

DAILY MARKET COMMENTARY



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

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(* when available)

Key Daily Drivers

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

SNIPPETS

| | |
|-------------|--|
| Currencies | The rand relinquishes its gains as local unemployment data disappoints |
| Commodities | Gold and PGM's better offered while benchmark crude oil prices are better bid |
| Equities | Japanese stocks led modest regional gains, while Hong Kong and China slipped |
| Economics | SA unemployment rate remains elevated in Q1; SA manufacturing PMI surprises to the upside in May |

Key Overnight Factors and Upcoming Events This Week

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| Date | Region | Event | Actual/Expected/Prior | Implications |
|-------|--------|--------------------------|-----------------------|--|
| 06/01 | SA | Unemployment | 32.6%/33.5%/32.5% | The unemployment rate rose to 32.6% in 1Q21, from 32.5% in 4Q20, better than consensus forecast of 33.5%. |
| 06/01 | SA | Absa Manufacturing PMI | 57.8/55.5/56.2 | The SA manufacturing PMI rose to 57.8 points in May, from 56.2 in April, better than consensus forecasts of 55.5 |
| 06/01 | US | Markit Manufacturing PMI | 62.1/61.5/61.5 | Supported by stronger output and new orders |
| 06/01 | UK | Markit Manufacturing PMI | 65.6/66.1/66.1 | Stronger output growth and new orders as well as improved labour conditions |
| 06/01 | EZ | Markit Manufacturing PMI | 63.1/62.8/62.8 | Improved output growth and new orders |

Source: Nedbank

Contact For Queries
Nedbank CIB Market Commentary
CIBMarketComm@Nedbank.co.za

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 | |
| R2023-1,7 yrs | 4,94 | -1,05 | -2,95 | 42,35 | -19,15 | ↓ |
| R186-5,6 yrs | 7,32 | -0,25 | 0,95 | 65,45 | 0,15 | ↑ |
| R2030-8,7 yrs | 8,89 | 0,70 | -1,80 | 15,60 | 16,30 | ↓ |
| R2048-26,7 yrs | 10,55 | -0,00 | -3,20 | -25,70 | -26,10 | ↓ |
| US 10 yr | 1,61 | 0,17 | 1,28 | 69,31 | 92,27 | ↑ |
| UK 10 yr | 0,83 | 3,10 | 3,10 | 62,90 | 59,50 | ↑ |
| German 10 yr | -0,18 | 0,90 | 0,90 | 39,10 | 22,40 | ↑ |
| Japan 10 yr | 0,08 | -0,30 | -0,70 | 5,90 | 6,80 | ↓ |

| Money Market | Last price | Δ | | | | MTD trend |
|-------------------------------|------------|-------|--------|--------|---------|-----------|
| | | 1d | MTD | YTD | 12Month | |
| | % | bps | bps | bps | bps | |
| SArepo rate | 3,50 | 0,00 | 0,00 | 0,00 | -25,00 | → |
| SA prime rate | 7,00 | 0,00 | 0,00 | 0,00 | -25,00 | → |
| SA CPI (MTD = previous month) | 4,40 | | 120,00 | 130,00 | 140,00 | ↑ |
| SA 3m JIBAR | 3,68 | 0,00 | 0,00 | 4,10 | -30,90 | ↓ |
| SA 3m NCD | 3,68 | 0,00 | 0,00 | 5,00 | -32,50 | ↓ |
| SA 6m NCD | 4,10 | -2,50 | -2,50 | 22,50 | -27,50 | ↓ |
| SA 12m NCD | 4,60 | 0,00 | 0,00 | 52,50 | -12,50 | ↓ |
| US 3m LIBOR | 0,13 | -0,33 | -4,50 | -10,70 | -21,86 | ↓ |
| UK 3m LIBOR | 0,08 | -0,20 | -0,26 | 5,58 | -15,54 | ↓ |
| Japan 3m LIBOR | -0,09 | -0,48 | -0,60 | -0,93 | -5,00 | ↓ |

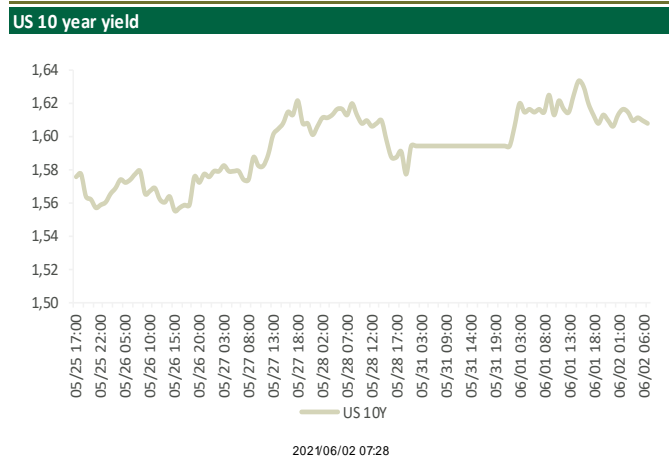
Source: Bloomberg & Nedbank CIB Time 2021/06/02 07:28

| FRAs and Swaps | Last price | Δ | | | | MTD trend |
|----------------|------------|-------|-------|--------|---------|-----------|
| | | 1d | MTD | YTD | 12Month | |
| | % | bps | bps | bps | bps | |
| 3X6 FRA | 3,79 | -0,50 | 0,50 | 47,50 | 10,50 | ↑ |
| 6X9 FRA | 4,05 | 0,00 | 4,00 | 3,00 | 4,00 | ↑ |
| 9X12 FRA | 4,29 | -1,50 | -0,50 | 96,00 | 57,50 | ↓ |
| 18X21 FRA | 5,16 | -0,50 | 0,50 | 137,00 | 86,50 | ↑ |
| SA 2yr Swap | 4,46 | 0,70 | 0,70 | 90,80 | 40,50 | ↑ |
| SA 3yr Swap | 4,95 | -0,50 | -0,50 | 103,50 | 52,00 | ↓ |
| SA 5yr Swap | 5,83 | 0,00 | 0,00 | 108,00 | 55,00 | → |
| SA 10yr Swap | 7,34 | -0,50 | -0,50 | 74,00 | 29,50 | ↓ |
| SA 15yr Swap | 8,07 | -1,00 | -1,00 | 62,00 | 32,00 | ↓ |

| Spreads | Last price | Δ | | | | MTD trend |
|----------------------------------|------------|-------|-------|--------|---------|-----------|
| | | 1d | MTD | YTD | 12Month | |
| | % | bps | bps | bps | bps | |
| 2v10y | -2,88 | 1,20 | 1,20 | 16,80 | 11,00 | ↑ |
| 3v10y | -2,39 | 0,00 | 0,00 | 29,50 | 22,50 | → |
| R2030-R2023 | 3,95 | 1,75 | 1,15 | -26,75 | 35,45 | ↑ |
| R2048-R2030 | 1,65 | -0,70 | -1,40 | -41,30 | -42,40 | ↓ |
| 5y-R2030 | -3,06 | -0,70 | 1,80 | 92,40 | 38,70 | ↑ |
| 10y-R2030 | -1,56 | -1,20 | 1,30 | 58,40 | 13,20 | ↑ |
| 15y-R2030 | -0,82 | -1,70 | 0,80 | 46,40 | 15,70 | ↑ |
| SA 5yr CDS spread - basis points | 185,00 | | -6,50 | -23,00 | -140,00 | ↓ |

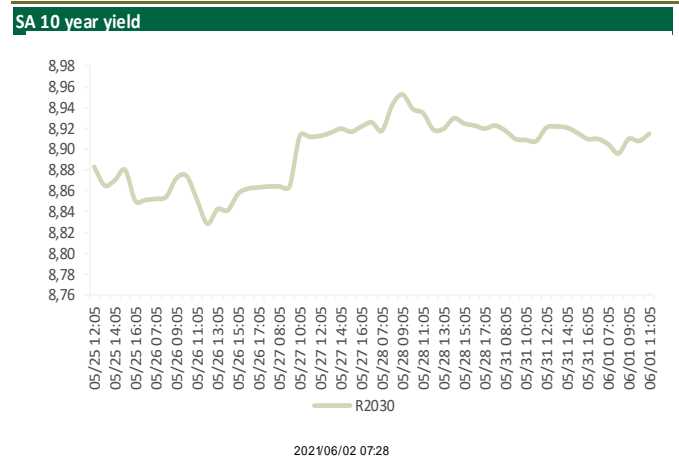
Source: Bloomberg & Nedbank CIB Time 2021/06/02 07:28

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 | +011 535 4002

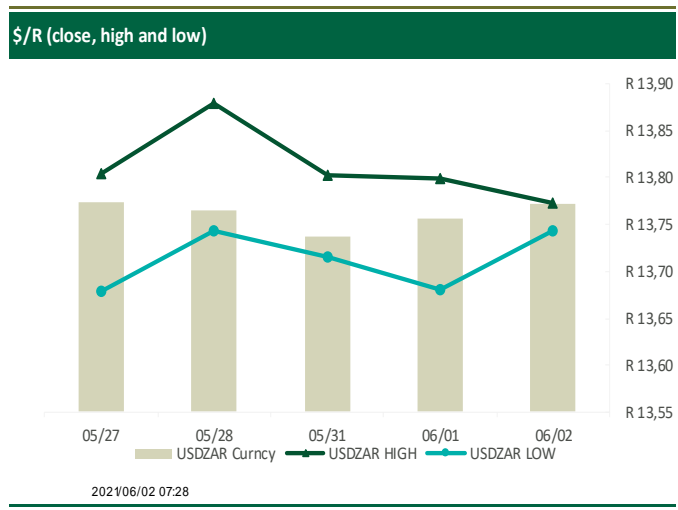
- Yesterday, the local session got underway with the rand trading in the low 13.70s. After an early short-lived foray to the downside, the rand reached a best level of 13.6800. The local unit traded weaker thereafter to reach a high of 13.7950, ending the day in the mid-13.70s. The overnight sessions have been quiet and the rand is currently trading at 13.7650 this morning. The EURZAR is trading at 16.8175 and the GBPZAR at 19.4775.
- The international markets have also continued to trade within relatively limited ranges, with the EURUSD trading between 1.2215 and 1.2251. It is currently trading at 1.2216 this morning. The GBPUSD is currently trading at 1.4148, which is marginally below yesterday's lows, having started the session above 1.4200. Gold is currently trading at 1,896.85, having traded steadily weaker from yesterday's opening levels of around 1,912.00.
- Data releases scheduled for today: there are no local releases; from Europe, we have the French budget and the PPI release for the eurozone; from the UK, we have consumer credit and mortgage applications. From the US, we have the FED's Beige Book release and the FED's Evan and Kaplan are scheduled to speak.
- The rand failed to consolidate any of its gains beyond the 13.7000 level yesterday. The increase in the unemployment rate in SA provided a catalyst for the deterioration in the rand. This, combined with the ongoing failure of Eskom to provide reliable electricity supply, is likely to continue weighing on the prospects of the local unit.
- Possible trading range for the rand today: 13.6000 to 14.0000

| Majors | Last price | %Δ -1d | %Δ MTD | %Δ YTD | %Δ 12Month | MTD trend | USD trend |
|-----------------------------|------------|--------|--------|--------|------------|-----------|--------------|
| GBPUSD | 1,42 | 0,00 | -0,44 | 9,51 | 12,74 | ↓ | USD strength |
| EURUSD | 1,22 | 0,04 | -0,07 | 0,02 | 9,38 | ↓ | USD strength |
| USDJPY | 109,73 | 0,23 | 0,14 | -5,91 | 0,96 | ↑ | USD strength |
| USDAUD | 1,29 | 0,05 | -0,19 | -0,72 | -11,00 | ↓ | USD weakness |
| Rand crosses | Last price | %Δ -1d | %Δ MTD | %Δ YTD | %Δ 12Month | MTD trend | ZAR trend |
| USDZAR | 13,77 | 0,12 | 0,25 | -6,70 | -24,62 | ↑ | ZAR weakness |
| GBPZAR | 19,49 | 0,16 | -0,20 | -3,07 | -10,52 | ↓ | ZAR strength |
| EURZAR | 16,83 | 0,17 | 0,19 | -6,69 | -13,91 | ↑ | ZAR weakness |
| AUDZAR | 10,67 | 0,15 | 0,43 | -5,93 | -10,92 | ↑ | ZAR weakness |
| ZARJPY | 7,97 | 0,11 | -0,09 | 11,78 | 20,52 | ↓ | ZAR weakness |
| African FX | Last price | %Δ -1d | %Δ MTD | %Δ YTD | %Δ 12Month | MTD trend | ZAR trend |
| ZARMWK (Malawian kwacha) | 57,74 | -0,17 | -0,44 | 9,07 | 25,56 | ↓ | ZAR weakness |
| ZARBWP (Botswana pula) | 0,77 | -0,13 | -0,13 | 4,65 | 11,27 | ↓ | ZAR weakness |
| ZARKES (Kenyan shilling) | 7,82 | -0,07 | -0,17 | 4,91 | 20,53 | ↓ | ZAR weakness |
| ZARMUR (Mauritian rupee) | 2,94 | -1,07 | -1,58 | 8,22 | 21,40 | ↓ | ZAR weakness |
| ZARNGN (Nigerian naira) | 29,80 | -0,10 | -0,55 | 9,14 | 24,13 | ↓ | ZAR weakness |
| ZARGHS (Ghanian cedi) | 0,42 | -0,10 | -0,33 | 5,04 | 19,83 | ↓ | ZAR weakness |
| ZARZMW (Zambian kwacha) | 1,64 | -0,10 | -0,20 | 11,95 | 34,81 | ↓ | ZAR weakness |
| ZARMZN (Mozambican metical) | 4,43 | -0,01 | -0,06 | -14,96 | 9,68 | ↓ | ZAR weakness |
| Emerging Market FX | Last price | %Δ -1d | %Δ MTD | %Δ YTD | %Δ 12Month | MTD trend | USD trend |
| USDBRL (Brazilian Real) | 5,15 | -1,30 | -1,30 | -0,91 | -4,16 | ↓ | USD weakness |
| USDTRY (Turkish Lira) | 8,63 | 1,03 | 1,57 | 13,76 | 22,17 | ↑ | USD strength |
| USDMXN (Mexican Peso) | 19,97 | -0,01 | 0,08 | 0,27 | -9,10 | ↑ | USD strength |
| USDINR (Indian Rupee) | 73,23 | 0,45 | 0,83 | 0,22 | -2,91 | ↑ | USD strength |
| USDRUB (Russian Ruble) | 73,54 | 0,15 | 0,15 | -1,19 | 6,02 | ↑ | USD strength |

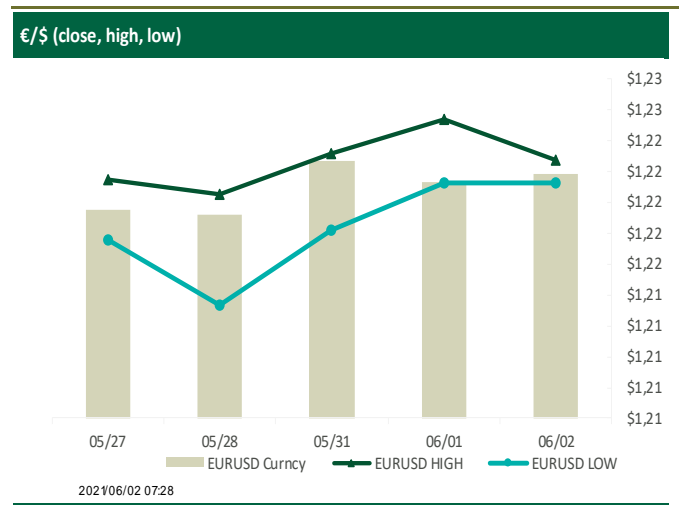
Source: Bloomberg & Nedbank CIB Time: 2021/06/02 07:28

*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



EUR/USD



Commodities

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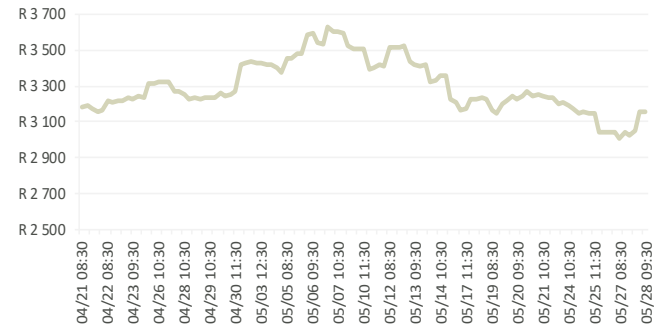
- Commodity prices are currently trading mixed this am, with gold and PGM's better offered while benchmark crude oil prices are better bid. Opec+ producers said that while demand is recovering there are still persistent uncertainties linked to the pandemic that prohibit them from increasing output further. Brent crude is currently marking a touch below \$70.50 per barrel.

| Commodities | Last price | %Δ -1d | %Δ MTD | %Δ YTD | %Δ 12Month | MTD trend |
|-------------------------|------------|--------|--------|--------|------------|-----------|
| Brent near future (\$) | 70,53 | 0,40 | 1,75 | 36,16 | 78,24 | ↑ |
| WTI crude (\$) | 67,94 | 0,32 | 2,44 | 40,02 | 84,57 | ↑ |
| Gold spot (\$) | 1 897,28 | -0,17 | -0,50 | -0,06 | 9,82 | ↓ |
| Platinum spot (\$) | 1 188,86 | -0,59 | -0,11 | 10,89 | 40,49 | ↓ |
| SA white maize spot (R) | 3 210,00 | 0,41 | 0,41 | -3,23 | 32,48 | ↑ |

Source: Bloomberg & Nedbank CIB
Time: 2021/06/02 07:28

SA White Maize

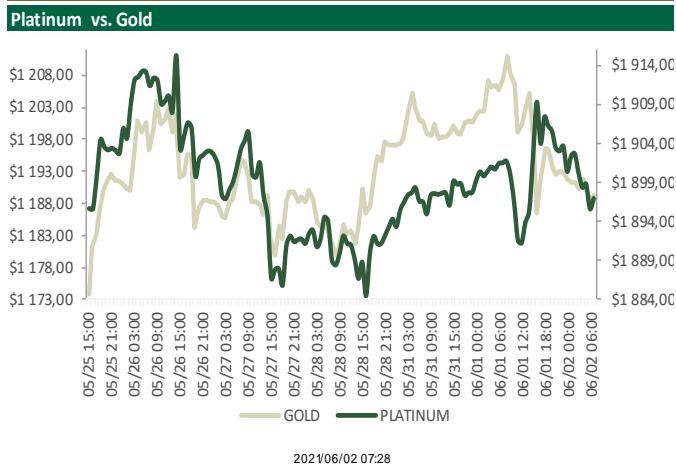
SA White maize (ZAR/MT) - 30 day chart



2021/06/02 07:28

Source: Bloomberg, Nedbank

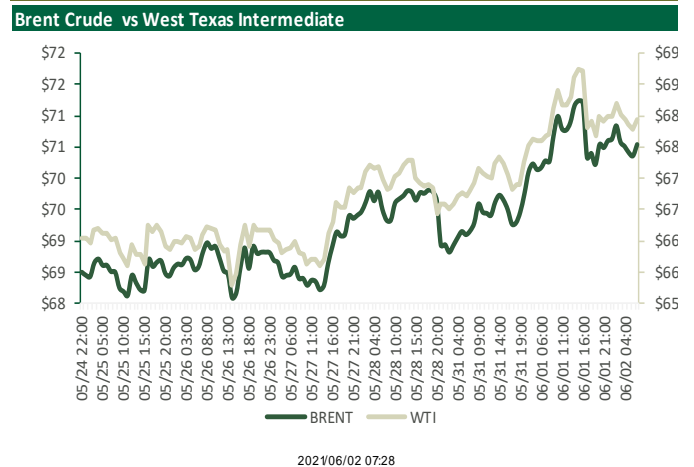
Platinum vs. Gold



2021/06/02 07:28

Source: Bloomberg, Nedbank

Brent Crude vs. West Texas Intermediate



2021/06/02 07:28

Source: Bloomberg, Nedbank

Equities

Cash equities | +2711 535 4030/31

South Africa

- Top40 +1.54%; energy stocks led global markets higher, as OPEC+ agreed to plans to hike output in July; SOL +6.37%. Telcos +2.64%...MTN +3% – the standout name, with an improvement in sentiment in both Nigeria (oil) and Iran (nuclear deal). BVT +0.94%; T/U for 10m... HEPS expected to be more than 20% higher – no surprises; will probably receive further guidance. SSW +4.4%...announced a buyback programme supportive of share price – short-term buybacks do not deliver excess returns long term. The SA unemployment rate rose to 32.6% in 1Q21 from 32.5% in 4Q20, better than consensus forecast of 33.5%. Value traded was R20.1bn.

UK/Europe

- European markets closed on an upbeat note on Tuesday, with several benchmark indices from the region posting new all-time highs amid rising optimism about a global economic recovery. Stronger-than-expected economic data from China and factory activity and inflation data from the euro area underpinned sentiment. The pan European STOXX 600 climbed 0.75%. The UK's FTSE 100 surged up 0.82%, Germany's DAX advanced 0.95% and France's CAC gained 0.66%, while Switzerland's SMI ended up 0.63%.

USA

- Stocks moved sharply higher at the start of trading on Tuesday but failed to sustain the upward move and spent the rest of the day showing a lack of direction. The major averages eventually ended the session near the unchanged line. After jumping by more than 300 points in early trading, the Dow ended the day up just 45.86 points or 0.1% at 34,575.31. Meanwhile, the Nasdaq slipped 12.26 points or 0.1% to 13,736.48 and the S&P 500 edged down 2.07 points or 0.1% to 4,202.04.

Asia

- Asian stock markets are mixed on Wednesday, following the lack of cues overnight from Wall Street. Traders are wary of making significant moves ahead of the release of the US Labor Department's closely watched monthly jobs report on Friday for further clues on the outlook for the world's biggest economy. The Nikkei 225 is up 0.52%, while the Hang Seng is down 0.50%, with the likes of Tencent basically flat on the day.

| Developed Markets | | Last price | %Δ -1d | %Δ MTD | %Δ YTD | %Δ 12Month | 2020 Performance | MTD trend |
|-------------------|-----------|------------|--------|--------|--------|------------|------------------|-----------|
| Dow Jones | 34 575,31 | 0,13 | 0,13 | 12,97 | 34,31 | 22,34 | ↑ | |
| Nasdaq | 13 736,48 | -0,09 | -0,09 | 6,58 | 42,96 | 35,23 | ↓ | |
| S&P 500 | 4 202,04 | -0,05 | -0,05 | 11,87 | 36,39 | 28,88 | ↓ | |
| DJ Eurostoxx 50 | 4 071,75 | 0,80 | 0,80 | 14,61 | 28,89 | 25,12 | ↑ | |
| DAX | 15 567,36 | 0,95 | 0,95 | 13,47 | 29,50 | 25,22 | ↑ | |
| CAC | 6 489,40 | 0,66 | 0,66 | 16,90 | 33,56 | 26,46 | ↑ | |
| FTSE | 7 080,46 | 0,82 | 0,82 | 9,60 | 13,83 | 12,00 | ↑ | |
| ASX200 | 7 209,30 | 0,93 | 0,67 | 9,45 | 23,55 | 13,38 | ↑ | |
| Nikkei 225 | 28 939,11 | 0,43 | 0,27 | 5,45 | 29,62 | 20,93 | ↑ | |
| MSCI World | 2 982,03 | 0,21 | 0,21 | 10,85 | 36,35 | 25,19 | ↑ | |

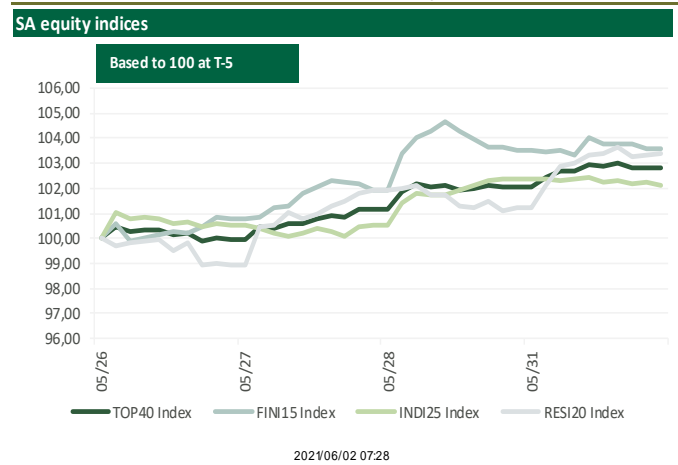
| Emerging Markets | | Last price | %Δ -1d | %Δ MTD | %Δ YTD | %Δ 12Month | 2020 Performance | MTD trend |
|------------------|------------|------------|--------|--------|--------|------------|------------------|-----------|
| Hang Seng | 29 333,83 | -0,46 | 0,62 | 7,72 | 22,24 | 9,07 | ↑ | |
| Shanghai | 3 600,88 | -0,66 | -0,40 | 3,68 | 23,26 | 23,72 | ↓ | |
| Brazil Bovespa | 128 267,00 | 1,63 | 1,63 | 7,77 | 40,88 | 27,07 | ↑ | |
| India - NSE | 51 622,16 | -0,60 | -0,61 | 8,11 | 52,61 | 14,38 | ↓ | |
| Russia Micex | 3 764,59 | 1,15 | 1,15 | 14,46 | 34,62 | 28,21 | ↑ | |
| MSCI Emerging | 1 390,85 | 1,06 | 1,06 | 7,71 | 43,76 | 15,38 | ↑ | |

| SA Indices | | Last price | %Δ -1d | %Δ MTD | %Δ YTD | %Δ 12Month | 2020 Performance | MTD trend |
|---------------|-----------|------------|--------|--------|--------|------------|------------------|-----------|
| JSE All Share | 68 922,86 | 1,41 | 1,41 | 16,01 | 31,29 | 8,24 | ↑ | |
| Top 40 | 62 698,90 | 1,48 | 1,48 | 15,30 | 29,76 | 8,75 | ↑ | |
| Resi 10 | 68 669,44 | 1,48 | 1,48 | 19,27 | 39,40 | 20,01 | ↑ | |
| Indi 25 | 88 357,88 | 1,71 | 1,71 | 13,42 | 22,62 | 8,82 | ↑ | |
| Finl 15 | 13 575,28 | 0,89 | 0,89 | 12,56 | 33,75 | -4,30 | ↑ | |

Source: Bloomberg & Nedbank CIB

Time 2021/06/02 07:28

Short Term Performance of SA Equity Indices



Source: Bloomberg, Nedbank

Last Day To Trade

Susan Correia | Scorreia@Nedbankcapital.co.za | +27 11 295 8227

| SHARE CODE | SHARE NAME | DIVIDEND / INTEREST RATE |
|--------------------|------------------------------|--------------------------|
| 8 June 2021 | | |
| AFEP | AECI Limited 5.5% Pref | dividend @ 54.395410cps |
| ARL | Astral Foods Ltd | dividend @ 300cps |
| AYO | Ayo Tech Solutions Ltd | dividend @ 65cps |
| CMH | Combined Motor Holdings Ltd | dividend @ 125cps |
| CML | Coronation Fund Managers Ltd | dividend @ 244cps |
| DCCUSD | Dollar Custodial Cert | dividend @ 983.50cps |
| DCP | Dis-Chem Pharmacies Ltd | dividend @ 31.103460cps |
| EXP | Exemplar REIT ail Ltd | dividend @ 49.06660cps |
| HUL | Homechoice International Plc | dividend @ 6cps |
| INLP | Investec Bank Ltd Pref | dividend @ 290.855950cps |
| INPP | Investec Plc Pref | dividend @ 109.249230cps |
| INPPR | Investec Plc Pref (Rand) | dividend @ 331.589060cps |
| INPR | Investec Ltd Pref | dividend @ 271.449260cps |
| IPF | Investec Property Fund Ltd | dividend @ 47.704530cps |
| KAL | Kaap Agri Ltd | dividend @ 40cps |
| NRL | Newpark REIT Ltd | dividend @ 20.250250cps |
| SPP | The Spar Group Ltd | dividend @ 280cps |
| TDH | Tradehold Ltd | dividend @ 30cps |
| TDHBP | Tradehold Ltd B Pref | dividend @ 1421.64953cps |
| UBGPAA | UBS UNGPAA 09Dec24 | Interest @ 3225cps |

JSE Performance

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| Top40 constituents | Last price | %Δ | | | | 2020 Performance | MTD trend |
|------------------------------------|------------|-------|-------|-------|---------|------------------|-----------|
| | | -1d | MTD | YTD | 12Month | | |
| ABG : Absa Group Ltd | 141,99 | -0,82 | -0,82 | 18,46 | 65,64 | -19,72 | ↓ |
| AGL : Anglo American Plc | 635,91 | 2,43 | 2,43 | 31,12 | 68,68 | 21,60 | ↑ |
| AMS : Anglo American Platinum Ltd | 1 784,34 | -1,89 | -1,89 | 23,64 | 52,29 | 10,39 | ↓ |
| ANG : Anglogold Ashanti Ltd | 329,66 | -3,13 | -3,13 | -3,75 | -25,44 | 8,22 | ↓ |
| APN : Aspen Pharmacare Holdings Lt | 164,85 | 2,39 | 2,39 | 31,49 | 14,23 | 5,16 | ↑ |
| BHP : Bhp Group Plc | 430,70 | 2,39 | 2,39 | 10,70 | 21,32 | 17,98 | ↑ |
| BID : Bid Corp Ltd | 294,42 | 1,37 | 1,37 | 11,93 | 17,54 | -20,34 | ↑ |
| BTI : British American Tobacco Plc | 530,00 | 0,59 | 0,59 | -2,83 | -23,32 | -8,69 | ↑ |
| BVT : Bidvest Group Ltd | 196,07 | 0,94 | 0,94 | 24,87 | 33,30 | -23,32 | ↑ |
| CFR : Financiere Richemont-Dep Rec | 172,75 | 3,57 | 3,57 | 31,77 | 64,40 | 19,69 | ↑ |
| CLS : Clicks Group Ltd | 255,86 | -0,64 | -0,64 | 1,26 | 10,75 | -1,53 | ↓ |
| CPI : Capitec Bank Holdings Ltd | 1 672,41 | 0,34 | 0,34 | 16,74 | 85,04 | -0,94 | ↑ |
| DSY : Discovery Ltd | 143,00 | 1,71 | 1,71 | -6,86 | 43,44 | 27,28 | ↑ |
| EXX : Exxaro Resources Ltd | 157,00 | 2,05 | 2,05 | 16,89 | 26,49 | 5,92 | ↑ |
| FSR : Firststrand Ltd | 56,76 | 1,25 | 1,25 | 11,21 | 37,00 | -18,73 | ↑ |
| GFI : Gold Fields Ltd | 167,02 | -3,78 | -3,78 | 21,41 | 20,24 | 43,50 | ↓ |
| GLN : Glencore Plc | 64,73 | 0,31 | 0,31 | 40,28 | 87,59 | 7,95 | ↑ |
| GRT : Growthpoint Properties Ltd | 14,67 | 1,52 | 1,52 | 16,71 | 8,43 | -43,15 | ↑ |
| IMP : Impala Platinum Holdings Ltd | 247,15 | -1,34 | -1,34 | 22,41 | 92,33 | 40,68 | ↓ |
| INL : Investec Ltd | 57,42 | 0,00 | 0,00 | 56,71 | 74,16 | -37,83 | → |
| INP : Investec Plc | 60,17 | 0,37 | 0,37 | 59,81 | 78,28 | -42,72 | ↑ |
| MCG : Multichoice Group Ltd | 138,64 | 0,59 | 0,59 | 3,46 | 54,06 | 0,00 | ↑ |
| MNP : Mondi Plc | 376,46 | 1,62 | 1,62 | 9,72 | 13,86 | 5,16 | ↑ |
| MRP : Mr Price Group Ltd | 233,02 | -0,12 | -0,12 | 36,55 | 73,84 | -6,49 | ↓ |
| MTN : Mtn Group Ltd | 102,47 | 3,05 | 3,05 | 70,24 | 81,62 | -27,03 | ↑ |
| NED : Nedbank Group Ltd | 162,51 | -0,30 | -0,30 | 25,51 | 56,26 | -39,58 | ↓ |
| NHM : Northam Platinum Ltd | 228,38 | -2,02 | -2,02 | 9,00 | 102,05 | 69,50 | ↓ |
| NPN : Naspers Ltd-N Shs | 3 077,23 | 0,89 | 0,89 | 1,92 | 5,57 | 31,80 | ↑ |
| NRP : Nepi Rockcastle Plc | 96,07 | -0,10 | -0,10 | 2,75 | 6,82 | -21,25 | ↓ |
| OMU : Old Mutual Ltd | 14,60 | 2,10 | 2,10 | 22,79 | 22,28 | -39,52 | ↑ |
| PRX : Prosus Nv | 1 447,78 | 1,23 | 1,23 | -9,86 | -1,04 | 52,39 | ↑ |
| REM : Remgro Ltd | 123,27 | 3,04 | 3,04 | 28,14 | 17,40 | -32,51 | ↑ |
| RNI : Reinnet Investments Sca | 283,90 | -0,58 | -0,58 | 3,01 | -6,12 | -0,68 | ↓ |
| SBK : Standard Bank Group Ltd | 135,38 | -0,22 | -0,22 | 6,53 | 33,70 | -24,50 | ↓ |
| SHP : Shoprite Holdings Ltd | 156,03 | 0,92 | 0,92 | 11,45 | 43,87 | 11,18 | ↑ |
| SLM : Sanlam Ltd | 61,20 | 2,86 | 2,86 | 4,17 | 4,21 | -25,73 | ↑ |
| SOL : Sasol Ltd | 238,18 | 6,37 | 6,37 | 77,84 | 102,71 | -55,87 | ↑ |
| SPP : Spar Group Limited/The | 192,07 | 0,50 | 0,50 | 1,33 | 6,84 | -4,04 | ↑ |
| SSW : Sibanye Stillwater Ltd | 68,00 | 4,44 | 4,44 | 13,33 | 88,94 | 67,18 | ↑ |
| VOD : Vodacom Group Ltd | 133,39 | 1,95 | 1,95 | 7,24 | 4,69 | 7,88 | ↑ |
| WHL : Woolworths Holdings Ltd | 55,70 | -0,09 | -0,09 | 40,87 | 77,28 | -18,64 | ↓ |

Source: Bloomberg & Nedbank CIB

Time 2021/06/02 07:28

Economics

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

SA

- The SA manufacturing PMI rose to 57.8 points in May, from 56.2 in April, better than consensus forecasts of 55.5. The average PMI for the second quarter to date is already above the average recorded during the same period last year, and the BER expects a significant annual expansion as a result of the low base from 2020. The main positive drivers of the PMI in May were new sales orders, business activity and inventories. Although purchasing managers reported a decline in export orders, new sales orders ticked up as a result of an improvement in local demand. Higher sales orders drove business activity, which saw an 8-point rise to 58.8 index points in May. Supplier deliveries have started to pick up as supply chains start to unclog and products are more readily available. Inventories are being restocked, as the subcomponent surged to 61.4 points in May. This will likely bode well for GDP growth in 2Q21.
- On the other hand, the employment subcomponent is highly erratic, falling below the 50-index point mark in May, after the temporary surge in April. We need to see this subcomponent remain above the 50-point level for a few months before we could actually see employment growth in the manufacturing industry.
- The low-base-effect recovery in 2021 will likely support manufacturing output, and overall demand. However, bouts of load-shedding and more stringent lockdown restrictions pose as key threats to this near-term recovery.
- The SA unemployment rate rose to 32.6% in 1Q21, from 32.5% in 4Q20, better than consensus forecast of 33.5%. Stats SA noted that a smaller sample size of respondents in 1Q21 (as contact numbers of some survey respondents were invalid, incorrect or inactive) relative to previous quarters does mean that quarterly comparisons will be inaccurate.
- With the above in mind, the data reflects a 28k decline in the number of people employed, a 20k decline in the size of the labour force, and an 8k rise in the number of people unemployed over the quarter. The number of people classified as not-economically active surged by 164k, driven by a surge in the number of discouraged work-seekers. The labour absorption rate of the economy fell to 38%, from 38.2% in the previous quarter.
- An industry comparison shows the biggest job losses occurring in the agriculture, construction, transport and private household industries in Q1. The financial services industry created 215k jobs in Q1, and therefore the biggest employment creator, followed by the utilities, government and mining industries.
- Relative to a year ago, there has been a net decrease of 1.4 million in total employment (driven by the following industries: trade, construction, manufacturing, government, and private households). There are now 172k more unemployment people in SA compared to a year ago. A bulk of the people that have lost their jobs in the past year now fall under the 'not economically active' population (up by 1.8 million), are excluded from the workforce and have stopped looking for work.
- The youth unemployment rate rose to 43.6% in 1Q21 (from 41.8% in 4Q20), and from 41.7% a year ago. The expanded unemployment rate rose to 43.2% in 2Q21, from 42.6% in the previous quarter. The employment stats reflect one of the highest unemployment rates in the world, and worryingly a bulk of the unemployed are unemployable as a result of the skills mis-match or shortage in the economy. This has kept the absorptive capacity of the economy low. With the labour force expected to grow in coming months as matriculants, new graduates and discouraged work-seekers begin to look for work, the unemployment rate will likely remain elevated for some time.

Economic Calendar

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

| | Country | Event | Period | Survey | Actual | Prior | Revised |
|----------------|---------|--------------------------------------|--------|-----------|--------|------------|---------|
| 01-June | | | | | | | |
| 12:00 AM | SA | Naamsa Vehicle Sales YoY | MAY | 215,9% | 197,8% | 6133,3% | - |
| 02:30 AM | JN | Nikkei Japan PMI Mfg | MAY F | - | 53,0 | 53,0 | - |
| 03:45 AM | CH | Caixin China PMI Mfg | MAY | 52,0 | 52,0 | 51,9 | - |
| 09:55 AM | GE | Markit/BME Germany Manufacturing PMI | MAY F | 64,0 | 64,4 | 64,4 | - |
| 10:00 AM | EC | Markit Eurozone Manufacturing PMI | MAY F | 62,8 | 63,1 | 63,1 | - |
| 10:30 AM | UK | Markit UK PMI Manufacturing SA | MAY F | 66,1 | 65,6 | 65,6 | - |
| 11:00 AM | EC | CPI Core YoY | MAY P | 0,90% | 0,90% | 0,70% | 0,90% |
| 11:00 AM | SA | Barclays Manufacturing PMI | MAY | 55,5 | 57,8 | 56,2 | - |
| 11:00 AM | EC | CPI Estimate YoY | MAY | 1,90% | 2,00% | 1,60% | - |
| 11:00 AM | EC | Unemployment Rate | APR | 8,10% | 8,00% | 8,10% | - |
| 11:30 AM | SA | South Africa Unemployment | 1Q | 33,5% | 32,6% | 32,5% | - |
| 03:45 PM | US | Markit US Manufacturing PMI | MAY F | 61,5 | 62,1 | 62,1 | - |
| 04:00 PM | US | ISM Manufacturing | MAY | 61,0 | 61,2 | 60,7 | - |
| 04:30 PM | US | Dallas Fed Manf. Activity | MAY | 36,3 | 34,9 | 37,3 | - |
| 02-June | | | | | | | |
| 08:00 AM | GE | Retail Sales YoY | APR | 10,10% | - | 11,00% | - |
| 10:30 AM | UK | Net Consumer Credit | APR | GBP 0,50b | - | GBP -0,54b | - |
| 10:30 AM | UK | M4 Money Supply YoY | APR | - | - | 10,80% | - |
| 11:00 AM | EC | PPI YoY | APR | 7,5% | - | 4,3% | - |
| 03-June | | | | | | | |
| 03:45 AM | CH | Caixin China PMI Services | MAY | 56,2 | - | 56,3 | - |
| 09:55 AM | GE | Markit Germany Services PMI | MAY F | 52,8 | - | 52,8 | - |
| 10:00 AM | EC | Markit Eurozone Services PMI | MAY F | 55,1 | - | 55,1 | - |
| 10:30 AM | UK | Markit/CIPS UK Services PMI | MAY F | 61,8 | - | 61,8 | - |
| 02:15 PM | US | ADP Employment Change | MAY | 650k | - | 742k | - |
| 03:45 PM | US | Markit US Services PMI | MAY F | 70,1 | - | 70,1 | - |
| 04-June | | | | | | | |
| 01:30 AM | JN | Overall Household Spending YoY | APR | 8,65% | - | 6,20% | - |
| 11:00 AM | EC | Retail Sales YoY | APR | 25,0% | - | 12,0% | - |
| 02:30 PM | US | Average Hourly Earnings YoY | MAY | 1,6% | - | 0,3% | - |
| 02:30 PM | US | Change in Nonfarm Payrolls | MAY | 653k | - | 266k | - |
| 02:30 PM | US | Unemployment Rate | MAY | 5,9% | - | 6,1% | - |
| 02:30 PM | US | Labor Force Participation Rate | MAY | 61,8% | - | 61,7% | - |
| 04:00 PM | US | Factory Orders Ex Trans | APR | 0,0% | - | 1,7% | - |
| 04:00 PM | US | Factory Orders | APR | -0,3% | - | 1,1% | - |

Source: Bloomberg 2021/06/02 07:28

Contacts

Research Analyst

Reezwana Sumad

(011) 537 4091

Fixed Income and Currency Strategist

Walter de Wet

Research Publishers

(011) 294 0206

ALM Portfolio Management

(011) 535 4042

Bond Trading

(011) 535 4021

Credit Derivatives

(011) 535 4086

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 4002

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