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Figure 1: SA Monetary Policy Committee (MPC) meeting dates for 2018

Month	Date	Forecast
March 2018	26 th – 28 th	6.75
May 2018	22 nd – 24 th	6.75
July 2018	17 th – 19 th	6.75
September 2018	18 th – 20 th	6.75
November 2018	20 th – 22 nd	6.75

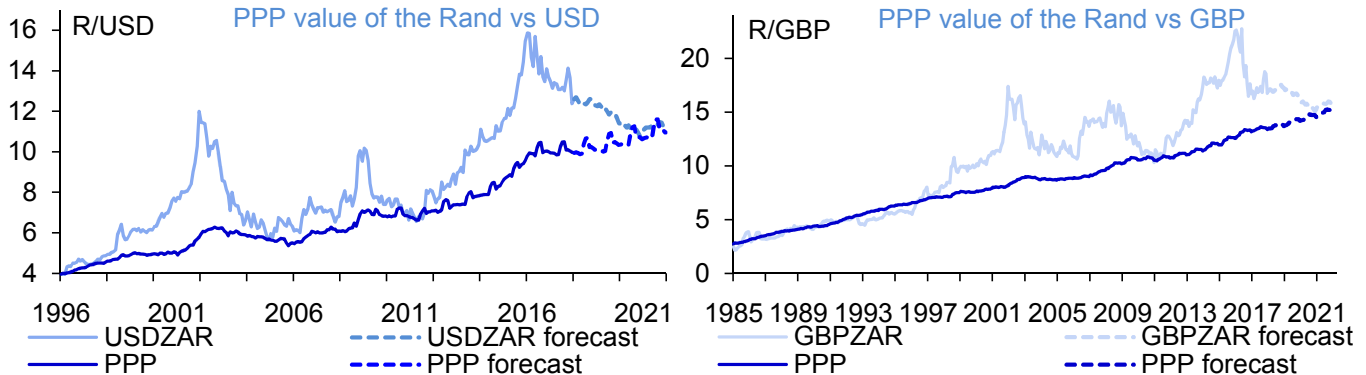
Source: SA Reserve Bank, Investec



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Currency outlook for the week ahead and foreign portfolio flows:

Figure 2: Purchasing price parity value of the rand



Source: Investec, IRESS

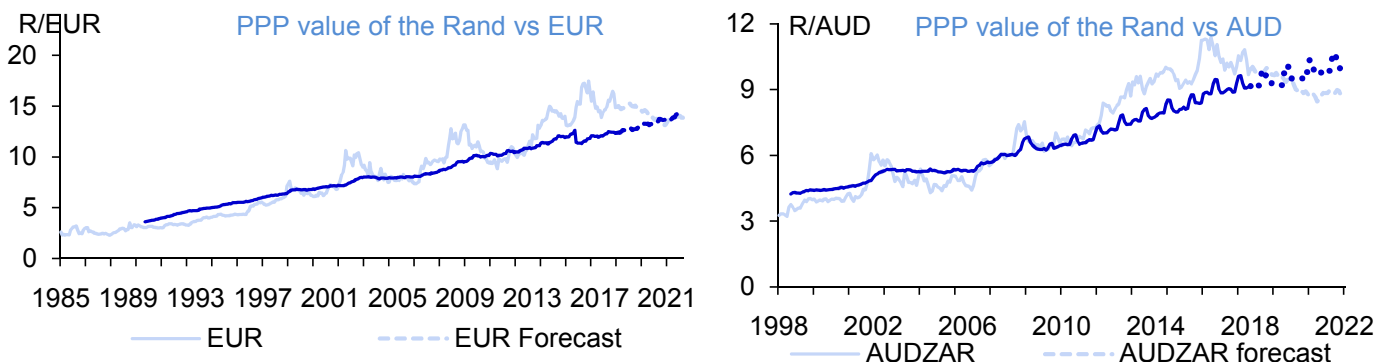
Rand movements during the week were influenced by the weakening dollar, which was driven by fears over President Trump’s protectionist trade policy stance. On its own the rand is seen to have appreciated on stronger than expected domestic GDP figures, with growth rising 1.3% for 2017, above market expectations of around 1.0%.

The next two key domestic events that could affect the rand’s direction are Moody’s review scheduled for the 23rd March, followed by the MPC announcement on the 28th. Recently, Finance Minister Nene suggested that a ratings downgrade is likely to be averted. Additionally, SA’s improved growth figures and prospects, an important consideration for the rating agencies when assessing sovereign risk, could strengthen the case against a further downgrade.

The rand is still one of the best performing emerging market currencies, year to date, out of a basket of 24 currencies.

In the week ahead, the rand is expected to trade in a range of R11.42/USD – R12.42/USD, R14.19/EUR - R15.19/EUR and R15.96/GBP - R16.96/GBP.

Figure 3: Purchasing price parity value of the rand



Source: Investec, IRESS



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Figure 4: Economic Scenarios

		Q1.18	Q2.18	Q3.18	Q4.18	Q1.19	Q2.19	Q3.19	Q4.19
Extreme Up case 1%	Rand/USD (average)	11.50	10.75	10.00	9.50	9.00	8.60	7.90	7.60
	Repo rate (end rate)	6.25	6.00	5.50	5.25	5.00	5.00	5.00	4.50
	Fast, sustainable economic growth of 5.0-7.0% y/y plus . SA sees change in political will with growth creating economic reforms in line with global norms that structurally lift private sector investor confidence and so fixed investment. Global growth boom (including commodities), SA export and domestic growth boom lifts employment and incomes to the degree that poverty is eliminated. Fiscal consolidation, credit rating upgrades to A grade ultimately , interest rate cuts.								
Up case 12%	Rand/USD (average)	11.70	11.15	10.70	10.50	10.50	10.30	10.25	10.20
	Repo rate (end rate)	6.50	6.25	6.00	5.50	5.50	5.25	5.25	5.25
	Persistent economic growth of 3.0 – 5.0% , with growing probability of extreme up case thereafter. Better governance , growth creating economic reforms in line with global norms (structural constraints are overcome) and greater socio-economic stability. This lifts business confidence and so private sector fixed investment growth rises to double digits, fixed investment inflows occur, resulting in faster GDP growth and fiscal consolidation. Strong global growth and commodity cycle. Stabilisation of credit ratings, with ultimately credit rating upgrades .								
Base line case 45%	Rand/USD (average)	11.90	11.65	11.65	11.55	11.50	11.35	11.40	11.40
	Repo rate (end rate)	6.75	6.75	6.75	6.75	6.75	6.75	6.75	6.75
	Annual growth rate of 2.0% y/y reached by 2019, 3.0% y/y by 2021 . Higher confidence and investment levels than past decade. Rand structurally stronger on political change, quicker return to PPP (by 2020). SA retains one investment grade (Moody's) rating on its local currency long-term sovereign debt this year . Sedate global monetary policy normalisation – avoid severe global risk-off environment, neutral to global risk-on. Modestly strengthening global demand .								
Down case 27%	Rand/USD (average)	12.35	13.50	14.90	15.80	16.90	17.80	18.50	19.50
	Repo rate (end rate)	7.00	7.00	7.50	7.50	7.50	8.00	8.50	8.50
	SA's foreign and local currency long-term debt sub-investment grade , increased chance of further credit downgrades. Marked rand weakness, confidence and investment measures depressed . Government's capacity for expenditure reduced, including social welfare grants. Faster than expected global monetary policy normalisation, global sharp economic slowdown (commodity slump), and substantial period of risk-off (SA V shaped recession) .								
Extreme down case 15%	Rand/USD (average)	12.90	15.00	17.00	19.00	21.00	22.80	24.00	25.50
	Repo rate (end rate)	7.25	8.50	10.50	14.00	16.50	18.00	21.00	21.50
	State bankruptcy, and so the path to a failed state . Credit ratings drop to junk , sovereign debt default, debt restructure. Lack of funds to pay public sector employees' wages and social grants, persistent government services outages, civil unrest/war. Partial loss of commercial private sector property rights under state custodianship. SA economic depression, global economy falls into recession, global financial crisis .								

Note: Event risk begins Q1.18 Source: Investec, IRESS

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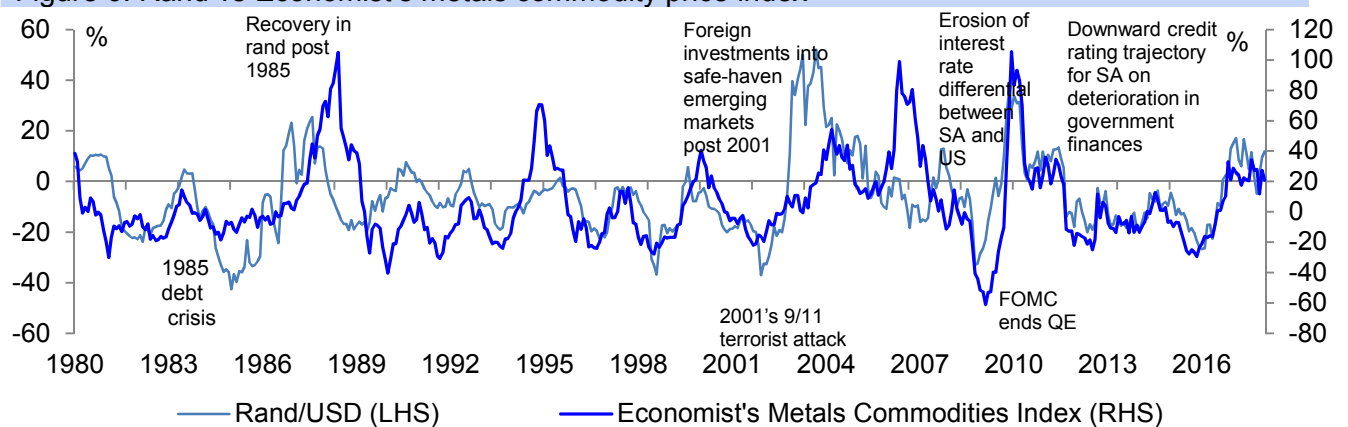


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Figure 5: Net foreign portfolio flows for SA assets

Week	Equities (Rbn)	Bonds (Rbn)	Total (Rbn)
5 th March – 8 th March 2018	2.6	-0.2	2.4
26 th February - 2 nd March 2018	0.4	1.5	1.9
19 th February – 23 rd February 2018	2.7	12.2	14.8
12 th February – 16 th February 2018	7.2	1.0	8.2
5 th February – 9 th February 2018	3.6	-4.7	-1.1
29 th January – 2 nd February 2018	-2.7	-2.2	-4.9
22 nd January – 26 th January 2018	9.6	-5.3	4.3
15 th January – 19 th January 2018	5.9	-0.5	5.5
8 th January – 12 th January 2018	0.7	-0.1	0.7
2 nd January – 5 th January 2018	-0.6	-1.5	-2.1
Month			
February 2018	14.4	7.6	22.0
January 2018	10.6	-7.0	3.6
December 2017	31.0	-4.6	26.4
November 2017	2.4	-14.3	-12.0
October 2017	9.1	-13.7	-4.6
September 2017	-24.7	17.8	-6.8
August 2017	-1.9	-2.4	-4.3
July 2017	10.8	8.1	18.9
June 2017	-19.1	-6.4	-25.5
May 2017	-9.1	9.2	0.1
April 2017	-2.9	14.4	11.5
March 2017	-12.8	18.6	5.7
February 2017	-9.6	3.7	-5.9
January 2017	-16.1	-6.5	-22.7
Note: Data subject to frequent revisions			Source: IRESS

Figure 6: Rand vs Economist's metals commodity price index



Source: IRESS, Investec



Data releases in the week ahead

Figure 7: Economic data releases for this week

Date	Country	Indicator	Month	Forecast	Previous
12/03/18	US	Monthly Budget Statement	Feb	-\$223.0bn	-\$192.0bn
13/03/18	SA	Manufacturing Production	Jan	2.5% y/y	2.0% y/y
	US	Manufacturing Production	Jan		1.1% m/m
		CPI	Feb	2.2% y/y	2.1% y/y
		CPI	Feb	0.2% m/m	0.5% m/m
		Real Avg. Hourly Earnings	Feb		0.8% y/y
		NFIB Small Business Optimism	Feb	107.1	106.9
14/03/18	SA	BER Business Confidence	Q1.18	51	34
	US	MBA Mortgage Applications	Mar 9		0.3%
		Advance Retail Sales	Feb	0.3% m/m	-0.3% m/m
		PPI Final Demand	Feb	2.8% y/y	2.7% y/y
		Business Inventories	Jan	0.6%	0.4%
	Eurozone	Industrial Production SA	Jan	-0.2% m/m	0.4% m/m
		Industrial Production WDA	Jan	4.7% y/y	5.2% y/y
		Employment	Q4.17		0.4% q/q
		Employment	Q4.17		1.7% y/y
15/03/18	SA	Mining Production	Jan	5.0% y/y	0.1% y/y
	US	Mining Production	Jan		-3.1% m/m
		Empire Manufacturing	Mar	15.0	13.1
		Initial Jobless Claims	Mar 10		231k
		Continuing Claims	Mar 3		1870k
		Import Price Index	Feb		3.6% y/y
		Export Price Index	Feb		3.4% y/y
		NAHB Housing Market Index	Mar	72	72
	Eurozone	EU 27 New Car Registrations	Feb		7.1%
16/03/18	US	Housing Starts	Feb	1286k	1326k
		Housing Starts	Feb	-3.1% m/m	9.7% m/m
		Building permits	Feb	1328k	1396k
		Building Permits	Feb	-3.6% m/m	7.4% m/m
		Industrial Production	Feb	0.3% m/m	-0.1% m/m
		Manufacturing Production	Feb	0.3%	0.0%
		Capacity Utilisation	Feb	77.7%	77.5%
		JOLTS Job Openings	Jan		5811
		Prelim. Uni. of Mich. Sentiment	Mar	99.5	99.7
	Eurozone	Final CPI	Feb	1.2% y/y	1.3% y/y
		Final CPI	Feb	0.2% m/m	-0.9% m/m
		Labour Costs	Q4.17		1.6% y/y

Note: sa – seasonally adjusted, nsa – not seasonally adjusted

Source Bloomberg

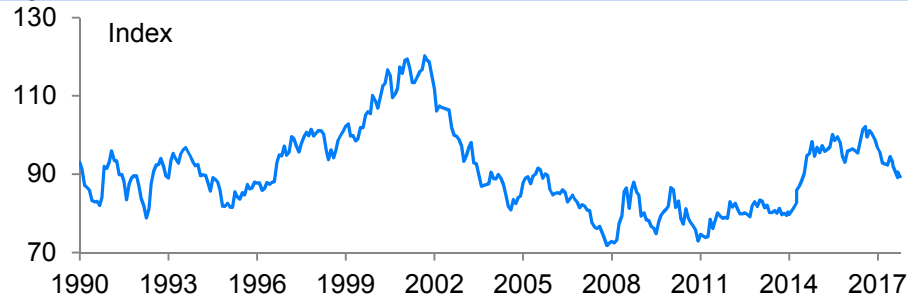


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International section

written by Philip Shaw (PS)/ Victoria Clarke (VC)/ Ryan Djasaputra (RD)/George Brown (GB).

Figure 8: US\$ index



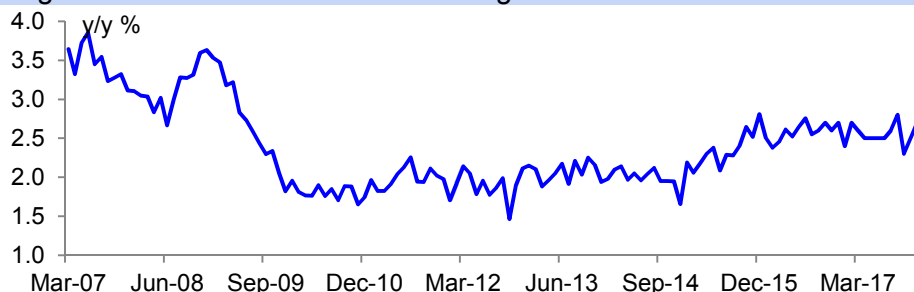
Sources: Bloomberg

(RD) Markets have been dominated by two concerns this week, the risk of rising protectionism and the Italian election. Both of these are issues which are likely to rumble on into the week ahead.

Last night President Trump signed a presidential proclamation introducing a 25% tariff on steel imports and 10% on aluminium. The final draft of the tariffs did however include some flexibility, in that Canada and Mexico were excluded and that other allies could also request to be excluded. A key question now is how other countries respond, both China and the EU have suggested that they could introduce their own tariffs, although the EU may request to be excluded, although there has been no news on that front as yet. President Trump did however raise the prospect of further tariffs ahead, suggesting that the US would introduce so called 'reciprocal taxes' on imports where third party countries currently charge higher duties on US goods.

Italy went to the polls last Sunday in what has proved to be an inconclusive result and ultimately a hung parliament. With no one party or indeed coalition winning enough seats for a majority, both the 5* (largest single party) and centre-right (largest coalition) are vying for the opportunity to form a government. Ultimately the President will decide who will get the opportunity, but given the seat mathematics no political path appears easy. Looking forward informal negotiations are set to begin in days, which may give the first clues on the path of discussions. Formal talks start following the first convening of Parliament on 23 March. Despite the uncertainty, the Italian equity market has actually outperformed its euro area peers, the FTSE MIB gaining 2.8% since Friday's close (2-Mar) versus a gain of 1.6% on the Euro Stoxx 50. Italian 10yr yields have nudged up a marginal 4bp to 1.983%.

Figure 9: US retail sales ex auto and gas

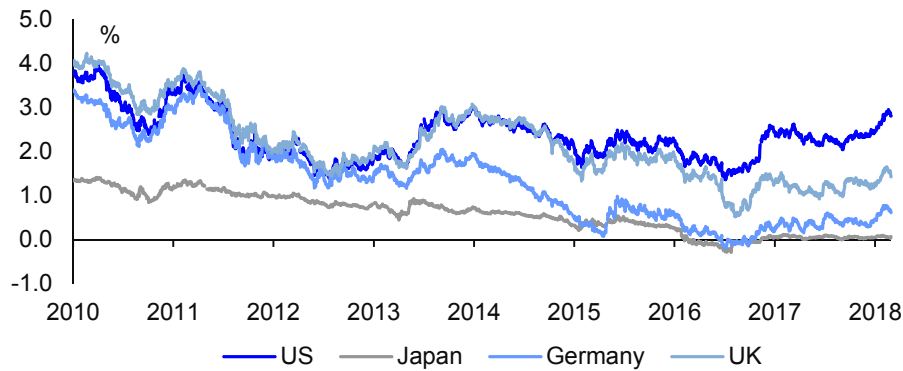


Sources: US Census Bureau



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Figure 10: 10 year government bond yields



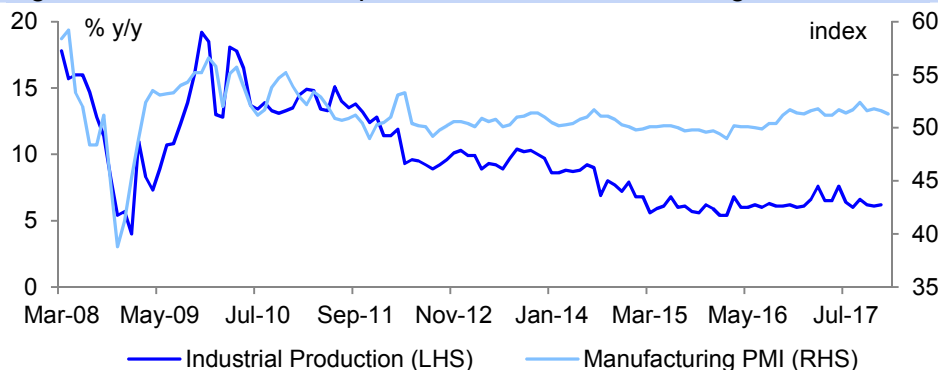
Sources: Bloomberg

Aside from trade concerns markets will once again be watching US inflation figures closely. A month ago markets became unnerved by February's labour market report and a stronger reading on CPI inflation. With the payrolls report due today and inflation due Tuesday, markets will be alert to either report suggesting pay and/or inflation pressures are building. The rest of the US calendar is set to include retail sales and both the Philly Fed and Empire State manufacturing surveys.

In the UK there is not a single data release due next week. However two events to watch out for will be the Chancellors' Spring Statement and the BoE's FPC statement. The Spring Statement will give the Chancellor the opportunity to provide an update on the economic and fiscal outlook. Meanwhile no new fiscal measures are expected. With regards to the BoE, one point to watch out for is whether the Bank's Financial Policy Committee gives any steer on the Counter Cyclical Capital Buffer (CCYB). In November it was raised to 1%, with the FPC also indicating that it could be increased further in H1.18.

Elsewhere data and events to watch out for include the ECB and its Watchers' conference where President Draghi will speak, as well as final euro area HICP figures due Friday. Meanwhile, Chinese data including industrial production and credit growth figures are published Wednesday. Lastly, policy decisions are due from the SNB and Norges Bank where both are expected to maintain steady policy.

Figure 11: China Industrial production and manufacturing PMI



Sources: National Bureau of Statistics of China

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Global forecasts

Figure 12: 10-year government bond yields (% end-quarter):

	US	Germany	UK
Current	2.71	0.66	1.46
2018			
Q2	2.60	0.75	1.50
Q4	2.75	1.00	1.75
2019			
Q2	2.75	1.00	1.75
Q4	3.00	1.25	2.00

Source: Reuters, Investec

Figure 13: Key official interest rates (% end quarter)

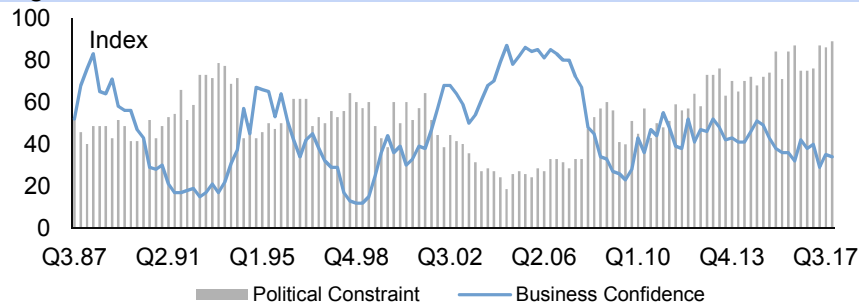
	US Fed funds	Eurozone refi rate	Eurozone deposit rate	UK Bank rate	Australia cash rate
Current	1.25-1.50	0.00	-0.40	0.50	1.50
2018					
Q1	1.50-1.75	0.00	-0.40	0.50	1.50
Q2	1.50-1.75	0.00	-0.40	0.75	1.50
Q3	1.75-2.00	0.00	-0.40	0.75	1.75
Q4	1.75-2.00	0.00	-0.40	1.00	2.00
2019					
Q1	1.75-2.00	0.00	-0.40	1.00	2.25
Q2	2.00-2.25	0.00	-0.20	1.25	2.50
Q3	2.00-2.25	0.25	0.00	1.25	2.50
Q4	2.00-2.25	0.50	0.25	1.25	2.75
End year					
2020	2.50	1.00	0.75	1.50	3.00

Source: Reuters, Investec



South Africa section

Figure 14: Business confidence



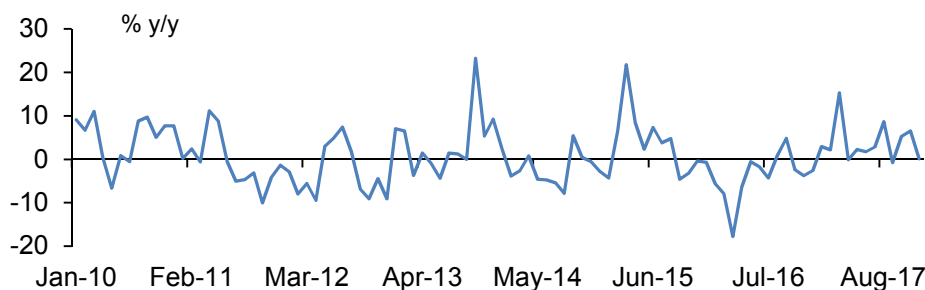
Source: BER

Providing some insight into sentiment amongst South African businesses will be the RMB/BER Business Confidence Index. The business confidence gauge has persistently been entrenched below 50 since 2009, with depressed sentiment linked to perceived heightened political and policy uncertainty. The recent political developments, since the outcome of the ANC elective conference, hold the potential to bolster business confidence on diminished political uncertainty. As such, we are forecasting the confidence index to move to 51 in Q1.18 from 34 in Q4.17. In the event that policy certainty is enhanced, business confidence is likely to strengthen further, and lift well above 50, in the subsequent quarters. A sustained improvement in business confidence would bode well for a recovery in private sector fixed investment and employment rates.

Also scheduled for release next week are mining production numbers for January 2018. We are expecting increased growth from 0.1% y/y in December to 5.0% y/y. This is in line with October and November's growth figures, which saw production up 5.3% y/y and 6.5% y/y respectively. Lower statistical base factors in January 2017 account for some of the forecast lift, but the effects on the local industry of increased global activity and higher commodity prices are also key influencing factors.

Manufacturing production typically falls in December and January in month to month terms, as production slows or ceases during the festive period. However, we expect a smaller m/m decline in January 2018, compared to the prior year, with production supported by the continued pick-up in global economic activity and trade, which is aiding export orientated local manufacturers. Moreover, advance indications provided by the manufacturing PMI have also suggested a strengthening in domestic demand. As such, on an annual basis, production is likely to have edged up to 2.5% y/y in January 2018 from 2.0% y/y in December 2017.

Figure 15: Mining Production



Source: Stats SA



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Figure 16: CPI forecast averages

Date	Index Base 2010	Annual y/y	Monthly m/m	Quarterly y/y	Calendar year y/y
Jan 2017	100.6	6.6	0.6		
Feb 2017	101.7	6.3	1.1		
Mar 2017	102.3	6.1	0.6	6.3	
Apr 2017	102.4	5.3	0.1		
May 2017	102.7	5.4	0.3		
Jun 2017	102.9	5.1	0.2	5.3	
Jul 2017	103.2	4.6	0.3		
Aug 2017	103.3	4.8	0.1		
Sep 2017	103.8	5.1	0.5	4.8	
Oct 2017	104.1	4.8	0.3		
Nov 2017	104.2	4.6	0.1		
Dec 2017	104.5	4.7	0.5	4.7	2017 5.3
Jan 2018	105.2	4.4	0.3		
Feb 2018	106.2	4.0	0.7		
Mar 2018	106.7	4.2	0.8	4.2	
Apr 2018	107.0	4.9	0.8		
May 2018	107.5	4.8	0.2		
Jun 2018	107.8	4.9	0.3	4.9	
Jul 2018	108.3	5.3	0.6		
Aug 2018	108.5	5.4	0.2		
Sep 2018	108.9	5.2	0.3	5.3	
Oct 2018	109.2	5.2	0.3		
Nov 2018	109.5	5.4	0.3		
Dec 2018	109.8	5.2	0.3	5.3	2018 4.9
Jan 2019	110.4	5.4	0.5		
Feb 2019	111.4	5.1	0.4		
Mar 2019	112.4	5.1	0.8	5.2	
Apr 2019	112.6	5.0	0.7		
May 2019	112.8	5.0	0.2		
Jun 2019	113.1	4.9	0.2	5.0	
Jul 2019	113.8	5.0	0.7		
Aug 2019	114.4	5.3	0.5		
Sep 2019	115.0	5.6	0.6	5.3	
Oct 2019	115.6	5.7	0.5		
Nov 2019	116.0	5.8	0.4		
Dec 2019	116.4	5.8	0.3	5.8	2019 5.3

Source: Stats SA, Investec



Figure 16: CPI forecast averages

Date	Index Base 2010	Annual y/y	Monthly m/m	Quarterly y/y	Calendar year y/y
Jan 2020	117.2	5.8	0.5		
Feb 2020	118.2	6.4	0.9		
Mar 2020	118.7	6.0	0.4	6.1	
Apr 2020	119.0	5.4	0.2		
May 2020	119.4	5.6	0.4		
Jun 2020	119.8	5.7	0.3	5.6	
Jul 2020	120.6	5.7	0.7		
Aug 2020	120.9	5.4	0.2		
Sep 2020	121.4	5.3	0.4	5.5	
Oct 2020	121.6	5.0	0.2		
Nov 2020	122.1	5.0	0.4		
Dec 2020	122.4	5.0	0.3	5.0	2020 5.5
Jan 2021	123.1	5.1	0.6		
Feb 2021	124.4	5.2	1.0		
Mar 2021	124.8	5.2	0.4	5.1	
Apr 2021	125.2	5.3	0.3		
May 2021	125.7	5.3	0.4		
Jun 2021	126.0	5.2	0.2	5.2	
Jul 2021	127.0	5.3	0.8		
Aug 2021	127.7	5.7	0.6		
Sep 2021	128.3	5.7	0.4	5.6	
Oct 2021	128.6	5.8	0.3		
Nov 2021	128.9	5.6	0.2		
Dec 2021	129.3	5.6	0.3	5.7	2021 5.4

Source: Stats SA, Investec



Figure 17: Interest rate forecast end rates

Date	Prime forecast	Prime less Inflation	Repo	Repo less Inflation
Jan 2017	10.50	3.9	7.00	0.4
Feb 2017	10.50	4.2	7.00	0.7
Mar 2017	10.50	4.4	7.00	0.9
Apr 2017	10.50	5.2	7.00	1.7
May 2017	10.50	5.1	7.00	1.6
Jun 2017	10.50	5.4	7.00	1.9
Jul 2017	10.25	5.7	6.75	2.2
Aug 2017	10.25	5.5	6.75	2.0
Sep 2017	10.25	5.2	6.75	1.7
Oct 2017	10.25	5.4	6.75	1.9
Nov 2017	10.25	5.6	6.75	2.1
Dec 2017	10.25	5.5	6.75	2.0
Jan 2018	10.25	5.9	6.75	2.4
Feb 2018	10.25	6.3	6.75	2.8
Mar 2018	10.25	6.1	6.75	2.6
Apr 2018	10.25	5.3	6.75	1.8
May 2018	10.25	5.4	6.75	1.9
Jun 2018	10.25	5.3	6.75	1.8
Jul 2018	10.25	5.0	6.75	1.5
Aug 2018	10.25	4.9	6.75	1.4
Sep 2018	10.25	5.1	6.75	1.6
Oct 2018	10.25	5.1	6.75	1.6
Nov 2018	10.25	4.8	6.75	1.3
Dec 2018	10.25	5.0	6.75	1.5
Jan 2019	10.25	4.8	6.75	1.3
Feb 2019	10.25	5.1	6.75	1.6
Mar 2019	10.25	5.1	6.75	1.6
Apr 2019	10.25	5.2	6.75	1.7
May 2019	10.25	5.2	6.75	1.7
Jun 2019	10.25	5.3	6.75	1.8
Jul 2019	10.25	5.2	6.75	1.7
Aug 2019	10.25	4.9	6.75	1.4
Sep 2019	10.25	4.7	6.75	1.2
Oct 2019	10.25	4.5	6.75	1.0
Nov 2019	10.25	4.4	6.75	0.9
Dec 2019	10.25	4.4	6.75	0.9

Source: IRESS, Investec



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Figure 18: Exchange rate history and forecast: annual averages

	2015	2016	2017	2018	2019	2020	2021	2022	2023
EURUSD	1.11	1.11	1.13	1.22	1.26	1.26	1.25	1.25	1.25
EURGBP									
GBPEUR	0.73	0.82	0.88	0.87	0.88	0.90	0.90	0.90	0.89
GBPUSD	1.38	1.22	1.14	1.14	1.14	1.12	1.12	1.12	1.12
	1.53	1.36	1.29	1.39	1.43	1.41	1.39	1.39	1.40
USDJPY									
EURJPY	115	114	112	108	104	105	106	107	107
GBPJPY	128	127	126	131	130	132	133	133	134
	176	155	145	150	149	148	148	149	150
EURCHF									
USDCHF	1.09	1.07	1.11	1.17	1.20	1.22	1.21	1.21	1.19
GBPCHF	0.98	0.97	0.98	0.96	0.96	0.96	0.96	0.95	0.95
	1.49	1.31	1.27	1.34	1.37	1.36	1.34	1.32	1.33
AUDUSD									
EURAUD	0.75	0.75	0.77	0.79	0.78	0.76	0.79	0.78	0.78
AUDJPY	1.49	1.49	1.47	1.54	1.61	1.66	1.59	1.60	1.60
GBPAUD	86	85	86	85	81	80	83	83	83
ZARUSD	12.76	14.68	13.30	11.69	11.41	11.13	10.91	11.25	11.68
ZARGBP	19.48	19.92	17.14	16.25	16.34	15.69	15.22	15.69	16.35
ZAREUR	14.15	16.26	15.01	14.20	14.36	14.06	13.64	14.06	14.59
JPYZAR	9.48	7.33	8.43	9.24	9.12	9.42	9.71	9.49	9.17
ZARCHF	13.26	14.93	13.51	12.15	11.94	11.55	11.37	11.84	12.29
ZARAUD	9.58	10.93	10.20	9.22	8.93	8.46	8.57	8.78	9.11

Source: IRESS, Investec



Figure 18: **Exchange rate history and forecast: annual averages**

	2017				2018				2019			
	Q1.17	Q2.17	Q3.17	Q4.17	Q1.18	Q2.18	Q3.18	Q4.18	Q1.19	Q2.19	Q3.19	Q4.19
EURUSD	1.07	1.10	1.17	1.18	1.22	1.22	1.21	1.22	1.23	1.25	1.27	1.29
EURGBP												
GBPEUR	0.86	0.86	0.90	0.89	0.88	0.87	0.87	0.87	0.88	0.88	0.88	0.89
GBPUSD	1.16	1.16	1.11	1.13	1.13	1.14	1.15	1.15	1.14	1.14	1.14	1.13
	1.24	1.28	1.31	1.33	1.38	1.40	1.39	1.40	1.41	1.42	1.44	1.46
USDJPY	114	111	111	113	111	109	107	106	105	104	104	104
EURJPY	121	122	130	133	134	131	129	128	129	129	130	131
GBPJPY	141	142	145	150	153	152	148	147	147	148	150	152
EURCHF	1.07	1.08	1.13	1.16	1.17	1.16	1.17	1.18	1.19	1.20	1.21	1.21
USDCHF	1.00	0.98	0.96	0.99	0.96	0.95	0.97	0.97	0.97	0.96	0.95	0.94
GBPCHF	1.24	1.26	1.26	1.31	1.33	1.33	1.34	1.35	1.36	1.37	1.38	1.37
AUDUSD	0.76	0.75	0.79	0.77	0.79	0.79	0.79	0.79	0.79	0.79	0.78	0.78
EURAUD	1.41	1.47	1.48	1.53	1.55	1.54	1.53	1.54	1.56	1.59	1.63	1.66
AUDJPY	86	83	88	87	87	86	85	83	83	82	81	81
GBPAUD	1.64	1.70	1.66	1.73	1.76	1.77	1.75	1.77	1.78	1.81	1.85	1.88
ZARUSD	13.22	13.19	13.18	13.62	11.90	11.65	11.65	11.55	11.50	11.35	11.40	11.40
ZARGBP	16.38	16.88	17.24	18.07	16.46	16.27	16.14	16.13	16.17	16.12	16.45	16.62
ZAREUR	14.09	14.52	15.42	16.02	14.52	14.21	14.04	14.03	14.15	14.13	14.48	14.71
JPYZAR	8.59	8.42	8.42	8.29	9.31	9.31	9.18	9.13	9.09	9.16	9.12	9.12
ZARCHF	13.17	13.40	13.69	13.80	12.41	12.20	12.05	11.94	11.89	11.77	11.97	12.15
ZARAUD	10.02	9.90	10.40	10.47	9.35	9.20	9.20	9.12	9.09	8.91	8.89	8.84

Source: IRESS, Investec



Figure 18: **Exchange rate history and forecast: annual averages**

	2020				2021				2022			
	Q1.20	Q2.20	Q3.20	Q4.20	Q1.21	Q2.21	Q3.21	Q4.21	Q1.22	Q2.22	Q3.22	Q4.22
EURUSD	1.28	1.26	1.26	1.26	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
EURGBP												
GBPEUR	0.89	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90
GBPUSD	1.12	1.12	1.11	1.11	1.12	1.12	1.12	1.12	1.12	1.12	1.12	1.12
	1.44	1.41	1.40	1.39	1.39	1.39	1.39	1.39	1.39	1.39	1.39	1.39
USDJPY	104	105	105	105	106	106	106	106	106	107	107	107
EURJPY	133	132	132	132	133	133	133	133	133	134	134	134
GBPJPY	150	148	147	146	148	148	148	148	148	149	149	149
EURCHF	1.21	1.22	1.22	1.23	1.22	1.20	1.20	1.20	1.21	1.21	1.21	1.21
USDCHF	0.95	0.96	0.97	0.98	0.96	0.96	0.96	0.96	0.95	0.95	0.95	0.95
GBPCHF	1.36	1.36	1.36	1.36	1.34	1.34	1.34	1.34	1.32	1.32	1.32	1.32
AUDUSD	0.77	0.77	0.76	0.75	0.79	0.79	0.78	0.78	0.78	0.78	0.78	0.78
EURAUD	1.66	1.65	1.67	1.67	1.58	1.58	1.60	1.60	1.60	1.60	1.60	1.60
AUDJPY	80	80	79	79	84	84	83	83	83	83	83	83
GBPAUD	1.87	1.84	1.85	1.86	1.77	1.77	1.79	1.79	1.79	1.79	1.79	1.79
ZARUSD	11.35	11.25	11.05	10.85	10.75	10.85	11.00	11.05	11.05	11.25	11.35	11.35
ZARGBP	16.32	15.84	15.47	15.13	14.99	15.13	15.34	15.41	15.41	15.69	15.83	15.83
ZAREUR	14.53	14.18	13.92	13.62	13.44	13.56	13.75	13.81	13.81	14.06	14.19	14.19
JPYZAR	9.16	9.33	9.50	9.68	9.86	9.77	9.64	9.59	9.59	9.51	9.43	9.43
ZARCHF	12.01	11.67	11.41	11.12	11.20	11.30	11.46	11.51	11.63	11.84	11.95	11.95
ZARAUD	8.74	8.61	8.34	8.14	8.49	8.57	8.58	8.62	8.62	8.78	8.85	8.85

Source: IRESS, Investec

Week Ahead: January updates for mining and manufacturing production likely to show an improvement



9th March 2018

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