

DAILY MARKET COMMENTARY



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[JSE Performance](#) | [Economics](#) | [*Foreign Flows](#) | [Economic Calendar](#) | [Contacts](#)

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(* when available)

Key Daily Drivers

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SNIPPETS

Currencies	Rand loses ground as risk retreats
Commodities	Oil edged lower; Gold prices edge up on the back of a weaker dollar
Equities	Global equity markets rise on China's stimulus

Key Overnight Factors and Upcoming Events This Week

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Date	Region	Event	Actual/Expected/Prior	Implications
19/08	UK	CPI	---/0.6%/0.6%	Likely to remain steady
19/08	EZ	CPI	--/0.4%/0.3%	Higher inflation at the back of increased prices due to the delay in sales season
21/08	Global	Manufacturing PMI	--	Improvements in PMI data expected due to easing of COVID-19 containment measures

Source: Nedbank

Contact For Queries
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Fixed Income and Interest Rates

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	
R208-0,6 yrs	3,58	2,80	3,30	-315,80	-315,40	↑
R186-6,3 yrs	7,44	10,15	-6,45	-80,05	-93,05	↓
R2030-9,5 yrs	9,25	8,85	2,35	23,65	18,45	↑
R2048-27,5 yrs	11,48	7,05	2,05	139,85	147,85	↑
US 10 yr	0,68	-1,30	14,70	-124,32	-87,86	↑
UK 10 yr	0,22	-2,70	11,20	-60,60	-25,00	↑
German 10 yr	-0,45	-3,00	7,30	-26,60	23,40	↑
Japan 10 yr	0,03	-1,30	1,40	4,50	26,20	↑

Money Market	Last price	Δ				MTD trend
		1d	MTD	YTD	12Month	
	%	bps	bps	bps	bps	
SA repo rate	3,50	0,00	0,00	-300,00	-300,00	→
SA prime rate	7,00	0,00	0,00	-300,00	-300,00	→
SA CPI (MTD = previous month)	2,20		10,00	-180,00	-230,00	↑
SA 3m JIBAR	3,44	0,00	-21,60	-335,80	-339,10	↓
SA 3m NCD	3,45	0,00	-17,50	-337,50	-340,00	↓
SA 6m NCD	3,50	2,50	-27,50	-382,50	-382,50	↓
SA 12m NCD	3,78	-1,25	-37,50	-385,00	-390,00	↓
US 3m LIBOR	0,27	-0,98	2,16	-163,80	-189,80	↑
UK 3m LIBOR	0,07	0,08	-1,29	-72,01	-69,84	↓
Japan 3m LIBOR	-0,05	-0,38	0,07	-0,72	4,97	↑

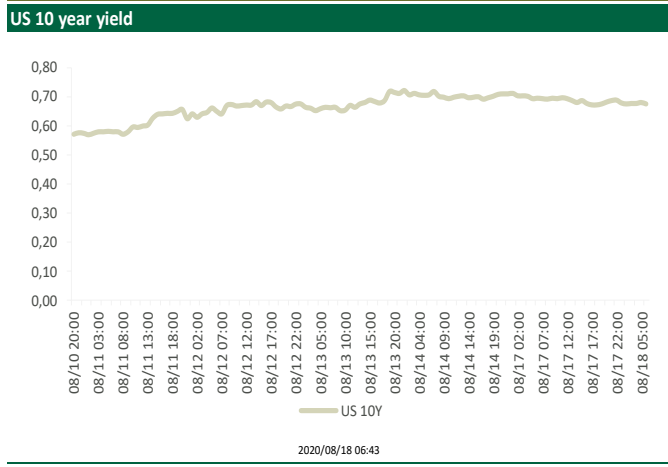
Source: Bloomberg & Nedbank CIB
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FRAs and Swaps	Last price	Δ				MTD trend
		1d	MTD	YTD	12Month	
	%	bps	bps	bps	bps	
3Y6 FRA	3,45	0,00	-3,50	-315,50	-332,25	↓
6X9 FRA	3,49	0,00	4,00	3,00	4,00	↑
9X12 FRA	3,57	0,50	-1,50	-292,50	-300,75	↓
18X21 FRA	4,12	-0,50	-0,50	-246,00	-254,75	↓
SA 2yr Swap	3,75	0,00	-3,50	-284,00	-292,90	↓
SA 3yr Swap	4,11	0,00	-3,50	-256,00	-267,00	↓
SA 5yr Swap	5,06	0,50	-2,50	-189,50	-200,00	↓
SA 10yr Swap	6,99	0,00	-2,50	-69,00	-74,00	↓
SA 15yr Swap	7,77	4,00	-3,00	-29,00	-29,00	↓

Spreads	Last price	Δ				MTD trend
		1d	MTD	YTD	12Month	
	%	bps	bps	bps	bps	
2v10y	-3,25	0,00	-1,00	-215,00	-218,90	↓
3v10y	-2,88	0,00	-1,00	-187,00	-193,00	↓
R2030-R208	5,67	6,05	-0,95	339,45	333,85	↓
R2048-R2030	2,22	-1,80	-0,30	116,20	129,40	↓
5y-R2030	-4,20	-8,35	-4,85	-213,15	-218,45	↓
10y-R2030	-2,26	-8,85	-4,85	-92,65	-92,45	↓
15y-R2030	-1,48	-4,85	-5,35	-52,65	-47,45	↓
SA 5yr CDS spread - basis points	300,00	0,00	-11,00	133,50	107,50	↓

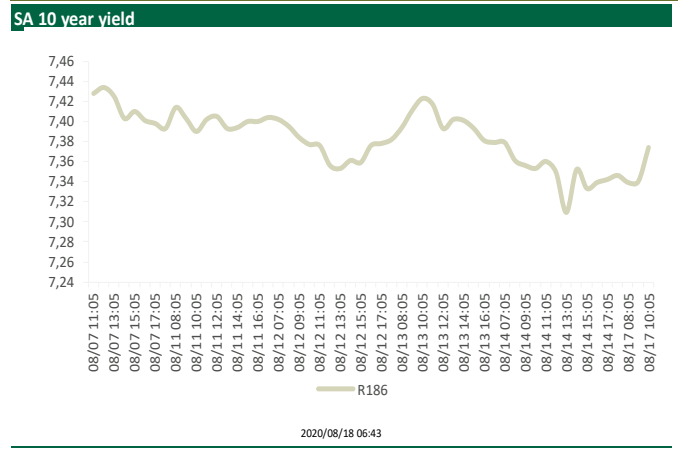
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US 10 Year Yield



Source: Bloomberg, Nedbank

SA 10 Year Yield



Source: Bloomberg, Nedbank

Currencies

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

- The new week got underway with the rand trading in the mid-17.30s. The rand initially found support, but this scenario was of limited duration, and again the 17.30 level held firm. Thereafter, the local unit traded steadily weaker despite the USD coming under pressure against the major currency pairs, closing the session trading at the day's highs around 17.4900. In the overnight sessions, the local unit remained under pressure, reaching a high of 17.5300. This morning, it is currently trading at 17.5075, the EURZAR is trading at 20.8085 and the GBPZAR at 22.9850.
- The international markets saw the major currency pairs post steady gains relative to the USD, with the EURUSD trading to a high marginally short of the 1.1900 level. This morning, it is currently trading at 1.1892. The GBPUSD held above the 1.3100 level, and currently trades at 1.3136. Gold prospered again, and levels of global tension and second-wave infections saw risk trade weaker; this morning, it currently trades at 1,991.50, USD50 firmer than the same time yesterday.
- Data releases scheduled for today: no local releases and nothing from Europe, but from the US, we have housing starts and building permits.
- Yesterday, the rand again failed to breach beyond the 17.3000 level on the downside; thereafter, it traded steadily weaker as cautious USD shorts appeared to exit their positions, and local flows were limited. In the US, politically-driven headlines overshadowed increasing levels of tension between the US and China.
- Possible trading range for the rand today: 17.3500 to 17.7500

Majors	Last price	%Δ -1d	%Δ MTD	%Δ YTD	%Δ 12Month	MTD trend	USD trend
GBPUSD	1,31	0,24	0,38	-0,92	8,32	↑	USD weakness
EURUSD	1,19	0,19	0,98	6,06	7,36	↑	USD weakness
USDJPY	105,63	-0,35	-0,19	2,82	-0,96	↓	USD weakness
USDAUD	1,38	-0,13	-1,11	-2,87	-6,36	↓	USD weakness

Rand crosses	Last price	%Δ -1d	%Δ MTD	%Δ YTD	%Δ 12Month	MTD trend	ZAR trend
USDZAR	17,50	-0,07	2,47	20,02	11,64	↑	ZAR weakness
GBPZAR	22,99	0,21	2,86	19,26	18,42	↑	ZAR weakness
EURZAR	20,82	0,13	3,43	24,60	17,70	↑	ZAR weakness
AUDZAR	12,64	0,12	3,55	22,19	17,27	↑	ZAR weakness
ZARJPY	6,04	-0,29	-2,74	-28,47	-14,27	↓	ZAR weakness

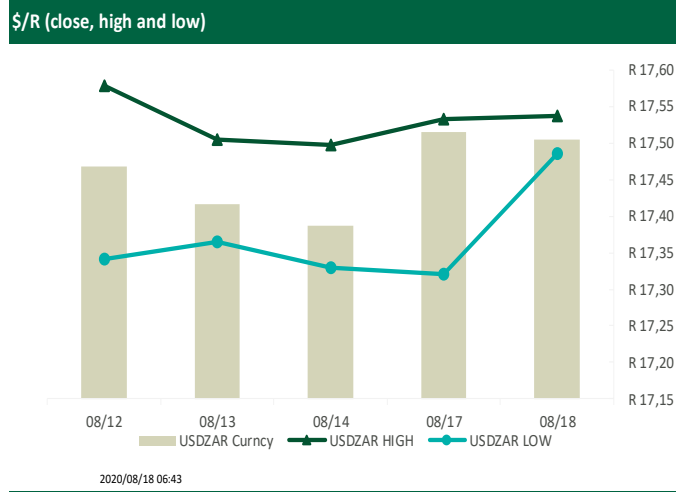
African FX	Last price	%Δ -1d	%Δ MTD	%Δ YTD	%Δ 12Month	MTD trend	ZAR trend
ZARIMWK (Malawian kwacha)	42,16	-0,00	-2,48	-24,99	-12,40	↓	ZAR weakness
ZARBWP (Botswana pula)	0,67	0,00	-0,99	-13,40	-7,62	↓	ZAR weakness
ZARKEK (Kenyan shilling)	6,19	0,05	-1,85	-16,88	-7,12	↓	ZAR weakness
ZARMUR (Mauritan rupee)	2,26	-0,09	-2,86	-14,77	-3,04	↓	ZAR weakness
ZARNGN (Nigerian naira)	21,95	0,84	-3,84	-18,68	-7,18	↓	ZAR weakness
ZARGHS (Ghanian cedi)	0,33	0,00	-2,77	-23,87	-8,18	↓	ZAR weakness
ZARZMW (Zambian kwacha)	1,06	0,01	-0,73	5,59	20,46	↓	ZAR weakness
ZARMZN (Mozambican metical)	4,07	0,00	-2,06	-8,23	3,66	↓	ZAR weakness

Emerging Market FX	Last price	%Δ -1d	%Δ MTD	%Δ YTD	%Δ 12Month	MTD trend	USD trend
USDBRL (Brazilian Real)	5,51	1,60	5,27	26,87	26,07	↑	USD strength
USDTRY (Turkish Lira)	7,39	0,15	5,69	19,51	23,44	↑	USD strength
USDMXN (Mexican Peso)	22,16	-0,18	-0,53	14,59	10,36	↓	USD weakness
USDINR (Indian Rupee)	74,81	-0,11	-0,01	4,58	4,50	↓	USD weakness
USD RUB (Russian Ruble)	73,70	1,14	-0,93	15,89	9,21	↓	USD weakness

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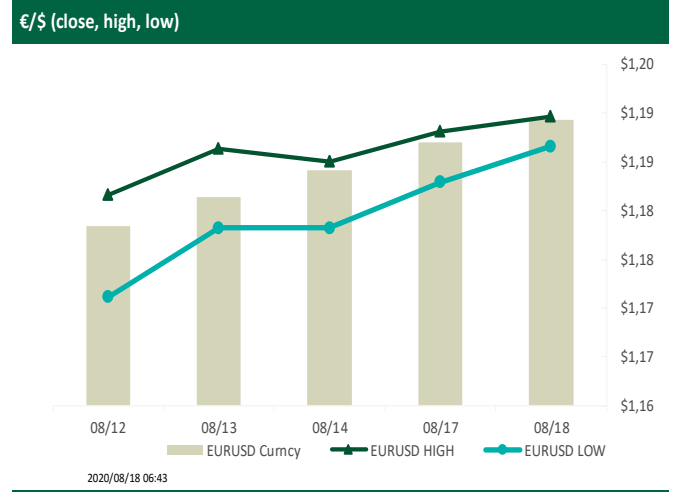
*Please note that the sign on the % change reflects the change on the headline number. The narrative indicates the trend direction over the month. For trade in any of these currencies, contact our FX dealing desks

USD/ZAR



Source: Bloomberg, Nedbank

EUR/USD



Source: Bloomberg, Nedbank

Commodities

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- Oil prices edged lower, mostly holding onto overnight gains after OPEC+ said the producer grouping is almost fully complying with output cuts to support prices amid a drop in demand for fuels due to the coronavirus pandemic.
- Gold prices edge up on the back of a weaker dollar, although gains were capped expectations of a recovery in global economic activity. Base metals higher.

Commodities	Last price	%Δ -1d	%Δ MTD	%Δ YTD	%Δ 12Month	MTD trend
Brent near future (\$)	45,23	-0,31	4,46	-31,47	-22,87	↑
WTI crude (\$)	42,71	-0,42	6,06	-30,05	-22,16	↑
Gold spot (\$)	1991,63	0,32	0,80	31,26	33,14	↑
Platinum spot (\$)	964,26	0,67	6,53	-0,24	13,23	↑
SA white maize spot (R)	2969,00	2,98	9,92	14,19	0,68	↑

Source: Bloomberg & Nedbank CIB
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SA White Maize

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



2020/08/18 06:43

Source: Bloomberg, Nedbank

Platinum vs. Gold

Platinum vs. Gold

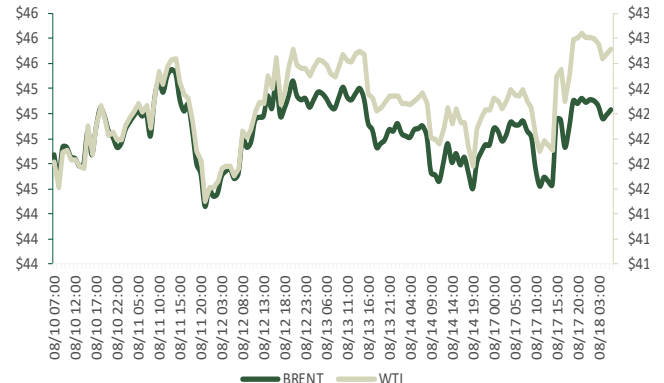


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Source: Bloomberg, Nedbank

Brent Crude vs. West Texas Intermediate

Brent Crude vs West Texas Intermediate



2020/08/18 06:43

Source: Bloomberg, Nedbank

Equities

Cash equities | +2711 535 4030/31

South Africa

- The Top40 traded with a positive bias for most of the day, closing +0.7%.
- Gold and materials stocks outperformed, while communication and financial stocks posted losses.
- In company news, Sasol closed -5.2% after reporting an annual loss.
- The value traded was R19.2bn, and the rand was hovering around 17.47 to the USD at the close.

UK/Europe

- After the initial turbulence, the major European markets grinded higher and closed just off the highs of the day.
- Markets were spurred on by China's central bank pumping liquidity into the financial system.
- Around the region, healthcare, information technology and materials stocks posted strong gains, while losses were seen in communication, energy and financial stocks.

USA

- The major US indices closed a choppy trading session with marginal gains.
- The Dow inched up +0.1%, the S&P 500 added +0.2% and the Nasdaq was flat.
- In economic news, US Empire Manufacturing missed consensus while the NAHB topped estimates.

Asia

- Asian markets are trading mixed this morning despite the positive close on Wall Street last night; the MSCI AC Asia Pacific ex-Japan is up -0.01%.
- The Australian ASX 200 is up +0.7%, with BHP down -0.4%.
- Tencent is currently up +1.4% in Hong Kong this morning.

Developed Markets	Last price	%Δ -1d	%Δ MTD	%Δ YTD	%Δ 12Month	2019 Performance	MTD trend
Dow Jones	27 844,91	-0,31	5,36	-2,43	7,57	22,34	↑
Nasdaq	11 129,73	1,00	3,58	24,04	40,95	35,23	↑
S&P 500	3 381,99	0,27	3,39	4,68	17,08	28,88	↑
DJ Eurostoxx 50	3 305,85	0,02	4,14	-11,73	-0,70	25,12	↑
DAX	12 920,66	0,15	4,93	-2,48	11,74	25,22	↑
CAC	4 971,94	0,18	3,94	-16,83	-6,20	26,46	↑
FTSE	6 127,44	0,61	3,89	-18,76	-13,91	12,00	↑
ASX200	6 131,00	0,90	3,43	-8,27	-4,29	13,38	↑
Nikkei 225	23 047,21	-0,21	6,16	-2,58	12,87	20,93	↑
MSCI World	2 393,97	0,41	3,86	1,51	13,54	25,19	↑

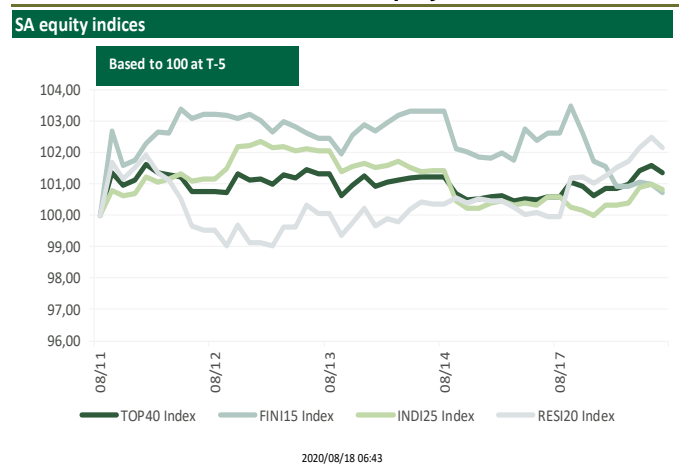
Emerging Markets	Last price	%Δ -1d	%Δ MTD	%Δ YTD	%Δ 12Month	2019 Performance	MTD trend
Hang Seng	25 385,80	0,15	3,21	-9,95	-1,35	9,07	↑
Shanghai	3 453,35	0,42	4,33	13,22	22,29	23,72	↑
Brazil Bovespa	99 595,40	-1,73	-3,22	-13,88	-0,21	27,07	↓
India - NSE	38 259,99	0,55	1,74	-7,26	2,44	14,38	↑
Russia Micex	3 052,46	-0,31	4,84	0,22	16,72	28,21	↑
MSCI Emerging	1 099,96	0,62	1,95	-1,32	13,37	15,38	↑

SA Indices	Last price	%Δ -1d	%Δ MTD	%Δ YTD	%Δ 12Month	2019 Performance	MTD trend
JSE All Share	57 435,08	0,63	3,07	0,61	6,61	8,24	↑
Top 40	53 140,21	0,76	3,45	4,57	10,34	8,75	↑
Resi 10	60 226,69	2,21	8,40	22,26	42,13	20,01	↑
Indi 25	75 290,59	0,24	1,05	8,64	8,15	8,82	↑
Fini 15	9 968,10	-1,85	-1,85	-36,41	-32,41	-4,30	↓

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
18 August 2020		
AGL	Anglo American Plc	dividend @ 459.7628
CLHN	City Lodge Hotels Ltd NPI's	take up @ 212cps
GAI	Gaia Infrastructure Capital Ltd	dividend @ 15cps
ITU	Intu Properties Plc	termination of listing
KIO	Kumba Iron Ore Ltd	dividend @ 1960
MIX	Mix Telematics Ltd	dividend @ 4cps
MNP	Mondi Plc	dividend @ 395.286830cps

Source: JSE

JSE Performance

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Top40 constituents	Last price	%Δ -1d	%Δ MTD	%Δ YTD	%Δ 12Month	2019 Performance	MTD trend
ABG : Absa Group Ltd	75,57	-1,22	-4,68	-49,38	-49,24	-7,74	↓
AGL : Anglo American Plc	441,56	2,80	5,60	10,71	40,54	23,76	↑
AMS : Anglo American Platinum Ltd	1 342,13	0,07	2,91	4,92	72,64	143,03	↑
ANG : Anglogold Ashanti Ltd	521,00	5,14	-6,08	64,61	65,21	74,14	↓
APN : Aspen Pharmacare Holdings Lt	135,15	0,11	2,05	13,36	94,88	-11,57	↑
BHP : Bhp Group Plc	422,02	1,84	14,10	27,97	29,59	8,56	↑
BID : Bid Corp Ltd	278,57	-2,24	-0,76	-15,64	-6,34	24,61	↓
BTI : British American Tobacco Plc	589,14	2,24	2,24	-1,38	5,15	27,29	↑
BVT : Bidvest Group Ltd	140,00	-1,61	6,12	-31,63	-21,77	-1,01	↑
CFR : Financiere Richemont-Dep Rec	115,52	0,94	8,43	5,47	0,23	16,96	↑
CLS : Clicks Group Ltd	247,39	-0,45	8,38	-3,59	28,11	34,02	↑
CPI : Capitec Bank Holdings Ltd	847,26	-3,81	-4,17	-41,41	-22,66	29,35	↓
DSY : Discovery Ltd	119,15	-0,66	7,51	-1,23	7,67	-24,51	↑
EXX : Exxaro Resources Ltd	140,90	0,51	4,88	7,44	10,95	-4,88	↑
FSR : Firststrand Ltd	37,21	-2,05	-4,15	-40,75	-34,90	-4,21	↓
GFI : Gold Fields Ltd	223,30	4,38	0,34	132,92	180,49	94,30	↑
GRT : Growthpoint Properties Ltd	13,58	-1,09	2,18	-38,58	-41,42	-5,11	↑
IMP : Impala Platinum Holdings Ltd	172,80	1,37	14,53	20,40	143,38	291,28	↑
INL : Investec Ltd	32,87	-2,46	-1,11	-44,23	-39,31	5,01	↓
INP : Investec Plc	33,28	-2,03	-1,25	-49,37	-45,00	2,89	↓
MCG : Multichoice Group Ltd	103,85	-0,81	-1,61	-10,86	-22,09		↓
MNP : Mondi Plc	355,58	2,22	15,56	8,98	25,37	7,31	↑
MRP : Mr Price Group Ltd	120,25	-2,67	-5,08	-34,11	-29,96	-25,86	↓
MTN : Mtn Group Ltd	66,61	-3,51	12,63	-19,25	-36,57	-7,31	↑
NED : Nedbank Group Ltd	102,32	-1,07	-2,53	-52,25	-52,96	-21,99	↓
NHM : Northam Platinum Ltd	155,30	0,84	15,87	25,63	173,46	185,76	↑
NPN : Naspers Ltd-N Shs	3 030,00	0,72	-3,73	32,27	31,71	19,65	↓
NRP : Nepi Rockcastle Plc	88,21	-2,15	-0,88	-28,77	-30,98	9,58	↓
OMU : Old Mutual Ltd	12,44	-3,86	8,46	-36,72	-30,77	-12,23	↑
PRX : Prosus Nv	1 647,13	0,91	-0,12	56,27			↓
REM : Remgro Ltd	90,00	-1,30	-2,63	-36,86	-27,47	0,13	↓
RMH : Rmb Holdings Ltd	1,34	0,75	-1,47	-1,16	15,63	1,96	↓
RNI : Reinet Investments Sca	312,50	0,05	-3,52	12,61	24,05	27,03	↓
SBK : Standard Bank Group Ltd	103,79	-2,30	-4,44	-38,34	-40,35	-5,87	↓
SHP : Shoprite Holdings Ltd	118,54	-0,56	13,36	-5,86	-14,93	-33,78	↑
SLM : Sanlam Ltd	59,15	-1,66	-2,73	-25,22	-15,38	-0,88	↓
SOL : Sasol Ltd	138,89	-5,21	1,95	-54,23	-47,59	-28,59	↑
SPP : Spar Group Limited/The	170,50	-0,65	3,33	-13,68	-7,51	-4,81	↑
SSW : Sibanye Stillwater Ltd	55,59	1,78	15,33	54,89	182,76	258,18	↑
VOD : Vodacom Group Ltd	135,07	-0,38	5,17	17,15	19,04	-12,65	↑
WHL : Woolworths Holdings Ltd	33,25	-1,83	4,79	-31,58	-37,55	-11,78	↑

Source: Bloomberg & Nedbank CIB

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Economic Calendar

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	Country	Event	Period	Survey	Actual	Prior	Revised
17-August							
01:50 AM	JN	GDP Annualized SA QoQ	1Q F	-26,90%	-27,80%	-2,20%	-2,50%
01:50 AM	JN	GDP SA QoQ	1Q F	-7,50%	-7,80%	-0,60%	-
06:30 AM	JN	Industrial Production YoY	APR F	-	-18,20%	-18,20%	-
10:00 PM	US	Net Long-term TIC Flows	APR	-	USD 113,0b	USD 127,0b	USD 118,1b
10:00 PM	US	Total Net TIC Flows	APR	-	USD -67,9b	USD -4,5b	USD -15,9b
18-August							
02:30 PM	US	Building Permits MoM	JUL	5,33%	-	2,10%	-
02:30 PM	US	Housing Starts MoM	JUL	4,97%	-	17,30%	-
02:30 PM	US	Building Permits	JUL	1325k	-	1241k	-
02:30 PM	US	Housing Starts	JUL	1245k	-	1186k	-
19-August							
01:50 AM	JN	Machine Orders YoY	JUN	-17,50%	-	-16,30%	-
01:50 AM	JN	Imports YoY	JUL	-22,95%	-	-14,40%	-
01:50 AM	JN	Trade Balance Adjusted	JUL	JPY -45,3b	-	JPY -423,9b	-
01:50 AM	JN	Exports YoY	JUL	-20,90%	-	-26,20%	-
08:00 AM	UK	CPI YoY	JUL	0,60%	-	0,60%	-
08:00 AM	UK	PPI Input NSA YoY	JUL	-6,10%	-	-6,40%	-
10:00 AM	EC	ECB Current Account SA	JUN	-	-	EUR 8,0b	-
11:00 AM	EC	CPI Core YoY	JUL F	1,20%	-	1,20%	-
11:00 AM	EC	CPI YoY	JUL F	0,40%	-	0,40%	-
08:00 PM	US	FOMC Meeting Minutes	JUL 29	-	-	0	-
20-August							
08:00 AM	GE	PPI YoY	JUL	-1,80%	-	-1,80%	-
02:30 PM	US	Philadelphia Fed Business Outlook	AUG	21,0	-	24,1	-
04:00 PM	US	Leading Index	JUL	1,10%	-	2,00%	-

Source: Bloomberg

2020/08/18 06:43

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