



## SA MONEY MARKET REPORT

08 June 2018

### THE PREVIOUS WEEK IN REVIEW

#### 1. MONEY MARKET INTEREST RATES

SPOT RATES	25-May	01-Jun	08-Jun	Change
Repo Rate	6.50%	6.50%	6.50%	0.00%
Treasury Bill 91 days(D)	7.03%	7.02%	7.03%	0.01%
Treasury Bill 91 days(Y)	7.15%	7.15%	7.15%	0.00%
Treasury Bill 182days(D)	7.11%	7.10%	7.13%	0.03%
Treasury Bill 182days(Y)	7.37%	7.36%	7.40%	0.04%
Treasury Bill 273days(D)	7.08%	7.13%	7.18%	0.05%
Treasury Bill 273days(Y)	7.47%	7.53%	7.59%	0.06%
Treasury Bill 364days(Y)	7.48%	7.54%	7.72%	0.18%
3 Month NCD	6.83%	6.85%	6.85%	0.00%
6 Month NCD	7.35%	7.35%	7.40%	0.05%
9 Month NCD	7.53%	7.58%	7.63%	0.05%
12 Month NCD	7.83%	7.88%	8.00%	0.13%
18 Month NCD (YTM)	7.76%	7.86%	7.98%	0.13%
24 Month NCD (YTM)	7.83%	7.96%	8.11%	0.15%
36 Month NCD (YTM)	8.08%	8.24%	8.41%	0.17%
R204 (YTM)	6.88%	6.99%	7.15%	0.162%

MONEY MARKET RATES (NACQ)	25-May	01-Jun	08-Jun	Change
3 Month NCD	6.98%	6.98%	6.98%	0.00%
6 Month NCD	7.16%	7.16%	7.20%	0.05%
9 Month NCD	7.32%	7.37%	7.42%	0.05%
12 Month NCD	7.61%	7.65%	7.77%	0.12%
18 Month NCD	7.54%	7.63%	7.75%	0.12%
24 Month NCD	7.61%	7.73%	7.87%	0.14%
36 Month NCD	7.85%	8.00%	8.16%	0.16%
R 204	6.88%	6.99%	7.15%	0.162%

MONEY MARKET LIQUIDITY	25-May	01-Jun	08-Jun	Change
Shortage (Rm)	56000	56000	56000	0
Notes (Rm)	133192	142987	137941	-5046
Reverse Repo (Rm)	0	0	0	0
Debentures (Rm)	260	35	277	242
Liquidity Requirements (Rm)	55154	54580	57045	2465

#### 2. JIBAR RATES (Nominal Terms)

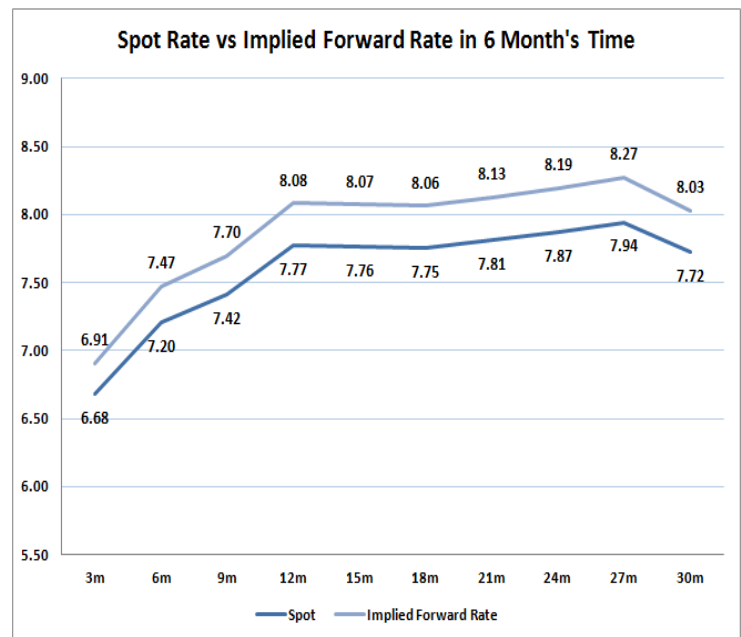
JIBAR (Nominal Terms)	25-May	01-Jun	08-Jun	Change
1 Month	6.68%	6.68%	6.68%	0.00%
3 Month	6.90%	6.91%	6.91%	0.00%
6 Month	7.42%	7.43%	7.41%	-0.02%
9 Month	7.58%	7.63%	7.60%	-0.03%
12 Month	7.88%	7.90%	7.91%	0.01%

#### 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.

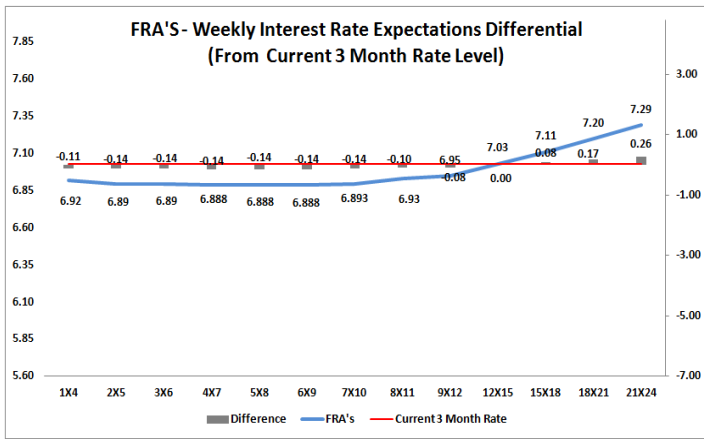
The rates represented in the line graphs below are in NACQ terms.

According to the break-even (forward/forward) calculation, the 12 and 18-month interest rates will be 8.08% and 8.06% respectively in six months time.



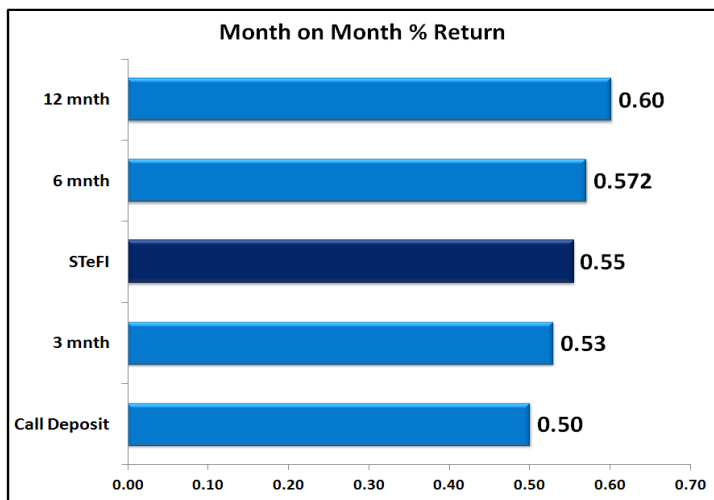
#### 4. FRA RATES (NACQ)

FRA's	25-May	01-Jun	08-Jun	Change
1x4	6.89%	6.92%	6.92%	0.00%
3x6	6.88%	6.92%	6.89%	-0.02%
6x9	6.88%	6.96%	6.89%	-0.07%
9x12	6.90%	7.01%	6.95%	-0.06%
12x15	6.94%	7.10%	7.03%	-0.07%
15x18	7.02%	7.17%	7.11%	-0.06%
18x21	7.09%	7.26%	7.20%	-0.06%
21x24	7.16%	7.34%	7.29%	-0.05%
24x27	7.23%	7.43%	7.38%	-0.05%
27x30	7.30%	7.51%	7.47%	-0.04%

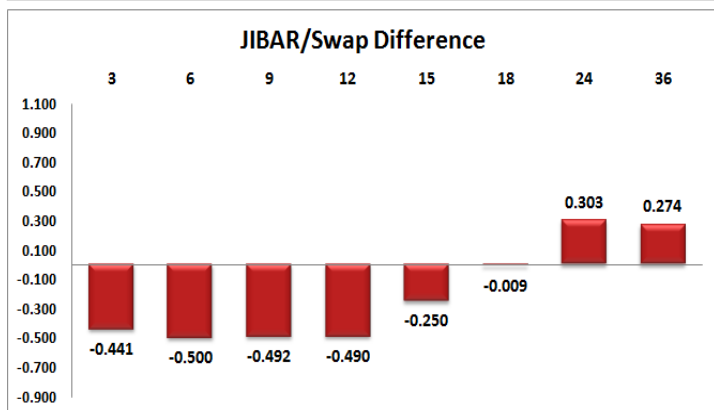
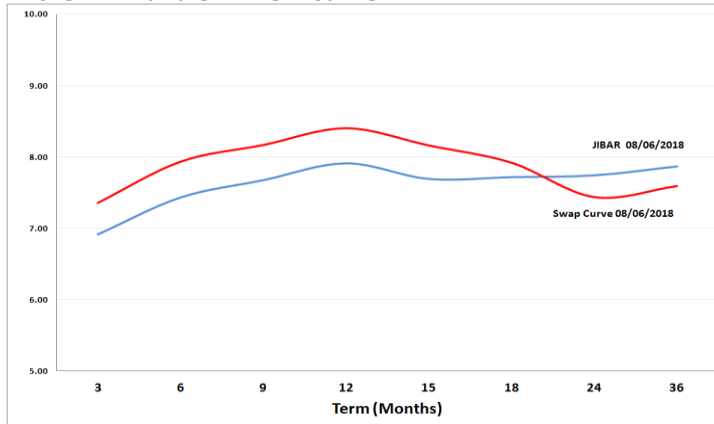


## 5. MONEY MARKET PERFORMANCE

STeFI (Month on Month) gained 0.55% with the best return 0.60% in the 12-Month area.



## 6. JIBAR and SWAPS - Curve



## 7. SARB AND NATIONAL TREASURY OPERATIONS

SARB DEBENTURES			
	Received	Allotted	Av. Rate
7 Days	277	277	6.490%
14 Days	0	0	0.000%
28 Days	0	0	0.000%
56 Days	0	0	0.000%

LONG TERM REVERSE REPO			
14Days			
	Allotted	Av. Rate	
56 Days			
	Allotted	Av. Rate	

TREASURY BILLS			
	Received	Allotted	Av. Rate
91 Days	R3880m	R1800m	7.15%
182 Days	R5075m	R2200m	7.40%
273 Days	R2998m	R2098m	7.59%

## 8. THE WEEK AHEAD

Date	Time	Country	Event	Month	Previous	Forecast
11-Jun-18	04:00:00	China	M2 Money Supply (YoY)	May'18	8.30%	8.50%
	04:00:00	China	New Loans	May'18	1180B	1200B
	08:00:00	Japan	Machine Tool Orders (YoY)	May'18	22%	
	10:30:00	UK	Manufacturing Production (MoM)		-0.10%	
	10:30:00	UK	Industrial Production (MoM)		0.10%	
	10:30:00	UK	Industrial Production (YoY)		2.90%	
	10:30:00	UK	Manufacturing Production (YoY)		2.90%	
	10:30:00	UK	Total Trade Balance	Apr'18	-3.091B	
	10:30:00	UK	Trade Balance; non-EU	Apr'18	-3.639B	
	17:30:00	US	3-Month Bill Auction		1.91%	
	17:30:00	US	6-Month Bill Auction		2.07%	
	19:00:00	US	3-Year Note Auction		2.66%	
	19:00:00	US	10-Year Note Auction		3.00%	
	01:50:00	Japan	Domestic Corporate Goods Price Index (YoY)		2%	2.20%
	01:50:00	Japan	BSI Large Manufacturing (QoQ)		2.9	
12-Jun-18	03:00:00	US	Trump - Kim meeting			
	10:30:00	UK	ILO Unemployment Rate (3M)	Apr'18	4.20%	
	10:30:00	UK	Claimant Count Change	Apr'18	31.2K	
	10:30:00	UK	Claimant Count Rate	Apr'18	104.8	
	12:00:00	US	NFIB Business Optimism Index		1.61%	
	12:00:00	UK	10-y Bond Auction		1.61%	
	14:30:00	US	Consumer Price Index (YoY)	May'18	2.50%	2.60%
	14:30:00	US	Consumer Price Index (MoM)	May'18	0.20%	0.20%
	14:55:00	US	Redbook index (YoY)		4%	
	14:55:00	US	Redbook index (MoM)		0.10%	
	17:30:00	US	4-Week Bill Auction		1.78%	
	19:00:00	US	30-Year Bond Auction		3.13%	
	20:00:00	US	Monthly Budget Statement		214B	
	22:30:00	US	API Weekly Crude Oil Stock		-2.028M	
13-Jun-18	02:00:00	EU	Eurogroup meeting			
	04:00:00	China	Gross Domestic Product (QoQ)	Q1(Rev)	1.40%	
	10:30:00	UK	Retail Price Index (MoM)		0.50%	
	10:30:00	UK	Retail Price Index (YoY)		3.40%	
	10:30:00	UK	Producer Price Index - Output (YoY) n.s.a		2.70%	
	10:30:00	UK	Producer Price Index - Input (YoY) n.s.a		5.30%	
	10:30:00	UK	Consumer Price Index (MoM)	May'18	0.40%	
	10:30:00	UK	Consumer Price Index (YoY)	May'18	2.40%	
	11:00:00	EU	Industrial Production w.d.a. (YoY)		3%	
	11:00:00	EU	Industrial Production s.a. (MoM)		0.50%	0%
	11:00:00	EU	Employment Change (YoY)	May'18	1.60%	
	12:00:00	Germany	10-y Bond Auction		0.62%	
	13:00:00	US	MBA Mortgage Applications		4.10%	
	13:00:00	SA	Retail Sales (YoY)	Apr'18	4.80%	
	14:30:00	US	Producer Price Index (MoM)		3.10%	0.20%
	14:30:00	US	Producer Price Index (YoY)		2.60%	
	16:30:00	US	EIA Crude Oil Stocks change		2.072M	
	20:00:00	US	FOMC Economic Projections			
	20:00:00	US	Fed's Powell Speech			
	20:00:00	US	Fed's Monetary Policy Statement			
	20:00:00	US	Fed Interest Rate Decision		1.75%	2%
	20:30:00	US	FOMC Press conference			
	21:00:00	US	Bank Stress Test Info			
	01:50:00	Japan	Foreign investment in Japan stocks	May'18	-527.6B	
	01:50:00	Japan	Foreign bond investment	May'18	-1665.8B	
14-Jun-18	02:00:00	EU	EcoFin Meeting			
	04:00:00	China	Retail Sales (YoY)	May'18	9.40%	9.50%
	08:00:00	Germany	Consumer Price Index (YoY)	May'18 (F)	2.20%	
	10:30:00	UK	Retail Sales (YoY)	May'18		
	10:30:00	UK	Retail Sales ex-Fuel (YoY)	May'18		
	11:30:00	SA	Gold Production (YoY)	Apr'18	-18%	
	11:30:00	SA	Mining Production (YoY)	Apr'18	-8.40%	
	13:45:00	EU	ECB Interest Rate Decision		0%	0%
	13:45:00	EU	ECB Deposit Rate Decision		-0.40%	-0.40%
	14:30:00	US	Retail Sales (MoM)	May'18	0.30%	
	14:30:00	US	Retail Sales ex Autos (MoM)	May'18	0.30%	
	14:30:00	US	Continuing Jobless Claims		1,741M	
	14:30:00	US	Initial Jobless Claims		222K	
	14:30:00	US	Export Price Index (YoY)		3.80%	
	14:30:00	US	Import Price Index (YoY)		3.30%	
	14:30:00	EU	ECB Monetary policy statement and press conference			
	16:00:00	US	Business Inventories		0%	0.30%
	16:30:00	US	EIA Natural Gas Storage change		92B	
	01:01:00	UK	RICS Housing Price Balance		-8%	
15-Jun-18	03:30:00	China	House Price Index		4.70%	
	04:00:00	Japan	BoJ Monetary Policy Statement			
	04:00:00	Japan	BoJ Interest Rate Decision		-0.10%	-0.10%
	06:00:00	Japan	BoJ Press Conference			
	08:00:00	Germany	Wholesale Price Index (YoY)		1.40%	
	11:00:00	EU	Trade Balance n.s.a.		26.9B	
	11:00:00	EU	Trade Balance s.a.		21.2B	
	11:00:00	EU	Labour cost		1.50%	
	11:00:00	EU	Consumer Price Index (MoM)	May'18 (F)	0.30%	0.50%
	11:00:00	EU	Consumer Price Index (YoY)	May'18 (F)	1.90%	1.90%
	14:00:00	UK	BoE Quarterly Bulletin			
	14:30:00	US	NY Empire State Manufacturing Index		20.1	
	15:15:00	US	Capacity Utilization		78%	78.10%
	16:00:00	US	Michigan Consumer Sentiment Index		98	98.8
	22:00:00	US	Net Long-Term TIC Flows		61.8B	
	22:00:00	US	Total Net TIC Flows		-38.5B	

Major Central Banks Rate Decisions			
Central Bank	Next Meeting	Last Change	Current Interest Rate
European Central Bank	14-Jun-18	10-Mar-16	0.00%
Bank of Japan	15-Jun-18	29-Jan-16	-0.10%
Bank of England	21-Jun-18	02-Nov-17	0.50%
Federal Reserve	13-Jun-18	21-Mar-18	1.75%
SARB	19-Jul-18	28-Mar-18	6.50%