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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

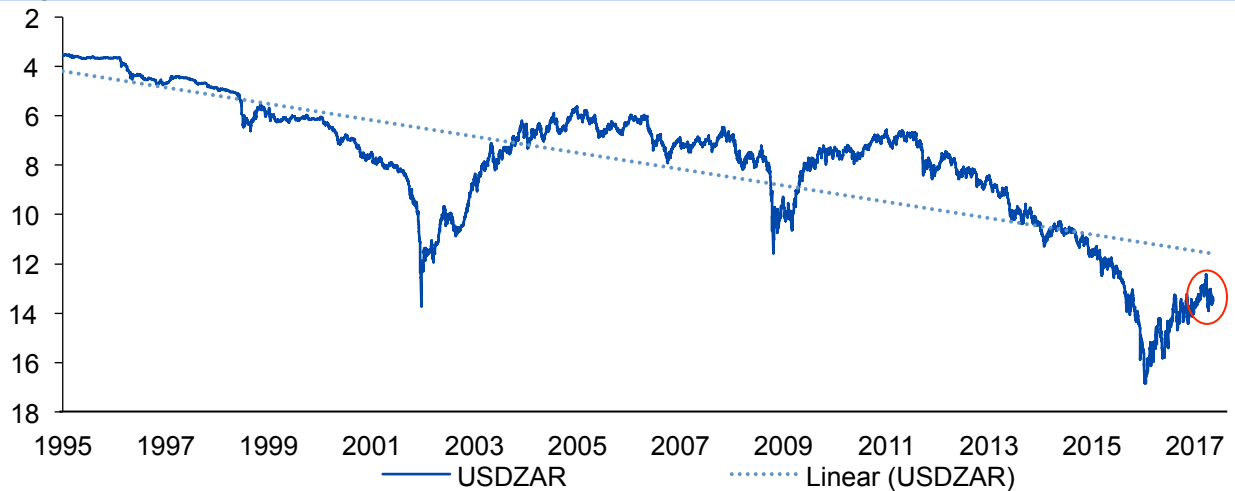
Week ahead written in conjunction with the international economic contributions from Philip Shaw (PS), Victoria Clarke (VC) Ryan Djajasaputra (RD) and Amea Koziol (AK).

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

Figure 2: USDZAR



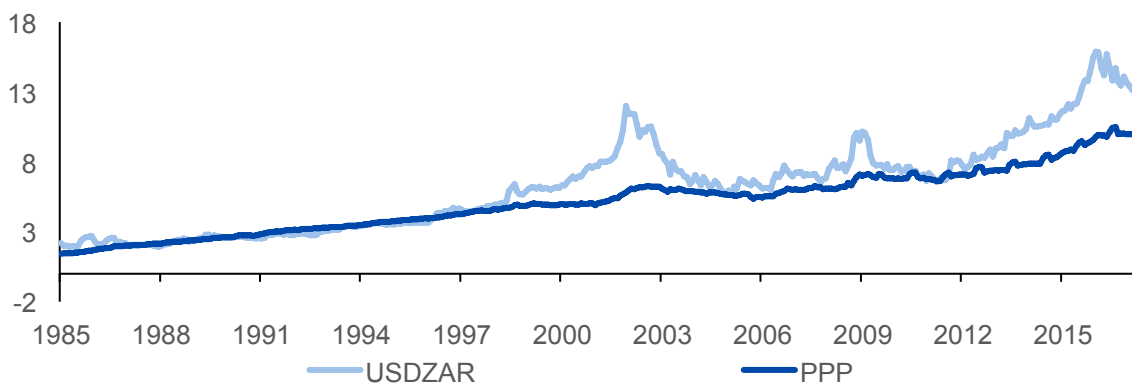
Source: Investec, IRESS

The rand appreciated beyond the 13/USD mark this week to be the best performer amongst a selection of 24 emerging market currencies. Currency volatility is likely to remain a feature in the lead up to the ANC policy conference in June and the ANC elective conference in December.

During the week, the USD came under some pressure following the release of the minutes from the March FOMC. Although the minutes confirmed that a rate hike in June was a possibility it was also noted that the Fed would first “await additional evidence indicating that the recent slowing in the pace of economic activity had been transitory”. This was interpreted as less hawkish than anticipated.

The rand is expected to trade in a range of R13.20/USD – R12.60/USD, R14.80/EUR - R14.20/EUR and R17.00/GBP - R16.40/GBP.

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



Source: Investec, IRESS



Figure 4: Economic Scenarios

		Q1.17	Q2.17	Q3.17	Q4.17	Q1.18	Q2.18	Q3.18	Q4.18
Extreme up Case 1%	Rand/USD (average)	13.22	13.45	11.30	10.60	9.50	8.70	8.20	7.90
	Repo rate (end rate)	7.00	7.00	6.75	6.50	6.00	5.50	5.00	5.00
	Fast, sustainable growth of 5-7% y/y plus. End of threat to private sector property rights, pro private sector business (capitalist) policies bring certainty to investor climate, business confidence booms, employment rises markedly. Global growth (including commodity boom) and SA export boom that substantially lifts employment and incomes, eventually eliminating poverty. Credit rating upgrades occur, interest rate cuts. Currency appreciation shock.								
Up case 10%	Rand/USD (average)	13.22	13.45	12.60	12.50	12.40	11.90	11.50	11.20
	Repo rate (end rate)	7.00	7.00	7.00	6.50	6.50	6.50	6.00	6.00
	Persistent economic growth of 3-5% on domestic economic reforms (structural constraints are overcome), strong global growth and upwards commodity cycle. Better governance, retreat from the threat to private sector property rights. Stabilisation of credit ratings on fiscal consolidation. Rand strengthens back toward PPP (reach PPP by 2020).								
Base line case 35%	Rand/USD (average)	13.22	13.45	13.25	13.55	13.85	13.65	13.25	12.90
	Repo rate (end rate)	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.25
	Trend growth rate of 2.0% y/y, reached by 2022. Recent downgrades subdue confidence, growth somewhat, structural constraints. 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)	13.22	13.45	16.90	18.00	19.00	19.50	19.00	18.50
	Repo rate (end rate)	7.00	7.00	7.75	8.00	9.00	9.50	10.00	10.50
	All three key agencies rate SA's sovereign foreign and local currency long-term debt sub-investment grade. Higher borrowing costs increase the cost of repaying debt, increase the chance of further credit downgrades. Upwards pressure on interest rates, rand weakness on loss of investor confidence, inflation shock, SA portfolio assets sold, capital exits, business confidence and investment depressed. Government's capacity for expenditure reduced, including existing social welfare grants. Significant strike action. Global growth slow down (commodity cycle slump).								
Extreme down case 19%	Rand/USD (average)	13.22	13.45	17.00	21.00	22.30	24.00	25.50	27.00
	Repo rate (end rate)	7.00	7.00	8.50	10.50	14.00	16.50	18.00	21.00
	State bankruptcy(path to a failed state) - lack of funds to pay social grants and civil servants wages, civil unrest/ war. Persistent electricity, water, government services outages. Full loss of private sector property rights under nationalisation, majority of capital already exited. Business confidence at record low. Persistent depression – L shaped. Downward spiral of a debt trap results in debt default , and so sovereign debt restructure and haircuts on sovereign debt. Global economy in recession, commodity cycle depression.								

Note: Event risk begins Q3.17

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Figure 5: Net foreign portfolio flows for SA assets

Week	Equities (Rbn)	Debt (Rbn)	Total (Rbn)
15 th – 19 th May 2017	-1.2	0.6	-0.7
8 th – 12 th May 2017	-1.0	0.2	-0.8
2 nd – 5 th May 2017	-6.7	2.0	-4.6
24 th – 28 th April 2017	-1.8	-0.4	-2.2
18 th – 21 st April 2017	-1.0	3.0	2.0
10 th – 13 th April 2017	0.5	2.4	2.9
Month			
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

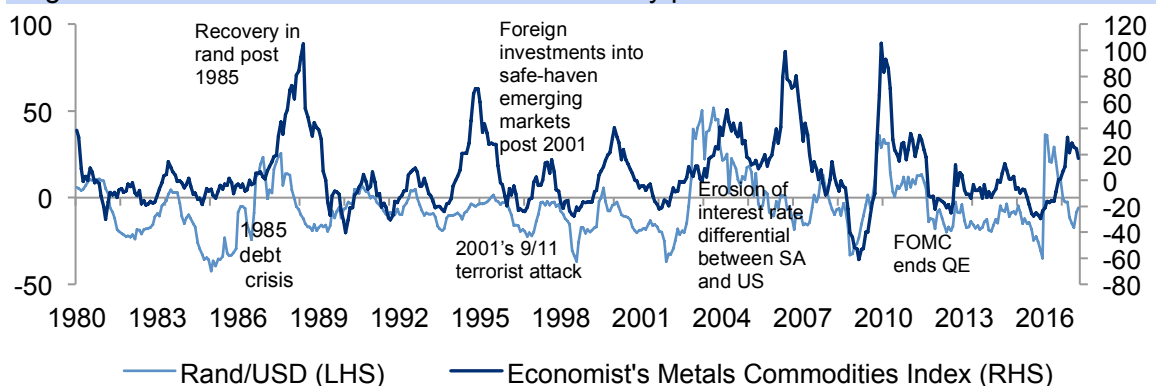
Source: IRESS. Note: data subject to frequent revisions

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: Upcoming trade, PMI, car sales and credit extension data releases to continue reflecting subdued domestic economic activity

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Data releases in the week ahead

Economic data releases for next week					
Date	Country	Indicator	Month	Forecast	Previous
29/05/17	Eurozone	M3 Money Supply	Apr	5.2% y/y	5.3% y/y
30/05/17	SA	M3 Money Supply	Apr		5.62% y/y
		Private Sector Credit Extension	Apr	6.00% y/y	4.95% y/y
	US	Personal Income	Apr	0.4%	0.2%
		Personal Spending	Apr	0.4%	0.0%
		PCE Deflator	Apr	1.7% y/y	1.8% y/y
		Core PCE	Apr	1.5% y/y	1.6% y/y
		Conf. Board Consumer Confidence	May	119.9	120.3
	Eurozone	Economic Confidence	May	110.1	109.6
31/05/17	SA	Trade Balance	Apr	R8bn	R11.4bn
	US	MBA Mortgage Applications	May 26		4.4%
		Pending Home Sales NSA	Apr		0.5% y/y
		US Federal Reserve Beige Book			
	Eurozone	Unemployment Rate	Apr	9.4%	9.5%
		CPI Estimate	May	1.5%	1.9% y/y
		Advance Core CPI	May	1.0%	1.2% y/y
01/06/17	SA	Manufacturing PMI	May	48.7	44.7
		Unemployment	Q1.17	27.0%	26.5%
		Electricity Production	Apr		2.7% y/y
		Electricity Consumption	Apr		2.7% y/y
		New Vehicle Sales	May		-13.4% y/y
	US	ADP Employment Change	May	180k	177k
		Initial Jobless Claims	May 27		234k
		Continuing Claims	May 20		1923k
		ISM Manufacturing	May	54.6	54.8
		Construction Spending	May	0.5% m/m	-0.2% m/m
		Wards Total Vehicle Sales	May	17.00mn	16.81mn
	Eurozone	Final Manufacturing PMI	May	57.0	57.0
02/06/17	US	Nonfarm Payrolls	May	176k	211k
		Unemployment Rate	May	4.4%	4.4%
		Labour Force Participation rate	May		62.9%
		Average Hourly Earnings	May	2.7%	2.5% y/y
		Trade Balance	Apr	-\$44.0bn	-\$43.7bn
	Eurozone	PPI	Apr	0.3% m/m	-0.3% m/m
		PPI	Apr	4.5% y/y	3.9% y/y

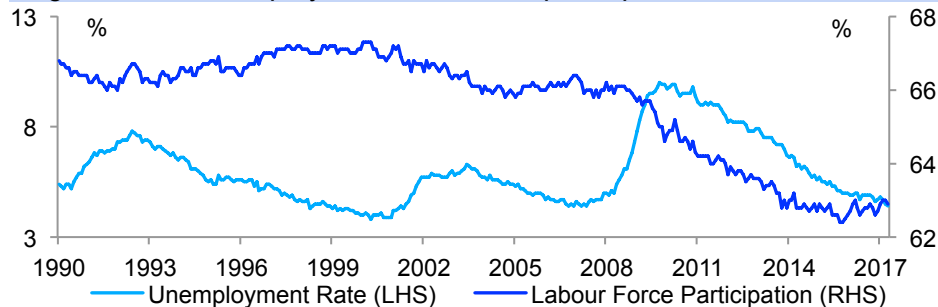
Source: Bloomberg

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



International

Figure 9: US unemployment and labour participation rates



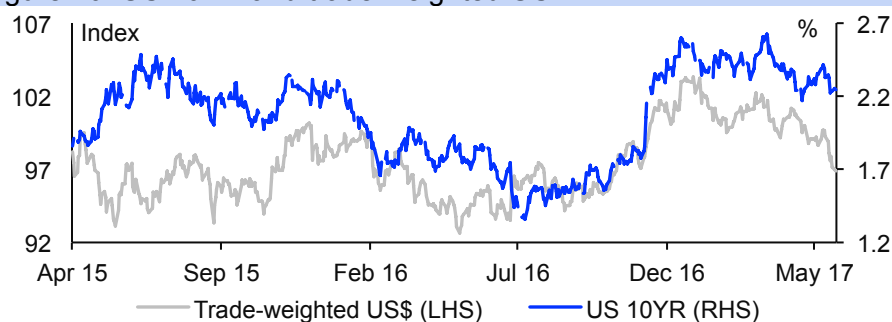
Source: US Department of Labour

The week ahead is an action packed one for data releases. In the UK though, we expect politics to be front and centre. Following the devastating bombing in Manchester, which led to a pause in campaigning, we expect politicians to get back to the campaign trail in full force. The election takes place exactly two weeks today on 8 June. Next week we will see PM Theresa May and Labour leader Jeremy Corbyn taking part in a Question Time debate on Thursday evening whilst there will also be a debate between senior party leaders on BBC One mid-week. Looking at the polls, one key question is whether the knock the Tories took after the release of their manifesto last week, reverses out; they have held a lead of between 9% and 14% in the last five polls.

In the UK economic release calendar, the Manufacturing PMI is due Thursday morning and will provide a further pointer on whether the UK's export focused manufacturers continue to benefit from past, post-Brexit vote, falls in the pound. Other UK releases will pick up on the impact of these currency effects too, with the GfK consumer confidence survey for May providing a spot check on how households are feeling about the sterling led squeeze to real spending power. Finally, figures on mortgage approvals and net mortgage lending, due Wednesday morning, will update on how the housing market is faring.

In the US, the major focus will be the release of the May non-farm payrolls report on Friday lunchtime. We are forecasting a steady unemployment rate of 4.4% and a +175k payroll print. Aside from this information though, we flag the importance of the pay growth figures ahead of the 14 June FOMC decision. Hourly

Figure 10: US 10YR and trade-weighted USD



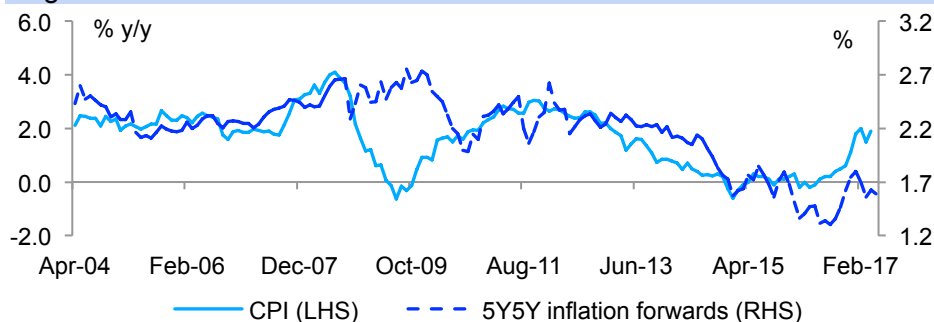
Source: Bloomberg

Week Ahead: Upcoming trade, PMI, car sales and credit extension data releases to continue reflecting subdued domestic economic activity

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Figure 11: Eurozone CPI versus 5Y5Y inflation forwards



Source: Eurostat, Bloomberg

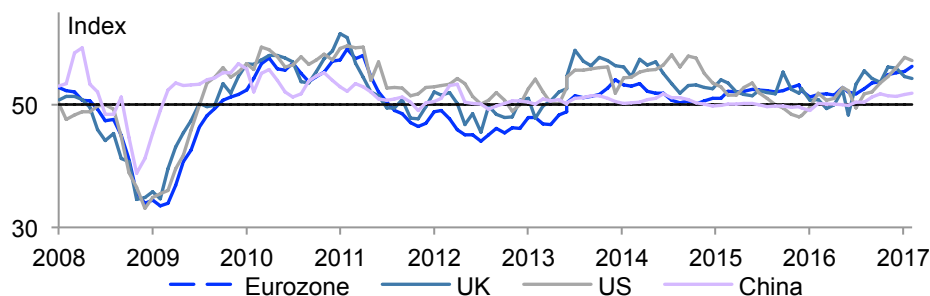
earnings growth has seemingly lost momentum since the start of the year and if it stays that way we can expect the Fed to stick with a cautious approach to rate rises and balance sheet reduction, later this year. Aside from the labour situation report, there are many other top-tier US data points due out including the Fed's favoured PCE inflation measure, the ISM reports on the manufacturing and non-manufacturing sectors, consumer confidence figures and the Fed's own Beige Book.

In the Eurozone, the week will begin with ECB President Draghi testifying in the EU Parliament to the Committee on Economic and Monetary Affairs. The next ECB policy announcement is due on 8 June. Hence, Mr Draghi's words will be closely scrutinised in this context, for hints of any evolution in policy thinking. One key data point ahead of the June ECB gathering will be May's 'flash' Euro area inflation figures, due Wednesday morning, with the ECB seemingly not yet convinced that core inflation is on a sustained path upwards. At the latest read, headline inflation stood at 1.9% and the 'core' at 1.2%, but both were likely boosted by Easter effects. Eurozone unemployment data is also due out at the same time, last recorded at 9.5% in March.

From China, official PMIs for the manufacturing and non-manufacturing sectors, covering May, are due in the early hours of Wednesday morning. The Caixin manufacturing PMI comes out Thursday morning. In Japan, preliminary industrial production figures for April are due out as market's look for signs of a bounce back from the 1.9% month to month drop in April.

Finally, note that in calendar issues, UK, US and Chinese markets are closed on Monday for public holidays. One consequence of the US holiday is that the ADP employment report will be released Thursday next week, rather than the usual Wednesday publication.

Figure 12: Manufacturing PMIs

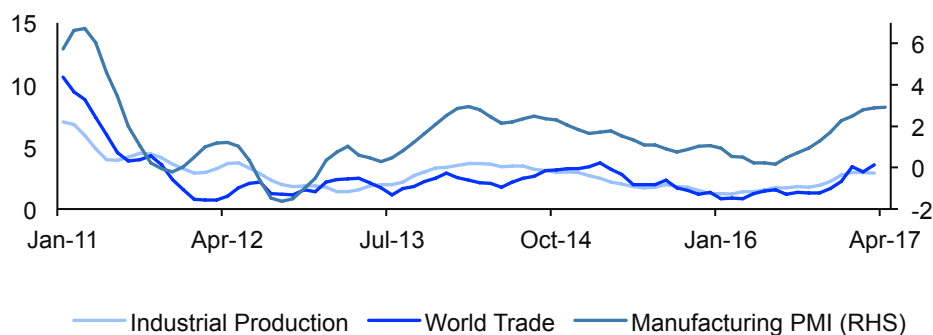


Source: National Bureau of Statistics of China, Markit, ISM, CIPS



South Africa

Figure 13: World trade, industrial production and manufacturing PMI*



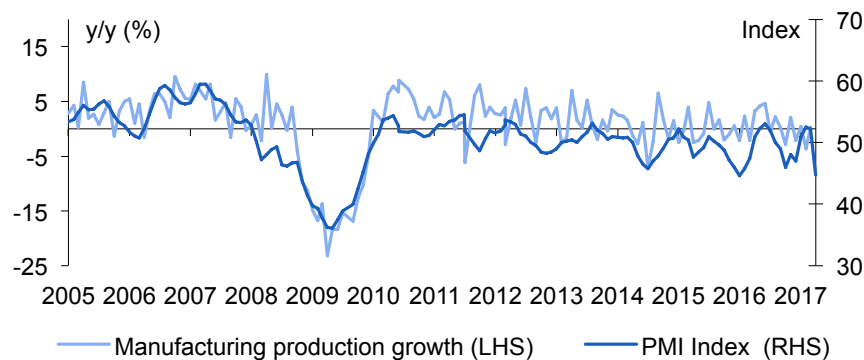
* 3 month moving average Source: CPB World Trade Monitor, Markit

The trade balance is forecast to have remained in surplus in April at R8bn, versus a surplus of R11.4bn in March. Based on the available data to date, the cumulative surplus for Q1.17 totalled R5.0bn compared to a deficit of R24.3bn incurred in Q1.16. The lift in commodity prices in H2.16 and into 2017 coupled with improved prospects for global demand have buoyed export growth. Indeed, global indicators of economic activity, such as global trade momentum and the global PMI, have turned higher (see figure 13). Concurrently, weak domestic consumption and investment activity have contributed to suppressing import growth.

There is scope for an increase in the manufacturing PMI in May, to 48.7 from 44.7 in April. The survey report for April suggested that it was the “first full survey after the recent cabinet reshuffle and subsequent sovereign credit rating downgrades. It is likely that respondents now anticipate economic growth and domestic demand to be weaker than before.” However, notwithstanding the recent political events, the economy is still expected to have sufficient momentum to yield an improved growth outcome of 0.8% in 2017, compared to growth of 0.3% in 2016. Survey respondents continued to indicate improvements in export orders whilst higher commodity prices and a recovery from drought conditions in the domestic agriculture sector should lend support to local manufacturers this year.

Private sector credit extension is forecast to have lifted to 6.0% y/y in April from 5.0% y/y in March on low statistical base factors. Specifically, there was a technical correction to the household credit data in April 2016

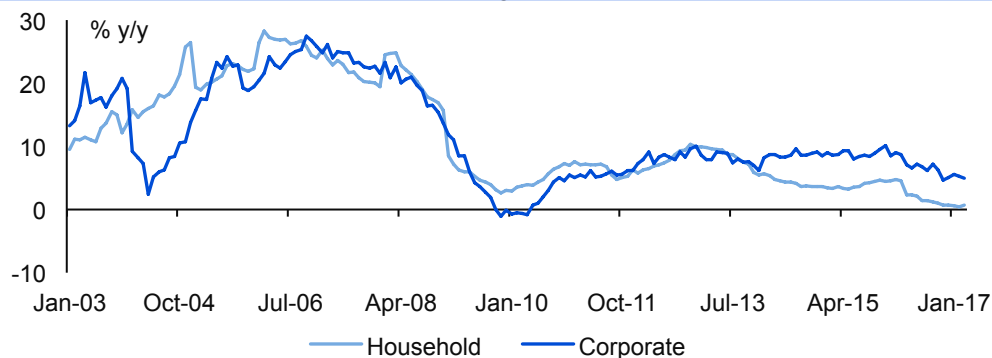
Figure 14: Manufacturing growth vs Absa PMI*



*seasonally adjusted, Source: BER, Stats SA



Figure 15: Private sector credit extension growth



Source: SARB, Investec

pertaining to the inclusion of new African Bank data. This has been an influencing factor on the contraction in the unsecured household credit category since April 2016. Discounting the effect of this technical adjustment, the underlying trend in household credit growth is likely to have remained subdued. The higher interest rate environment, relatively tight credit conditions, high existing levels of consumer indebtedness and depressed consumer confidence have contributed to the contraction in household credit growth in real terms. Although corporate credit growth has exceeded that of household credit, the rate decelerated during Q1.17, which is likely a function of depressed business confidence and the weak economic growth climate.

The weak economic growth backdrop will continue to manifest in stubbornly high unemployment levels. In 2016, the unemployment rate rose to an average of 26.7% from 25.3% in 2015 and exceeded the 23 - 24% unemployment rate during the 2008/09 recession. The Quarterly Labour Force survey for Q1.17 is expected to reflect an increase in the unemployment rate to 27.0% from 26.5% in Q4.16.

In April, vehicle sales contracted by 13.3% y/y, with the extent of decline likely exacerbated by the configuration of the Easter holidays this year versus last year. The month to month sales are likely to have risen in May but the y/y rate is likely to remain negative. According to the National Association of Automobile Manufacturers of South Africa (NAAMSA) “(f)ollowing the modest improvement in new vehicle sales experienced during the first months of 2017, the outlook for the balance of the year had turned negative on the back of the extra-ordinary political events at the end of March 2017 and early April 2017.” This “together with prospects of lower domestic growth over the short to medium terms – continue to weigh on business confidence and consumer sentiment.”

Figure 16: Business and consumer confidence

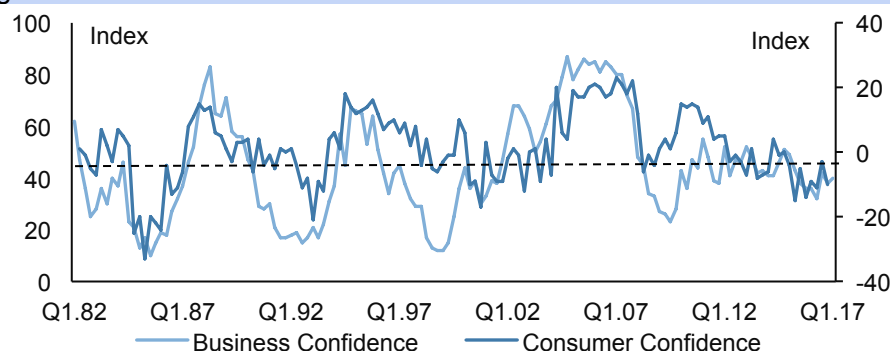




Figure 17: CPI forecast averages

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			
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	2017	5.4
Jan 2018	105.5	4.9	0.7			
Feb 2018	106.0	4.3	0.5			
Mar 2018	107.5	5.1	1.4	4.8		
Apr 2018	108.0	5.4	0.4			
May 2018	108.3	5.4	0.3			
Jun 2018	108.6	5.5	0.3	5.5		
Jul 2018	109.4	5.6	0.7			
Aug 2018	109.8	5.8	0.4			
Sep 2018	110.1	5.8	0.3	5.8		
Oct 2018	110.6	6.0	0.4			
Nov 2018	110.9	6.1	0.3			
Dec 2018	111.2	6.2	0.3	6.1	2018	5.5
Jan 2019	112.0	6.2	0.7			
Feb 2019	112.2	5.8	0.2			
Mar 2019	113.4	5.4	1.0	5.8		
Apr 2019	113.6	5.2	0.2			
May 2019	113.8	5.1	0.2			
Jun 2019	114.0	5.0	0.2	5.1		
Jul 2019	115.0	5.1	0.8			
Aug 2019	115.6	5.3	0.6			
Sep 2019	116.0	5.3	0.3	5.3		
Oct 2019	116.6	5.4	0.5			
Nov 2019	116.9	5.4	0.3			
Dec 2019	117.3	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	118.1	5.4	0.7			
Feb 2020	118.2	5.3	0.1			
Mar 2020	119.9	5.7	1.4	5.5		
Apr 2020	119.9	5.5	0.0			
May 2020	120.0	5.4	0.1			
Jun 2020	120.3	5.5	0.3	5.5		
Jul 2020	121.5	5.7	1.0			
Aug 2020	122.2	5.6	0.5			
Sep 2020	122.6	5.7	0.4	5.7		
Oct 2020	122.9	5.4	0.2			
Nov 2020	123.5	5.6	0.5			
Dec 2020	123.6	5.4	0.1	5.5	2020	5.5
Jan 2021	124.9	5.7	1.0			
Feb 2021	125.1	5.8	0.2			
Mar 2021	126.5	5.5	1.1	5.7		
Apr 2021	126.5	5.5	0.0			
May 2021	126.6	5.5	0.1			
Jun 2021	127.0	5.5	0.3	5.5		
Jul 2021	128.3	5.5	1.0			
Aug 2021	128.9	5.5	0.5			
Sep 2021	129.4	5.5	0.4	5.5		
Oct 2021	129.7	5.5	0.2			
Nov 2021	130.3	5.5	0.5			
Dec 2021	130.5	5.5	0.1	5.5	2021	5.6

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	6.2	7.00	2.7
Mar 2018	10.50	5.4	7.00	1.9
Apr 2018	10.50	5.1	7.00	1.6
May 2018	10.50	5.1	7.00	1.6
Jun 2018	10.50	5.0	7.00	1.5
Jul 2018	10.50	4.9	7.00	1.4
Aug 2018	10.50	4.7	7.00	1.2
Sep 2018	10.50	4.7	7.00	1.2
Oct 2018	10.50	4.5	7.00	1.0
Nov 2018	10.75	4.7	7.25	1.2
Dec 2018	10.75	4.6	7.25	1.1
Jan 2019	10.75	4.6	7.25	1.1
Feb 2019	10.75	4.9	7.25	1.4
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	13.37	13.41	12.38	11.79	11.91	12.38	12.98
ZARGBP	19.48	19.92	17.22	18.13	17.06	16.44	16.80	17.57	18.55
ZAREUR	14.15	16.26	14.64	15.52	14.62	14.09	14.56	15.35	16.22
JPYZAR	9.48	7.33	8.19	7.88	8.49	9.02	8.98	8.65	8.25
ZARCHF	13.26	14.93	13.36	13.75	12.84	12.17	12.47	13.24	14.10
ZARAUD	9.58	10.93	10.16	10.31	9.53	9.19	9.44	10.03	10.64

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	121	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	1.51	1.52	1.53	1.53	1.53
AUDJPY	86	84	82	81	81	81	82	81	81	81	81	81
GBPAUD	1.64	1.66	1.72	1.76	1.77	1.75	1.75	1.76	1.76	1.78	1.78	1.79
ZARUSD	13.22	13.45	13.25	13.55	13.85	13.65	13.25	12.90	12.55	12.20	12.31	12.31
ZARGBP	16.35	17.03	17.33	18.17	18.71	18.44	17.87	17.50	17.17	16.74	16.91	16.91
ZAREUR	14.08	14.52	14.64	15.31	15.86	15.77	15.37	15.09	14.81	14.40	14.51	14.51
JPYZAR	8.54	8.19	8.15	7.86	7.65	7.77	7.96	8.14	8.37	8.61	8.54	8.54
ZARCHF	13.18	13.32	13.19	13.73	14.10	13.95	13.60	13.36	13.05	12.63	12.71	12.71
ZARAUD	10.03	10.24	10.07	10.30	10.60	10.51	10.20	9.93	9.66	9.39	9.47	9.47

Source: IRES



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	12.05	11.90	11.70	11.70	11.50	11.80	11.90	11.95	12.00	12.10	12.30	12.50
ZARGBP	16.75	16.54	16.38	16.38	16.10	16.64	16.78	16.85	16.92	17.18	17.47	17.75
ZAREUR	14.34	14.16	14.04	14.04	13.80	14.28	14.52	14.70	14.76	15.00	15.25	15.50
JPYZAR	8.80	8.91	9.06	9.06	9.30	9.07	8.99	8.95	8.92	8.84	8.70	8.56
ZARCHF	12.48	12.27	12.06	12.06	11.86	12.29	12.40	12.58	12.63	12.87	13.09	13.44
ZARAUD	9.40	9.28	9.13	9.13	8.97	9.32	9.40	9.44	9.60	9.68	9.96	10.13

Source: IRES

Week Ahead: Upcoming trade, PMI, car sales and credit extension data releases to continue reflecting subdued domestic economic activity

26th May 2017



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