,86	-17,97	👆	
CAC	5 485,72	0,66	2,53	15,96	3,32	-10,55	👆	
FTSE	7 417,95	-0,05	1,91	10,25	2,20	-12,03	👆	
ASX200	6 246,10	0,77	1,06	10,62	7,40	-6,84	👆	
Nikkei 225	21 850,11	0,64	3,04	9,17	0,88	-14,85	👆	
MSCI World	2 147,61	-0,02	1,89	14,00	2,71	-10,97	👆	
Emerging Markets	Last price	%Δ		%Δ		2018		MTD trend
		-1d	MTD	YTD	12Month	Performance		
Hang Seng	29 732,20	-0,36	2,34	15,04	-3,56	-15,30	👆	
Shanghai	3 175,84	-0,44	2,75	27,34	-0,14	-25,52	👆	
Brazil Bovespa	94 754,70	-1,25	-0,69	7,81	10,90	12,83	👇	
India - NSE	38 677,21	0,18	0,01	7,23	13,42	6,67	👆	
Russia Micex	2 551,45	-1,05	2,18	7,69	15,45	9,55	👆	
MSCI Emerging	1 087,49	-0,78	2,78	12,60	-7,60	-18,02	👆	
SA Indices	Last price	%Δ		%Δ		2018		MTD trend
		-1d	MTD	YTD	12Month	Performance		
JSE All Share	58 186,19	-0,39	3,05	10,33	3,02	-11,71	👆	
Top 40	51 942,03	-0,42	3,32	11,16	4,28	-11,54	👆	
Resi 10	47 767,49	-1,05	1,88	16,38	34,02	12,01	👆	
Indi 25	71 540,39	0,00	3,81	12,34	-3,05	-20,20	👆	
Fini 15	16 901,57	-0,69	3,93	3,18	-3,39	-6,54	👆	

Source: Bloomberg &amp; Nedbank CIB

Time 2019/04/12 07:07

**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
<b>15 April 2019</b>		
ACG	Anchor Group Ltd	dividend @ 10cps
AVI	AVI Limited	dividend @ 165cps
BRN	Brimstone Investment Corp Ltd N	dividend @ 45cps
BRT	Brimstone Investment Corp Ltd	dividend @ 45cps
CPI	Capitec Bank Ltd	dividend @ 1120cps
DTA	Delta EMD Limited	dividend @ 70cps
MFL	Metrofile Holdings Ltd	dividend Option @ 5cps or 3.48319 per 100 held
MTA	Metair Investments Ltd	dividend @ 100cps
TLM	Telemasters Holdings Ltd	dividend @ 1cps
TRL	Trellidor Holdings Ltd	dividend @ 9.1cps

SHARE CODE	SHARE NAME	DIVIDEND / INTEREST RATE
<b>16 April 2019</b>		
CCO	Capital Counties Properties PLC	dividend @ 18.39590cps or 1 new per 245.69627 held

Source: JSE

# JSE PERFORMANCE

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Top40 constituents	Last price	%Δ -1d	%Δ MTD	%Δ YTD	%Δ 12Month	2018 Performance	MTD trend
ABG : Absa Group Ltd	160,29	-0,55	5,38	-0,95	-9,44	-11,08	↑
AGL : Anglo American Plc	400,35	-0,84	3,77	24,23	41,93	26,07	↑
AMS : Anglo American Platinum Ltd	775,62	-4,54	5,36	44,19	153,02	52,19	↑
ANG : AngloGold Ashanti Ltd	184,92	-3,55	-3,48	1,74	66,22	41,31	↓
APN : Aspen Pharmacare Holdings Lt	98,58	-0,42	6,02	-26,88	-61,34	-51,42	↑
BHP : Bhp Group Plc	350,65	-0,84	0,93	21,14	49,71	21,24	↑
BID : Bid Corp Ltd	288,00	-0,86	-3,36	8,68	8,46	-11,96	↓
BTI : British American Tobacco Plc	564,47	-0,24	-5,59	20,28	-21,03	-43,42	↓
BVT : Bidvest Group Ltd	210,81	0,09	8,95	1,91	-8,37	-5,15	↑
CFR : Financiere Richemont-Dep Rec	100,14	2,27	-4,33	6,93	-10,94	-16,20	↓
CLS : Clicks Group Ltd	177,00	-0,84	-3,91	-7,55	-4,56	5,70	↓
CPI : Capitec Bank Holdings Ltd	1376,37	-1,95	1,95	23,11	63,03	1,83	↑
DSY : Discovery Ltd	143,50	0,10	4,90	-10,19	-16,29	-14,09	↑
FSR : Firststrand Ltd	66,61	-0,75	5,80	1,60	-0,51	-2,51	↑
GFI : Gold Fields Ltd	53,30	-3,18	0,04	8,03	17,07	-8,80	↑
GRT : Growthpoint Properties Ltd	24,00	-1,52	-1,72	3,00	-16,49	-15,76	↓
INL : Investec Ltd	88,50	-0,24	4,93	12,03	-7,15	-11,95	↑
INP : Investec Plc	87,90	-0,05	5,41	10,34	-8,49	-11,25	↑
MCG : Multichoice Group Ltd	130,00	-0,84	7,71				↑
MND : Mondi Ltd	323,88	0,38	1,60	4,62	5,13	-3,04	↑
MNP : Mondi Plc	322,62	-0,02	1,49	6,10	4,48	-4,78	↑
MRP : Mr Price Group Ltd	208,00	-1,36	9,75	-15,50	-22,64	0,52	↑
MTN : Mtn Group Ltd	96,28	3,14	8,64	8,18	-17,16	-34,85	↑
NED : Nedbank Group Ltd	267,04	0,16	6,29	-2,80	-8,14	7,27	↑
NPN : Naspers Ltd-N Shs	3574,97	-0,74	7,29	27,47	20,09	-16,19	↑
NRP : Nepi Rockcastle Plc	118,00	-0,91	-2,83	4,42	-10,27	-47,09	↓
NTC : Netcare Ltd	24,25	0,00	3,85	-6,83	-11,13	5,09	↑
OMU : Old Mutual Ltd	22,87	-0,87	4,57	2,10			↑
PSG : Psg Group Ltd	269,53	-0,17	3,07	10,10	21,82	-9,33	↑
RDF : Redefine Properties Ltd	9,91	-1,00	2,16	2,48	-14,42	-9,63	↑
REM : Remgro Ltd	192,60	-0,49	3,96	-1,10	-13,66	-17,48	↑
RMH : Rmb Holdings Ltd	80,60	-0,54	6,08	2,15	3,27	-0,34	↑
SAP : Sappi Limited	68,10	-0,23	2,18	-16,60	-10,39	-8,77	↑
SBK : Standard Bank Group Ltd	193,50	-0,62	4,46	8,22	-10,08	-8,61	↑
SHP : Shoprite Holdings Ltd	170,47	0,37	7,48	-10,35	-29,69	-14,03	↑
SLM : Sanlam Ltd	76,66	-1,12	3,93	-3,93	-5,36	-8,28	↑
SOL : Sasol Ltd	462,34	-1,07	2,74	8,79	8,28	-0,74	↑
SPP : Spar Group Limited/The	198,37	-1,31	3,38	-4,40	-0,86	2,05	↑
TBS : Tiger Brands Ltd	267,57	-0,31	0,97	-2,27	-32,22	-40,48	↑
TFG : The Foschini Group Ltd	175,01	-0,57	7,37	5,28	-15,54	-15,76	↑
VOD : Vodacom Group Ltd	115,94	1,28	4,05	-12,17	-21,48	-9,39	↑
WHL : Woolworths Holdings Ltd	47,53	-0,56	2,26	-13,72	-23,51	-15,65	↑

Source: Bloomberg & Nedbank CIB

Time 2019/04/12 07:07

## SA

- SA mining production contracted by 7.5% y/y in February, from -3.3% in January, worse than consensus of -2.5%. The contraction does not come as a surprise as the mining and manufacturing industries were hard hit by electricity shortages in Q1. What is even more concerning is the performance on a 3-month basis (or rolling quarter) – in the three months to February, mining output declined by 5% q/q, relative to just -0.1% in December. This tells us that the mining industry is likely to be a significant drag on real GDP growth in Q1 (more so than the -0.3% contribution towards 4Q18 growth). And while the manufacturing industry more than made up (+0.6% contribution) for the mining industry drag on growth in Q4, this is unlikely to be the case in 1Q19.
- The main drivers of the slump in output in February were diamond, gold and iron ore output, contributing a cumulative -9.1% towards the headline print. The only mineral whose output did not deteriorate from January to February was copper production (however this only makes up 1.1% weight in the mining basket).
- Despite the slump in output, sales of mineral products remain upbeat, surging 10.6% y/y in February – demand is still fairly strong despite global growth concerns. Although still too early to be meaningful, for the YTD sales of mineral products is up by 15% y/y.
- Manufacturing production growth eased to 0.6% y/y in February, from 0.9% in January, better than consensus of 0.5%. Despite the annualised growth, manufacturing output had actually contracted on a m/m basis in the last two months, therefore resulting in a 0.6% q/q decline in the three months to February. This is in stark contrast to the growth of 1.2% achieved in the three months to December. As a result, manufacturing output is likely to contribute negatively towards real GDP growth in 1Q19.
- The key negative drivers of manufacturing production in February were textiles, clothing, wood, glass, electrical machinery and furniture production. On the other hand, key positive drivers of output in February were food, beverages, petroleum and chemicals.

**Synopsis: While electricity shortages remain a key hindrance to output, business confidence remains weak, and precious metal prices have eased, despite sales of both manufactured and mineral products still growing strongly. This implies a significant draw down in inventories, which is likely to be another drag on growth (GDE) in Q1. The outlook for the SA economy therefore remains benign, with real growth of just 0.9% expected this year, which is still contingent on no downside risks materialising.**



# ECONOMIC CALENDAR

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	Country	Event	Period	Survey	Actual	Prior	Revised
<b>11-April</b>							
01:50 AM	JN	Money Stock M3 YoY	MAR	2,10%	2,10%	2,10%	-
03:30 AM	CH	CPI YoY	MAR	2,30%	2,30%	1,50%	-
03:30 AM	CH	PPI YoY	MAR	0,40%	0,40%	0,10%	-
08:00 AM	GE	CPI YoY	MAY F	1,30%	1,30%	1,30%	-
11:30 AM	SA	Mining Production YoY	FEB	-2,50%	-7,50%	-3,30%	-
11:30 AM	SA	Gold Production YoY	FEB	-	-20,57%	-22,50%	-22,80%
11:30 AM	SA	Platinum Production YoY	FEB	-	17,82%	28,10%	-
01:00 PM	SA	Manufacturing Prod NSA YoY	FEB	0,50%	0,60%	0,30%	0,90%
02:30 PM	US	Initial Jobless Claims	NOV 24	210k	196k	202k	-
02:30 PM	US	Continuing Claims	NOV 17	1735k	1713k	1717k	-
02:30 PM	US	PPI Final Demand YoY	MAR	1,90%	2,20%	1,90%	-
<b>12-April</b>							
12:00 AM	CH	Exports YoY CNY	MAR	6,30%	-16,60%	-16,60%	-
12:00 AM	CH	Imports YoY CNY	MAR	2,60%	-0,30%	-0,30%	-
12:00 AM	CH	Imports YoY	MAR	0,20%	-5,20%	-5,20%	-
12:00 AM	CH	Exports YoY	MAR	6,5%	-20,8%	-20,7%	-
12:00 AM	CH	Trade Balance CNY	MAR	CNY 76,6b	CNY 34,5b	CNY 34,5b	-
12:00 AM	CH	Trade Balance	MAR	USD 5,7b	USD 4,1b	USD 4,1b	-
08:00 AM	GE	Wholesale Price Index YoY	MAR	-	-	1,60%	-
11:00 AM	EC	Industrial Production WDA YoY	FEB	-0,90%	-	-1,10%	-
04:00 PM	US	U. of Mich. Sentiment	APR P	98,2	-	98,4	-
<b>15-April</b>							
10:00 PM	US	Net Long-term TIC Flows	FEB	-	-	USD -7,2b	-
10:00 PM	US	Total Net TIC Flows	FEB	-	-	USD -143,7b	-
<b>16-April</b>							
10:30 AM	UK	ILO Unemployment Rate 3Mths	FEB	4,00%	-	3,90%	-
11:00 AM	EC	ZEW Survey Expectations	APR	-	-	-2,5	-
11:00 AM	GE	ZEW Survey Current Situation	APR	8,5	-	11,1	-
11:00 AM	GE	ZEW Survey Expectations	APR	0,5	-	-3,6	-
03:15 PM	US	Capacity Utilization	MAR	79,20%	-	79,13%	-
03:15 PM	US	Industrial Production MoM	MAR	0,25%	-	0,04%	-
03:15 PM	US	Manufacturing (SIC) Production	MAR	0,20%	-	-0,40%	-

Source: Bloomberg 2019/04/12 07:05

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