

Market report

Rand near 5-week low before local trade data

THE rand was a tad weaker against the dollar early today, hovering near a five-week low before local trade numbers due out later in the day and a slew of data next week.

At 8.05am the rand was trading 0.24 percent weaker at 12.1595 to the versus its closing level yesterday.

The rand touched a five-week low of 12.2055 a dollar

yesterday, according to Thomson Reuters data, after the Institute of International Finance said capital flows to emerging economies were projected to fall.

“Local event risk is elevated today, with credit data in the morning and trade and budget figures in the afternoon,” John Cairns of Rand Merchant Bank said in a note.

“Next week includes elevated event risk. Not only is there the usual first week of the month data, which includes PMI figures and US non-farm payrolls, but we also expect a Fitch rating downgrade of South Africa.”

South Africa’s April credit growth quickened to 9.35 percent year-on-year, while the broadly defined M3 measure of

money supply rose by 8.38 percent, central bank data showed.

Fitch issues its ratings update on South Africa next Friday. The ratings agency maintained its BBB rating for South Africa in December last year.

In fixed income, the yield for the 2026 benchmark was down 1.5 basis points to 8.165 percent. – Reuters