



## SA MONEY MARKET REPORT

29 January 2020

### THE PREVIOUS WEEK IN REVIEW

#### 1. MONEY MARKET INTEREST RATES

SPOT RATES	15-Jan	22-Jan	29-Jan	Change
Repo Rate	3.50%	3.50%	3.50%	0.00%
Treasury Bill 91 days(D)	3.81%	3.74%	3.76%	0.02%
Treasury Bill 91 days(Y)	3.84%	3.78%	3.79%	0.01%
Treasury Bill 182days(D)	4.03%	4.01%	4.06%	0.05%
Treasury Bill 182days(Y)	4.12%	4.09%	4.14%	0.05%
Treasury Bill 273days(D)	4.19%	4.13%	4.16%	0.03%
Treasury Bill 273days(Y)	4.33%	4.26%	4.29%	0.03%
Treasury Bill 364days(Y)	4.35%	4.30%	4.30%	0.00%
3 Month NCD	3.58%	3.58%	3.58%	0.00%
6 Month NCD	3.83%	3.85%	3.90%	0.05%
9 Month NCD	3.90%	3.95%	4.00%	0.05%
12 Month NCD	4.05%	4.08%	4.18%	0.10%
18 Month NCD (YTM)	4.15%	4.18%	4.27%	0.09%
24 Month NCD (YTM)	4.39%	4.42%	4.53%	0.11%
36 Month NCD (YTM)	4.84%	4.82%	4.95%	0.13%
R208 (YTM)	3.33%	3.33%	3.33%	0.000%

MONEY MARKET RATES (NACQ)	15-Jan	22-Jan	29-Jan	Change
3 Month NCD	3.58%	3.58%	3.58%	0.00%
6 Month NCD	3.77%	3.80%	3.84%	0.05%
9 Month NCD	3.84%	3.89%	3.94%	0.05%
12 Month NCD	3.99%	4.01%	4.11%	0.10%
18 Month NCD	4.08%	4.12%	4.20%	0.09%
24 Month NCD	4.32%	4.35%	4.46%	0.11%
36 Month NCD	4.75%	4.74%	4.86%	0.12%
R 208	3.33%	3.33%	3.33%	0.000%

MONEY MARKET LIQUIDITY	15-Jan	22-Jan	29-Jan	Change
Shortage (Rm)	31450	24650	27150	2500
Notes (Rm)	162731	156141	162439	6298
Reverse Repo (Rm)	0	0	0	0
Debentures (Rm)	4459	4939	3714	-1225
Liquidity Requirements (Rm)	25297	17040	27200	10160

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

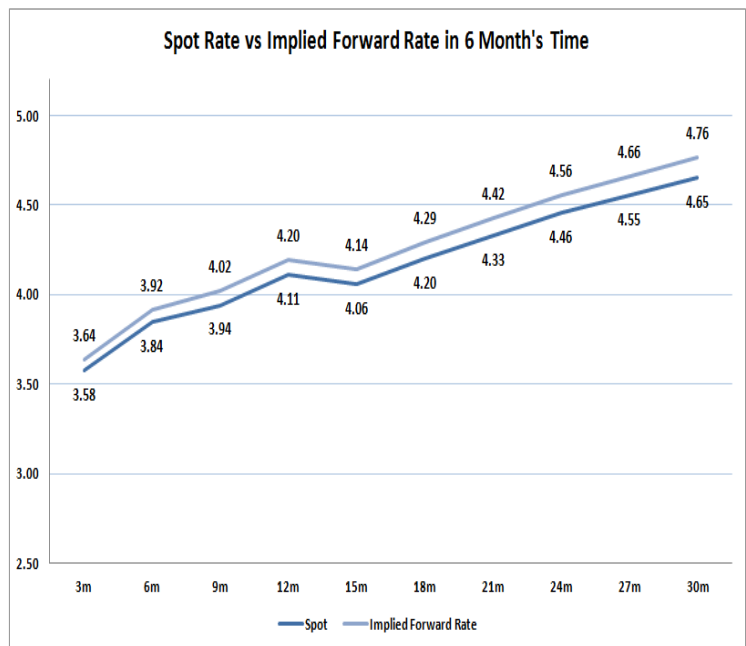
JIBAR (Nominal Terms)	15-Jan	22-Jan	29-Jan	Change
1 Month	3.50%	3.49%	3.49%	0.00%
3 Month	3.65%	3.64%	3.64%	0.00%
6 Month	3.90%	3.90%	3.94%	0.04%
9 Month	3.98%	3.97%	4.06%	0.09%
12 Month	4.13%	4.12%	4.23%	0.12%

#### 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.

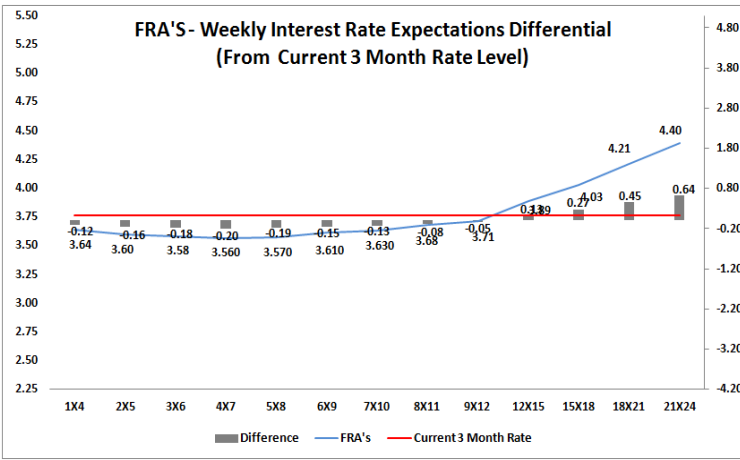
The rates represented in the line graphs below are in NACQ terms.

According to the break-even (forward/forward) calculation, the 12 and 18-month interest rates will be 4.20% and 4.29% respectively in six months time.



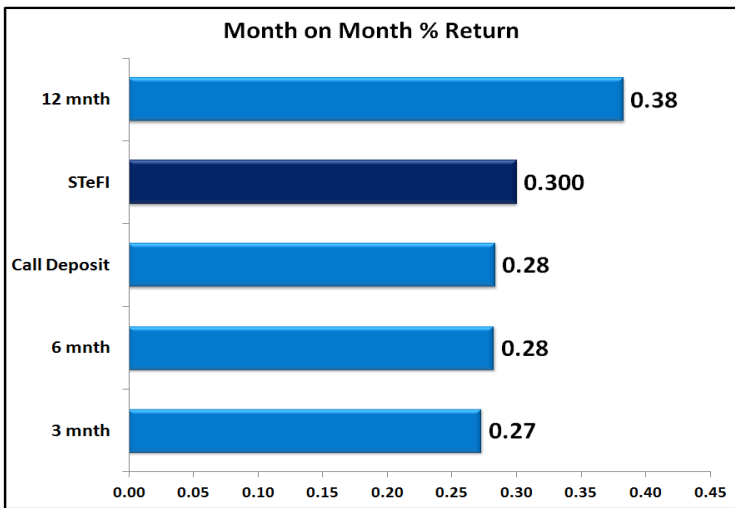
#### 4. FRA RATES (NACQ)

FRA's	15-Jan	22-Jan	29-Jan	Change
1x4	3.52%	3.57%	3.64%	0.08%
3x6	3.43%	3.48%	3.58%	0.11%
6x9	3.41%	3.46%	3.61%	0.15%
9x12	3.50%	3.54%	3.71%	0.17%
12x15	3.60%	3.65%	3.89%	0.25%
15x18	3.80%	3.83%	4.03%	0.20%
18x21	3.94%	3.98%	4.21%	0.23%
21x24	4.08%	4.13%	4.40%	0.27%
24x27	4.22%	4.28%	4.58%	0.30%
27x30	4.37%	4.43%	4.76%	0.33%

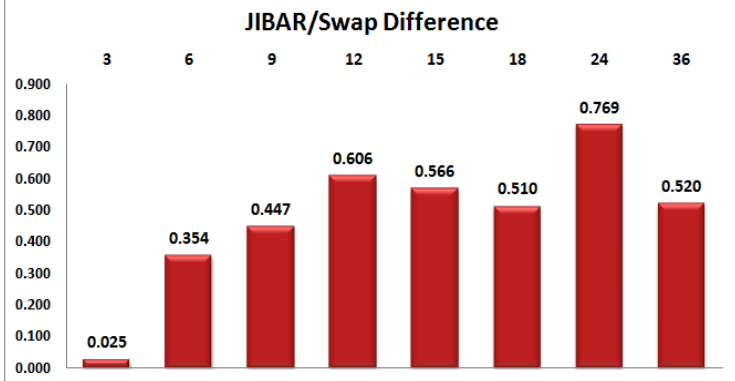
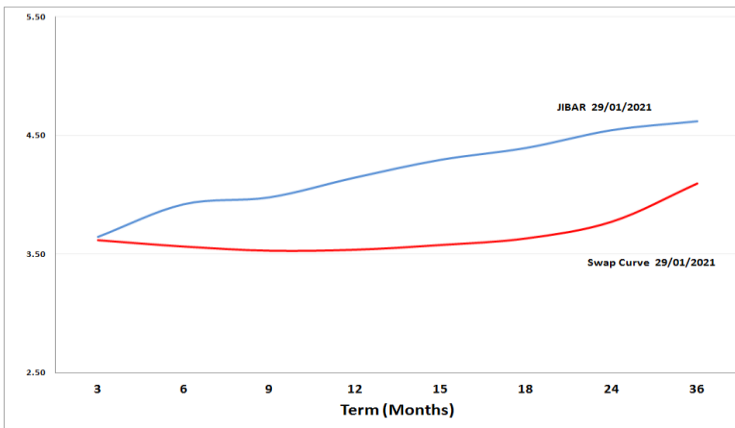


## 5. MONEY MARKET PERFORMANCE

STeFI (Month on Month) gained 0.38% with the best return 0.30% in the 12-Month area.



## 6. JIBAR and SWAPS - Curve



## 7. SARB AND NATIONAL TREASURY OPERATIONS

SARB DEBENTURES			
	Received	Allotted	Av. Rate
7 Days	340	340	3.470%
14 Days	3000	3000	3.550%
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	R1833m	R1400m	3.79%
182 Days	R3503m	R3070m	4.14%
273 Days	R4981m	R4040m	4.29%

## 8. THE WEEK AHEAD

Date	Time	Country	Event	Month	Previous	Consensus	Forecast
01-Feb-21	02:30:00	Japan	Jibun Bank Manufacturing PMI Final	Jan'20	50	49.7	49.7
03:45:00	China	Caixin Manufacturing PMI	Jan'20	53	52.7	52.5	
09:00:00	Germany	Retail Sales MoM	Dec'20	1.90%	-2.30%	-1.20%	
09:00:00	Germany	Retail Sales YoY	Dec'20	5.60%		4.70%	
10:55:00	Germany	Market Manufacturing PMI Final	Jan'20	58.3	57	57	
11:00:00	EU	Market Manufacturing PMI Final	Jan'20	55.2	54.7	54.7	
11:30:00	UK	BoE Consumer Credit	Dec'20	£-1.539B		£-1.2B	
11:30:00	UK	Mortgage Approvals	Dec'20	105K		115K	
11:30:00	UK	Mortgage Lending	Dec'20	£5.7B		£5.4B	
11:30:00	UK	Market/CIPS Manufacturing PMI Final	Jan'20	57.5	52.9	52.9	
11:30:00	UK	Net Lending to Individuals MoM	Dec'20	£4.1B		£3.7B	
12:00:00	EU	Unemployment Rate	Dec'20	8.30%	8.30%	8.30%	
14:00:00	SA	Total New Vehicle Sales	Jan'20	37,493K			
17:00:00	US	ISM Manufacturing PMI	Jan'20	60.7	60	60	
17:00:00	US	Construction Spending MoM	Dec'20	0.90%	0.70%	0.50%	
18:30:00	US	3-Month Bill Auction		0.08%			
18:30:00	US	6-Month Bill Auction		0.09%			
02-Feb-21	02:00:00	US	Total Vehicle Sales	Jan'20	16.3M		
05:45:00	Japan	10-Year JGB Auction		0.02%			
12:00:00	EU	GDP Growth Rate QoQ Flash	Q4	12.50%	-1.90%	-2.20%	
12:00:00	EU	GDP Growth Rate YoY Flash	Q4	-4.30%	-6.30%	-6.00%	
12:40:00	Germany	2-Year Schatz Auction		-0.73%			
12:45:00	UK	5-Year Treasury Gilt Auction		0.07%			
15:55:00	US	Redbook YoY 30/	Jan'20	3.90%			
15:55:00	US	Redbook MoM 30/	Jan'20	-2.00%			
16:45:00	US	ISM New York Index	Jan'20	61.3		58	
17:00:00	US	IBD/TIPP Economic Optimism FEB		50.1		55.1	
18:30:00	US	119-Day Bill Auction		0.08%			
18:30:00	US	42-Day Bill Auction		0.07%			
23:30:00	US	API Crude Oil Stock Change 29/	Jan'20	-5.272M			
03-Feb-21	02:30:00	Japan	Jibun Bank Services PMI Final	Jan'20	47.7	45.7	45.7
03:45:00	China	Caixin Composite PMI	Jan'20	55.8		55.4	
09:15:00	SA	IFHS Market PMI	Jan'20	50.2			
10:00:00	EU	ECB Non-Monetary Policy Meeting	Jan'20				
10:55:00	Germany	Market Composite PMI Final	Jan'20	52	50.8	50.8	
11:00:00	EU	Market Composite PMI Final	Jan'20	49.1	47.5	47.5	
11:00:00	SA	ABSA Manufacturing PMI	Jan'20	50.3			
11:30:00	UK	Market/CIPS UK Services PMI Final	Jan'20	49.4	38.8	38.8	
11:30:00	UK	Market/CIPS Composite PMI Final	Jan'20	50.4	40.6	40.6	
12:00:00	EU	Core Inflation Rate YoY Flash	Jan'20	0.20%	0.30%	0.20%	
12:00:00	EU	Inflation Rate YoY Flash	Jan'20	-0.30%	0.10%	0.10%	
12:00:00	EU	Inflation Rate MoM Flash	Jan'20	0.20%			
12:00:00	EU	PPI MoM	Dec'20	0.40%	0.20%	0.20%	
12:00:00	EU	PPI YoY	Dec'20	-1.90%	-1.70%		
12:45:00	UK	10-Year Treasury Gilt Auction		0.33%			
14:00:00	US	MBA Mortgage Applications 29/	Jan'20	-4.10%			
14:00:00	US	MBA 30-Year Mortgage Rate 29/	Jan'20	2.95%			
15:15:00	US	ADP Employment Change	Jan'20	-123K	49K	50K	
16:45:00	US	Market Services PMI Final	Jan'20	54.8	57.5	57.5	
16:45:00	US	Market Composite PMI Final	Jan'20	55.3	58	58	
17:00:00	US	ISM Non-Manufacturing Business Activity	Jan'20	59.4		59	
17:30:00	US	EIA Crude Oil Stocks Change 29/	Jan'20	-9.91M			
17:30:00	US	EIA Distillate Fuel Production Change 29/	Jan'20	-0.011M			
18:30:00	US	105-Day Bill Auction		0.08%			
18:30:00	US	154-Day Bill Auction		0.08%			
04-Feb-21	01:30:00	Japan	Foreign Bond Investment 30/	Jan'20	¥752.6B		
01:30:00	Japan	Stock Investment by Foreigners 30/	Jan'20	¥209.2B			
05:45:00	Japan	30-Year JGB Auction		0.65%			
10:30:00	EU	Construction PMI	Jan'20	45.5		45	
10:30:00	Germany	Construction PMI	Jan'20	47.1		46.6	
11:00:00	UK	New Car Sales YoY	Jan'20	-10.90%		-34.00%	
11:30:00	UK	Construction PMI	Jan'20	54.6		54	
12:00:00	EU	Retail Sales MoM	Dec'20	-6.10%	0.80%	0.60%	
12:00:00	EU	Retail Sales YoY	Dec'20	-2.90%	-0.10%	-1.00%	
14:00:00	UK	BoE Interest Rate Decision	Dec'20	0.10%	0.10%	0.10%	
14:00:00	UK	BoE Quantitative Easing	Dec'20	£8/5B	£8/5B	£8/5B	
14:00:00	UK	Monetary Policy Report					
14:00:00	UK	MPC Meeting Minutes					
14:00:00	UK	BoE MPC Vote Hike		0/9		0/9	
14:00:00	UK	BoE MPC Vote Unchanged		4448		4448	
14:00:00	UK	BoE MPC Vote Cut		0/9		0/9	
14:30:00	US	Challenger Job Cuts	Jan'20	77,03K		65K	
15:30:00	US	Jobless Claims 3-Week Average /30	Jan'20	868K		865K	
15:30:00	US	Initial Jobless Claims 30/	Jan'20	847K		850K	
15:30:00	US	Unit Labour Costs QoQ Prel	Q4	-6.60%	3.40%	3.20%	
15:30:00	US	Nonfarm Productivity QoQ Prel	Q4	4.60%	-1.80%	-1.50%	
15:30:00	US	Continuing Jobless Claims 23/	Jan'20	4771K		4780K	
17:00:00	US	Factory Orders MoM		1.00%	1.80%	1.70%	
17:00:00	US	Factory Orders ex Transportation		0.80%		1.60%	
17:30:00	US	EIA Natural Gas Stocks Change 29/	Jan'20	-1.28Bcf			
18:30:00	US	4-Week Bill Auction		0.06%			
18:30:00	US	8-Week Bill Auction		0.07%			
05-Feb-21	01:30:00	Japan	Household Spending MoM	Dec'20	-1.80%	-1.90%	1.10%
07:00:00	UK	Leading Economic Index Prel	Dec'20	96.4		96	
08:00:00	SA	Foreign Exchange Reserves	Jan'20	\$55.01B			
09:30:00	UK	Halifax House Price Index YoY	Jan'20	6.00%		4.90%	
15:30:00	US	Balance of Trade	Dec'20	\$-68.1B	\$-67.4B	\$-70B	
15:30:00	US	Non Farm Payrolls	Jan'20	-140K	80K	80K	
15:30:00	US	Unemployment Rate	Jan'20	6.70%	6.70%	6.70%	
15:30:00	US	Imports	Dec'20	\$184.2B		\$185B	
15:30:00	US	Exports	Dec'20	\$252.3B		\$255B	
15:30:00	US	Manufacturing Payrolls	Jan'20	38K	30K	35K	
15:30:00	US	Participation Rate	Jan'20	61.50%		61.30%	
15:30:00	US	Average Hourly Earnings YoY	Jan'20	5.10%	5.00%	5.00%	
15:30:00	US	Average Weekly Hours	Jan'20	34.7	34.7	34.8	
15:30:00	US	Government Payrolls	Jan'20	-45K		-20K	
15:30:00	US	Nonfarm Payrolls Private	Jan'20	-93K		60K	
15:30:00	US	Average Hourly Earnings MoM	Jan'20	0.80%	0.30%	0.30%	
22:00:00	US	Consumer Credit Change	Jan'20	\$15.27B	\$12.1B	\$12.6B	

Major Central Banks Rate Decisions			
Central Bank	Next Meeting	Last Change	Current Interest Rate
European Central Bank	11-Mar-21	10-Mar-16	0.00%
Bank of Japan	19-Mar-21	29-Jan-16	-0.10%
Bank of England	04-Feb-21	19-Mar-20	0.10%
Federal Reserve	17-Mar-21	15-Mar-20	0.25%
SARB	25-Mar-21	21-May-20	3.50%