



## SA MONEY MARKET REPORT

09 October 2020

### THE PREVIOUS WEEK IN REVIEW

#### 1. MONEY MARKET INTEREST RATES

SPOT RATES	25-Sep	02-Oct	09-Oct	Change
Repo Rate	3.50%	3.50%	3.50%	0.00%
Treasury Bill 91 days(D)	3.47%	3.48%	3.48%	0.00%
Treasury Bill 91 days(Y)	3.50%	3.51%	3.51%	0.00%
Treasury Bill 182days(D)	3.67%	3.63%	3.61%	-0.02%
Treasury Bill 182days(Y)	3.74%	3.69%	3.68%	-0.01%
Treasury Bill 273days(D)	3.75%	3.60%	3.68%	0.08%
Treasury Bill 273days(Y)	3.86%	3.77%	3.79%	0.02%
Treasury Bill 364days(Y)	3.82%	3.83%	3.84%	0.01%
3 Month NCD	3.30%	3.30%	3.30%	0.00%
6 Month NCD	3.38%	3.35%	3.35%	0.00%
9 Month NCD	3.45%	3.43%	3.43%	0.00%
12 Month NCD	3.60%	3.53%	3.53%	0.00%
18 Month NCD (YTM)	3.74%	3.67%	3.64%	-0.03%
24 Month NCD (YTM)	4.04%	3.96%	3.93%	-0.03%
36 Month NCD (YTM)	4.56%	4.51%	4.46%	-0.05%
R208 (YTM)	3.57%	3.55%	3.55%	0.000%

MONEY MARKET RATES (NACQ)	25-Sep	02-Oct	09-Oct	Change
3 Month NCD	3.30%	3.30%	3.30%	0.00%
6 Month NCD	3.33%	3.31%	3.31%	0.00%
9 Month NCD	3.41%	3.38%	3.38%	0.00%
12 Month NCD	3.55%	3.48%	3.48%	0.00%
18 Month NCD	3.69%	3.62%	3.59%	-0.02%
24 Month NCD	3.98%	3.90%	3.87%	-0.03%
36 Month NCD	4.48%	4.44%	4.39%	-0.05%
R 208	3.57%	3.55%	3.55%	0.000%

MONEY MARKET LIQUIDITY	25-Sep	02-Oct	09-Oct	Change
Shortage (Rm)	25250	41750	32650	-9100
Notes (Rm)	169165	170809	174136	3327
Reverse Repo (Rm)	500	0	0	0
Debentures (Rm)	7656	4426	6714	2288
Liquidity Requirements (Rm)	21870	27618	36317	8699

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

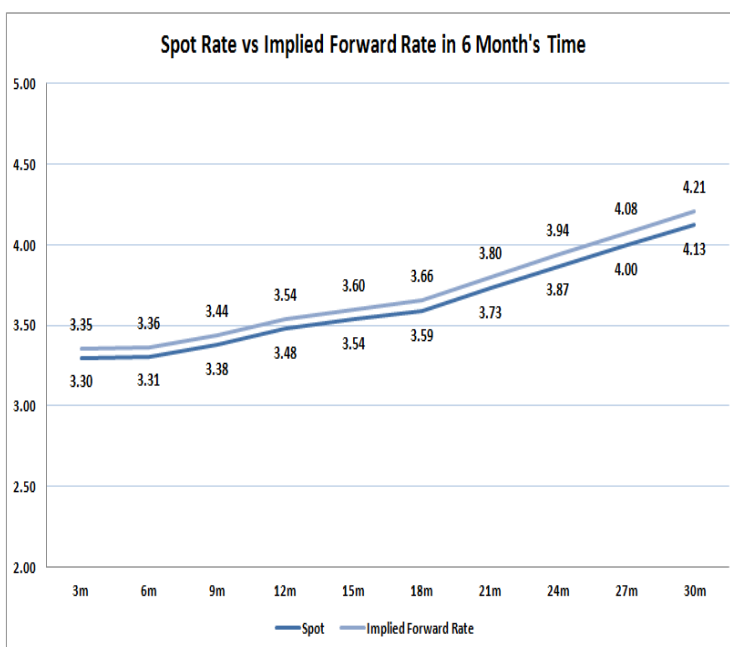
JIBAR (Nominal Terms)	25-Sep	02-Oct	09-Oct	Change
1 Month	3.34%	3.34%	3.34%	0.00%
3 Month	3.36%	3.36%	3.36%	0.00%
6 Month	3.43%	3.41%	3.41%	0.00%
9 Month	3.51%	3.48%	3.48%	0.00%
12 Month	3.63%	3.58%	3.58%	0.00%

#### 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.

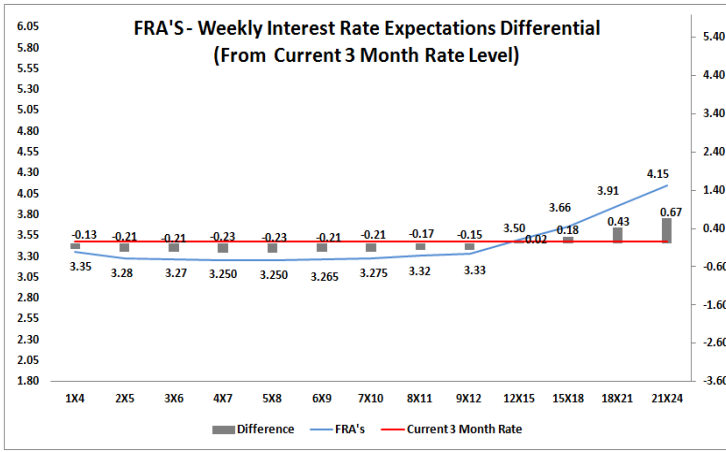
The rates represented in the line graphs below are in NACQ terms.

According to the break-even (forward/forward) calculation, the 12 and 18-month interest rates will be 3.54% and 3.66% respectively in six months time.



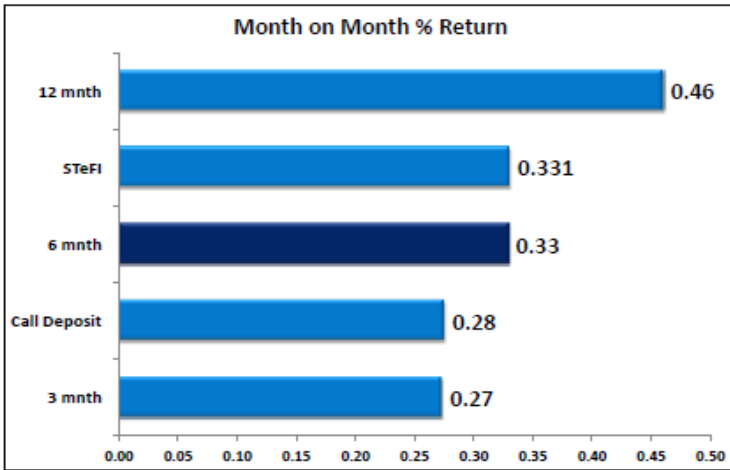
#### 4. FRA RATES (NACQ)

FRA's	25-Sep	02-Oct	09-Oct	Change
1x4	3.38%	3.34%	3.35%	0.01%
3x6	3.32%	3.26%	3.27%	0.01%
6x9	3.39%	3.29%	3.27%	-0.03%
9x12	3.50%	3.36%	3.33%	-0.03%
12x15	3.68%	3.53%	3.50%	-0.02%
15x18	3.79%	3.66%	3.66%	0.00%
18x21	3.97%	3.89%	3.91%	0.01%
21x24	4.15%	4.12%	4.15%	0.03%
24x27	4.33%	4.35%	4.40%	0.05%
27x30	4.51%	4.58%	4.65%	0.06%

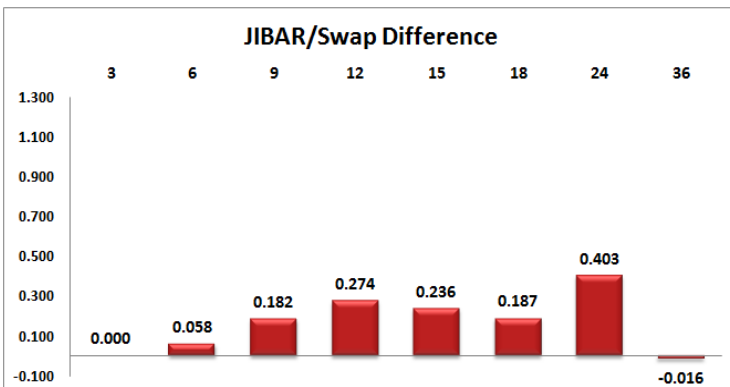
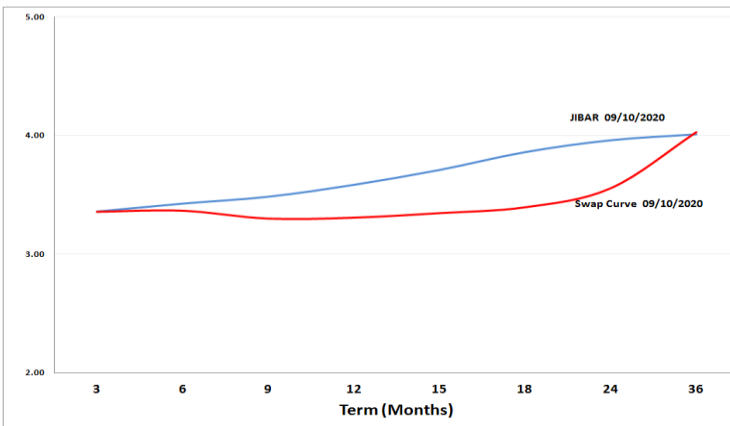


## 5. MONEY MARKET PERFORMANCE

STeFI (Month on Month) gained 0.33% with the best return 0.46% in the 12-Month area.



## 6. JIBAR and SWAPS - Curve



## 7. SARB AND NATIONAL TREASURY OPERATIONS

SARB DEBENTURES			
	Received	Allotted	Av. Rate
7 Days	1990	1990	3.400%
14 Days	1400	1400	3.480%
28 Days	455	455	3.480%
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	R2034m	R1400m	3.51%
182 Days	R4590m	R3070m	3.68%
273 Days	R3718m	R3268m	3.79%

## 8. THE WEEK AHEAD

Date	Time	Country	Event	Month	Previous	Consensus	Forecast
12-Oct-20	01:50:00	Japan	Machinery Orders YoY	Aug'20	-16.20%	-15.60%	-10.00%
	01:50:00	Japan	Machinery Orders MoM	Aug'20	6.30%	-0.90%	2.50%
	01:50:00	Japan	PPI MoM	Sep'20	0.20%		0.10%
	01:50:00	Japan	PPI YoY	Sep'20	-0.50%	-0.50%	-0.30%
	01:50:00	Japan	Bank Lending YoY	Sep'20	6.70%		6.50%
	13:00:00	SA	Manufacturing Production YoY	Aug'20	-10.60%		-7.50%
	13:00:00	SA	Manufacturing Production MoM	Aug'20	7.60%		5.80%
	17:30:00	US	3-Month Bill Auction		0.10%		
	17:30:00	US	6-Month Bill Auction		0.11%		
13-Oct-20	01:00:00	Japan	Reuters Tankan Index OCT		29		-24
	05:00:00	China	Balance of Trade	Sep'20	\$58.93B	\$59.95B	\$ 65B
	08:00:00	Germany	Inflation Rate YoY Final	Sep'20	0.00%	-0.20%	-0.20%
	08:00:00	Germany	Inflation Rate MoM Final	Sep'20	-0.10%	-0.20%	-0.20%
	08:00:00	Germany	Harmonised Inflation Rate YoY Final	Sep'20	-0.10%	-0.40%	-0.40%
	08:00:00	Germany	Harmonised Inflation Rate MoM Final	Sep'20	-0.20%	-0.40%	-0.40%
	08:00:00	UK	Claimant Count Change	Sep'20	73.7K		72K
	08:00:00	UK	Average Earnings excl. Bonus	Aug'20	0.20%	0.60%	0.00%
	08:00:00	UK	Average Earnings incl. Bonus	Aug'20	-1.00%	-0.40%	-0.90%
	08:00:00	UK	Unemployment Rate	Aug'20	4.10%	4.10%	4.20%
	08:00:00	UK	Employment Change JUL		-12K		-60K
	11:00:00	EU	ZEW Economic Sentiment Index OCT		73.9		60
	11:00:00	Germany	ZEW Economic Sentiment Index OCT		77.4	70	56
	11:30:00	SA	Gold Production YoY	Aug'20	-10.20%		-7.50%
	11:30:00	SA	Mining Production MoM	Aug'20	20.20%		-1.20%
	11:30:00	SA	Mining Production YoY	Aug'20	-9.10%		14.00%
	12:00:00	US	NFIB Business Optimism Index	Sep'20	100.2		99
	14:30:00	US	Core Inflation Rate YoY	Sep'20	1.70%		1.70%
	14:30:00	US	Inflation Rate YoY	Sep'20	1.30%		1.50%
	14:30:00	US	Core Inflation Rate MoM	Sep'20	0.40%	0.20%	0.20%
	14:30:00	US	Inflation Rate MoM	Sep'20	0.40%	0.20%	0.30%
	16:00:00	US	IBD / TIPI Economic Optimism OCT		45		43
	17:00:00	US	Consumer Inflation Expectations	Sep'20	3.00%		3.00%
14-Oct-20	06:30:00	Japan	Industrial Production MoM Final	Aug'20	8.70%	1.70%	1.70%
	06:30:00	Japan	Capacity Utilization MoM	Aug'20	9.60%		8.00%
	06:30:00	Japan	Industrial Production YoY Final	Aug'20	-15.50%	-13.30%	-13.30%
	11:00:00	EU	Industrial Production YoY	Aug'20	-7.70%	-7.60%	-4.20%
	11:00:00	EU	Industrial Production MoM	Aug'20	4.10%	0.40%	2.00%
	11:40:00	Germany	30-Year Bund Auction		-0.07%		
	13:00:00	SA	Retail Sales YoY	Aug'20	-9.00%		-4.50%
	13:00:00	SA	Retail Sales MoM	Aug'20	-1.10%		3.50%
	13:00:00	US	MBA 30-Year Mortgage Rate 09/OCT		3.01%		
	13:00:00	US	MBA Mortgage Applications 09/OCT		4.60%		
	14:30:00	US	PPI MoM	Sep'20	0.30%	0.20%	0.30%
	14:30:00	US	PPI YoY	Sep'20	-0.20%		0.40%
	14:55:00	US	Redbook MoM 10/OCT		0.00%		
	14:55:00	US	Redbook YoY 10/OCT		2.10%		
	22:30:00	US	API Crude Oil Stock Change 09/OCT		0.951M		
15-Oct-20	01:50:00	Japan	Foreign Bond Investment 10/OCT		¥341.3B		
	01:50:00	Japan	Stock Investment by Foreigners 10/OCT		¥530.9B		
	03:30:00	China	Inflation Rate YoY	Sep'20	2.40%	1.80%	2.30%
	03:30:00	China	Inflation Rate MoM	Sep'20	0.40%		0.20%
	03:30:00	China	PPI YoY	Sep'20	-2.00%	-1.90%	-1.40%
	06:30:00	Japan	Tertiary Industry Index MoM	Aug'20	-0.50%		0.60%
	13:00:00	SA	Building Permits YoY	Aug'20	-52.20%		-28.00%
	14:30:00	US	Initial Jobless Claims 10/OCT		840K		845K
	14:30:00	US	Import Prices YoY	Sep'20	-1.40%		-1.10%
	14:30:00	US	Export Prices YoY	Sep'20	-2.80%		-2.30%
	14:30:00	US	NY Empire State Manufacturing Index OCT		17	16.5	12
	14:30:00	US	Philadelphia Fed Manufacturing Index OCT		15	15.5	13
	14:30:00	US	Jobless Claims 4-Week Average 10/OCT		857K		852K
	14:30:00	US	Continuing Jobless Claims 03/OCT		10976K		10500K
	16:30:00	US	EIA Natural Gas Stocks Change 09/OCT		75Bcf		
	17:00:00	US	EIA Crude Oil Stocks Change 09/OCT		0.501M		
	17:00:00	US	EIA Cushing Crude Oil Stocks Change 09/OCT		0.47M		
	17:00:00	US	EIA Refinery Crude Runs Change 09/OCT		0.183M		
	17:00:00	US	EIA Gasoline Production Change 09/OCT		0.63M		
	17:00:00	US	EIA Crude Oil Imports Change 09/OCT		1.463M		
	17:30:00	US	4-Week Bill Auction		0.09%		
	17:30:00	US	8-Week Bill Auction		0.09%		
16-Oct-20	11:00:00	EU	Balance of Trade	Aug'20	€27.9B		€15.1B
	11:00:00	EU	Core Inflation Rate YoY Final	Sep'20	0.40%	0.20%	0.20%
	11:00:00	EU	Inflation Rate YoY Final	Sep'20	-0.20%	-0.30%	-0.30%
	11:00:00	EU	Inflation Rate MoM Final	Sep'20	-0.40%	0.10%	0.10%
	14:30:00	US	Retail Sales YoY	Sep'20	2.60%		2.20%
	15:15:00	US	Industrial Production YoY	Sep'20	-7.00%		-6.60%
	15:15:00	US	Industrial Production MoM	Sep'20	0.40%	0.40%	0.30%
	15:15:00	US	Manufacturing Production MoM	Sep'20	1.00%		0.30%
	15:15:00	US	Capacity Utilization	Sep'20	71.40%	71.80%	71.70%
	15:15:00	US	Manufacturing Production YoY	Sep'20	-6.90%		-5.60%
	16:00:00	US	Business Inventories MoM	Aug'20	0.10%	0.40%	0.30%
	16:00:00	US	Michigan Inflation Expectations Prel OCT		2.60%		
	16:00:00	US	Michigan Consumer Sentiment Prel OCT		80.4	81	79
	16:00:00	US	Michigan Consumer Expectations Prel OCT		75.6		75.1
	19:00:00	US	Baker Hughes Oil Rig Count 16/OCT				
	19:00:00	US	Baker Hughes Total Rig Count 16/OCT				
	22:00:00	US	Foreign Bond Investment		\$ -22.8B		
	22:00:00	US	Net Long-Term Tic Flows		\$10.8B		
	22:00:00	US	Overall Net Capital Flows		\$ -88.7B		

Major Central Banks Rate Decisions			
Central Bank	Next Meeting	Last Change	Current Interest Rate
European Central Bank	29-Oct-20	10-Mar-16	0.00%
Bank of Japan	29-Oct-20	29-Jan-16	-0.10%
Bank of England	05-Nov-20	19-Mar-20	0.10%
Federal Reserve	05-Nov-20	15-Mar-20	0.25%
SARB	19-Nov-20	21-May-20	3.50%