



Economic Headlines

Thursday, 15 November 2018

Stocks Gain in Asia; Powell Downplays Volatility: Markets Wrap

Stocks chalked modest gains in most of Asia in a choppy session, with investors digesting Brexit developments and as Federal Reserve Chairman Jerome Powell gave no indication recent volatility will play into the U.S. central bank's next policy decision. The pound rose and oil prices held above their recent low... Powell in a question-and-answer session Wednesday played down recent turbulence in the stock market, saying equity volatility was only one of many factors that the Fed takes into account. Policy makers raised interest rates three times this year and a fourth increase is projected for next month. – [Bloomberg](#)

Theresa May Is on the Brink as Tories Plot to Kill Her Brexit Deal

Prime Minister Theresa May is fighting for her political life as a growing revolt from within her own party threatens to derail her Brexit plans and force the U.K. out of the European Union with no deal... While business and finance leaders are pleased that May has finally secured an agreement, their relief could be short-lived. The prime minister's own team believe that the next few days will be the most perilous she's encountered since becoming prime minister in the aftermath of the referendum vote to leave the EU in 2016... If politicians refuse to endorse the deal, when it comes to a vote in the next few weeks, they risk crashing the U.K. out of the bloc without a deal, or torpedoing Brexit altogether, she said... On Thursday, May will make a statement to explain her deal to Parliament for the first time. Then, probably at some point in December, the House of Commons will be asked to vote finally on whether to accept it or not. – [Bloomberg](#)

OPEC+ Weighs Bigger Output Cut on Increasing Risk of Glut

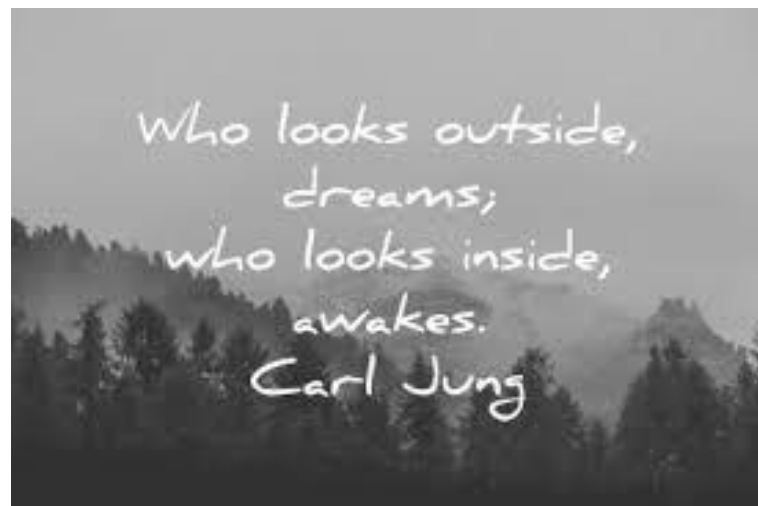
OPEC and its allies are considering cutting oil output by more than the 1 million barrels a day Saudi Arabia proposed earlier this week as the group is increasingly worried about the potential for oversupply, people familiar with the matter said... The final decision will be taken when producers meet in Vienna in early December. OPEC's biggest producer, Saudi Arabia, said on Monday that oil producers need to cut 1 million barrels a day, reversing a June decision to boost supply to contain a price rally. The group and its allies first agreed to limit their production starting in January 2017 to drain a global glut... Despite Saudi Arabia's pledge to cut production, the decline in prices has accelerated this week. Brent crude oil fell 6.6 percent yesterday to just over \$65 a barrel. At the start of October, it had reached \$86 a barrel. The benchmark recovered to about \$67 on Wednesday. – [Bloomberg](#)

South Africa's Land-Seizure Debate: What's the State of Play?

South Africa's ruling African National Congress is forging ahead with plans to amend the constitution to make it easier to seize land without paying for it, overriding complaints from some opposition parties that it isn't following proper procedure... With 1.6 trillion rand (\$110 billion) in mortgages, 150 billion rand of which has been extended to farmers, the banking industry has a massive stake in the outcome of the land reform debate. While lenders support the ANC's desire to correct skewed ownership patterns, the constitution already makes provision for expropriation, according to the industry association. It warns that constitutional changes and the possible erosion of property rights could diminish real estate values, weaken investor confidence and thwart economic development. In a worst-case scenario, banks and the economy wouldn't be able to absorb the shock, with depositors bearing the brunt of a systemic crisis, the association said. Banks are in talks to start a joint fund that could be used to accelerate transfer of land to black citizens. – [Bloomberg](#)

Retail sales rise points to economic recovery

South Africa's retail sales rose in September driven by increased sales in household furniture, appliances and clothing, data showed on Wednesday, the latest sign the economy was climbing out of a recession. The recession has put pressure on President Cyril Ramaphosa as he tries to jump-start growth in Africa's most industrialised economy by attracting investment. South Africa is facing the prospects of rising debt, widening budget deficits, high unemployment and a halved growth forecast now seen by Treasury at 0.7% in 2018. However, recent data shows the country could climb out of its first recession in nearly ten years. The statistics office said on Wednesday that sales rose 0.7% year-on-year after rising 2.5% in August... Consumer spending accounts for 60% of gross domestic product (GDP) and is seen as a catalyst for economic recovery... Last week data showed a 1.7% quarterly increase in manufacturing output. Third quarter GDP data is due to be released on December 4. – [Moneyweb](#)



Stats of the Day



Data Releases

Local Time	Country	Indicator Name	Period
03:30	China (Mainland)	China House Prices YY	Oct
12:00	Euro Zone	Eurostat Trade NSA, Eur	Sep
13:00	South Africa	TR IPSOS PCSI	Nov
15:30	United States	NY Fed Manufacturing	Nov
15:30	United States	Import Prices MM	Oct
15:30	United States	Export Prices MM	Oct
15:30	United States	Initial Jobless Claims	5 Nov, w/e
15:30	United States	Jobless Claims 4-Wk Avg	5 Nov, w/e
15:30	United States	Continued Jobless Claims	29 Oct, w/e
15:30	United States	Philly Fed Business Indx	Nov
15:30	United States	Philly Fed 6M Index	Nov
15:30	United States	Philly Fed Capex Index	Nov
15:30	United States	Philly Fed Employment	Nov
15:30	United States	Philly Fed Prices Paid	Nov
15:30	United States	Philly Fed New Orders	Nov
15:30	United States	Retail Sales Ex-Autos MM	Oct
15:30	United States	Retail Sales MM	Oct
15:30	United States	Retail Ex Gas/Autos	Oct
15:30	United States	Retail Control	Oct
17:00	United States	Business Inventories MM	Sep
17:00	United States	Retail Inventories Ex-Auto Rev	Sep
19:00	United States	NOPA-Soy Crush	Oct
19:00	United States	Bean Oil Stocks	Oct

Source: Thomson Reuters

Market Overview

Money Market		Change	Latest
3 months	→	0.00%	7.02%
6 months	→	0.00%	7.68%
9 months	→	0.00%	7.98%
12 months	→	0.00%	8.38%
Bonds		Change	Latest
GC21 (R208: 7.58%)	↓	-0.05%	8.44%
GC24 (R186: 9.18%)	↓	-0.05%	10.33%
GC27 (R186: 9.18%)	↓	-0.05%	10.43%
GC30 (R2030: 9.64%)	↓	-0.05%	11.09%
GC32 (R213: 9.72%)	↓	-0.05%	11.32%
GC35 (R209: 9.87%)	↓	-0.05%	11.37%
GC37 (R2033: 9.81%)	↓	-0.05%	11.61%
Commodities		%Change	Latest
Gold	↓	-0.35%	\$ 1,198.04
Platinum	↓	-0.84%	\$ 832.33
Copper	→	0.00%	\$ 6,073.00
Brent Crude	↑	1.92%	\$ 65.41
Main Indices		%Change	Latest
NSX (Delayed)	↓	-0.59%	1287.78
JSE All Share	↓	-1.65%	51,250.19
S&P 500	↓	-0.15%	2,722.18
FTSE 100	↓	-0.62%	7,009.68
Hangseng	↓	-0.54%	25,654.43
DAX	↓	-0.84%	11,376.39
JSE Sectors		%Change	Latest
Financials	↓	-1.48%	16,306.25
Resources	↓	-2.40%	39,426.88
Industrials	↓	-1.53%	60,547.38
Forex		%Change	Latest
N\$/US Dollar	↓	-0.24%	14.4219
N\$/Pound	↓	-0.31%	18.6989
N\$/Euro	↓	-0.43%	16.2528
US Dollar/ Euro	↓	-0.19%	1.1269
Namibia Monthly Data		Latest	Previous
Namibia Inflation (Sep 18)		4.8	4.4
Bank Prime		10.50	10.50
BoN Repo Rate		6.75	6.75

Source: Bloomberg



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