

# Pound gains some respite from the strong dollar in wake of Boris Johnson resignation

 By [Andre Cilliers](#)

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Ratings agency Fitch, last night affirmed SA's BB- long-term foreign and local-currency debt ratings while keeping a stable outlook.



Source: Reuters.

## Rand update

The rand is trading softer at 16,76 this morning as the dollar remains in the ascendency ahead of today's US employment data.

The rand has lost nearly 3.0% over this trading week, having twice touched a 21-month weakest level of 16,85.

## Commodity update

Gold ended flat last night, Platinum has a small gain, while Palladium jumped nearly 4.5%.

This morning all three metals are unchanged in a very slow start in the Far East.

The Copper price has given back some of yesterday's gains this morning, falling to \$7,743. The price of Oil jumped by 4.5% yesterday as constrained supply outweighed demand concerns. Brent is currently quoted at \$105 while WTI is up at \$103.

## International update

The euro is still sitting at a 20-year low against the dollar, currently quoted at 1,0150, while the pound is holding just above the 1,2000 level.

The pound gained some respite from the strong dollar yesterday after the resignation of Boris Johnson.

US Treasury yields closed higher last night with both the 10y and 2y yields back above the 3.0% level as traders await the jobs data this afternoon.

Markets are still pricing in a 75bps rate hike by the Fed later this month.

## 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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