



## SA MONEY MARKET REPORT

08 May 2020

### THE PREVIOUS WEEK IN REVIEW

#### 1. MONEY MARKET INTEREST RATES

| SPOT RATES               | 24-Apr | 30-Apr | 08-May | Change  |
|--------------------------|--------|--------|--------|---------|
| Repo Rate                | 4.25%  | 4.25%  | 4.25%  | 0.00%   |
| Treasury Bill 91 days(D) | 4.24%  | 4.23%  | 4.09%  | -0.14%  |
| Treasury Bill 91 days(Y) | 4.28%  | 4.27%  | 4.14%  | -0.13%  |
| Treasury Bill 182days(D) | 4.67%  | 4.52%  | 4.39%  | -0.13%  |
| Treasury Bill 182days(Y) | 4.78%  | 4.62%  | 4.49%  | -0.13%  |
| Treasury Bill 273days(D) | 4.70%  | 4.51%  | 4.35%  | -0.16%  |
| Treasury Bill 273days(Y) | 4.87%  | 4.67%  | 4.50%  | -0.17%  |
| Treasury Bill 364days(Y) | 4.89%  | 4.66%  | 4.52%  | -0.14%  |
| 3 Month NCD              | 4.48%  | 4.48%  | 4.45%  | -0.02%  |
| 6 Month NCD              | 4.95%  | 4.83%  | 4.80%  | -0.03%  |
| 9 Month NCD              | 5.08%  | 5.00%  | 4.90%  | -0.10%  |
| 12 Month NCD             | 5.28%  | 5.15%  | 5.05%  | -0.10%  |
| 18 Month NCD (YTM)       | 5.37%  | 5.19%  | 5.17%  | -0.03%  |
| 24 Month NCD (YTM)       | 5.69%  | 5.50%  | 5.45%  | -0.05%  |
| 36 Month NCD (YTM)       | 6.32%  | 6.06%  | 5.96%  | -0.09%  |
| R208 (YTM)               | 4.10%  | 4.04%  | 3.90%  | -0.140% |

| MONEY MARKET RATES (NACQ) | 24-Apr | 30-Apr | 08-May | Change  |
|---------------------------|--------|--------|--------|---------|
| 3 Month NCD               | 4.48%  | 4.48%  | 4.45%  | -0.02%  |
| 6 Month NCD               | 4.86%  | 4.74%  | 4.72%  | -0.02%  |
| 9 Month NCD               | 4.98%  | 4.91%  | 4.81%  | -0.10%  |
| 12 Month NCD              | 5.17%  | 5.05%  | 4.96%  | -0.10%  |
| 18 Month NCD              | 5.27%  | 5.09%  | 5.07%  | -0.02%  |
| 24 Month NCD              | 5.57%  | 5.39%  | 5.34%  | -0.05%  |
| 36 Month NCD              | 6.18%  | 5.92%  | 5.83%  | -0.09%  |
| R 208                     | 4.10%  | 4.04%  | 3.90%  | -0.140% |

| MONEY MARKET LIQUIDITY      | 24-Apr | 30-Apr | 08-May | Change |
|-----------------------------|--------|--------|--------|--------|
| Shortage (Rm)               | 81600  | 64000  | 64000  | 0      |
| Notes (Rm)                  | 141248 | 154010 | 162749 | 8739   |
| Reverse Repo (Rm)           | 0      | 0      | 500    | 500    |
| Debentures (Rm)             | 1000   | 2000   | 4000   | 2000   |
| Liquidity Requirements (Rm) | 59063  | 68095  | 75253  | 7158   |

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

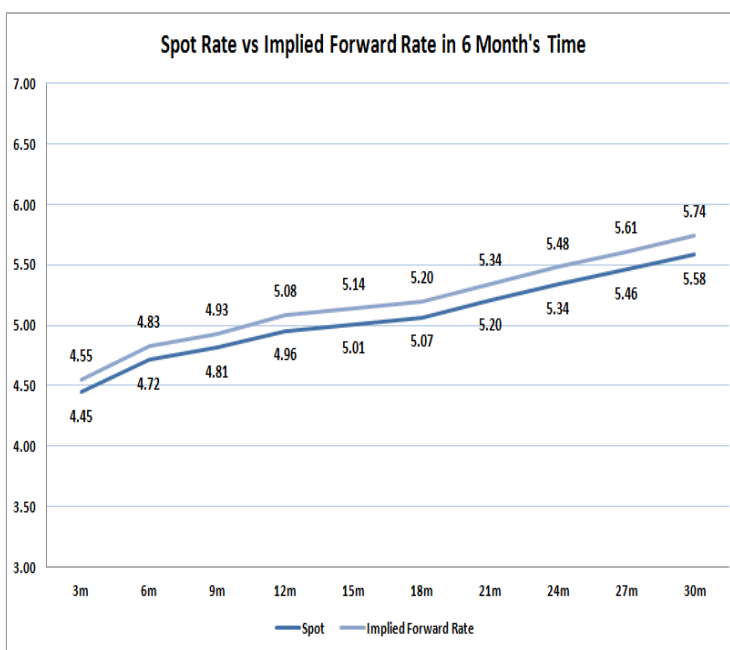
| JIBAR (Nominal Terms) | 24-Apr | 30-Apr | 08-May | Change |
|-----------------------|--------|--------|--------|--------|
| 1 Month               | 4.48%  | 4.48%  | 4.44%  | -0.04% |
| 3 Month               | 4.59%  | 4.59%  | 4.54%  | -0.05% |
| 6 Month               | 5.13%  | 5.03%  | 4.93%  | -0.09% |
| 9 Month               | 5.23%  | 5.13%  | 5.03%  | -0.11% |
| 12 Month              | 5.37%  | 5.28%  | 5.18%  | -0.10% |

#### 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.

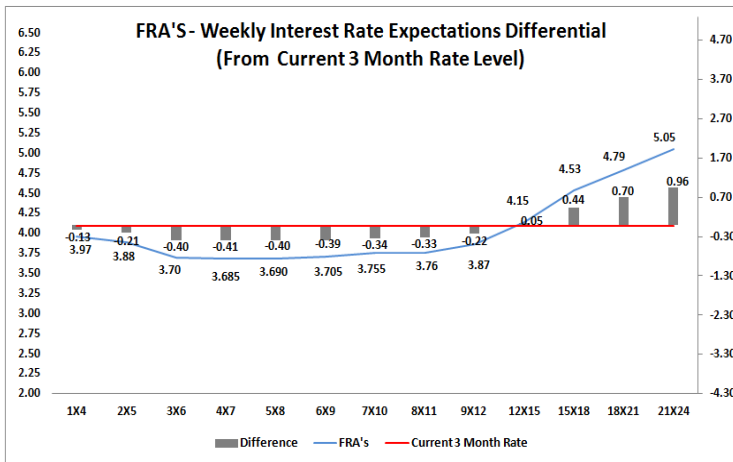
The rates represented in the line graphs below are in NACQ terms.

According to the break-even (forward/forward) calculation, the 12 and 18-month interest rates will be 5.08% and 5.20% respectively in six months time.



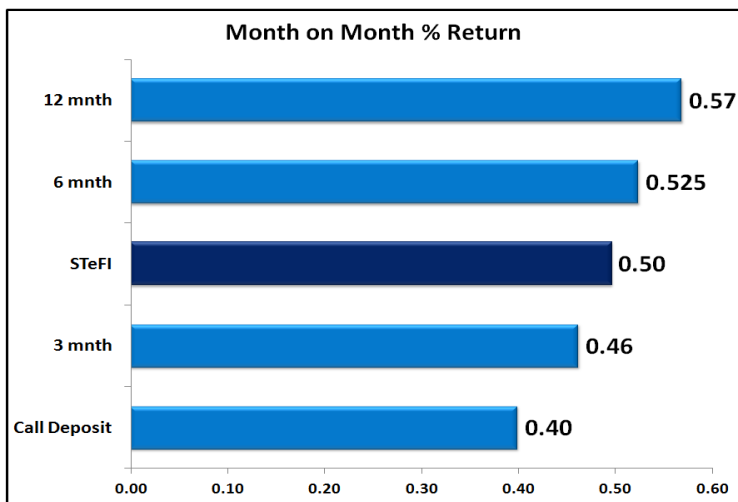
#### 4. FRA RATES (NACQ)

| FRA's | 24-Apr | 30-Apr | 08-May | Change |
|-------|--------|--------|--------|--------|
| 1x4   | 4.02%  | 3.92%  | 3.97%  | 0.04%  |
| 3x6   | 3.92%  | 3.75%  | 3.70%  | -0.05% |
| 6x9   | 3.91%  | 3.75%  | 3.71%  | -0.04% |
| 9x12  | 4.16%  | 3.98%  | 3.87%  | -0.11% |
| 12x15 | 4.50%  | 4.34%  | 4.15%  | -0.20% |
| 15x18 | 4.91%  | 4.75%  | 4.53%  | -0.22% |
| 18x21 | 5.27%  | 5.06%  | 4.79%  | -0.27% |
| 21x24 | 5.62%  | 5.37%  | 5.05%  | -0.32% |
| 24x27 | 5.98%  | 5.68%  | 5.31%  | -0.37% |
| 27x30 | 6.33%  | 5.99%  | 5.57%  | -0.42% |

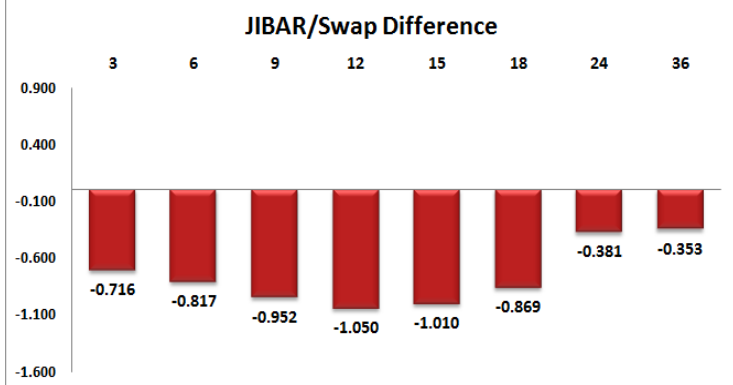
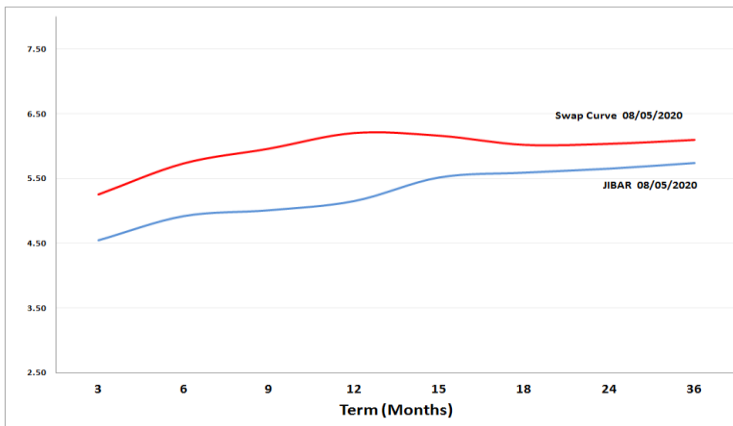


## 5. MONEY MARKET PERFORMANCE

STeFI (Month on Month) gained 0.50% with the best return 0.57% in the 12-Month area.



## 6. JIBAR and SWAPS - Curve



## 7. SARB AND NATIONAL TREASURY OPERATIONS

| SARB DEBENTURES |          |          |          |
|-----------------|----------|----------|----------|
|                 | Received | Allotted | Av. Rate |
| 7 Days          | 2060     | 765      | 4.230%   |
| 14 Days         | 500      | 176      | 4.250%   |
| 28 Days         | 1000     | 353      | 4.250%   |
| 56 Days         | 2000     | 706      | 4.250%   |

| LONG TERM REVERSE REPO |          |          |  |
|------------------------|----------|----------|--|
| 14Days                 |          |          |  |
|                        | Allotted | Av. Rate |  |
|                        |          |          |  |

| 56 Days |          |          |  |
|---------|----------|----------|--|
|         | Allotted | Av. Rate |  |
|         |          |          |  |

| TREASURY BILLS |          |          |          |
|----------------|----------|----------|----------|
|                | Received | Allotted | Av. Rate |
| 91 Days        | R876m    | R715m    | 4.14%    |
| 182 Days       | R7346m   | R3244m   | 4.49%    |
| 273 Days       | R9499m   | R4076m   | 4.50%    |

## 8. THE WEEK AHEAD

| Date      | Time     | Country | Event                                 | Month  | Previous  | Consensus | Forecast |
|-----------|----------|---------|---------------------------------------|--------|-----------|-----------|----------|
| 11-May-20 | 01:50:00 | Japan   | BoJ Sumy of Opinions                  |        |           |           |          |
|           | 17:00:00 | US      | Consumer Inflation Expectations       | Apr'20 | 2.54%     |           | 2.50%    |
|           | 17:30:00 | US      | 6-Month Bill Auction                  |        | 0.13%     |           |          |
|           | 17:30:00 | US      | 3-Month Bill Auction                  |        | 0.11%     |           |          |
|           | 19:00:00 | US      | 3-Year Note Auction                   |        | 0.35%     |           |          |
| 12-May-20 | 01:50:00 | Japan   | Foreign Exchange Reserves             | Apr'20 | \$1366.2B |           |          |
|           | 03:30:00 | China   | Inflation Rate YoY                    | Apr'20 | 4.30%     |           | 3.70%    |
|           | 03:30:00 | China   | Inflation Rate MoM                    | Apr'20 | -1.20%    |           | -0.70%   |
|           | 03:30:00 | China   | PPI YoY                               | Apr'20 | -1.50%    |           | -2.30%   |
|           | 05:45:00 | Japan   | 10-Year JUK Auction                   |        | 0.02%     |           |          |
|           | 07:00:00 | Japan   | Coincident Index Prel                 | Mar'20 | 95.5      |           | 86.5     |
|           | 07:00:00 | Japan   | Leading Economic Index Prel           | Mar'20 | 91.7      |           | 83.6     |
|           | 11:30:00 | SA      | Unemployment Rate                     | Q1     | 29.10%    |           | 35.00%   |
|           | 13:00:00 | SA      | Manufacturing Production MoM          | Feb'20 | 2.50%     |           | -1.50%   |
|           | 13:00:00 | SA      | Manufacturing Production YoY          | Feb'20 | -2.00%    |           | -1.80%   |
|           | 14:30:00 | US      | Inflation Rate YoY                    | Apr'20 | 1.50%     | 0.80%     | 0.70%    |
|           | 14:30:00 | US      | Inflation Rate MoM                    | Apr'20 | -0.40%    |           |          |
|           | 14:55:00 | US      | Redbook MoM 09/MAY                    |        | -12.60%   |           |          |
|           | 14:55:00 | US      | Redbook YoY 09/MAY                    |        | -9.30%    |           |          |
|           | 18:00:00 | US      | WASDE Report                          |        |           |           |          |
|           | 19:00:00 | US      | 10-Year Note Auction                  |        | 0.78%     |           |          |
|           | 20:00:00 | US      | Monthly Budget Statement              | Apr'20 | \$-119B   |           | \$150B   |
|           | 22:30:00 | US      | API Crude Oil Stock Change 08/MAY     |        | 8.4M      |           |          |
| 13-May-20 | 01:50:00 | Japan   | Current Account                       | Mar'20 | ¥3168.8B  |           | ¥2080B   |
|           | 01:50:00 | Japan   | Bank Lending YoY                      | Apr'20 | 2.00%     |           | 1.70%    |
|           | 08:00:00 | UK      | Balance of Trade                      | Mar'20 | £-2.8B    |           | £-1.7B   |
|           | 08:00:00 | UK      | GDP Growth Rate YoY Prel              | Q1     | 1.10%     | -1.60%    | -2.00%   |
|           | 08:00:00 | UK      | GDP Growth Rate QoQ Prel              | Q1     | 0.00%     | -2.00%    | -2.40%   |
|           | 08:00:00 | UK      | Business Investment YoY Prel          | Q1     | 1.80%     |           | -2.60%   |
|           | 08:00:00 | UK      | GDP 3-Month Avg                       | Mar'20 | 0.10%     | -2.90%    | -2.40%   |
|           | 08:00:00 | UK      | Industrial Production YoY             | Mar'20 | -2.80%    | -9.20%    | -9.90%   |
|           | 08:00:00 | UK      | Manufacturing Production YoY          | Mar'20 | -3.90%    | -10.20%   | -10.90%  |
|           | 08:00:00 | UK      | Construction Output YoY               | Mar'20 | -2.70%    |           | -4.20%   |
|           | 08:00:00 | UK      | Manufacturing Production MoM          | Mar'20 | 0.50%     | -5.60%    | -7.20%   |
|           | 08:00:00 | UK      | Construction Orders YoY               | Q1     | -0.40%    |           | -8.60%   |
|           | 08:00:00 | UK      | Goods Trade Balance                   | Mar'20 | £-11.487B |           | £-9.8B   |
|           | 11:00:00 | EU      | Industrial Production YoY             | Mar'20 | -1.90%    | -11.80%   | -13.60%  |
|           | 11:40:00 | Germany | 30-Year Bund Auction                  |        | -0.09%    |           |          |
|           | 13:00:00 | SA      | Retail Sales YoY                      | Feb'20 | 1.20%     |           | 1.00%    |
|           | 13:00:00 | SA      | Retail Sales MoM                      | Mar'20 |           |           | -2.00%   |
|           | 14:30:00 | US      | PPI MoM                               | Apr'20 | -0.20%    | -0.40%    | -0.60%   |
|           | 14:30:00 | US      | PPI YoY                               | Apr'20 | 0.70%     | 0.10%     | -0.10%   |
|           | 19:00:00 | US      | 30-Year Bond Auction                  |        | 1.33%     |           |          |
| 14-May-20 | 01:50:00 | Japan   | Foreign Bond Investment 02/MAY        |        | ¥-149.2B  |           |          |
|           | 01:50:00 | Japan   | Foreign Bond Investment 09/MAY        |        |           |           |          |
|           | 01:50:00 | Japan   | Stock Investment by Foreigners 09/MAY |        |           |           |          |
|           | 05:45:00 | Japan   | 30-Year JUK Auction                   |        | 0.43%     |           |          |
|           | 08:00:00 | Germany | Inflation Rate YoY Final              | Apr'20 | 1.40%     | 0.80%     | 0.80%    |
|           | 08:00:00 | Japan   | Machine Tool Orders YoY               | Apr'20 | -40.80%   |           | -48.00%  |
|           | 11:30:00 | SA      | Gold Production YoY                   | Feb'20 | 4.90%     |           | 12.00%   |
|           | 11:30:00 | SA      | Mining Production YoY                 | Feb'20 | 7.50%     |           | 3.00%    |
|           | 11:45:00 | UK      | 10-Year Treasury Gilt Auction         |        | 0.26%     |           |          |
|           | 14:30:00 | US      | Jobless Claims 4-Week Average 09/MAY  |        | 4173.5K   |           | 3477K    |
|           | 14:30:00 | US      | Export Prices YoY                     | Apr'20 | -3.60%    |           | -6.20%   |
|           | 14:30:00 | US      | Import Prices YoY                     | Apr'20 | -4.10%    |           | -6.90%   |
|           | 14:30:00 | US      | Initial Jobless Claims 09/MAY         |        | 3169K     |           | 2450K    |
|           | 14:30:00 | US      | Continuing Jobless Claims 02/MAY      |        | 22647K    |           | 25650K   |
|           | 16:30:00 | US      | EIA Natural Gas Stocks Change 08/MAY  |        | 109Bcf    |           |          |
|           | 17:30:00 | US      | 4-Week Bill Auction                   |        | 0.10%     |           |          |
|           | 17:30:00 | US      | 8-Week Bill Auction                   |        | 0.11%     |           |          |
| 15-May-20 | 01:50:00 | Japan   | PPI MoM                               | Apr'20 | -0.90%    |           | -0.60%   |
|           | 01:50:00 | Japan   | PPI YoY                               | Apr'20 | -0.40%    |           | -1.40%   |
|           | 04:00:00 | China   | NBS Press Conference                  |        |           |           |          |
|           | 04:00:00 | China   | Fixed Asset Investment (YTD) YoY      | Apr'20 | -16.10%   |           | -12.60%  |
|           | 04:00:00 | China   | Industrial Production YoY             | Apr'20 | -1.10%    |           | -4.20%   |
|           | 04:00:00 | China   | Retail Sales YoY                      | Apr'20 | -15.80%   |           | -12.30%  |
|           | 04:00:00 | China   | Unemployment Rate                     | Apr'20 | 5.90%     |           | 6.30%    |
|           | 08:00:00 | Germany | GDP Growth Rate QoQ Flash             | Q1     | 0.00%     | -2.00%    | -2.40%   |
|           | 08:00:00 | Germany | GDP Growth Rate YoY Flash             | Q1     | 0.40%     | -2.00%    | -2.60%   |
|           | 11:00:00 | EU      | GDP Growth Rate QoQ 2nd Est           | Q1     | 0.10%     | -3.80%    | -3.80%   |
|           | 11:00:00 | EU      | GDP Growth Rate YoY 2nd Est           | Q1     | 1.00%     | -3.30%    | -3.30%   |
|           | 11:00:00 | EU      | Balance of Trade                      | Mar'20 | €23B      |           | €22.9B   |
|           | 14:30:00 | US      | Retail Sales YoY                      | Apr'20 | -5.80%    |           | -14.30%  |
|           | 15:15:00 | US      | Industrial Production YoY             | Apr'20 | -5.50%    |           | -16.40%  |
|           | 15:15:00 | US      | Manufacturing Production YoY          | Apr'20 | -6.60%    |           | -17.20%  |
|           | 15:15:00 | US      | Capacity Utilization                  | Apr'20 | 72.70%    | 65.10%    | 65.00%   |

| Major Central Banks Rate Decisions |              |             |                       |
|------------------------------------|--------------|-------------|-----------------------|
| Central Bank                       | Next Meeting | Last Change | Current Interest Rate |
| European Central Bank              | 20-May-20    | 10-Mar-16   | 0.00%                 |
| Bank of Japan                      | 16-Jun-20    | 29-Jan-16   | -0.10%                |
| Bank of England                    | 18-Jun-20    | 19-Mar-20   | 0.10%                 |
| Federal Reserve                    | 10-Jun-20    | 15-Mar-20   | 0.25%                 |
| SARB                               | 21-May-20    | 14-Apr-20   | 4.25%                 |