

## SA MONEY MARKET REPORT

30 August 2019

### THE PREVIOUS WEEK IN REVIEW

#### 1. MONEY MARKET INTEREST RATES

SPOT RATES	16-Aug	23-Aug	30-Aug	Change
Repo Rate	6.50%	6.50%	6.50%	0.00%
Treasury Bill 91 days(D)	7.00%	6.96%	6.94%	-0.02%
Treasury Bill 91 days(Y)	7.13%	7.09%	7.06%	-0.03%
Treasury Bill 182days(D)	7.13%	7.07%	7.05%	-0.02%
Treasury Bill 182days(Y)	7.39%	7.33%	7.30%	-0.03%
Treasury Bill 273days(D)	7.13%	7.11%	7.10%	-0.01%
Treasury Bill 273days(Y)	7.53%	7.51%	7.50%	-0.01%
Treasury Bill 364days(Y)	7.53%	7.48%	7.51%	0.03%
3 Month NCD	6.78%	6.78%	6.80%	0.03%
6 Month NCD	7.25%	7.20%	7.20%	0.00%
9 Month NCD	7.45%	7.35%	7.35%	0.00%
12 Month NCD	7.63%	7.53%	7.53%	0.00%
18 Month NCD (YTM)	7.54%	7.45%	7.37%	-0.08%
24 Month NCD (YTM)	7.60%	7.48%	7.39%	-0.09%
36 Month NCD (YTM)	7.75%	7.59%	7.50%	-0.09%
R207 (YTM)	6.90%	6.83%	6.83%	0.000%

MONEY MARKET RATES (NACQ)	16-Aug	23-Aug	30-Aug	Change
3 Month NCD	6.78%	6.78%	6.80%	0.03%
6 Month NCD	7.06%	7.01%	7.01%	0.00%
9 Month NCD	7.25%	7.16%	7.16%	0.00%
12 Month NCD	7.42%	7.32%	7.32%	0.00%
18 Month NCD	7.34%	7.25%	7.17%	-0.07%
24 Month NCD	7.39%	7.27%	7.19%	-0.08%
36 Month NCD	7.53%	7.38%	7.30%	-0.08%
R 207	6.90%	6.83%	6.83%	0.000%

MONEY MARKET LIQUIDITY	16-Aug	23-Aug	30-Aug	Change
Shortage (Rm)	56000	56000	56000	0
Notes (Rm)	142952	139059	147386	8327
Reverse Repo (Rm)	0	0	0	0
Debentures (Rm)	19	0	0	0
Liquidity Requirements (Rm)	55955	55902	58421	2519

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

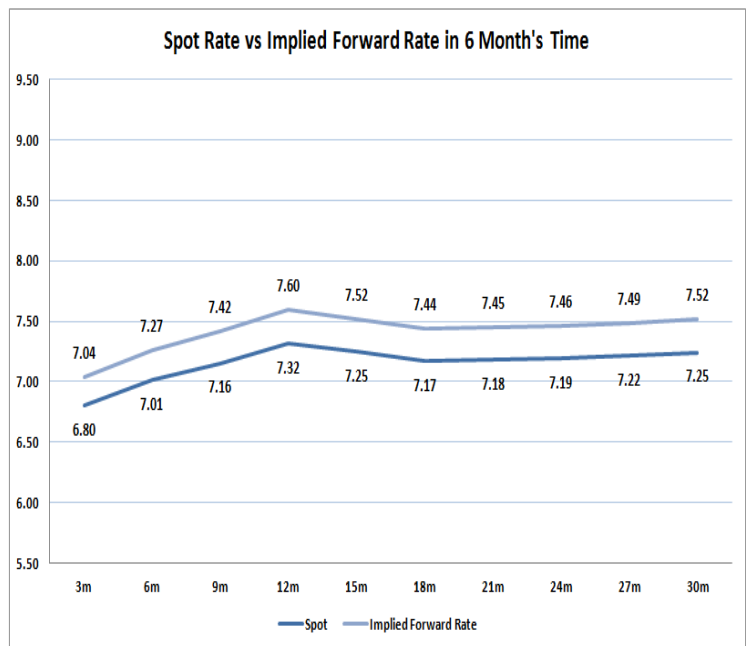
JIBAR (Nominal Terms)	16-Aug	23-Aug	30-Aug	Change
1 Month	6.66%	6.65%	6.65%	0.00%
3 Month	6.83%	6.83%	6.82%	-0.01%
6 Month	7.33%	7.28%	7.24%	-0.03%
9 Month	7.48%	7.44%	7.40%	-0.04%
12 Month	7.72%	7.59%	7.58%	-0.02%

#### 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.

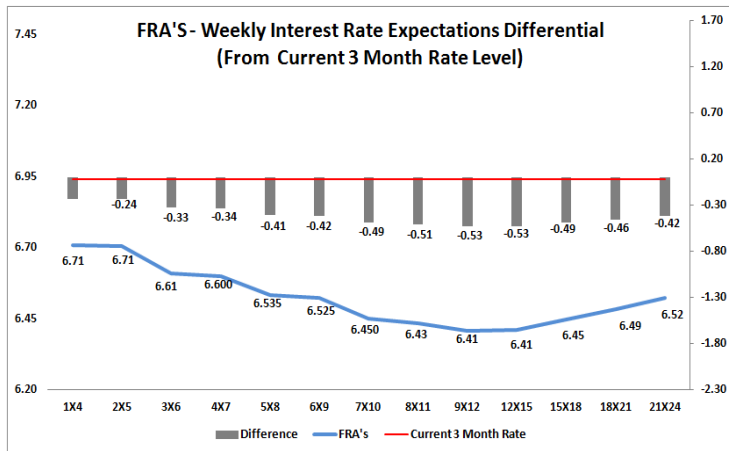
The rates represented in the line graphs below are in NACQ terms.

According to the break-even (forward/forward) calculation, the 12 and 18-month interest rates will be 7.60% and 7.44% respectively in six months time.



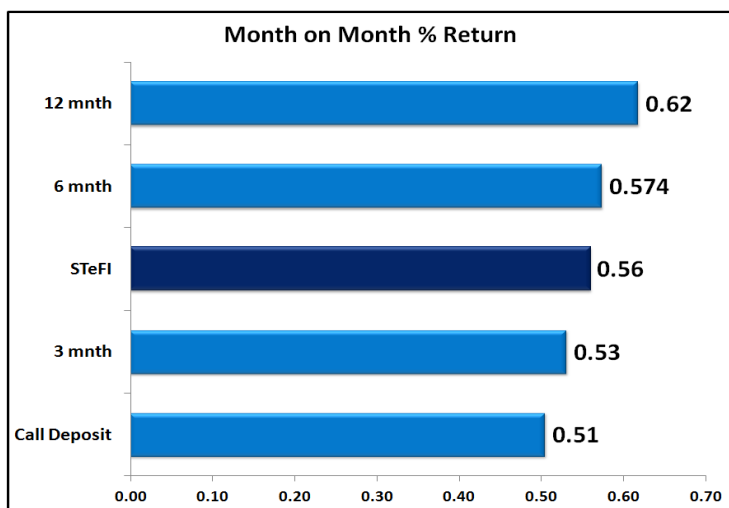
#### 4. FRA RATES (NACQ)

FRA's	16-Aug	23-Aug	30-Aug	Change
1x4	6.84%	6.74%	6.71%	-0.03%
3x6	6.78%	6.71%	6.61%	-0.10%
6x9	6.66%	6.53%	6.52%	-0.01%
9x12	6.61%	6.44%	6.40%	-0.05%
12x15	6.61%	6.44%	6.39%	-0.04%
15x18	6.65%	6.46%	6.43%	-0.04%
18x21	6.71%	6.52%	6.46%	-0.06%
21x24	6.78%	6.57%	6.48%	-0.09%
24x27	6.84%	6.63%	6.51%	-0.12%
27x30	6.91%	6.68%	6.54%	-0.15%

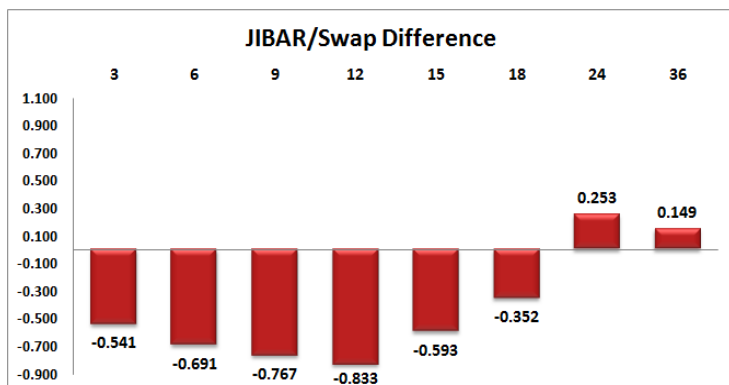
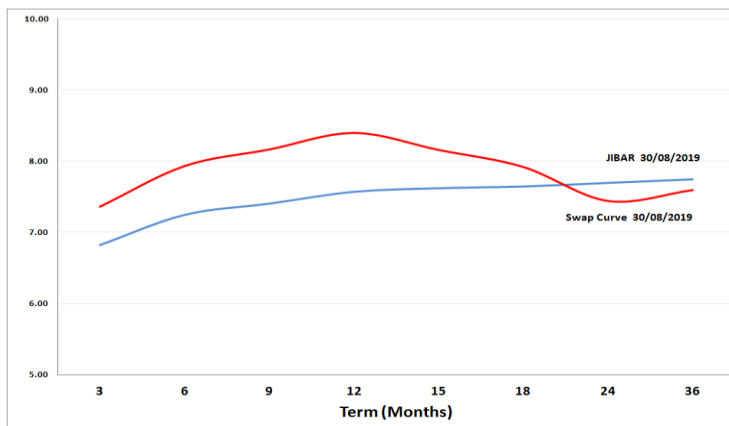


## 5. MONEY MARKET PERFORMANCE

STeFI (Month on Month) gained 0.56% with the best return 0.62% in the 12-Month area.



## 6. JIBAR and SWAPS - Curve



## 7. SARB AND NATIONAL TREASURY OPERATIONS

SARB DEBENTURES			
	Received	Allotted	Av. Rate
7 Days	0	0	0.000%
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	R5836m	R2400m	7.06%
182 Days	R4335m	R2445m	7.30%
273 Days	R5078m	R2950m	7.50%

## 8. THE WEEK AHEAD

Date	Time	Country	Event	Month	Previous	Forecast
02-Sep-19	02:00:00	US	Labor Day			
	02:30:00	Japan	Nikkei Manufacturing PMI	Aug '19	49.5	
	03:45:00	China	Caixin Manufacturing PMI	Aug '19	49.9	49.8
	09:55:00	Germany	Markit Manufacturing PMI	Aug '19	43.6	
	10:00:00	EU	Markit Manufacturing PMI	Aug '19	47	46.4
	10:30:00	UK	Markit Manufacturing PMI	Aug '19	48	
	11:30:00	SA	Business Confidence Index	Aug '19	92	
	14:00:00	SA	Total New Vehicle Sales	Aug '19	46.077	46.042
	01:01:00	UK	BRC Like-For-Like Retail Sales (YoY)		0.10%	
	01:50:00	Japan	Capital Spending	Jul '19	6.10%	
	01:50:00	Japan	JP Foreign Reserves	Jul '19	1316.5B	
	01:50:00	Japan	Monetary Base (YoY)	Jul '19	3.70%	
03-Sep-19	09:00:00	EU	ECB's Nominated President Lagarde speech			
	10:30:00	UK	Markit Construction PMI	Aug '19	45.3	
	11:00:00	EU	Producer Price Index (YoY)	Aug '19	0.70%	0.80%
	11:00:00	EU	Producer Price Index (MoM)	Aug '19	-0.60%	-0.30%
	11:30:00	SA	Gross Domestic Product (YoY)	Q2	0%	0.30%
	11:30:00	SA	Gross Domestic Product (QoQ)	Q2	-3.20%	-0.70%
	15:45:00	US	Markit Manufacturing PMI		49.9	
	16:00:00	US	ISM Manufacturing PMI		51.2	51.4
	16:00:00	US	ISM Prices Paid		45.1	49.6
	16:00:00	US	Construction Spending (MoM)	Jul '19	-1.30%	0.30%
	17:00:00	US	IBD/TIPP Economic Optimism (MoM)		55.1	
	17:30:00	US	3-Month Bill Auction		1.95%	
	17:30:00	US	6-Month Bill Auction		1.84%	
	21:30:00	US	Total Vehicle Sales	Jul '19	16.8M	
	22:30:00	US	API Weekly Crude Oil Stock		-11.1M	
04-Sep-19	02:30:00	Japan	Markit Services PMI	Aug '19	51.8	
	03:45:00	China	Caixin Services PMI	Aug '19	51.6	
	09:55:00	Germany	Markit PMI Composite	Aug '19	51.4	51.4
	09:55:00	Germany	Markit Services PMI	Aug '19	54.4	54.4
	10:00:00	EU	Markit Services PMI	Aug '19	53.4	53.4
	10:00:00	EU	Markit PMI Composite	Aug '19	51.8	51.5
	10:30:00	UK	Markit Services PMI	Aug '19	51.4	50.2
	11:00:00	EU	Retail Sales (MoM)	Jul '19	1.10%	
	11:00:00	EU	Retail Sales (YoY)	Jul '19	2.60%	1.30%
	13:00:00	US	MBA Mortgage Applications		-6.20%	
	14:30:00	US	Trade Balance	Jul '19	-55.2B	-55.4B
	14:55:00	US	Redbook Index (YoY)		5.70%	
	14:55:00	US	Redbook Index (MoM)		-1.40%	
	15:45:00	US	ISM-NY Business Conditions Index		43.5	
	15:45:00	US	Markit PMI Composite		50.9	
	01:50:00	Japan	Foreign Investment in Japan Stocks	Aug '19	3.9B	
	01:50:00	Japan	Foreign Bond Investment	Aug '19	-911.9B	
05-Sep-19	08:00:00	Germany	Factory Orders n.s.a. (YoY)	Jul '19	-3.60%	
	14:15:00	US	ADP Employment Change		156K	140K
	14:30:00	US	Challenger Job Cuts		38.845K	
	14:30:00	US	Initial Jobless Claims		215K	
	14:30:00	US	Continuing Jobless Claims		1.698M	
	14:30:00	US	Initial Jobless Claims 4-week average		214.5K	
	14:30:00	US	Unit Labor Costs		2.40%	-0.80%
	14:30:00	US	Nonfarm Productivity		2.30%	
	15:45:00	US	Markit Services PMI		50.9	
	16:00:00	US	ISM Non-Manufacturing PMI		53.7	54.1
	16:00:00	US	Factory Orders (MoM)		0.60%	0.30%
	16:30:00	US	EIA Crude Oil Stocks Change		-10.027M	
	01:30:00	Japan	Labor Cash Earnings (YoY)		0.40%	
	01:30:00	Japan	Overall Household Spending (YoY)		2.70%	
06-Sep-19	07:00:00	Japan	Leading Economic Index	Aug '19	93.3	
	07:00:00	Japan	Coincident Index	Aug '19	100.4	
	08:00:00	Germany	Industrial Production s.a. (MoM)	Jul '19	-1.50%	-0.40%
	08:00:00	Germany	Industrial Production n.s.a. w.d.a. (YoY)	Jul '19	-5.20%	
	08:00:00	SA	Gross \$Gold & Forex Reserve	Aug '19	49.36B	
	08:00:00	SA	Net \$Gold & Forex Reserve	Aug '19	43.906B	
	08:00:00	Germany	Factory Orders s.a. (MoM)	Jul '19	2.50%	
	09:00:00	UK	UK court hearing on forcing no-deal Brexit	Jul '19		
	09:30:00	UK	Halifax House Prices (3m/YoY)	Jul '19	4.10%	4.40%
	09:30:00	UK	Halifax House Prices (MoM)	Jul '19	-0.20%	
	10:30:00	UK	Consumer Inflation Expectations	Aug '19	3.10%	
	11:00:00	EU	Gross Domestic Product s.a. (QoQ)	Q2 (Est)	0.20%	0.20%
	11:00:00	EU	Gross Domestic Product s.a. (YoY)	Q2 (Est)	1.10%	1.10%
	11:00:00	EU	Employment Change (YoY)	Jul '19	1.10%	1.30%
	11:00:00	EU	Employment Change (QoQ)	Jul '19	0.20%	
	14:30:00	US	Unemployment Rate	Aug '19	3.70%	3.70%
	14:30:00	US	Nonfarm Payrolls	Aug '19	164K	155K
	14:30:00	US	Average Hourly Earnings (YoY)	Aug '19	3.20%	
	14:30:00	US	Average Weekly Hours	Aug '19	34.3	34.4
	14:30:00	US	Average Hourly Earnings (MoM)	Aug '19	0.30%	0.30%
	14:30:00	US	Labor Force Participation Rate	Aug '19	63%	
	19:00:00	US	Baker Hughes US Oil Rig Count			

Major Central Banks Rate Decisions			
Central Bank	Next Meeting	Last Change	Current Interest Rate
European Central Bank	12-Sep-19	10-Mar-16	0.00%
Bank of Japan	19-Sep-19	29-Jan-16	-0.10%
Bank of England	19-Sep-19	02-Aug-18	0.75%
Federal Reserve	18-Sep-18	31-Jul-19	2.25%
SARB	19-Sep-19	18-Jul-19	6.50%