

South African rand hovers near record low on dollar strength

The South African rand weakened on Wednesday, 31 May, to circle near a record low hit in the previous session, pressured by a strengthening US dollar and tepid local investor sentiment.



Source: Reuters.

The rand has had a torrid May, losing more than 7% against the dollar this month, as investor sentiment slumped over a raft of factors including a heightened power crisis and US allegations denied by South Africa that it supplied weapons to Russia last year.

At 0635 GMT, the rand traded at 19.7500 against the dollar, 0.3% weaker than its previous close.

The dollar was up about 0.3% against a basket of currencies on global markets.

The rand touched an all-time low of 19.8600 to the greenback on Tuesday before recovering some ground.

April trade figures will be published by the revenue service around 1200 GMT on Wednesday, 31 May. Analysts polled by Reuters are predicting a smaller surplus of R4.95bn versus R6.89bn in March.

South Africa's benchmark 2030 government bond was flat in early deals, the yield down 1 basis point at 11.305%.

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