

LOCAL AND REGIONAL NEWS

Namibia: Teachers and all civil servants will get their promised 9% salary increases as of 1 April 2017. This was announced by finance permanent secretary Erich Shafufah in a notice issued to all officers, ministries and agencies last week Friday. The salary increase comes after the Namibia Public Workers Union (NAPWU) along with the Namibia National Teachers Union (Nantu) and the education ministry signed an agreement at State House last October. This was after the national examinations for Grade 10 and Grade 12 were postponed and classes put on hold after the teachers went on a two-day strike seeking salary increases. Shafufah said the salary increase is for Grades 14 to 15, including a 7% adjustment for the transport allowance for staff below the management cadre, and 7% to the motor-vehicle allowance for management. Nantu secretary general Basilius Haingura said he is happy that government has kept its promise. "It will improve the lives of not just teachers, but all public workers. It started out as a fight for teachers, but in the end it benefited all. We must always stand together, and never be divided for fights such as this," he stated.

South Africa: Johannesburg - President Jacob Zuma told senior leaders of the South African Communist Party (SACP) that he plans to fire Finance Minister Pravin Gordhan, according to three people with knowledge of the matter. The rand plummeted. Zuma told officials from the party, which is allied to his ruling African National Congress (ANC), during a meeting on Monday in Johannesburg, according to the people, who were present and asked not to be identified because a public statement has not been made. Zuma ordered Gordhan to cancel meetings with investors in the UK and the US and return home on Monday, a day after he had flown to London to begin the week-long roadshow. A later meeting of the top six leaders of the ANC was to be held after the SACP gathering and it's unclear what happened in that discussion. Zizi Kodwa, a spokesperson for the ANC, said the people were misinformed. The rand weakened as much as 2.9% and was at R13.0043 to the dollar by 08:21 in Johannesburg. Speculation that Gordhan is on the verge of being fired has swirled for months, as he clashed with Zuma over the management of state companies and the national tax agency. While Gordhan has led efforts to keep spending in check and fend off a junk credit rating, Zuma wants to embark on "radical economic transformation" that he says will tackle racial inequality and widespread poverty.

South Africa: Finance Minister Pravin Gordhan is set to return to South Africa early on Tuesday after being ordered home from London by President Jacob Zuma, hours before a court hearing over the closure of accounts belonging to friends of the president. Zuma's order on Monday that Gordhan return "immediately" from a roadshow for investors in Britain and the United States has revived talk of a cabinet reshuffle and unnerved investors who see Gordhan as an emblem of stability. The rand fell more than 3 percent on Monday while bonds tumbled. The currency extended losses early on Tuesday, retreating a further 1.1 percent to 12.8800 against the dollar by 09:06 GMT. In December, Gordhan asked the High Court to rule he was not allowed to interfere with decisions by South Africa's major banks to close business accounts of Oakbay Investments, owned by brothers Ajay, Atul and Rajesh Gupta and with interests stretching from technology to media to mining. Allegations that the Guptas wielded undue influence over Zuma were investigated last year by the Public Protector, a constitutionally mandated anti-corruption watchdog. Zuma has said the Guptas are his friends, but denies there is anything improper about the relationship. Gordhan has said the brothers have repeatedly asked him to intervene to have their accounts reopened. The finance minister has accused the Gupta brothers of waging an "organized campaign" against him and Treasury, while the trio have themselves accused Gordhan of conducting a vendetta against them and trying to damage their business. Political analyst Prince Kholole said the sudden summoning of the finance minister from his overseas trip so close to the court case pointed to a possible link to the Gupta case.

Africa: Libya's biggest oil terminal loads its first tanker since fighting between armed groups earlier this month halted shipments from two ports in the country with Africa's largest crude reserves. The Suezmax vessel Demetrios, which can carry as much as one million barrels, loaded from Es Sider for export to China, according to a person familiar with the situation, who asked not to be identified because the matter isn't public. Fighting between rival groups erupted on March 3, disrupting output and forcing Es Sider and Ras Lanuf, the country's third-biggest terminal, to halt shipments. Operations at both ports have since restarted after the clashes ended. Libya's oil production has climbed back to where it was before the battle for the control of the ports forced Waha Oil Co., which feeds Es Sider, to suspend output. The country is producing 700,000 barrels a day and targets 800,000 before the end of April, Mustafa Sanalla, chairman of state-run National Oil Corp., said on March 2. Waha, a joint venture between the NOC, Hess Corp., Marathon Oil Corp. and ConocoPhillips, has resumed output and is pumping 60,000 barrels a day compared with 80,000 before the latest hostilities, Jadalla Alalokali, an NOC board member, said on March 23. Exports from Es Sider are restarting as members of the Organization of Petroleum Exporting Countries and allied producers met in Kuwait to discuss possibly extending an output deal beyond June. The more oil Libya pumps, the greater the pressure on its fellow OPEC members as they seek to clear a global glut.

Source: The Namibia, Bloomberg and Fint4

INTERNATIONAL NEWS

U.K.: Brexit Secretary David Davis said Britain will pay "nothing like" the sums of money European Union officials have floated as needed to be paid when the U.K. leaves the bloc. Three days after European Commission President Jean-Claude Juncker said the U.K. will be expected to pay around 50 billion pounds (\$62 billion), Davis said Monday that there had been "no explanation" behind such figures and he didn't think "we're going to be seeing that sort of money change hands." The latest rebuttal by Davis was made on the BBC's Question Time program. The bill is set to be an early source of disagreement between the two sides soon after Prime Minister Theresa May triggers Brexit on Wednesday, paving the way for two years of talks. EU officials argue the U.K. must cover costs such as past budget commitments and pensions for EU workers before they are willing to discuss terms. By contrast, U.K. officials have questioned the amount and the legality of any payment although Davis insisted that the U.K. will meet its international obligations, whatever that turns out to be. "The Brexit card also said that discussions over the divorce and a new trade deal should be "in parallel," another point of contention with EU negotiator Michel Barnier. He added that the U.K. is not aiming for talks to collapse without a deal, but that wouldn't be as damaging as some claim and that the government has, in any case, contingency plans.

U.S.: President Donald Trump lashed out at Republican leaders and groups on Sunday for the defeat of the bill to repeal and replace his predecessor's health-care law, after blaming Democrats for the loss on Friday. In a Twitter posting to his 27 million followers, Trump criticized the House Freedom Caucus, the conservative Heritage Foundation and the free-market advocacy group Club for Growth, which opposed the bill for not going far enough to erase Obamacare, the system implemented by Democrats under President Barack Obama. "Democrats are smiling in D.C. that the Freedom Caucus, with the help of Club for Growth and Heritage, have saved Planned Parenthood & Ocare!" Trump said. The criticism marked a shift for Trump, who had avoided blaming Republicans and House Speaker Paul Ryan for the defeat of the bill with no Democratic support. House leaders already scrapped a planned vote on repeal Friday because not enough support materialized, largely due to the Freedom Caucus, made up of Congress's most rebellious conservative members. In what seemed at least initially to be another shot at a fellow Republican, Trump posted a Twitter message on Saturday urging his followers to watch Jeanine Pirro on Fox News on Saturday night. She opened her show by calling on Ryan to resign because "he failed to deliver the votes on his health-care bill."

U.S.: The Federal Reserve has room for two more rate increases this year, as the economy seems "reasonably close" to full employment and is likely to gather pace, former Federal Reserve Bank of Atlanta President Dennis Lockhart said. "The committee is pretty solidly optimistic about the outlook for at least the medium term, and that would be the continuation of a moderate pace of growth," Lockhart said in an interview with Bloomberg Television's Yvonne Man in Hong Kong on Monday. "It's appropriate to begin to remove a little bit of the ultra-accommodation." The Fed on March 15 raised its target for the benchmark federal funds rate by a quarter point to 0.75% to 1% and released quarterly forecasts showing that officials expect to hike twice more this year, according to their median estimate. Speaking at the sidelines of the Credit Suisse Asian Investment Conference in Hong Kong, Lockhart said the Fed is not behind the curve, and he would have supported the rate increase earlier this month. With the unemployment rate at 4.7%, the economy is "reasonably close" to full employment, he said. Still, policy makers would most probably refrain from aggressive tightening with US interest rates likely to be low by historical standards for some time, he said.

Source: Bloomberg and Fint4

COMMODITIES NEWS

Oil prices rose on Tuesday, supported by a weak dollar, but crude continued to be weighed down by surging U.S. production and uncertainty over whether an OPEC-led supply cut is big enough to rebalance the market. Prices for front-month Brent crude futures LCOc1, the international benchmark for oil, had gained 20 cents from their last close to \$50.95 per barrel by 03:20 GMT. In the United States, West Texas Intermediate (WTI) crude futures CL1 were up 24 cents at \$47.97 a barrel. Traders said crude futures were receiving some support from a weak dollar. The greenback has lost 2.9 percent in value against a basket of other leading currencies. DXY since its March peak on doubts over U.S. President Donald Trump's ability to push through his economic agenda. When the dollar weakens, many traders pull money from foreign exchange markets and put it into commodities futures such as gold or crude instead. A weaker dollar also makes oil cheaper for countries using other currencies, potentially spurring import demand. "Crude prices tested the support at \$50 per barrel for Brent and rebounded from there," said Sukrit Vijayakar, director of energy consultancy Trifecta. Physical fundamentals remained weak, however, with soaring U.S. output undermining efforts led by the Organization of the Petroleum Exporting Countries (OPEC) to cut production to rein in a global fuel supply overhang and prop up prices.

Source: Reuters

KEY ECONOMIC DATA

NCPI (Y-O-Y)	7.80%	SA CPI	6.30%
BoN Repo Rate	7.00%	SA Repo	7.00%
Nambian Prime Rate	10.75%	SA Prime	10.50%

Source: Central Bank of Namibia and Bloomberg

TREASURY BILL RATES - INDICATIVE

Treasury Bills	Avg Yield	EAY
3 MTH	8.87%	9.17%
6 MTH	9.42%	9.64%
9 MTH	9.85%	9.97%
12 MTH	9.92%	9.92%

Source: Central Bank of Namibia

CURRENCY RATES - INDICATIVE

Currency	Buy	Sell
USD/NAD	12.9612	12.9735
GBP/NAD	16.2578	16.2747
EUR/NAD	14.0711	14.0816
GBP/USD	1.2545	1.2547
EUR/USD	1.0855	1.0856
USD/JPY	110.6800	110.6900
CNY/NAD	1.8832	1.8840

Source: Bloomberg

COMMODITIES

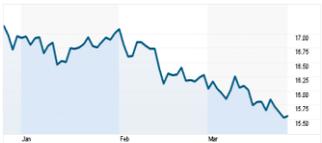
Commodity	Latest	% Change
Gold 100 Troy Oz.	\$ 1,252.00	-0.23%
Brent Crude: per Barrel	\$ 51.03	0.55%
Copper	\$ 5,760.00	-0.76%
Platinum	\$ 965.30	-0.32%

Source: Bloomberg

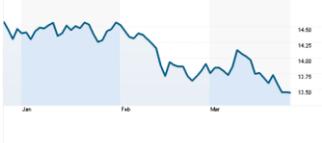
USD/ZAR GRAPH



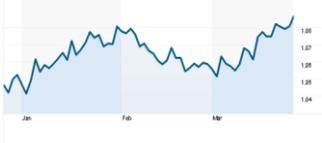
GBP/ZAR GRAPH



EUR/ZAR GRAPH



EUR/USD GRAPH



Currency Graphs Source: Reuters