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MAIN UPDATES

ZAR: South Africa's rand edged higher on Friday in subdued trade, with the currency's rally this week slowed by the resumption of nationwide power cuts and more evidence that the domestic economy remains under pressure. At 0630 GMT the rand ZAR=D3 was 0.2% firmer at 17.3825 per dollar, not far off a close of 17.4000 on Thursday. On Thursday, state power utility Eskom implemented nationwide rolling electricity blackouts, cutting up to 2,000 MW from the national grid. The company said the power cuts, or load shedding, would continue on Friday.

EUR: EUR/USD powered higher, with the 1.19 area now beckoning, as markets cast a skeptical eye over greater-than-expected falls in U.S. jobless claims in light of Washington's failure to extend supplemental payments (Full Story). Making matters worse for the dollar, falling claims could reduce pressure on lawmakers to agree fresh pandemic relief, keeping policy pressure on the Fed. EUR/USD has rebounded after Wednesday's failed attempt to crack last week's low triggered fresh bids and a move well above the last three days' highs just beyond 1.18. The pullback from the 1.1916 trend high to 1.1711 allowed daily oscillators to shed overbought readings, creating some headroom. The 161.8% Fibo off this year's 1.0636-1.1148 pandemic base is at 1.1976 on EBS, and close to a popular 1.20 target.

GBP: The pound was steady on Friday as thin August trading kept investors on the sidelines. Sterling was last flat at \$1.3067 GBP=D3 and at 90.35 pence against the euro EURGBP=D3. It has risen nearly 7% in the last three months against the U.S. dollar, almost exclusively on the back of the greenback weakening. It's summer markets, nothing is going to happen, it's all about the bond market at the moment, said Kenneth Broux, head of corporate research at Societe Generale. Next week, Britain releases inflation data on Wednesday and retail sales on Friday, with both expected to be lower. Marshall Gittler, head of investment research at BDSwiss Group, said weaker data could make "further loosening more likely" by the Bank of England. Coronavirus cases are rising in some parts of the world, which has prompted the British government to impose quarantine on many tourists returning from holidays.

INR: The Indian rupee was little changed against the dollar this week, as likely intervention by the country's central bank countered the impact of inflows relating to institutional placements and positive Asian cues. The rupee was quoted at 74.90 to the dollar compared with 74.84 at 2.00 p.m. yesterday. The unit had dropped 0.2% last week. We are seeing that upper band of the pair (USD/INR) is slowly coming down, especially since the dollar index has little room to advance significantly from here given the extent of fiscal and monetary support in the U.S., said Sajal Gupta, head, forex and rates, at Edelweiss Securities. The dollar index is very close to breaking its crucial level of 92.50. Once that level is breached, and local equities scale new highs, the RBI will have to let the rupee strengthen beyond 74.50.

MZN: The foreign exchange market is extremely short, the demand for foreign currency has been increasing daily. On August 13th, the exchange rate was fixed at USD / MZN 71,13, the rate of ZAR / MZN 4,08 and EUR / MZN 84,18.

HIGHLIGHTS

ALUMINIUM: Aluminum decreased 38.25 USD/Tonne or 2.12% since the beginning of 2020, according to trading on a contract for difference (CFD) that tracks the benchmark market for this commodity.

BRENT CRUDE: Brent crude futures traded around \$44.8 per barrel on Friday, heading for a gain of about 1% this week, as oversupply concerns eased on the back of US data showing crude oil, gasoline and distillate inventories all fell last week amid higher production and fuel demand. Meanwhile, the gains were curbed after the IEA cut its 2020 oil demand forecast for the first time in several months, following a similar move from the OPEC. Uncertainty over whether US lawmakers would strike an agreement on a new coronavirus relief package also weighed. Investor focus will turn to an OPEC meeting next week, although Russian Energy Minister Alexander Novak said he does not expect quick decisions on output cuts.

COAL: Coal prices dipped back to the \$53 level in mid-August pressured by the rise in renewable energy generation capacity, and the freefall of coal energy generating as more and more countries try to move to more environmentally friendly energy. The coal market kicked off August at a four-month high of \$57 per tonne as power consumption increased in the developing world amid efforts to quickly restart global economic activity.

COTTON: Cotton decreased 6.86 Usd/Lbs or 9.90% since the beginning of 2020, according to trading on a contract for difference (CFD) that tracks the benchmark market for this commodity.

CORN: Corn continued the downward trend into August to a near 11-year low of \$3 a bushel, as oversupply concerns build amid favourable summer weather in much of the US Corn Belt and encouraging harvest prospects in Ukraine and France. On top of that, renewed tensions between the Trump administration and China have increased downward pressure on prices.

GOLD: Spot gold was on course for its first weekly fall since early June, trading around \$1,950 on Friday, after the metal suffered its worst one-day rout since 2013 earlier in the week amid expectations of further US coronavirus-related fiscal stimulus and positive news about several Covid-19 vaccines. Still, a weaker dollar, the lack of progress in negotiations back in the US and weaker-than-expected Chinese data could boost safety demand. Bullion has declined 4% so far this week, its biggest weekly percentage fall since early March.

Source Reuters

CURRENCIES

Ccy	Bid	Ask	Average
USD / MZN	70.45	71.85	71.15
ZAR / MZN	4.11	4.17	4.140
EUR / MZN	83.81	85.47	84.640
GBP / MZN	92.07	93.93	93.000
INR / MZN	0.9405	0.9595	0.950
USD / ZAR	17.4000	17.4008	17.400
EUR / USD	1.1802	1.1804	1.1803
GBP / USD	1.3068	1.3070	1.3069
USD / INR	74.7500	74.7520	74.7510

COMMODITIES

	Actual	Close
Aluminium	1,766.25	1,783.00
Brent Crude	44.50	45.35
Coal Rchd Bay	53.99	53.99
Coal Maputo	54.88	54.88
Cotton	62.40	62.00
Maize/Corn	322.00	319.75
Rice	11.7300	11.7200
Soy	892.25	898.25
Wheat	494.50	491.00
Gold	1,950.10	1,931.60

Companies	14/08/2020	Volum	Amount
CDM	97.50	7.00	682.50
Emose	7.00	5.00	35.00
HCB	3.00	1,500.00	4,500.00
CMH	2,002.00	-	-

Description	Actual	Previous
TB 91 days	8.62%	9.94%
TB 182 days	9.00%	10.42%
TB 364 days	8.50%	10.49%
Prime MZN	16.70%	18.40%
Inflation	2.69%	3.02%
FPC	13.25%	14.25%
FPD	7.25%	8.25%
MIMO	10.25%	11.25%

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Securities Custody Operations	
Buying and selling Securities	From 0,4/1000 to 2,00/1000
BVM Expenses	From 50,00 MZN to 2,00/1000
Custody	0,25% p.a. (charged quarterly)
Buying and Selling Securities Over the Exchange	Minimum 100 MZN to 4,00/1000
Financial Flow Settlement Process	Minimum 100 MZN to 2,00/1000

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