



## SA MONEY MARKET REPORT

26 October 2018

### THE PREVIOUS WEEK IN REVIEW

#### 1. MONEY MARKET INTEREST RATES

SPOT RATES	12-Oct	19-Oct	26-Oct	Change
Repo Rate	6.50%	6.50%	6.50%	0.00%
Treasury Bill 91 days(D)	7.20%	7.22%	7.27%	0.05%
Treasury Bill 91 days(Y)	7.33%	7.36%	7.40%	0.04%
Treasury Bill 182days(D)	7.42%	7.48%	7.53%	0.05%
Treasury Bill 182days(Y)	7.70%	7.77%	7.82%	0.05%
Treasury Bill 273days(D)	7.55%	7.56%	7.56%	0.00%
Treasury Bill 273days(Y)	8.00%	8.01%	8.02%	0.01%
Treasury Bill 364days(Y)	8.05%	8.07%	8.10%	0.03%
3 Month NCD	6.95%	6.98%	6.98%	0.00%
6 Month NCD	7.55%	7.58%	7.60%	0.03%
9 Month NCD	7.88%	7.88%	7.90%	0.03%
12 Month NCD	8.30%	8.30%	8.33%	0.02%
18 Month NCD (YTM)	8.31%	8.30%	8.33%	0.03%
24 Month NCD (YTM)	8.46%	8.44%	8.47%	0.03%
36 Month NCD (YTM)	8.77%	8.75%	8.77%	0.02%
R204 (YTM)	6.27%	6.06%	6.17%	0.115%

MONEY MARKET RATES (NACQ)	12-Oct	19-Oct	26-Oct	Change
3 Month NCD	6.98%	6.98%	6.98%	0.00%
6 Month NCD	7.35%	7.37%	7.39%	0.02%
9 Month NCD	7.65%	7.65%	7.68%	0.02%
12 Month NCD	8.05%	8.05%	8.08%	0.02%
18 Month NCD	8.06%	8.05%	8.08%	0.03%
24 Month NCD	8.20%	8.18%	8.21%	0.03%
36 Month NCD	8.50%	8.47%	8.49%	0.02%
R 204	6.27%	6.06%	6.17%	0.115%

MONEY MARKET LIQUIDITY	12-Oct	19-Oct	26-Oct	Change
Shortage (Rm)	56000	56000	56000	0
Notes (Rm)	142580	136535	140818	4283
Reverse Repo (Rm)	0	0	0	0
Debentures (Rm)	0	241	329	88
Liquidity Requirements (Rm)	57476	55897	57853	1956

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

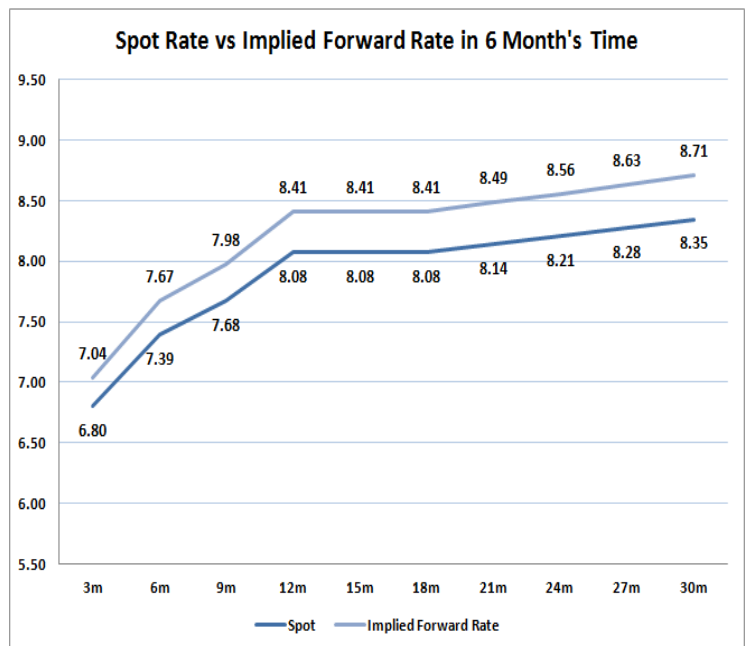
JIBAR (Nominal Terms)	12-Oct	19-Oct	26-Oct	Change
1 Month	6.78%	6.78%	6.79%	0.01%
3 Month	7.02%	7.03%	7.02%	-0.01%
6 Month	7.63%	7.64%	7.68%	0.03%
9 Month	7.94%	7.94%	7.98%	0.03%
12 Month	8.38%	8.34%	8.42%	0.07%

#### 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.

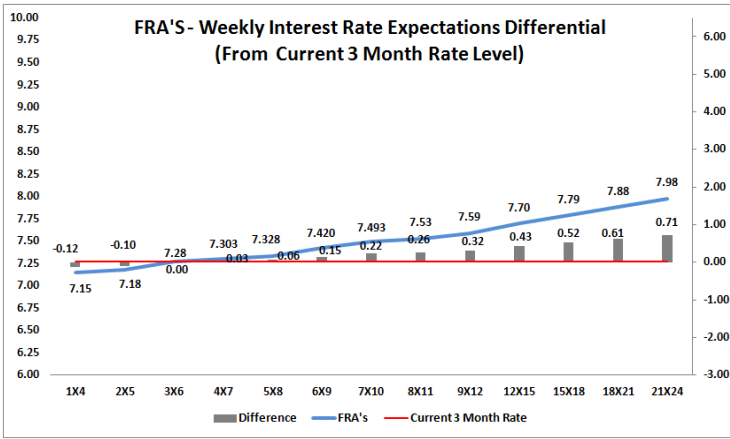
The rates represented in the line graphs below are in NACQ terms.

According to the break-even (forward/forward) calculation, the 12 and 18-month interest rates will be 8.41% and 8.41% respectively in six months time.



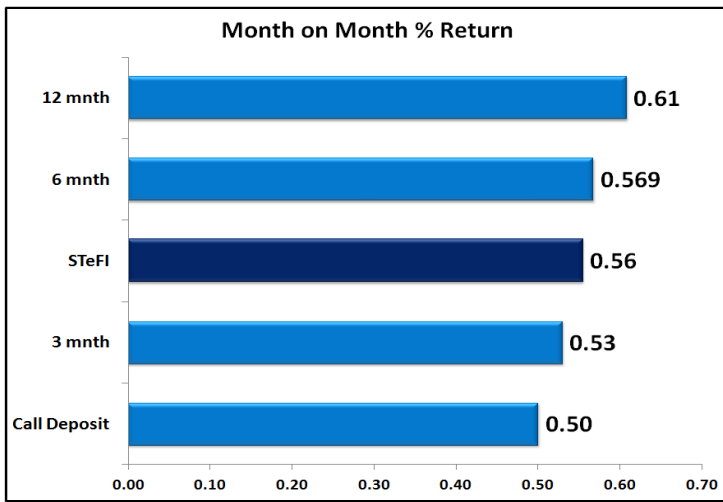
#### 4. FRA RATES (NACQ)

FRA's	12-Oct	19-Oct	26-Oct	Change
1x4	7.04%	7.05%	7.15%	0.11%
3x6	7.20%	7.19%	7.28%	0.09%
6x9	7.48%	7.41%	7.42%	0.01%
9x12	7.64%	7.54%	7.59%	0.05%
12x15	7.78%	7.69%	7.70%	0.01%
15x18	7.87%	7.76%	7.79%	0.03%
18x21	7.98%	7.88%	7.88%	0.01%
21x24	8.10%	7.99%	7.98%	-0.01%
24x27	8.22%	8.11%	8.07%	-0.04%
27x30	8.34%	8.23%	8.17%	-0.06%

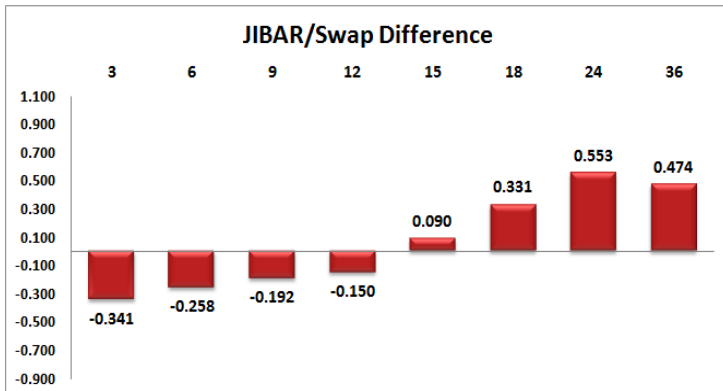
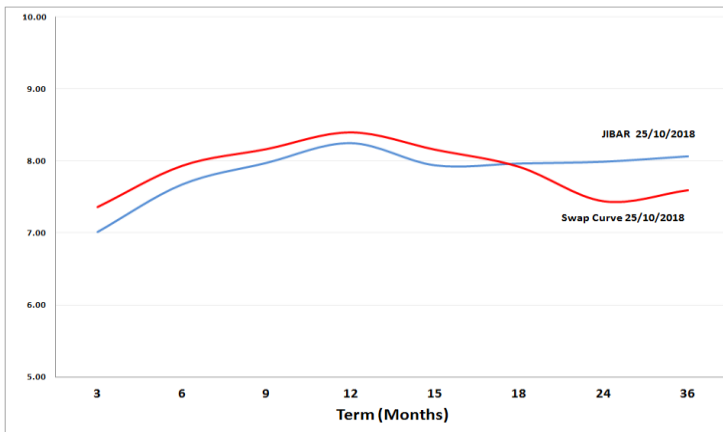


## 5. MONEY MARKET PERFORMANCE

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



## 6. JIBAR and SWAPS - Curve



## 7. SARB AND NATIONAL TREASURY OPERATIONS

SARB DEBENTURES			
	Received	Allotted	Av. Rate
7 Days	329	329	6.499%
14 Days	0	0	0.000%
28 Days	0	0	0.000%
56 Days	0	0	0.000%

LONG TERM REVERSE REPO			
14Days			
	Allotted	Av. Rate	

56 Days			
	Allotted	Av. Rate	

TREASURY BILLS			
	Received	Allotted	Av. Rate
91 Days	R3277m	R2527m	7.40%
182 Days	R2668m	R1918m	7.82%
273 Days	R8233m	R3476m	8.02%

## 8. THE WEEK AHEAD

Date	Time	Country	Event	Month	Previous	Forecast	
28-Oct-18	01:50:00	Japan	Retail Trade s.a (MoM)	Sept'18	0.90%		
	01:50:00	Japan	Retail Trade (YoY)	Sept'18	2.70%	2.10%	
	01:50:00	Japan	Large Retailers' Sales	Sept'18	-0.10%		
29-Oct-18	02:00:00	UK	Budget Report				
	08:00:00	SA	M3 Money Supply (YoY)	Sept'18	6.95%	5.90%	
	08:00:00	SA	Private Sector Credit	Sept'18	6.74%	5.50%	
	11:30:00	UK	Net Lending to Individuals (MoM)	Sept'18	4B		
	11:30:00	UK	Consumer Credit	Sept'18	1.118B	1.15B	
	11:30:00	UK	Mortgage Approvals	Sept'18	66.44K	65K	
	11:30:00	UK	M4 Money Supply (YoY)	Sept'18	1.20%		
	13:00:00	UK	CBI Distributive Trades Survey - Realized (MoM)	Sept'18	23%		
	14:30:00	US	Personal Income (MoM)	Sept'18	0.30%	0.30%	
	14:30:00	US	Personal Spending	Sept'18	0.30%	0.40%	
	16:30:00	US	Dallas Fed Manufacturing Business Index		29.1		
	17:30:00	US	3-Month Bill Auction		2.30%		
	17:30:00	US	6-Month Bill Auction		2.43%		
	01:30:00	Japan	Unemployment Rate	Sept'18	2.40%	2.40%	
	01:30:00	Japan	Jobs/applicants ratio	Sept'18	1.63	1.63	
	30-Oct-18	09:00:00	UK	Nationwide Housing Prices s.a (MoM)	Aug'18	0.30%	
		09:00:00	UK	Nationwide Housing Prices n.s.a (YoY)	Aug'18	2%	
10:55:00		Germany	Unemployment Rate s.a.	Sept'18	5.10%	5.20%	
11:30:00		SA	Unemployment Rate	Q3	27.20%	27.30%	
12:00:00		EU	Gross Domestic Product s.a. (QoQ)	Q3	0.40%	0.40%	
12:00:00		EU	Gross Domestic Product s.a. (YoY)	Q3	2.10%		
12:00:00		EU	Services Sentiment	Sept'18	14.6	14	
12:00:00		EU	Consumer Confidence	Sept'18	-2.7	-2.7	
12:00:00		EU	Industrial Confidence	Sept'18	4.7		
12:00:00		EU	Business Climate	Sept'18	1.21	1.15	
12:00:00		EU	Economic Sentiment Indicator	Sept'18	110.9	110	
14:55:00		US	Redbook index (YoY)		5.50%		
15:00:00		US	S&P/Case-Shiller Home Price Indices (YoY)		5.90%	5.80%	
15:00:00		Germany	Consumer Price Index (MoM)	Oct'18	0.40%		
15:00:00		Germany	Consumer Price Index (YoY)	Oct'18	2.30%	2%	
17:30:00		US	4-Week Bill Auction		2.18%		
22:30:00		US	API Weekly Crude Oil Stock		9.88M		
01:50:00	Japan	Industrial Production (YoY)	Sept'18	0.20%			
31-Oct-18	02:00:00	Germany	Day of Reformation				
	02:01:00	UK	Gfk Consumer Confidence	Sept'18	-9		
	02:01:00	UK	BRC Shop Price Index (YoY)	Sept'18	0.20%		
	03:00:00	China	NBS Manufacturing PMI	Sept'18	50.8	51.2	
	03:00:00	China	Non-manufacturing PMI	Sept'18	54.9		
	04:00:00	Japan	BoJ Interest Rate Decision		-0.10%		
	07:00:00	Japan	Construction Orders (YoY)	Sept'18	0.50%		
	07:00:00	Japan	Housing Starts (YoY)	Sept'18	1.60%	1.50%	
	07:00:00	Japan	Annualized Housing Starts	Sept'18	0.957M		
	07:00:00	Japan	Consumer Confidence Index	Sept'18	43.4		
	09:00:00	Germany	Retail Sales (MoM)	Sept'18	-0.10%	0.40%	
	09:00:00	Germany	Retail Sales (YoY)	Sept'18	1.60%	1.50%	
	12:00:00	EU	Unemployment Rate	Sept'18	8.10%		
	12:00:00	EU	Consumer Price Index - Core (YoY)	Oct'18	0.90%		
	12:00:00	EU	Consumer Price Index (YoY)	Oct'18	2.10%	2.10%	
	13:00:00	US	MBA Mortgage Applications		4.90%		
	14:00:00	SA	Trade Balance (in Rands)	Sept'18	8.79B	5B	
14:15:00	US	ADP Employment Change	Oct'18	230K	195K		
14:30:00	US	Employment cost index	Oct'18	0.60%	0.70%		
15:45:00	US	Chicago Purchasing Managers' Index		60.4	60.5		
16:30:00	US	EIA Crude Oil Stocks change		6.35M			
01:50:00	Japan	Foreign investment in Japan stocks	Sept'18	76.5B			
01:50:00	Japan	Foreign bond investment	Sept'18	8.1B			
01-Nov-18	03:45:00	China	Caixin Manufacturing PMI	Oct'18	50		
	04:00:00	China	PBoC Interest Rate Decision	Oct'18	4.35%		
	13:30:00	US	Challenger Job Cuts		55,285K		
	14:00:00	UK	BoE Interest Rate Decision		0.75%		
	14:00:00	UK	BoE Asset Purchase Facility		435B		
	14:00:00	SA	Total New Vehicle Sales	Oct'18	49.67	49.631	
	14:00:00	UK	Monetary Policy Summary				
	14:00:00	UK	Bank of England Quarterly Inflation Report				
	14:30:00	US	Nonfarm Productivity		2.90%		
	14:30:00	US	Unit Labor Costs		-1%		
	14:30:00	US	Initial Jobless Claims		215K	214K	
	15:45:00	US	Markit Manufacturing PMI		55.9		
	16:00:00	US	ISM Manufacturing PMI		59.8		
	16:00:00	US	ISM Prices Paid		66.9		
	16:00:00	US	Construction Spending (MoM)	Sept'18	0.10%		
	16:30:00	US	EIA Natural Gas Storage change	Oct'18	0.30%	0.30%	
	21:30:00	US	Total Vehicle Sales	Oct'18	17.44M		
01:50:00	Japan	Monetary Base (YoY)	Oct'18	5.90%			
02-Nov-18	10:55:00	Germany	Markit Manufacturing PMI	Oct'18	52.3		
	11:30:00	UK	PMI Construction		52.1		
	11:45:00	UK	10-y Bond Auction		1.60%		
	14:30:00	US	Nonfarm Payrolls	Oct'18	134K	180K	
	14:30:00	US	Average Weekly Hours	Oct'18	34.5	34.5	
	14:30:00	US	Average Hourly Earnings (YoY)	Oct'18	2.80%	2.80%	
	14:30:00	US	Unemployment Rate	Oct'18	3.70%	3.70%	
	14:30:00	US	Average Hourly Earnings (MoM)	Oct'18	0.30%	0.30%	
	14:30:00	US	Labor Force Participation Rate	Oct'18	62.70%		
	14:30:00	US	Trade Balance	Sept'18	-53.2B		
15:45:00	US	ISM-NY Business Conditions Index		72.5			

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%