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Figure 1: SA Monetary Policy Committee (MPC) meeting dates for 2017

Month	Date	Forecast
July 2017	18 th – 20 th	7.00
September 2017	19 th – 21 st	7.00
November 2017	21 st – 23 rd	7.00

Source: SA Reserve Bank, Investec

Week ahead written in conjunction with the international economic contributions from Philip Shaw (PS), Victoria Clarke (VC) Ryan Djajasaputra (RD) and Amea Koziol (AK).

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Rand, currency outlook for the week ahead and foreign flows:

Figure 2: USDZAR



Source: Investec, IRESS

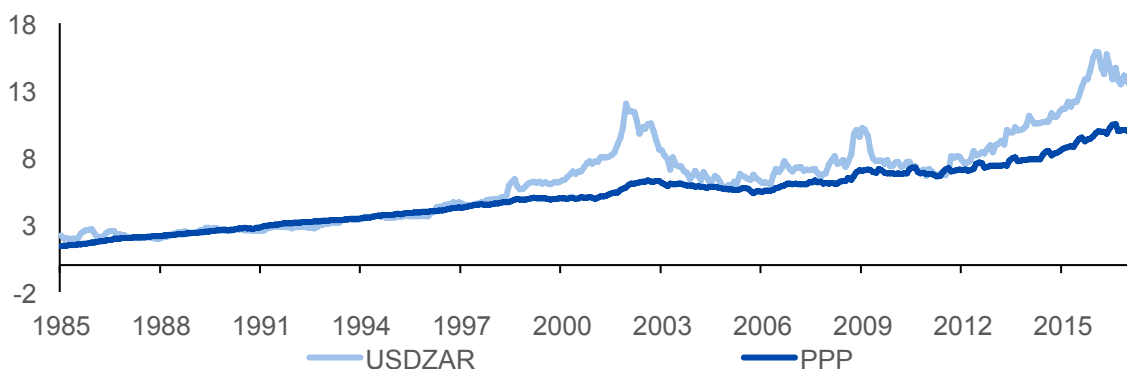
Local developments continued to dominate rand dynamics with the currency breaching 13.00/USD during the course of the week, following the Public Protector's suggestion to change the SARB's constitutional mandate. Ratings agencies have since cautioned that institutional weakening would contribute to further sovereign credit rating downgrades. Heightened political and institutional uncertainty arising from the March cabinet reshuffle were highlighted key reasons for the credit rating downgrades in April (S&P and Fitch) and in June (Moody's).

Credit rating downgrades on SA's local currency debt by all the agencies to non-investment grade would trigger key government bond indices exclusion (for example the Citibank World Government Bond Index), resulting in portfolio outflows and likely an episode of sustained rand weakness.

At the time of publication, the rand steadied at 12.95/USD, aided by a slightly weaker USD and market relief over the SA constitutional court ruling that the vote of no confidence against the President may be held in a secret ballot.

The rand is expected to trade in a range of R13.45/USD – R12.45/USD, R15.00/EUR - R14.00/EUR and R17.00/GBP - R16.00/GBP.

Figure 3: Purchasing Power Parity value of the Rand vs USD



Source: Investec, IRESS

Week Ahead: Trade, credit and labour market data to reflect the weak economic growth backdrop

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Figure 4: Economic Scenarios

		Q3.17	Q4.17	Q1.18	Q2.18	Q3.18	Q4.18	Q1.19	Q2.19
Extreme up Case 1%	Rand/USD (average)	13.00	11.70	10.60	9.50	8.60	7.90	7.60	7.40
	Repo rate (end rate)	7.00	6.50	6.00	5.50	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 that structurally lifts private sector investor confidence and so fixed investment, growth creating economic reforms in line with global norms. Global growth boom (including commodities) and SA export boom that substantially lifts employment and incomes, eventually eliminating poverty. Fiscal consolidation, credit rating upgrades with potential for A grade ultimately , interest rate cuts.								
Up case 10%	Rand/USD (average)	13.00	12.60	12.20	11.80	11.50	11.20	10.50	10.55
	Repo rate (end rate)	7.00	6.75	6.50	6.25	6.25	6.00	5.50	5.50
	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 35%	Rand/USD (average)	13.00	13.30	13.60	13.40	13.00	12.65	12.30	11.95
	Repo rate (end rate)	7.00	7.00	7.00	7.00	7.00	7.25	7.25	7.25
	Trend growth rate of 2.0% y/y, reached by 2023 . Recent downgrades subdue confidence and so growth somewhat. Rand structurally weaker so slower return to PPP (by 2020). SA retains two investment grade (IG) ratings on its local currency (LC) 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 35%	Rand/USD (average)	13.00	16.00	18.00	19.00	19.50	18.50	17.80	16.90
	Repo rate (end rate)	7.00	7.50	8.25	9.00	10.00	10.50	10.50	10.50
	All three key agencies rate SA's foreign and local currency long-term debt sub-investment grade , increased chance of further credit downgrades. Rand weakness (SA debt exits Citibank WGBI), confidence and investment measures depressed . Government's capacity for expenditure reduced, including social welfare grants. Commodity slump, global sharp slowdown/recession (SA V shaped recession) .								
Extreme down case 19%	Rand/USD (average)	13.00	17.00	19.00	21.00	22.80	24.00	2.50	26.00
	Repo rate (end rate)	7.00	8.00	10.00	13.00	15.50	17.00	19.00	22.00
	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, civil unrest/war, persistent government services outages. Partial loss of commercial private sector property rights under state custodianship. SA economic depression, global economy falls into recession .								

Week Ahead: Trade, credit and labour market data to reflect the weak economic growth backdrop

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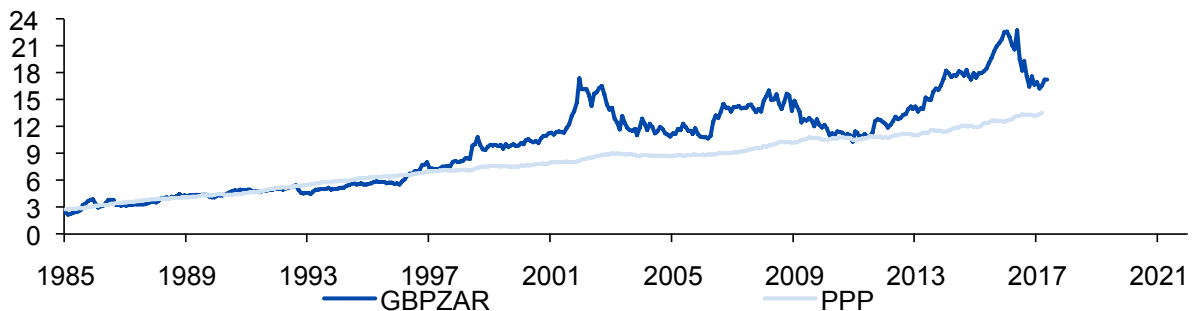
Note: Event risk begins Q4.17

Figure 5: Net foreign portfolio flows for SA assets

Week	Equities (Rbn)	Debt (Rbn)	Total (Rbn)
12 th – 15 th June 2017	-4.5	-4.6	-9.1
5 th – 9 th June 2017	-0.2	2.0	1.8
29 th May – 2 nd June 2017	-17.6	0.5	-17.1
22 nd – 26 th May 2017	0.8	6.0	6.8
15 th – 19 th May 2017	-1.5	0.6	-0.9
8 th – 12 th May 2017	-1.6	0.2	-1.4
Month			
May 2017	-9.8	9.2	-0.6
April 2017	-2.9	14.4	11.5
March 2017	-12.8	18.6	5.8
February 2017	-9.6	3.7	-5.9
January 2017	-16.1	-6.5	-22.6

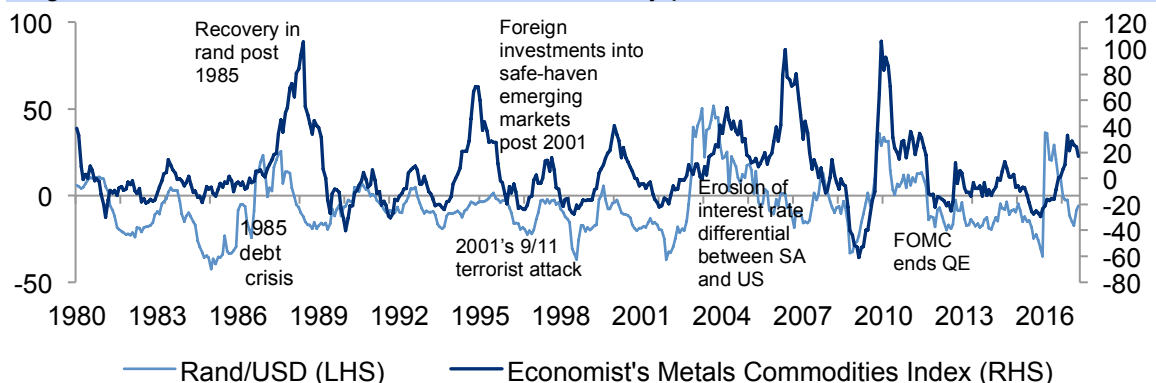
Source: IRESS. Note: data subject to frequent revisions

Figure 6: PPP value of the Rand vs GBP



Source: Investec, IRESS

Figure 7: Rand vs Economist's metals commodity price index



Source: IRESS, Investec

Week Ahead: Trade, credit and labour market data to reflect the weak economic growth backdrop

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Data releases in the week ahead

Economic data releases for next week

Date	Country	Indicator	Month	Forecast	Previous
26/06/17	US	Preliminary Durable Goods Orders	May	-0.7%	-0.8%
		Preliminary Durable Ex Transport	May	0.4%	-0.5%
27/06/17	SA	Non-Farm Payrolls	Q1.17		0.2% q/q
		Non-Farm Payrolls	Q1.17	-1.9%	-1.7%
	US	Conf Board Consumer Confidence	Jun	115.0	117.9
28/06/17	US	MBA Mortgage Applications	23 Jun		0.6%
		Advance Goods Trade Balance	May	-\$65.5bn	-\$67.1bn
		Preliminary Wholesale Inventories	May	0.2% m/m	-0.5% m/m
		Retail Inventories	May		-0.3% m/m
		Pending Home Sales	May	1.1% m/m	-1.3% m/m
		Pending Home Sales NSA	May		-5.4% y/y
	Eurozone	M3 Money Supply	May	4.9% y/y	4.9% y/y
29/06/17	SA	PPI	May	0.4% m/m	0.3% m/m
		PPI	May	4.7% y/y	4.6% y/y
	US	GDP Annualised	Q1.17	1.2% q/q	1.2% q/q
		Personal Consumption	Q1.17	0.6%	0.6%
		GDP Price Index	Q1.17	2.2%	2.2%
		Core PCE	Q1.17		2.1%
		Initial Jobless Claims	24 Jun		241k
		Continuing Claims	17 Jun		1944k
	Eurozone	Economic Confidence	Jun	109.4	109.2
30/06/17	SA	M3 Money Supply	May		5.3% y/y
		Private Sector Credit	May	5.9% y/y	5.9% y/y
		Trade Balance	May	R12.5bn	R5.1bn
		Budget	May		-R30.7bn
	US	Personal Income	May	0.3%	0.4%
		Personal Spending	May	0.1%	0.4%
		PCE Deflator	May	-0.1% m/m	0.2% m/m
		PCE Deflator	May	1.5% y/y	1.7% y/y
		PCE Core	May	0.0% m/m	0.2% m/m
		PCE Core	May	1.4% y/y	1.5% y/y
		Final University of Michigan Sentiment	Jun	94.5	94.5
	Eurozone	CPI Estimate	Jun	1.3% y/y	1.4% y/y
		Core CPI	Jun	1.0% y/y	0.9% y/y

Source: Bloomberg

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

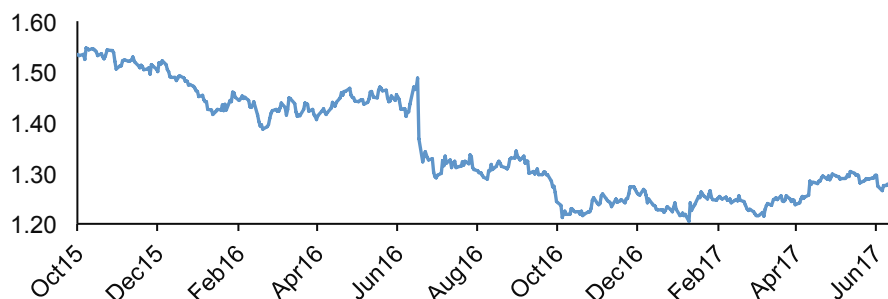
Week Ahead: Trade, credit and labour market data to reflect the weak economic growth backdrop

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International

Figure 9: GBPUSD

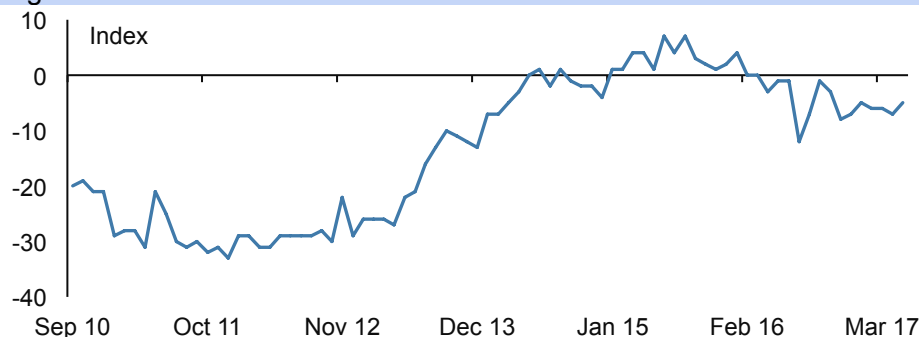


Source: Bloomberg

(AK) The political uncertainty following the 8 June UK General Election continues to rumble on. PM May's legislative agenda, as outlined in a 'slimmed down' Queen's Speech, reflects compromises necessary to secure parliamentary backing. The main opposition party leader Jeremy Corbyn has confirmed he will be voting against it. But May only needs a straightforward majority to see the legislative agenda through, so long as the DUP provides its support, the vote should pass. The DUP has said it will vote in favour, whilst negotiations on formalising the 'supply and confidence' arrangement continue. The DUP has described the Downing Street negotiators as being "chaotic". However, with DUP sources saying the deal is 95% done, the chances of a deal being done by next Thursday are cited as being "very good" by a DUP senior lawmaker. Note that the vote on Queen's Speech will take place on Thursday 29th.

Political concerns have not been dominating market moves as much as the Bank of England's MPC members' "Open Mouth Operations". Sterling has yo-yo-ed on the differing Bank rate outlooks implied by the BoE Governor's more dovish and Chief Economist's more hawkish views presented in the past week. This demonstrates clear divisions on the Committee. We expect Q1.17 GDP (second revision, released Friday) to be unrevised at +0.2% q/q whilst we receive details on household net income and the saving ratio, which in Q4.16 was at an all-time low. Bank of England household lending data are also due out. The consumer credit story has been one of relatively solid demand and we expect this to remain the case in May. But looking ahead, we anticipate consumer confidence (Friday) will indicate spending will continue to trend lower. We expect housing activity to remain

Figure 10: UK Gfk consumer confidence



Week Ahead: Trade, credit and labour market data to reflect the weak economic growth backdrop

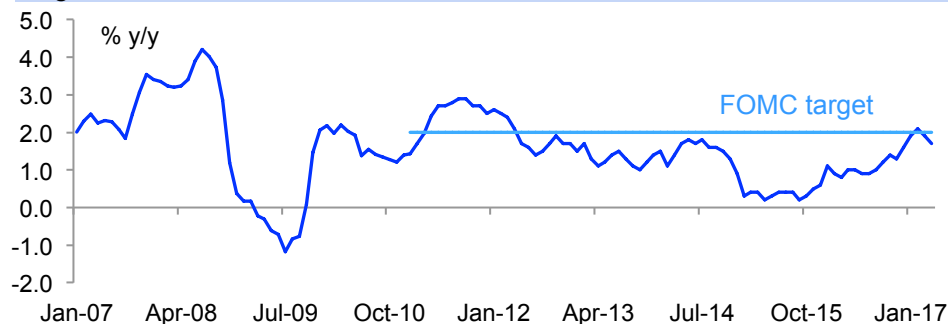
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Source: Bloomberg



Figure 11: US PCE deflator



Source: Bloomberg

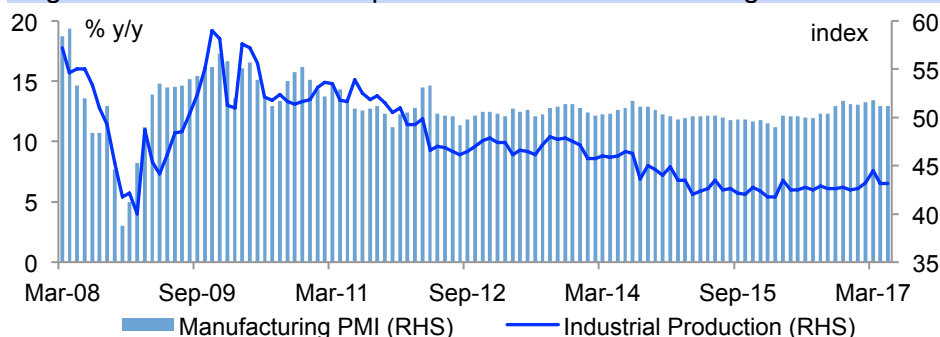
sluggish, as will be reflected in Nationwide June House Prices. The BoE's Financial Stability Report will be released on Tuesday and will be accompanied by a press conference from Governor Carney.

We might expect more verbal direction from key central bankers when the ECB's Draghi (Monday & Tuesday), BoE's Carney and BoJ's Kuroda (Wednesday) participate in an ECB conference. Elsewhere in Europe, a flash estimate of the June inflation numbers for the Eurozone (Friday) and a number of constituent countries (France, Germany, Spain, Italy) will be the key data points this week. Forward looking indicators of the European economy have been rosy of late, the latest of which will come out this week: business confidence in the Eurozone (Thursday) and Germany (Monday) and consumer confidence in France (Wednesday).

Following a version of President Trump's healthcare bill passing the house in May, there is now a Senate version that will be discussed over the next week, and it may face a vote by the week's end. A troublesome area of the US economy has been the housing market; therefore next week we will be watching data released on pending home sales in May (Wednesday) and house price developments in April (Tuesday). Another area of concern is the recent durable goods orders; very disappointing in April and hopefully May's flash release will not indicate this is a trend. The Fed will be watching this closely, as well as the Core PCE index, where a soft number (Friday) may justify a vote to pause hikes by some members.

In Asia, there are a number of releases in Japan (Friday) including the National 'core' CPI. In China we receive the official manufacturing and non-manufacturing PMIs (Friday).

Figure 12: China industrial production and manufacturing PMI

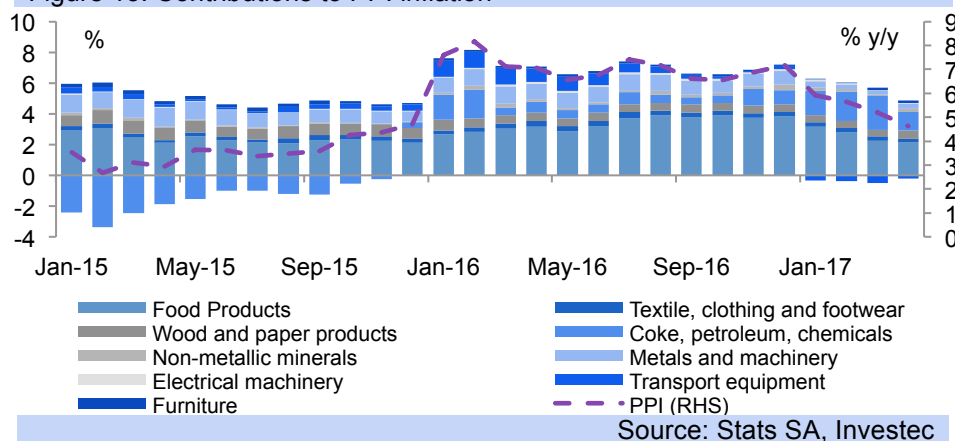


Source: National Bureau of Statistics of China

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South Africa

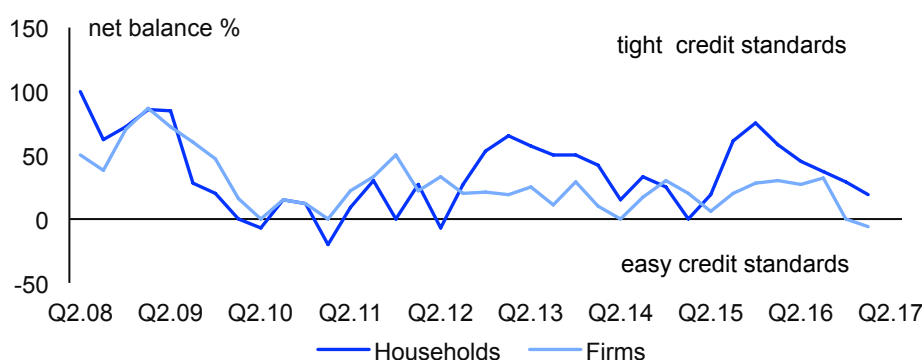
Figure 13: Contributions to PPI inflation



The May update for PPI inflation could show a slight lift to 4.7% y/y from 4.6% y/y in April, with some upward pressure arising from the fuel price component. In May, the petrol and diesel price rose 49 c/litre and 30 c/litre respectively. The recovery in international oil prices has seen local petrol and diesel price growth in year on year terms since November 2016, which has translated to higher contributions of the petroleum component of the basket to headline PPI inflation (see figure 13). However, the retreat in the oil price from a recent peak of US\$57/bbl in December 2016 to US\$45/bbl presently has contributed to the petrol and diesel price cuts of 25c/litre and 23c/litre in June. The Department of Energy is currently estimating a substantial petrol price cut of 67c/litre for July. In terms of other considerations, the May PPI update is also likely to reflect ongoing manufactured food price disinflation and deflation at the agricultural level.

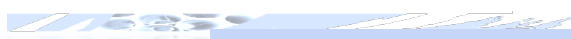
Private sector credit extension is forecast at an unchanged 5.9% in May compared to April. The rate of credit extended to households is expected to remain muted at under 3.0% y/y, on both supply and demand side considerations. Demand side factors include depressed consumer confidence, high unemployment and deleveraging. On the supply side credit criteria remain relatively tight (see figure 14). The SARB noted in its Q1.17

Figure 14: Credit standards for approving loans



Week Ahead: Trade, credit and labour market data to reflect the weak economic growth backdrop

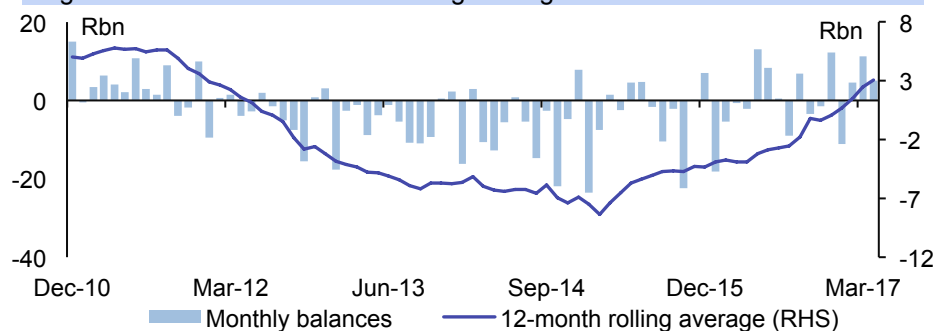
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Source: EY/BER



Figure 15: Trade balance and rolling average



Source: SARS, Investec

Quarterly Bulletin that “(c)redit conditions could remain relatively tight for the household sector in the foreseeable future as unemployment remains high and as a significant proportion of credit active consumers are struggling to service their existing debt.” Data from the National Credit Regulator confirms that over half of credit active consumers are in arrears. In contrast, corporate credit extension has exceeded household credit growth, in the region of 8.5% y/y. According to the SARB, the growth in corporate credit extension has been underpinned by general loans linked to renewable energy projects and mortgage advances on commercial property.

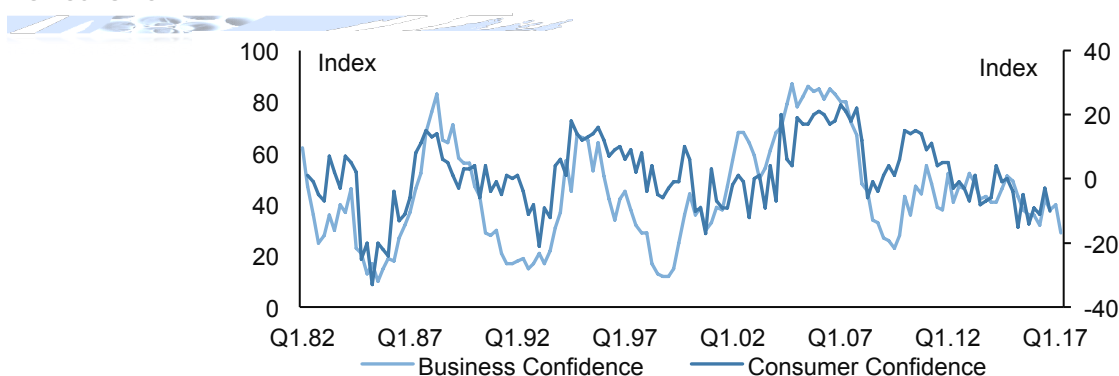
The trade surplus is forecast to have increased in May to R12.5bn from R5.1bn in April, with exports lifting in month on month terms after the seasonal Easter holiday linked decline in the month of April. Based on the available data to date, in the January – April period, export growth has outpaced import growth, yielding a cumulative trade surplus of R9.89bn. The increase in commodity prices, the dissipation of drought effects in most of the country and suppressed domestic demand have contributed to the improvement in the trade position relative to the R26.39bn deficit incurred in the same period last year. These export and import trade dynamics are expected to remain in place this year, with the economy projected to achieve only modest growth and with global growth and trade expected to lift in a synchronised fashion.

The Quarterly Employment Statistics for the Q1.17 period are expected to reflect weak labour market dynamics with subdued economic activity and depressed business confidence continuing to restrict private sector employment growth.

Figure 16: Business and consumer confidence

Week Ahead: Trade, credit and labour market data to reflect the weak economic growth backdrop

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Source: BER

Figure 17: 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		2017	5.4
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	103.5	4.9	0.6			
Aug 2017	103.7	5.2	0.2			
Sep 2017	104.0	5.3	0.3	5.1		
Oct 2017	104.4	5.1	0.3			
Nov 2017	104.6	5.0	0.2			
Dec 2017	104.8	4.8	0.2	5.0		
Jan 2018	105.5	4.9	0.7		2018	5.2
Feb 2018	105.9	4.2	0.4			
Mar 2018	107.2	4.8	1.2	4.6		
Apr 2018	107.6	5.1	0.4			
May 2018	108.0	5.1	0.3			
Jun 2018	108.3	5.2	0.3	5.1		
Jul 2018	109.0	5.3	0.7			
Aug 2018	109.5	5.5	0.4			
Sep 2018	109.8	5.5	0.3	5.5		
Oct 2018	110.2	5.6	0.4			
Nov 2018	110.6	5.7	0.3			
Dec 2018	110.9	5.8	0.3	5.7		
Jan 2019	111.7	5.8	0.7			
Feb 2019	111.9	5.6	0.2			
Mar 2019	113.0	5.4	1.0	5.6		

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Apr 2019	113.2	5.2	0.2		
May 2019	113.5	5.1	0.2		
Jun 2019	113.7	5.0	0.2	5.1	
Jul 2019	114.6	5.1	0.8		
Aug 2019	115.3	5.3	0.6		
Sep 2019	115.6	5.3	0.3	5.3	
Oct 2019	116.2	5.4	0.5		
Nov 2019	116.6	5.4	0.3		
Dec 2019	116.9	5.4	0.3	5.4	
					2019 5.4

Source: Stats SA, Investec

Figure 17: CPI forecast averages

Date	Index Base 2010	Annual y/y	Monthly m/m	Quarterly y/y	Calendar year y/y
Jan 2020	117.7	5.4	0.7		
Feb 2020	117.9	5.3	0.1		
Mar 2020	119.5	5.7	1.4	5.5	
Apr 2020	119.5	5.5	0.0		
May 2020	119.6	5.4	0.1		
Jun 2020	120.0	5.5	0.3	5.5	
Jul 2020	121.2	5.7	1.0		
Aug 2020	121.8	5.6	0.5		
Sep 2020	122.3	5.7	0.4	5.7	
Oct 2020	122.5	5.4	0.2		
Nov 2020	123.1	5.6	0.5		
Dec 2020	123.3	5.4	0.1	5.5	2020 5.5
Jan 2021	124.5	5.7	1.0		
Feb 2021	124.7	5.8	0.2		
Mar 2021	126.1	5.5	1.1	5.7	
Apr 2021	126.1	5.5	0.0		
May 2021	126.2	5.5	0.1		
Jun 2021	126.6	5.5	0.3	5.5	
Jul 2021	127.9	5.5	1.0		
Aug 2021	128.5	5.5	0.5		
Sep 2021	129.0	5.5	0.4	5.5	
Oct 2021	129.3	5.5	0.2		
Nov 2021	129.9	5.5	0.5		
Dec 2021	130.1	5.5	0.1	5.5	2021 5.6

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Source: Stats SA, Investec



Figure 18: 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	10.50	5.6	7.00	2.1
Aug 2017	10.50	5.3	7.00	1.8
Sep 2017	10.50	5.2	7.00	1.7
Oct 2017	10.50	5.4	7.00	1.9
Nov 2017	10.50	5.5	7.00	2.0
Dec 2017	10.50	5.7	7.00	2.2
Jan 2018	10.50	5.6	7.00	2.1
Feb 2018	10.50	6.3	7.00	2.8
Mar 2018	10.50	5.7	7.00	2.2
Apr 2018	10.50	5.4	7.00	1.9
May 2018	10.50	5.4	7.00	1.9
Jun 2018	10.50	5.3	7.00	1.8
Jul 2018	10.50	5.2	7.00	1.7
Aug 2018	10.50	5.0	7.00	1.5
Sep 2018	10.50	5.0	7.00	1.5
Oct 2018	10.50	4.9	7.00	1.4
Nov 2018	10.75	5.0	7.25	1.5
Dec 2018	10.75	4.9	7.25	1.4
Jan 2019	10.75	4.9	7.25	1.4
Feb 2019	10.75	5.1	7.25	1.6
Mar 2019	10.75	5.3	7.25	1.8
Apr 2019	10.75	5.5	7.25	2.0
May 2019	10.75	5.6	7.25	2.1
Jun 2019	10.75	5.7	7.25	2.2
Jul 2019	10.75	5.6	7.25	2.1
Aug 2019	10.75	5.4	7.25	1.9
Sep 2019	10.75	5.4	7.25	1.9
Oct 2019	10.75	5.3	7.25	1.8
Nov 2019	10.75	5.3	7.25	1.8
Dec 2019	10.75	5.3	7.25	1.8

Source: IRESS, Investec



Figure 19: Exchange rate history and forecast, annual averages

	2015	2016	2017	2018	2019	2020	2021	2022	2023
EURUSD	1.11	1.11	1.10	1.16	1.18	1.20	1.22	1.24	1.25
EURGBP	0.73	0.82	0.85	0.86	0.86	0.86	0.87	0.87	0.87
GBPEUR	1.38	1.22	1.18	1.17	1.17	1.17	1.15	1.15	1.14
GBPUSD	1.53	1.36	1.29	1.35	1.38	1.40	1.41	1.42	1.43
USDJPY	121	109	110	106	105	106	107	107	107
EURJPY	134	120	120	122	124	127	131	133	134
GBPJPY	185	147	141	143	145	148	151	152	153
EURCHF	1.07	1.09	1.10	1.13	1.14	1.16	1.17	1.16	1.15
USDCHF	0.96	0.98	1.00	0.98	0.96	0.97	0.96	0.94	0.92
GBPCHF	1.47	1.33	1.29	1.32	1.33	1.35	1.35	1.33	1.32
AUDUSD	0.75	0.75	0.76	0.77	0.77	0.78	0.79	0.81	0.82
EURAUD	1.49	1.49	1.44	1.51	1.53	1.53	1.54	1.53	1.52
AUDJPY	90	81	83	81	81	83	85	87	88
GBPAUD	2.05	1.82	1.70	1.76	1.79	1.79	1.78	1.75	1.74
ZARUSD	12.76	14.68	13.17	13.16	12.13	11.54	11.66	12.13	12.73
ZARGBP	19.48	19.92	16.96	17.79	16.72	16.09	16.44	17.22	18.20
ZAREUR	14.15	16.26	14.42	15.23	14.32	13.79	14.26	15.04	15.91
JPYZAR	9.48	7.33	8.31	8.03	8.66	9.21	9.18	8.83	8.41
ZARCHF	13.26	14.93	13.16	13.50	12.58	11.91	12.21	12.97	13.83
ZARAUD	9.58	10.93	10.01	10.12	9.34	9.00	9.24	9.82	10.43

Source: IRESS, Investec



Figure 19: Exchange rate history and forecast, annual averages continued

	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	1.08	1.11	1.13	1.15	1.16	1.16	1.17	1.18	1.18	1.18	1.19
EURGBP	0.87	0.85	0.85	0.84	0.85	0.86	0.86	0.86	0.86	0.86	0.86	0.85
GBPEUR	1.16	1.17	1.18	1.19	1.18	1.17	1.16	1.16	1.16	1.16	1.17	1.18
GBPUSD	1.24	1.27	1.31	1.34	1.35	1.35	1.35	1.36	1.37	1.37	1.38	1.39
USDJPY	114	110	108	107	106	106	106	106	105	105	105	105
EURJPY	121	119	119	120	121	122	122	122	123	124	124	124
GBPJPY	141	140	141	143	143	143	143	142	142	144	144	145
EURCHF	1.07	1.09	1.11	1.12	1.13	1.13	1.13	1.13	1.13	1.14	1.14	1.14
USDCHF	1.00	1.01	1.00	0.99	0.98	0.98	0.98	0.97	0.97	0.96	0.97	0.97
GBPCHF	1.25	1.28	1.31	1.32	1.33	1.33	1.32	1.31	1.31	1.32	1.33	1.33
AUDUSD	0.76	0.76	0.76	0.76	0.77	0.77	0.77	0.77	0.77	0.77	0.77	0.77
EURAUD	1.41	1.42	1.45	1.49	1.50	1.50	1.51	1.52	1.53	1.53	1.53	1.53
AUDJPY	86	84	82	81	81	82	81	81	81	81	81	81
GBPAUD	1.64	1.66	1.72	1.76	1.77	1.75	1.75	1.76	1.78	1.78	1.78	1.79
ZARUSD	13.22	13.15	13.00	13.30	13.60	13.40	13.00	12.65	12.30	11.95	12.00	12.00
ZARGBP	16.35	16.65	17.00	17.84	18.37	18.10	17.53	17.16	16.83	16.40	16.60	16.60
ZAREUR	14.08	14.20	14.37	15.03	15.57	15.48	15.08	14.80	14.51	14.10	14.20	14.20
JPYZAR	8.54	8.38	8.31	8.01	7.79	7.91	8.12	8.30	8.54	8.79	8.71	8.71
ZARCHF	13.18	13.02	12.94	13.48	13.84	13.70	13.35	13.10	12.79	12.37	12.40	12.40
ZARAUD	10.03	10.01	9.88	10.11	10.40	10.32	10.01	9.74	9.47	9.20	9.28	9.28

Source: IRES

Week Ahead: Trade, credit and labour market data to reflect the weak economic growth backdrop

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Figure 19: Exchange rate history and forecast, annual averages continued

	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	1.19	1.19	1.20	1.20	1.21	1.22	1.23	1.23	1.24	1.24	1.24	1.24
EURGBP	0.86	0.86	0.86	0.86	0.86	0.87	0.87	0.87	0.87	0.87	0.87	0.87
GBPEUR	1.17	1.17	1.17	1.17	1.17	1.16	1.15	1.15	1.15	1.15	1.15	1.15
GBPUSD	1.39	1.39	1.40	1.40	1.41	1.41	1.41	1.41	1.42	1.42	1.42	1.42
USDJPY	106	106	106	106	107	107	107	107	107	107	107	107
EURJPY	126	126	126	127	128	129	131	132	132	133	133	133
GBPJPY	147	147	147	148	150	151	151	151	151	152	152	152
EURCHF	1.15	1.15	1.15	1.16	1.16	1.16	1.17	1.17	1.17	1.17	1.17	1.15
USDCHF	0.97	0.97	0.97	0.97	0.97	0.96	0.96	0.95	0.95	0.94	0.94	0.93
GBPCHF	1.34	1.35	1.35	1.36	1.36	1.35	1.35	1.34	1.34	1.33	1.33	1.32
AUDUSD	0.78	0.78	0.78	0.78	0.78	0.79	0.79	0.79	0.80	0.80	0.81	0.81
EURAUD	1.53	1.53	1.53	1.54	1.54	1.53	1.54	1.56	1.54	1.55	1.53	1.53
AUDJPY	83	83	83	83	83	85	85	85	86	86	87	87
GBPAUD	1.78	1.78	1.78	1.79	1.79	1.78	1.78	1.78	1.76	1.78	1.75	1.75
ZARUSD	11.80	11.65	11.65	11.45	11.25	11.55	11.65	11.70	11.75	11.85	12.05	12.25
ZARGBP	16.40	16.19	16.19	16.03	15.75	16.29	16.43	16.50	16.57	16.83	17.11	17.40
ZAREUR	14.04	13.86	13.86	13.74	13.50	13.98	14.21	14.39	14.45	14.69	14.94	15.15
JPYZAR	8.98	9.10	9.10	9.26	9.51	9.26	9.18	9.15	9.11	9.03	8.88	8.73
ZARCHF	12.22	12.01	12.01	11.80	11.60	12.03	12.14	12.32	12.37	12.61	12.82	13.17
ZARAUD	9.20	9.09	9.09	8.93	8.78	9.12	9.20	9.24	9.40	9.48	9.76	9.92

Source: IRES

Week Ahead: Trade, credit and labour market data to reflect the weak economic growth backdrop

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