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

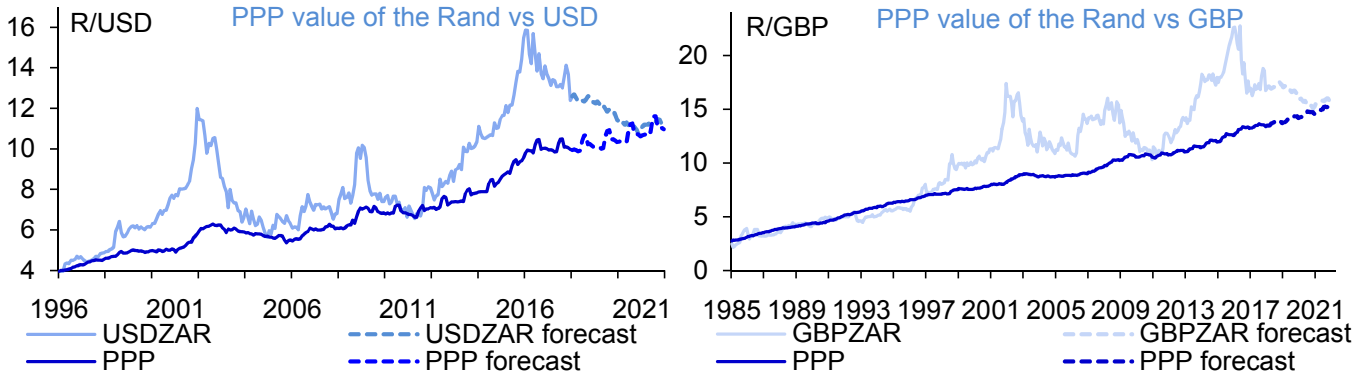
Month	Date	Forecast
May 2018	22 <sup>nd</sup> – 24 <sup>th</sup>	6.75
July 2018	17 <sup>th</sup> – 19 <sup>th</sup>	6.75
September 2018	18 <sup>th</sup> – 20 <sup>th</sup>	6.75
November 2018	20 <sup>th</sup> – 22 <sup>nd</sup>	6.75

Source: SA Reserve Bank, Investec



**Currency outlook for the week ahead and foreign portfolio flows:**

**Figure 2: Purchasing price parity value of the rand**

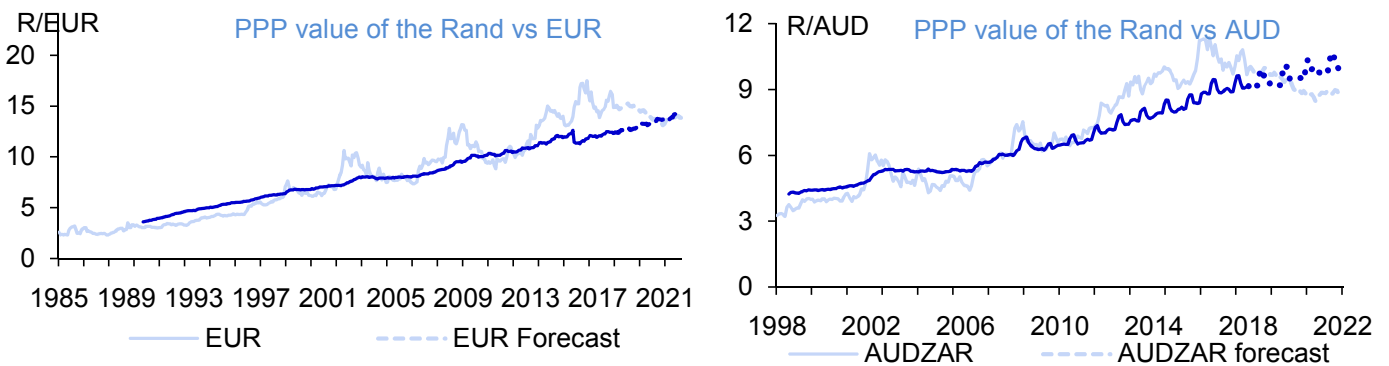


Source: Investec, IRESS

The rand has been fragile this week on the back of a strong lift in the greenback, following rising US treasury yields. It fell to its weakest level in around four months on Wednesday, closing at R12.70/USD. It did however manage to recover some ground on Thursday, along with other emerging currencies, after the Fed left rates unchanged, indicating a more gradual hiking cycle. At the time of writing the domestic currency was trading at R12.62/USD, having lost some ground on Friday ahead of the release of US non-farm payroll data.

In the week ahead, the rand is expected to trade in a range of R12.12/USD – R13.12/USD, R14.60/EUR - R15.60/EUR and R16.63/GBP - R17.63GBP.

**Figure 3: Purchasing price parity value of the rand**



Source: Investec, IRESS



**Figure 4: Economic Scenarios**

		Q1.18	Q2.18	Q3.18	Q4.18	Q1.19	Q2.19	Q3.19	Q4.19
Extreme Up case <b>1%</b>	Rand/USD (average)	11.96	10.75	10.00	9.50	9.00	8.60	7.90	7.60
	Repo rate (end rate)	6.50	6.00	5.50	5.25	5.00	5.00	5.00	4.50
	Fast, sustainable <b>economic growth of 5.0-7.0% y/y plus</b> . 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. <b>Global growth boom</b> (including commodities), SA export and domestic growth boom lifts employment and incomes to the degree that poverty is eliminated. Fiscal consolidation, <b>credit rating upgrades to A grade ultimately</b> , interest rate cuts.								
Up case <b>14%</b>	Rand/USD (average)	11.96	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
	<b>Persistent economic growth of 3.0 – 5.0%</b> , with growing probability of extreme up case thereafter. <b>Better governance</b> , 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. <b>Strong global growth</b> and commodity cycle. <b>Stabilisation of credit ratings, with ultimately credit rating upgrades</b> .								
Base line case <b>50%</b>	Rand/USD (average)	11.96	11.70	11.70	11.60	11.55	11.40	11.45	11.45
	Repo rate (end rate)	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50
	<b>Annual growth rate of 2.0% y/y reached by 2018, 3.5% y/y by 2024</b> . Higher confidence and investment levels than past decade. Rand structurally stronger on political change, quicker return to PPP (by 2020). <b>SA retains one investment grade (Moody's) rating on its local currency long-term sovereign debt this year</b> . Sedate global monetary policy normalisation – avoid severe global risk-off environment, neutral to global risk-on. <b>Modestly strengthening global demand</b> .								
Down case <b>21%</b>	Rand/USD (average)	11.96	13.50	14.90	15.80	16.90	17.00	16.50	15.50
	Repo rate (end rate)	6.50	7.00	7.50	8.00	8.50	8.50	8.50	8.50
	Partial loss of private sector property rights (land) under state custodianship without compensation, widescale land grabs. <b>Confidence and investment depressed</b> , marked rand weakness. <b>SA sub-investment grade</b> , increased chance of further credit downgrades. <b>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)</b> .								
Extreme down case <b>14%</b>	Rand/USD (average)	11.96	14.50	17.00	19.00	21.00	22.80	24.00	25.50
	Repo rate (end rate)	6.50	8.50	10.50	14.00	16.50	18.00	21.00	21.50
	Loss of private sector property (assets and land) rights under state custodianship without compensation. <b>Credit ratings drop to junk</b> , sovereign debt default (restructure), state bankruptcy - <b>a failed state</b> . Partial to no payment of public sector employees' wages and social grants, persistent government services outages, civil unrest/war. <b>Global economy falls into recession, severe global trade war, severe lengthy global financial crisis, WW3, SA economic depression</b> .								

**Note:** Event risk begins Q2.18 Source: Investec, IRESS

4 May 2018

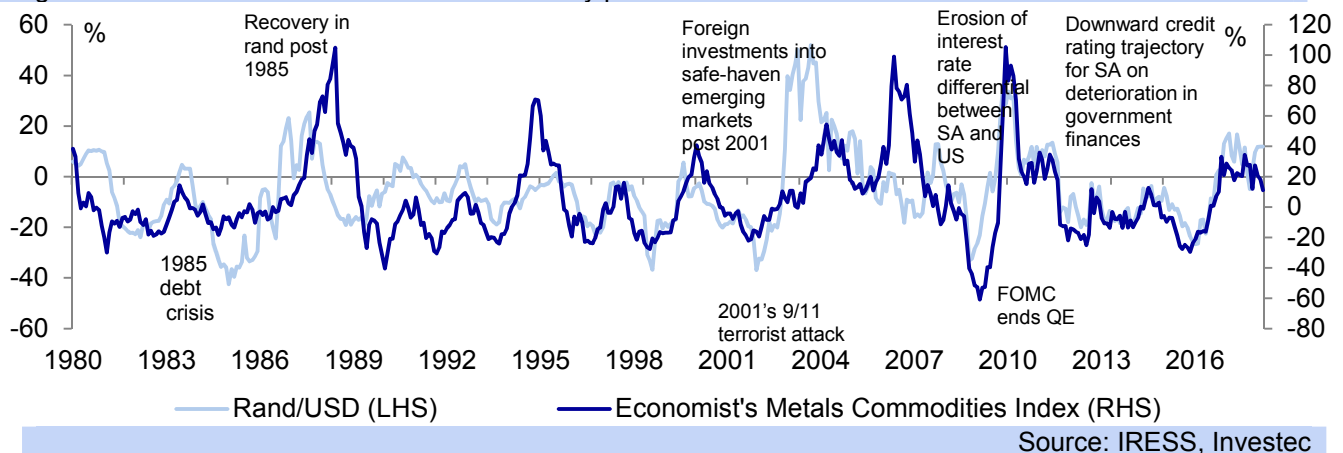


Figure 5: Net foreign portfolio flows for SA assets

Week	Equities (Rbn)	Bonds (Rbn)	Total (Rbn)
30 <sup>th</sup> April – 3 <sup>rd</sup> May	3.7	-0.7	3.1
23 <sup>rd</sup> April – 26 <sup>th</sup> April	0.4	-3.4	-3.0
16 <sup>th</sup> April -20 <sup>th</sup> April	-2.5	4.5	1.9
9 <sup>th</sup> April – 13 <sup>th</sup> April	5.0	-1.7	3.2
3 <sup>rd</sup> April – 6 <sup>th</sup> April	1.9	-3.3	-1.4
26 <sup>th</sup> March – 29 <sup>th</sup> March	-2.4	1.1	-1.2
19 <sup>th</sup> March – 23 <sup>rd</sup> March	6.4	2.4	8.7
12 <sup>th</sup> March – 16 <sup>th</sup> March	-8.9	3.5	-5.4
5 <sup>th</sup> March – 9 <sup>th</sup> March 2018	2.6	-0.3	2.3
26 <sup>th</sup> February - 2 <sup>nd</sup> March 2018	0.4	1.6	2.0
Month			
March 2018	-0.8	6.2	5.4
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

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
07/05/18	US	Consumer Credit	Q1.18	\$16.000bn	\$10.601bn
	Eurozone	Retail PMI	Apr		50.1
		Investor Confidence	May		19.6
08/05/18	SA	Gross Reserves	Apr		\$49.98bn
		Net Reserves	Apr		\$43.38bn
	US	NFIB Small Business Optimism	Apr	105.0	104.7
		JOLTS Job Openings	Mar		6052
09/05/18	US	MBA Mortgage Applications	May 4		-2.5%
		PPI Final Demand	Apr	0.2% m/m	0.3% m/m
		PPI Final Demand	Apr	2.8% y/y	3.0% y/y
		Wholesale Trade Sales	Mar		1.0% m/m
		Wholesale Inventories	Mar	0.6% m/m	0.5% m/m
10/05/18	SA	Mining Production	Mar		0.9% m/m
		Mining Production	Mar		3.1% y/y
		Manufacturing Production SA	Mar		-2.4% m/m
		Manufacturing Production NSA	Mar		0.6% y/y
	US	CPI	Apr	0.3% m/m	-0.1% m/m
		CPI	Apr	2.5% y/y	2.4% y/y
		Initial Jobless Claims	May 5		211k
		Continuing Claims	Apr 28		1756k
		Real Avg. Weekly Earnings	Apr		0.9% y/y
		Real Avg. Hourly Earnings	Apr		0.4% y/y
		Monthly Budget Statement	Apr		-\$208.7bn
11/05/18	US	Import Price Index	Apr	0.5% m/m	0.0% m/m
		Import Price Index	Apr	3.9% y/y	3.6% y/y
		Export Price Index	Apr	0.3% m/m	0.3% m/m
		Export Price Index	Apr		3.4% y/y

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

Source Bloomberg

**Week Ahead: March Mining and manufacturing production updates will provide guidance on potential Q1.18 GDP outcome**

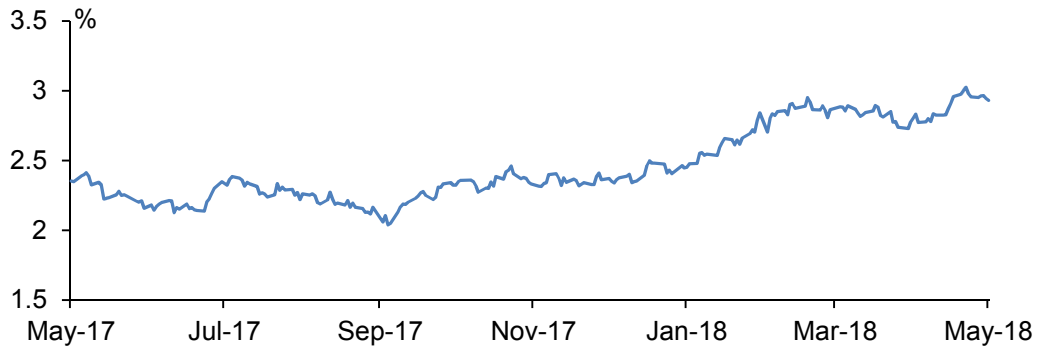
4 May 2018



**International section**

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

**Figure 8: US 10 year treasury yield**



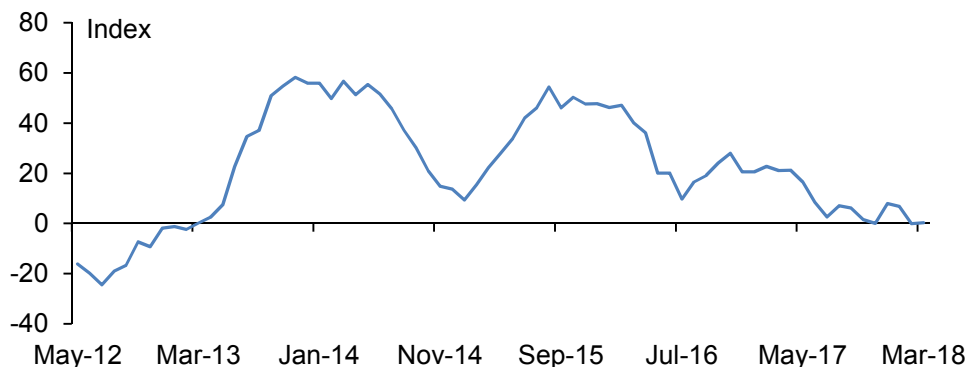
Source: Bloomberg

(RD) Last week was dominated by headlines surrounding the rise in the US 10 year Treasury yield, which peaked at 3.03%, its highest level since 2014. It has subsequently slipped back below the psychological 3% level, but the theme of rising US interest rates remains a key driver of market sentiment.

UK markets have however not been without volatility this week. Following the UK’s disappointing Q1.18 GDP print interest rate, markets have priced out a near term Bank of England hike. That combined with numerous Brexit headlines (UK Cabinet disagreements over a customs union) and a stronger US dollar have sent the pound spiralling to its lowest level since January. In fact the slide in cable since 16 April has almost totalled eight cents. Next week may see further volatility with May’s BoE ‘Super Thursday’.

As noted above the key UK event next week is set to be the MPC announcement and the Inflation Report press conference on Thursday. With a rate hike now seemingly off the table, the market will be focused on the rationale for the BoE’s abrupt U-turn having signalled a rate hike in March. Softer data looks to have played a part, but with Q1.18 seemingly impacted by poor weather, investors will be keenly waiting to see if the BoE believes there is a more fundamental slowdown afoot and what the chances are for a rate hike later this year.

**Figure 9: RICS Housing Survey**



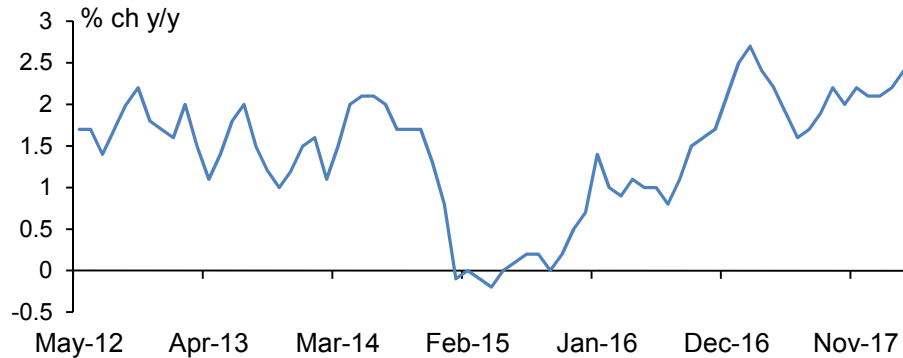
Source: Bloomberg

**Week Ahead: March Mining and manufacturing production updates will provide guidance on potential Q1.18 GDP outcome**

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**Figure 10: US CPI**



Source: Bloomberg

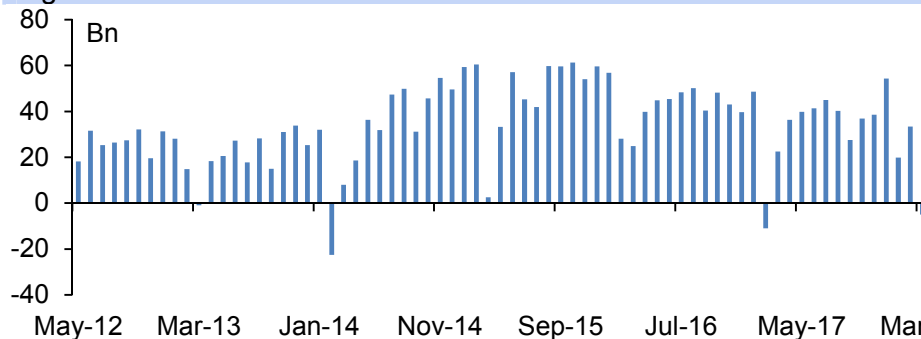
The UK's trading week is set to be shortened by Monday's Early May Bank Holiday. In terms of economic numbers, industrial and construction output figures are due Thursday. Q1.18 GDP figures included ONS estimates for these series, so we may not learn too much more on the shape of Q1.18 growth. Trade data and the RICS housing survey make up the rest of the calendar.

After this week's busy schedule of US data releases, major figures are set to be in short supply over the next 7 days. The key releases will be limited to Thursday's CPI figures and Michigan consumer sentiment on Friday. There are however a number of political events which could shape sentiment. Firstly the US trade delegation, which includes Treasury Secretary Mnuchin is set to conclude talks with China this weekend. Any progress between the two countries would be seen as risk market positive. Secondly, next Saturday is the deadline for President Trump to sign the Presidential waiver on Iranian sanctions. A formal rejection of the Iranian nuclear deal would again focus concerns on the Middle East.

The Euro area data calendar is equally quiet next week. Industrial production figures from the big four economies (Germany, France, Italy and Spain) are the only key releases due.

Amongst the rest of the economic calendar Chinese trade data will be published on Tuesday and should come hot on the heels of US-China trade talks. Meanwhile the Reserve Bank of New Zealand is set to announce its latest policy decision where consensus is for an unchanged 1.75% Official Cash Rate. Various Chinese PMIs are due next week, while the Norges bank holds a policy meeting on Thursday.

**Figure 11: China Trade Balance**



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

**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
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Source: Reuters, Investec



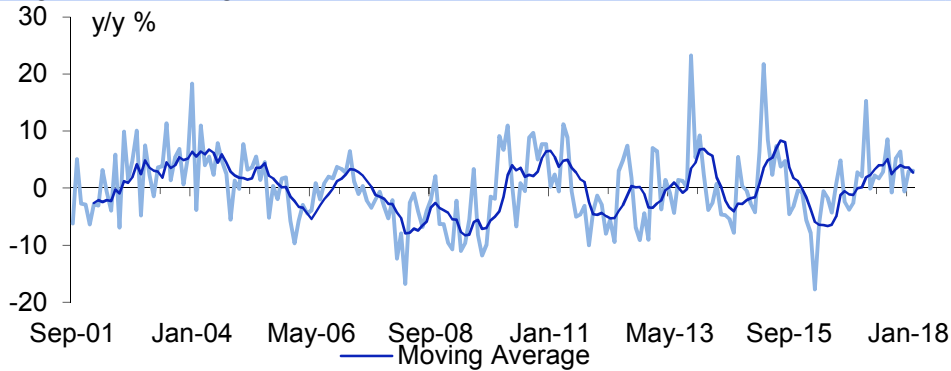
**Week Ahead: March Mining and manufacturing production updates will provide guidance on potential Q1.18 GDP outcome**

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**South Africa section**

**Figure 14: Mining Production**



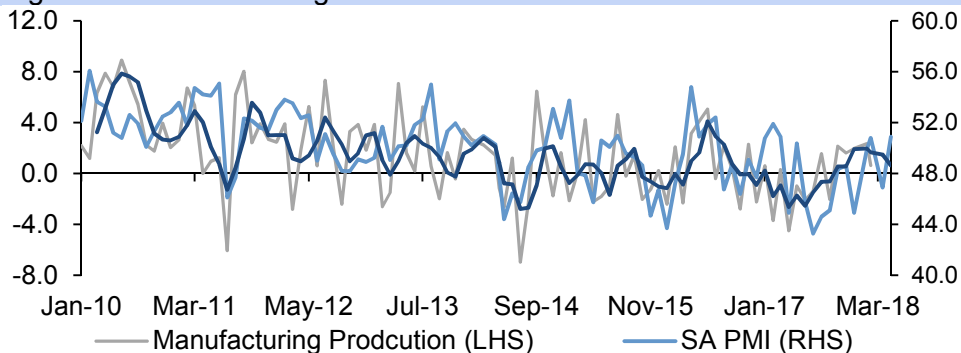
Source: Stats SA

Mining and manufacturing production updates for March will wrap up the sectors' data releases for Q1.18, therefore providing guidance on the potential contributions to GDP for the first quarter of the year.

We expect mining production to have contracted in March to around -4.0% y/y, following two consecutive months of year-on-year gains. High base effects would have contributed to the decline. However robust global growth and strong commodity prices as indicated by a 4.0% q/q lift in the World Bank's precious metal index in Q1.18 should lend some support to the mining sector going forward. Additionally President Cyril Ramaphosa advised in a recent statement that "The mining charter will be finalised very soon and we have set a deadline". This should remove some of the regulatory uncertainty that has plagued the industry and impeded much needed investment into the sector.

We are forecasting a small lift in manufacturing production for March to 0.3% y/y. Although advance indications provided by March's PMI release, suggest that business activity waned in March, the BER's manufacturing business confidence survey for Q1.18 reached its highest level since Q4.14. "Sentiment-linked indicators" were however primarily responsible for the lift, while "(d)omestic demand remained under pressure", the BER stated. Looking forward, recent positive developments, including a sharp rise in consumer confidence, a low inflationary environment and an interest rate cut should boost private consumption and "(e)xpectations for output in Q2.18 are very upbeat", according to the BER.

**Figure 15: Manufacturing Production versus Absa PMI**



Source: Stats SA



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	0.7	4.1	
Apr 2018	107.1	4.6	0.9		
May 2018	107.5	4.7	0.4		
Jun 2018	107.8	4.8	0.3	4.7	
Jul 2018	108.4	5.1	0.6		
Aug 2018	108.9	5.4	0.4		
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	110.4	5.4	0.3	5.5	2018 4.9
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	5.5	0.4		
May 2019	113.3	5.4	0.2		
Jun 2019	113.5	5.3	0.2	5.4	
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	115.7	5.1	0.3		
Dec 2019	116.0	5.1	0.3	5.1	2019 5.4

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	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



**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	5.4	6.50	1.9
May 2018	10.00	5.3	6.50	1.8
Jun 2018	10.00	5.2	6.50	1.7
Jul 2018	10.00	4.9	6.50	1.4
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	10.00	4.2	6.50	0.7
Feb 2019	10.00	4.4	6.50	0.9
Mar 2019	10.00	4.0	6.50	0.5
Apr 2019	10.00	4.5	6.50	1.0
May 2019	10.00	4.6	6.50	1.1
Jun 2019	10.00	4.7	6.50	1.2
Jul 2019	10.00	4.8	6.50	1.3
Aug 2019	10.00	4.8	6.50	1.3
Sep 2019	10.00	4.8	6.50	1.3
Oct 2019	10.00	4.9	6.50	1.4
Nov 2019	10.00	4.9	6.50	1.4
Dec 2019	10.00	4.9	6.50	1.4

Source: IRESS, Investec



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

	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>EURUSD</b>	1.11	1.11	1.13	1.22	1.26	1.26	1.25	1.25	1.25
<b>EURGBP</b>	0.73	0.82	0.88	0.87	0.88	0.90	0.90	0.90	0.89
<b>GBPEUR</b>	1.38	1.22	1.14	1.14	1.14	1.12	1.12	1.12	1.12
<b>GBPUSD</b>	1.53	1.36	1.29	1.39	1.43	1.41	1.39	1.39	1.40
<b>USDJPY</b>	115	114	112	107	104	105	106	107	107
<b>EURJPY</b>	128	127	127	130	131	132	133	133	134
<b>GBPJPY</b>	176	155	145	149	149	148	148	149	150
<b>EURCHF</b>	1.09	1.07	1.11	1.17	1.20	1.22	1.21	1.21	1.19
<b>USDCHF</b>	0.98	0.97	0.98	0.96	0.96	0.96	0.96	0.95	0.95
<b>GBPCHF</b>	1.49	1.31	1.27	1.34	1.37	1.36	1.34	1.32	1.33
<b>AUDUSD</b>	0.75	0.75	0.77	0.79	0.78	0.76	0.79	0.78	0.78
<b>EURAUD</b>	1.49	1.49	1.47	1.55	1.61	1.66	1.59	1.60	1.60
<b>AUDJPY</b>	86	85	86	84	81	80	83	83	83
<b>GBPAUD</b>	2.05	1.82	1.68	1.77	1.83	1.86	1.78	1.79	1.79
<b>ZARUSD</b>	12.76	14.68	13.30	11.74	11.46	11.18	10.96	11.30	11.73
<b>ZARGBP</b>	19.48	19.92	17.13	16.33	16.41	15.76	15.29	15.76	16.42
<b>ZAREUR</b>	14.15	16.26	15.03	14.28	14.44	14.12	13.70	14.13	14.66
<b>JPYZAR</b>	9.48	7.33	8.39	9.11	9.08	9.38	9.67	9.45	9.13
<b>ZARCHF</b>	13.26	14.93	13.51	12.24	12.00	11.60	11.42	11.89	12.34
<b>ZARAUD</b>	9.58	10.93	10.20	9.23	8.97	8.49	8.61	8.81	9.15

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
<b>EURUSD</b>	1.07	1.10	1.18	1.18	1.23	1.22	1.21	1.22	1.23	1.25	1.27	1.29
<b>EURGBP</b>	0.86	0.86	0.90	0.89	0.88	0.87	0.87	0.87	0.88	0.88	0.88	0.89
<b>GBPEUR</b>	1.16	1.16	1.11	1.13	1.13	1.14	1.15	1.15	1.14	1.14	1.14	1.13
<b>GBPUSD</b>	1.24	1.28	1.31	1.33	1.39	1.39	1.39	1.40	1.41	1.42	1.44	1.46
<b>USDJPY</b>	114	111	111	113	108	107	107	106	105	104	104	104
<b>EURJPY</b>	121	122	131	133	133	130	129	128	129	130	132	134
<b>GBPJPY</b>	141	142	145	150	150	149	148	147	147	148	150	152
<b>EURCHF</b>	1.07	1.08	1.14	1.16	1.17	1.17	1.17	1.18	1.19	1.21	1.21	1.21
<b>USDCHF</b>	1.00	0.98	0.96	0.99	0.95	0.96	0.97	0.97	0.97	0.96	0.95	0.94
<b>GBPCHF</b>	1.24	1.26	1.26	1.31	1.32	1.34	1.34	1.35	1.36	1.37	1.38	1.37
<b>AUDUSD</b>	0.76	0.75	0.79	0.77	0.79	0.78	0.79	0.79	0.79	0.79	0.78	0.78
<b>EURAUD</b>	1.41	1.47	1.49	1.53	1.56	1.56	1.53	1.54	1.56	1.59	1.63	1.66
<b>AUDJPY</b>	86	83	88	87	85	83	85	83	83	82	81	81
<b>GBPAUD</b>	1.64	1.70	1.66	1.73	1.77	1.78	1.75	1.77	1.78	1.81	1.85	1.88
<b>ZARUSD</b>	13.22	13.19	13.18	13.62	11.96	11.70	11.70	11.60	11.55	11.40	11.45	11.45
<b>ZARGBP</b>	16.35	16.85	17.22	18.08	16.65	16.27	16.21	16.20	16.24	16.19	16.52	16.69
<b>ZAREUR</b>	14.08	14.52	15.49	16.05	14.70	14.23	14.10	14.09	14.21	14.25	14.54	14.77
<b>JPYZAR</b>	8.54	8.39	8.36	8.27	9.06	9.15	9.15	9.09	9.05	9.12	9.08	9.08
<b>ZARCHF</b>	13.16	13.40	13.69	13.81	12.61	12.14	12.10	11.99	11.94	11.83	12.02	12.21
<b>ZARAUD</b>	10.02	9.90	10.41	10.47	9.41	9.12	9.24	9.16	9.12	8.95	8.93	8.87

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
<b>EURUSD</b>	1.28	1.26	1.26	1.26	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
<b>EURGBP</b>	0.89	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90	0.90
<b>GBPEUR</b>	1.12	1.12	1.11	1.11	1.12	1.12	1.12	1.12	1.12	1.12	1.12	1.12
<b>GBPUSD</b>	1.44	1.41	1.40	1.39	1.39	1.39	1.39	1.39	1.39	1.39	1.39	1.39
<b>USDJPY</b>	104	105	105	105	106	106	106	106	106	107	107	107
<b>EURJPY</b>	133	132	132	132	133	133	133	133	133	134	134	134
<b>GBPJPY</b>	150	148	147	146	148	148	148	148	148	149	149	149
<b>EURCHF</b>	1.21	1.22	1.22	1.23	1.22	1.20	1.20	1.20	1.21	1.21	1.21	1.21
<b>USDCHF</b>	0.95	0.96	0.97	0.98	0.96	0.96	0.96	0.96	0.95	0.95	0.95	0.95
<b>GBPCHF</b>	1.36	1.36	1.36	1.36	1.34	1.34	1.34	1.34	1.32	1.32	1.32	1.32
<b>AUDUSD</b>	0.77	0.77	0.76	0.75	0.79	0.79	0.78	0.78	0.78	0.78	0.78	0.78
<b>EURAUD</b>	1.66	1.65	1.67	1.67	1.58	1.58	1.60	1.60	1.60	1.60	1.60	1.60
<b>AUDJPY</b>	80	80	79	79	84	84	83	83	83	83	83	83
<b>GBPAUD</b>	1.87	1.84	1.85	1.86	1.77	1.77	1.79	1.79	1.79	1.79	1.79	1.79
<b>ZARUSD</b>	11.35	11.25	11.05	10.85	10.75	10.85	11.00	11.05	11.05	11.25	11.35	11.35
<b>ZARGBP</b>	16.32	15.84	15.47	15.13	14.99	15.13	15.34	15.41	15.41	15.69	15.83	15.83
<b>ZAREUR</b>	14.53	14.18	13.92	13.62	13.44	13.56	13.75	13.81	13.81	14.06	14.19	14.19
<b>JPYZAR</b>	9.16	9.33	9.50	9.68	9.86	9.77	9.64	9.59	9.59	9.51	9.43	9.43
<b>ZARCHF</b>	12.01	11.67	11.41	11.12	11.20	11.30	11.46	11.51	11.63	11.84	11.95	11.95
<b>ZARAUD</b>	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: March Mining and manufacturing production updates will provide guidance on potential Q1.18 GDP outcome

4 May 2018



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