

Rand remains the best-performing EM currency, closes flat on Friday



By [Andre Cilliers](#)

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Friday saw the US Treasury yields spike higher and the dollar close firmer on the day on the back of continued hawkish statements from Fed officials.



Source: Supplied

Rand update

The rand remains the best-performing EM currency closing relatively flat at R15.38. This morning we have opened a touch weaker at R15.41, and with today being a US holiday, we expect trading to be subdued, with an expected trading range of R15.35/R15.50.

Commodity update

Metals closed reasonably flat on Friday, with Gold and Palladium slightly in the red, and Platinum marginally in the green. We start the new week largely unchanged at \$1,819 for Gold, \$969 for Platinum, and \$1,874 for Palladium. The price of Brent jumped 2.3% on Friday as demand continues to outstrip supply. Currently, we have Brent trading at \$86.13 and WTI at \$84.14.

International update

Markets expect the Fed to start hiking rates in March, and on Friday, US bond yields jumped markedly. The 30y-yield closed at 2.13%, the 10y-yield ended at 1.79%, and the 2y-yield closed at 0.97%. The S&P and Nasdaq ended the week in the green, but the Dow finished weaker. Chinese GDP for 2021 grew by an above-market estimate of 8.1%, but the PBOC still surprised markets by cutting medium-term facility loan borrowing costs, pushing the Shanghai higher. The JSE ALSI ended 1.01% weaker at 75,160 as all sectors closed in the red.

ABOUT ANDRE CILLIERS

Andre is the Currency Risk Strategist at TreasuryONE. Andre's career in treasury spans more than 30 years. He has gained his extensive currency risk experience in both the banking and corporate arena. Before joining TreasuryONE, Andre headed up the treasury department for a Tier One German international bank in South Africa.

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