

SA MONEY MARKET REPORT

14 December 2018

THE PREVIOUS WEEK IN REVIEW

1. MONEY MARKET INTEREST RATES

SPOT RATES	30-Nov	07-Dec	14-Dec	Change
Repo Rate	6.75%	6.75%	6.75%	0.00%
Treasury Bill 91 days(D)	7.43%	7.44%	7.48%	0.04%
Treasury Bill 91 days(Y)	7.57%	7.58%	7.62%	0.04%
Treasury Bill 182days(D)	7.60%	7.63%	7.69%	0.06%
Treasury Bill 182days(Y)	7.90%	7.93%	7.99%	0.06%
Treasury Bill 273days(D)	7.63%	7.65%	7.73%	0.08%
Treasury Bill 273days(Y)	8.09%	8.12%	8.21%	0.09%
Treasury Bill 364days(Y)	8.21%	8.24%	8.34%	0.10%
3 Month NCD	7.10%	7.10%	7.10%	0.00%
6 Month NCD	7.68%	7.68%	7.68%	0.00%
9 Month NCD	7.95%	7.98%	8.00%	0.03%
12 Month NCD	8.30%	8.30%	8.33%	0.02%
18 Month NCD (YTM)	8.21%	8.25%	8.27%	0.03%
24 Month NCD (YTM)	8.31%	8.35%	8.39%	0.04%
36 Month NCD (YTM)	8.49%	8.56%	8.62%	0.06%
R204 (YTM)	6.01%	6.20%	6.21%	0.010%

MONEY MARKET RATES (NACQ)	30-Nov	07-Dec	14-Dec	Change
3 Month NCD	6.92%	6.92%	6.92%	0.00%
6 Month NCD	7.46%	7.46%	7.46%	0.00%
9 Month NCD	7.72%	7.75%	7.77%	0.02%
12 Month NCD	8.05%	8.05%	8.08%	0.02%
18 Month NCD	7.97%	8.00%	8.03%	0.02%
24 Month NCD	8.06%	8.10%	8.14%	0.04%
36 Month NCD	8.23%	8.30%	8.35%	0.06%
R 204	6.01%	6.20%	6.21%	0.010%

MONEY MARKET LIQUIDITY	30-Nov	07-Dec	14-Dec	Change
Shortage (Rm)	56000	56000	56000	0
Notes (Rm)	153926	163611	154306	-9305
Reverse Repo (Rm)	0	0	0	0
Debentures (Rm)	545	509	157	-352
Liquidity Requirements (Rm)	56592	56749	58223	1474

2. JIBAR RATES (Nominal Terms)

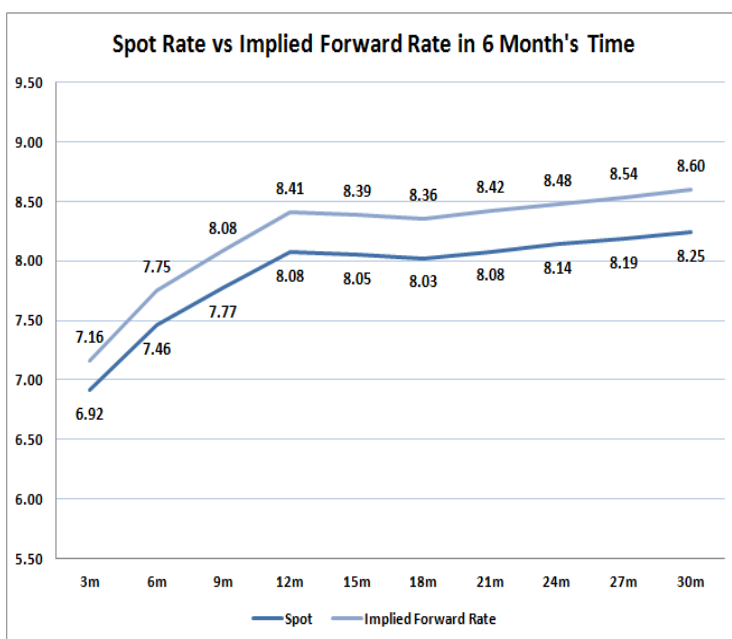
JIBAR (Nominal Terms)	30-Nov	07-Dec	14-Dec	Change
1 Month	6.95%	6.94%	6.94%	0.00%
3 Month	7.15%	7.15%	7.15%	0.00%
6 Month	7.75%	7.75%	7.75%	0.00%
9 Month	8.04%	8.03%	8.03%	0.01%
12 Month	8.38%	8.35%	8.38%	0.03%

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.

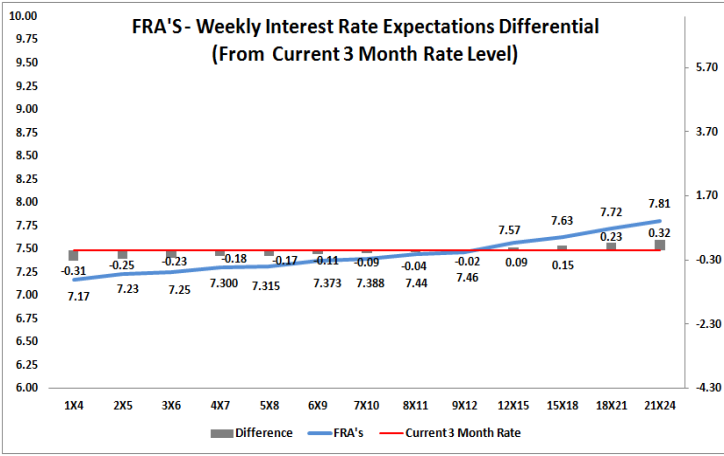
The rates represented in the line graphs below are in NACQ terms.

According to the break-even (forward/forward) calculation, the 12 and 18-month interest rates will be 8.41% and 8.36% respectively in six months time.



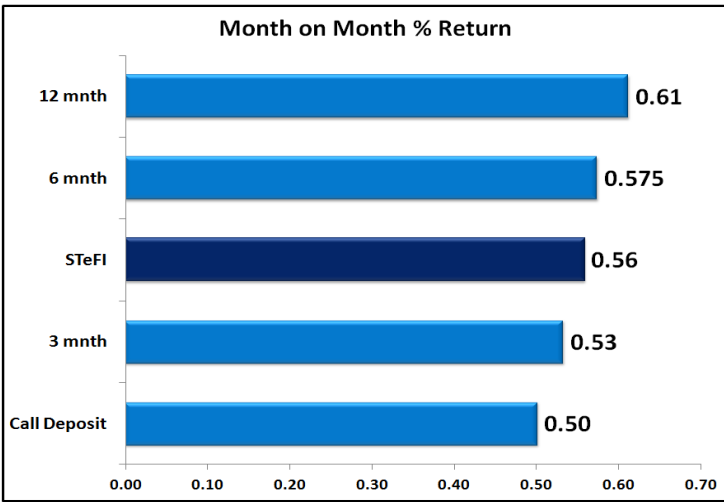
4. FRA RATES (NACQ)

FRA's	30-Nov	07-Dec	14-Dec	Change
1x4	7.18%	7.16%	7.17%	0.01%
3x6	7.24%	7.22%	7.25%	0.03%
6x9	7.38%	7.32%	7.37%	0.05%
9x12	7.46%	7.39%	7.46%	0.07%
12x15	7.54%	7.48%	7.57%	0.09%
15x18	7.61%	7.53%	7.63%	0.09%
18x21	7.71%	7.61%	7.72%	0.11%
21x24	7.80%	7.68%	7.81%	0.13%
24x27	7.89%	7.75%	7.90%	0.15%
27x30	7.98%	7.82%	7.99%	0.16%

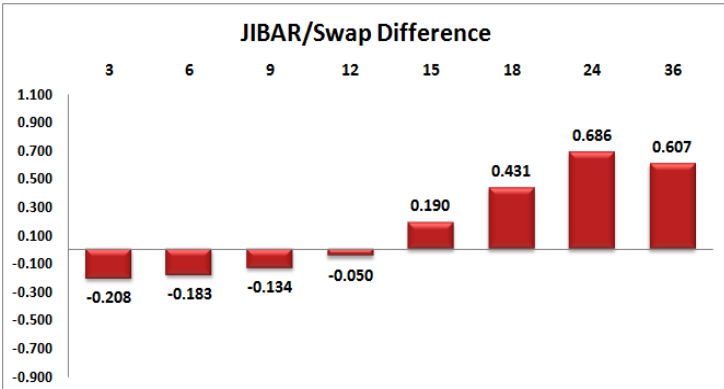
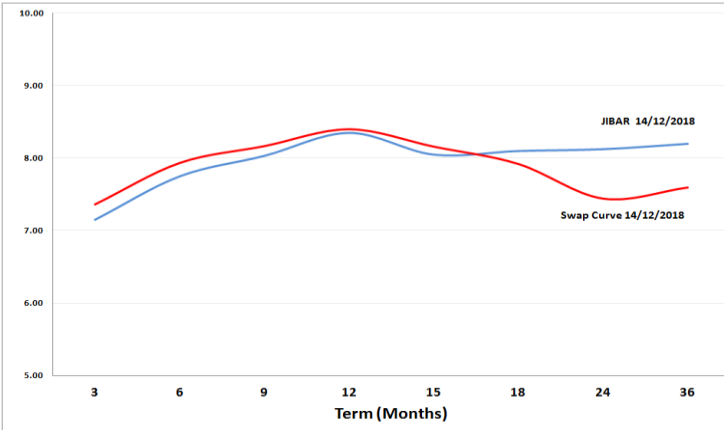


5. MONEY MARKET PERFORMANCE

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	80	80	6.740%
14 Days	0	0	0.000%
28 Days	77	77	6.250%
56 Days	0	0	0.000%

LONG TERM REVERSE REPO			
14Days			
	Allotted	Av. Rate	

TREASURY BILLS			
	Received	Allotted	Av. Rate
91 Days	R3048m	R2800m	7.62%
182 Days	R2086m	R2525m	7.99%
273 Days	R1970m	R1970m	8.21%

8. THE WEEK AHEAD

Date	Time	Country	Event	Month	Previous	Forecast
16-Dec-18	02:00:00	SA	Day of Reconciliation			
17-Dec-18	02:00:00	SA	Public holiday			
	02:01:00	UK	Rightmove House Price Index (YoY)	Nov'18	-0.20%	
	02:01:00	UK	Rightmove House Price Index (MoM)	Nov'18	-1.70%	
	12:00:00	EU	Trade Balance n.s.a.	Oct'18	13.1B	
	12:00:00	EU	Trade Balance s.a.	Oct'18	13.4B	
	12:00:00	EU	Consumer Price Index (MoM)	Nov'18	0.20%	0.20%
	12:00:00	EU	Consumer Price Index (YoY)	Nov'18	2%	2%
	12:00:00	Germany	German Buba Monthly Report			
	13:00:00	UK	CBI Industrial Trends Survey - Orders (MoM)		10	
	15:30:00	US	NY Empire State Manufacturing Index		23.3	21.5
	17:00:00	US	NAHB Housing Market Index		60	60
	18:30:00	US	6-Month Bill Auction		2.48%	
	18:30:00	US	3-Month Bill Auction		2.38%	
	23:00:00	US	Net Long-Term TIC Flows		30.8B	
	23:00:00	US	Total Net TIC Flows		-29.1B	
18-Dec-18	11:00:00	Germany	IFO - Expectations		98.7	
	11:00:00	Germany	IFO - Business Climate		102	
	11:00:00	Germany	IFO - Current Assessment		105.4	
	15:30:00	US	Housing Starts (MoM)	Nov'18	1.228M	1.234M
	15:30:00	US	Building Permits (MoM)	Nov'18	1.263M	1.265M
	15:30:00	US	Housing Starts Change	Nov'18	1.50%	
	15:30:00	US	Building Permits Change	Nov'18	-0.60%	
	15:55:00	US	Redbook index (YoY)		6.60%	
	15:55:00	US	Redbook index (MoM)		-0.50%	
	23:00:00	US	API Weekly Crude Oil Stock		-10.18M	
	01:50:00	Japan	Exports (YoY)	Nov'18	8.20%	
	01:50:00	Japan	Adjusted Merchandise Trade Balance	Nov'18	-302.7B	
	01:50:00	Japan	Merchandise Trade Balance Total	Nov'18	-449.3B	
	01:50:00	Japan	Imports (YoY)	Nov'18	19.90%	
19-Dec-18	09:00:00	Germany	Producer Price Index (MoM)	Nov'18	0.30%	
	09:00:00	Germany	Producer Price Index (YoY)	Nov'18	3.30%	
	11:30:00	UK	Retail Price Index (MoM)	Nov'18	0.10%	
	11:30:00	UK	Retail Price Index (YoY)	Nov'18	3.30%	
	11:30:00	UK	DCLG House Price Index (YoY)		3.50%	
	11:30:00	UK	Producer Price Index - Output (YoY) n.s.a.	Nov'18	3.30%	
	11:30:00	UK	Consumer Price Index (YoY)	Nov'18	2.40%	
	11:30:00	UK	Consumer Price Index (MoM)	Nov'18	0.10%	
	12:00:00	EU	Construction Output w.d.a (YoY)	Nov'18	4.60%	
	12:00:00	EU	Construction Output s.a (MoM)	Nov'18	2.04%	
	12:00:00	Germany	30-y Bond Auction		1.04%	
	13:00:00	UK	CBI Distributive Trades Survey - Realized (MoM)		19%	
	14:00:00	US	MBA Mortgage Applications		1.60%	
	15:30:00	US	Current Account	Q3	-101.5B	122.2B
	17:00:00	US	Existing Home Sales (MoM)	Nov'18	5.22M	5.15M
	17:00:00	US	Existing Home Sales Change (MoM)	Nov'18	1.40%	-0.50%
	17:30:00	US	EIA Crude Oil Stocks change		-1.20B	
	21:00:00	US	FOMC Economic Projections			
	21:00:00	US	Fed's Monetary Policy Statement			
	21:00:00	US	Fed Interest Rate Decision		2.25%	
	21:30:00	US	FOMC Press conference			
	21:30:00	US	Fed's Powell Speech			
	01:50:00	Japan	Foreign investment in Japan stocks	Nov'18	-446.6B	
	01:50:00	Japan	Foreign bond investment	Nov'18	1241.4B	
20-Dec-18	04:00:00	Japan	BoJ Monetary Policy Statement			
	04:00:00	Japan	BoJ Interest Rate Decision		-0.10%	
	06:00:00	Japan	BoJ Press Conference			
	06:30:00	Japan	All Industry Activity Index (MoM)		-0.90%	
	11:00:00	EU	Current Account s.a	Oct'18	17B	
	11:00:00	EU	Current Account n.s.a	Oct'18	24.07B	
	11:30:00	UK	Retail Sales (YoY)	Nov'18	2.20%	
	11:30:00	UK	Retail Sales (MoM)	Nov'18	-0.50%	
	14:00:00	UK	BoE Interest Rate Decision		0.75%	
	14:00:00	UK	BoE Asset Purchase Facility		435B	
	14:00:00	UK	Monetary Policy Summary			
	14:00:00	UK	BoE MPC Vote Cut		9	
	14:00:00	UK	BoE MPC Vote Unchanged		0	
	14:00:00	UK	BoE MPC Vote Hike		0	
	14:00:00	UK	Bank of England Minutes			
	15:30:00	US	Initial Jobless Claims		206K	
	15:30:00	US	Continuing Jobless Claims		1.661M	
	15:30:00	US	Philadelphia Fed Manufacturing Survey		12.9	12
	17:30:00	US	EIA Natural Gas Storage change			
	01:30:00	Japan	National Consumer Price Index (YoY)	Nov'18	1.40%	
	01:30:00	Japan	National CPI Ex-Fresh Food (YoY)	Nov'18	1%	
	01:30:00	Japan	National CPI Ex-Food, Energy (YoY)	Nov'18	0.40%	
21-Dec-18	02:01:00	UK	Gfk Consumer Confidence		-1.3	
	09:00:00	Germany	Gfk Consumer Confidence Survey		10.4	
	10:30:00	UK	Total Business Investment (YoY)	Nov'18	-1.90%	
	10:30:00	UK	Total Business Investment (QoQ)	Nov'18	-1.20%	
	10:30:00	UK	Current Account	Nov'18	-20.317B	
	11:30:00	UK	Gross Domestic Product (YoY)	Q3 (Final)	1.5	
	11:30:00	UK	Gross Domestic Product (QoQ)	Q3 (Final)	0.6	
	11:30:00	UK	Public Sector Net Borrowing	Nov'18	7.95B	
	14:00:00	UK	BoE Quarterly Bulletin			
	15:30:00	US	Personal Spending	Nov'18	0.60%	0.30%
	15:30:00	US	Personal Cons Expenditures - Price Index (YoY)	Nov'18	2%	
	15:30:00	US	Personal Cons Expenditures - Price Index (MoM)	Nov'18	0.20%	
	15:30:00	US	Personal Income (MoM)	Nov'18	0.50%	0.30%
	15:30:00	US	Gross Domestic Product Price Index	Q3 (Final)	1.5	
	15:30:00	US	Gross Domestic Product Annualized	Q3 (Final)	3.50%	3.50%
	15:30:00	US	Durable Goods Orders ex Transportation	Nov'18	0.10%	0.20%
	15:30:00	US	Durable Goods Orders	Nov'18	-4.40%	1.20%
	17:00:00	EU	Michigan Consumer Sentiment Index		97.5	97.4
	18:00:00	EU	Consumer Confidence		-3.9	
	18:00:00	US	Kansas Fed manufacturing activity		24	
	20:00:00	US	Baker Hughes US Oil Rig Count			

Major Central Banks Rate Decisions			
Central Bank	Next Meeting	Last Change	Current Interest Rate
European Central Bank	24-Jan-19	10-Mar-16	0.00%
Bank of Japan	20-Dec-18	29-Jan-16	-0.10%
Bank of England	20-Dec-18	02-Aug-18	0.75%
Federal Reserve	19-Dec-18	26-Sep-18	2.25%
SARB	17-Jan-19	22-Nov-18	6.75%