



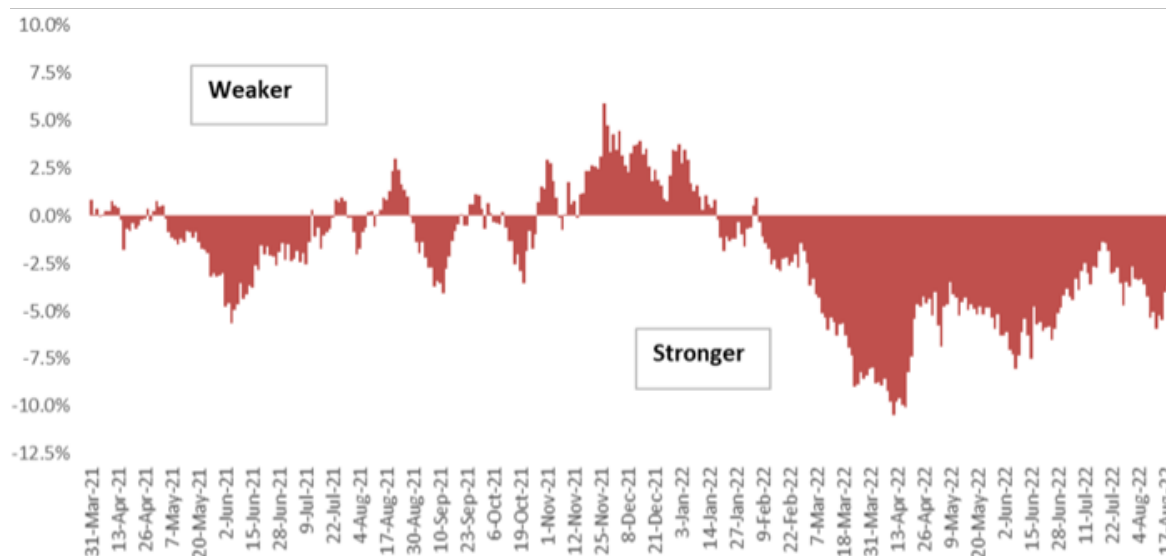
05 SEPTEMBER 2022

ANALYTICS CURRENCY DECODER

The current fair value estimate is for a weaker Rand/USD at R17.94 driven by a stronger Dollar

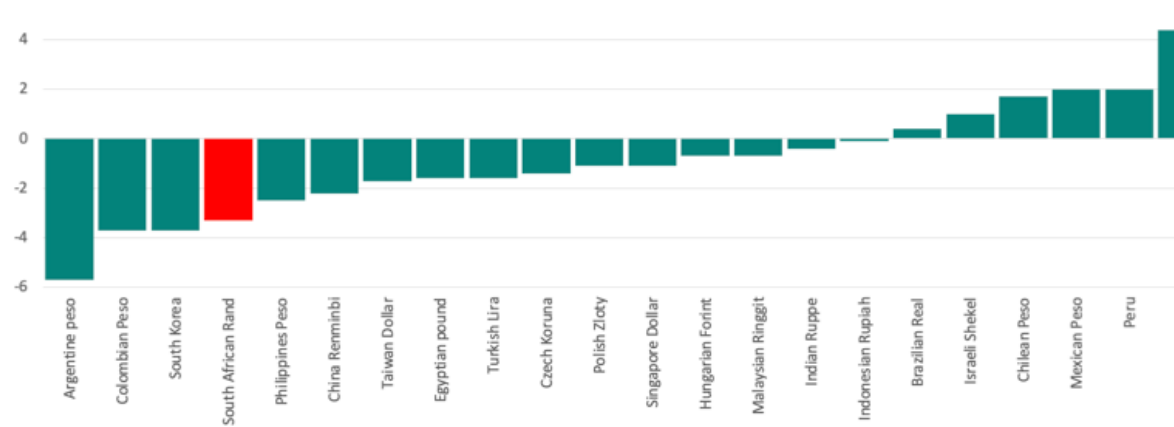
The strength in the US dollar spot index continues unabated and current levels continue to reflect levels that were last seen 20 years ago. The further strength that followed the release of the employment statistics in the USA at the end of last week has resulted in another upward revision to our estimate of fair value for the ZARUSD exchange rate. The current fair value estimate is R17.94. The ZARUSD exchange rate is currently being well supported by some positive Emerging Market sentiment in general as our measure of aggregate Emerging Market currencies is also trading at levels that are slightly stronger against its US dollar fair value estimate. However, the positive SA-specific tailwinds that have also supported the exchange rate since Q4 of 2020 seem to have died down completely and a light headwind now appears to be in play.

ZARUSD RELATIVE TO ESTIMATED FAIR VALUE

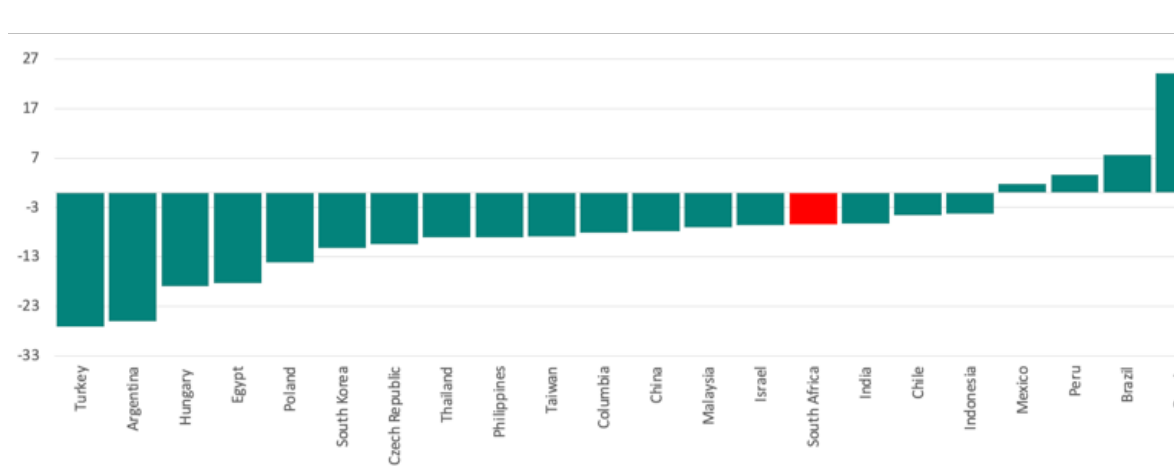


Source: Dr Lance Vogel, Analytics

EMERGING MARKET EXCHANGE RATE VS USD % change during the month of August



EMERGING MARKET EXCHANGE RATE VS USD % year to date (1 Sep 2022)



Source: Analytics Consulting FX Solutions

Analytics Consulting FX Solutions seeks to provide the most efficient, cost-effective and bespoke currency solutions for all clients. AC FX Solutions is able to leverage its collective institutional scale for superior pricing power and downstream operational efficiencies across all clients regardless of transaction size.

Copyright © 2022. All rights reserved.

Analytics Consulting FX Solutions is a division of Analytics Consulting 1 (Pty) Ltd,
an Authorised Financial Services Provider. FSP: 47564

If you wish to unsubscribe from this newsletter please click here - [Unsubscribe](#)

This communication does not constitute an offer or the solicitation of an offer for the sale or purchase of any currency, security or any other financial product. The information and opinions contained in this communication are recorded and expressed in good faith and in reliance on sources believed to be credible. The information is of a general nature only and does not take into account any investor's objectives, financial situations or needs. The information does not constitute advice and it should not be used, relied upon or treated as a substitute for specific, professional advice. It is, therefore, recommended that investors obtain the appropriate legal, tax, investment and/or other professional advice and formulate an investment strategy that would suit the investor's risk profile prior to acting on such information and to consider whether any recommendation is appropriate considering the investor's own objectives and particular needs. Past performance discussed is not necessarily a guide to future performance. Forecasts are not guaranteed and provided for illustrative purposes only. Although the information provided and statements of fact are obtained from sources that we consider reliable, no representation, warranty, undertaking or guarantee is given on the accuracy and/or completeness of such information or the correctness of such opinions. Analytics Consulting 1 will have no liability of whatever nature and however arising in respect of any claim, damages, loss or expenses suffered directly or indirectly by the investor acting on the information contained in this communication. We recommend that you take particular care to consider whether any information contained in this communication is appropriate given your objectives, financial situation and particular needs in view of the fact that there may be limitations on the appropriateness of the advice provided. No guarantee of investment performance or capital protection should be inferred from any of the information contained in this document.