



## SA MONEY MARKET REPORT

17 January 2020

### THE PREVIOUS WEEK IN REVIEW

#### 1. MONEY MARKET INTEREST RATES

SPOT RATES	03-Jan	10-Jan	17-Jan	Change
Repo Rate	6.50%	6.50%	6.25%	-0.25%
Treasury Bill 91 days(D)	7.11%	7.00%	6.73%	-0.27%
Treasury Bill 91 days(Y)	7.24%	7.12%	6.84%	-0.28%
Treasury Bill 182days(D)	7.26%	7.19%	6.98%	-0.21%
Treasury Bill 182days(Y)	7.55%	7.46%	7.23%	-0.23%
Treasury Bill 273days(D)	7.22%	7.18%	6.96%	-0.22%
Treasury Bill 273days(Y)	7.63%	7.59%	7.34%	-0.25%
Treasury Bill 364days(Y)	7.68%	7.63%	7.42%	-0.21%
3 Month NCD	6.75%	6.73%	6.53%	-0.20%
6 Month NCD	7.25%	7.25%	7.05%	-0.20%
9 Month NCD	7.40%	7.40%	7.25%	-0.15%
12 Month NCD	7.58%	7.60%	7.45%	-0.15%
18 Month NCD (YTM)	7.43%	7.42%	7.27%	-0.15%
24 Month NCD (YTM)	7.46%	7.44%	7.30%	-0.14%
36 Month NCD (YTM)	7.62%	7.58%	7.46%	-0.12%
R208 (YTM)	6.72%	6.72%	6.60%	-0.120%

MONEY MARKET RATES (NACQ)	03-Jan	10-Jan	17-Jan	Change
3 Month NCD	6.75%	6.73%	6.53%	-0.20%
6 Month NCD	7.06%	7.06%	6.87%	-0.19%
9 Month NCD	7.20%	7.20%	7.06%	-0.14%
12 Month NCD	7.37%	7.39%	7.25%	-0.14%
18 Month NCD	7.23%	7.22%	7.08%	-0.14%
24 Month NCD	7.26%	7.24%	7.11%	-0.13%
36 Month NCD	7.41%	7.37%	7.26%	-0.11%
R 208	6.72%	6.72%	6.60%	-0.120%

MONEY MARKET LIQUIDITY	03-Jan	10-Jan	17-Jan	Change
Shortage (Rm)	56000	56000	56000	0
Notes (Rm)	165096	151056	141082	-9974
Reverse Repo (Rm)	0	0	0	0
Debentures (Rm)	0	0	0	0
Liquidity Requirements (Rm)	59701	56329	57452	1123

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

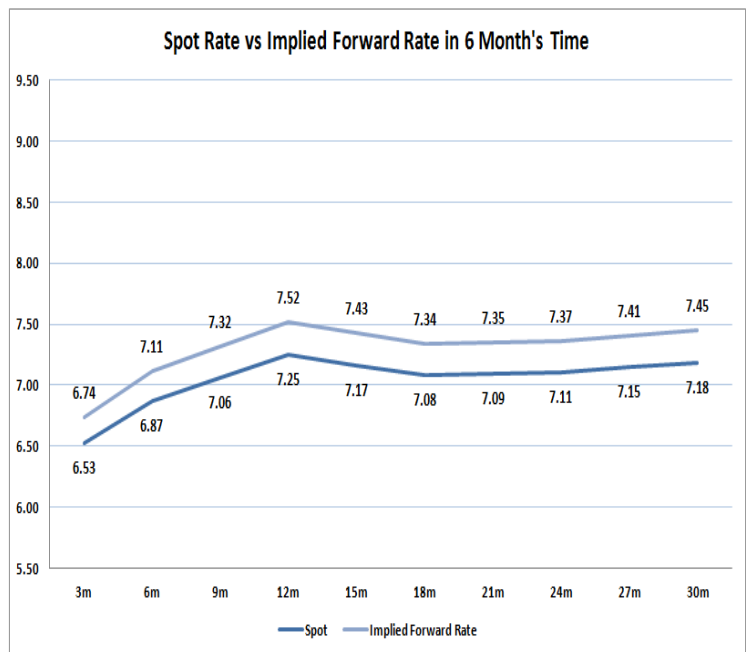
JIBAR (Nominal Terms)	03-Jan	10-Jan	17-Jan	Change
1 Month	6.63%	6.63%	6.63%	0.00%
3 Month	6.80%	6.80%	6.80%	0.00%
6 Month	7.30%	7.31%	7.31%	0.00%
9 Month	7.47%	7.47%	7.47%	0.00%
12 Month	7.65%	7.68%	7.68%	0.00%

#### 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.

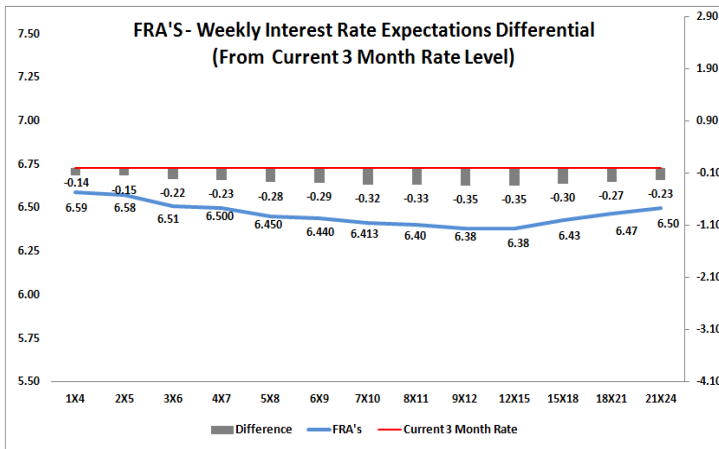
The rates represented in the line graphs below are in NACQ terms.

According to the break-even (forward/forward) calculation, the 12 and 18-month interest rates will be 7.52% and 7.34% respectively in six months time.



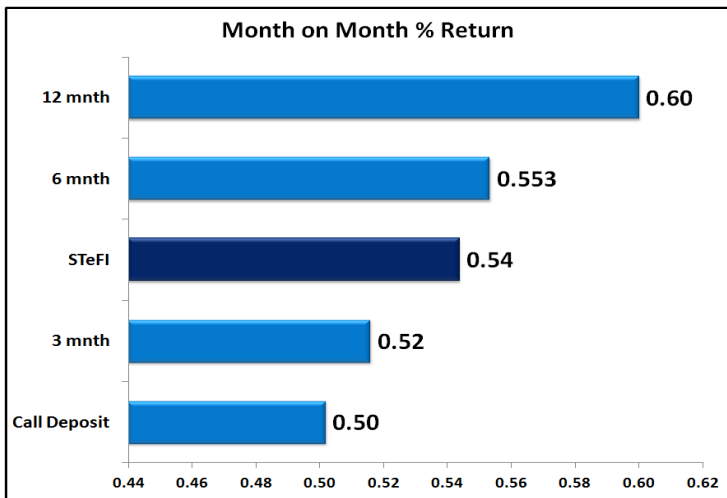
#### 4. FRA RATES (NACQ)

FRA's	03-Jan	10-Jan	17-Jan	Change
1x4	6.70%	6.72%	6.59%	-0.13%
3x6	6.60%	6.64%	6.51%	-0.13%
6x9	6.53%	6.57%	6.44%	-0.13%
9x12	6.47%	6.49%	6.38%	-0.11%
12x15	6.47%	6.48%	6.38%	-0.10%
15x18	6.49%	6.52%	6.43%	-0.09%
18x21	6.54%	6.55%	6.47%	-0.09%
21x24	6.59%	6.58%	6.50%	-0.08%
24x27	6.63%	6.61%	6.54%	-0.08%
27x30	6.68%	6.64%	6.57%	-0.07%

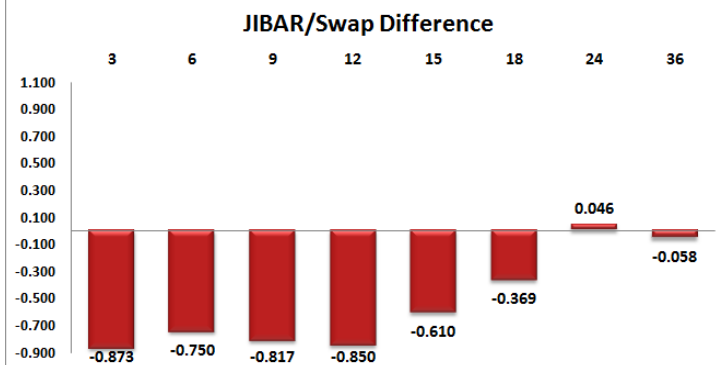
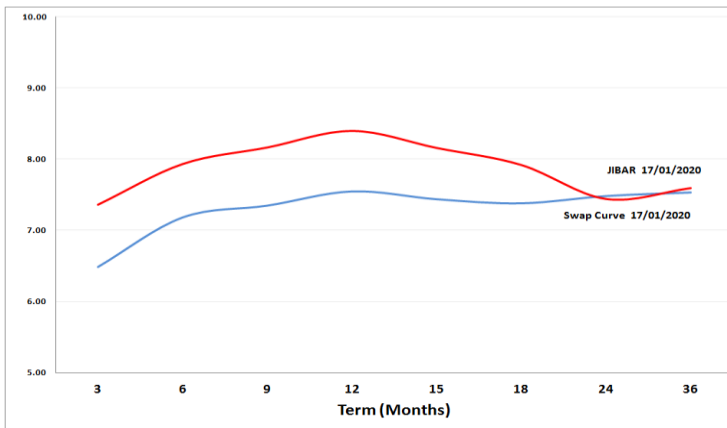


## 5. MONEY MARKET PERFORMANCE

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	245	245	6.500%
14 Days	0	0	0.000%
28 Days	0	0	0.000%
56 Days	0	0	0.000%
LONG TERM REVERSE REPO			
14 Days			
	Allotted	Av. Rate	
56 Days			
	Allotted	Av. Rate	
TREASURY BILLS			
	Received	Allotted	Av. Rate
91 Days	R8270m	R1000m	6.84%
182 Days	R10335m	R2055m	7.23%
273 Days	R9929m	R2370m	7.34%

## 8. THE WEEK AHEAD

Date	Time	Country	Event	Month	Previous	Consensus	Forecast
20-Jan-20	03:30:00	China	Loan Prime Rate 1Y		4.15%		3.95%
	03:30:00	China	Loan Prime Rate 5Y JAN		4.80%		4.60%
	06:30:00	Japan	Industrial Production MoM Final	Nov'19	-4.50%	-0.90%	-0.90%
	06:30:00	Japan	Capacity Utilization MoM	Nov'19	-4.50%	0.70%	1.00%
	06:30:00	Japan	Industrial Production YoY Final	Nov'19	-7.70%	-8.10%	-8.10%
	09:00:00	Germany	PPI MoM	Dec'19	0.00%	0.10%	0.20%
	09:00:00	Germany	PPI YoY	Dec'19	-0.70%	-0.60%	-0.10%
21-Jan-20	05:00:00	Japan	BoJ Interest Rate ision		-0.10%		-0.10%
	05:00:00	Japan	BoJ Quarterly Outlook Report				
	11:30:00	UK	Claimant Count Change	Dec'19	28.8K	24.5K	26K
	11:30:00	UK	Employment Change OCT	Dec'19	24K		95K
	11:30:00	UK	Unemployment Rate	Nov'19	3.80%	3.90%	3.80%
	11:30:00	UK	Average Earnings excl. Bonus	Nov'19	3.50%	3.40%	3.30%
	11:30:00	UK	Average Earnings incl. Bonus	Nov'19	3.20%	3.40%	3.20%
	12:00:00	EU	ZEW Economic Sentiment Index JAN		11.2	5.5	6
	12:00:00	Germany	ZEW Economic Sentiment Index JAN		10.7	4.3	15
	12:00:00	Germany	ZEW Current Conditions JAN		-19.9	-12.4	-14
	12:40:00	Germany	2-Year Schatz Auction		-0.64%		
	15:55:00	US	Redbook YoY 18/JAN		5.00%		
	15:55:00	US	Redbook MoM 18/JAN		-0.20%		
	18:30:00	US	6-Month Bill Auction		1.53%		
	18:30:00	US	3-Month Bill Auction		1.53%		
22-Jan-20	10:00:00	SA	Inflation Rate YoY	Dec'19	3.60%	3.60%	3.70%
	10:00:00	SA	Inflation Rate MoM	Dec'19	0.10%	0.10%	0.10%
	10:00:00	SA	Core Inflation Rate YoY	Dec'19	3.90%		3.90%
	11:30:00	UK	Public Sector Net Borrowing	Dec'19	£-4.88B		£-4.8B
	13:00:00	UK	CBI Business Optimism Index	Q1	-44		-28
	13:00:00	UK	CBI Industrial Trends Orders JAN		-28		-16
	14:00:00	US	MBA Mortgage Applications 17/JAN		30.20%		
	14:00:00	US	MBA 30-Year Mortgage Rate 17/JAN				
	15:30:00	US	Chicago Fed National Activity Index	Dec'19	0.56	-0.3	-0.3
	16:00:00	US	House Price Index MoM	Nov'19	0.20%	0.20%	0.30%
	17:00:00	US	Existing Home Sales MoM	Dec'19	-1.70%	0.80%	1.10%
	17:00:00	US	Existing Home Sales	Dec'19	5.35M	5.42M	5.41M
	23:30:00	US	API Crude Oil Stock Change 17/JAN		1.1M		
23-Jan-20	01:50:00	Japan	Balance of Trade	Dec'19	¥-82.1B	¥88.1B	¥139B
	01:50:00	Japan	Exports YoY	Dec'19	-7.90%	-7.40%	-6.50%
	01:50:00	Japan	Foreign Bond Investment 18/JAN				
	01:50:00	Japan	Stock Investment by Foreigners 18/JAN				
	01:50:00	Japan	Imports YoY	Dec'19	-15.70%	-10.50%	-9.20%
	06:30:00	Japan	All Industry Activity Index MoM	Nov'19	-4.30%	-0.10%	1.40%
	07:00:00	Japan	Coincident Index Final	Nov'19	95.3	95.1	95.1
	07:00:00	Japan	Leading Economic Index Final	Nov'19	91.6	90.9	90.9
	14:45:00	EU	Deposit Facility Rate		-0.50%	-0.50%	-0.50%
	14:45:00	EU	ECB Interest Rate ision		0.00%	0.00%	0.00%
	14:45:00	EU	Marginal Lending Rate		0.25%	0.25%	0.25%
	15:30:00	EU	ECB Press Conference				
	15:30:00	US	Initial Jobless Claims 18/JAN		204K		212K
	15:30:00	US	Continuing Jobless Claims 11/JAN		1767K		1759K
	17:00:00	EU	Consumer Confidence Flash JAN		-8.1	-8	-7.4
	17:00:00	US	CB Leading Index MoM		0.00%	0.10%	0.20%
	17:30:00	US	EIA Natural Gas Stocks Change 17/JAN		-109Bcf		
	18:00:00	US	EIA Crude Oil Stocks Change 17/JAN		-2.549M		
	18:00:00	US	EIA Gasoline Stocks Change 17/JAN		6.678M		
	18:00:00	US	EIA Distillate Stocks Change 17/JAN		8.171M		
	18:00:00	US	EIA Heating Oil Stocks Change 17/JAN		-0.168M		
	18:00:00	US	EIA Distillate Fuel Production Change 17/JAN		-0.105M		
	18:00:00	US	EIA Gasoline Production Change 17/JAN		0.304M		
	18:00:00	US	EIA Crude Oil Imports Change 17/JAN		-0.595M		
	18:00:00	US	EIA Cushing Crude Oil Stocks Change 17/JAN		0.342M		
	18:00:00	US	EIA Refinery Crude Runs Change 17/JAN		0.076M		
	18:00:00	US	Kansas Fed Manufacturing Index JAN		-7	-6	-10
	18:30:00	US	4-Week Bill Auction		1.51%		
	18:30:00	US	8-Week Bill Auction		1.53%		
	20:00:00	US	10-Year TIPS Auction				
24-Jan-20	01:30:00	Japan	Inflation Rate YoY	Dec'19	0.50%	0.40%	0.50%
	01:30:00	Japan	Core Inflation Rate YoY	Dec'19	0.50%	0.40%	0.50%
	01:30:00	Japan	Inflation Rate Ex Food and Energy YoY	Dec'19	0.80%	0.80%	0.80%
	01:30:00	Japan	Core Inflation Rate YoY	Dec'19	0.20%		0.20%
	02:30:00	Japan	BoJ Monetary Policy Meeting Minutes				
	02:30:00	Japan	Jibun Bank Manufacturing PMI Flash JAN		48.4		48.6
	02:30:00	Japan	Jibun Bank Services PMI Flash JAN		49.4		49.8
	02:30:00	Japan	Jibun Bank Composite PMI Flash JAN		48.6		49.2
	10:30:00	Germany	Markt Manufacturing PMI Flash JAN		43.7	44.5	44
	10:30:00	Germany	Markt Services PMI Flash JAN		52.9	52	52.5
	10:30:00	Germany	Markt Composite PMI Flash JAN		50.2	49.9	50
	11:30:00	EU	Markt Manufacturing PMI Flash JAN		46.3		46.9
	11:30:00	EU	Markt Services PMI Flash JAN		52.8		52.9
	11:30:00	EU	Markt Composite PMI Flash JAN		50.9		51
	11:30:00	UK	Markt/CIPS Manufacturing PMI Flash JAN		47.5	47.6	48.4
	11:30:00	UK	Markt/CIPS UK Services PMI Flash JAN		50	49.4	49.5
	11:30:00	UK	Markt/CIPS Composite PMI Flash JAN		49.3		49.6
	13:00:00	UK	CBI Distributive Trades JAN		0		-4
	16:45:00	US	Markt Services PMI Flash JAN		52.8	51.9	51.7
	16:45:00	US	Markt Composite PMI Flash JAN		52.7	52.5	52.1
	16:45:00	US	Markt Manufacturing PMI Flash JAN		52.4	52.5	52.2
	20:00:00	US	Baker Hughes Total Rig Count 24/JAN				
	20:00:00	US	Baker Hughes Oil Rig Count 24/JAN				

### 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	21-Jan-20	29-Jan-16	-0.10%
Bank of England	30-Jan-20	02-Aug-18	0.75%
Federal Reserve	29-Jan-20	30-Oct-19	1.75%
SARB	19-Mar-20	16-Jan-20	6.25%