

SA MONEY MARKET REPORT

19 January 2018

THE PREVIOUS WEEK IN REVIEW

1. MONEY MARKET INTEREST RATES

| SPOT RATES | 05-Jan | 12-Jan | 19-Jan | Change |
|--------------------------|--------|--------|--------|---------|
| Repo Rate | 6.75% | 6.75% | 6.75% | 0.00% |
| Treasury Bill 91 days(D) | 7.44% | 7.27% | 7.24% | -0.03% |
| Treasury Bill 91 days(Y) | 7.58% | 7.40% | 7.37% | -0.03% |
| Treasury Bill 182days(D) | 7.38% | 7.29% | 7.31% | 0.02% |
| Treasury Bill 182days(Y) | 7.66% | 7.56% | 7.59% | 0.03% |
| Treasury Bill 273days(D) | 7.32% | 7.28% | 7.24% | -0.04% |
| Treasury Bill 273days(Y) | 7.74% | 7.70% | 7.66% | -0.04% |
| Treasury Bill 364days(Y) | 7.71% | 7.68% | 7.65% | -0.03% |
| 3 Month NCD | 7.10% | 7.10% | 7.05% | -0.05% |
| 6 Month NCD | 7.48% | 7.53% | 7.50% | -0.03% |
| 9 Month NCD | 7.63% | 7.68% | 7.65% | -0.03% |
| 12 Month NCD | 7.85% | 7.90% | 7.88% | -0.03% |
| 18 Month NCD (YTM) | 7.73% | 7.77% | 7.73% | -0.04% |
| 24 Month NCD (YTM) | 7.78% | 7.82% | 7.78% | -0.04% |
| 36 Month NCD (YTM) | 8.08% | 8.14% | 8.05% | -0.09% |
| R204 (YTM) | 7.05% | 7.13% | 7.04% | -0.090% |

| MONEY MARKET RATES (NACQ) | 05-Jan | 12-Jan | 19-Jan | Change |
|---------------------------|--------|--------|--------|---------|
| 3 Month NCD | 6.98% | 6.98% | 6.98% | 0.00% |
| 6 Month NCD | 7.27% | 7.32% | 7.30% | -0.02% |
| 9 Month NCD | 7.42% | 7.46% | 7.44% | -0.02% |
| 12 Month NCD | 7.63% | 7.68% | 7.65% | -0.02% |
| 18 Month NCD | 7.51% | 7.55% | 7.52% | -0.04% |
| 24 Month NCD | 7.56% | 7.60% | 7.56% | -0.04% |
| 36 Month NCD | 7.85% | 7.90% | 7.82% | -0.08% |
| R 204 | 7.05% | 7.13% | 7.04% | -0.090% |

| MONEY MARKET LIQUIDITY | 05-Jan | 12-Jan | 19-Jan | Change |
|-----------------------------|--------|--------|--------|--------|
| Shortage (Rm) | 56000 | 56000 | 56000 | 0 |
| Notes (Rm) | 150131 | 133102 | 127293 | -5809 |
| Reverse Repo (Rm) | 0 | 0 | 0 | 0 |
| Debentures (Rm) | 41 | 50 | 54 | 4 |
| Liquidity Requirements (Rm) | 56259 | 55401 | 56868 | 1467 |

2. JIBAR RATES (Nominal Terms)

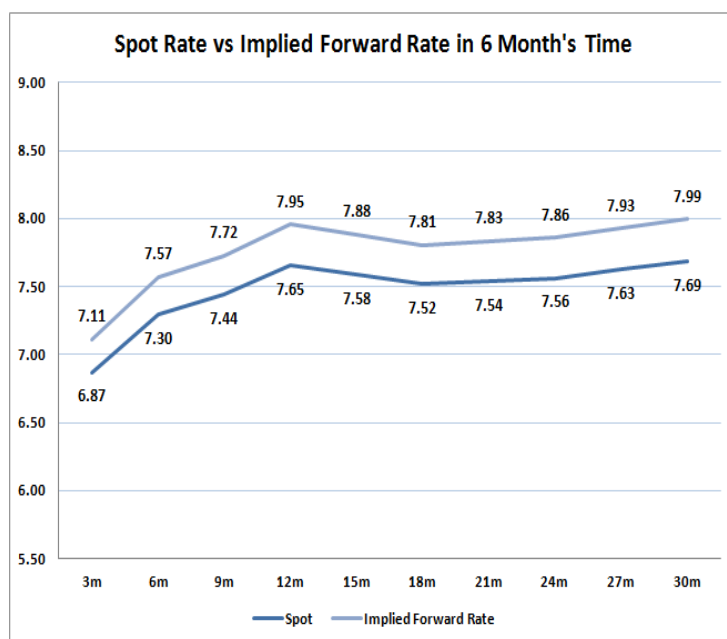
| JIBAR (Nominal Terms) | 05-Jan | 12-Jan | 19-Jan | Change |
|-----------------------|--------|--------|--------|--------|
| 1 Month | 6.91% | 6.91% | 6.92% | 0.01% |
| 3 Month | 7.16% | 7.16% | 7.15% | -0.01% |
| 6 Month | 7.56% | 7.60% | 7.57% | -0.03% |
| 9 Month | 7.69% | 7.74% | 7.66% | -0.08% |
| 12 Month | 7.90% | 7.98% | 7.91% | -0.08% |

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.

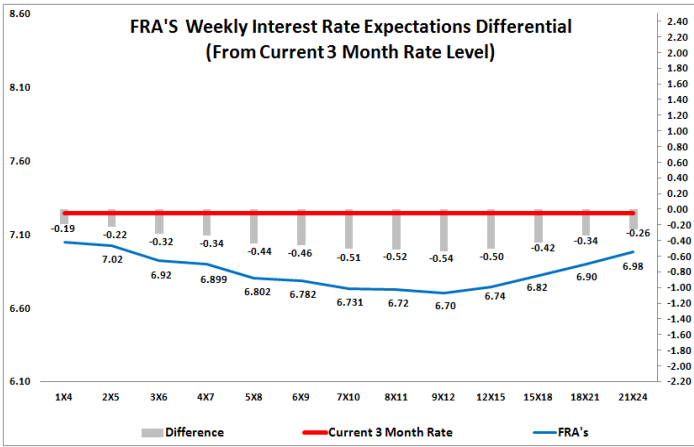
The rates represented in the line graphs below are in NACQ terms.

According to the break-even (forward/forward) calculation, the 12 and 18-month interest rates will be 7.95% and 7.83% respectively in six months time.



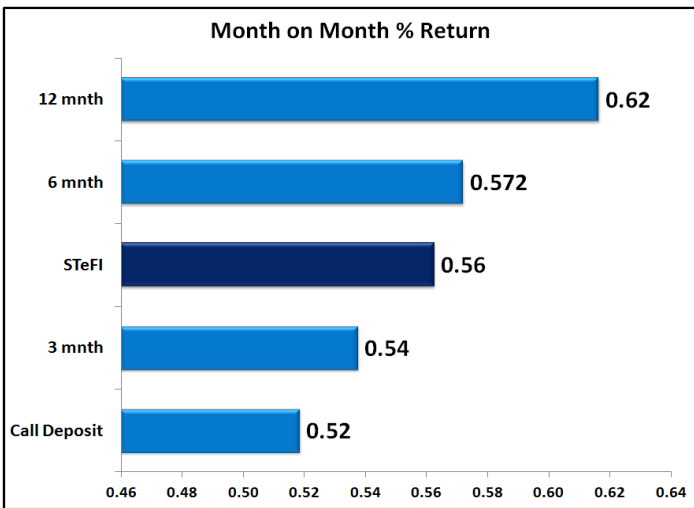
4. FRA RATES (NACQ)

| FRA's | 05-Jan | 12-Jan | 19-Jan | Change |
|-------|--------|--------|--------|--------|
| 1x4 | 7.01% | 7.09% | 7.05% | -0.04% |
| 3x6 | 6.89% | 6.99% | 6.92% | -0.07% |
| 6x9 | 6.80% | 6.90% | 6.78% | -0.11% |
| 9x12 | 6.76% | 6.84% | 6.70% | -0.14% |
| 12x15 | 6.81% | 6.91% | 6.74% | -0.17% |
| 15x18 | 6.89% | 6.99% | 6.82% | -0.17% |
| 18x21 | 6.96% | 7.08% | 6.90% | -0.18% |
| 21x24 | 7.03% | 7.17% | 6.98% | -0.19% |
| 24x27 | 7.10% | 7.27% | 7.06% | -0.20% |
| 27x30 | 7.17% | 7.36% | 7.15% | -0.21% |

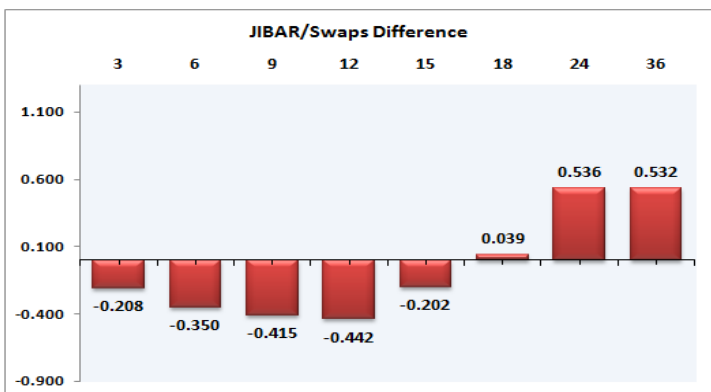
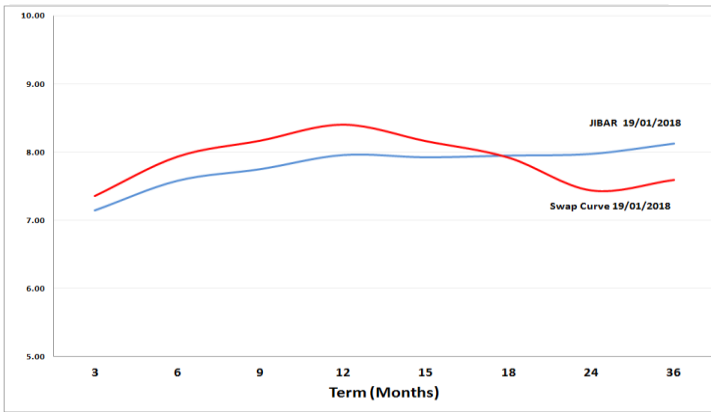


5. MONEY MARKET PERFORMANCE

STeFI (Month on Month) gained 0.56% with the best return 0.62% in the 12-Month area.



6. JIBAR and SWAPS - Curve



7. SARB AND NATIONAL TREASURY OPERATIONS

| SARB DEBENTURES | | | |
|-----------------|----------|----------|----------|
| | Received | Allotted | Av. Rate |
| 7 Days | 54 | 54 | 6.740% |
| 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 | R6711m | R1800m | 7.37% |
| 182 Days | R3083m | R2000m | 7.59% |
| 273 Days | R6580m | R2100m | 7.66% |

8. THE WEEK AHEAD

| Date | Time | Country | Event | Previous | Forecast |
|-----------|----------|---------|--|----------|----------|
| 22-Jan-18 | 12:00:00 | Germany | German Buba Monthly Report | | |
| | 15:30:00 | US | Chicago Fed National Activity Index | 0.15 | 0.44 |
| | 18:30:00 | US | 3-Month Bill Auction | 1.43% | |
| | 18:30:00 | US | 6-Month Bill Auction | 1.60% | |
| 23-Jan-18 | 06:00:00 | Japan | BoJ Monetary Policy Statement | | |
| | 06:00:00 | Japan | BoJ Interest Rate Decision | -0.10% | |
| | 06:00:00 | Japan | BoJ outlook report | | |
| | 08:00:00 | Japan | Machine Tool Orders (YoY) | 46.90% | |
| | 08:30:00 | Japan | BoJ Press Conference | | |
| | 11:30:00 | UK | Public Sector Net Borrowing | 8.118B | 4.539B |
| | 12:00:00 | EU | ZEW Survey - Economic Sentiment | 29 | 30 |
| | 12:00:00 | Germany | ZEW Survey - Current Situation | 89.3 | |
| | 12:00:00 | Germany | ZEW Survey - Economic Sentiment | 17.4 | |
| | 15:55:00 | US | Redbook index (YoY) | 2.60% | |
| | 15:55:00 | US | Redbook index (MoM) | -0.30% | |
| | 17:00:00 | EU | Consumer Confidence | 0.5 | 0.7 |
| | 17:00:00 | US | Richmond Fed Manufacturing Index | 20 | |
| | 17:35:00 | UK | CBI Industrial Trends Survey - Orders (MoM) | 17 | |
| | 18:30:00 | US | 4-Week Bill Auction | 1.30% | |
| | 20:00:00 | US | 2-Year Note Auction | 1.77% | |
| | 01:50:00 | Japan | Adjusted Merchandise Trade Balance | 364.1B | 261.7B |
| | 01:50:00 | Japan | Merchandise Trade Balance Total | 113.4B | 443.9B |
| | 01:50:00 | Japan | Imports (YoY) | 17.20% | 22.10% |
| | 01:50:00 | Japan | Exports (YoY) | 16.20% | 11.10% |
| 24-Jan-18 | 02:30:00 | Japan | Nikkei Manufacturing PMI | 54 | 53.8 |
| | 07:00:00 | Japan | Leading Economic Index | 108.6 | 107.7 |
| | 07:00:00 | Japan | Coincident Index | 118.1 | 117.1 |
| | 08:30:00 | EU | Eurogroup meeting | | |
| | 10:00:00 | SA | Consumer Price Index (MoM) | 0.10% | |
| | 10:00:00 | SA | Consumer Price Index (YoY) | 4.60% | |
| | 10:55:00 | Germany | Markit Manufacturing PMI | 63.3 | |
| | 10:55:00 | Germany | Markit Services PMI | 55.8 | |
| | 10:55:00 | Germany | Markit PMI Composite | 58.9 | |
| | 11:00:00 | EU | Markit Services PMI | 56.6 | 56.3 |
| | 11:00:00 | EU | Markit PMI Composite | 58.1 | 58.3 |
| | 11:30:00 | UK | Claimant Count Rate | 2.30% | |
| | 11:30:00 | UK | Claimant Count Change | 5.9K | |
| | 11:30:00 | UK | ILO Unemployment Rate (3M) | 4.30% | 4.30% |
| | 11:30:00 | UK | Average Earnings including Bonus (3Mo/Yr) | 2.50% | 2.30% |
| | 11:30:00 | UK | Average Earnings excluding Bonus (3Mo/Yr) | 2.30% | 2.50% |
| | 14:00:00 | US | MBA Mortgage Applications | 4.10% | |
| | 16:00:00 | US | Housing Price Index (MoM) | 0.50% | 0.30% |
| | 16:45:00 | US | Markit Manufacturing PMI | 55.1 | 55.8 |
| | 16:45:00 | US | Markit Services PMI | 53.7 | 53 |
| | 16:45:00 | US | Markit PMI Composite | 54.1 | |
| | 17:00:00 | US | Existing Home Sales (MoM) | 5.81M | 5.69M |
| | 17:00:00 | US | Existing Home Sales Change (MoM) | 5.60% | -2.10% |
| | 17:30:00 | US | EIA Crude Oil Stocks change | -6.861M | |
| | 20:00:00 | US | 5-Year Note Auction | 2.25% | |
| | 01:50:00 | Japan | Foreign investment in Japan stocks | 498.7B | |
| | 01:50:00 | Japan | Foreign bond investment | 953.5B | |
| 25-Jan-18 | 02:00:00 | EU | EcoFin Meeting | | |
| | 09:00:00 | Germany | Gfk Consumer Confidence Survey | 10.8 | |
| | 11:00:00 | Germany | IFO - Business Climate | 117.2 | |
| | 11:00:00 | Germany | IFO - Expectations | 109.5 | |
| | 11:00:00 | Germany | IFO - Current Assessment | 125.4 | |
| | 11:30:00 | SA | Producer Price Index (YoY) | 5.10% | |
| | 11:30:00 | SA | Producer Price Index (MoM) | 0.50% | |
| | 14:45:00 | EU | ECB Deposit Rate Decision | -0.40% | |
| | 14:45:00 | EU | ECB Interest Rate Decision | 0% | |
| | 15:30:00 | US | Continuing Jobless Claims | 1.952M | |
| | 15:30:00 | US | Initial Jobless Claims | 220K | |
| | 15:30:00 | US | Wholesale Inventories | 0.80% | 0.20% |
| | 15:30:00 | EU | ECB Monetary policy statement and press conference | | |
| | 17:00:00 | US | New Home Sales (MoM) | 0.733M | 0.707M |
| | 17:00:00 | US | New Home Sales Change (MoM) | 17.50% | 0.30% |
| | 17:30:00 | US | EIA Natural Gas Storage change | -183B | |
| | 18:00:00 | US | Kansas Fed manufacturing activity | 2.1 | |
| | 20:00:00 | US | 7-Year Note Auction | 2.37% | |
| | 01:30:00 | Japan | Tokyo Consumer Price Index (YoY) | 1% | 0.70% |
| | 01:30:00 | Japan | Tokyo CPI ex Fresh Food (YoY) | 0.80% | 0.80% |
| | 01:30:00 | Japan | Tokyo CPI ex Food, Energy (YoY) | 0.40% | 0.30% |
| | 01:30:00 | Japan | National Consumer Price Index (YoY) | 0.60% | 0.30% |
| | 01:30:00 | Japan | National CPI Ex Food, Energy (YoY) | 0.30% | 0.30% |
| | 01:30:00 | Japan | National CPI Ex Fresh Food (YoY) | 0.90% | 0.80% |
| | 01:50:00 | Japan | BoJ Monetary Policy Meeting Minutes | | |
| 26-Jan-18 | 10:00:00 | EU | Private loans (YoY) | 2.80% | |
| | 10:00:00 | EU | M3 Money Supply (3m) | 5% | |
| | 10:00:00 | EU | M3 Money Supply (YoY) | 4.90% | |
| | 11:30:00 | UK | Gross Domestic Product (QoQ) | 0.40% | 0.40% |
| | 11:30:00 | UK | Gross Domestic Product (YoY) | 1.70% | 1.50% |
| | 15:30:00 | US | Gross Domestic Product Price Index | 2.10% | 2.30% |
| | 15:30:00 | US | Gross Domestic Product Annualized | 3.20% | 3% |
| | 15:30:00 | US | Durable Goods Orders | 1.30% | 0.80% |
| | 15:30:00 | US | Durable Goods Orders ex Transportation | -0.10% | 0.20% |

Major Central Banks Rate Decisions

| Central Bank | Next Meeting | Last Change | Current Interest Rate |
|-----------------------|--------------|-------------|-----------------------|
| European Central Bank | 25-Jan-18 | 10-Mar-16 | 0.00% |
| Bank of Japan | 23-Jan-18 | 29-Jan-16 | -0.10% |
| Bank of England | 08-Feb-18 | 02-Nov-17 | 0.50% |
| Federal Reserve | 31-Jan-18 | 13-Dec-17 | 1.50% |
| SARB | 28-Mar-18 | 20-Jul-17 | 6.75% |