



## SA MONEY MARKET REPORT

11 September 2020

### THE PREVIOUS WEEK IN REVIEW

#### 1. MONEY MARKET INTEREST RATES

SPOT RATES	28-Aug	04-Sep	11-Sep	Change
Repo Rate	3.50%	3.50%	3.50%	0.00%
Treasury Bill 91 days(D)	3.44%	3.43%	3.43%	0.00%
Treasury Bill 91 days(Y)	3.48%	3.45%	3.46%	0.01%
Treasury Bill 182days(D)	3.61%	3.58%	3.59%	0.01%
Treasury Bill 182days(Y)	3.67%	3.64%	3.65%	0.01%
Treasury Bill 273days(D)	3.76%	3.74%	3.60%	-0.14%
Treasury Bill 273days(Y)	3.87%	3.84%	3.70%	-0.14%
Treasury Bill 364days(Y)	3.89%	3.86%	3.73%	-0.13%
3 Month NCD	3.38%	3.38%	3.30%	-0.08%
6 Month NCD	3.48%	3.45%	3.33%	-0.13%
9 Month NCD	3.60%	3.55%	3.40%	-0.15%
12 Month NCD	3.78%	3.75%	3.53%	-0.23%
18 Month NCD (YTM)	4.08%	3.87%	3.68%	-0.19%
24 Month NCD (YTM)	4.39%	4.16%	3.98%	-0.18%
36 Month NCD (YTM)	4.89%	4.64%	4.46%	-0.17%
R208 (YTM)	3.62%	3.55%	3.59%	0.035%

MONEY MARKET RATES (NACQ)	28-Aug	04-Sep	11-Sep	Change
3 Month NCD	3.38%	3.38%	3.30%	-0.08%
6 Month NCD	3.43%	3.41%	3.28%	-0.12%
9 Month NCD	3.55%	3.50%	3.36%	-0.15%
12 Month NCD	3.72%	3.70%	3.48%	-0.22%
18 Month NCD	4.01%	3.81%	3.63%	-0.18%
24 Month NCD	4.31%	4.10%	3.92%	-0.17%
36 Month NCD	4.80%	4.56%	4.39%	-0.17%
R 208	3.62%	3.55%	3.59%	0.035%

MONEY MARKET LIQUIDITY	28-Aug	04-Sep	11-Sep	Change
Shortage (Rm)	38000	29400	34400	5000
Notes (Rm)	169851	176404	172633	-3771
Reverse Repo (Rm)	0	500	500	0
Debentures (Rm)	5185	6460	8415	1955
Liquidity Requirements (Rm)	34910	40679	35736	-4943

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

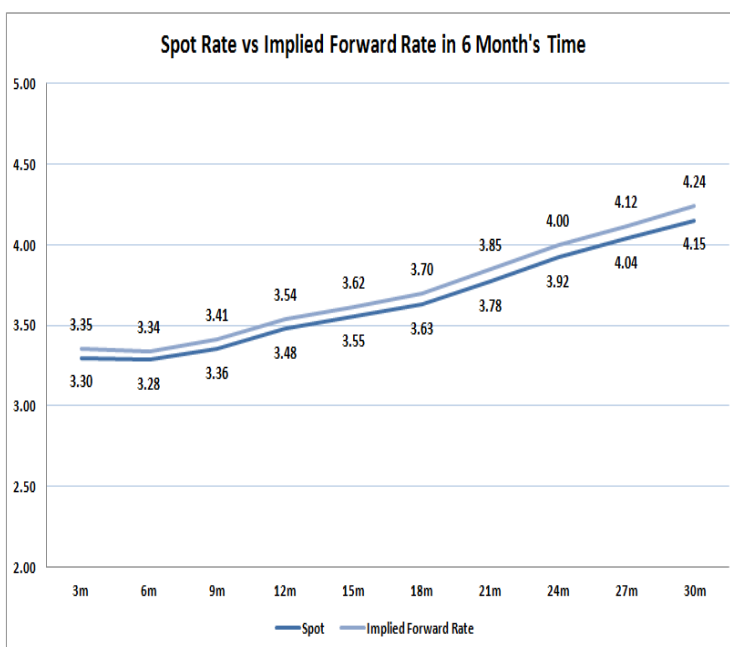
JIBAR (Nominal Terms)	28-Aug	04-Sep	11-Sep	Change
1 Month	3.39%	3.39%	3.33%	-0.07%
3 Month	3.44%	3.44%	3.38%	-0.07%
6 Month	3.53%	3.53%	3.44%	-0.08%
9 Month	3.65%	3.63%	3.51%	-0.12%
12 Month	3.80%	3.80%	3.63%	-0.18%

#### 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.

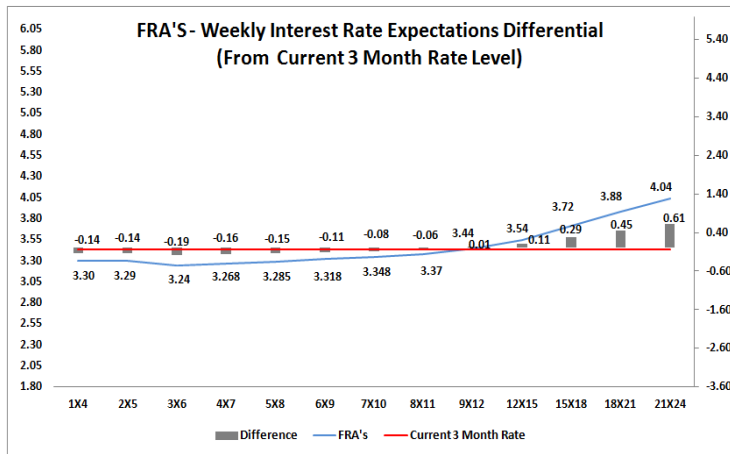
The rates represented in the line graphs below are in NACQ terms.

According to the break-even (forward/forward) calculation, the 12 and 18-month interest rates will be 3.54% and 3.70% respectively in six months time.



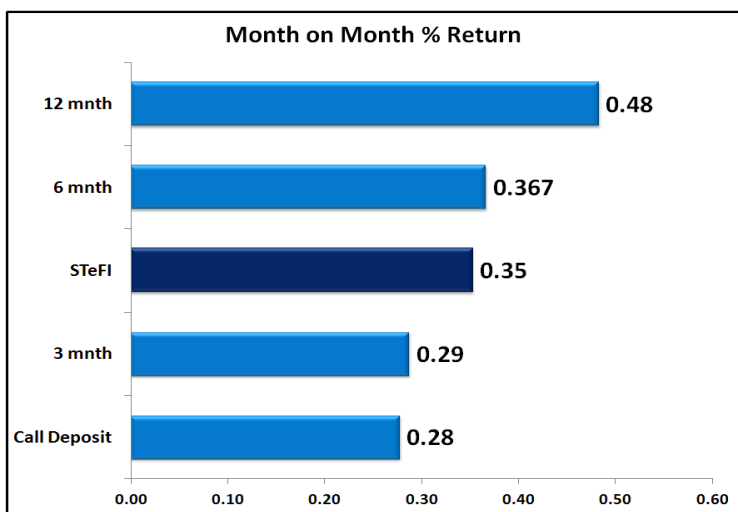
#### 4. FRA RATES (NACQ)

FRA's	28-Aug	04-Sep	11-Sep	Change
1x4	3.50%	3.44%	3.30%	-0.15%
3x6	3.53%	3.43%	3.24%	-0.19%
6x9	3.56%	3.49%	3.32%	-0.17%
9x12	3.69%	3.59%	3.44%	-0.14%
12x15	3.84%	3.72%	3.54%	-0.18%
15x18	3.99%	3.87%	3.72%	-0.15%
18x21	4.17%	4.03%	3.88%	-0.15%
21x24	4.35%	4.20%	4.04%	-0.15%
24x27	4.52%	4.36%	4.20%	-0.16%
27x30	4.70%	4.52%	4.37%	-0.16%

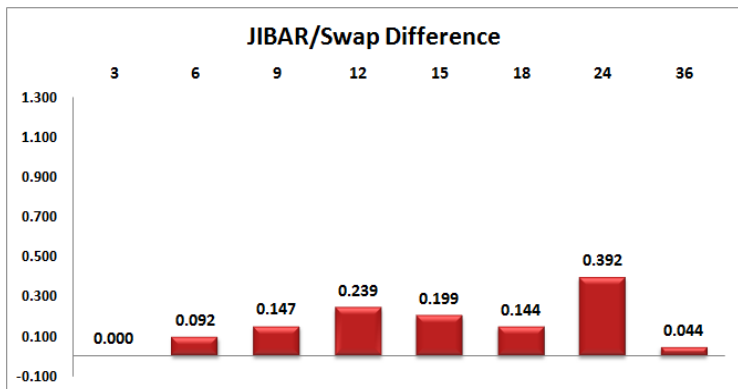
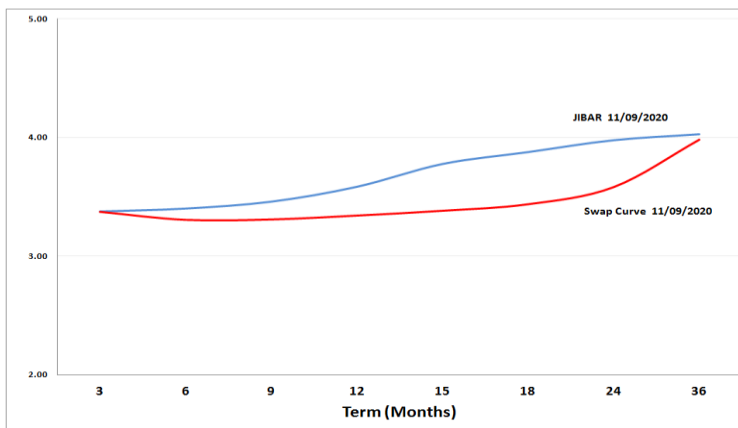


## 5. MONEY MARKET PERFORMANCE

STeFI (Month on Month) gained 0.35% with the best return 0.48% in the 12-Month area.



## 6. JIBAR and SWAPS - Curve



## 7. SARB AND NATIONAL TREASURY OPERATIONS

SARB DEBENTURES			
	Received	Allotted	Av. Rate
7 Days	550	550	3.400%
14 Days	2250	2250	3.440%
28 Days	0	0	0.000%
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	R4240m	R1400m	3.46%
182 Days	R5627m	R3070m	3.65%
273 Days	R15168m	R4040m	3.70%

## 8. THE WEEK AHEAD

Date	Time	Country	Event	Month	Previous	Consensus	Forecast
14-Sep-20	01:00:00	Japan	Reuters Tankan Index SEP				
	03:30:00	China	House Price Index YoY	Aug'20	4.80%		4.80%
	06:30:00	Japan	Industrial Production MoM Final	Jul'20	1.90%		8.00%
	11:00:00	EU	Industrial Production YoY	Jul'20	-12.30%	-8.20%	-7.60%
	11:00:00	EU	Industrial Production MoM	Jul'20	9.10%	4.00%	3.70%
	17:00:00	US	Consumer Inflation Expectations	Aug'20	2.90%		3.00%
	17:30:00	US	3-Month Bill Auction		0.12%		
	17:30:00	US	6-Month Bill Auction		0.13%		
15-Sep-20	04:00:00	China	NBS Press Conference				
	04:00:00	China	Industrial Production YoY	Aug'20	4.80%		4.50%
	04:00:00	China	Retail Sales YoY	Aug'20	-1.10%		1.00%
	04:00:00	China	Unemployment Rate	Aug'20	5.70%		5.60%
	08:00:00	UK	Average Earnings excl. Bonus	Jul'20	-0.20%	-0.60%	-0.80%
	08:00:00	UK	Average Earnings incl. Bonus	Jul'20	-1.20%	-1.10%	-1.10%
	08:00:00	UK	Unemployment Rate	Jul'20	3.90%	4.20%	4.30%
	11:00:00	EU	ZEW Economic Sentiment Index SEP		64		51.5
	11:00:00	EU	Labour Cost Index YoY	Q2	3.40%		-1.20%
	11:00:00	EU	Wage Growth YoY	Q2	3.40%		-1.00%
	14:30:00	US	Export Prices YoY	Aug'20	-4.40%		-3.00%
	14:30:00	US	Import Prices YoY	Aug'20	-3.30%		-2.00%
	14:30:00	US	Import Prices MoM	Aug'20	0.70%	0.50%	0.60%
	14:30:00	US	Export Prices MoM	Aug'20	0.80%	0.40%	0.60%
	14:30:00	US	NY Empire State Manufacturing Index SEP		3.7		5
	14:55:00	US	Redbook MoM 12/SEP		-1.00%		
	14:55:00	US	Redbook YoY 12/SEP		-0.10%		
	15:15:00	US	Industrial Production MoM	Aug'20	3.00%	0.80%	1.00%
	15:15:00	US	Industrial Production YoY	Aug'20	-8.20%		-6.10%
	15:15:00	US	Manufacturing Production MoM	Aug'20	3.40%	2.30%	2.50%
	15:15:00	US	Manufacturing Production YoY	Aug'20	-7.70%		-5.00%
	15:15:00	US	Capacity Utilization	Aug'20	70.60%	71.20%	72.00%
	19:00:00	US	20-Year Bond Auction		1.19%		
	22:30:00	US	API Crude Oil Stock Change 11/SEP		2.97M		
16-Sep-20	01:50:00	Japan	Balance of Trade	Aug'20	¥11.6B	¥-37.5B	¥-160B
	01:50:00	Japan	Exports YoY	Aug'20	-19.20%	-16.10%	
	01:50:00	Japan	Imports YoY	Aug'20	-22.30%	-18.00%	
	08:00:00	UK	Inflation Rate YoY	Aug'20	1.00%		0.40%
	08:00:00	UK	Inflation Rate MoM	Aug'20	0.40%		-0.20%
	08:00:00	UK	PPI Output YoY	Aug'20	-0.90%		-0.70%
	08:00:00	UK	Retail Price Index YoY	Aug'20	1.60%		0.70%
	08:00:00	UK	PPI Input YoY	Aug'20	-5.70%		
	11:00:00	EU	Balance of Trade	Jul'20	€21.2B		€25.1B
	11:40:00	Germany	30-Year Bond Auction		-0.05%		
	13:00:00	SA	Retail Sales YoY	Jul'20	-7.50%	-5.00%	
	13:00:00	SA	Retail Sales MoM	Jul'20	6.40%		
	13:00:00	US	MBA 30-Year Mortgage Rate 11/SEP		3.07%		
	13:00:00	US	MBA Mortgage Applications 11/SEP		2.90%		
	14:30:00	US	Retail Sales YoY	Aug'20	2.70%		2.50%
	16:00:00	US	Business Inventories MoM	Aug'20	-1.10%	0.20%	-0.20%
	16:30:00	US	EIA Crude Oil Stocks Change 11/SEP		2.032M		
	16:30:00	US	EIA Gasoline Production Change 11/SEP		-0.604M		
	16:30:00	US	EIA Crude Oil Imports Change 11/SEP		0.581M		
	20:00:00	US	Fed Interest Rate Decision		0.25%	0.25%	0.25%
	20:00:00	US	FOMC Economic Projections				
	20:30:00	US	Fed Press Conference				
	22:00:00	US	Foreign Bond Investment	Jul'20	\$28.9B		
	22:00:00	US	Overall Net Capital Flows	Jul'20	\$-67.9B		
	22:00:00	US	Net Long-Term TIC Flows	Jul'20	\$113B		
17-Sep-20	01:50:00	Japan	Foreign Bond Investment 12/SEP				
	01:50:00	Japan	Stock Investment by Foreigners 12/SEP				
	05:00:00	Japan	BoJ Interest Rate Decision		-0.10%		-0.10%
	11:00:00	EU	Construction Output YoY	Jul'20	-5.90%		-4.20%
	11:00:00	EU	Inflation Rate YoY Final	Aug'20	0.40%	-0.20%	-0.20%
	11:00:00	EU	Inflation Rate MoM Final	Aug'20	-0.40%	-0.40%	-0.40%
	13:00:00	SA	Building Permits YoY	Jul'20	-83.70%		-40.00%
	13:00:00	UK	BoE Interest Rate Decision		0.10%	0.10%	0.10%
	13:00:00	UK	BoE Quantitative Easing		£745B	£745B	£745B
	13:00:00	UK	MPC Meeting Minutes				
	14:30:00	US	Initial Jobless Claims 12/SEP		884K	830K	
	14:30:00	US	Housing Starts		1.496M	1.35M	
	14:30:00	US	Building Permits		1.483M	1.286M	
	14:30:00	US	Philadelphia Fed Manufacturing Index SEP		17.2	14.5	13
	14:30:00	US	Jobless Claims 4-Week Average 12/SEP		970.75K		960K
	14:30:00	US	Continuing Jobless Claims 05/SEP		13385K		13500K
	15:00:00	SA	Interest Rate Decision		0.035		0.0325
	15:00:00	SA	Prime Overdraft Rate		0.07		0.068
	16:30:00	US	EIA Natural Gas Stocks Change 11/SEP		708CF		
	17:30:00	US	4-Week Bill Auction		0.0009		
	17:30:00	US	8-Week Bill Auction		0.00105		
	19:00:00	US	10-Year TIPS Auction		-0.0093		
18-Sep-20	01:30:00	Japan	Inflation Rate YoY	Aug'20	0.30%		0.20%
	01:30:00	Japan	Inflation Rate MoM	Aug'20	0.20%		0.10%
	08:00:00	Germany	PPI YoY	Aug'20	-1.70%		-1.40%
	08:00:00	UK	Retail Sales MoM	Aug'20	3.60%		-1.20%
	08:00:00	UK	Retail Sales YoY	Aug'20	1.40%		0.90%
	10:00:00	EU	Current Account	Jul'20	€17.3B		€29B
	14:30:00	US	Current Account	Q2	\$-104.2B	\$-158B	\$-150B
	19:00:00	US	Baker Hughes Total Rig Count 18/SEP				
	19:00:00	US	Baker Hughes Oil Rig Count 18/SEP				

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	17-Sep-20	29-Jan-16	-0.10%
Bank of England	17-Sep-20	19-Mar-20	0.10%
Federal Reserve	16-Sep-20	15-Mar-20	0.25%
SARB	17-Sep-20	21-May-20	3.50%