FFO SECURITIES (PTY) LTD

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Capital Market Report 18 May 2018

Foreigners sold R 4.7B for the week ended. They sold R186s, R2040s, R207s and R2048s and bought R2023s, R213s, R209s and R2035s. BAW17s and IDCG03s had the best week gaining over 40bps over their benchmark. BGL03s and SBS29s were the weakest performers, with BGL03s selling off 20bps over JIBAR.

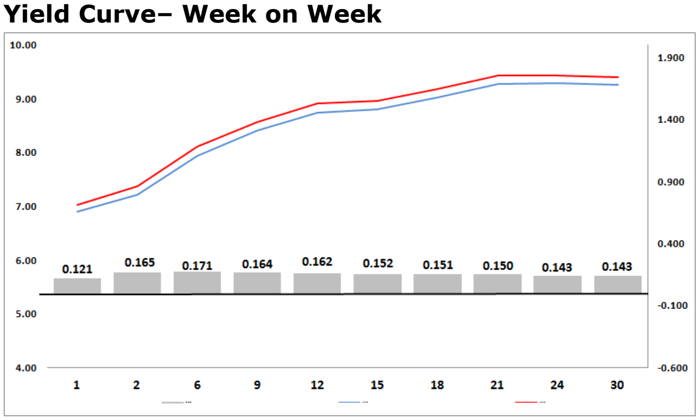
WEEKLY NON RES STATS

BOND	PURCHASES	SALES	NETT
R 204	R 30 819 755	R 141 475 510	-R 110 655 755
R 207	R 501 488 517	R 1 441 265 733	-R 939 777 216
R 208	R 263 684 117	R 340 823 550	-R 77 139 433
R 2 023	R 1 272 766 000	R 175 357 100	R 1 097 408 900
R 186	R 10 434 890 000	R 15 200 121 388	-R 4 765 231 388
R 2 030	R 849 730 000	R 1 204 831 519	-R 355 101 519
R 213	R 1 560 711 366	R 692 510 886	R 868 200 480
R 2 032	R 397 896 549	R 296 802 853	R 101 093 696
R 2 035	R 3 036 200 934	R 1 986 217 454	R 1 049 983 480
R 209	R 1 597 390 862	R 1 247 278 970	R 350 111 892
R 2 037	R 773 355 014	R 973 097 000	-R 199 741 986
R 2 040	R 173 737 195	R 1 362 000 000	-R 1 188 262 805
R 214	R 326 530 000	R 452 100 000	-R 125 570 000
R 2 044	R 264 660 450	R 167 175 000	R 97 485 450
R 2 048	R 927 172 000	R 1 459 847 468	-R 532 675 468
TOTAL	R 22 279 501 359	R 27 204 789 578	-R 4 729 871 672

CORPORATE SPREADS

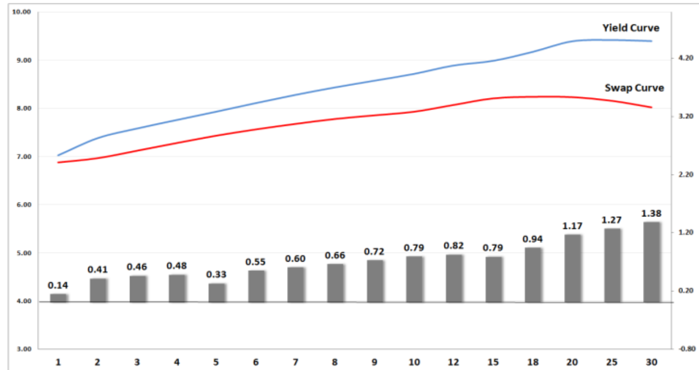
BOND	COMPANION	COMPANIONS	CURRENT	PRIOR	CHANGE
BGL03	2020/02/05	JIBAR	215	195	20
SBS29	2019/06/12	R 204	108.5	106.5	2
FRX20	2020/10/01	R 208	50	61	-11
FRX45	2045/04/14	R 214	164	175	-11
GRT07	2024/02/21	JIBAR	170	185	-15
SBS38	2025/01/29	R 186	71.5	90	-18.5
SBS41	2022/11/12	R 2 023	79	97.5	-18.5
KAP010	2020/09/15	JIBAR	160	180	-20
SBT201	2023/02/13	JIBAR	290	313	-23
SBS20	2026/05/15	R 186	99	122.5	-23.5
IDCG06	2024/11/24	R 186	155	185	-30
SBS19	2021/06/23	R 208	88	122.5	-34.5
CBL27	2020/05/12	JIBAR	160	199	-39
BAW17	2018/12/05	JIBAR	75	115	-40
IDCG03	2020/10/22	R 208	100	176	-76

Yield Curve– Week on Week



Bond Rates	Open	High	Low	Close
R 208	7.410	7.675	7.375	7.635
R 209	9.100	9.390	9.050	9.350
R 186	8.340	8.660	8.295	8.610

BONDS and SWAPS - YIELD CURVE



IMPORTANT ECONOMIC INDICATORS

Date	Time	Country	Event	Month	Previous	Forecast
21-May-18	02:00:00	Germany	Whit Monday			
	11:00:00	US	OPEC meeting			
23-May-18	08:00:00	Germany	Gross Domestic Product (YoY)	Q1 (Rev)	1.60%	
	10:00:00	SA	Consumer Price Index (YoY)	Apr'18	3.80%	4.70%
	10:30:00	UK	Producer Price Index - Input (YoY) n.s.a		4.20%	4.50%
	10:30:00	UK	Consumer Price Index (YoY)	Apr'18	2.50%	2.30%
24-May-18	10:30:00	UK	Retail Sales (YoY)	Apr'18	1.10%	1.40%
	15:00:00	SA	SARB Interest Rate Decision		6.50%	6.50%
25-May-18	10:30:00	UK	Gross Domestic Product (YoY)	Q1 (Rev)	1.20%	1.30%

PERFORMANCE

Performance	Total Return		
	MtD	YtD	YoY
ALBI	-2.19%	4.95%	11.05%
GOVI	-2.26%	4.53%	10.68%
1 to 3 Years	-0.23%	2.37%	7.89%
3 to 7 Years	-0.69%	2.63%	8.45%
7 to 12 Years	-1.60%	3.95%	10.16%
Over 12 Years	-2.83%	5.95%	12.05%

AUCTION RESULTS FOR THE WEEK

Government Bond Auction Results			
Bonds	R 2 023	R 186	R 209
Amount on Auction(R'm)	800	800	800
Bids Received (R'm)	2250	2540	2330
Bid to Cover	2.81	3.18	2.91
Clearing Yield (%)	7.800	8.390	9.145

Inflation Linked Bond Auction Results			
Bonds	R 2 025	R 2 033	R 2 046
Coupon	2.000	1.880	2.50
Amount issued (R'm)	170	20	200
Bids received (R'm)	320	20	200
Bid to Cover	1.882	1.000	1.000
Clearing Yield (%)	2.400	2.690	2.860

AUCTION INVITATION FOR THE UPCOMING WEEK

Government Bond Auction			
Bonds	R 2 032	R 2 037	R 2 048
Coupon	8.250	8.500	8.750
Amount on Offer (R'm)	800	800	800

Inflation Linked Bond Auction			
Bonds	R 2 025	R 2 033	R 2 046
Total Amount (R'm)		600	

TURNOVER STATISTICS

	R' Bn					
	Standard			Repo		
	17-May '17	17-May '18	Change	17-May '17	17-May '18	Change
Daily	18.84 bn	41.02 bn	22.18 bn	27.62 bn	18.19 bn	-9.43 bn
Week to Date	81.52 bn	159.64 bn	78.12 bn	156.44 bn	163.65 bn	7.22 bn
Month to Date	342.61 bn	499.05 bn	156.43 bn	549.59 bn	449.91 bn	-99.68 bn
Year to Date	2 673.43 bn	3 652.91 bn	979.47 bn	3 491.59 bn	3 645.51 bn	153.92 bn