

Rand weakens before GDP, unemployment data

THE rand weakened to a two-week low against dollar early today, with traders cautious before local growth and unemployment data.

At 8.43am the rand was 0.61 softer at 12.0025 a dollar, its weakest since May 13.

“The scope for volatility increases today given the numerous data risks and as Lon-

don and New York trade returns from the long weekend,” Carmen Nel and John Cairns of Rand Merchant Bank said in a note.

“Today’s local focus will be on the Q1 2015 GDP figure. The focus in the afternoon switches to US data,” they said, adding the timing of a US Federal Reserve rate hike remained the

key theme for markets.

The dollar hit a fresh one-month high against a basket of major currencies, extending a rally triggered by Friday’s comments from Federal Reserve chair Janet Yellen, who rekindled expectations the central bank was gearing up to hike rates.

Investors also await the lat-

est batch of US data later today that could provide more clues on the strength of the US economic recovery, including last month’s durable goods and this month consumer confidence.

Government bonds weakened, pushing the yield on the 2026 benchmark up 3 basis points to 8.140 percent. – Reuters