

## SA MONEY MARKET REPORT

28 August 2020

### THE PREVIOUS WEEK IN REVIEW

#### 1. MONEY MARKET INTEREST RATES

SPOT RATES	14-Aug	21-Aug	28-Aug	Change
Repo Rate	3.50%	3.50%	3.50%	0.00%
Treasury Bill 91 days(D)	3.68%	3.57%	3.44%	-0.13%
Treasury Bill 91 days(Y)	3.72%	3.60%	3.48%	-0.12%
Treasury Bill 182days(D)	3.78%	3.64%	3.61%	-0.03%
Treasury Bill 182days(Y)	3.85%	3.71%	3.67%	-0.04%
Treasury Bill 273days(D)	3.85%	3.74%	3.76%	0.02%
Treasury Bill 273days(Y)	3.96%	3.85%	3.87%	0.02%
Treasury Bill 364days(Y)	3.97%	3.88%	3.89%	0.01%
3 Month NCD	3.38%	3.38%	3.38%	0.00%
6 Month NCD	3.43%	3.45%	3.48%	0.03%
9 Month NCD	3.55%	3.58%	3.60%	0.03%
12 Month NCD	3.70%	3.70%	3.78%	0.07%
18 Month NCD (YTM)	3.87%	3.93%	4.08%	0.15%
24 Month NCD (YTM)	4.12%	4.15%	4.39%	0.24%
36 Month NCD (YTM)	4.59%	4.63%	4.89%	0.26%
R208 (YTM)	3.55%	3.55%	3.62%	0.065%

MONEY MARKET RATES (NACQ)	14-Aug	21-Aug	28-Aug	Change
3 Month NCD	3.38%	3.38%	3.38%	0.00%
6 Month NCD	3.38%	3.41%	3.43%	0.02%
9 Month NCD	3.50%	3.53%	3.55%	0.02%
12 Month NCD	3.65%	3.65%	3.72%	0.07%
18 Month NCD	3.81%	3.87%	4.01%	0.15%
24 Month NCD	4.05%	4.09%	4.31%	0.23%
36 Month NCD	4.51%	4.55%	4.80%	0.25%
R 208	3.55%	3.55%	3.62%	0.065%

MONEY MARKET LIQUIDITY	14-Aug	21-Aug	28-Aug	Change
Shortage (Rm)	51100	38000	38000	0
Notes (Rm)	175293	167575	169851	2276
Reverse Repo (Rm)	0	0	0	0
Debentures (Rm)	9359	7909	5185	-2724
Liquidity Requirements (Rm)	50256	35131	34910	-221

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

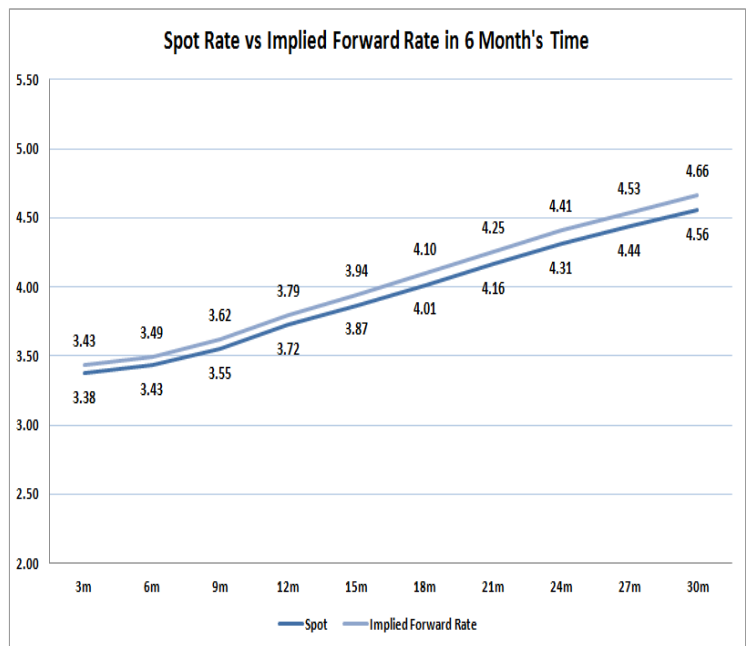
JIBAR (Nominal Terms)	14-Aug	21-Aug	28-Aug	Change
1 Month	3.39%	3.39%	3.39%	0.00%
3 Month	3.44%	3.44%	3.44%	0.00%
6 Month	3.50%	3.53%	3.53%	0.00%
9 Month	3.60%	3.65%	3.65%	0.00%
12 Month	3.77%	3.80%	3.80%	0.00%

#### 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.

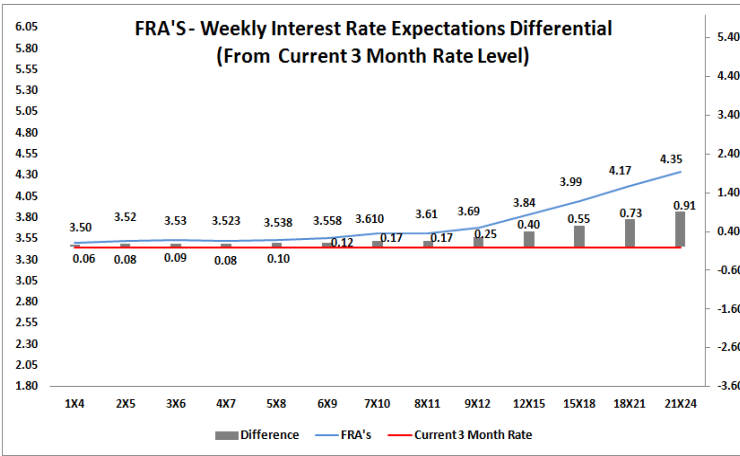
The rates represented in the line graphs below are in NACQ terms.

According to the break-even (forward/forward) calculation, the 12 and 18-month interest rates will be 3.79% and 4.10% respectively in six months time.



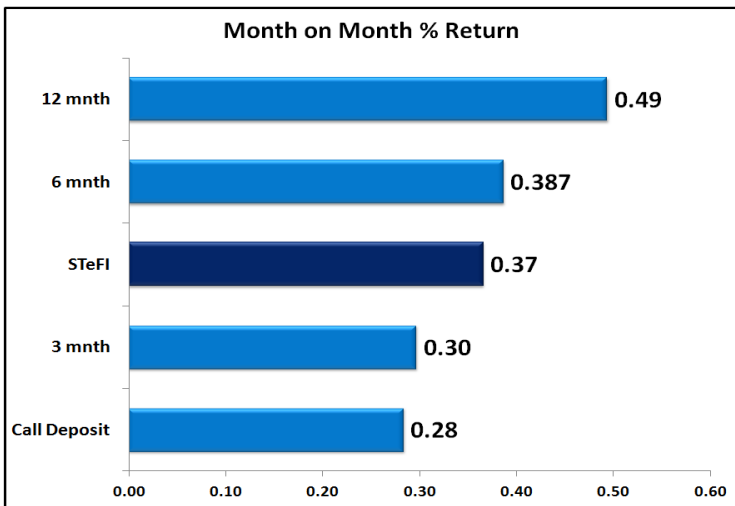
#### 4. FRA RATES (NACQ)

FRA's	14-Aug	21-Aug	28-Aug	Change
1x4	3.39%	3.44%	3.50%	0.06%
3x6	3.34%	3.45%	3.53%	0.08%
6x9	3.36%	3.48%	3.56%	0.08%
9x12	3.44%	3.56%	3.69%	0.13%
12x15	3.62%	3.72%	3.84%	0.12%
15x18	3.75%	3.88%	3.99%	0.11%
18x21	4.01%	4.08%	4.17%	0.09%
21x24	4.27%	4.28%	4.35%	0.07%
24x27	4.53%	4.47%	4.52%	0.05%
27x30	4.79%	4.67%	4.70%	0.03%

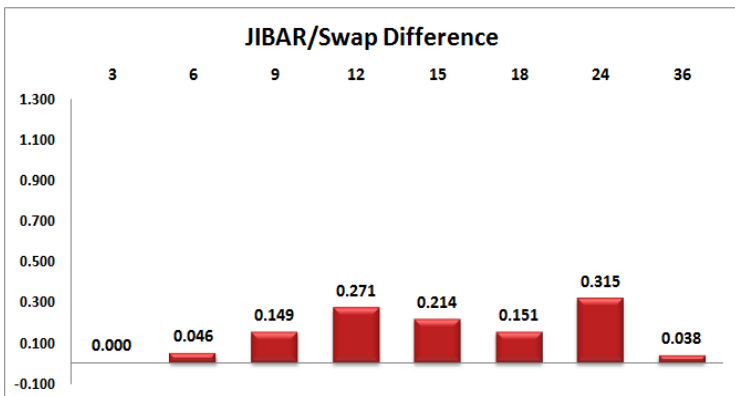
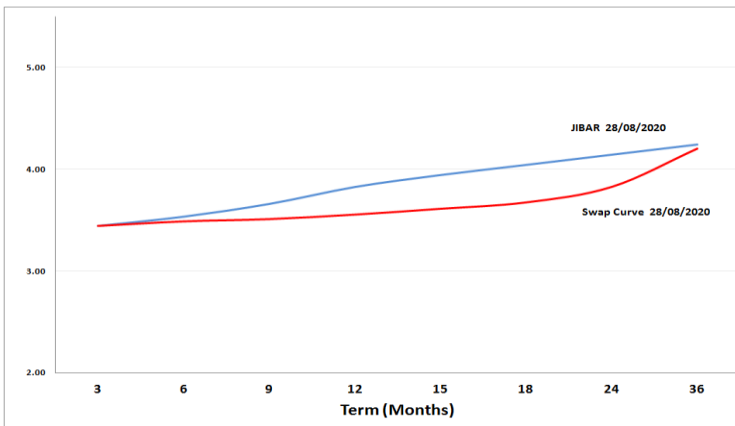


## 5. MONEY MARKET PERFORMANCE

STeFI (Month on Month) gained 0.37% with the best return 0.50% in the 12-Month area.



## 6. JIBAR and SWAPS - Curve



## 7. SARB AND NATIONAL TREASURY OPERATIONS

SARB DEBENTURES			
	Received	Allotted	Av. Rate
7 Days	75	75	3.400%
14 Days	220	220	3.450%
28 Days	325	225	3.450%
56 Days	25	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	R5372m	R1400m	3.48%
182 Days	R6312m	R3070m	3.67%
273 Days	R6699m	R4040m	3.87%

## 8. THE WEEK AHEAD

Date	Time	Country	Event	Month	Previous	Consensus	Forecast
31-Aug-20	01:50:00	Japan	Industrial Production MoM Prel	Jul'20	1.90%		1.10%
	01:50:00	Japan	Retail Sales YoY	Jul'20	-1.20%	-1.70%	0.50%
	01:50:00	Japan	Industrial Production YoY Prel	Jul'20	-18.20%		-14.00%
	01:50:00	Japan	Retail Sales MoM	Jul'20	13.10%		2.00%
	03:00:00	China	NBS Manufacturing PMI	Aug'20	51.1	51.2	51.3
	08:00:00	SA	M3 Money Supply YoY	Jul'20	11.07%		
	08:00:00	SA	Private Sector Credit YoY	Jul'20	5.64%		
	14:00:00	Germany	Inflation Rate YoY Prel	Aug'20	-0.10%	0.10%	-0.10%
	14:00:00	Germany	Inflation Rate MoM Prel	Aug'20	-0.50%		-0.20%
	14:00:00	SA	Balance of Trade	Jul'20	AR46.63B		ZAR -1.6B
	16:30:00	US	Dallas Fed Manufacturing Index	Aug'20	-3		-2
	17:30:00	US	3-Month Bill Auction		0.10%		
	17:30:00	US	6-Month Bill Auction		0.12%		
01-Sep-20	01:30:00	Japan	Unemployment Rate	Jul'20	2.80%	3.00%	3.20%
	02:30:00	Japan	Jibun Bank Manufacturing PMI Final	Aug'20	45.2	46.6	46.6
	03:45:00	China	Cairn Manufacturing PMI	Aug'20	52.8	52.7	52.4
	05:45:00	Japan	10-Year JGB Auction		0.02%		
	09:55:00	Germany	Markit Manufacturing PMI Final		51	53	53
	09:55:00	Germany	Unemployment Rate	Aug'20	6.40%	6.40%	6.50%
	10:00:00	EU	Markit Manufacturing PMI Final	Aug'20	51.8	51.7	51.7
	10:30:00	UK	Mortgage Approvals	Jul'20	40K		47K
	10:30:00	UK	Markit/CIPS Manufacturing PMI Final	Aug'20	53.3	55.3	55.3
	11:00:00	EU	Inflation Rate YoY Flash	Aug'20	0.40%	0.20%	0.00%
	11:00:00	EU	Inflation Rate MoM Flash	Aug'20	-0.40%		-0.20%
	11:00:00	EU	Unemployment Rate	Jul'20	7.80%	7.90%	8.00%
	11:00:00	SA	ABSA Manufacturing PMI	Aug'20	51.2		
	14:00:00	SA	Total New Vehicle Sales	Aug'20	32.396K		
	14:55:00	US	Redbook MoM 29/AUG	Aug'20	4.10%		
	14:55:00	US	Redbook YoY 29/AUG	Aug'20	0.60%		
	15:45:00	US	Markit Manufacturing PMI Final	Aug'20	50.9	53.6	53.6
	16:00:00	US	Construction Spending MoM	Jul'20	-0.70%	0.70%	0.30%
	16:00:00	US	ISM Manufacturing Employment	Aug'20	44.3		44
	16:00:00	US	ISM Manufacturing PMI	Aug'20	54.2	54	53.4
	22:30:00	US	API Crude Oil Stock Change 28/AUG	Aug'20	-4.5M		
02-Sep-20	02:00:00	US	Total Vehicle Sales	Aug'20	14.5M		
	08:00:00	Germany	Retail Sales MoM	Jul'20	-1.60%		0.50%
	08:00:00	Germany	Retail Sales YoY	Jul'20	5.90%		5.10%
	08:00:00	UK	Nationwide Housing Prices YoY	Aug'20	1.50%	2.10%	1.90%
	11:00:00	EU	PPI MoM	Jul'20	0.70%		
	11:00:00	EU	PPI YoY	Jul'20	-3.70%		-3.20%
	13:00:00	US	MBA 30-Year Mortgage Rate 28/AUG	Aug'20	3.11%		
	13:00:00	US	MBA Mortgage Applications 28/AUG	Aug'20	-6.50%		
	16:00:00	US	Factory Orders MoM	Jul'20	6.20%		2.40%
	16:30:00	US	EIA Cushing Crude Oil Stocks Change 28/AUG	Aug'20	-0.279M		
	16:30:00	US	EIA Crude Oil Stocks Change 28/AUG	Aug'20	-4.689M		
	20:00:00	US	Fed Beige Book				
03-Sep-20	01:50:00	Japan	Foreign Bond Investment 29/AUG		Y957.4B		
	02:30:00	Japan	Jibun Bank Services PMI Final	Aug'20	45.4	45	45
	03:45:00	China	Cairn Services PMI	Aug'20	54.1		53.7
	09:15:00	SA	Standard Bank PMI	Aug'20	44.9		
	09:55:00	Germany	Markit Composite PMI Final	Aug'20	55.3	53.7	53.7
	10:00:00	EU	Markit Services PMI Final	Aug'20	54.7	50.1	50.1
	10:00:00	EU	Markit Composite PMI Final	Aug'20	54.9	51.6	51.6
	10:30:00	UK	Markit/CIPS UK Services PMI Final	Aug'20	56.5	60.1	60.1
	10:30:00	UK	Markit/CIPS Composite PMI Final	Aug'20	57	60.3	60.3
	11:00:00	SA	Retail Sales YoY	Jul'20	1.30%		1.90%
	11:00:00	SA	Current Account	Q2	ZAR69.7B		ZAR -120B
	13:30:00	US	Challenger Job Cuts	Aug'20	262.6K		149K
	14:30:00	US	Balance of Trade	Jul'20	\$-50.7B	\$-52.34B	\$-55.4B
	14:30:00	US	Unit Labour Costs QoQ Final	Q2	5.10%	12.20%	12.20%
	14:30:00	US	Nonfarm Productivity QoQ Final	Q2	-0.90%	7.30%	7.30%
	14:30:00	US	Jobless Claims 4-Week Average 29/AUG		1068K		
	14:30:00	US	Initial Jobless Claims 29/AUG		3106K		
	14:30:00	US	Continuing Jobless Claims 22/AUG		14535K		14150K
	14:30:00	US	Exports	Jul'20	\$158.25B		\$164.6B
	14:30:00	US	Imports	Jul'20	\$208.95B		\$220B
	15:45:00	US	Markit Services PMI Final	Aug'20	50	54.8	54.8
	15:45:00	US	Markit Composite PMI Final	Aug'20	50.3	54.7	54.7
	17:30:00	US	4-Week Bill Auction		0.08%		
	17:30:00	US	8-Week Bill Auction		0.09%		
04-Sep-20	08:00:00	Germany	Factory Orders MoM	Jul'20	27.90%		2.30%
	10:00:00	UK	New Car Sales YoY	Aug'20	11.30%		
	10:30:00	UK	Construction PMI	Aug'20	58.1		54.2
	14:30:00	US	Non Farm Payrolls	Aug'20	1763K	1550K	1490K
	14:30:00	US	Unemployment Rate	Aug'20	10.20%	9.90%	10.00%
	14:30:00	US	Average Weekly Hours	Aug'20	34.5	34.5	34.4
	14:30:00	US	Average Hourly Earnings YoY	Aug'20	4.80%		4.60%
	14:30:00	US	Government Payrolls	Aug'20	301K		150K
	14:30:00	US	Participation Rate	Aug'20	61.40%		61.60%
	14:30:00	US	Manufacturing Payrolls	Aug'20	26K	40K	32K
	14:30:00	US	Nonfarm Payrolls Private	Aug'20	1462K	1375K	1340K
	14:30:00	US	Average Hourly Earnings MoM	Aug'20	0.20%	0.00%	0.10%
	19:00:00	US	Baker Hughes Total Rig Count 04/SEP				
	19:00:00	US	Baker Hughes Oil Rig Count 04/SEP				

Major Central Banks Rate Decisions			
Central Bank	Next Meeting	Last Change	Current Interest Rate
European Central Bank	10-Sep-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%