

Rand weaker as China Covid protests hurt global sentiment

The South African rand weakened on Monday as protests in Chinese cities against the country's strict zero-Covid curbs raised investors' concerns about the growth implications for the world's second-largest economy and hit global market sentiment.



Source: [Pexels](#)

At 1521 GMT, the risk-sensitive rand traded at 17.1100 against the US dollar, about 0.23% weaker than its closing level on Friday.

The rand is used by some investors as a proxy for emerging market risk and is highly susceptible to swings in investor confidence.

"Persistence of a harsh zero-Covid policy in China would negatively affect EMs (emerging markets) into 2023," Investec analyst Annabel Bishop said in a research note.

No major South African economic data releases were due on Monday.

Local investors on Tuesday will turn their attention towards third-quarter unemployment data, which could provide some clues on the health of the South African economy.

Shares on the Johannesburg Stock Exchange rose slightly, with the Top-40 index ending 0.36% higher, while the broader all-share index closed up 0.3%.

The South African government's benchmark 2030 bond also slipped, with the yield rising 5 basis points to 10.270%.

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