



Economic Headlines

Friday, 16 November 2018

May Vows to Carry On as Brexit's Hardliners Try to Topple Her

British Prime Minister Theresa May is defying demands to quit as she battles to keep control of her fractious government long enough to deliver a Brexit deal that's drawn ire from across the political spectrum. Facing a revolt over her proposed exit agreement with the European Union, May said she would stay in office because the public expects her to see through their 2016 vote to leave the bloc in an orderly way. But she has a major battle on her hands with adversaries inside her Conservative Party and could be fighting a formal leadership challenge within days. If that happens and May is forced out, the U.K. will be just four months away from leaving the EU with no sign of an agreement on the terms of a split, a deepening political crisis and the prospect of financial markets and the economy going into a tailspin. – [Bloomberg](#)

South Africa's 'Own Brexit' Forgotten as Pound Tumbles Versus Rand

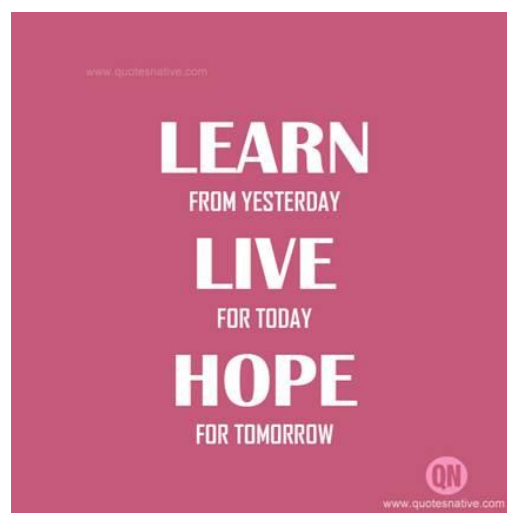
It seems rand traders are more concerned about Brexit than South Africa's own political elephant in the room: land reform. For now, anyway. The South African currency is on track for its biggest one-day gain against the pound since December 15, touching its best level in three months, as British Prime Minister Theresa May faced mounting opposition to her Brexit deal. The rand extended gains after lawmakers in Cape Town backed constitutional changes to allow land seizure without compensation, though it pared its advance against the dollar. The rand strengthened 2.5 percent to 18.2474 per pound by 1:44 p.m. in Johannesburg, the most since December 15. It was 0.9 percent stronger against the dollar, at 14.2615. But focus may soon turn back to South Africa's controversial land-reform process. The ruling African National Congress' plan to expropriate land for redistribution to blacks was flagged as a credit risk by Moody's Investors Service, which said in a report on Thursday that government policy predictability is becoming less certain ahead of elections in May next year. – [Bloomberg](#)

Global Slowdown Looks More Likely in Trade Turmoil: Economy This Week

The global economy took another blow this week, with Germany and Japan – the world's third- and fourth-largest economies – both showing contractions in the third quarter and renewing fears of a synchronized slowdown. Trade wars are dragging on, the falling oil price opened a new front of concern and Asian leaders are worried that the region is doing the heavy lifting on global economic growth... The White House is offering reassurance that the world's two biggest economies are still in conversation "at all levels" about trade, and China's drawing up some potential terms of agreement, even as the U.S. also is striking a definitely-maybe tone on the potential of imposing fresh tariffs on car imports. – [Bloomberg](#)

The battery boom to attract \$620bn in investment by 2040

The battery boom is coming to China, California and basically everywhere else — and it will be even bigger than previously thought. The global energy-storage market will surge to a cumulative 942 gigawatts by 2040, according to a new forecast from Bloomberg NEF published Tuesday, and that growth will necessitate \$620 billion in investment. Sharply falling battery costs is a key driver of the boom. BNEF sees the capital cost of a utility-scale lithium-ion storage system falling another 52% by 2030... Two important markets come into particular focus. China, which is building up its battery-manufacturing capacity, will be a central player in the boom. California, meanwhile, has pushed through a series of measures in recent years that will directly or indirectly spur more batteries, including legislation that would require all of the state's electricity to come from carbon-free sources by 2045. "Storage is just so sensibly the next step in the evolution of renewable energy," Edward Fenster, the executive chairman of San Francisco-based rooftop-solar company Sunrun Inc., said in an interview. "If we're going to get to 100% renewable energy, we'll need storage" ... The Asia-Pacific region will be home to 45% of total installations on a megawatt basis by 2040. Another 29% will be spread across Europe, Middle East and Africa. The remainder will be in the Americas. The majority of storage capacity will be utility-scale until the mid-2030s. But then so-called behind-the-meter projects — installations at businesses, industrial sites and residential properties — will overtake utility-scale. — [Moneyweb](#)



Stats of the Day

Pessimism reigns among Brexit experts

Selected results of an October 2018 'Brexit Policy Panel' survey

Share that expect a withdrawal agreement to be signed by the end of November 2018

11%

Share that think the UK and EU will have agreed a trade deal by December 2020

16%

Share that think a no deal Brexit is likely

42%

Share that predict a fall in foreign investment from outside the EU due to Brexit*

70%



* Over the next five years.

Based on a survey of over 100 leading experts on Brexit from across the social sciences.

Data Releases

Local Time	Country	Indicator Name	Period
04:00	China (Mainland)	TR IPSOS PCSI	Nov
12:00	Euro Zone	HICP Final MM	Oct
12:00	Euro Zone	HICP Final YY	Oct
12:00	Euro Zone	HICP ex F&E MM	Oct
12:00	Euro Zone	HICP ex F&E YY	Oct
12:00	Euro Zone	HICP ex tobacco MM	Oct
12:00	Euro Zone	HICP ex tobacco YY	Oct
12:00	Euro Zone	HICP ex F, E, A, T MM	Oct
12:00	Euro Zone	HICP ex F,E,A&T Final YY	Oct
12:00	Euro Zone	Inflation Ex-Tobacco Idx	Oct
12:00	Euro Zone	HICP Excl Tobacco Unrevised	Oct
15:30	United States	Corn Export Sales New	5 Nov, w/e
15:30	United States	Corn Export Sales Net	5 Nov, w/e
15:30	United States	Corn Exp Sale Next Yr Net	5 Nov, w/e
15:30	United States	Corn Exp Sales Net Total	5 Nov, w/e
15:30	United States	Soybean Export Sales New	5 Nov, w/e
15:30	United States	Soybean Export Sales Net	5 Nov, w/e
15:30	United States	Soybean Exp Sale Next Yr Net	5 Nov, w/e
15:30	United States	Soybean Exp Sale Net Total	5 Nov, w/e
15:30	United States	Soybeanmeal Exp Sale Net	5 Nov, w/e
15:30	United States	Soymeal Exp Sls Next Yr Net	5 Nov, w/e
15:30	United States	Soybn Meal Exp Sls Net Total	5 Nov, w/e
15:30	United States	Soybeanoil Exp Sales Net	5 Nov, w/e
15:30	United States	Soybn Oil Exp Sls Nxt Yr Net	5 Nov, w/e
15:30	United States	Soybn Oil Exp Sls Net Total	5 Nov, w/e
15:30	United States	Wheat Export Sales New	5 Nov, w/e
15:30	United States	Wheat Export Sales Net	5 Nov, w/e
15:30	United States	Wheat Exp Sale Next Yr Net	5 Nov, w/e
15:30	United States	Wheat Exp Sale Net Total	5 Nov, w/e
15:30	United States	Beef Export Sales New	5 Nov, w/e
15:30	United States	Beef Export Sales Net	5 Nov, w/e
15:30	United States	Up Cotton Exp Sales New	5 Nov, w/e
15:30	United States	Up Cotton Exp Sales Net	5 Nov, w/e
15:30	United States	US Pork Export Sales New	5 Nov, w/e
15:30	United States	US Pork Export Sales Net	5 Nov, w/e
16:15	United States	Industrial Production MM	Oct
16:15	United States	Capacity Utilization MM	Oct
16:15	United States	Manuf Output MM	Oct
17:30	United States	ECRI Weekly Index	5 Nov, w/e
17:30	United States	ECRI Weekly Annualized	5 Nov, w/e
18:00	United States	KC Fed Manufacturing	Nov
18:00	United States	KC Fed Composite Index	Nov

Source: Thomson Reuters

Market Overview

Money Market		Change	Latest
3 months	→	0.00%	7.02%
6 months	↓	-0.01%	7.67%
9 months	→	0.00%	7.98%
12 months	↓	-0.03%	8.35%
Bonds		Change	Latest
GC21 (R208: 7.57%)	↑	0.01%	8.43%
GC24 (R186: 9.17%)	↑	0.01%	10.32%
GC27 (R186: 9.17%)	↑	0.01%	10.42%
GC30 (R2030: 9.62%)	↑	0.01%	11.07%
GC32 (R213: 9.7%)	↑	0.01%	11.30%
GC35 (R209: 9.87%)	↑	0.02%	11.37%
GC37 (R2033: 9.8%)	↑	0.01%	11.60%
Commodities		% Change	Latest
Gold	↓	-0.10%	\$ 1,209.72
Platinum	↓	-0.21%	\$ 833.58
Copper	→	0.00%	\$ 6,090.00
Brent Crude	↑	1.44%	\$ 65.59
Main Indices		% Change	Latest
NSX (Delayed)	↑	0.45%	1288.31
JSE All Share	↓	-0.27%	51,859.07
S&P 500	↓	-0.76%	2,701.58
FTSE 100	↑	0.16%	7,044.94
Hangseng	↑	1.75%	26,103.34
DAX	↑	0.22%	11,438.19
JSE Sectors		% Change	Latest
Financials	↓	-0.35%	16,353.34
Resources	↓	-0.08%	39,417.02
Industrials	↓	-0.34%	62,094.07
Forex		% Change	Latest
N\$/US Dollar	↓	-0.97%	14.2552
N\$/Pound	↓	-2.43%	18.2502
N\$/Euro	↓	-0.98%	16.1212
US Dollar/ Euro	↓	-0.01%	1.1309
Namibia Monthly Data		Latest	Previous
Namibia Inflation (Oct 18)		5.1	4.8
Bank Prime		10.50	10.50
BoN Repo Rate		6.75	6.75

Source: Bloomberg



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