

SA MONEY MARKET REPORT

08 January 2020

THE PREVIOUS WEEK IN REVIEW

1. MONEY MARKET INTEREST RATES

SPOT RATES	24-Dec	04-Jan	08-Jan	Change
Repo Rate	3.50%	3.50%	3.50%	0.00%
Treasury Bill 91 days(D)	3.83%	3.87%	3.85%	-0.02%
Treasury Bill 91 days(Y)	3.87%	3.91%	3.89%	-0.02%
Treasury Bill 182days(D)	4.11%	4.10%	4.06%	-0.04%
Treasury Bill 182days(Y)	4.20%	4.19%	4.14%	-0.05%
Treasury Bill 273days(D)	4.38%	4.35%	4.28%	-0.07%
Treasury Bill 273days(Y)	4.53%	4.50%	4.42%	-0.08%
Treasury Bill 364days(Y)	4.49%	4.51%	4.46%	-0.05%
3 Month NCD	3.58%	3.58%	3.58%	0.00%
6 Month NCD	3.83%	3.83%	3.83%	0.00%
9 Month NCD	3.93%	3.93%	3.90%	-0.03%
12 Month NCD	4.03%	4.00%	4.05%	0.05%
18 Month NCD (YTM)	4.08%	4.02%	4.12%	0.10%
24 Month NCD (YTM)	4.35%	4.25%	4.37%	0.12%
36 Month NCD (YTM)	4.75%	4.67%	4.80%	0.13%
R208 (YTM)	3.60%	3.55%	3.60%	0.050%

MONEY MARKET RATES (NACQ)	24-Dec	04-Jan	08-Jan	Change
3 Month NCD	3.58%	3.58%	3.58%	0.00%
6 Month NCD	3.77%	3.77%	3.77%	0.00%
9 Month NCD	3.87%	3.87%	3.84%	-0.02%
12 Month NCD	3.97%	3.94%	3.99%	0.05%
18 Month NCD	4.02%	3.96%	4.06%	0.10%
24 Month NCD	4.28%	4.18%	4.30%	0.11%
36 Month NCD	4.67%	4.59%	4.71%	0.12%
R 208	3.60%	3.55%	3.60%	0.050%

MONEY MARKET LIQUIDITY	24-Dec	04-Jan	08-Jan	Change
Shortage (Rm)	29650	26650	27650	1000
Notes (Rm)	175631	176322	170917	-5405
Reverse Repo (Rm)	0	0	0	0
Debentures (Rm)	755	365	659	294
Liquidity Requirements (Rm)	26960	23721	28109	4388

2. JIBAR RATES (Nominal Terms)

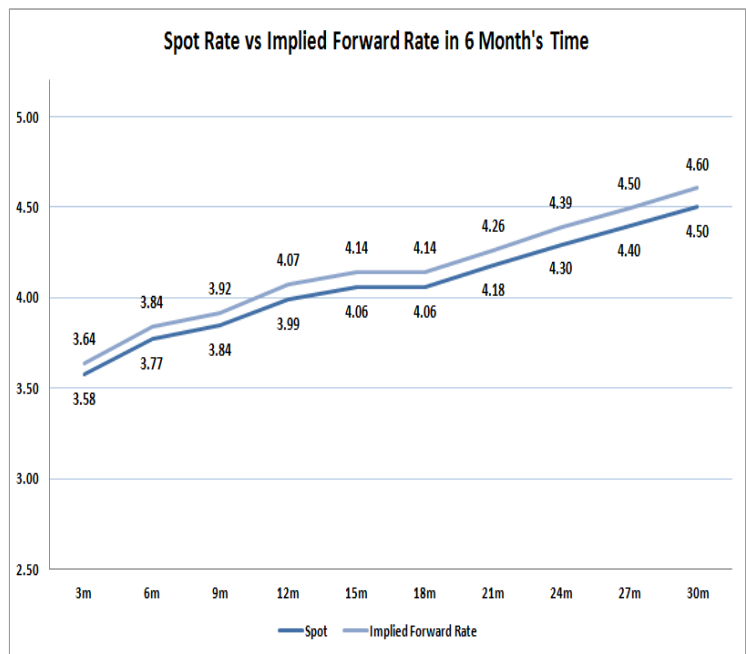
JIBAR (Nominal Terms)	24-Dec	04-Jan	08-Jan	Change
1 Month	3.50%	3.50%	3.50%	0.00%
3 Month	3.63%	3.64%	3.64%	0.00%
6 Month	3.88%	3.87%	3.88%	0.01%
9 Month	3.98%	3.94%	3.95%	0.01%
12 Month	4.07%	4.04%	4.08%	0.04%

3. CURRENT AND FUTURE YIELD CURVES (NACQ)

In the graph below the implied forward rates in six months' time are plotted opposite the current spot rates for the corresponding number of months. The implied forward rates are derived from a break-even calculation approach.

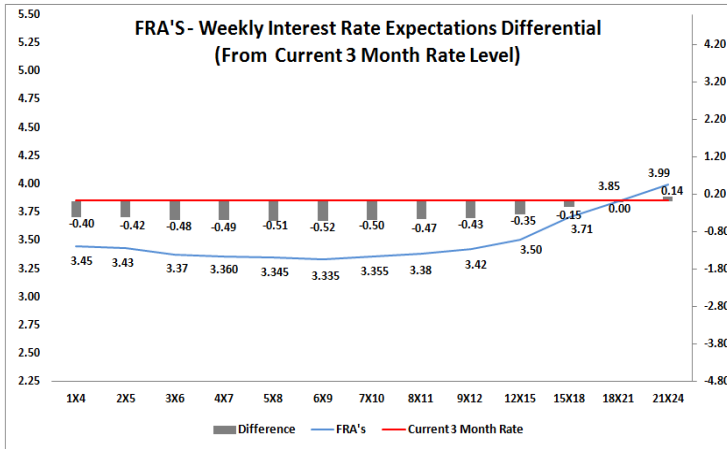
The rates represented in the line graphs below are in NACQ terms.

According to the break-even (forward/forward) calculation, the 12 and 18-month interest rates will be 4.07% and 4.14% respectively in six months time.



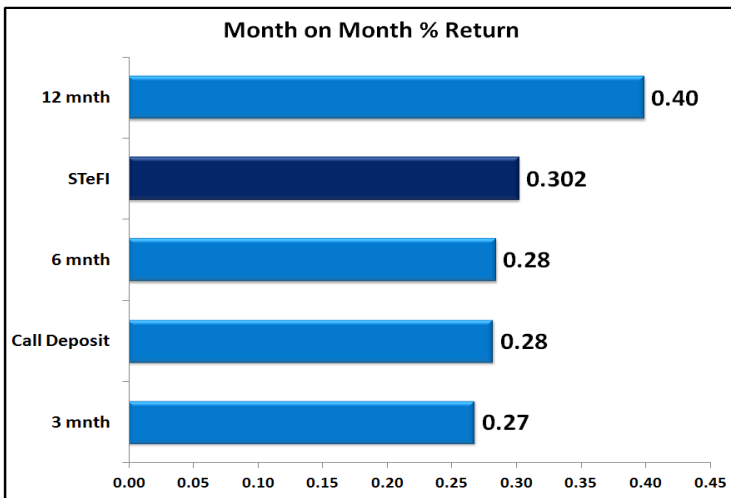
4. FRA RATES (NACQ)

FRA's	24-Dec	04-Jan	08-Jan	Change
1x4	3.53%	3.41%	3.45%	0.03%
3x6	3.48%	3.32%	3.37%	0.06%
6x9	3.40%	3.25%	3.34%	0.09%
9x12	3.48%	3.34%	3.42%	0.09%
12x15	3.67%	3.47%	3.50%	0.03%
15x18	3.87%	3.66%	3.71%	0.05%
18x21	4.06%	3.82%	3.85%	0.03%
21x24	4.25%	3.98%	3.99%	0.02%
24x27	4.44%	4.14%	4.13%	0.00%
27x30	4.63%	4.30%	4.28%	-0.02%

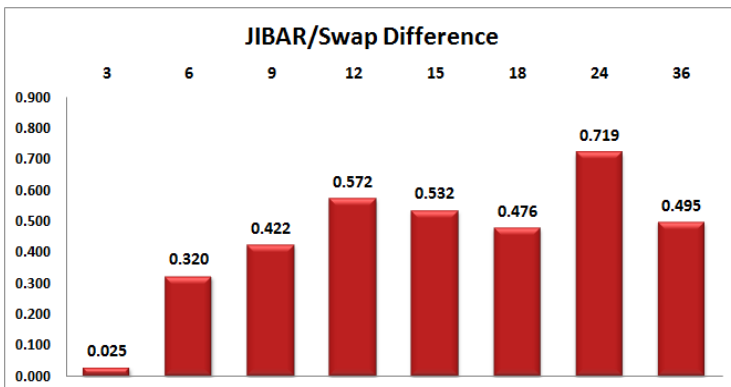
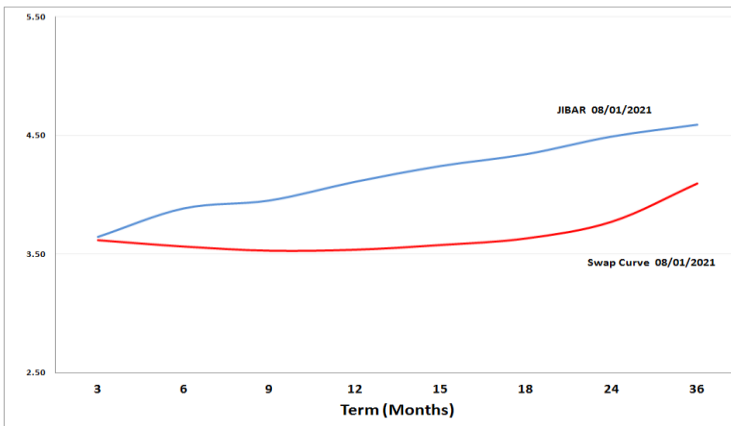


5. MONEY MARKET PERFORMANCE

STeFI (Month on Month) gained 0.302% with the best return 0.40% in the 12-Month area.



6. JIBAR and SWAPS - Curve



7. SARB AND NATIONAL TREASURY OPERATIONS

SARB DEBENTURES			
	Received	Allotted	Av. Rate
7 Days	200	200	3.500%
14 Days	25	25	3.500%
28 Days	374	374	3.500%
56 Days	0	0	0.000%
LONG TERM REVERSE REPO			
14 Days			
	Allotted	Av. Rate	
56 Days			
	Allotted	Av. Rate	
TREASURY BILLS			
	Received	Allotted	Av. Rate
91 Days	R1942m	R1400m	3.89%
182 Days	R4522m	R3070m	4.14%
273 Days	R12857m	R4040m	4.42%

8. THE WEEK AHEAD

Date	Time	Country	Event	Month	Previous	Consensus	Forecast
11-Jan-21	03:30:00	China	Inflation Rate YoY	Dec'20	-0.50%		-0.70%
	03:30:00	China	Inflation Rate MoM	Dec'20	-0.60%	0.40%	-0.30%
	03:30:00	China	PPI YoY	Dec'20	-1.50%	-0.80%	-1.30%
	18:00:00	US	Consumer Inflation Expectations	Dec'20	2.96%		
	18:30:00	US	3-Month Bill Auction		0.09%		
	18:30:00	US	6-Month Bill Auction		0.09%		
	20:00:00	US	3-Year Note Auction		0.21%		
12-Jan-21	01:50:00	JP	Current Account		¥2144.7B		¥1710B
	01:50:00	JP	Bank Lending YoY	Dec'20	6.30%		6.10%
	12:00:00	UK	BoE Broadbent Speech				
	13:00:00	SA	Manufacturing Production YoY	Nov'20	-3.40%		
	13:00:00	SA	Manufacturing Production MoM	Nov'20	2.60%		1.80%
	13:00:00	US	NFIB Business Optimism Index	Dec'20	101.4		100.5
	15:55:00	US	Redbook YoY 09/JAN		5.50%		
	15:55:00	US	Redbook MoM 09/JAN		0.50%		
	17:00:00	US	IBD/TIPP Economic Optimism JAN		49		54.5
	17:00:00	US	JOLTs Job Openings	Nov'20	6.652M		6.3M
	18:30:00	US	119-Day Bill Auction		0.09%		
	18:30:00	US	42-Day Bill Auction		0.09%		
	20:00:00	US	10-Year Note Auction		0.95%		
	23:30:00	US	API Crude Oil Stock Change 08/JAN		-1.663M		
13-Jan-21	08:00:00	JP	Machine Tool Orders YoY	Dec'20	8.00%		12.50%
	12:00:00	EU	Industrial Production YoY	Nov'20	-3.80%	-3.40%	-3.20%
	12:00:00	EU	Industrial Production MoM	Nov'20	2.10%	0.40%	0.60%
	12:40:00	Germany	5-Year Bobl Auction		-0.72%		
	13:00:00	SA	Retail Sales YoY	Nov'20	-1.80%		-0.70%
	13:00:00	SA	Retail Sales MoM	Nov'20	0.792M		2.00%
	14:00:00	US	MBA Mortgage Applications 08/JAN		1.70%		
	14:00:00	US	MBA 30-Year Mortgage Rate 08/JAN		2.86%		
	15:30:00	US	Inflation Rate YoY	Dec'20	1.20%	1.30%	1.20%
	15:30:00	US	Inflation Rate MoM	Dec'20	0.20%	0.40%	0.30%
	17:30:00	US	EIA Distillate Stocks Change 08/JAN		6.39M		
	17:30:00	US	EIA Cushing Crude Oil Stocks Change 08/JAN		0.792M		
	17:30:00	US	EIA Crude Oil Stocks Change 08/JAN		-8.01M		
	17:30:00	US	EIA Gasoline Stocks Change 08/JAN		4.519M		
	17:30:00	US	EIA Heating Oil Stocks Change 08/JAN		0.107M		
	17:30:00	US	EIA Retinery Crude Runs Change 08/JAN		0.089M		
	17:30:00	US	EIA Gasoline Production Change 08/JAN		-1.181M		
	17:30:00	US	EIA Crude Oil Imports Change 08/JAN		0.036M		
	17:30:00	US	EIA Distillate Fuel Production Change 08/JAN		0.146M		
	18:30:00	US	105-Day Bill Auction		0.09%		
	18:30:00	US	154-Day Bill Auction		0.09%		
	20:00:00	US	30-Year Bond Auction		1.67%		
	21:00:00	US	Monthly Budget Statement	Dec'20	\$-145B		
	21:00:00	US	Fed Beige Book				
14-Jan-21	01:50:00	JP	Machinery Orders MoM	Nov'20	17.10%	-6.20%	4.20%
	01:50:00	JP	Machinery Orders YoY	Nov'20	2.80%	-15.40%	3.80%
	01:50:00	JP	PPI MoM	Dec'20	0.00%		0.30%
	01:50:00	JP	PPI YoY	Dec'20	-2.20%	-2.20%	-2.10%
	05:00:00	China	Balance of Trade	Dec'20	\$75.40B	\$71B	\$65B
	05:00:00	China	Exports YoY	Dec'20	21.10%		
	05:00:00	China	Imports YoY	Dec'20	4.50%		
	11:00:00	Germany	Government Budget 2020		1.50%		-7.00%
	11:00:00	Germany	Full Year GDP Growth 2020		0.60%	-5.30%	-5.80%
	15:30:00	US	Jobless Claims 4-week Average JAN/09		818.75K		793.25K
	15:30:00	US	Initial Jobless Claims 09/JAN		787K		790K
	15:30:00	US	Export Prices YoY	Dec'20	-1.10%		-1.30%
	15:30:00	US	Import Prices YoY	Dec'20	-1.00%		-0.80%
	15:30:00	US	Continuing Jobless Claims 02/JAN		5072K		4850K
	17:30:00	US	EIA Natural Gas Stocks Change 08/JAN				
	18:30:00	US	8-Week Bill Auction				
	18:30:00	US	4-Week Bill Auction				
15-Jan-21	01:50:00	JP	Foreign Bond Investment 09/JAN		¥-291.6B		
	01:50:00	JP	Stock Investment by Foreigners 09/JAN		¥-85.5B		
	03:30:00	China	House Price Index YoY	Dec'20	4.00%		3.80%
	06:30:00	JP	Tertiary Industry Index MoM	Nov'20	1.00%		0.50%
	09:00:00	UK	Balance of Trade	Nov'20	£-1.7B		£-1.2B
	09:00:00	UK	GDP 3-Month Avg	Nov'20	10.20%		1.50%
	09:00:00	UK	Industrial Production YoY	Nov'20	-5.50%		-4.70%
	09:00:00	UK	Industrial Production MoM	Nov'20	1.30%		0.10%
	09:00:00	UK	Manufacturing Production YoY	Nov'20	-7.10%		-6.00%
	09:00:00	UK	Construction Output YoY	Nov'20	-7.50%		-20.00%
	09:00:00	UK	Manufacturing Production MoM	Nov'20	1.70%		0.20%
	09:00:00	UK	Exports MoM	Nov'20	0.40%		-9.60%
	09:00:00	UK	Goods Trade Balance	Nov'20	£-1.2B		£-10.2B
	09:00:00	UK	GDP YoY	Nov'20	-8.20%		-16.00%
	12:00:00	EU	Balance of Trade	Nov'20	€30B		€25B
	15:30:00	US	Retail Sales MoM	Dec'20	-1.10%	0.00%	0.20%
	15:30:00	US	Retail Sales Ex Autos MoM	Dec'20	-0.90%	0.00%	0.10%
	15:30:00	US	PPI MoM	Dec'20	0.10%	0.20%	0.20%
	15:30:00	US	NY Empire State Manufacturing Index JAN		4.9	5.85	15
	15:30:00	US	Retail Sales YoY	Dec'20	4.10%		4.80%
	15:30:00	US	PPI YoY	Dec'20	0.80%		0.60%
	16:00:00	UK	NIESR Monthly GDP Tracker	Dec'20	1.50%		-2.00%
	16:15:00	US	Industrial Production YoY	Dec'20	-5.50%		-4.60%
	16:15:00	US	Industrial Production MoM	Dec'20	0.40%	0.30%	0.20%
	16:15:00	US	Capacity Utilization	Dec'20	73.30%	73.50%	73.20%
	16:15:00	US	Manufacturing Production YoY	Dec'20	-3.70%		-3.40%
	16:15:00	US	Manufacturing Production MoM	Dec'20	0.80%		0.30%

Major Central Banks Rate Decisions			
Central Bank	Next Meeting	Last Change	Current Interest Rate
European Central Bank	21-Jan-21	10-Mar-16	0.00%
Bank of Japan	27-Jan-21	29-Jan-16	-0.10%
Bank of England	04-Feb-21	19-Mar-20	0.10%
Federal Reserve	21-Jan-21	15-Mar-20	0.25%
SARB	21-Jan-21	21-May-20	3.50%