

SA MONEY MARKET REPORT

13 December 2019

THE PREVIOUS WEEK IN REVIEW

1. MONEY MARKET INTEREST RATES

SPOT RATES	29-Nov	06-Dec	13-Dec	Change
Repo Rate	6.50%	6.50%	6.50%	0.00%
Treasury Bill 91 days(D)	7.06%	7.09%	7.16%	0.07%
Treasury Bill 91 days(Y)	7.19%	7.22%	7.29%	0.07%
Treasury Bill 182days(D)	7.24%	7.34%	7.37%	0.03%
Treasury Bill 182days(Y)	7.52%	7.62%	7.65%	0.03%
Treasury Bill 273days(D)	7.27%	7.27%	7.28%	0.01%
Treasury Bill 273days(Y)	7.69%	7.69%	7.70%	0.01%
Treasury Bill 364days(Y)	7.73%	7.77%	7.75%	-0.02%
3 Month NCD	6.75%	6.75%	6.75%	0.00%
6 Month NCD	7.25%	7.25%	7.25%	0.00%
9 Month NCD	7.43%	7.43%	7.43%	0.00%
12 Month NCD	7.70%	7.65%	7.63%	-0.03%
18 Month NCD (YTM)	7.57%	7.50%	7.44%	-0.06%
24 Month NCD (YTM)	7.62%	7.53%	7.46%	-0.08%
36 Month NCD (YTM)	7.80%	7.74%	7.61%	-0.13%
R208 (YTM)	6.70%	6.70%	6.70%	0.000%

MONEY MARKET RATES (NACQ)	29-Nov	06-Dec	13-Dec	Change
3 Month NCD	6.75%	6.75%	6.75%	0.00%
6 Month NCD	7.06%	7.06%	7.06%	0.00%
9 Month NCD	7.23%	7.23%	7.23%	0.00%
12 Month NCD	7.49%	7.44%	7.42%	-0.02%
18 Month NCD	7.36%	7.29%	7.24%	-0.06%
24 Month NCD	7.41%	7.33%	7.26%	-0.07%
36 Month NCD	7.58%	7.52%	7.40%	-0.12%
R 208	6.70%	6.70%	6.70%	0.000%

MONEY MARKET LIQUIDITY	29-Nov	06-Dec	13-Dec	Change
Shortage (Rm)	56000	56000	56000	0
Notes (Rm)	163394	160566	159623	-943
Reverse Repo (Rm)	0	0	0	0
Debentures (Rm)	0	0	0	0
Liquidity Requirements (Rm)	57255	55793	58391	2598

2. JIBAR RATES (Nominal Terms)

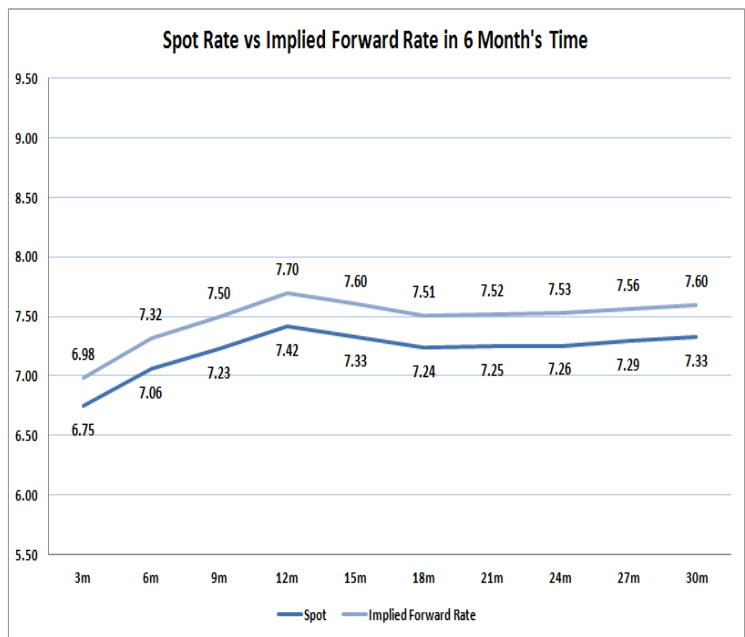
JIBAR (Nominal Terms)	29-Nov	06-Dec	13-Dec	Change
1 Month	6.64%	6.63%	6.63%	0.00%
3 Month	6.81%	6.80%	6.80%	0.00%
6 Month	7.30%	7.33%	7.33%	0.00%
9 Month	7.50%	7.51%	7.50%	-0.01%
12 Month	7.77%	7.73%	7.73%	-0.01%

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.

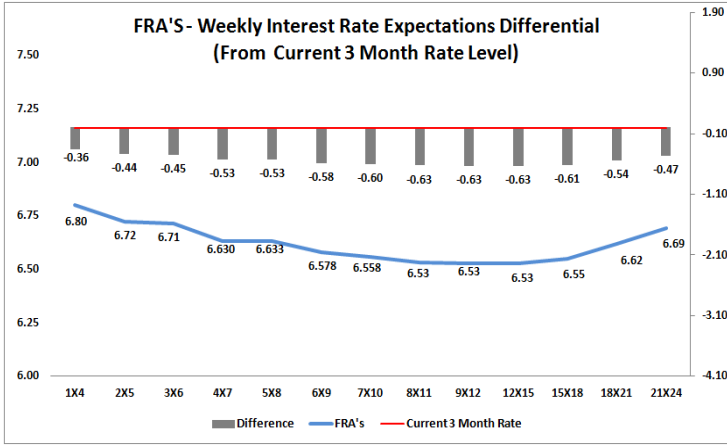
The rates represented in the line graphs below are in NACQ terms.

According to the break-even (forward/forward) calculation, the 12 and 18-month interest rates will be 7.70% and 7.51% respectively in six months time.



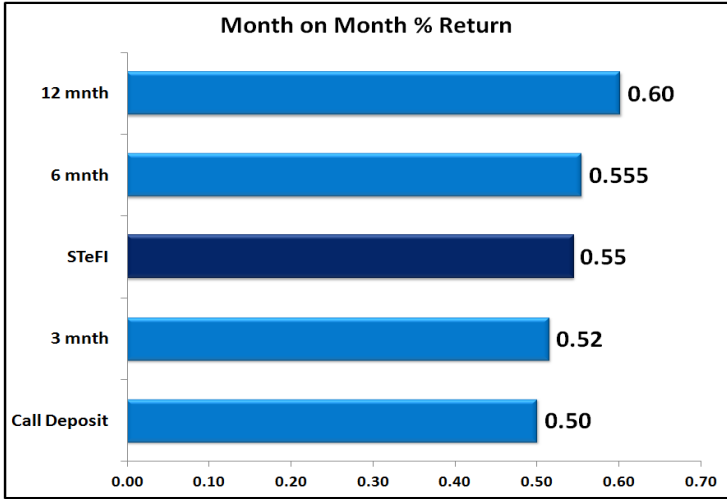
4. FRA RATES (NACQ)

FRA's	29-Nov	06-Dec	13-Dec	Change
1x4	6.82%	6.81%	6.80%	-0.01%
3x6	6.75%	6.73%	6.71%	-0.01%
6x9	6.69%	6.61%	6.58%	-0.03%
9x12	6.69%	6.58%	6.53%	-0.05%
12x15	6.71%	6.58%	6.53%	-0.05%
15x18	6.74%	6.61%	6.55%	-0.06%
18x21	6.80%	6.68%	6.62%	-0.06%
21x24	6.87%	6.74%	6.69%	-0.05%
24x27	6.94%	6.81%	6.76%	-0.04%
27x30	7.01%	6.87%	6.84%	-0.03%

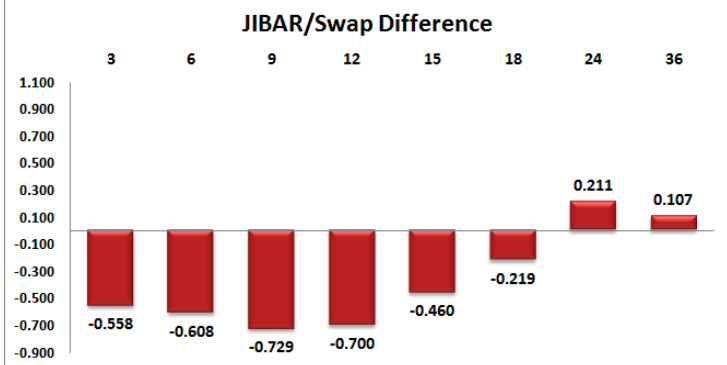
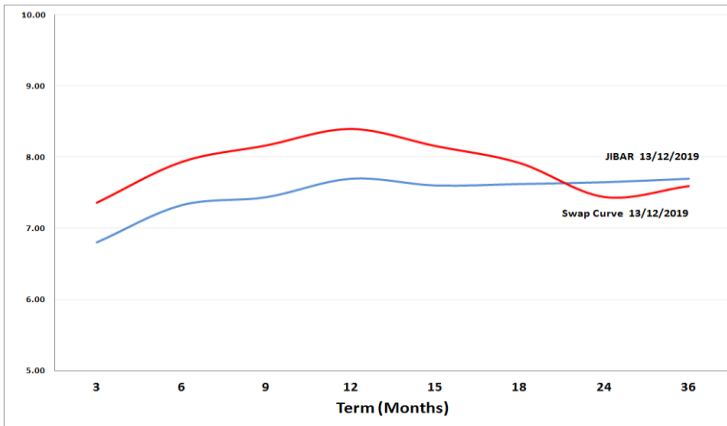


5. MONEY MARKET PERFORMANCE

STeFI (Month on Month) gained 0.55% 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	28	28	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	
56 Days			
	Allotted	Av. Rate	
TREASURY BILLS			
	Received	Allotted	Av. Rate
91 Days	R988m	R938m	7.29%
182 Days	R3862m	R2305m	7.65%
273 Days	R5238m	R2620m	7.70%

8. THE WEEK AHEAD

Date	Time	Country	Event	Month	Previous	Consensus	Forecast
16-Dec-19	02:30:00	Japan	Jibun Bank Manufacturing PMI Flash	Dec '19	48.9		49.5
	04:00:00	China	Industrial Production YoY	Nov '19	4.70%	5.00%	4.90%
	04:00:00	China	Retail Sales YoY	Nov '19	7.20%	7.60%	7.50%
	06:30:00	Japan	Tertiary Industry Index MoM	Oct '19	1.80%	0.70%	-2.50%
	10:30:00	Germany	Market Manufacturing PMI Flash	Dec '19	44.1	44.3	45.1
	11:00:00	EU	Market Manufacturing PMI Flash	Dec '19	46.9	47	47.5
	11:30:00	UK	Market/CIPS Manufacturing PMI Flash	Dec '19	48.9	50.7	48
	12:00:00	EU	Labour Cost Index YoY	Q3	2.70%		2.50%
	12:00:00	EU	Wage Growth YoY	Q3	2.70%		2.60%
	13:00:00	UK	CBI Industrial Trends Orders	Dec '19	-26		-12
	15:30:00	US	NY Empire State Manufacturing Index	Dec '19	29	4	5
	16:45:00	US	Market Manufacturing PMI Flash	Dec '19	52.6	52.4	51.7
	16:45:00	US	Market Services PMI Flash	Dec '19	51.6	51.4	52.2
	16:45:00	US	Market Composite PMI Flash	Dec '19	52	51.9	52.3
	17:00:00	US	NAHB Housing Market Index	Dec '19	70	70	68
	18:30:00	US	6-Month Bill Auction				
	18:30:00	US	3-Month Bill Auction		1.52%		
	23:00:00	US	Foreign Bond Investment	Oct '19	\$-34.3B		
	23:00:00	US	Net Long-Term Tic Flows	Oct '19	\$49.5B	\$22.6B	
	23:00:00	US	Overall Net Capital Flows	Oct '19	\$-37.6B	\$28.7B	\$42.0B
17-Dec-19	11:30:00	UK	Claimant Count Change	Nov '19	33K	21.3K	29K
	11:30:00	UK	Employment Change SEP		-58K		65K
	11:30:00	UK	BoE FPC Minutes				
	11:30:00	UK	Average Earnings excl. Bonus	Oct '19	3.60%	3.80%	3.70%
	11:30:00	UK	Average Earnings incl. Bonus	Oct '19	3.60%		3.70%
	11:30:00	UK	Unemployment Rate	Oct '19	3.80%	3.90%	3.70%
	12:00:00	EU	Balance of Trade	Oct '19	€18.7B	€17B	€15.4B
	15:30:00	US	Building Permits MoM	Nov '19	5.00%		-3.20%
	15:30:00	US	Housing Starts MoM	Nov '19	3.80%		2.50%
	15:30:00	US	Housing Starts	Nov '19	1.314M	1.34M	1.347M
	15:30:00	US	Building Permits	Nov '19	1.461M	1.41M	1.414M
	15:55:00	US	Redbook MoM 14/		-3.60%		
	15:55:00	US	Redbook YoY 14/		5.00%		
	16:15:00	US	Industrial Production YoY	Nov '19	-1.10%		-1.60%
	16:15:00	US	Industrial Production MoM	Nov '19	-0.80%	0.80%	0.60%
	16:15:00	US	Capacity Utilization	Nov '19	76.70%	77.20%	76.90%
	16:15:00	US	Manufacturing Production YoY	Nov '19	-1.50%		-2.00%
	16:15:00	US	Manufacturing Production MoM	Nov '19	-0.60%	0.50%	0.50%
	17:00:00	US	IBD/TIPP Economic Optimism	Dec '19	52.9		51
	17:00:00	US	JOLTs Job Openings	Oct '19	7.024M	7.111M	7.1M
	23:30:00	US	API Crude Oil Stock Change /13	Dec '19			
18-Dec-19	01:30:00	Japan	Balance of Trade	Nov '19	¥15.7B	¥-369B	¥-620B
	01:30:00	Japan	Exports YoY	Nov '19	-9.20%		-8.60%
	01:30:00	Japan	Imports YoY	Nov '19	-14.80%		-12.70%
	09:00:00	Germany	PPI MoM	Nov '19	-0.20%	-0.20%	-0.10%
	09:00:00	Germany	PPI YoY	Nov '19	-0.60%	-1.10%	-0.80%
	11:30:00	UK	Inflation Rate YoY	Nov '19	1.50%		1.10%
	11:30:00	UK	PPI Input YoY	Nov '19	-5.10%		
	11:30:00	UK	PPI Output YoY	Nov '19	0.80%		0.60%
	11:30:00	UK	Retail Price Index MoM	Nov '19	0.20%		
	11:30:00	UK	Retail Price Index YoY	Nov '19	2.10%		1.90%
	12:00:00	EU	Construction Output YoY	Oct '19	-0.70%		-2.00%
	12:00:00	EU	Inflation Rate YoY Final	Nov '19	0.70%	1.00%	1.00%
	12:00:00	EU	Inflation Rate MoM	Nov '19	0.10%	-0.10%	-0.30%
	13:00:00	UK	CBI Distributive Trades	Dec '19	-3		1
	14:00:00	US	MBA 30-Year Mortgage Rate 13/	Dec '19	3.98%		
	14:00:00	US	MBA Mortgage Applications 13/	Dec '19	3.80%		
	17:30:00	US	EIA Gasoline Stocks Change 13/	Dec '19	5.405M		
	17:30:00	US	EIA Crude Oil Stocks Change 13/	Dec '19	0.822M		
		EU	ECB Non-Monetary Policy Meeting				
19-Dec-19	01:30:00	Japan	Foreign Bond Investment /14	Dec '19			
	01:30:00	Japan	Stock Investment by Foreigners /14	Dec '19			
	05:00:00	Japan	BoJ Interest Rate ision		-0.10%		-0.10%
	11:30:00	UK	Retail Sales MoM	Nov '19	-0.10%		0.50%
	11:30:00	UK	Retail Sales YoY	Nov '19	3.10%		3.40%
	14:00:00	UK	MPC Meeting Minutes				
	14:00:00	UK	BoE Quantitative Easing		£435B	£435B	£435B
	14:00:00	UK	BoE Interest Rate ision		0.75%	0.75%	0.75%
	15:30:00	US	Current Account	Q3	\$-128.2B		\$-131B
	15:30:00	US	Philadelphia Fed Manufacturing Index	Dec '19	10.4	8.5	12
	15:30:00	US	Continuing Jobless Claims /07	Dec '19	1667K		1685K
	15:30:00	US	Initial Jobless Claims /14	Dec '19	252K		219K
	17:00:00	US	Existing Home Sales MoM	Nov '19	1.90%		0.80%
	17:00:00	US	Existing Home Sales	Nov '19	5.46M	5.45M	5.50M
	17:00:00	US	CB Leading Index MoM	Nov '19	-0.10%	0.10%	0.10%
	17:30:00	US	EIA Natural Gas Stocks Change 13/	Dec '19	-73Bct		
	18:30:00	US	8-Week Bill Auction				
	18:30:00	US	5-Year TIPS Auction				
		EU	ECB General Council Meeting				
20-Dec-19	01:30:00	Japan	Inflation Rate YoY		0.20%		0.60%
	11:00:00	EU	Current Account		€35.8B		€28.6B
	11:30:00	UK	Current Account	Q3	£-25.2B		£-18.7B
	11:30:00	UK	GDP Growth Rate QoQ Final	Q3	-0.20%	0.30%	0.30%
	11:30:00	UK	GDP Growth Rate YoY Final	Q3	1.30%	1.00%	1.00%
	11:30:00	UK	Public Sector Net Borrowing	Nov '19	£-10.51B		£-7.1B
	14:00:00	UK	BoE Quarterly Bulletin				
	15:30:00	US	Personal Income MoM	Nov '19	0.00%	0.30%	0.20%
	15:30:00	US	Personal Spending MoM	Nov '19	0.30%		0.20%
	15:30:00	US	GDP Price Index QoQ Final	Q3	2.60%	1.70%	1.70%
	15:30:00	US	GDP Growth Rate QoQ Final	Q3	2.00%	2.10%	2.10%

Major Central Banks Rate Decisions			
Central Bank	Next Meeting	Last Change	Current Interest Rate
European Central Bank	23-Jan-20	10-Mar-16	0.00%
Bank of Japan	19-Dec-19	29-Jan-16	-0.10%
Bank of England	19-Dec-19	02-Aug-18	0.75%
Federal Reserve	29-Jan-20	30-Oct-19	1.75%
SARB	16-Jan-20	18-Jul-19	6.50%