FFO SECURITIES (PTY) LTD

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Capital Market Report 25 May 2018

Foreigners sold R 700M for the week ended. They sold R186s, R209s, R213s and R214s and bought R2023s, R2032s, R2037s and R2035s. FRB17s and CLN340s had the best week, with CLN340s gaining over 200bps over their JIBAR. FRX45s, FV23s and SBS41s were the weakest performers selling off over 4bps over their benchmark.

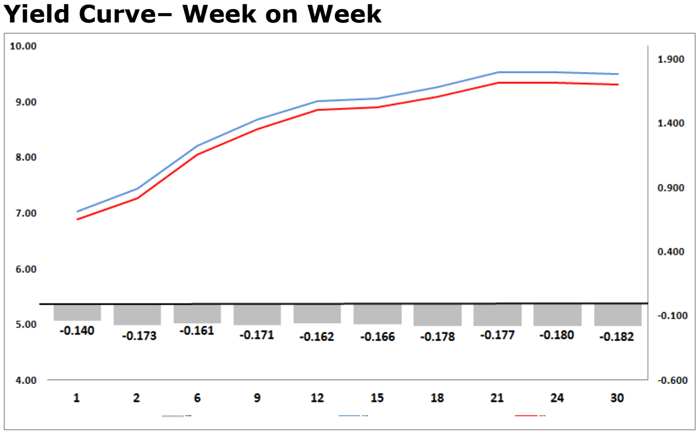
WEEKLY NON RES STATS

BOND	PURCHASES	SALES	NETT
R 204	R 0	R 0	R 0
R 207	R 341 107 497	R 181 106 497	R 160 001 000
R 208	R 231 531 400	R 110 000 000	R 121 531 400
R 2 023	R 1 463 466 000	R 628 581 000	R 834 885 000
R 186	R 12 938 232 075	R 13 610 394 565	-R 672 162 490
R 2 030	R 714 136 000	R 1 163 556 000	-R 449 420 000
R 213	R 0	R 1 170 000 000	-R 1 170 000 000
R 2 032	R 1 055 413 257	R 370 540 853	R 684 872 404
R 2 035	R 1 259 532 538	R 671 904 038	R 587 628 500
R 209	R 1 365 814 854	R 1 803 052 281	-R 437 237 427
R 2 037	R 1 213 080 392	R 715 855 733	R 497 224 659
R 2 040	R 144 190 000	R 200 449 000	-R 56 259 000
R 214	R 159 035 000	R 765 000 000	-R 605 965 000
R 2 044	R 1 108 436 920	R 1 095 687 318	R 12 749 602
R 2 048	R 613 000 000	R 848 987 610	-R 235 987 610
TOTAL	R 22 475 444 533	R 23 399 000 042	-R 728 138 962

CORPORATE SPREADS

BOND	COMPANION	COMPANIONS	CURRENT	PRIOR	CHANGE
SBS41	2022/11/12	R 2 023	85	79	6
DV23	2023/02/27	R 2 023	136.5	132.5	4
FRX45	2045/04/14	R 214	168	164	4
SBS29	2019/06/12	R 204	112	108.5	3.5
SBS37	2020/01/29	R 207	73	70.5	2.5
SBS38	2025/01/29	R 186	74	71.5	2.5
IV040	2021/09/29	JIBAR	310	350	-40
SBT101	2022/03/31	JIBAR	490	535	-45
IPF14	2018/12/17	JIBAR	100	150	-50
CGR29	2021/02/08	JIBAR	380	435	-55
CBL17	2019/08/23	JIBAR	265	325	-60
NEDT1B	2021/11/26	JIBAR	490	550	-60
FRB17	2022/01/08	JIBAR	290	360	-70
CLN340	2018/12/20	JIBAR	190	400	-210

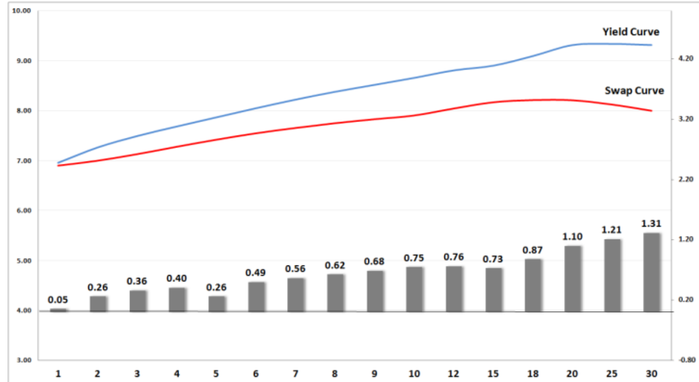
Yield Curve– Week on Week



Bond Rates

	Open	High	Low	Close
R 208	7.660	7.720	7.470	7.515
R 209	9.375	9.430	9.120	9.160
R 186	8.640	8.700	8.415	8.450

BONDS and SWAPS - YIELD CURVE



IMPORTANT ECONOMIC INDICATORS

Date	Time	Country	Event	Month	Previous	Forecast
30-May-18	08:00:00	SA	M3 Money Supply (YoY)	Apr'18	6.42%	
	08:00:00	SA	Private Sector Credit	Apr'18	5.96%	
	14:30:00	US	Gross Domestic Product Annualized	Q1 (Rev)	2.30%	2.40%
31-May-18	11:00:00	EU	Unemployment Rate	Apr'18	8.50%	8.50%
	11:00:00	EU	Consumer Price Index (YoY)	May'18	1.20%	1.60%
	11:30:00	SA	Producer Price Index (YoY)	Apr'18	3.70%	
	14:00:00	SA	Trade Balance (in Rands)	Apr'18	9.47B	
	14:30:00	US	Initial Jobless Claims		234K	
01-Jun-18	14:30:00	US	Nonfarm Payrolls	May'18	164K	185K
	15:00:00	SA	Total New Vehicle Sales	May'18	36346	

PERFORMANCE

Performance	Total Return		
	MtD	YtD	YoY
ALBI	-1.44%	5.76%	10.20%
GOVI	-1.50%	5.35%	9.85%
1 to 3 Years	0.14%	2.75%	7.79%
3 to 7 Years	-0.26%	3.07%	7.93%
7 to 12 Years	-1.05%	4.53%	9.35%
Over 12 Years	-1.91%	6.96%	11.02%

AUCTION RESULTS FOR THE WEEK

Government Bond Auction Results			
Bonds	R 2 032	R 2 037	R 2 048
Amount on Auction(R'm)	800	800	800
Bids Received (R'm)	2380	2205	2215
Bid to Cover	2.98	2.76	2.77
Clearing Yield (%)	9.105	9.320	9.430

Inflation Linked Bond Auction Results			
Bonds	R 212	R 2 029	R 2 050
Coupon	2.750	1.880	2.50
Amount issued (R'm)	255	200	145
Bids received (R'm)	965	830	520
Bid to Cover	3.784	4.150	3.586
Clearing Yield (%)	2.290	2.730	2.910

AUCTION INVITATION FOR THE UPCOMING WEEK

Government Bond Auction			
Bonds	R 186	R 2 035	R 2 044
Coupon	10.500	8.875	8.750
Amount on Offer (R'm)	700	850	850

Inflation Linked Bond Auction			
Bonds	R 212	R 2 029	R 2 050
Total Amount (R'm)		600	

TURNOVER STATISTICS

	R' Bn					
	Standard			Repo		
	24-May '17	24-May '18	Change	24-May '17	24-May '18	Change
Daily	39.75 bn	42.70 bn	2.95 bn	28.88 bn	34.36 bn	5.48 bn
Week to Date	88.95 bn	159.01 bn	70.06 bn	150.03 bn	185.68 bn	35.64 bn
Month to Date	491.06 bn	716.85 bn	225.80 bn	759.73 bn	653.36 bn	-106.36 bn
Year to Date	2 821.88 bn	3 870.72 bn	1 048.84 bn	3 701.72 bn	3 848.96 bn	147.24 bn