



Table of contents for week ahead:

Pages

The Rand

Forex commentary	.....	2
Purchasing Power Parity of the ZAR/USD	.....	2
Scenarios quantitative	.....	3
Scenarios qualitative	.....	3
Foreign portfolio flows	.....	4
Rand vs Economist metals' price index	.....	4
Trading range	.....	2

Release dates and commentary

SA MPC meetings for 2018	.....	1
Table of international and local economic data releases	.....	5
Commentary on international data releases	.....	6&7
Commentary on South African data releases	.....	9

Forecasts for inflation rates, interest rates and exchange rates

International interest rates	.....	8
SA interest rate forecast	.....	12
Exchange rates	.....	13-15
SA CPI inflation	.....	10&11

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

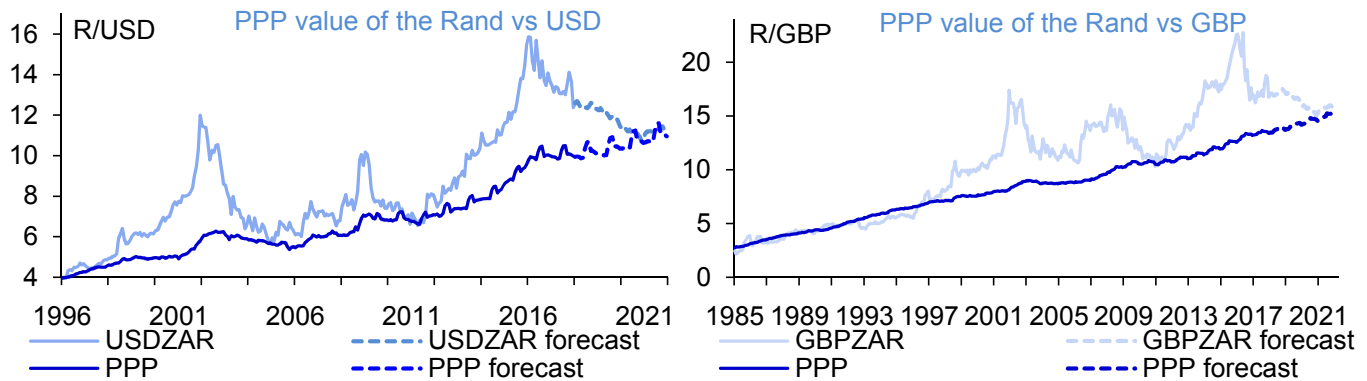
Month	Date	Forecast
July 2018	17 th – 19 th	6.50
September 2018	18 th – 20 th	6.50
November 2018	20 th – 22 nd	6.50

Source: SA Reserve Bank, Investec Annabel Bishop



Currency outlook for the week ahead and foreign portfolio flows:

Figure 2: Purchasing price parity value of the rand



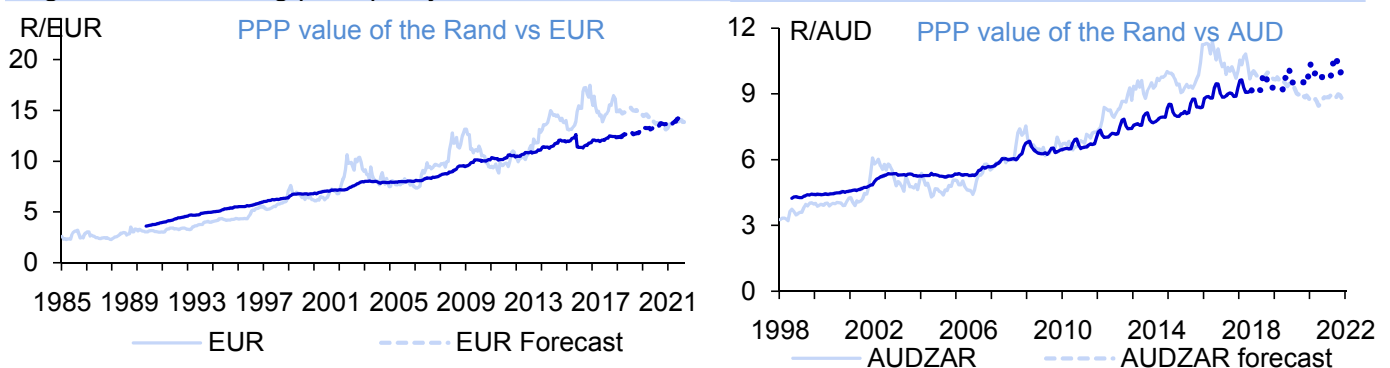
Source: IRESS, Investec Annabel Bishop

The domestic currency, along with most other emerging market currencies, was under pressure last week, as trade war fears continued to weigh on investor sentiment. Additionally, Moody's Rating Agency said "(S)outh Africa's economic growth prospects will be limited by weak business confidence while uncertainty around land and mining reforms remain a concern for investors", further dampening the currency's performance. The rand came very close to touching the R14.00/USD level.

At the time of writing the rand was trading at R13.80/USD, having depreciated by 19.5%, since February 2018.

In the week ahead, the rand is expected to trade in a range of R13.30 /USD – R14.30/USD, R15.60/EUR - R16.60/EUR and R17.70/GBP - R18.70/GBP.

Figure 3: Purchasing price parity value of the rand



Source: IRESS, Investec Annabel Bishop



Figure 4: Economic Scenarios – note updated probabilities

		Q1.18	Q2.18	Q3.18	Q4.18	Q1.19	Q2.19	Q3.19	Q4.19
Extreme Up case 1%	Rand/USD (average)	11.96	12.55	10.75	10.00	9.50	9.00	8.60	7.90
	Repo rate (end rate)	6.50	6.50	6.00	5.50	5.25	5.00	5.00	5.00
	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 (individuals obtain title deeds to land they live on (EWC) without disruption to economy). Fiscal consolidation, credit rating upgrades to A grade .								
Up case 10%	Rand/USD (average)	11.96	12.55	11.15	10.70	10.50	10.50	10.30	10.25
	Repo rate (end rate)	6.50	6.50	6.25	6.00	5.50	5.50	5.25	5.25
	Persistent growth of 3.0 – 5.0% , higher probability of extreme up case. Better governance , growth creating reforms in line with global norms (structural constraints are overcome) and greater socio-economic stability, individuals obtain title deeds to land they live on (EWC) without disruption to economy. High business confidence, fixed investment growth in double digits, substantial FDI inflows, fiscal consolidation. Strong global growth and commodity cycle. Stabilisation of credit ratings, with ultimately credit rating upgrades .								
Base line case 45%	Rand/USD (average)	11.96	12.55	13.20	12.70	12.50	12.30	12.35	12.25
	Repo rate (end rate)	6.50	6.50	6.50	6.50	7.00	7.00	7.00	7.00
	Annual growth rate of 2.0% y/y reached by 2019, 3.0% y/y by 2024 . Higher confidence and investment levels than past decade, limited impact of EWC/expropriation without compensation (to abandoned and unused land of government and agricultural sector – individuals are new owners and receive title deeds). Rand structurally stronger, returns 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 30%	Rand/USD (average)	11.96	12.55	15.00	15.90	17.00	17.90	18.60	19.60
	Repo rate (end rate)	6.50	6.50	7.00	7.50	8.00	8.50	8.50	8.50
	Partial expropriation of (certain groups') private commercial sector property (including productive land) without compensation, plus wide scale land grabs, title deeds not transferred to individuals. Confidence and investment depressed , marked rand weakness, significant strike action and load shedding. SA sub-investment grade , increased chance of further credit downgrades. Faster than expected global monetary policy normalisation, global sharp economic slowdown (commodity slump), escalation of US-China trade war, short global financial crisis (SA V shaped recession) .								
Extreme down case 14%	Rand/USD (average)	11.96	12.55	15.50	17.00	19.00	21.00	22.80	24.00
	Repo rate (end rate)	6.50	6.50	8.50	10.50	14.00	16.50	18.00	21.00
	Wide scale expropriation of private sector property (assets and land) rights without compensation with state as custodian. Credit ratings junk & sovereign debt default - state bankruptcy/failed state . Partial to no payment of public sector employees' wages and social grants, persistent government services outages and rolling mass strike action, civil unrest/war. Global economy falls into recession, severe global trade war, severe lengthy global financial crisis, SA economic depression .								

Note: Event risk begins Q3.18. Source: IRESS, Investec Annabel Bishop



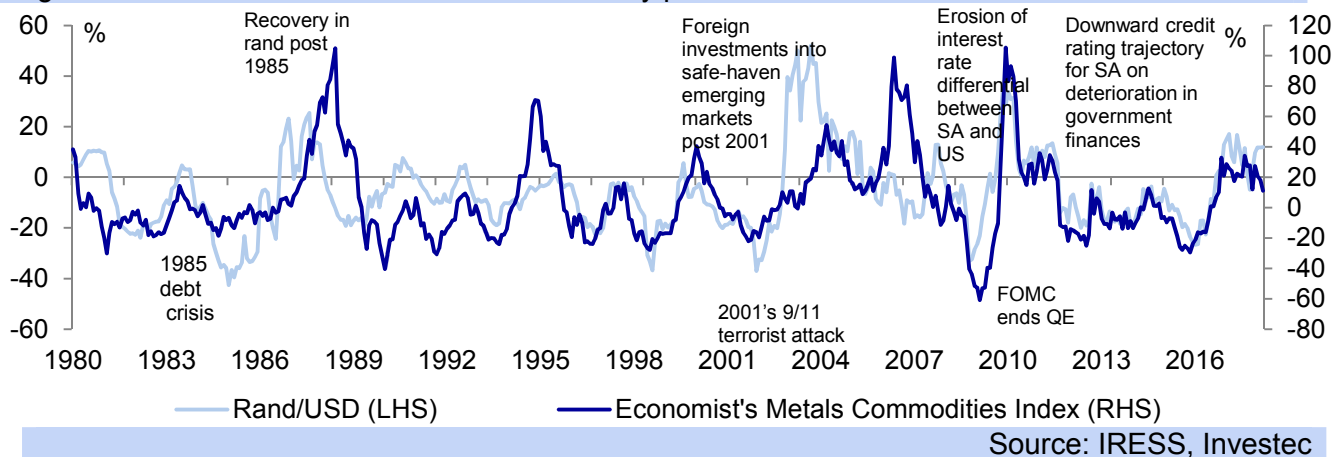
2nd July 2018

Figure 5: Net foreign portfolio flows for SA assets

Week	Equities (Rbn)	Bonds (Rbn)	Total (Rbn)
25 th June – 29 th June	11.0	-0.7	10.3
18 th June – 22 nd June	-2.2	-11.6	-13.8
11 th June – 15 th June	-4.7	-1.0	-5.7
4 th June – 8 th June	-0.1	-15.5	-15.6
28 th May – 1 st June	-5.0	-5.5	-10.5
21 st May – 25 th May	-1.5	1.1	-0.5
14 th May – 18 th May	-10.5	-13.2	-23.7
7 th May – 11 th May	-4.1	-15.0	-19.1
30 th April – 4 th May	2.3	-1.2	1.1
23 rd April – 26 th April	0.3	-3.4	-3.1
Month			
May 2018	-20.7	-31.7	-52.4
April 2018	7.6	-5.0	2.6
March 2018	-0.3	4.3	3.9
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

Note: Data subject to frequent revisions Source: IRESS

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





Data releases in the week ahead

Figure 7: Economic data releases for this week					
Date	Country	Indicator	Month	Forecast	Previous
02/07/18	SA	Absa PMI	Jun	49.9	49.8
		Vehicle Sales	Jun	1.5% y/y	2.9% y/y
	US	Construction Spending			
	Eurozone	Manufacturing PMI	Jun	55.0	55.0
		PPI	May	0.6% m/m	0.0% m/m
		PPI	May	2.8% y/y	2.0% y/y
03/07/18	US	Factory Orders	May	0.0%	-0.8%
		Durable Goods Orders	May		-0.6%
		Cap Goods Orders Nondef Ex Air	May		-0.2%
		Cap Goods Ship Nondef Ex Air	May		-0.1%
		Wards Total Vehicle Sales	Jun	17.00mn	16.81mn
	Eurozone	Retail Sales	May	0.2% m/m	0.1% m/m
04/07/18		Retail Sales	May	1.7% y/y	1.7% y/y
	US	MBA Mortgage Application	Jun 29		-4.9%
		Challenger Job Cuts	Jun		-4.8% y/y
		ADP Employment Change	Jun	190k	178k
		Initial Jobless Claims	Jun 30		227k
		Continuing Claims	Jun 23		1705k
05/07/18	SA	Electricity Production	May		-0.5% y/y
		Electricity Consumption	May		-0.7% y/y
	US	Challenger Job Cuts	Jun		-4.8% y/y
		ADP Employment Change	Jun	190k	178k
		Initial Jobless Claims	Jun 30		227k
		Continuing Claims	Jun 23		1705k
		ISM Non- Manu. Composite	Jun	58.0	58.6
		FOMC Meeting Minutes	Jun 13		
06/07/18	SA	Gross Reserves	Jun		\$51.15bn
	US	Trade Balance	May	-\$45.4bn	-\$46.2bn
		Change in Nonfarm Payrolls	Jun	198k	223k
		Unemployment Rate	Jun	3.8%	3.8%
		Average Hourly Earnings	Jun	0.3% m/m	0.3% m/m
		Average Hourly Earnings	Jun	2.8% y/y	2.7% y/y
		Labour Force Participation Rate	Jun		62.7%

Note: Data subject to frequent revisions

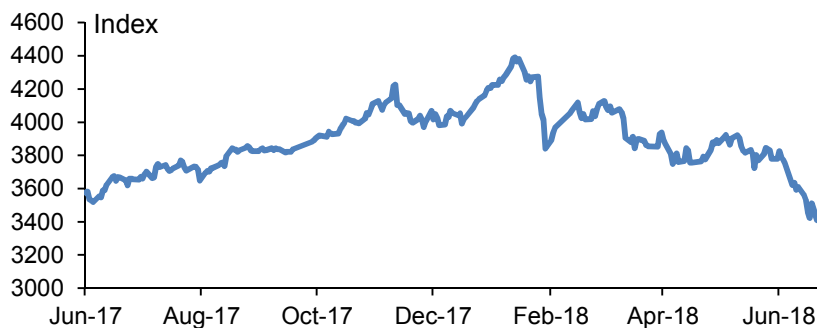
Source: IRESS



International section

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

Figure 8: Chinese stock Market

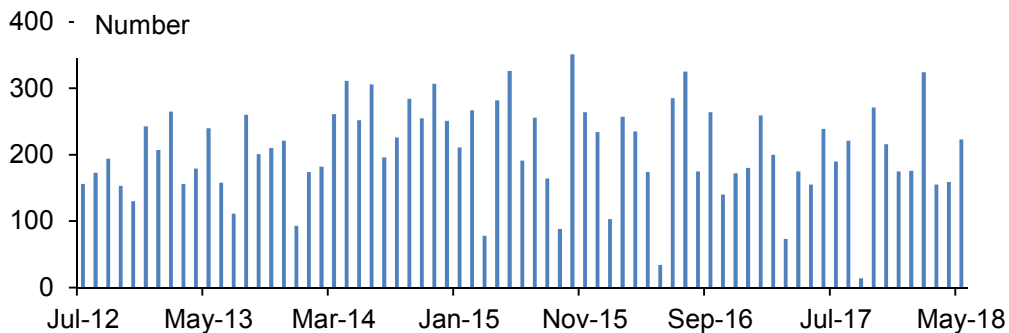


Source: Bloomberg

(RD) Concerns over a global trade war have remained front and centre of market attention. Dominating concerns have been the worsening trade developments between the US and China after the White House announced a 25% tariff on \$50bn of Chinese imports. The first stage of these tariffs formally comes into force on Friday, impacting \$34bn of Chinese goods. Simultaneously the Chinese authorities are set to retaliate in kind. Markets, particularly Chinese ones have also been spooked by President Trump's threat to introduce a 10% tariff on \$200bn of Chinese goods, although there has been no further detail on this.

In the US, this week is set to be broken in two by the Independence Day holiday on Wednesday. There are important data releases either side of the holiday break, with the ISM index due today. However the more important publications are in the latter half of the week, with the monthly labour market data, as ever the highlight of the economic calendar. We suspect that the report will show non-farm payroll gains of 185k and unemployment holding steady at 3.8%. Meanwhile the ISM non-manufacturing index will be published on Thursday ahead of the FOMC minutes. The minutes relate to the June meeting which saw the second hike in the Federal Funds Target Rate Range of 2018 and a fourth dot introduced into the 2018 dot plot. Markets will certainly be eyeing the minutes for the level of debate on the committee, given the slightly more hawkish tone of June's meeting.

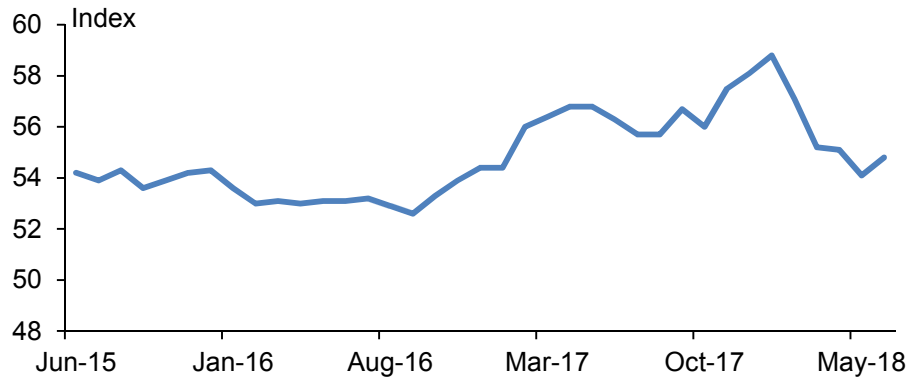
Figure 9: US non-farm payrolls



Source: Bloomberg



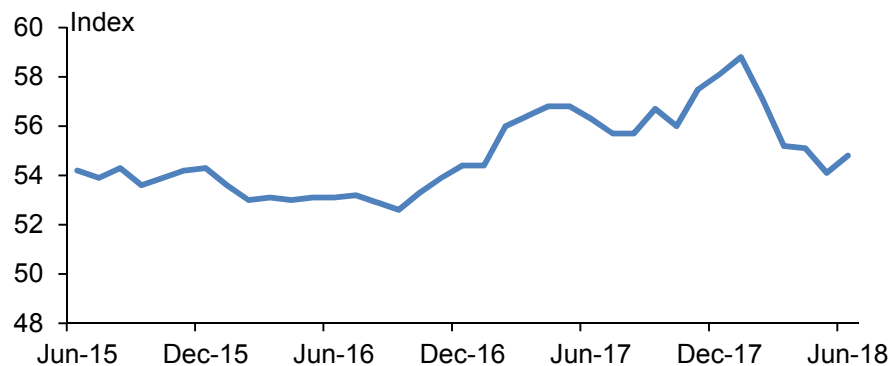
Figure 10: Eurozone Composite PMI



Source: Bloomberg

There were lots of conflicting stories on Brexit over the weekend, but the main point perhaps is that PM May is set to host a summit of her own cabinet members at Chequers on Friday. Ahead of this she is set to meet senior ministers individually to agree to back the strategy contained in a draft white paper. This has not yet been published, but the BBC is reporting that it contains a third suggestion on the way that the UK aims to proceed with customs arrangements with the EU. Previously the government has put forward two other proposals – the customs partnership and maximum facilitation models. It would not be totally surprising if leaks did emerge ahead of the Chequers summit itself. Away from Brexit the PMI surveys should provide the latest update on the health of the economy, where we expect a slight firming in both the manufacturing and services PMIs. Additionally BoE Governor Carney and the BoE's Andy Haldane are set to speak during the week. From the Euro area, final June PMIs are due today and Wednesday. Meanwhile industrial production and orders data from Germany will be eyed following several months of weak data and will provide the latest insight into the health of the Euro area's largest member in Q2.18. PMI figures will also be published in China, where the most recent numbers have indicated a relatively steady pace of economic activity in the second quarter. Finally, on the monetary policy front there are two decisions due, from the Reserve Bank of Australia and the Riksbank, respectively. No policy changes are expected from either.

Figure 11: China Manufacturing PMI



Source: Bloomberg



Global forecasts

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

	US	Germany	UK
Current	2.85	0.52	1.44
2018			
Q2	3.00	0.75	1.75
Q4	3.25	1.00	2.00
2019			
Q2	3.25	1.25	2.25
Q4	3.25	1.50	2.25

Source: Reuters, Investec UK

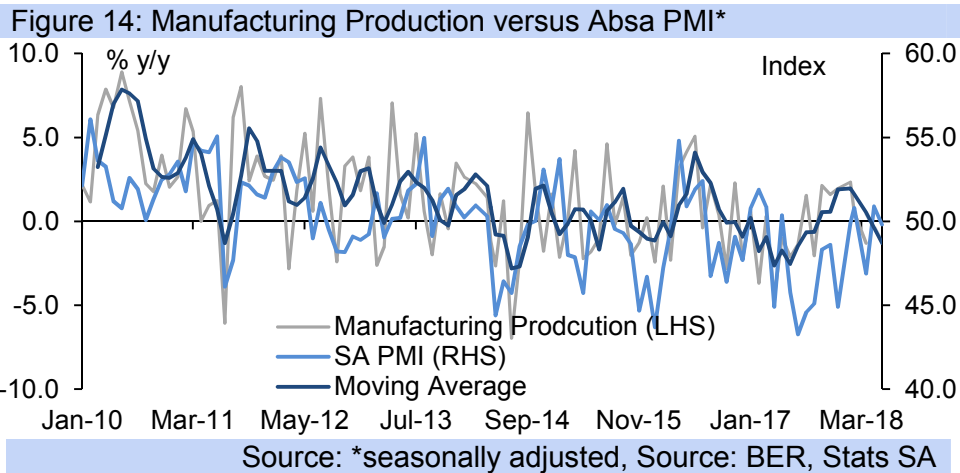
Figure 13: Key official interest rates (% end quarter)

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

Source: Reuters, Investec UK



South Africa section



June's PMI release will provide further indication of the health of the manufacturing sector during the Q2.18 period. We are expecting the gauge to remain slightly below 50.0 for the second month in a row, in line with the global trends, as the global manufacturing PMI came in at a nine-month low in May, according to Markit. Cost pressures, associated with rand weakness and higher fuel prices will have weighed on input costs.

We expect new car sales to moderate to around 1.5% y/y from May's figure of 2.4% y/y. However we might start seeing a substitution effect into the used vehicle market in coming months, as price inflation rises on the back of a weaker domestic currency, driving up input costs. However, continued robust global growth should benefit new vehicle exports going forward, with exports expected to show substantial upward momentum in the months ahead according to NAAMSA.

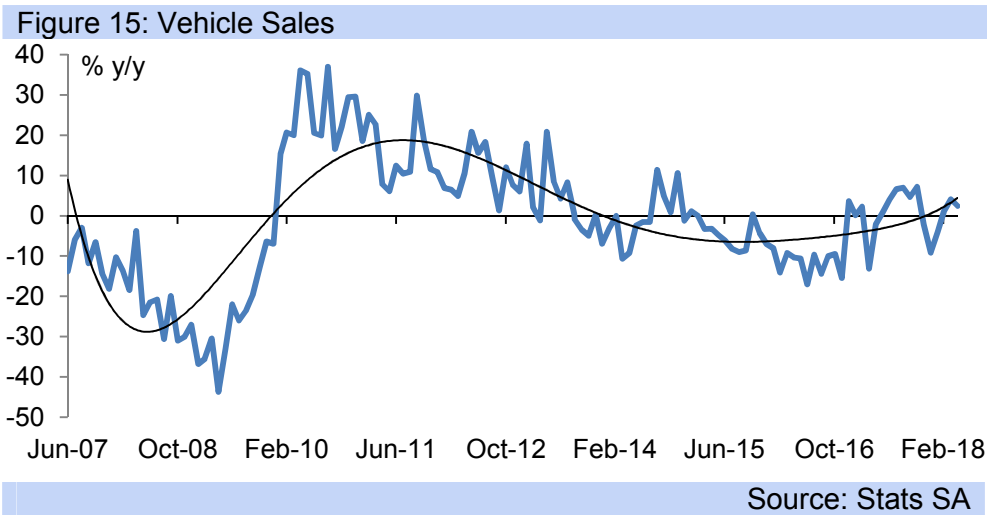




Figure 16: CPI forecast averages

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	104.7	4.7	0.5	4.7	2017	5.3
Jan 2018	105.0	4.4	0.3			
Feb 2018	105.8	4.0	0.8			
Mar 2018	106.2	3.8	0.4	4.1		
Apr 2018	107.3	4.5	1.0			
May 2018	107.2	4.4	0.6			
Jun 2018	107.7	4.7	0.5	4.5		
Jul 2018	108.4	5.0	0.6			
Aug 2018	108.9	5.4	0.5			
Sep 2018	109.3	5.3	0.4	5.2		
Oct 2018	109.7	5.4	0.4			
Nov 2018	110.0	5.6	0.3			
Dec 2018	110.3	5.4	0.3	5.4	2018	4.8
Jan 2019	111.1	5.8	0.7			
Feb 2019	111.7	5.6	0.5			
Mar 2019	112.6	6.0	0.8	5.8		
Apr 2019	113.0	5.6	0.4			
May 2019	113.2	5.6	0.2			
Jun 2019	113.5	5.3	0.2	5.5		
Jul 2019	114.0	5.2	0.5			
Aug 2019	114.5	5.2	0.4			
Sep 2019	115.0	5.2	0.4	5.2		
Oct 2019	115.3	5.1	0.3			
Nov 2019	115.6	5.1	0.3			
Dec 2019	116.0	5.1	0.3	5.1	2019	5.4

Source: Stats SA, Investec Annabel Bishop



Figure 16: CPI forecast averages

Date	Index Base 2010	Annual y/y	Monthly m/m	Quarterly y/y	Calendar year y/y
Jan 2020	116.6	4.9	0.5		
Feb 2020	117.6	5.3	0.9		
Mar 2020	118.1	4.9	0.4	5.0	
Apr 2020	118.3	4.7	0.2		
May 2020	118.8	4.9	0.4		
Jun 2020	119.2	5.0	0.3	4.9	
Jul 2020	120.0	5.2	0.7		
Aug 2020	120.2	5.0	0.2		
Sep 2020	120.7	5.0	0.4	5.1	
Oct 2020	121.0	4.9	0.2		
Nov 2020	121.4	5.0	0.4		
Dec 2020	121.8	5.0	0.3	5.0	2020 5.0
Jan 2021	122.5	5.1	0.6		
Feb 2021	123.7	5.2	1.0		
Mar 2021	124.2	5.2	0.4	5.1	
Apr 2021	124.6	5.3	0.3		
May 2021	125.1	5.3	0.4		
Jun 2021	125.3	5.2	0.2	5.2	
Jul 2021	126.3	5.3	0.8		
Aug 2021	127.1	5.7	0.6		
Sep 2021	127.6	5.7	0.4	5.6	
Oct 2021	128.0	5.8	0.3		
Nov 2021	128.2	5.6	0.2		
Dec 2021	128.6	5.6	0.3	5.7	2021 5.4

Source: Stats SA, Investec Annabel Bishop



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	5.6	6.75	2.1
Jan 2018	10.25	5.9	6.75	2.4
Feb 2018	10.25	6.2	6.75	2.7
Mar 2018	10.00	6.2	6.50	2.7
Apr 2018	10.00	5.3	6.50	1.8
May 2018	10.00	5.6	6.50	2.1
Jun 2018	10.00	5.3	6.50	1.8
Jul 2018	10.00	5.0	6.50	1.5
Aug 2018	10.00	4.6	6.50	1.1
Sep 2018	10.00	4.7	6.50	1.2
Oct 2018	10.00	4.6	6.50	1.1
Nov 2018	10.00	4.4	6.50	0.9
Dec 2018	10.00	4.6	6.50	1.1
Jan 2019	10.25	4.4	6.75	0.9
Feb 2019	10.25	4.7	6.75	1.2
Mar 2019	10.50	4.5	7.00	1.0
Apr 2019	10.50	4.9	7.00	1.4
May 2019	10.50	4.9	7.00	1.4
Jun 2019	10.50	5.2	7.00	1.7
Jul 2019	10.50	5.3	7.00	1.8
Aug 2019	10.50	5.3	7.00	1.8
Sep 2019	10.50	5.3	7.00	1.8
Oct 2019	10.50	5.4	7.00	1.9
Nov 2019	10.50	5.4	7.00	1.9
Dec 2019	10.50	5.4	7.00	1.9

Source: IRESS, Investec Annabel Bishop



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	1.21	1.26	1.26	1.25	1.25	1.25
EURGBP	0.73	0.82	0.88	0.87	0.88	0.90	0.90	0.90	0.89
GBPEUR	1.38	1.22	1.14	1.14	1.14	1.12	1.12	1.12	1.12
GBPUSD	1.53	1.36	1.29	1.39	1.43	1.41	1.39	1.39	1.40
USDJPY	115	114	112	107	104	105	106	107	107
EURJPY	128	127	127	130	131	132	133	133	134
GBPJPY	176	155	145	149	149	148	148	149	150
EURCHF	1.09	1.07	1.11	1.19	1.23	1.22	1.21	1.21	1.19
USDCHF	0.98	0.97	0.98	0.98	0.97	0.96	0.96	0.95	0.95
GBPCHF	1.49	1.31	1.27	1.36	1.39	1.36	1.34	1.32	1.33
AUDUSD	0.75	0.75	0.77	0.78	0.78	0.76	0.79	0.78	0.78
EURAUD	1.49	1.49	1.47	1.55	1.61	1.66	1.59	1.60	1.60
AUDJPY	86	85	86	84	81	80	83	83	83
GBPAUD	2.05	1.82	1.68	1.77	1.83	1.86	1.78	1.79	1.79
ZARUSD	12.76	14.68	13.30	12.59	12.35	11.98	11.76	12.10	12.53
ZARGBP	19.48	19.92	17.13	17.48	17.68	16.89	16.40	16.87	17.54
ZAREUR	14.15	16.26	15.03	15.28	15.56	15.13	14.70	15.13	15.66
JPYZAR	9.48	7.33	8.39	8.51	8.43	8.75	9.01	8.82	8.54
ZARCHF	13.26	14.93	13.51	12.82	12.68	12.43	12.25	12.74	13.18
ZARAUD	9.58	10.93	10.20	9.87	9.66	9.10	9.23	9.44	9.77

Source: IRESS, Investec Annabel Bishop



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	1.18	1.18	1.23	1.21	1.20	1.22	1.23	1.25	1.27	1.29
EURGBP	0.86	0.86	0.90	0.88	0.88	0.87	0.87	0.87	0.88	0.88	0.88	0.89
GBPEUR	1.16	1.16	1.11	1.13	1.13	1.15	1.15	1.15	1.14	1.14	1.14	1.13
GBPUSD	1.24	1.28	1.31	1.33	1.39	1.39	1.38	1.40	1.41	1.42	1.44	1.46
USDJPY	114	111	111	113	108	107	107	106	105	104	104	104
EURJPY	121	122	131	133	133	130	128	128	129	130	132	134
GBPJPY	141	142	145	150	151	149	148	147	147	148	150	152
EURCHF	1.07	1.08	1.14	1.16	1.17	1.19	1.21	1.22	1.22	1.23	1.23	1.24
USDCHF	1.00	0.98	0.96	0.99	0.95	0.98	1.00	1.00	0.99	0.98	0.97	0.96
GBPCHF	1.24	1.26	1.26	1.31	1.32	1.36	1.38	1.40	1.39	1.39	1.40	1.40
AUDUSD	0.76	0.75	0.79	0.77	0.79	0.77	0.79	0.79	0.79	0.79	0.78	0.78
EURAUD	1.41	1.47	1.49	1.53	1.56	1.56	1.53	1.54	1.56	1.59	1.63	1.66
AUDJPY	86	83	88	87	85	83	84	83	83	82	81	81
GBPAUD	1.64	1.70	1.66	1.73	1.77	1.79	1.76	1.77	1.78	1.81	1.85	1.88
ZARUSD	13.22	13.19	13.18	13.62	11.96	12.50	13.20	12.70	12.50	12.30	12.35	12.25
ZARGBP	16.35	16.85	17.22	18.08	16.65	17.34	18.21	17.74	17.57	17.47	17.82	17.86
ZAREUR	14.08	14.52	15.49	16.05	14.70	15.14	15.84	15.43	15.38	15.38	15.68	15.80
JPYZAR	8.54	8.39	8.36	8.27	9.06	8.57	8.11	8.31	8.36	8.46	8.42	8.49
ZARCHF	13.16	13.40	13.69	13.81	12.61	12.79	13.20	12.70	12.60	12.55	12.75	12.80
ZARAUD	10.02	9.90	10.41	10.47	9.41	9.68	10.36	10.03	9.88	9.66	9.63	9.49

Source: IRESS, Investec Annabel Bishop



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	0.89	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90
GBPEUR	1.12	1.12	1.11	1.11	1.12	1.12	1.12	1.12	1.12	1.12	1.12	1.12
GBPUSD	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	1.23	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	1.38	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	12.10	12.00	11.80	11.60	11.50	11.60	11.75	11.80	11.80	12.00	12.10	12.10
ZARGBP	17.40	16.89	16.52	16.18	16.04	16.18	16.38	16.45	16.45	16.73	16.87	16.87
ZAREUR	15.49	15.12	14.87	14.56	14.38	14.50	14.69	14.75	14.75	15.00	15.13	15.13
JPYZAR	8.60	8.75	8.90	9.05	9.22	9.14	9.02	8.98	8.98	8.92	8.84	8.84
ZARCHF	12.80	12.44	12.19	11.88	11.98	12.08	12.24	12.29	12.42	12.63	12.74	12.74
ZARAUD	9.32	9.18	8.91	8.70	9.09	9.16	9.17	9.20	9.20	9.36	9.44	9.44

Source: IRESS, Investec Annabel Bishop

Week Ahead: June's PMI figure will provide further indication of the health of the manufacturing sector during the Q2.18 period

2nd July 2018



Disclaimer

The information and materials presented in this report are provided to you for information purposes only and are not to be considered as an offer or solicitation of an offer to sell, buy or subscribe to any financial instruments. This report is intended for use by professional and business investors only. This report may not be reproduced in whole or in part or otherwise, without the consent of Investec.

The information and opinions expressed in this report have been compiled from sources believed to be reliable, but neither Investec, nor any of its directors, officers, or employees accepts liability for any loss arising from the use hereof or makes any representation as to its accuracy and completeness.

Investec, and any company or individual connected to it including its directors and employees may to the extent permitted by law, have a position or interest in any investment or service recommended in this report. Investec may, to the extent permitted by law, act upon or use the information or opinions presented herein, or research or analysis on which they are based before the material is published.

Past performance should not be taken as an indication or guarantee of future performance, and no representation or warranty, express or implied is made regarding future performance. Information, opinions and estimates contained in this report reflect a judgement at its original date of publication by Investec and are subject to change.

Investec is not agreeing to nor required to update research commentary and data. Therefore, information may not reflect events occurring after the date of publication. The value of any securities or financial instruments mentioned in this report can fall as well as rise. Foreign currency denominated securities and financial instruments are subject to fluctuations in exchange rates that may have a positive or adverse effect on the value, price or income of such securities or financial instruments. Certain transactions, including those involving futures and options, can give rise to substantial risk and are not suitable for all investors.

Investec may have issued other reports that are inconsistent with, and reach different conclusions from, the information presented in this report. Those reports reflect the different assumptions, views and analytical methods of the analysts who prepared them.

This report is disseminated in South Africa by Investec Bank Limited, a firm regulated by the South African Reserve Bank.

To our readers in South Africa this does not constitute and is not intended to constitute financial product advice for the purposes of the Financial Advisory and Intermediary Services Act.

This report is disseminated in Switzerland by Investec Bank (Switzerland) AG.

To our readers in Australia this does not constitute and is not intended to constitute financial product advice for the purposes of the Corporations Act.

To our readers in the United Kingdom: This report has been issued and approved by Investec Bank (UK) Limited, a firm regulated by the Financial Conduct Authority and is not for distribution in the United Kingdom to private customers as defined by the rules of the Financial Conduct Authority.

To our readers in the Republic of Ireland, this report is issued in the Republic of Ireland by Investec Bank (UK) Limited (Irish Branch), a firm regulated by the Central Bank of Ireland

This report is not intended for use or distribution in the United States or for use by any citizen or resident of the United States.