



## SA MONEY MARKET REPORT

31 January 2020

### THE PREVIOUS WEEK IN REVIEW

#### 1. MONEY MARKET INTEREST RATES

SPOT RATES	17-Jan	24-Jan	31-Jan	Change
Repo Rate	6.25%	6.25%	6.25%	0.00%
Treasury Bill 91 days(D)	6.73%	6.61%	6.45%	-0.16%
Treasury Bill 91 days(Y)	6.84%	6.72%	6.56%	-0.16%
Treasury Bill 182days(D)	6.98%	6.80%	6.72%	-0.08%
Treasury Bill 182days(Y)	7.23%	7.04%	6.96%	-0.08%
Treasury Bill 273days(D)	6.96%	6.79%	6.65%	-0.14%
Treasury Bill 273days(Y)	7.34%	7.15%	6.99%	-0.16%
Treasury Bill 364days(Y)	7.42%	7.22%	7.02%	-0.20%
3 Month NCD	6.53%	6.50%	6.50%	0.00%
6 Month NCD	7.05%	7.03%	7.03%	0.00%
9 Month NCD	7.25%	7.20%	7.15%	-0.05%
12 Month NCD	7.45%	7.43%	7.35%	-0.08%
18 Month NCD (YTM)	7.27%	7.25%	7.18%	-0.07%
24 Month NCD (YTM)	7.30%	7.28%	7.21%	-0.07%
36 Month NCD (YTM)	7.46%	7.46%	7.32%	-0.14%
R208 (YTM)	6.60%	6.65%	6.58%	-0.070%

MONEY MARKET RATES (NACQ)	17-Jan	24-Jan	31-Jan	Change
3 Month NCD	6.53%	6.50%	6.50%	0.00%
6 Month NCD	6.87%	6.85%	6.85%	0.00%
9 Month NCD	7.06%	7.01%	6.97%	-0.05%
12 Month NCD	7.25%	7.23%	7.16%	-0.07%
18 Month NCD	7.08%	7.06%	6.99%	-0.07%
24 Month NCD	7.11%	7.09%	7.02%	-0.07%
36 Month NCD	7.26%	7.26%	7.13%	-0.13%
R 208	6.60%	6.65%	6.58%	-0.070%

MONEY MARKET LIQUIDITY	17-Jan	24-Jan	31-Jan	Change
Shortage (Rm)	56000	56000	56000	0
Notes (Rm)	141082	141126	150094	8968
Reverse Repo (Rm)	0	0	0	0
Debentures (Rm)	0	0	0	0
Liquidity Requirements (Rm)	57452	55273	57196	1923

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

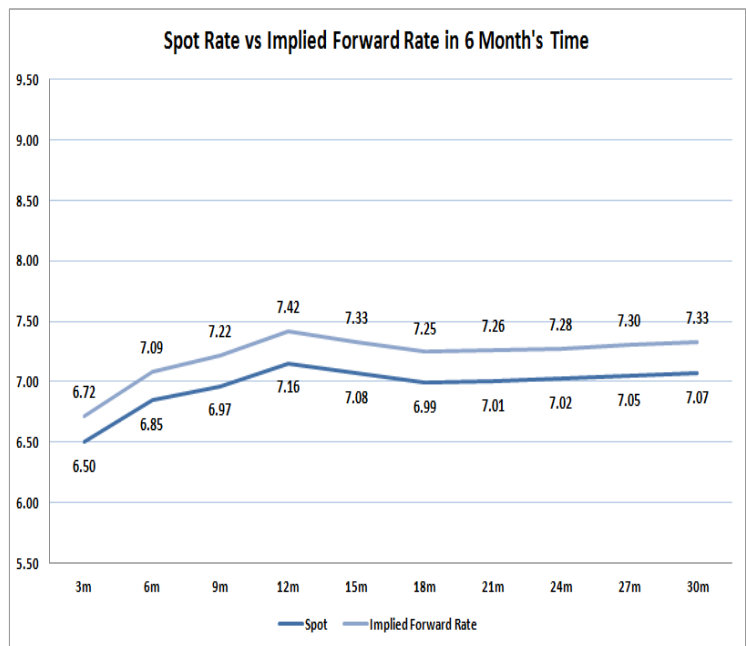
JIBAR (Nominal Terms)	17-Jan	24-Jan	31-Jan	Change
1 Month	6.63%	6.39%	6.38%	-0.01%
3 Month	6.80%	6.56%	6.56%	0.00%
6 Month	7.31%	7.10%	7.11%	0.01%
9 Month	7.47%	7.27%	7.26%	-0.01%
12 Month	7.68%	7.50%	7.45%	-0.05%

#### 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.

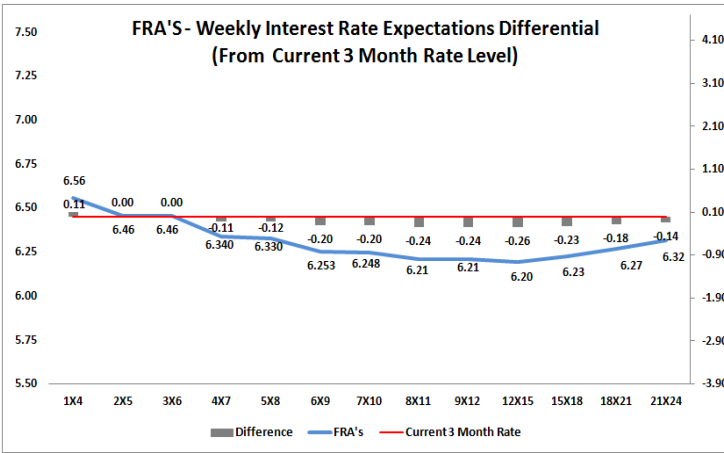
The rates represented in the line graphs below are in NACQ terms.

According to the break-even (forward/forward) calculation, the 12 and 18-month interest rates will be 7.42% and 7.25% respectively in six months time.



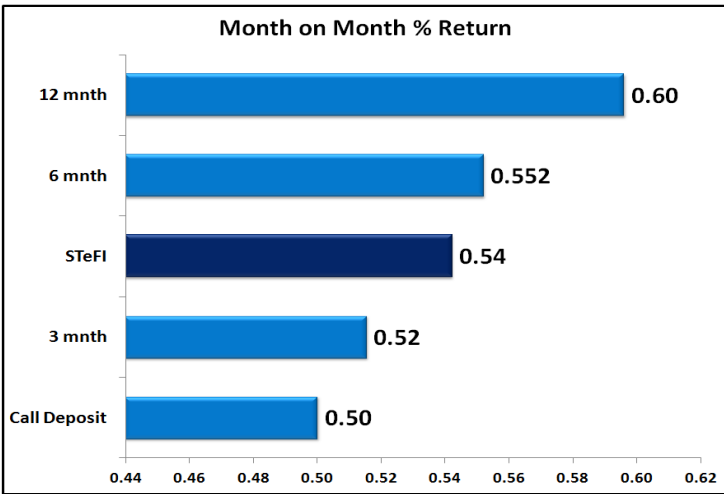
#### 4. FRA RATES (NACQ)

FRA's	17-Jan	24-Jan	31-Jan	Change
1x4	6.59%	6.55%	6.56%	0.00%
3x6	6.51%	6.48%	6.46%	-0.02%
6x9	6.44%	6.40%	6.25%	-0.15%
9x12	6.38%	6.33%	6.21%	-0.12%
12x15	6.38%	6.32%	6.20%	-0.13%
15x18	6.43%	6.37%	6.23%	-0.15%
18x21	6.47%	6.41%	6.27%	-0.14%
21x24	6.50%	6.46%	6.32%	-0.14%
24x27	6.54%	6.50%	6.36%	-0.14%
27x30	6.57%	6.54%	6.41%	-0.14%

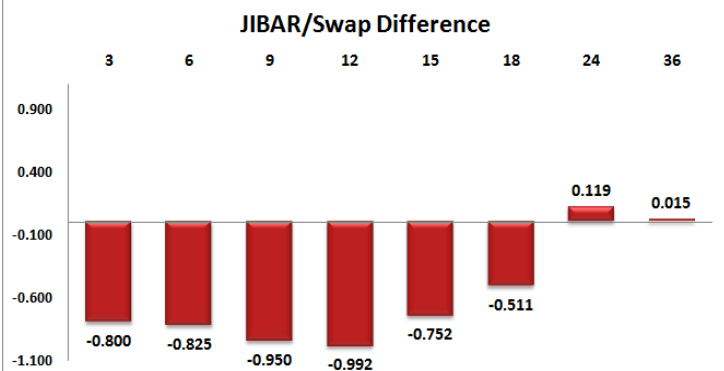
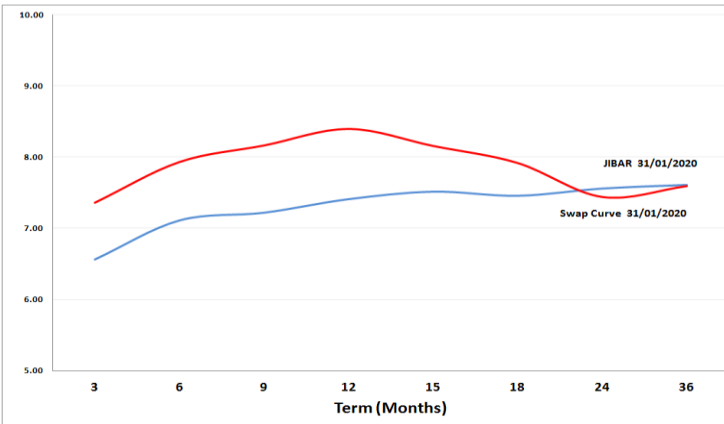


## 5. MONEY MARKET PERFORMANCE

STeFI (Month on Month) gained 0.54% with the best return 0.60% in the 12-Month area.



## 6. JIBAR and SWAPS - Curve



## 7. SARB AND NATIONAL TREASURY OPERATIONS

SARB DEBENTURES			
	Received	Allotted	Av. Rate
7 Days	350	350	6.250%
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	R4891m	R1000m	6.56%
182 Days	R8960m	R2055m	6.96%
273 Days	R9554m	R2370m	6.99%

## 8. THE WEEK AHEAD

Date	Time	Country	Event	Month	Previous	Consensus	Forecast
03-Feb-20	02:30:00	Japan	Jibun Bank Manufacturing PMI Final	Jan'20	48.4	49.3	49.3
	03:30:00	China	Industrial Profits (YTD) YoY	Dec'19	-2.10%		-3.60%
	03:45:00	China	Caixin Manufacturing PMI	Jan'20	51.5	51.5	51.5
	10:55:00	Germany	Markit Manufacturing PMI Final	Jan'20	43.7	45.2	45.2
	11:00:00	EU	Markit Manufacturing PMI Final	Jan'20	46.3	47.8	47.8
	11:00:00	SA	ABSA Manufacturing PMI	Jan'20	47.1		46.4
	11:30:00	UK	Markit/CIPS Manufacturing PMI Final	Jan'20	47.5	49.8	49.8
	14:00:00	SA	Total New Vehicle Sales	Jan'20	41.70K		40K
	16:45:00	US	Markit Manufacturing PMI Final	Jan'20	52.4	51.7	51.7
	17:00:00	US	Construction Spending MoM	Dec'19	0.60%	0.40%	-0.40%
	18:30:00	US	6-Month Bill Auction		1.54%		
	18:30:00	US	3-Month Bill Auction		1.53%		
04-Feb-20	05:45:00	Japan	10-Year JGB Auction		-0.01%		
	11:30:00	UK	Construction PMI	Jan'20	44.4	45.9	46.2
	12:00:00	US	PPI MoM	Dec'19	0.20%	0.30%	0.20%
	12:00:00	EU	PPI YoY	Dec'19	-1.40%	-1.50%	-0.50%
	15:55:00	US	Redbook YoY 01/FEB		5.50%		
	15:55:00	US	Redbook MoM 01/FEB		0.10%		
	16:45:00	US	ISM New York Index	Jan'20	39.1		43.8
	17:00:00	US	Factory Orders MoM	Dec'19	-0.70%	0.70%	-0.50%
	17:00:00	US	IBD/TIPP Economic Optimism FEB	Jan'20	57.4		54.1
	17:00:00	US	Factory Orders ex Transportation	Dec'19	0.30%		-0.80%
	23:30:00	US	API Crude Oil Stock Change 31/JAN	Jan'20	-4.267M		
05-Feb-20	02:30:00	Japan	Jibun Bank Services PMI Final	Jan'20	49.4	52.1	52.1
	02:30:00	Japan	Jibun Bank Composite PMI Final	Jan'20	48.6	51.1	51.1
	03:45:00	China	Caixin Services PMI	Jan'20	52.5	52.6	52.6
	03:45:00	China	Caixin Composite PMI	Jan'20	52.6		52.6
	09:15:00	SA	Standard Bank PMI	Jan'20	47.6		49.4
	10:55:00	Germany	Markit Services PMI Final	Jan'20	52.9	54.2	54.2
	10:55:00	Germany	Markit Composite PMI Final	Jan'20	50.2	51.1	51.1
	11:00:00	EU	Markit Services PMI Final	Jan'20	52.8	52.2	52.2
	11:00:00	EU	Markit Composite PMI Final	Jan'20	50.9	50.9	50.9
	11:00:00	UK	New Car Sales YoY	Jan'20	3.40%		
	12:00:00	US	Retail Sales MoM	Dec'19	1.00%	-0.20%	-0.40%
	12:00:00	EU	Retail Sales YoY	Dec'19	2.20%	1.30%	1.50%
	14:00:00	US	MBA Mortgage Applications 31/JAN	Jan'20	7.20%		
	14:00:00	US	MBA 30-Year Mortgage Rate 31/JAN	Jan'20	3.81%		
	14:30:00	US	Treasury Refunding Announcement				
	15:15:00	US	ADP Employment Change	Jan'20	202K	155K	142K
	15:30:00	US	Balance of Trade	Dec'19	\$-43.1B	\$-44.6B	\$-49B
	15:30:00	US	Exports	Dec'19	\$20.9B		\$20.9B
	15:30:00	US	Imports	Dec'19	\$25.2B		\$25.8B
	16:45:00	US	Markit Services PMI Final	Jan'20	52.8	53.2	53.2
	16:45:00	US	Markit Composite PMI Final	Jan'20	52.7	53.1	53.1
	17:00:00	US	ISM Non-Manufacturing PMI	Jan'20	55	55.1	54.5
06-Feb-20	01:30:00	Japan	Foreign Bond Investment 01/FEB		¥551.9B		
	01:30:00	Japan	Stock Investment by Foreigners 01/FEB		¥284.3B		
	05:45:00	Japan	30-Year JGB Auction		0.43%		
	09:00:00	Germany	Factory Orders MoM	Dec'19	-1.30%	0.60%	0.40%
	10:30:00	Germany	Construction PMI	Jan'20	53.8		52.9
	11:30:00	SA	SACI Business Confidence	Jan'20	93.1		92.8
	14:30:00	US	Challenger Job Cuts	Jan'20	32,843K		56K
	15:30:00	US	Initial Jobless Claims 01/FEB		216K		219K
	15:30:00	US	Unit Labour Costs QoQ Prel	Q4	2.50%	1.40%	1.70%
	15:30:00	US	Nonfarm Productivity QoQ Prel	Q4	-0.20%	1.20%	1.50%
	15:30:00	US	Continuing Jobless Claims 25/JAN		1,703K		1696K
	17:30:00	US	EIA Natural Gas Stocks Change 31/JAN		-201Bcf		
	18:30:00	US	4-Week Bill Auction		1.55%		
	18:30:00	US	8-Week Bill Auction		1.55%		
07-Feb-20	01:30:00	Japan	Household Spending MoM	Dec'19	2.60%	0.20%	-1.00%
	01:30:00	Japan	Household Spending YoY	Dec'19	-2.00%	-1.70%	-2.60%
	01:30:00	Japan	Average Cash Earnings YoY	Dec'19	-0.20%		0.50%
	01:30:00	Japan	Foreign Exchange Reserves	Jan'20	\$132.3B		\$132.3B
	05:00:00	China	Balance of Trade	Jan'20	\$47.21B		\$45.1B
	05:00:00	China	Exports YoY	Jan'20	7.90%	-6.30%	1.40%
	05:00:00	China	Imports YoY	Jan'20	16.50%	1.10%	-1.60%
	07:00:00	Japan	Consumer Index Prel	Dec'19	94.7		94.2
	07:00:00	Japan	Leading Economic Index Prel	Dec'19	90.8		90.1
	08:00:00	SA	Foreign Exchange Reserves	Jan'20	\$55.058B	\$55.127B	\$54B
	09:00:00	China	Foreign Exchange Reserves	Jan'20	\$3.1081		\$3.11
	09:00:00	Germany	Balance of Trade	Dec'19	€18.3B		€14B
	09:00:00	Germany	Industrial Production MoM	Dec'19	1.10%	-0.20%	0.70%
	09:00:00	Germany	Imports MoM s.a	Dec'19	-0.50%		
	09:00:00	Germany	Exports MoM s.a	Dec'19	-2.30%	0.30%	
	09:00:00	Germany	Balance of Trade s.a	Dec'19	€18.3B	€20B	€18.4B
	09:00:00	Germany	Current Account	Dec'19	€24.9B	€22B	€18.4B
	10:30:00	UK	Halifax House Price Index YoY	Jan'20	4.00%	3.00%	2.30%
	10:30:00	UK	Halifax House Price Index MoM	Jan'20	1.70%	-0.20%	-1.20%
	15:30:00	US	Non Farm Payrolls	Jan'20	145K	156K	148K
	15:30:00	US	Unemployment Rate	Jan'20	3.50%	3.50%	3.60%
	15:30:00	US	Nonfarm Payrolls Private	Jan'20	139K	150K	140K
	15:30:00	US	Average Hourly Earnings YoY	Jan'20	2.90%	3.00%	3.00%
	15:30:00	US	Average Hourly Earnings MoM	Jan'20	0.10%	0.30%	0.20%
	15:30:00	US	Average Weekly Hours	Jan'20	34.3	34.4	34.4
	15:30:00	US	Government Payrolls	Jan'20	6K		8K
	15:30:00	US	Participation Rate	Jan'20	63.20%	63.10%	63.30%
	15:30:00	US	Manufacturing Payrolls	Jan'20	-12K	-7K	-6K
	17:00:00	US	Wholesale Inventories MoM	Dec'19	0.10%	0.10%	-0.10%
	20:00:00	US	Baker Hughes Oil Rig Count 07/FEB				
	20:00:00	US	Baker Hughes Total Rig Count 07/FEB				
	22:00:00	US	Consumer Credit Change	Dec'19	\$12.51B	\$13.8B	\$12.2B

Major Central Banks Rate Decisions			
Central Bank	Next Meeting	Last Change	Current Interest Rate
European Central Bank	12-Mar-20	10-Mar-16	0.00%
Bank of Japan	19-Mar-20	29-Jan-16	-0.10%
Bank of England	26-Mar-20	02-Aug-18	0.75%
Federal Reserve	18-Mar-20	30-Oct-19	1.75%
SARB	19-Mar-20	16-Jan-20	6.25%