

Weekly Review in Charts  
22 to 28 April 2024

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Kevin Lings

28 April 2024

STANLIB

# Weekly economic review: 22 to 28 April 2024

26 April 2024

	2019 %	2020 %	2021 %	2022 %	2023 %	2024 Year- to-date
South Africa All Share Index	8.2%	4.1%	24.1%	-0.9%	5.3%	-2.0%
Dow Jones Industrial Average	22.3%	7.2%	18.7%	-8.8%	13.7%	1.5%
S&P 500 equity index	28.9%	16.3%	26.9%	-19.4%	24.2%	6.9%
Nasdaq 100 index	38.0%	47.6%	26.6%	-33.0%	53.8%	5.3%
Stoxx Euro 600	23.2%	-4.0%	22.2%	-12.9%	12.7%	6.0%
FTSE 100 Index	12.1%	-14.3%	14.3%	0.9%	3.8%	5.3%
Shanghai Composite Index	22.3%	13.9%	4.8%	-15.1%	-3.0%	4.3%
NIKKEI 225 Index	18.2%	16.0%	4.9%	-9.4%	28.2%	13.4%
Gold	18.3%	25.0%	-3.6%	0.4%	14.6%	12.7%
Oil	21.9%	-21.7%	52.9%	8.7%	-10.4%	14.1%
Rand/Dollar	-2.7%	5.0%	8.6%	-6.2%	-7.0%	-2.7%
Dollar/Euro	-1.8%	9.0%	-7.1%	6.6%	-3.4%	3.4%
Bitcoin	92.2%	303.2%	59.7%	-64.3%	155.4%	50.8%
<i>US 10-year bond yield</i>	1.92%	0.93%	1.52%	3.88%	3.88%	4.67%
<i>US 2-year bond yield</i>	1.58%	0.13%	0.73%	4.41%	4.23%	4.96%
<i>SA long bond yield</i>	8.48%	7.70%	8.60%	9.88%	10.27%	11.34%

# Weekly economic review: 22 to 28 April 2024

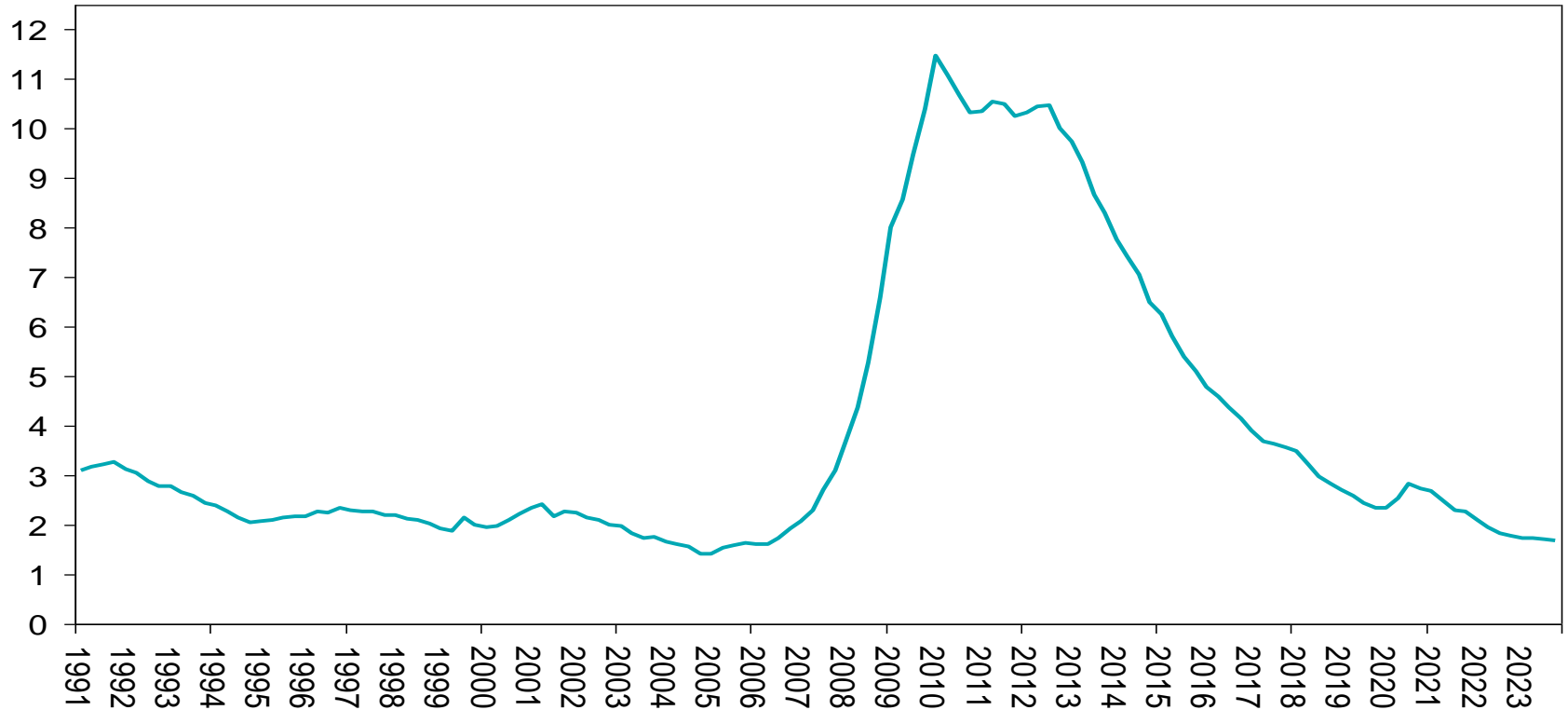
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## Chart of the week

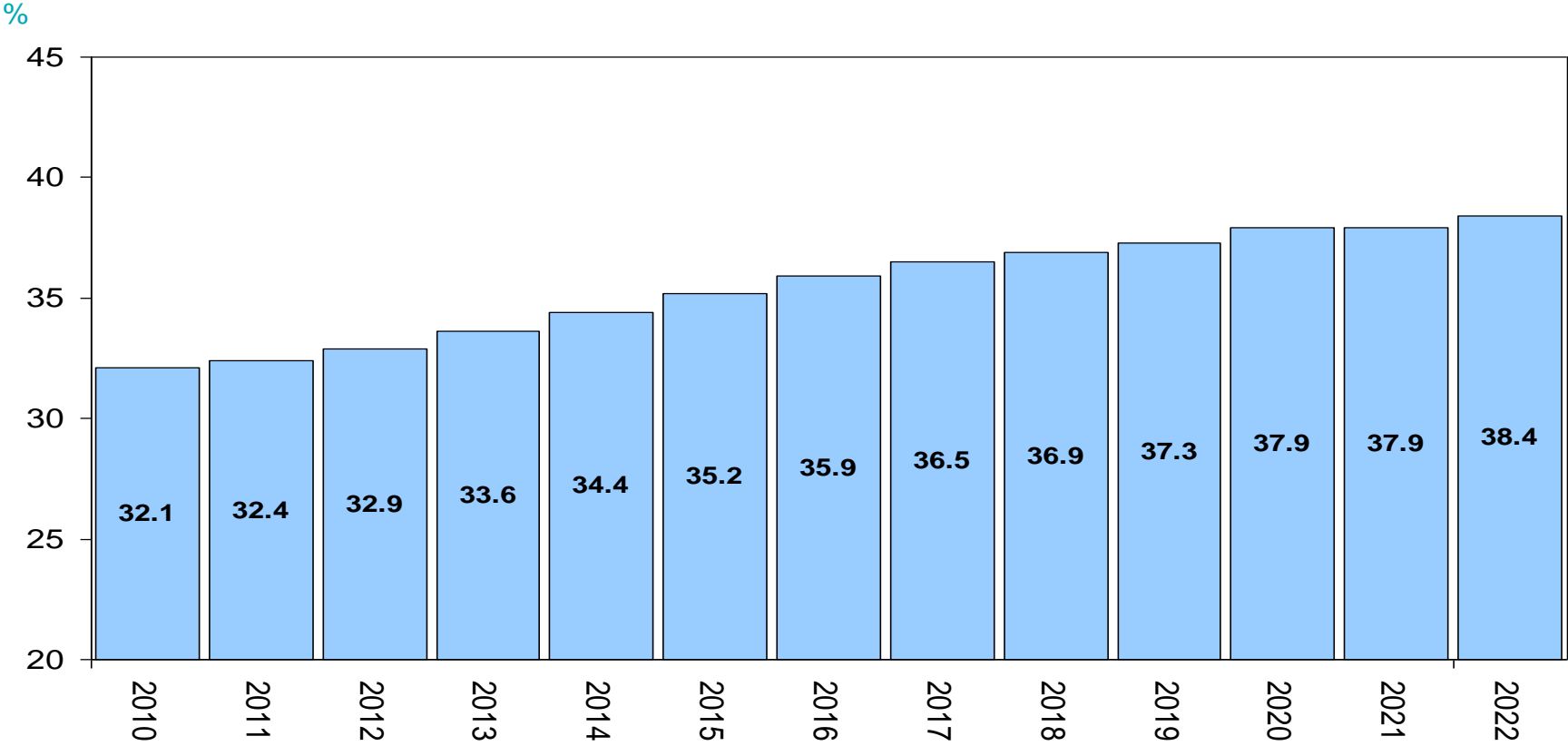
- Last week the 30-year fixed mortgage rose back above 7%, up from a recent low of 6.6% in the middle of January 2024.
- According to data recently released by the US Federal Reserve Bank of Dallas, a staggering 96% of residential mortgage debt in the US is in the form of long-term fixed debt of at least 10 years. Consequently, the vast majority of US households are shielded from the immediate impact of sustained high interest rates.
- In the years ahead of the global financial market crisis, approximately 80% of US subprime mortgages were adjustable-rate mortgages.
- Data provided by the US Census Bureau indicates that in 2022, 38.4% of US owner occupied homes are owned outright, without any mortgage debt.
- The large number of fixed rate mortgages coupled with a systematic increase in mortgage free homes has led to a sustained very low level of distressed mortgages. This has contributed to the stability of US house prices.
- In contrast, credit card stress and delinquencies continue to rise.

# US delinquency rate on single family residential mortgages

%



# Percentage of US owner occupied homes without a mortgage



# Weekly economic review: 22 to 28 April 2024

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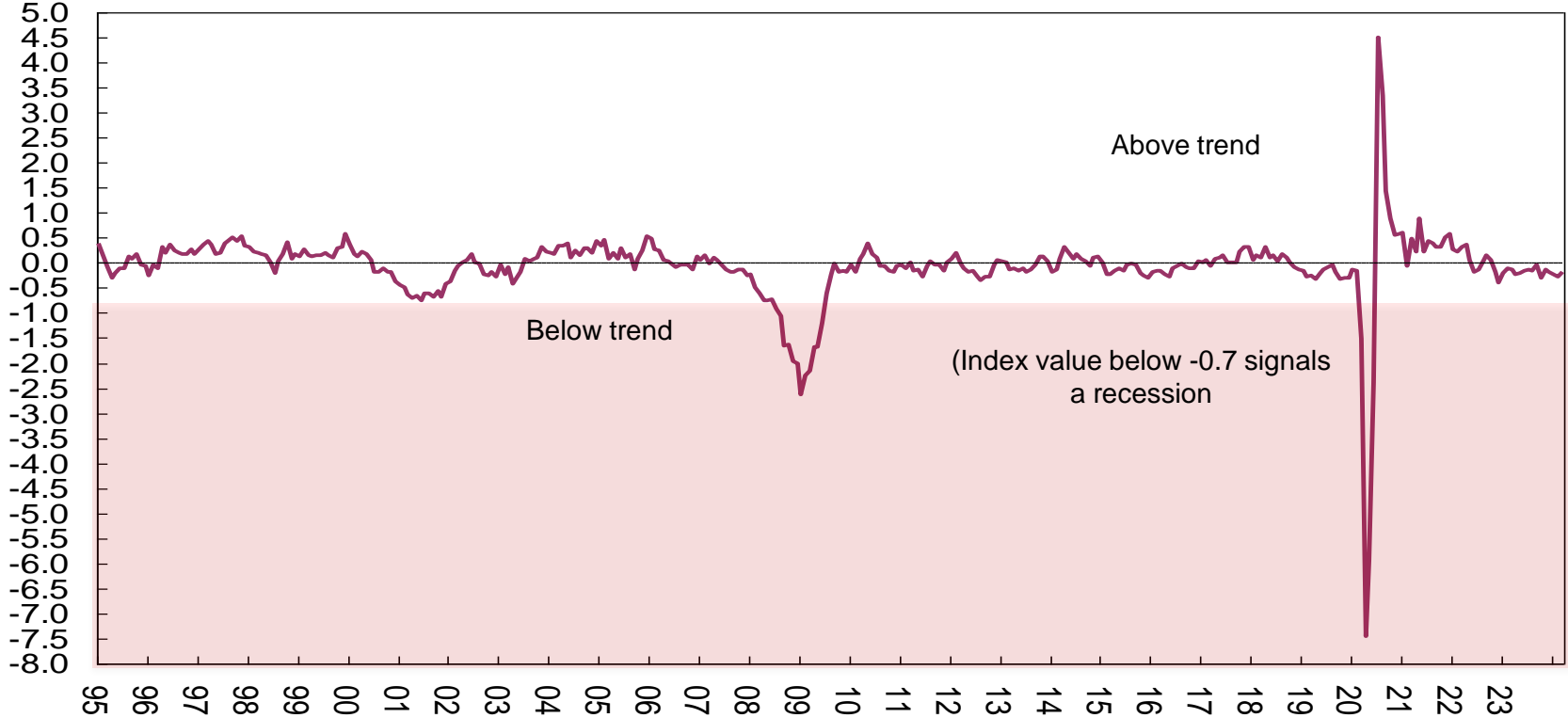
Monday, 22 April 2024

- US Chicago Fed National Activity Index for March 2024
- Euro-area consumer confidence for April 2024

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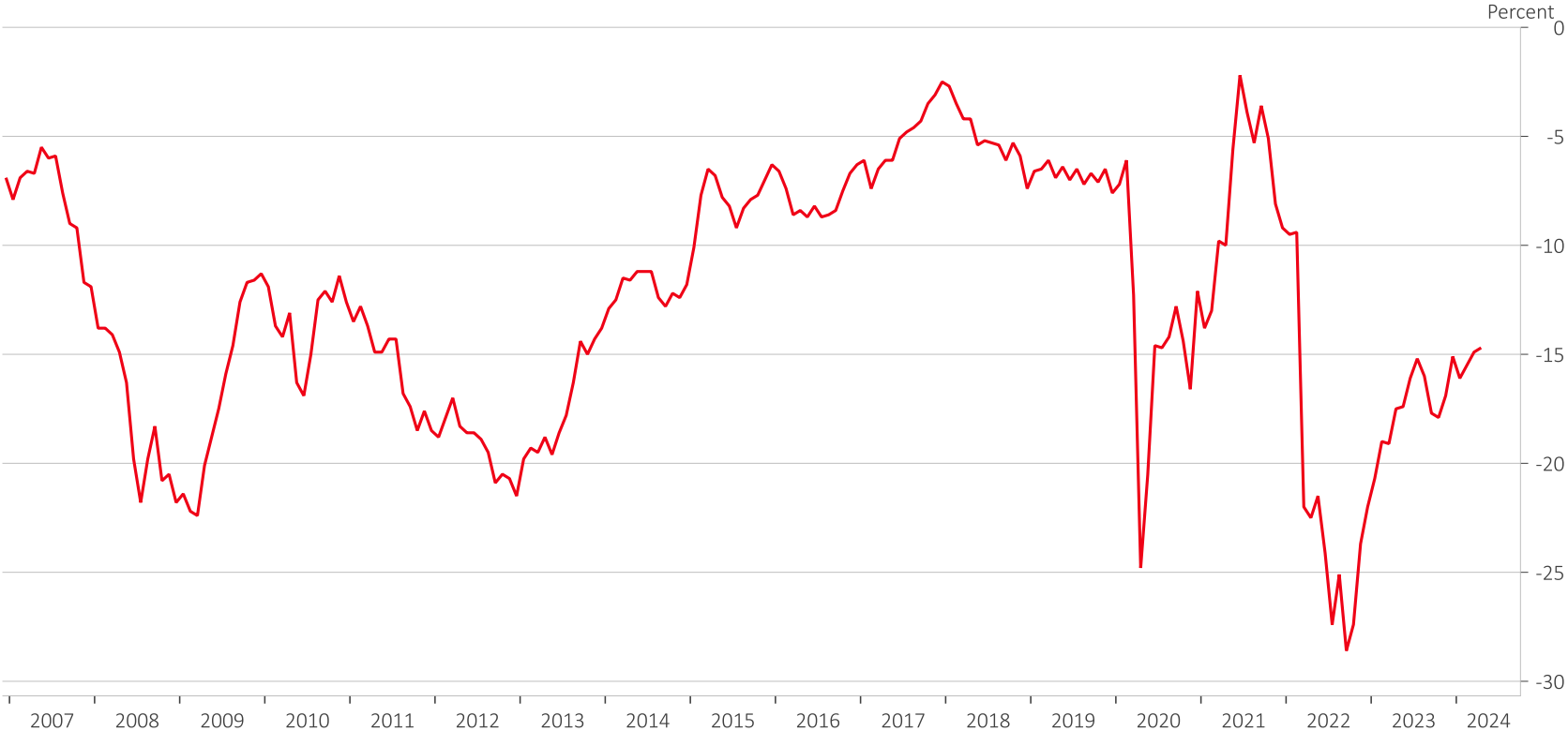
# US Chicago Fed National Activity Index

Index, 3-month average



# Euro-area consumer confidence

%





# Weekly economic review: 22 to 28 April 2024

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Tuesday, 23 April 2024

- SA leading economic indicator for February 2024
- US new home sales for March 2024
- Euro-area manufacturing and services PMI for April 2024

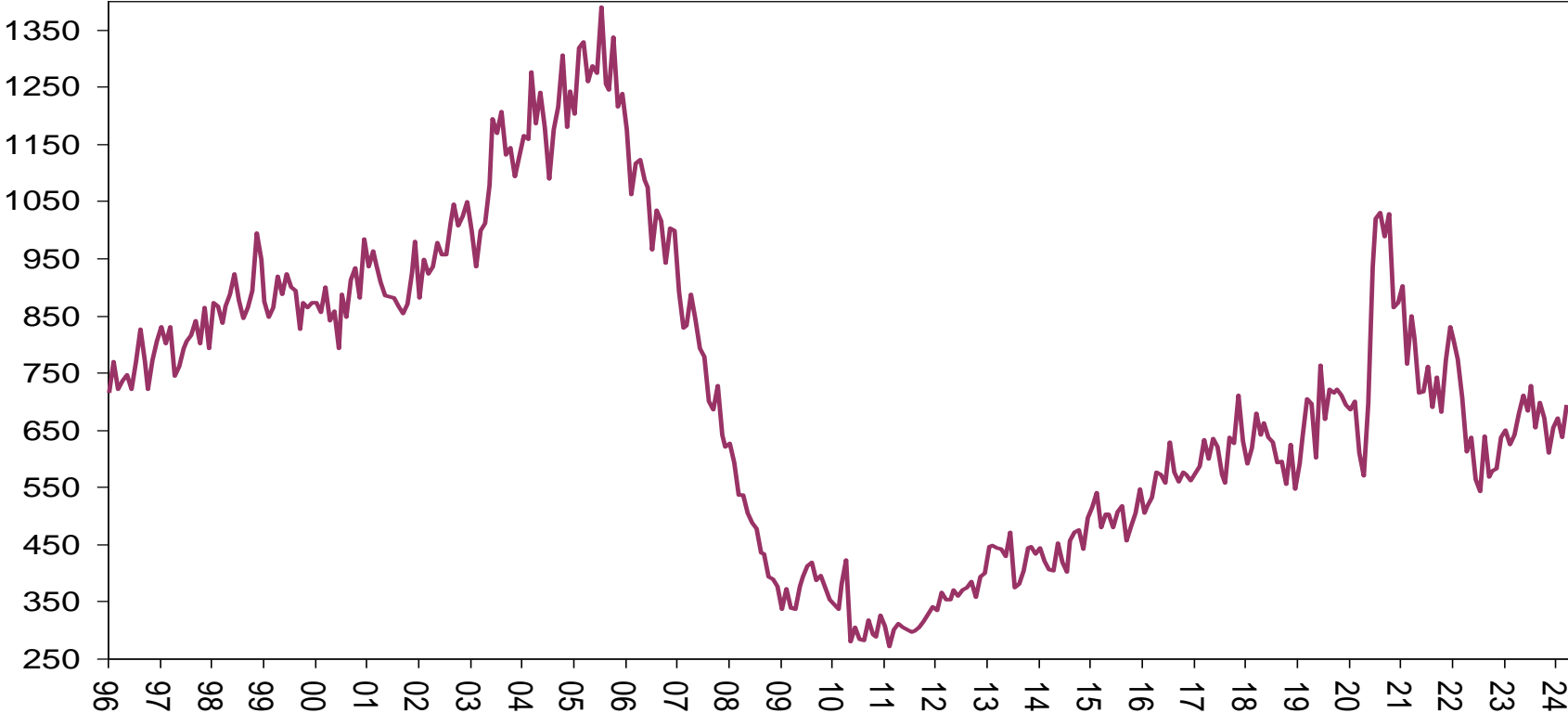
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# SA leading economic indicator



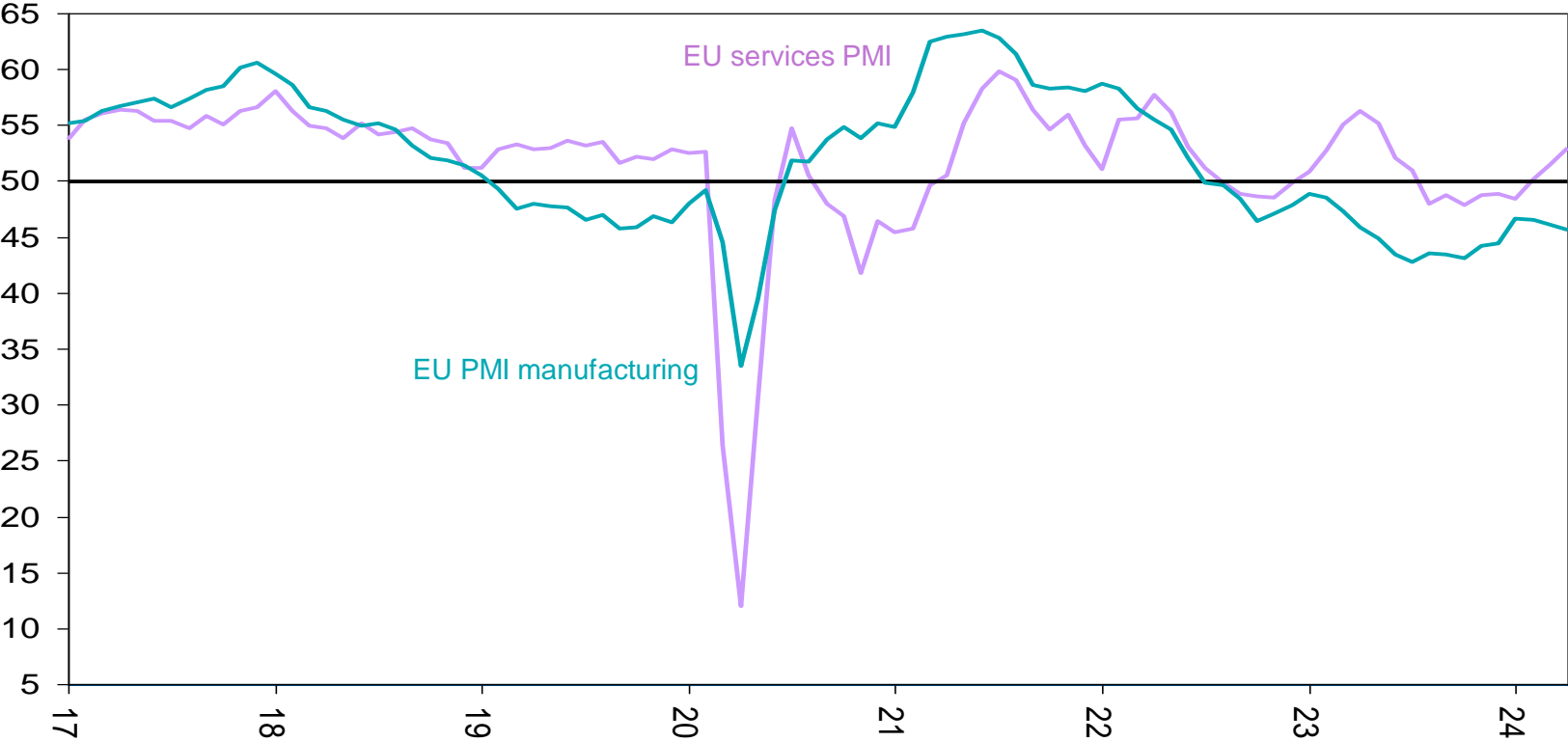
# US new home sales

000's



# Euro-area manufacturing and services PMI

Index



# Weekly economic review: 22 to 28 April 2024

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Wednesday, 24 April 2024

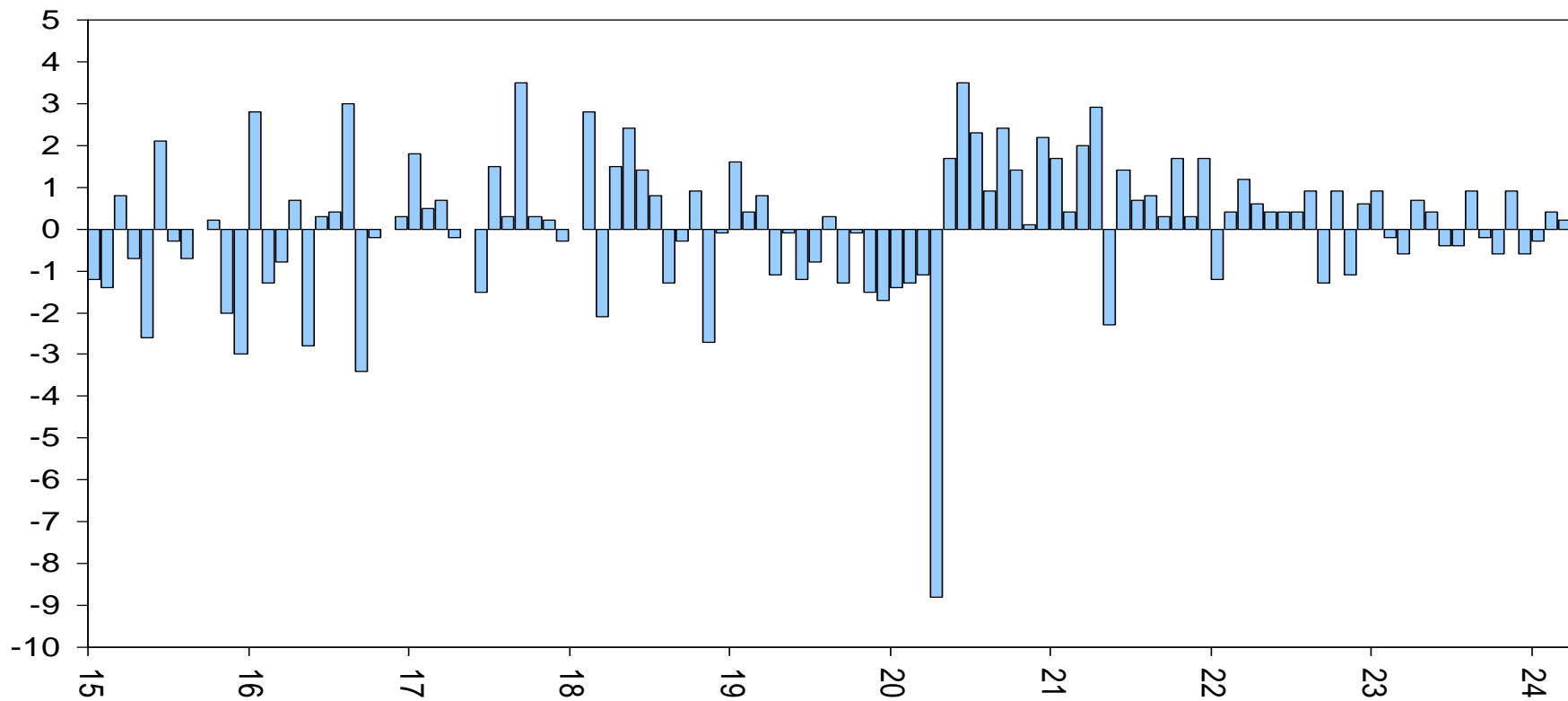
- US durable goods orders for March 2024
- US weekly mortgage applications



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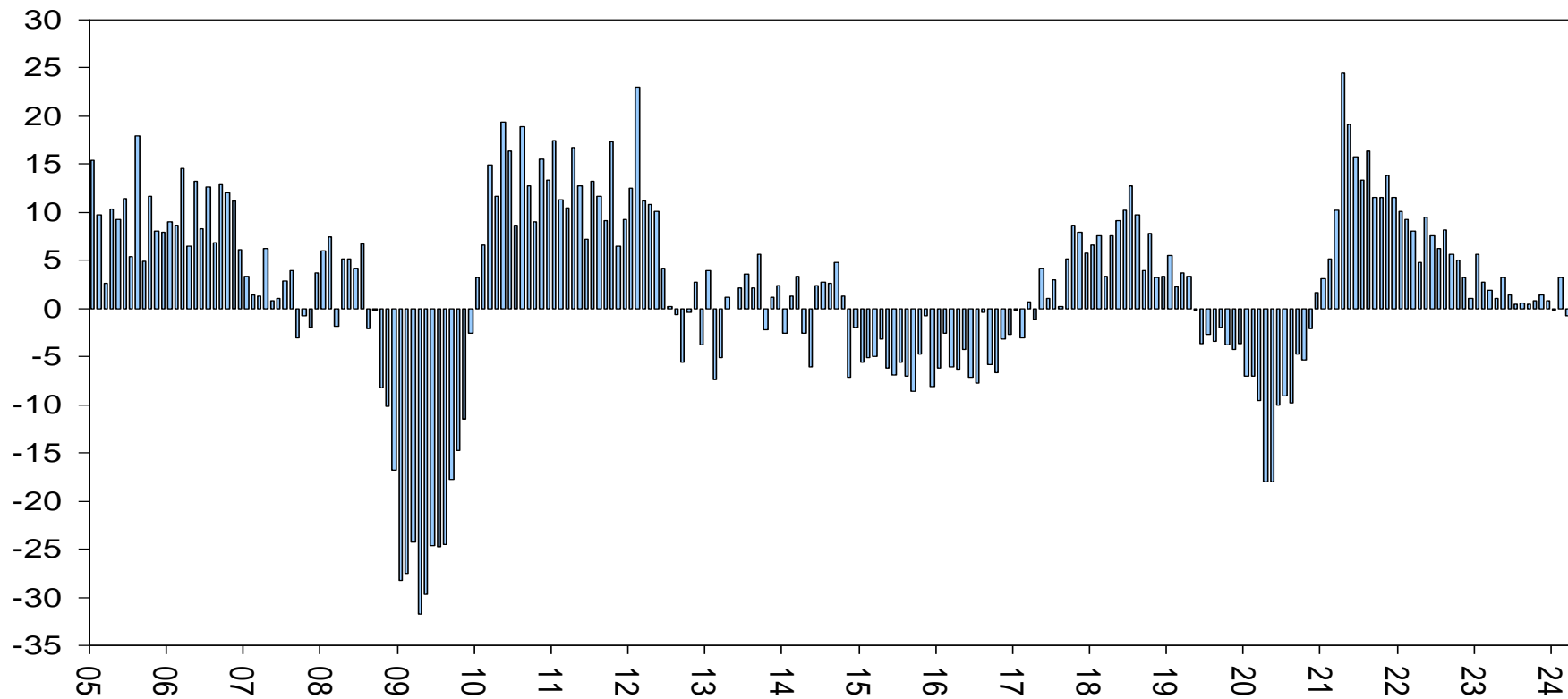
# US durable goods orders (excl aircraft and defence)

% m / m



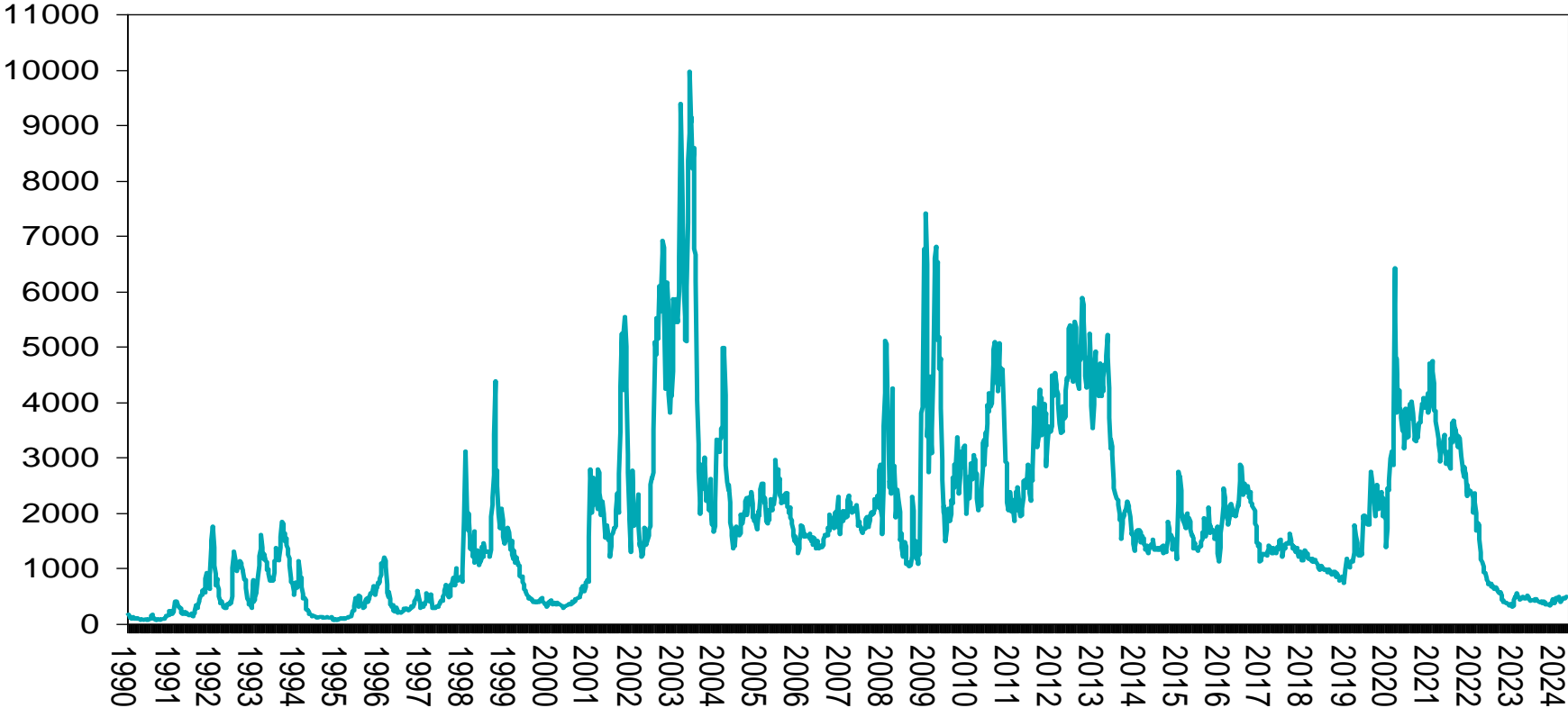
# US durable goods orders (excl aircraft and defence)

% y/y



# US mortgage refinancing index

Index





# US mortgage applications for purchase

Market composite index



# US 30-year fixed rate mortgage

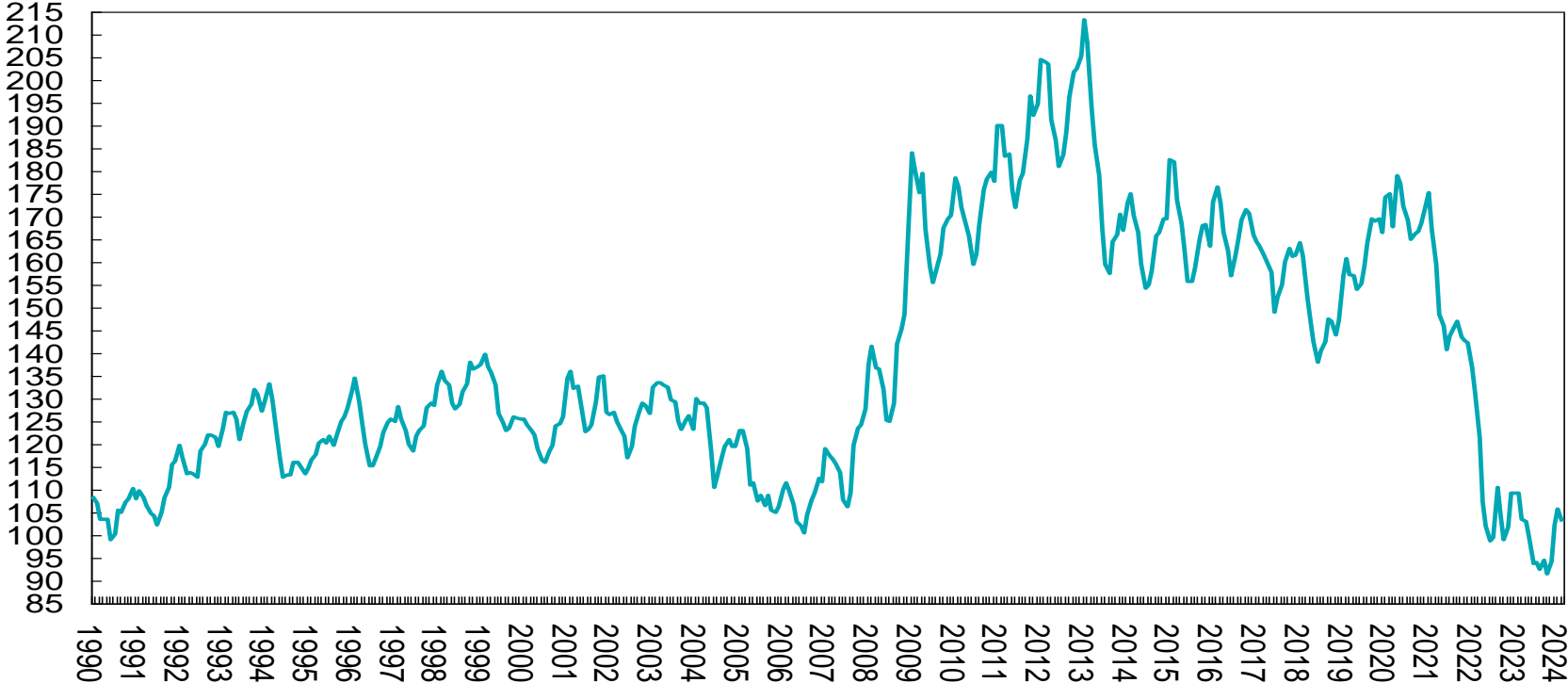
% yield, 30-year rate



# US housing affordability

Index, composite

The lower the index the more unaffordable housing has become



# Weekly economic review: 22 to 28 April 2024

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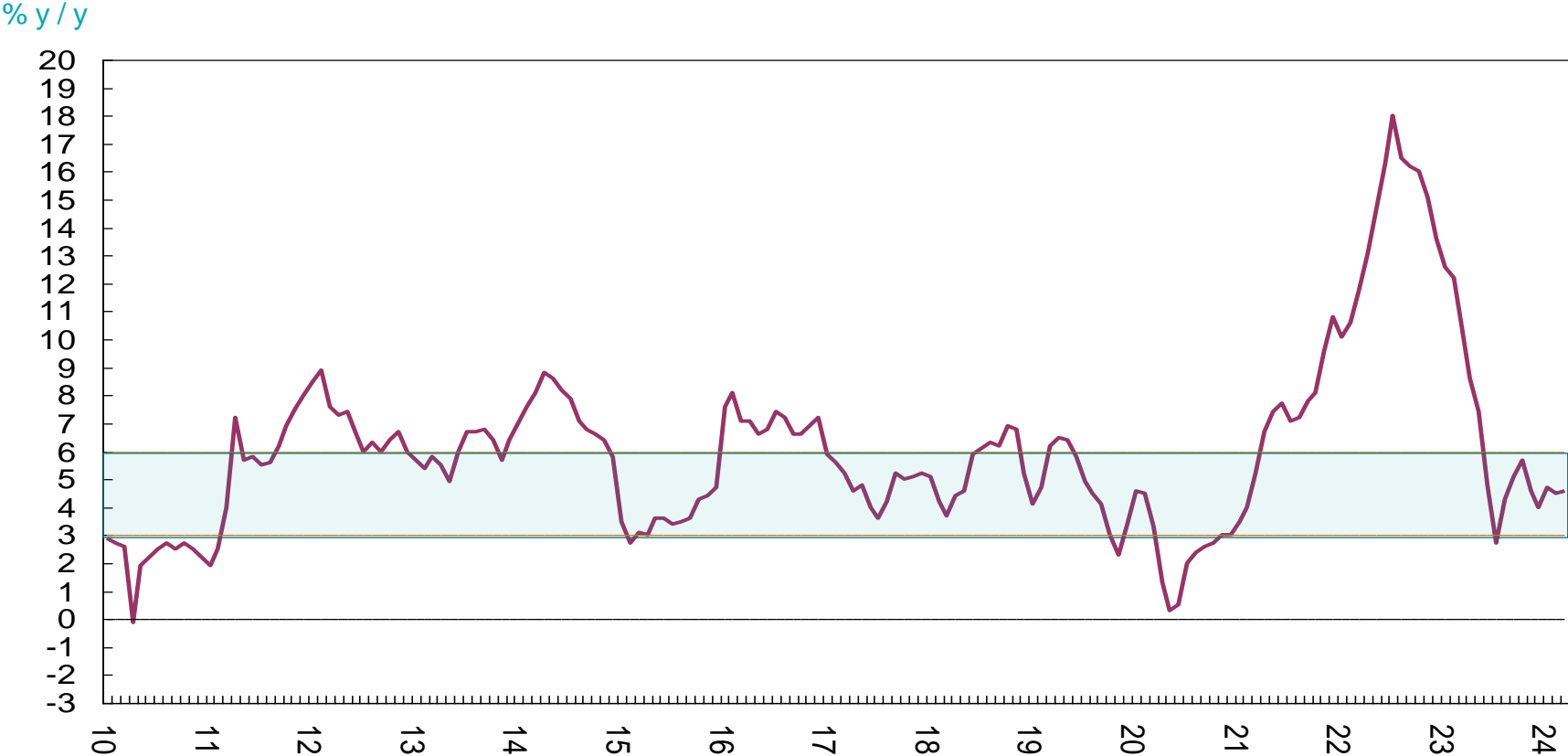
Thursday, 25 April 2024

- SA PPI inflation for March 2024
- US GDP growth for Q1 2024
- US weekly jobless claims
- US inventories for March 2024
- China consensus economic forecast for April 2024



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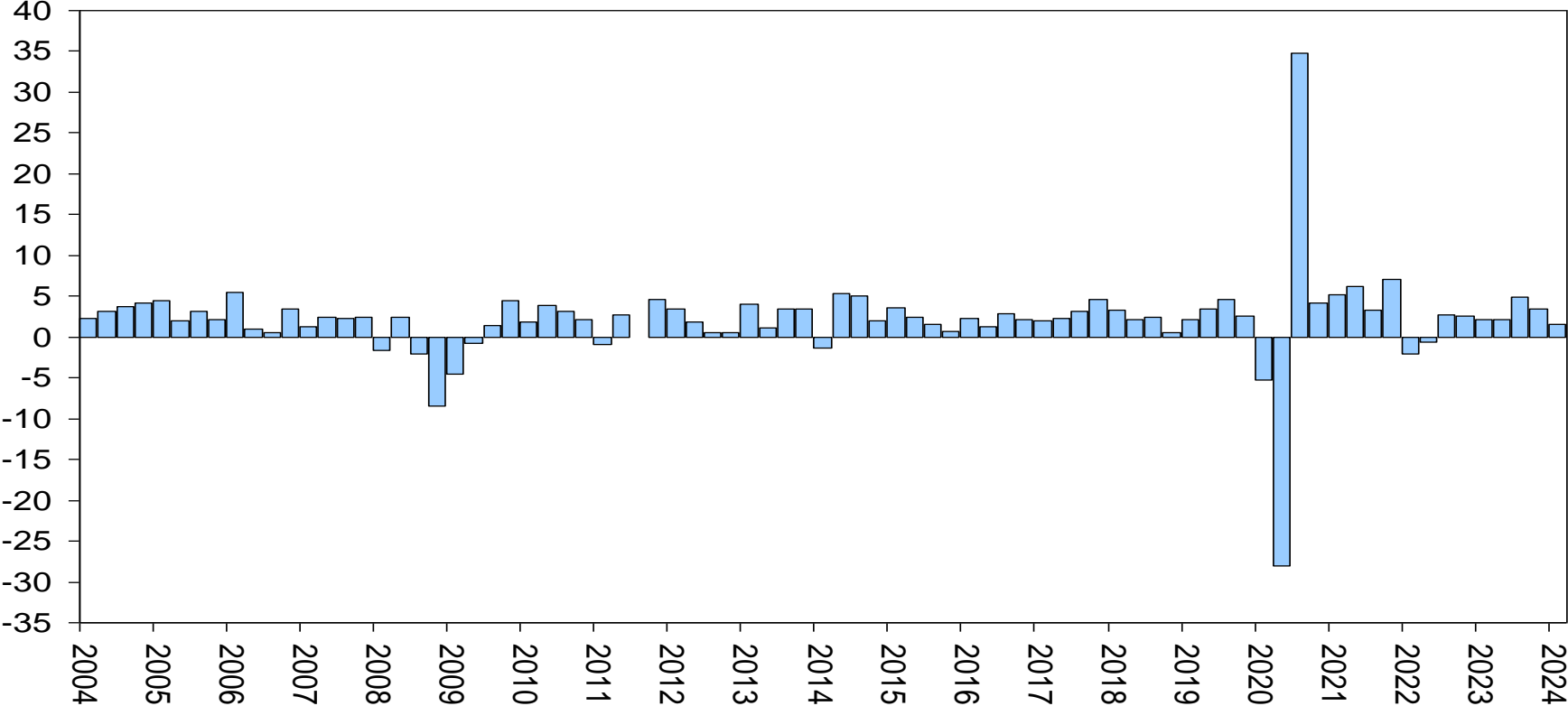
# South Africa producer inflation



# US real GDP growth

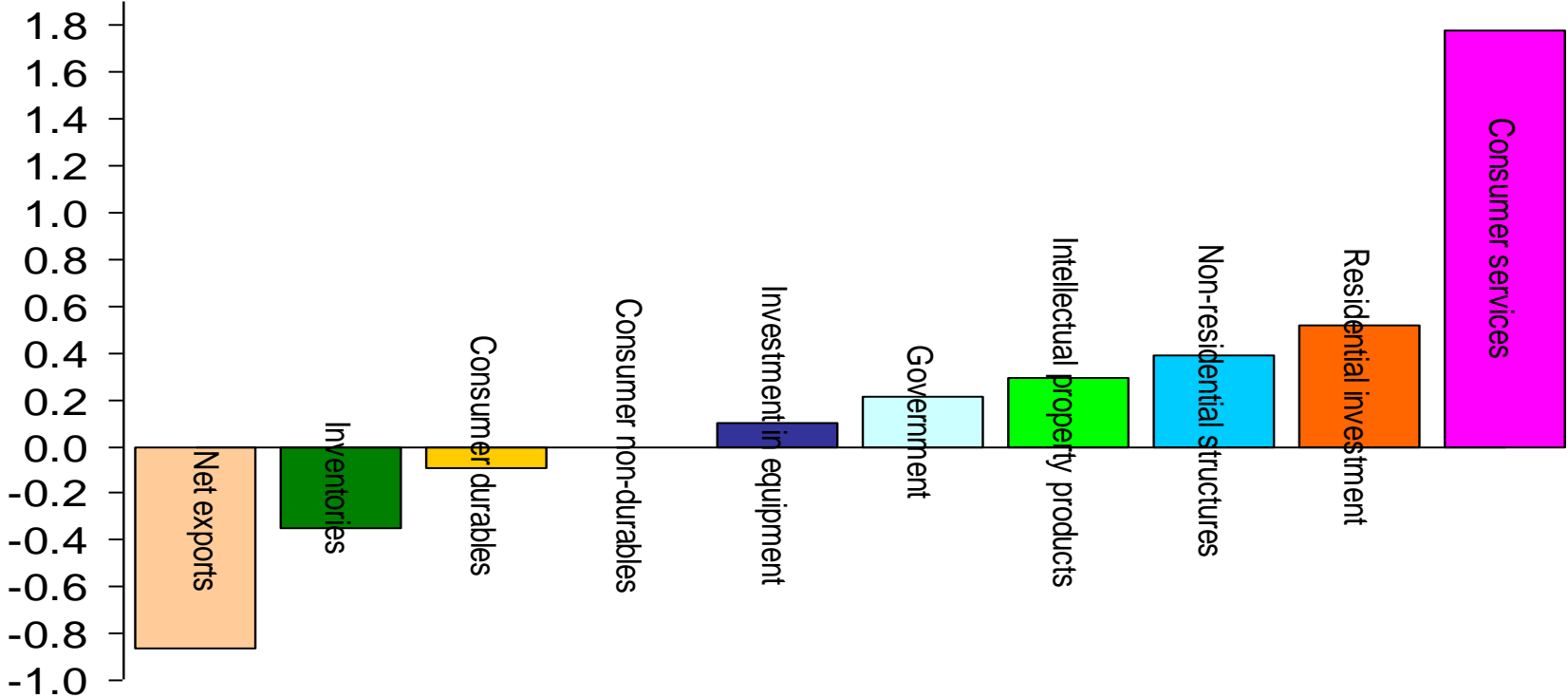
%q/q, annualised

US GDP grew by 1.6%q/q (annualised) in Q1 2024



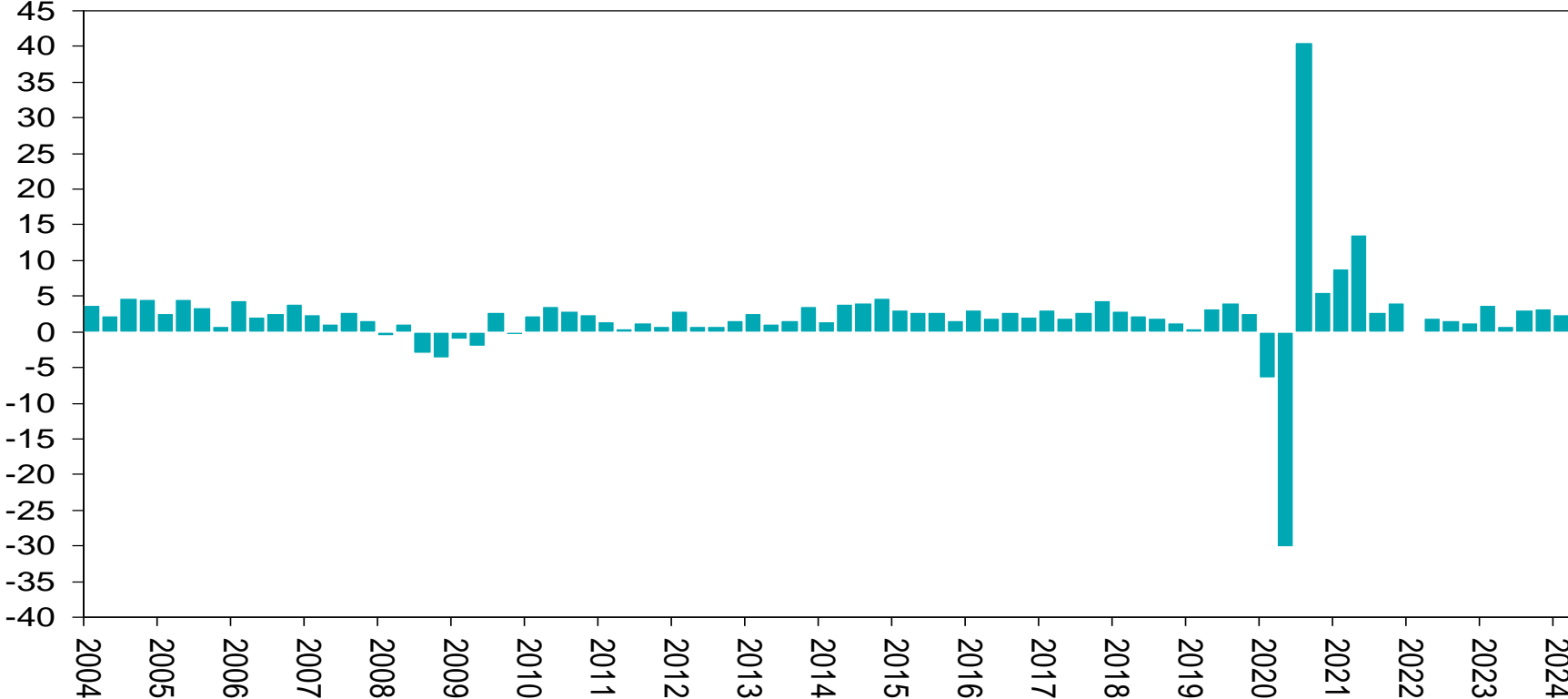
# Contribution to US Q1 2024 GDP growth

Percentage points contribution to 1.6% growth



# US growth in real consumer spending

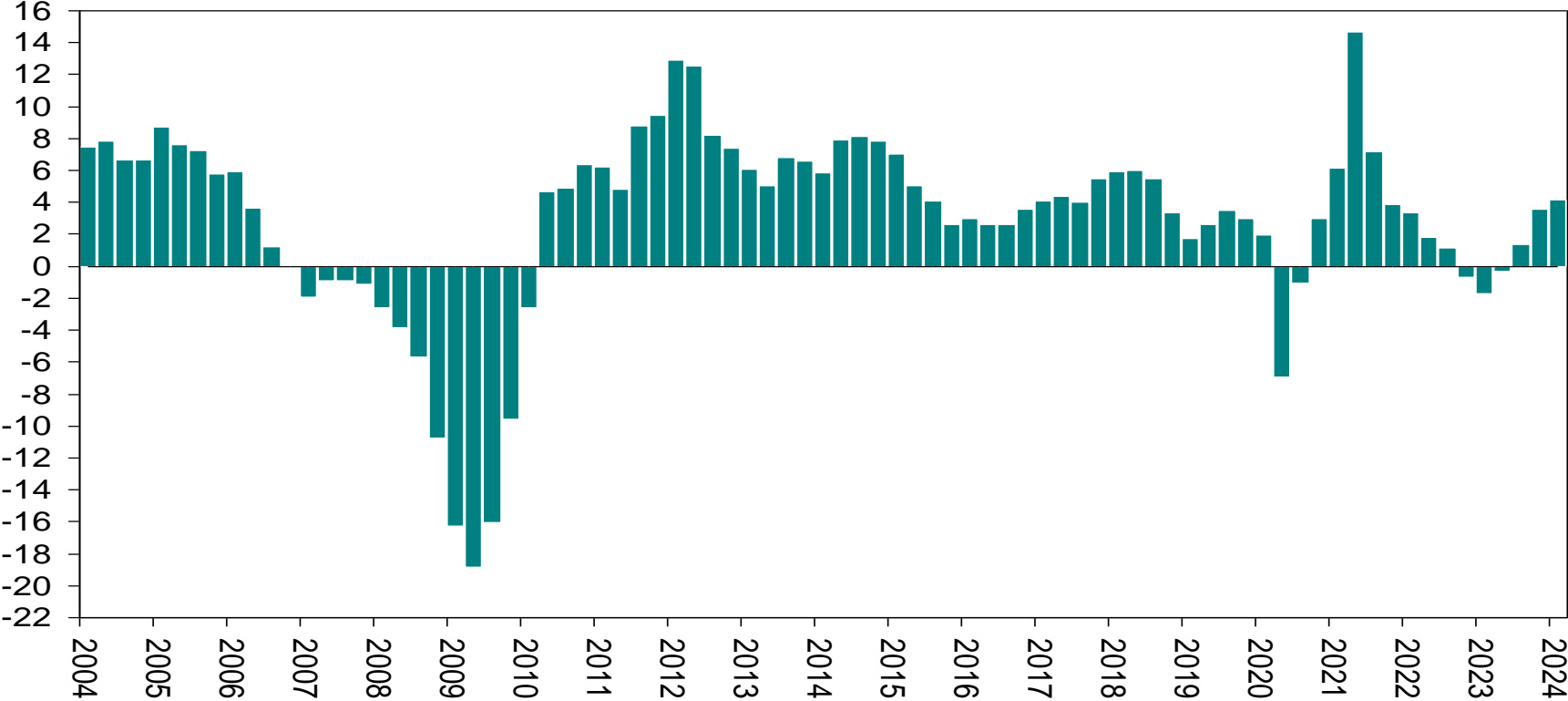
%q/q, annualised





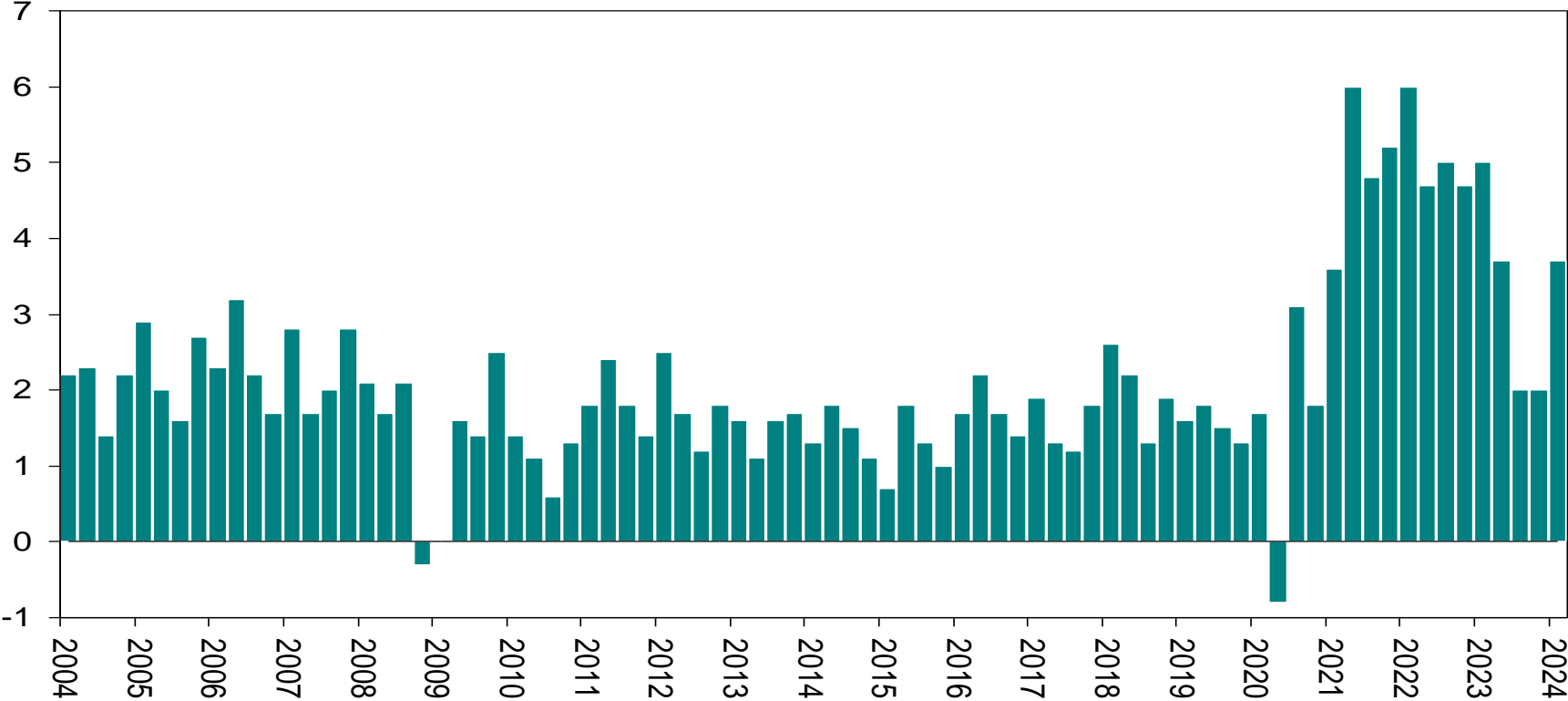
# US real fixed investment spending

%q/q, 4-quarter moving average



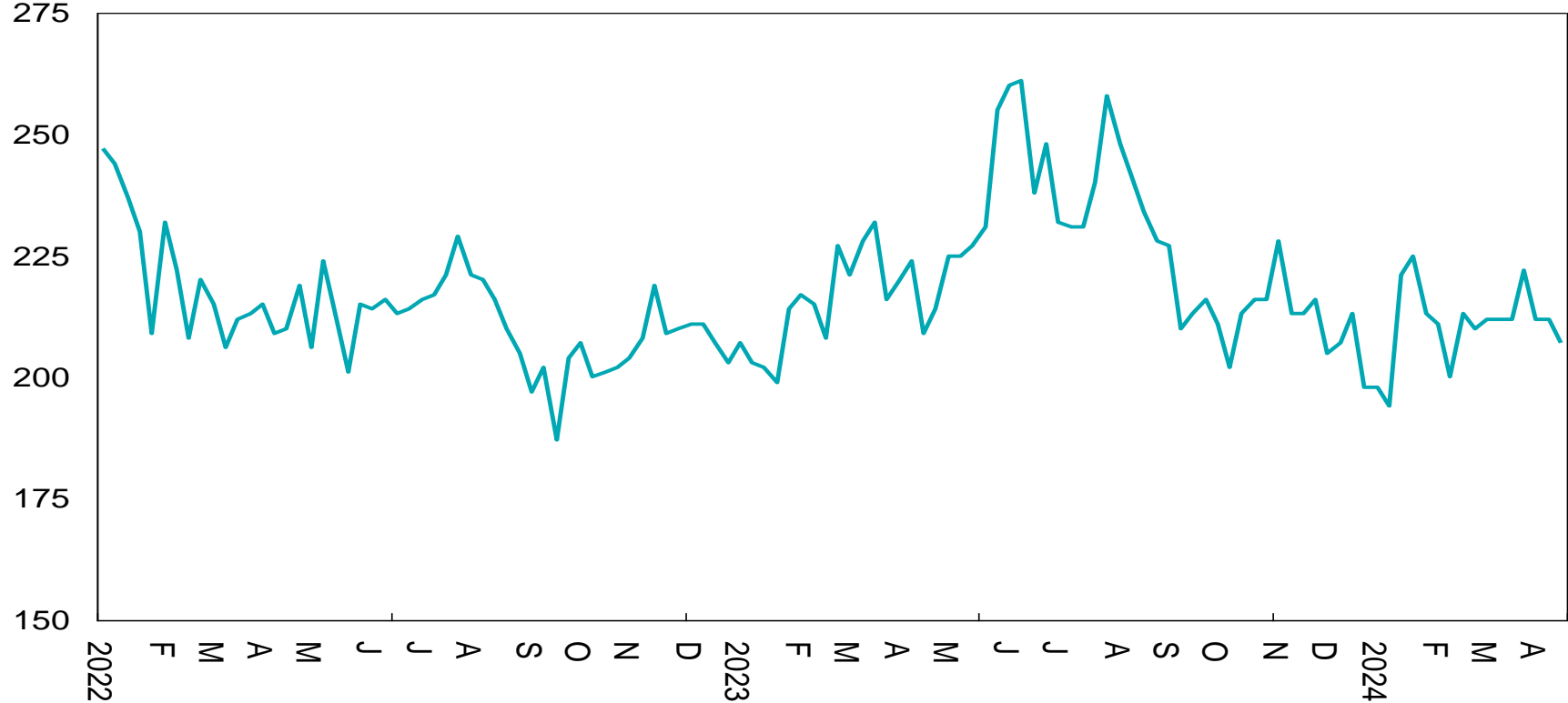
# US core PCE inflation (quarterly)

%q/q, annualised



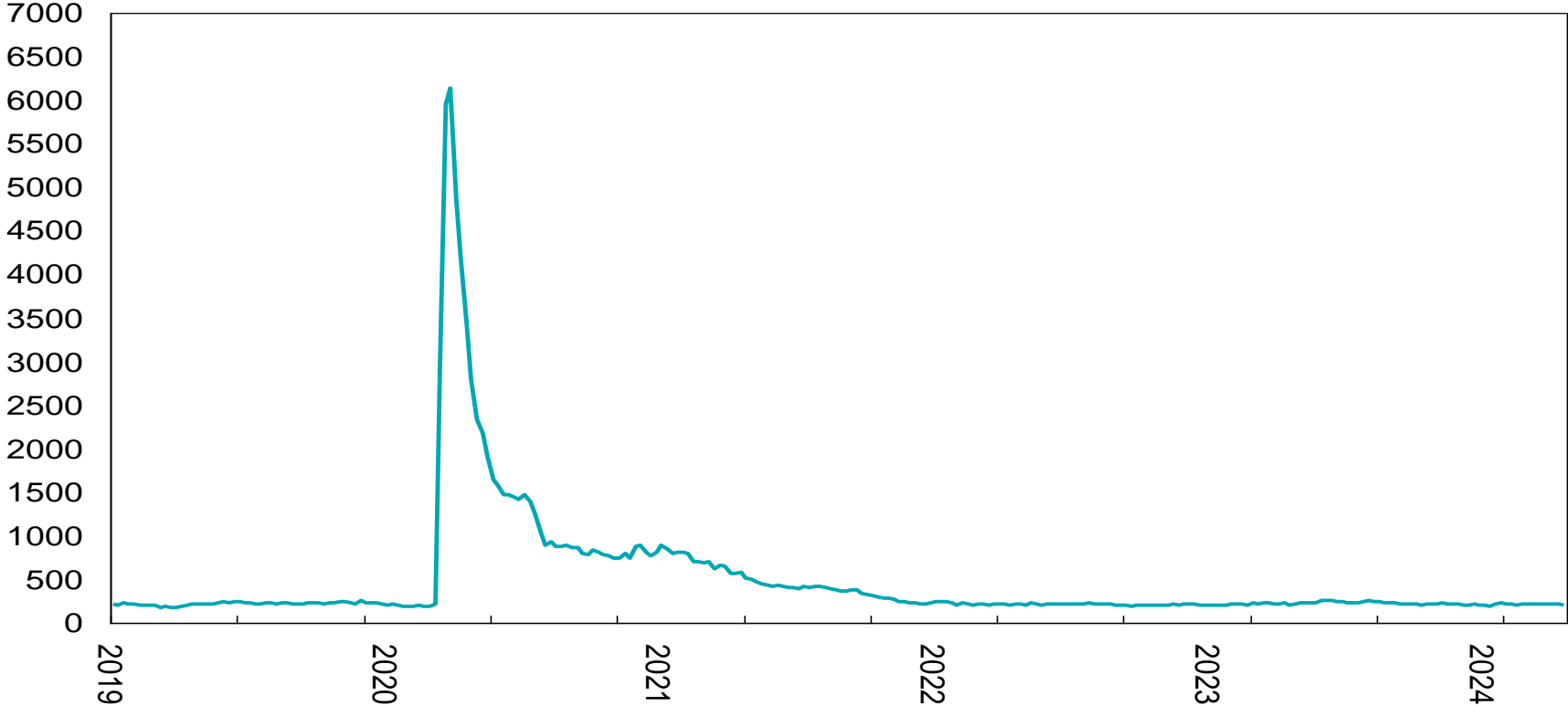
# US initial jobless claims

000's



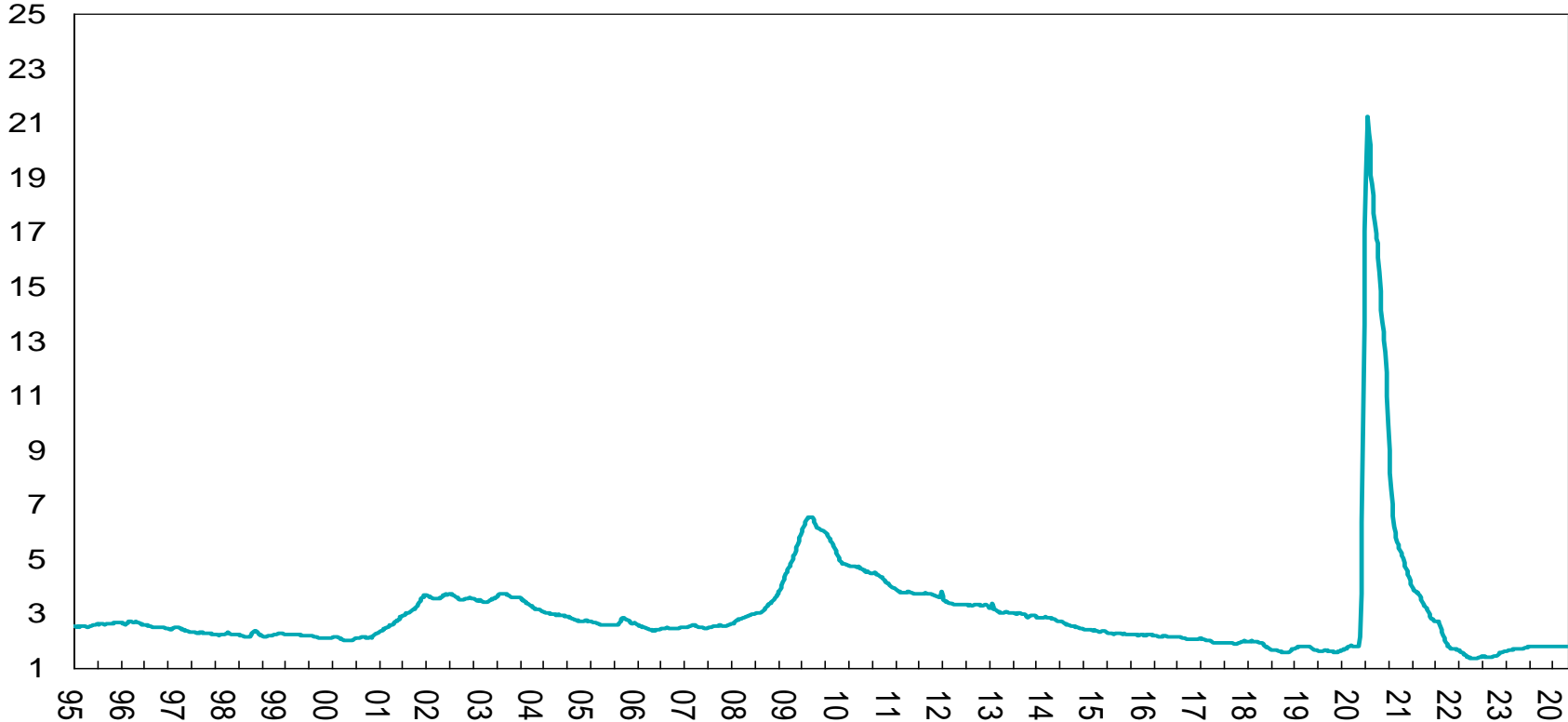
# US initial jobless claims

000's



# US continuing claims

Million

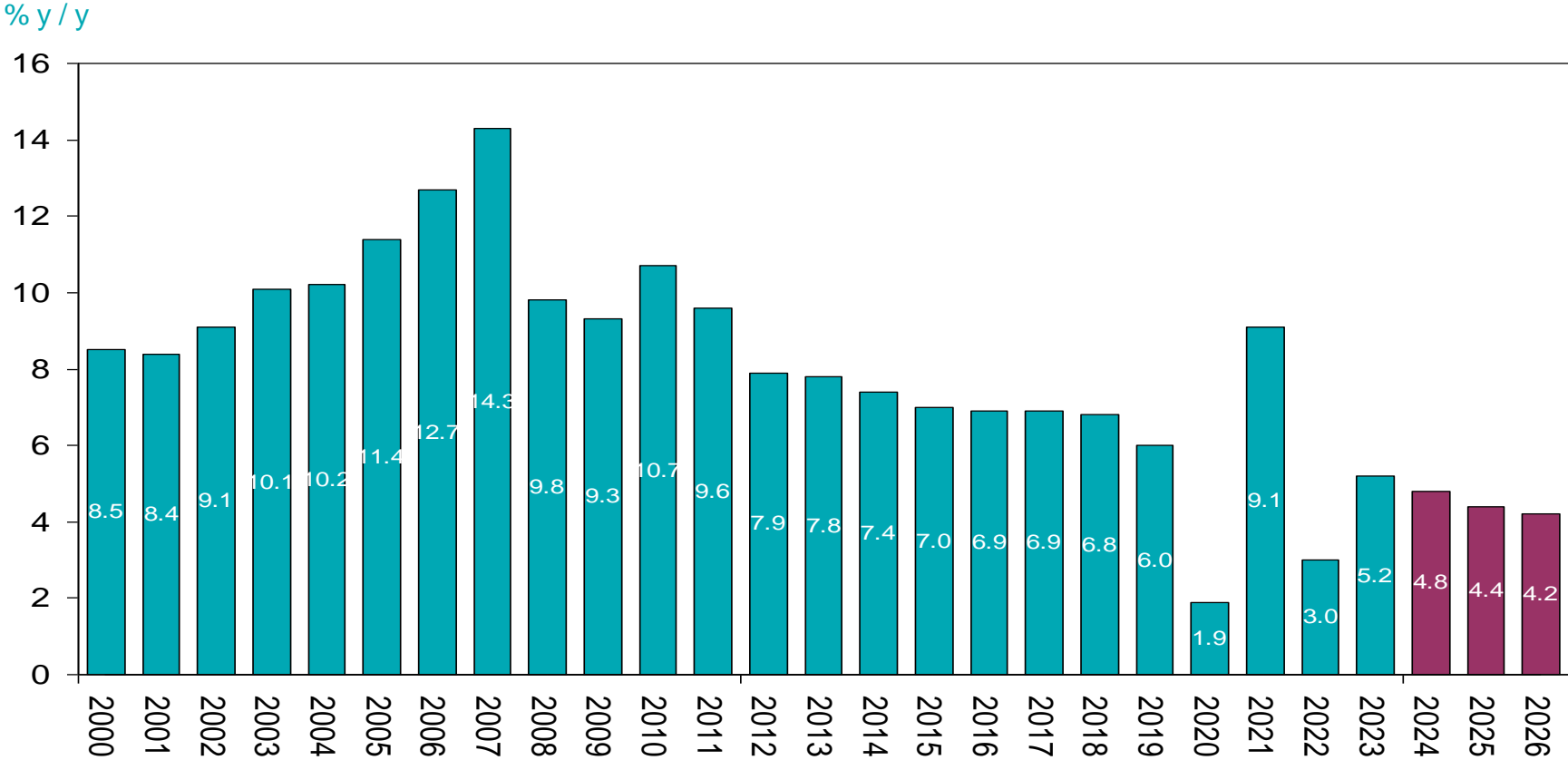


# US inventory to sales ratio

Ratio



# China GDP growth consensus forecast



Source: Bloomberg

# Weekly economic review: 22 to 28 April 2024

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Friday, 26 April 2024

- US personal income growth for March 2024
- US core PCE inflation for March 2024
- Bank of Japan monetary policy meeting
- SA IPSOS election poll released

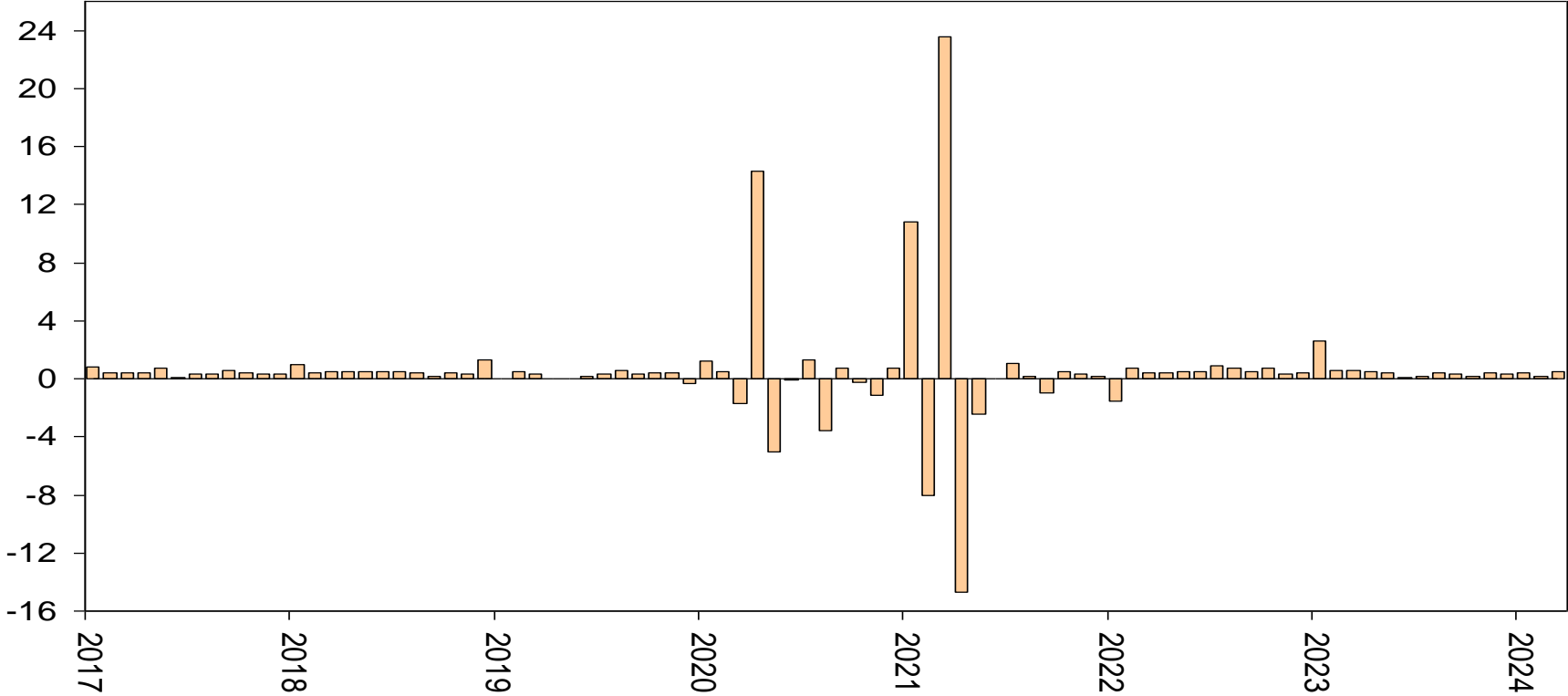


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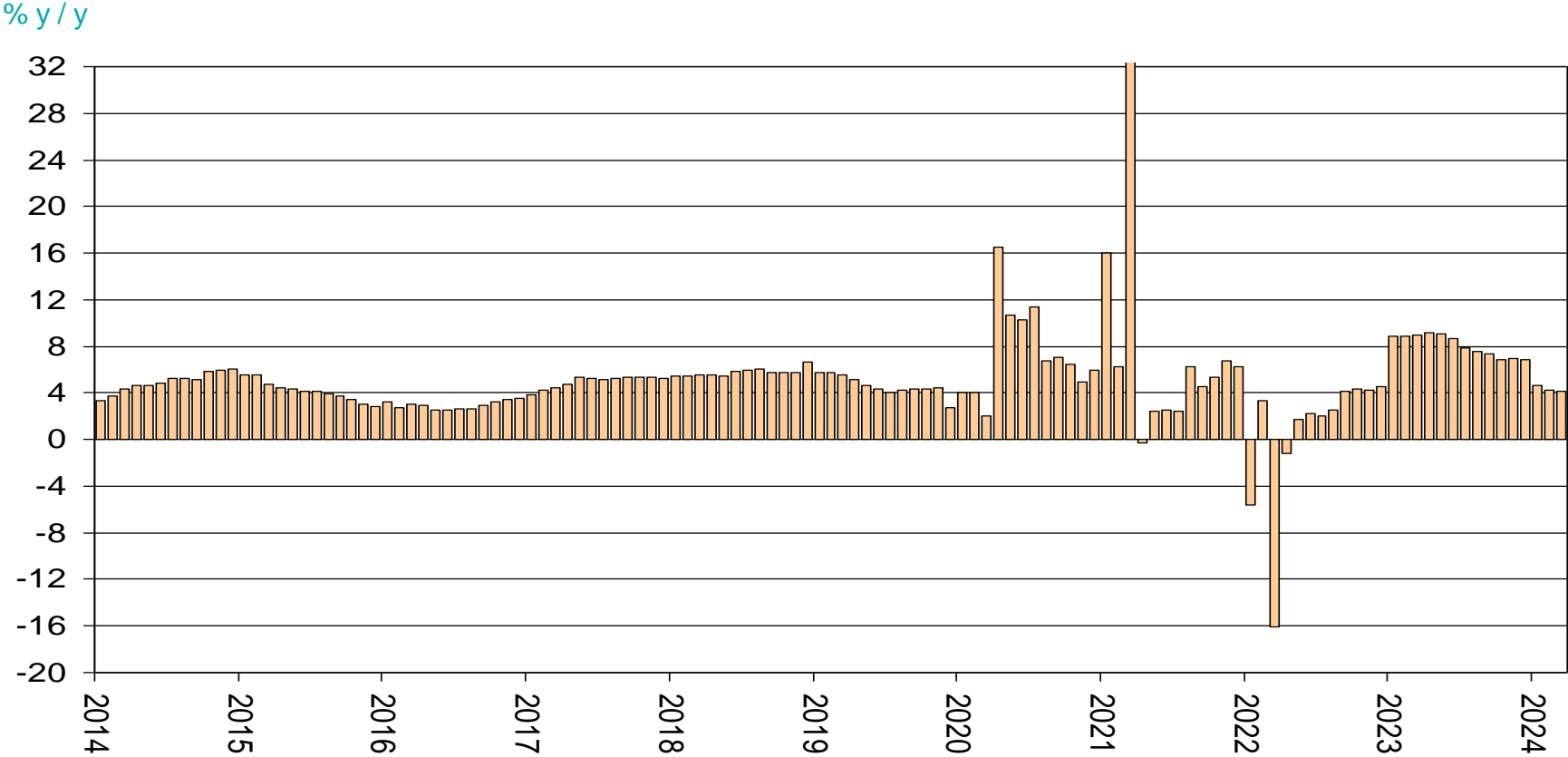


# US personal disposable income (nominal)

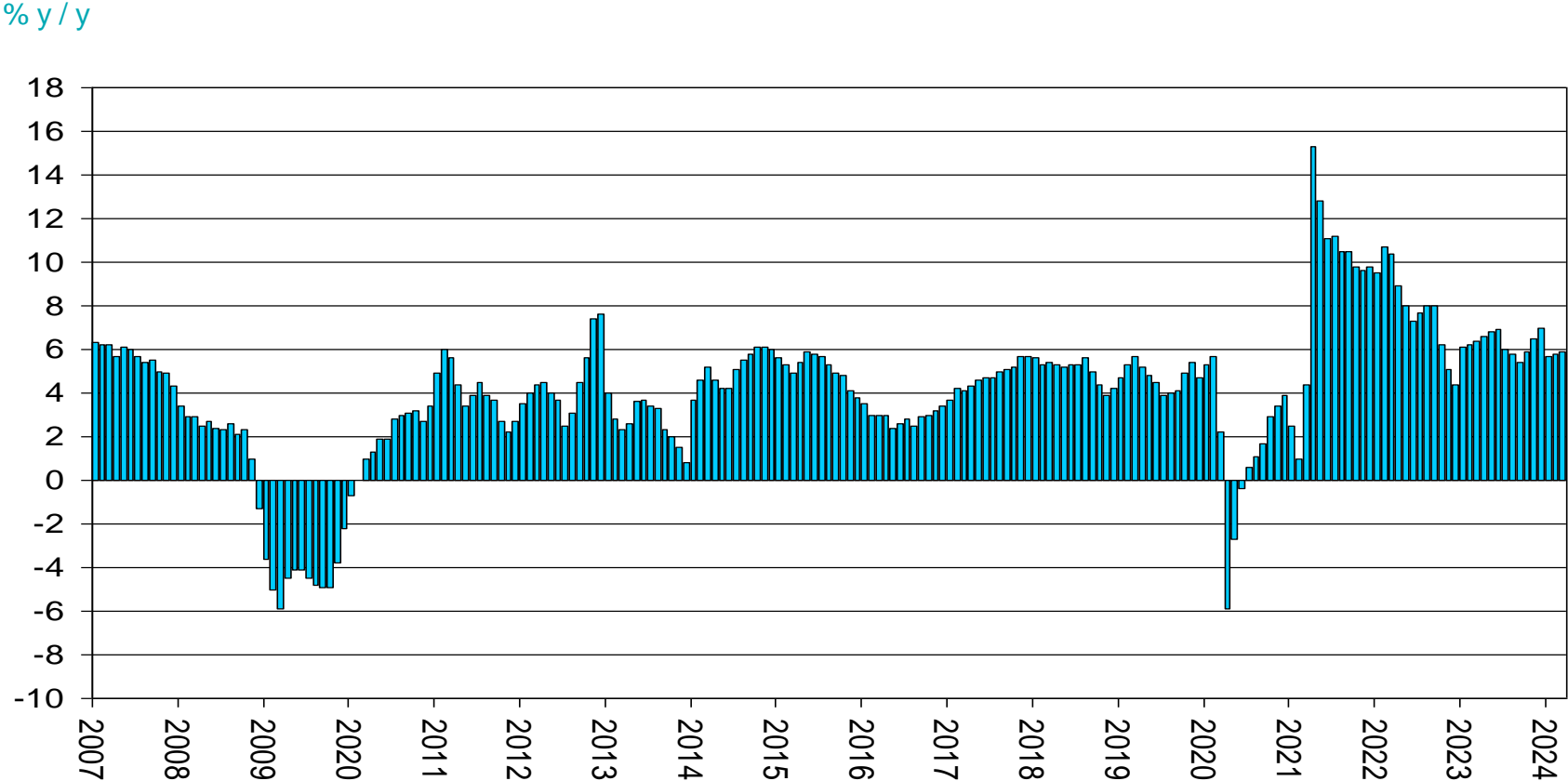
% m / m



# US personal disposable income (nominal)

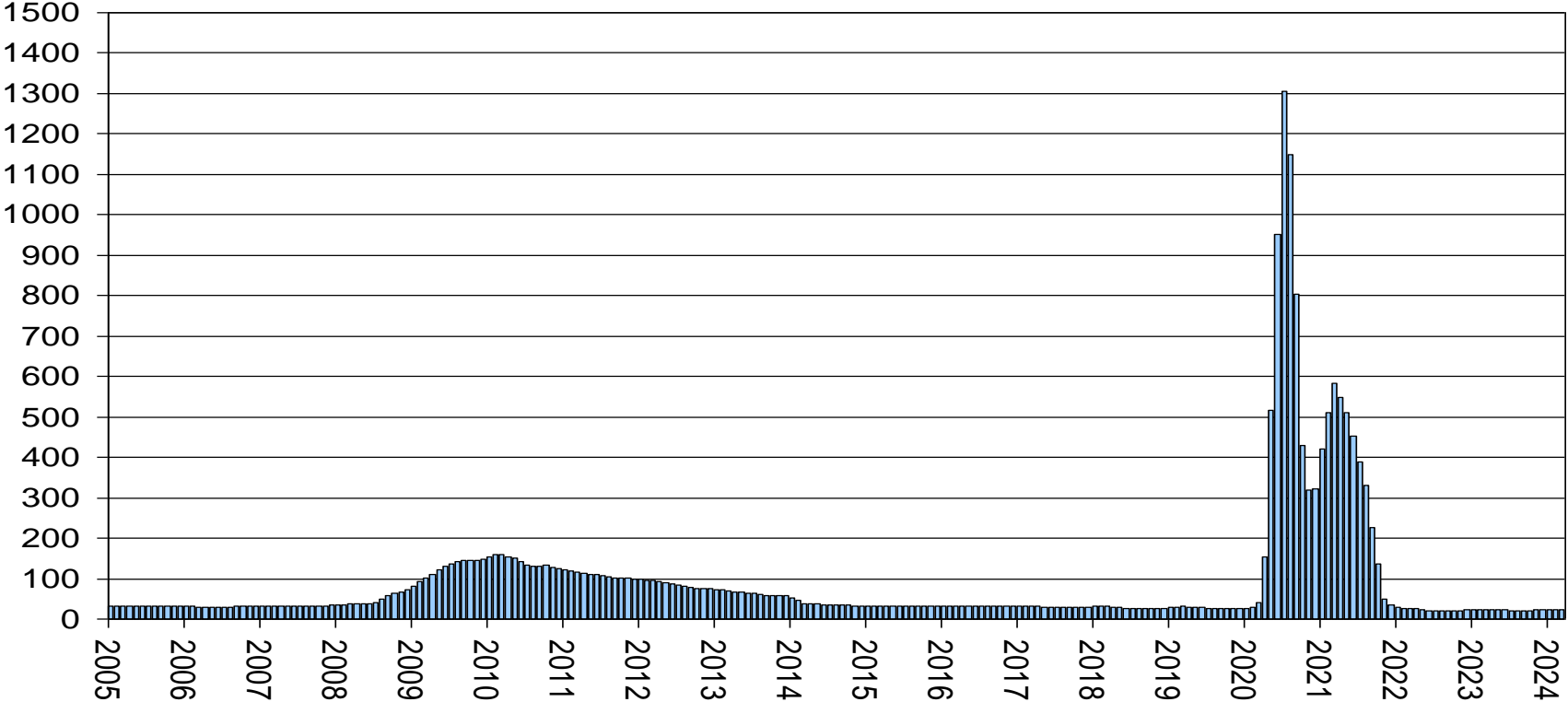


# US wage and salary income growth (nominal)



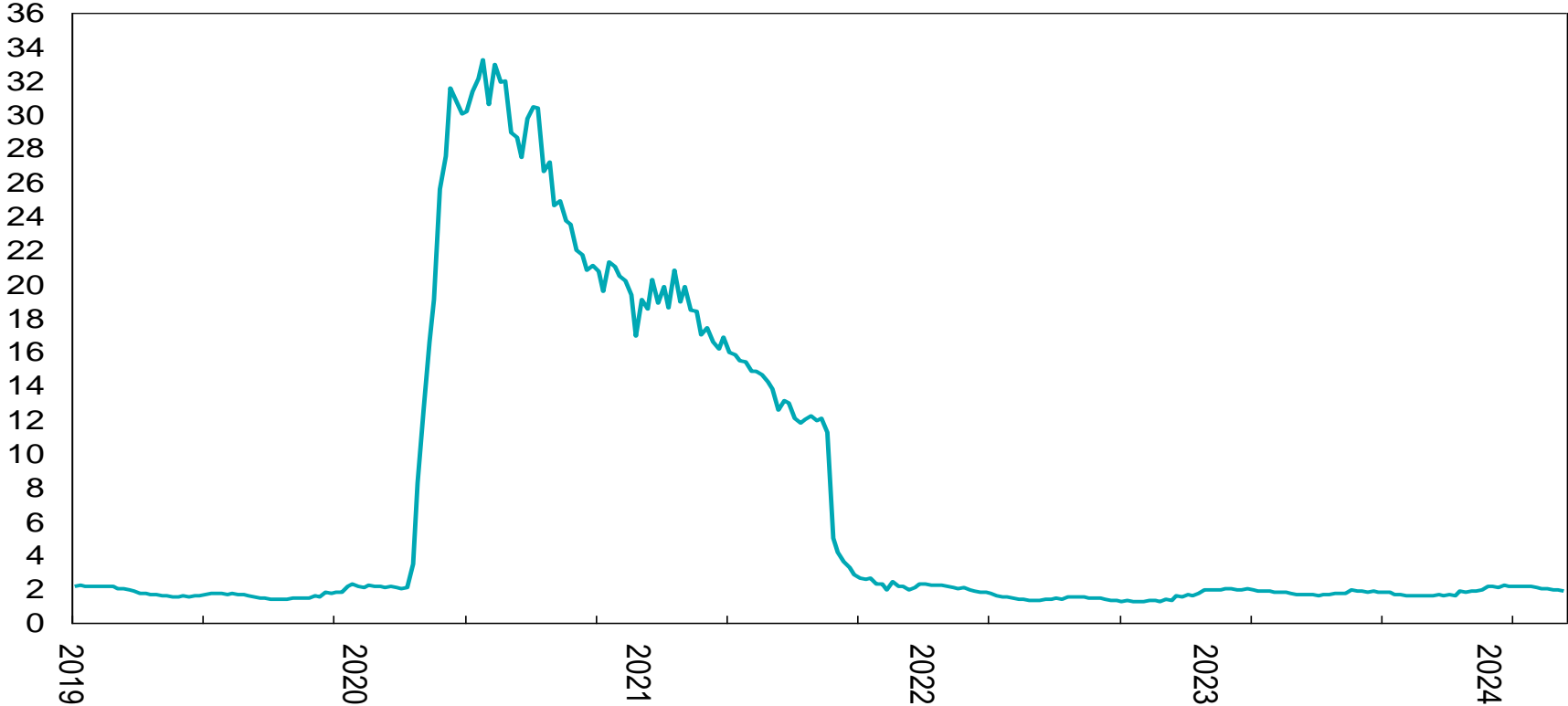
# US unemployment insurance benefits (nominal)

\$ billion, monthly, annualised



# US total number of people receiving unemployment benefits

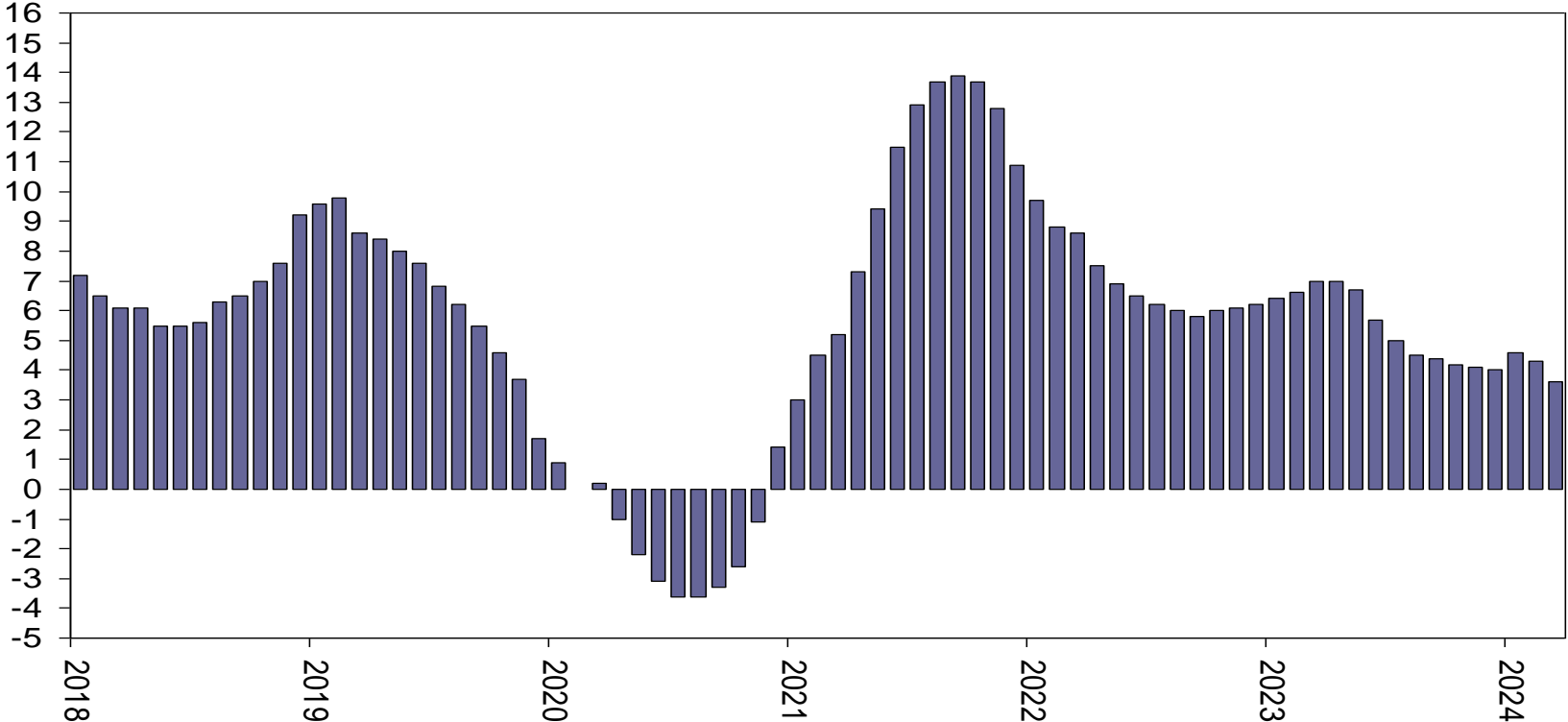
Millions of people (benefits from all programmes)



Source: US Department of Labour

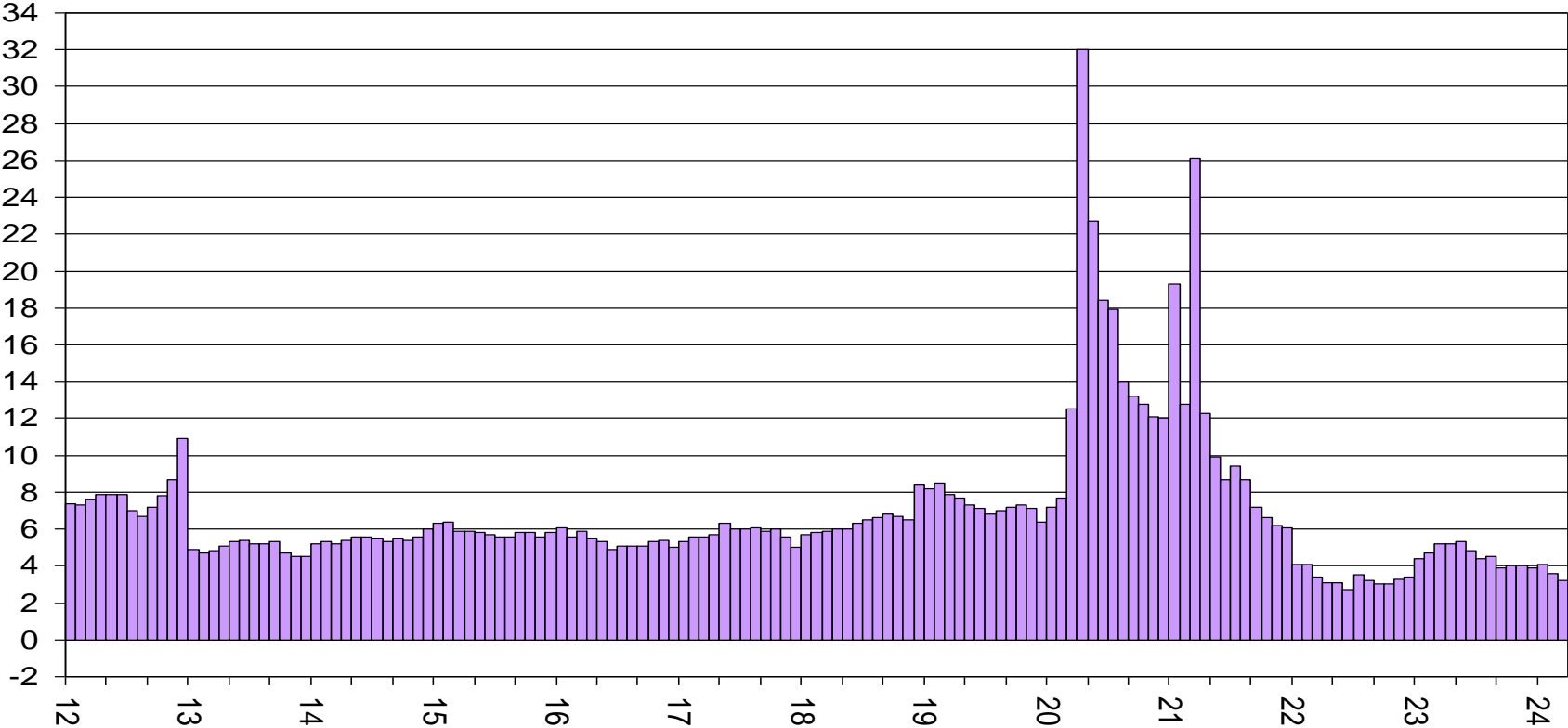
# US personal interest and dividend income (nominal)

%y/y, average annual

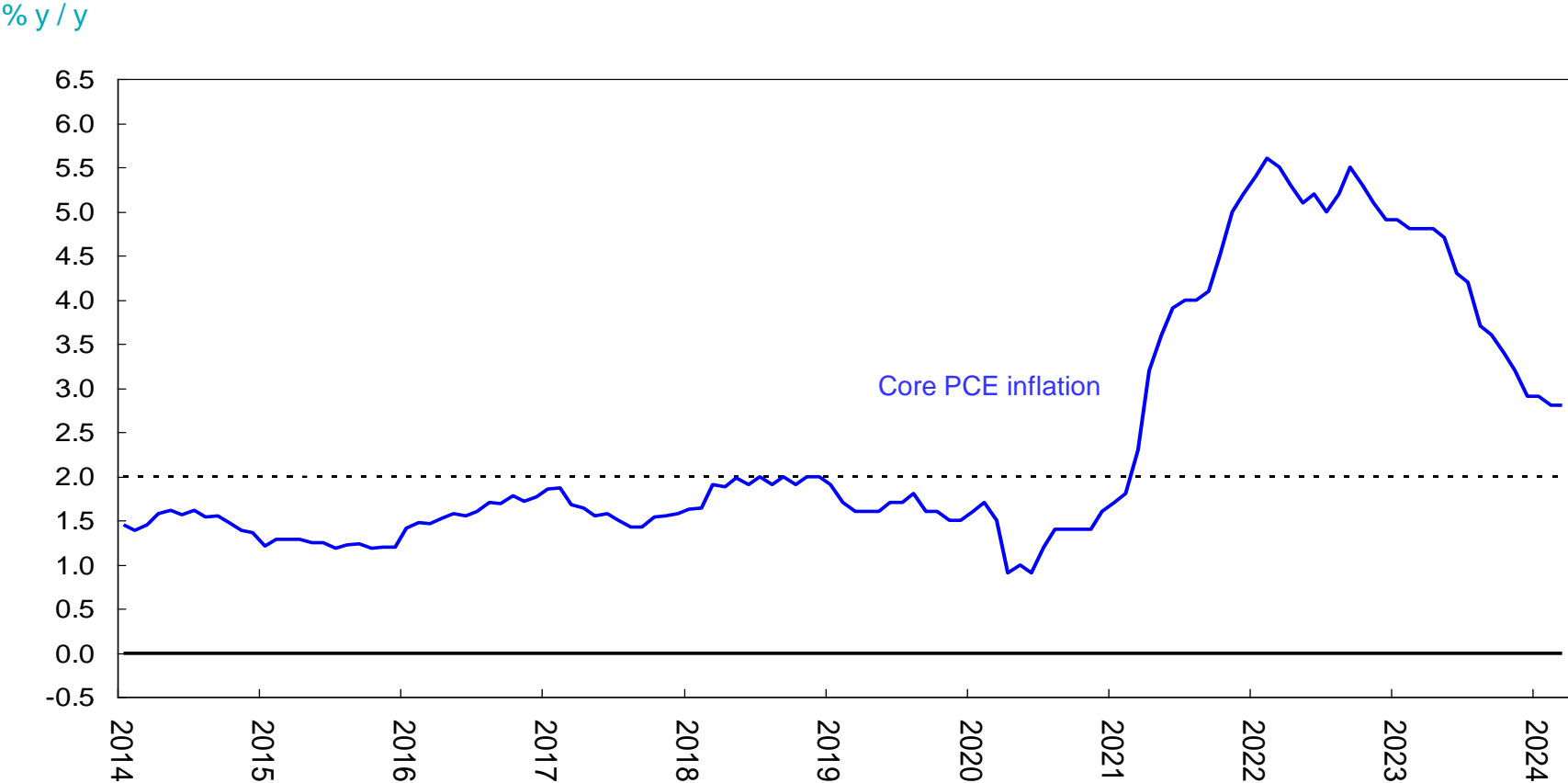


# US personal savings rate

% of disposable income



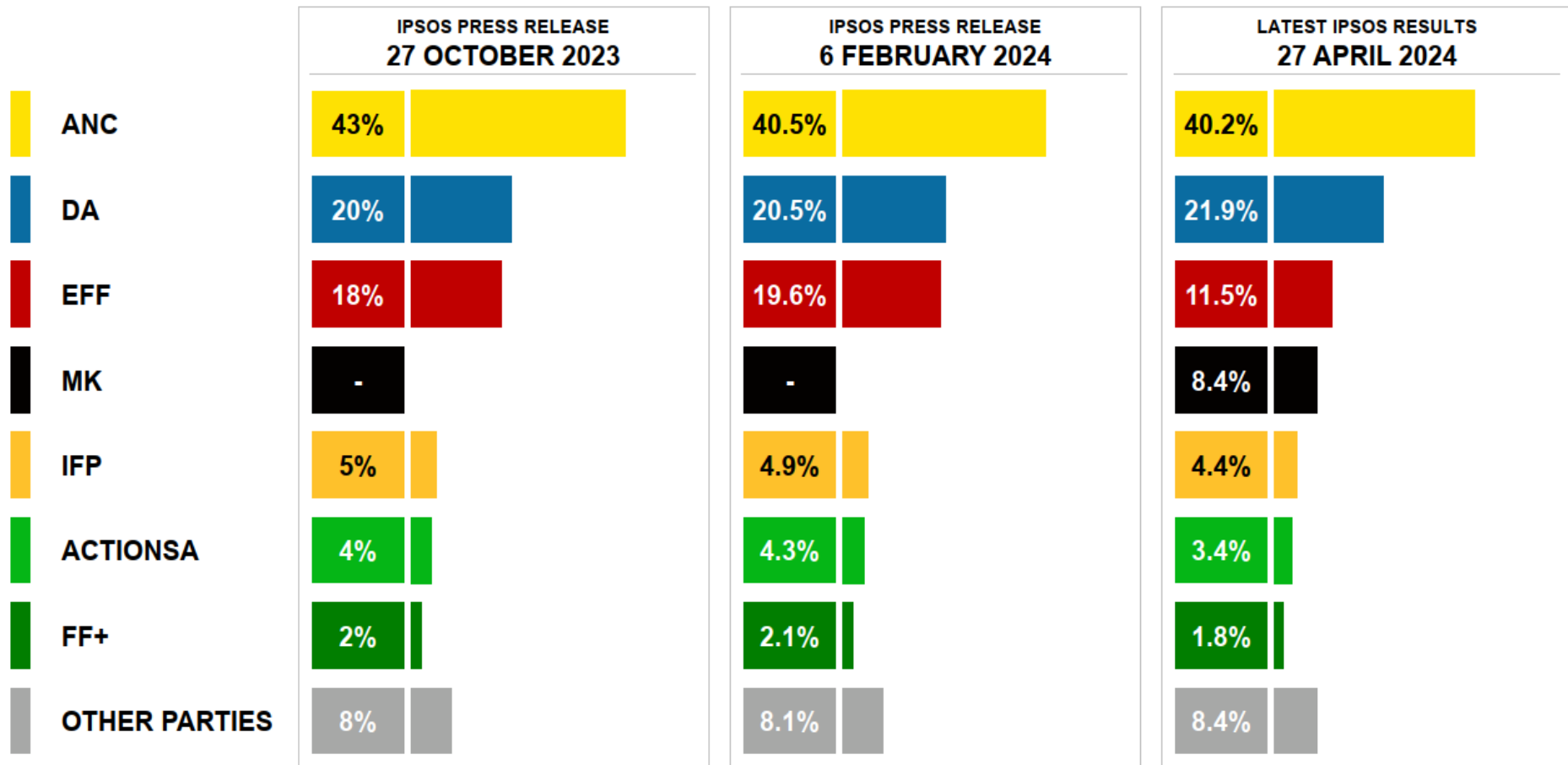
# US core PCE inflation





# POLITICAL PARTY SUPPORT

IPSOS regularly test political opinions in South Africa regularly (at least every six months), in both election years and non-election years.

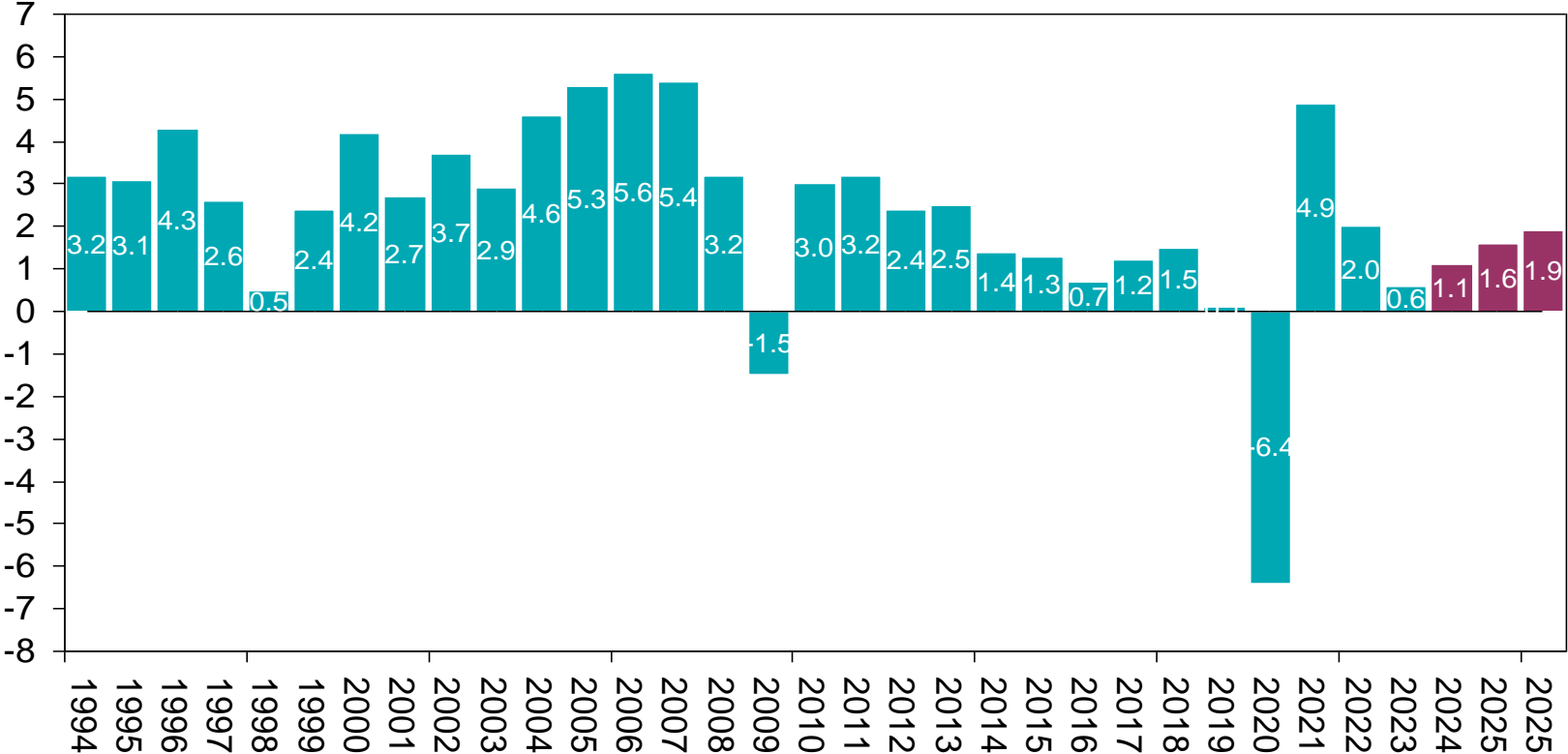


## Consensus GDP growth

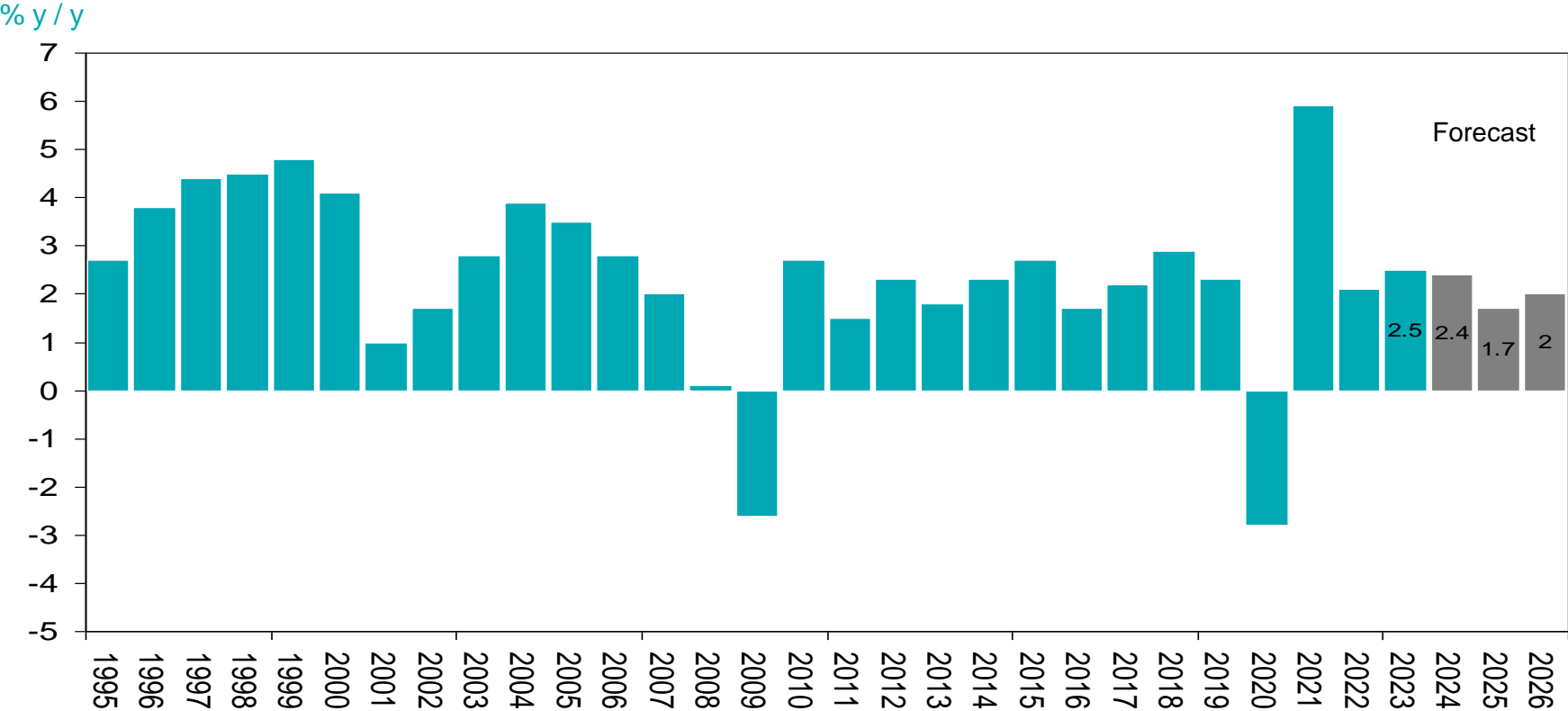
- South Africa consensus GDP growth forecast
- United States consensus GDP growth forecast
- Euro-area consensus GDP growth forecast
- China consensus GDP growth forecast

# SA consensus GDP annual growth rate

% y/y



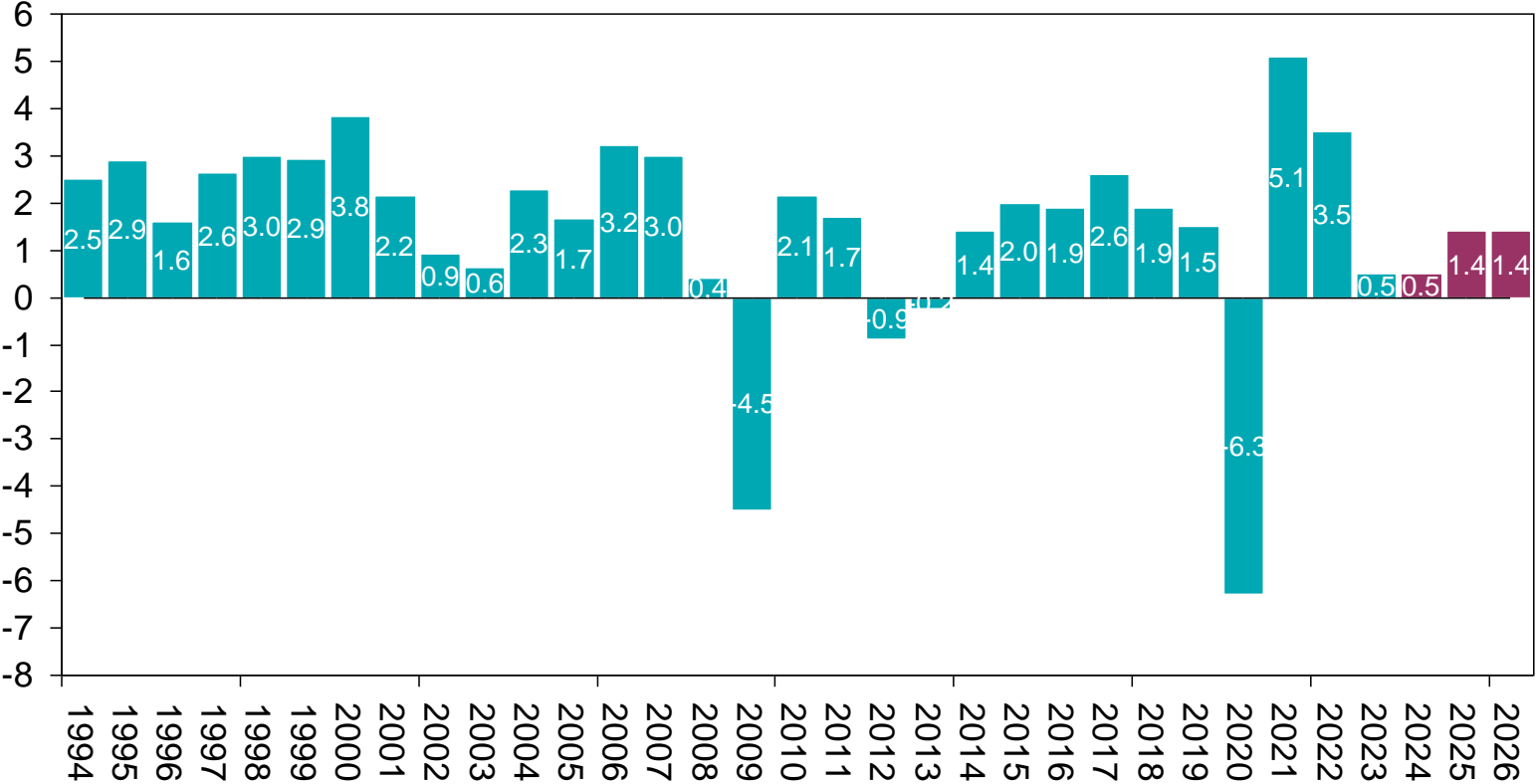
# US consensus real annual GDP growth



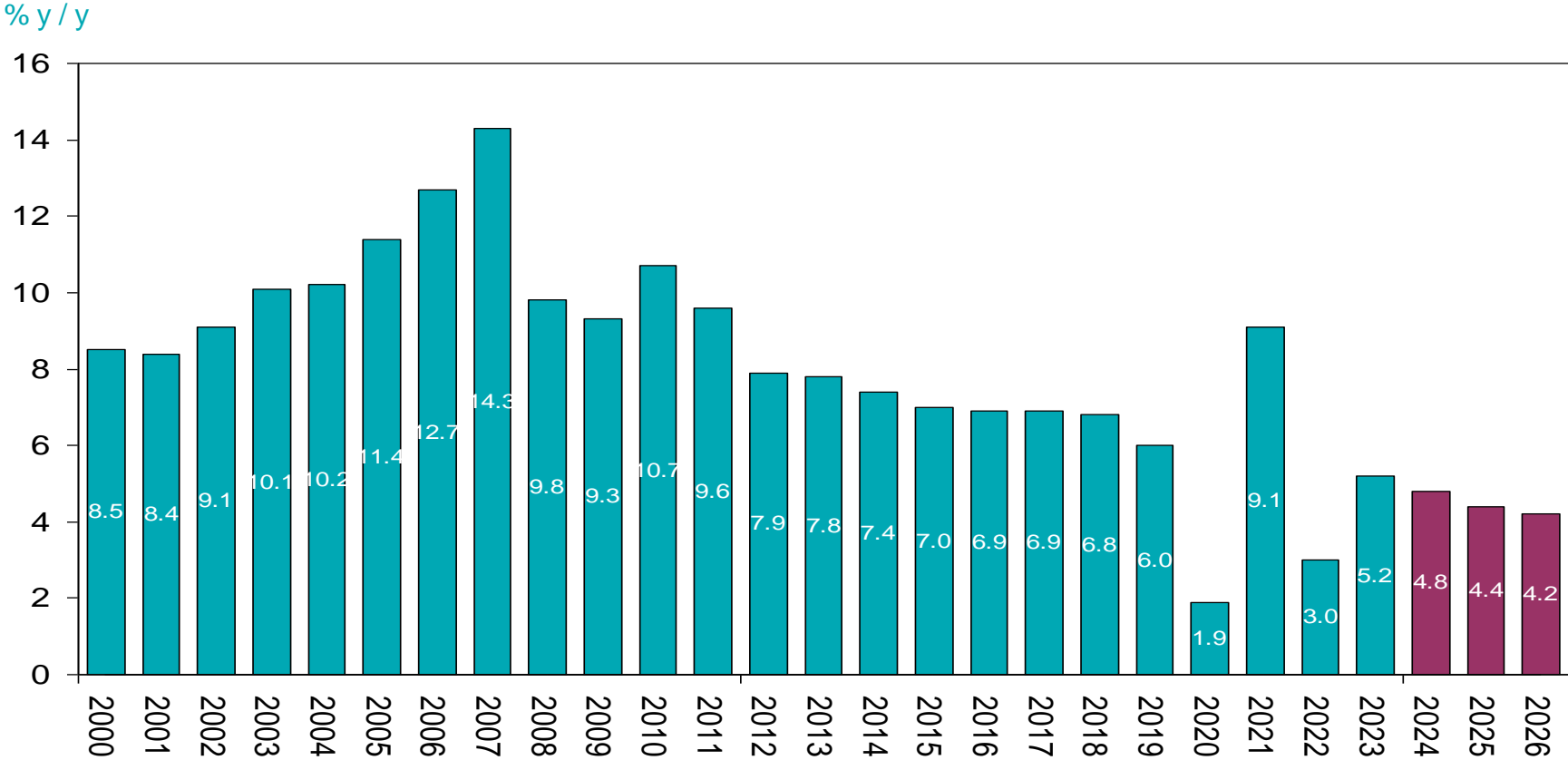
Source: Bloomberg

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

% y/y



# China GDP growth consensus forecast



Source: Bloomberg

## US financial conditions: 22 to 28 April 2024

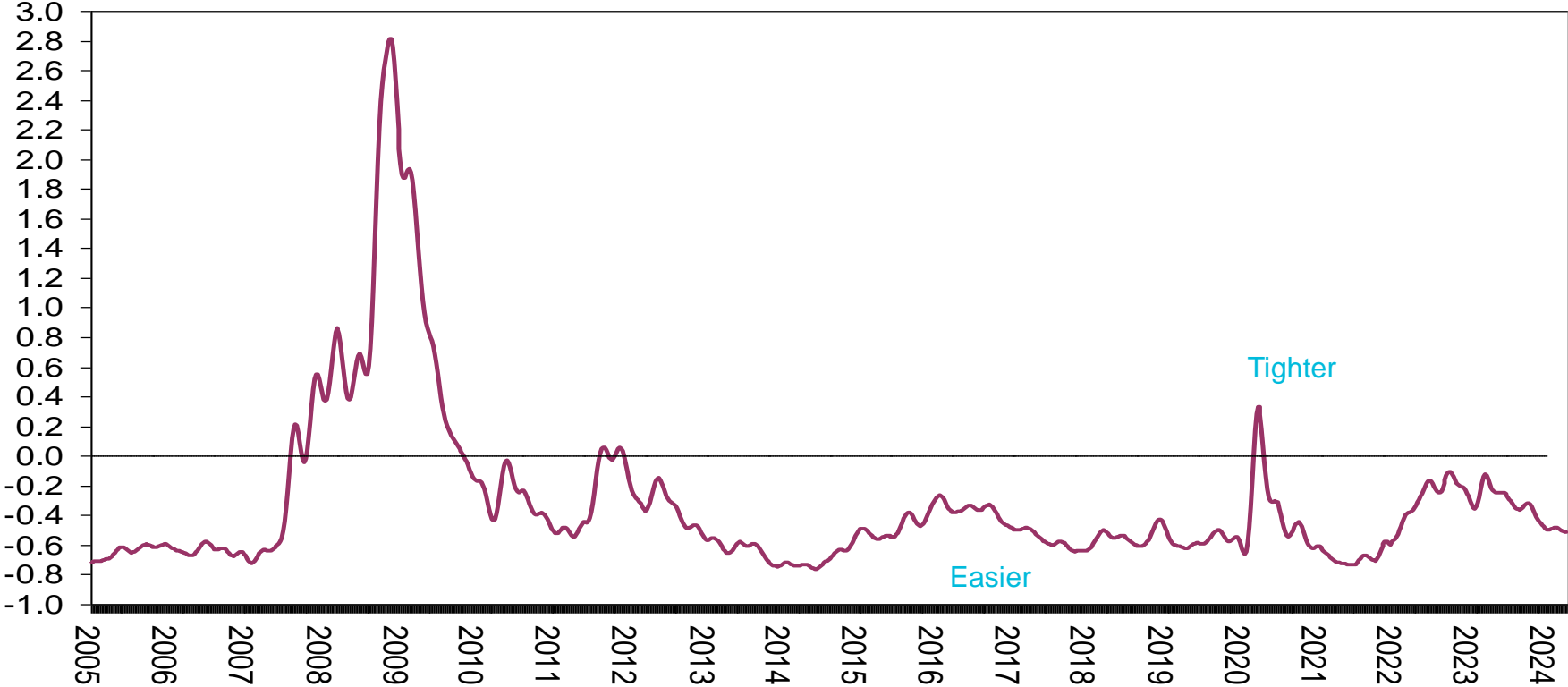
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- US financial conditions (Federal Reserve Chicago)
- US financial stress index (OFR)
- China PBOC liquidity injection

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# US financial conditions (Federal Reserve Chicago)

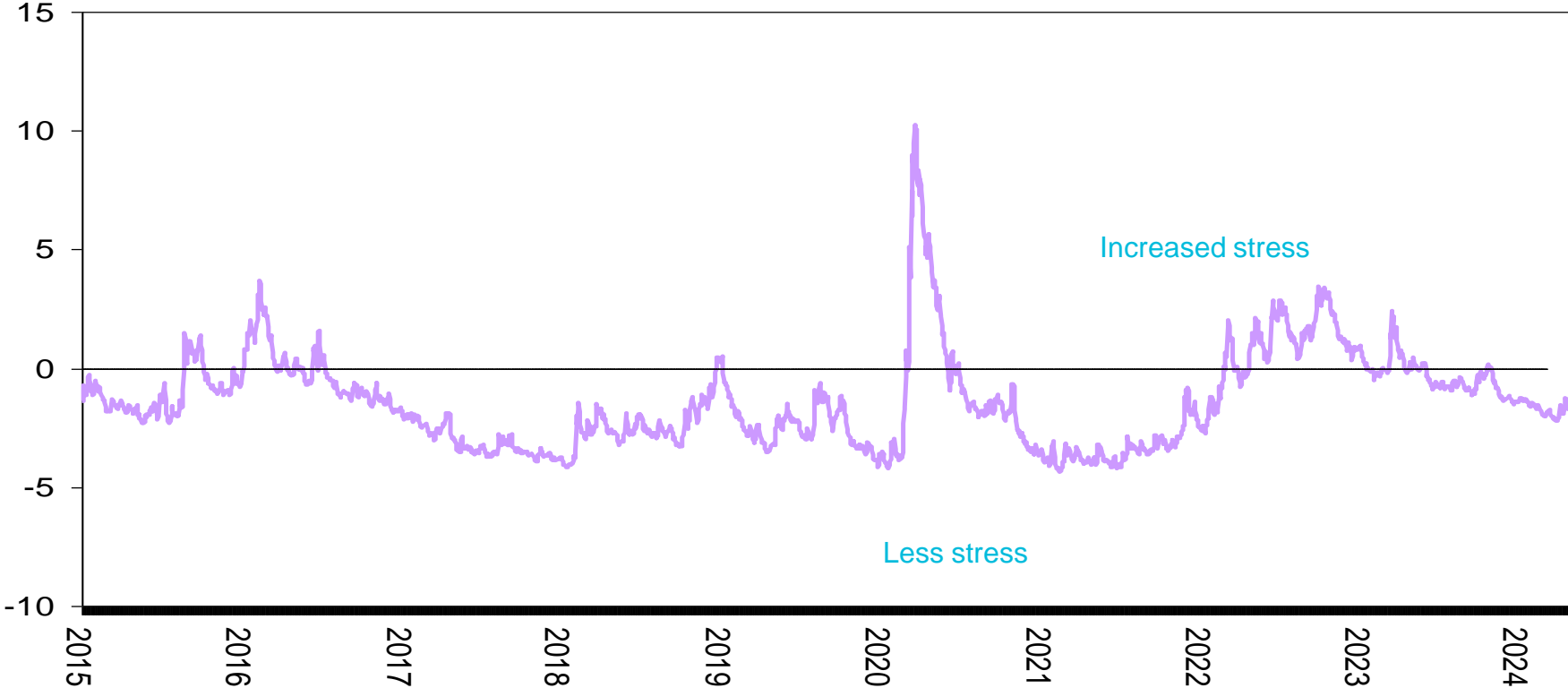
Index





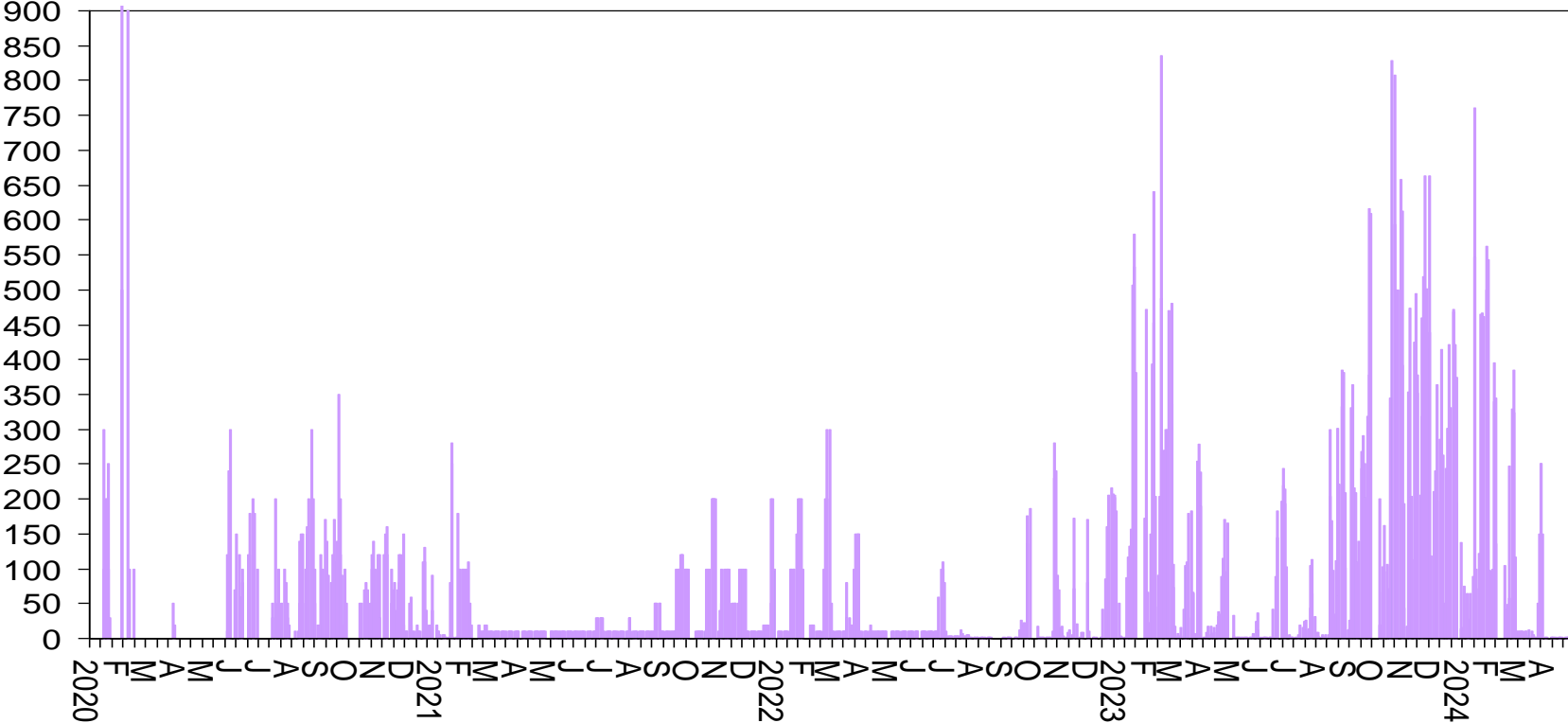
# US financial stress index (OFR Financial Stress Index)

Index



# China PBOC liquidity injection daily (total reverse Repos)

Yuan billion



## Commodity prices: 22 to 28 April 2024

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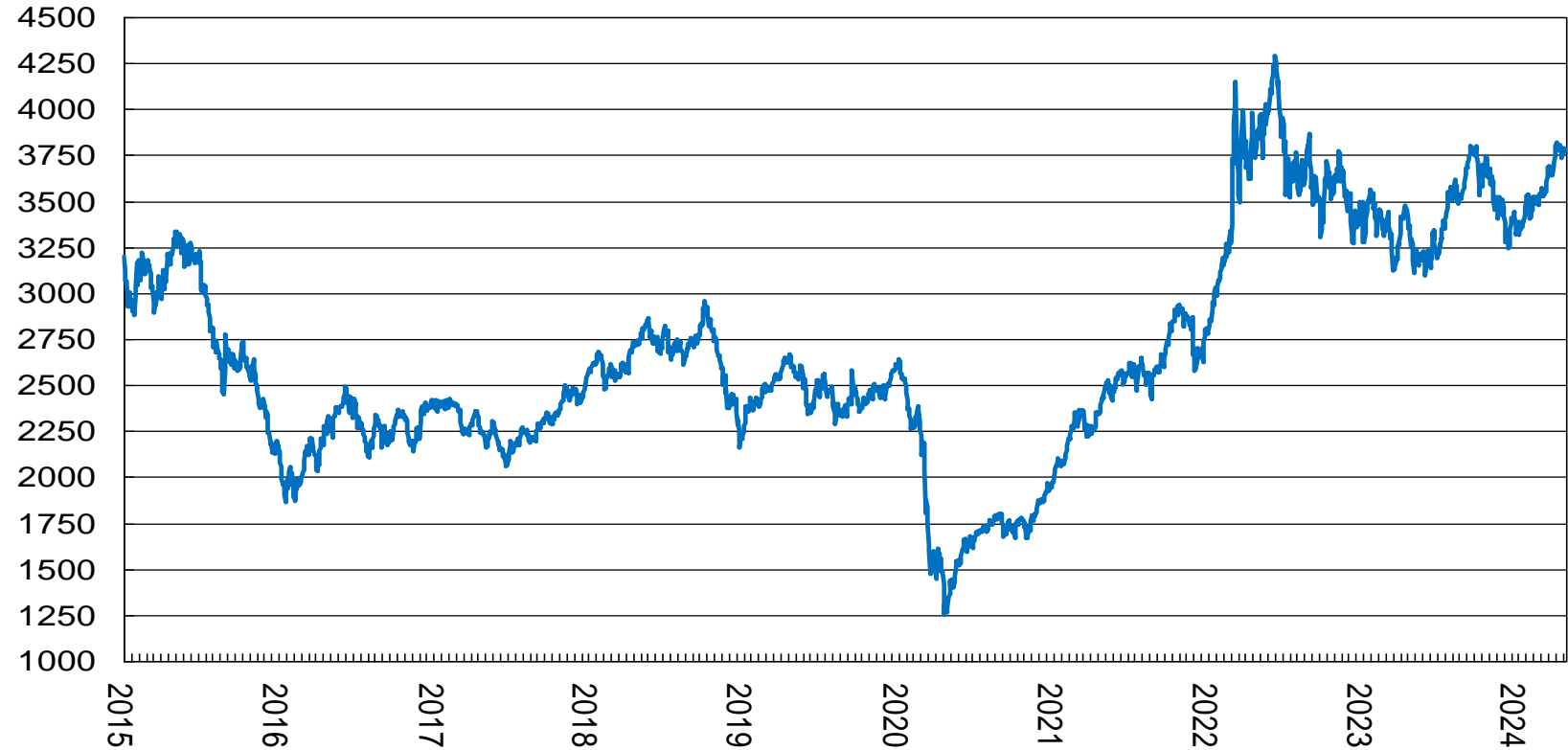
- Global commodity price index
- World food inflation
- Gold price
- Tin price
- Zinc price
- Lead price
- Silver price
- Oil price
- Copper price
- Platinum price
- Aluminium price
- Palladium price
- Rhodium price
- Wheat price



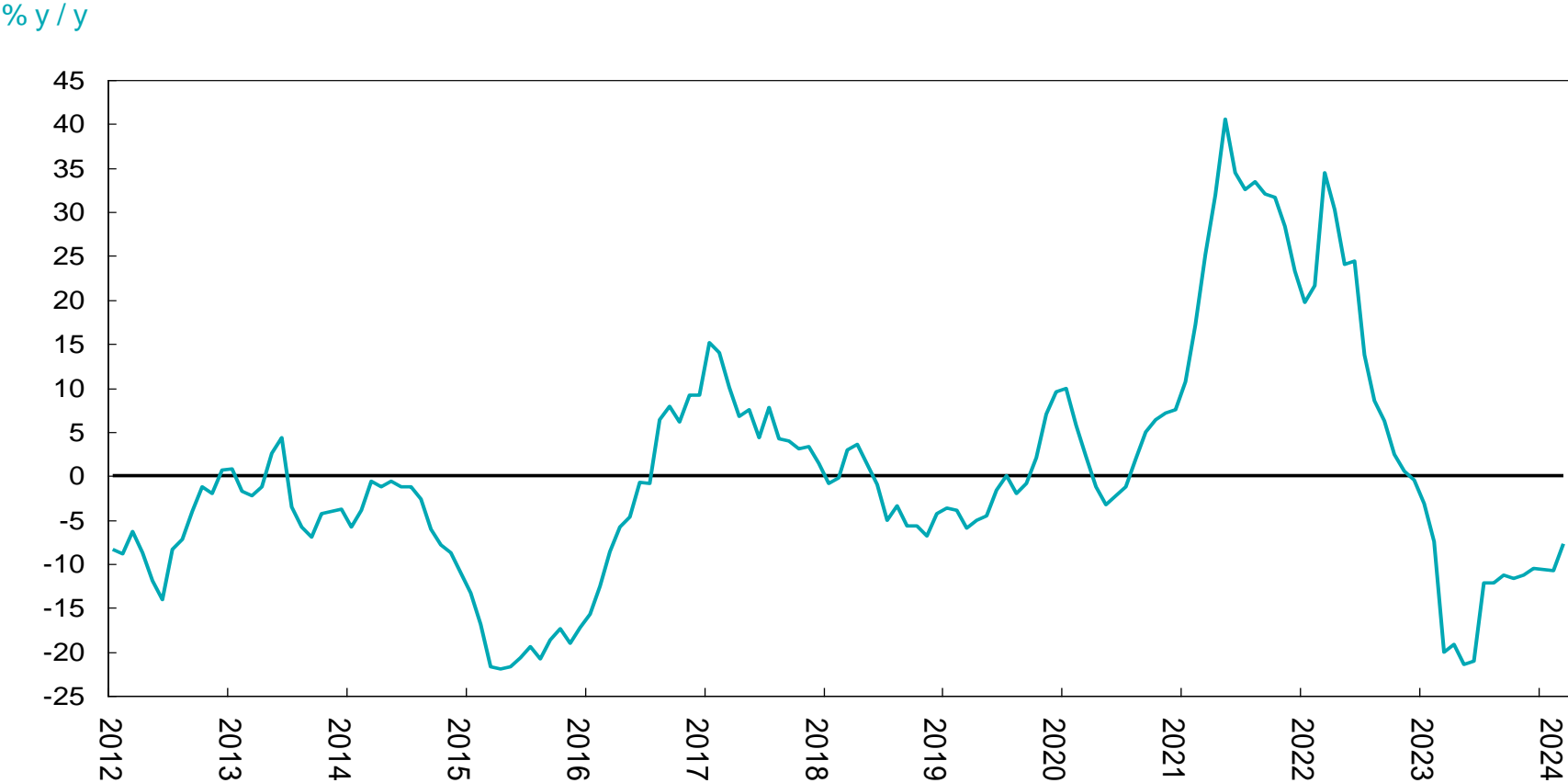
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# Global commodity price index (S&P GSCI)

Index



# World food inflation



# Gold price

\$/ounce



# Tin price

\$/MT



# Silver price

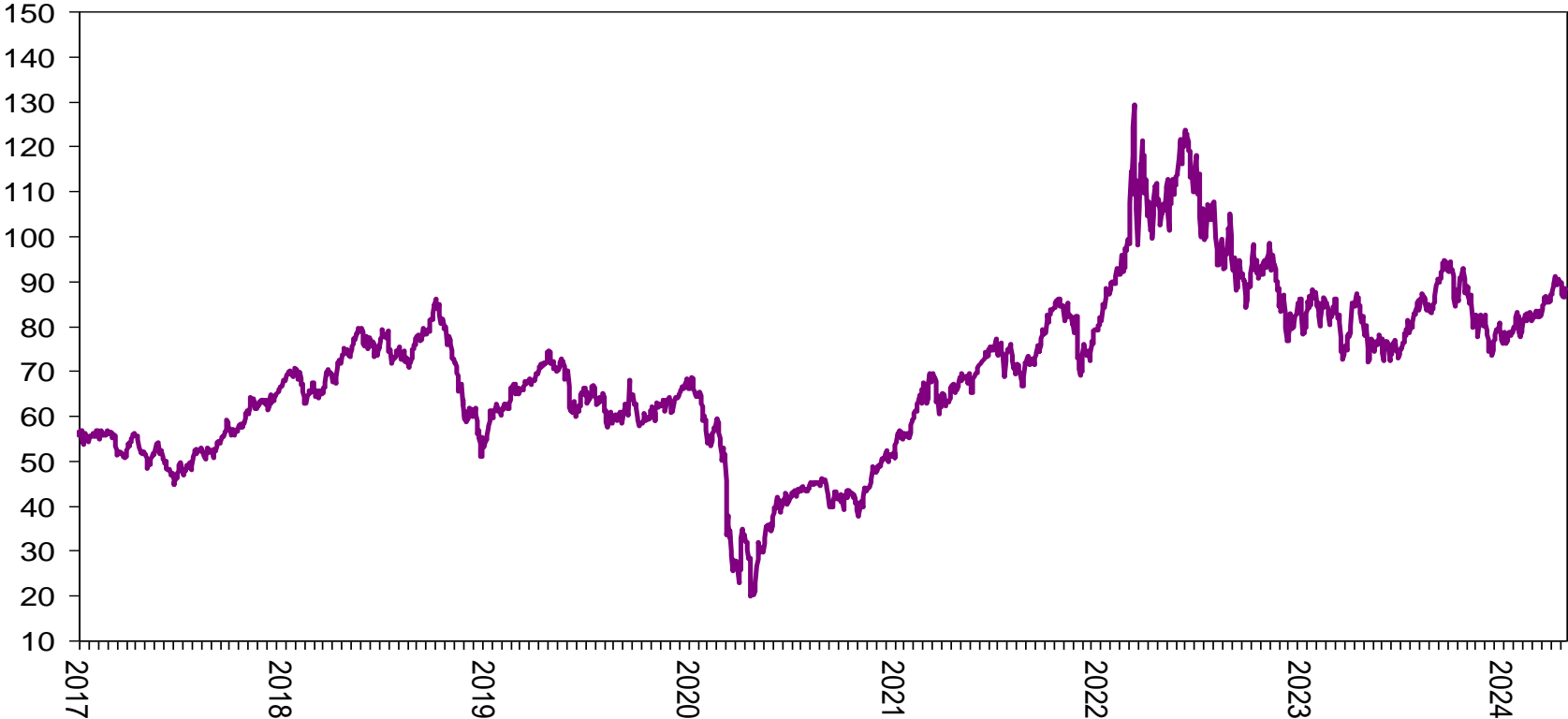
\$/ounce





# Oil price

\$/b l



# Copper price

\$/MT



# Platinum price

\$/ounce



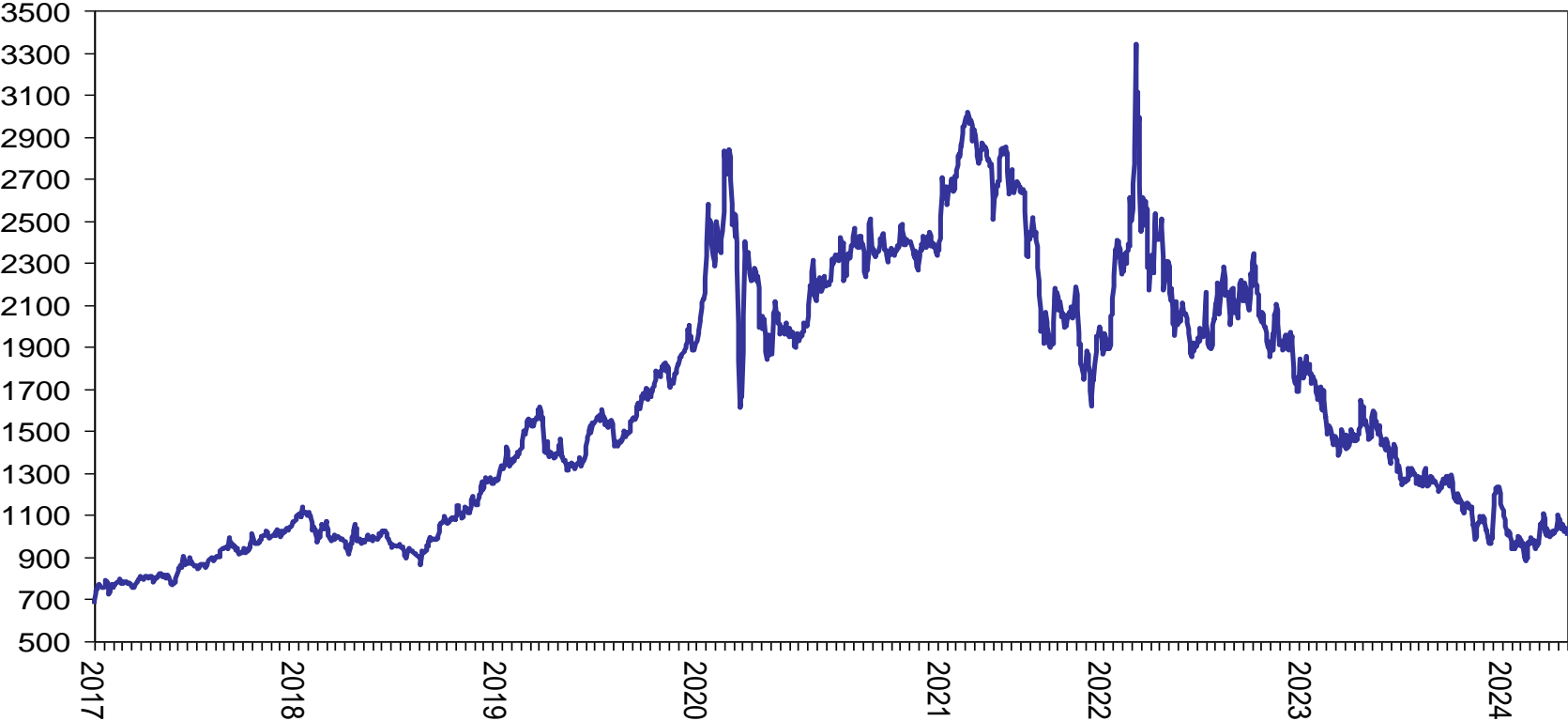
# Aluminium price

\$/MT



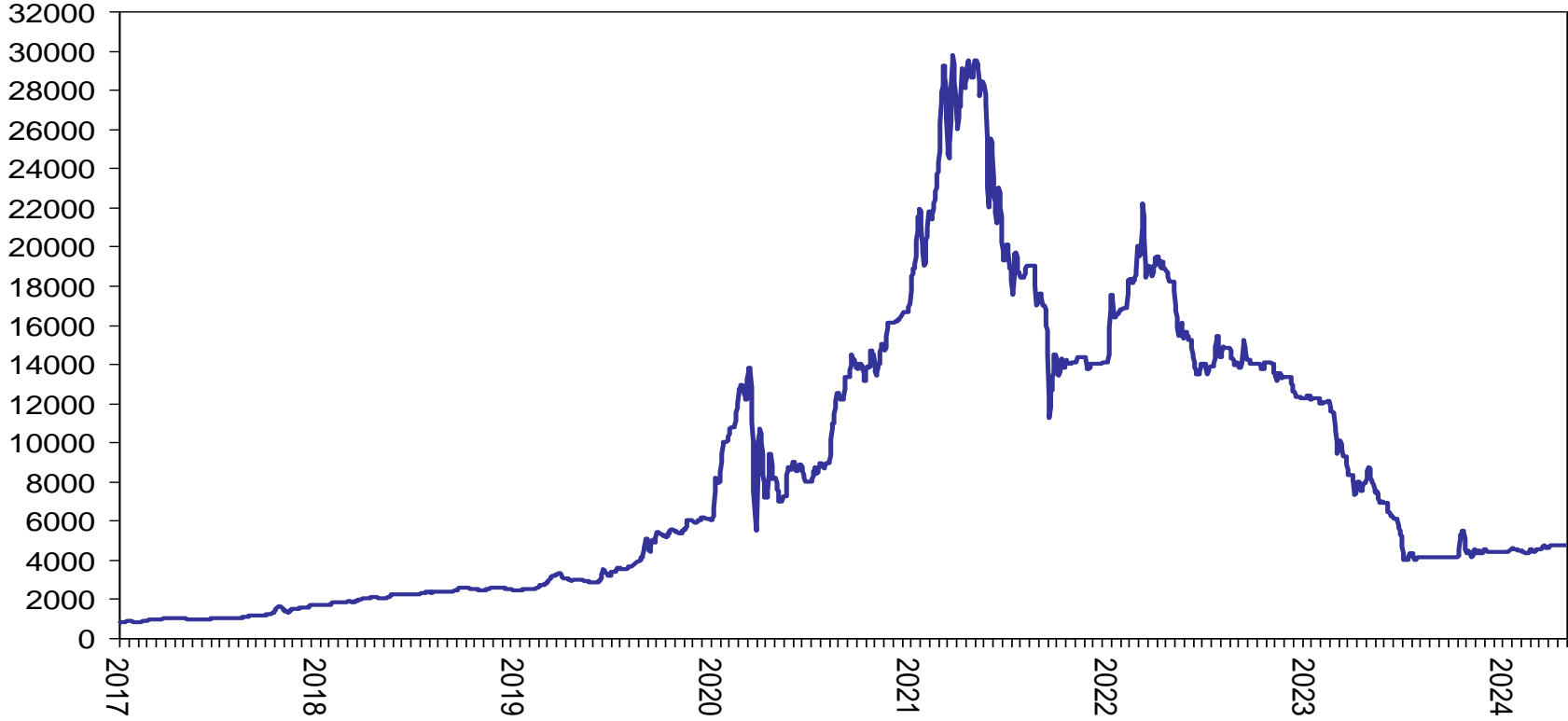
# Palladium price

\$/ounce



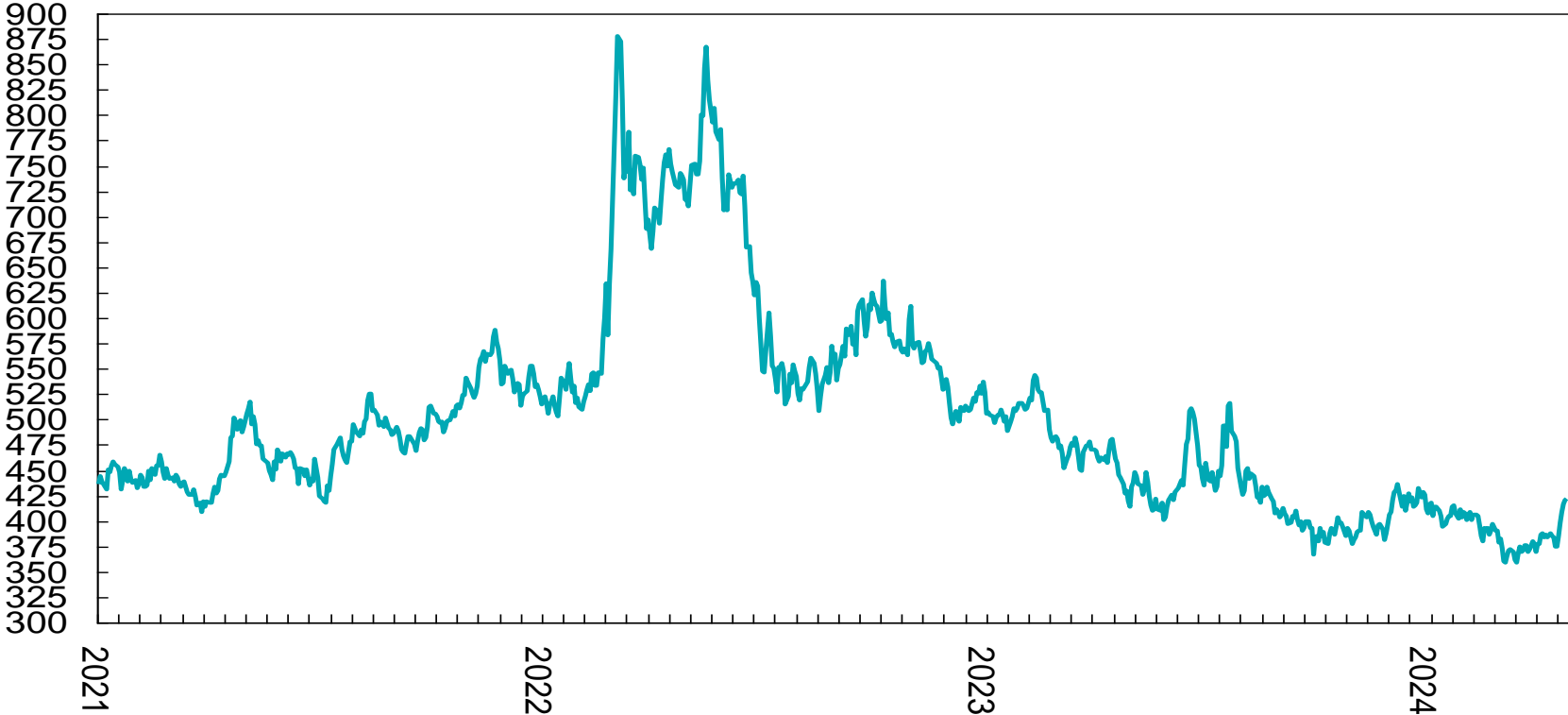
# Rhodium price

\$/ounce



# Global wheat price index

Index



# Financial markets: 22 to 28 April 2024

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- Bitcoin price
- 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

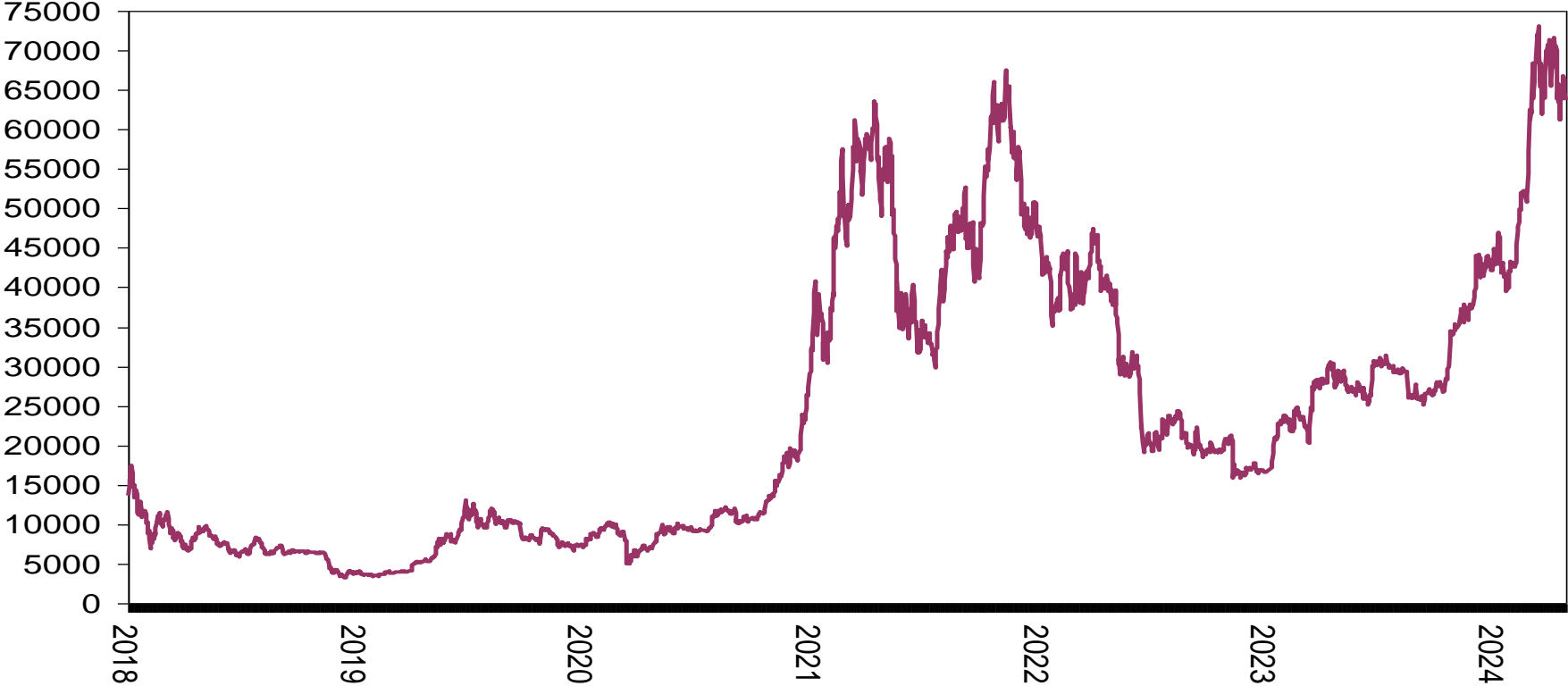


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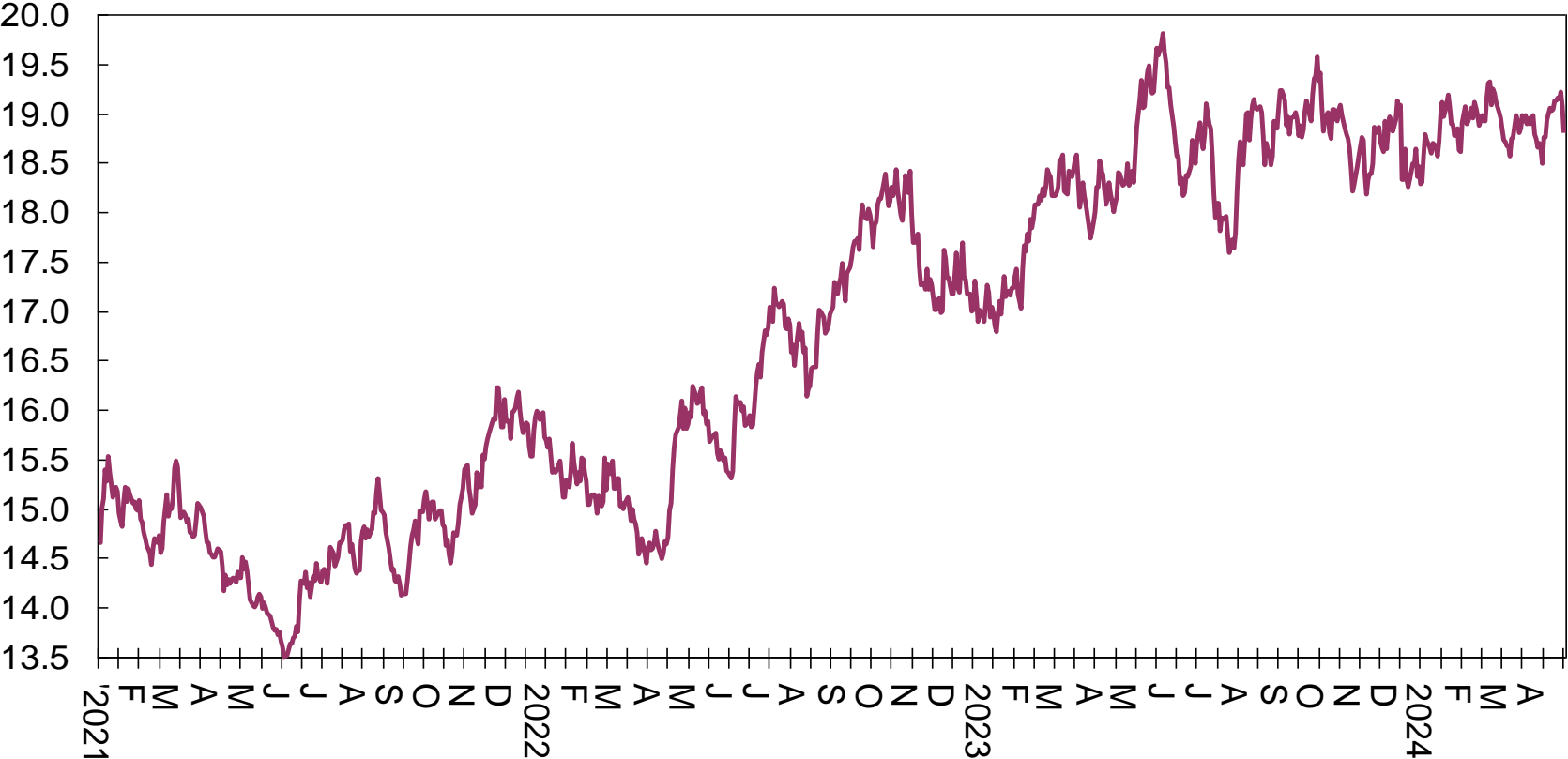
# Bitcoin price

Dollar



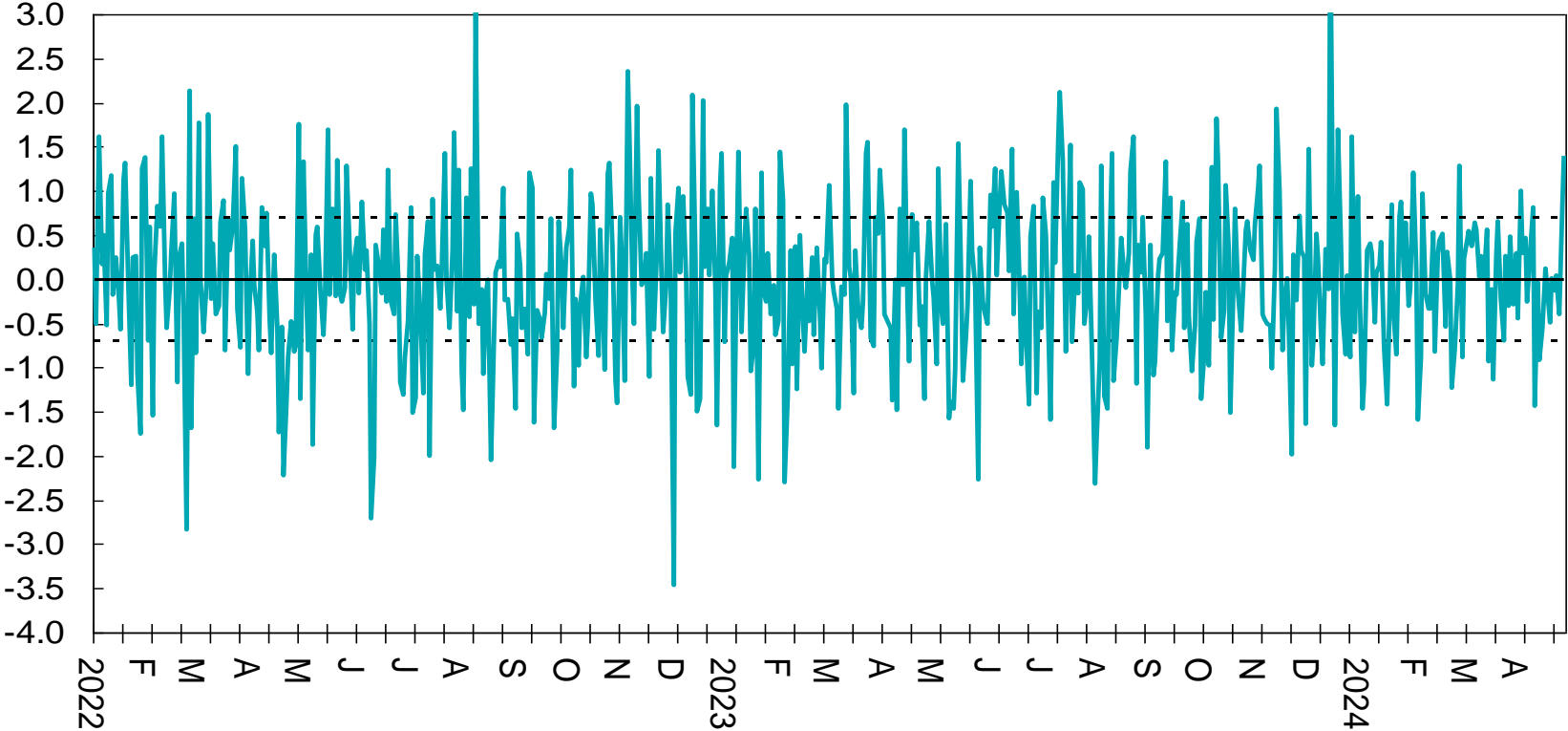
# South Africa Rand vs US Dollar (daily)

Rand per Dollar



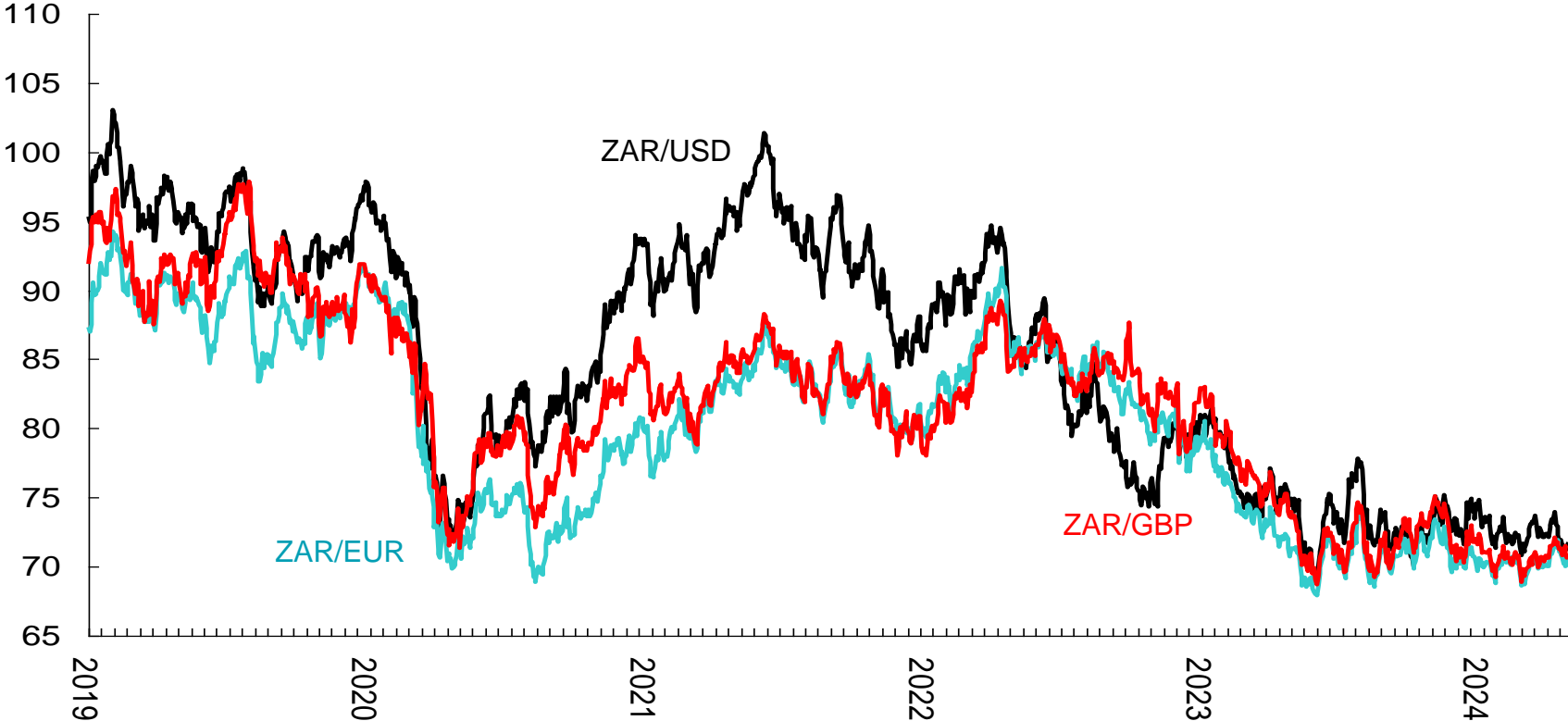
# South Africa Rand vs US Dollar (daily change in value)

% change, day-on-day



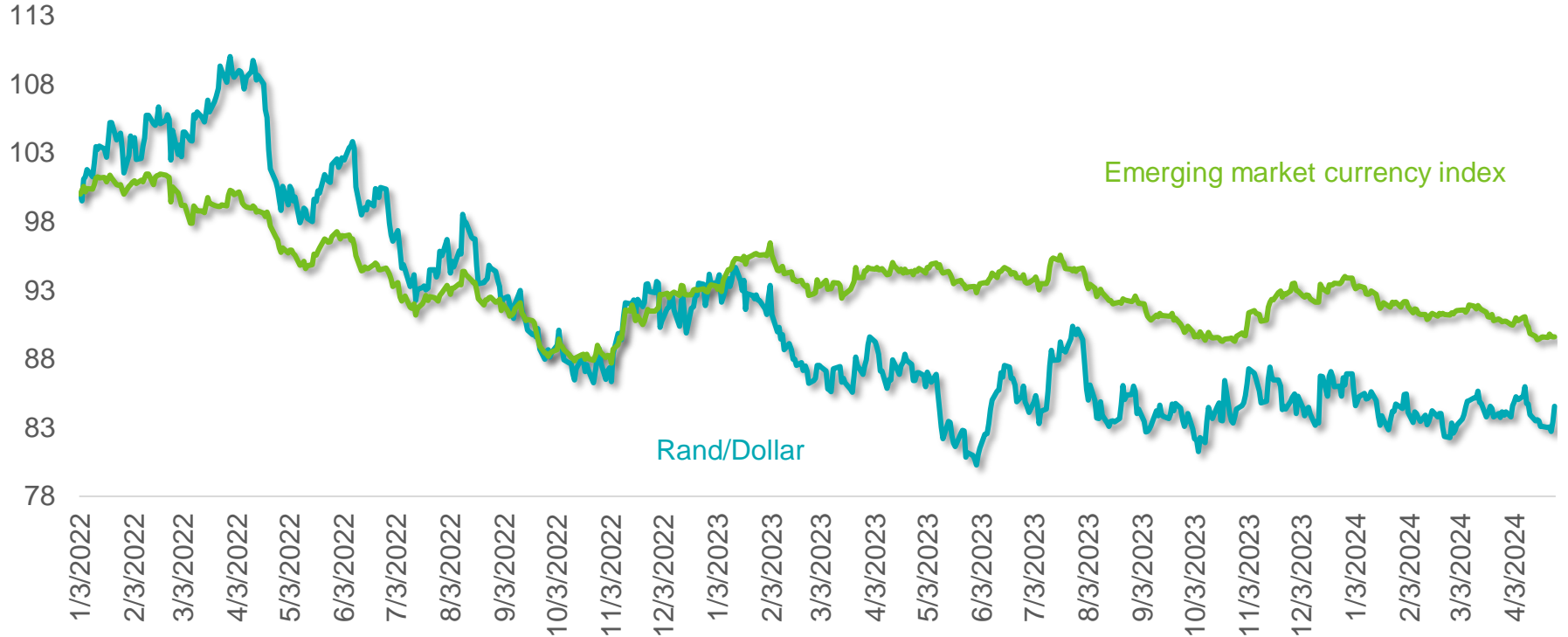
# SA Rand vs Dollar, Euro and Pound

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



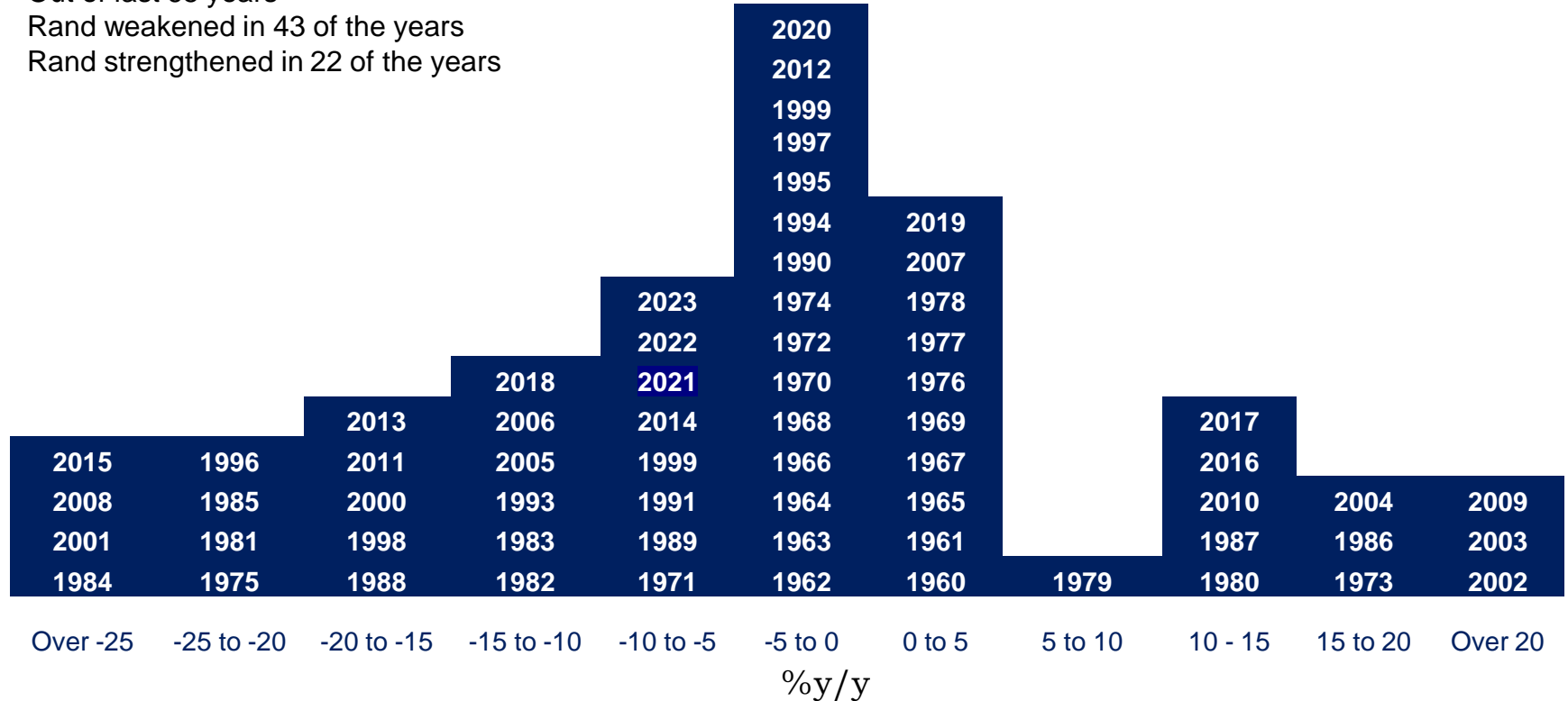


# Rand/Dollar annual performance

Out of last 65 years

Rand weakened in 43 of the years

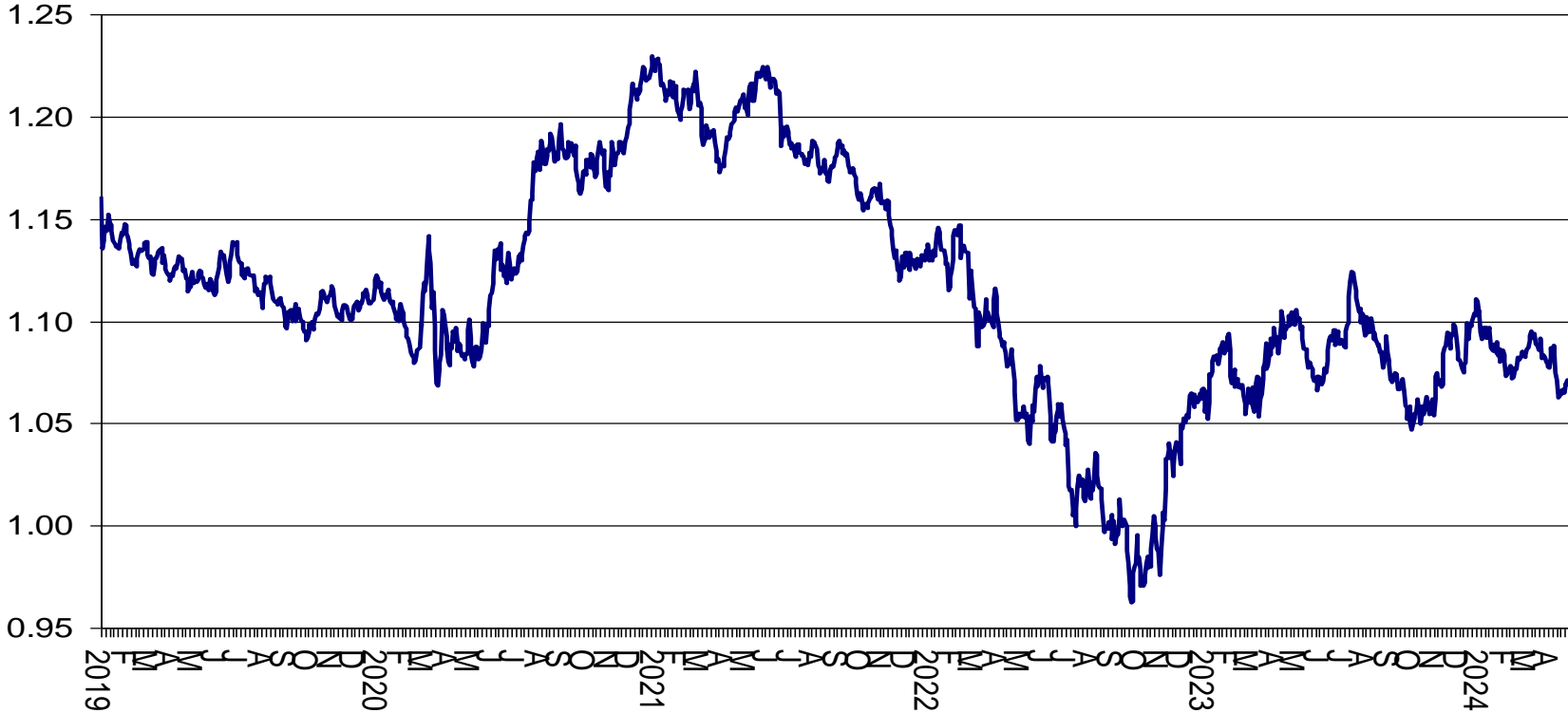
Rand strengthened in 22 of the years





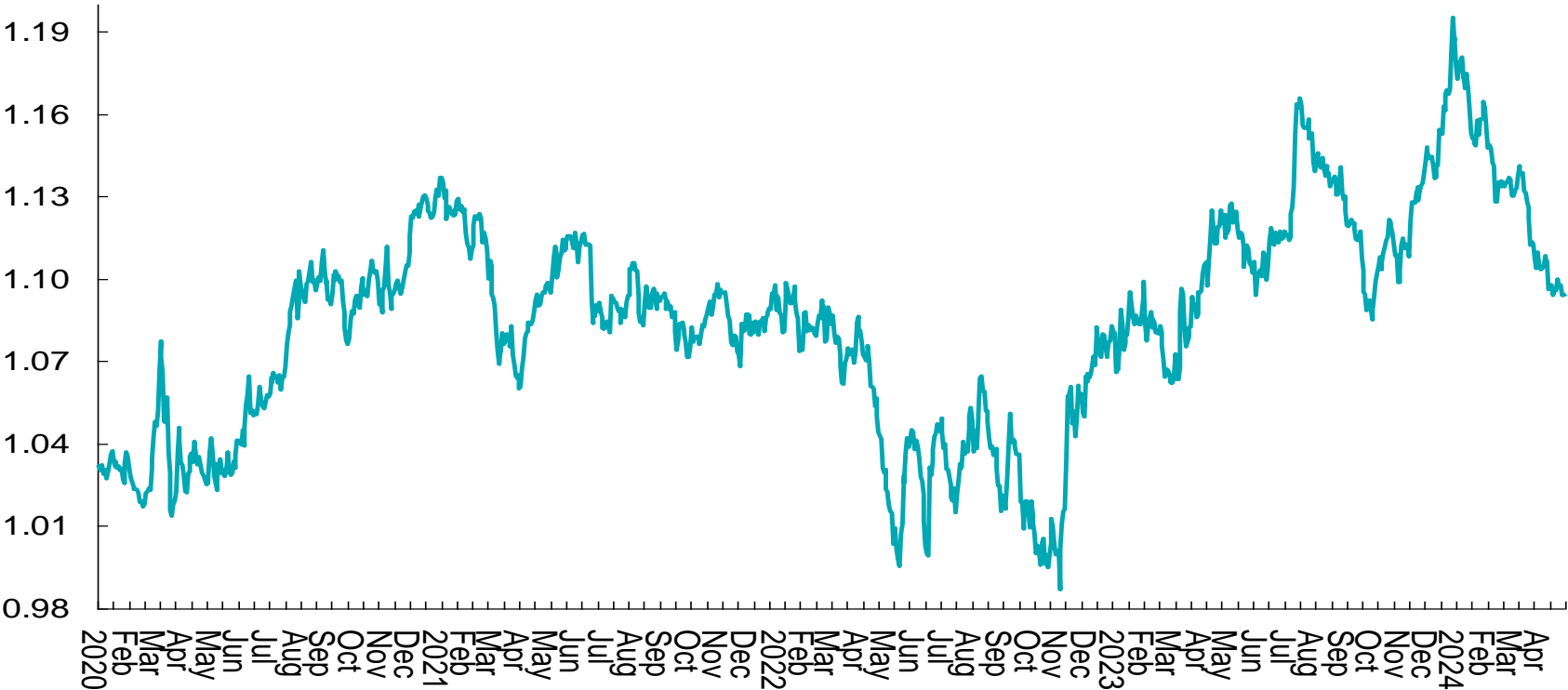
# US Dollar vs Euro

Dollar per Euro



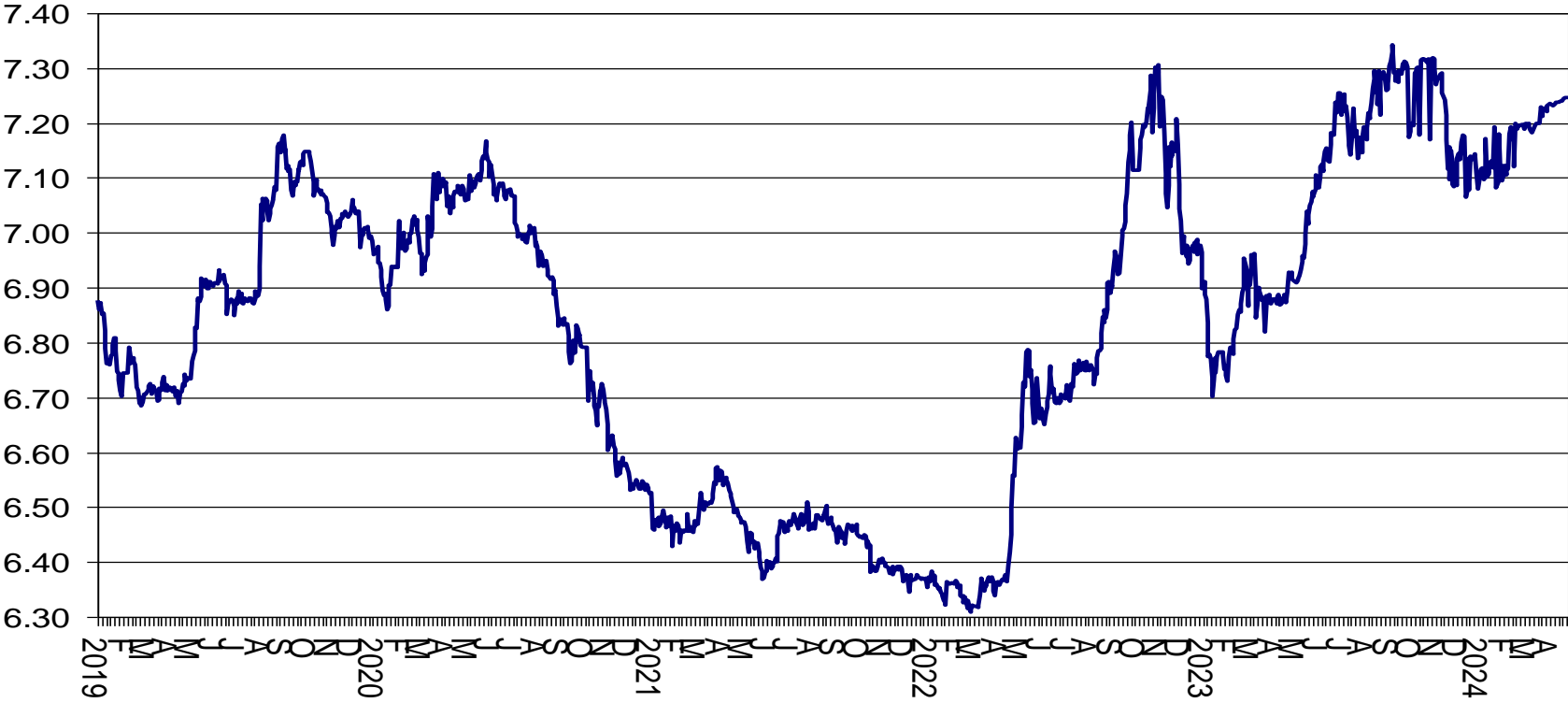
# US Dollar per Swiss Franc

USD per CHF



# US Dollar vs CNY

CNY per US Dollar



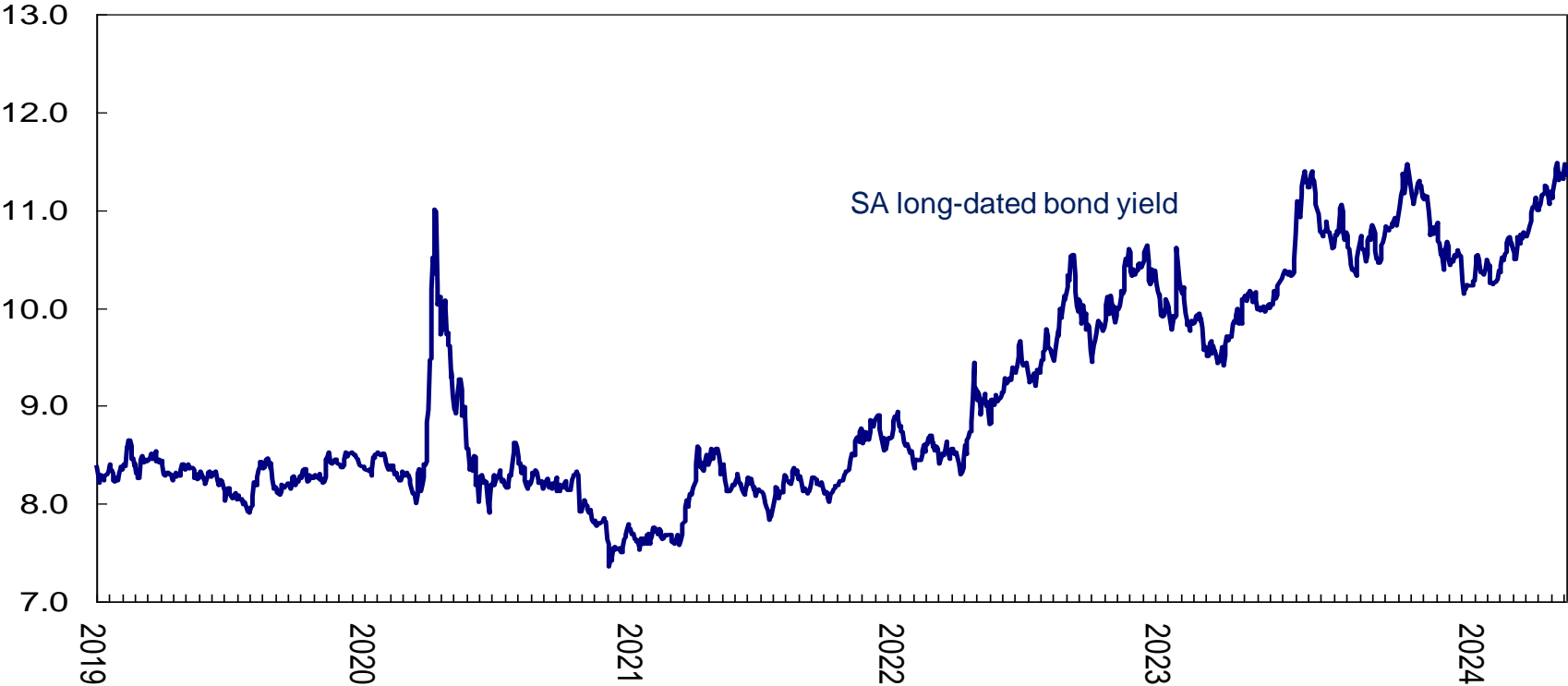
# Japanese Yen per US Dollar

Yen per Dollar



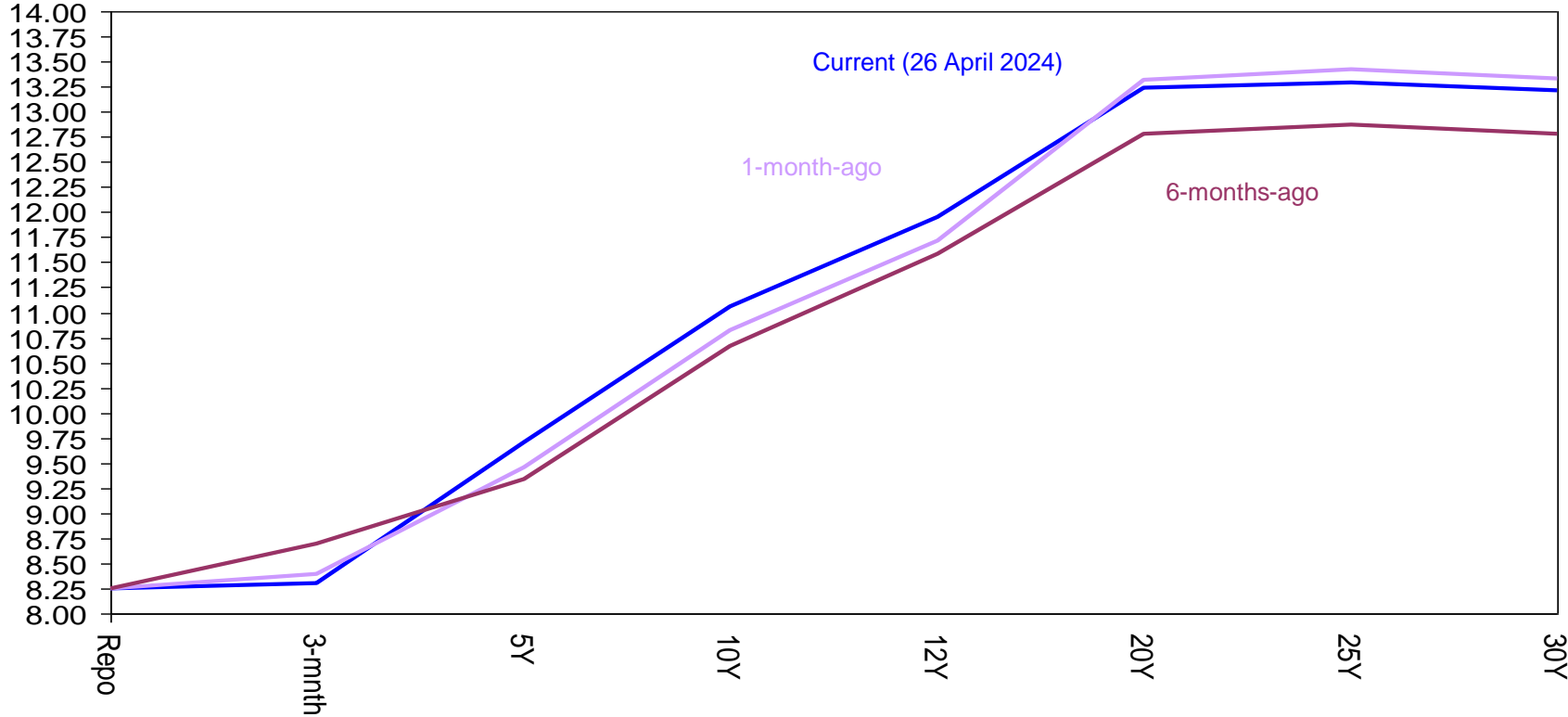
# SA long-dated government bond yield

% yield



# South Africa government yield curve

Yield, %



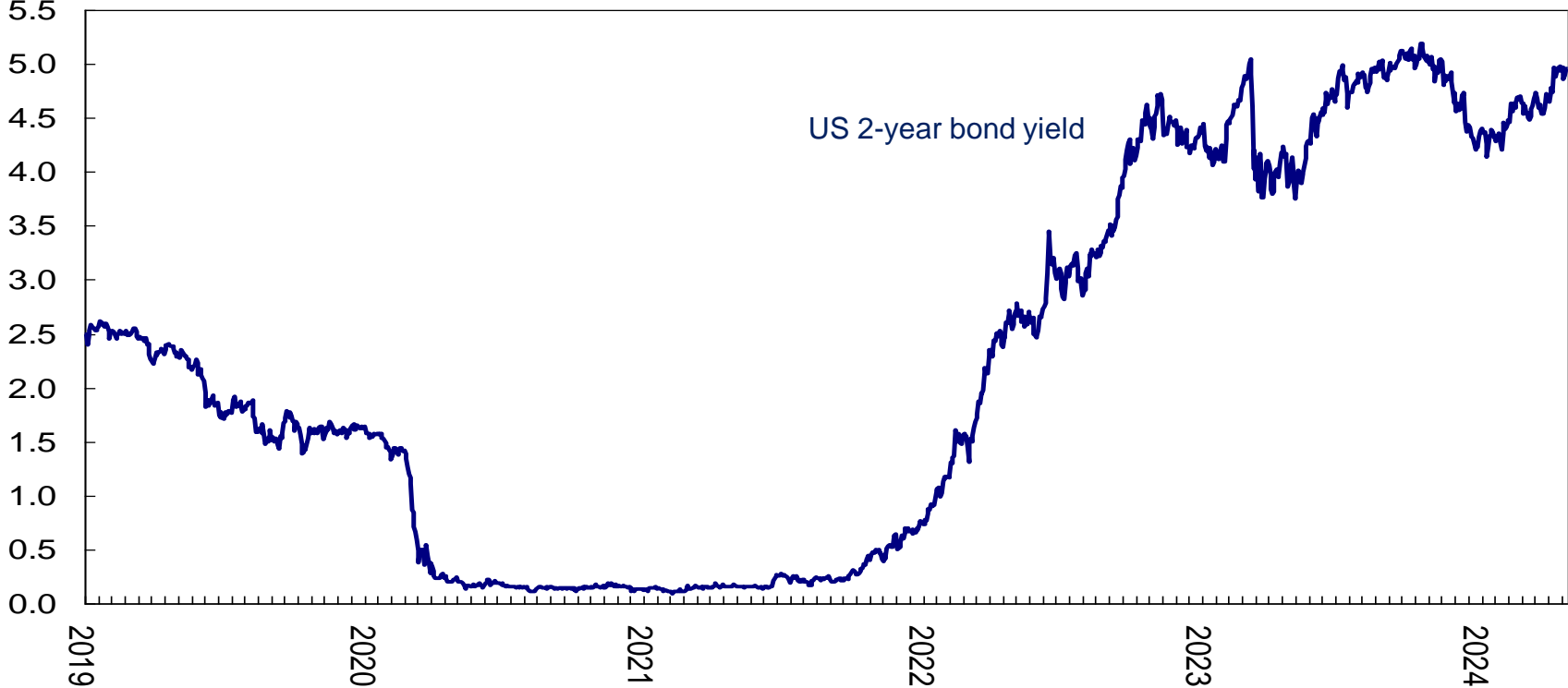
# US 10-year government bond yield

% yield



# US 2-year government bond yield

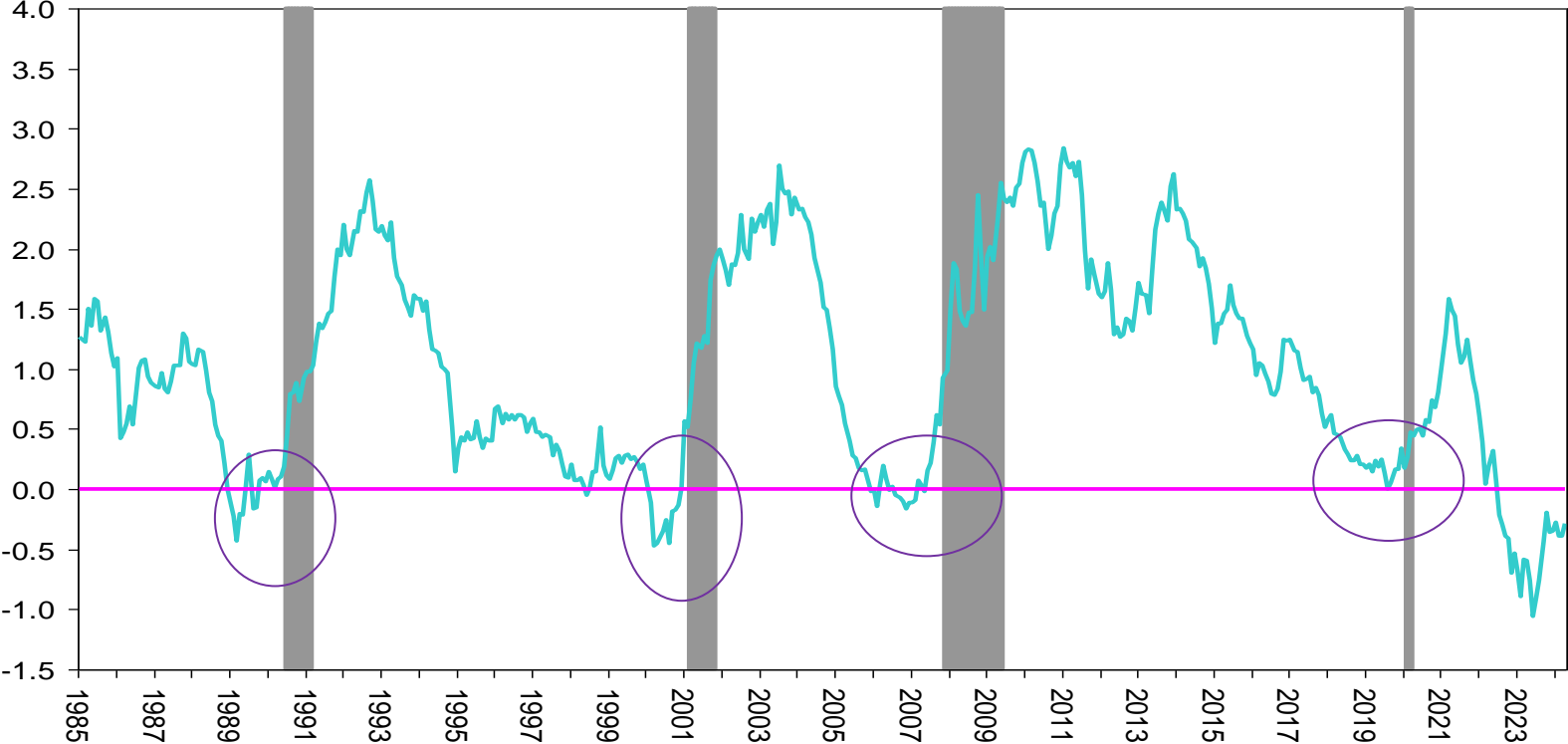
% yield





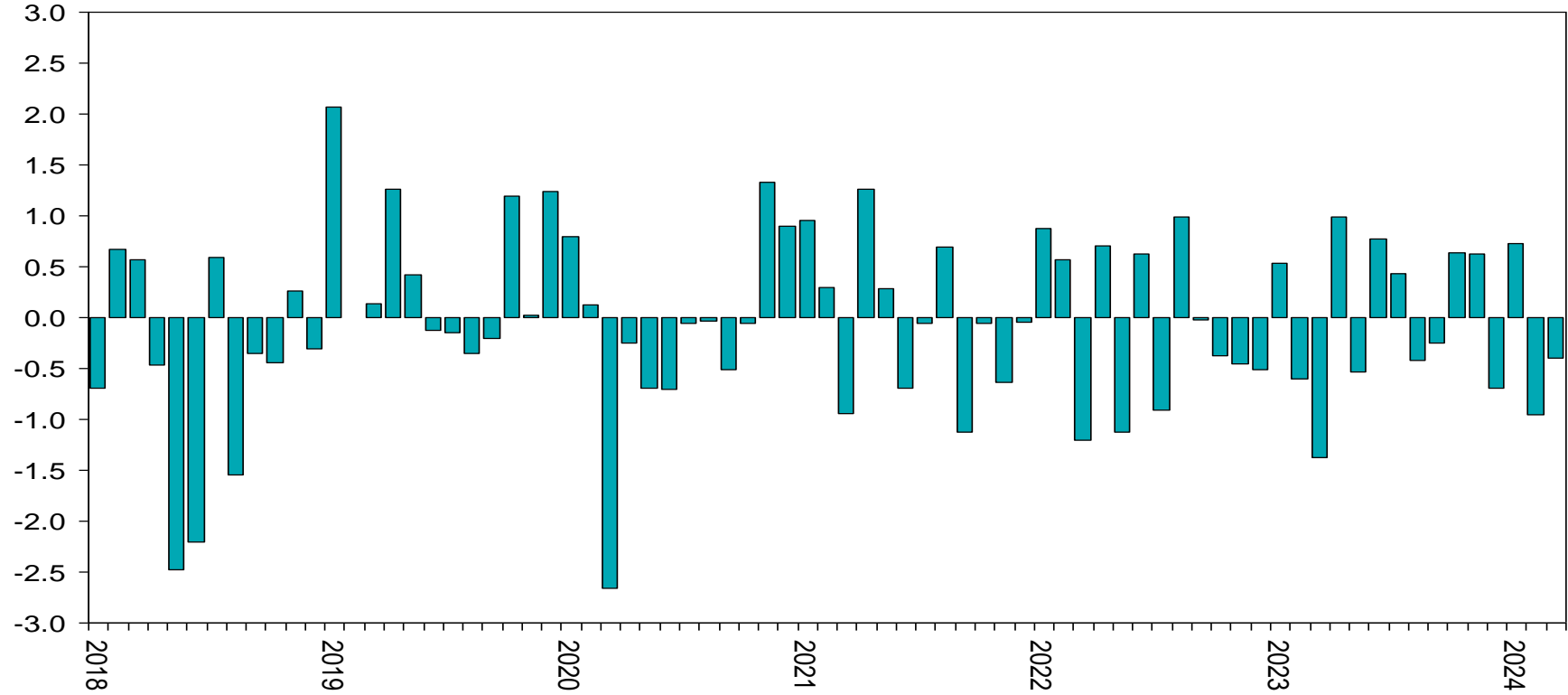
# US 10-year less 2-year treasury and business cycle

Percentage points



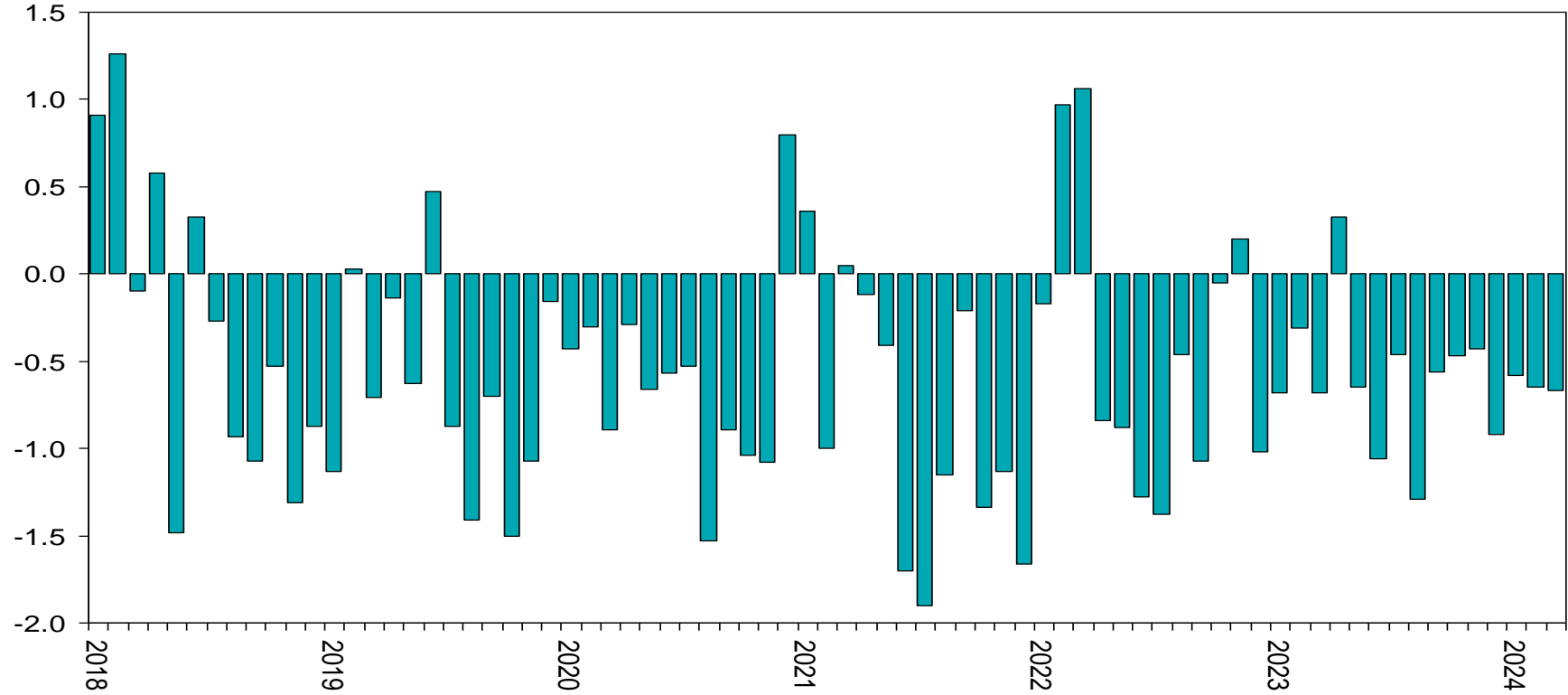
# Foreign buying of South African government bonds

\$ billion (SA Reserve Bank data)



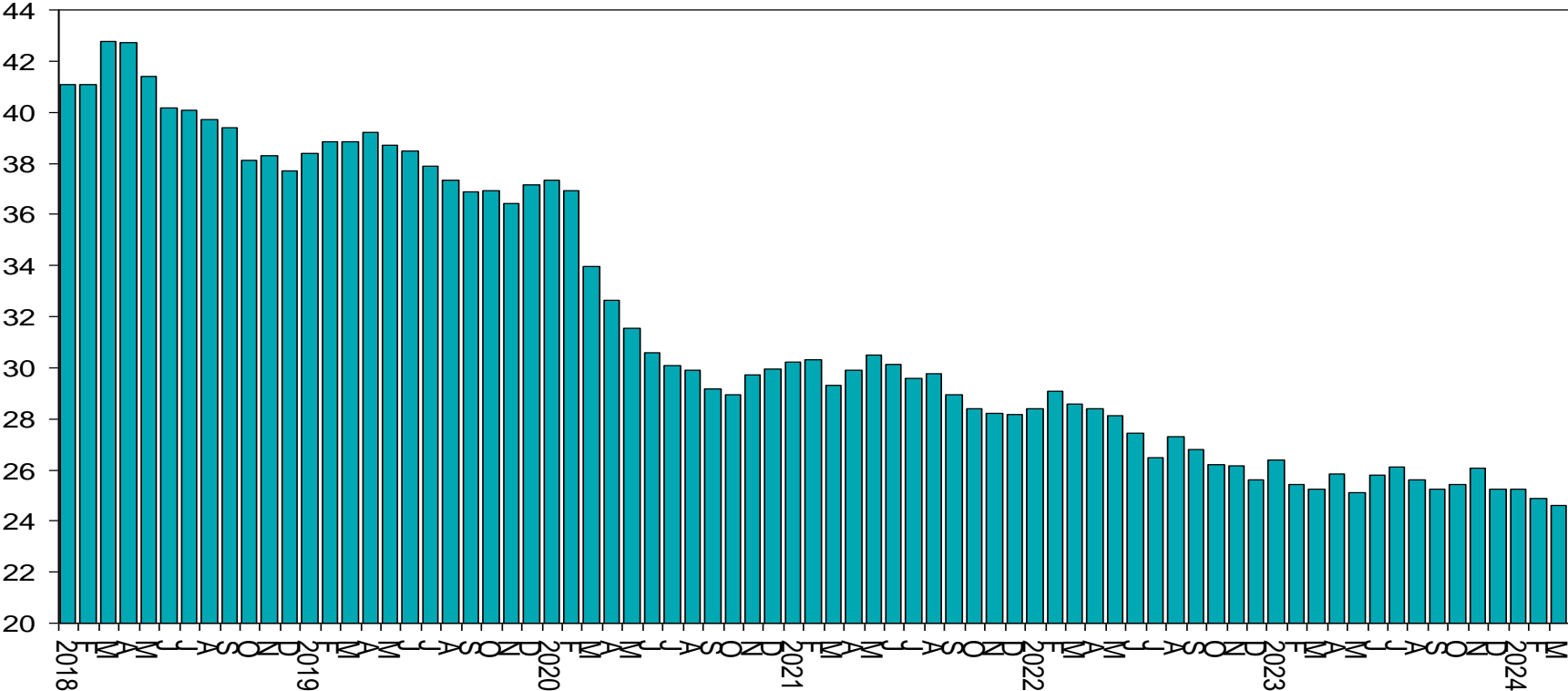
# Foreign buying of South African equities

\$ billion (SA Reserve Bank data)



# Foreign ownership of South African government bonds

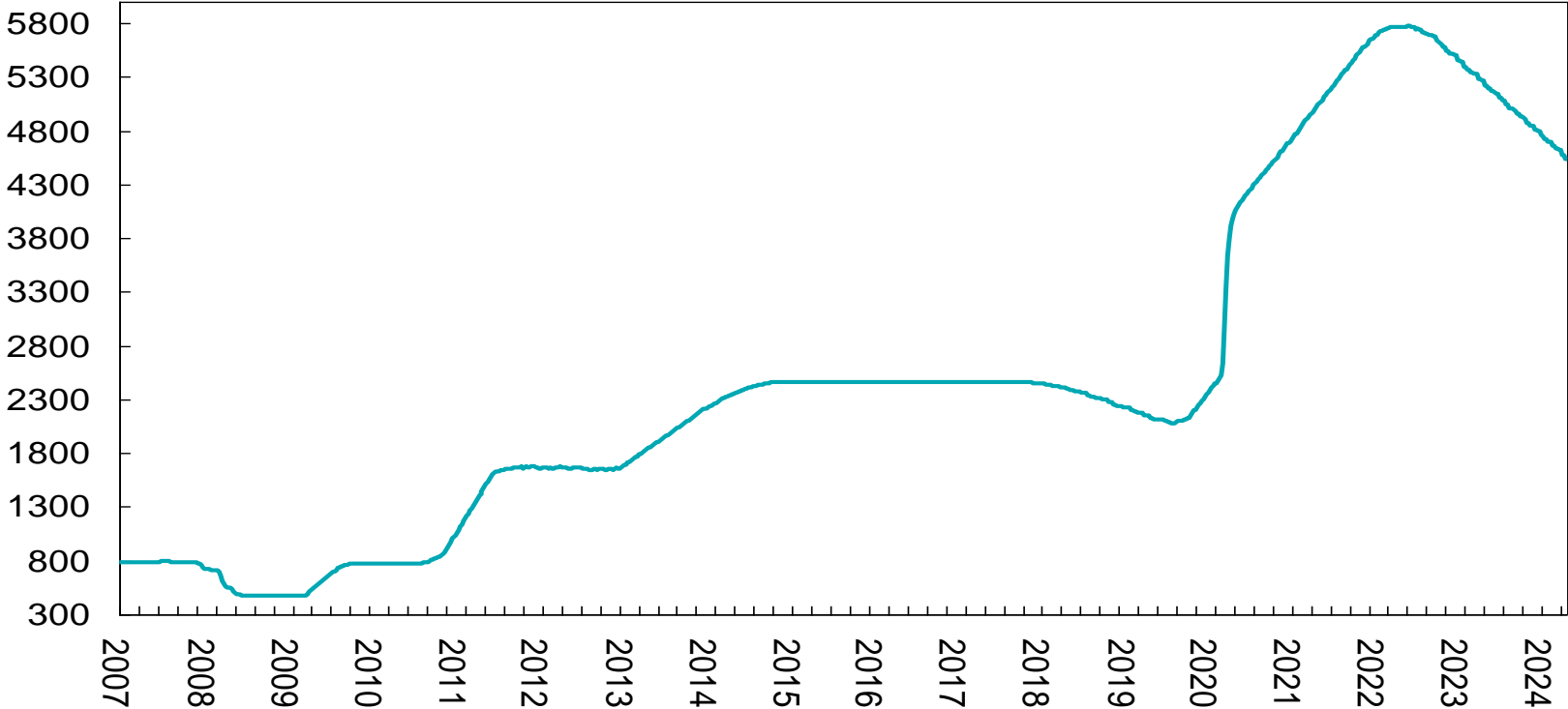
% of total



Source: South African National Treasury

# US Federal Reserve ownership of government bonds

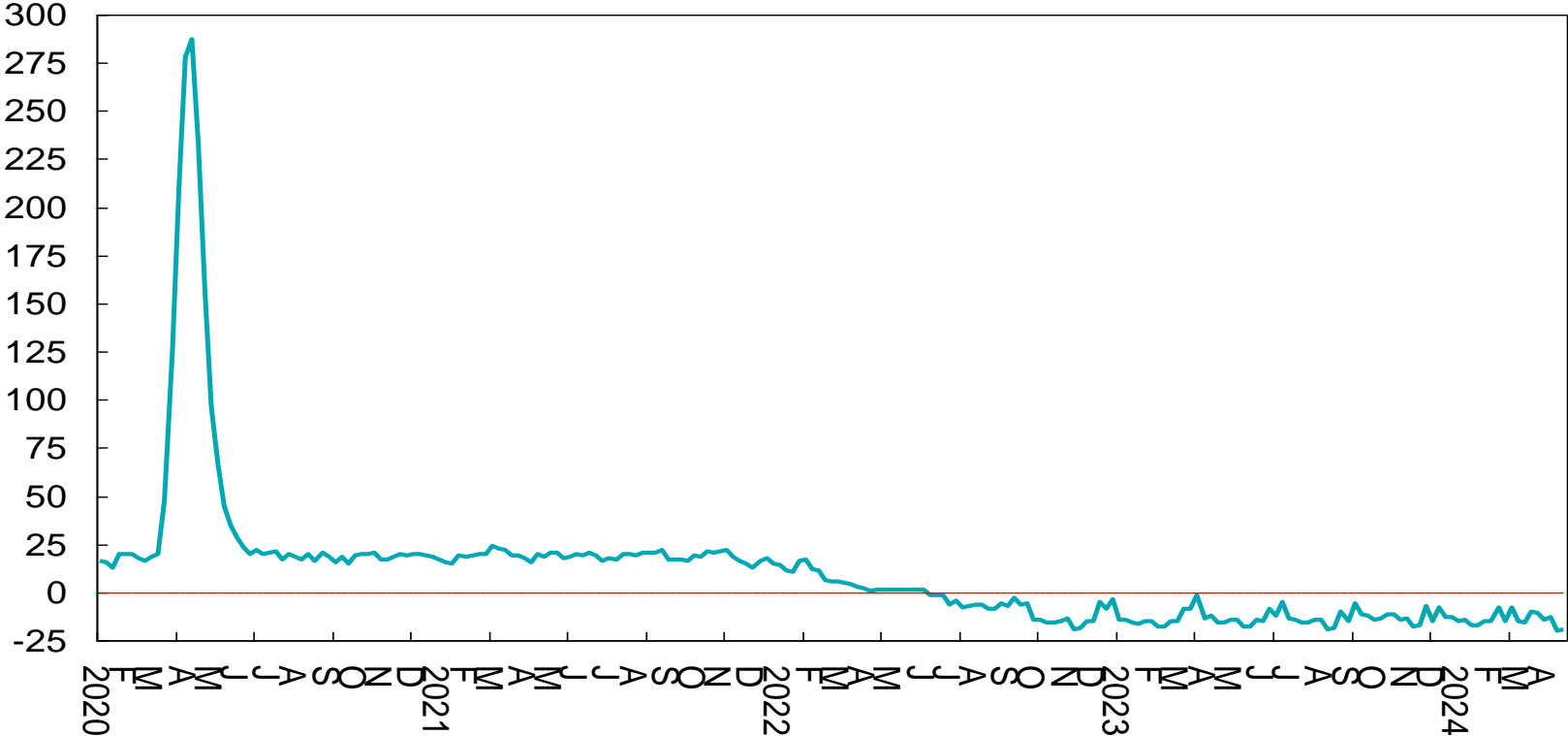
\$ billion



Source: US Federal Reserve

# US Federal Reserve purchase of government bonds

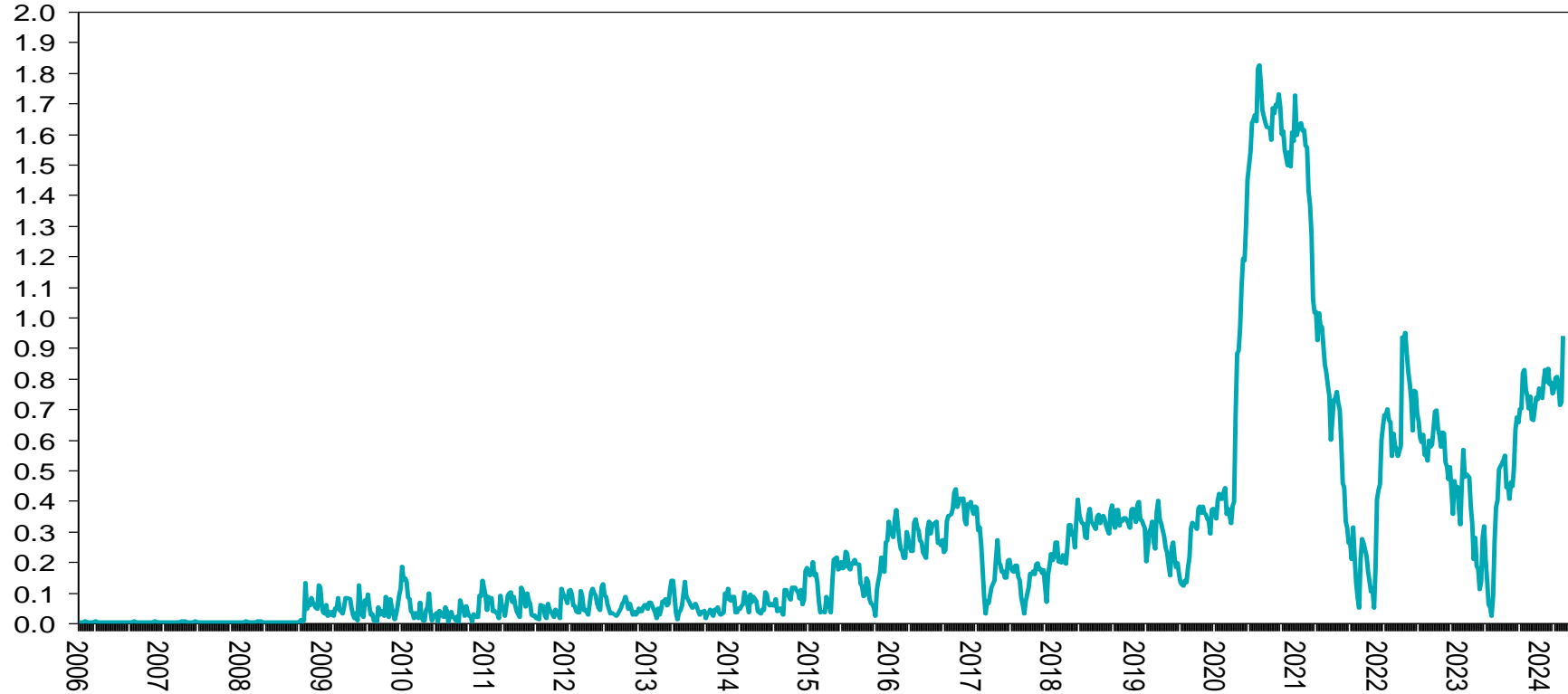
4-week average rate of purchases, \$ billion



Source: US Federal Reserve

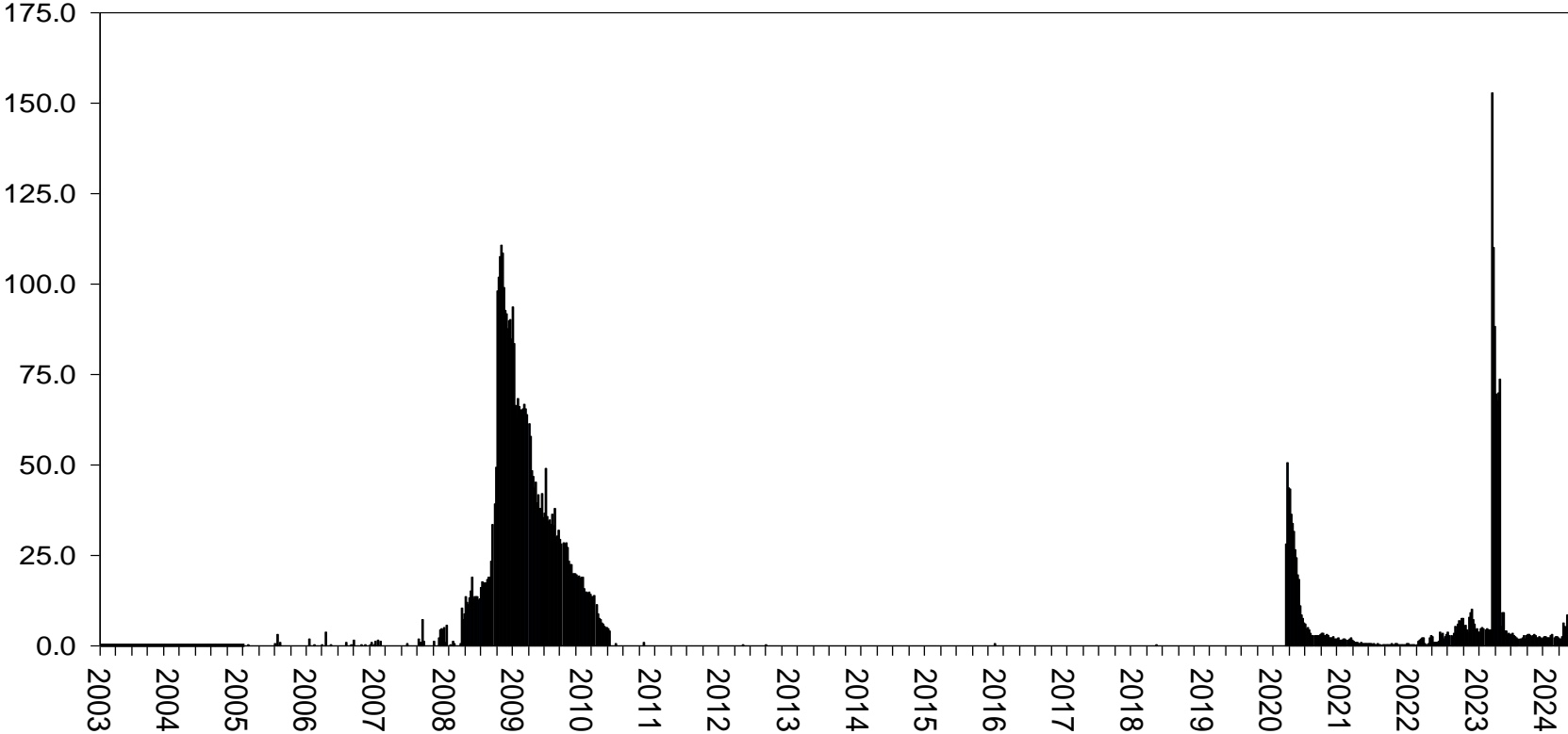
# US Treasury cash balance at Federal Reserve

\$ trillion, weekly



# US Federal Reserve discount window (balance)

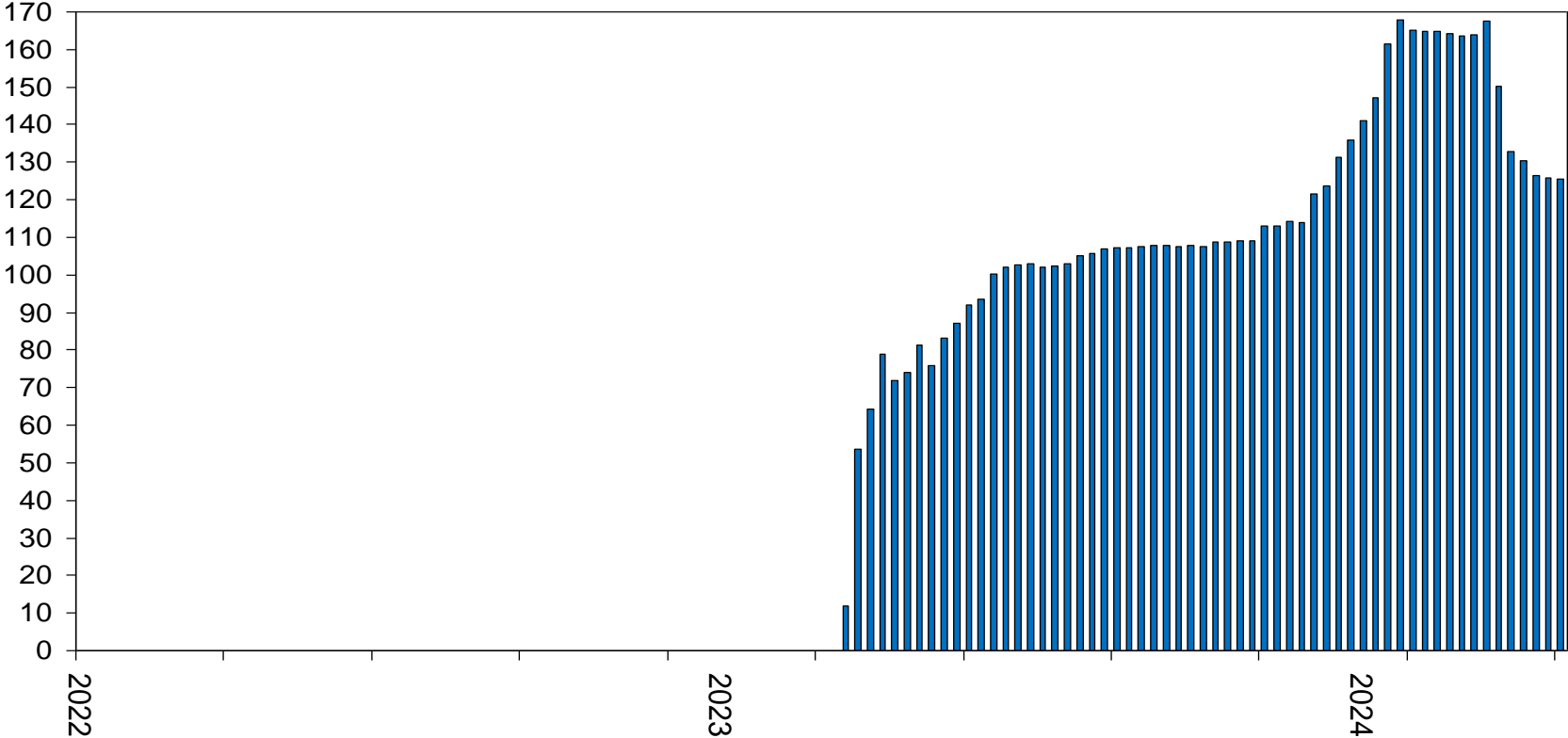
\$ billion (weekly data)





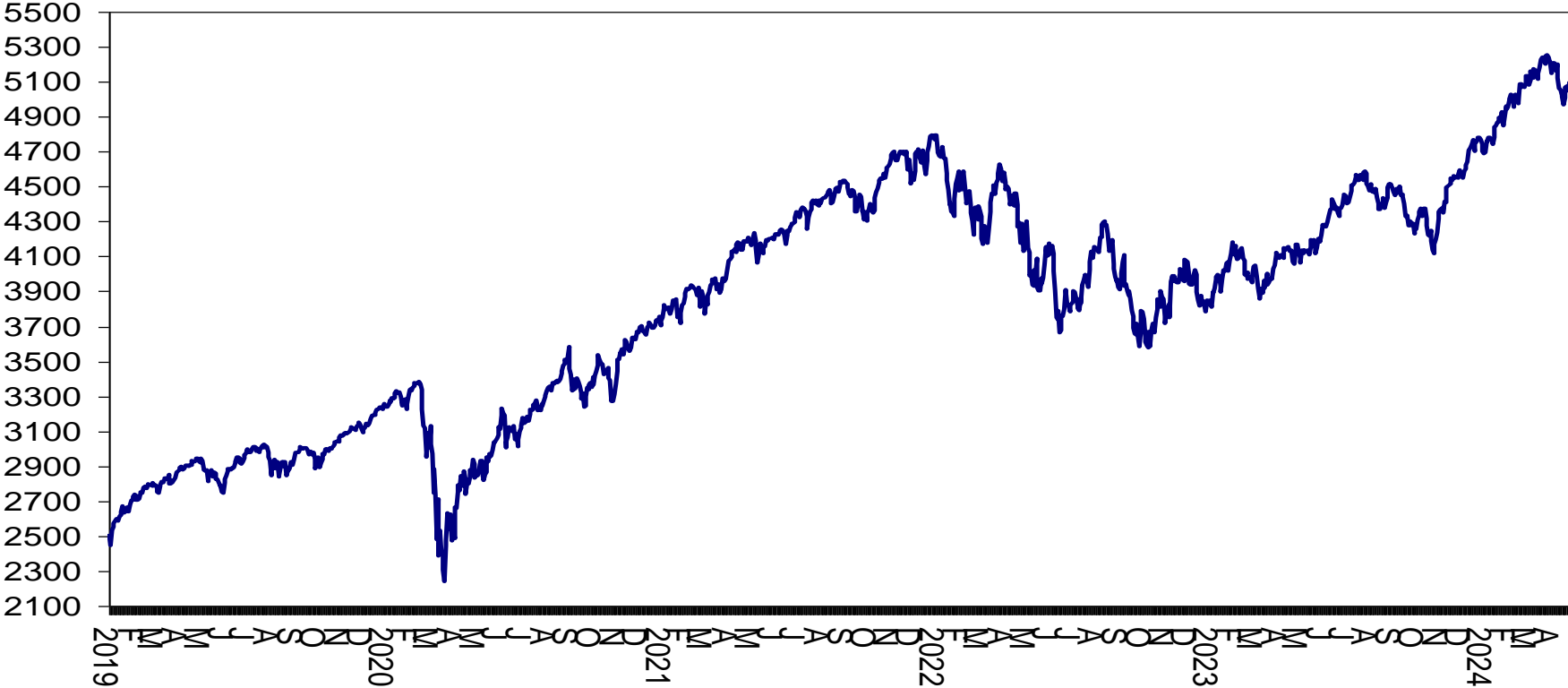
# US Federal Reserve Bank Term Funding Program (balance)

\$ billion (weekly data)



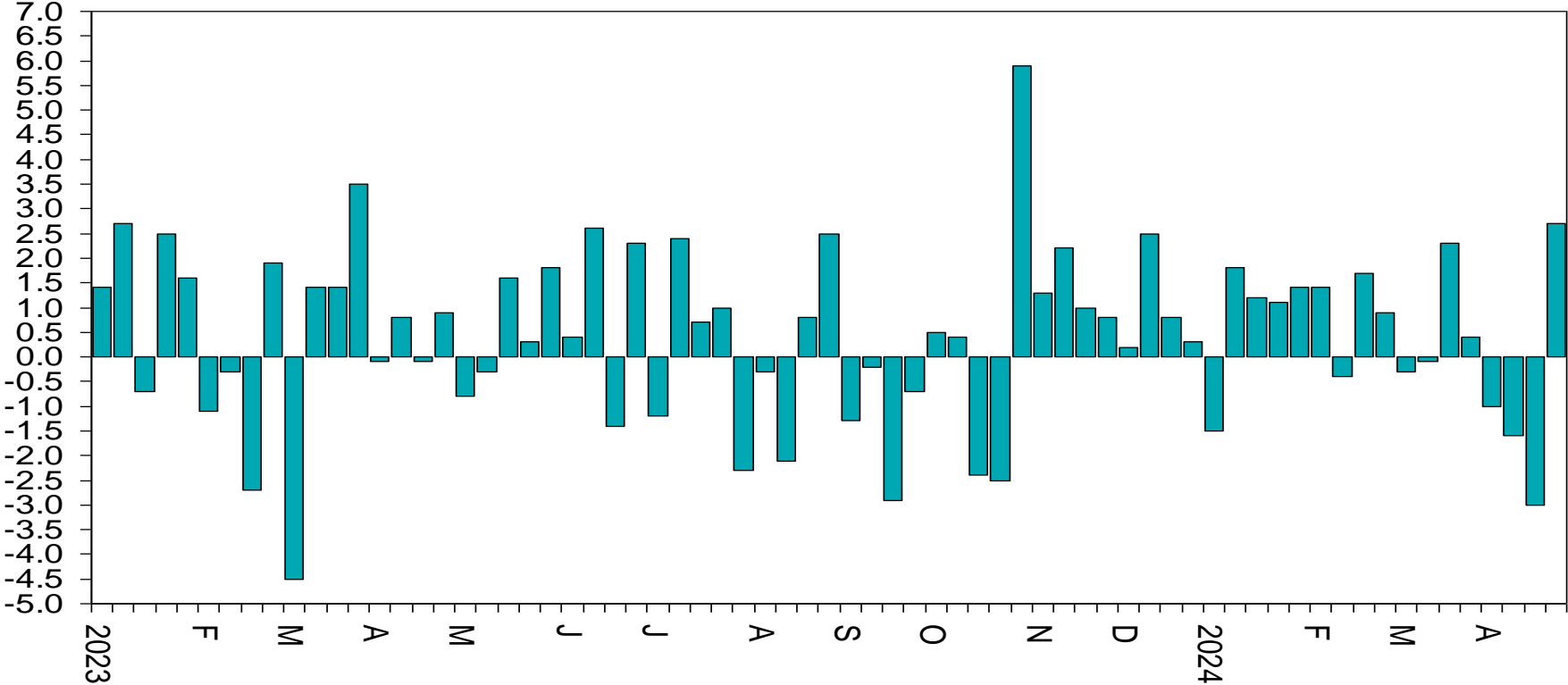
# US S&P 500

Index



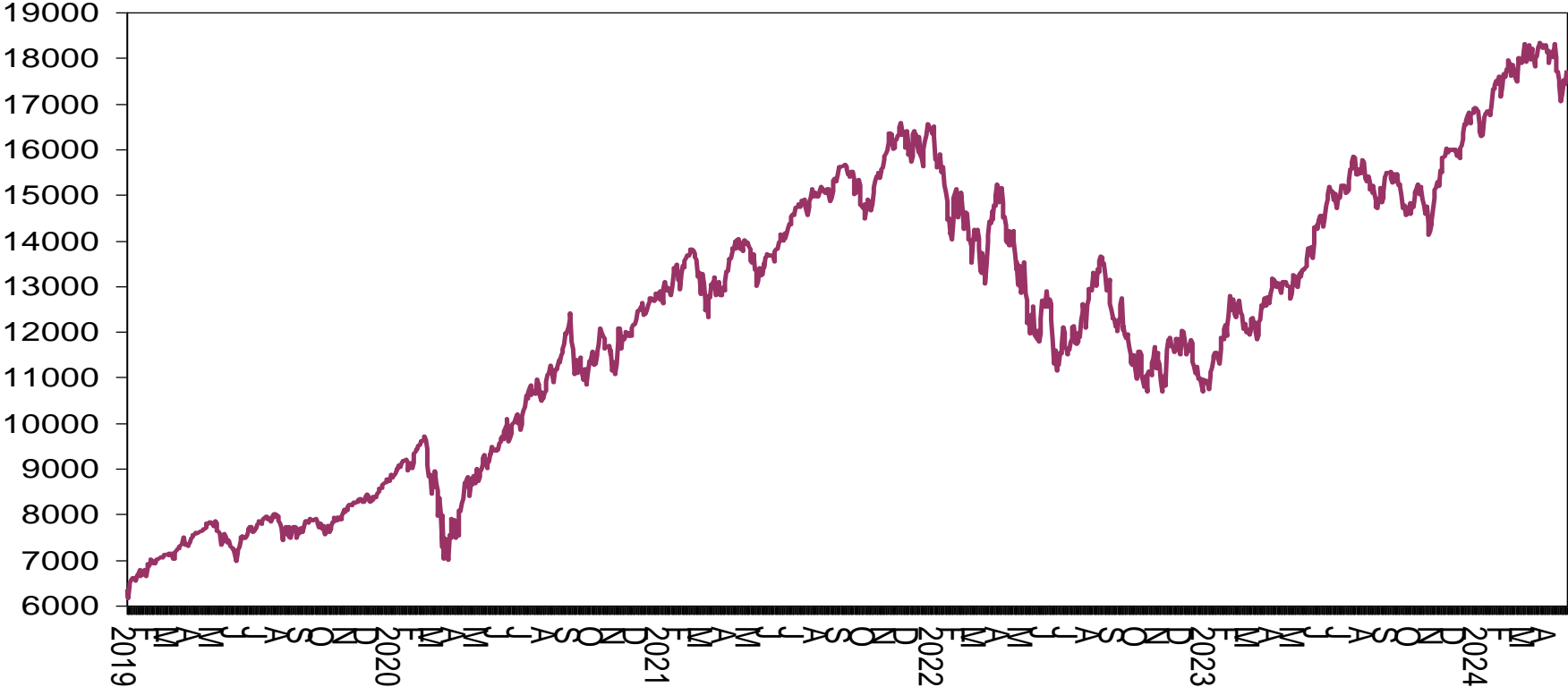
# US S&P 500 (weekly change)

\$ week-on-week



# US NASDAQ (100) index

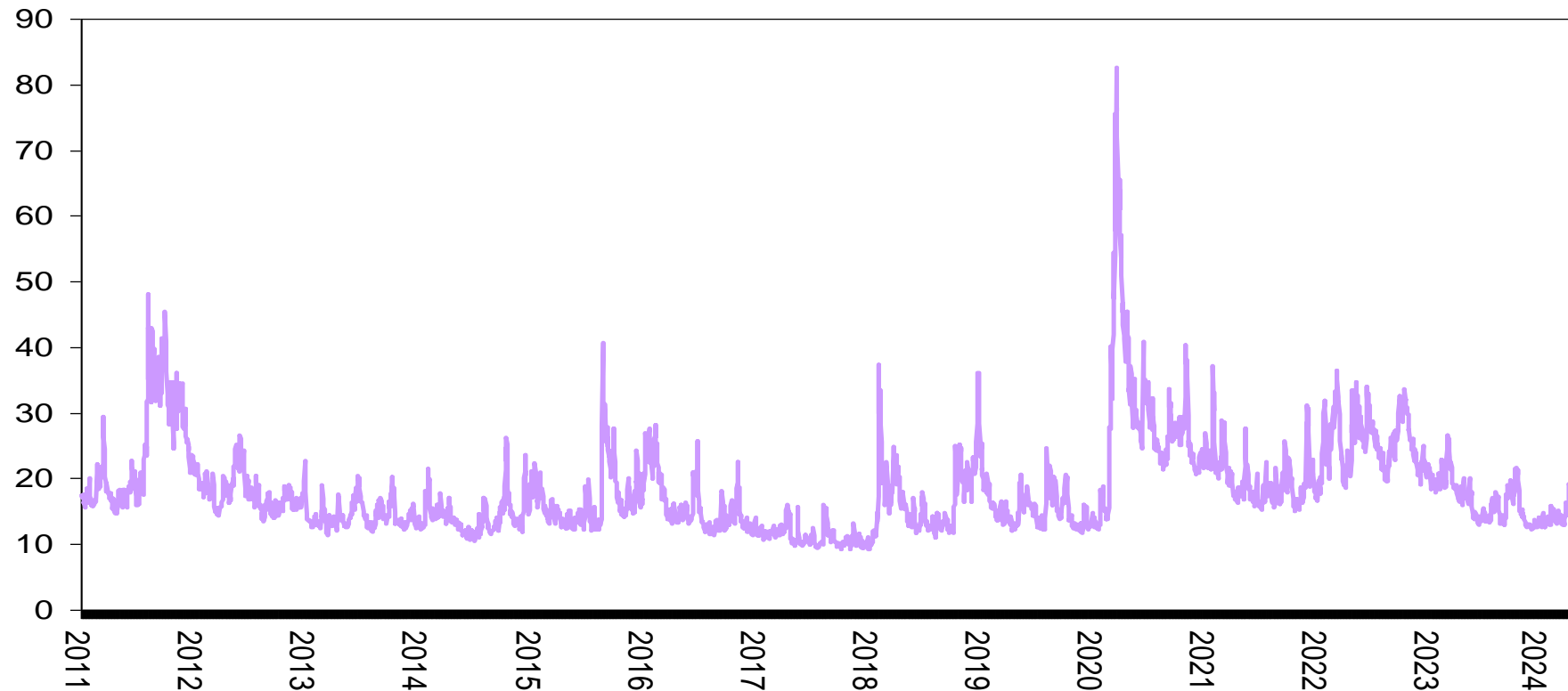
Index



# Chicago Board Options Exchange volatility index (VIX index)

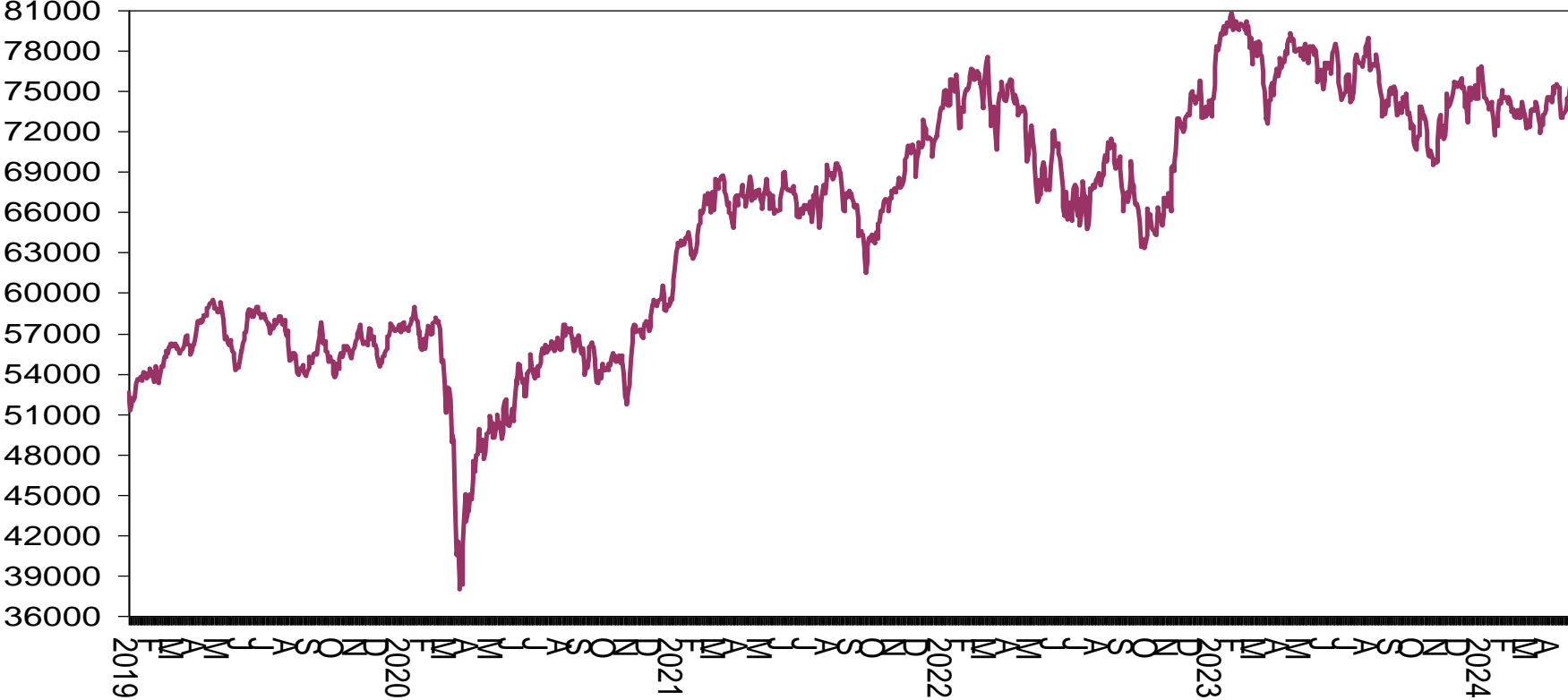
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Index



# SA equity market

Index



# Baltic Dry Index (shipping cost of commodities)

Index, Baltic Exchange



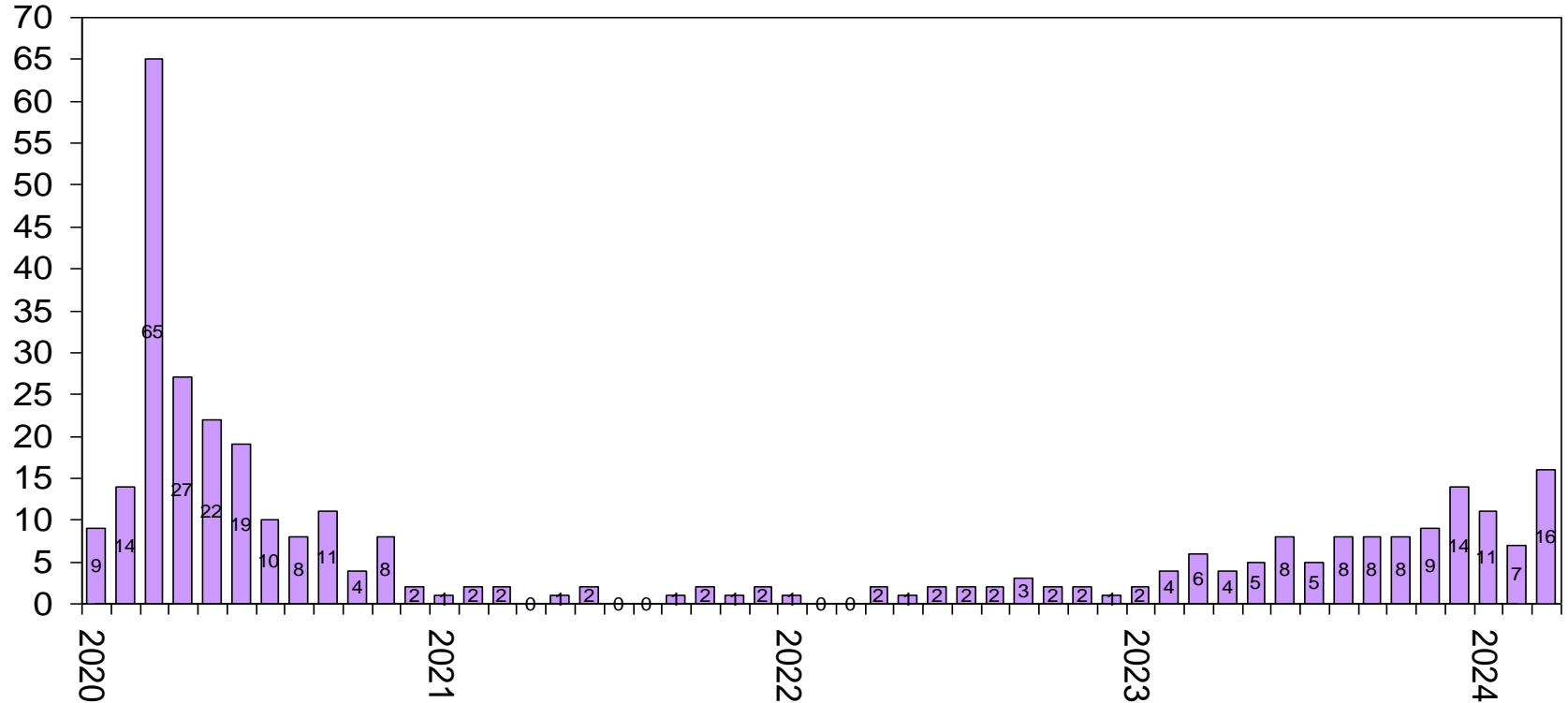
Source: Baltic Exchange





# 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: 22 to 28 April 2024

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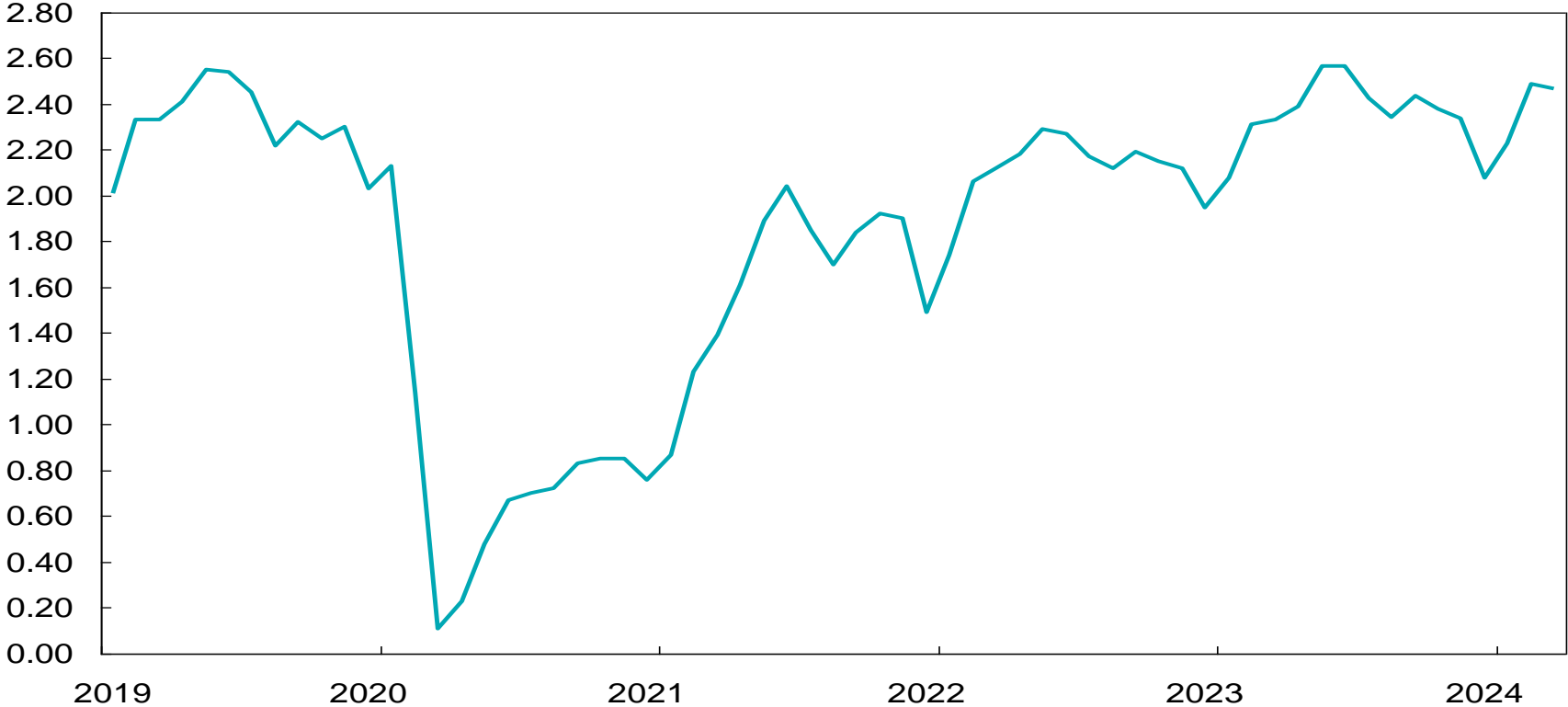
- US airport passengers monthly
- US weekly motor gasoline sales
- US oil and gas rig count
- US weekly rail traffic



**STANLIB**

# US number of airport passengers (monthly)

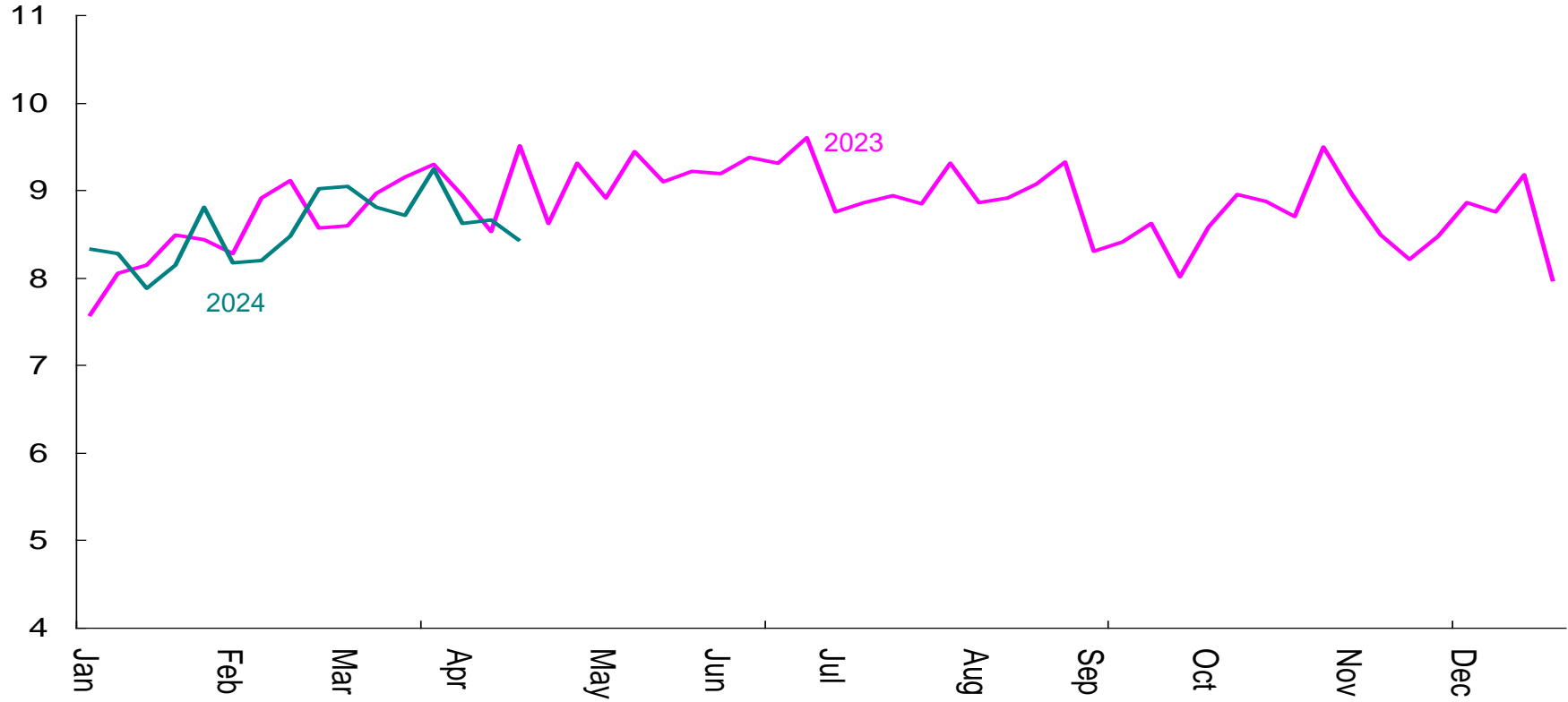
Number of passengers, millions



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

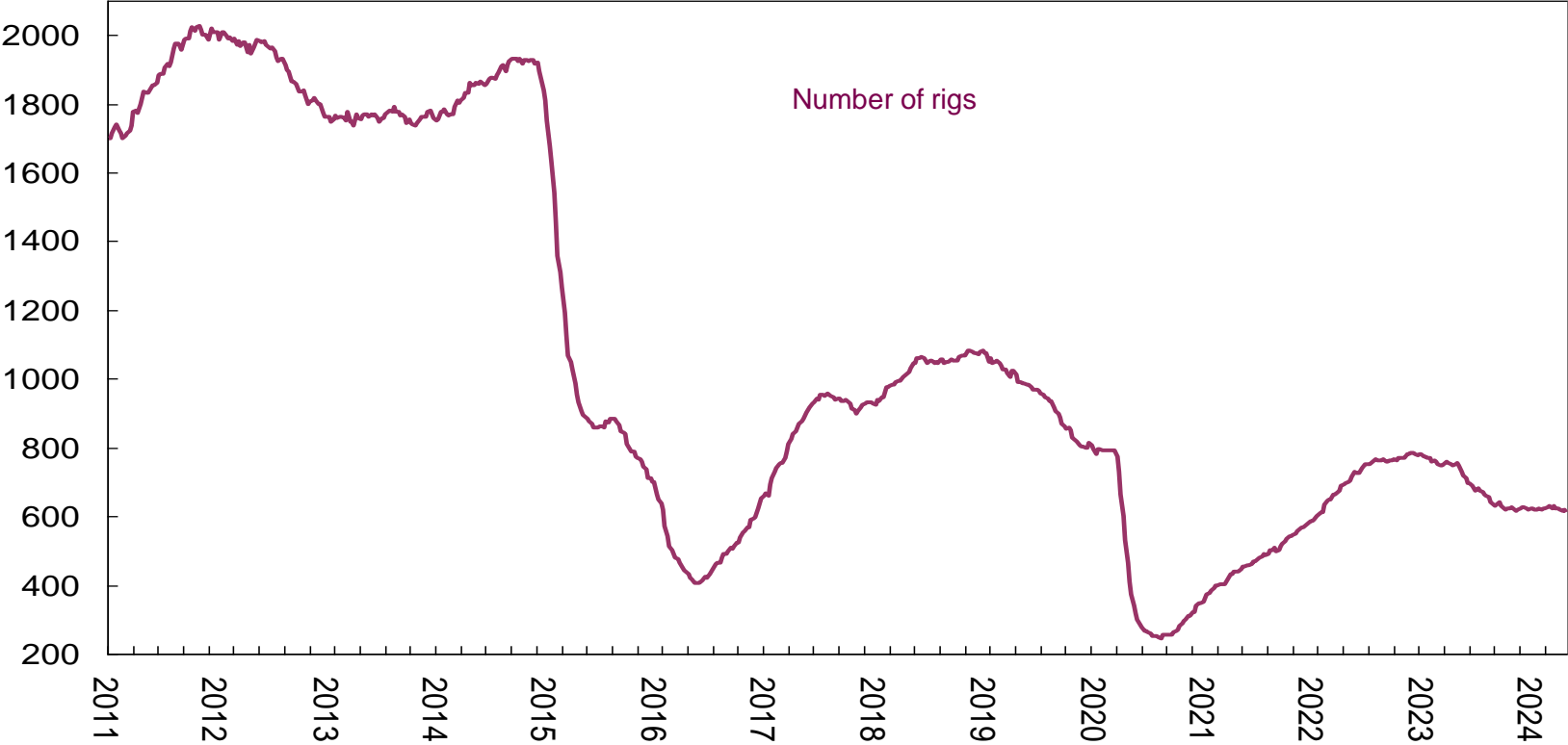
# US weekly motor gasoline supply

Million barrels per day



# US oil and gas rig count

Number of rigs





## SA energy crisis: 22 to 28 April 2024

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

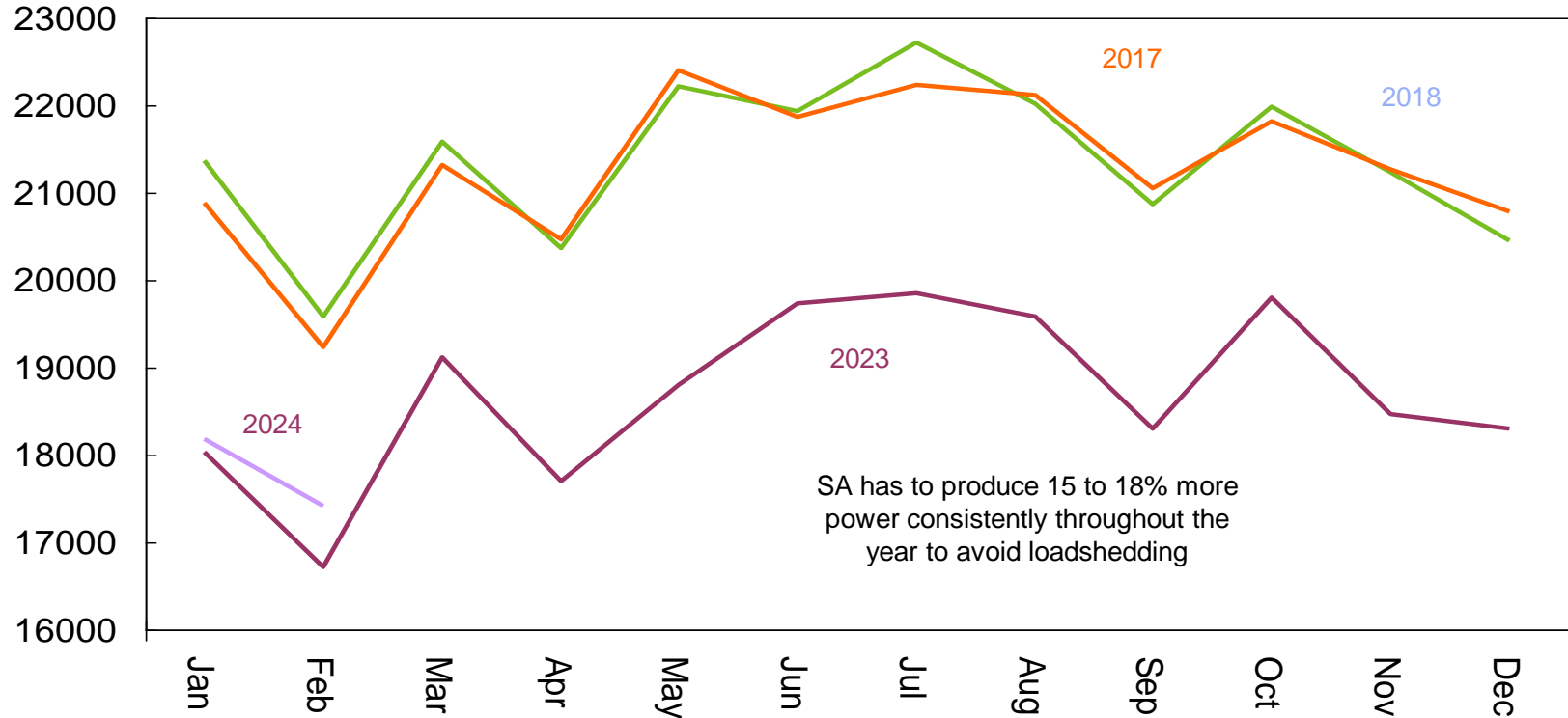


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# South Africa electricity production: 2017/2018 vs 2023

G W h

During 2017 there were zero days loadshedding, and 14 days in 2018





## Private sector power projects (NERSA)

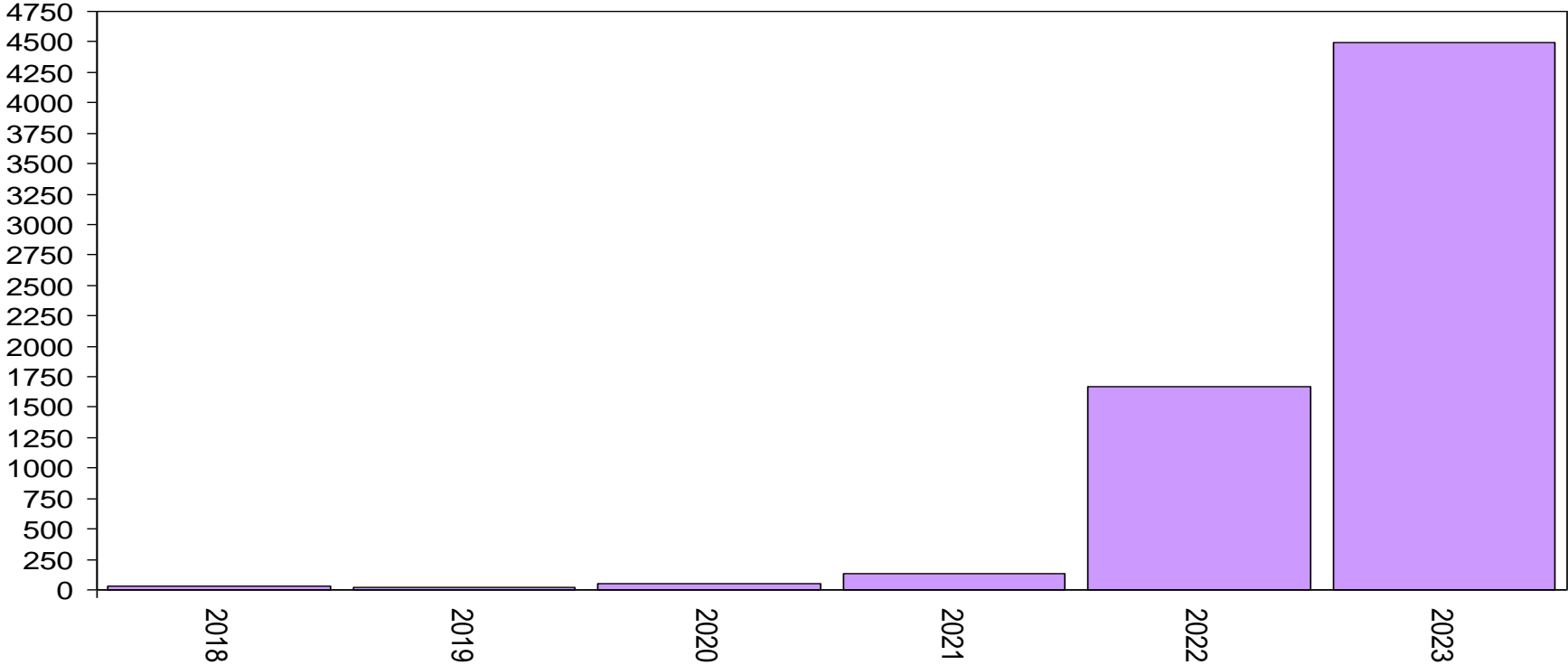
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Year	Number of projects	MW of all projects
2018	52	26
2019	41	23
2020	124	53
2021	282	134
2022	406	1664
2023	405	4489
2024*	7	2

\*Jan 2024

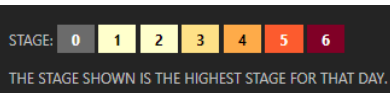
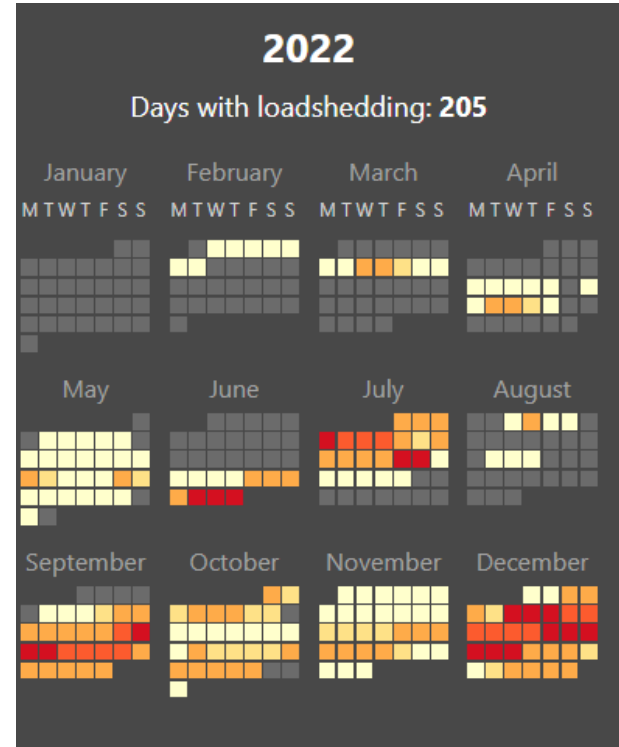
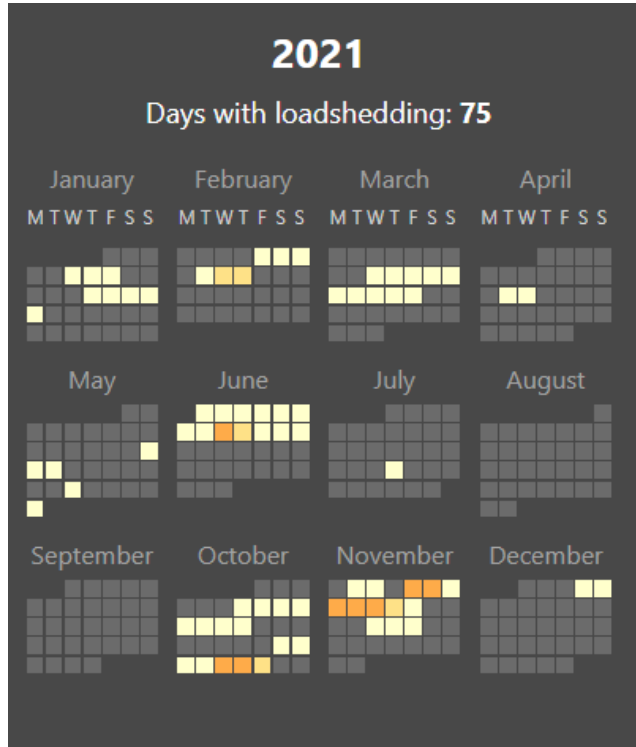
# SA private renewable energy projects (outside of REIPPP)

MW (January to December 2023)

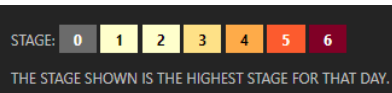
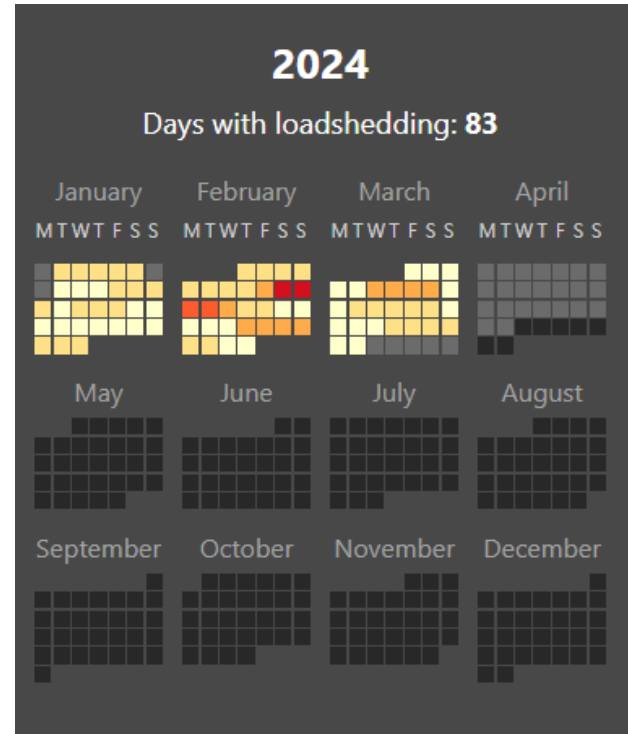
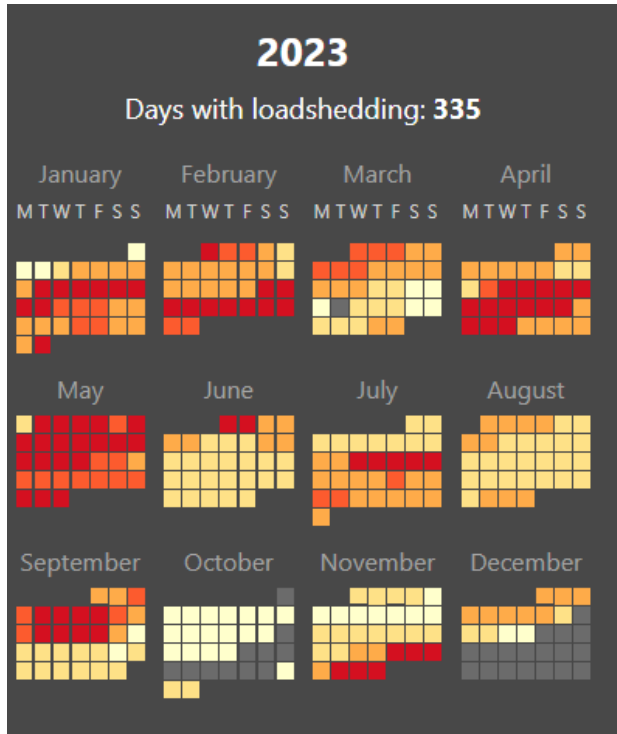


Source: NERSA

# South Africa number of days of loadshedding

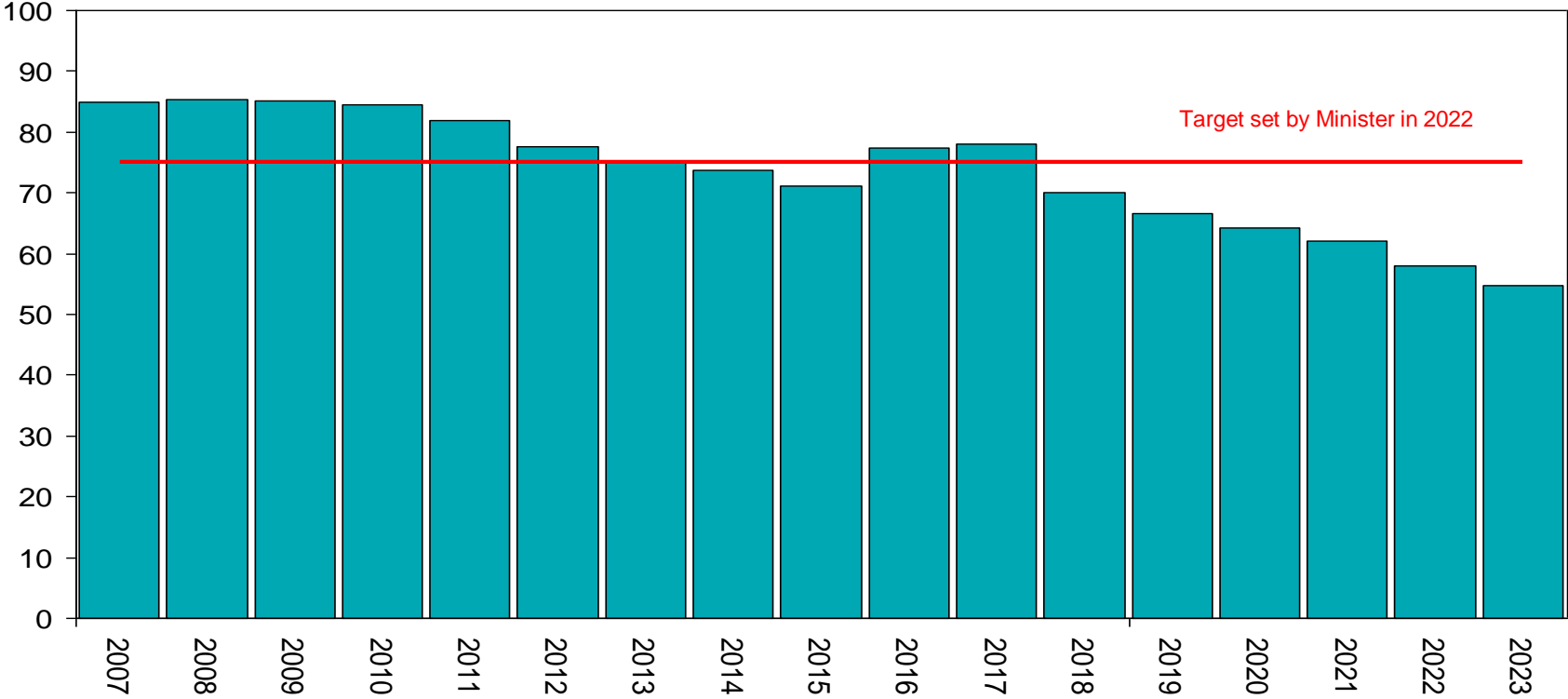


# South Africa number of days of loadshedding



# Eskom Energy Availability Factor (EAF)

Percent



Source: Eskom

# ESKOM Energy Availability Factor (EAF) - monthly

