

SA MONEY MARKET REPORT

23 February 2018

THE PREVIOUS WEEK IN REVIEW

1. MONEY MARKET INTEREST RATES

SPOT RATES	09-Feb	16-Feb	23-Feb	Change
Repo Rate	6.75%	6.75%	6.75%	0.00%
Treasury Bill 91 days(D)	7.14%	7.08%	7.04%	-0.04%
Treasury Bill 91 days(Y)	7.27%	7.21%	7.17%	-0.04%
Treasury Bill 182days(D)	7.22%	7.13%	7.05%	-0.08%
Treasury Bill 182days(Y)	7.49%	7.39%	7.30%	-0.09%
Treasury Bill 273days(D)	7.16%	7.07%	6.93%	-0.14%
Treasury Bill 273days(Y)	7.57%	7.46%	7.30%	-0.16%
Treasury Bill 364days(Y)	7.58%	7.43%	7.27%	-0.16%
3 Month NCD	7.08%	7.05%	7.03%	-0.02%
6 Month NCD	7.53%	7.50%	7.50%	0.00%
9 Month NCD	7.65%	7.58%	7.55%	-0.03%
12 Month NCD	7.93%	7.83%	7.80%	-0.03%
18 Month NCD (YTM)	7.80%	7.66%	7.64%	-0.02%
24 Month NCD (YTM)	7.86%	7.70%	7.66%	-0.04%
36 Month NCD (YTM)	8.16%	7.96%	7.93%	-0.03%
R204 (YTM)	7.02%	6.98%	6.69%	-0.295%

MONEY MARKET RATES (NACQ)	09-Feb	16-Feb	23-Feb	Change
3 Month NCD	6.98%	6.98%	6.98%	0.00%
6 Month NCD	7.32%	7.30%	7.30%	0.00%
9 Month NCD	7.44%	7.37%	7.35%	-0.02%
12 Month NCD	7.70%	7.61%	7.58%	-0.02%
18 Month NCD	7.58%	7.45%	7.43%	-0.02%
24 Month NCD	7.63%	7.49%	7.45%	-0.04%
36 Month NCD	7.92%	7.73%	7.70%	-0.03%
R 204	7.02%	6.98%	6.69%	-0.295%

MONEY MARKET LIQUIDITY	09-Feb	16-Feb	23-Feb	Change
Shortage (Rm)	56000	56000	56000	0
Notes (Rm)	133635	126132	129731	3599
Reverse Repo (Rm)	0	0	0	0
Debentures (Rm)	274	226	250	24
Liquidity Requirements (Rm)	56594	57040	56222	-818

2. JIBAR RATES (Nominal Terms)

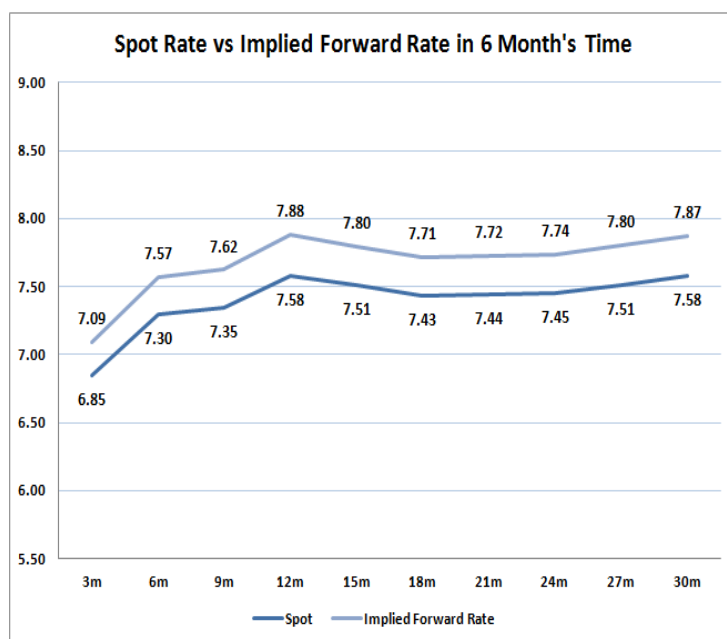
JIBAR (Nominal Terms)	09-Feb	16-Feb	23-Feb	Change
1 Month	6.90%	6.90%	6.89%	-0.01%
3 Month	7.13%	7.13%	7.13%	-0.01%
6 Month	7.59%	7.58%	7.54%	-0.04%
9 Month	7.72%	7.68%	7.63%	-0.05%
12 Month	7.98%	7.93%	7.84%	-0.08%

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.

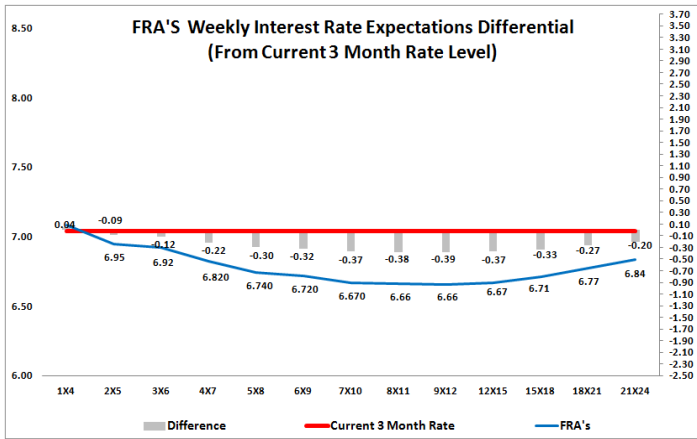
The rates represented in the line graphs below are in NACQ terms.

According to the break-even (forward/forward) calculation, the 12 and 18-month interest rates will be 7.88% and 7.71% respectively in six months time.



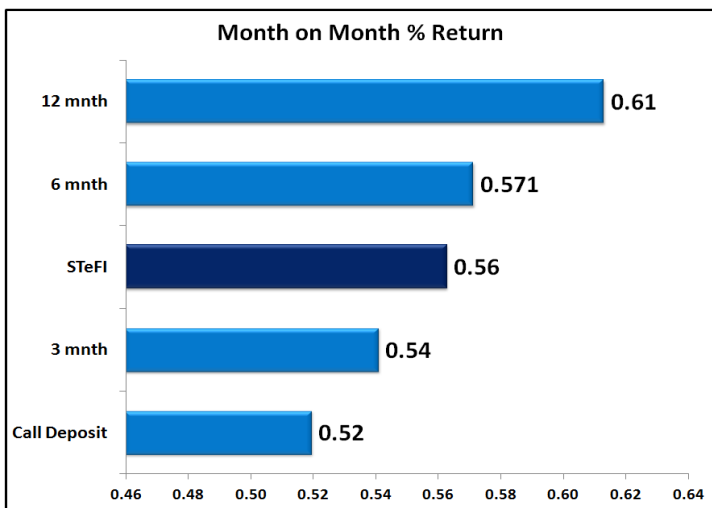
4. FRA RATES (NACQ)

FRA's	09-Feb	16-Feb	23-Feb	Change
1x4	7.09%	7.09%	7.09%	-0.01%
3x6	6.98%	6.98%	6.92%	-0.06%
6x9	6.86%	6.86%	6.72%	-0.14%
9x12	6.83%	6.82%	6.66%	-0.17%
12x15	6.85%	6.85%	6.67%	-0.18%
15x18	6.92%	6.91%	6.71%	-0.20%
18x21	6.99%	7.00%	6.77%	-0.22%
21x24	7.06%	7.08%	6.84%	-0.25%
24x27	7.13%	7.17%	6.90%	-0.27%
27x30	7.20%	7.25%	6.96%	-0.29%

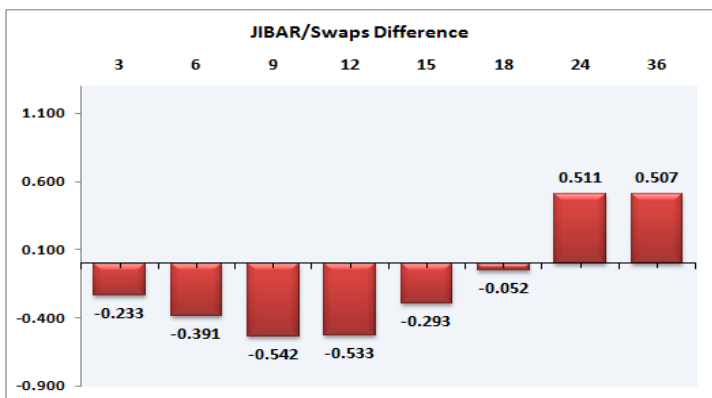
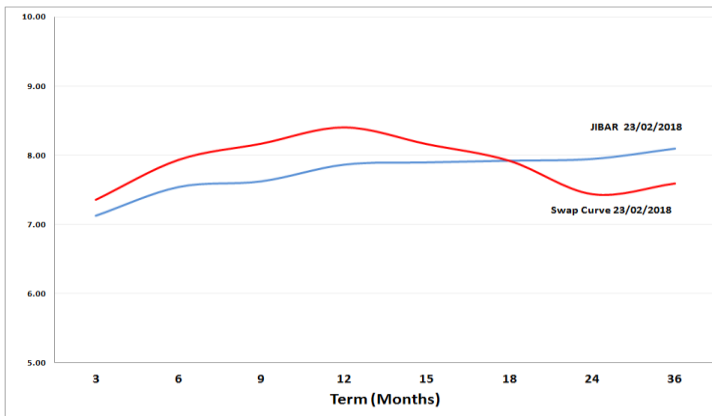


5. MONEY MARKET PERFORMANCE

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	70	70	6.720%
14 Days	0	0	0.000%
28 Days	207	80	6.730%
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	R6108m	R1800m	7.17%
182 Days	R4928m	R2000m	7.30%
273 Days	R57983m	R2100m	7.30%

8. THE WEEK AHEAD

Date	Time	Country	Event	Previous	Forecast
26-Feb-18	07:00:00	Japan	Coincident Index	120.7	118.3
	07:00:00	Japan	Leading Economic Index	107.9	108.3
	09:00:00	UK	Nationwide Housing Prices n.s.a (YoY)	3.20%	
	12:00:00	UK	10-y Bond Auction	1.29%	
	15:00:00	US	Fed's Bullard speech		
	15:30:00	US	Chicago Fed National Activity Index	0.27	0.15
	17:00:00	US	New Home Sales (MoM)	0.625M	0.642M
	17:00:00	US	New Home Sales Change (MoM)	-9.30%	0.10%
	17:30:00	US	Dallas Fed Manufacturing Business Index	33.4	28.4
	18:30:00	US	3-Month Bill Auction	1.63%	
18:30:00	US	6-Month Bill Auction	1.82%		
27-Feb-18	08:00:00	SA	M3 Money Supply (YoY)	6.41%	
	08:00:00	SA	Private Sector Credit	6.72%	
	11:00:00	EU	Private loans (YoY)	2.80%	
	11:00:00	EU	M3 Money Supply (YoY)	4.60%	4.60%
	11:30:00	UK	30-y Bond Auction	1.81%	
	12:00:00	EU	Industrial Confidence	8.8	8.2
	12:00:00	EU	Economic Sentiment Indicator	114.7	114
	12:00:00	Germany	German Buba President Weidmann speech		
	15:00:00	Germany	Consumer Price Index (YoY)	1.60%	1.50%
	15:30:00	US	Goods Trade Balance	-71.58B	
	15:30:00	US	Durable Goods Orders	2.90%	-2%
	15:55:00	US	Redbook index (YoY)	3.70%	
	16:00:00	US	S&P/Case-Shiller Home Price Indices (YoY)	6.40%	6.20%
	16:00:00	US	Housing Price Index (MoM)	0.40%	
	17:00:00	US	Wholesale Inventories	0.40%	
	17:00:00	US	Richmond Fed Manufacturing Index	14	
	18:30:00	US	52-Week Bill auction	1.83%	
18:30:00	US	4-Week Bill Auction	1.38%		
23:30:00	US	API Weekly Crude Oil Stock	-9.907M		
01:30:00	Japan	Industrial Production (MoM)	2.90%	-4.20%	
01:30:00	Japan	Industrial Production (YoY)	4.40%		
01:50:00	Japan	Retail Trade (YoY)	3.60%	2.10%	
28-Feb-18	02:01:00	UK	Gfk Consumer Confidence	-9	
	03:00:00	China	Non-manufacturing PMI	55.3	
	07:00:00	Japan	Annualized Housing Starts	0.936M	
	07:00:00	Japan	Housing Starts (YoY)	-2.10%	-5%
	07:00:00	Japan	Construction Orders (YoY)	-8.10%	
	11:00:00	Germany	Unemployment Rate s.a.	5.40%	5.40%
	11:00:00	Germany	Unemployment Change	-25K	-20K
	11:30:00	SA	Producer Price Index (MoM)	0.60%	
	11:30:00	SA	Producer Price Index (YoY)	5.20%	
	12:00:00	Germany	10-y Bond Auction	0.69%	
	14:00:00	US	MBA Mortgage Applications	-6.60%	
	14:00:00	SA	Trade Balance (in Rands)	15.72B	
	15:30:00	US	Gross Domestic Product Price Index	2.40%	2.40%
	15:30:00	US	Gross Domestic Product Annualized	2.60%	2.50%
15:30:00	US	Personal Consumption Expenditures Prices (QoQ)	1.50%	2.80%	
15:30:00	US	Core Personal Consumption Expenditures (QoQ)	1.30%	1.90%	
16:45:00	US	Chicago Purchasing Managers' Index	65.7	64	
17:00:00	US	Pending Home Sales (YoY)	-1.80%		
17:00:00	US	Pending Home Sales (MoM)	0.50%	0.50%	
17:00:00	US	Fed's Powell Speech			
01:50:00	Japan	Foreign investment in Japan stocks	127.1B		
01:50:00	Japan	Foreign bond investment	-53.1B		
01-Mar-18	02:30:00	Japan	Nikkei Manufacturing PMI	54	
	07:00:00	Japan	Consumer Confidence Index	44.7	
	11:00:00	EU	Markit Manufacturing PMI	58.5	58.5
	11:30:00	UK	Consumer Credit	1.52B	
	11:30:00	UK	Mortgage Approvals	61.039K	
	11:30:00	UK	M4 Money Supply (YoY)	3.70%	
	12:00:00	EU	Unemployment Rate	8.70%	8.70%
	15:00:00	SA	Total New Vehicle Sales	45.888	
	15:30:00	US	Personal Income (MoM)	0.40%	0.30%
	15:30:00	US	Personal Consumption Expenditures - Price Index (YoY)	1.70%	
	15:30:00	US	Personal Spending	0.40%	0.20%
	15:30:00	US	Personal Consumption Expenditures - Price Index (MoM)	0.10%	
	15:30:00	US	Initial Jobless Claims	222K	
	15:30:00	US	Continuing Jobless Claims	1.875M	
16:45:00	US	Markit Manufacturing PMI	55.9		
17:00:00	US	Fed's Powell Speech			
17:00:00	US	Construction Spending (MoM)	0.70%	0.20%	
17:30:00	US	EIA Natural Gas Storage change	-124B		
22:30:00	US	Total Vehicle Sales	17.12M	17.25M	
01:30:00	Japan	Tokyo Consumer Price Index (YoY)	1.30%		
01:30:00	Japan	Unemployment Rate	2.80%	2.70%	
02-Mar-18	09:00:00	Germany	Retail Sales (MoM)	-1.90%	
	09:00:00	Germany	Retail Sales (YoY)	-1.90%	
	11:30:00	UK	PMI Construction	50.2	
	12:00:00	EU	Producer Price Index (MoM)	0.20%	
	12:00:00	EU	Producer Price Index (YoY)	2.20%	
15:45:00	US	ISM NY index - Business Conditions	72.5		

Major Central Banks Rate Decisions

Central Bank	Next Meeting	Last Change	Current Interest Rate
European Central Bank	08-Mar-18	10-Mar-16	0.00%
Bank of Japan	09-Mar-18	29-Jan-16	-0.10%
Bank of England	22-Mar-18	02-Nov-17	0.50%
Federal Reserve	21-Mar-18	13-Dec-17	1.50%
SARB	28-Mar-18	20-Jul-17	6.75%