



Weekly Review in Charts  
11 - 17 September 2023

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Kevin Lings

17 September 2023

**STANLIB**

# Weekly economic review: 11 - 17 September 2023

15 September 2023

	2019 %	2020 %	2021 %	2022 %	2023 Year-to-date
South Africa All Share Index	8.2%	4.1%	24.1%	-0.9%	2.1%
Dow Jones Industrial Average	22.3%	7.2%	18.7%	-8.8%	4.4%
S&P 500 Equity index	28.9%	16.3%	26.9%	-19.4%	15.9%
Nasdaq 100 Index	38.0%	47.6%	26.6%	-33.0%	39.0%
Stoxx Euro 600	23.2%	-4.0%	22.2%	-12.9%	8.7%
FTSE 100 Index	12.1%	-14.3%	14.3%	0.9%	3.5%
Shanghai Composite Index	22.3%	13.9%	4.8%	-15.1%	0.9%
Nikkei 225 Index	18.2%	16.0%	4.9%	-9.4%	28.5%
Gold	18.3%	25.0%	-3.6%	0.4%	6.3%
Oil	21.9%	-21.7%	52.9%	8.7%	9.5%
Rand/dollar	-2.7%	5.0%	8.6%	-6.2%	-10.9%
Dollar/euro	-1.8%	9.0%	-7.1%	6.6%	0.0%
Bitcoin	92.2%	303.2%	59.7%	-64.3%	60.8%
<i>US 10-year bond yield</i>	1.92%	0.93%	1.52%	3.88%	4.33%
<i>US 2-year bond yield</i>	1.58%	0.13%	0.73%	4.41%	5.02%
<i>SA 10-year bond yield</i>	8.23%	8.75%	9.39%	10.21%	10.47%

## Weekly economic review: 11 - 17 September 2023

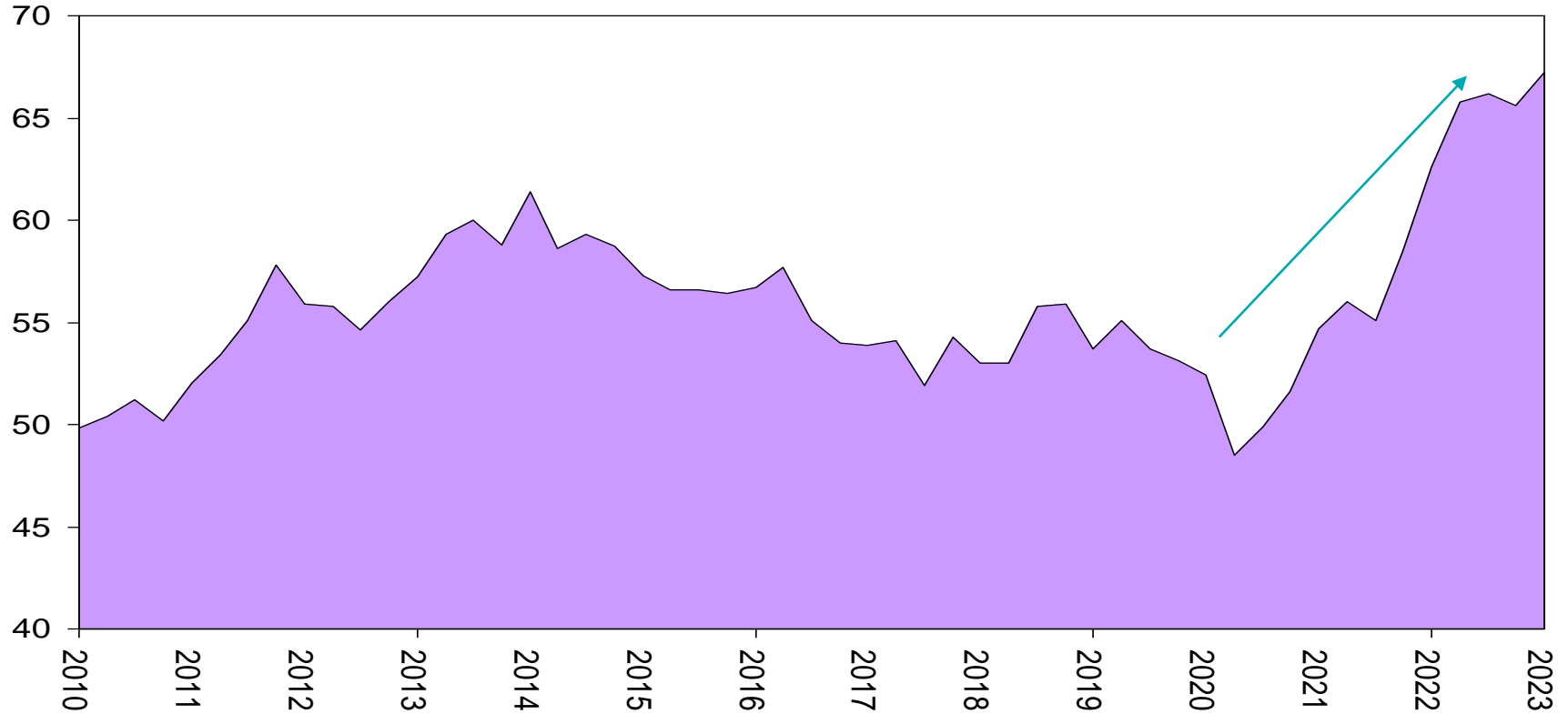
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### Chart of the week

- South African imports (goods and services) increased from an average of 27.3% of GDP in the five years from 2015 to 2019 to a substantial 32.5% of GDP in the past four quarters, highlighting South Africa's increase in import intensity, aggravated by currency weakness.
- South African exports (goods and services) increased by a similar quantum over the same period rising from an average of 27.6% of GDP in the period 2015 to 2019 to 33.6% over the past four quarters. This partly reflects the combination of higher commodity prices and rand weakness.
- The combined impact means that South Africa's total imports and exports have reached almost 70% of GDP, which is extremely high by both historical and international standards.
- Consequently, the performance of the SA economy is now heavily impact by global economic developments (including disruptions to global supply) as well as fluctuations in the rand exchange rate.
- One the implications is that monetary policy needs to be very aware of trends in international interest rates. It also makes SA more vulnerable to a slowdown in China.

# South African imports and exports as % of GDP

Percent of GDP



# Weekly economic review: 11 - 17 September 2023

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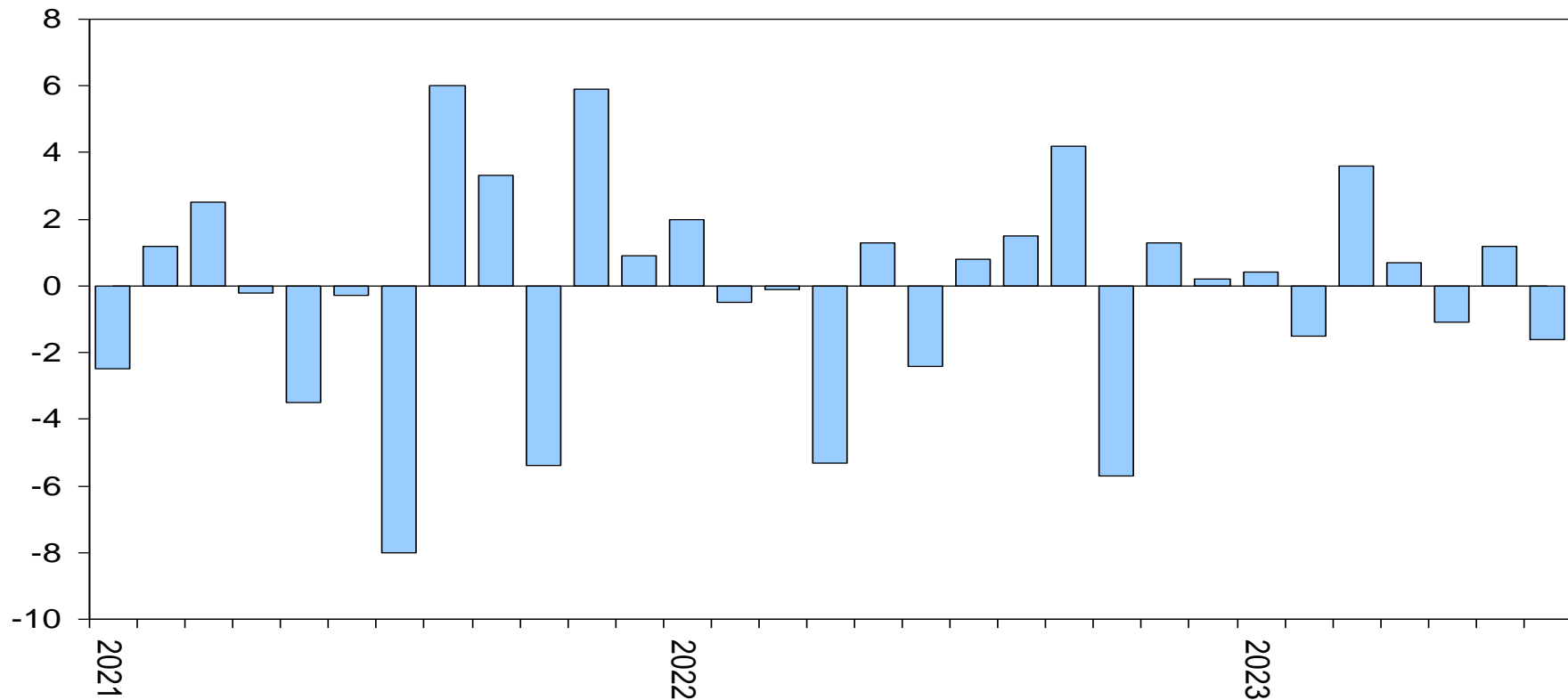
Monday, 11 September 2023

- SA manufacturing production for July 2023
- US New York Fed 1-year inflation expectations
- Euro-area consensus economic forecast for September 2023

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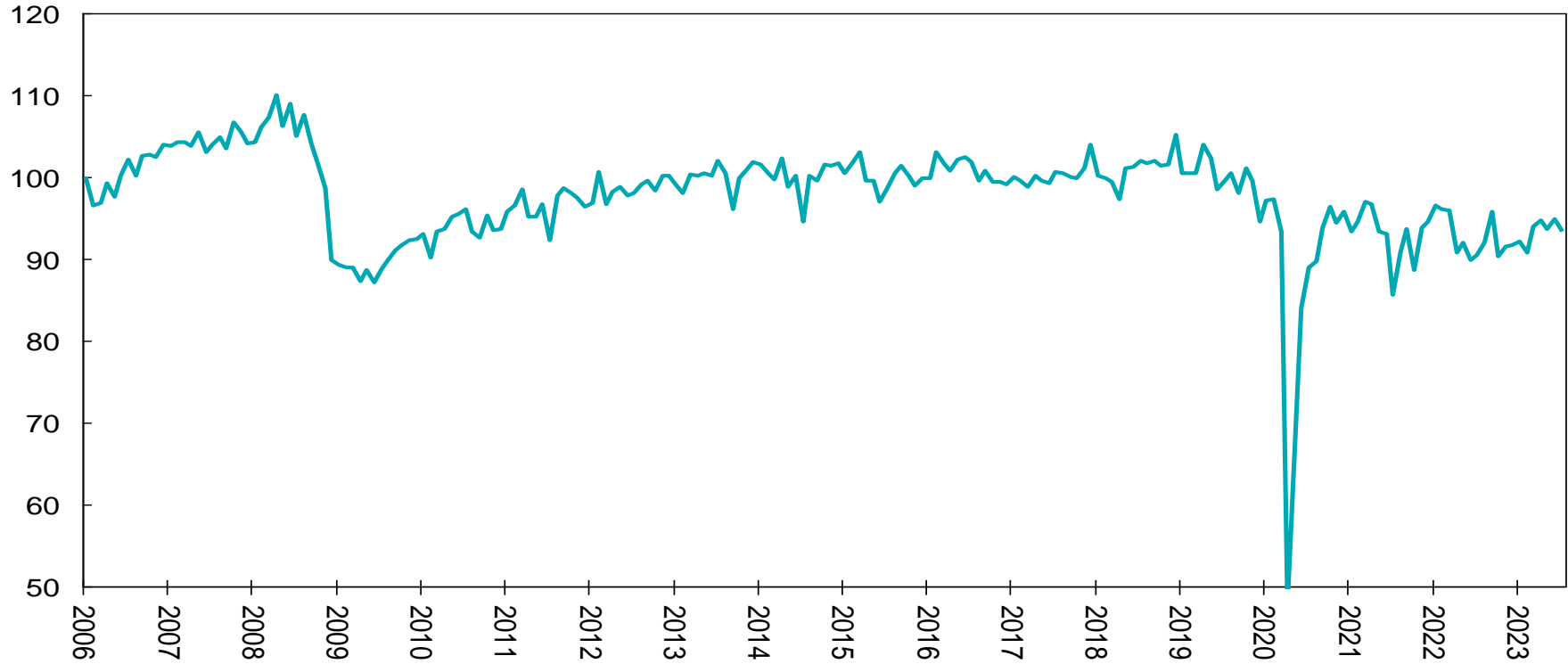
# SA manufacturing production

% m / m



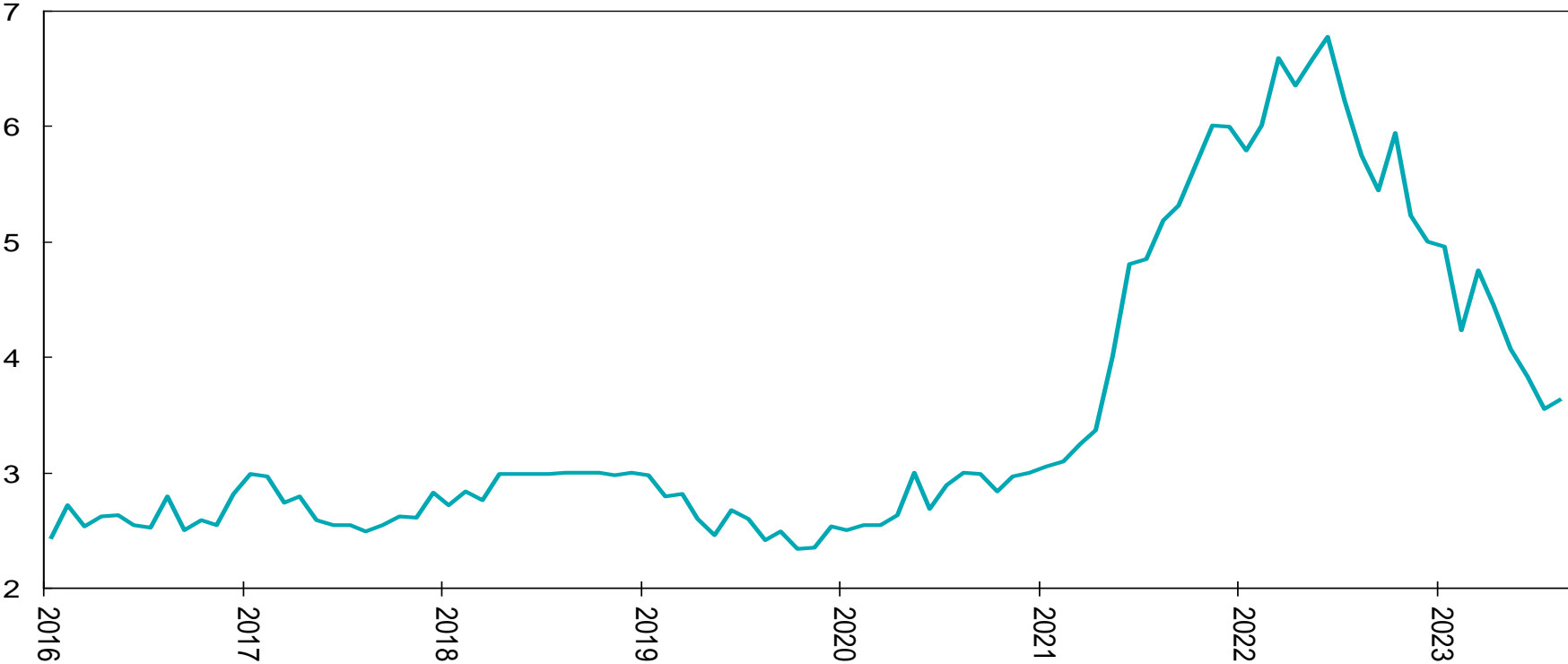
# SA manufacturing production index

Index



# US New York Fed 1-year inflation expectations

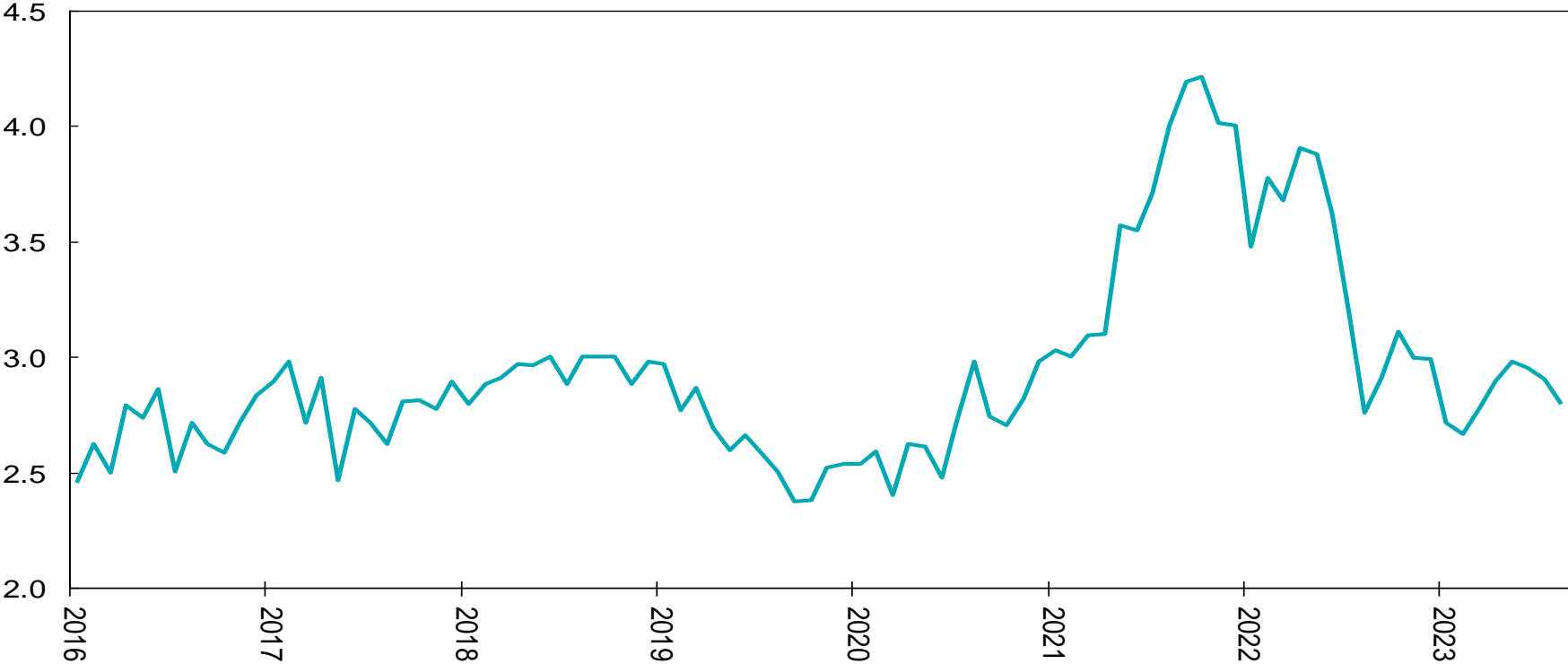
Index





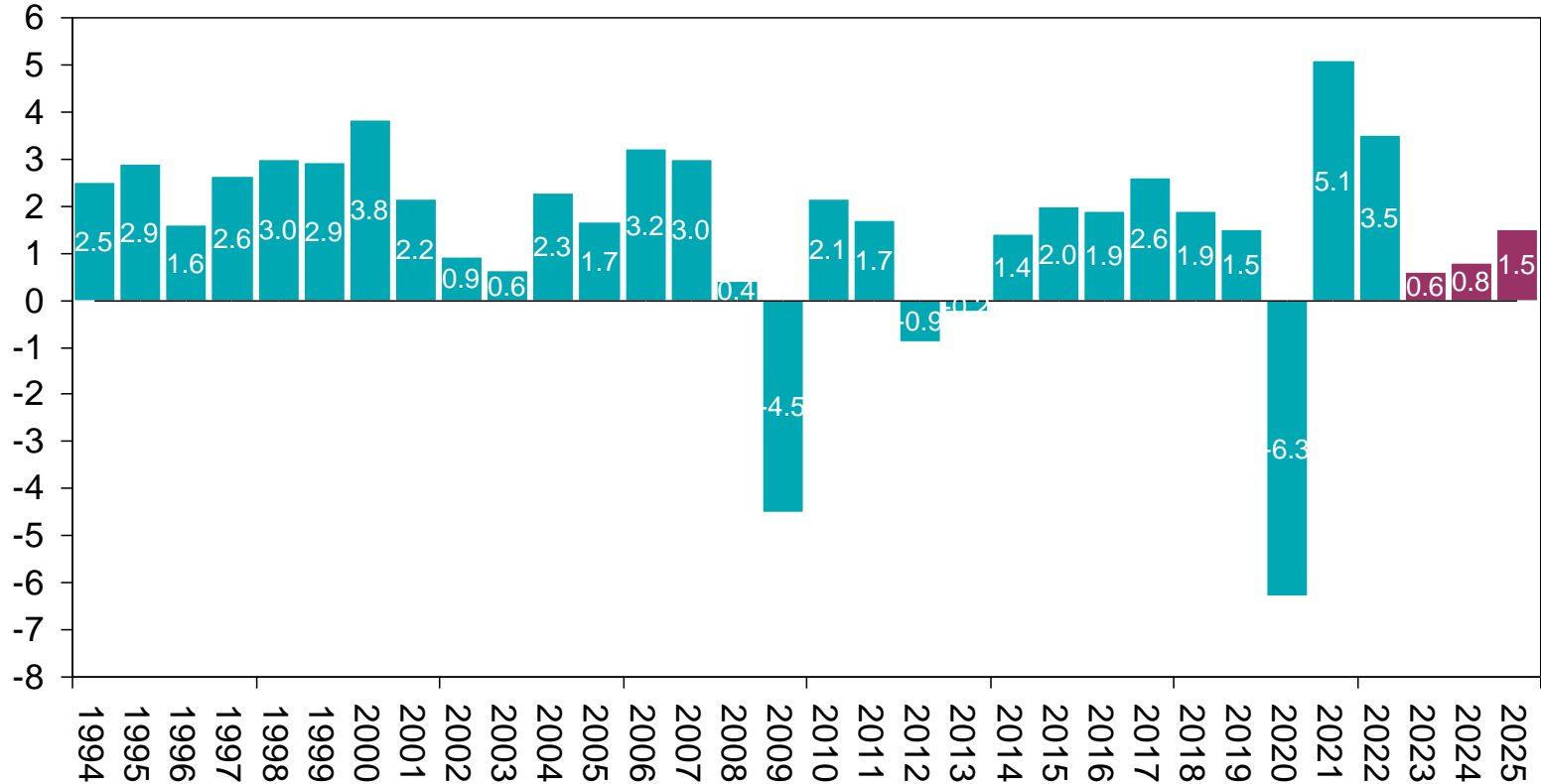
# US New York Fed 3-year inflation expectations

Index



# Euro-area GDP annual growth rate: consensus growth estimate

% y/y



Weekly economic review: 11 - 17 September 2023

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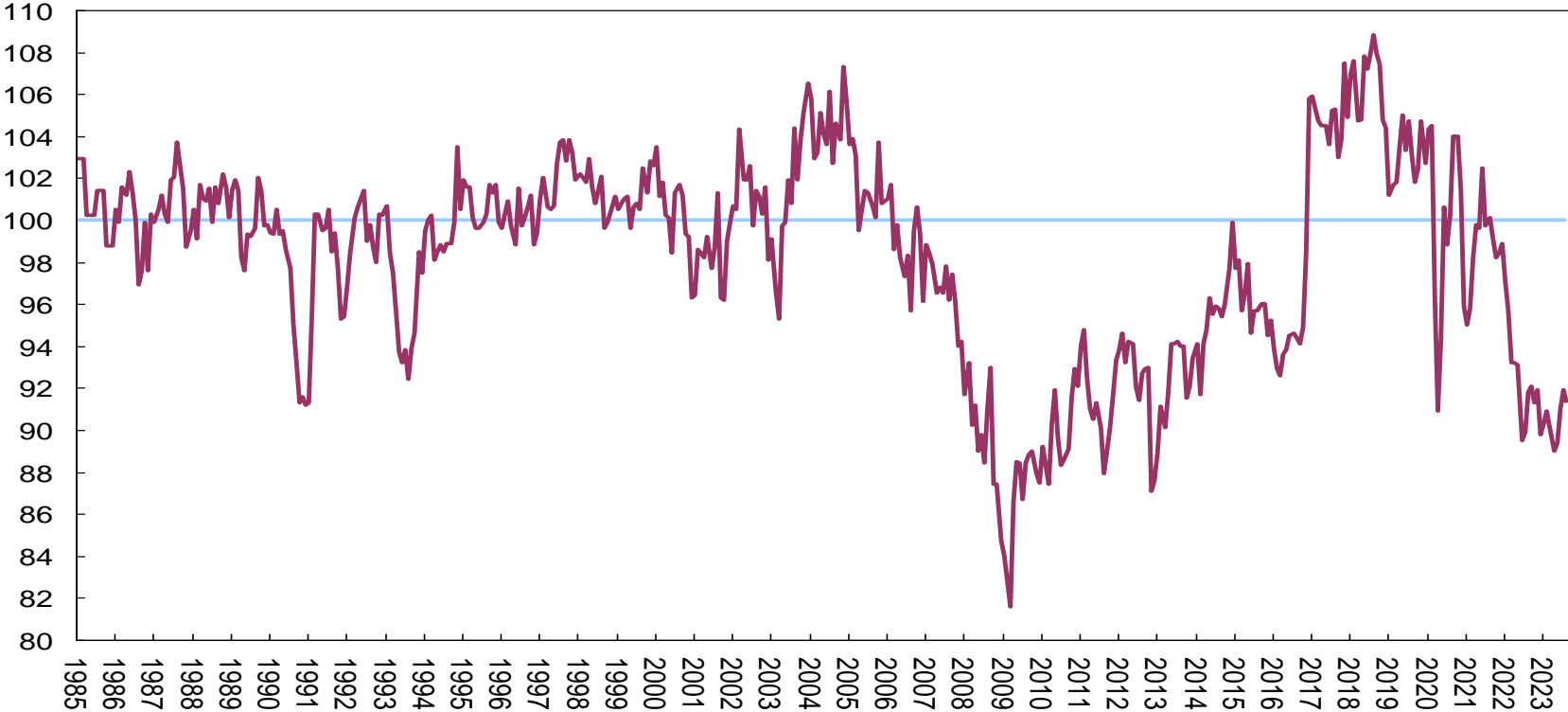
Tuesday, 12 September 2023

- US NFIB small business confidence for August 2023

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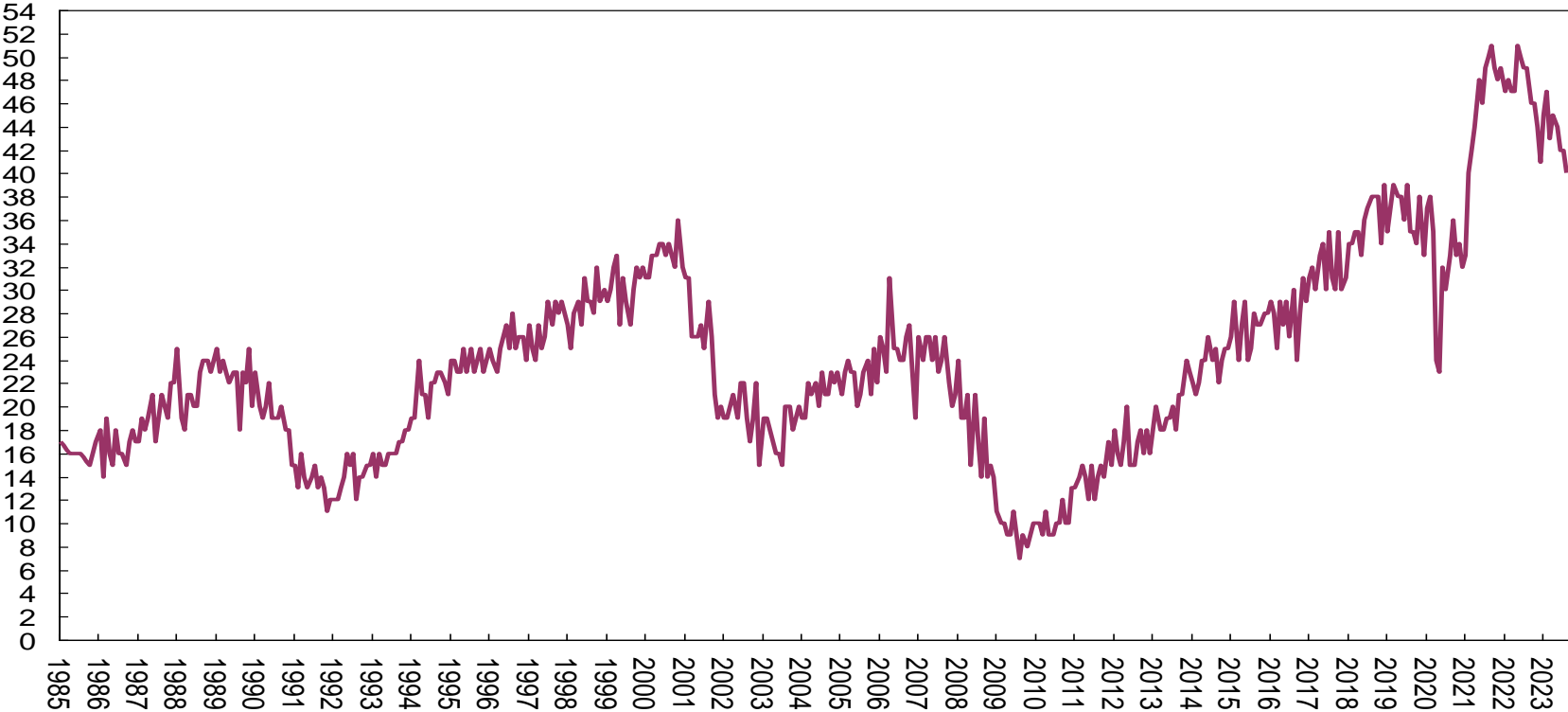
# US small business confidence index (NFIB)

Index



# US small business job openings hard to fill

Index



# Weekly economic review: 11 - 17 September 2023

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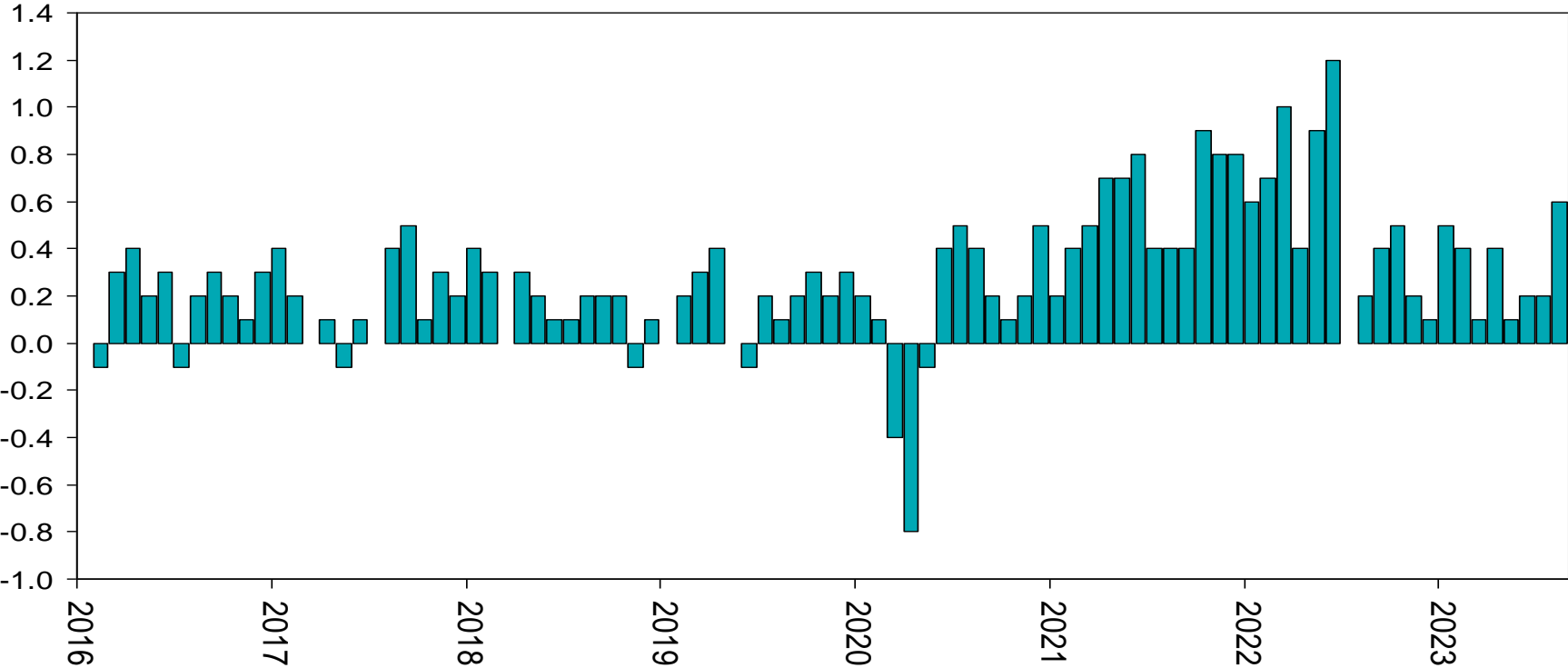
Wednesday, 13 September 2023

- US consumer inflation for August 2023
- US government revenue and expenditure for August 2023
- US weekly mortgage applications
- Euro-area industrial production for July 2023

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# US headline inflation (month-on-month)

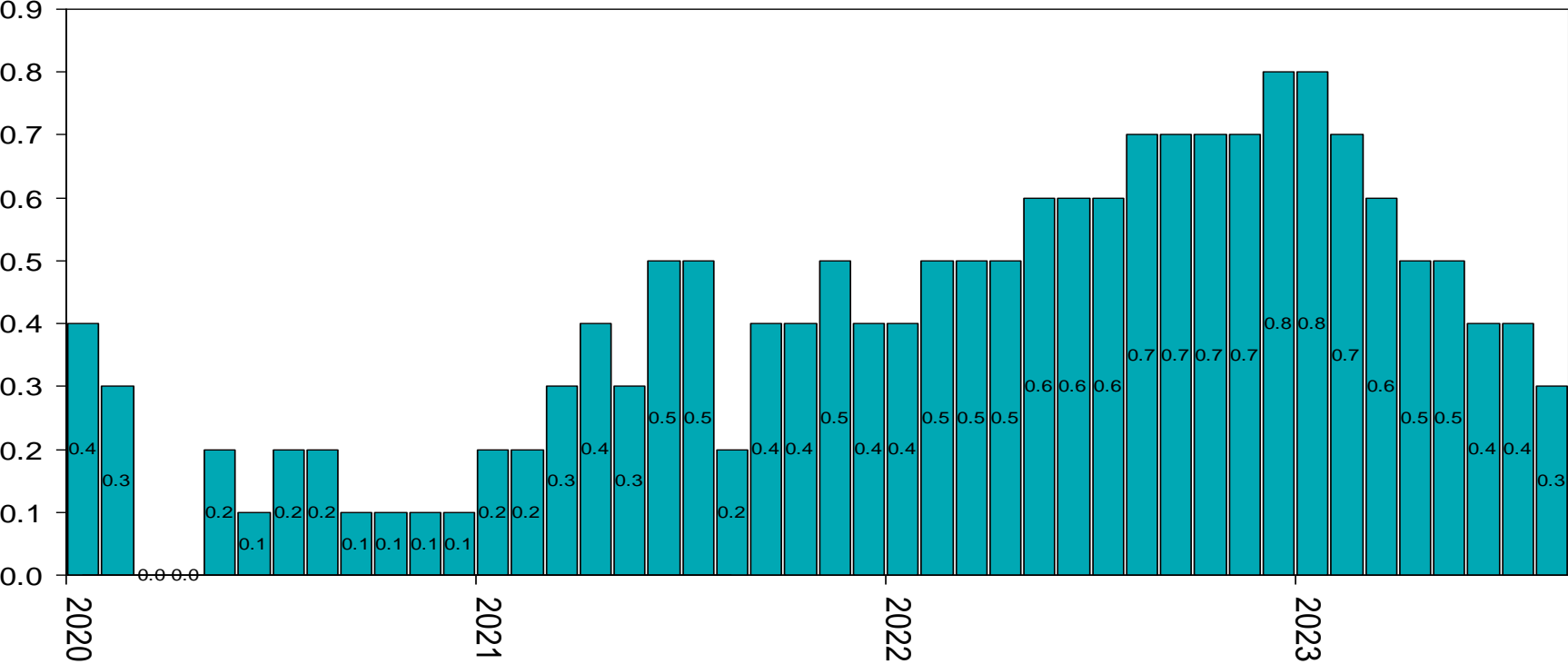
%m/m (seasonally adjusted)



• Source: US Bureau of Labour Statistics

# US shelter inflation (month-on-month)

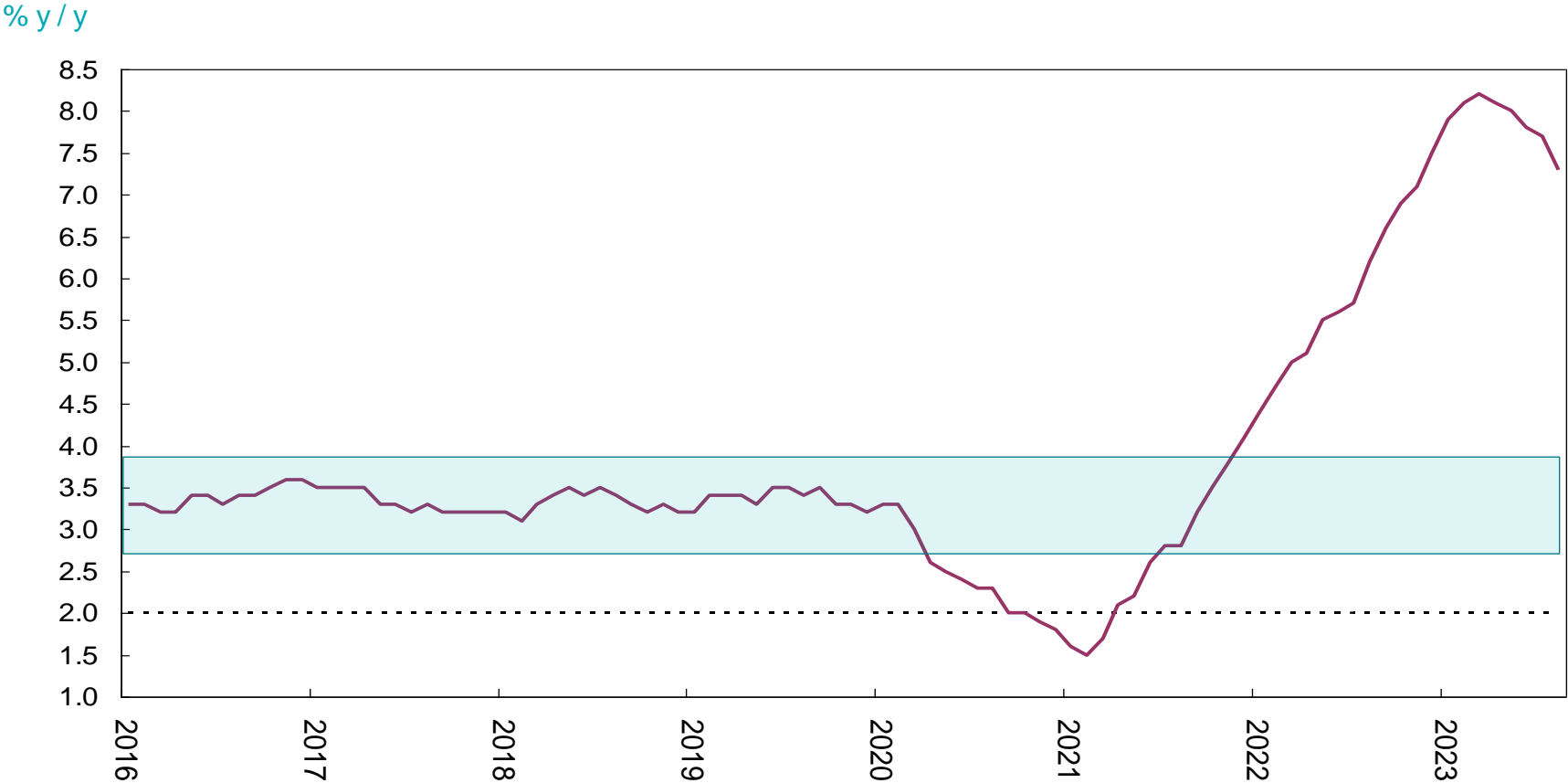
%m/m (seasonally adjusted)



• Source: US Bureau of Labour Statistics

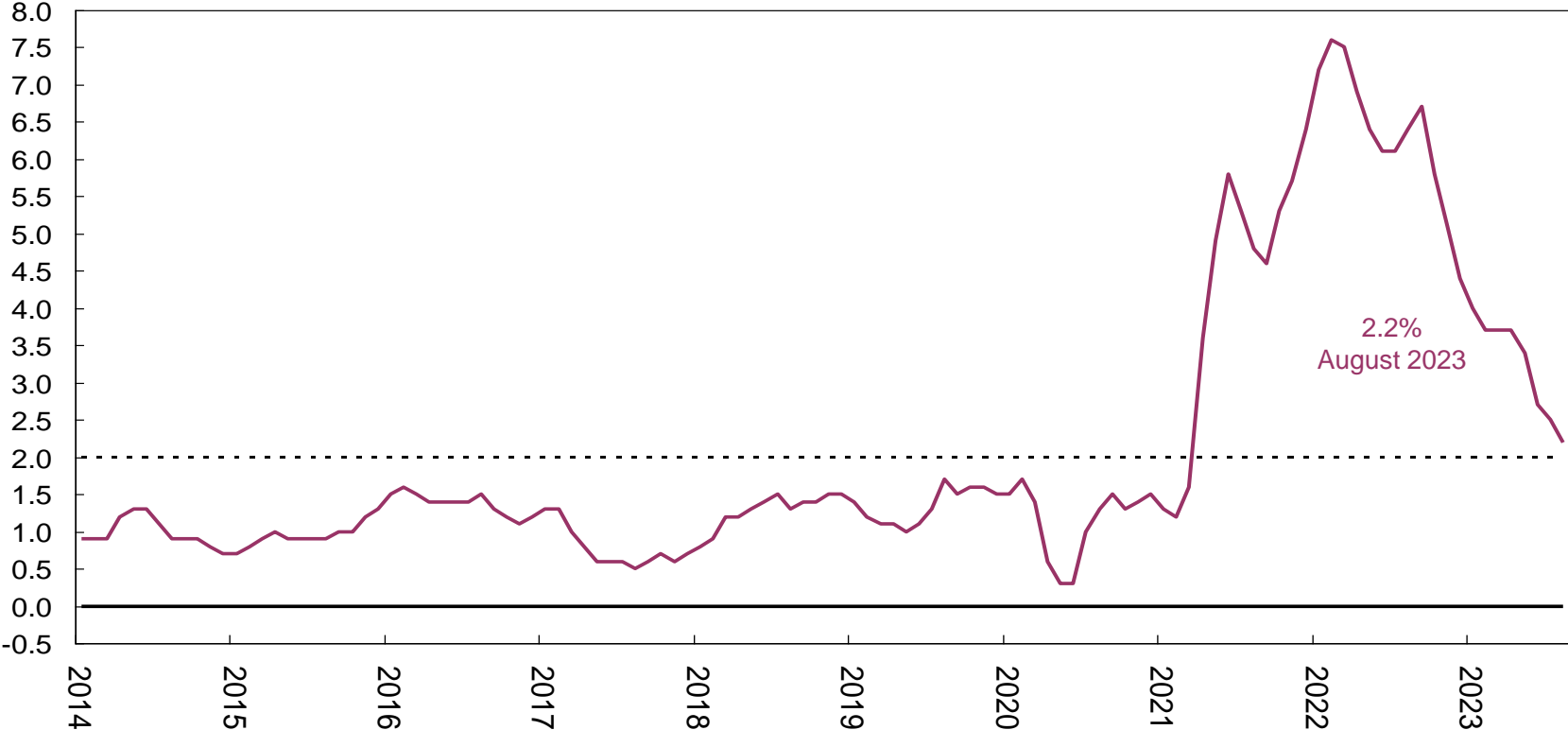


# US consumer inflation: shelter (33.3% weight)



# US core inflation excluding housing

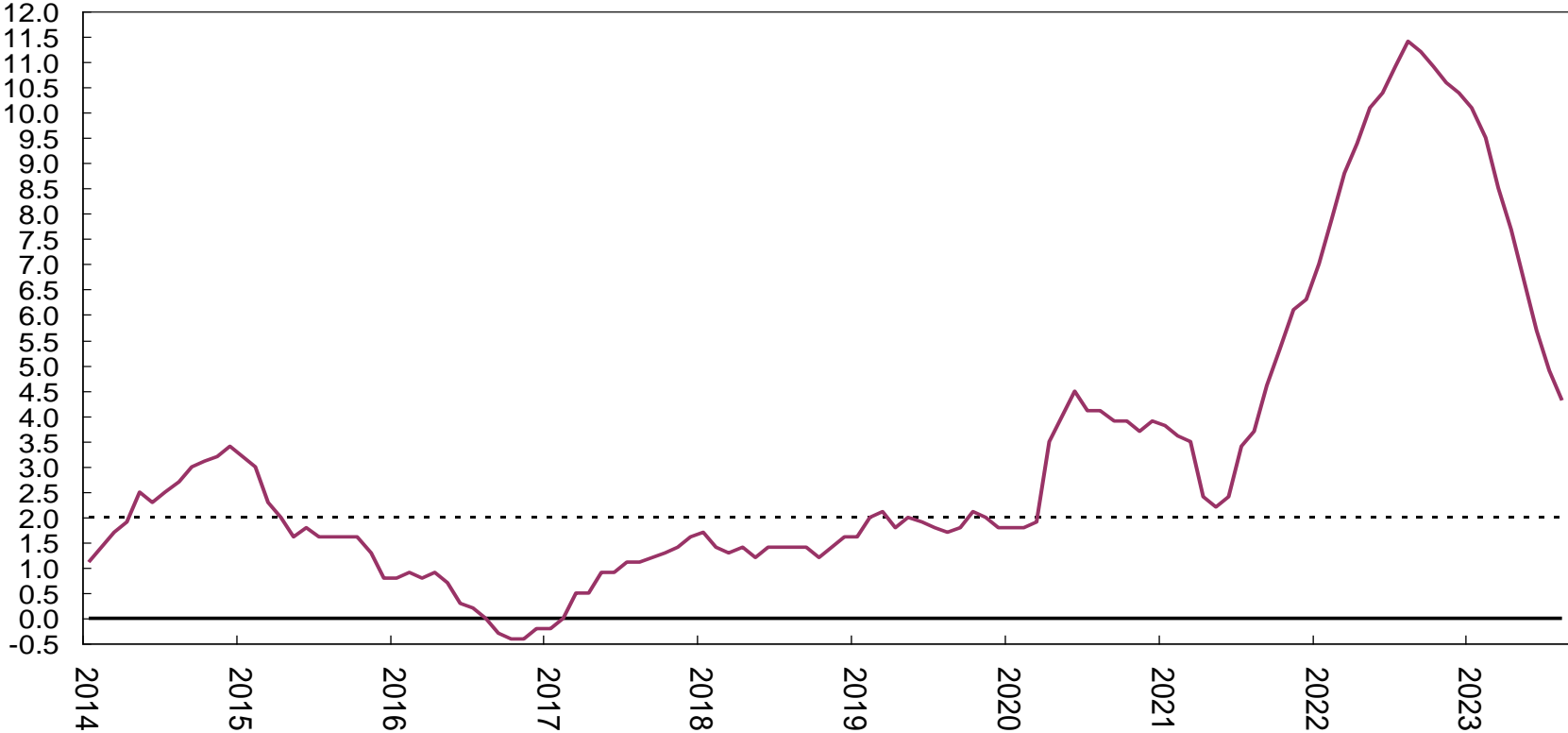
% y/y



Source: US Bureau of Labor Statistics

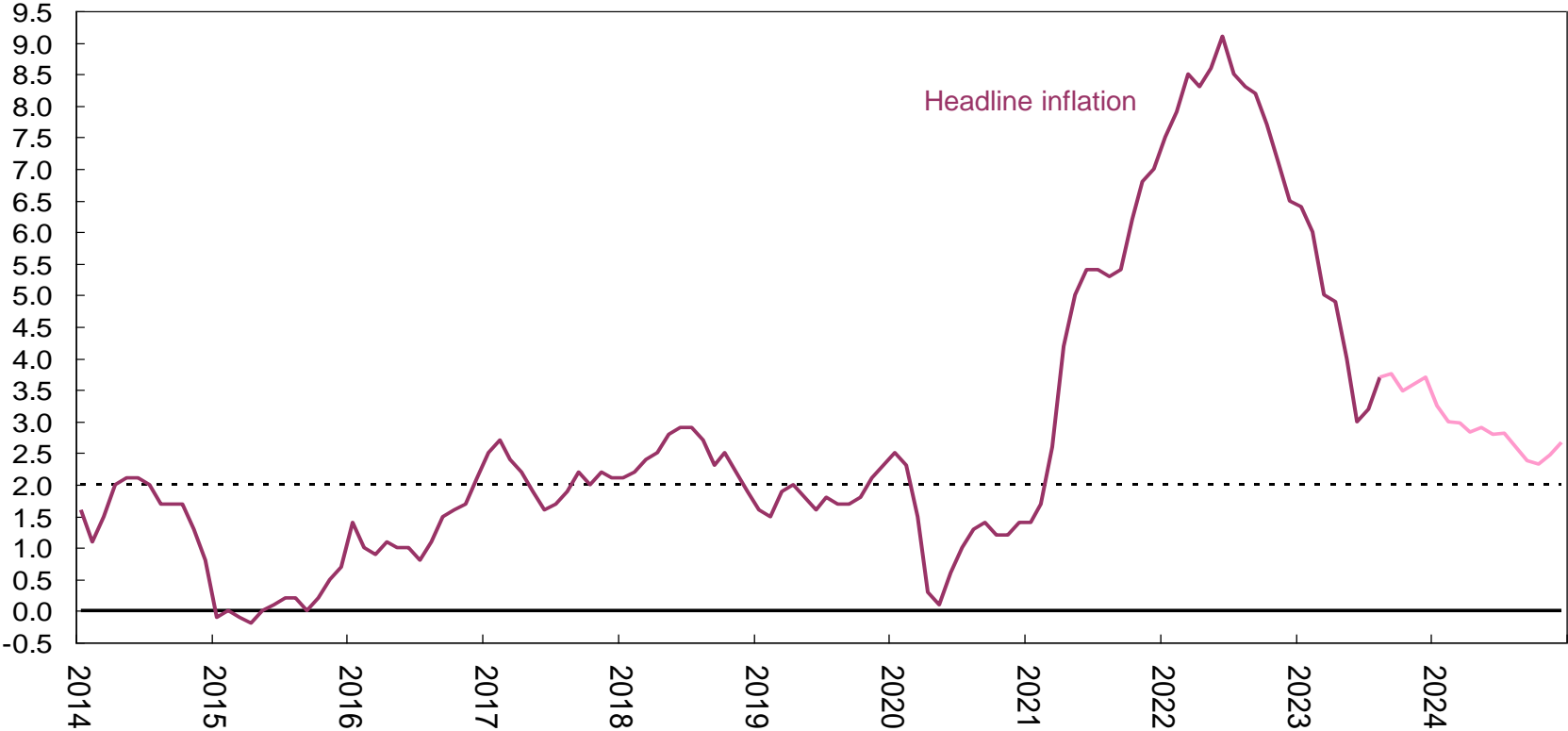
# US food inflation

% y/y



# US consumer inflation forecast

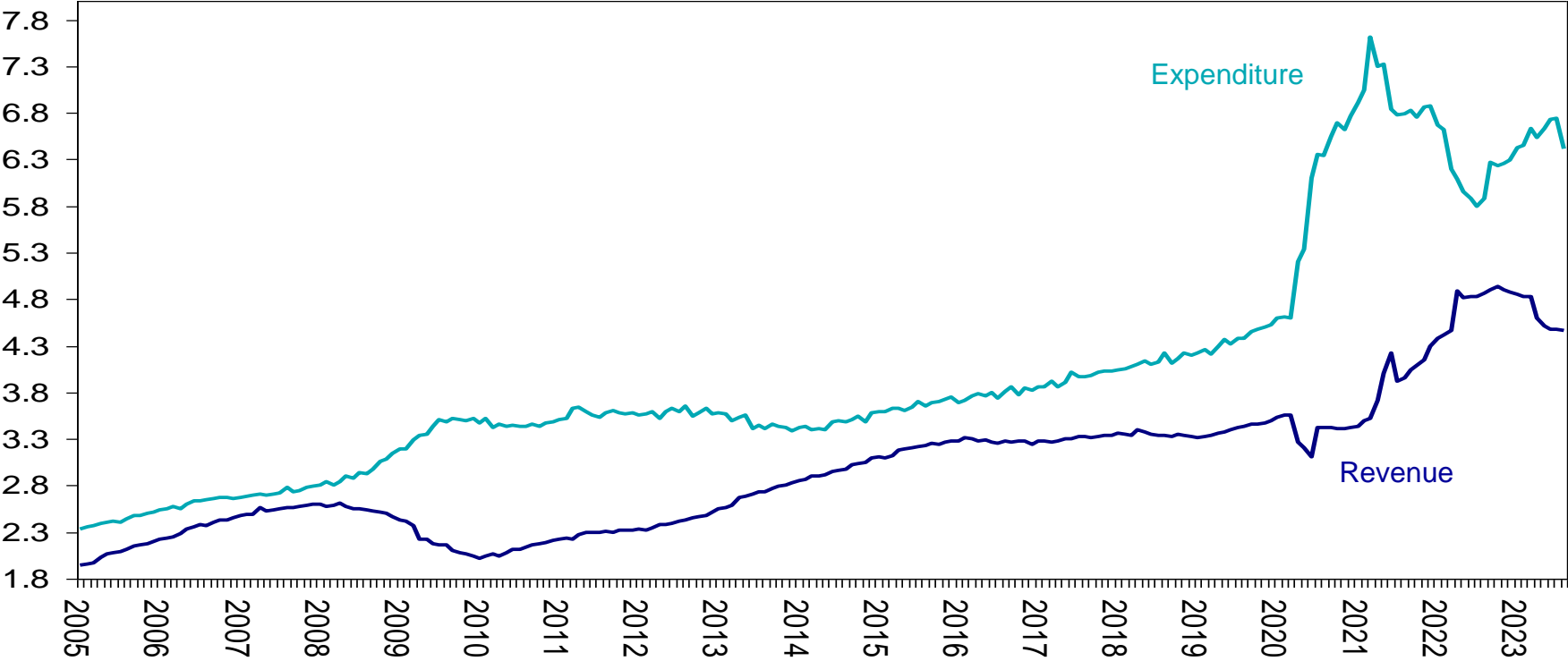
% y/y



• Source: US Bureau of Labour Statistics and STANLIB

# US Federal Budget

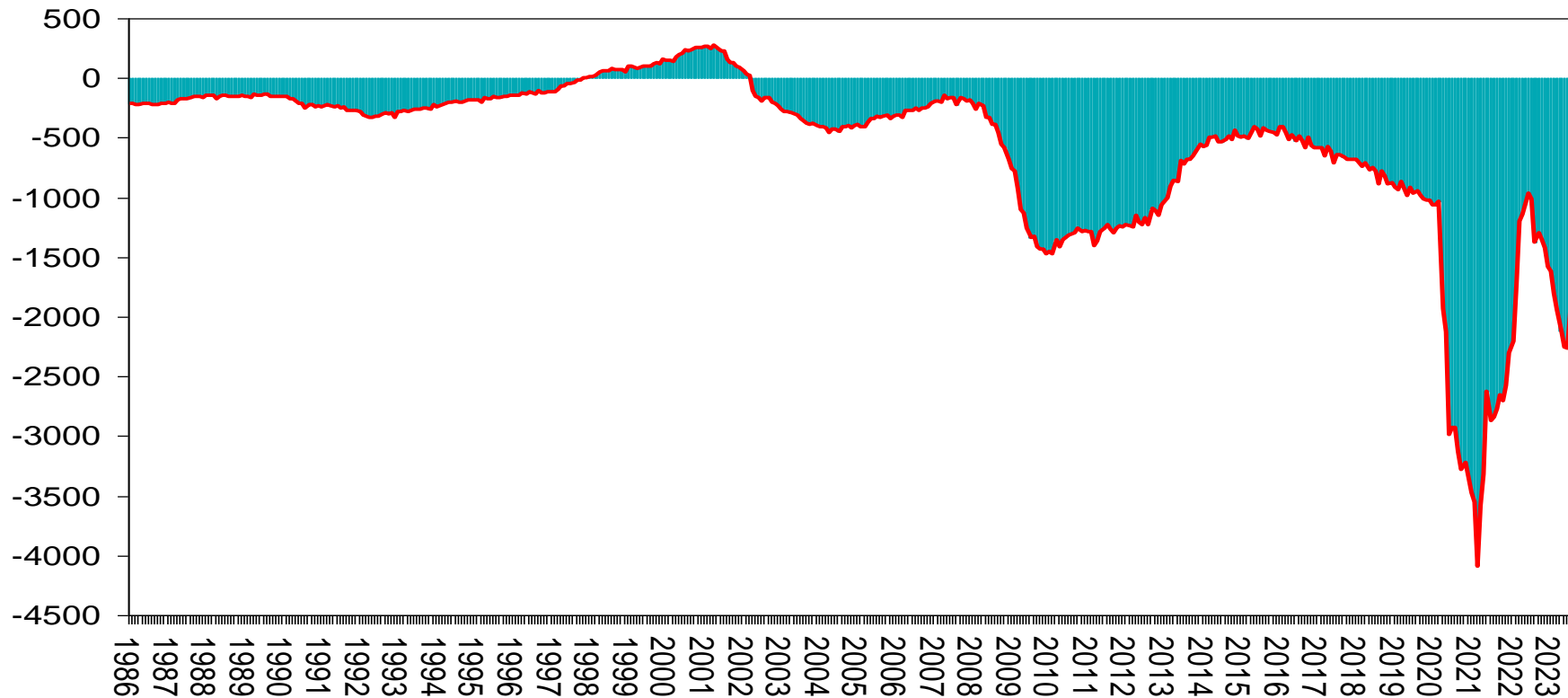
US\$ trillion, 12-month running total



Source: US Department of the Treasury

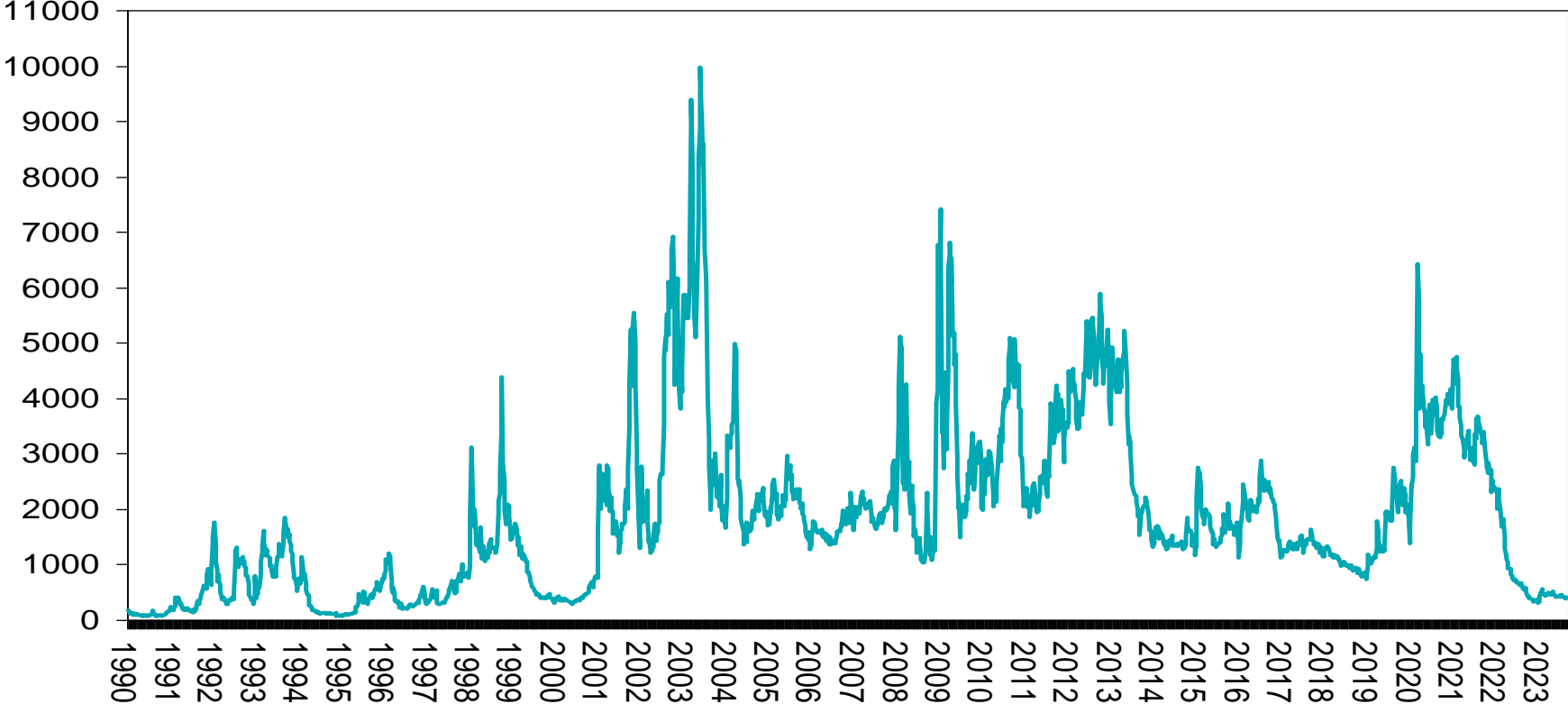
# US Federal budget

US\$bn, 12 month running total



# US mortgage refinancing index

Index



# US mortgage applications for purchase

Market composite index





# US 30-year fixed rate mortgage

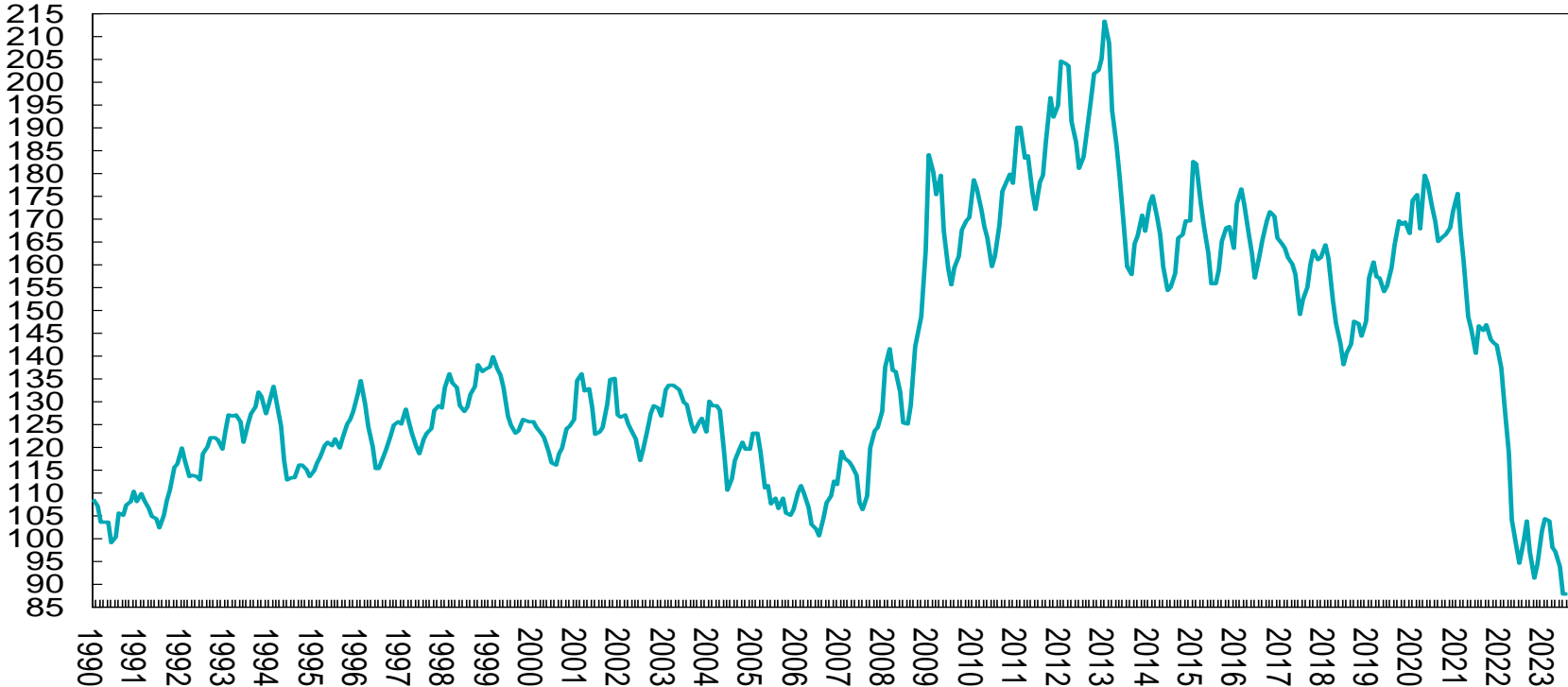
% yield, 30-year rate



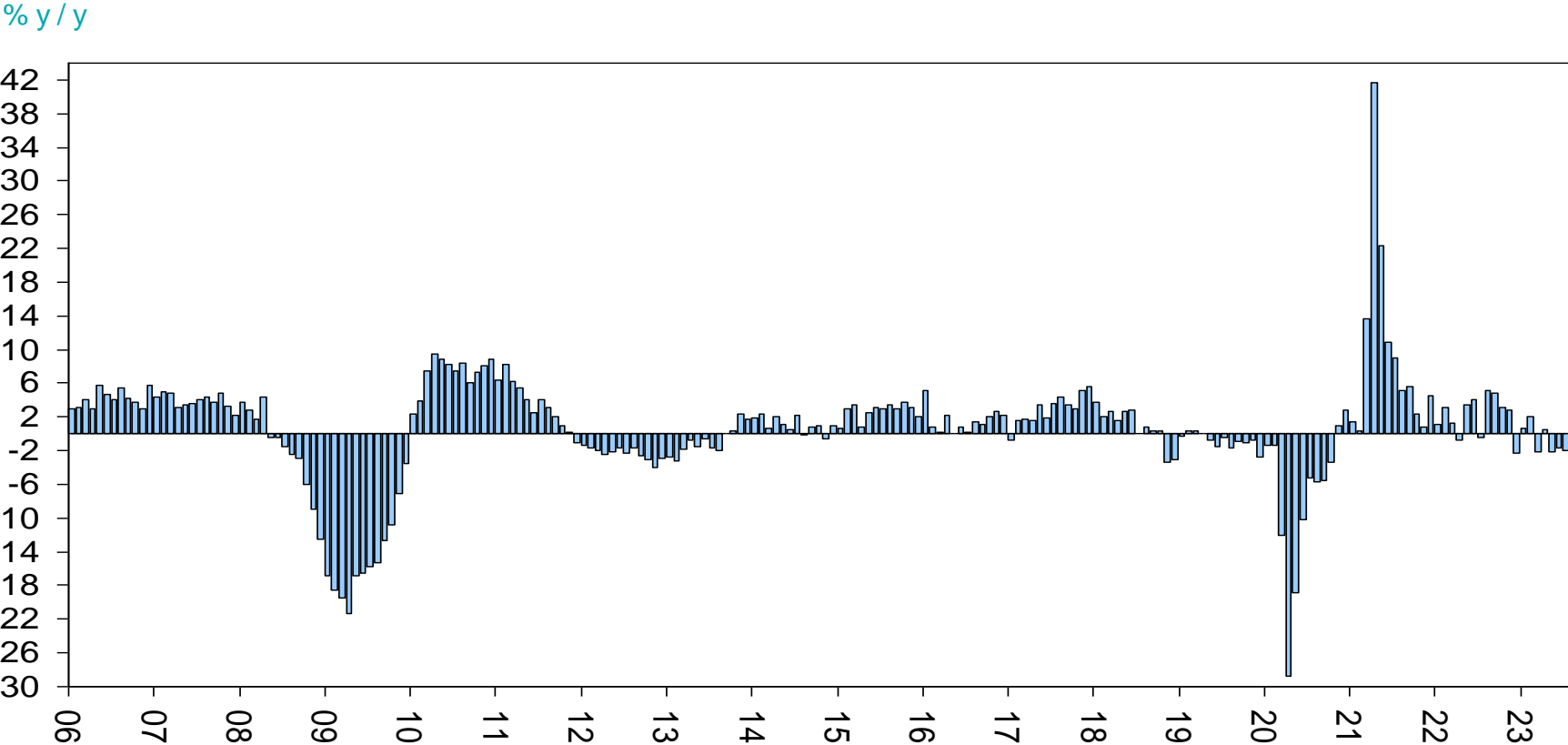
# US housing affordability

Index, composite

The lower the index the more unaffordable housing has become



# Euro-area industrial production



# Weekly economic review: 11 - 17 September 2023

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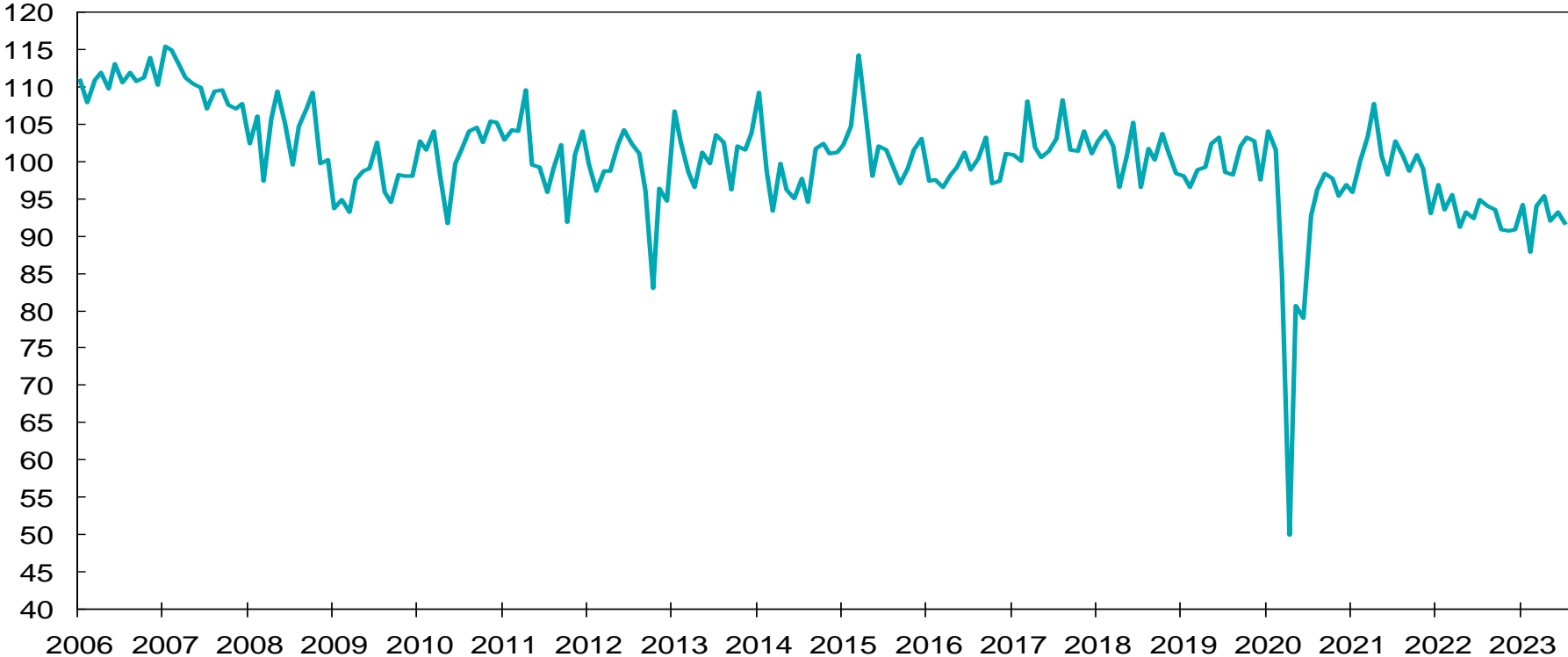
Thursday, 14 September 2023

- SA mining production for July 2023
- US retail sales for August 2023
- US PPI inflation for August 2023
- US weekly jobless claims
- China Reserve Requirement cut by 25bps for major banks
- ECB interest rate decision

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# SA mining production

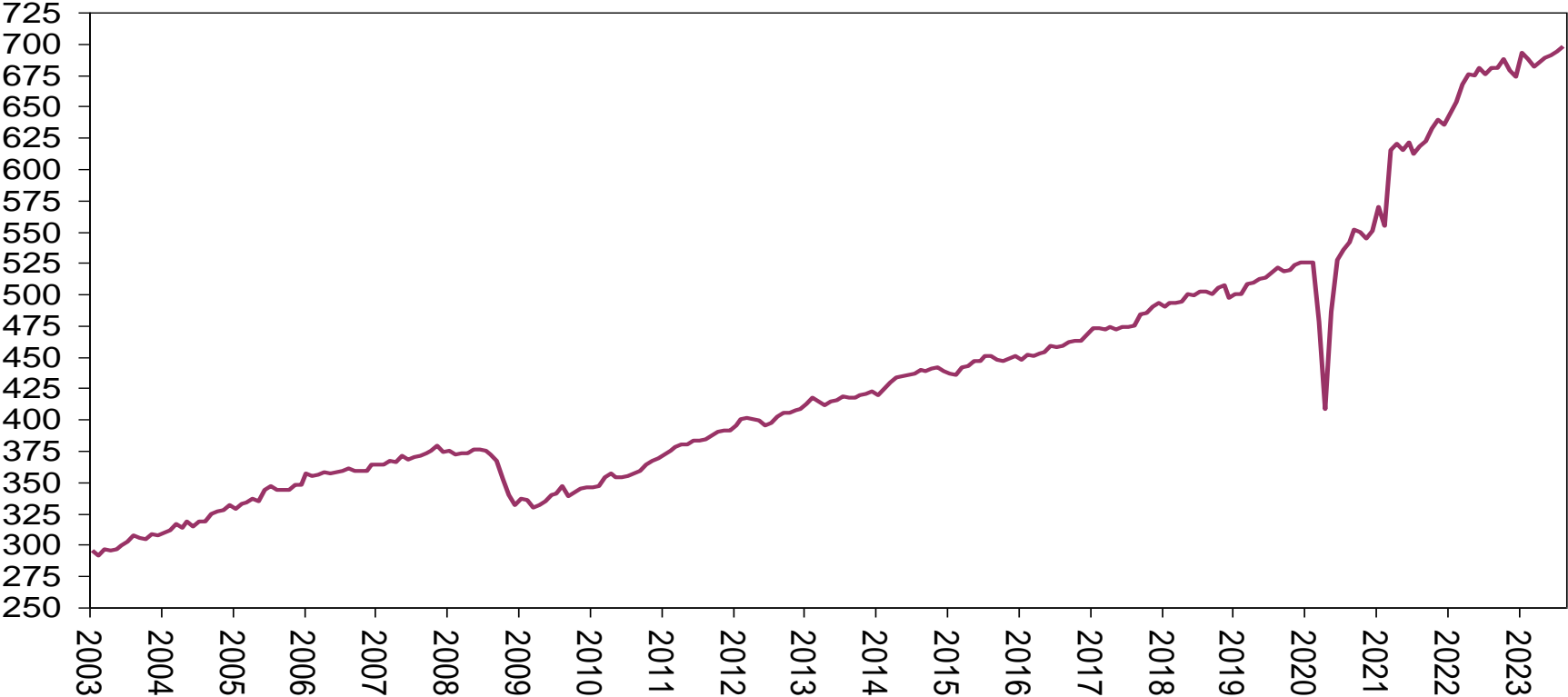
Index



Source: Statistics South Africa

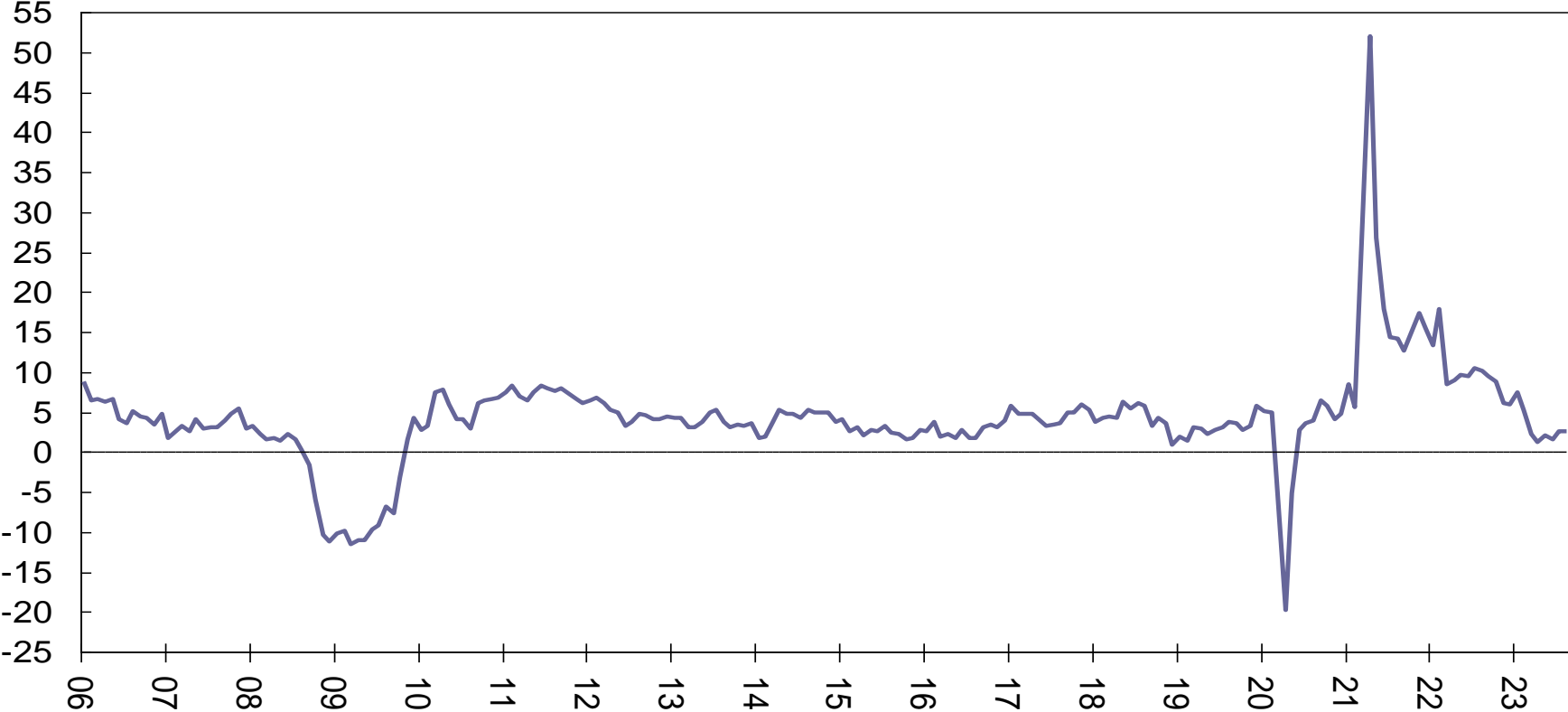
# US retail sales (total value)

R billion



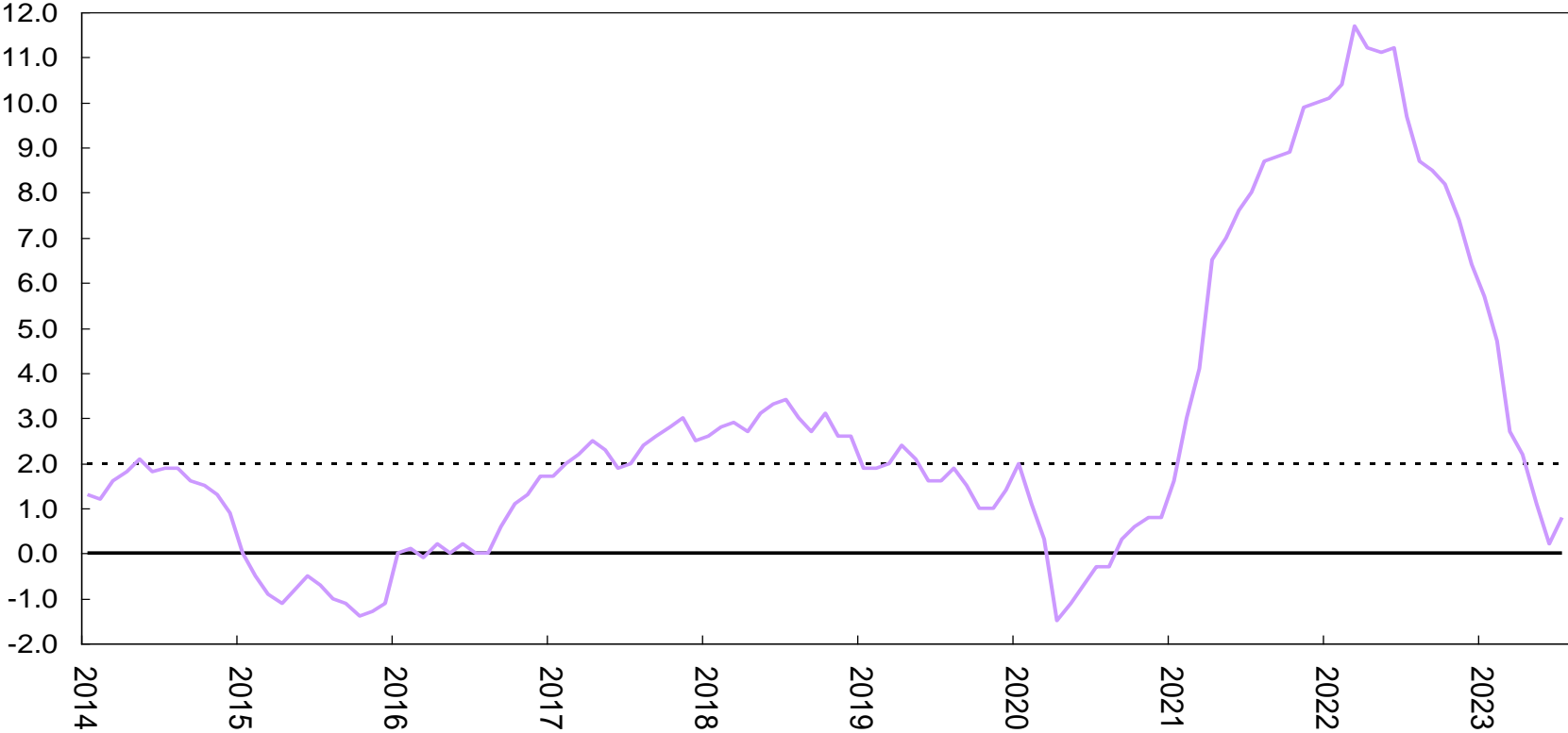
# US retail sales

% year-on-year, nominal



# US producer inflation

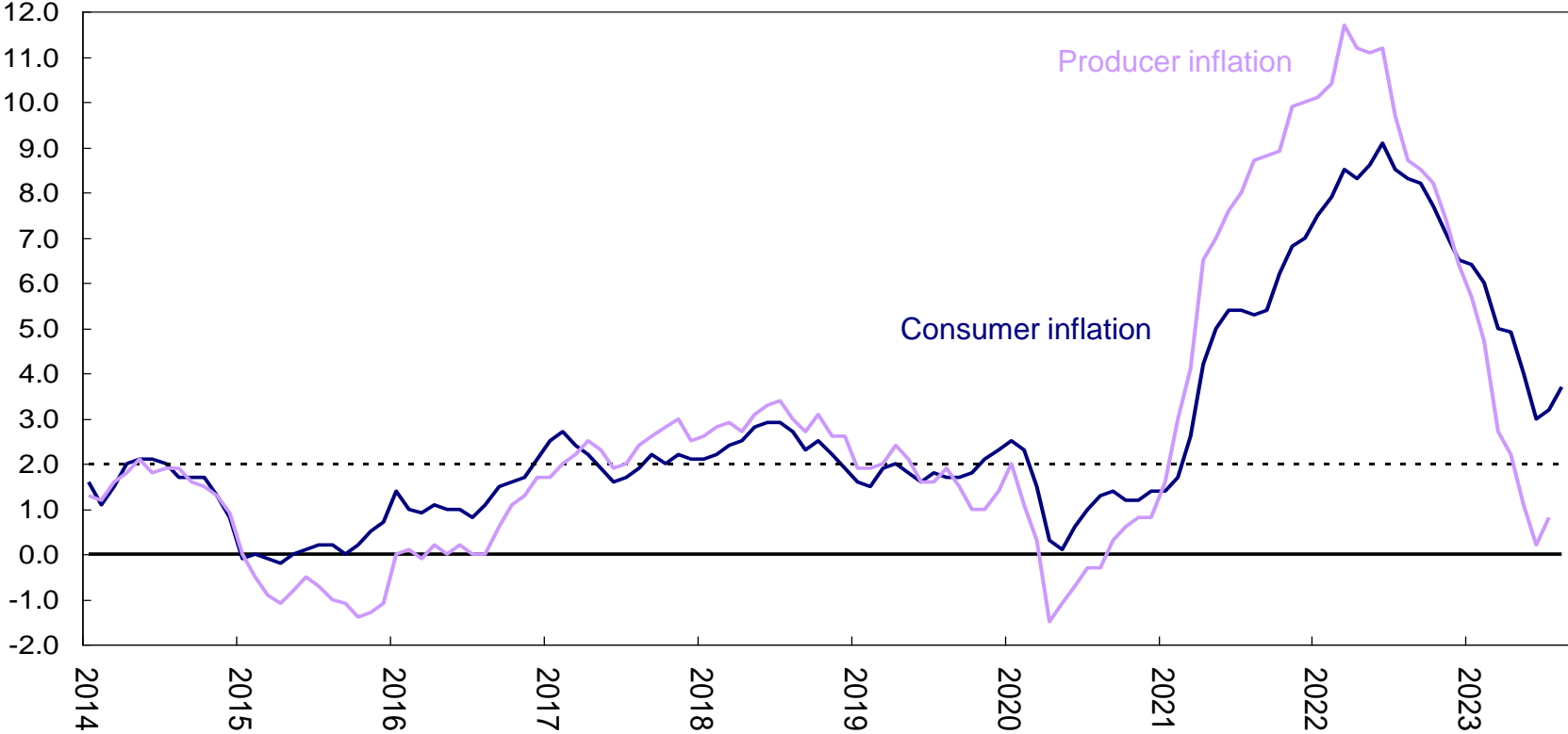
% y/y





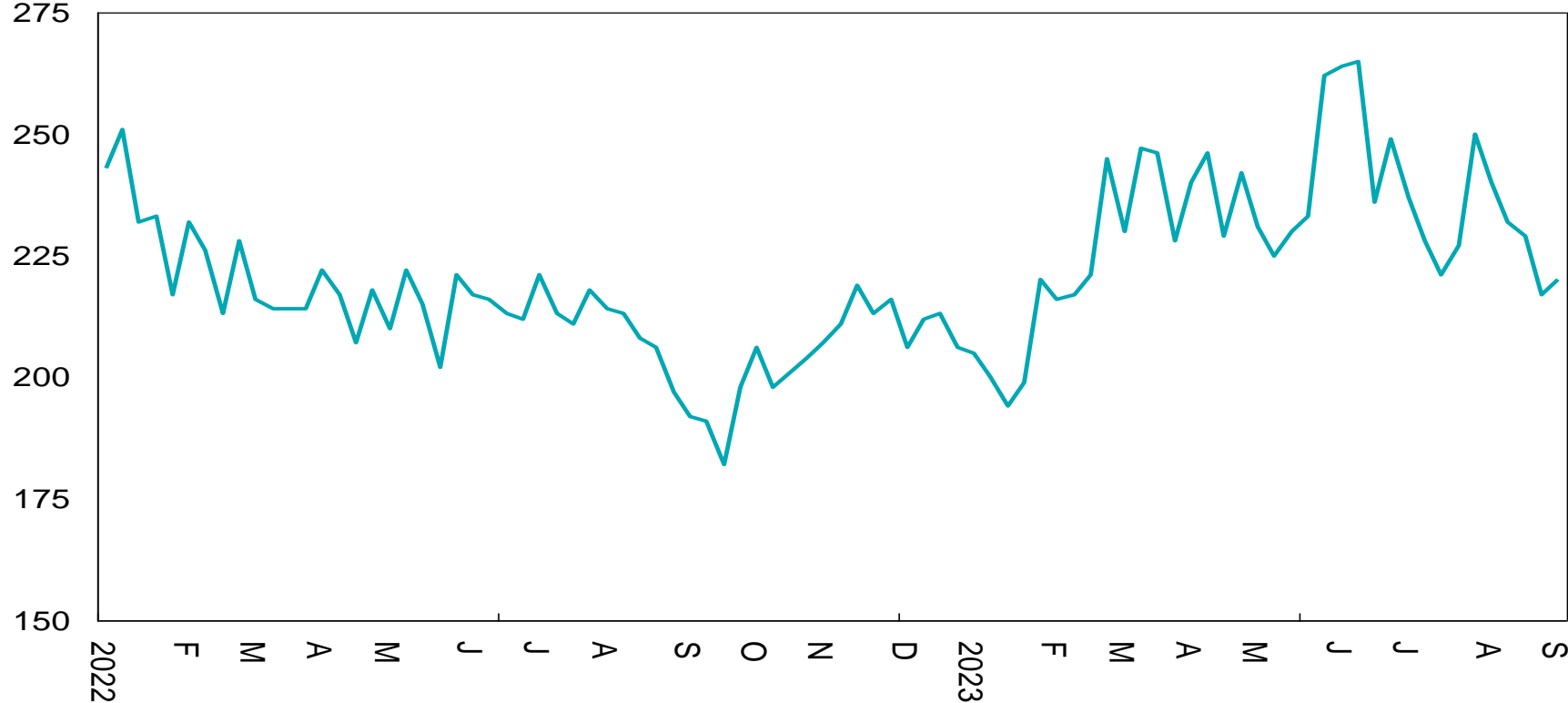
# US consumer vs producer inflation

% y/y



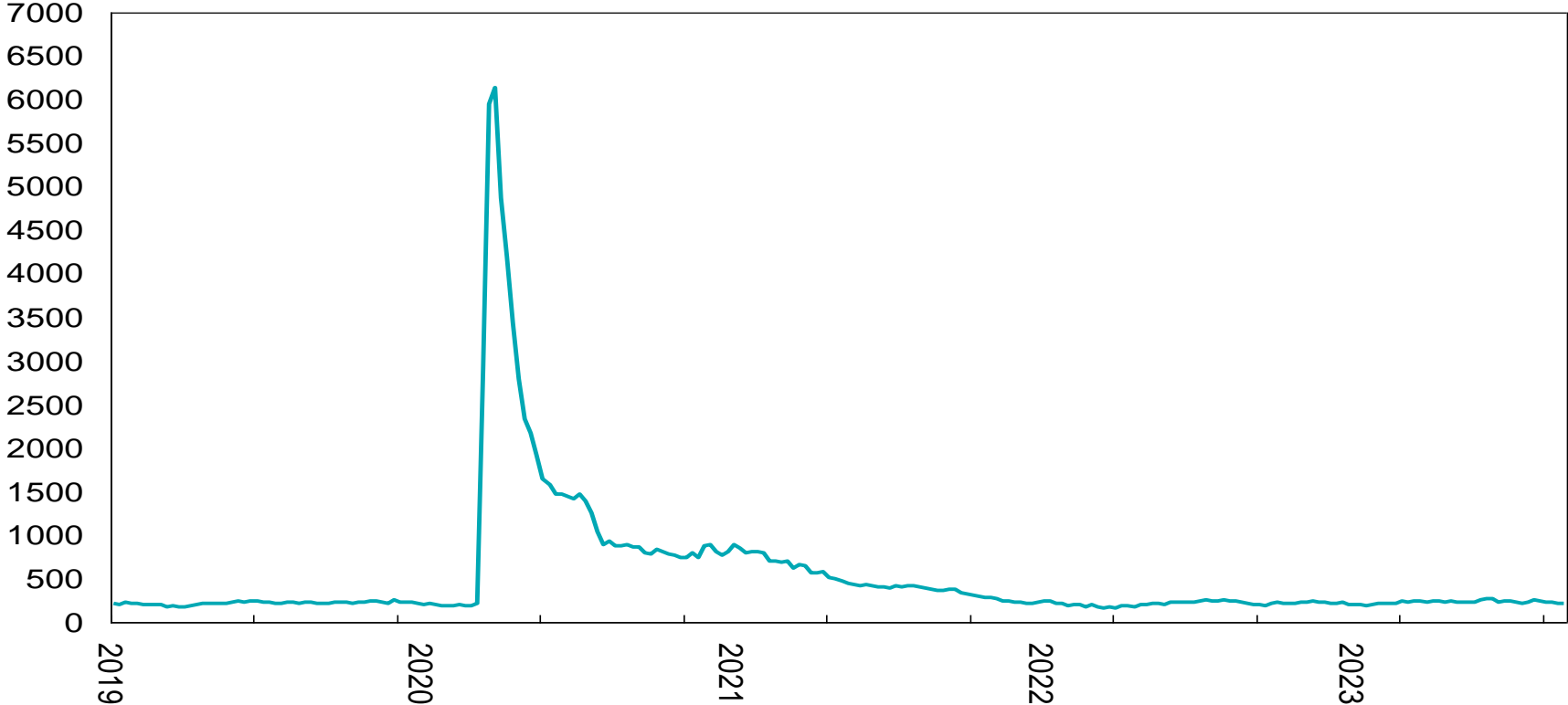
# US initial jobless claims

000's



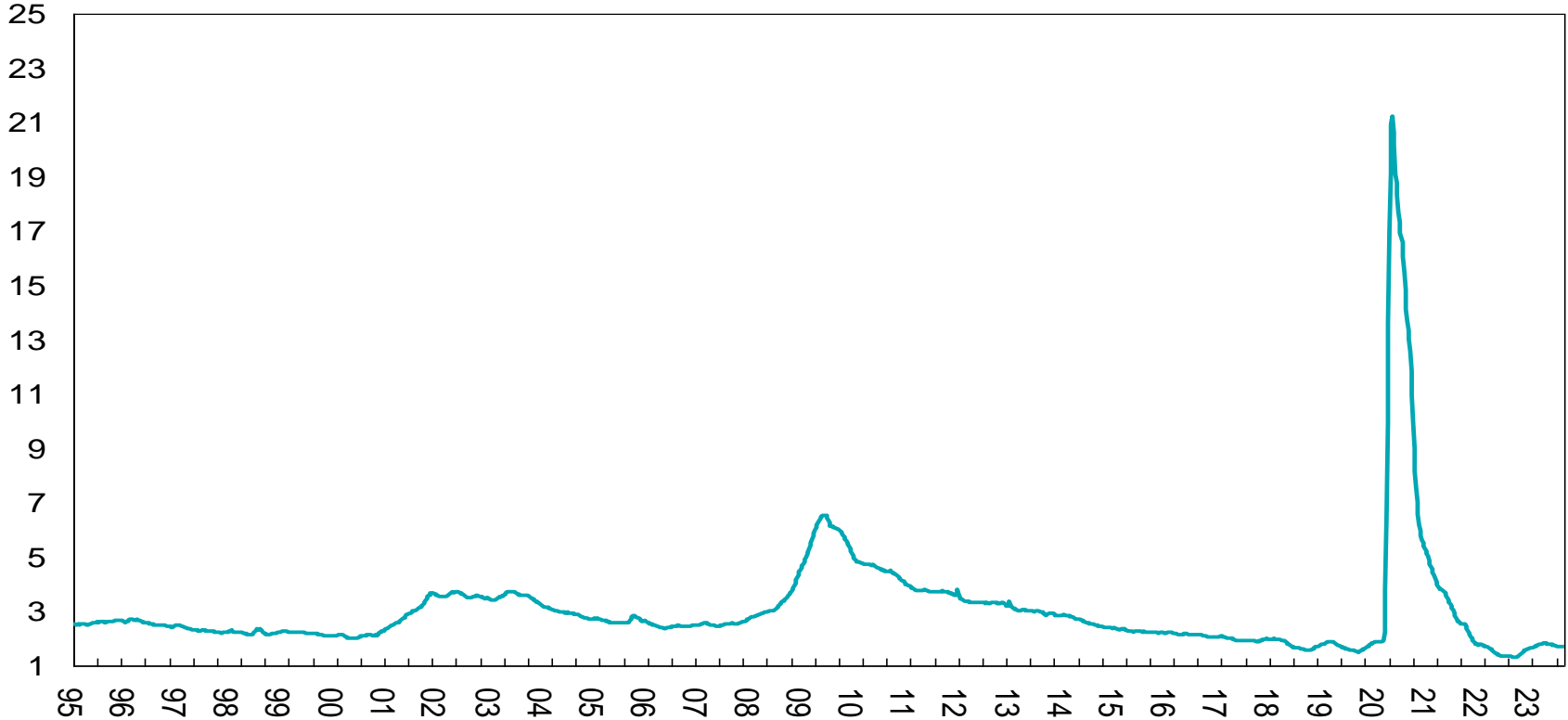
# US initial jobless claims

000's



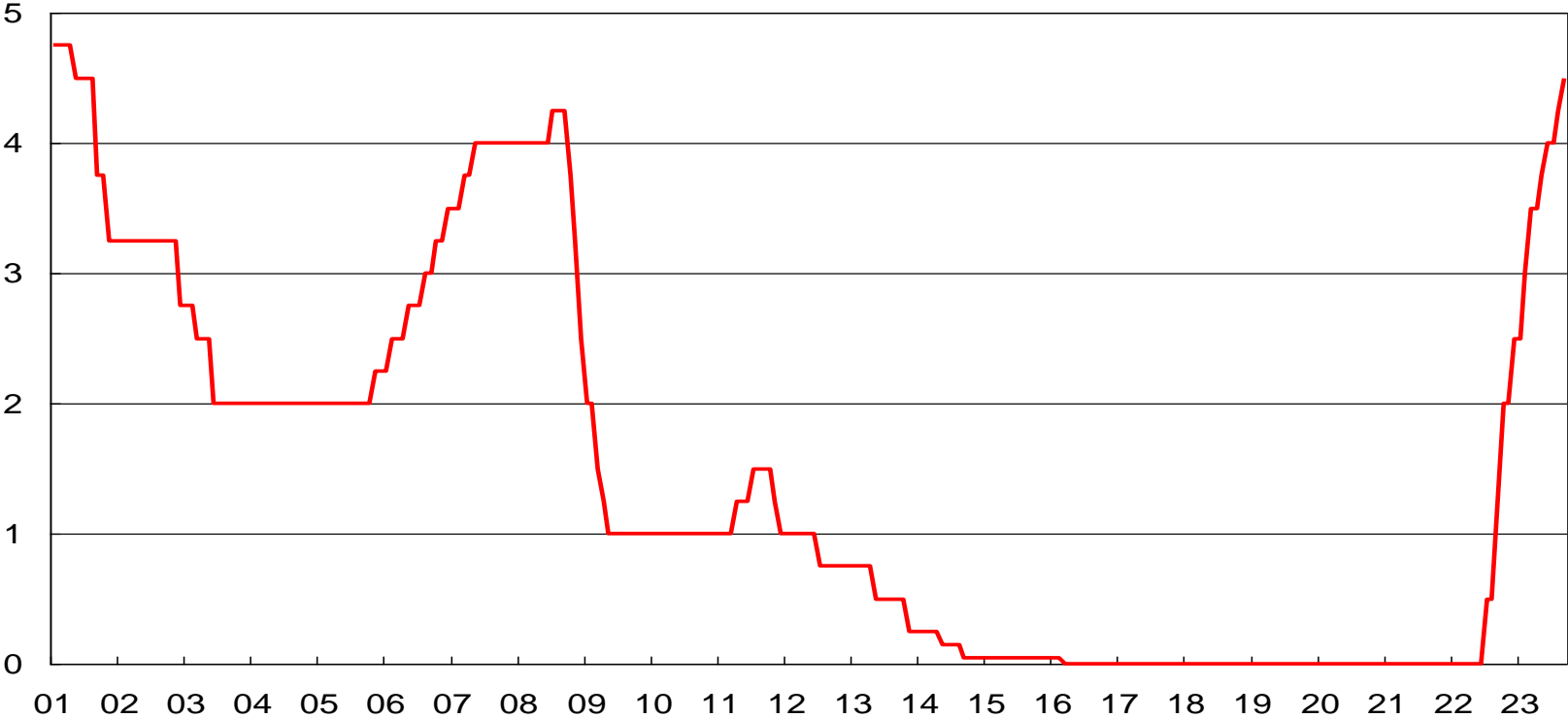
# US continuing claims

Million



# Euro-area official interest rates

Percentage %



# Weekly economic review: 11 - 17 September 2023

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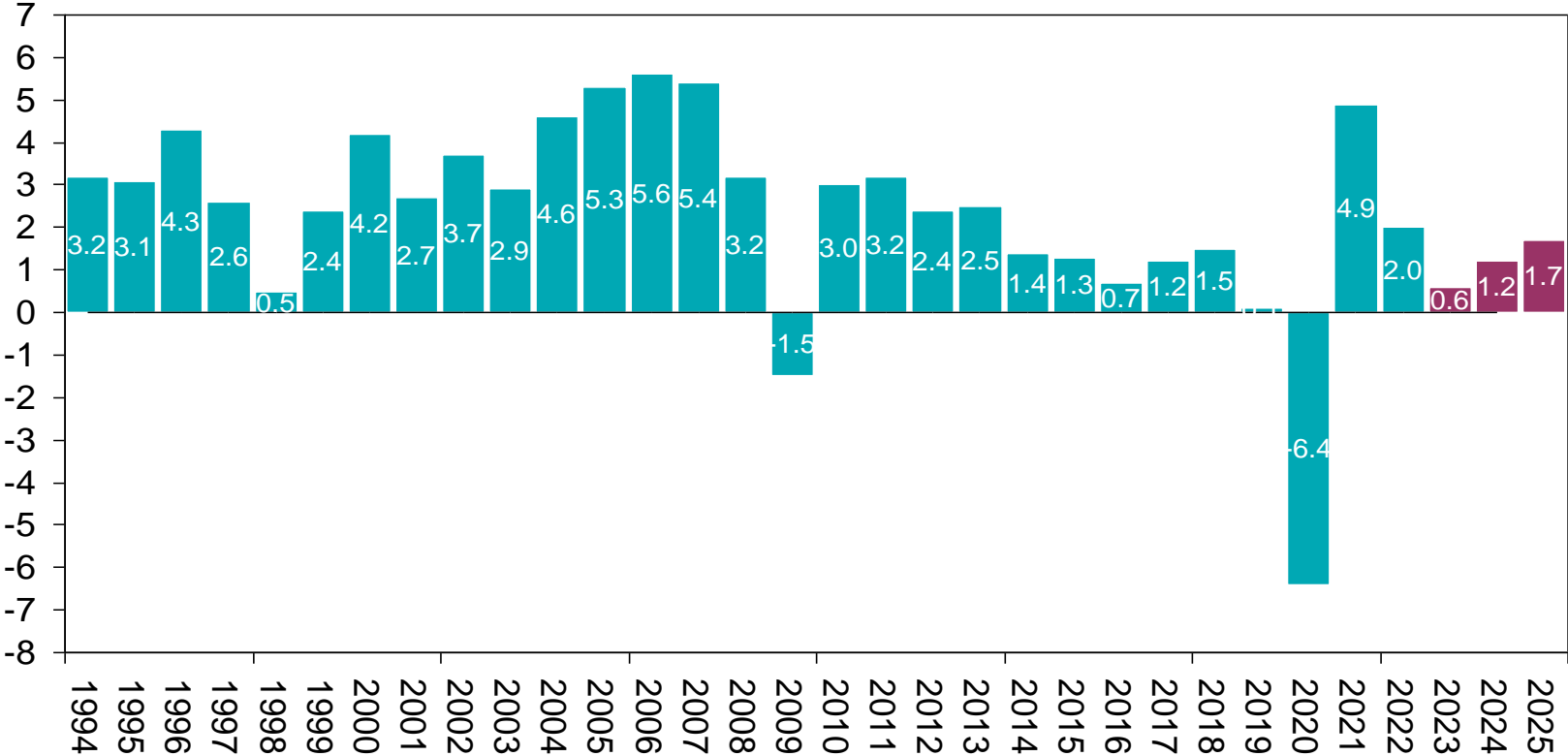
## Friday, 15 September 2023

- SA consensus economic forecast for September 2023
- US Empire manufacturing index for September 2023
- US industrial production for August 2023
- US consumer confidence (Michigan) for September 2023
- US household inflation expectations for September 2023
- China industrial production for August 2023
- China retail sales for August 2023

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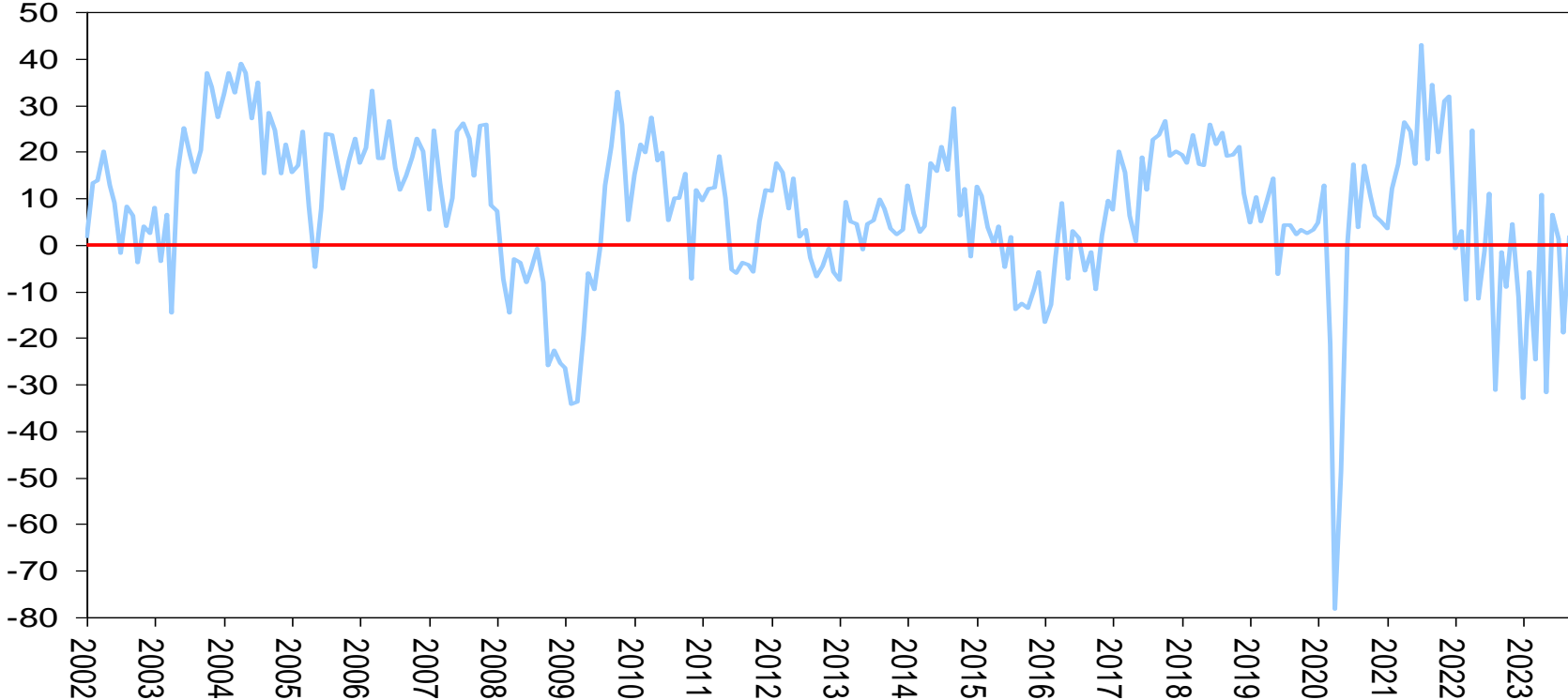
# SA consensus GDP annual growth rate

% y/y



# US Empire State Manufacturing survey

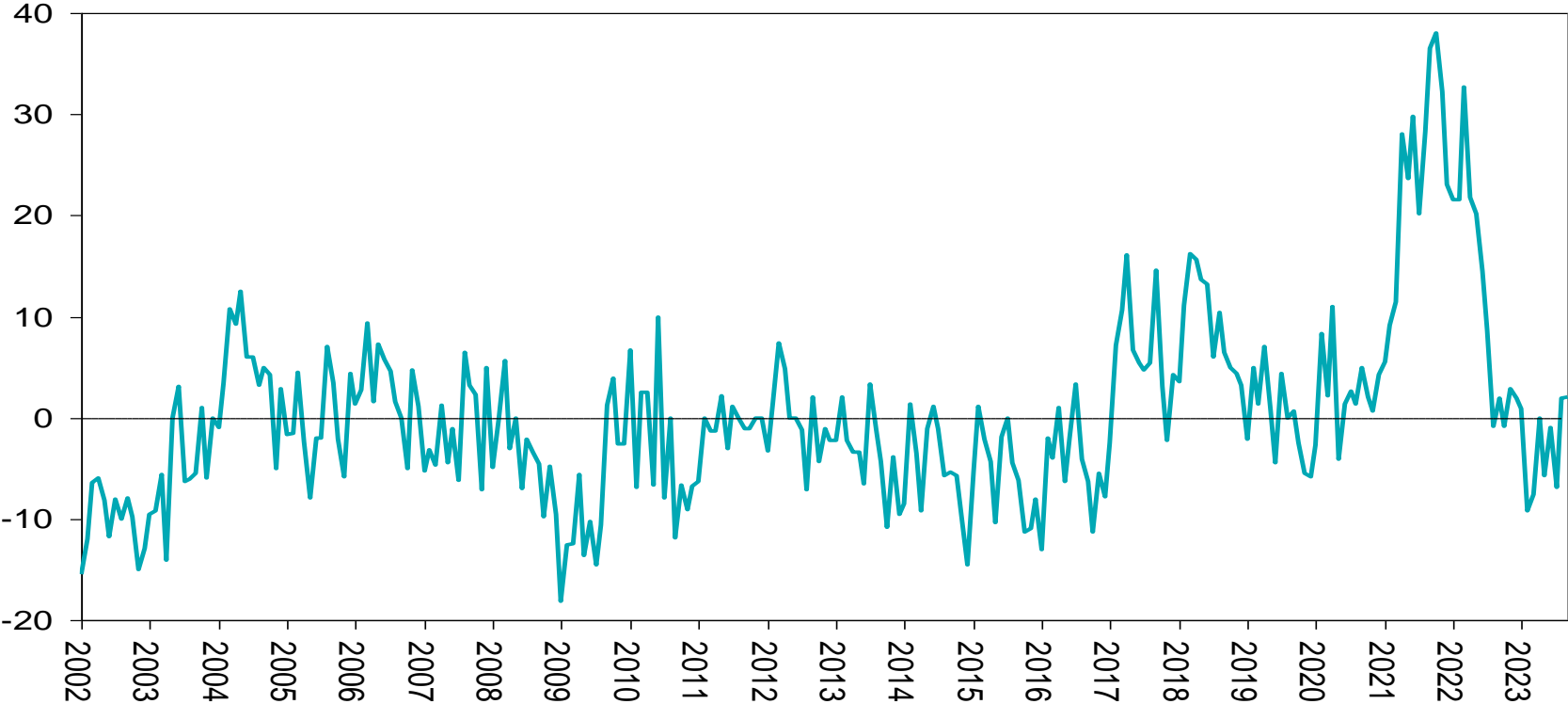
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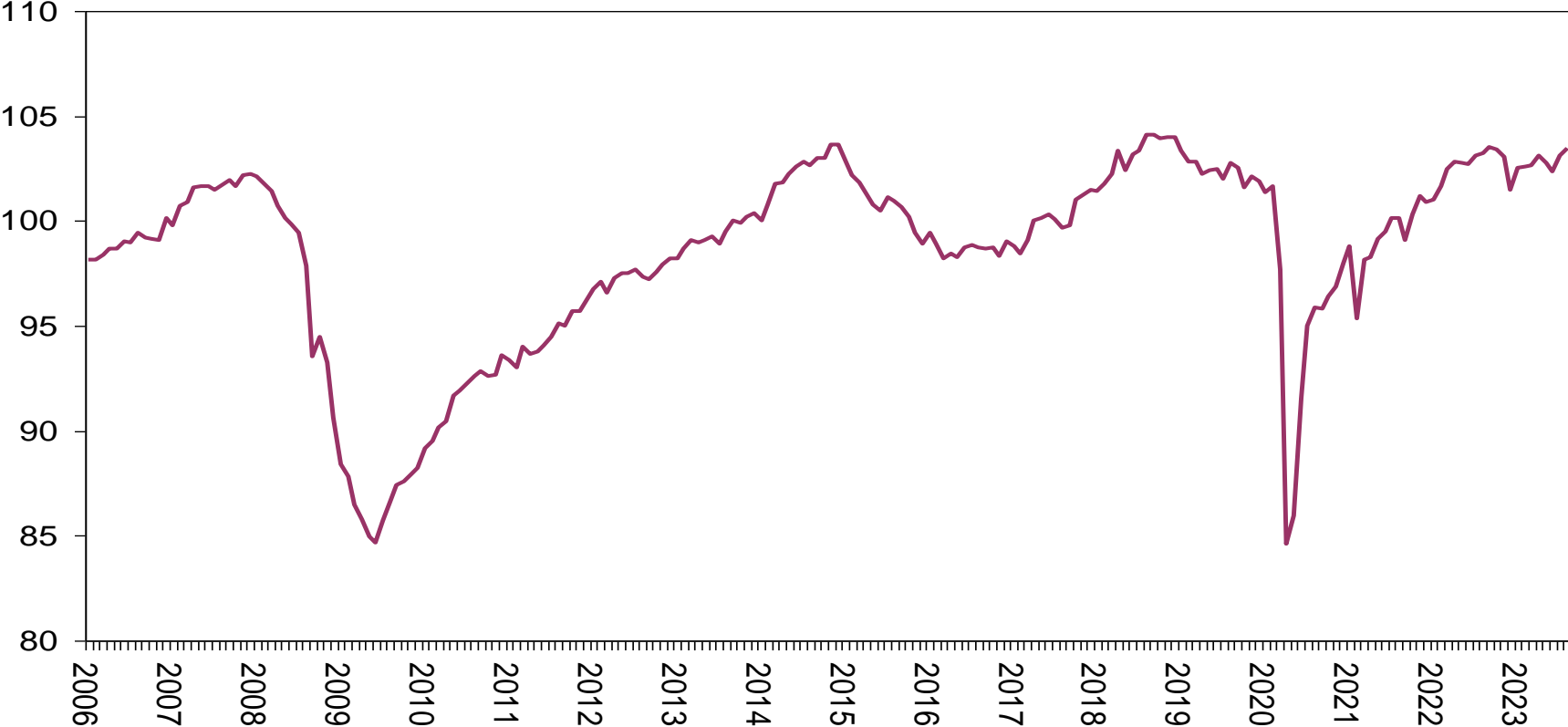
# US Empire State Manufacturing survey – delivery time

Index

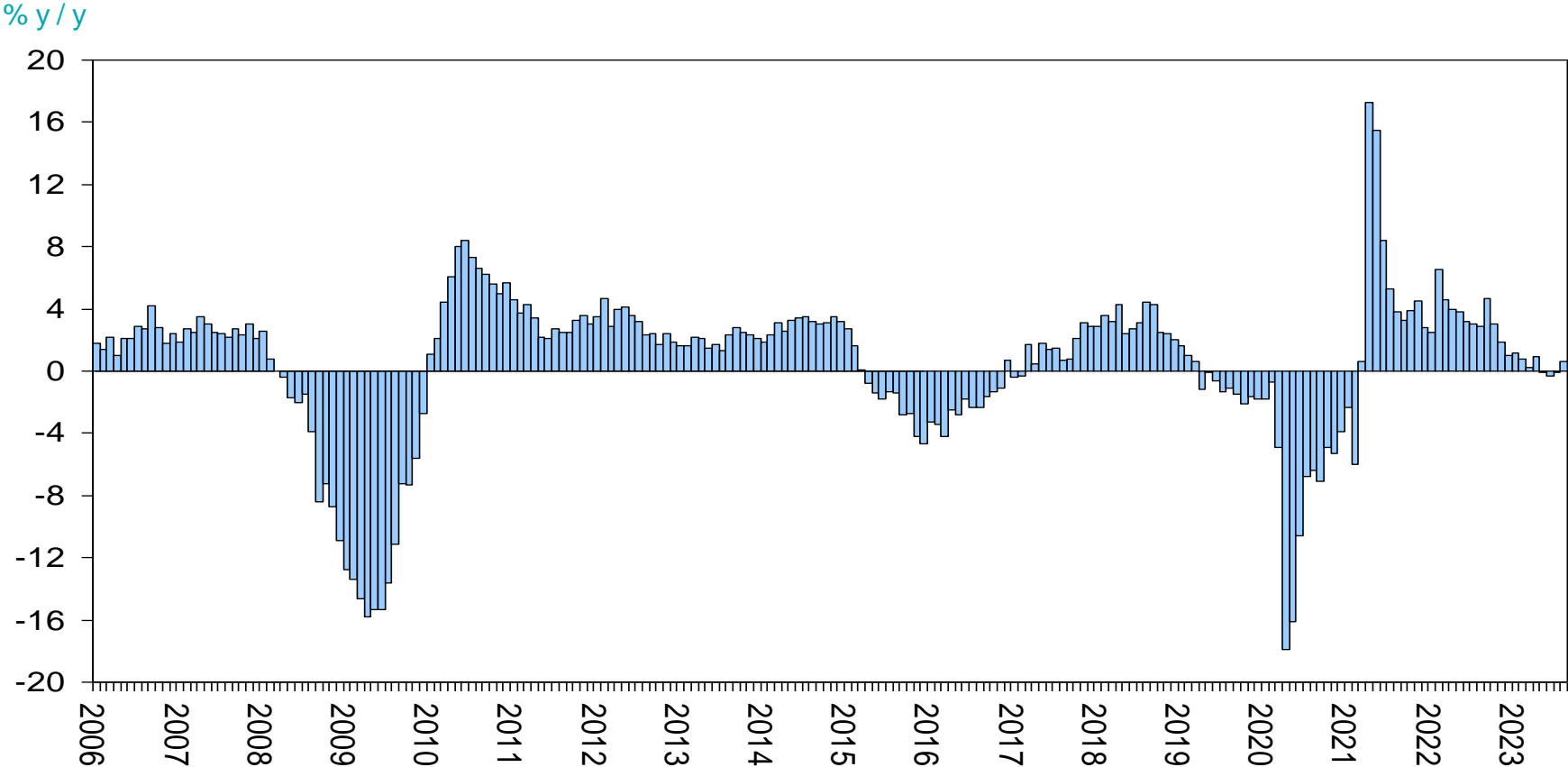


# US industrial production

Index

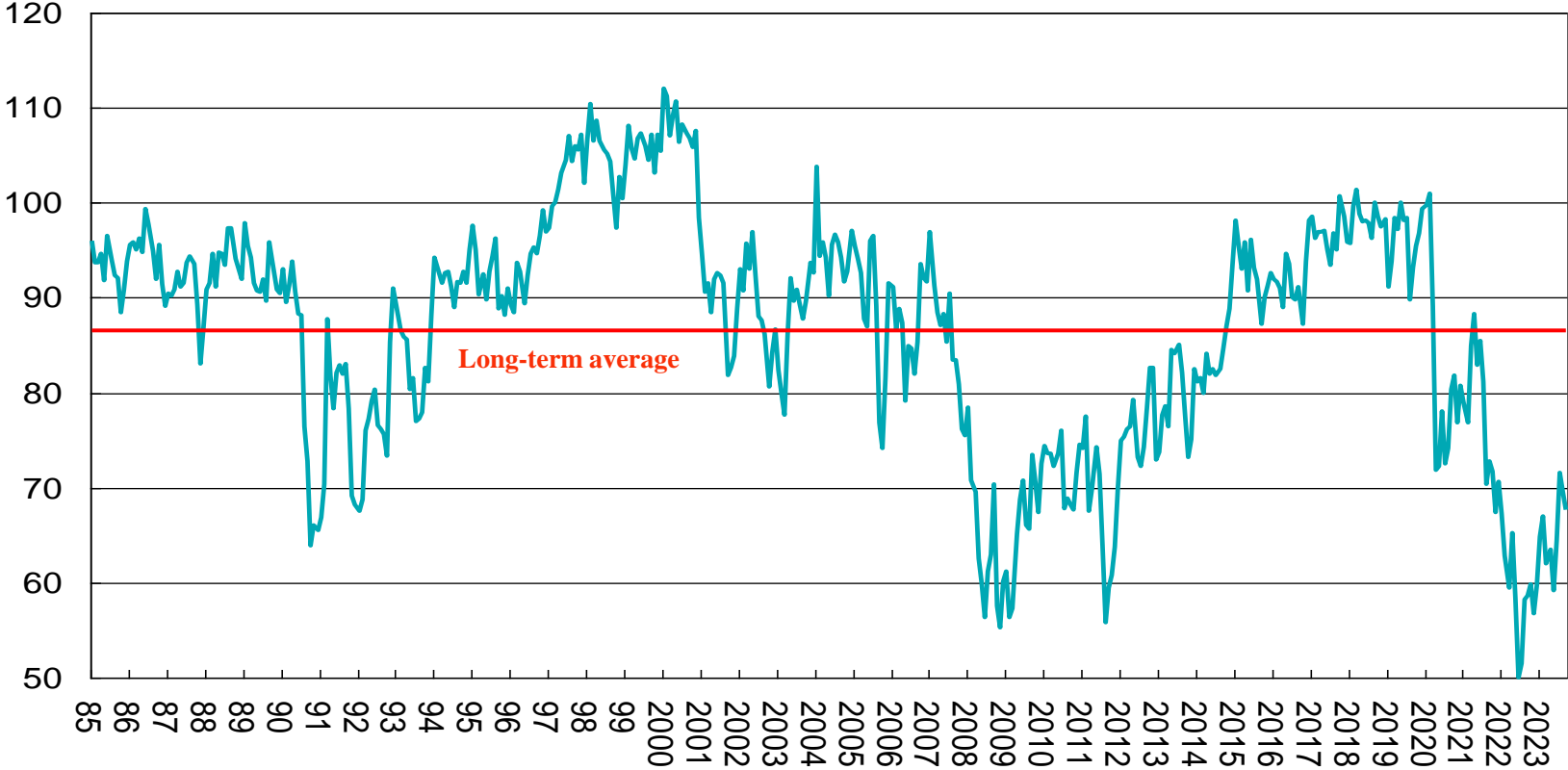


# US industrial production



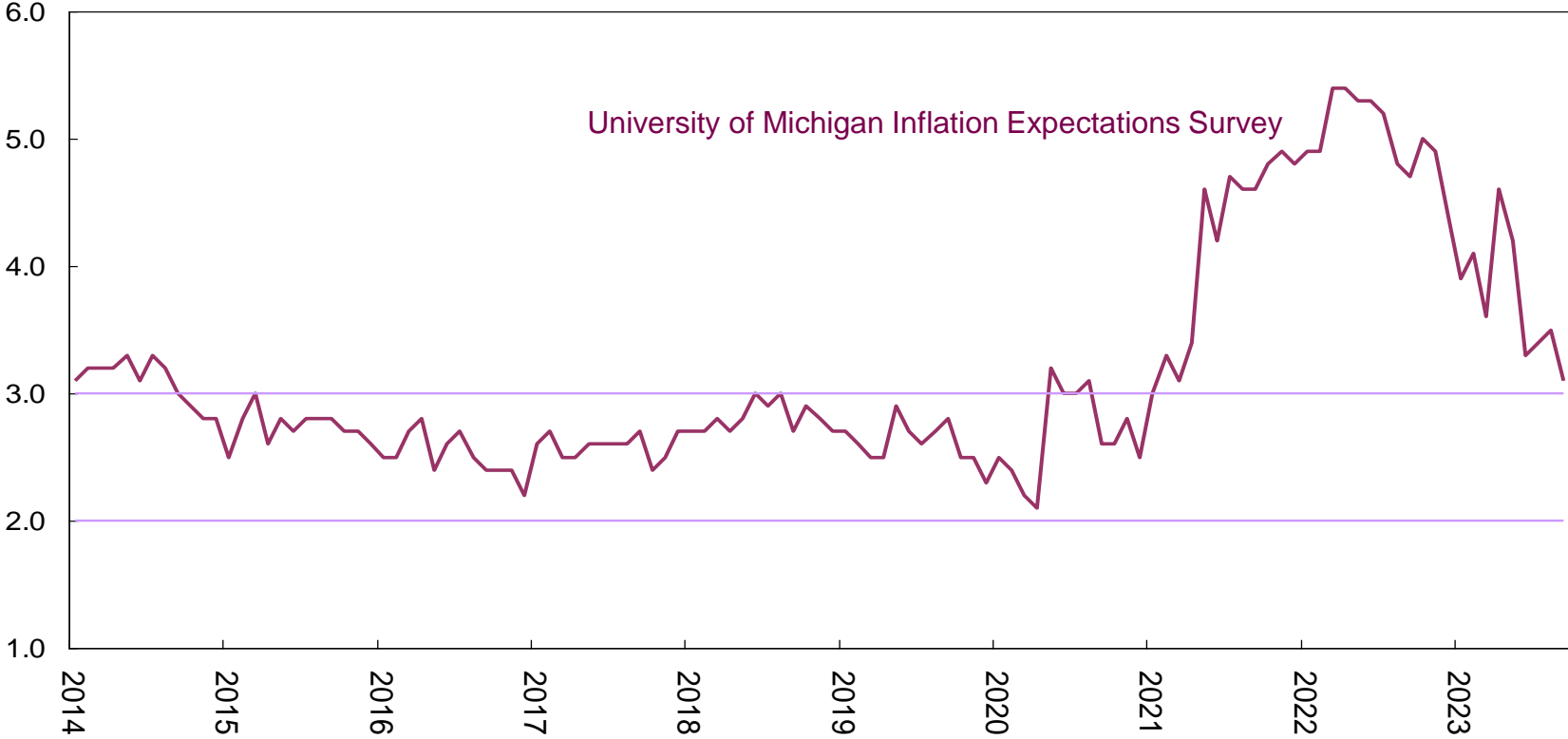
# US consumer confidence (University of Michigan)

Index



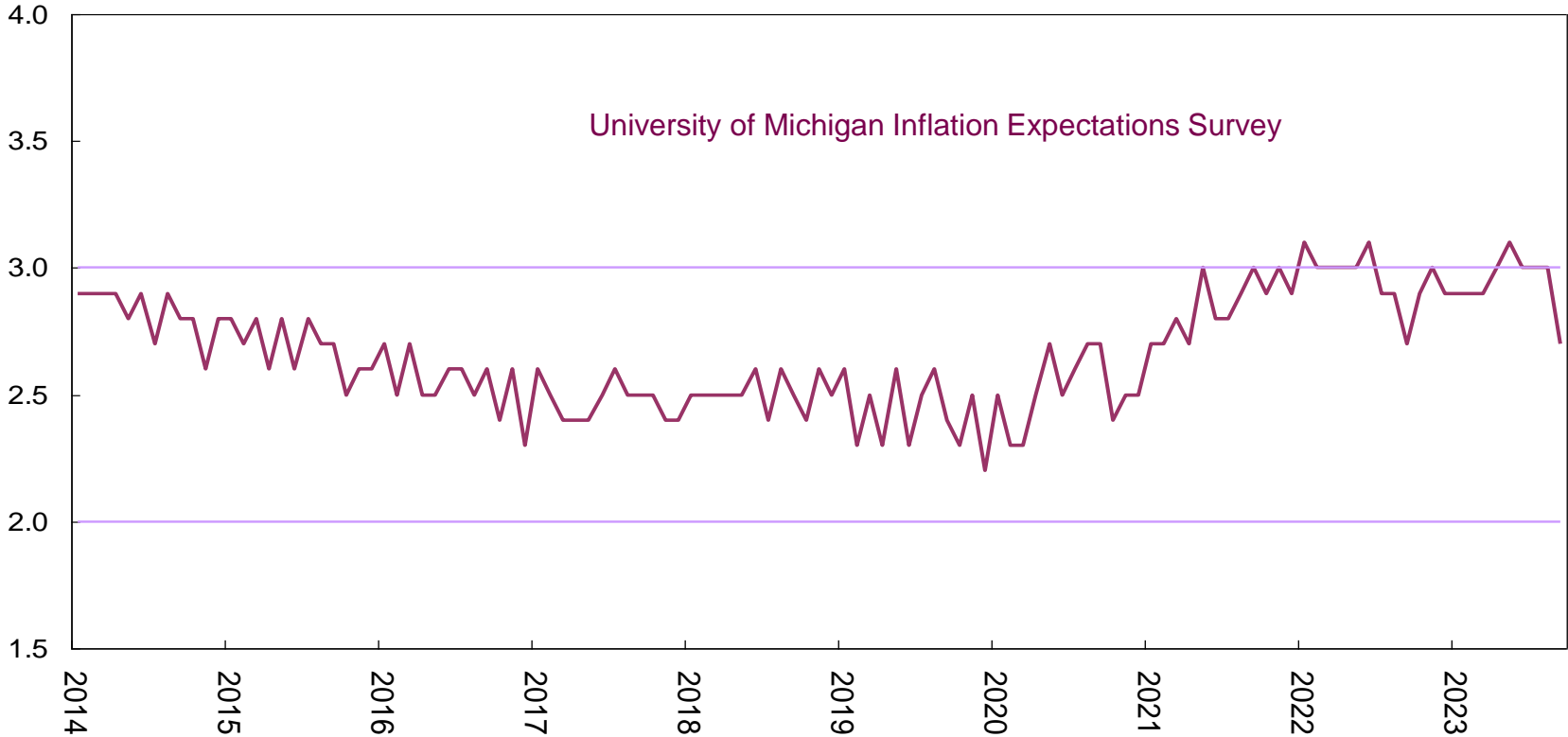
# US household inflation expectations in 12-months

Inflation rate in one year



# US household inflation expectations in 5 - 10 years

Inflation rate in 5 - 10 years







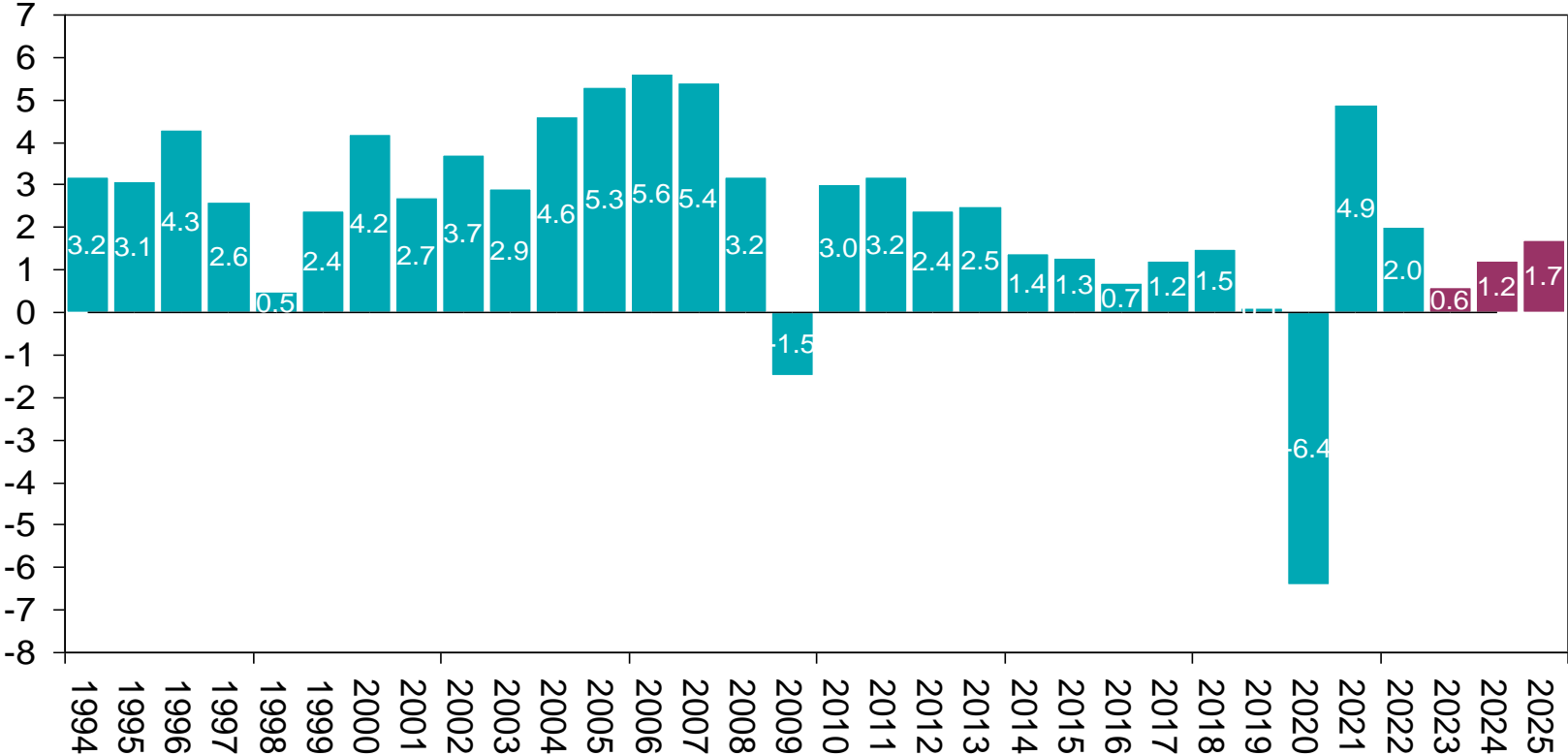


## Consensus GDP growth

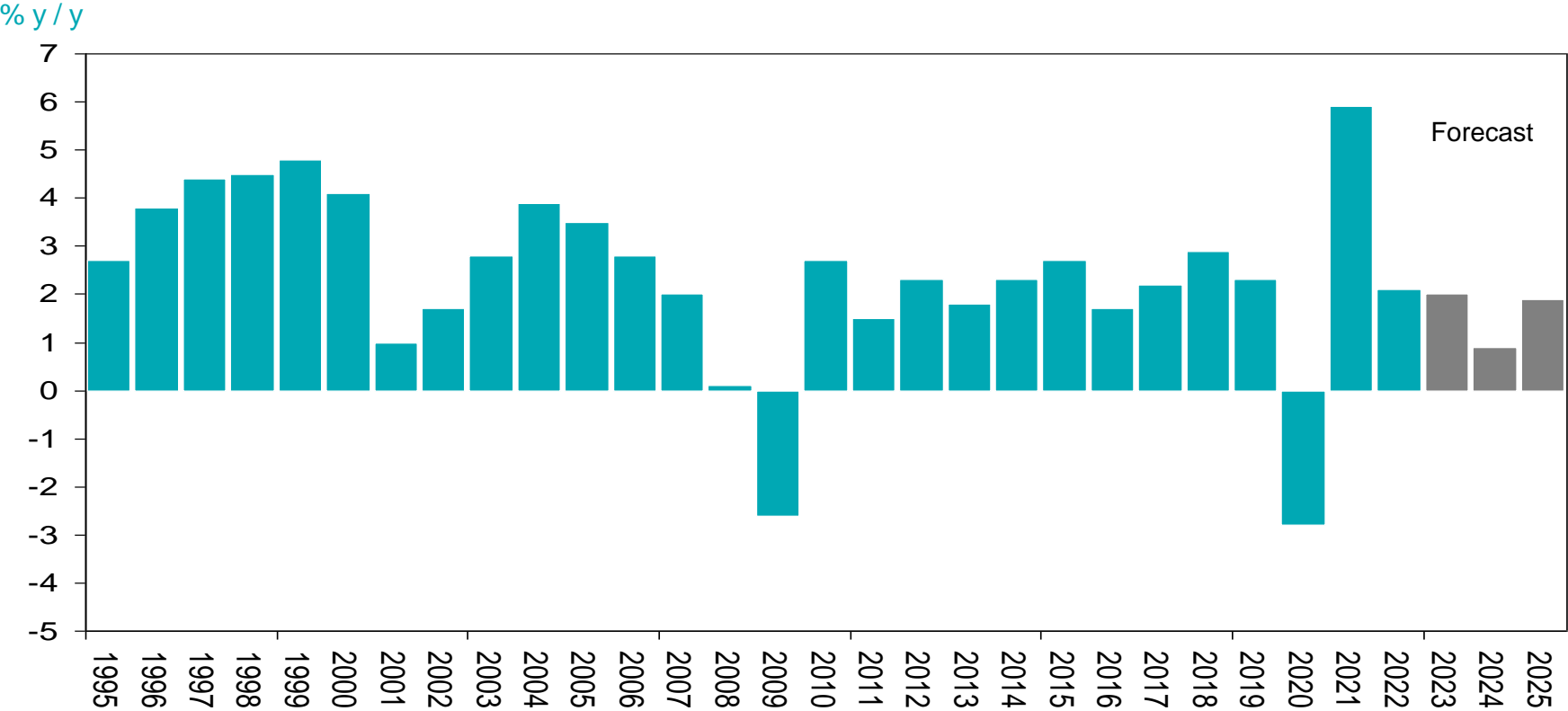
- South Africa consensus GDP growth forecast
- United States consensus GDP growth forecast
- Euro-area consensus GDP growth forecast
- China consensus GDP growth forecast

# SA consensus GDP annual growth rate

% y/y



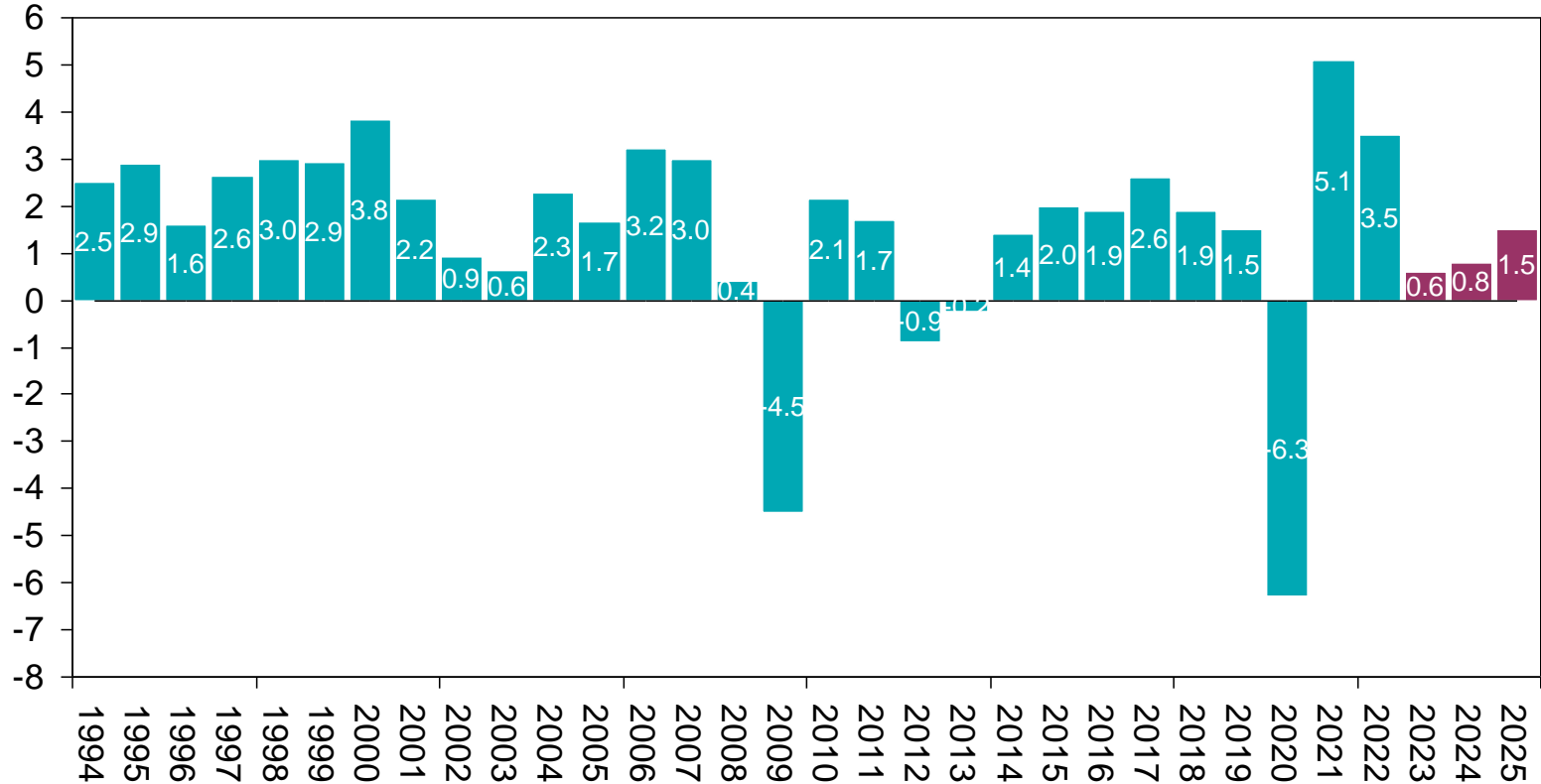
# US consensus real annual GDP growth



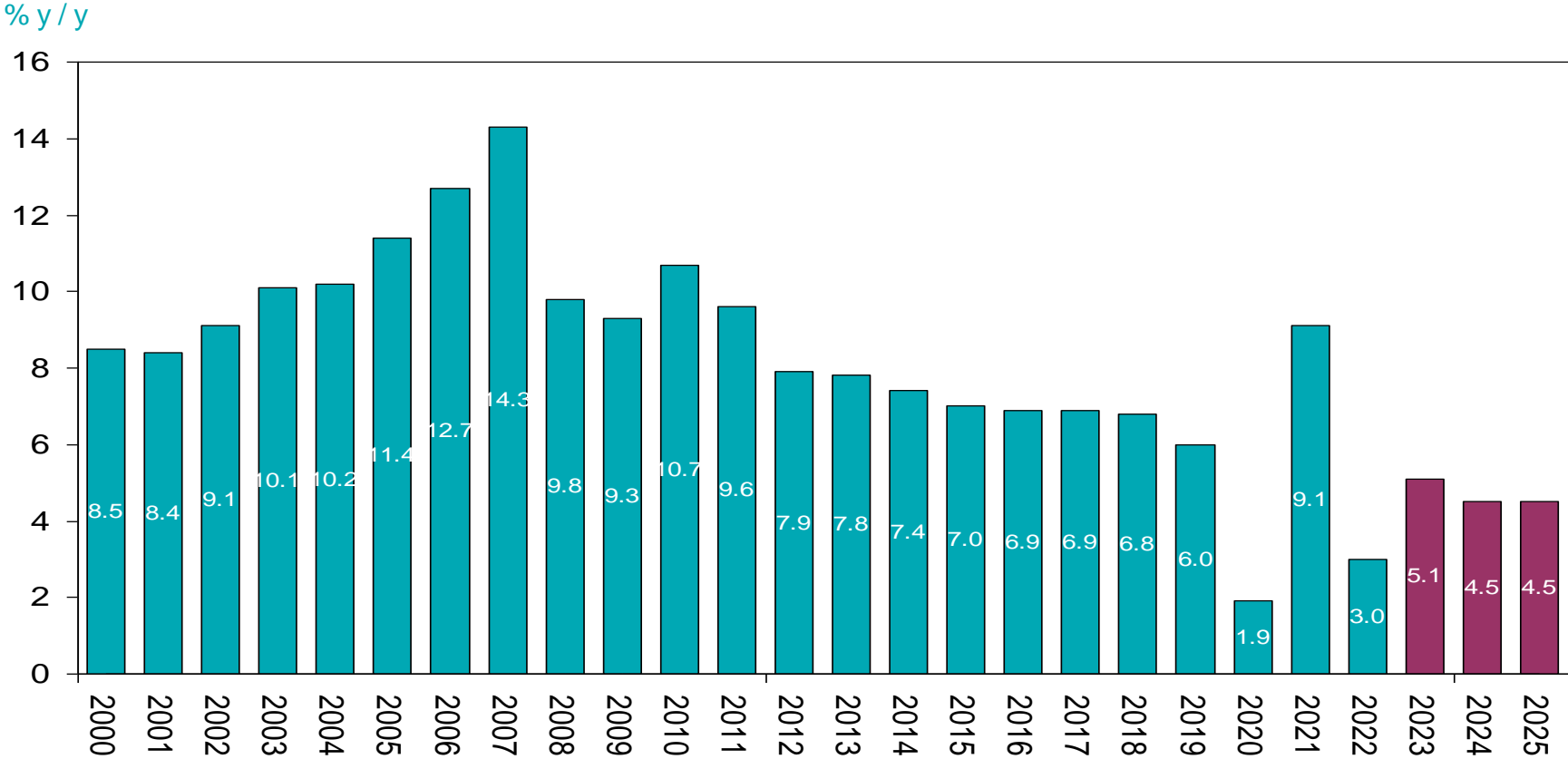
Source: Bloomberg

# Euro-area GDP annual growth rate: consensus growth estimate

% y/y



# China GDP growth consensus forecast



Source: Bloomberg

## US financial conditions: 11 - 17 September 2023

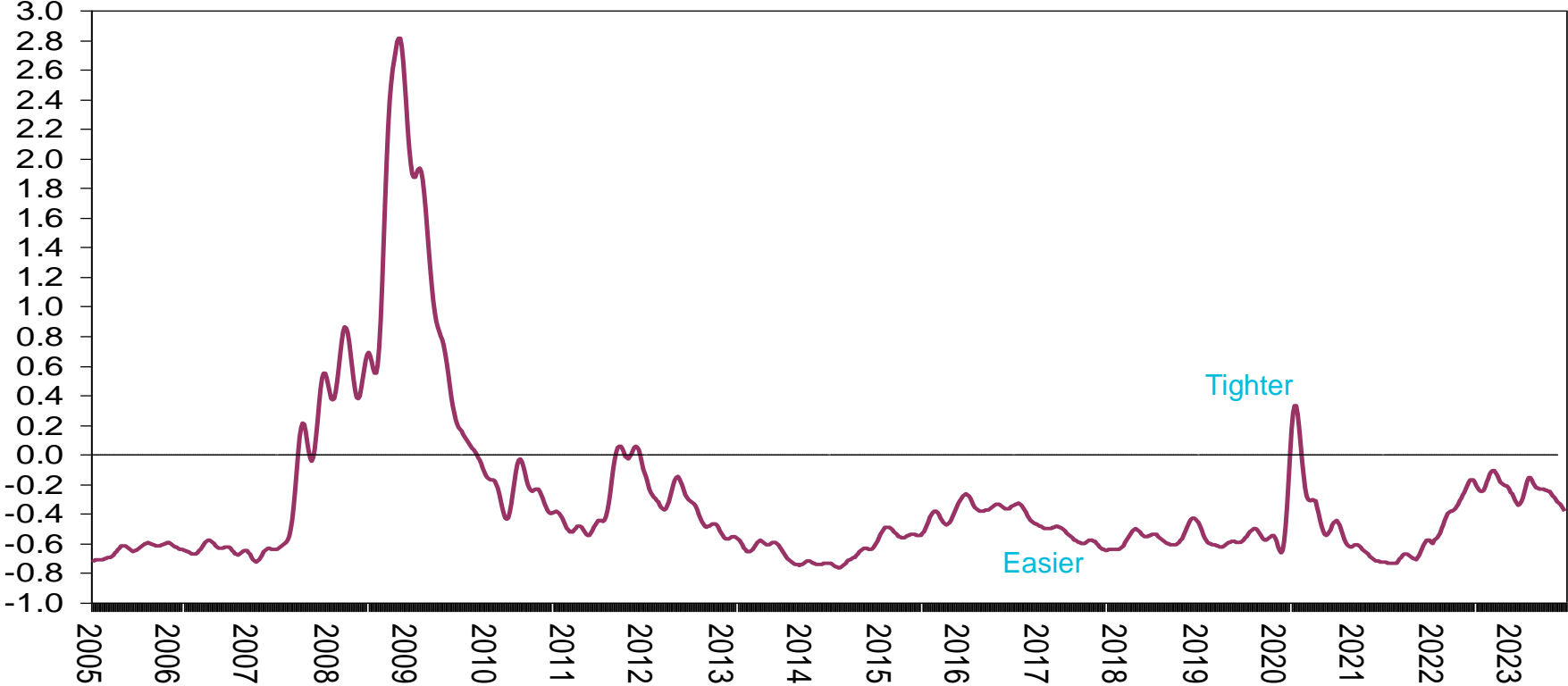
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- US financial conditions (Federal Reserve Chicago)
- US financial conditions (Federal Reserve Kansas City)
- US financial stress index (OFR)
- China PBOC liquidity injection

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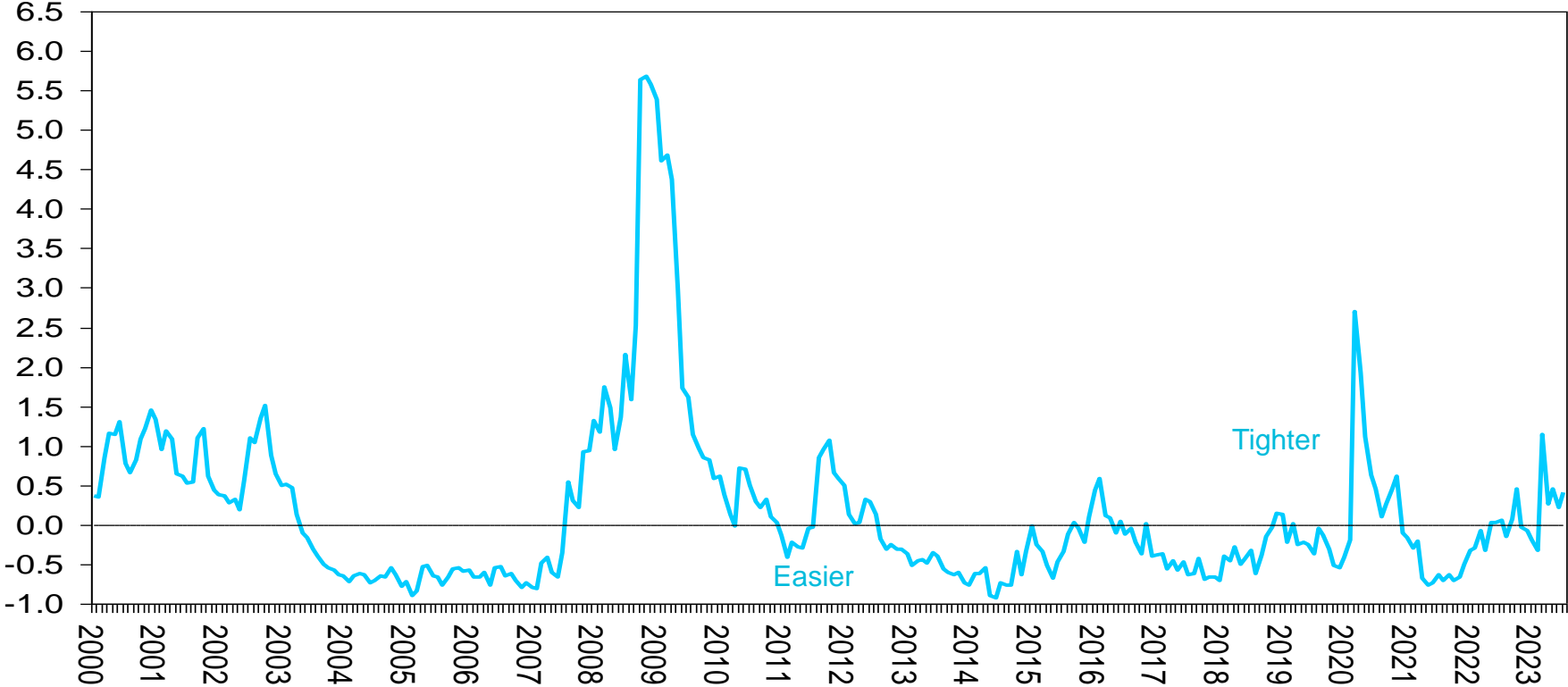
# US financial conditions (Federal Reserve Chicago)

Index



# US financial conditions (Federal Reserve Kansas City)

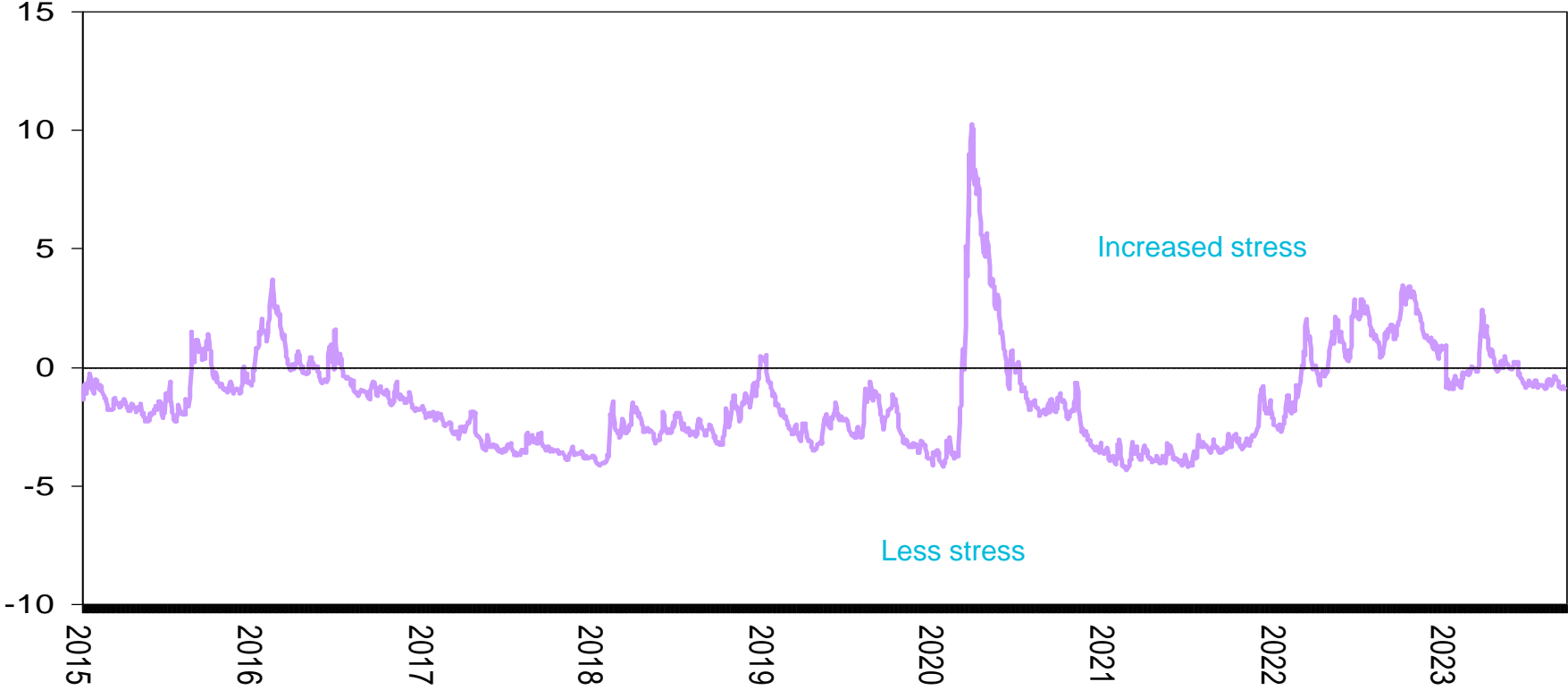
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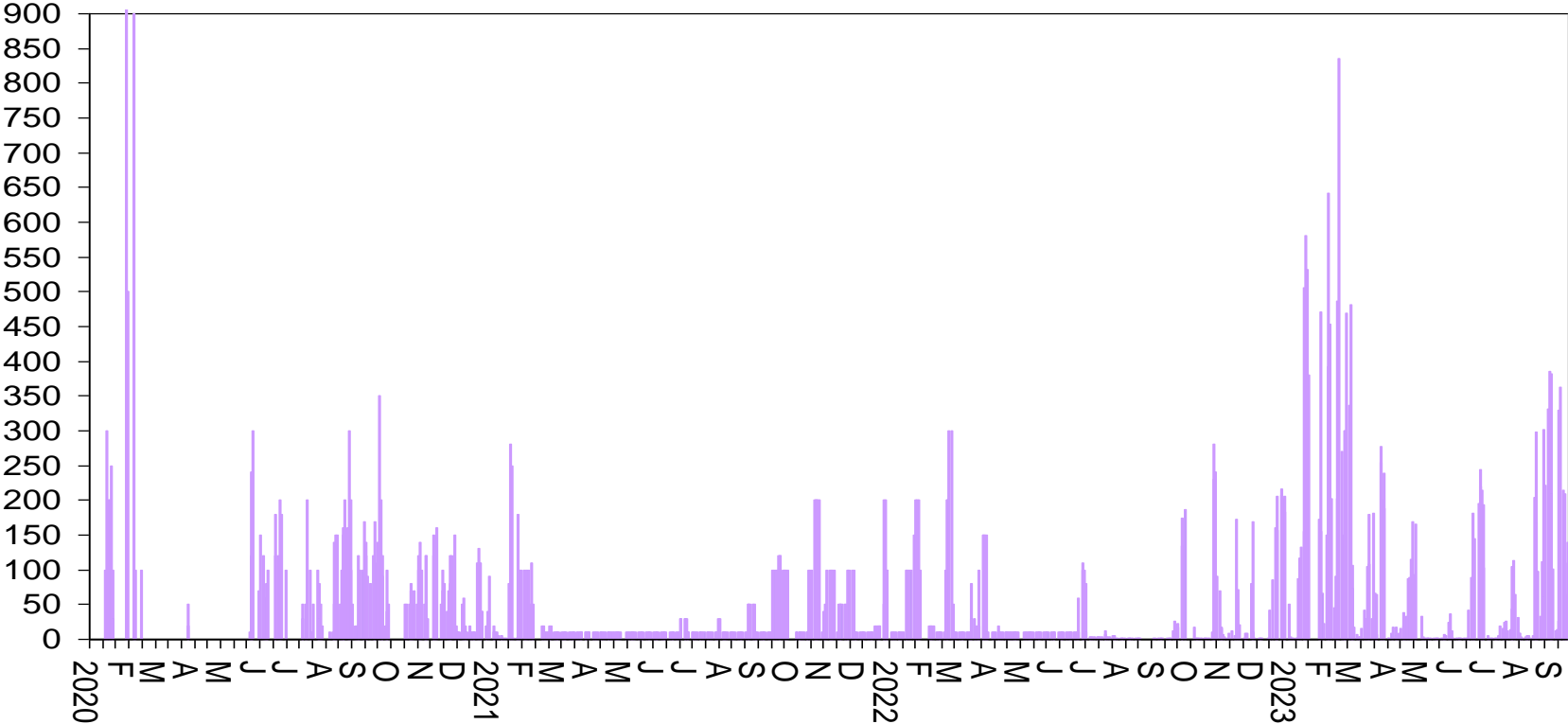
# US financial stress index (OFR Financial Stress Index)

Index



# China PBOC liquidity injection daily (total reverse Repos)

Yuan billion



## Commodity prices: 11 - 17 September 2023

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- Global commodity price index
- World food inflation
- Gold price
- Tin price
- Zinc price
- Lead price
- Silver price
- Oil price
- Copper price
- Platinum price
- Aluminium price
- Palladium price
- Rhodium price



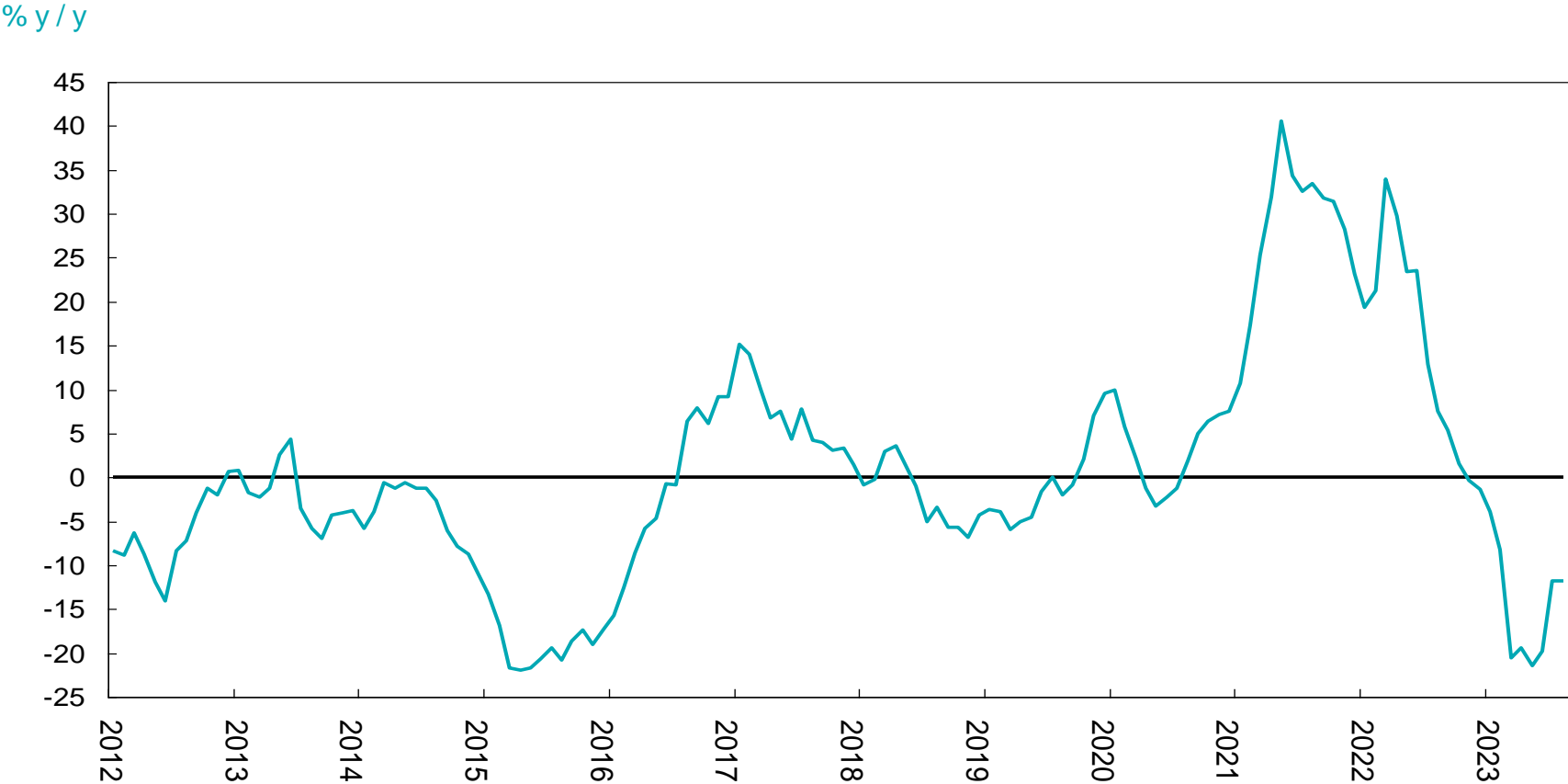
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# Global commodity price index (S&P GSCI)

Index



# World food inflation



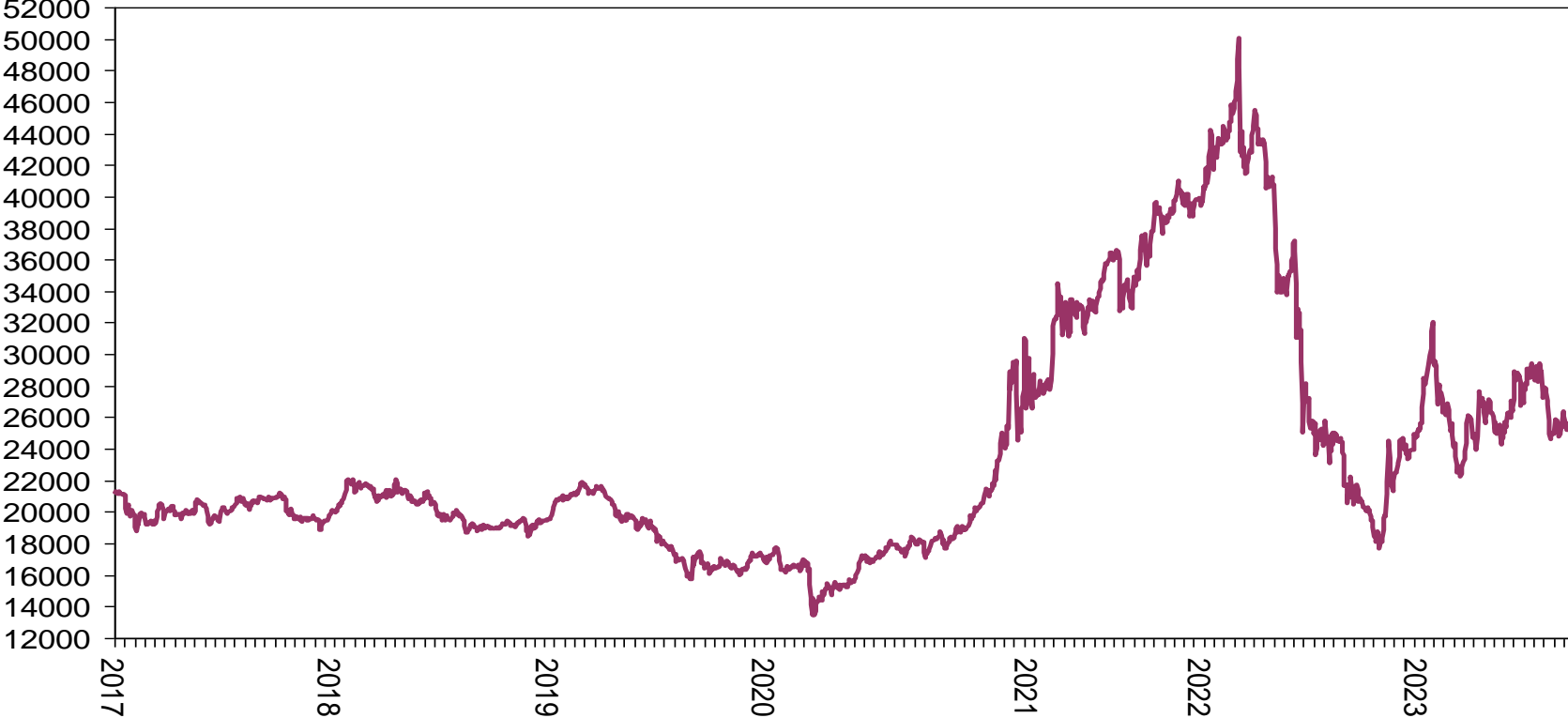
# Gold price

US\$/ounce



# Tin price

US\$/MT



# Silver price

US\$/ounce





# Oil price

US\$/bl



# Copper price

US\$/MT



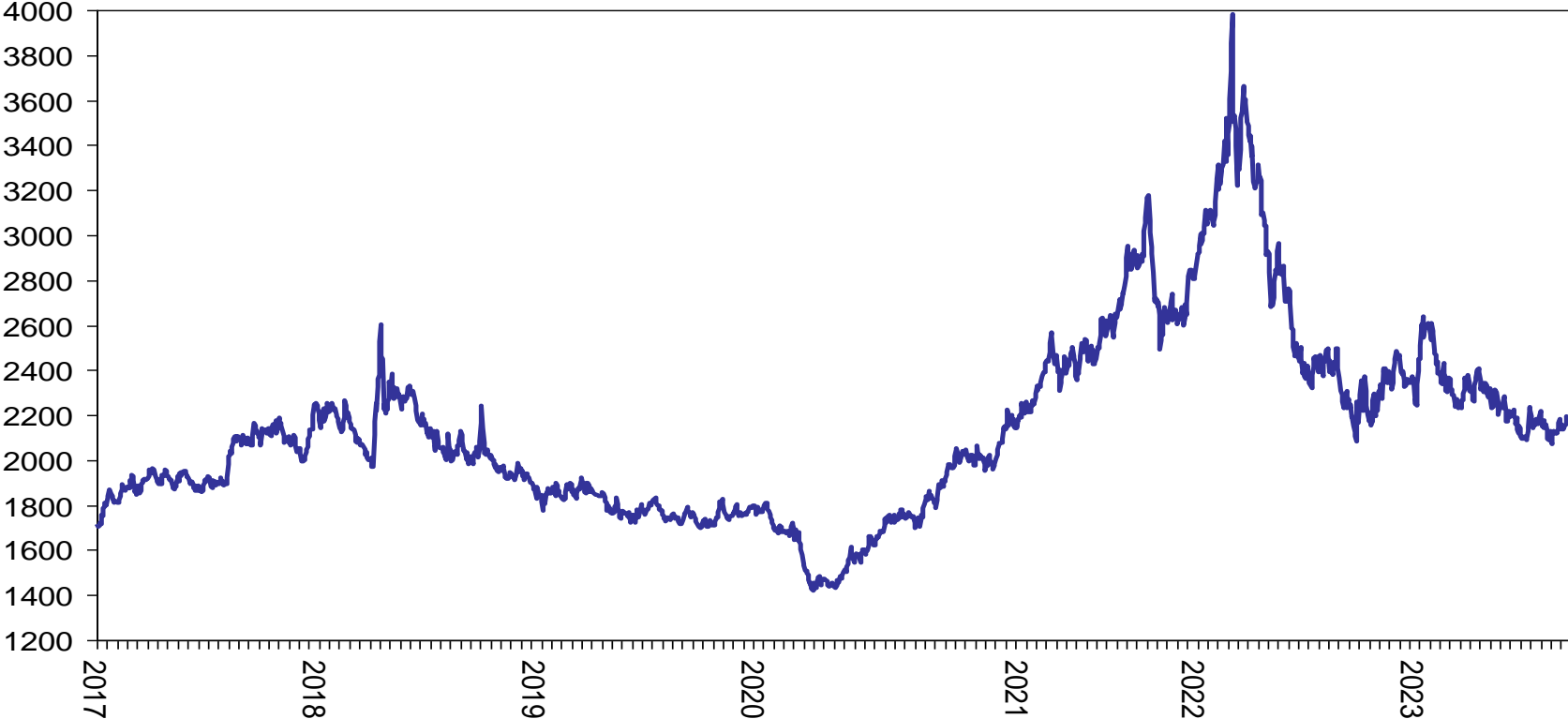
# Platinum price

US\$/ounce



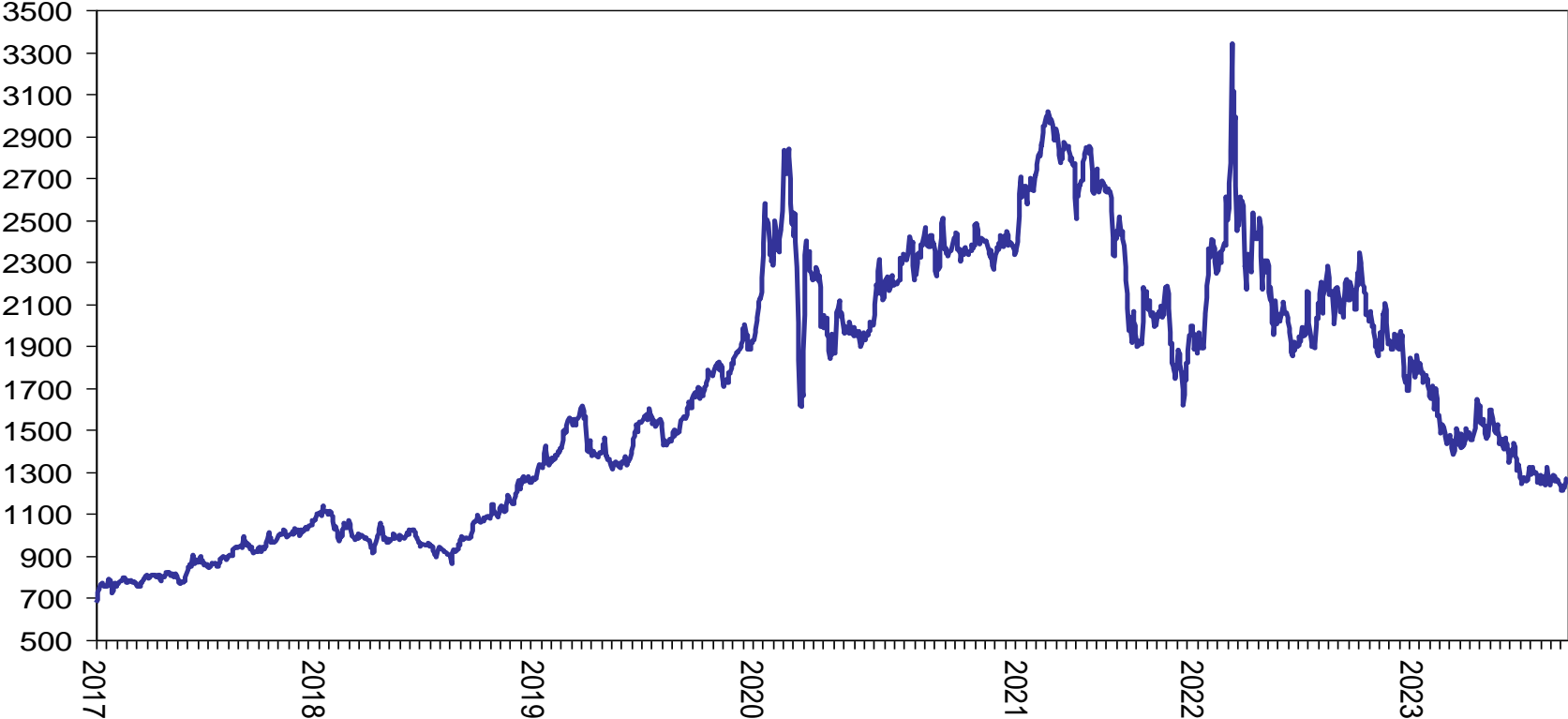
# Aluminium price

US\$/MT



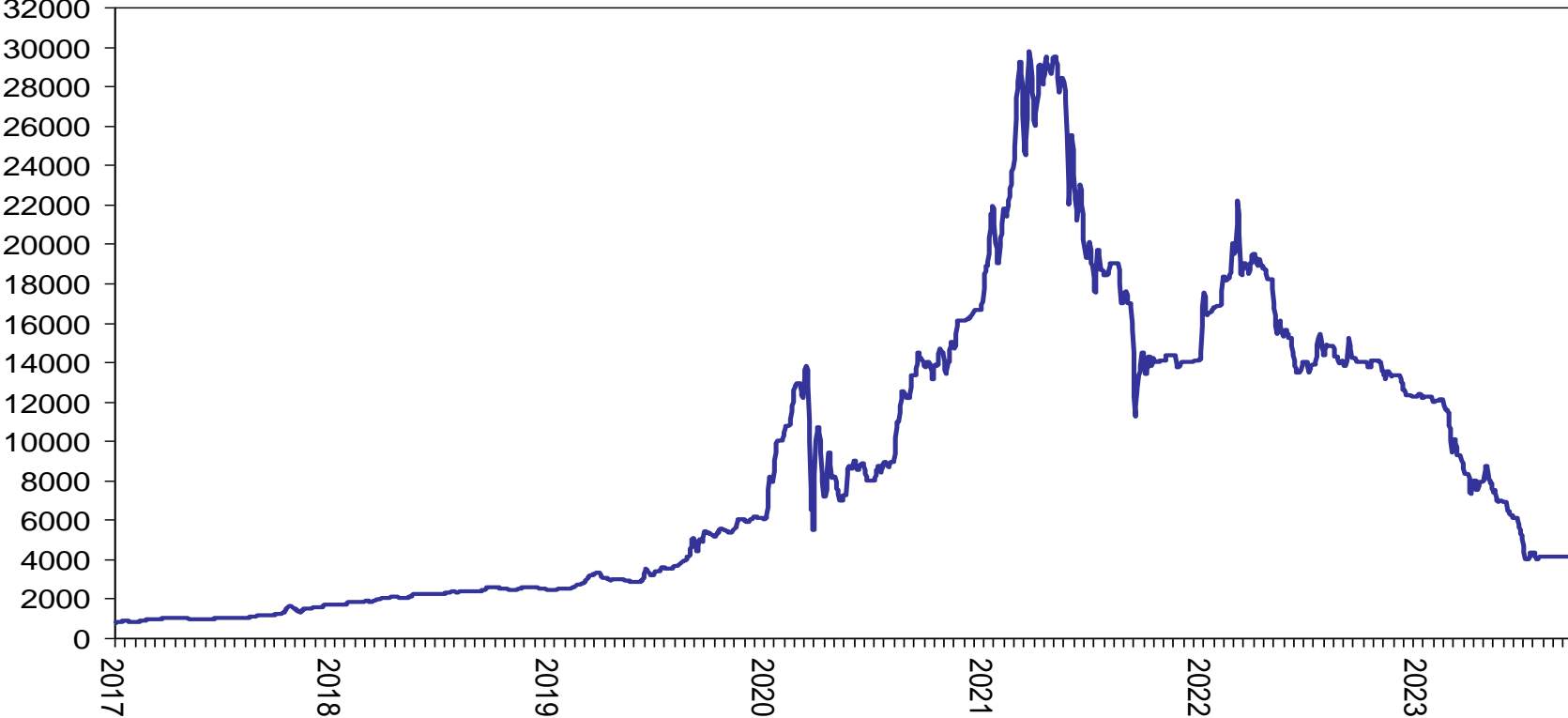
# Palladium price

US\$/ounce



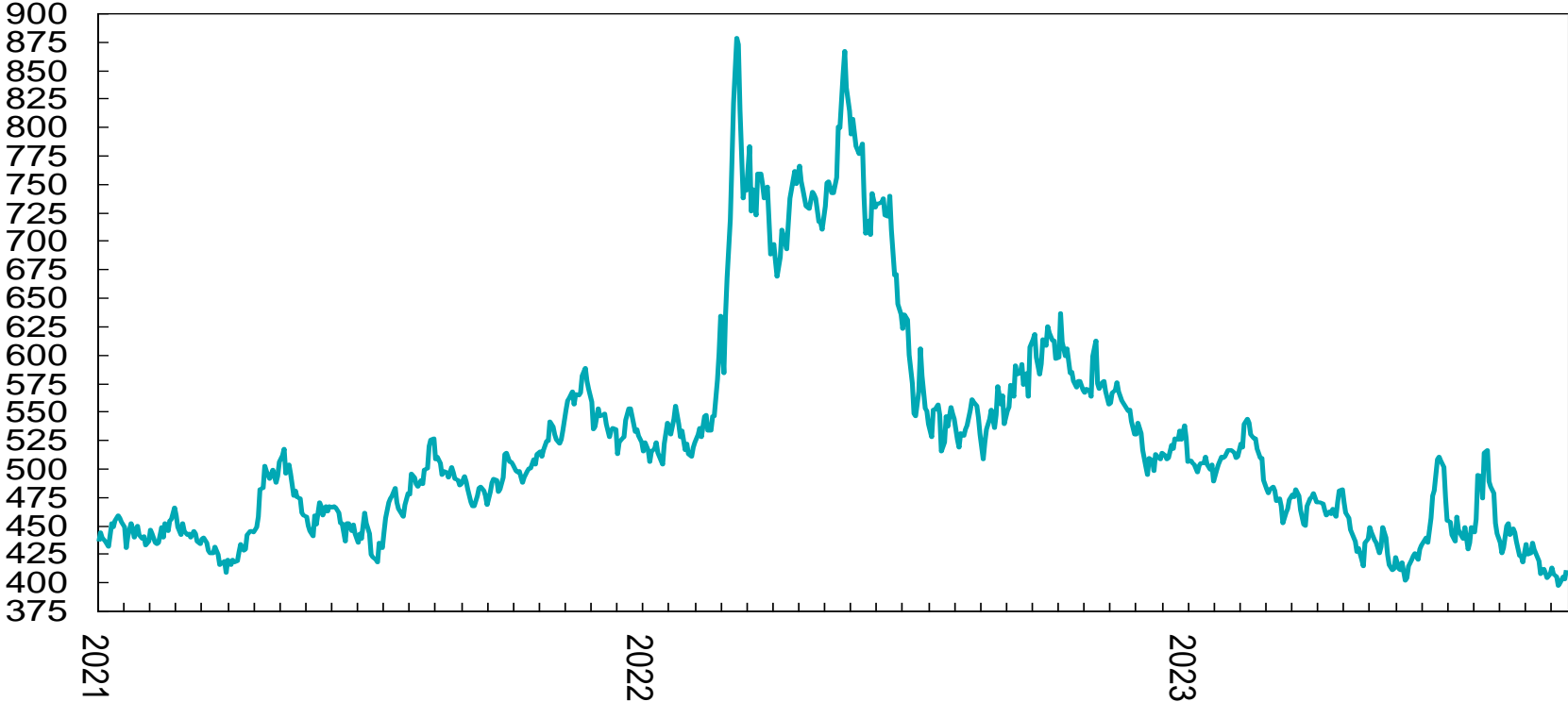
# Rhodium price

US\$/ounce



# Global wheat price index

Index



# Financial markets: 11 - 17 September 2023

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- Bitcoin price
- SA rand vs US dollar, euro, pound
- SA rand vs US dollar, monthly rate of change
- SA 10-year government bond yield
- US 10-year bond yield
- US S&P 500 Equity Index
- US Nasdaq 100 Index
- US Chicago Board Options Exchange Volatility Index
- SA All Share Equity Index
- US dollar per euro
- US dollar vs RMB
- SA 10-year bond yield
- Foreign buying of SA government bonds
- Foreign buying of SA equities
- Foreign ownership of SA government bonds
- US Fed holding of US government bonds
- US Treasury cash holding at Federal Reserve
- SA rand vs commodity prices
- Baltic Dry Shipping Index
- SA volume of equity transactions on the JSE
- SA value of equity transactions on the JSE
- SA volume of transactions in the SA bond market
- SA value of transactions in the SA bond market

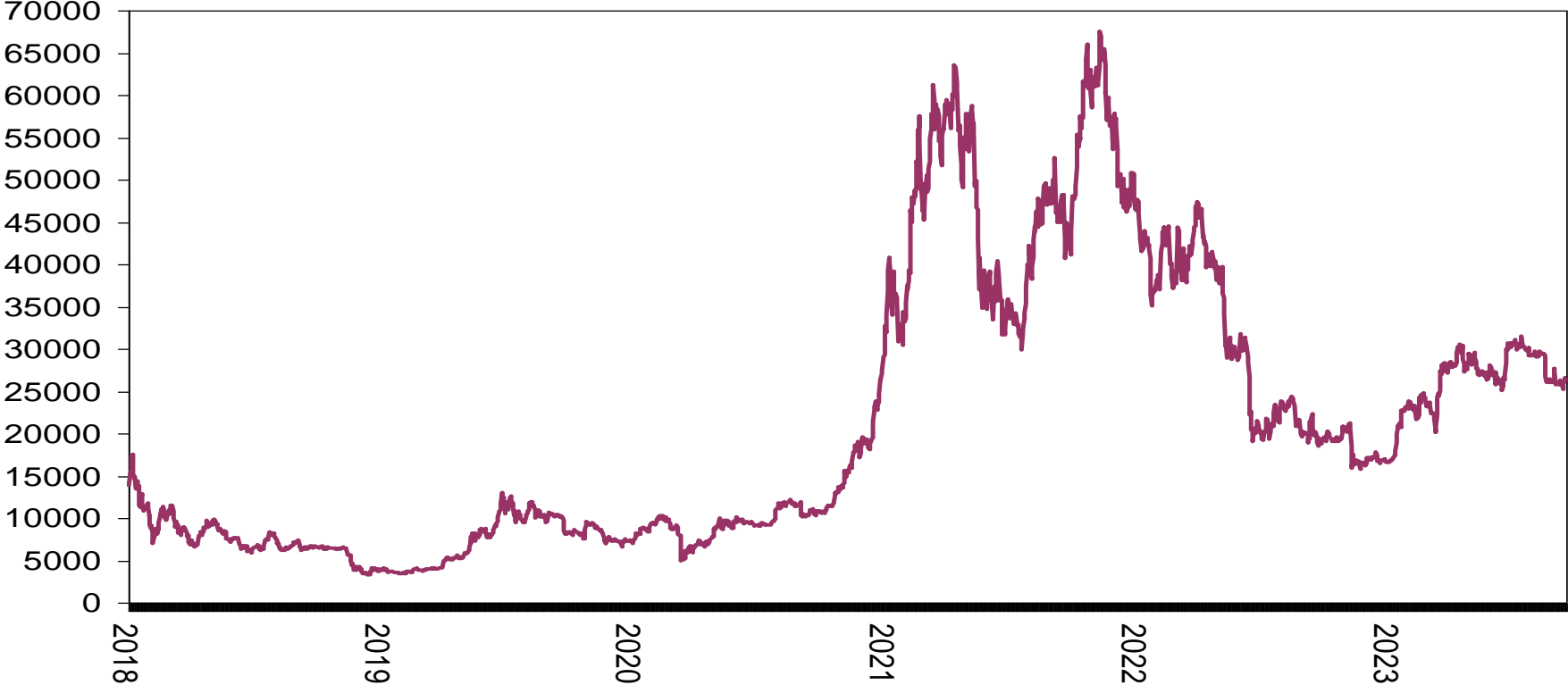


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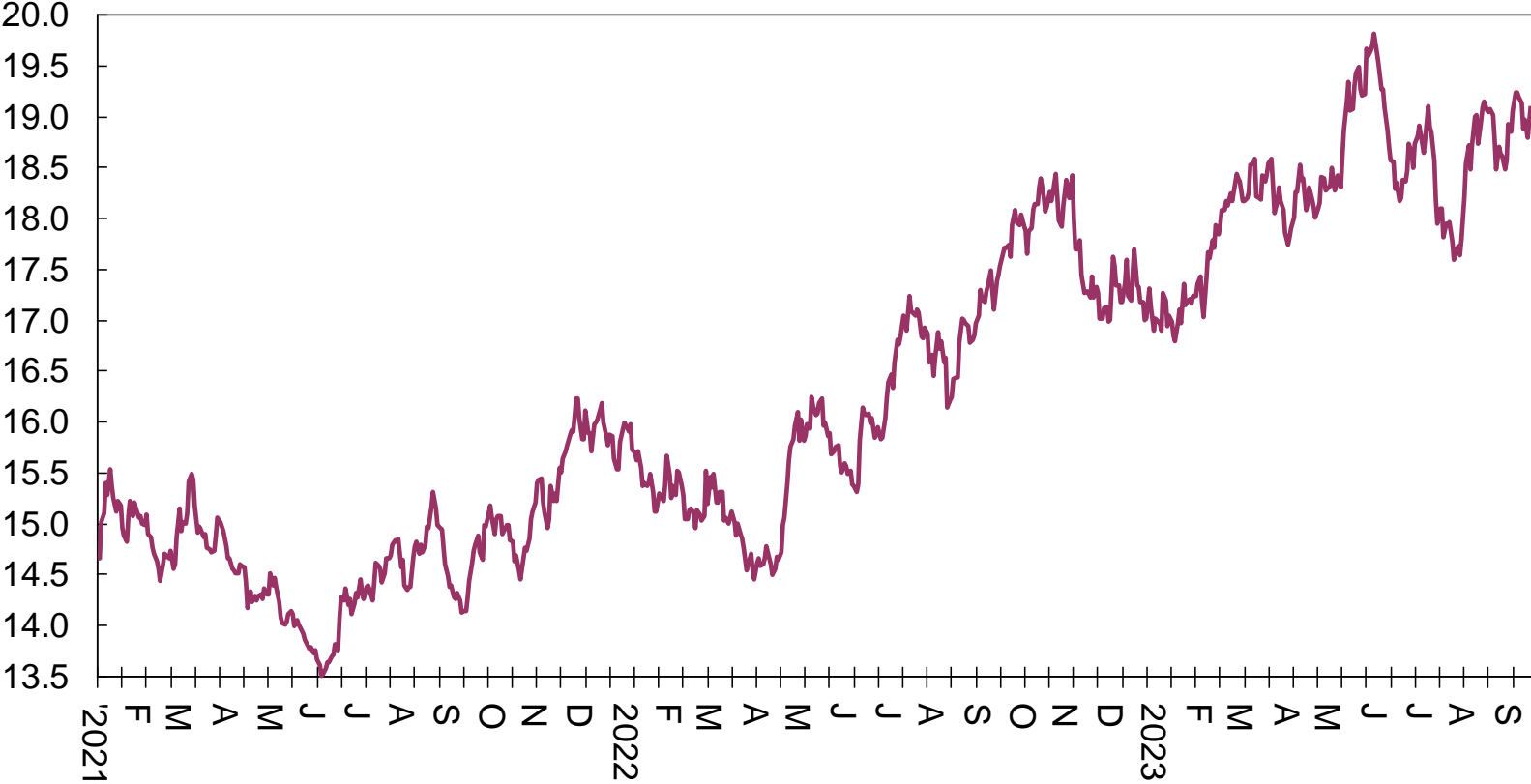
# Bitcoin price

US Dollar



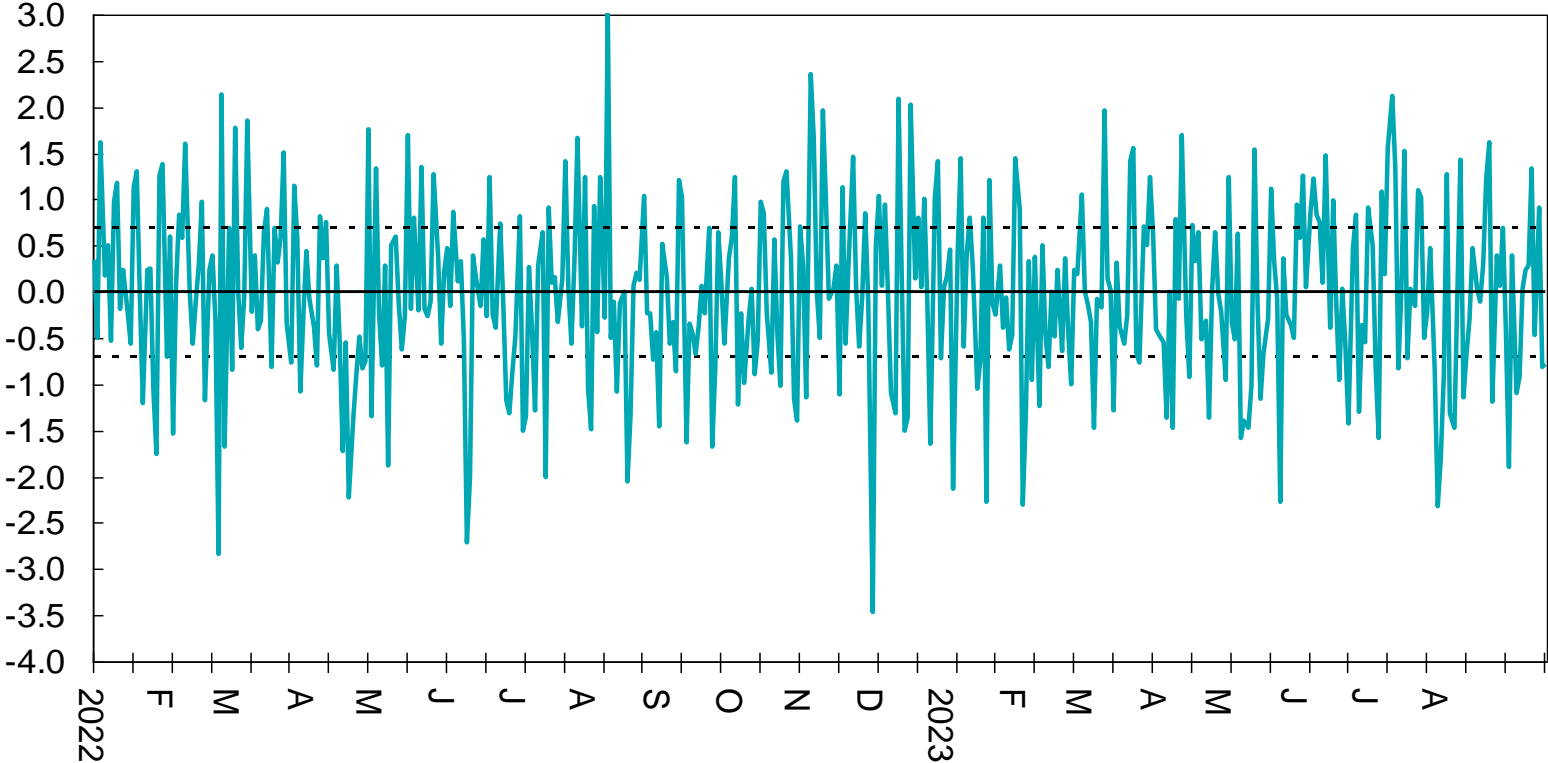
# South Africa rand vs US dollar (daily)

Rand per dollar



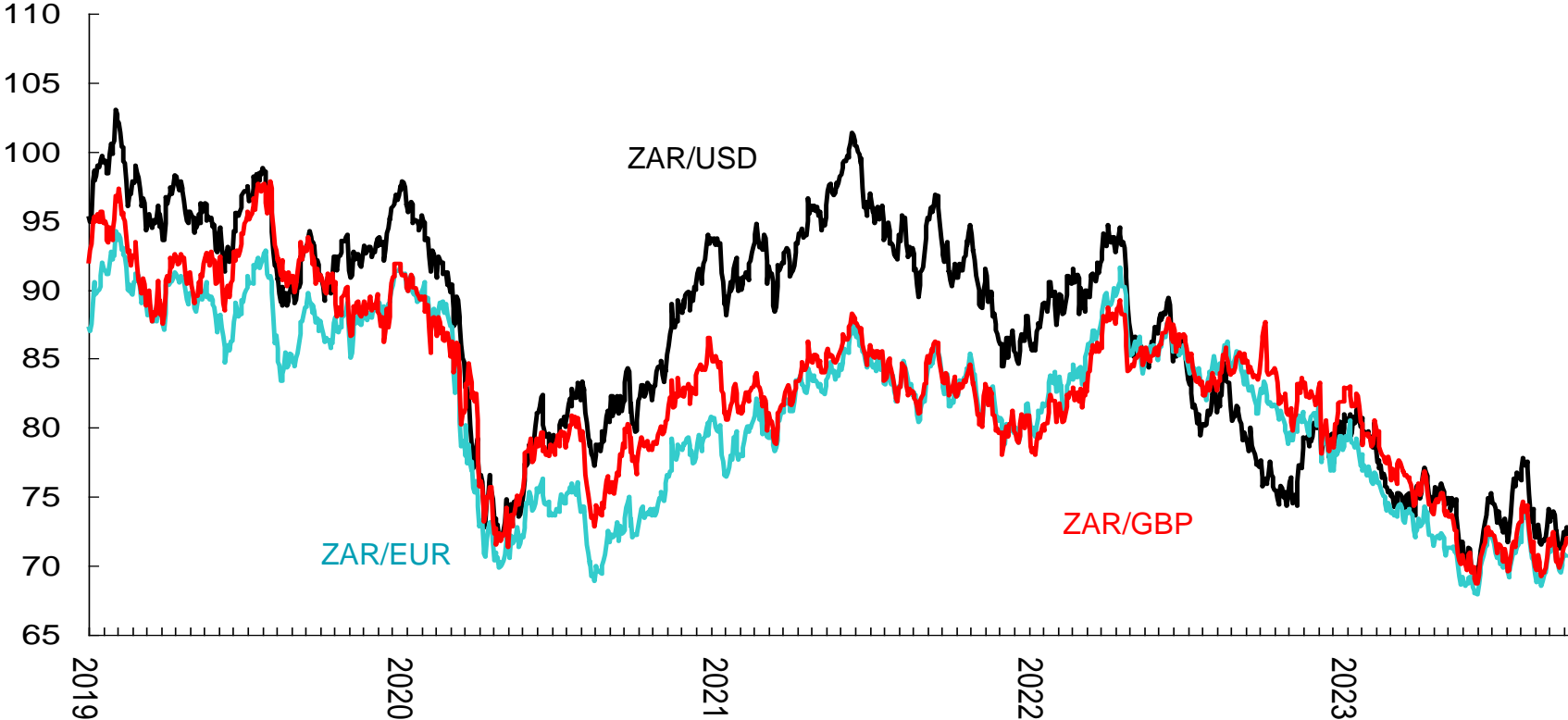
# SA rand vs US dollar (daily change in value)

% change, day-on-day



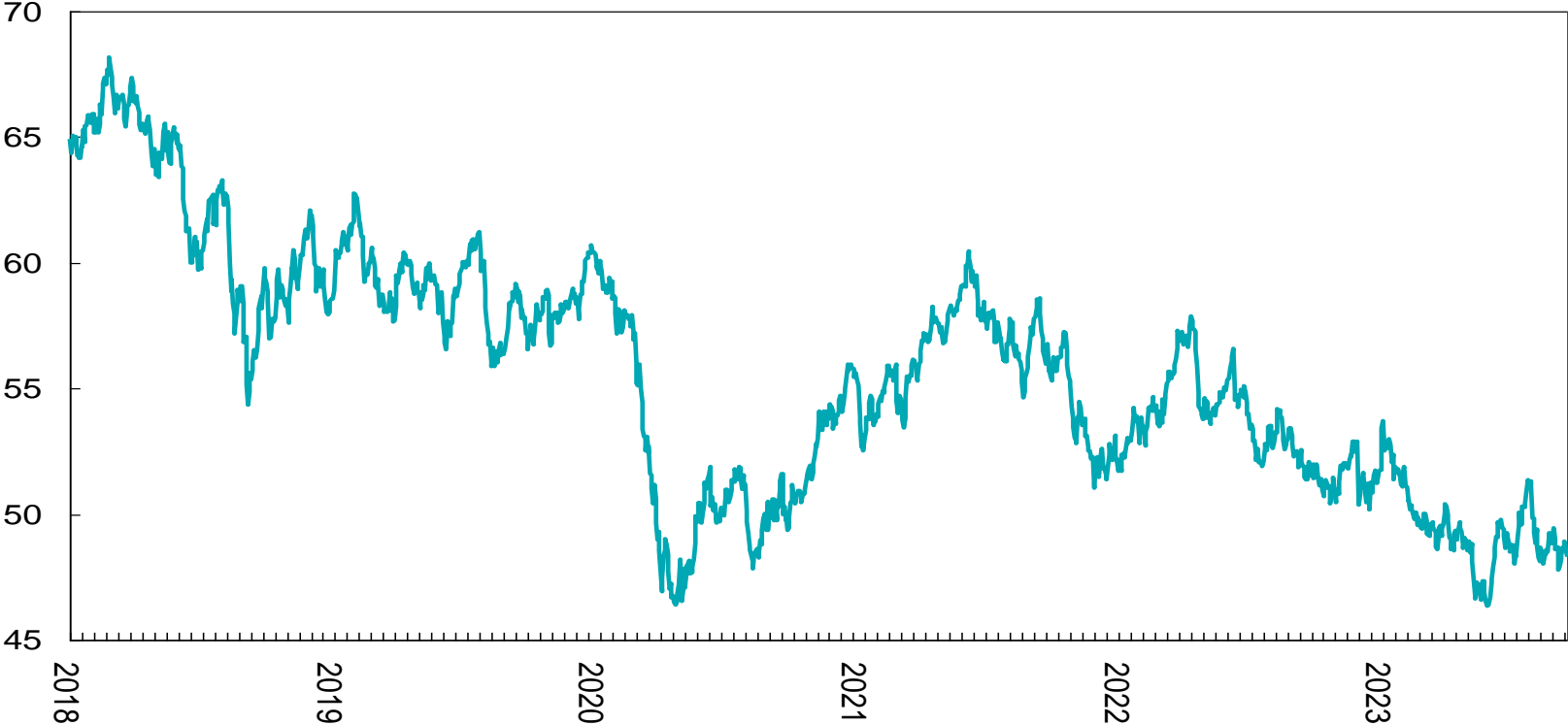
# SA rand vs US dollar, Euro and Pound

Index, 1 January 2017 = 100



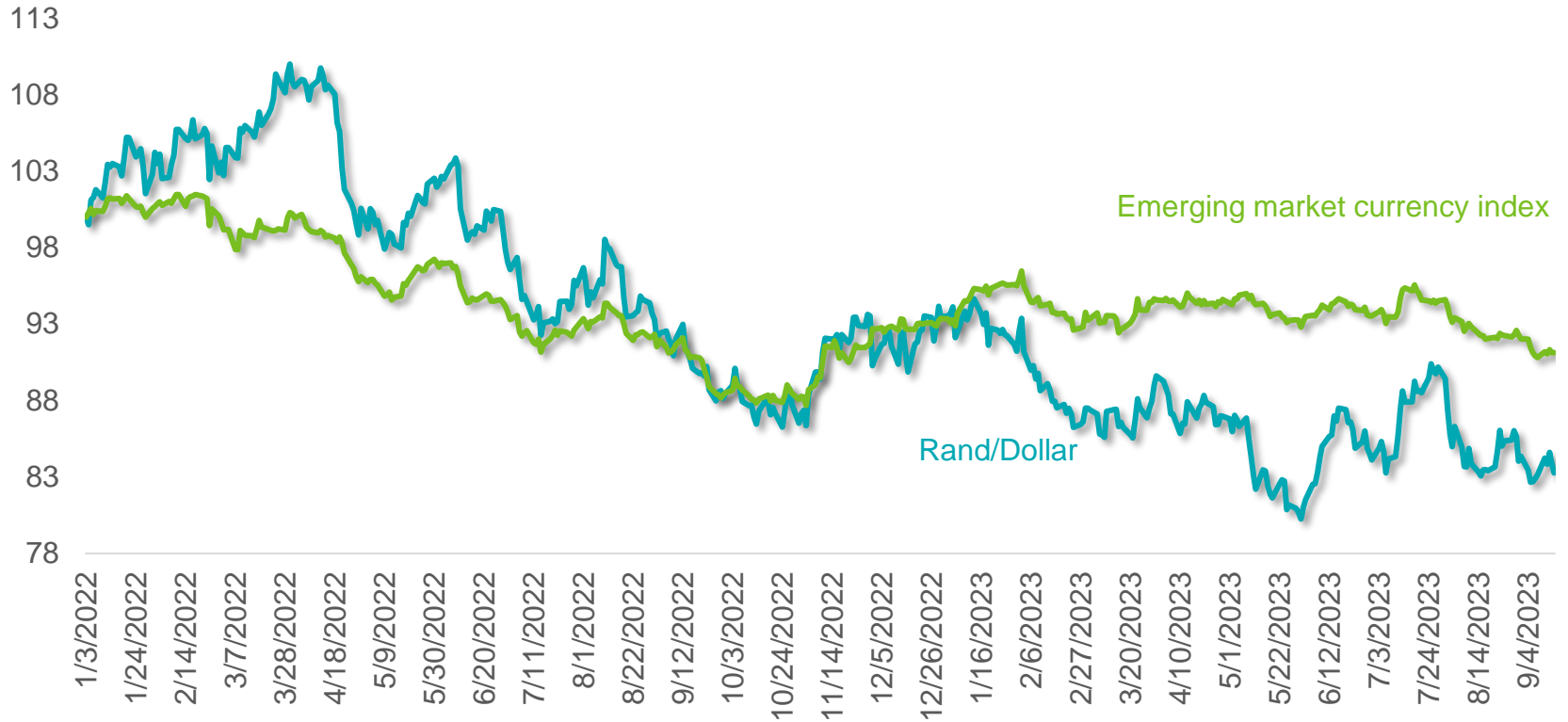
# SA trade-weighted exchange rate

Index, nominal, daily data from JP Morgan



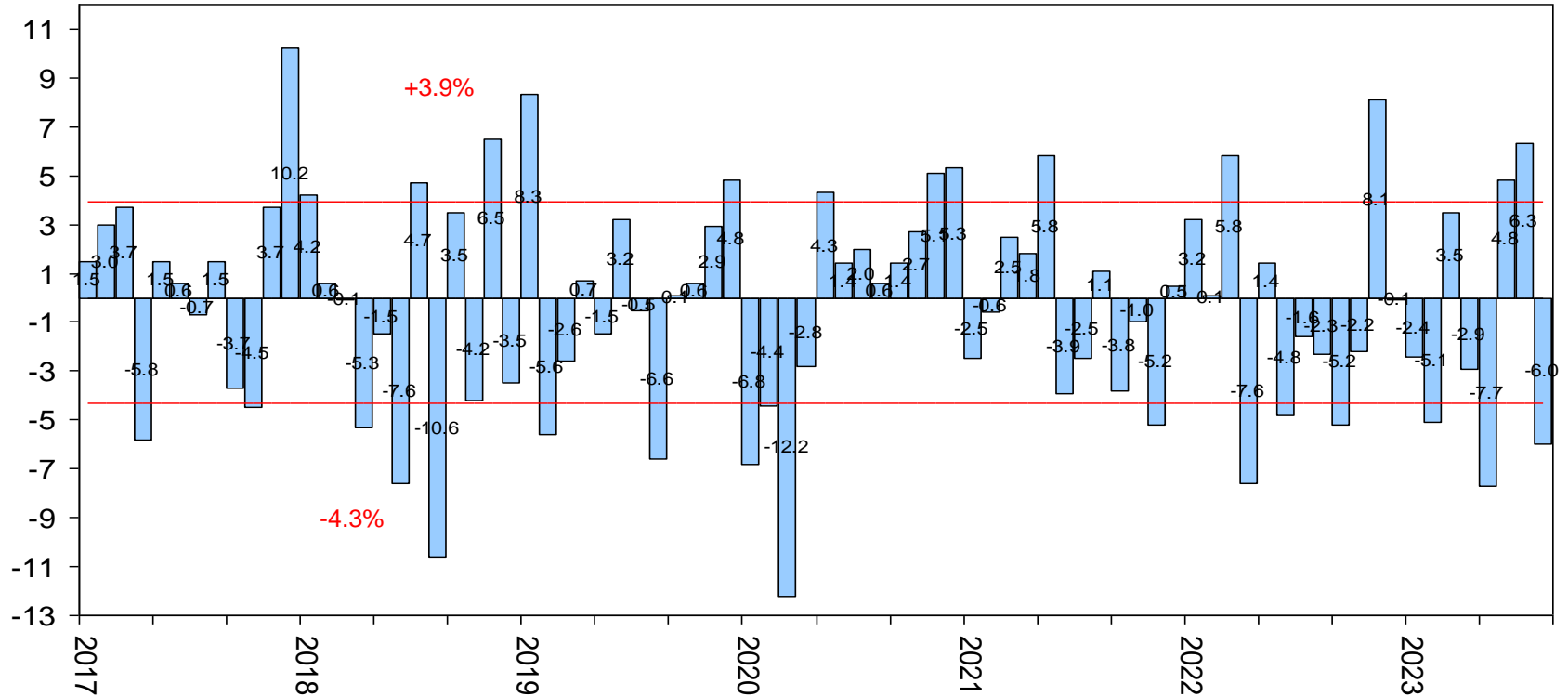
# Rand/US dollar vs emerging market currencies

Index, 1 Jan 2022 = 100



# Monthly percentage change in rand/dollar

% month-on-month

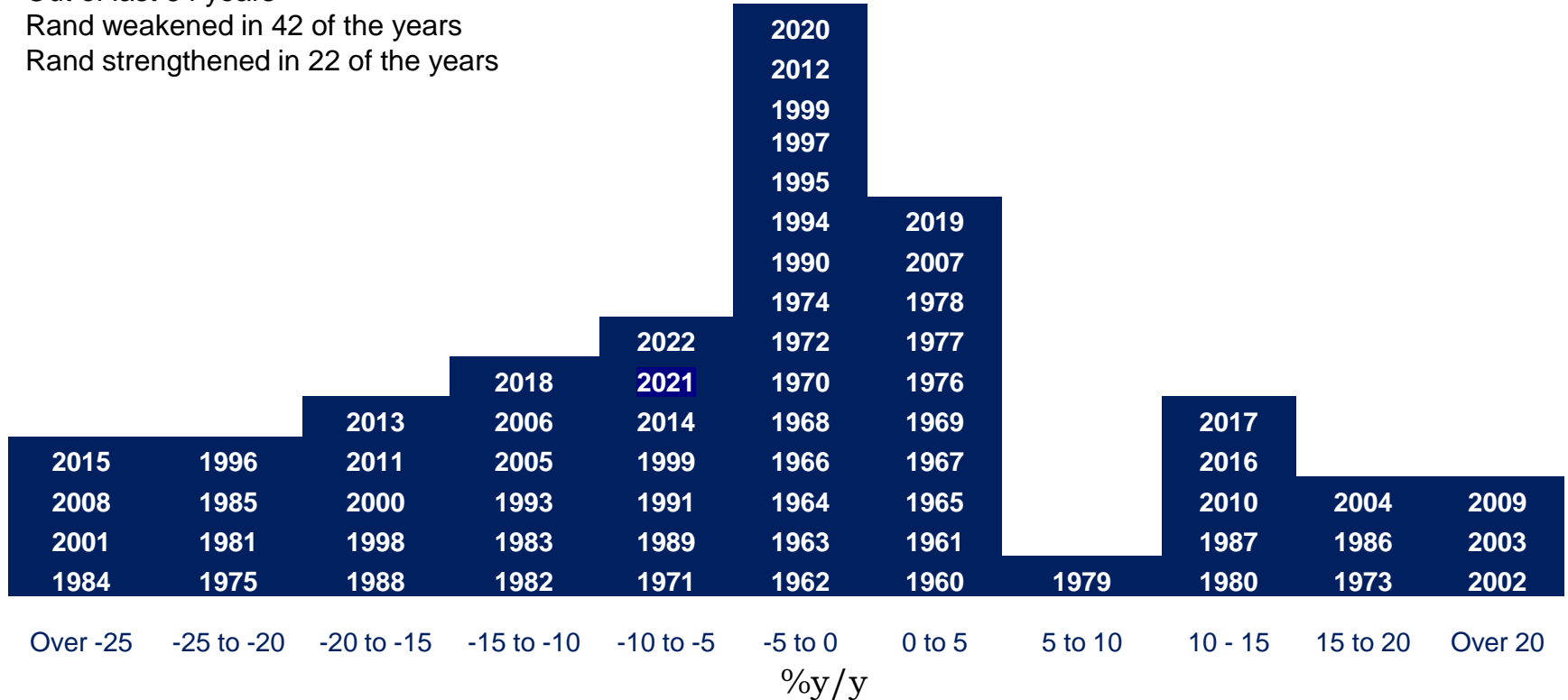


# Rand/dollar annual performance

Out of last 64 years

Rand weakened in 42 of the years

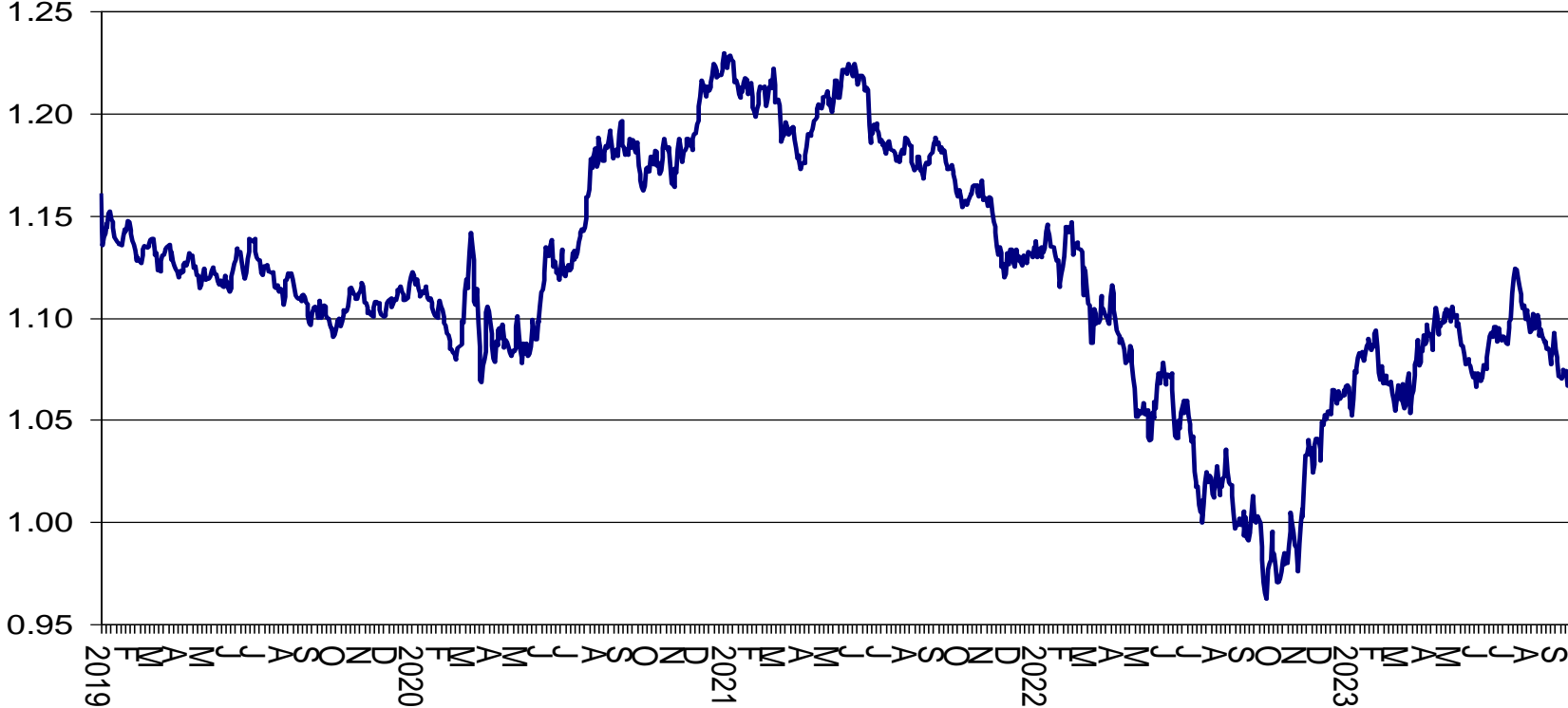
Rand strengthened in 22 of the years





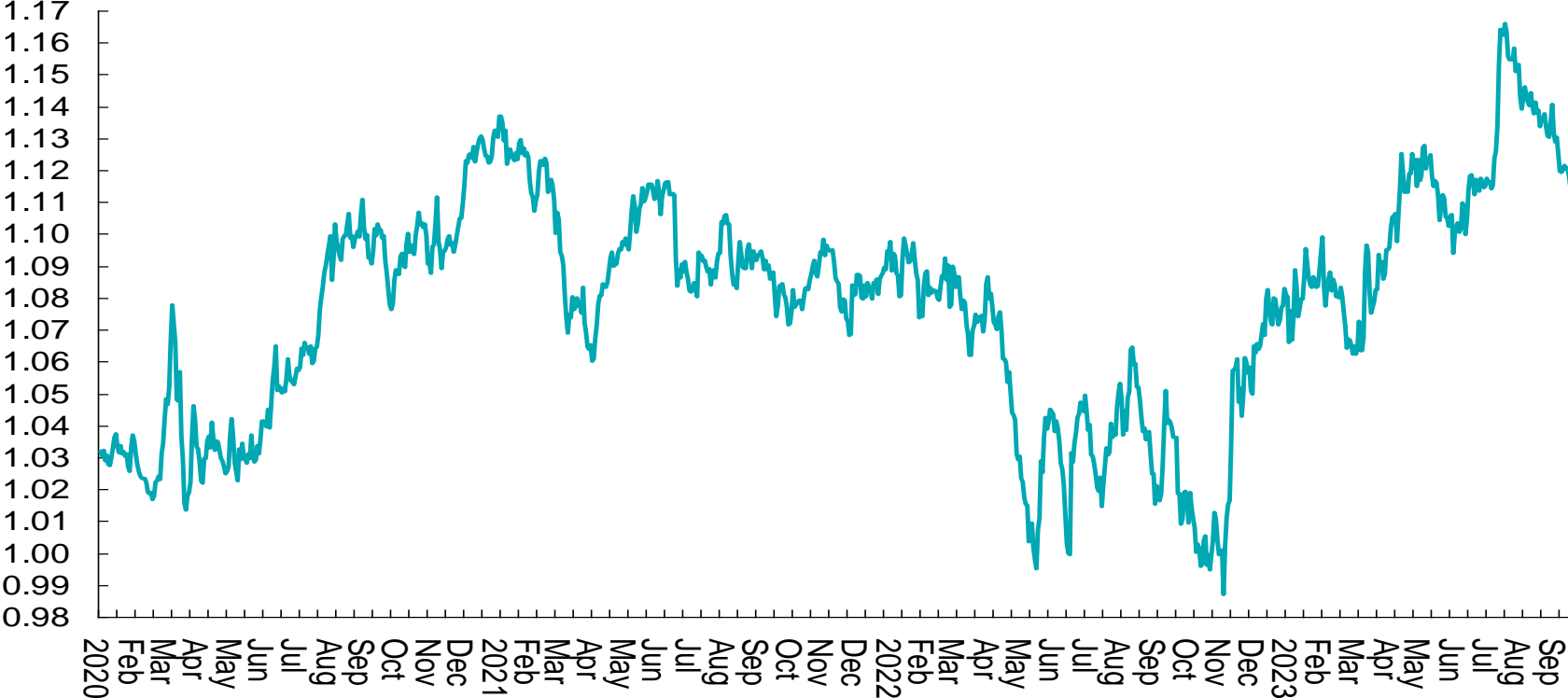
# US dollar vs euro

Dollar per Euro



# US dollar per Swiss franc

USD per CHF



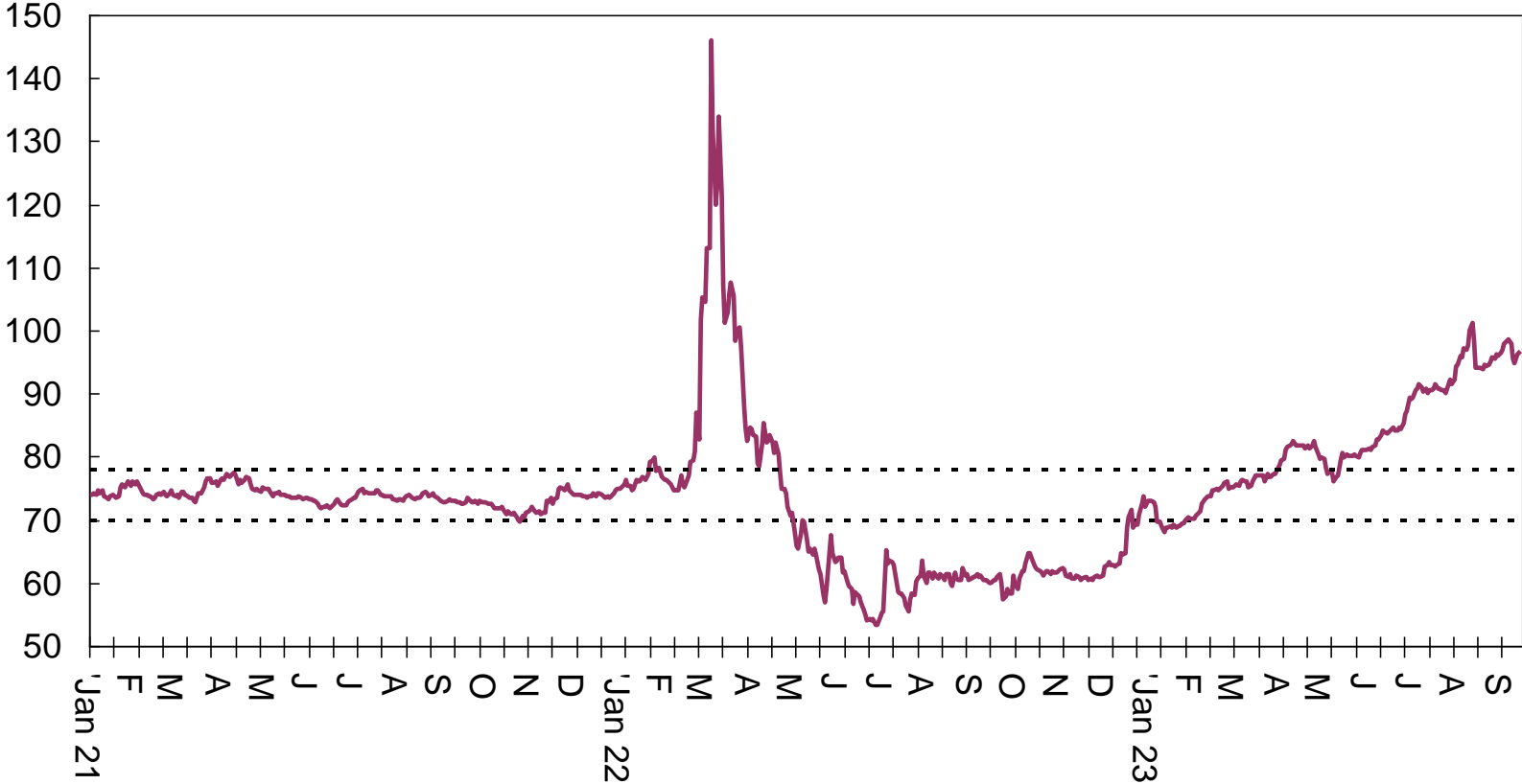
# US dollar vs CNY

CNY per US dollar



# Russian ruble vs US dollar (daily)

Ruble per dollar



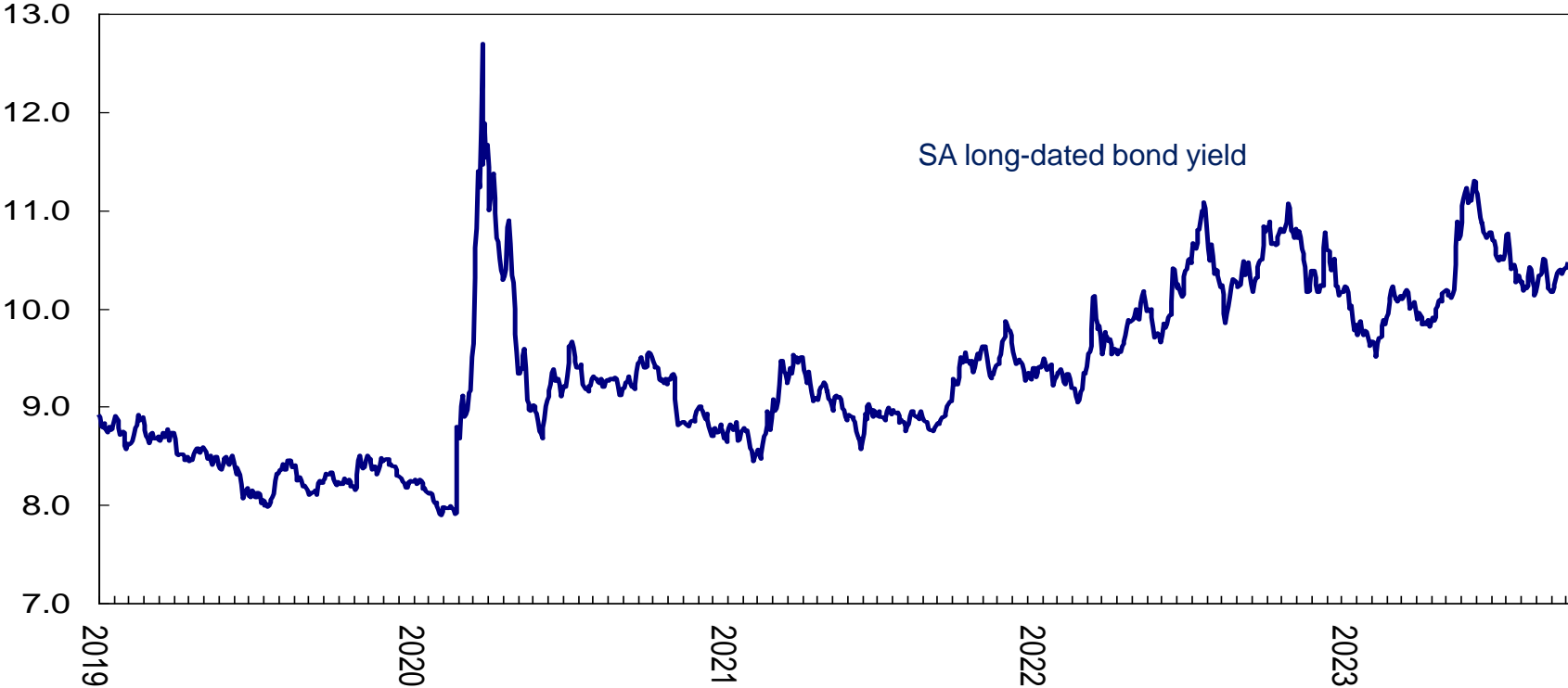
# Japanese yen per US dollar

Yen per dollar



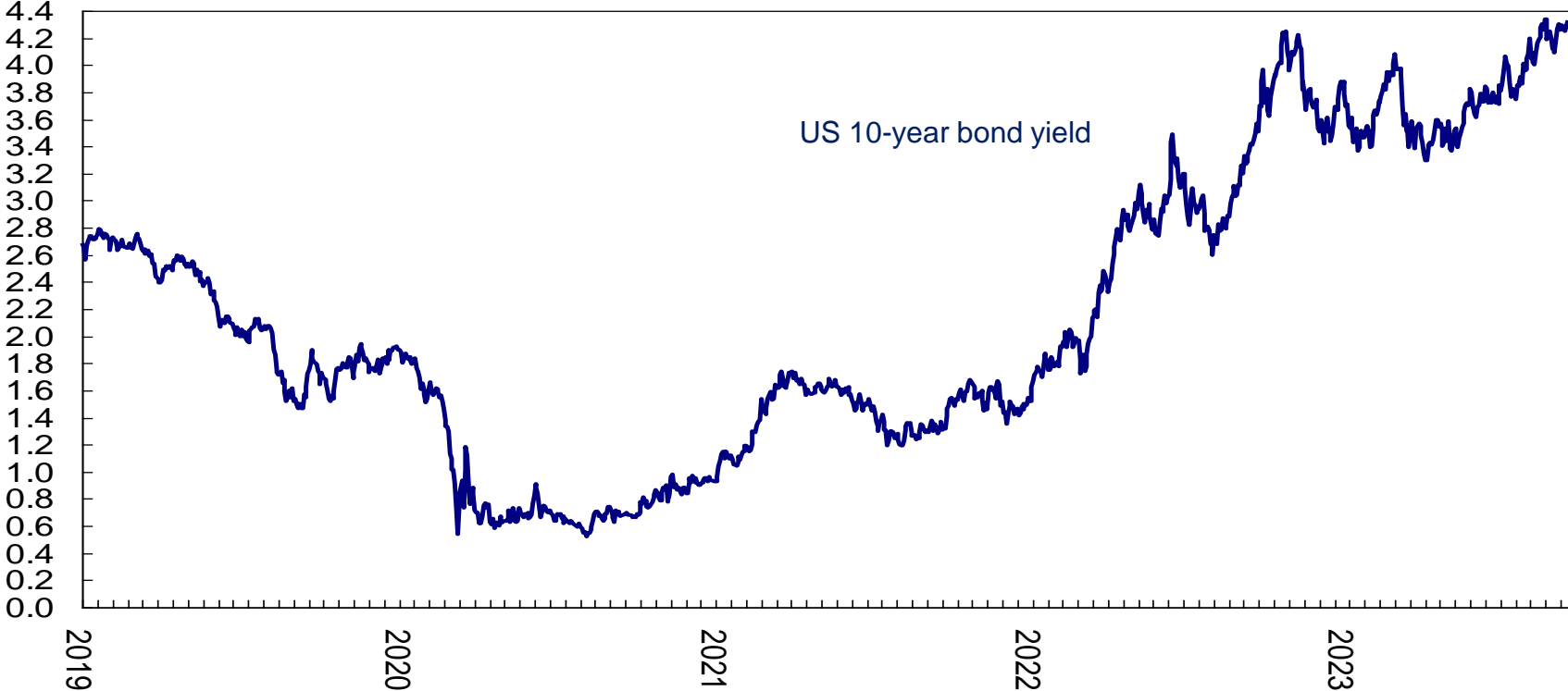
# SA long-dated government bond yield

% yield



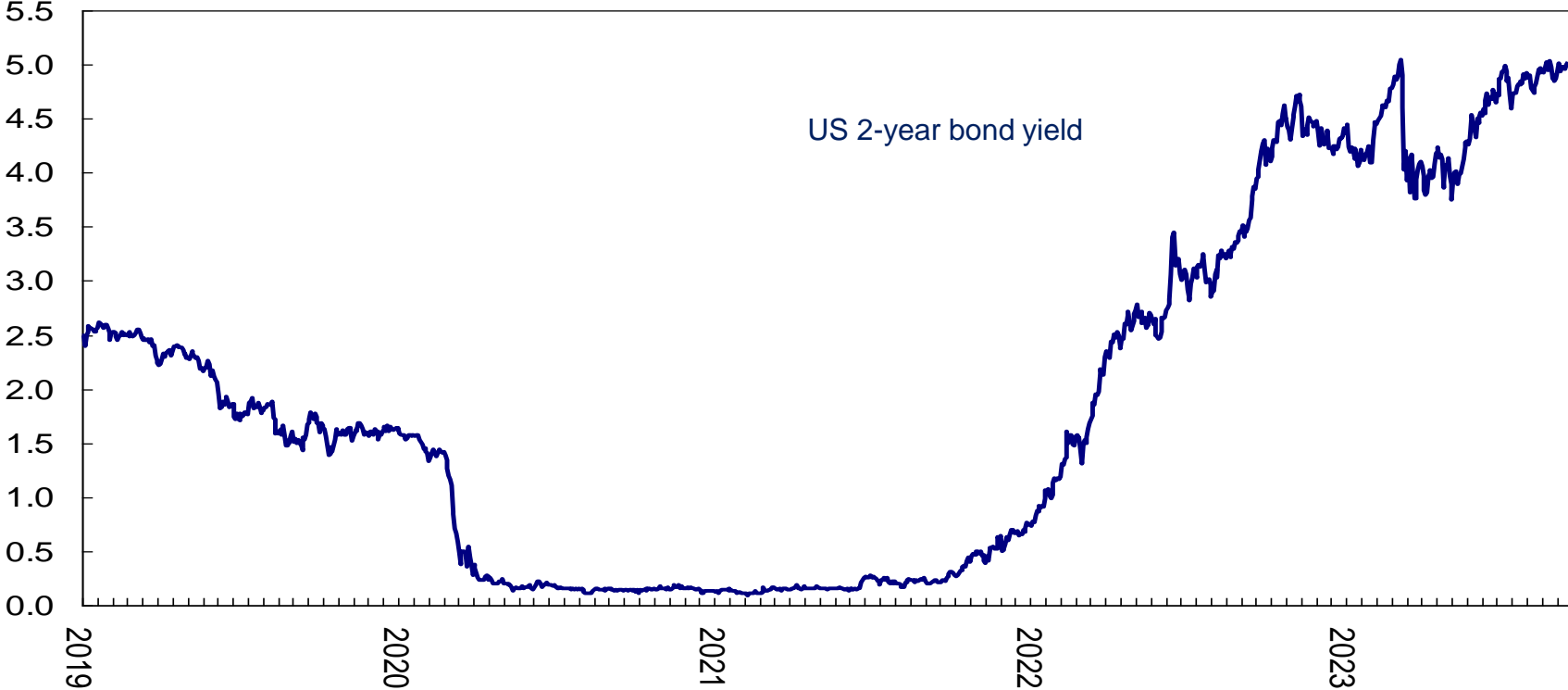
# US 10-year government bond yield

% yield



# US 2-year government bond yield

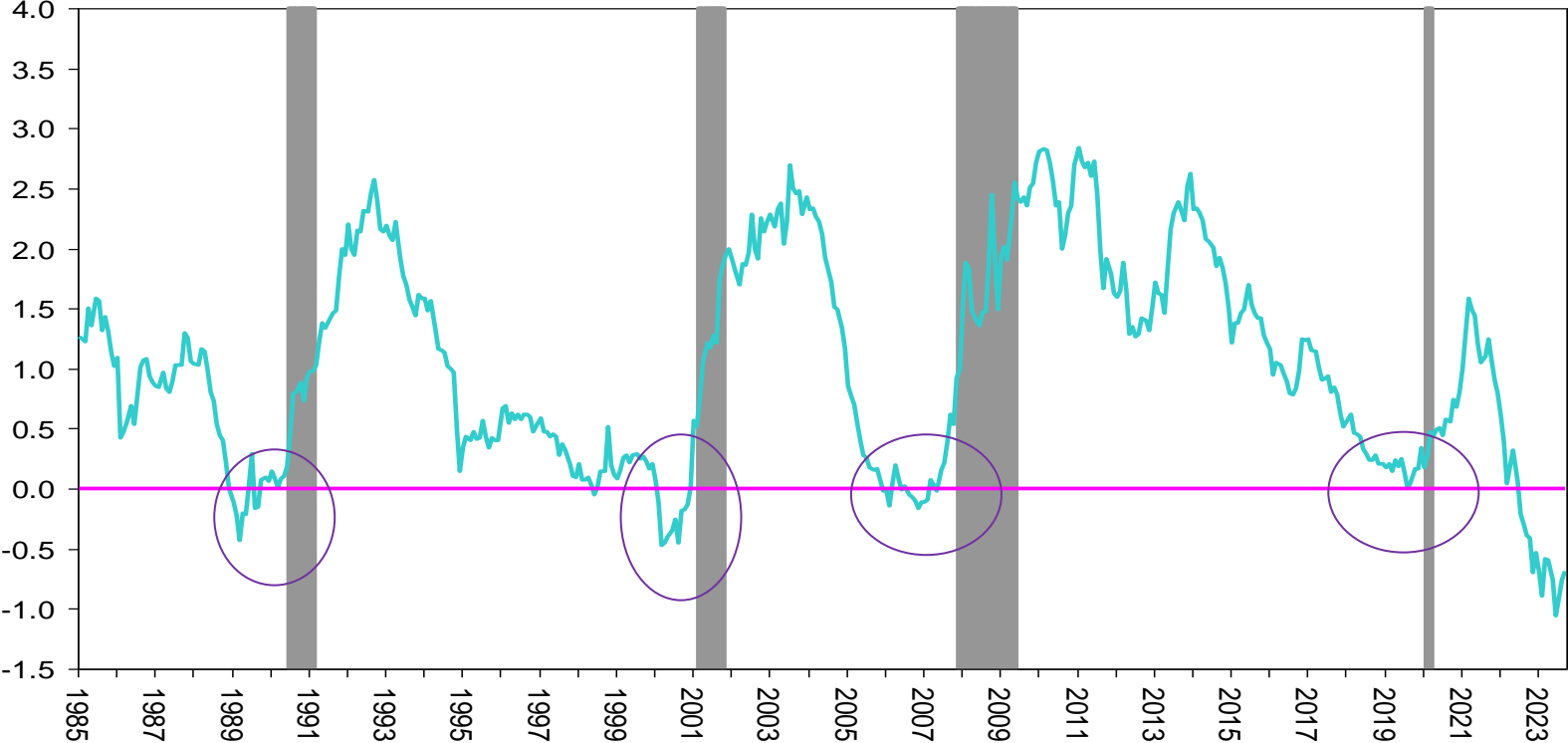
% yield





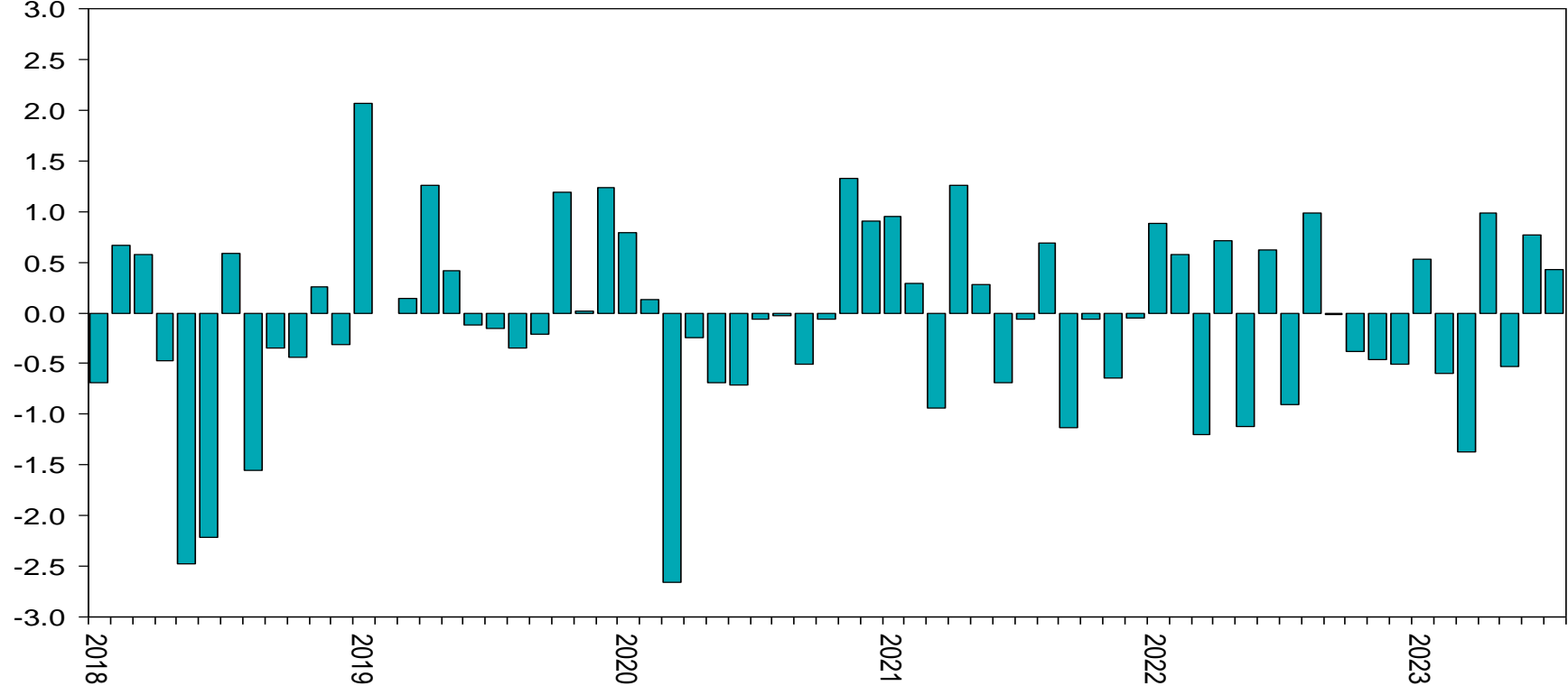
# US 10-year less 2-year treasury and business cycle

Percentage points



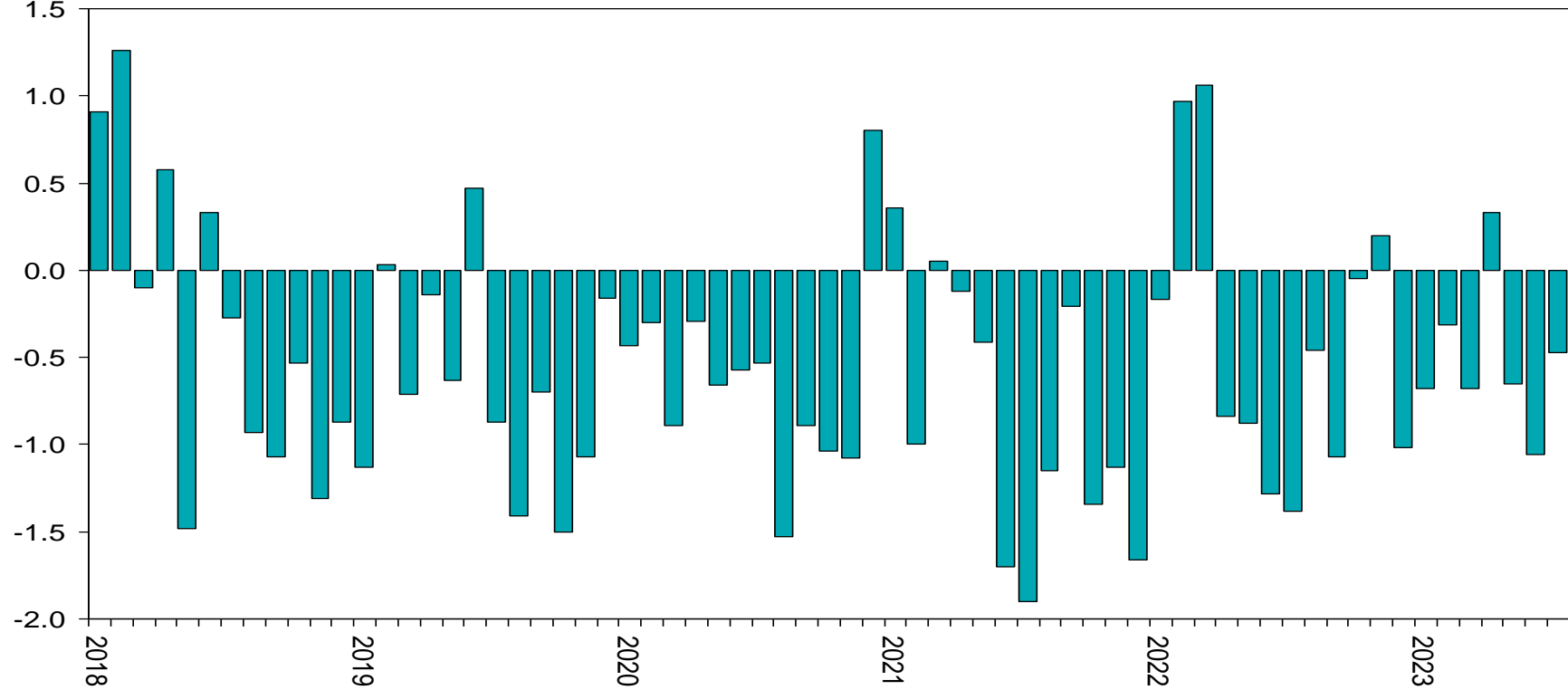
# Foreign buying of South African government bonds

US\$ billion (SA Reserve Bank data)



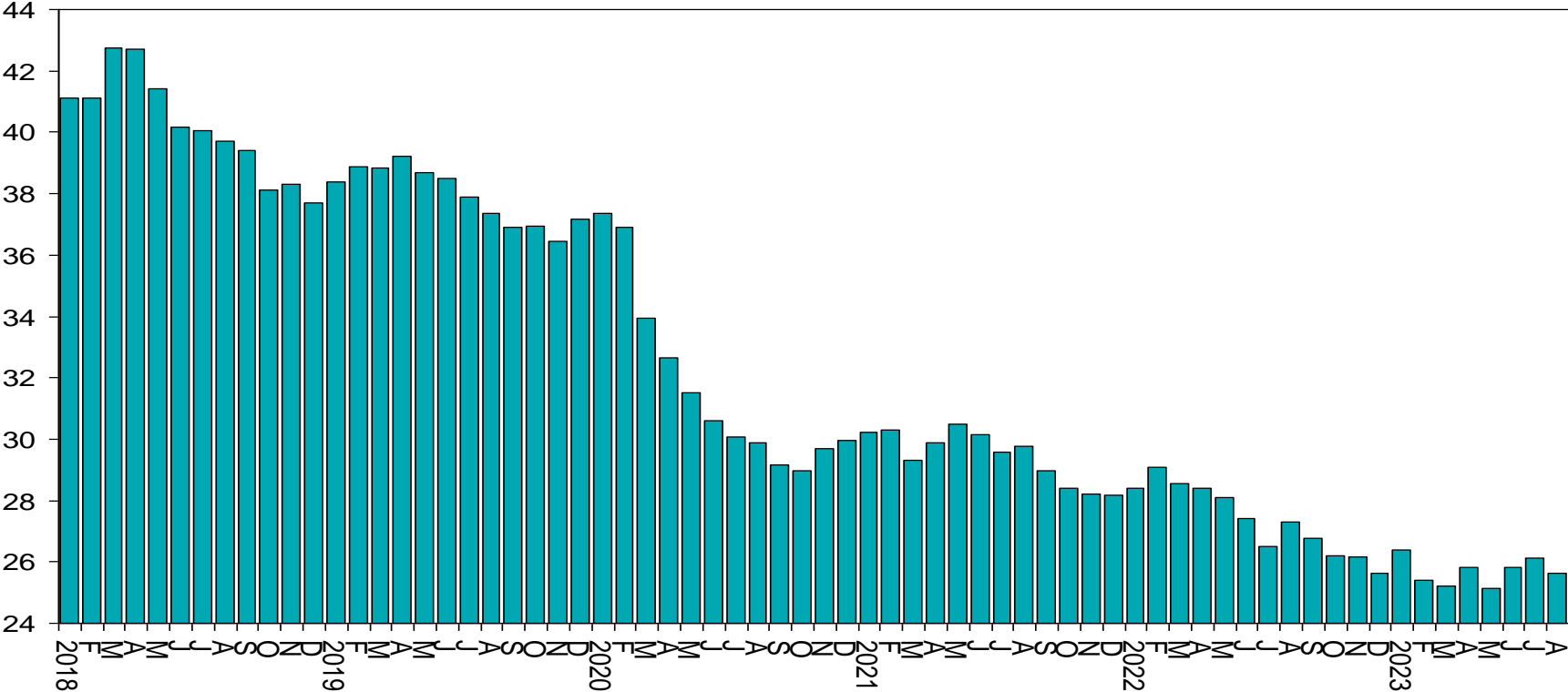
# Foreign buying of South African equities

US\$ billion (SA Reserve Bank data)



# Foreign ownership of South African government bonds

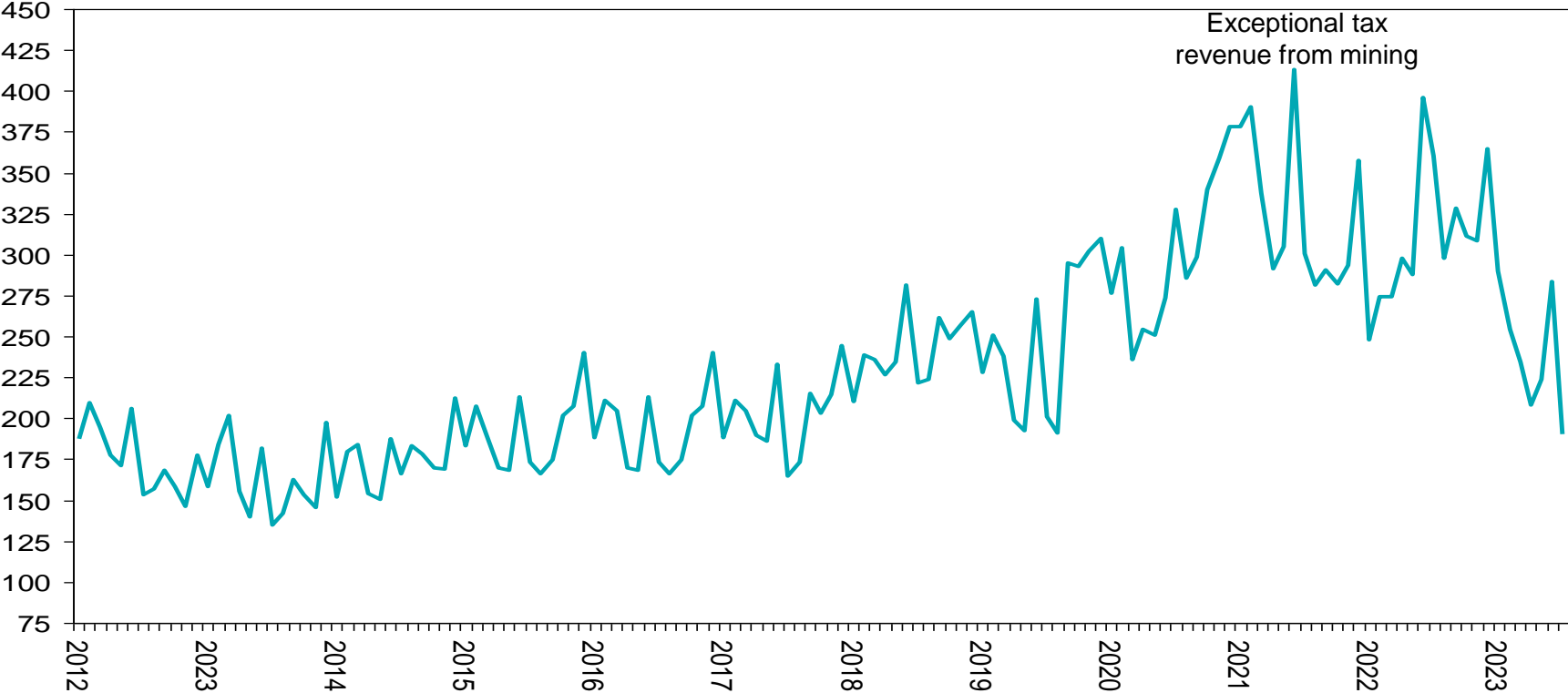
% of total



Source: South African National Treasury

# SA government cash balance (commercial banks & Reserve Bank)

R billion

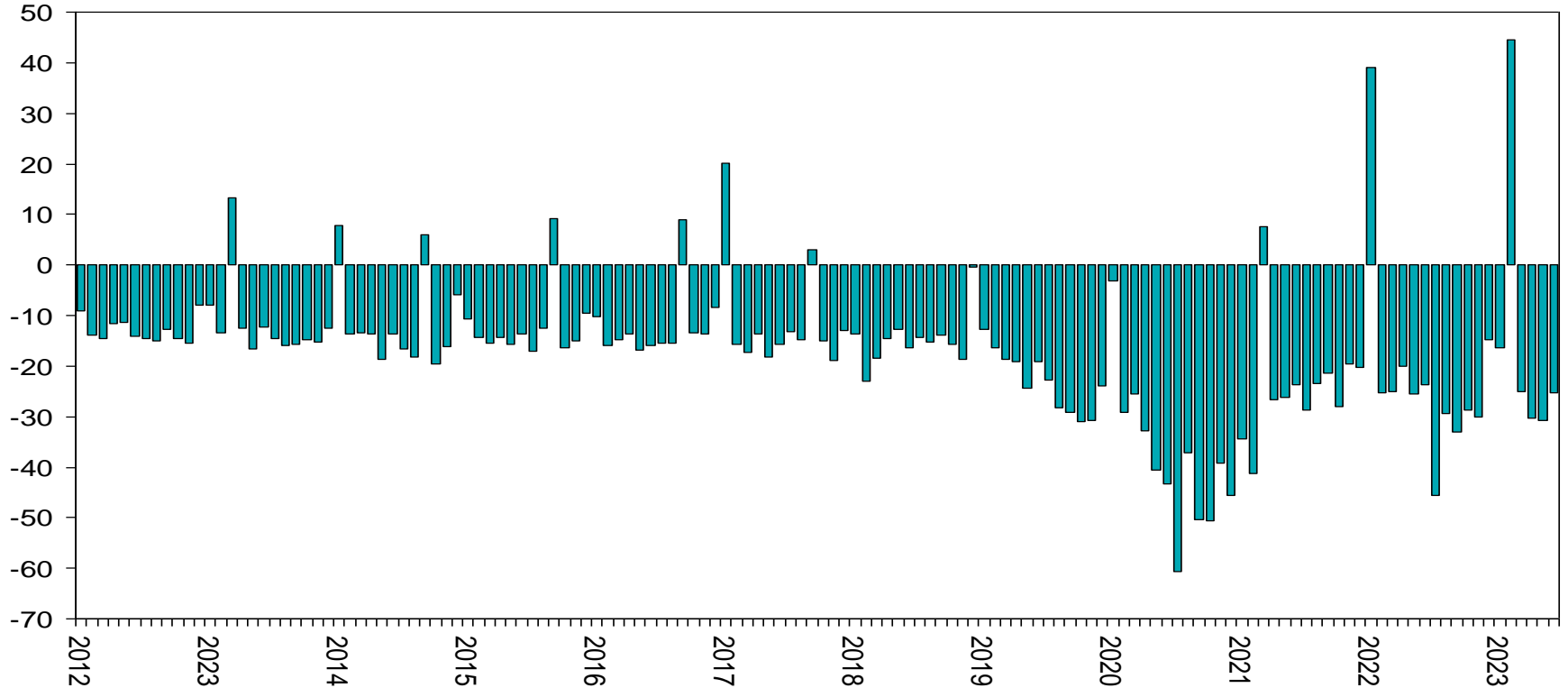


Source: South African National Treasury

# SA government net domestic long-term debt issuance

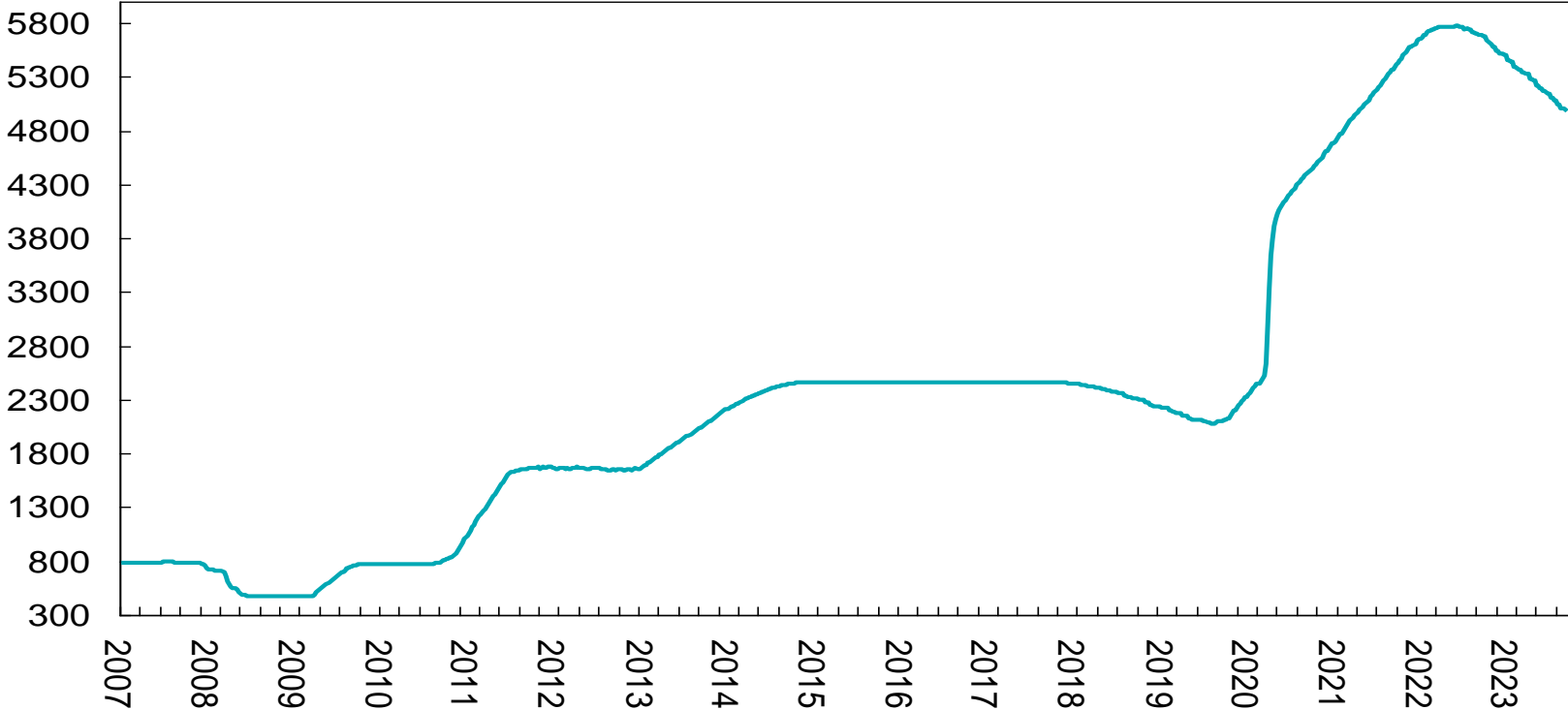
R billion

Positive balances reflect the net impact of debt redemptions during the month



# US Federal Reserve ownership of government bonds

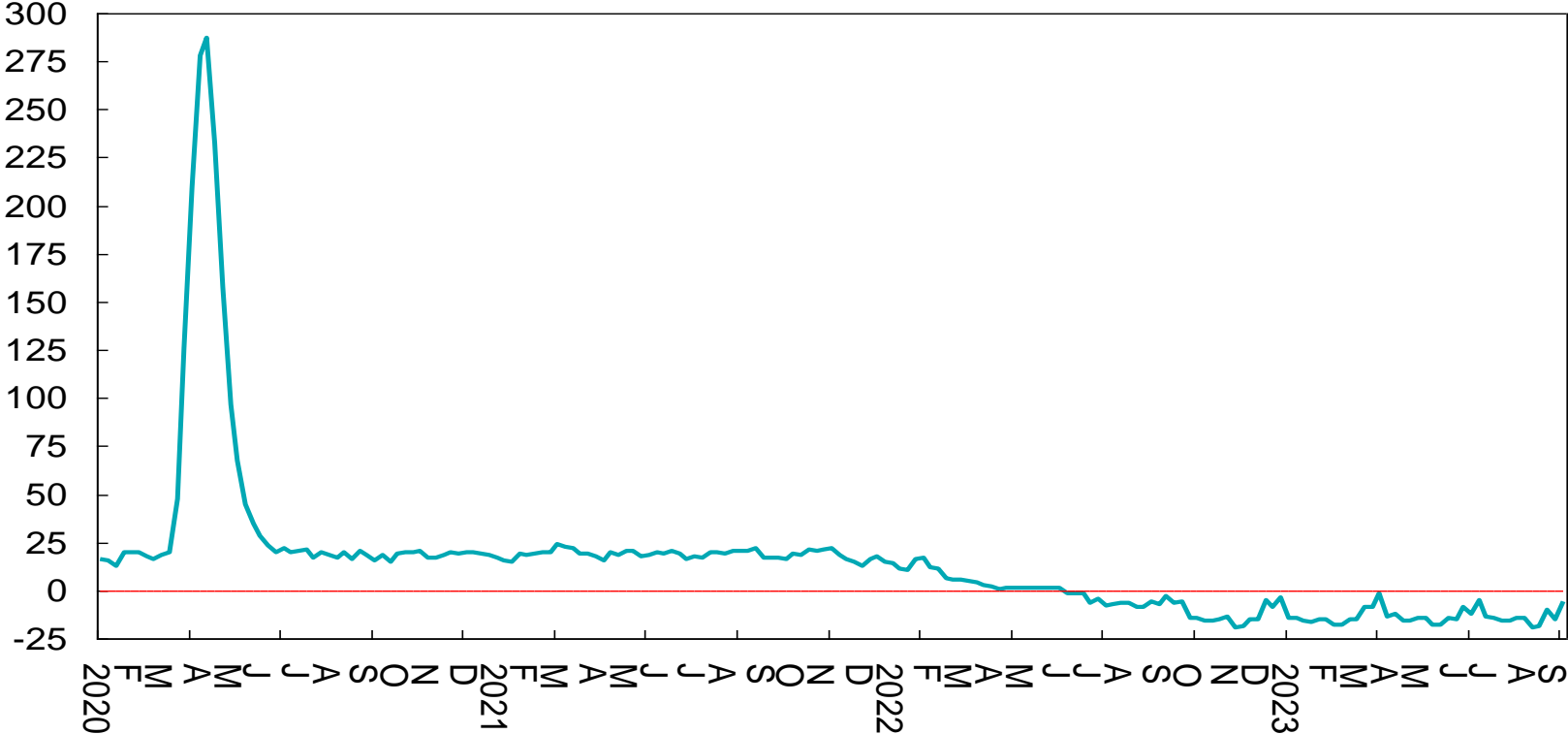
US\$ billion



Source: US Federal Reserve

# US Federal Reserve purchase of government bonds

4-week average rate of purchases, \$ billion

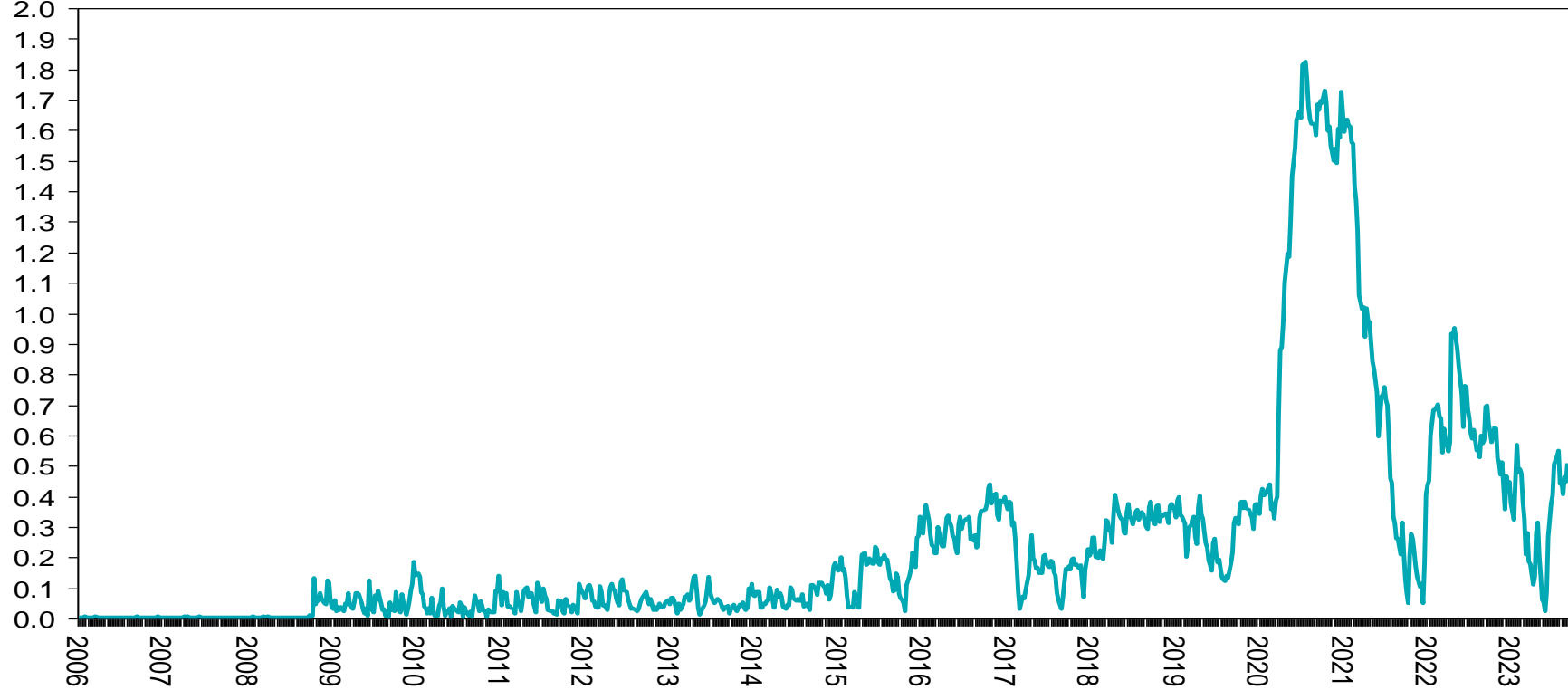


Source: US Federal Reserve



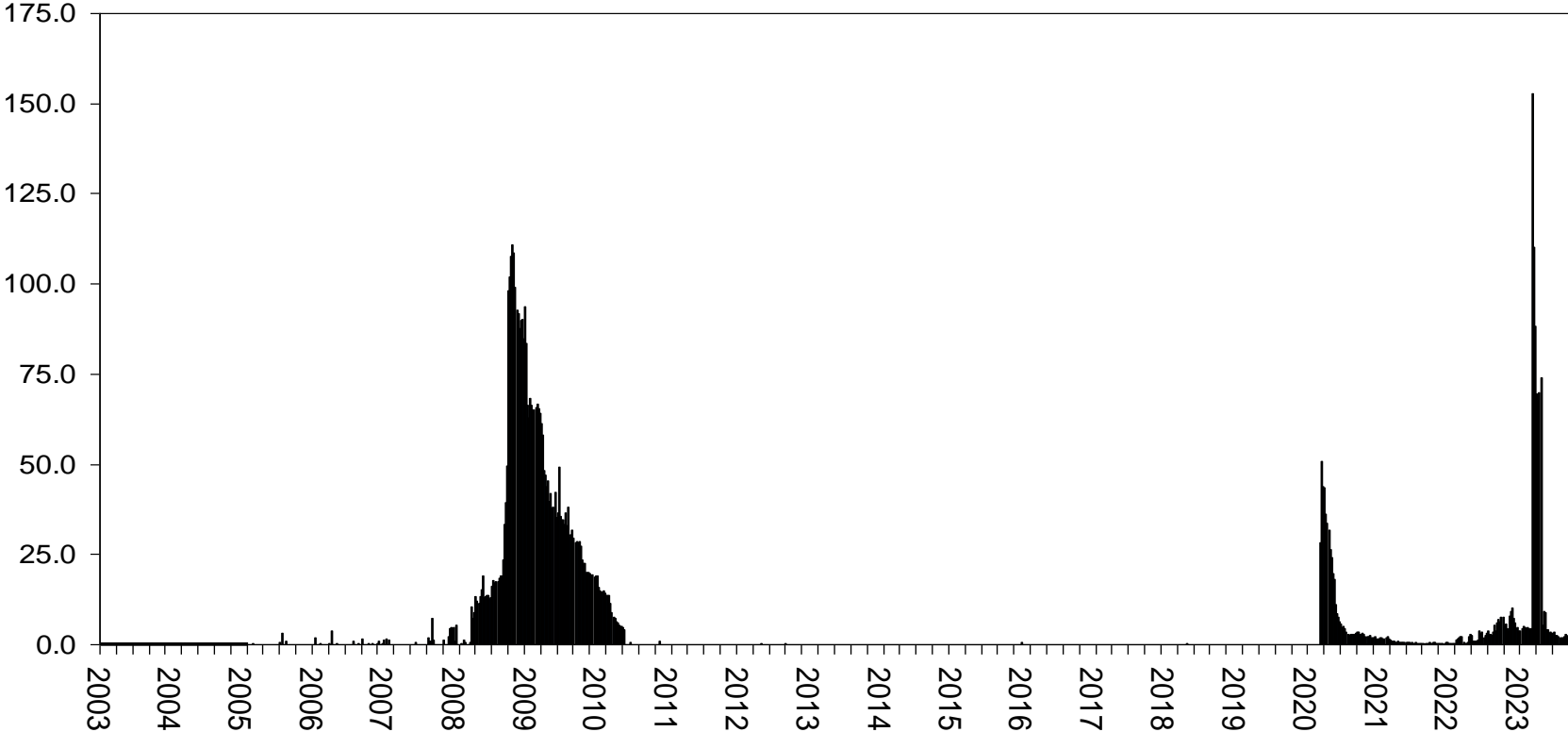
# US Treasury cash balance at Federal Reserve

US\$ trillion, weekly



# US Federal Reserve discount window (balance)

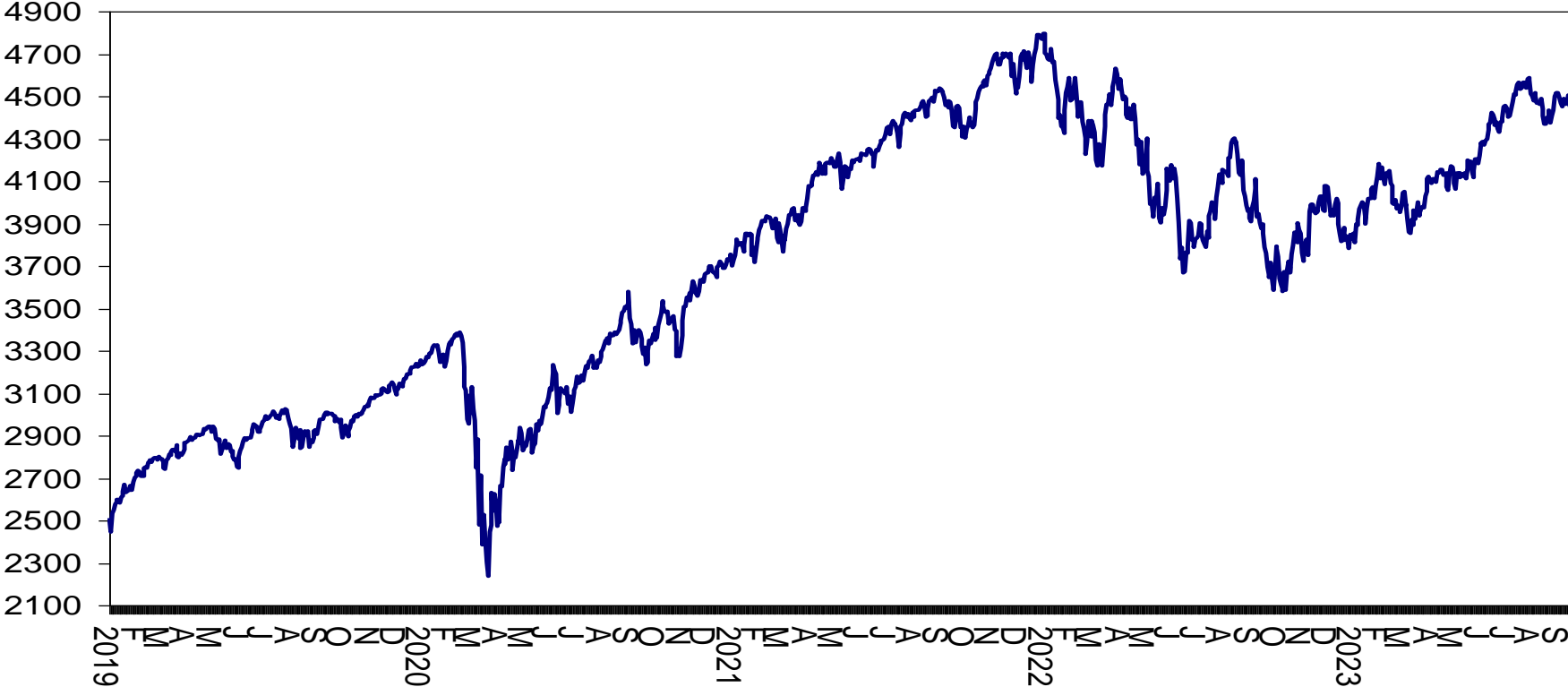
US\$ billion (weekly data)





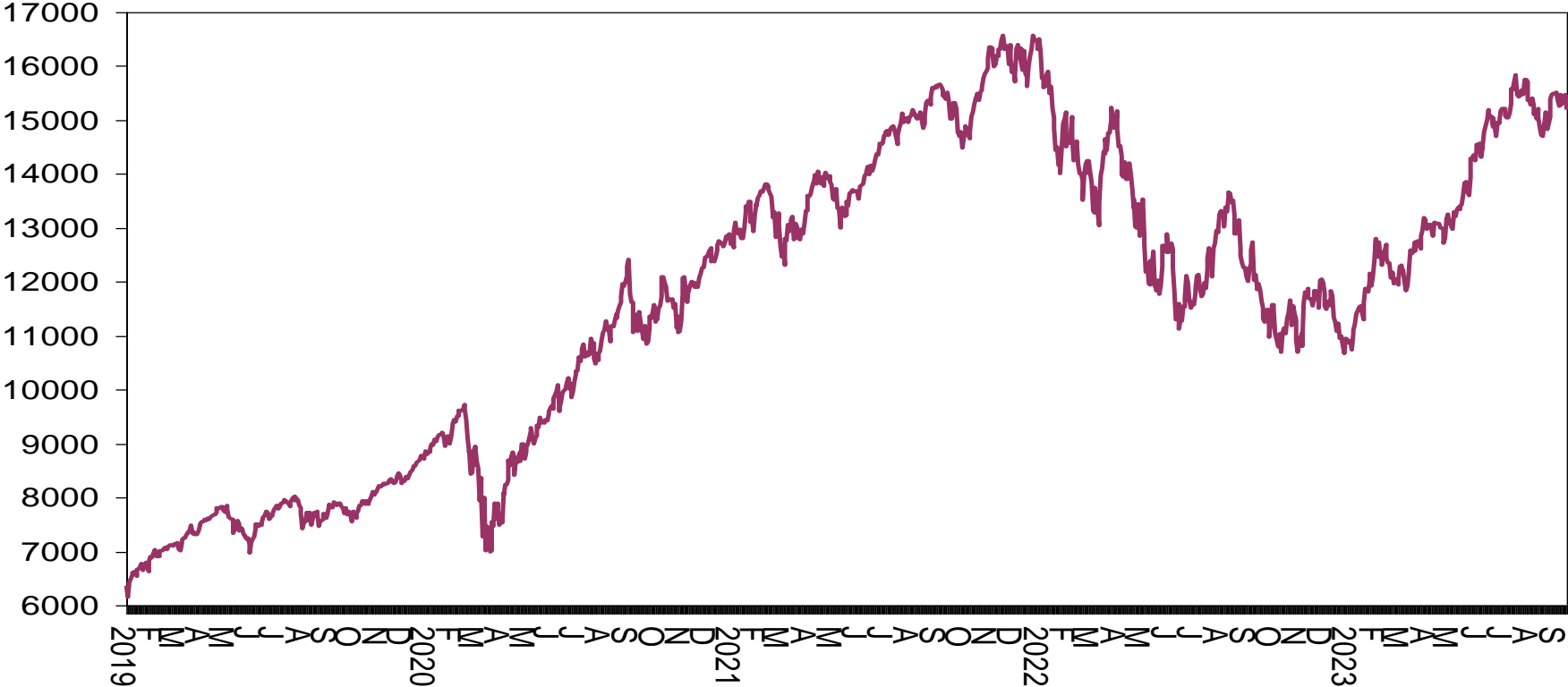
# US S&P 500

Index



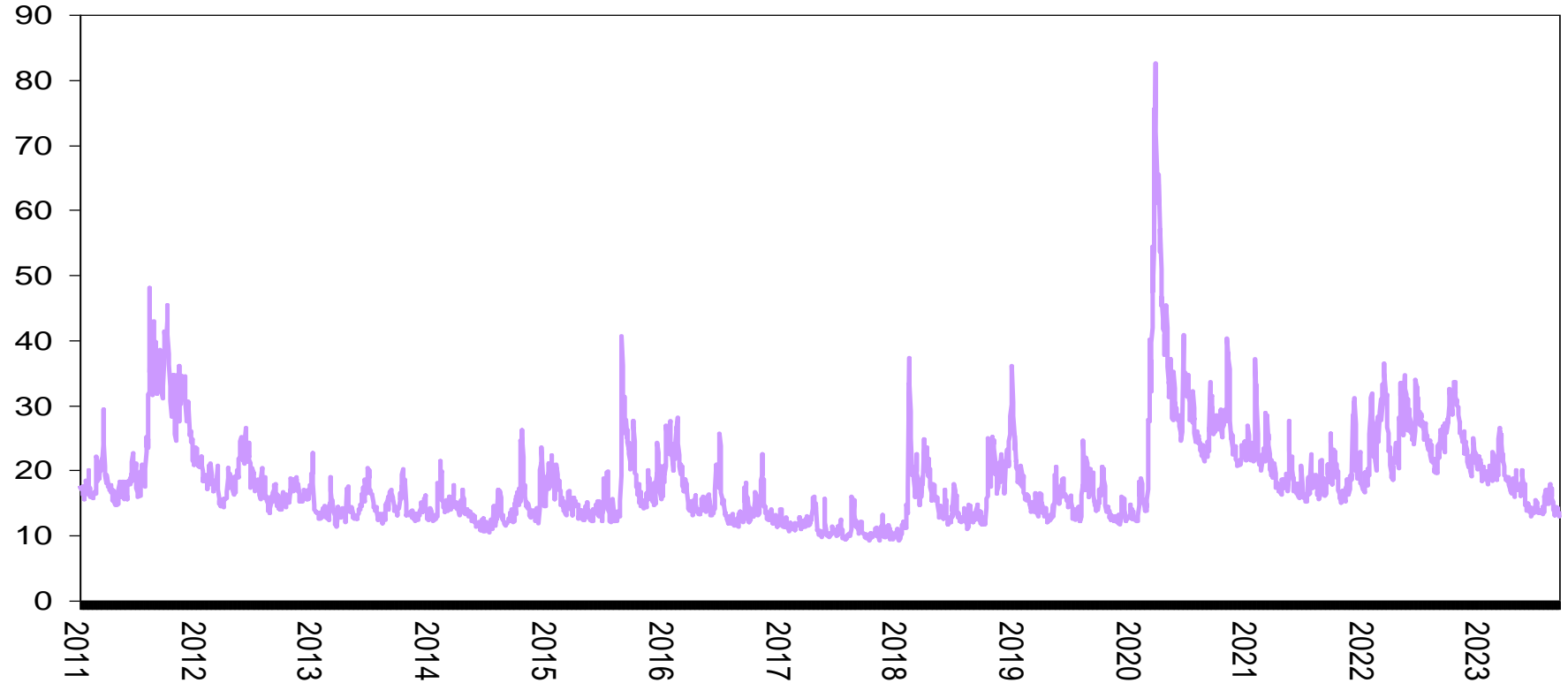
# US Nasdaq (100) index

Index



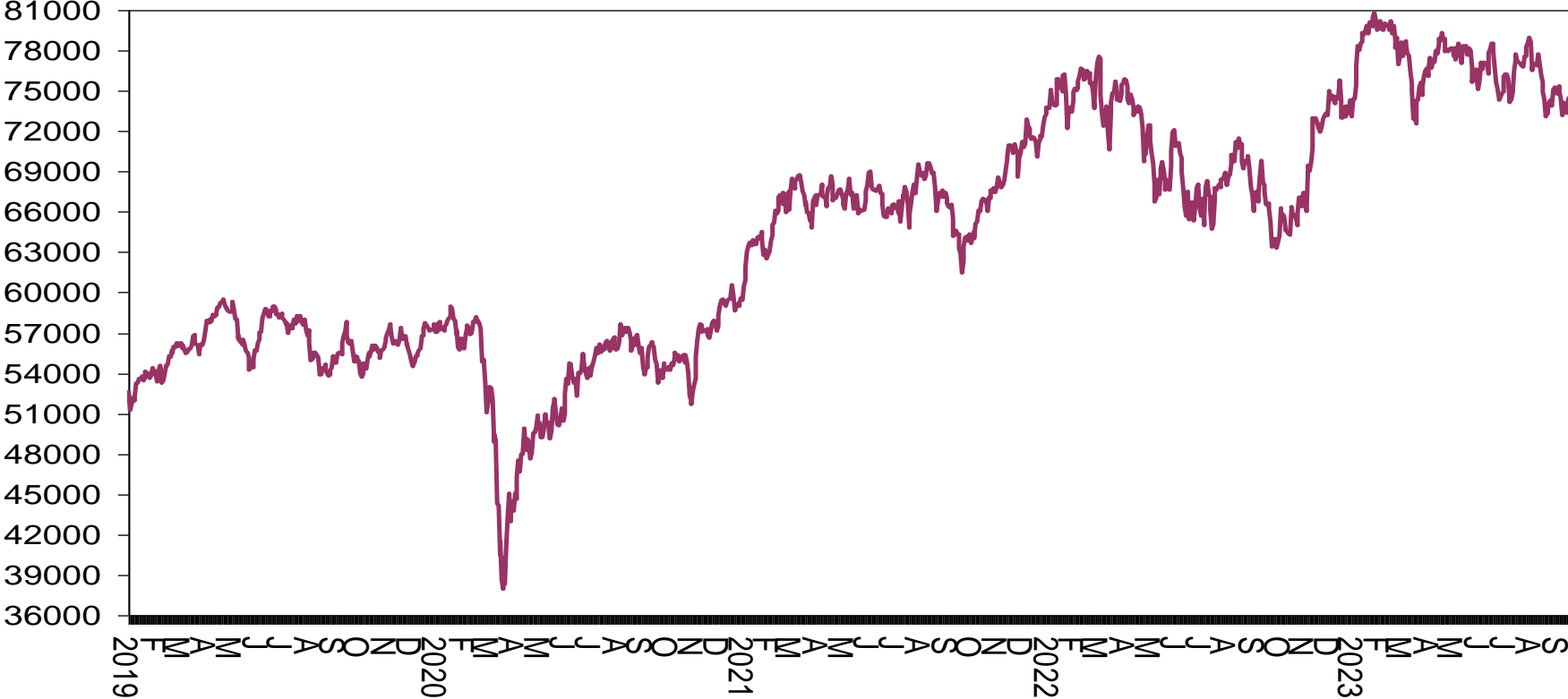
# Chicago Board Options Exchange volatility index (VIX index)

Index



# SA equity market

Index



# Baltic Dry Index (shipping cost of commodities)

Index, Baltic Exchange

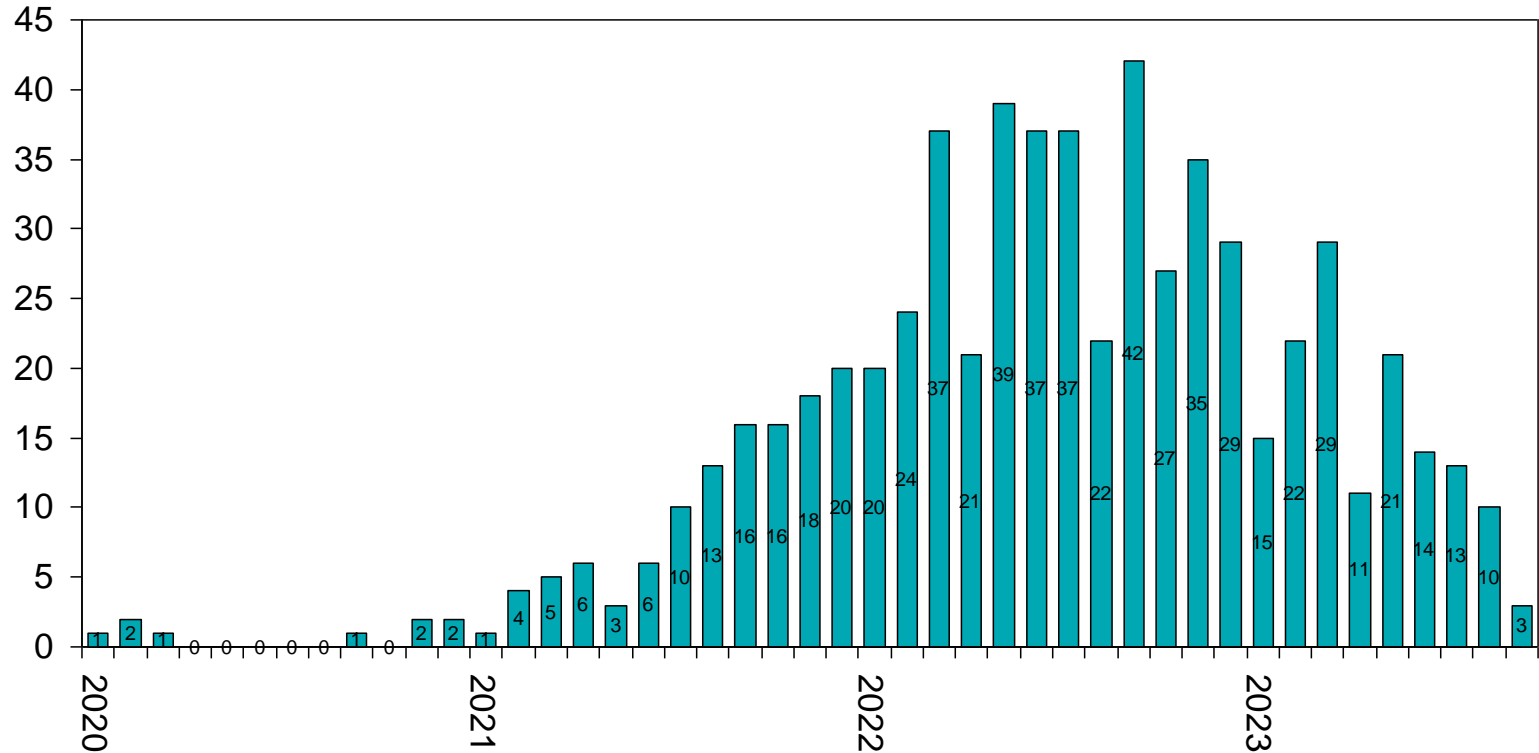


Source: Baltic Exchange



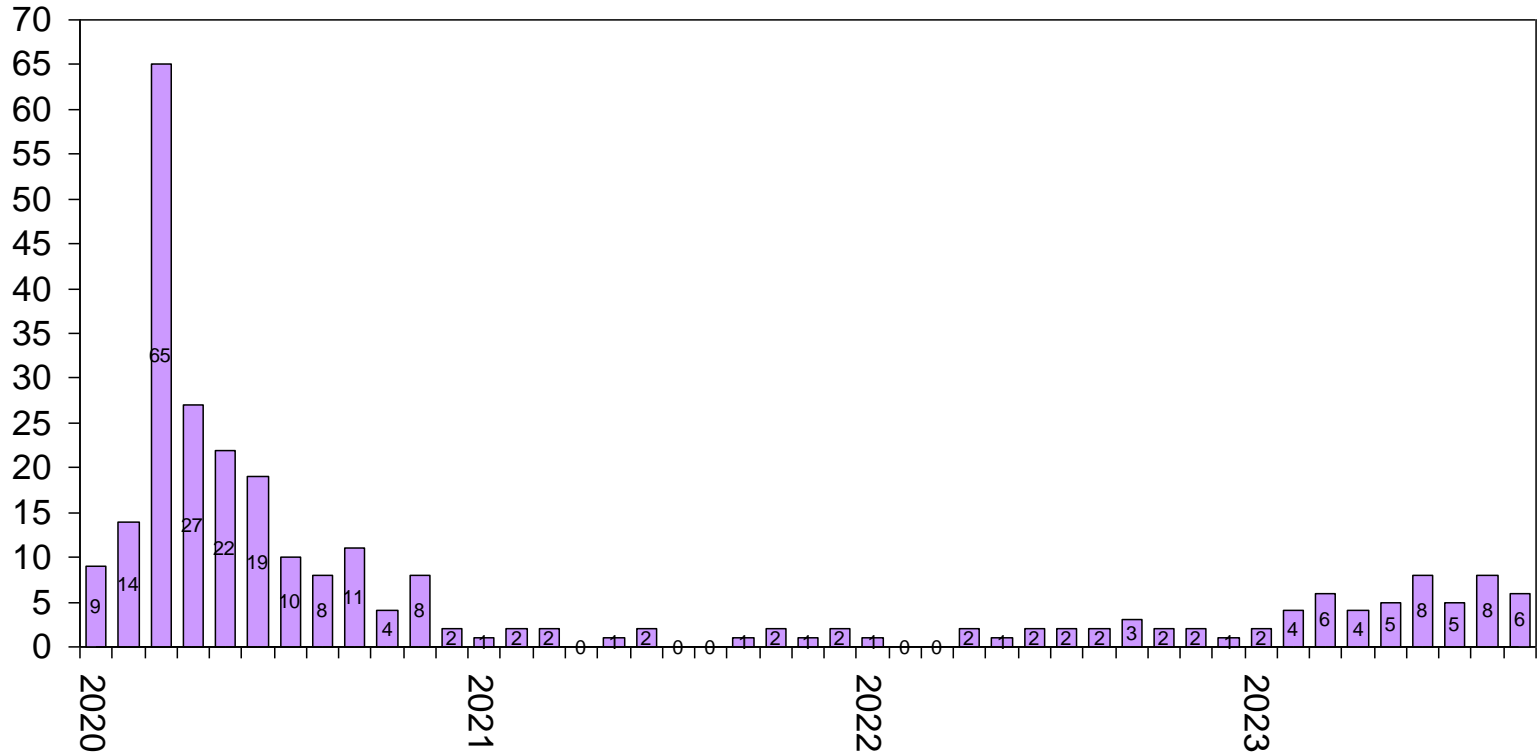
# Number of central banks increasing interest rates each month

Number of central banks each month out of a possible 80 central banks



# Number of central banks cutting interest rates each month

Number of central banks each month out of a possible 80 central banks



## US fast economic data: 11 - 17 September 2023

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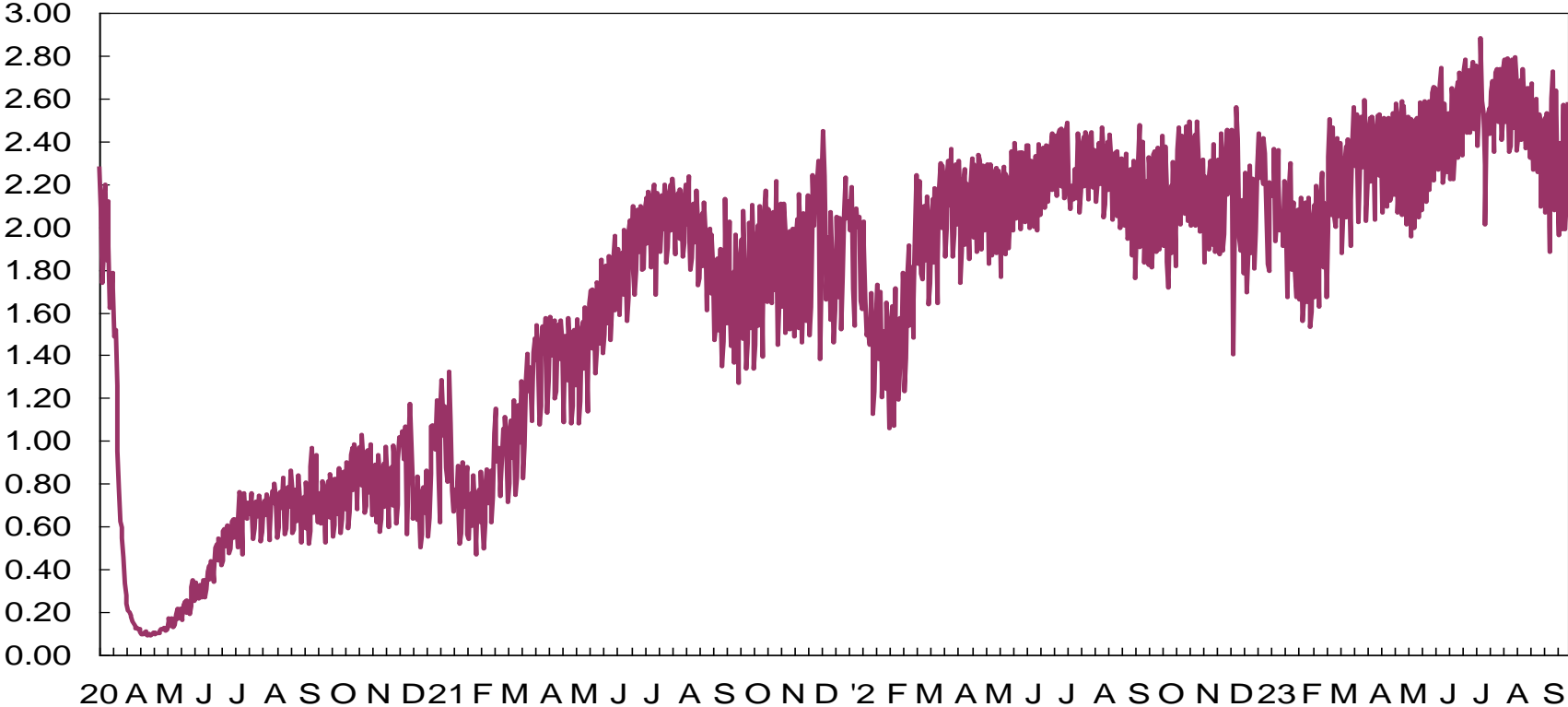
- US daily number of airport passengers
- US weekly motor gasoline sales
- US steel production capacity utilisation weekly
- US oil and gas rig count
- US weekly rail traffic



**STANLIB**

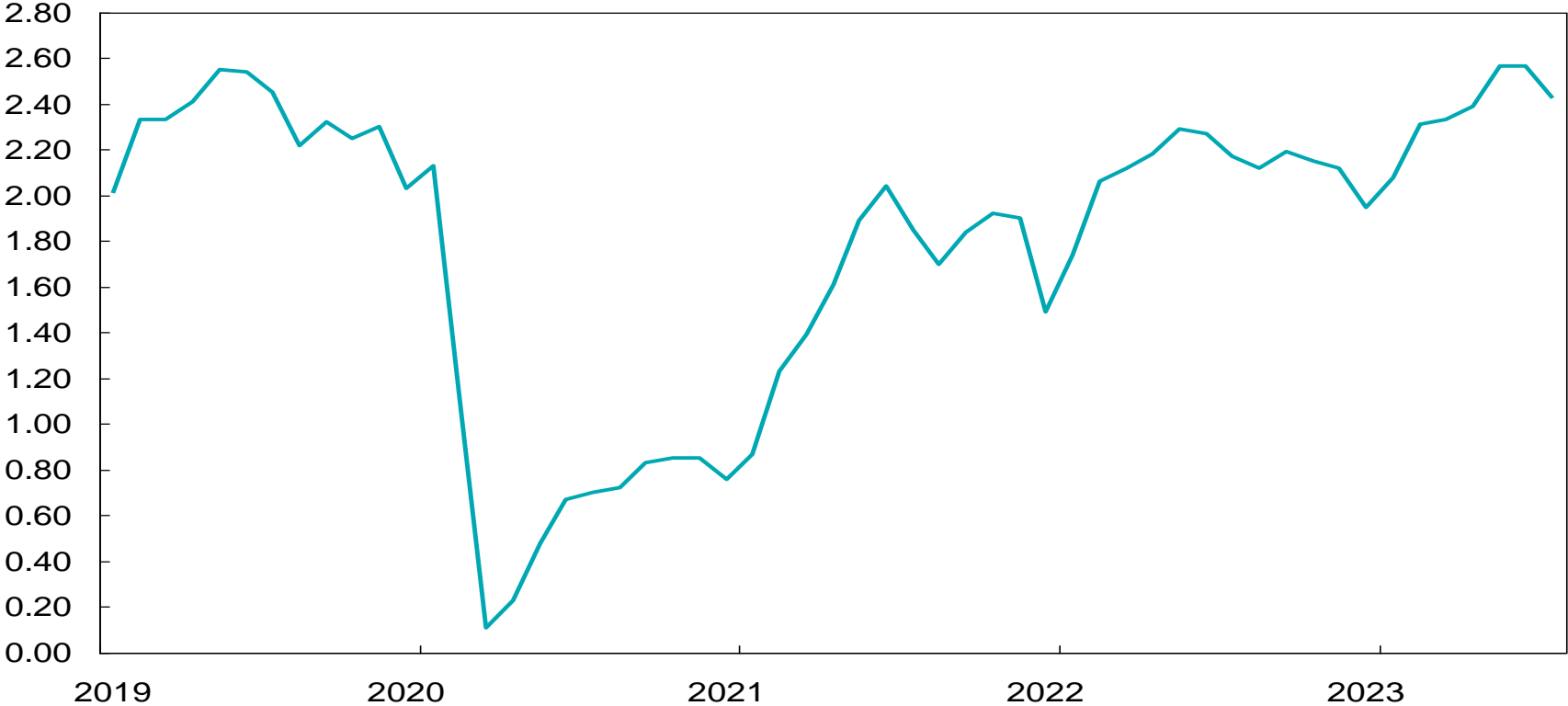
# US number of daily airport passengers

Number of passengers



# US number of airport passengers (monthly)

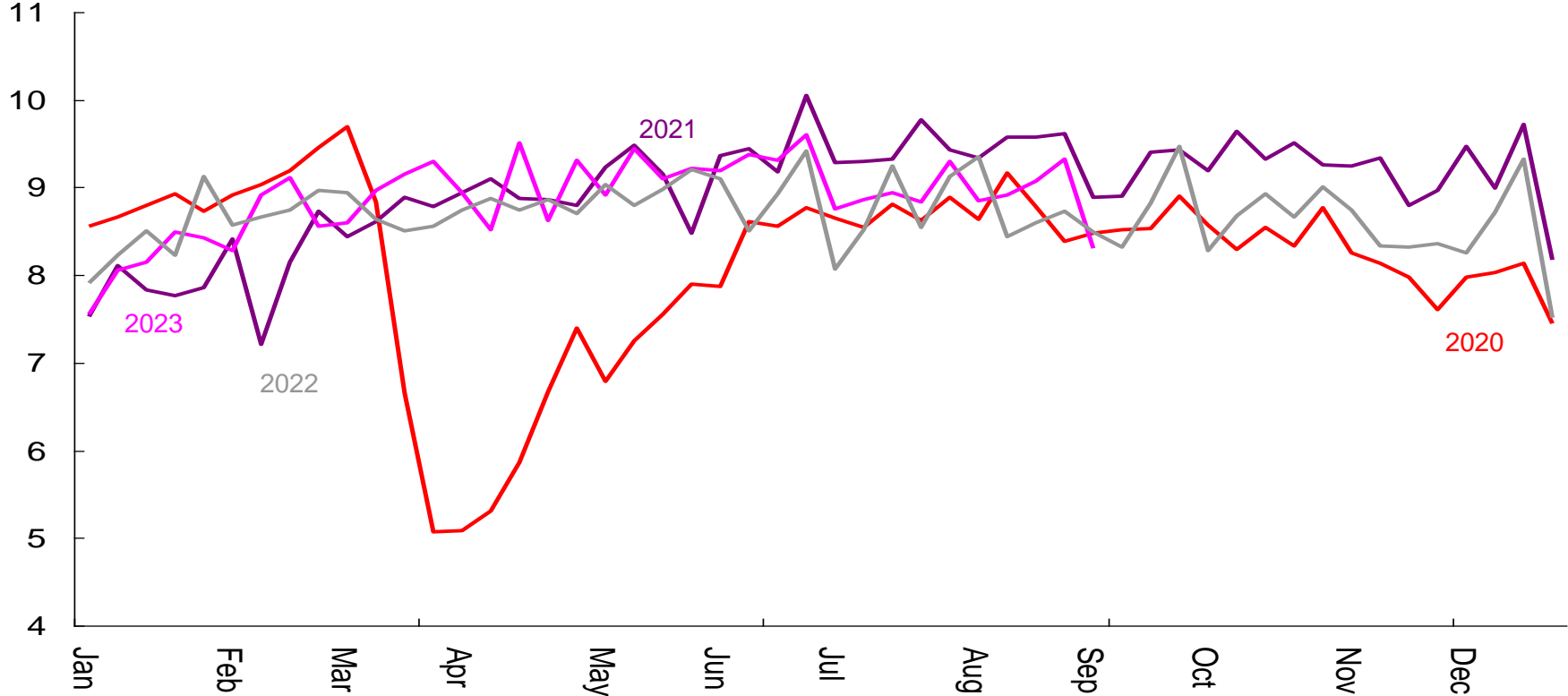
Number of passengers, millions



• Source: [US Department of Transport](#)

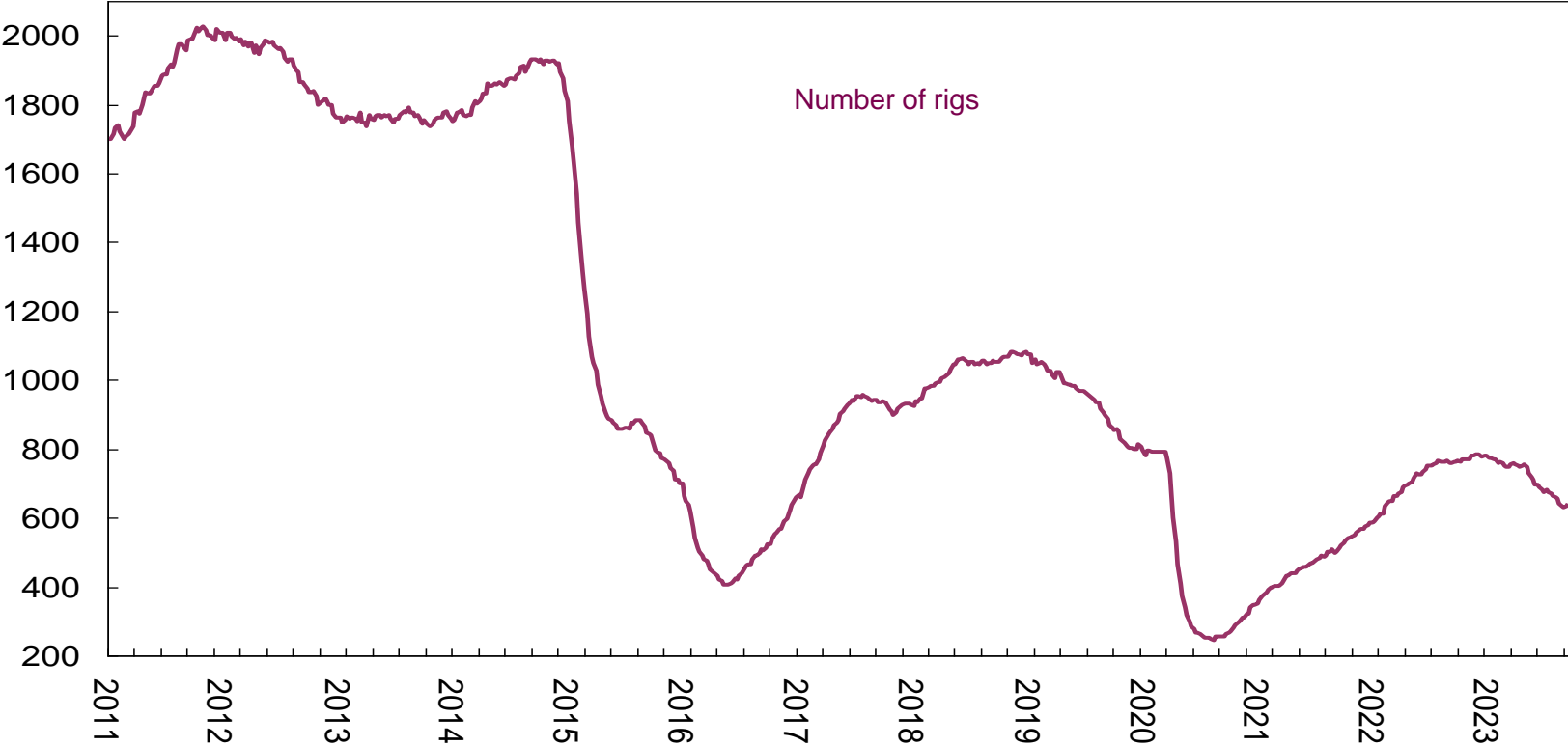
# US weekly motor gasoline supply

Million barrels per day



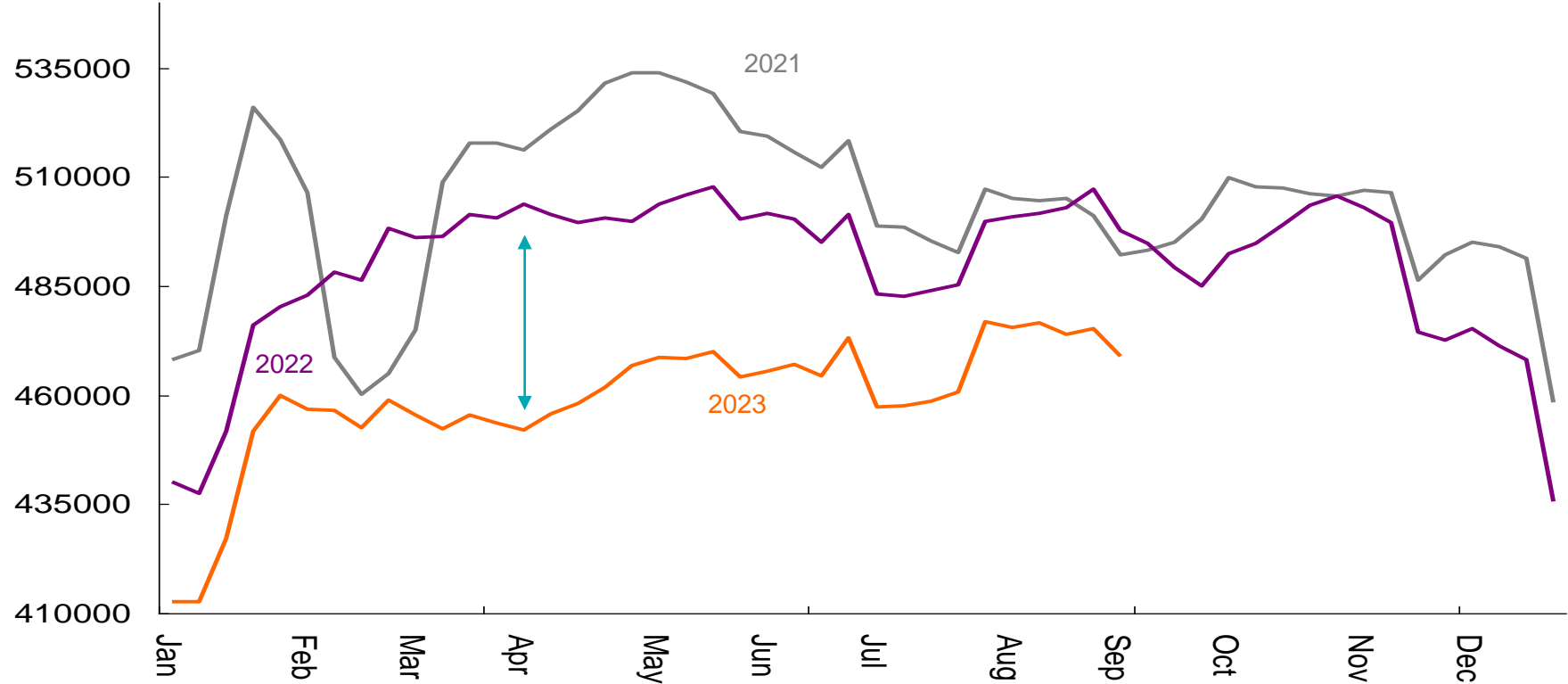
# US oil and gas rig count

Number of rigs



# US weekly rail traffic

Carloads and/or intermodal units





## SA energy crisis: 11 - 17 September 2023

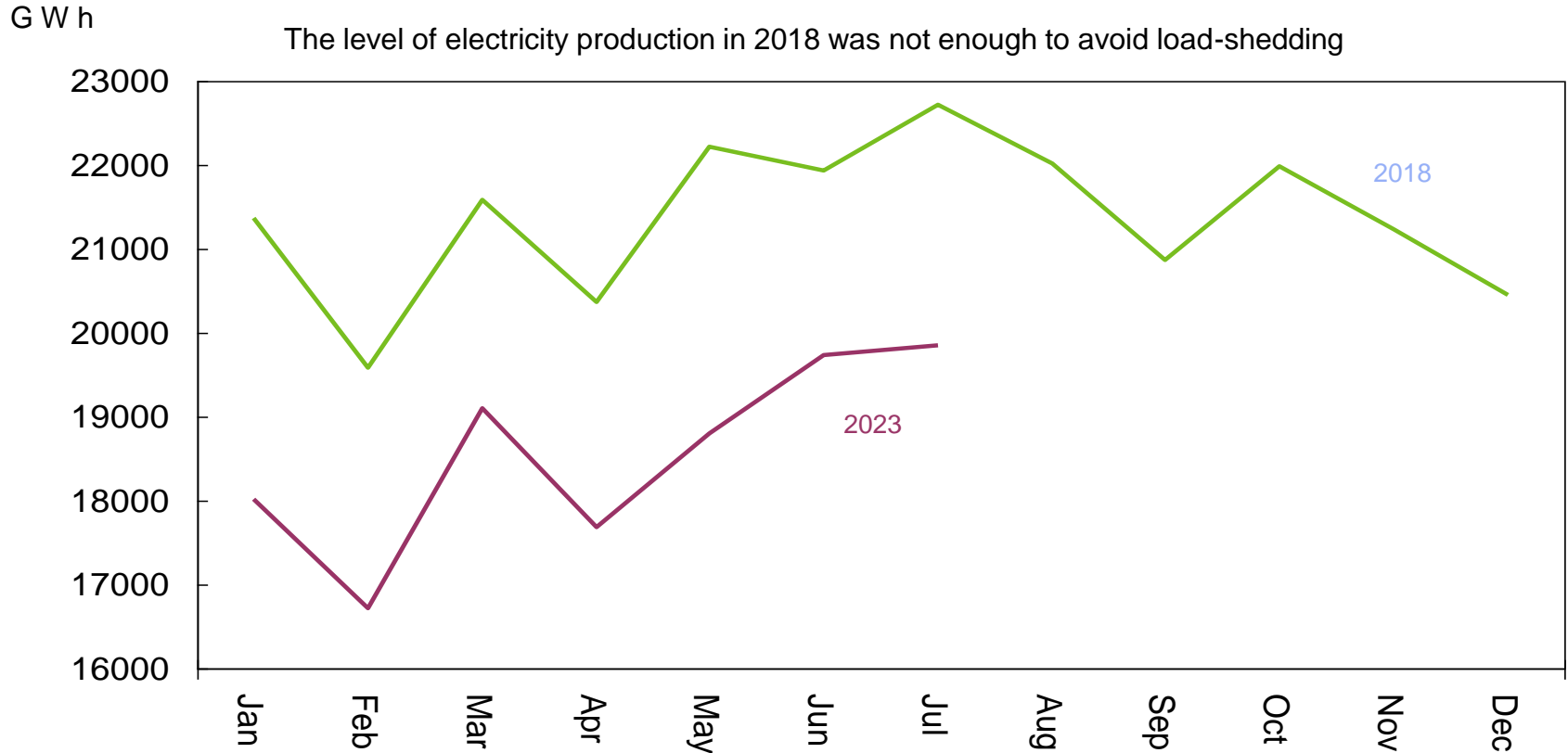
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- Independent power projects (NERSA)
- SA number of days of load-shedding
- Eskom's Energy Availability Factor (EAF)



**STANLIB**

# SA electricity production: 2018 vs 2023



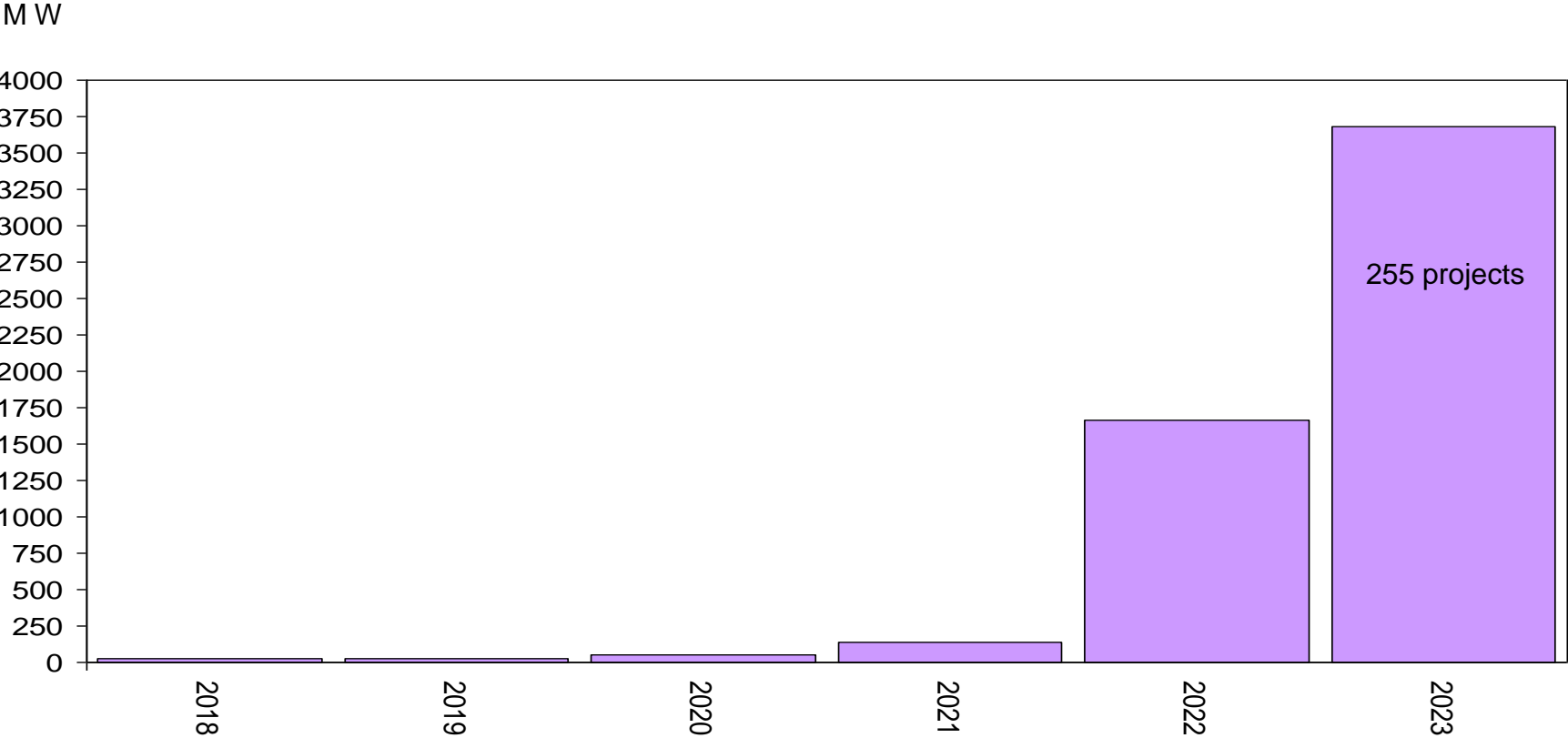
## Private sector power projects (NERSA)

---

Year	Number of projects	MW of all projects
2018	52	26
2019	41	23
2020	124	53
2021	282	134
2022	406	1664
2023*	255	3684

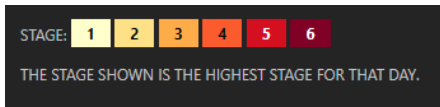
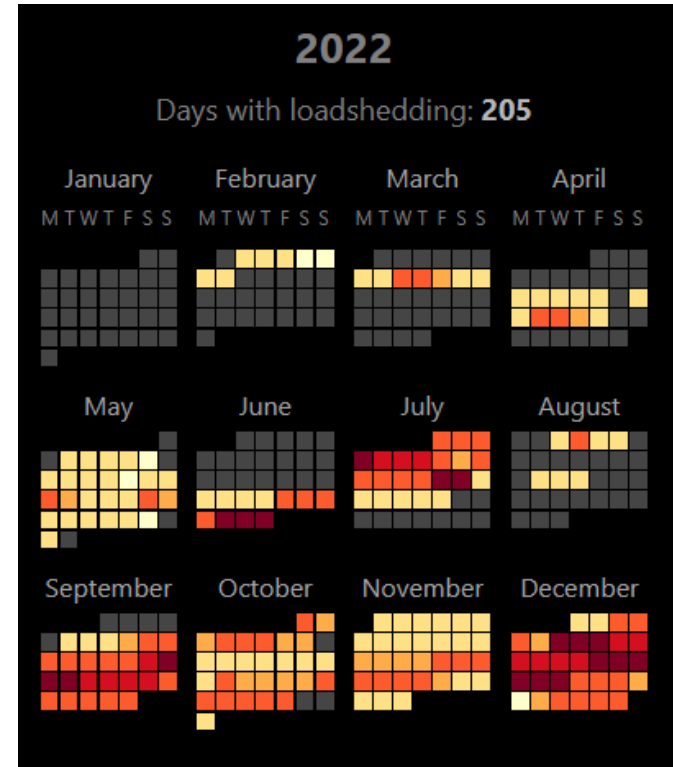
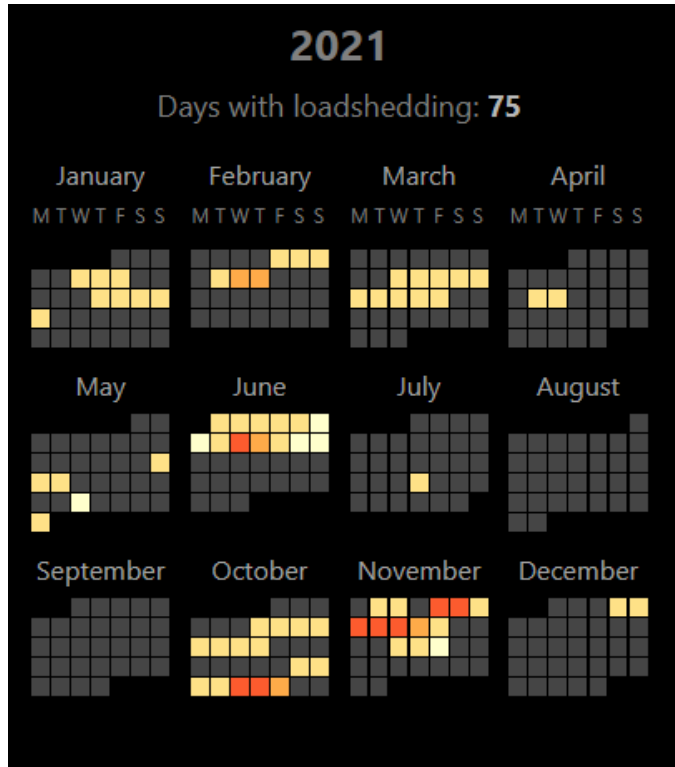
\*Jan-August 2023

# SA private sector renewable energy projects (outside of REIPPP)

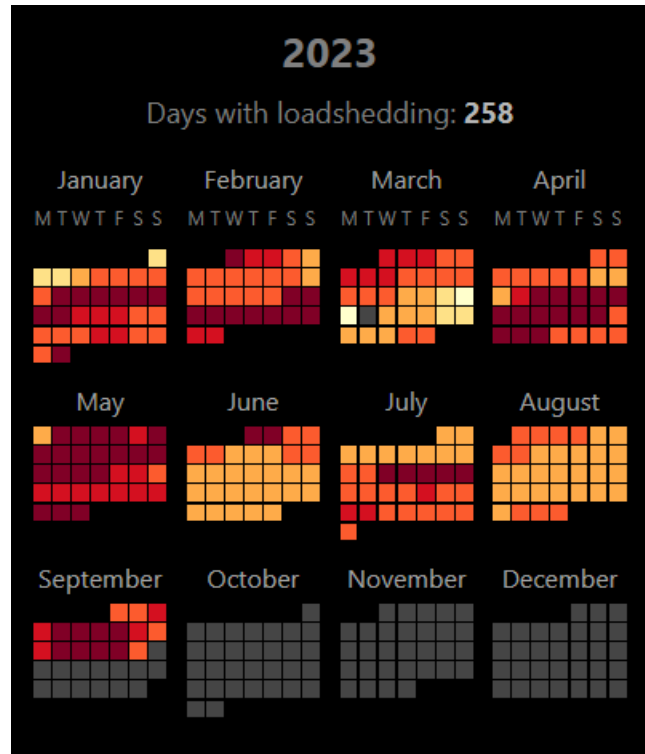


Source: NERSA

# SA number of days of loadshedding



# SA number of days of loadshedding

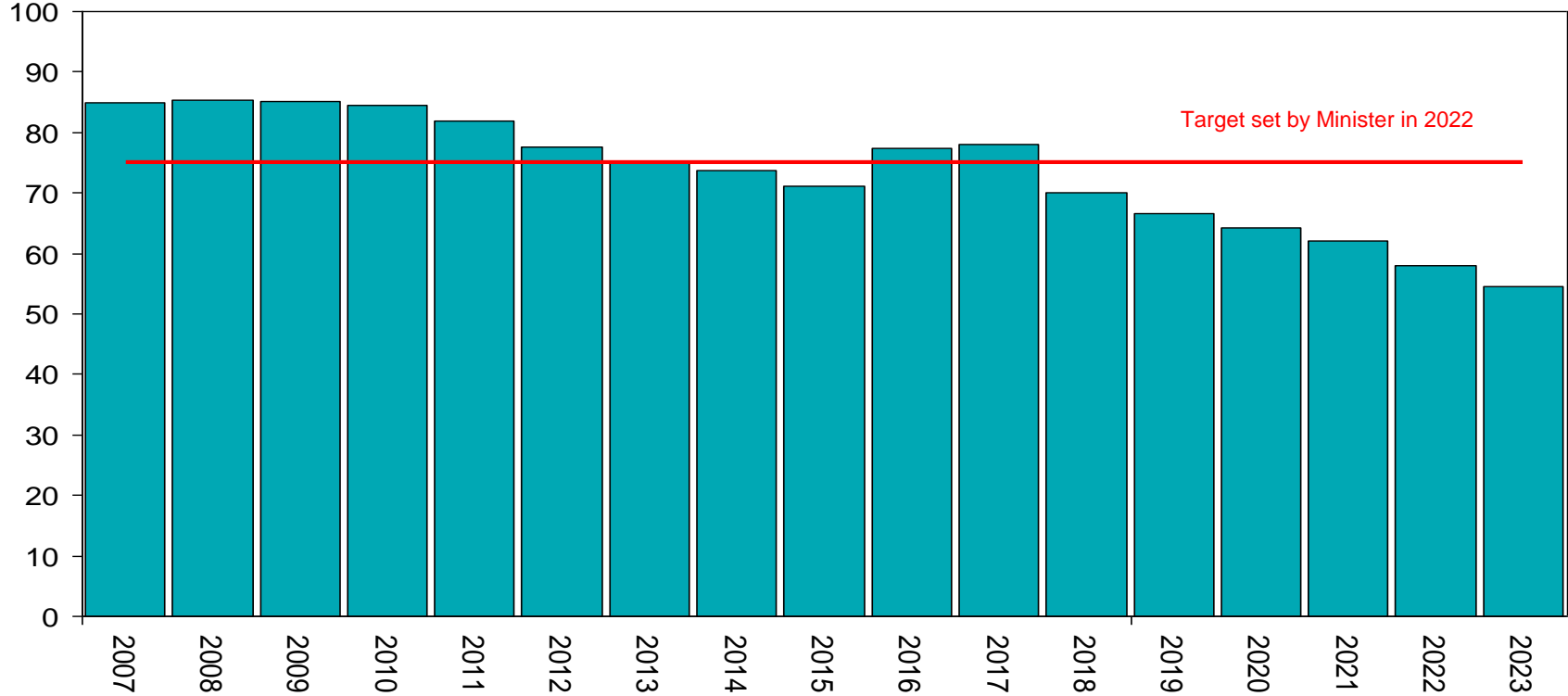


STAGE: 1 2 3 4 5 6

THE STAGE SHOWN IS THE HIGHEST STAGE FOR THAT DAY.

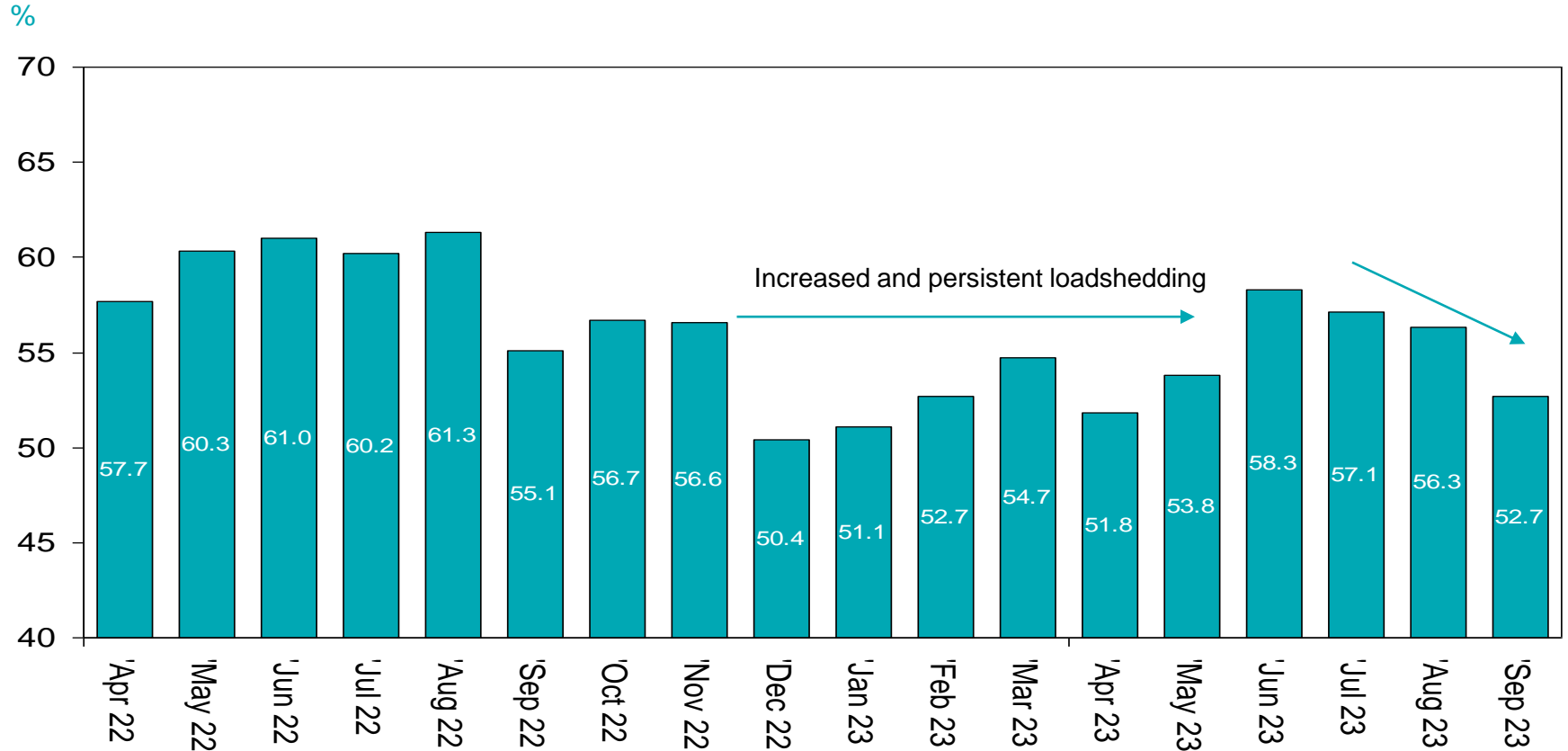
# Eskom Energy Availability Factor (EAF)

Percent



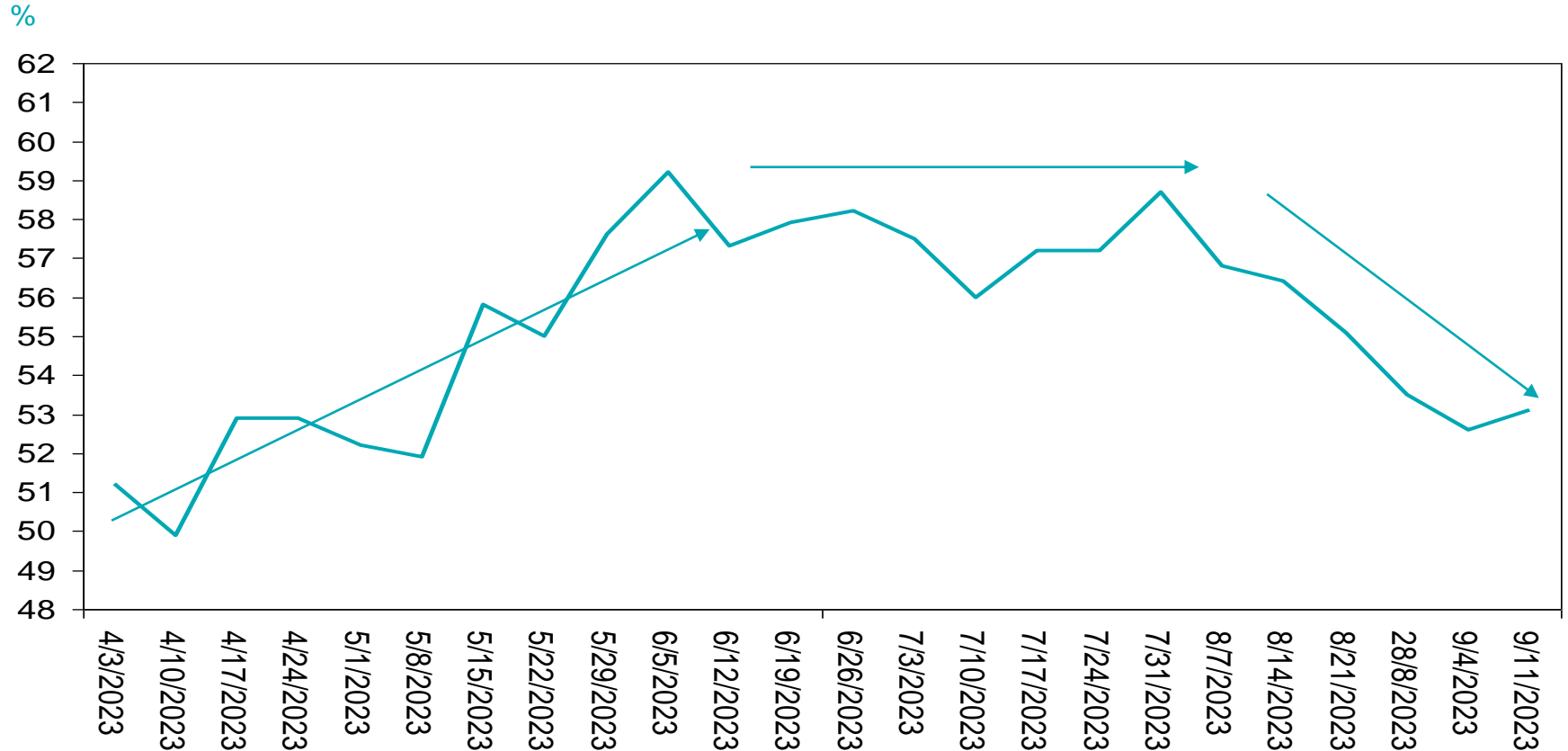
Source: Eskom

# Eskom Energy Availability Factor (EAF) - monthly





# Eskom Energy Availability Factor (EAF) - weekly



## Global climate data: 11 - 17 September 2023

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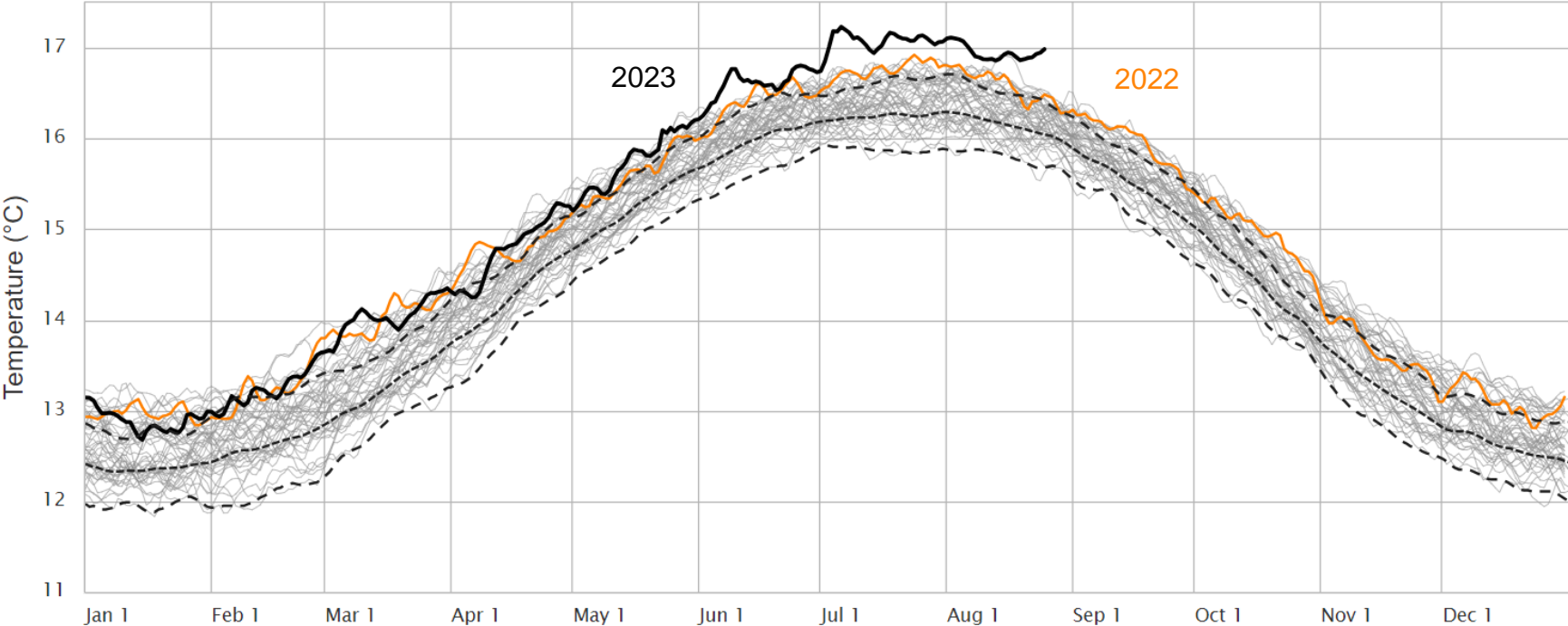
- World air temperature
- Northern Hemisphere air temperature
- Southern Hemisphere air temperature
- Arctic air temperature
- Antarctic air temperature
- Tropics air temperature (23.5°S to 23.5°N)
- Daily sea surface temperature



**STANLIB**

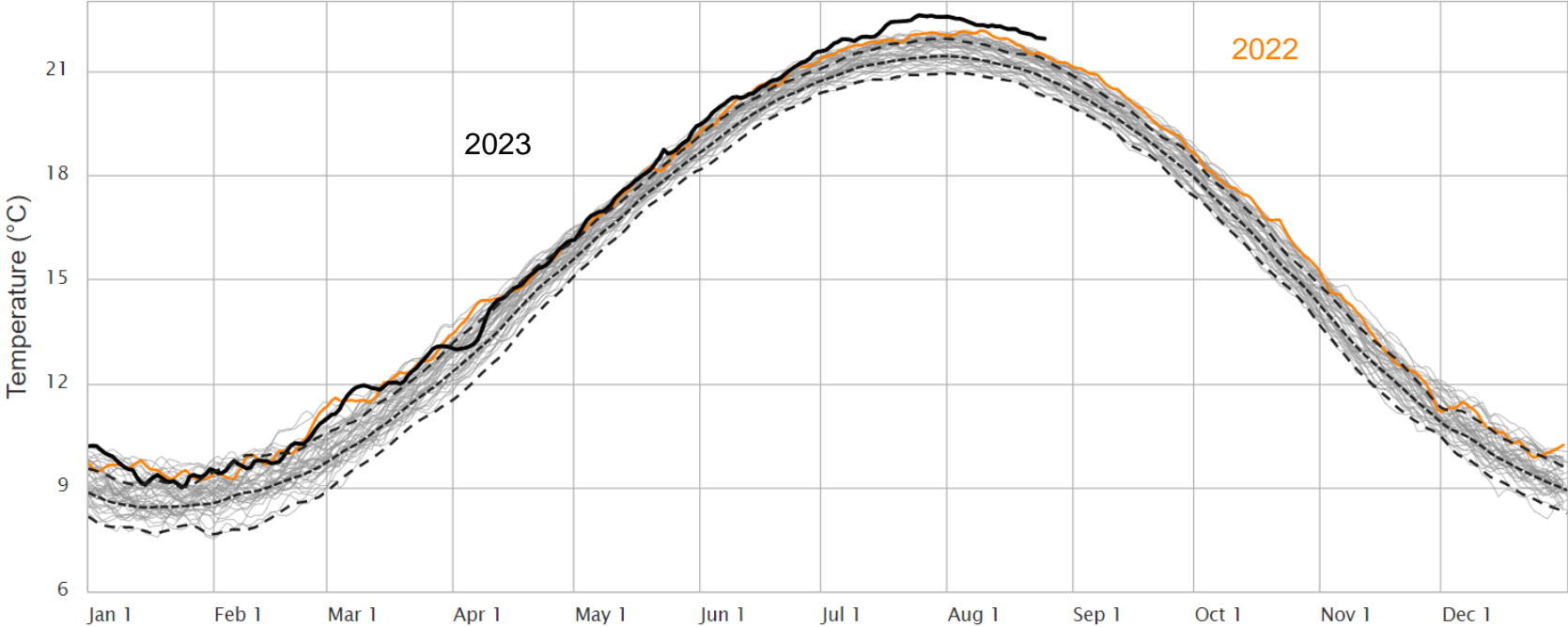
# World air temperature (at a height of 2 meters)

Average, temperature, degrees Celsius



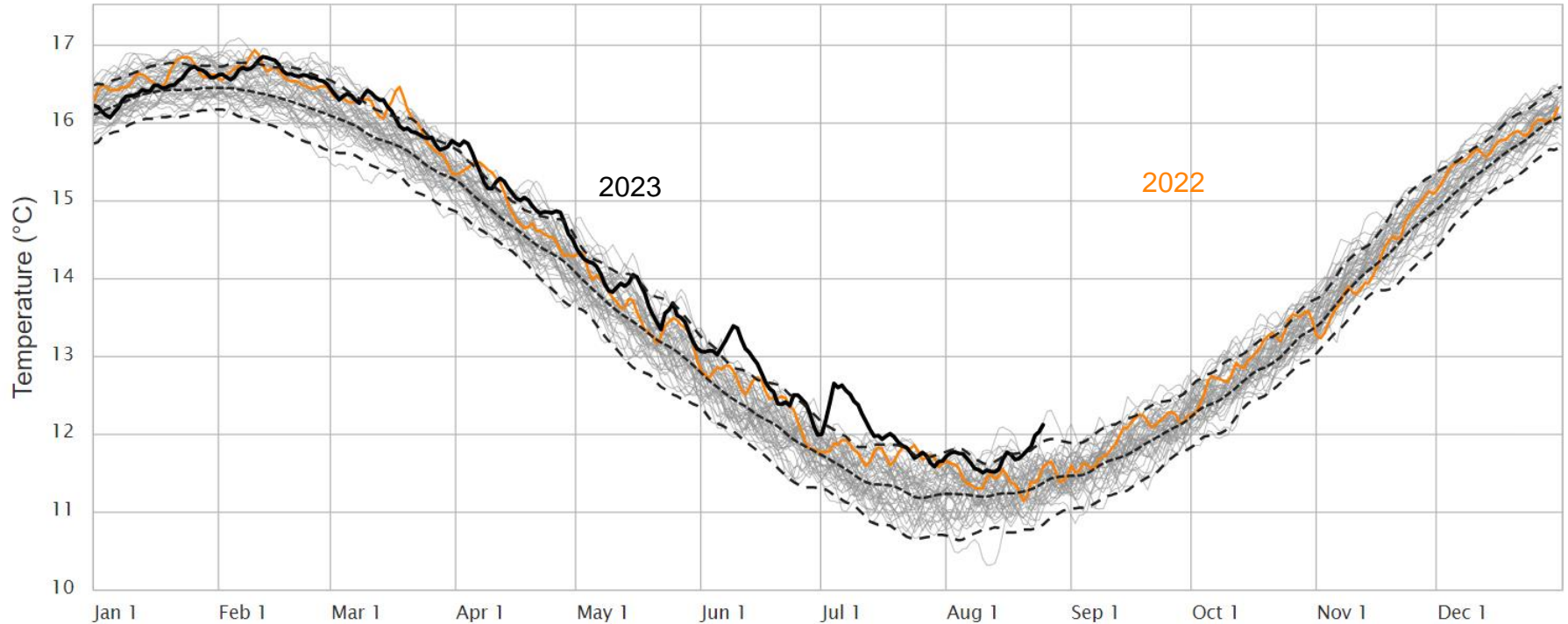
# Northern Hemisphere air temperature (at a height of 2 meters)

Average, temperature, degrees Celsius



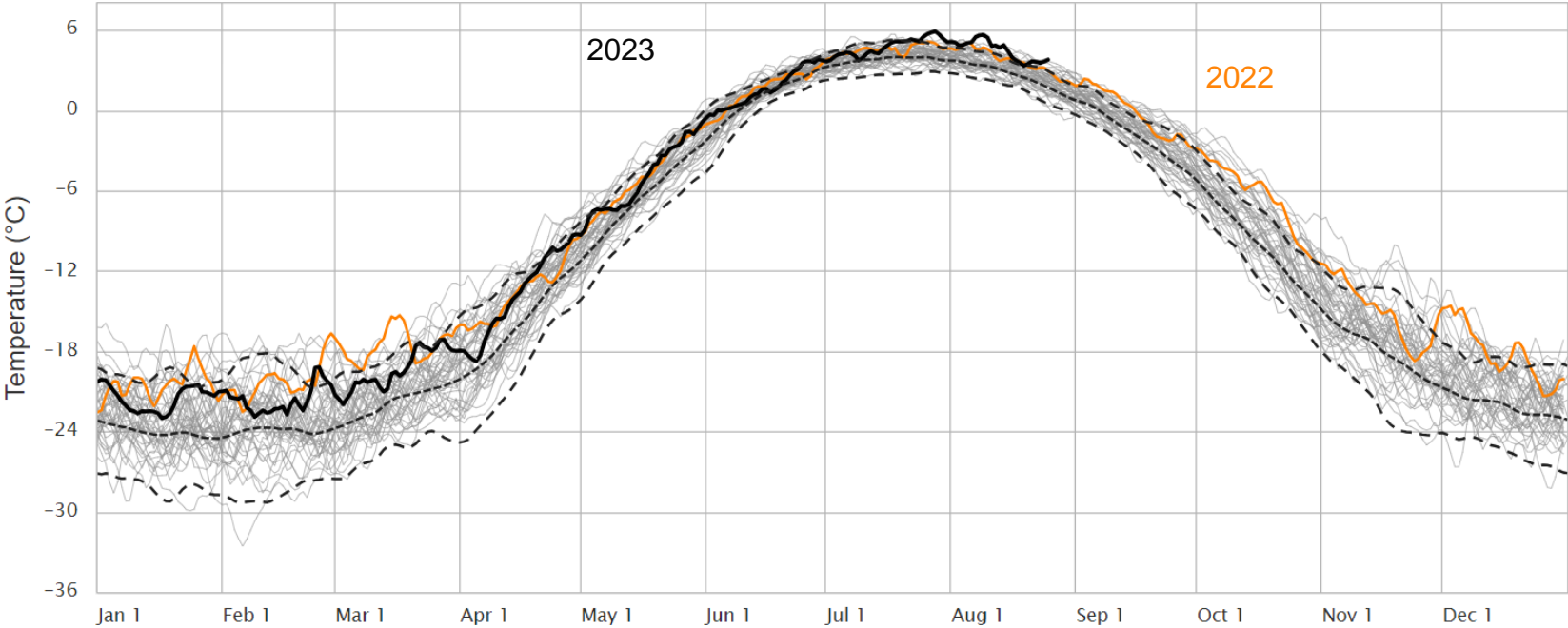
# Southern Hemisphere air temperature (at a height of 2 meters)

Average, temperature, degrees Celsius



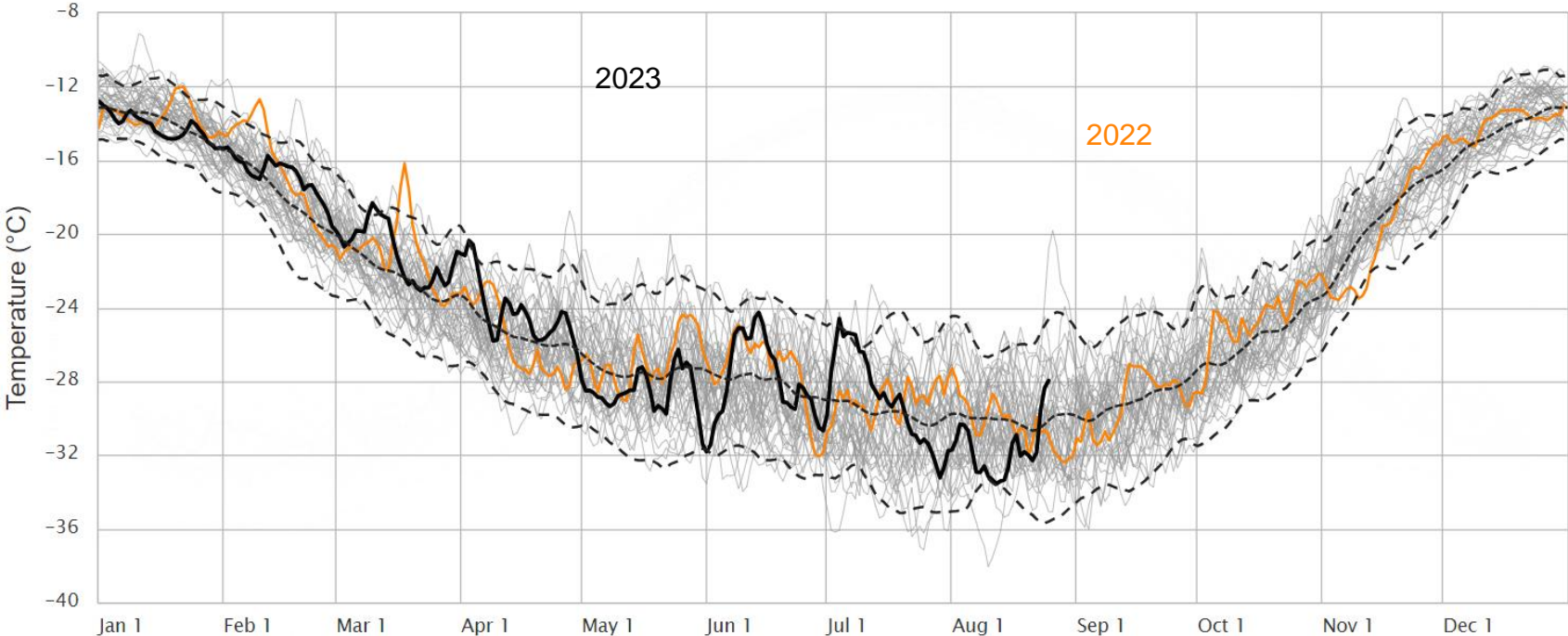
# Arctic air temperature (at a height of 2 meters)

Average, temperature, degrees Celsius



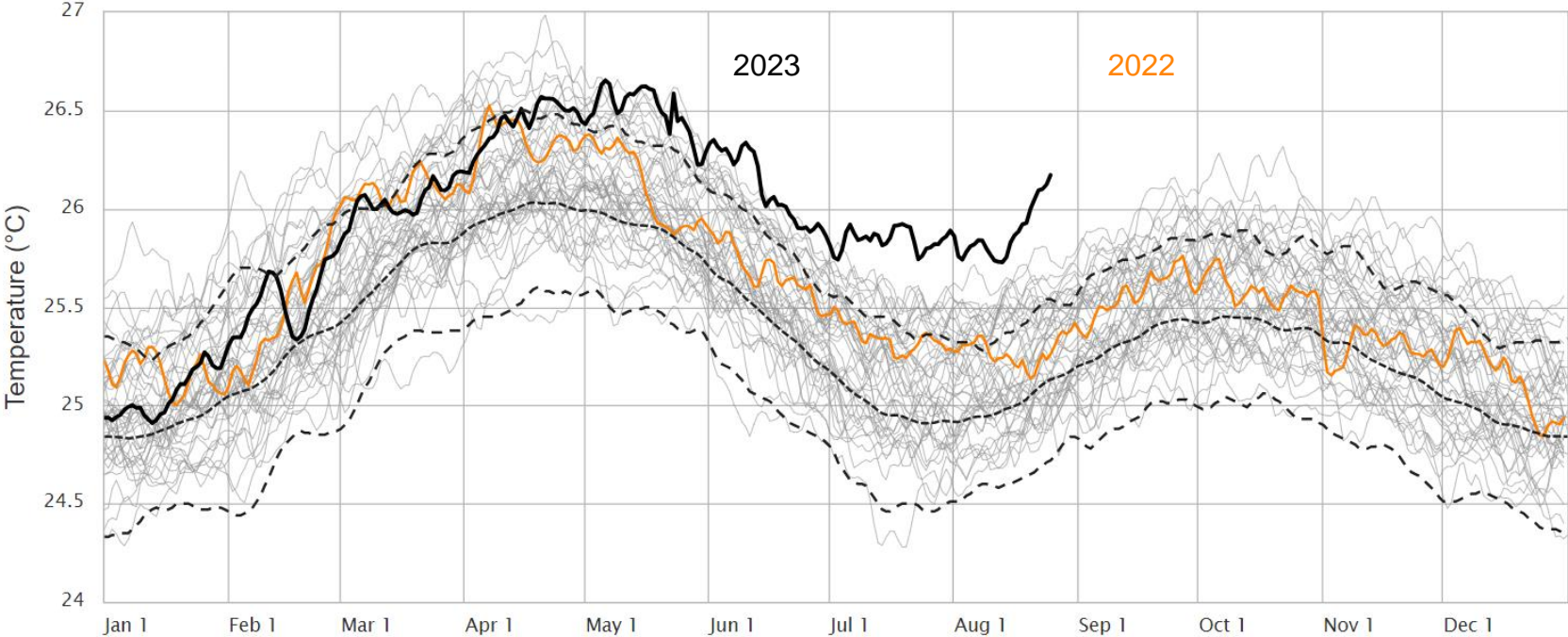
# Antarctic air temperature (at a height of 2 meters)

Average, temperature, degrees Celsius



# Tropics air temperature (at a height of 2 meters)

Average, temperature, degrees Celsius





# Daily sea surface temperature (60°S to 60°N)

Average, temperature, degrees Celsius

