

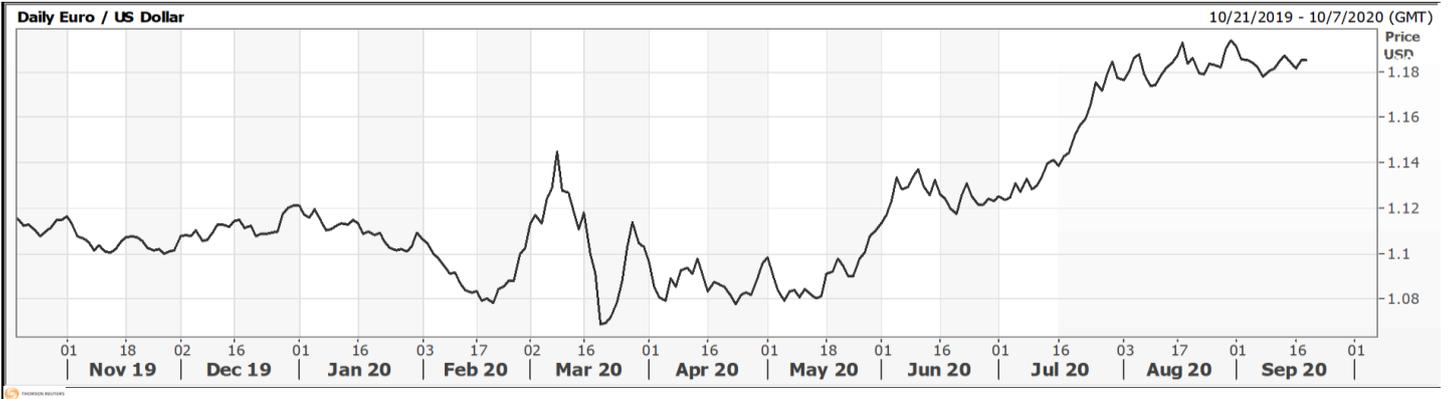
Currency Markets

(Spot : 22 Sep 2020)

International Market

Currency	Mid Yesterday 5pm	Bid	Offer	Mid
EUR/USD	1.1808	1.1847	1.1850	1.1849
USD/JPY	104.7050	104.8200	104.8300	104.8250
GBP/USD	1.2948	1.2953	1.2954	1.2954
USD/CHF	0.9103	0.9085	0.9086	0.9086
USD/CAD	1.3213	1.3158	1.3162	1.3160
AUD/USD	0.7287	0.7317	0.7319	0.7318
NZD/USD	0.6723	0.6776	0.6778	0.6777

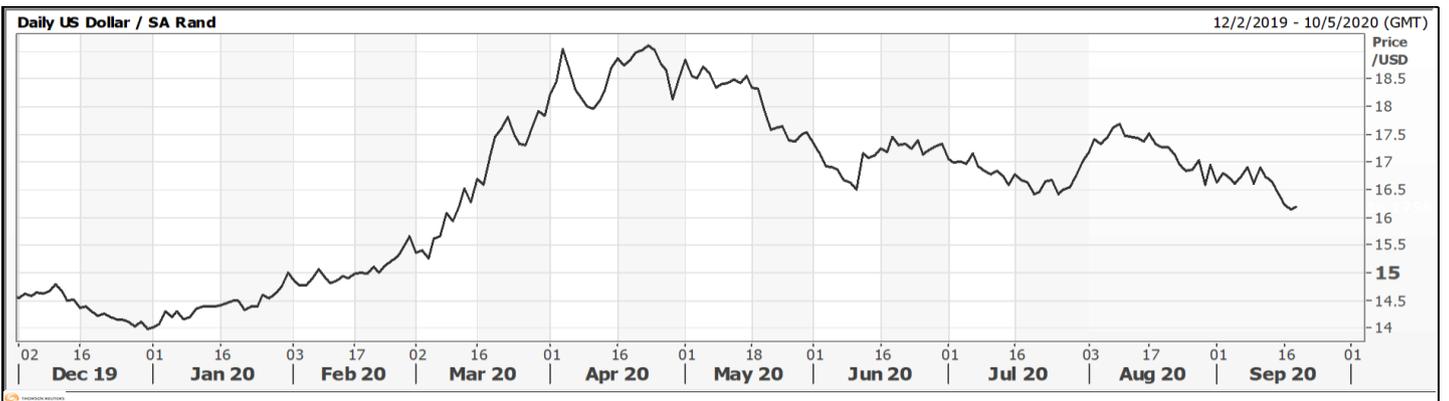
Market optimism around the US Federal Reserve announcement (to keep rates near zero for an extended period) was tempered with concerns around a slow recovery in some economies. Investors turned to riskier currencies which provided support for most emerging markets. US initial jobless claims printed higher at 860,000 (for the week ending 12 Sept) while US continuing jobless claims printed lower at 12.628 million. The Bank of England kept interest rates on hold at 0.10% as the UK economy recovers. The BOE considered negative interest rates which would be largely influenced by inflation forecasts (and a trade deal with the EU). The European Union (EU) Brexit negotiator was confident around a Brexit deal after recent concerns were raised around the change in UK legislation that would impact the existing trade deal. Oil gained on the back of OPEC+ that met yesterday and stated that it would act on non-compliance with agreed global production cuts (with concerns raised around weak demand). Gold was softer and (at the time of writing this report) was trading around USD1951 an ounce.



Local Market

Currency	Mid Yesterday 5pm	Bid	Offer	Mid
USD/ZAR	16.2342	16.1761	16.1936	16.1849
EUR/ZAR	19.1713	19.1635	19.1878	19.1757
GBP/ZAR	21.0221	20.9552	20.9792	20.9672
JPY/ZAR	0.1551	0.1543	0.1545	0.1544
AUS/ZAR	11.8347	11.8397	11.8553	11.8475
CAD/ZAR	12.2848	12.2879	12.3042	12.2961

Yesterday the rand extended gains on the back of easing level 1 local lockdown restrictions and ahead of the SA Reserve Bank interest rate announcement. At the time of writing this report the rand was trading around 16.17 to the US dollar. Reserve Bank Governor Kganyago confirm that the SARB left the repo rate unchanged at 3.50%. The Reserve Bank cut interest rates by 300 basis points this year. The SARB forecasted that the South African economy would contract by 8.2% in 2020 from the previous forecasted contraction of 7.3%. Kganyago confirmed that the rand depreciated by 15.8% since January and raised concerns around the impact of the increasing electricity price on inflation. The Reserve Bank forecasted that CPI would average 3.3% in 2020, which was within the inflation targets. The national carrier SAA was in the spotlight after it missed its deadline to raise R10.1 billion in support of its business rescue plan.



Financial Markets

Commodity	Previous Close	Bid	Ask	Last	Change
Brent Crude	43.30	43.47	43.49	43.47	0.18
Light Crude	40.97	41.10	41.11	41.10	0.13
Gold	1,942.60	1,951.48	1,952.56	1,951.48	8.88
Platinum	940.27	938.89	947.02	938.89	-1.38
Silver	27.10	27.04	27.09	27.04	-0.06

Index	Previous Close	Last	Change
ALSI	50,850.00	-	-
S&P 500	3,385.49	3,357.01	-28.5
JSE All Share	55,035.60	-	-
Dow Jones	28,032.38	27,901.98	-130.4

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