



## SA MONEY MARKET REPORT

27 May 2022

### THE PREVIOUS WEEK IN REVIEW

#### 1. MONEY MARKET INTEREST RATES

| SPOT RATES               | 13-May | 20-May | 27-May | Change |
|--------------------------|--------|--------|--------|--------|
| Repo Rate                | 4.25%  | 4.75%  | 4.75%  | 0.00%  |
| Treasury Bill 91 days(D) | 4.27%  | 4.75%  | 4.75%  | 0.00%  |
| Treasury Bill 91 days(Y) | 4.32%  | 4.81%  | 4.81%  | 0.00%  |
| Treasury Bill 182days(D) | 5.58%  | 5.72%  | 5.69%  | -0.03% |
| Treasury Bill 182days(Y) | 5.74%  | 5.89%  | 5.86%  | -0.03% |
| Treasury Bill 273days(D) | 5.95%  | 6.06%  | 6.10%  | 0.04%  |
| Treasury Bill 273days(Y) | 6.23%  | 6.35%  | 6.40%  | 0.05%  |
| Treasury Bill 364days(Y) | 6.48%  | 6.75%  | 6.74%  | -0.01% |
| 3 Month NCD              | 4.45%  | 4.83%  | 4.83%  | 0.00%  |
| 6 Month NCD              | 5.55%  | 5.73%  | 5.78%  | 0.05%  |
| 9 Month NCD              | 6.08%  | 6.18%  | 6.28%  | 0.10%  |
| 12 Month NCD             | 6.63%  | 6.70%  | 6.75%  | 0.05%  |
| 18 Month NCD (YTM)       | 7.03%  | 7.06%  | 7.09%  | 0.03%  |
| 24 Month NCD (YTM)       | 7.43%  | 7.40%  | 7.39%  | -0.01% |
| 36 Month NCD (YTM)       | 7.95%  | 7.80%  | 7.79%  | -0.01% |
| R2023 (YTM)              | 4.97%  | 4.97%  | 4.97%  | 0.000% |

| MONEY MARKET RATES (NACQ) | 13-May | 20-May | 27-May | Change |
|---------------------------|--------|--------|--------|--------|
| 3 Month NCD               | 4.45%  | 4.83%  | 4.83%  | 0.00%  |
| 6 Month NCD               | 5.44%  | 5.61%  | 5.65%  | 0.05%  |
| 9 Month NCD               | 5.94%  | 6.04%  | 6.13%  | 0.10%  |
| 12 Month NCD              | 6.47%  | 6.54%  | 6.59%  | 0.05%  |
| 18 Month NCD              | 6.85%  | 6.88%  | 6.91%  | 0.03%  |
| 24 Month NCD              | 7.23%  | 7.20%  | 7.19%  | -0.01% |
| 36 Month NCD              | 7.72%  | 7.58%  | 7.57%  | -0.01% |
| R 2 023                   | 4.97%  | 4.97%  | 4.97%  | 0.000% |

| MONEY MARKET LIQUIDITY      | 13-May | 20-May | 27-May | Change |
|-----------------------------|--------|--------|--------|--------|
| Shortage (Rm)               | 38100  | 43100  | 37500  | -5600  |
| Notes (Rm)                  | 165203 | 158033 | 164055 | 6022   |
| Reverse Repo (Rm)           | 0      | 0      | 0      | 0      |
| Debentures (Rm)             | 5755   | 2685   | 2685   | 0      |
| Liquidity Requirements (Rm) | 34349  | 24772  | 42112  | 17340  |

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

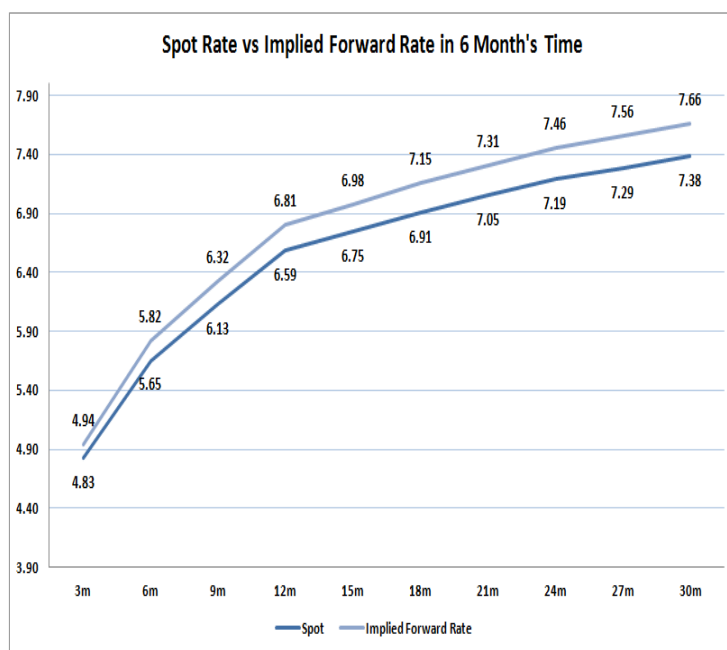
| JIBAR (Nominal Terms) | 13-May | 20-May | 27-May | Change |
|-----------------------|--------|--------|--------|--------|
| 1 Month               | 4.35%  | 4.76%  | 4.79%  | 0.03%  |
| 3 Month               | 4.47%  | 4.88%  | 4.89%  | 0.01%  |
| 6 Month               | 5.60%  | 5.80%  | 5.83%  | 0.03%  |
| 9 Month               | 6.15%  | 6.27%  | 6.32%  | 0.05%  |
| 12 Month              | 6.71%  | 6.77%  | 6.78%  | 0.01%  |

#### 3. CURRENT AND FUTURE YIELD CURVES (NACQ)

In the graph below the implied forward rates in six months' time is plotted opposite the current spot rates for the corresponding number of months. The implied forward rates are derived from a break-even calculation approach.

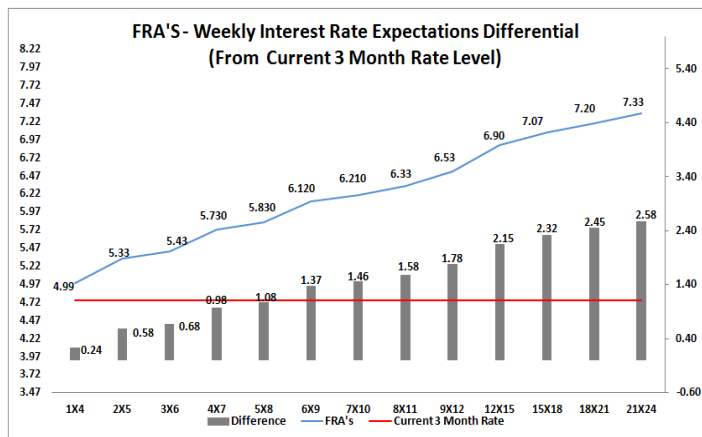
The rates represented in the line graphs below are in NACQ terms.

According to the break-even (forward/forward) calculation, the 12 and 18-month interest rates will be 6.81% and 7.15% respectively in six months time.



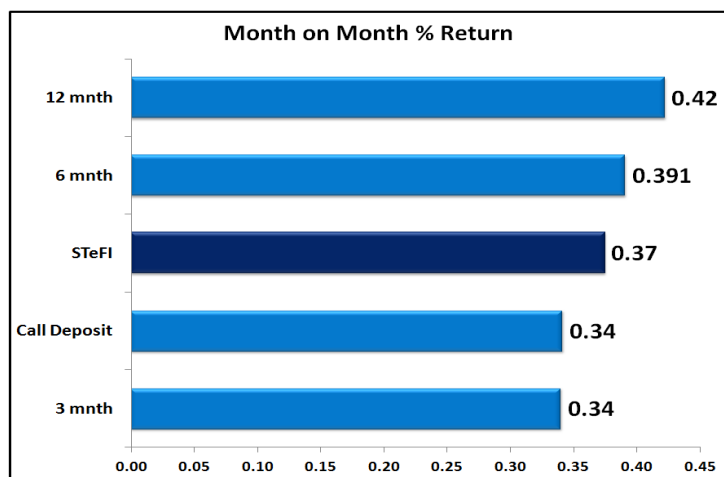
#### 4. FRA RATES (NACQ)

| FRA's | 13-May | 20-May | 27-May | Change |
|-------|--------|--------|--------|--------|
| 1x4   | 4.93%  | 4.90%  | 4.99%  | 0.09%  |
| 3x6   | 5.48%  | 5.41%  | 5.43%  | 0.02%  |
| 6x9   | 6.09%  | 5.98%  | 6.12%  | 0.14%  |
| 9x12  | 6.86%  | 6.65%  | 6.53%  | -0.12% |
| 12x15 | 7.24%  | 7.07%  | 6.90%  | -0.17% |
| 15x18 | 7.57%  | 7.26%  | 7.07%  | -0.19% |
| 18x21 | 7.71%  | 7.38%  | 7.20%  | -0.18% |
| 21x24 | 7.85%  | 7.50%  | 7.33%  | -0.17% |
| 24x27 | 7.99%  | 7.62%  | 7.46%  | -0.16% |
| 27x30 | 8.13%  | 7.74%  | 7.59%  | -0.15% |

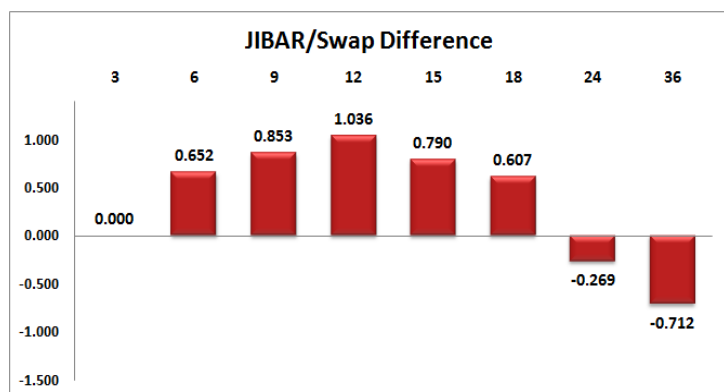
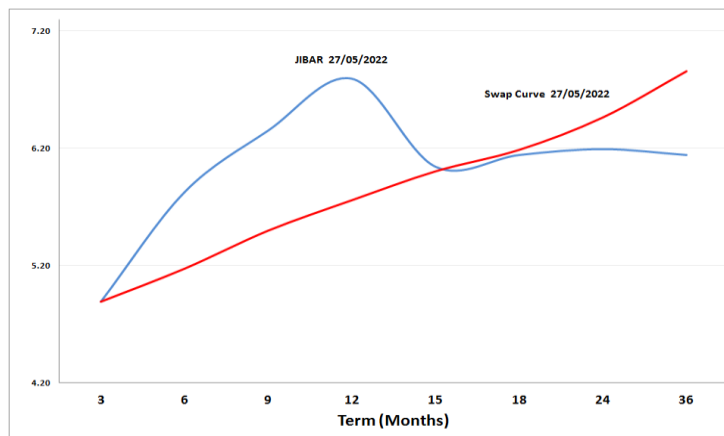


## 5. MONEY MARKET PERFORMANCE

STeFI (Month on Month) gained 0.37% with the best return 0.42% 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      | 4.730%   |
| 14 Days                | 450      | 450      | 4.780%   |
| 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                | R1001m   | R0m      | 4.75%    |
| 182 Days               | R5024m   | R2700m   | 5.69%    |
| 273 Days               | R4108m   | R3800m   | 6.10%    |

## 8. THE WEEK AHEAD

| Date      | Time     | Country | Event                                 | Month  | Previous  | Consensus | Forecast |
|-----------|----------|---------|---------------------------------------|--------|-----------|-----------|----------|
| 30-May-22 | 08:00:00 | Germany | Import Prices YoY APR                 | Apr'22 | 31.20%    |           | 31.40%   |
|           | 11:00:00 | EU      | Economic Sentiment MAY                | May'22 | 105       | 105.1     |          |
|           | 11:00:00 | EU      | Consumer Inflation Expectations MAY   | May'22 | 50        |           |          |
|           | 14:00:00 | Germany | Inflation Rate YoY Prel MAY           | May'22 | 7.40%     | 7.30%     | 7.10%    |
| 31-May-22 | 01:30:00 | Japan   | Unemployment Rate APR                 | Apr'22 | 2.60%     | 2.60%     | 2.60%    |
|           | 01:50:00 | Japan   | Retail Sales YoY APR                  | Apr'22 | 0.90%     | 2.60%     | -1.20%   |
|           | 01:50:00 | Japan   | Industrial Production YoY Prel APR    | Apr'22 | -1.70%    |           | -3.20%   |
|           | 01:50:00 | Japan   | Retail Sales MoM APR                  | Apr'22 | 2.00%     |           | 0.50%    |
|           | 08:00:00 | Germany | Unemployment Rate Harmonised APR      | Apr'22 | 2.90%     |           | 2.90%    |
|           | 08:00:00 | SA      | Private Sector Credit YoY APR         | Apr'22 | 5.89%     |           | 6.00%    |
|           | 08:00:00 | SA      | M3 Money Supply YoY APR               | Apr'22 | 8.43%     |           |          |
|           | 09:55:00 | Germany | Unemployment Rate MAY                 | May'22 | 5.00%     | 5.00%     | 5.00%    |
|           | 10:30:00 | UK      | BoE Consumer Credit APR               | Apr'22 | £1.303    |           |          |
|           | 11:00:00 | EU      | Inflation Rate YoY Flash MAY          | May'22 | 7.40%     | 7.50%     | 7.30%    |
|           | 11:30:00 | SA      | Unemployment Rate Q1                  | Q1     | 35.30%    |           | 35.70%   |
|           | 11:30:00 | SA      | Unemployed Persons Q1                 | Q1     | 7.9M      |           | 8M       |
|           | 14:00:00 | SA      | Balance of Trade APR                  | Apr'22 | ZAR45.86B |           | ZAR38B   |
| 01-Jun-22 | 08:00:00 | Germany | Retail Sales YoY APR                  | Apr'22 | -2.70%    |           | -2.50%   |
|           | 08:00:00 | Germany | Retail Sales MoM APR                  | Apr'22 | -0.10%    | 0.00%     | -0.30%   |
|           | 11:00:00 | EU      | Unemployment Rate APR                 | Apr'22 | 6.80%     | 6.70%     |          |
|           | 11:00:00 | SA      | ABSA Manufacturing PMI MAY            | May'22 | 50.7      |           | 53       |
|           | 14:00:00 | SA      | Total New Vehicle Sales MAY           | May'22 | 37.1K     |           | 38K      |
|           | 14:55:00 | US      | Redbook YoY 28/MAY                    | May'22 | 11.40%    |           |          |
| 02-Jun-22 | 01:50:00 | Japan   | Foreign Bond Investment 28/MAY        | May'22 | ¥627B     |           |          |
|           | 01:50:00 | Japan   | Stock Investment by Foreigners 28/MAY | May'22 | ¥4.1B     |           |          |
|           | 04:35:00 | Japan   | 10-Year JGB Auction                   | Apr'22 | 0.25%     |           |          |
|           | 11:00:00 | EU      | PPI MoM APR                           | Apr'22 | 5.30%     | 2.70%     |          |
|           | 11:00:00 | EU      | PPI YoY APR                           | Apr'22 | 36.80%    | 39.30%    |          |
|           | 14:30:00 | US      | Nonfarm Productivity QoQ Final Q1     | Q1     | 6.30%     | -7.50%    | -7.50%   |
|           | 14:30:00 | US      | Initial Jobless Claims 28/MAY         | May'22 | 210K      |           | 214K     |
|           | 14:30:00 | US      | Jobless Claims 4-week Average 28/MAY  | May'22 | 206.75K   |           | 210K     |
|           | 14:30:00 | US      | Continuing Jobless Claims 21/MAY      | May'22 | 1346K     |           | 1335K    |
| 03-Jun-22 | 08:00:00 | Germany | Balance of Trade APR                  | Apr'22 | €9.7B     |           |          |
|           | 08:00:00 | Germany | Imports MoM s.a APR                   | Apr'22 | 3.40%     |           |          |
|           | 08:00:00 | Germany | Exports MoM s.a APR                   | Apr'22 | -3.30%    |           |          |
|           | 08:00:00 | Germany | Balance of Trade s.a APR              | Apr'22 | €3.2B     |           |          |
|           | 08:00:00 | Germany | Current Account APR                   | Apr'22 | €18.8B    |           |          |
|           | 09:15:00 | SA      | S&P Global PMI MAY                    | May'22 | 50.3      |           | 51       |
|           | 09:55:00 | Germany | S&P Global Composite PMI Final MAY    | May'22 | 54.3      | 54.6      | 54.6     |
|           | 10:00:00 | EU      | S&P Global Composite PMI Final MAY    | May'22 | 55.8      | 54.9      | 54.9     |
|           | 11:00:00 | EU      | Retail Sales YoY APR                  | Apr'22 | 0.80%     |           |          |
|           | 14:30:00 | US      | Unemployment Rate MAY                 | May'22 | 3.60%     | 3.50%     | 3.50%    |
|           | 14:30:00 | US      | Non Farm Payrolls MAY                 | May'22 | 428K      | 350K      | 320K     |
|           | 14:30:00 | US      | Participation Rate MAY                | May'22 | 62.20%    |           | 62.30%   |
|           | 14:30:00 | US      | Average Hourly Earnings MoM MAY       | May'22 | 0.30%     | 0.40%     | 0.30%    |
|           | 14:30:00 | US      | Average Hourly Earnings YoY MAY       | May'22 | 5.50%     |           | 5.50%    |
|           | 14:30:00 | US      | Nonfarm Payrolls Private MAY          | May'22 | 406K      | 340K      | 310K     |
|           | 14:30:00 | US      | Manufacturing Payrolls MAY            | May'22 | 55K       |           | 40K      |
|           | 14:30:00 | US      | Government Payrolls MAY               | May'22 | 22K       |           | 10K      |
|           | 14:30:00 | US      | Average Weekly Hours MAY              | May'22 | 34.6      | 34.6      | 34.6     |
|           | 15:45:00 | US      | S&P Global Composite PMI Final MAY    | May'22 | 56        | 53.8      | 53.8     |

| Major Central Banks Rate Decisions |              |             |                       |
|------------------------------------|--------------|-------------|-----------------------|
| Central Bank                       | Next Meeting | Last Change | Current Interest Rate |
| European Central Bank              | 21-Jul-22    | 14-Apr-22   | 0.00%                 |
| Bank of Japan                      | 17-Jun-22    | 28-Apr-22   | -0.10%                |
| Bank of England                    | 16-Jun-22    | 05-May-22   | 1.00%                 |
| Federal Reserve                    | 15-Jun-22    | 04-May-22   | 1.00%                 |
| SARB                               | 21-Jul-22    | 19-May-22   | 4.75%                 |