

SA MONEY MARKET REPORT

11 May 2018

THE PREVIOUS WEEK IN REVIEW

1. MONEY MARKET INTEREST RATES

| SPOT RATES | 26-Apr | 04-May | 11-May | Change |
|--------------------------|--------|--------|--------|--------|
| Repo Rate | 6.50% | 6.50% | 6.50% | 0.00% |
| Treasury Bill 91 days(D) | 6.99% | 6.98% | 7.00% | 0.02% |
| Treasury Bill 91 days(Y) | 7.12% | 7.11% | 7.12% | 0.01% |
| Treasury Bill 182days(D) | 6.98% | 7.07% | 7.07% | 0.00% |
| Treasury Bill 182days(Y) | 7.23% | 7.33% | 7.33% | 0.00% |
| Treasury Bill 273days(D) | 7.02% | 7.02% | 7.04% | 0.02% |
| Treasury Bill 273days(Y) | 7.41% | 7.41% | 7.43% | 0.02% |
| Treasury Bill 364days(Y) | 7.42% | 7.46% | 7.42% | -0.04% |
| 3 Month NCD | 6.83% | 6.83% | 6.83% | 0.00% |
| 6 Month NCD | 7.33% | 7.33% | 7.33% | 0.00% |
| 9 Month NCD | 7.45% | 7.50% | 7.50% | 0.00% |
| 12 Month NCD | 7.73% | 7.78% | 7.78% | 0.00% |
| 18 Month NCD (YTM) | 7.64% | 7.72% | 7.67% | -0.05% |
| 24 Month NCD (YTM) | 7.69% | 7.79% | 7.74% | -0.05% |
| 36 Month NCD (YTM) | 7.98% | 8.06% | 8.00% | -0.06% |
| R204 (YTM) | 6.81% | 6.89% | 6.90% | 0.015% |

| MONEY MARKET RATES (NACQ) | 26-Apr | 04-May | 11-May | Change |
|---------------------------|--------|--------|--------|--------|
| 3 Month NCD | 6.98% | 6.98% | 6.98% | 0.00% |
| 6 Month NCD | 7.13% | 7.13% | 7.13% | 0.00% |
| 9 Month NCD | 7.25% | 7.30% | 7.30% | 0.00% |
| 12 Month NCD | 7.51% | 7.56% | 7.56% | 0.00% |
| 18 Month NCD | 7.43% | 7.51% | 7.46% | -0.05% |
| 24 Month NCD | 7.48% | 7.57% | 7.52% | -0.05% |
| 36 Month NCD | 7.75% | 7.83% | 7.77% | -0.05% |
| R 204 | 6.81% | 6.89% | 6.90% | 0.015% |

| MONEY MARKET LIQUIDITY | 26-Apr | 04-May | 11-May | Change |
|-----------------------------|--------|--------|--------|--------|
| Shortage (Rm) | 56000 | 56000 | 56000 | 0 |
| Notes (Rm) | 127808 | 143234 | 135340 | -7894 |
| Reverse Repo (Rm) | 0 | 0 | 0 | 0 |
| Debentures (Rm) | 615 | 194 | 1060 | 866 |
| Liquidity Requirements (Rm) | 56328 | 57141 | 57338 | 197 |

2. JIBAR RATES (Nominal Terms)

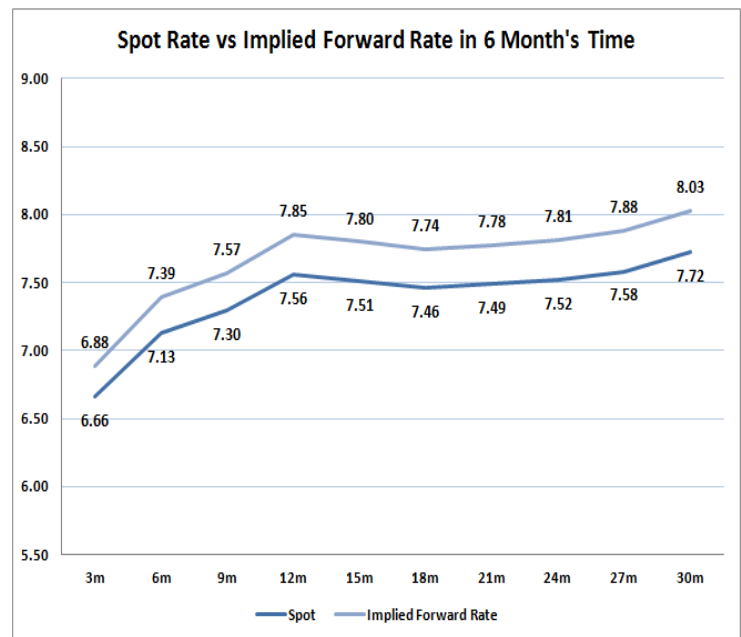
| JIBAR (Nominal Terms) | 26-Apr | 04-May | 11-May | Change |
|-----------------------|--------|--------|--------|--------|
| 1 Month | 6.68% | 6.68% | 6.68% | 0.00% |
| 3 Month | 6.90% | 6.90% | 6.90% | 0.00% |
| 6 Month | 7.38% | 7.38% | 7.40% | 0.02% |
| 9 Month | 7.51% | 7.53% | 7.58% | 0.04% |
| 12 Month | 7.79% | 7.81% | 7.87% | 0.06% |

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.

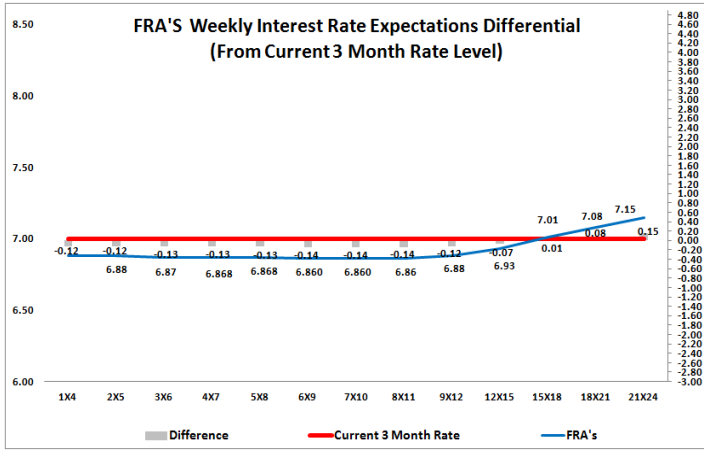
The rates represented in the line graphs below are in NACQ terms.

According to the break-even (forward/forward) calculation, the 12 and 18-month interest rates will be 7.85% and 7.74% respectively in six months time.



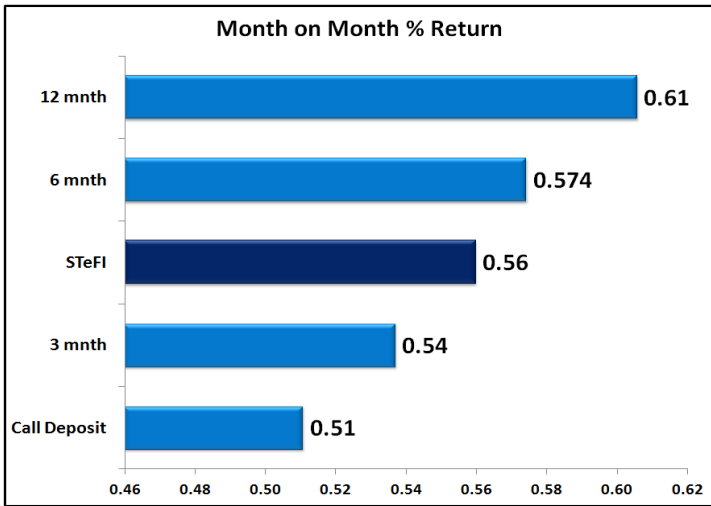
4. FRA RATES (NACQ)

| FRA's | 26-Apr | 04-May | 11-May | Change |
|-------|--------|--------|--------|--------|
| 1x4 | 6.91% | 6.88% | 6.88% | 0.00% |
| 3x6 | 6.81% | 6.84% | 6.87% | 0.03% |
| 6x9 | 6.78% | 6.82% | 6.86% | 0.04% |
| 9x12 | 6.78% | 6.81% | 6.88% | 0.07% |
| 12x15 | 6.81% | 6.85% | 6.93% | 0.08% |
| 15x18 | 6.86% | 6.90% | 7.01% | 0.11% |
| 18x21 | 6.92% | 6.96% | 7.08% | 0.13% |
| 21x24 | 6.98% | 7.01% | 7.15% | 0.14% |
| 24x27 | 7.04% | 7.07% | 7.22% | 0.16% |
| 27x30 | 7.10% | 7.12% | 7.29% | 0.17% |

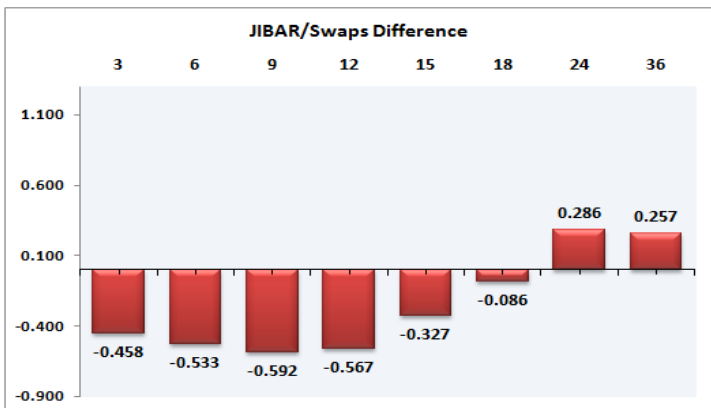
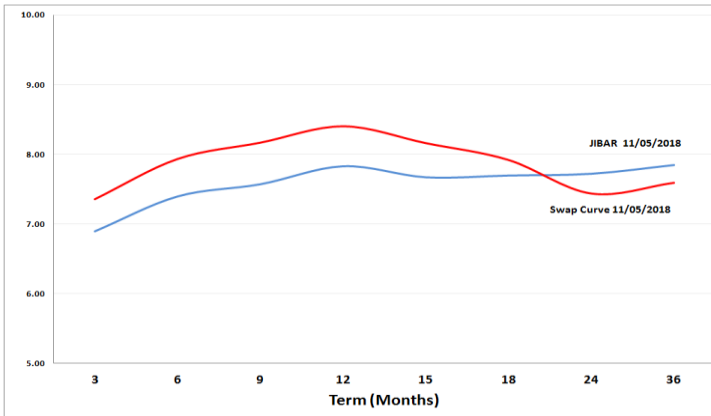


5. MONEY MARKET PERFORMANCE

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 | 1329 | 1000 | 6.500% |
| 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 | |
| | | | |

| TREASURY BILLS | | | |
|----------------|----------|----------|----------|
| | Received | Allotted | Av. Rate |
| 91 Days | R2613m | R1513m | 7.12% |
| 182 Days | R4080m | R2200m | 7.33% |
| 273 Days | R4143m | R2270m | 7.43% |

8. THE WEEK AHEAD

| Date | Time | Country | Event | Month | Previous | Forecast |
|-----------|----------|---------|---|--------------|----------|----------|
| 14-May-18 | 04:00:00 | China | M2 Money Supply (YoY) | Apr'18 | 8.20% | 8.50% |
| | 04:00:00 | China | New Loans | Apr'18 | 1120B | 1100B |
| | 04:00:00 | China | FDI - Foreign Direct Investment (YTD) (YoY) | Apr'18 | 0.50% | |
| | 08:00:00 | Japan | Machine Tool Orders (YoY) | | 28.10% | |
| | 08:45:00 | US | FOMC Member Mester speech | | | |
| | 15:40:00 | US | Fed's Bullard speech | | | |
| | 17:30:00 | US | 3-Month Bill Auction | | 1.84% | |
| | 17:30:00 | US | 6-Month Bill Auction | | 2% | |
| | 20:00:00 | US | Loan Officer Survey | | | |
| 15-May-18 | 02:00:00 | EU | Eurogroup meeting | | | |
| | 04:00:00 | China | Retail Sales (YoY) | Apr'18 | 10.10% | 10% |
| | 04:00:00 | China | Industrial Production (YoY) | | 6% | 6.30% |
| | 04:00:00 | China | Fixed Asset Investment (YTD) (YoY) | | 7.50% | 7.40% |
| | 06:30:00 | Japan | Tertiary Industry Index (MoM) | | 0% | 0% |
| | 08:00:00 | Germany | Gross Domestic Product w.d.a (YoY) | Q1 | 2.90% | 2.40% |
| | 08:00:00 | Germany | Gross Domestic Product (QoQ) | Q1 | 0.60% | 0.40% |
| | 08:00:00 | Germany | Gross Domestic Product (YoY) | Q1 | 2.30% | |
| | 10:30:00 | UK | Average Earnings excluding Bonus (3Mo/Yr) | | 2.80% | 3.10% |
| | 10:30:00 | UK | Claimant Count Change | | 11.6K | 3.5K |
| | 10:30:00 | UK | Average Earnings including Bonus (3Mo/Yr) | | -8.2 | -7.1 |
| | 10:30:00 | UK | ILO Unemployment Rate (3M) | | 4.20% | 4.10% |
| | 10:30:00 | UK | Claimant Count Rate | | 2.40% | |
| | 11:30:00 | SA | Unemployment Rate | Q1 | 26.70% | |
| | 11:00:00 | EU | Gross Domestic Product s.a. (YoY) | Q1 (Rev) | 2.50% | 2.50% |
| | 11:00:00 | EU | Gross Domestic Product s.a. (QoQ) | Q1 (Rev) | 0.40% | 0.40% |
| | 11:00:00 | EU | Industrial Production w.d.a. (YoY) | | 2.90% | 3.60% |
| | 11:00:00 | EU | Industrial Production s.a. (MoM) | | -0.80% | 0.60% |
| | 11:00:00 | Germany | ZEW Survey - Economic Sentiment | | -8.2 | -7.1 |
| | 11:00:00 | Germany | ZEW Survey - Economic Sentiment | | 1.9 | 7.6 |
| | 11:00:00 | Germany | ZEW Survey - Current Situation | | 87.9 | |
| | 12:00:00 | UK | Inflation Report Hearings | | 15.8 | 15 |
| | 14:30:00 | US | NY Empire State Manufacturing Index | Apr'18 | 0.20% | 0.50% |
| | 14:30:00 | US | Retail Sales ex Autos (MoM) | Apr'18 | 0.40% | 0.30% |
| | 14:30:00 | US | Retail Sales control group | Apr'18 | 0.60% | 0.40% |
| | 14:30:00 | US | Retail Sales (MoM) | Apr'18 | 0.60% | 0.40% |
| | 14:55:00 | US | Redbook index (YoY) | Apr'18 | 4.20% | |
| | 14:55:00 | US | Redbook index (MoM) | Apr'18 | 0.80% | |
| | 16:00:00 | US | Business Inventories | Apr'18 | 0.60% | 0.30% |
| | 16:00:00 | US | NAHB Housing Market Index | | 69 | 69 |
| | 17:30:00 | US | 4-Week Bill Auction | | 1.66% | |
| | 22:00:00 | US | Total Net TIC Flows | | 44.7B | -55.6B |
| | 22:00:00 | US | Net Long-Term TIC Flows | | 49B | 52B |
| | 22:30:00 | US | API Weekly Crude Oil Stock | | -1.85M | |
| | 01:50:00 | Japan | Gross Domestic Product (QoQ) | Q1 | 0.40% | 0% |
| | 01:50:00 | Japan | Gross Domestic Product Deflator (YoY) | Q1 | 0.10% | 0.20% |
| | 01:50:00 | Japan | Gross Domestic Product Annualized | Q1 | 0.50% | |
| 16-May-18 | 02:00:00 | EU | Ecofin Meeting | | | |
| | 03:30:00 | China | House Price Index | | 4.90% | |
| | 06:30:00 | Japan | Industrial Production (YoY) | | 2.20% | 0.50% |
| | 06:30:00 | Japan | Industrial Production (MoM) | | 1.20% | 13.30% |
| | 06:30:00 | Japan | Capacity Utilization | | 1.30% | 1% |
| | 09:00:00 | EU | Non-monetary policy's ECB meeting | | | |
| | 09:00:00 | Germany | Consumer Price Index (MoM) | Apr'18 (Rev) | 0% | 0% |
| | 09:00:00 | Germany | Harmonized Index of Consumer Prices (YoY) | Apr'18 (Rev) | 1.40% | 1.40% |
| | 09:00:00 | Germany | Consumer Price Index (YoY) | Apr'18 (Rev) | 1.60% | 1.60% |
| | 11:00:00 | EU | Consumer Price Index - Core (MoM) | Apr'18 (Rev) | 1.40% | 0.20% |
| | 11:00:00 | EU | Consumer Price Index (MoM) | Apr'18 (Rev) | 1% | 0.30% |
| | 11:00:00 | EU | Consumer Price Index - Core (YoY) | Apr'18 (Rev) | 0.70% | 0.70% |
| | 11:00:00 | EU | Consumer Price Index (YoY) | Apr'18 (Rev) | 1.20% | 1.20% |
| | 12:00:00 | Germany | 10-y Bond Auction | | 0.51% | |
| | 13:00:00 | US | MBA Mortgage Applications | | -0.40% | |
| | 13:00:00 | SA | Retail Sales (YoY) | Mar'18 | 4.90% | |
| | 14:30:00 | US | Housing Starts Change | Apr'18 | 1.90% | 4.80% |
| | 14:30:00 | US | Building Permits Change | Apr'18 | 2.50% | -3.80% |
| | 14:30:00 | US | Housing Starts (MoM) | Apr'18 | 1.319M | 1.31M |
| | 14:30:00 | US | Building Permits (MoM) | Apr'18 | 1.354M | 1.349M |
| | 14:30:00 | US | FOMC Member Kashkari speech | | | |
| | 15:15:00 | US | Industrial Production (MoM) | | 0.50% | 0.50% |
| | 15:15:00 | US | Capacity Utilization | | 78% | 78.40% |
| | 16:30:00 | US | EIA Crude Oil Stocks change | | -2.197M | 1.998M |
| | 00:30:00 | US | Fed's Bullard speech | | | |
| | 01:50:00 | Japan | Foreign investment in Japan stocks | | -0.3B | |
| | 01:50:00 | Japan | Foreign bond investment | | -363.7B | |
| | 01:50:00 | Japan | Machinery Orders (MoM) | | 2.10% | -3% |
| | 01:50:00 | Japan | Machinery Orders (YoY) | | 2.40% | 0.30% |
| 17-May-18 | 11:00:00 | EU | Construction Output w.d.a (YoY) | | 0.40% | 2.20% |
| | 11:00:00 | EU | Construction Output s.a (MoM) | | -0.50% | -0.10% |
| | 14:30:00 | US | Initial Jobless Claims | | 211K | 228K |
| | 14:30:00 | US | Continuing Jobless Claims | | 1.79M | 1.769M |
| | 14:30:00 | US | Philadelphia Fed Manufacturing Survey | | 23.2 | 21.7 |
| | 16:30:00 | US | EIA Natural Gas Storage change | | 89B | 121B |
| | 16:45:00 | US | FOMC Member Kashkari speech | | | |
| | 01:30:00 | Japan | National CPI Ex-Fresh Food (YoY) | Apr'18 | 0.90% | 0.80% |
| | 01:30:00 | Japan | National Consumer Price Index (YoY) | Apr'18 | 1.10% | 1.40% |
| | 01:30:00 | Japan | National CPI Ex Food, Energy (YoY) | Apr'18 | 0.50% | 0.50% |
| | 01:30:00 | Japan | National CPI Ex Food, Energy (YoY) | Apr'18 | | |
| 18-May-18 | 08:00:00 | Germany | Producer Price Index (MoM) | | 0.10% | |
| | 08:00:00 | Germany | Producer Price Index (YoY) | | 1.90% | |
| | 08:00:00 | Germany | Wholesale Price Index (MoM) | | 0% | |
| | 08:00:00 | Germany | Wholesale Price Index (YoY) | | 1.20% | |
| | 09:00:00 | US | FOMC Member Mester speech | | | |
| | 10:00:00 | EU | Current Account s.a | Apr'18 | 22.7B | |
| | 10:00:00 | EU | Current Account s.a | Apr'18 | 35.1B | |
| | 11:00:00 | EU | Trade Balance n.s.a. | Apr'18 | 18.9B | 27.9B |
| | 11:00:00 | EU | Trade Balance s.a. | Apr'18 | 21B | 20.7B |
| | 13:00:00 | US | Baker Hughes US Oil Rig Count | | | |

| Major Central Banks Rate Decisions | | | |
|------------------------------------|--------------|-------------|-----------------------|
| Central Bank | Next Meeting | Last Change | Current Interest Rate |
| European Central Bank | 14-Jun-18 | 10-Mar-16 | 0.00% |
| Bank of Japan | 15-Jun-18 | 29-Jan-16 | -0.10% |
| Bank of England | 21-Jun-18 | 02-Nov-17 | 0.50% |
| Federal Reserve | 13-Jun-18 | 21-Mar-18 | 1.75% |
| SARB | 24-May-18 | 28-Mar-18 | 6.50% |