

Weekly Review in Charts
6 to 12 November 2023

Kevin Lings

12 November 2023

STANLIB

Weekly economic review: 6 to 12 November 2023

10 November 2023

	2019 %	2020 %	2021 %	2022 %	2023 Year-to-date
South Africa All Share Index	8.2%	4.1%	24.1%	-0.9%	-2.3%
Dow Jones Industrial Average	22.3%	7.2%	18.7%	-8.8%	3.4%
S&P 500 equity index	28.9%	16.3%	26.9%	-19.4%	15.0%
Nasdaq 100 index	38.0%	47.6%	26.6%	-33.0%	42.0%
Stoxx Euro 600	23.2%	-4.0%	22.2%	-12.9%	4.3%
FTSE 100 Index	12.1%	-14.3%	14.3%	0.9%	-1.2%
Shanghai Composite Index	22.3%	13.9%	4.8%	-15.1%	-0.9%
NIKKEI 225 Index	18.2%	16.0%	4.9%	-9.4%	24.8%
Gold	18.3%	25.0%	-3.6%	0.4%	7.1%
Oil	21.9%	-21.7%	52.9%	8.7%	-7.1%
Rand/Dollar	-2.7%	5.0%	8.6%	-6.2%	-9.3%
Dollar/Euro	-1.8%	9.0%	-7.1%	6.6%	-0.1%
Bitcoin	92.2%	303.2%	59.7%	-64.3%	125.5%
<i>US 10-year bond yield</i>	1.92%	0.93%	1.52%	3.88%	4.61%
<i>US 2-year bond yield</i>	1.58%	0.13%	0.73%	4.41%	5.04%
<i>SA 10-year bond yield</i>	8.48%	7.70%	8.60%	9.88%	10.84%

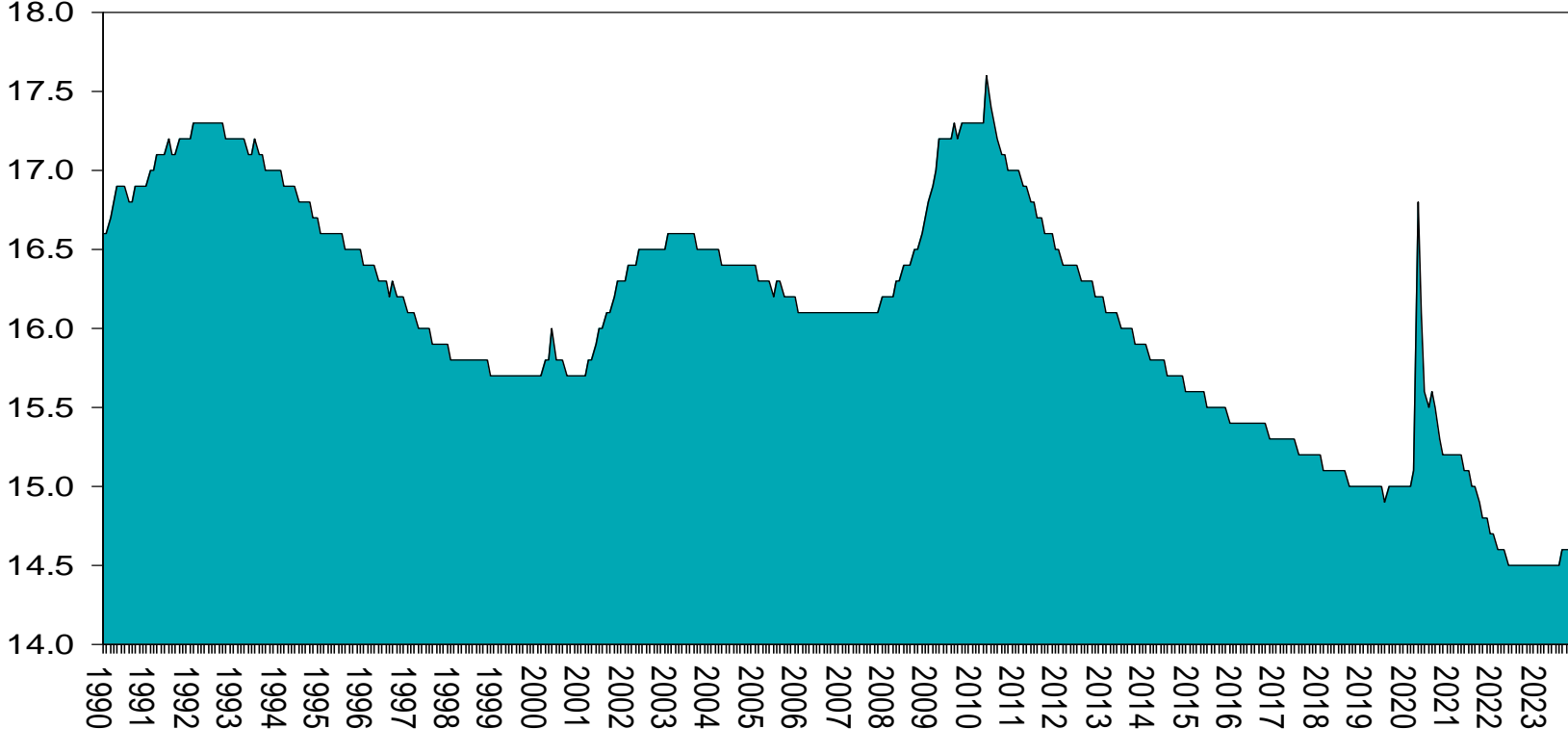
Weekly economic review: 6 to 12 November 2023

Chart of the week

- US government employment has risen by a substantial 630 000 jobs over the past 12 months. This is the highest annual increase in government employment (in terms of the number of jobs) since 2000.
- Despite the relatively large increase in US government employment over the past year, government employment has increased by a mere 1.5% (in total) over the past 15 years. In other words, US government employment has been relatively stagnant for 15 years, fluctuating in a narrow range of 21.6 million to 22.8 million over the entire period.
- Consequently, US government employment, as a percentage of total employment, has fallen to around 14.5% its lowest level since 1956!
- The level of government employment varies significantly between countries. For example, in most Scandinavian countries, government employment tends to range between 25% and 30% of total. At the other end of scale government employment in Japan is typically around 5% of total employment.
- In South Africa, general government employment represents around only 13% of total employment, although this percent can vary significantly depending on whether this is compared with total employment (including informal sector) or only formal sector employment. It also varies if the calculation uses the broader public sector employment (including SOEs) or only equivalent full-time employment registered on the persal payroll system.

US government employment as % of total employment

% of total (seasonally adjusted)



Weekly economic review: 6 to 12 November 2023

Monday, 6 November 2023

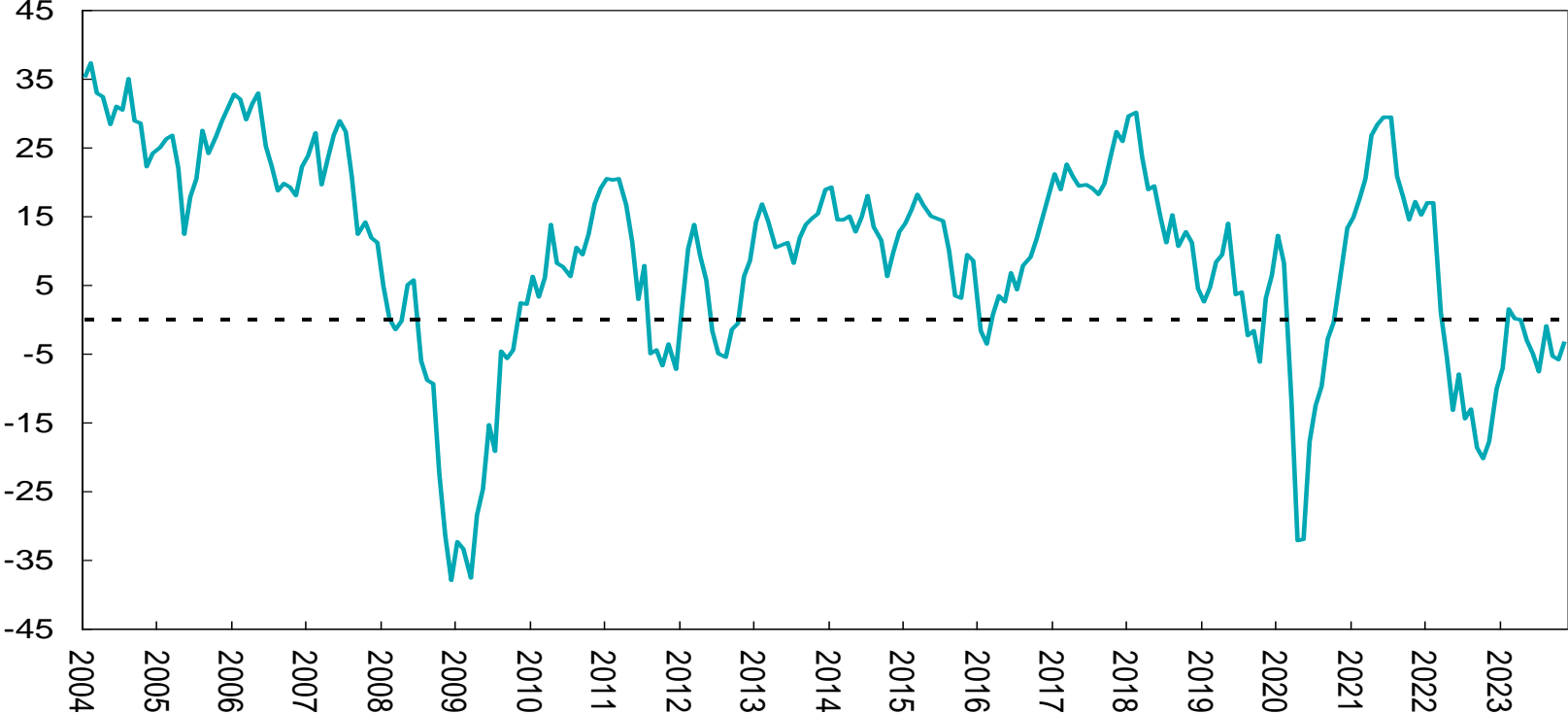
- Global investor confidence for November 2023



STANLIB

Global economic confidence index (Sentix)

Sentix global confidence index



Weekly economic review: 6 to 12 November 2023

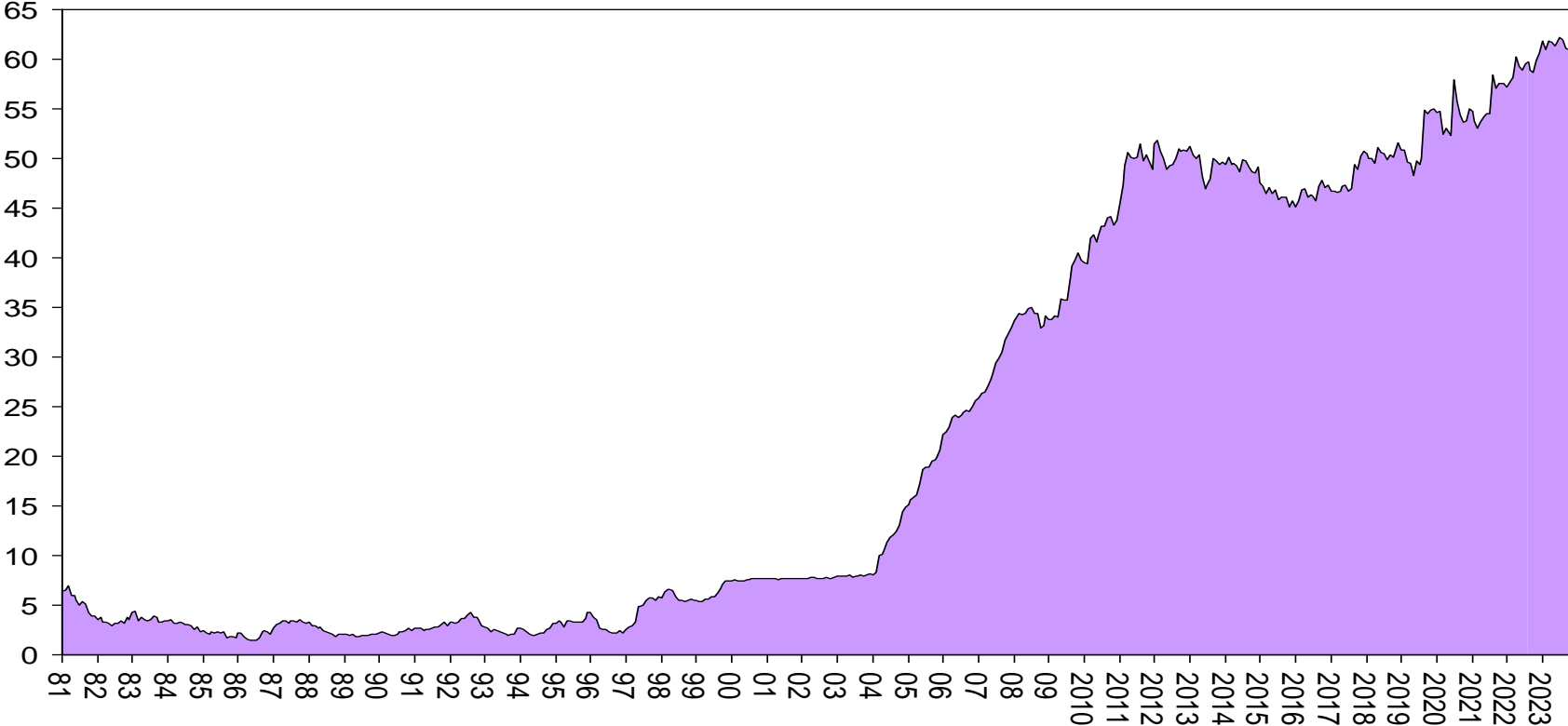
Tuesday, 7 November 2023

- SA gross foreign exchange reserves for October 2023
- US trade balance for September 2023
- US growth in consumer credit for September 2023
- Euro-area PPI inflation for September 2023
- China growth in imports and exports for October 2023
- China foreign exchange reserves for October 2023

STANLIB

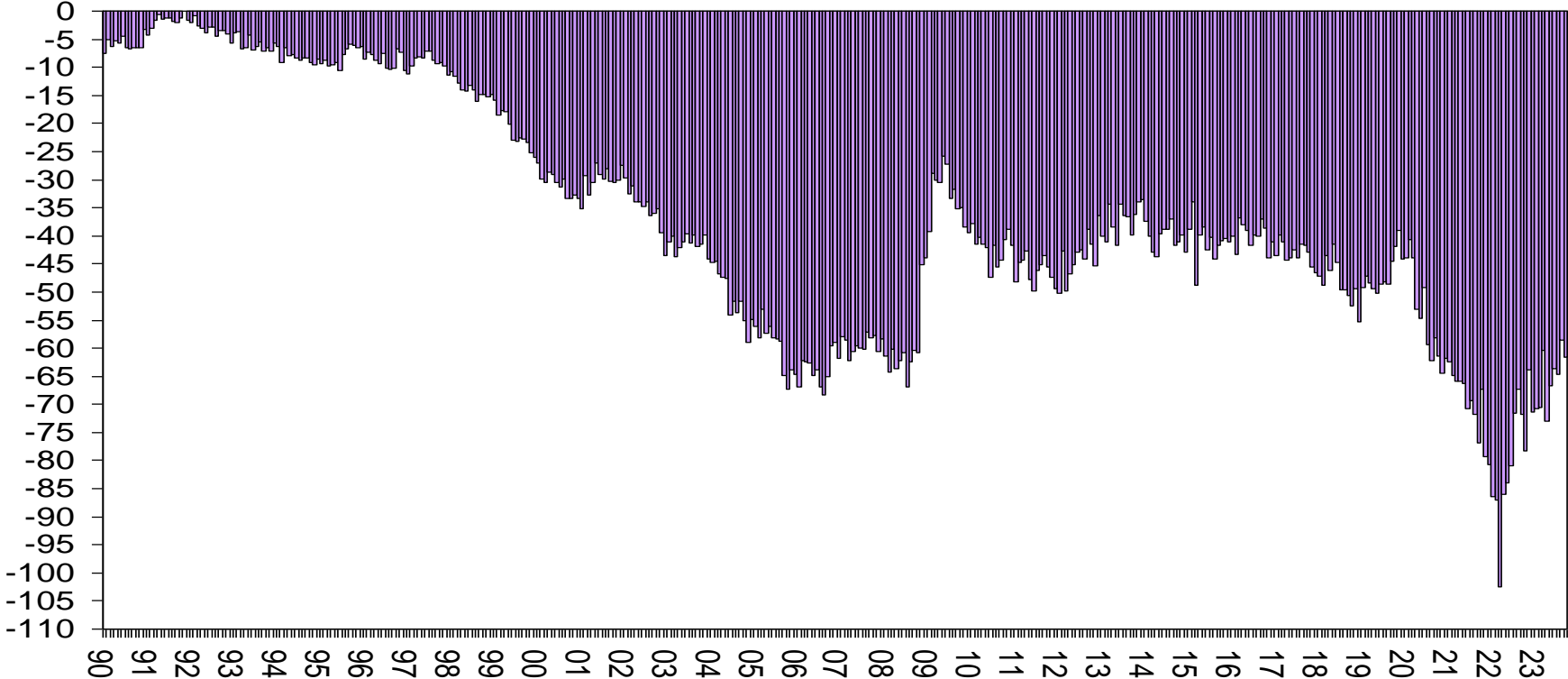
South Africa gross foreign exchange reserves

\$ billion



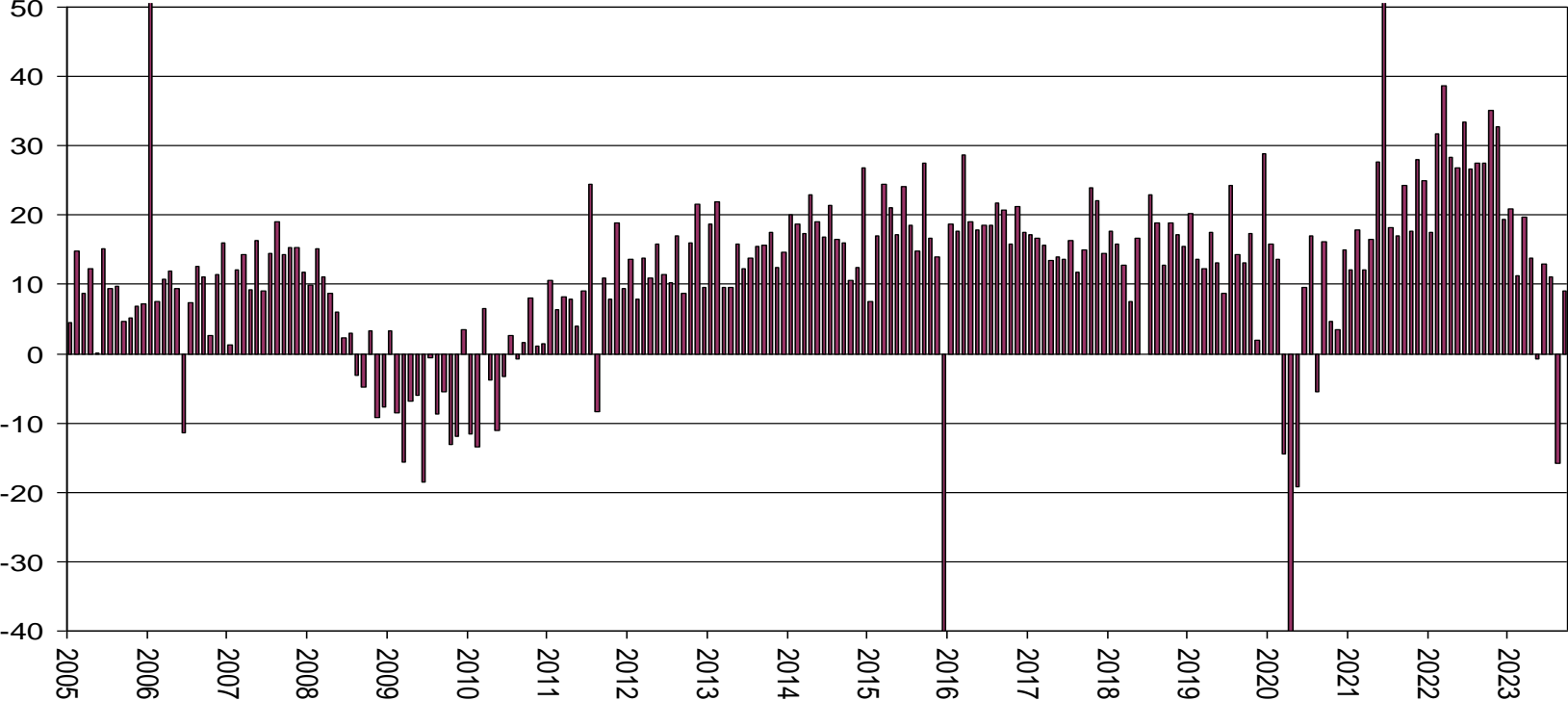
US trade balance

\$ billion

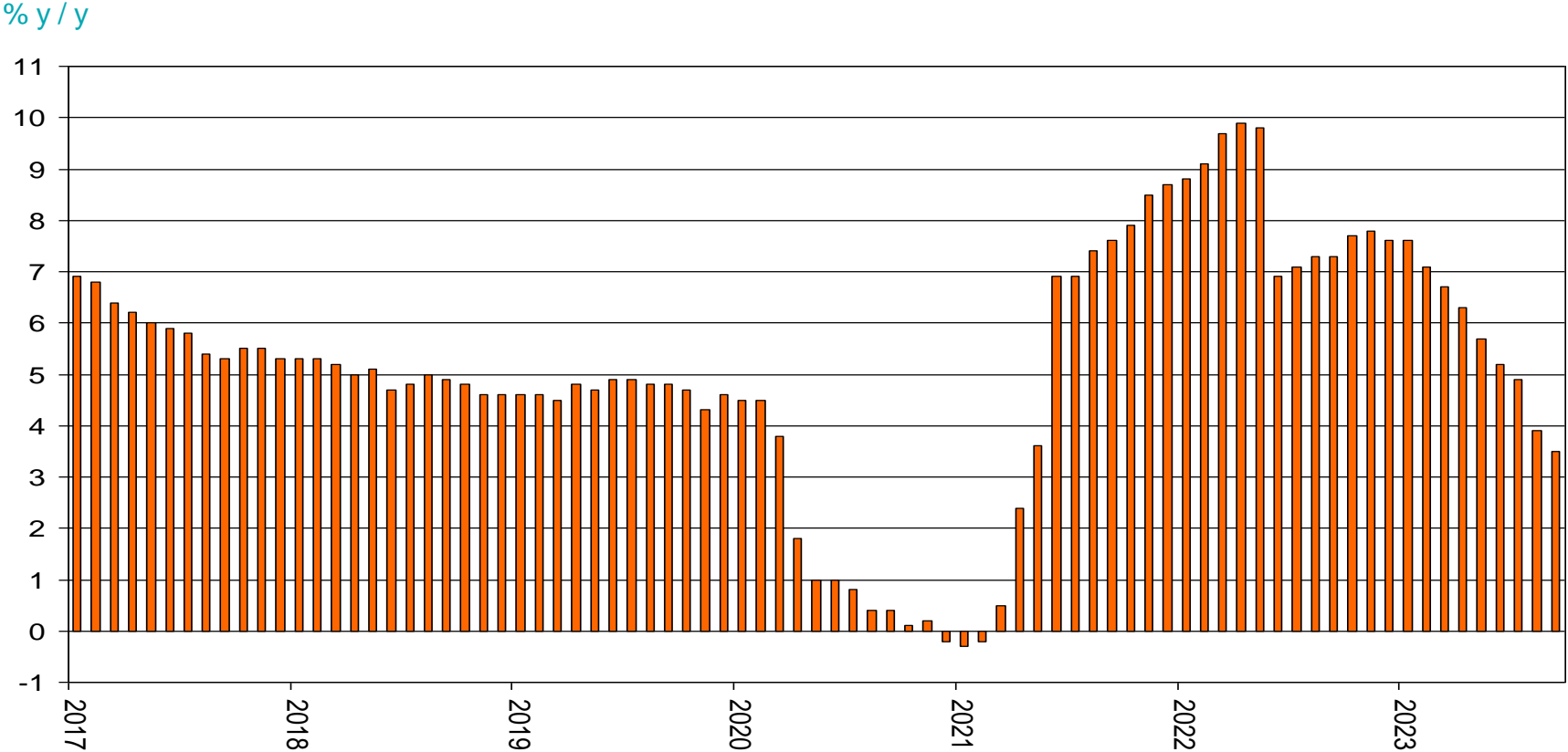


US consumer credit

\$ billion, month-on-month

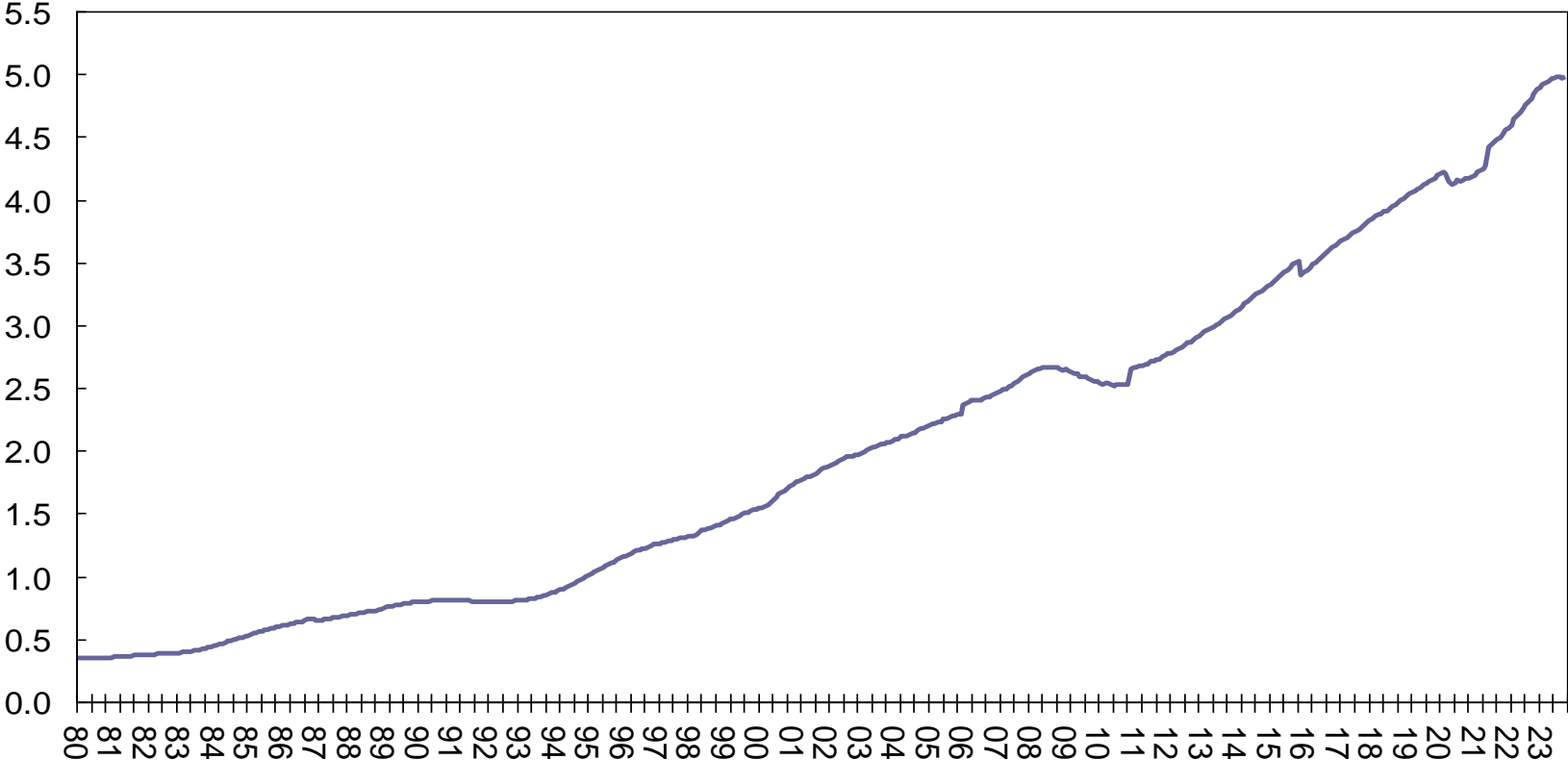


US consumer credit (non-seasonally adjusted)

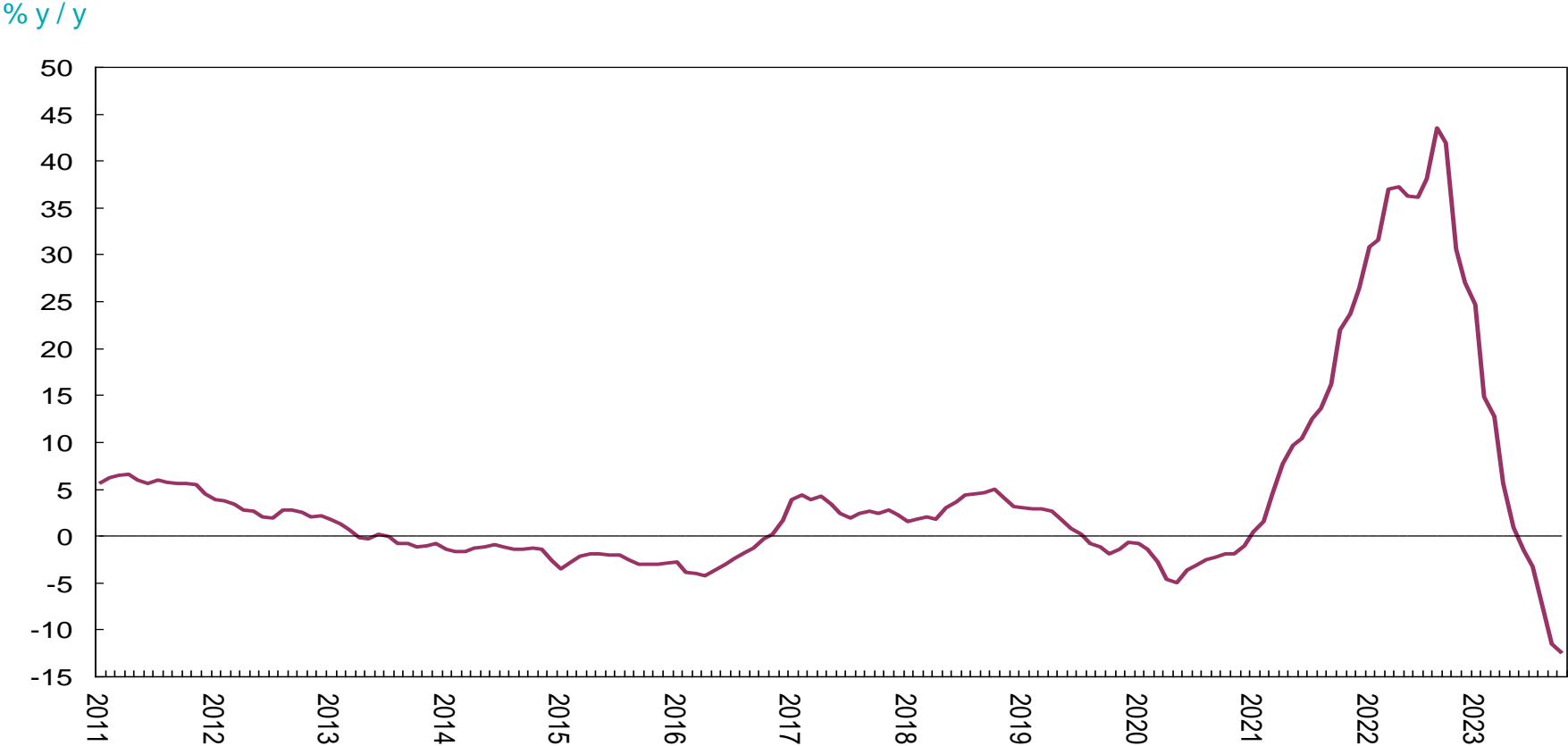


US consumer credit outstanding balance

\$ trillion

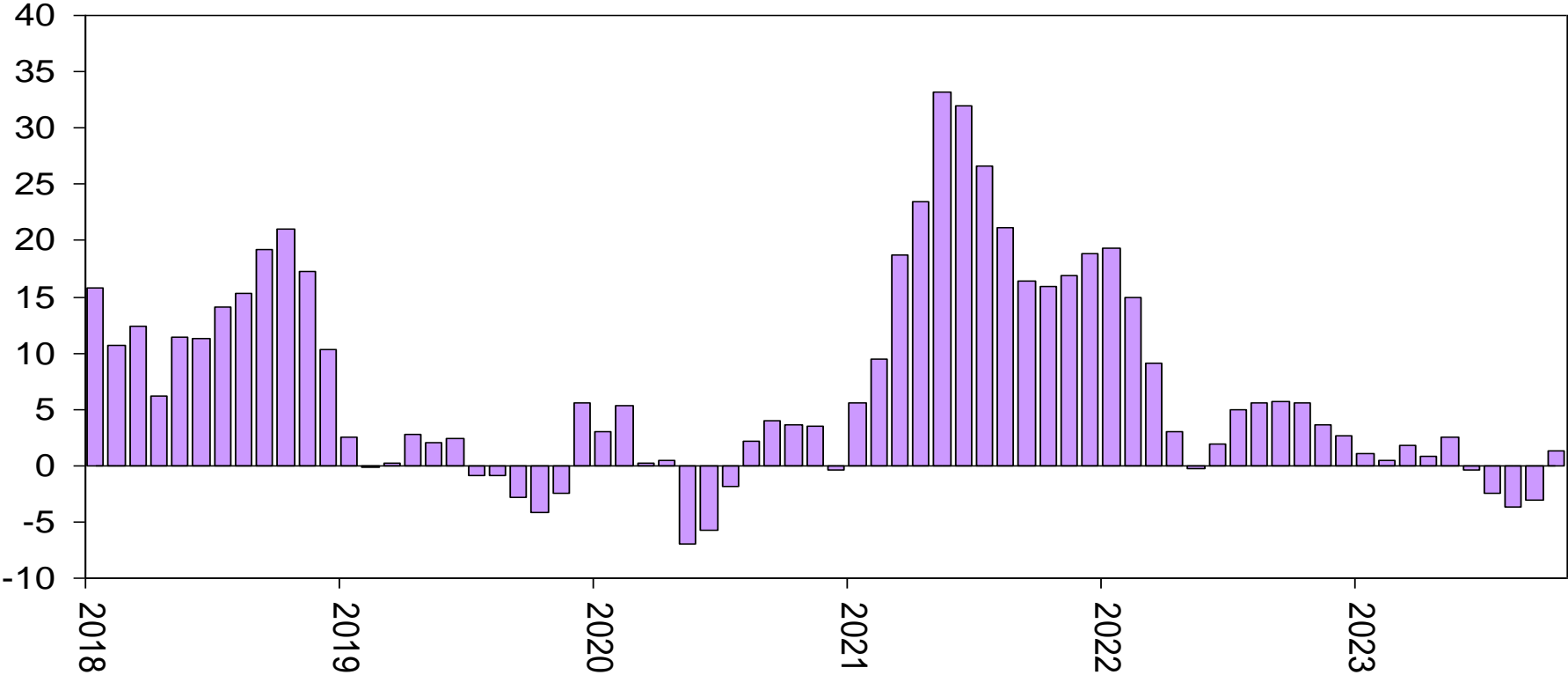


Euro-area producer inflation



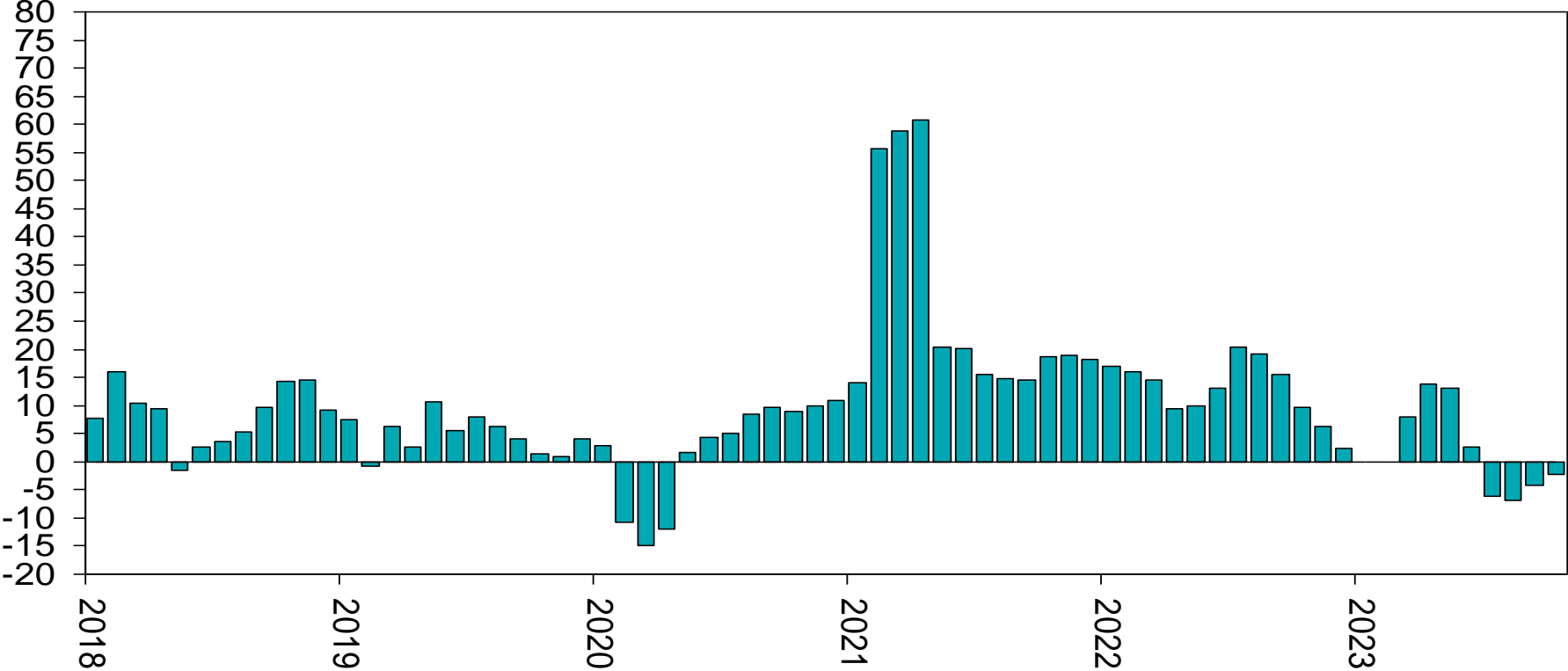
China imports

%y/y, 3-month average, CNY



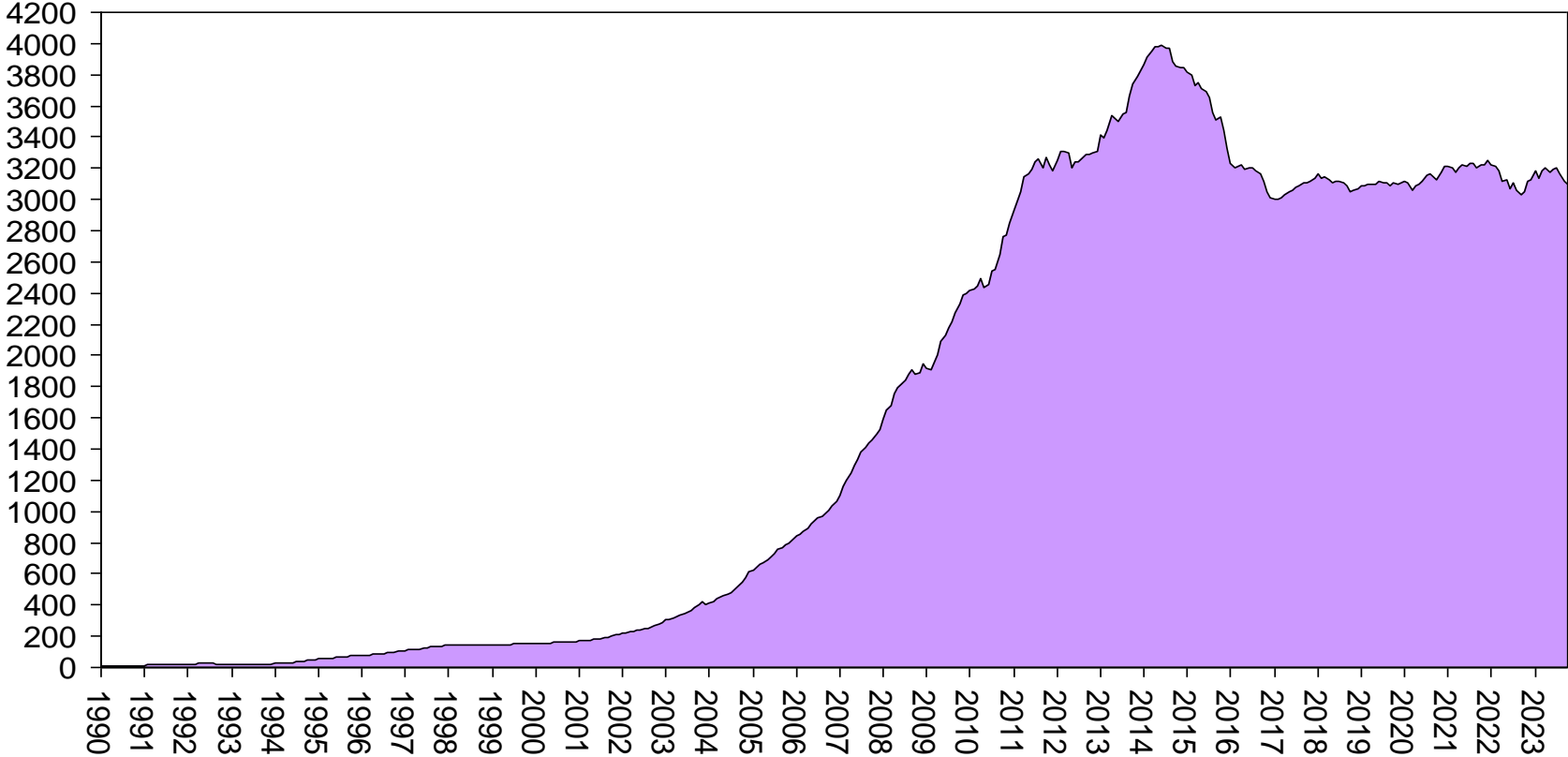
China exports

%y/y, 3-month average, CNY



China foreign exchange reserves

USD, billion



Weekly economic review: 6 to 12 November 2023

Wednesday, 8 November 2023

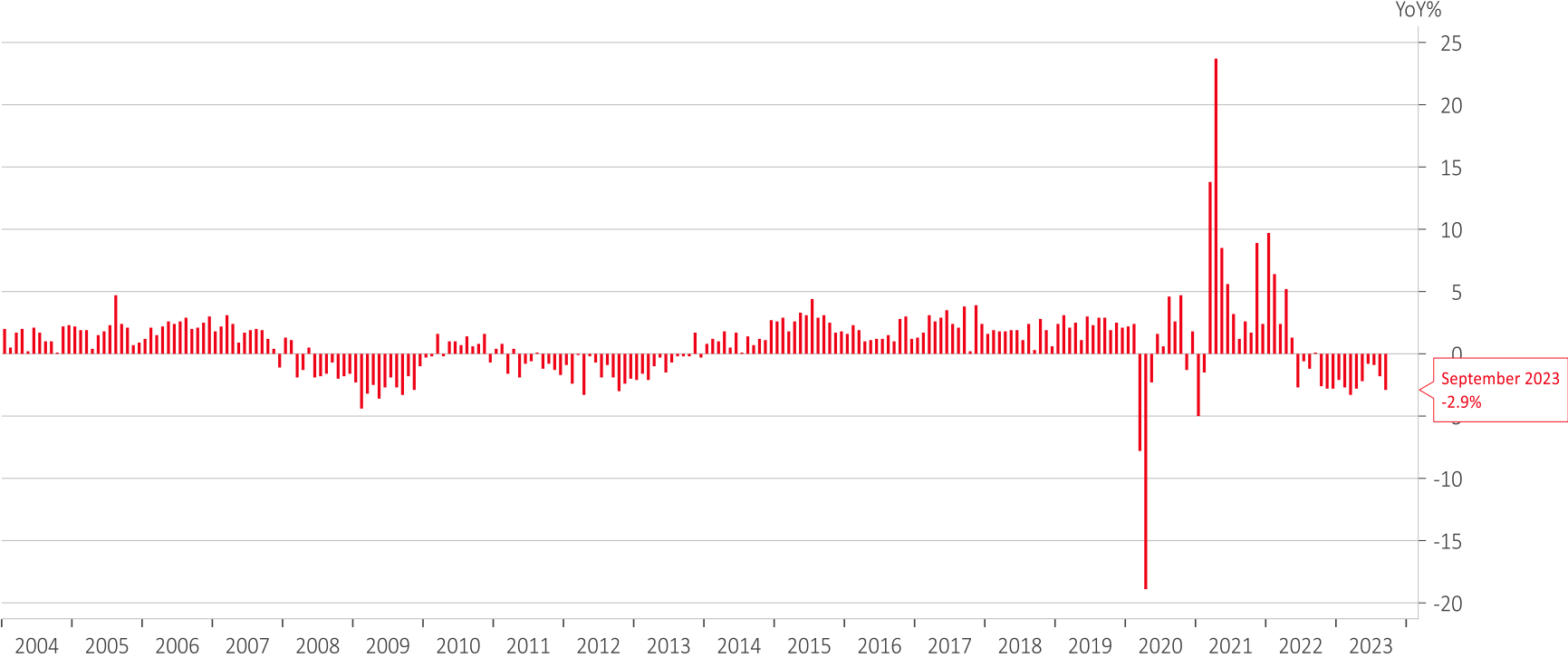
- Euro-area retail sales for September 2023
- US weekly mortgage applications



STANLIB

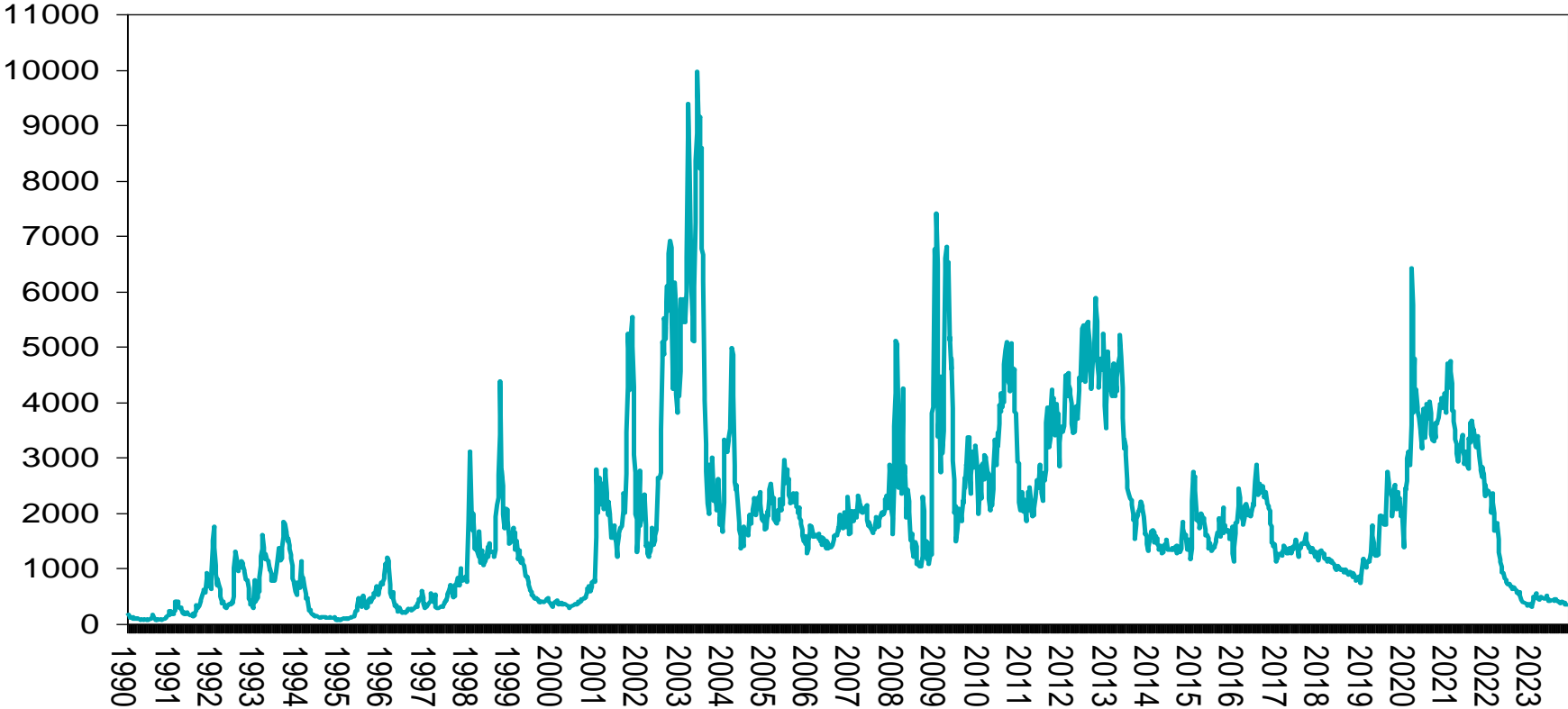
Euro-area retail sales

% y / y



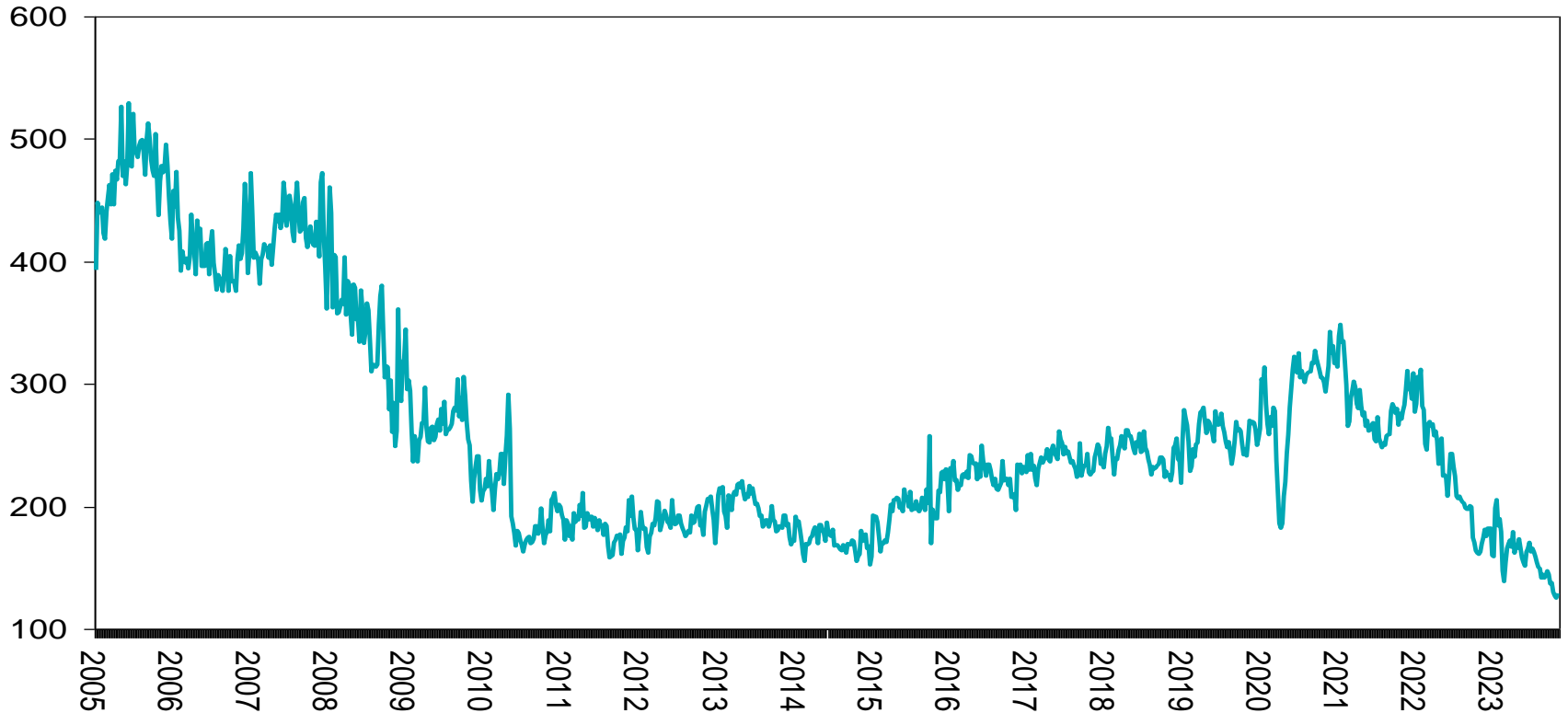
US mortgage refinancing index

Index



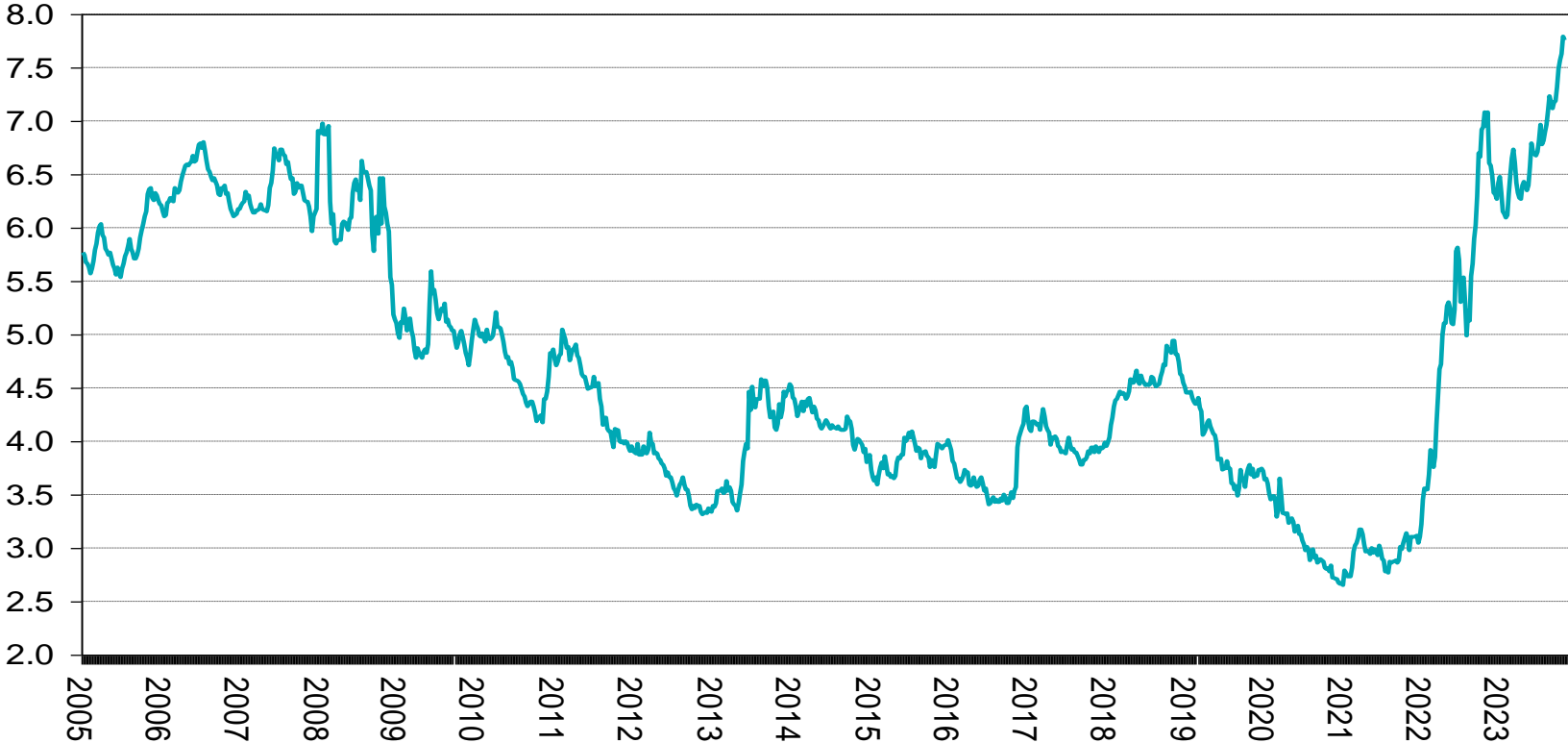
US mortgage applications for purchase

Market composite index



US 30-year fixed rate mortgage

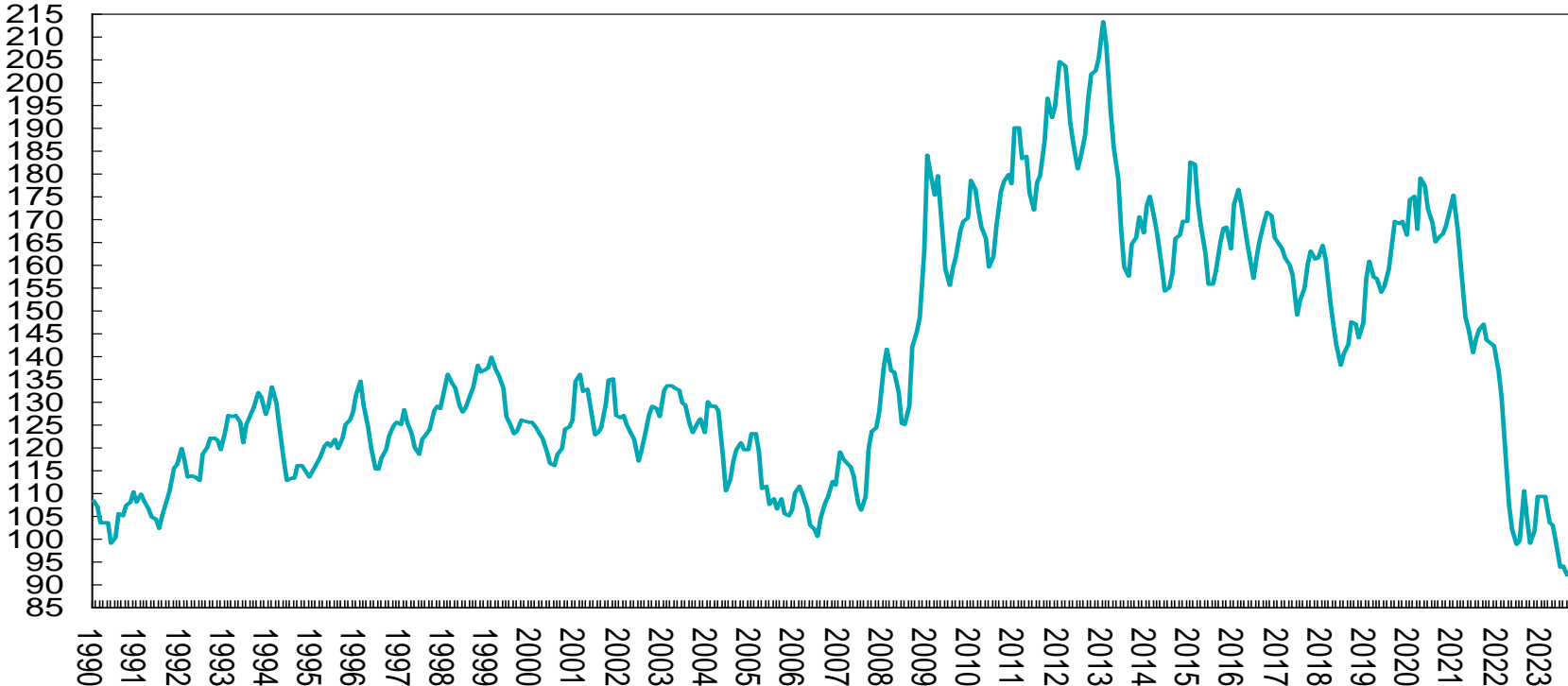
% yield, 30-year rate



US housing affordability

Index, composite

The lower the index the more unaffordable housing has become



Weekly economic review: 6 to 12 November 2023

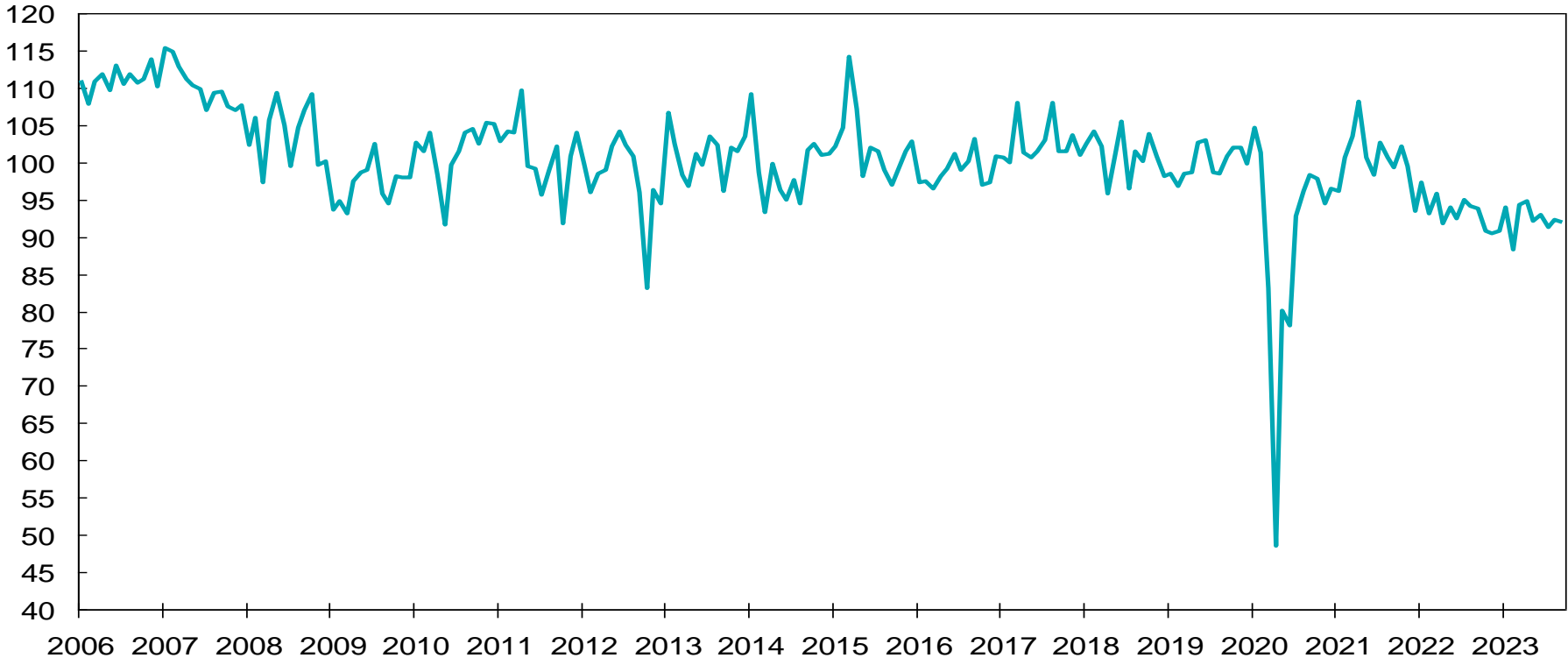
Thursday, 9 November 2023

- SA mining production for September 2023
- SA manufacturing production for September 2023
- US weekly jobless claims
- China consumer and producer inflation for October 2023

STANLIB

SA mining production

Index



Source: Statistics South Africa

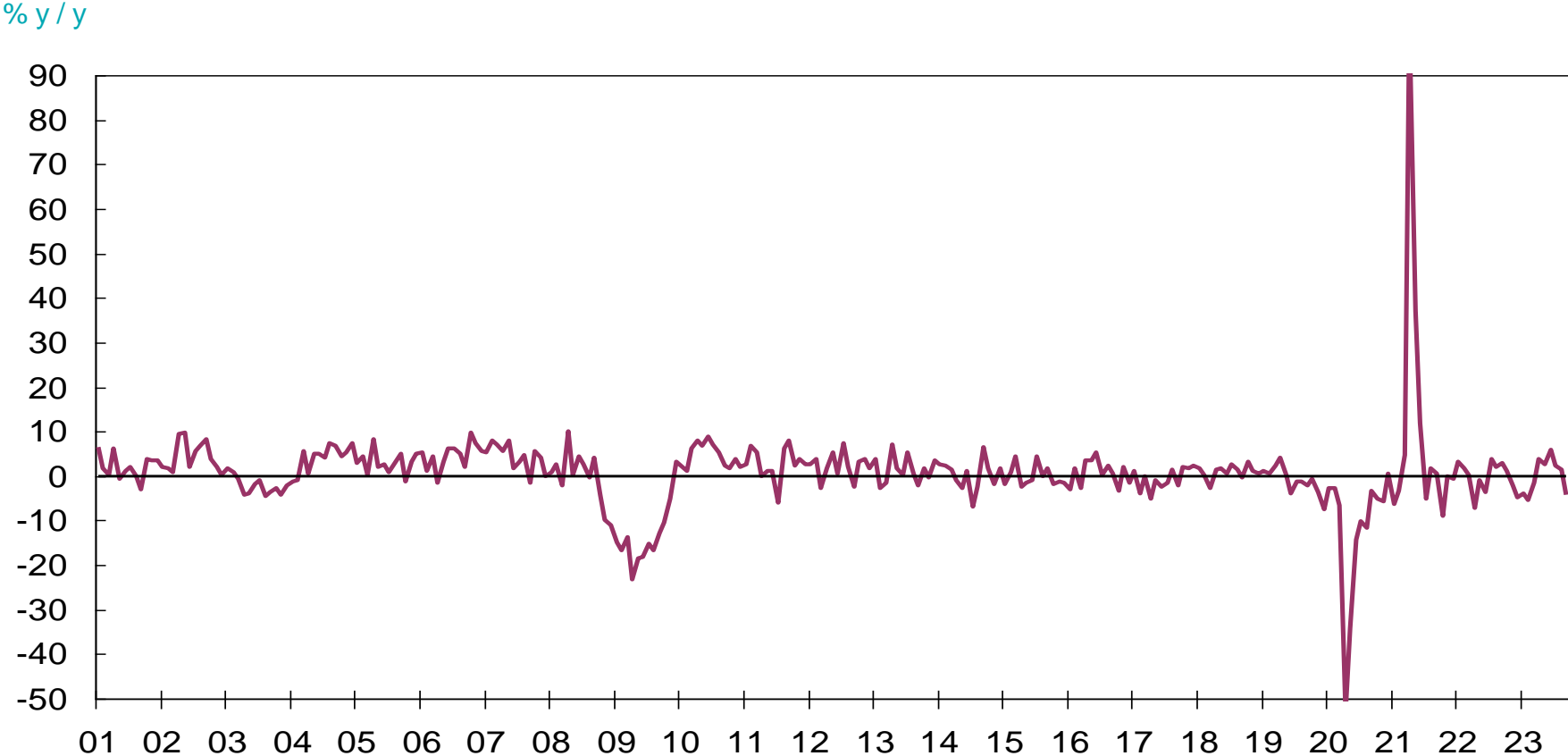
SA mining production (shorter time period)

Index



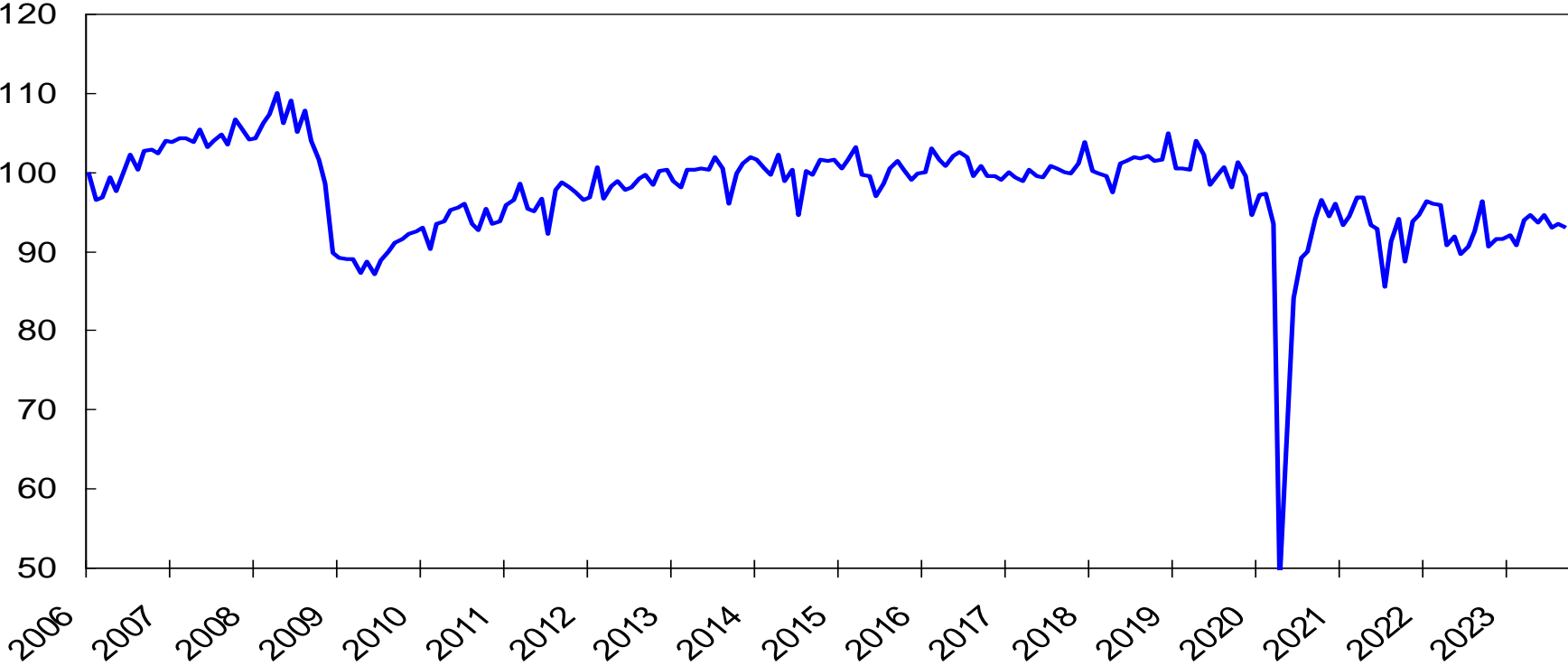
Source: Statistics South Africa

SA manufacturing production (annual rate of growth)



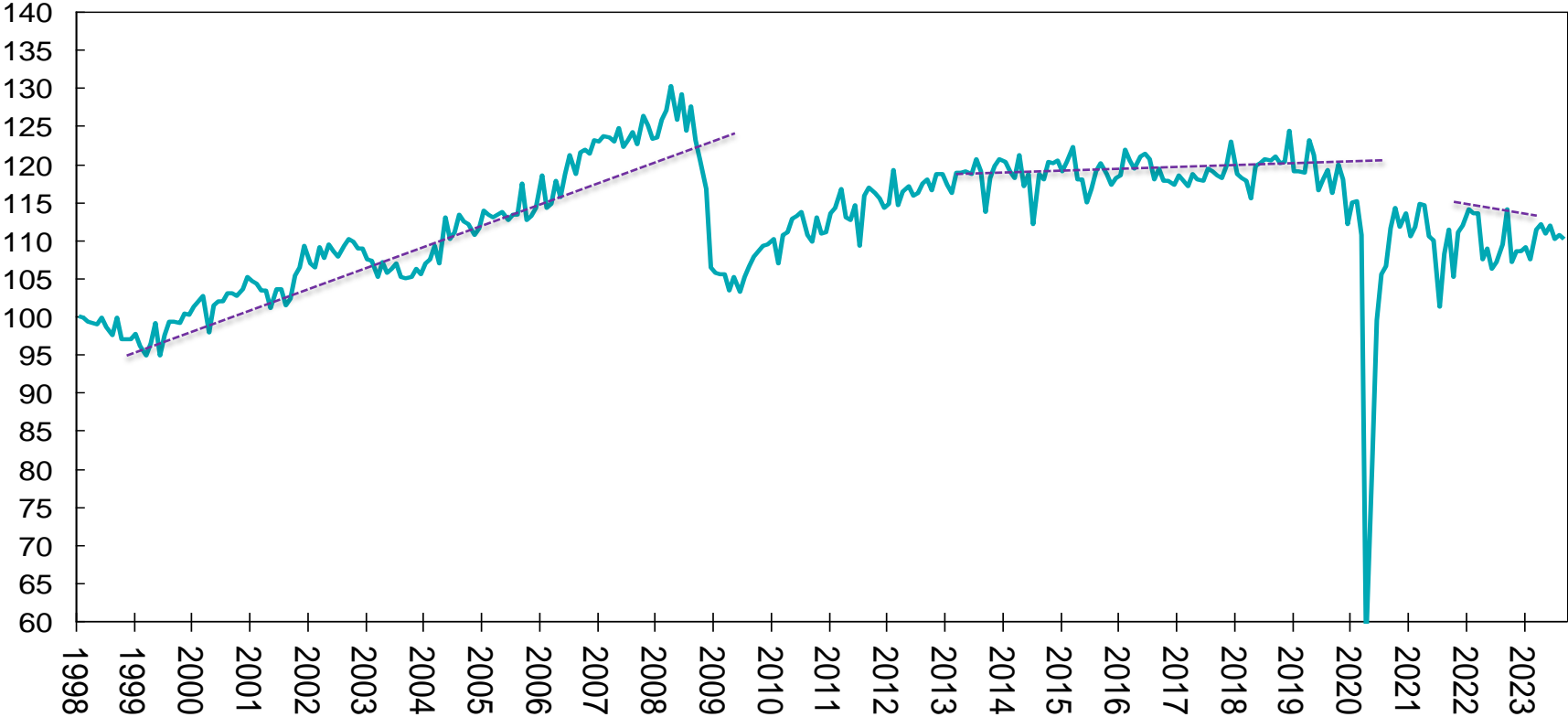
SA manufacturing production index

Index



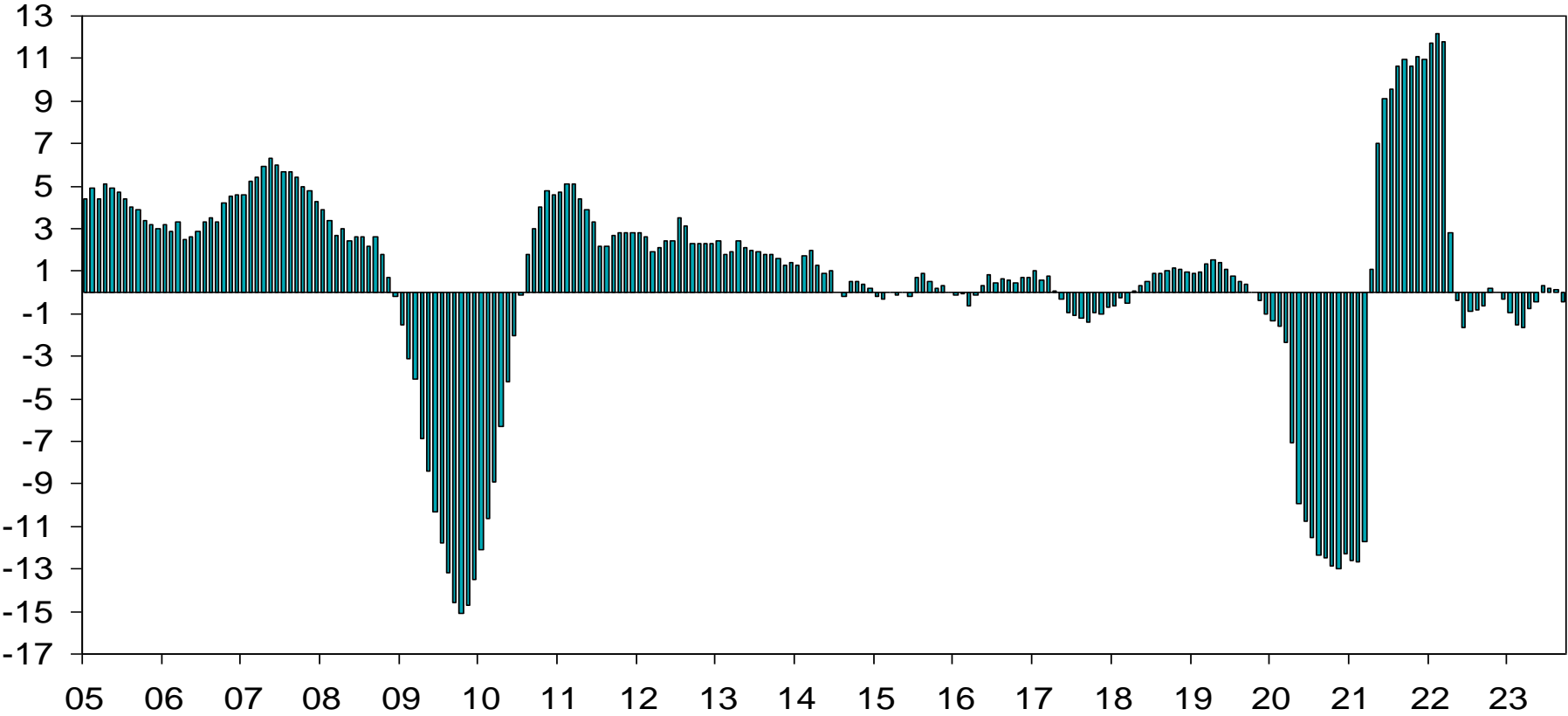
South Africa manufacturing – long-term performance

Index



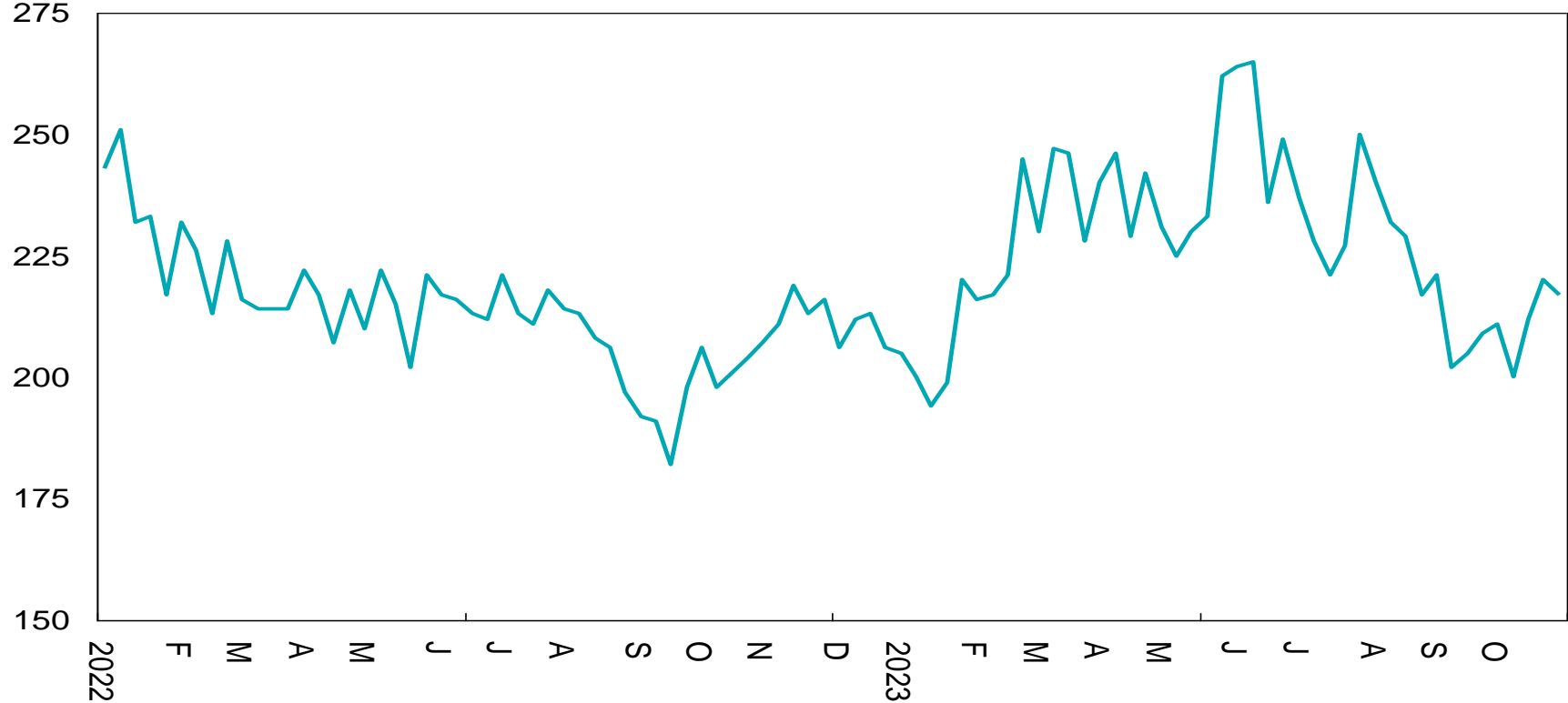
SA manufacturing production

%y/y, 12-month moving average



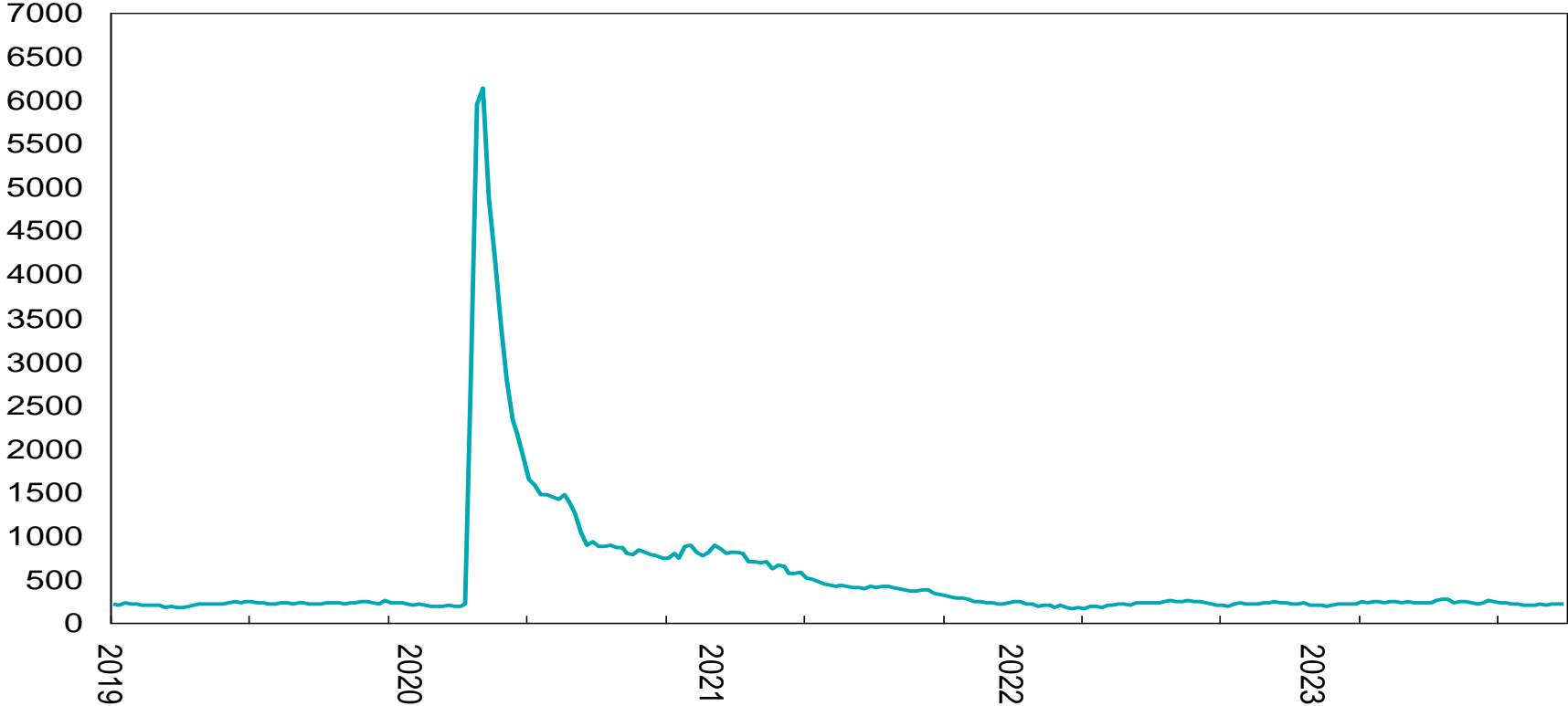
US initial jobless claims

000's



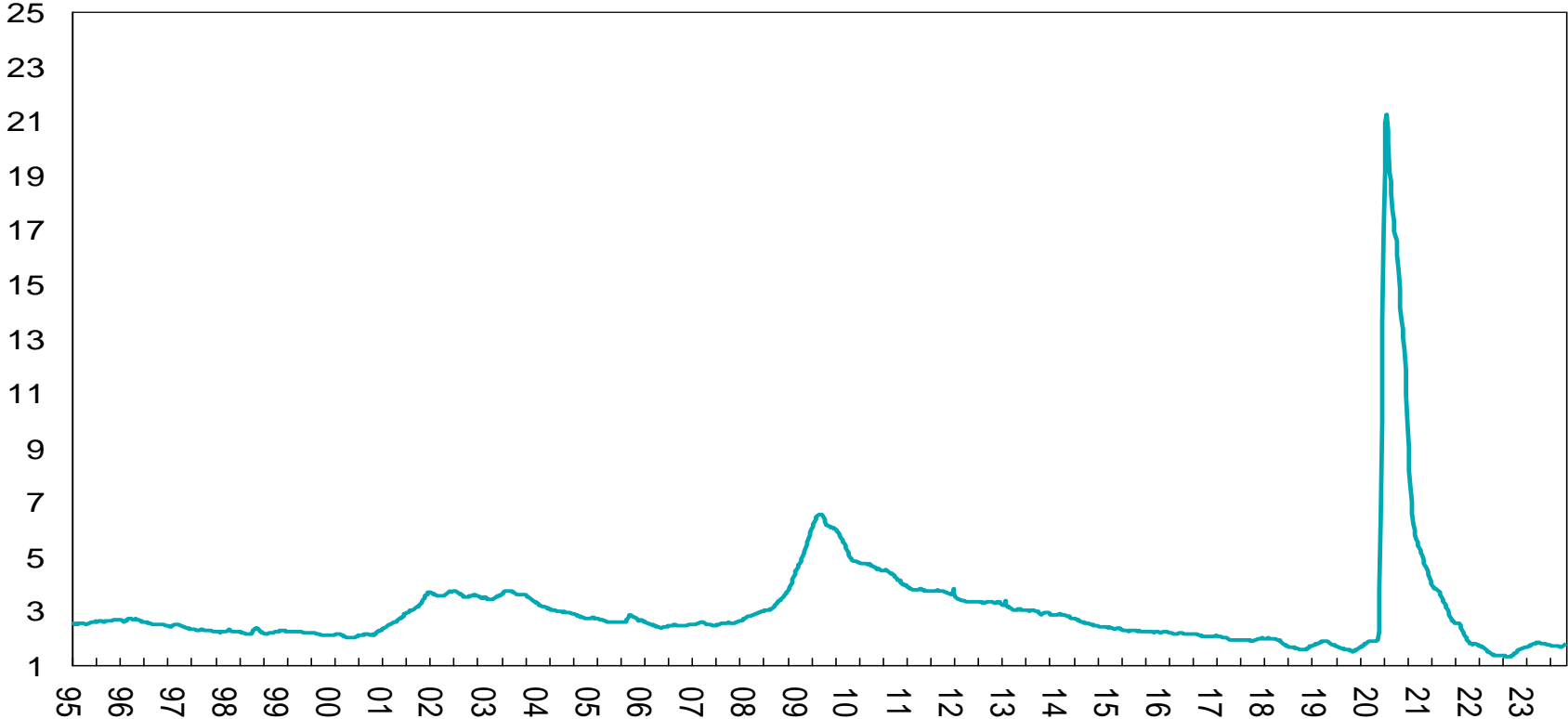
US initial jobless claims

000's



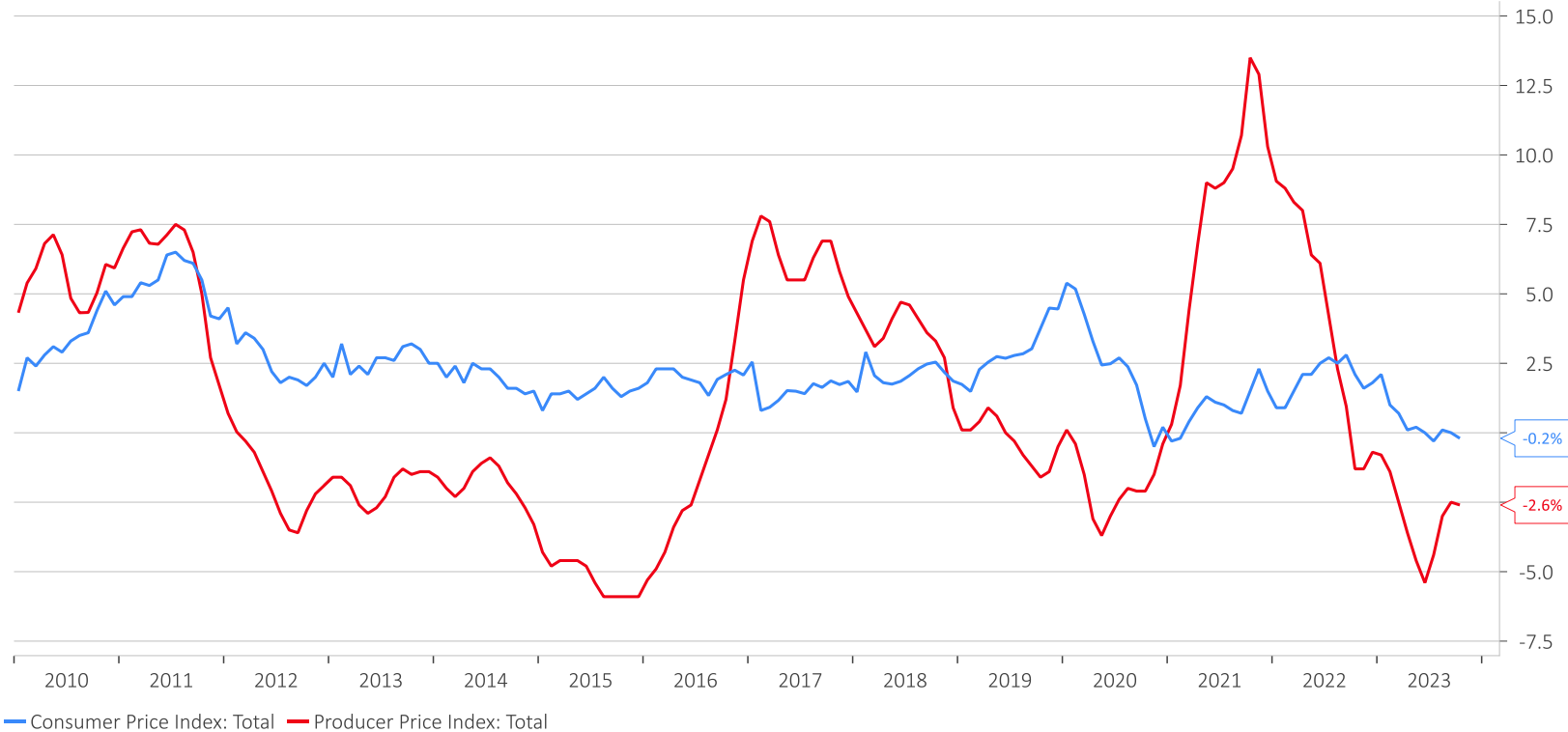
US continuing claims

Million



China consumer and producer inflation

% y/y



Weekly economic review: 6 to 12 November 2023

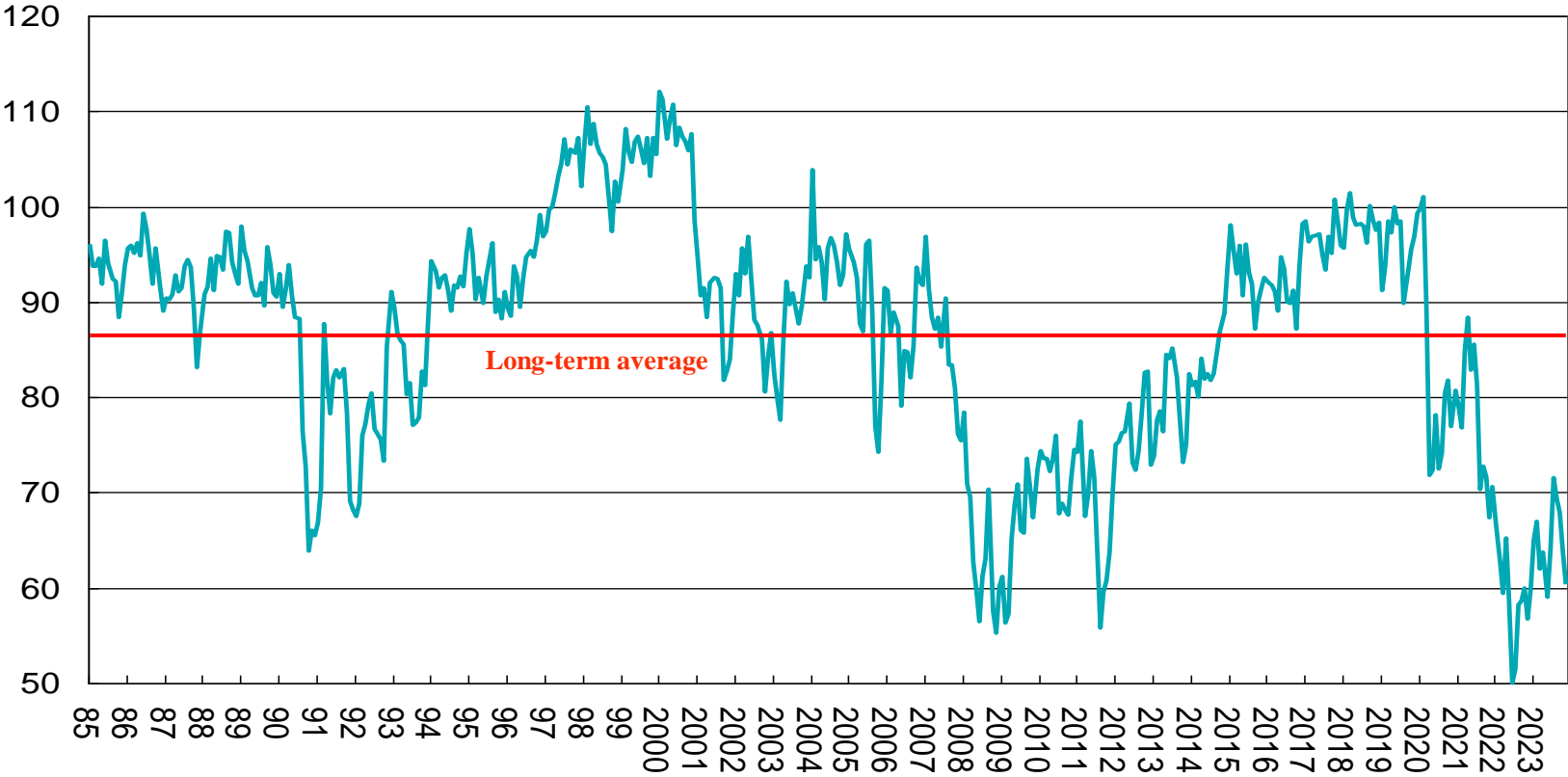
Friday, 10 November 2023

- US consumer confidence (Michigan) for November 2023
- US household inflation expectations for November 2023
- US government revenue and expenditure for October 2023
- Moody's adjusted their US credit rating from stable to negative

STANLIB

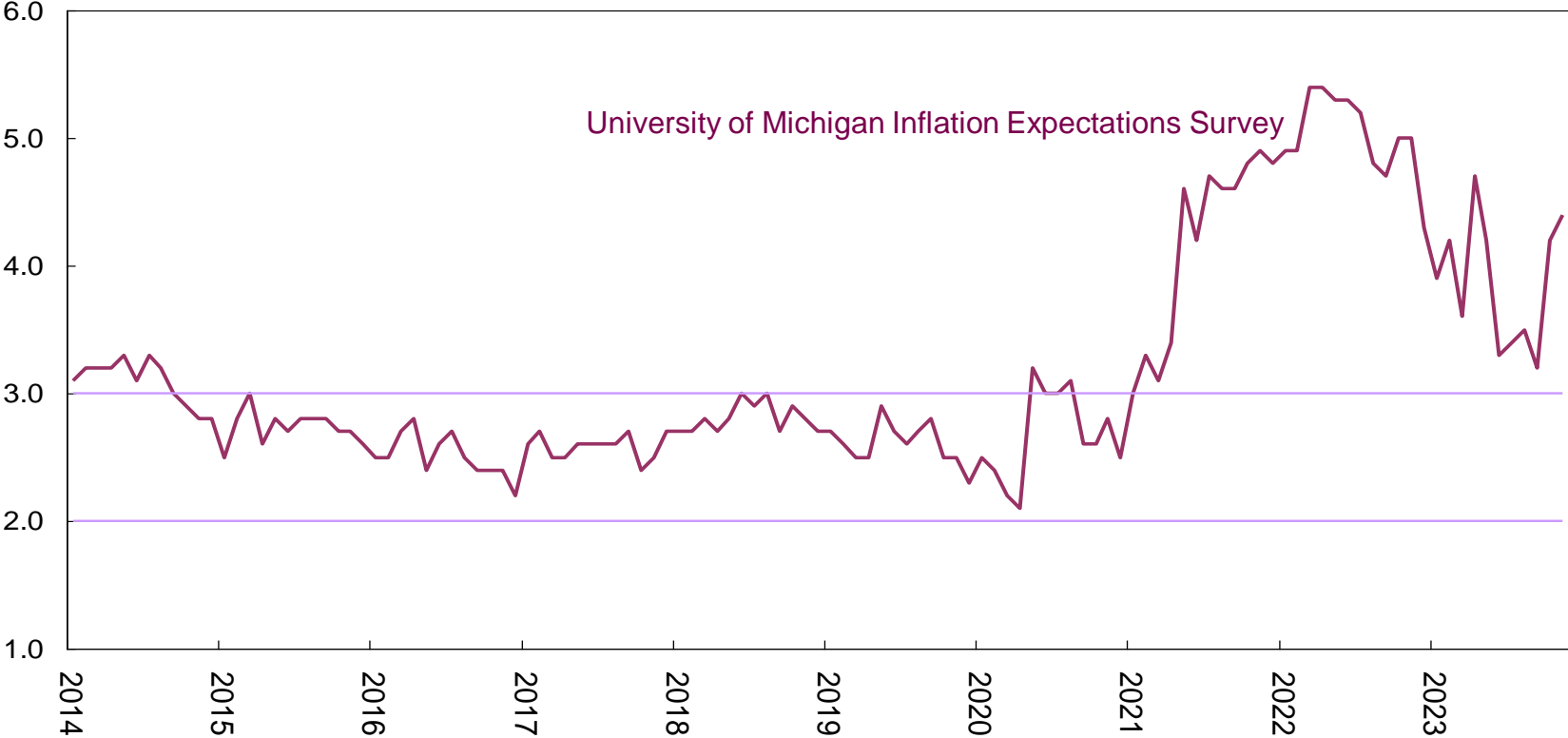
US consumer confidence (University of Michigan)

Index



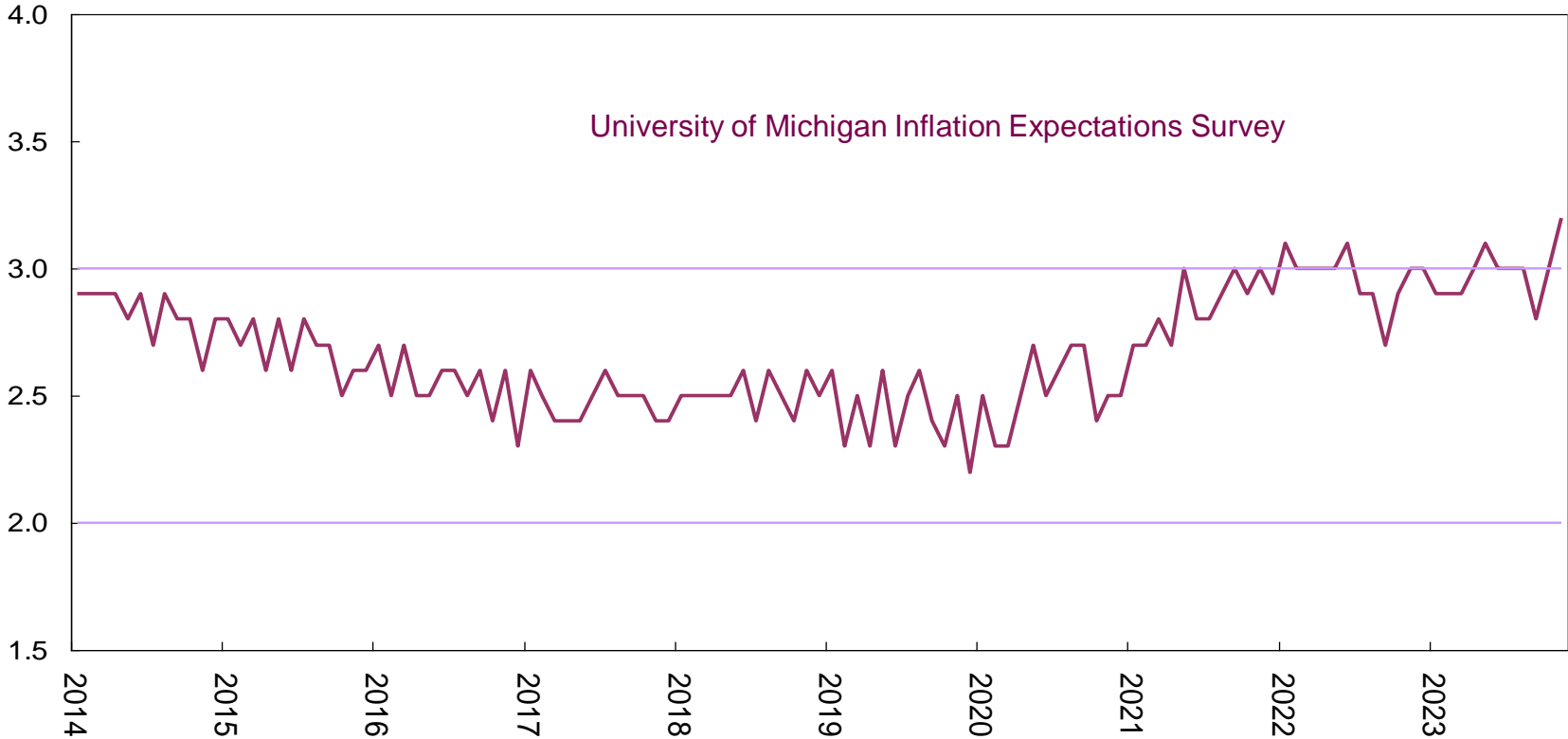
US household inflation expectations in 12-months

Inflation rate in one year



US household inflation expectations in 5 to 10 years

Inflation rate in 5 to 10 years



Moody's revised the outlook on the US credit rating to negative

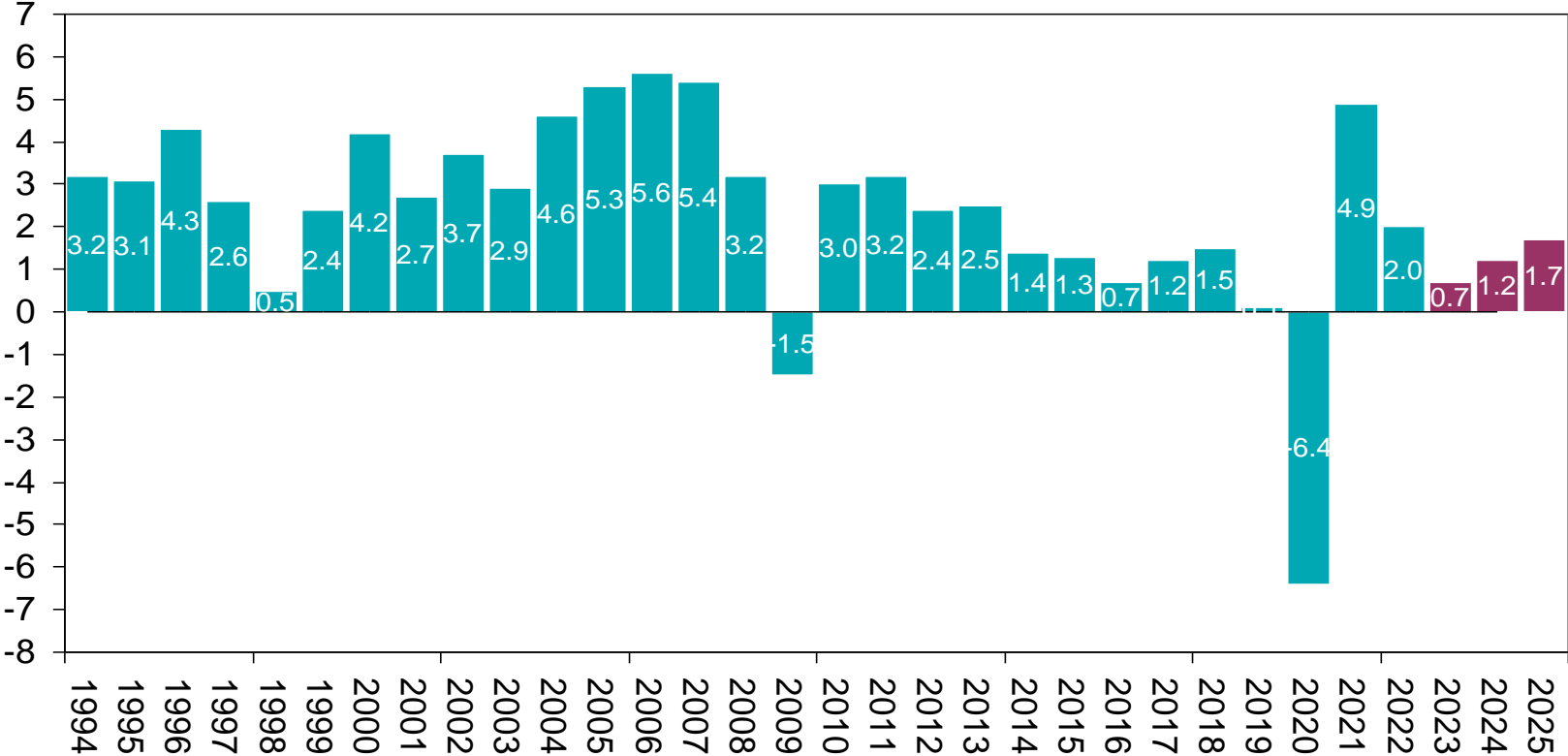
- Moody's revised the US credit rating outlook to negative. The rating itself remained unchanged at Aaa. Moody's has had the US on a Aaa credit rating since 5 February 1949.
- The outlook change reflects the deterioration in the US' fiscal position.
- Continued political polarisation within US Congress raises the risk that successive governments will not be able to reach consensus on a fiscal plan to slow the decline in debt affordability.
- Moody's expects the US to retain its economic strength. Strong growth over the medium term could slow the deterioration in debt affordability. Institutional and governance strength is also very high.
- US is the only country Moody's assigns an economic strength score of "aaa," the highest score possible.
- The role of the Dollar and Treasury bond market in the global financial system provide extraordinary funding capacity and significantly reduces the risks.
- Federal interest cost relative to revenue is forecast up at 26% by 2033. US federal government debt is projected at around 120% of GDP by 2033.
- Moody's will revise down the US credit rating if they feel that policymakers are unlikely to respond to the country's growing fiscal challenges over the medium term.

Consensus GDP growth

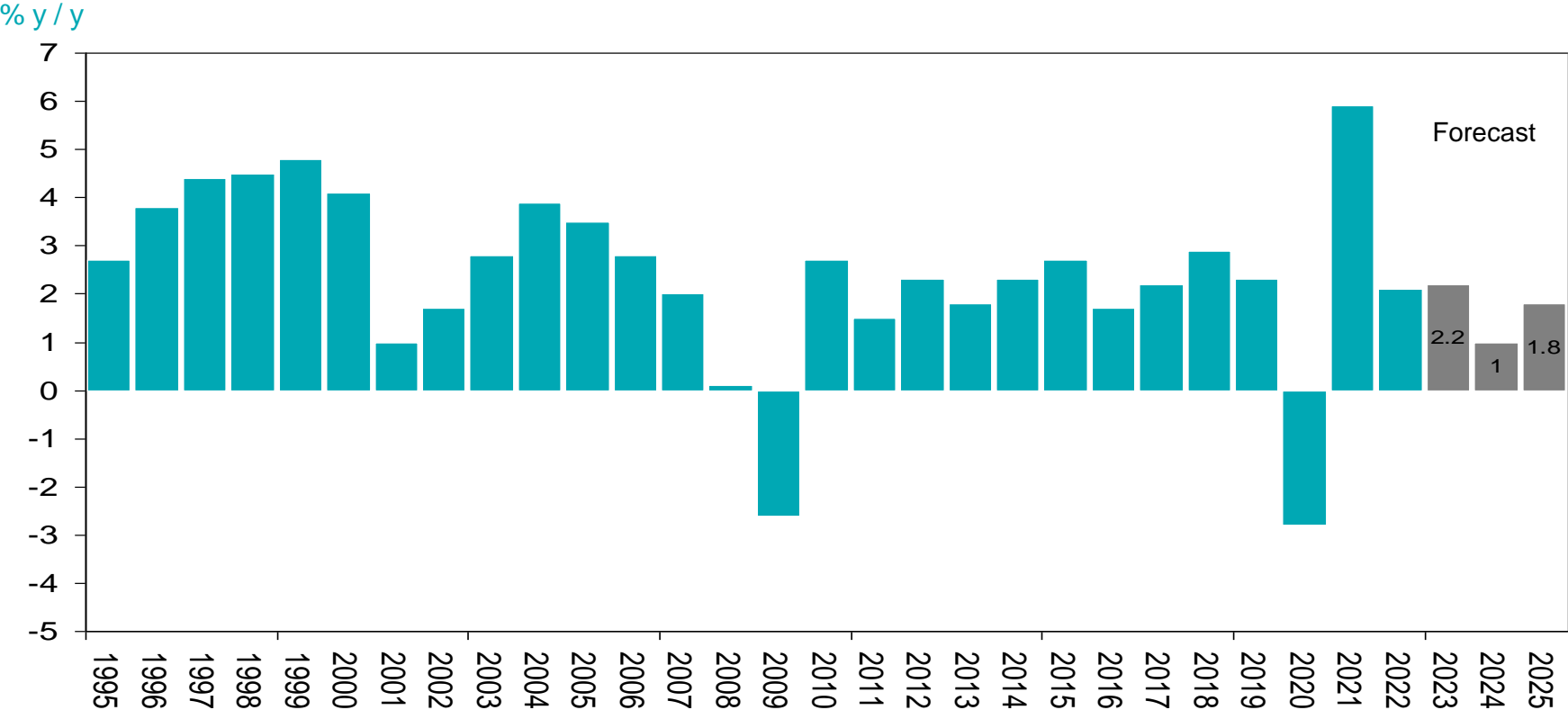
- South Africa consensus GDP growth forecast
- United States consensus GDP growth forecast
- Euro-area consensus GDP growth forecast
- China consensus GDP growth forecast

SA consensus GDP annual growth rate

% y/y



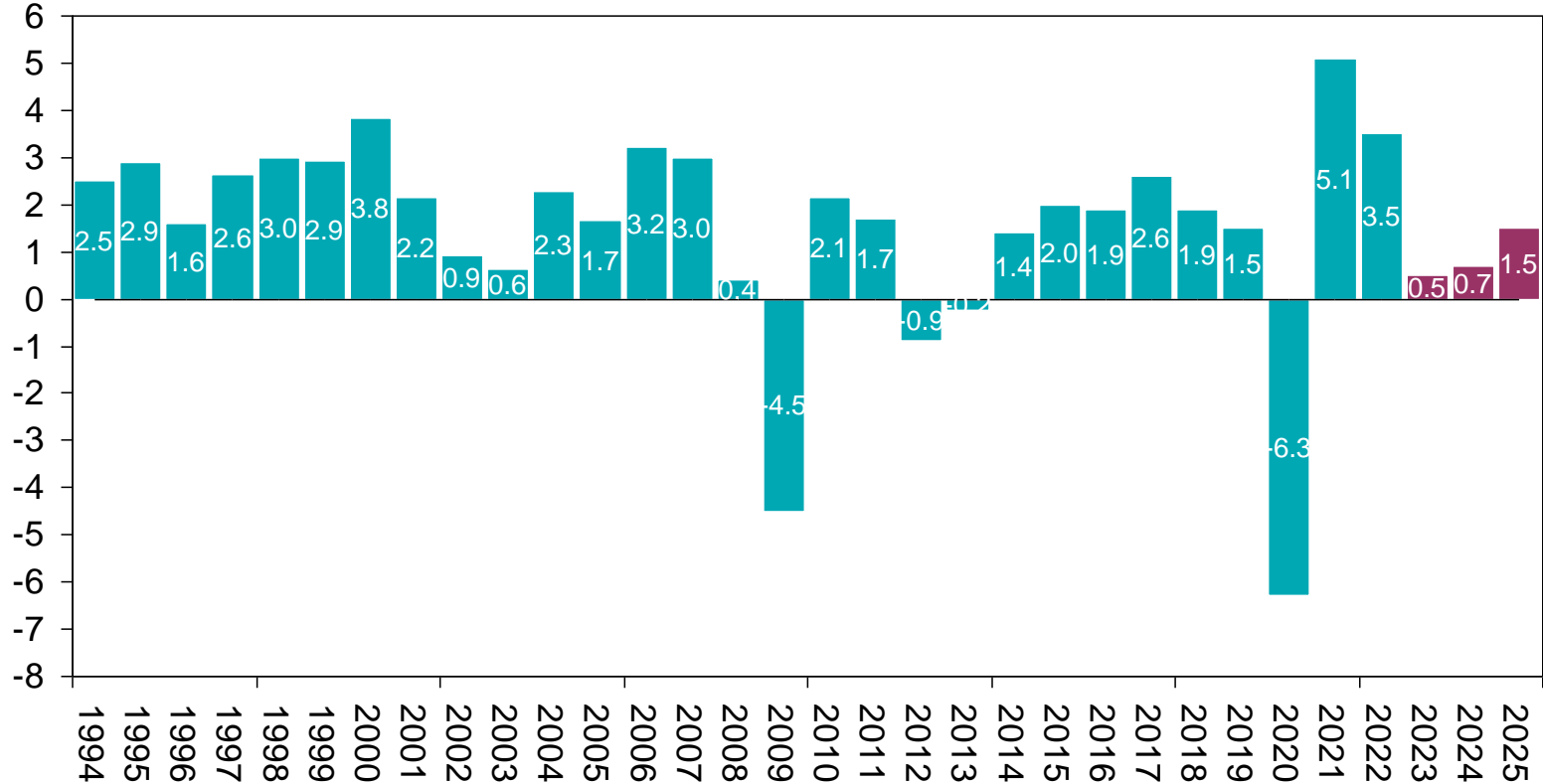
US consensus real annual GDP growth



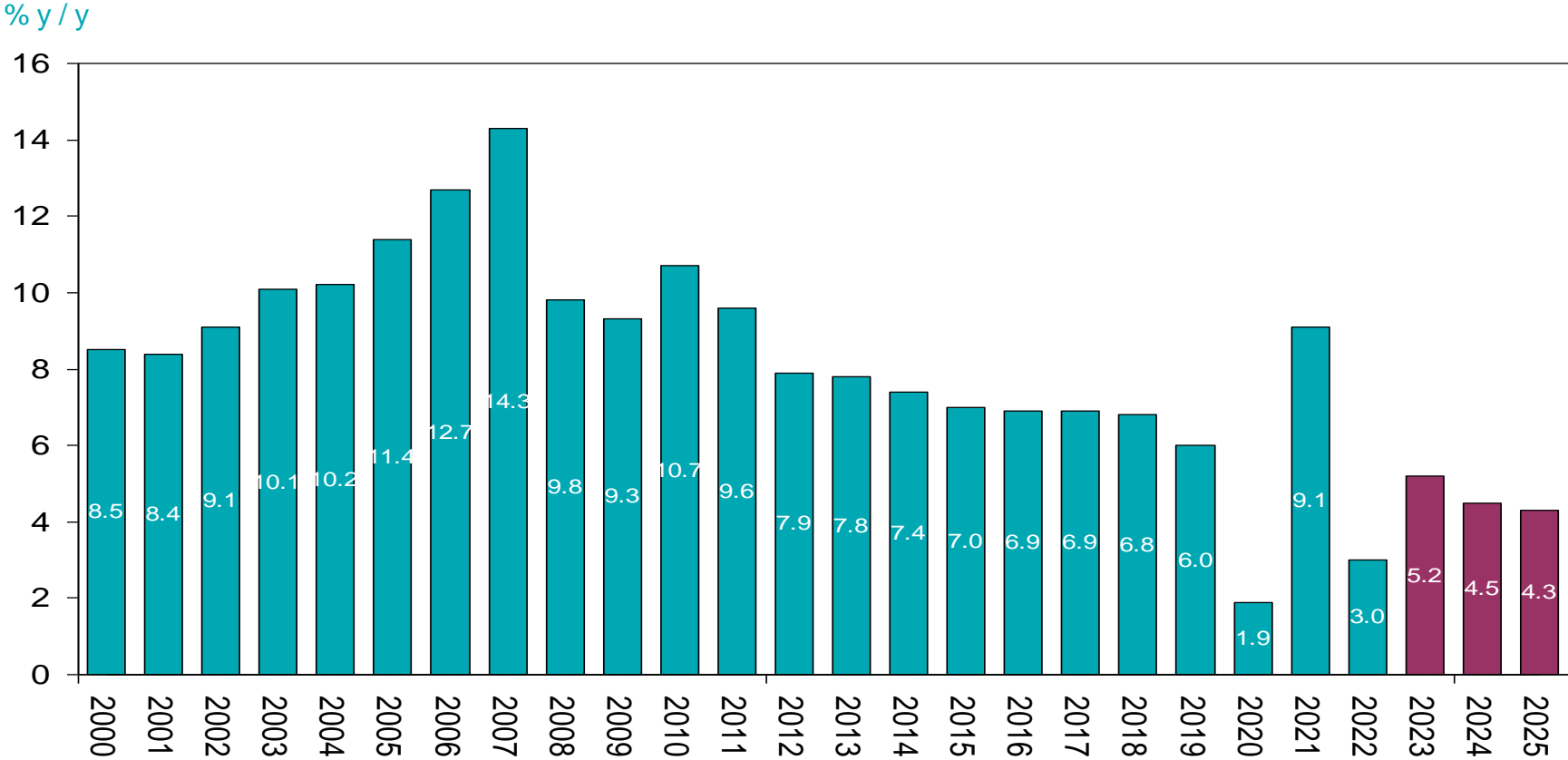
Source: Bloomberg

Euro-area GDP annual growth rate: consensus growth estimate

% y/y



China GDP growth consensus forecast



Source: Bloomberg

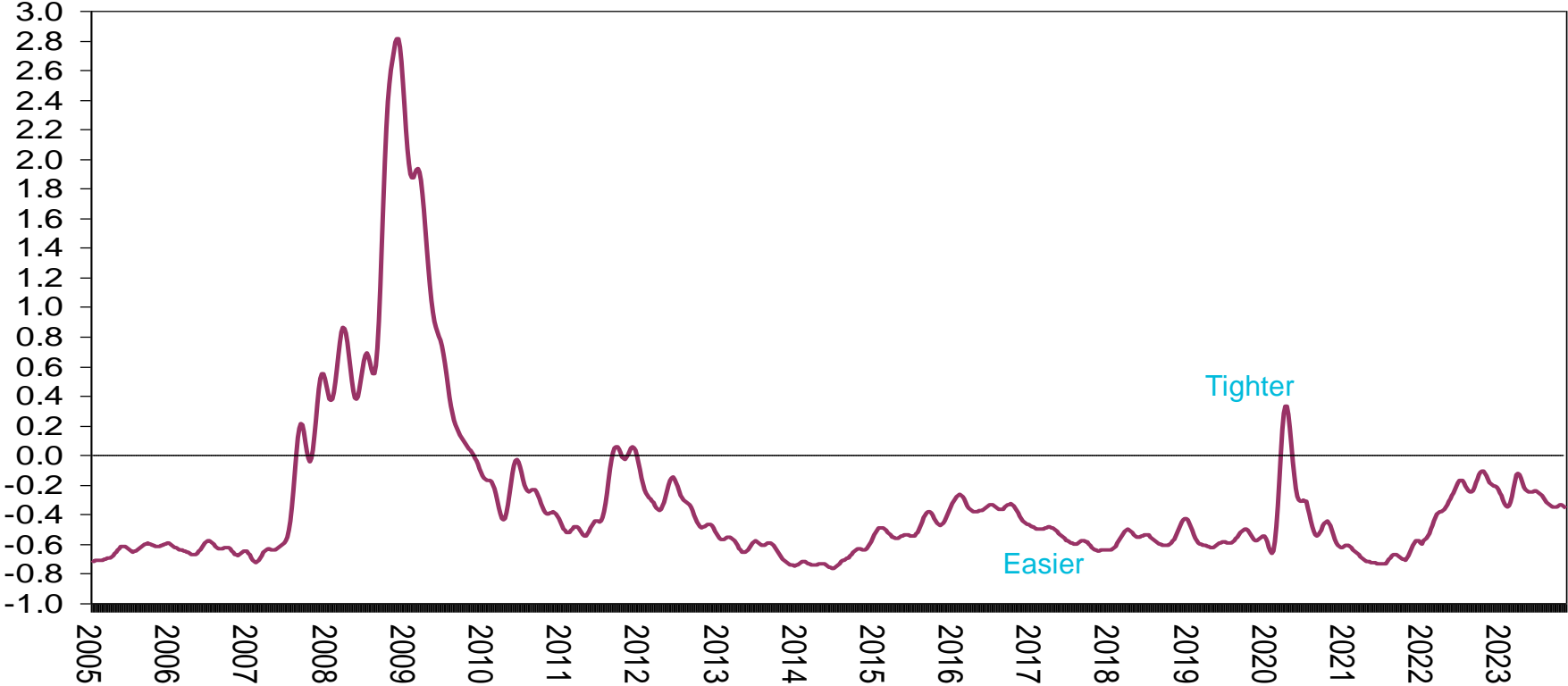
US financial conditions: 6 to 12 November 2023

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

STANLIB

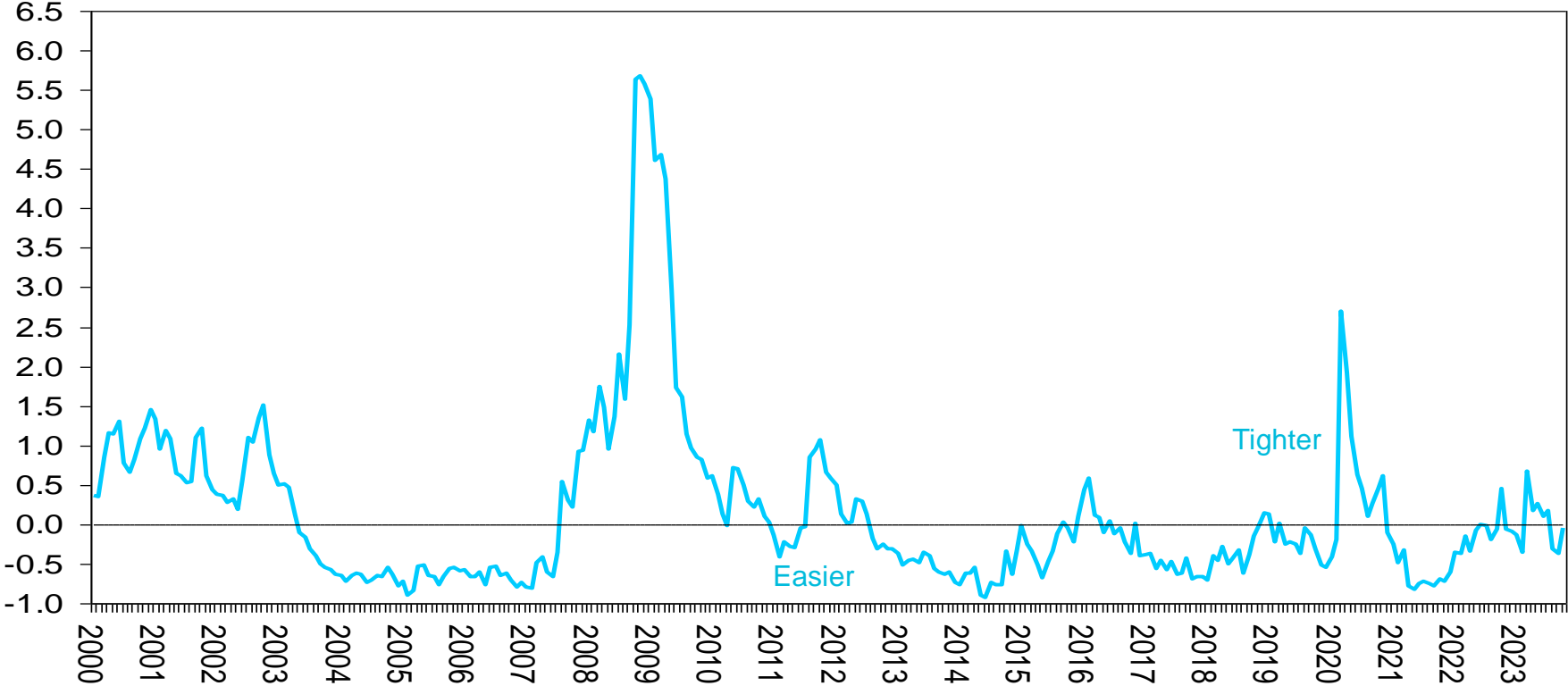
US financial conditions (Federal Reserve Chicago)

Index



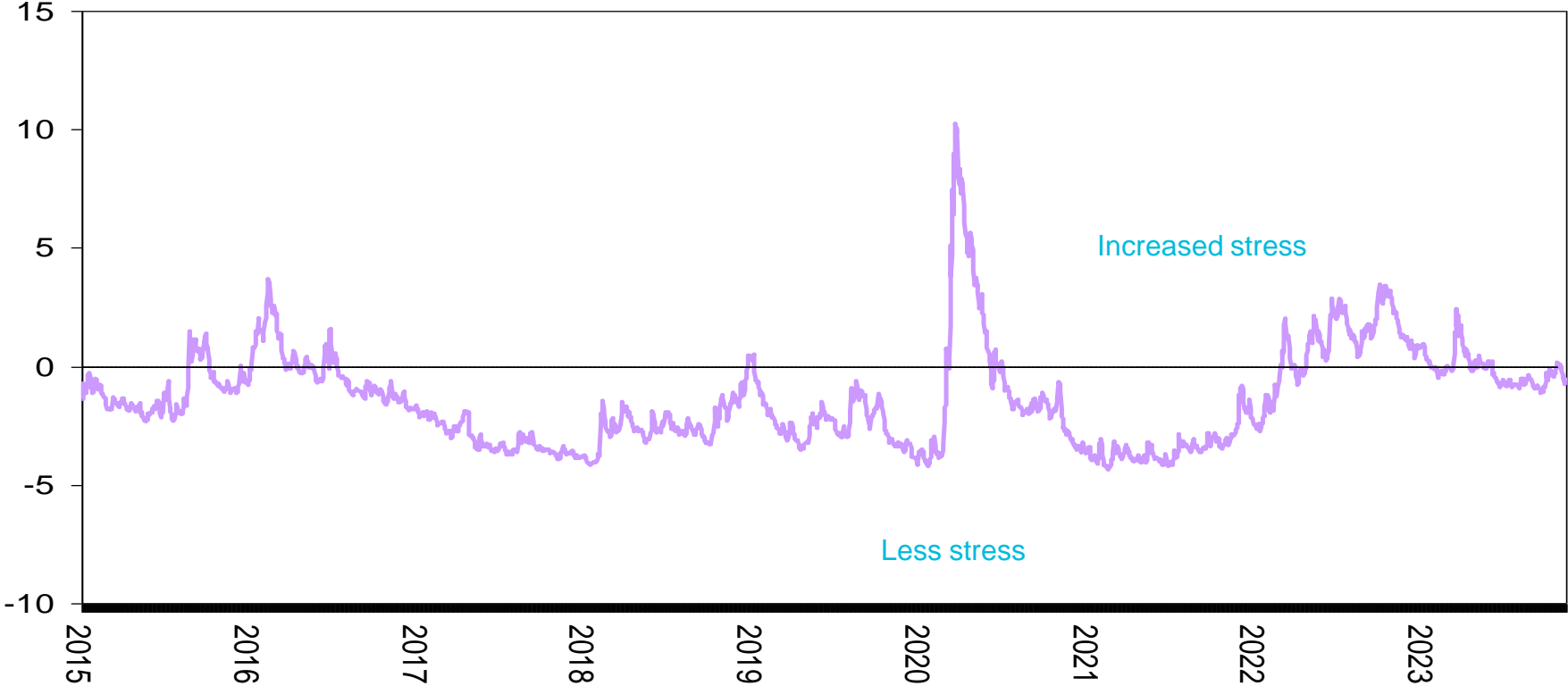
US financial conditions (Federal Reserve Kansas City)

Index



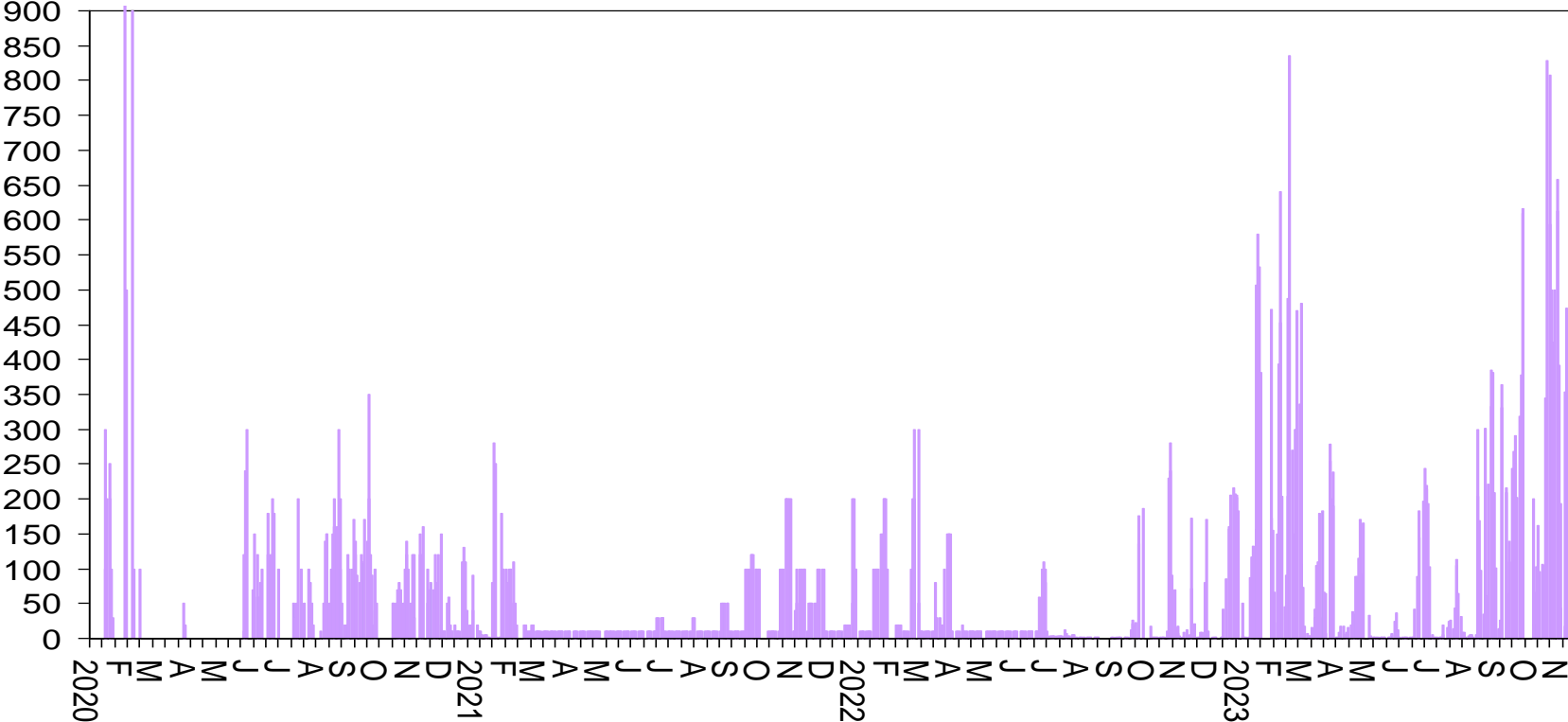
US financial stress index (OFR Financial Stress Index)

Index



China PBOC liquidity injection daily (total reverse Repos)

Yuan billion



Commodity prices: 6 to 12 November 2023

- 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
- Wheat price

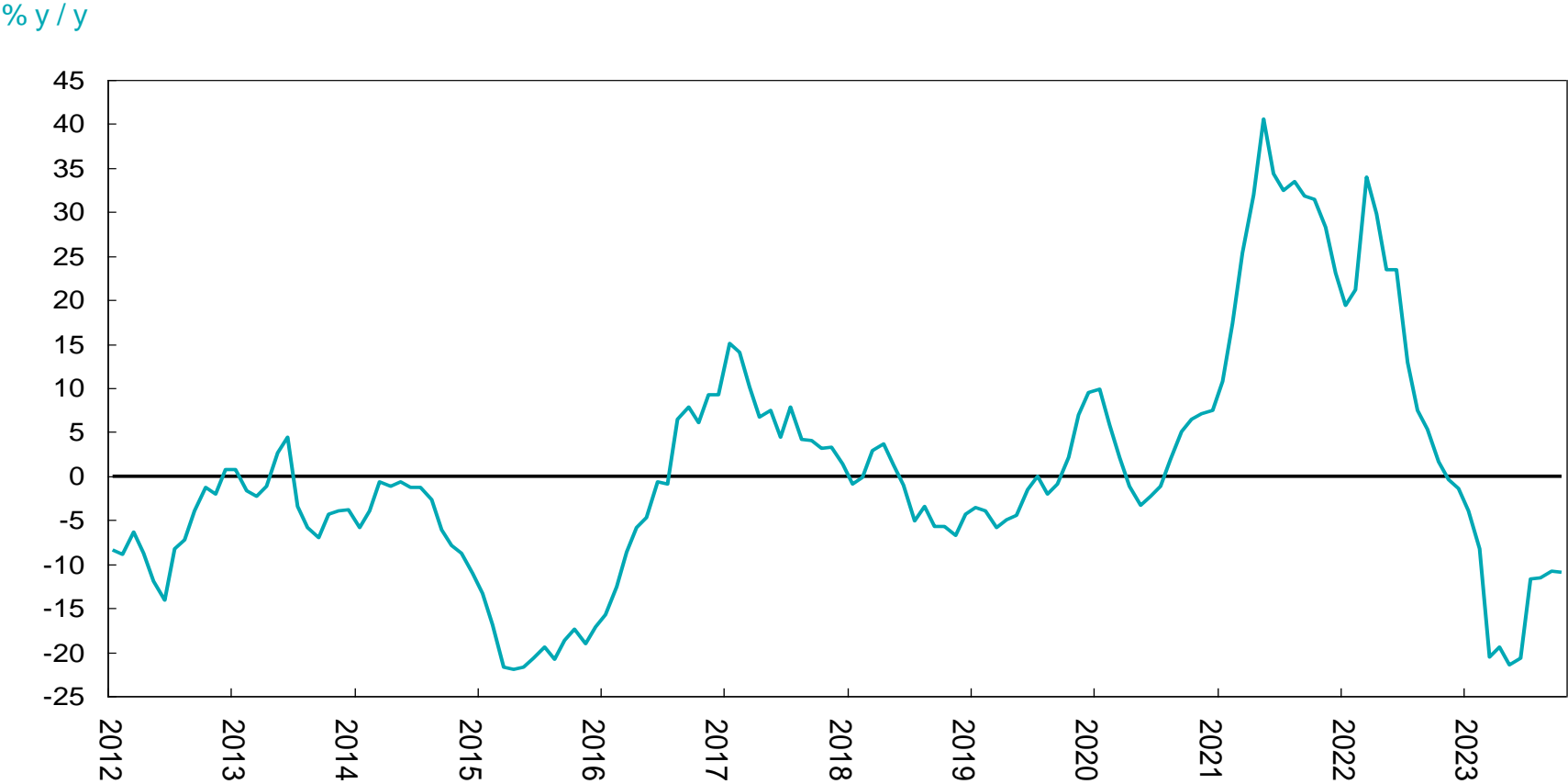


STANLIB

Global commodity price index (S&P GSCI)

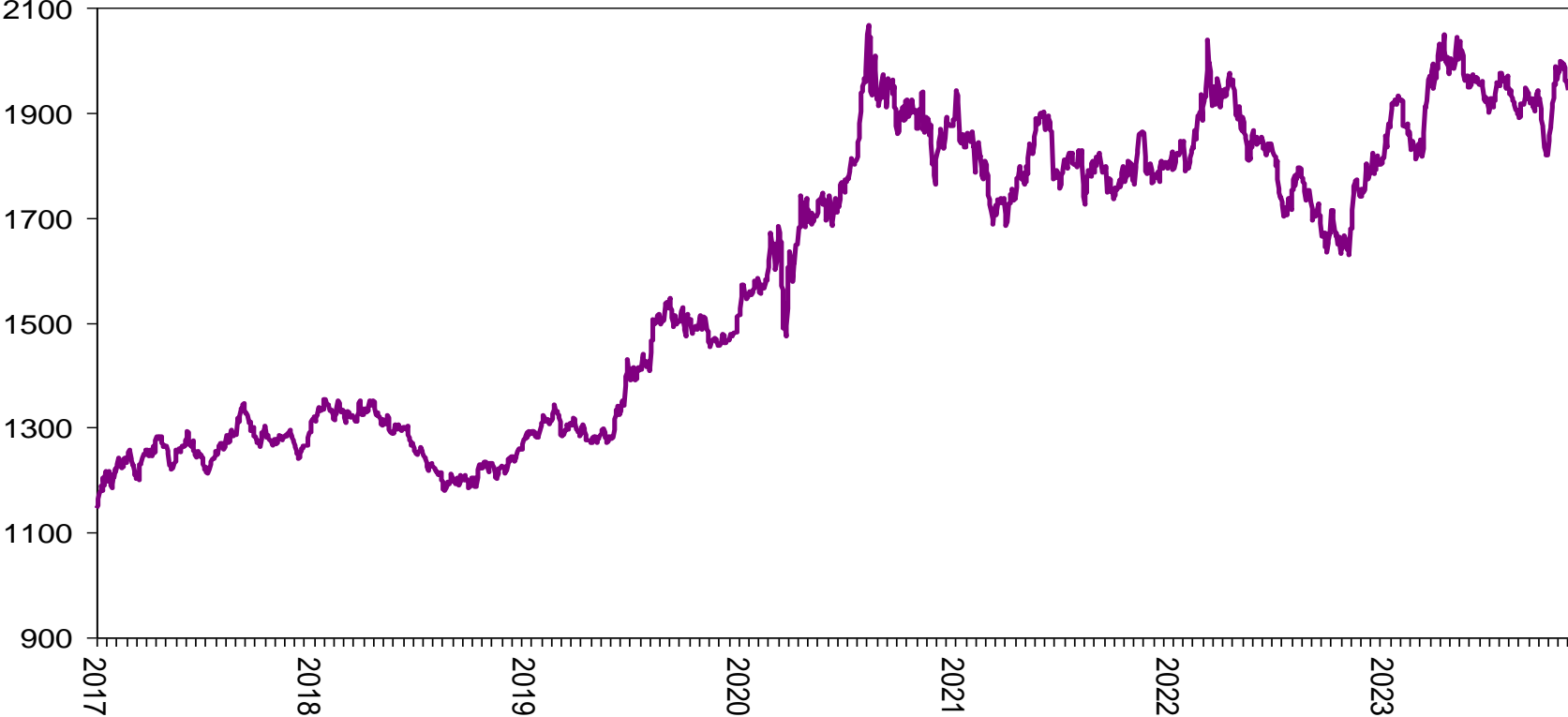


World food inflation



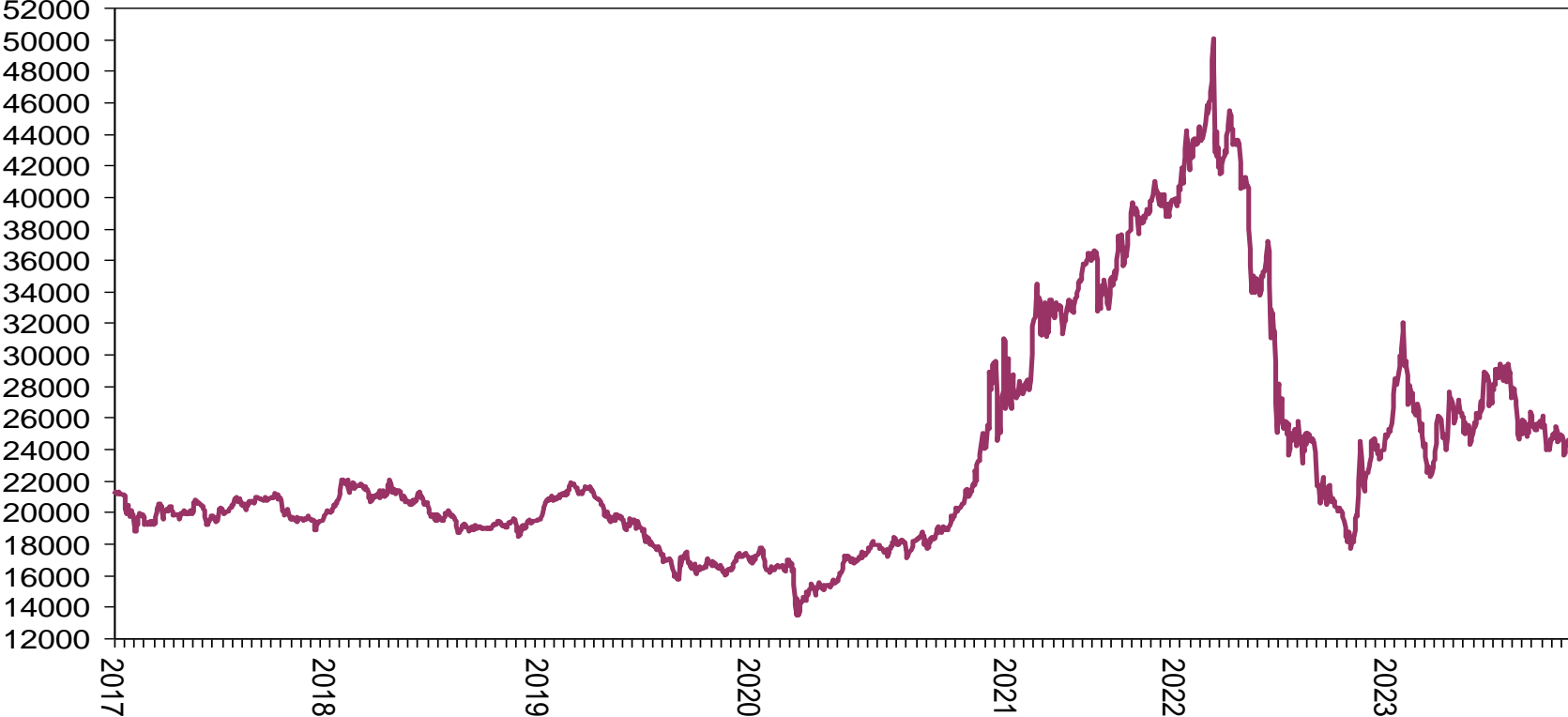
Gold price

\$/ounce



Tin price

\$/MT



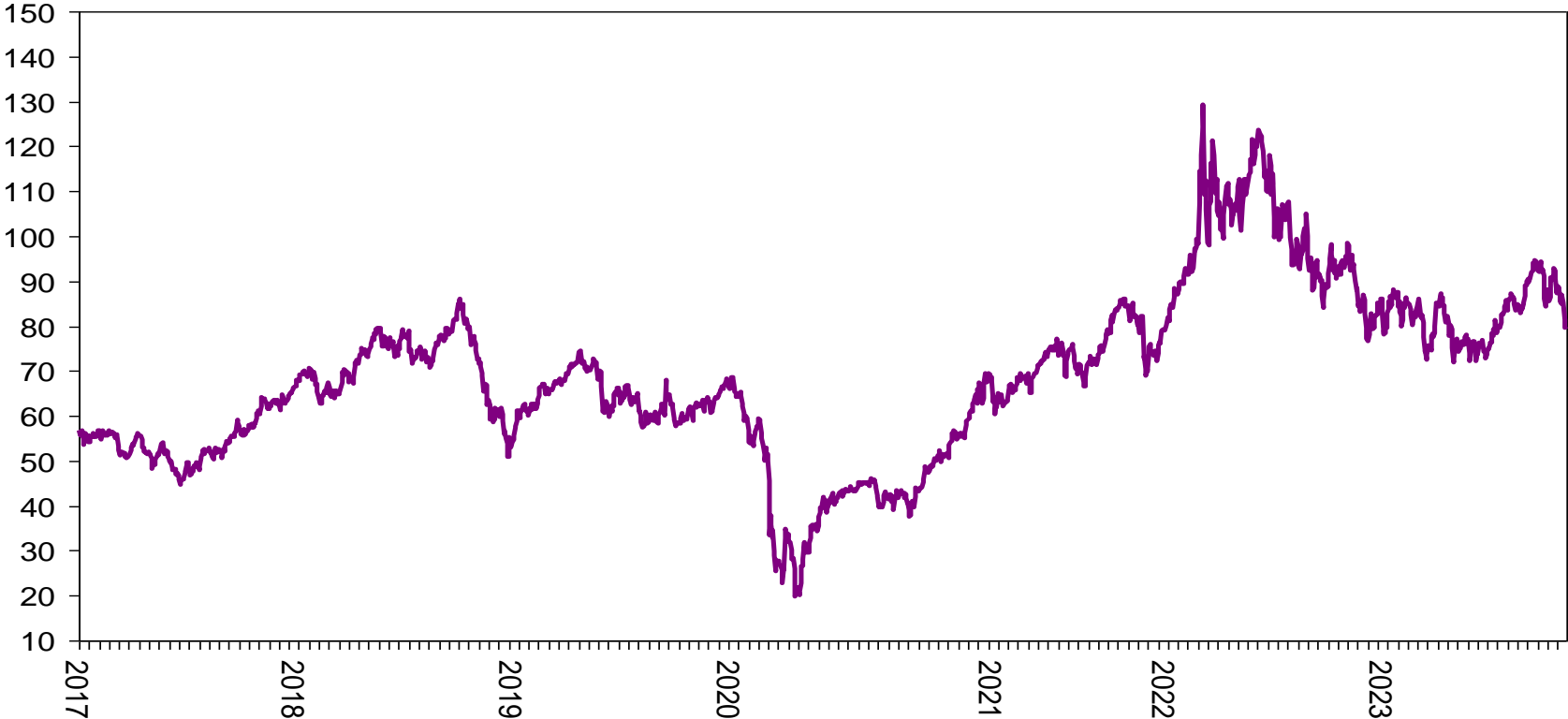
Silver price

\$/ounce



Oil price

\$/b l



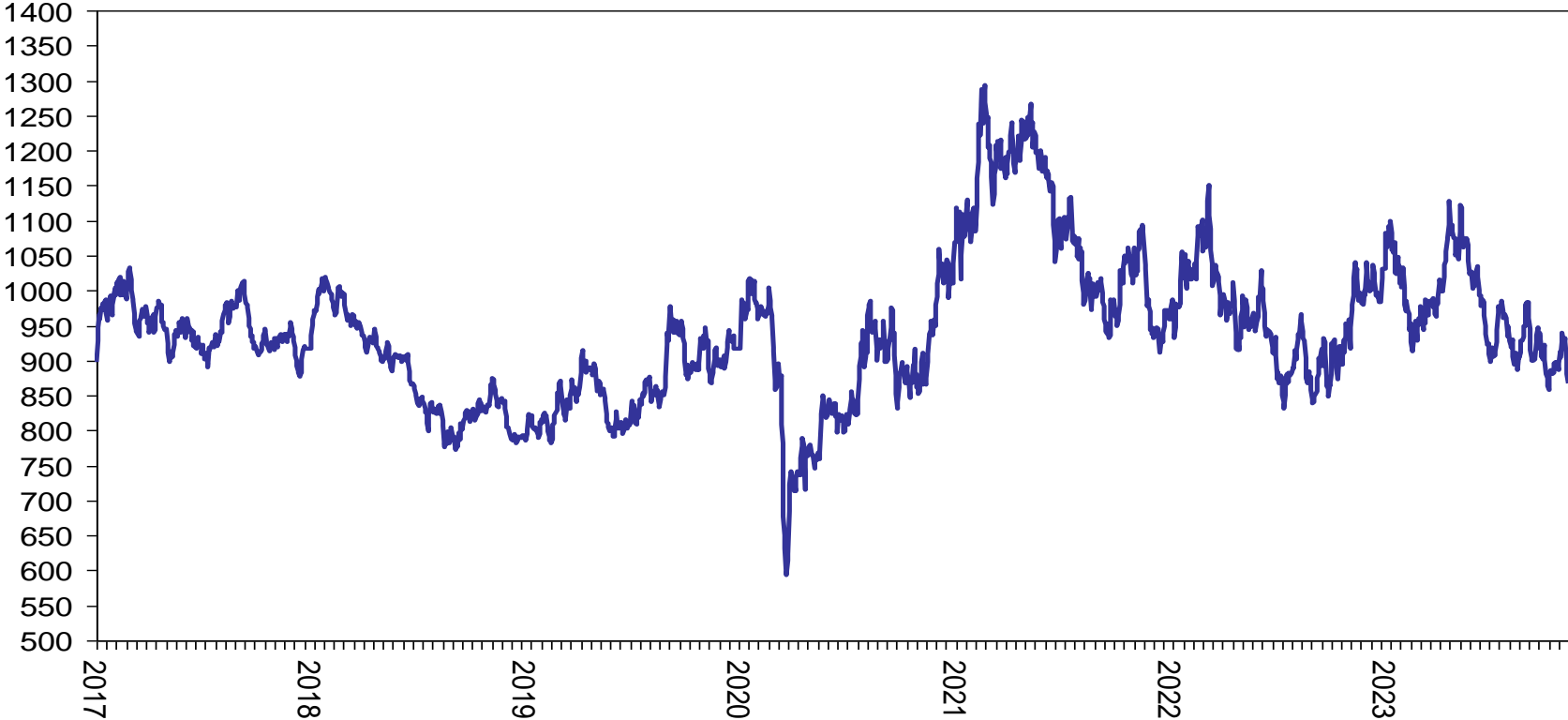
Copper price

\$/MT



Platinum price

\$/ounce



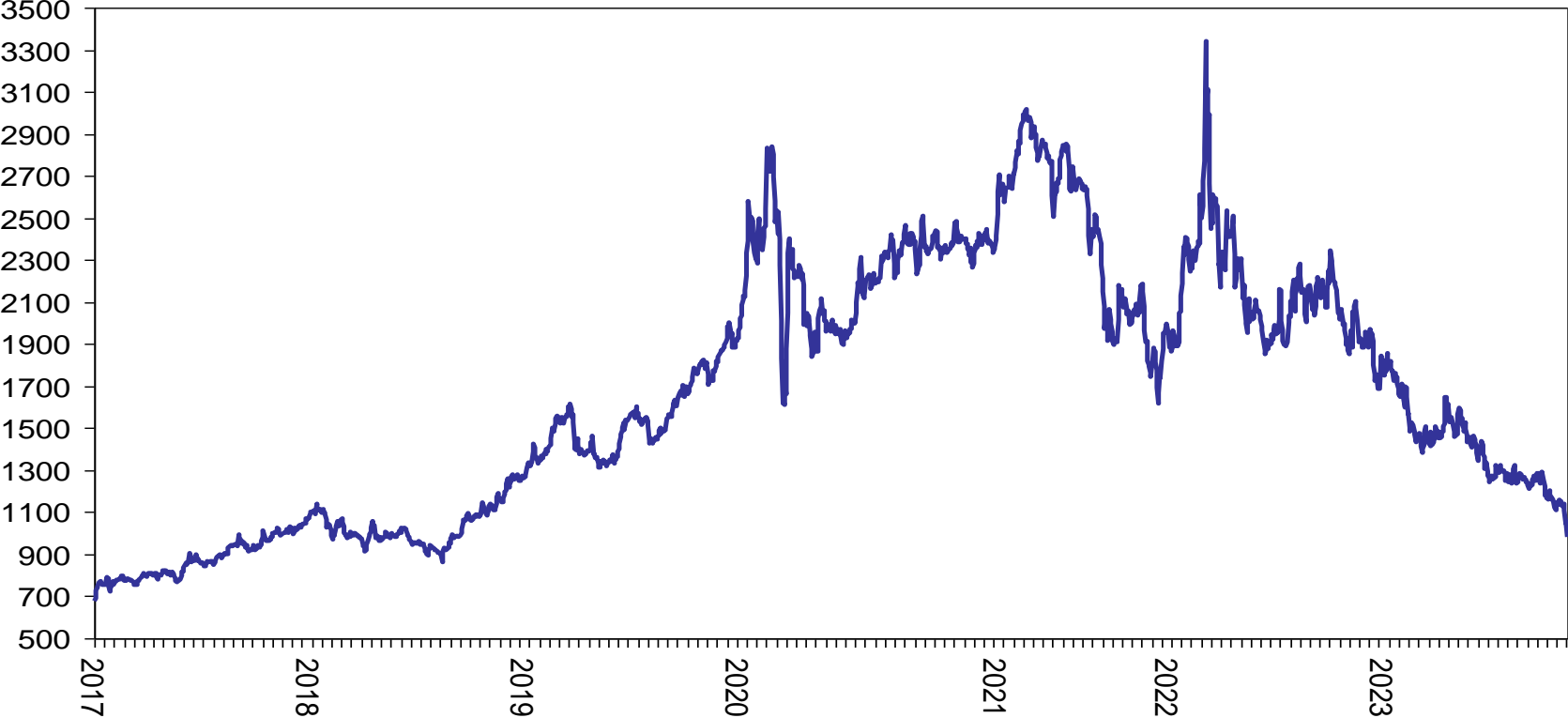
Aluminium price

\$/MT



Palladium price

\$/ounce



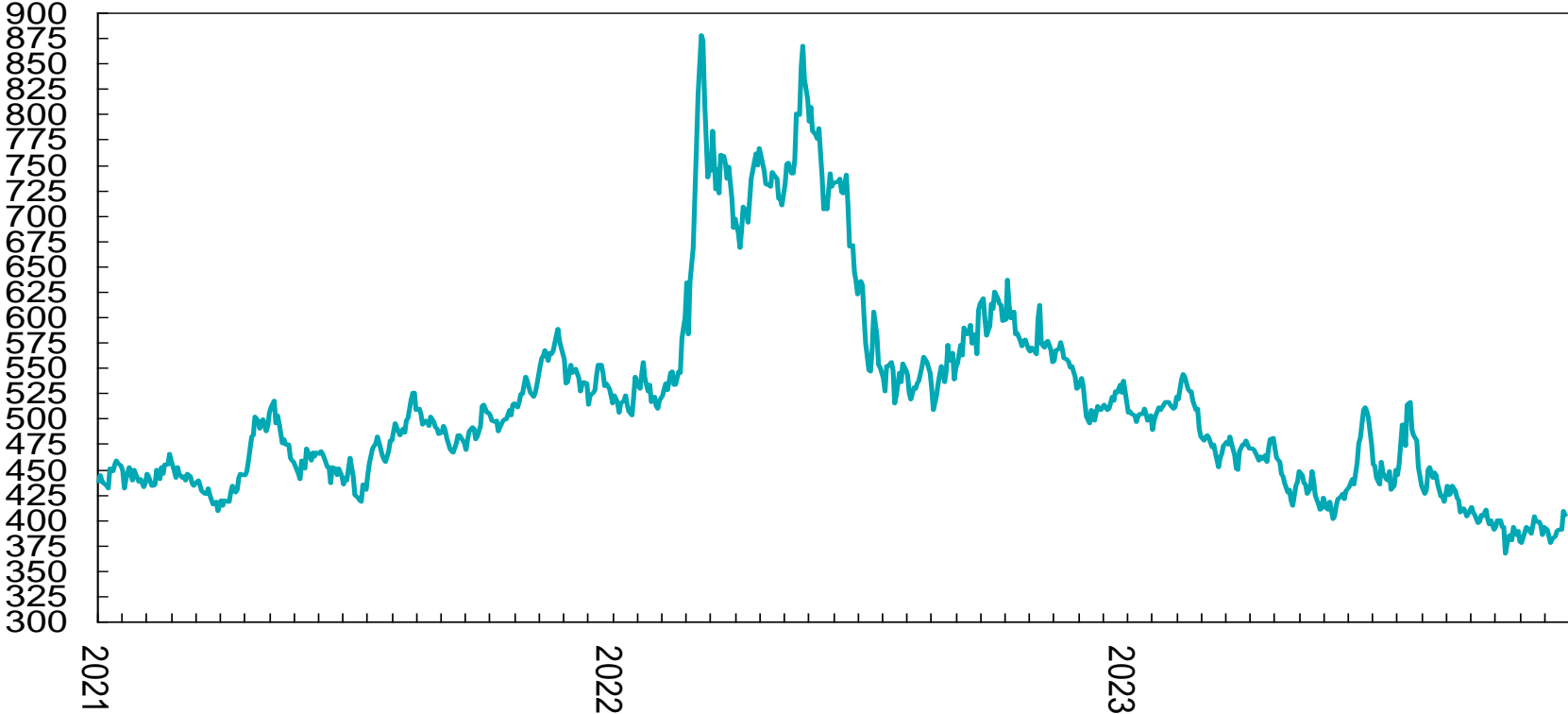
Rhodium price

\$/ounce



Global wheat price index

Index



Financial markets: 6 to 12 November 2023

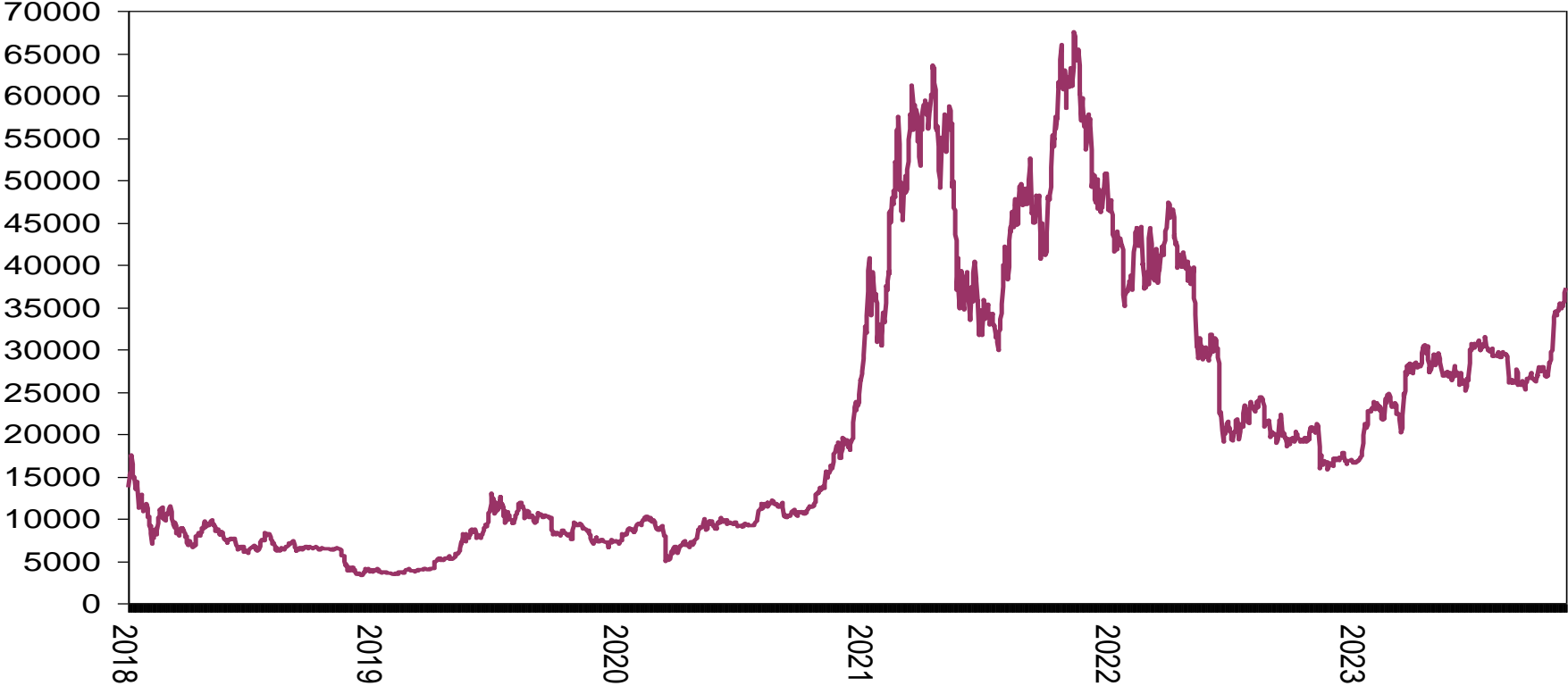
- Bitcoin price
- SA Rand vs Dollar, Euro, Pound
- SA Rand vs Dollar, monthly rate of change
- SA 10-year government bond yield
- US 10-year bond yield
- US S&P 500 equity index
- US Nasdaq 100 index
- US Chicago Board Options Exchange Volatility Index
- SA All Share equity index
- US Dollar per Euro
- 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



STANLIB

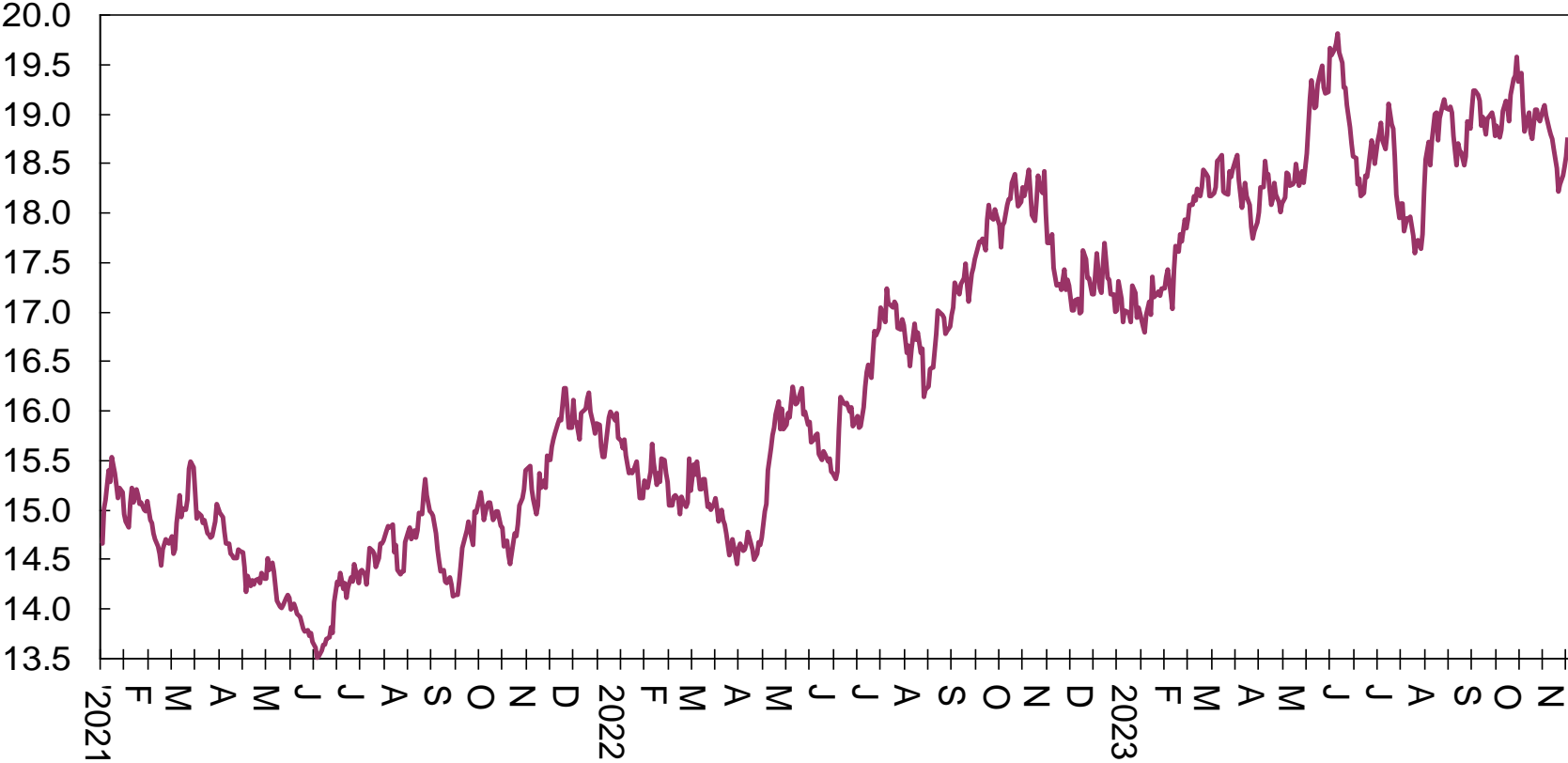
Bitcoin price

Dollar



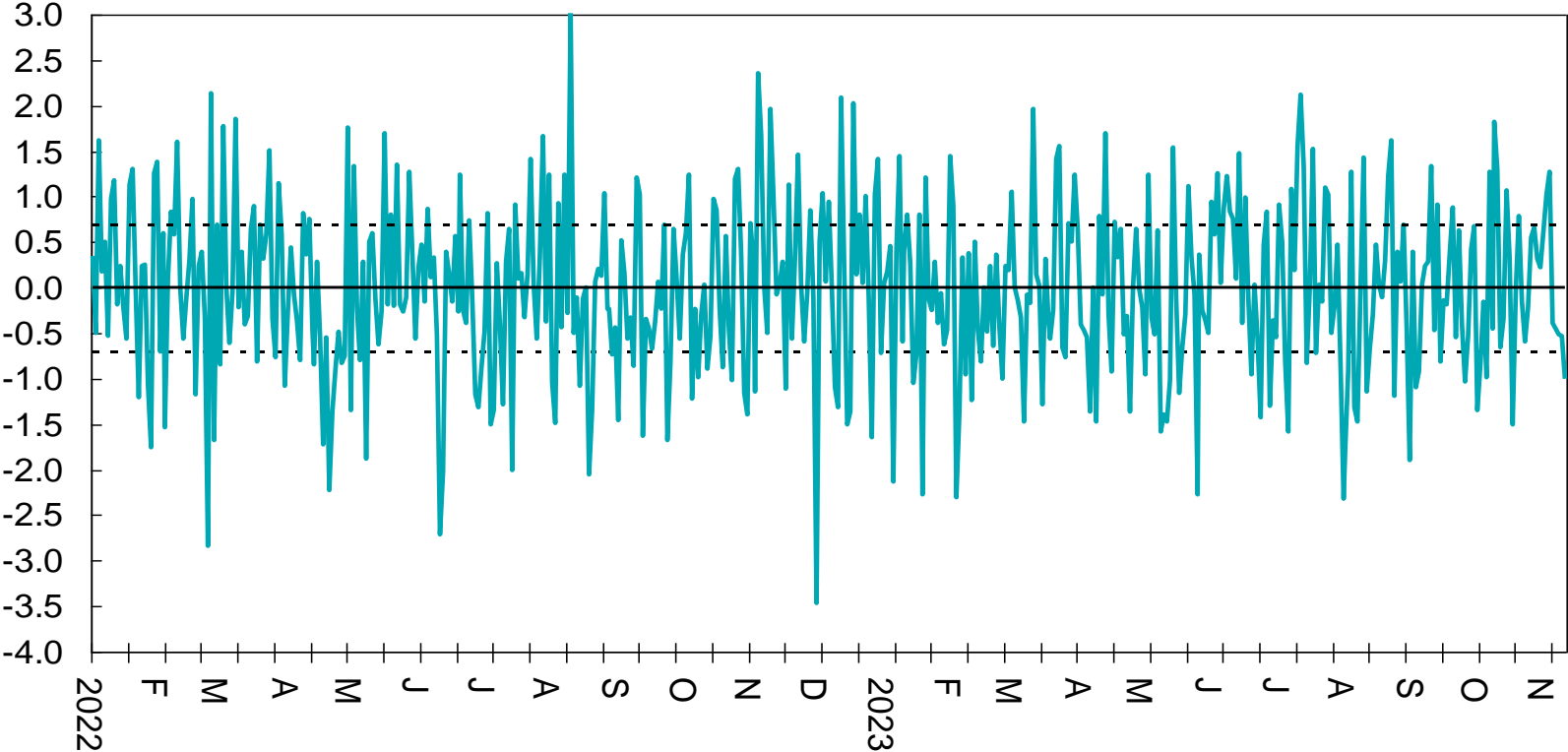
South Africa Rand vs US Dollar (daily)

Rand per Dollar



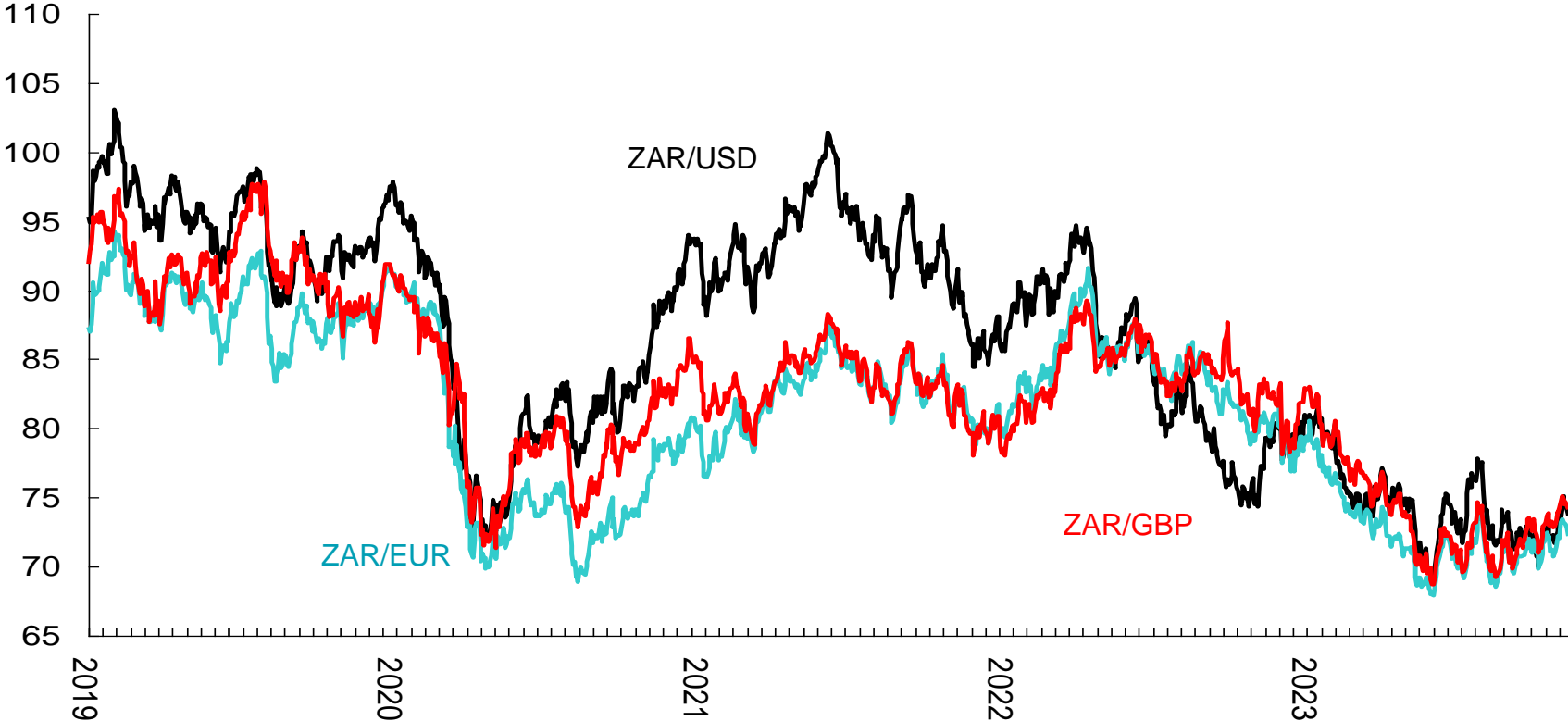
South Africa Rand vs US Dollar (daily change in value)

% change, day-on-day



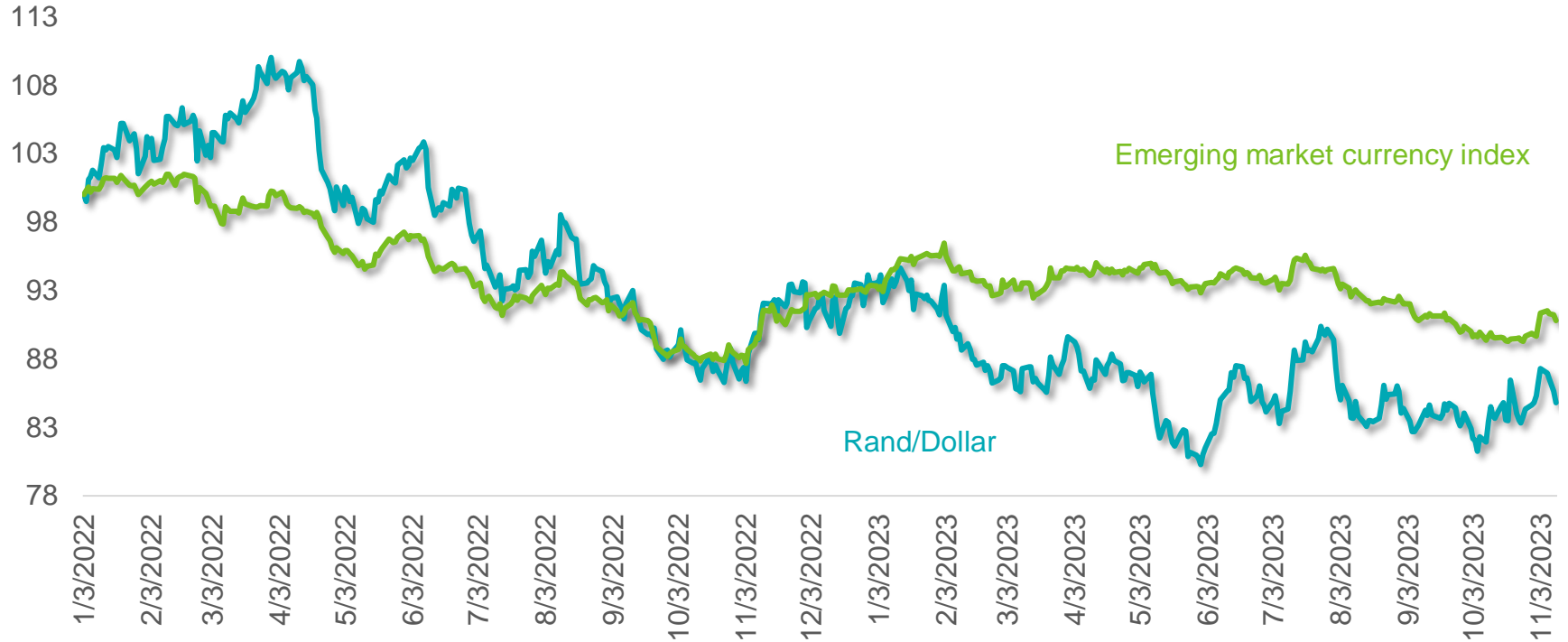
SA Rand vs Dollar, Euro and Pound

Index, 1 January 2017 = 100



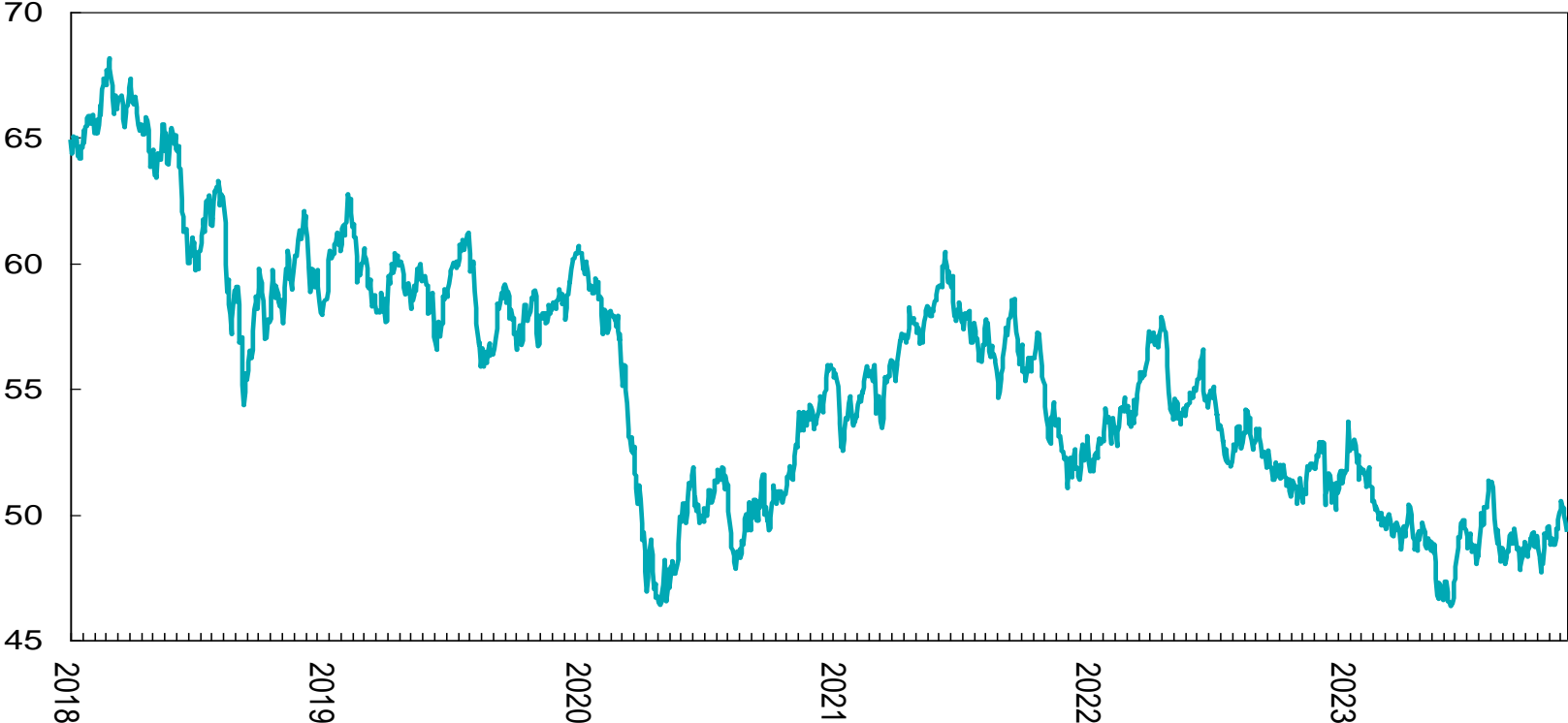
Rand/US Dollar vs Emerging Market Currencies

Index, 1 Jan 2022 = 100



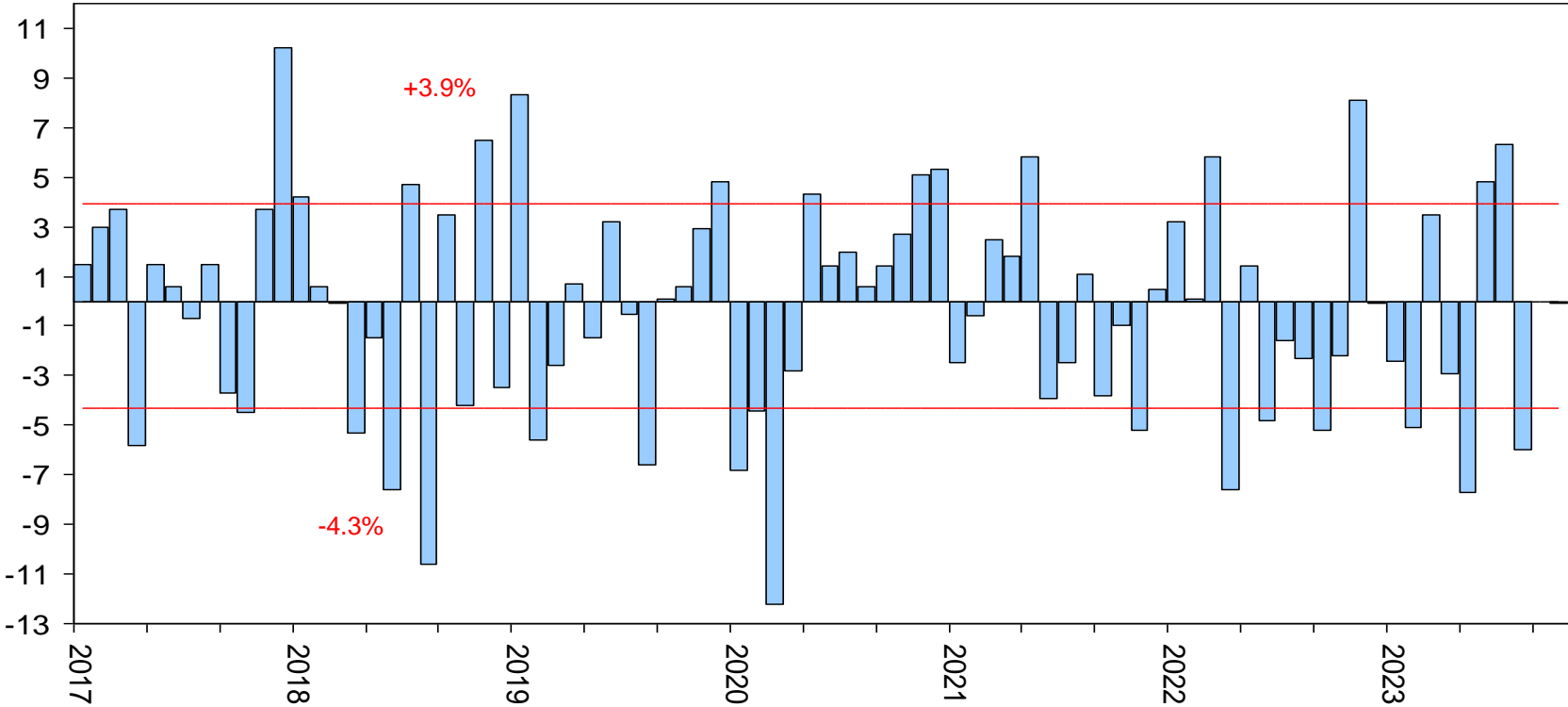
SA trade-weighted exchange rate

Index, nominal, daily data from JP Morgan



Monthly percentage change in Rand/Dollar

% month-on-month

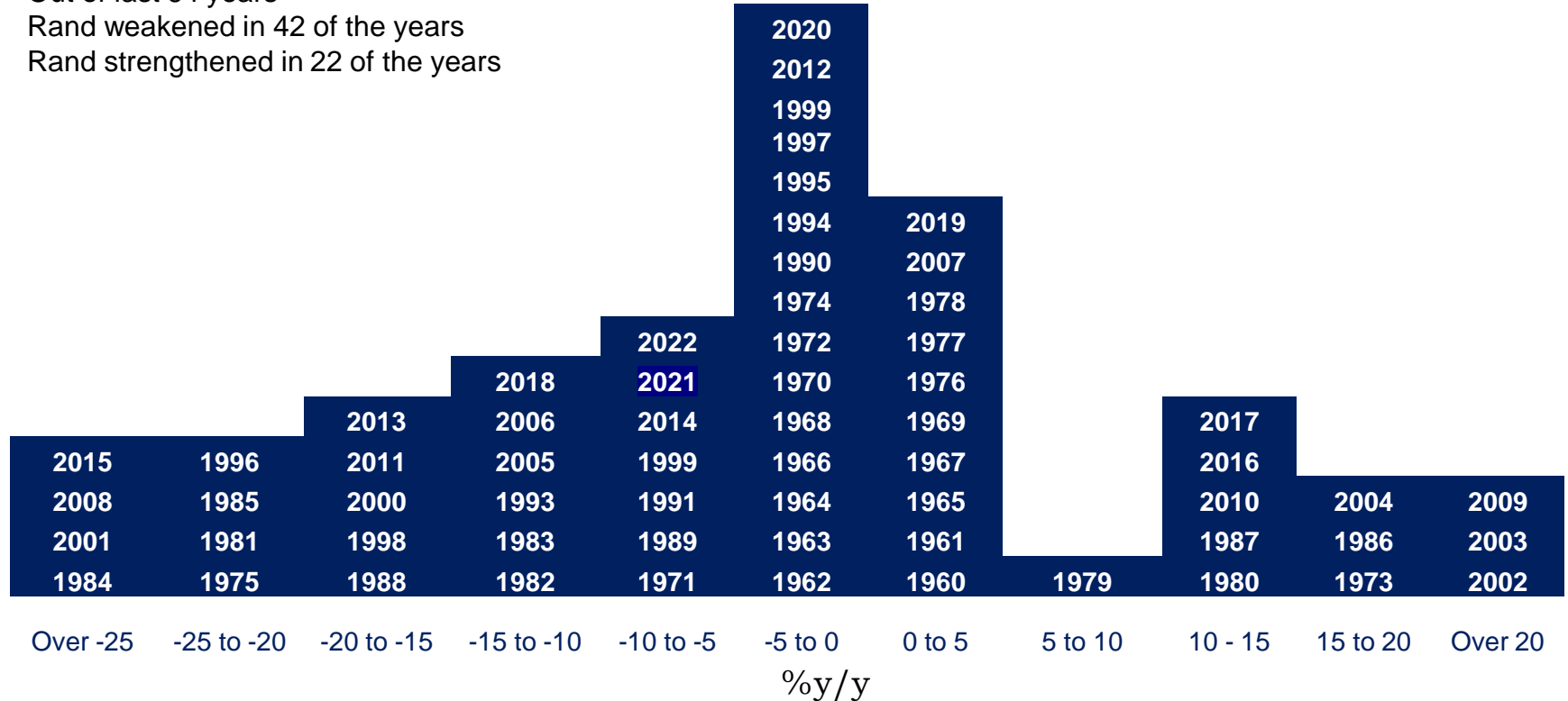


Rand/Dollar annual performance

Out of last 64 years

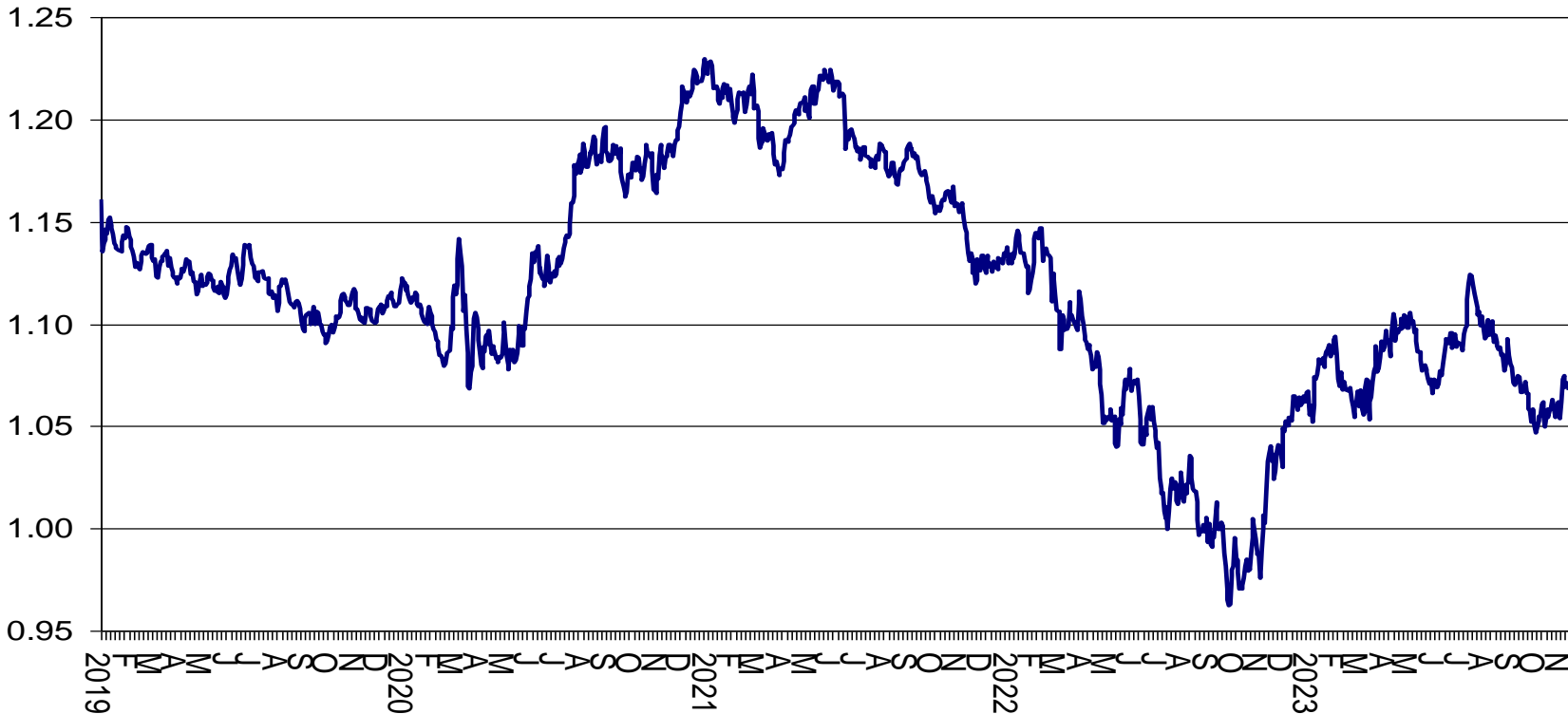
Rand weakened in 42 of the years

Rand strengthened in 22 of the years



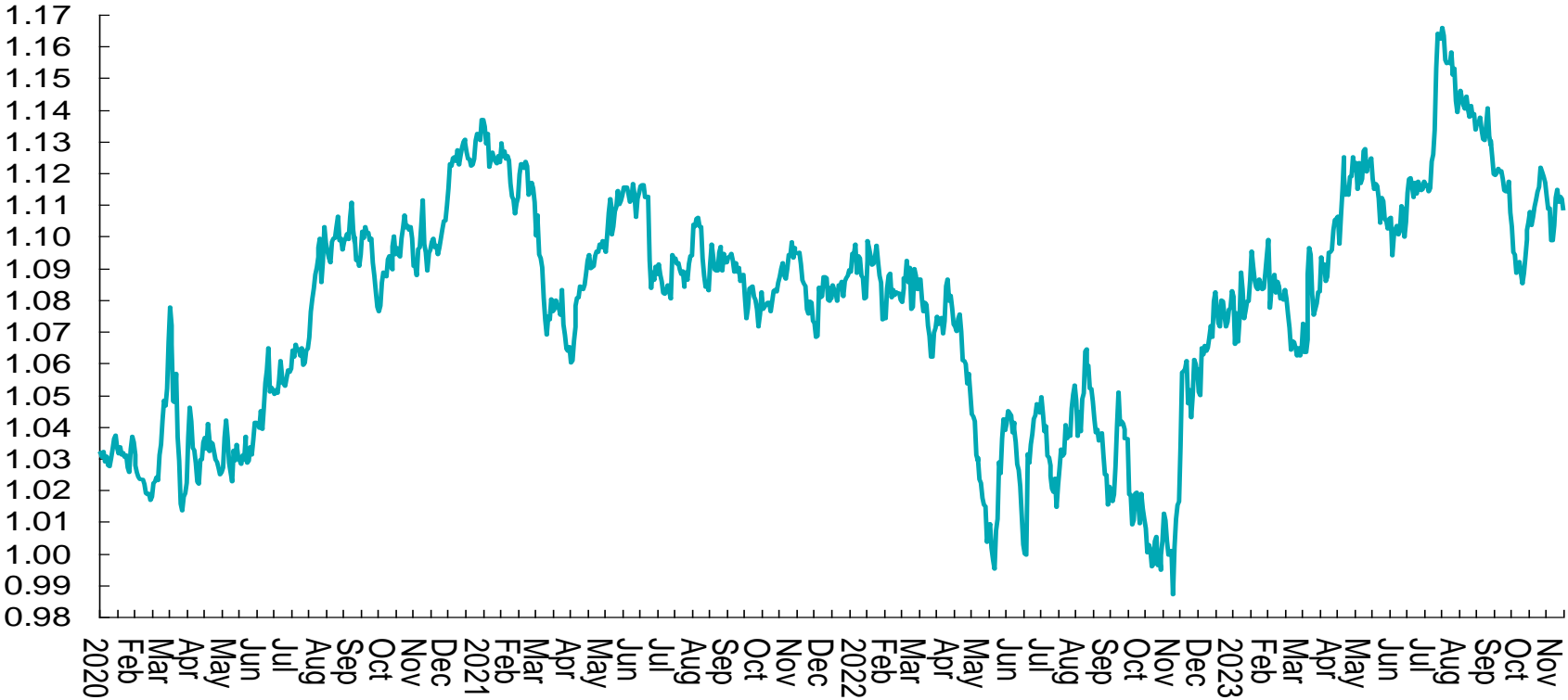
US Dollar vs Euro

Dollar per Euro



US Dollar per Swiss Franc

USD per CHF



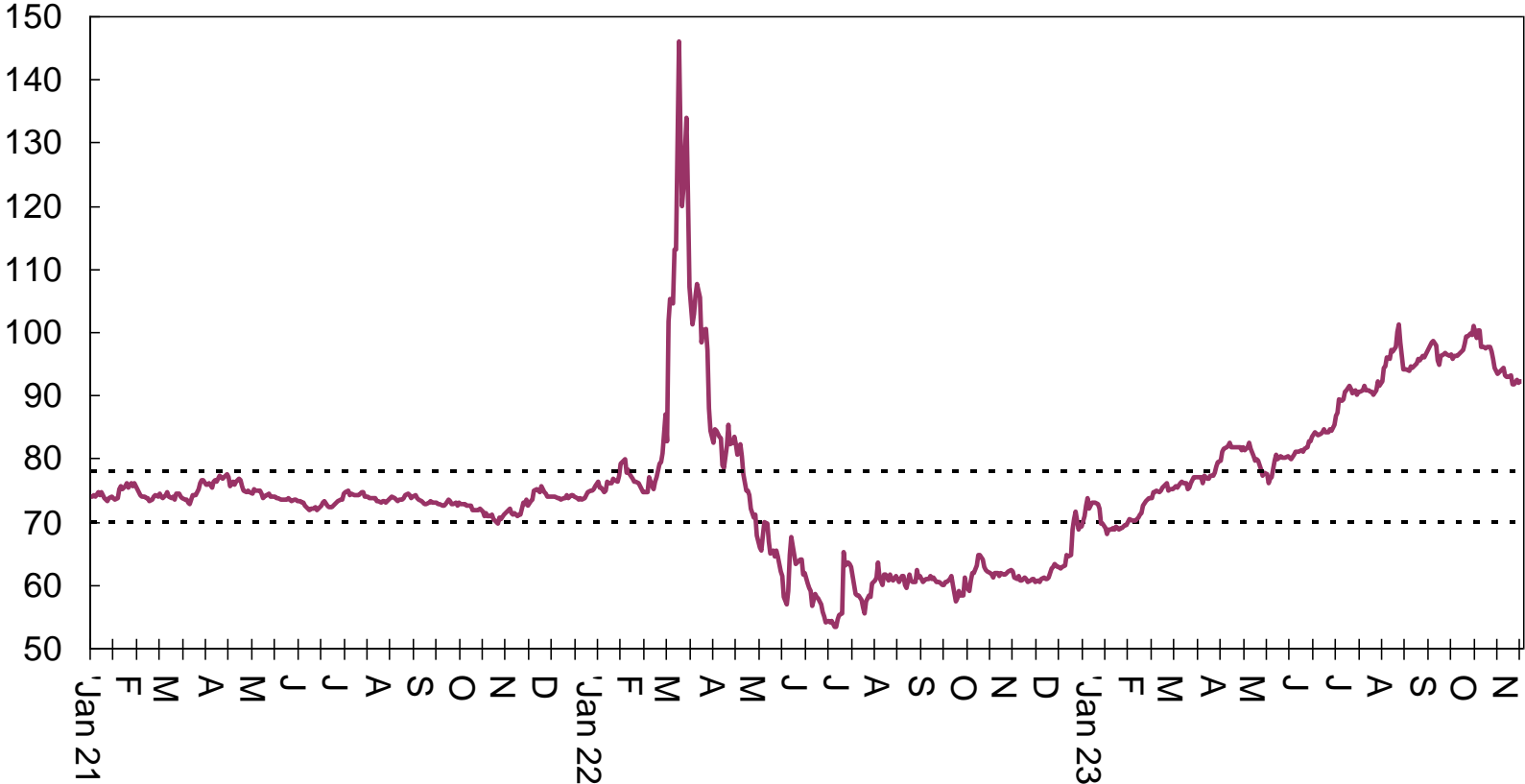
US Dollar vs CNY

CNY per US Dollar



Russian Ruble vs US Dollar (daily)

Ruble per Dollar



Japanese Yen per US Dollar

Yen per Dollar



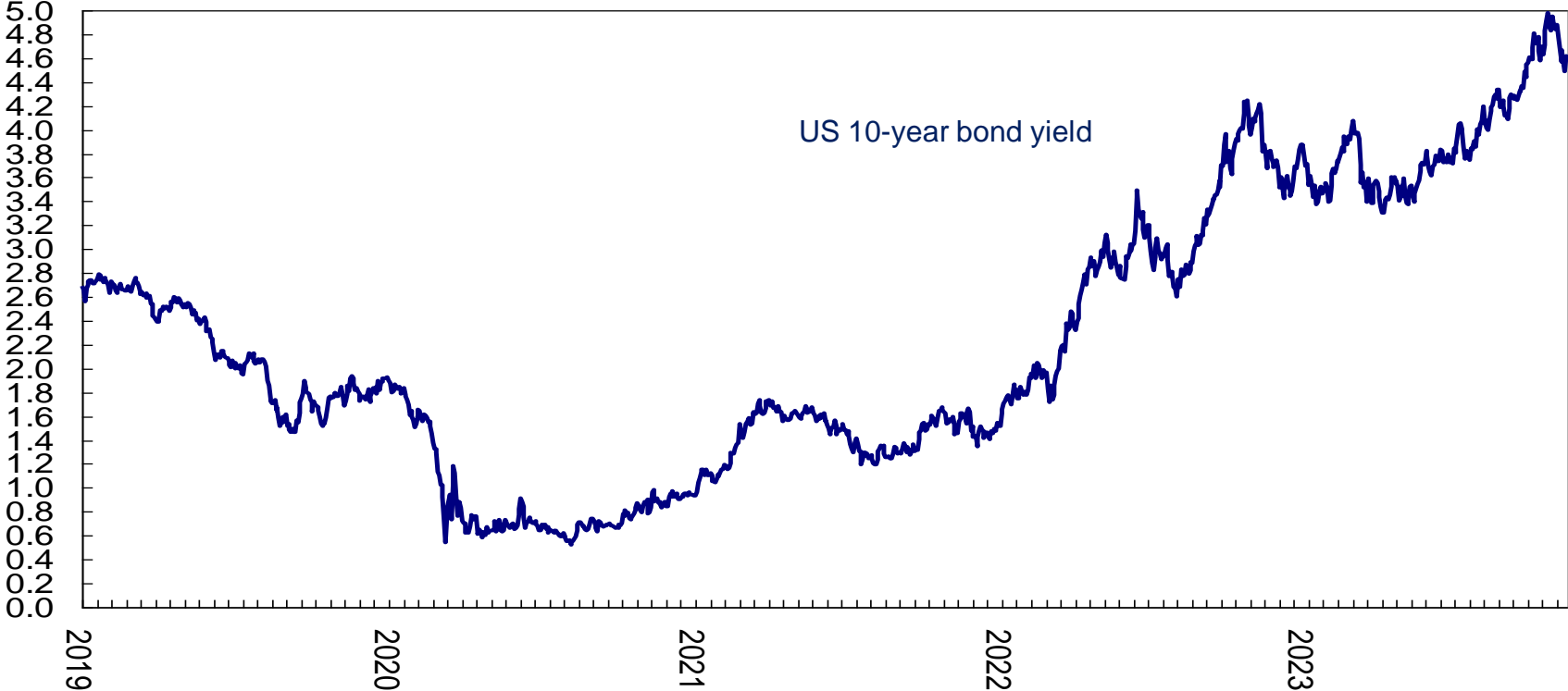
SA long-dated government bond yield

% yield



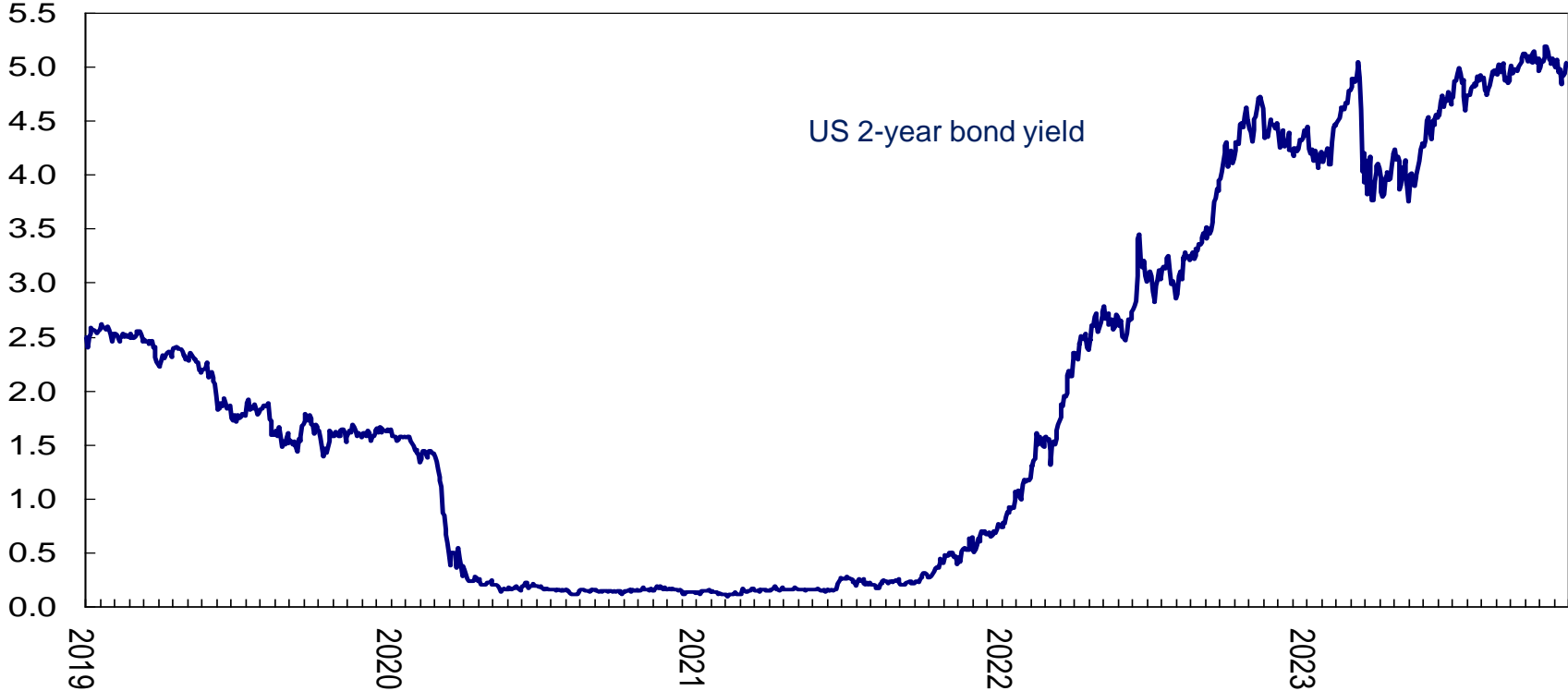
US 10-year government bond yield

% yield



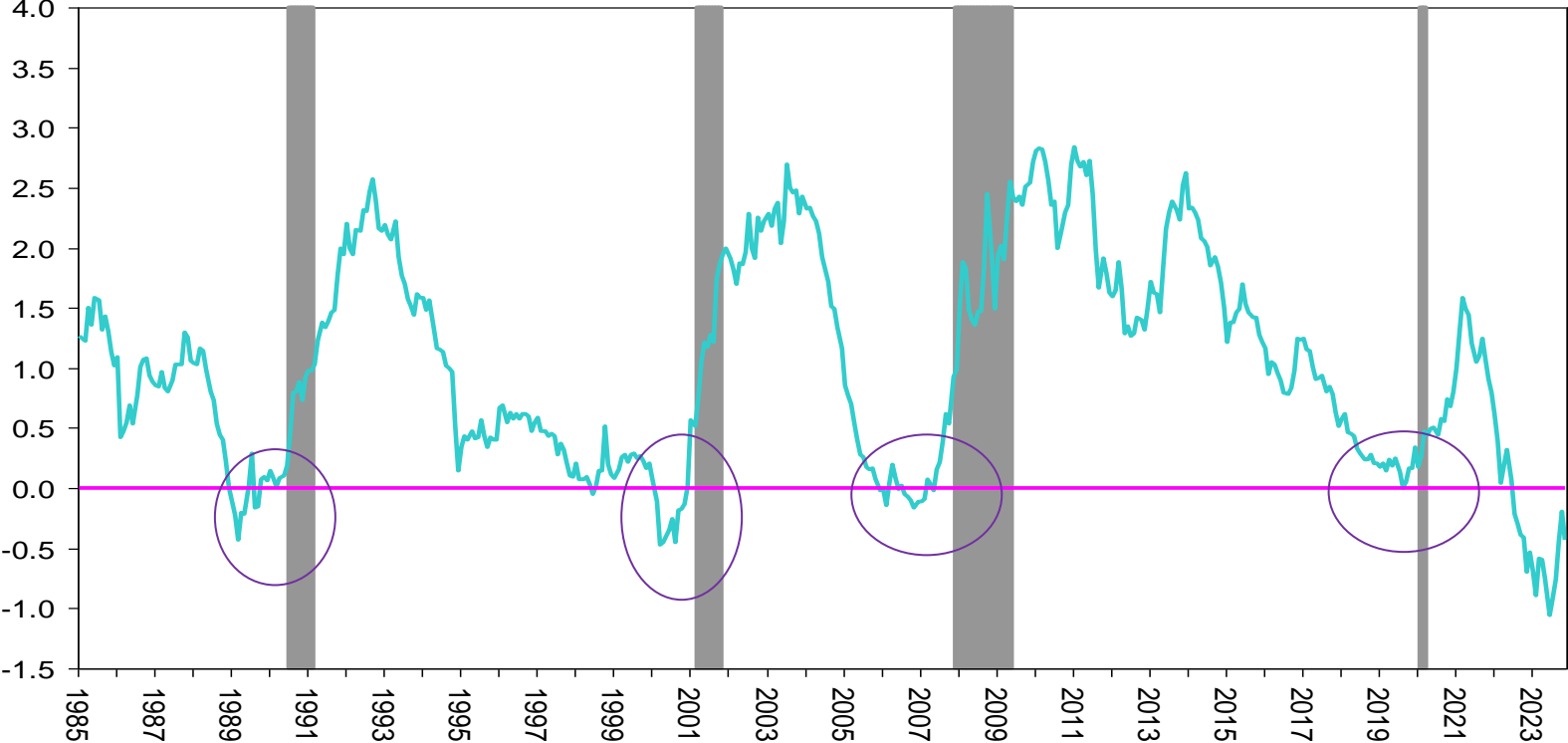
US 2-year government bond yield

% yield



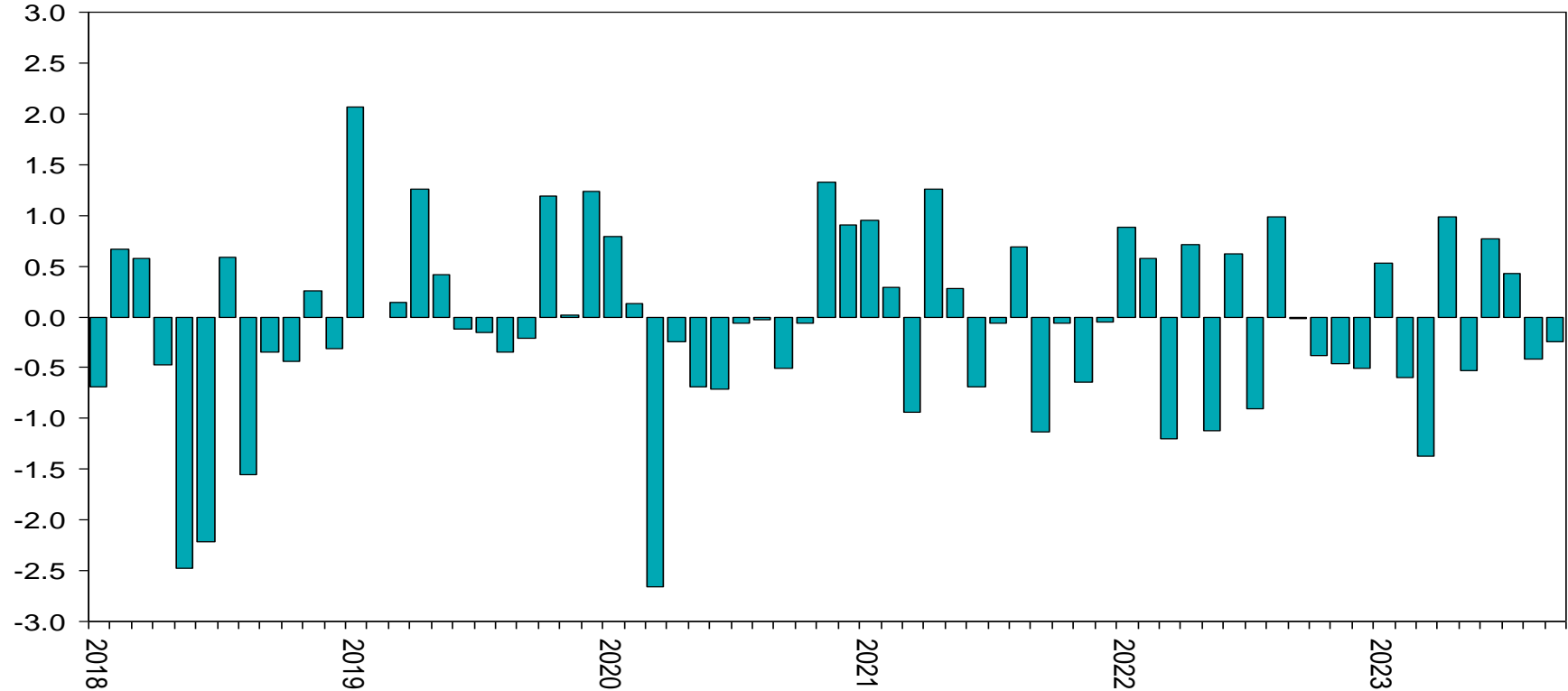
US 10-year less 2-year treasury and business cycle

Percentage points



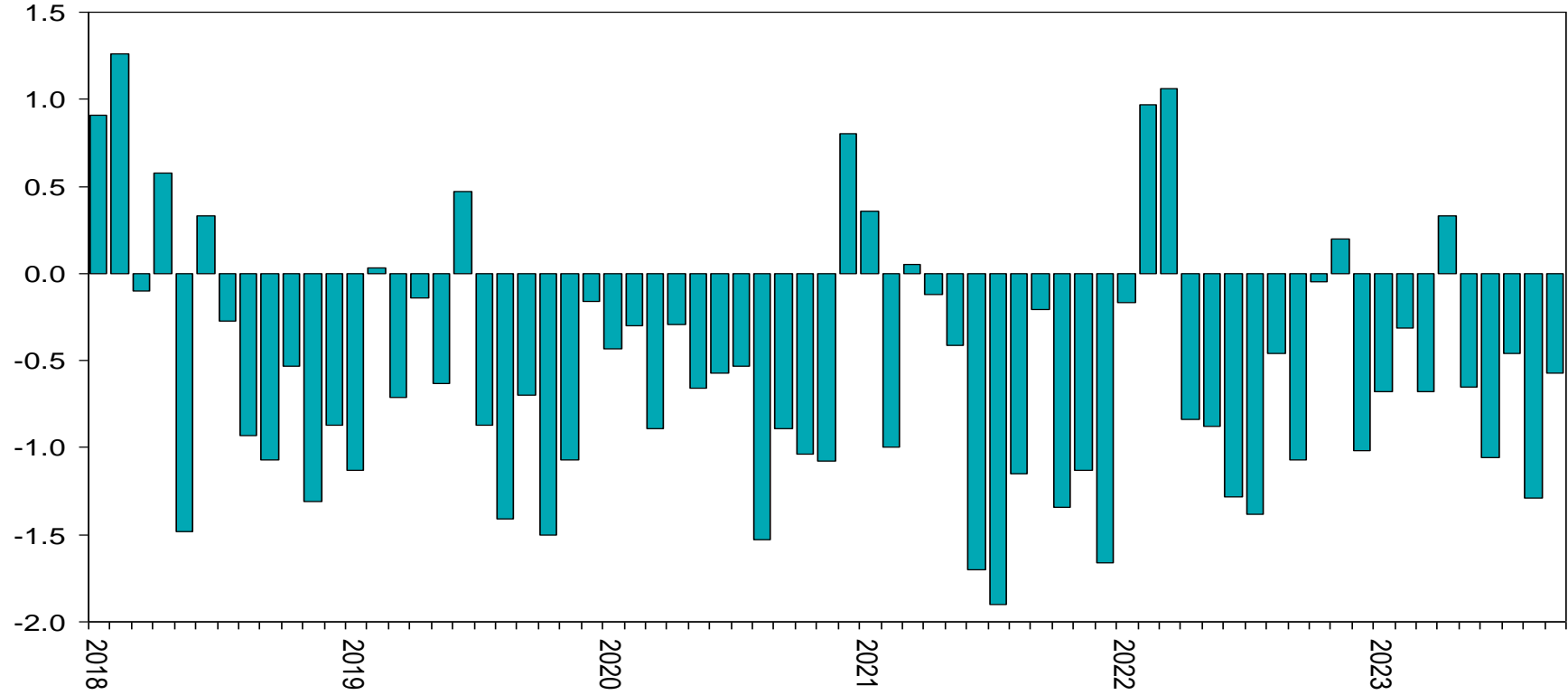
Foreign buying of South African government bonds

\$ billion (SA Reserve Bank data)



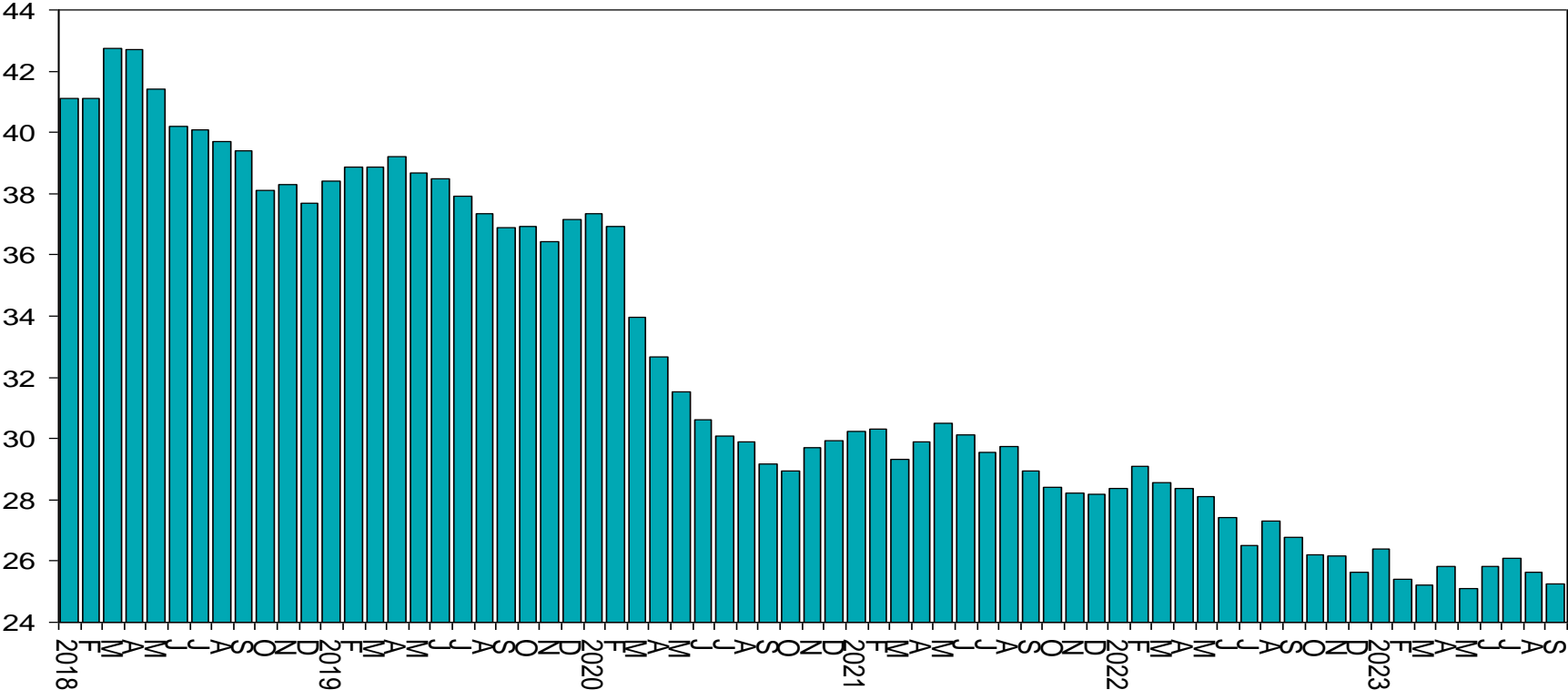
Foreign buying of South African equities

\$ billion (SA Reserve Bank data)



Foreign ownership of South African government bonds

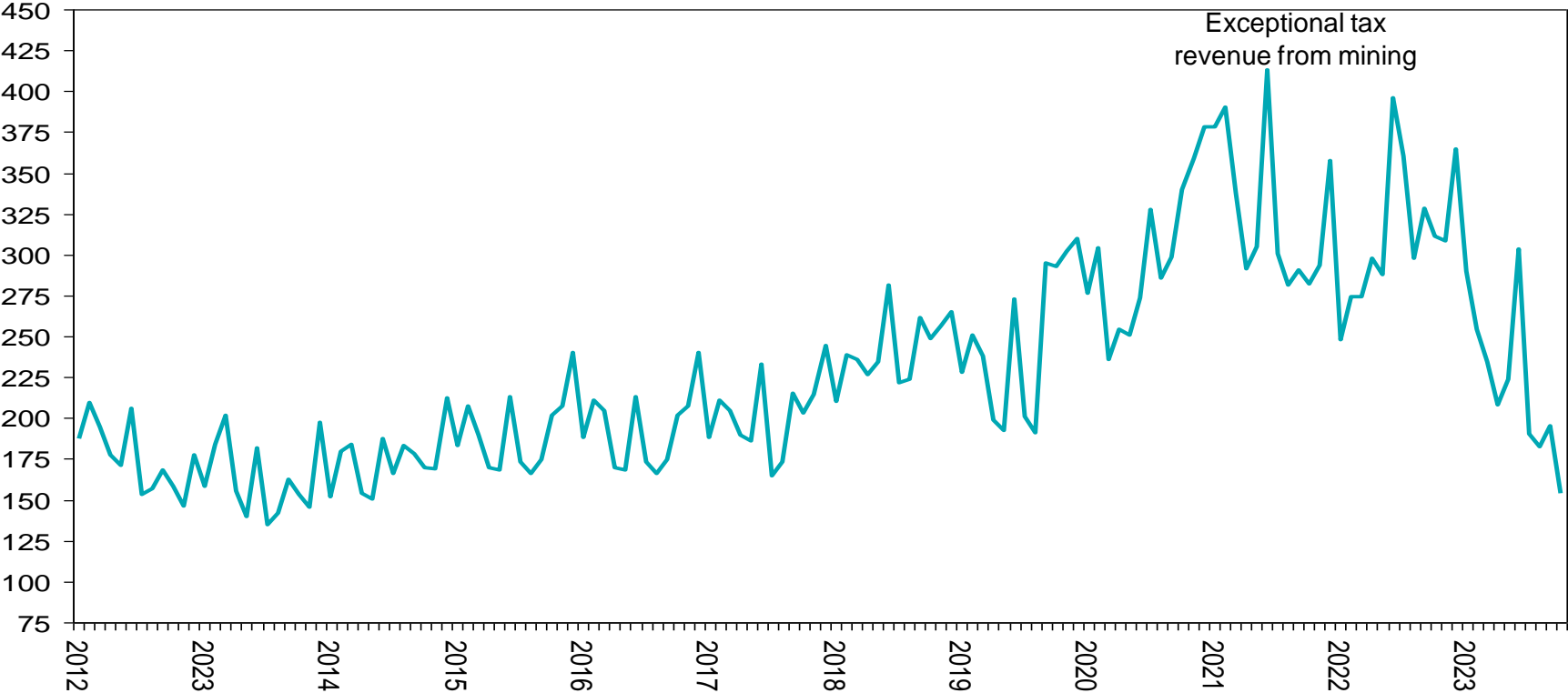
% of total



Source: South African National Treasury

SA government cash balance (commercial banks & Reserve Bank)

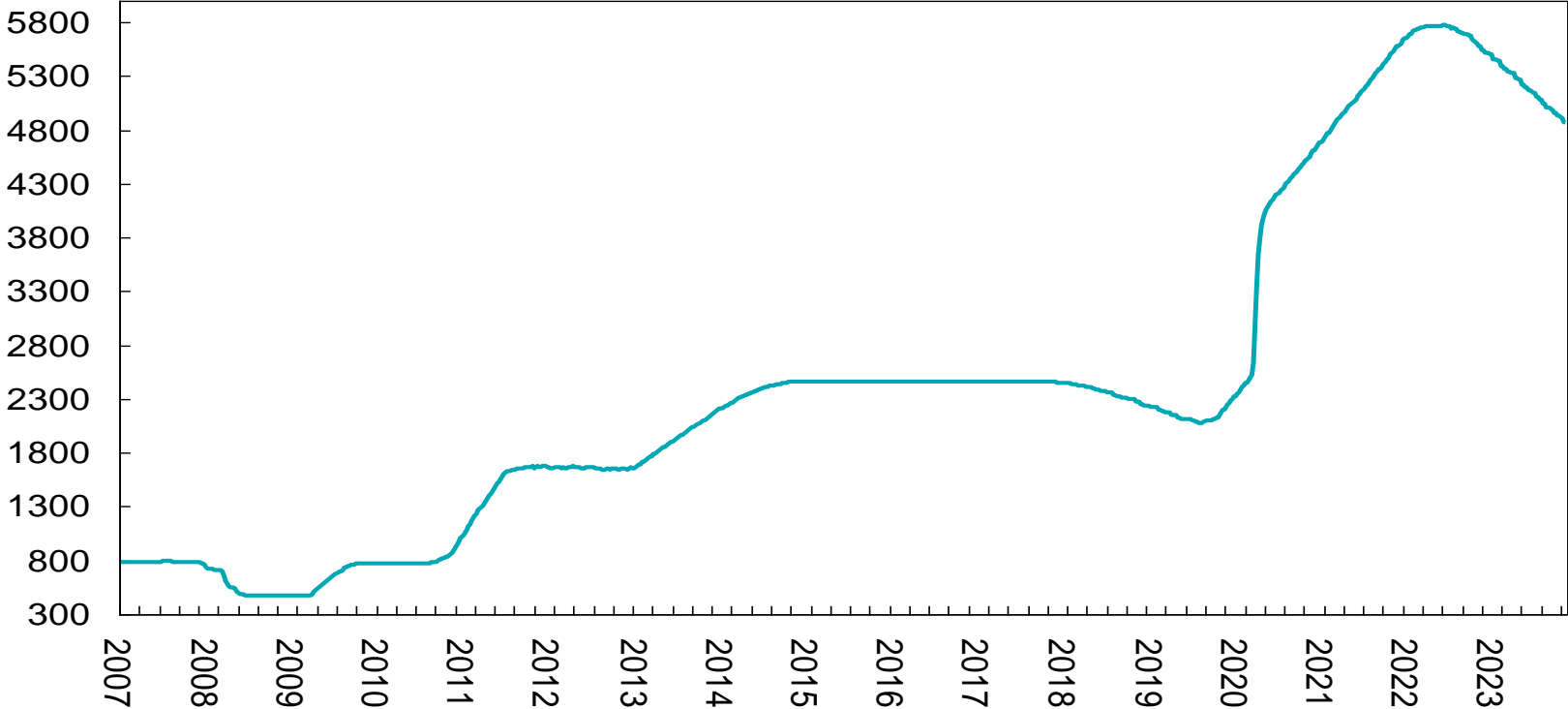
R billion



Source: South African National Treasury

US Federal Reserve ownership of government bonds

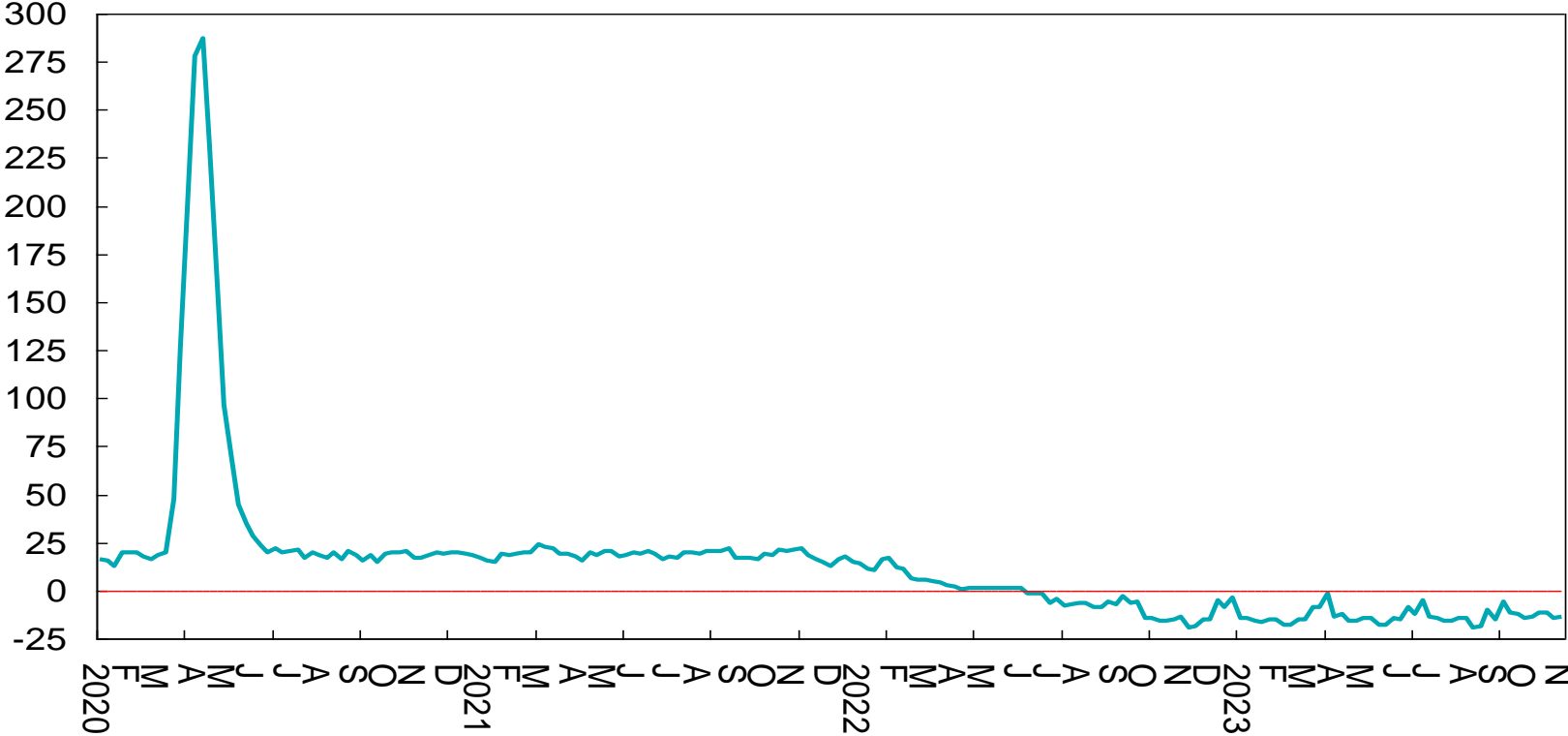
\$ billion



Source: US Federal Reserve

US Federal Reserve purchase of government bonds

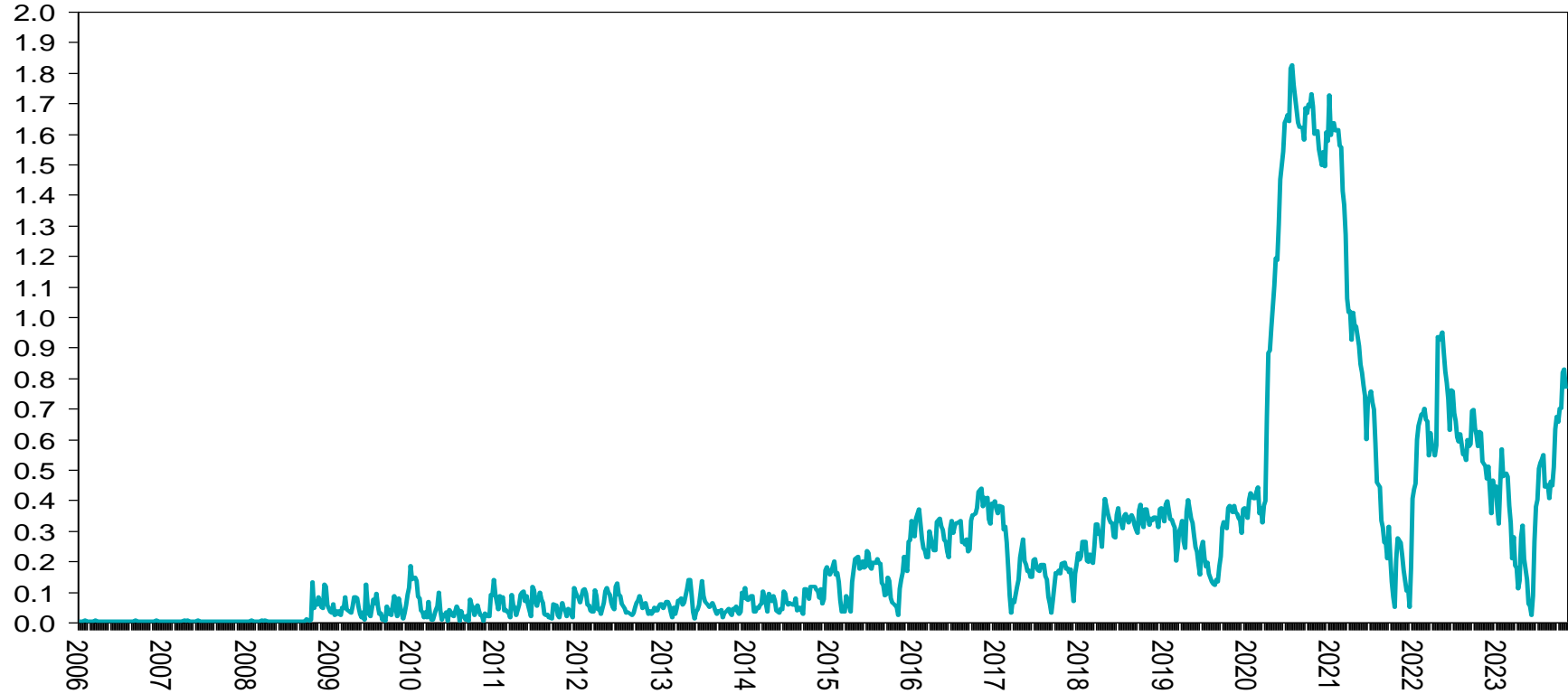
4-week average rate of purchases, \$ billion



Source: US Federal Reserve

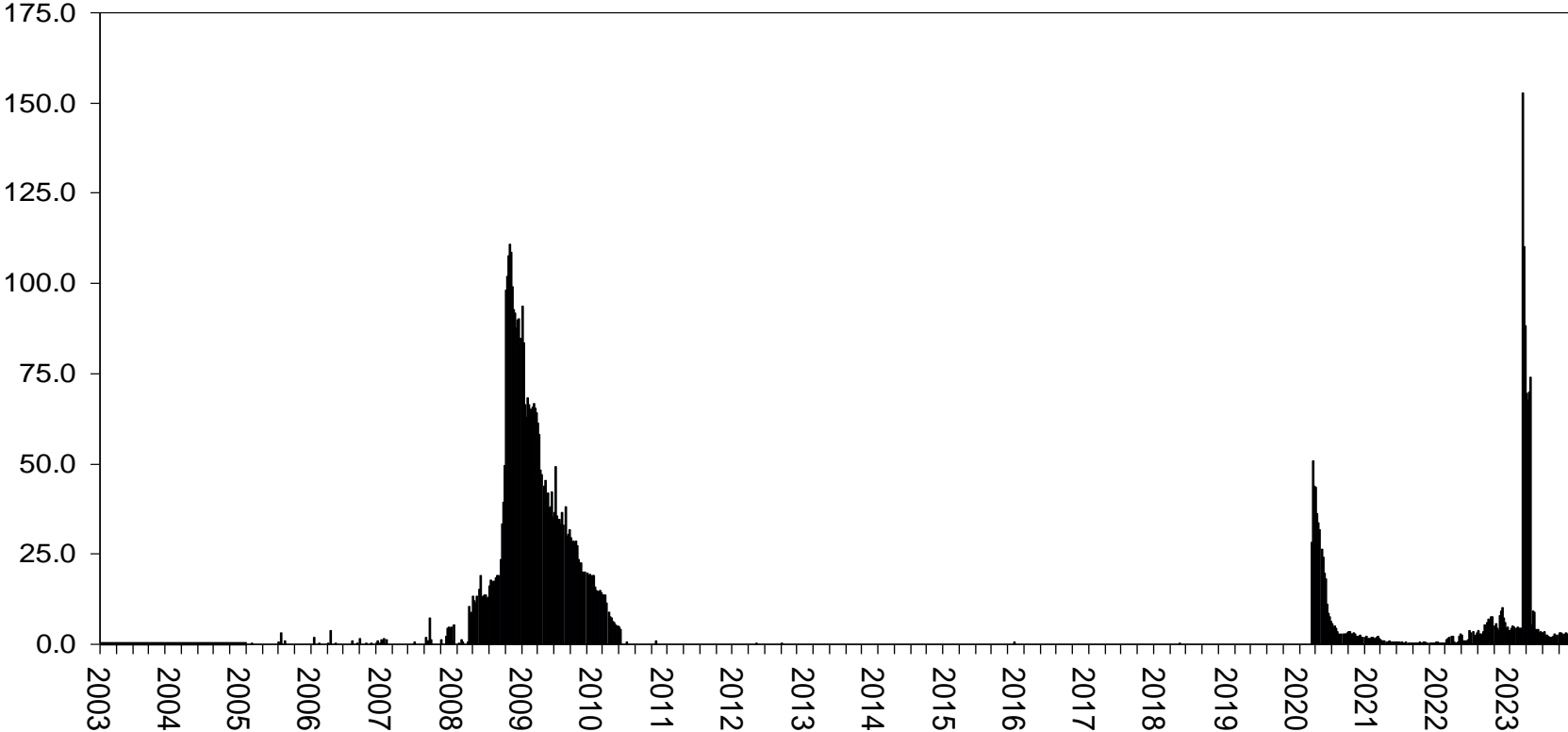
US Treasury cash balance at Federal Reserve

\$ trillion, weekly



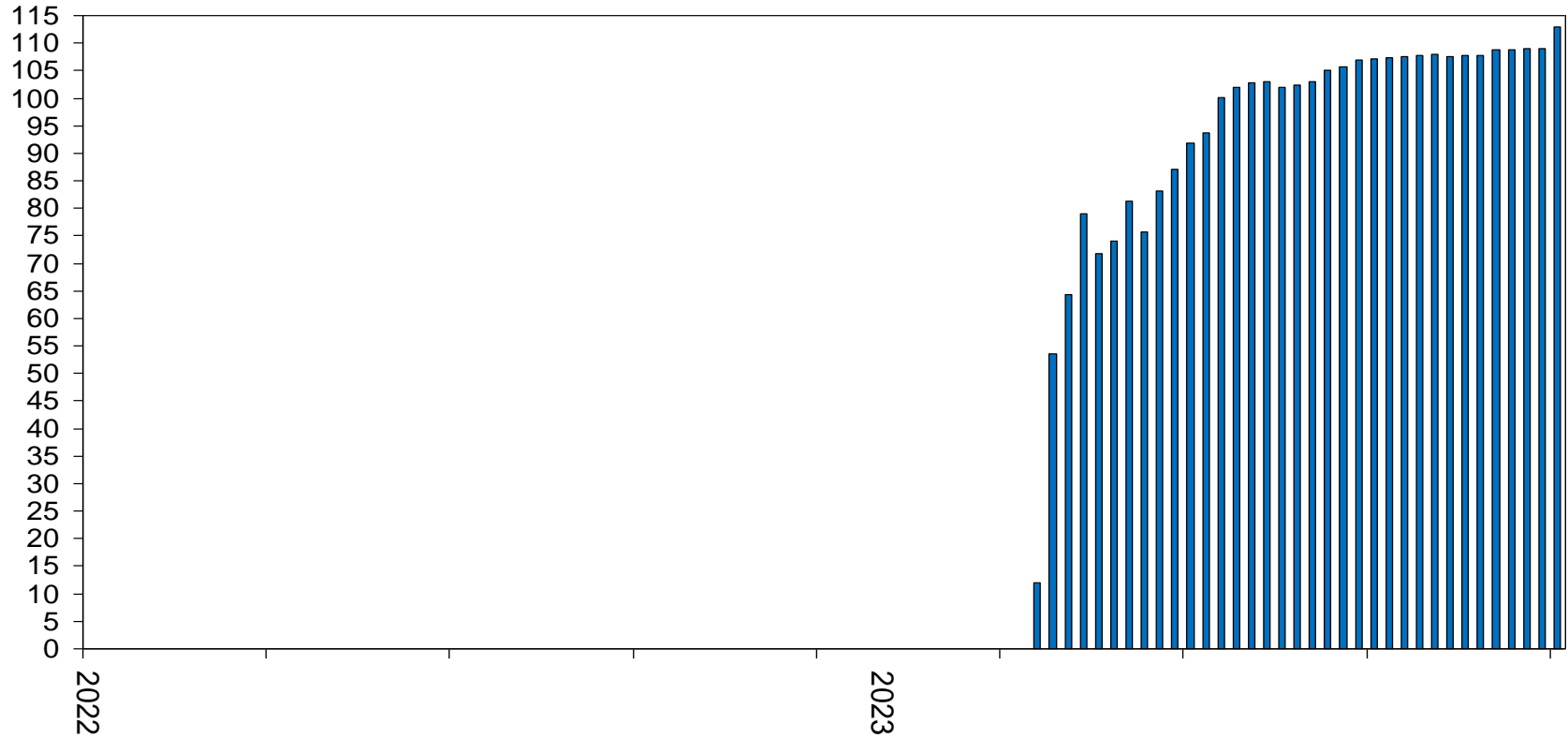
US Federal Reserve discount window (balance)

\$ billion (weekly data)



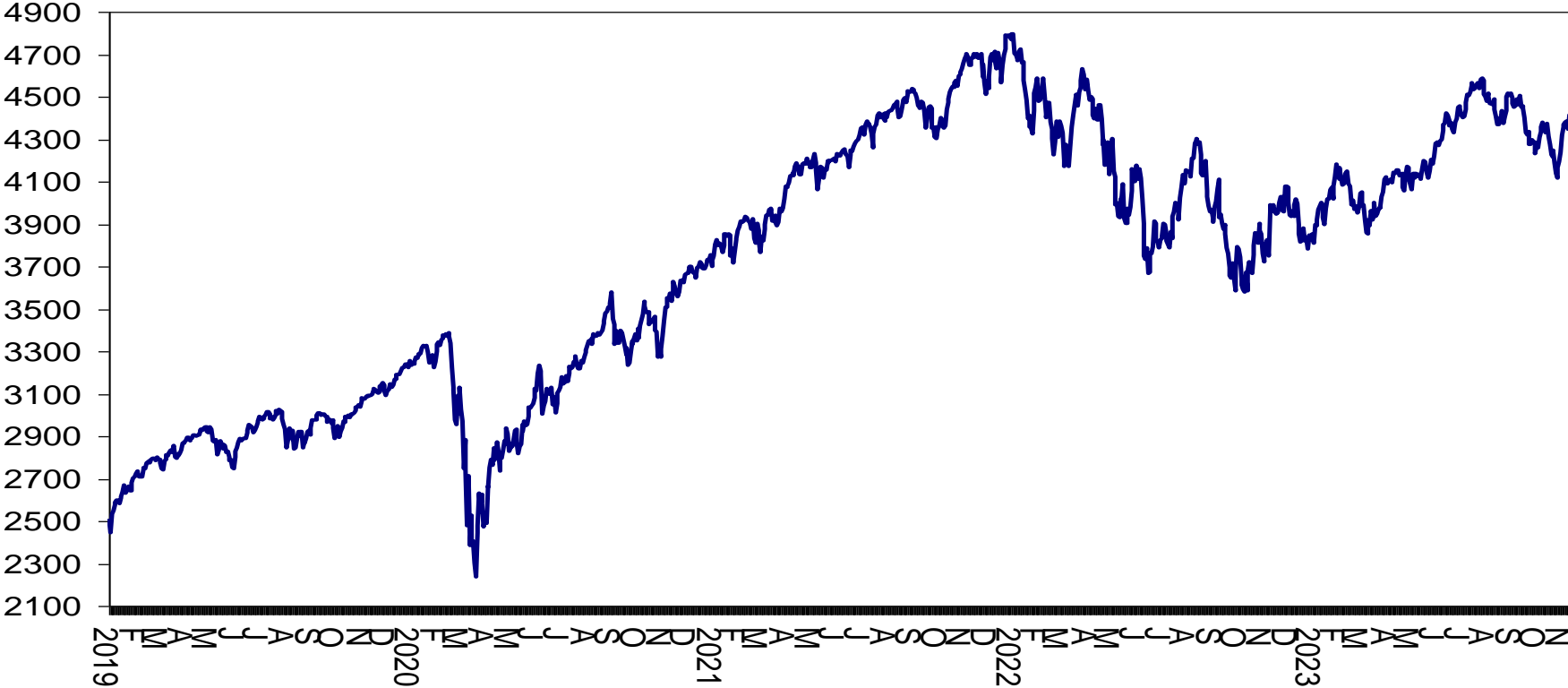
US Federal Reserve Bank Term Funding Program (balance)

\$ billion (weekly data)



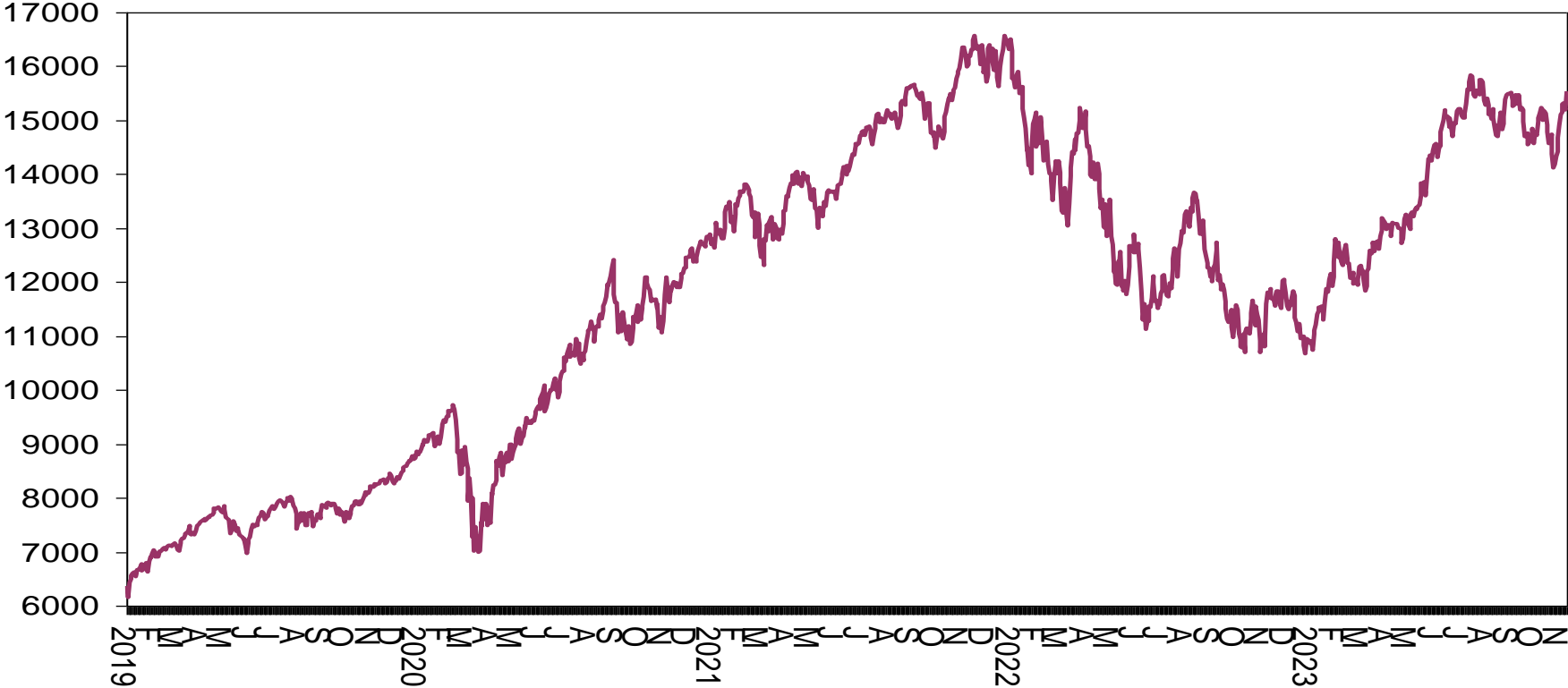
US S&P 500

Index



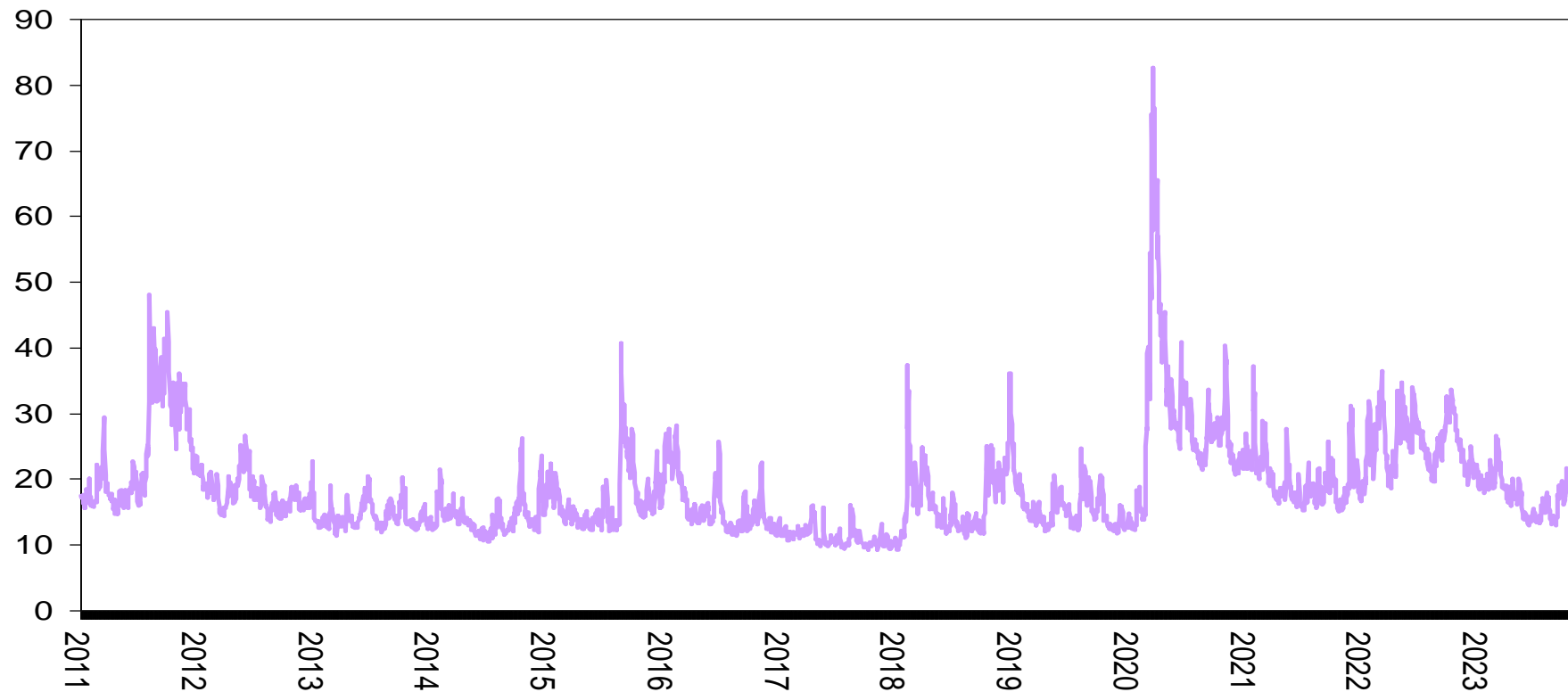
US NASDAQ (100) index

Index



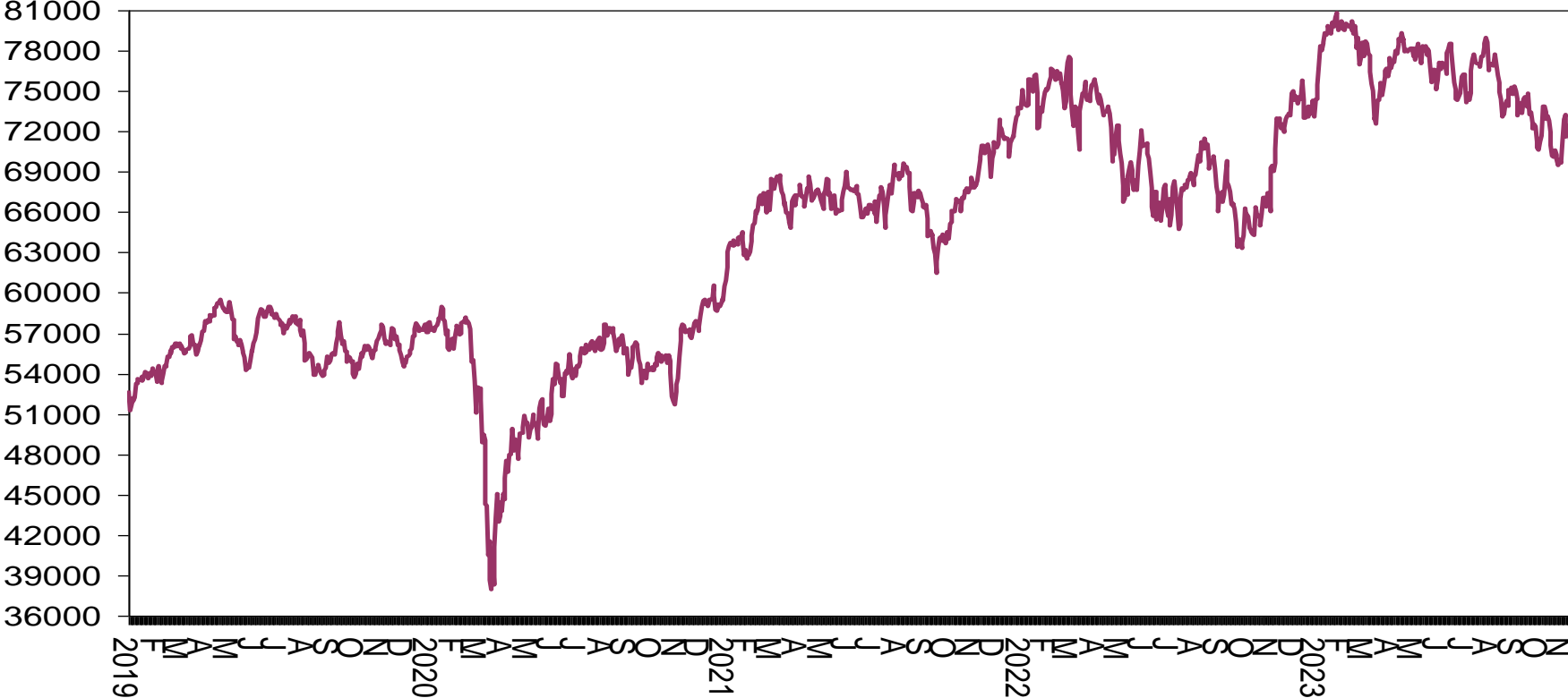
Chicago Board Options Exchange volatility index (VIX index)

Index



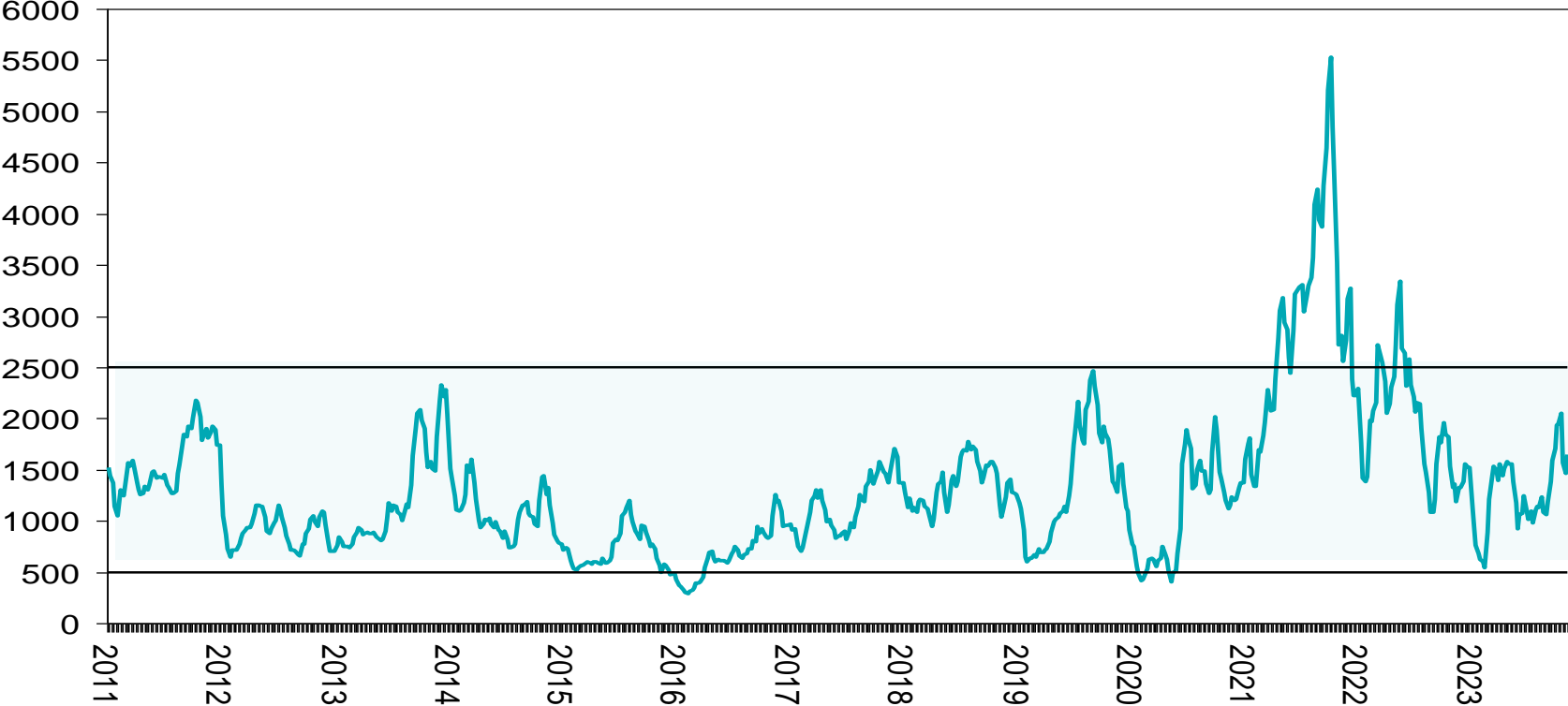
SA equity market

Index



Baltic Dry Index (shipping cost of commodities)

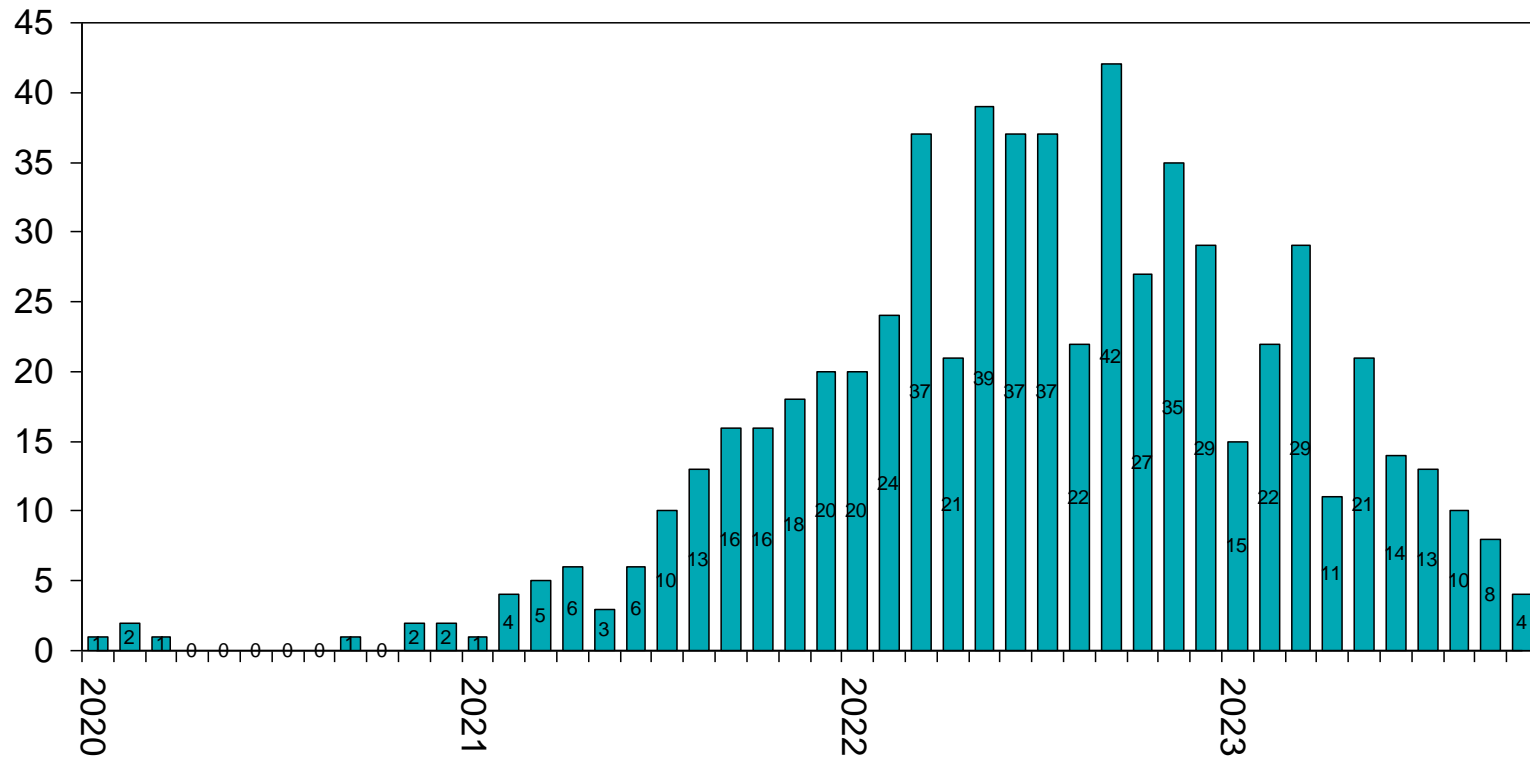
Index, Baltic Exchange



Source: Baltic Exchange

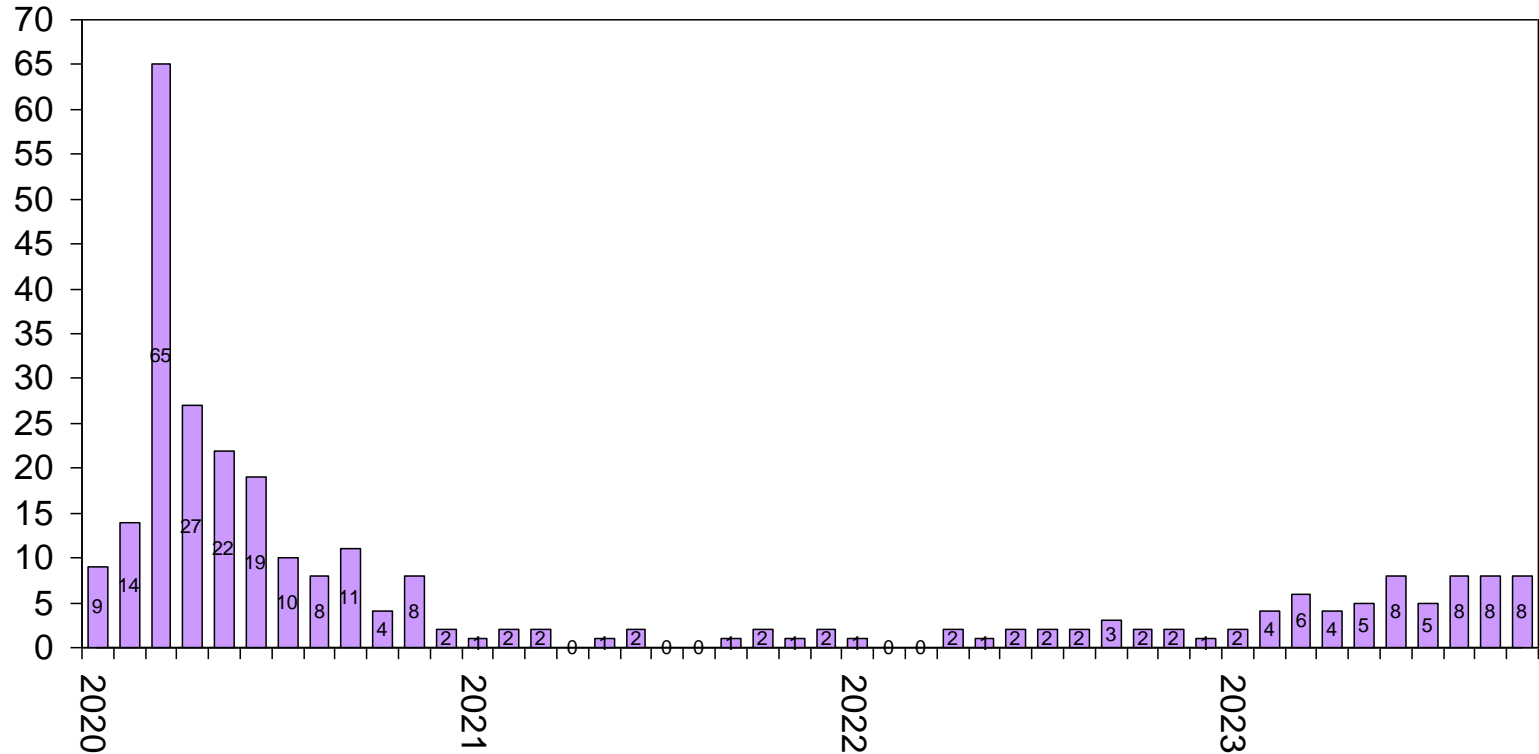
Number of central banks increasing interest rates each month

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: 6 to 12 November 2023

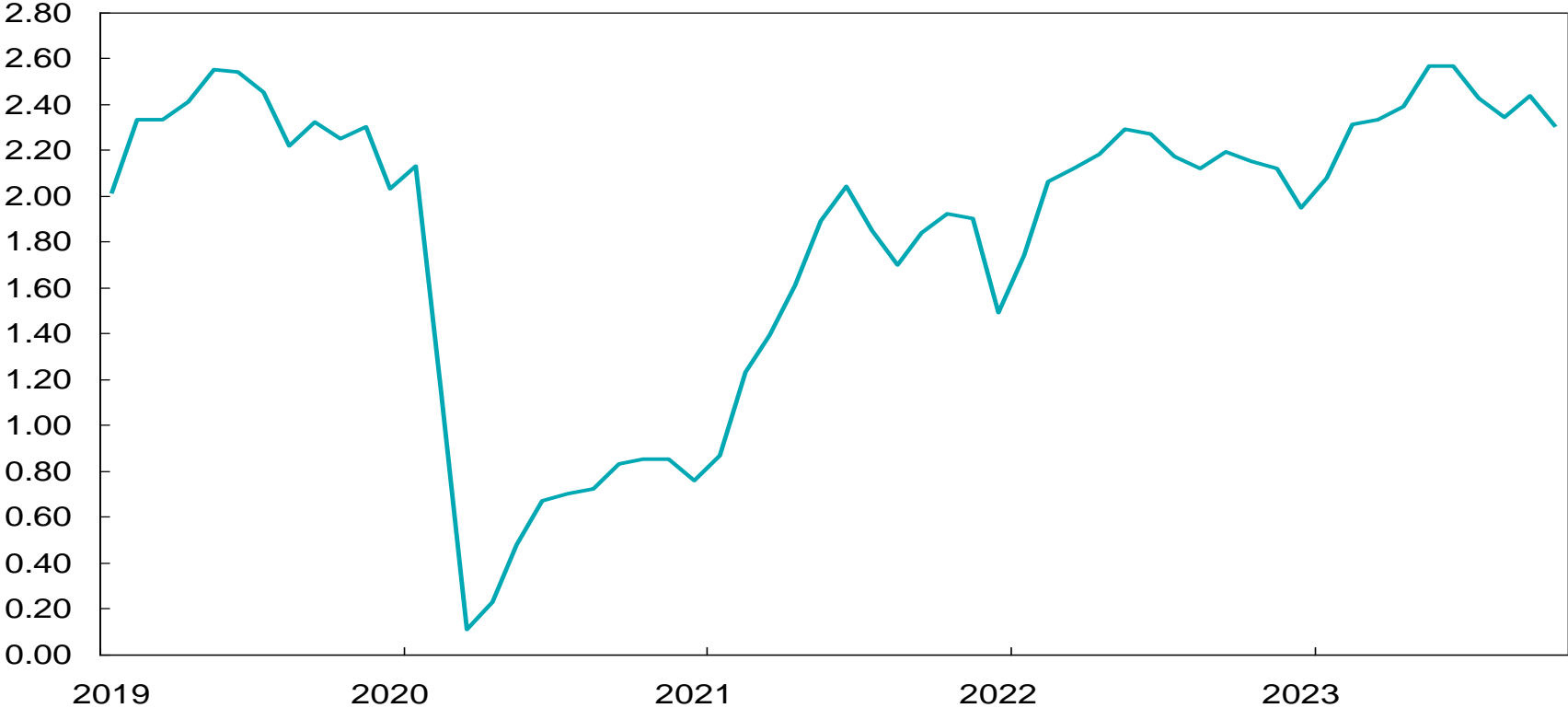
- US airport passengers monthly
- US weekly motor gasoline sales
- US oil and gas rig count
- US weekly rail traffic



STANLIB

US number of airport passengers (monthly)

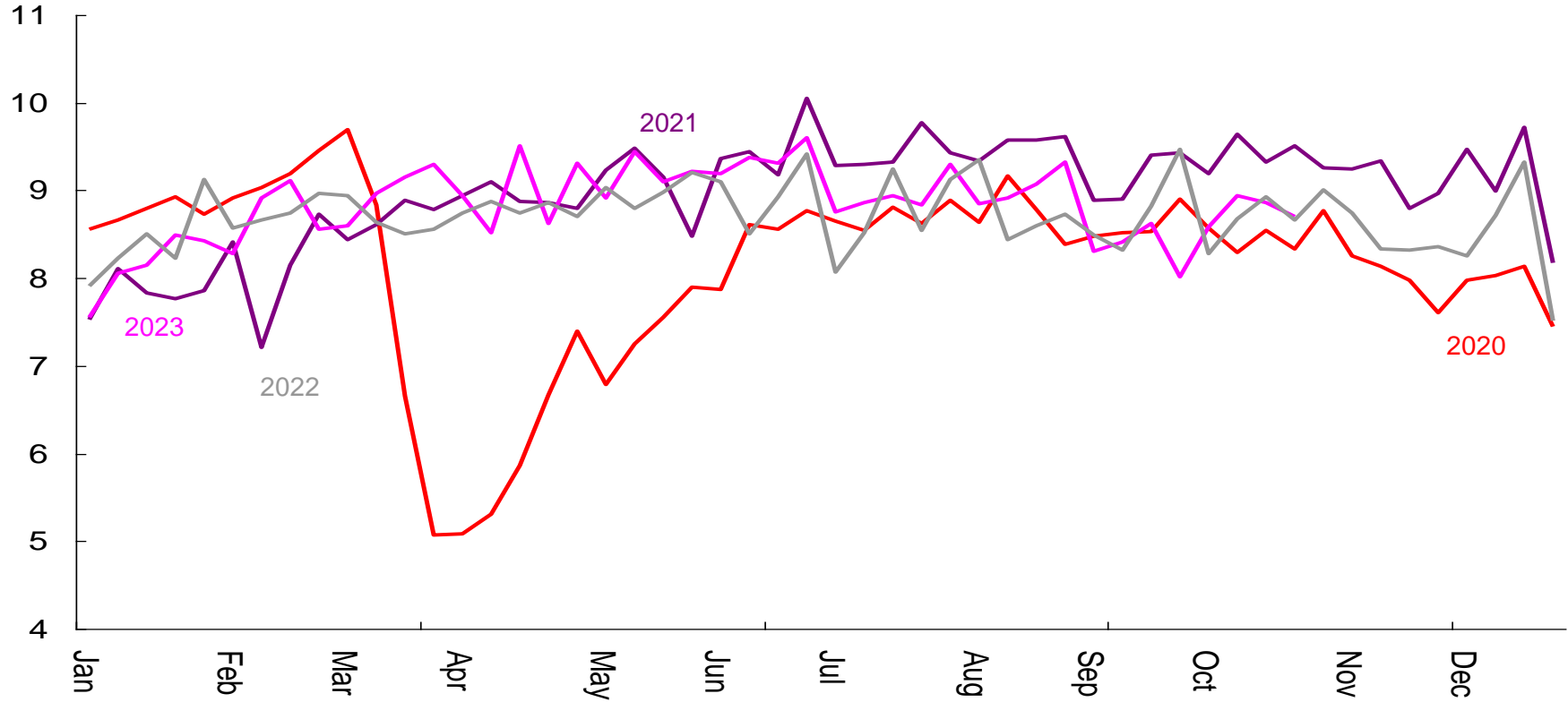
Number of passengers, millions



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

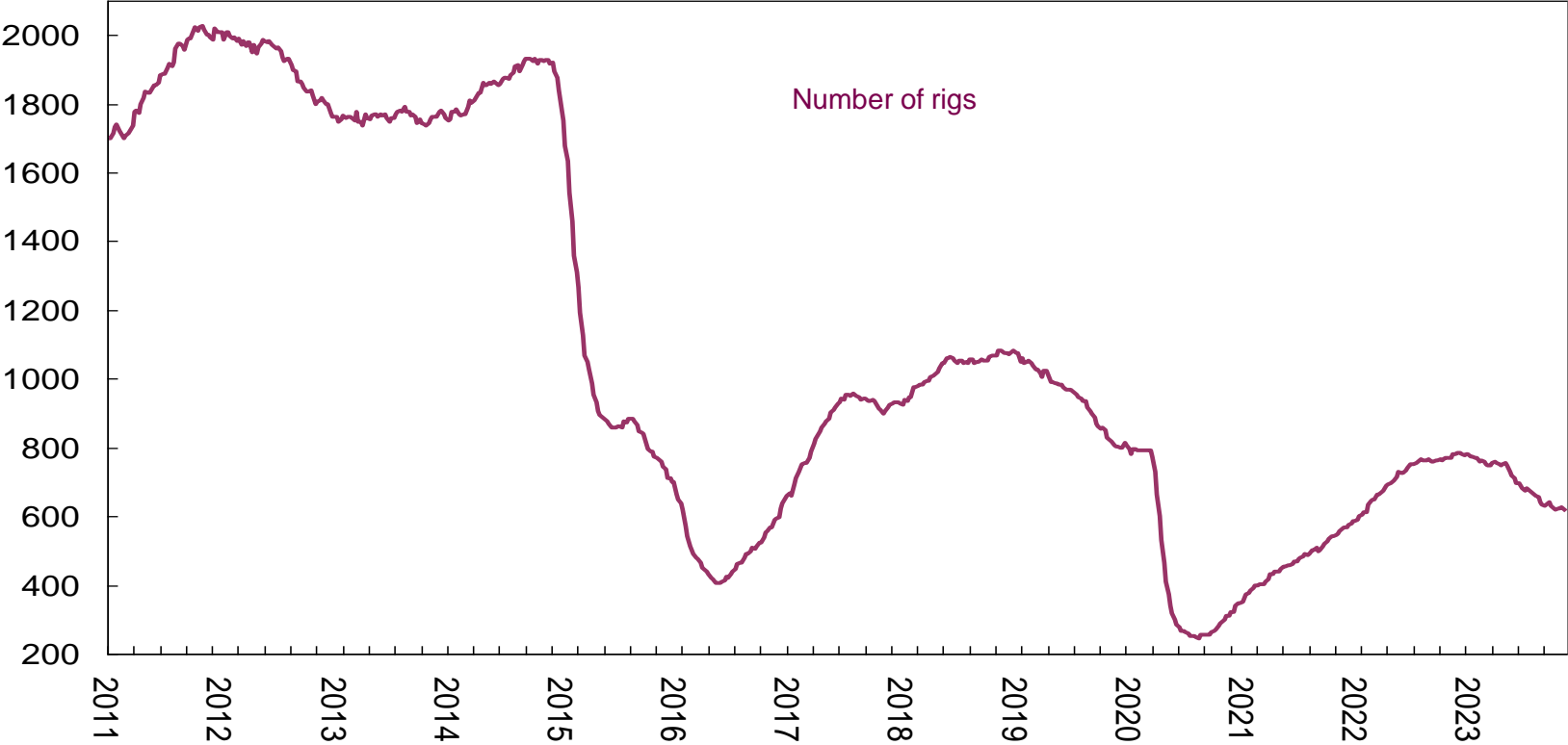
US weekly motor gasoline supply

Million barrels per day



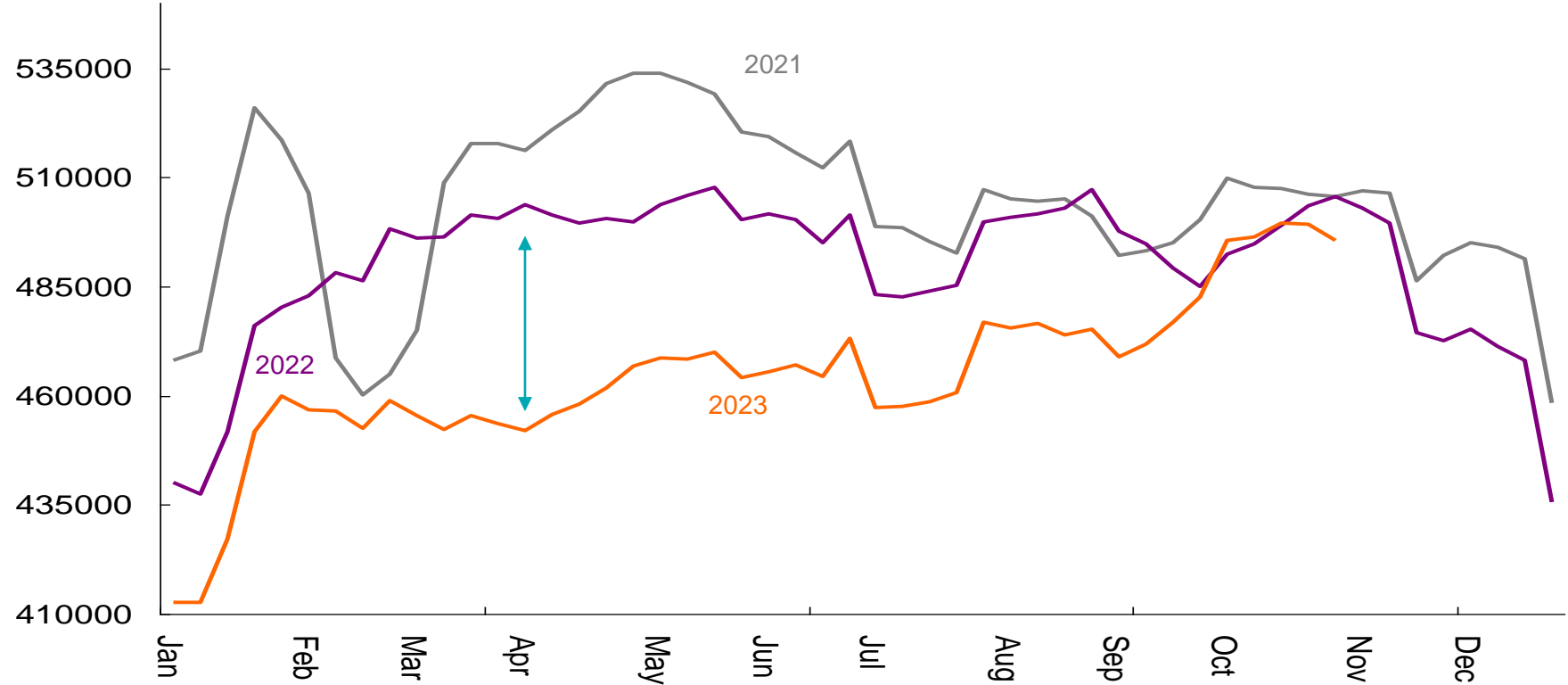
US oil and gas rig count

Number of rigs



US weekly rail traffic

Carloads and/or intermodal units



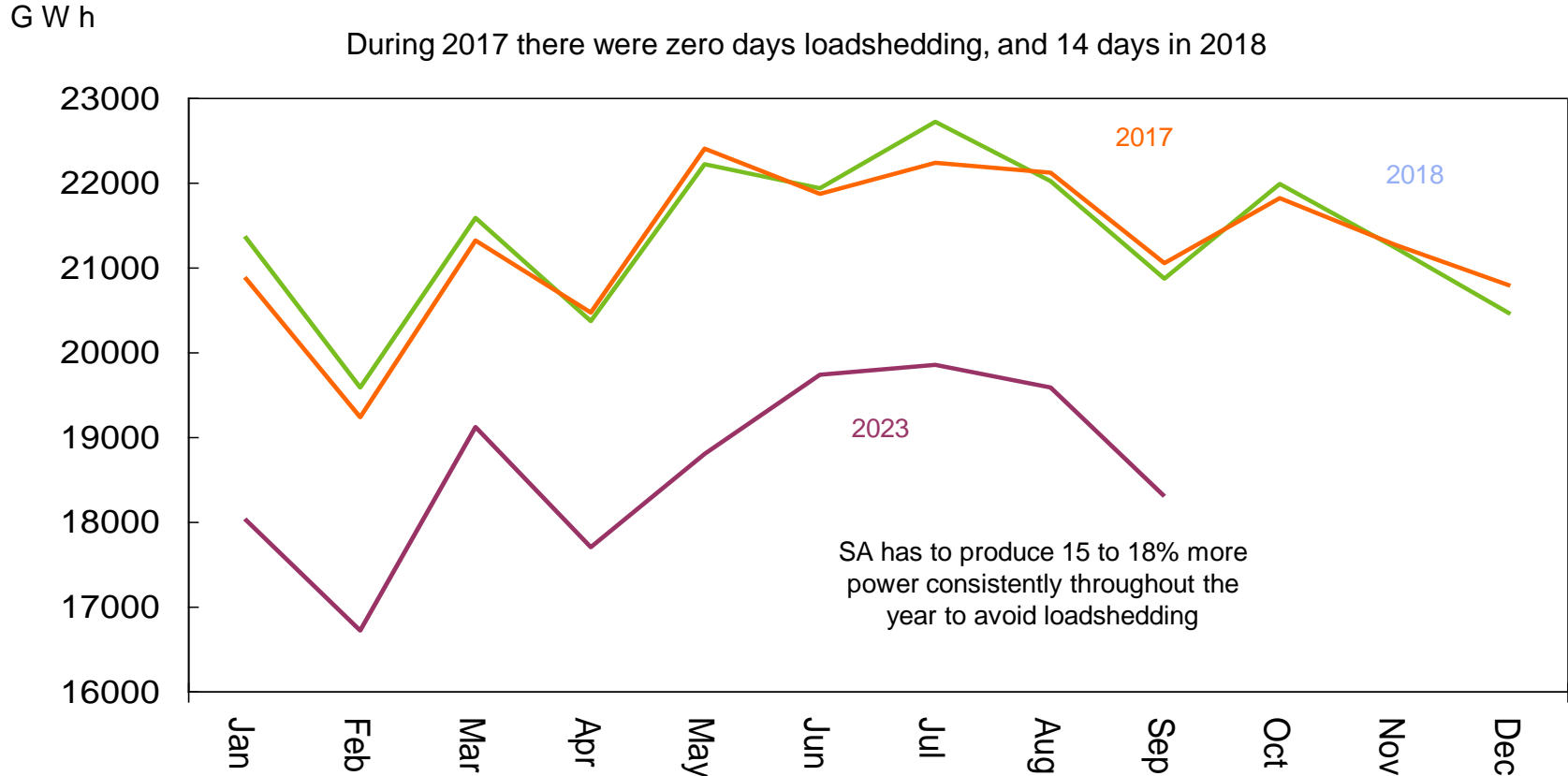
SA energy crisis: 6 to 12 November 2023

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



STANLIB

South Africa electricity production: 2017/2018 vs 2023



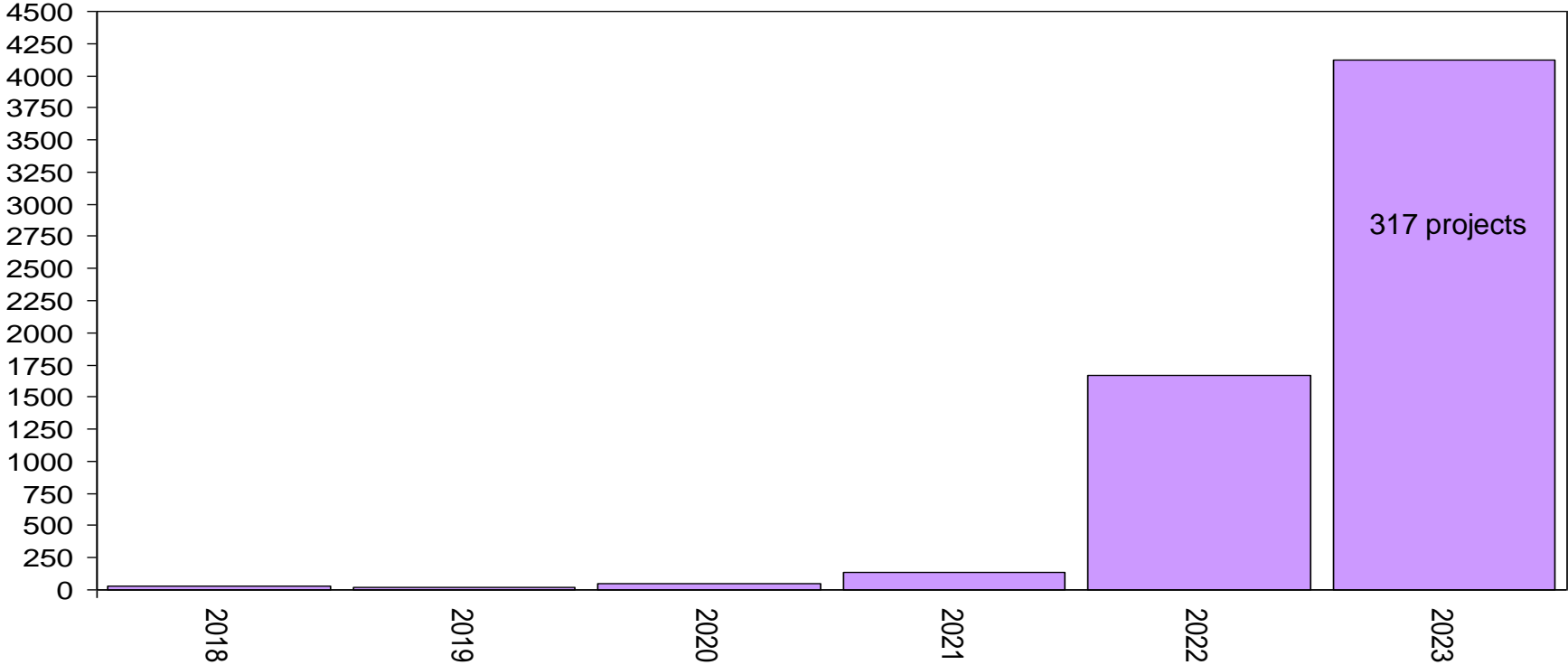
Private sector power projects (NERSA)

Year	Number of projects	MW of all projects
2018	52	26
2019	41	23
2020	124	53
2021	282	134
2022	406	1664
2023*	317	4126

* Jan-October 2023

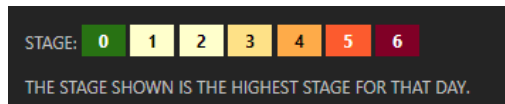
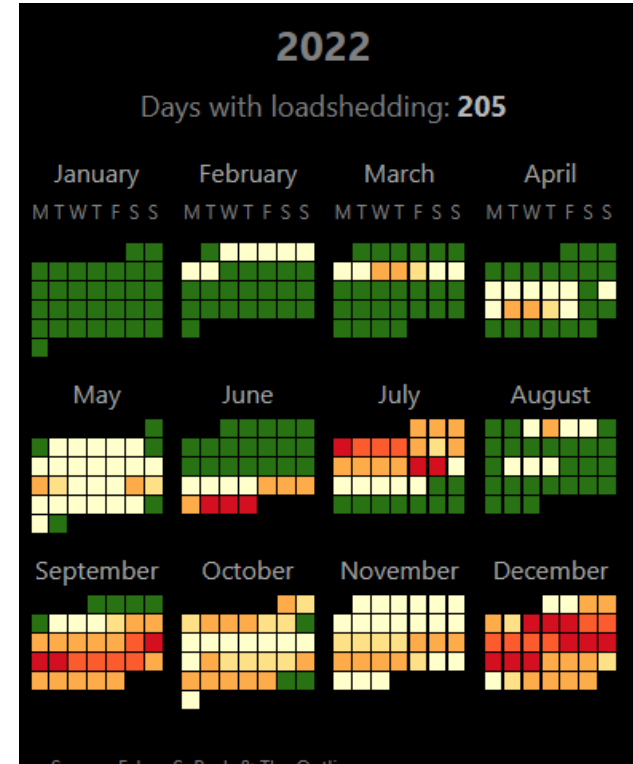
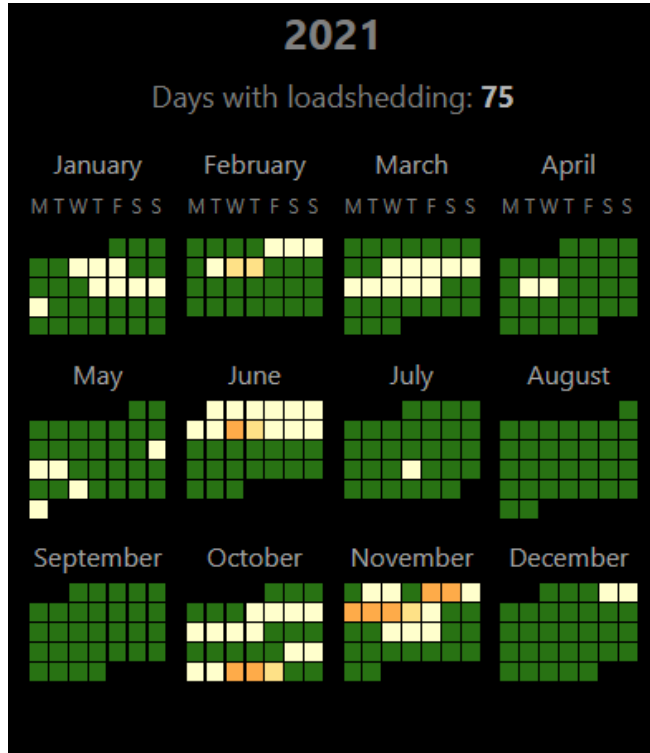
SA private renewable energy projects (outside of REIPPP)

MW (January to September 2023)

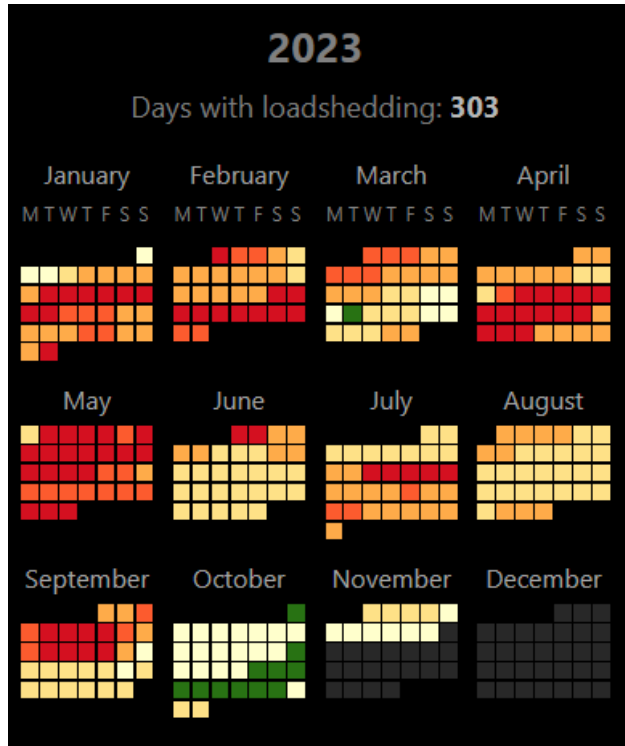


Source: NERSA

South Africa number of days of loadshedding



South Africa number of days of loadshedding

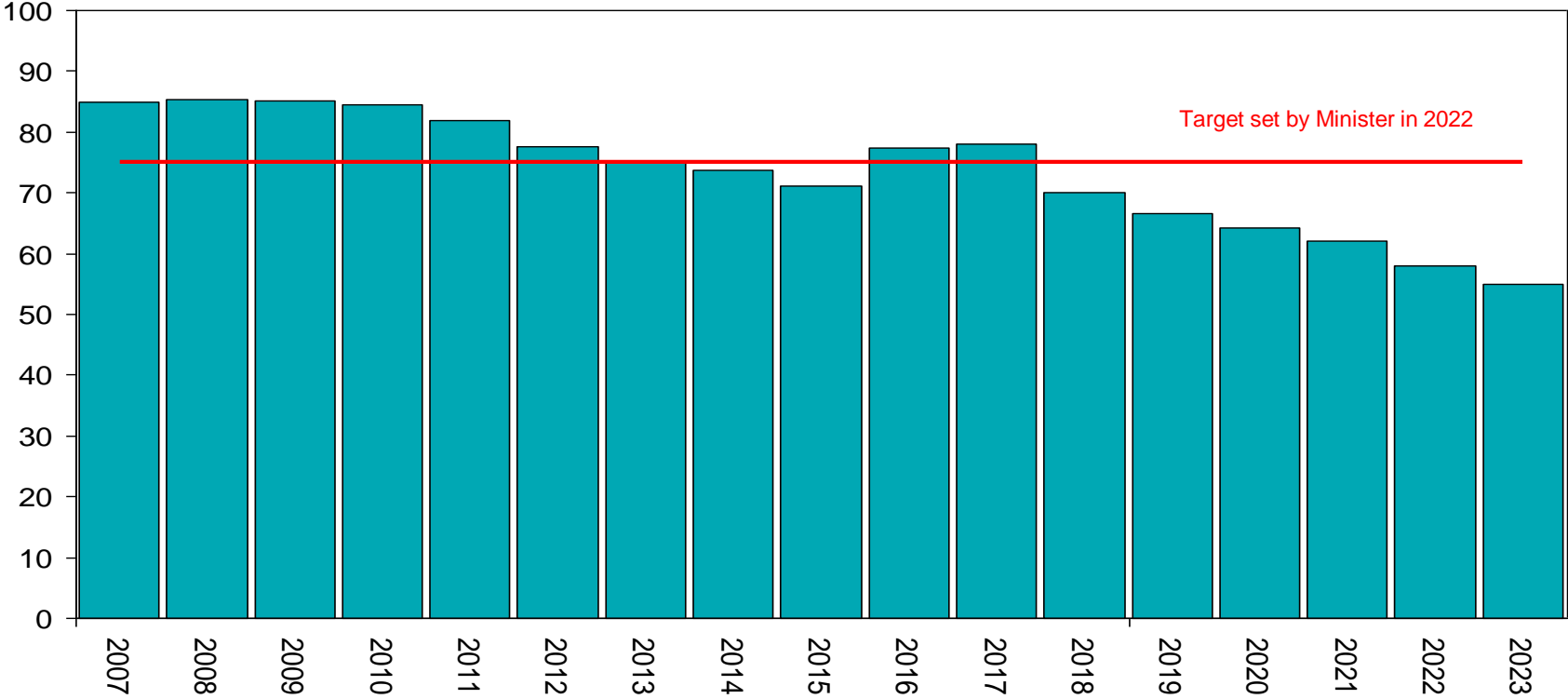


STAGE: 0 1 2 3 4 5 6

THE STAGE SHOWN IS THE HIGHEST STAGE FOR THAT DAY.

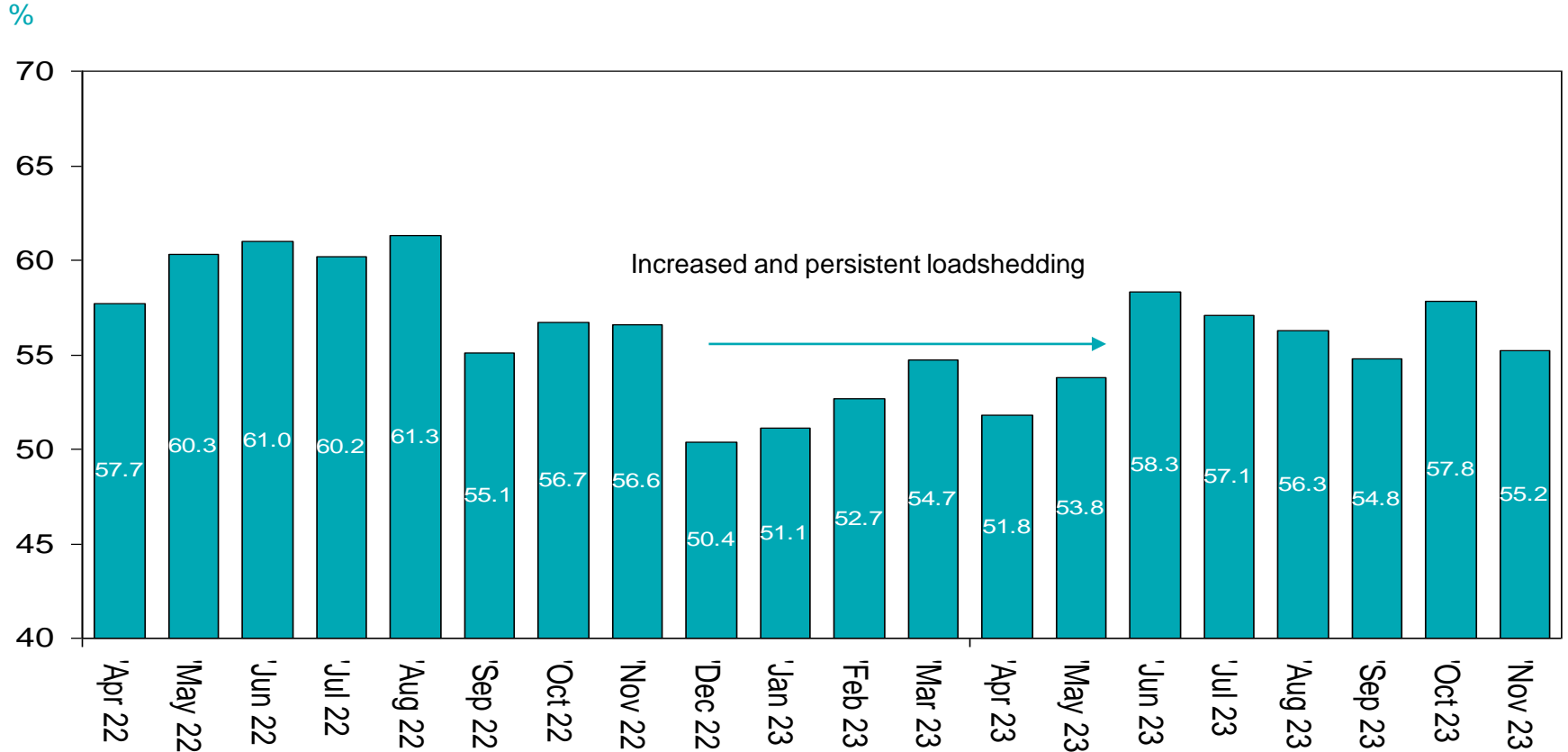
Eskom Energy Availability Factor (EAF)

Percent

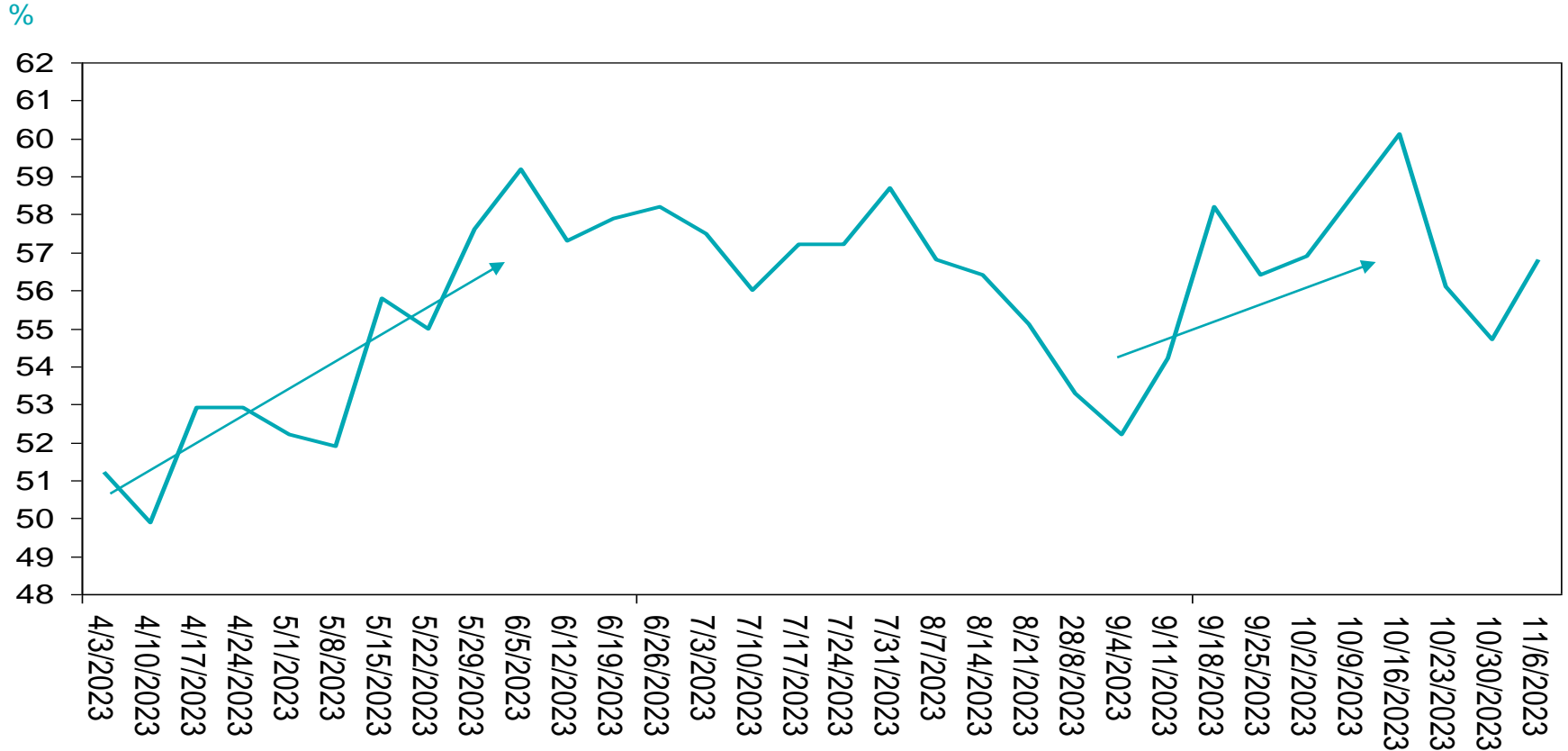


Source: Eskom

ESKOM Energy Availability Factor (EAF) - monthly



ESKOM Energy Availability Factor (EAF) - weekly



Global climate data: 6 to 12 November 2023

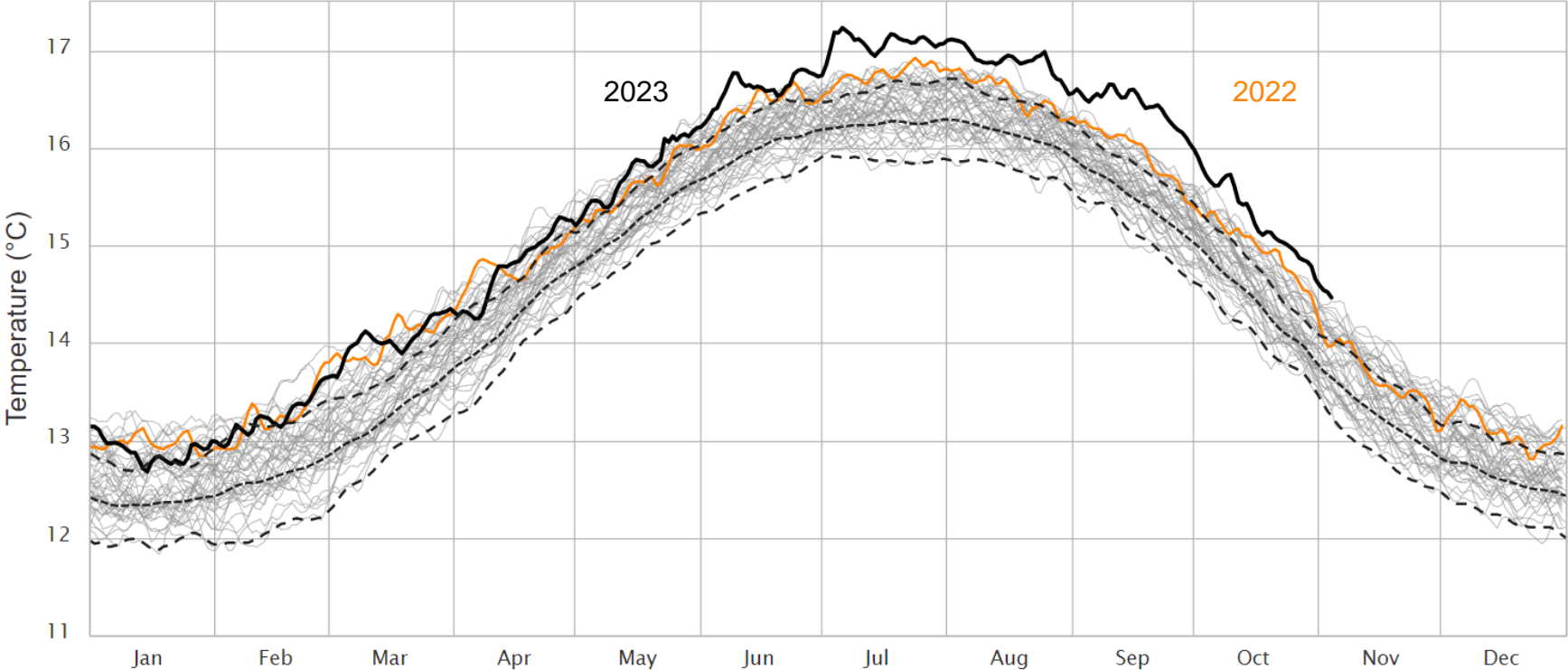
- World air temperature
- Northern Hemisphere air temperature
- Southern Hemisphere air temperature
- Arctic air temperature
- Antarctic air temperature
- Tropics air temperature (23.5°S to 23.5°N)
- Daily sea surface temperature



STANLIB

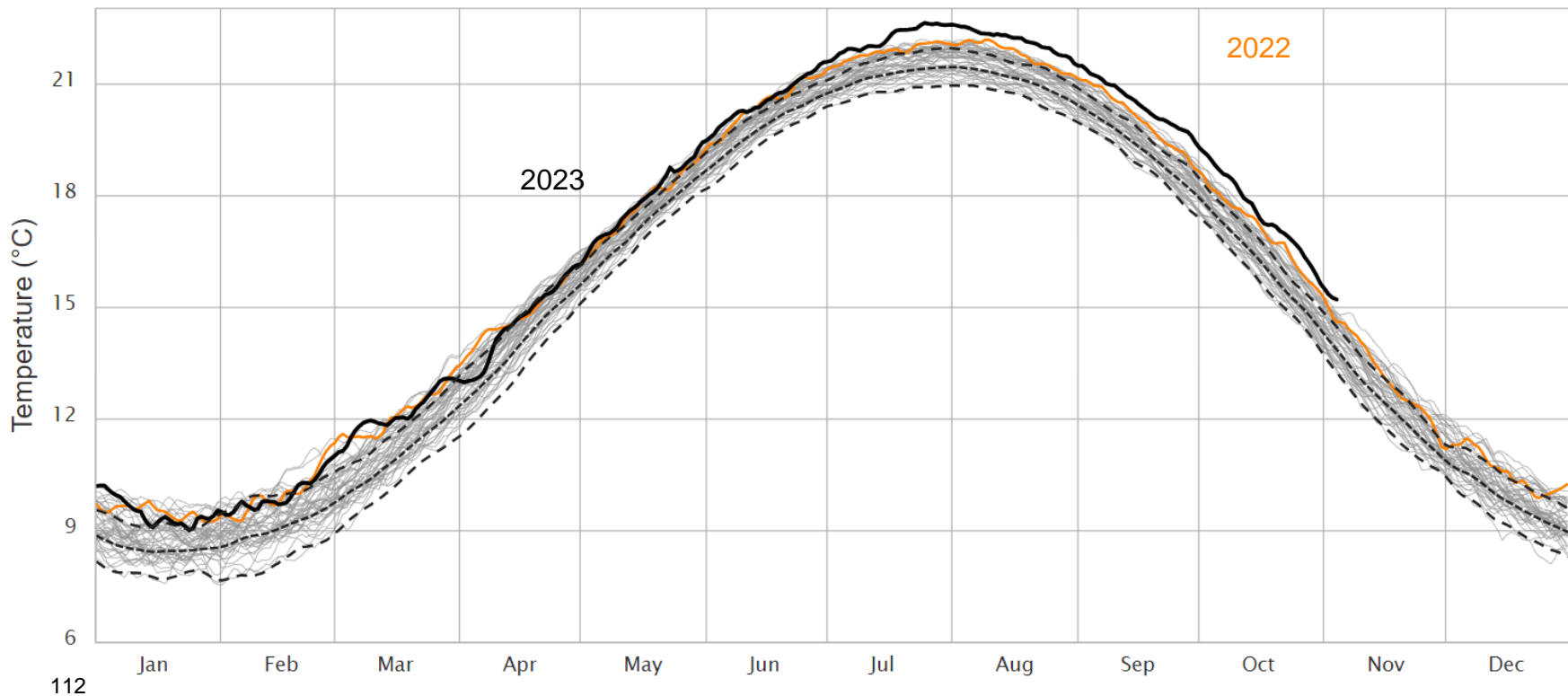
World air temperature (at a height of 2 meters)

Average, temperature, degrees Celsius



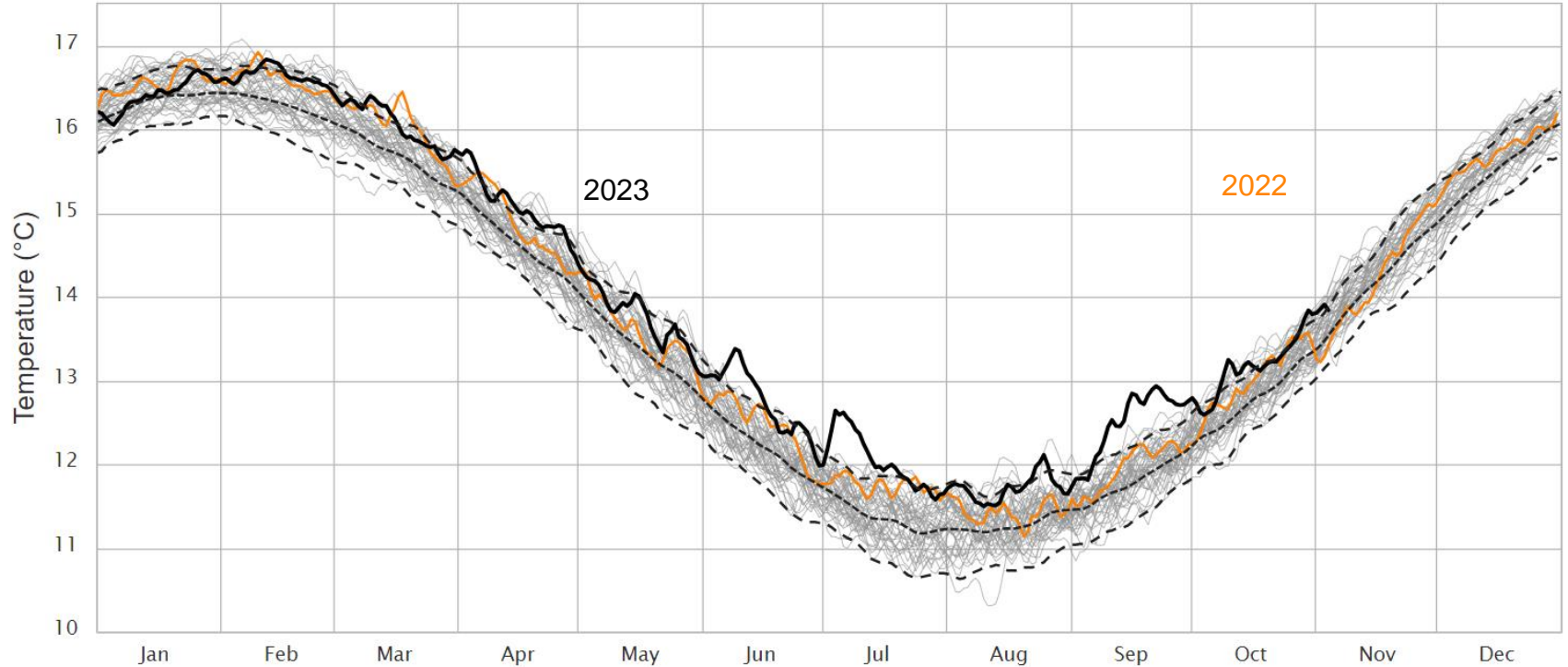
Northern Hemisphere air temperature (at a height of 2 meters)

Average, temperature, degrees Celsius



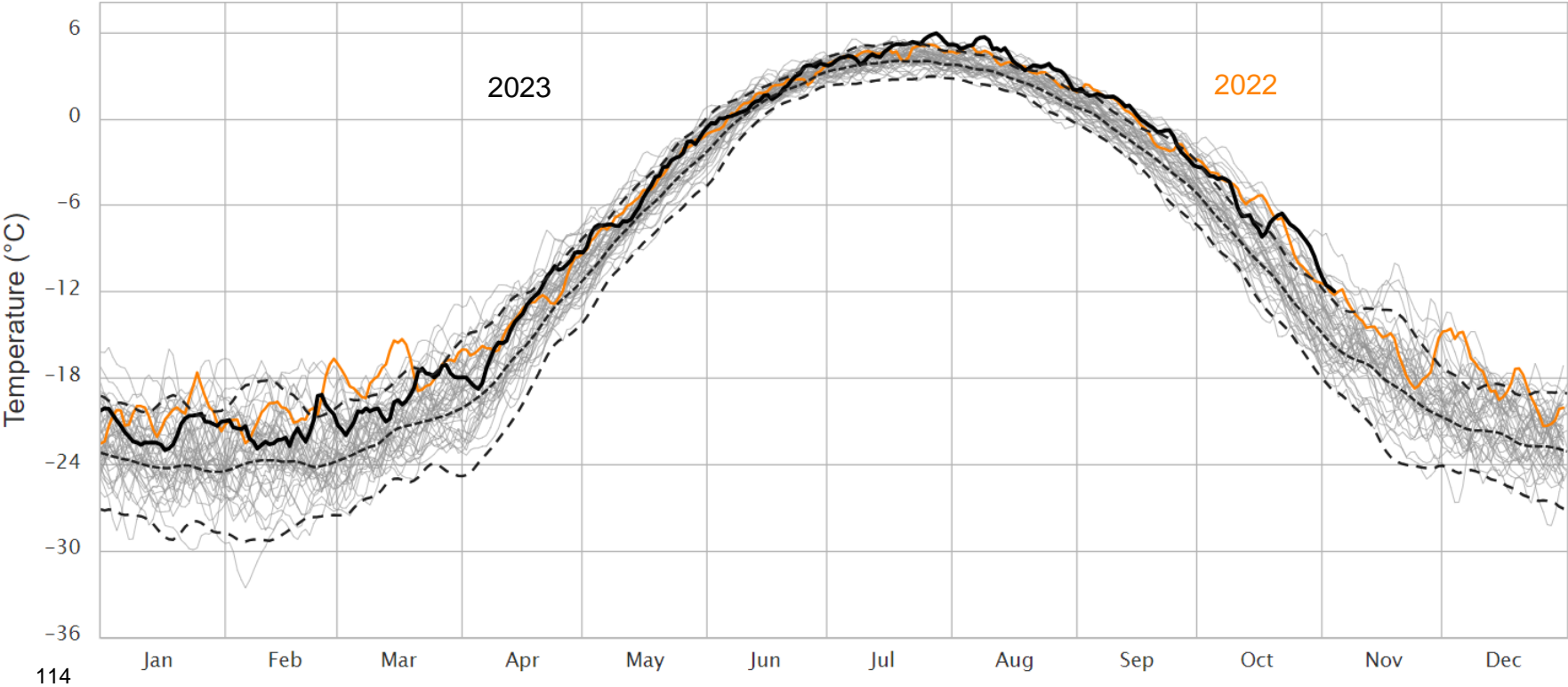
Southern Hemisphere air temperature (at a height of 2 meters)

Average, temperature, degrees Celsius



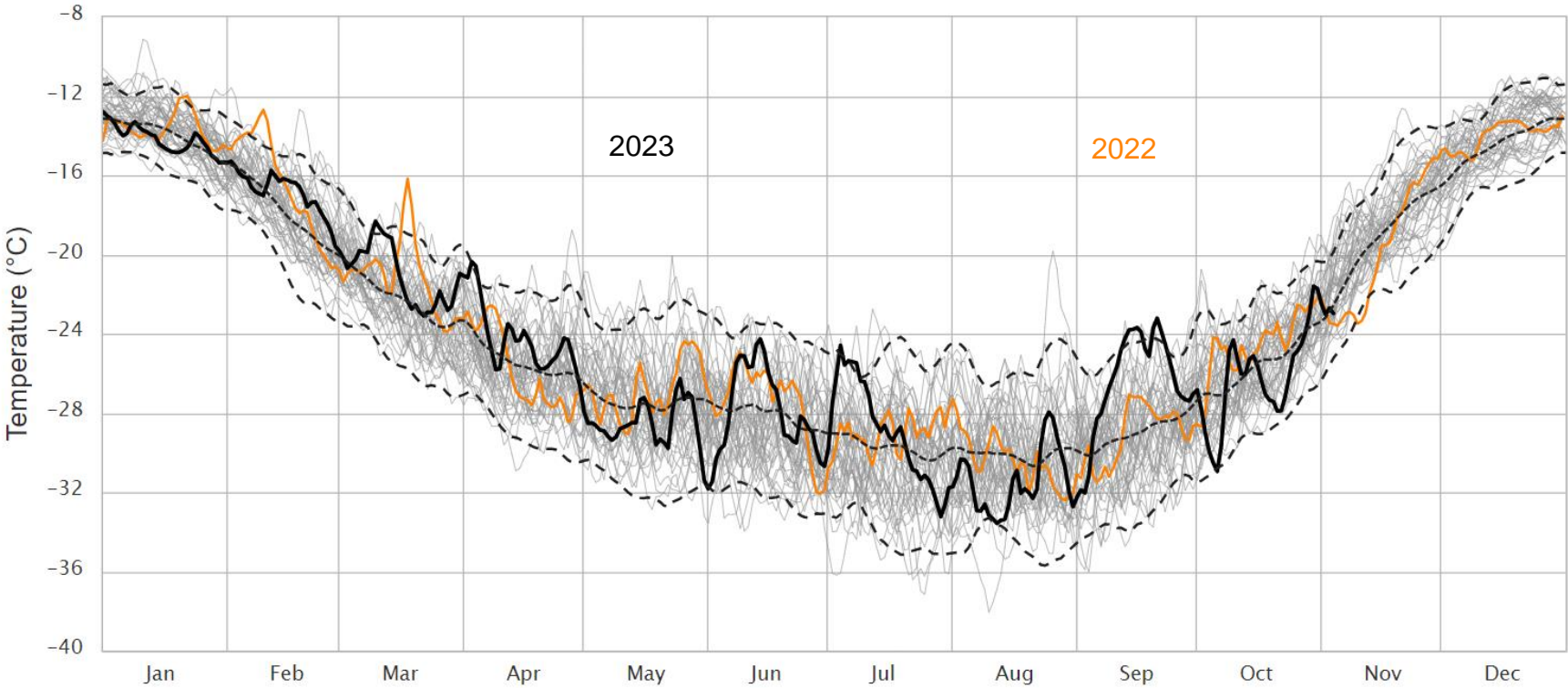
Arctic air temperature (at a height of 2 meters)

Average, temperature, degrees Celsius



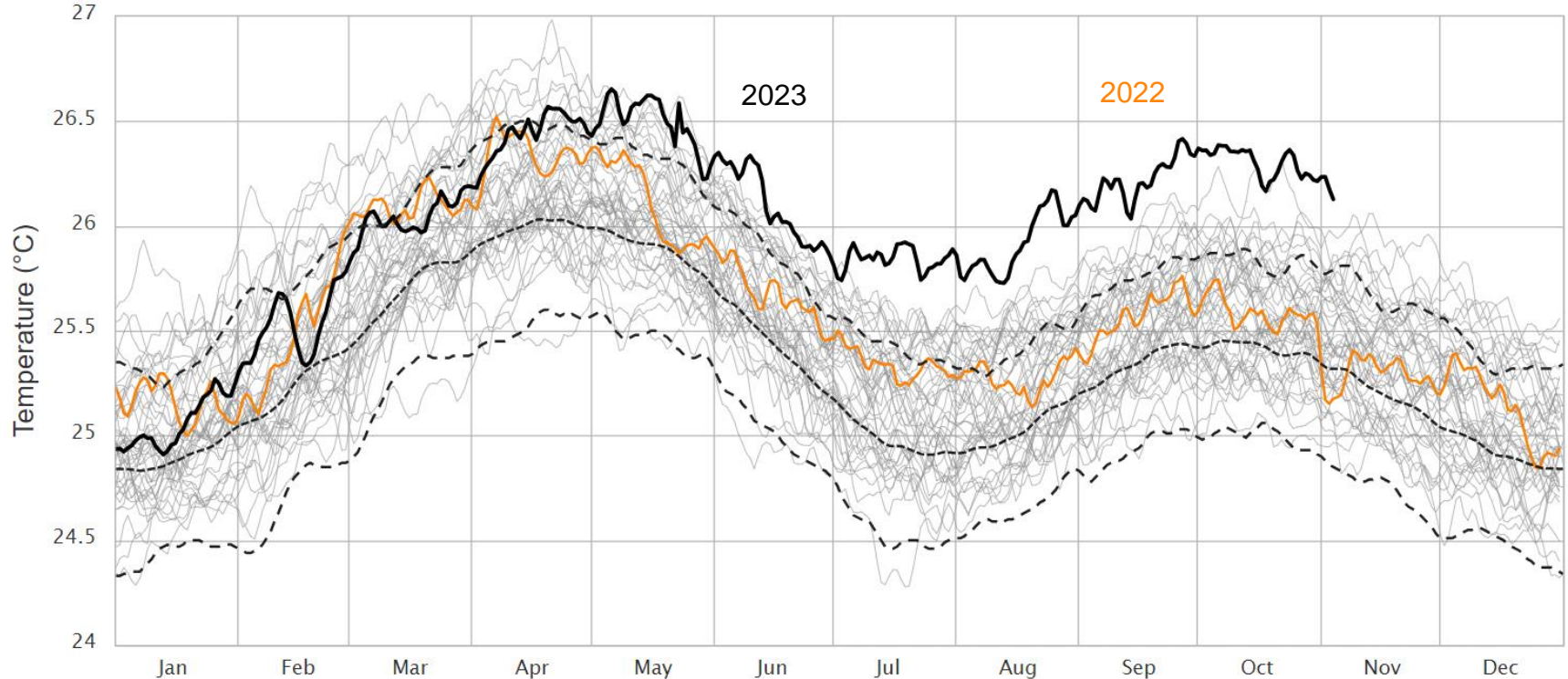
Antarctic air temperature (at a height of 2 meters)

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

