

SA MONEY MARKET REPORT

12 October 2018

THE PREVIOUS WEEK IN REVIEW

1. MONEY MARKET INTEREST RATES

SPOT RATES	28-Sep	05-Oct	12-Oct	Change
Repo Rate	6.50%	6.50%	6.50%	0.00%
Treasury Bill 91 days(D)	7.12%	7.15%	7.20%	0.05%
Treasury Bill 91 days(Y)	7.25%	7.28%	7.33%	0.05%
Treasury Bill 182days(D)	7.34%	7.40%	7.42%	0.02%
Treasury Bill 182days(Y)	7.64%	7.69%	7.70%	0.01%
Treasury Bill 273days(D)	7.47%	7.55%	7.55%	0.00%
Treasury Bill 273days(Y)	7.88%	8.00%	8.00%	0.00%
Treasury Bill 364days(Y)	8.01%	8.15%	8.05%	-0.10%
3 Month NCD	6.93%	6.98%	6.95%	-0.02%
6 Month NCD	7.53%	7.55%	7.55%	0.00%
9 Month NCD	7.80%	7.88%	7.88%	0.00%
12 Month NCD	8.23%	8.33%	8.30%	-0.02%
18 Month NCD (YTM)	8.24%	8.35%	8.31%	-0.04%
24 Month NCD (YTM)	8.24%	8.51%	8.46%	-0.05%
36 Month NCD (YTM)	8.66%	8.84%	8.77%	-0.07%
R204 (YTM)	6.88%	7.09%	7.11%	0.020%

MONEY MARKET RATES (NACQ)	28-Sep	05-Oct	12-Oct	Change
3 Month NCD	6.98%	6.98%	6.98%	0.00%
6 Month NCD	7.32%	7.35%	7.35%	0.00%
9 Month NCD	7.58%	7.65%	7.65%	0.00%
12 Month NCD	7.98%	8.08%	8.05%	-0.02%
18 Month NCD	7.99%	8.10%	8.06%	-0.04%
24 Month NCD	7.99%	8.25%	8.20%	-0.05%
36 Month NCD	8.39%	8.56%	8.50%	-0.07%
R 204	6.88%	7.09%	7.11%	0.020%

MONEY MARKET LIQUIDITY	28-Sep	05-Oct	12-Oct	Change
Shortage (Rm)	56000	56000	56000	0
Notes (Rm)	146838	149054	142580	-6474
Reverse Repo (Rm)	0	0	0	0
Debentures (Rm)	0	0	0	0
Liquidity Requirements (Rm)	56664	56554	57476	922

2. JIBAR RATES (Nominal Terms)

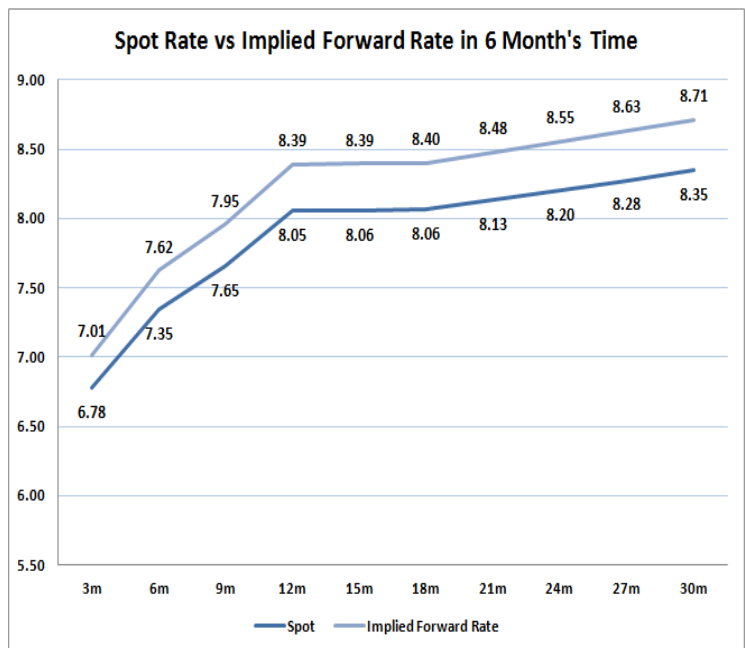
JIBAR (Nominal Terms)	28-Sep	05-Oct	12-Oct	Change
1 Month	6.78%	6.78%	6.78%	0.00%
3 Month	7.01%	7.02%	7.02%	0.00%
6 Month	7.62%	7.63%	7.63%	0.00%
9 Month	7.88%	7.93%	7.94%	0.01%
12 Month	8.32%	8.37%	8.38%	0.02%

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.

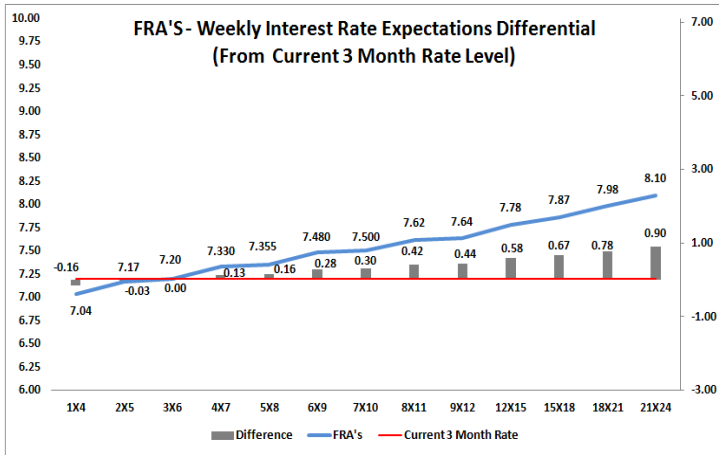
The rates represented in the line graphs below are in NACQ terms.

According to the break-even (forward/forward) calculation, the 12 and 18-month interest rates will be 8.39% and 8.40% respectively in six months time.



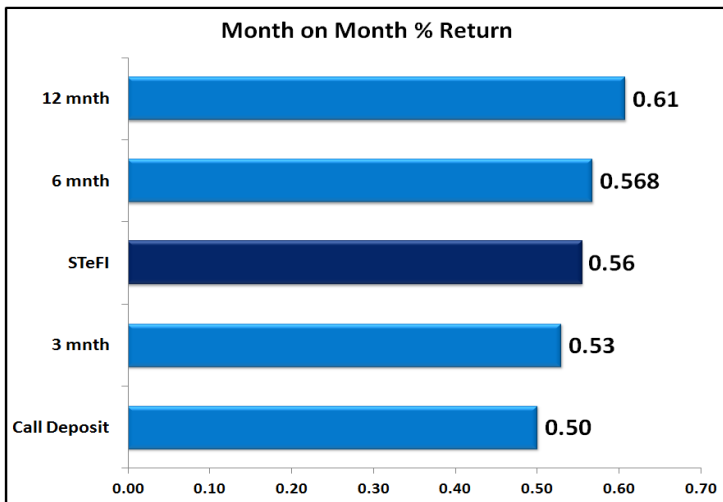
4. FRA RATES (NACQ)

FRA's	28-Sep	05-Oct	12-Oct	Change
1x4	7.03%	7.03%	7.04%	0.01%
3x6	7.17%	7.19%	7.20%	0.01%
6x9	7.36%	7.43%	7.48%	0.05%
9x12	7.57%	7.58%	7.64%	0.06%
12x15	7.71%	7.72%	7.78%	0.07%
15x18	7.81%	7.80%	7.87%	0.07%
18x21	7.90%	7.89%	7.98%	0.09%
21x24	7.99%	7.98%	8.10%	0.12%
24x27	8.08%	8.07%	8.22%	0.15%
27x30	8.17%	8.16%	8.34%	0.18%

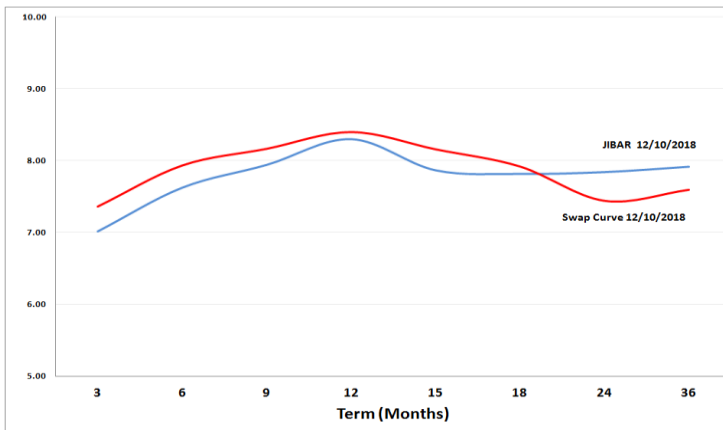


5. MONEY MARKET PERFORMANCE

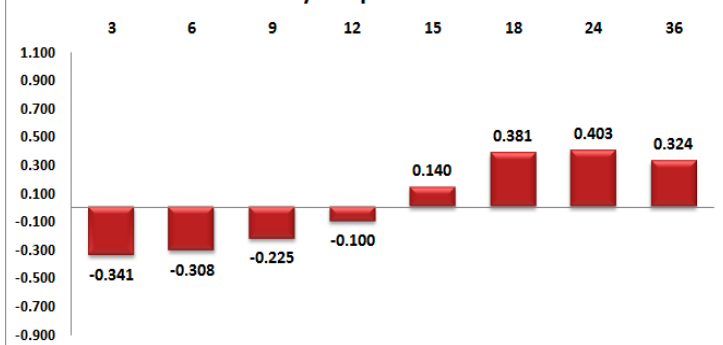
STeFI (Month on Month) gained 0.56% with the best return 0.61% in the 12-Month area.



6. JIBAR and SWAPS - Curve



JIBAR/Swap Difference



7. SARB AND NATIONAL TREASURY OPERATIONS

SARB DEBENTURES			
	Received	Allotted	Av. Rate
7 Days	241	241	6.490%
14 Days	0	0	0.000%
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	R3180m	R2450m	7.33%
182 Days	R3825m	R2260m	7.70%
273 Days	R4988m	R2946m	8.00%

8. THE WEEK AHEAD

Date	Time	Country	Event	Month	Previous	Forecast
14-Oct-18	02:00:00	EU	IMF Meeting			
14-Oct-18	01:01:00	UK	Rightmove House Price Index (MoM)	Sept'18	0.70%	
14-Oct-18	01:01:00	UK	Rightmove House Price Index (YoY)	Sept'18	1.20%	
15-Oct-18	04:00:00	China	M2 Money Supply (YoY)	Sept'18	8.20%	8.30%
15-Oct-18	04:00:00	China	New Loans	Sept'18	1280B	1347B
15-Oct-18	04:15:00	China	FDI - Foreign Direct Investment (YTD) (YoY)	Sept'18	2.30%	
15-Oct-18	06:30:00	Japan	Industrial Production (YoY)	Sept'18	0.60%	-1.40%
15-Oct-18	06:30:00	Japan	Capacity Utilization	Sept'18	-0.60%	0.10%
15-Oct-18	14:30:00	US	NY Empire State Manufacturing Index		19	20
15-Oct-18	14:30:00	US	Retail Sales control group	Sept'18	0.10%	0.40%
15-Oct-18	14:30:00	US	Retail Sales (MoM)	Sept'18	0.10%	0.50%
15-Oct-18	16:00:00	US	Business Inventories	Sept'18	0.60%	0.30%
15-Oct-18	17:30:00	US	3-Month Bill Auction		2.22%	
15-Oct-18	17:30:00	US	6-Month Bill Auction		2.38%	
15-Oct-18	20:00:00	US	Monthly Budget Statement		-214B	71B
16-Oct-18	03:30:00	China	Consumer Price Index (MoM)	Sept'18	0.70%	0.70%
16-Oct-18	03:30:00	China	Producer Price Index (YoY)	Sept'18	4.10%	3.50%
16-Oct-18	03:30:00	China	Consumer Price Index (YoY)	Sept'18	2.30%	2.50%
16-Oct-18	08:00:00	Germany	Import Price Index (YoY)		5%	
16-Oct-18	10:30:00	UK	Claimant Count Rate	Sept'18	2.60%	
16-Oct-18	10:30:00	UK	Claimant Count Change	Sept'18	8.7K	10K
16-Oct-18	10:30:00	UK	Average Earnings including Bonus (3Mo/Yr)	Aug'18	2.60%	2.40%
16-Oct-18	10:30:00	UK	ILO Unemployment Rate (3M)	Aug'18	4%	4%
16-Oct-18	10:30:00	UK	Average Earnings excluding Bonus (3Mo/Yr)	Aug'18	2.90%	2.80%
16-Oct-18	11:00:00	EU	Trade Balance s.a.	Aug'18	12.8B	14.1B
16-Oct-18	11:00:00	EU	Trade Balance n.s.a.	Aug'18	17.6B	15.1B
16-Oct-18	11:00:00	Germany	ZEW Survey - Current Situation		76	72
16-Oct-18	11:00:00	Germany	ZEW Survey - Economic Sentiment		-7.2	-9.1
16-Oct-18	11:00:00	Germany	ZEW Survey - Economic Sentiment		-10.6	-11.3
16-Oct-18	11:30:00	UK	DCLG House Price Index (YoY)		3.10%	
16-Oct-18	11:45:00	UK	10-y Bond Auction		1.60%	
16-Oct-18	14:55:00	US	Redbook index (YoY)	Sept'18	6.50%	
16-Oct-18	14:55:00	US	Redbook index (MoM)	Sept'18	0.40%	
16-Oct-18	15:15:00	US	Industrial Production (MoM)	Sept'18	0.40%	0.30%
16-Oct-18	15:15:00	US	Capacity Utilization	Sept'18	78.10%	78.20%
16-Oct-18	16:00:00	US	JOLT'S Job Openings		6.939M	6.9M
16-Oct-18	16:00:00	US	NABH Housing Market Index		67	67
16-Oct-18	17:30:00	US	4-Week Bill Auction	Sept'18	2.14%	
16-Oct-18	22:00:00	US	Total Net TIC Flows		52.2B	19.9B
16-Oct-18	22:00:00	US	Net Long-Term TIC Flows		74.8B	47.7B
16-Oct-18	22:30:00	US	API Weekly Crude Oil Stock		9.75M	
17-Oct-18	02:00:00	EU	EU Brexit Summit			
17-Oct-18	02:00:00	China	Chung Yeung Festival			
17-Oct-18	10:30:00	UK	Retail Price Index (YoY)	Sept'18	3.50%	3.20%
17-Oct-18	10:30:00	UK	GPI Core Output (YoY) n.s.a	Sept'18	2.10%	2.10%
17-Oct-18	10:30:00	UK	Producer Price Index - Input (YoY) n.s.a	Sept'18	8.70%	5.70%
17-Oct-18	10:30:00	UK	Producer Price Index - Output (YoY) n.s.a	Sept'18	2.90%	2.90%
17-Oct-18	10:30:00	UK	FPC Meeting Minutes		2.7	2.8
17-Oct-18	10:30:00	UK	Consumer Price Index (YoY)	Sept'18	2.10%	1.80%
17-Oct-18	10:30:00	UK	Core Consumer Price Index (YoY)	Sept'18	2.10%	2.10%
17-Oct-18	11:00:00	EU	Construction Output w.d.a (YoY)	Aug'18	2.60%	1.70%
17-Oct-18	11:00:00	EU	30-y Bond Auction		1.10%	
17-Oct-18	12:00:00	Germany	MBIA Mortgage Applications		1.70%	
17-Oct-18	13:00:00	SA	Retail Sales (YoY)		1.30%	1.30%
17-Oct-18	14:30:00	US	Building Permits Change	Sept'18	-5.70%	3.40%
17-Oct-18	14:30:00	US	Housing Starts Change	Sept'18	9.20%	
17-Oct-18	14:30:00	US	Housing Starts (MoM)	Sept'18	1.282M	1.237M
17-Oct-18	14:30:00	US	Building Permits (MoM)	Sept'18	1.229M	1.28M
17-Oct-18	16:30:00	US	EIA Crude Oil Stocks change		5.987M	-0.281M
17-Oct-18	20:00:00	US	FOMC Minutes	Sept'18	-190.4B	-287.4B
17-Oct-18	01:50:00	Japan	Adjusted Merchandise Trade Balance	Sept'18	15.40%	14.90%
17-Oct-18	01:50:00	Japan	Imports (YoY)	Sept'18	-444.6B	-469B
17-Oct-18	01:50:00	Japan	Merchandise Trade Balance Total	Sept'18	6.60%	5.60%
17-Oct-18	01:50:00	Japan	Exports (YoY)	Sept'18	1578.4B	
17-Oct-18	01:50:00	Japan	Foreign investment in Japan stocks	Sept'18	-200.5B	
17-Oct-18	01:50:00	Japan	Foreign bond investment	Sept'18		
18-Oct-18	02:00:00	EU	EU Brexit Summit			
18-Oct-18	02:00:00	EU	EcoFin Meeting			
18-Oct-18	08:00:00	Germany	Wholesale Price Index (YoY)	Sept'18	3.80%	
18-Oct-18	10:30:00	UK	Retail Sales (YoY)	Sept'18	3.30%	3.30%
18-Oct-18	10:30:00	UK	Retail Sales ex-Fuel (YoY)	Sept'18	3.50%	3.60%
18-Oct-18	11:00:00	SA	Gold Production (YoY)	Aug'18	-15.00%	-4.00%
18-Oct-18	11:00:00	SA	Mining Production (YoY)	Aug'18	-5.20%	1.651M
18-Oct-18	14:30:00	US	Continuing Jobless Claims		214K	206K
18-Oct-18	14:30:00	US	Initial Jobless Claims		214K	206K
18-Oct-18	14:30:00	US	Employment cost index		0.60%	
18-Oct-18	14:30:00	US	Philadelphia Fed Manufacturing Survey		22.9	20
18-Oct-18	15:00:00	US	Fed's Bullard speech			
18-Oct-18	16:30:00	US	EIA Natural Gas Storage change		90B	71B
18-Oct-18	01:30:00	Japan	National Consumer Price Index (YoY)	Sept'18	1.30%	
18-Oct-18	01:30:00	Japan	National CPI Ex-Fresh Food (YoY)	Sept'18	0.90%	0.90%
18-Oct-18	01:30:00	Japan	National CPI Ex Food, Energy (YoY)	Sept'18	0.40%	0.40%
19-Oct-18	04:00:00	China	Retail Sales (YoY)	Sept'18	9%	9%
19-Oct-18	04:00:00	China	Industrial Production (YoY)	Sept'18	6.10%	6%
19-Oct-18	04:00:00	China	Fixed Asset Investment (YTD) (YoY)	Sept'18	5.30%	5.30%
19-Oct-18	04:00:00	China	Gross Domestic Product (YoY)	Q3	6.70%	6.60%
19-Oct-18	04:00:00	China	Gross Domestic Product (QoQ)	Q3	1.80%	1.60%
19-Oct-18	06:30:00	Japan	All Industry Activity Index (MoM)	Sept'18	0%	
19-Oct-18	08:35:00	Japan	Bank of Japan Governor Kuroda Speech			
19-Oct-18	10:00:00	EU	Current Account n.s.a	Aug'18	21.3B	
19-Oct-18	10:00:00	EU	Current Account s.a	Aug'18	3.19B	
19-Oct-18	10:30:00	UK	Public Sector Net Borrowing	Sept'18	5.899B	
19-Oct-18	12:00:00	UK	CBI Distributive Trades Survey - Realized (MoM)		23%	
19-Oct-18	15:00:00	US	FOMC Member Kaplan Speech			
19-Oct-18	16:00:00	US	Existing Home Sales (MoM)	Sept'18	5.34M	5.35M
19-Oct-18	16:00:00	US	Existing Home Sales Change (MoM)	Sept'18	0%	1.80%

Major Central Banks Rate Decisions

Central Bank	Next Meeting	Last Change	Current Interest Rate
European Central Bank	25-Oct-18	10-Mar-16	0.00%
Bank of Japan	31-Oct-18	29-Jan-16	-0.10%
Bank of England	01-Nov-18	02-Aug-18	0.75%
Federal Reserve	08-Nov-18	26-Sep-18	2.25%
SARB	22-Nov-18	28-Mar-18	6.50%