

## SA MONEY MARKET REPORT

31 May 2019

### THE PREVIOUS WEEK IN REVIEW

#### 1. MONEY MARKET INTEREST RATES

SPOT RATES	17-May	24-May	31-May	Change
Repo Rate	6.75%	6.75%	6.75%	0.00%
Treasury Bill 91 days(D)	7.17%	7.13%	7.13%	0.00%
Treasury Bill 91 days(Y)	7.30%	7.26%	7.26%	0.00%
Treasury Bill 182days(D)	7.28%	7.26%	7.22%	-0.04%
Treasury Bill 182days(Y)	7.56%	7.53%	7.49%	-0.04%
Treasury Bill 273days(D)	7.29%	7.25%	7.27%	0.02%
Treasury Bill 273days(Y)	7.71%	7.66%	7.69%	0.03%
Treasury Bill 364days(Y)	7.71%	7.68%	7.71%	0.03%
3 Month NCD	7.05%	7.00%	7.05%	0.05%
6 Month NCD	7.60%	7.58%	7.55%	-0.03%
9 Month NCD	7.78%	7.73%	7.70%	-0.03%
12 Month NCD	8.05%	7.90%	7.90%	0.00%
18 Month NCD (YTM)	7.98%	7.83%	7.84%	0.01%
24 Month NCD (YTM)	8.03%	7.86%	7.88%	0.02%
36 Month NCD (YTM)	8.15%	8.01%	8.04%	0.03%
R207 (YTM)	6.25%	6.25%	6.36%	0.110%

MONEY MARKET RATES (NACQ)	17-May	24-May	31-May	Change
3 Month NCD	7.05%	7.00%	7.05%	0.05%
6 Month NCD	7.39%	7.37%	7.35%	-0.02%
9 Month NCD	7.56%	7.51%	7.49%	-0.02%
12 Month NCD	7.82%	7.68%	7.68%	0.00%
18 Month NCD	7.75%	7.61%	7.61%	0.01%
24 Month NCD	7.79%	7.63%	7.65%	0.02%
36 Month NCD	7.91%	7.78%	7.80%	0.03%
R 207	6.25%	6.25%	6.36%	0.110%

MONEY MARKET LIQUIDITY	17-May	24-May	31-May	Change
Shortage (Rm)	56000	56000	56000	0
Notes (Rm)	139627	138972	151267	12295
Reverse Repo (Rm)	0	0	0	0
Debentures (Rm)	120	100	100	0
Liquidity Requirements (Rm)	56063	56426	57117	691

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

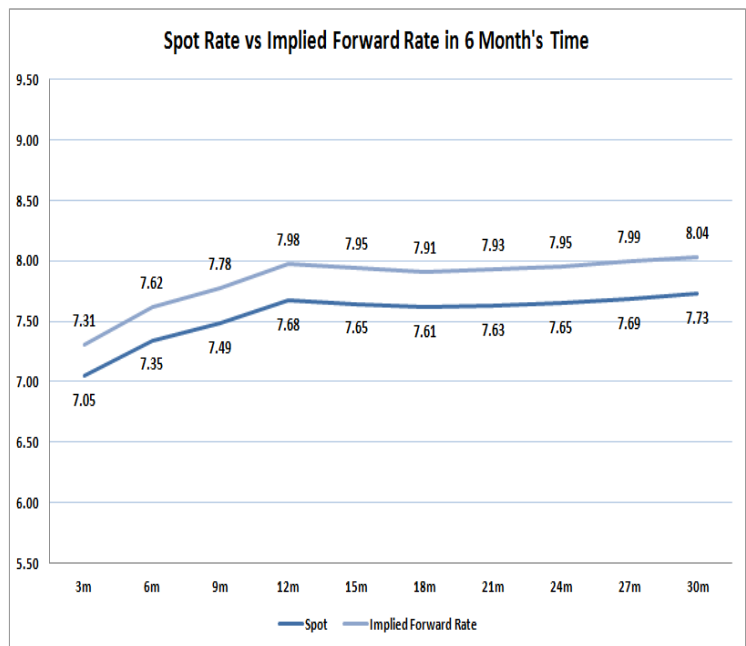
JIBAR (Nominal Terms)	17-May	24-May	31-May	Change
1 Month	6.98%	6.98%	6.97%	-0.01%
3 Month	7.15%	7.15%	7.15%	0.00%
6 Month	7.69%	7.66%	7.59%	-0.07%
9 Month	7.88%	7.85%	7.74%	-0.11%
12 Month	8.13%	8.07%	7.95%	-0.12%

#### 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.

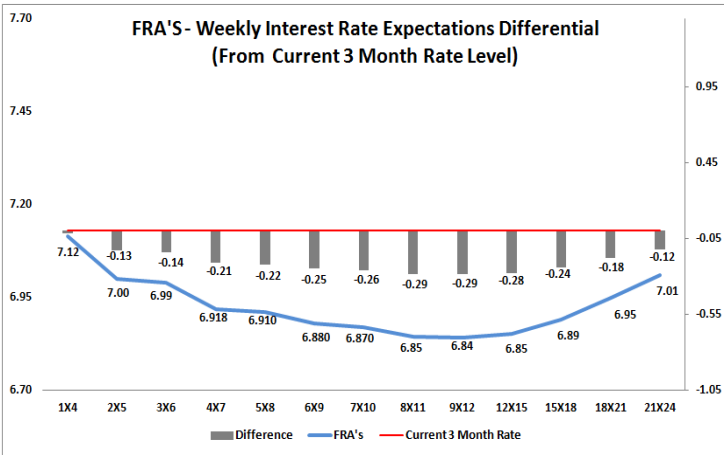
The rates represented in the line graphs below are in NACQ terms.

According to the break-even (forward/forward) calculation, the 12 and 18-month interest rates will be 7.98% and 7.91% respectively in six months time.



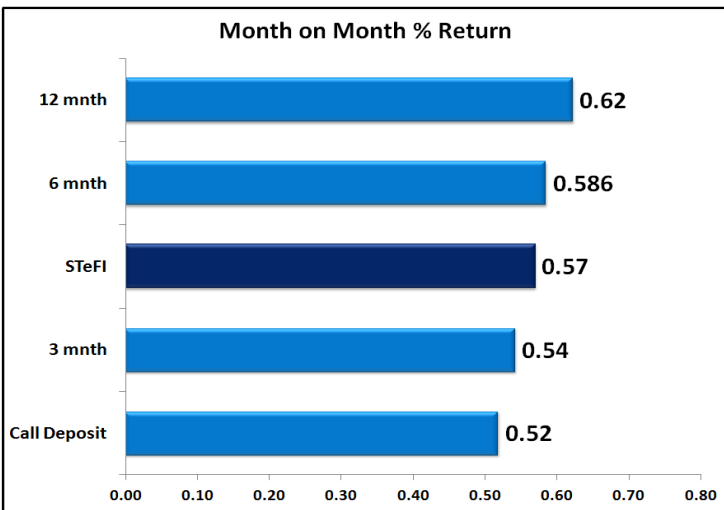
#### 4. FRA RATES (NACQ)

FRA's	17-May	24-May	31-May	Change
1x4	7.13%	7.12%	7.11%	-0.01%
3x6	7.08%	7.03%	6.98%	-0.05%
6x9	7.04%	6.92%	6.88%	-0.04%
9x12	7.00%	6.90%	6.85%	-0.05%
12x15	7.01%	6.90%	6.87%	-0.03%
15x18	7.05%	6.93%	6.92%	-0.01%
18x21	7.09%	6.98%	6.98%	0.00%
21x24	7.13%	7.02%	7.04%	0.02%
24x27	7.17%	7.06%	7.09%	0.04%
27x30	7.21%	7.10%	7.15%	0.05%

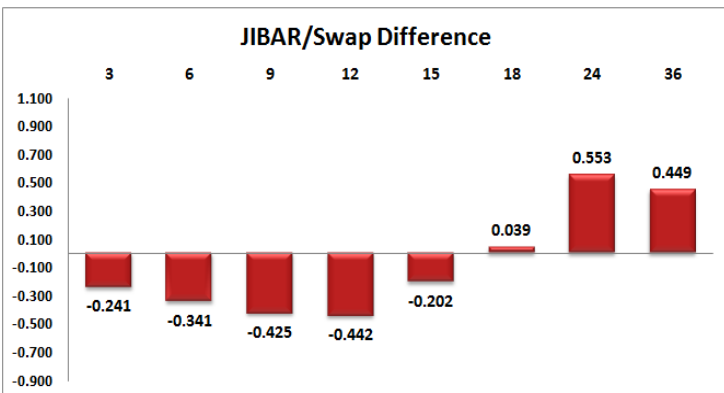
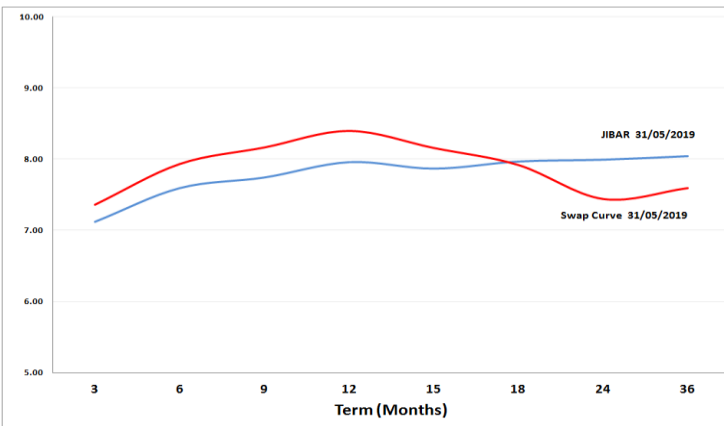


## 5. MONEY MARKET PERFORMANCE

STeFI (Month on Month) gained 0.57% 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	100	100	6.750%
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	R3868m	R2400m	7.26%
182 Days	R8363m	R2445m	7.49%
273 Days	R6085m	R2950m	7.69%

## 8. THE WEEK AHEAD

Date	Time	Country	Event	Month	Previous	Forecast
03-Jun-19	02:30:00	Japan	Nikkei Manufacturing PMI	May'19	49.6	49.6
	03:45:00	China	Caixin Manufacturing PMI	May'19	50.2	50
	09:55:00	Germany	Markit Manufacturing PMI	May'19	44.3	44.3
	10:00:00	EU	Markit Manufacturing PMI	May'19	47.7	47.7
	10:30:00	UK	Markit Manufacturing PMI	May'19	53.1	53.4
	14:00:00	SA	Total New Vehicle Sales	May'19	36,794	
	15:45:00	US	Markit Manufacturing PMI	May'19	50.6	50.6
	16:00:00	US	ISM Manufacturing PMI	May'19	52.8	53.3
	16:00:00	US	ISM Prices Paid		50	55.1
	16:00:00	US	Construction Spending (MoM)	May'19	-0.90%	0.50%
	17:30:00	US	6-Month Bill Auction		2.32%	
	17:30:00	US	3-Month Bill Auction		2.31%	
	23:00:00	US	Total Vehicle Sales		16.4M	
	01:01:00	UK	BRC Like-For-Like Retail Sales (YoY)		3.70%	0.20%
	01:50:00	Japan	Capital Spending	May'19	5.70%	11.60%
	01:50:00	Japan	JP Foreign Reserves	May'19	1293.5B	
	01:50:00	Japan	Monetary Base (YoY)	May'19	3.10%	2%
04-Jun-19	10:30:00	UK	Markit Construction PMI	May'19	50.5	50
	11:00:00	EU	Unemployment Rate	Apr'19	7.70%	7.70%
	11:00:00	EU	Consumer Price Index - Core (YoY)	May'19	1.30%	1%
	11:00:00	EU	Consumer Price Index (YoY)	May'19	1.70%	1.40%
	11:30:00	SA	Gross Domestic Product (QoQ)	Q1	1.40%	-1.40%
	11:30:00	SA	Gross Domestic Product (YoY)	Q1	1.10%	-0.50%
	14:55:00	US	Redbook Index (YoY)	May'19	5.70%	
	14:55:00	US	Redbook Index (MoM)	May'19	1.30%	
	15:45:00	US	ISM-NY Business Conditions Index		77.3	
	15:45:00	US	Fed's Chair Powell speech			
	16:00:00	US	Factory Orders (MoM)		1.90%	-0.70%
	23:30:00	US	API Weekly Crude Oil Stock		-5.265M	
05-Jun-19	02:30:00	Japan	Markit Services PMI	May'19	51.8	51.9
	03:45:00	China	Caixin Services PMI	May'19	54.5	54.4
	09:55:00	Germany	Markit PMI Composite	May'19	52.4	52.4
	09:55:00	Germany	Markit Services PMI	May'19	55	55
	10:00:00	EU	Markit Services PMI	May'19	52.5	52.5
	10:00:00	EU	Markit PMI Composite	May'19	51.6	51.6
	10:30:00	UK	Markit Services PMI	May'19	50.4	50.5
	11:00:00	EU	Producer Price Index (YoY)		2.90%	3%
	11:00:00	EU	Producer Price Index (MoM)		-0.10%	
	11:00:00	EU	Retail Sales (YoY)	May'19	1.90%	
	11:00:00	EU	Retail Sales (MoM)	May'19	0%	
	11:30:00	SA	Business Confidence Index	May'19	93.7	
	13:00:00	US	MBA Mortgage Applications	May'19	-3.30%	
	14:15:00	US	ADP Employment Change	May'19	275K	190K
	15:45:00	US	Markit PMI Composite	May'19	50.9	50.9
	15:45:00	US	Markit Services PMI	May'19	50.9	50.9
	16:00:00	US	ISM Non-Manufacturing PMI	May'19	55.5	56
	16:30:00	US	EIA Crude Oil Stocks Change		-0.282M	
	20:00:00	US	Fed's Beige Book			
	01:50:00	Japan	Foreign Investment in Japan Stocks		-128.2B	
	01:50:00	Japan	Foreign Bond Investment		-189B	
06-Jun-19	08:00:00	Germany	Factory Orders n.s.a. (YoY)	Apr'19	-6%	
	11:00:00	EU	Gross Domestic Product s.a. (YoY)	Q1	1.20%	1.20%
	11:00:00	EU	Gross Domestic Product s.a. (QoQ)	Q1	0.40%	0.20%
	11:00:00	EU	Employment Change (YoY)	Apr'19	1.30%	1.20%
	11:00:00	EU	Employment Change (QoQ)	Apr'19	0.30%	0.30%
	11:00:00	SA	Current Account (In Rands)	Q1	-110.2B	
	11:00:00	SA	Current Account (% of GDP)	Q1	-2.20%	
	13:45:00	EU	ECB Interest Rate Decision		0%	0%
	13:45:00	EU	ECB Deposit Rate Decision		-0.40%	
	14:30:00	US	Challenger Job Cuts	Apr'19	40,023K	
	14:30:00	US	Trade Balance		1.657M	-50.2B
	14:30:00	US	Continuing Jobless Claims		215K	
	14:30:00	US	Initial Jobless Claims		215K	
	14:30:00	US	Unit Labor Costs		-0.90%	-0.90%
	14:30:00	US	Nonfarm Productivity		3.60%	3.60%
	14:30:00	EU	ECB Monetary Policy Statement and Press Conference			
	16:30:00	US	EIA Natural Gas Storage Change		114B	
	17:30:00	US	4-Week Bill Auction		2.33%	
	01:30:00	Japan	Labor Cash Earnings (YoY)	May'19	-1.90%	
	01:30:00	Japan	Overall Household Spending (YoY)	May'19	2.10%	
07-Jun-19	02:00:00	China	Dragon Boat Festival			
	07:00:00	Japan	Coincident Index	May'19		
	07:00:00	Japan	Leading Economic Index	May'19	95.9	
	08:00:00	Germany	Industrial Production s.a. (MoM)	Apr'19	0.50%	
	08:00:00	Germany	Industrial Production n.s.a. w.d.a. (YoY)	Apr'19	-0.90%	
	08:00:00	Germany	Current Account n.s.a.	Apr'19	30.2B	
	08:00:00	Germany	Exports (MoM)	Apr'19	1.50%	
	08:00:00	Germany	Trade Balance s.a.	Apr'19	20B	
	08:00:00	Germany	Imports (MoM)	Apr'19	0.40%	0.50%
	08:00:00	SA	Gross Gold & Forex Reserve	May'19	49,538B	
	08:00:00	SA	Net \$Gold & Forex Reserve	May'19	43,245B	
	08:00:00	Germany	Factory Orders s.a. (MoM)	Apr'19	0.60%	
	09:30:00	UK	Hallix House Prices (MoM)		1.10%	
	09:30:00	UK	Hallix House Prices (3m/ YoY)		-5%	4.50%
	10:00:00	China	Foreign Exchange Reserves (MoM)		3,095T	
	10:30:00	UK	Consumer Inflation Expectations		3.20%	
	14:00:00	UK	NIESR GDP Estimate (3M)	May'19	0.40%	
	14:30:00	US	Nonfarm Payrolls	May'19	263K	190K
	14:30:00	US	Average Hourly Earnings (YoY)	May'19	3.20%	3.20%
	14:30:00	US	Average Weekly Hours	May'19	34.4	34.5
	14:30:00	US	Unemployment Rate	May'19	3.60%	3.70%
	14:30:00	US	Labor Force Participation Rate	May'19	62.80%	
	14:30:00	US	Average Hourly Earnings (MoM)	May'19	0.20%	0.30%
	18:00:00	US	Wholesale Inventories	May'19	0.70%	0.20%
	19:00:00	US	Baker Hughes US Oil Rig Count	May'19		
	21:00:00	US	Consumer Credit Change	May'19	10.28B	11.5B

### Major Central Banks Rate Decisions

Central Bank	Next Meeting	Last Change	Current Interest Rate
European Central Bank	06-Jun-19	10-Mar-16	0.00%
Bank of Japan	20-Jun-19	29-Jan-16	-0.10%
Bank of England	20-Jun-19	02-Aug-18	0.75%
Federal Reserve	19-Jun-18	19-Dec-18	2.50%
SARB	18-Jul-19	22-Nov-18	6.75%