

Weekly Review in Charts
13 to 19 May 2024

Kevin Lings

19 May 2024

STANLIB

Weekly economic review: 13 to 19 May 2024

17 May 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%	3.4%
Dow Jones Industrial Average	22.3%	7.2%	18.7%	-8.8%	13.7%	6.1%
S&P 500 equity index	28.9%	16.3%	26.9%	-19.4%	24.2%	11.2%
Nasdaq 100 index	38.0%	47.6%	26.6%	-33.0%	53.8%	10.2%
Stoxx Euro 600	23.2%	-4.0%	22.2%	-12.9%	12.7%	9.2%
FTSE 100 Index	12.1%	-14.3%	14.3%	0.9%	3.8%	8.9%
Shanghai Composite Index	22.3%	13.9%	4.8%	-15.1%	-3.0%	6.5%
NIKKEI 225 Index	18.2%	16.0%	4.9%	-9.4%	28.2%	15.9%
Gold	18.3%	25.0%	-3.6%	0.4%	14.6%	15.6%
Oil	21.9%	-21.7%	52.9%	8.7%	-10.4%	8.2%
Rand/Dollar	-2.7%	5.0%	8.6%	-6.2%	-7.0%	0.7%
Dollar/Euro	-1.8%	9.0%	-7.1%	6.6%	-3.4%	1.6%
Bitcoin	92.2%	303.2%	59.7%	-64.3%	155.4%	58.6%
<i>US 10-year bond yield</i>	1.92%	0.93%	1.52%	3.88%	3.88%	4.42%
<i>US 2-year bond yield</i>	1.58%	0.13%	0.73%	4.41%	4.23%	4.83%
<i>SA long bond yield</i>	8.48%	7.70%	8.60%	9.88%	10.27%	10.99%

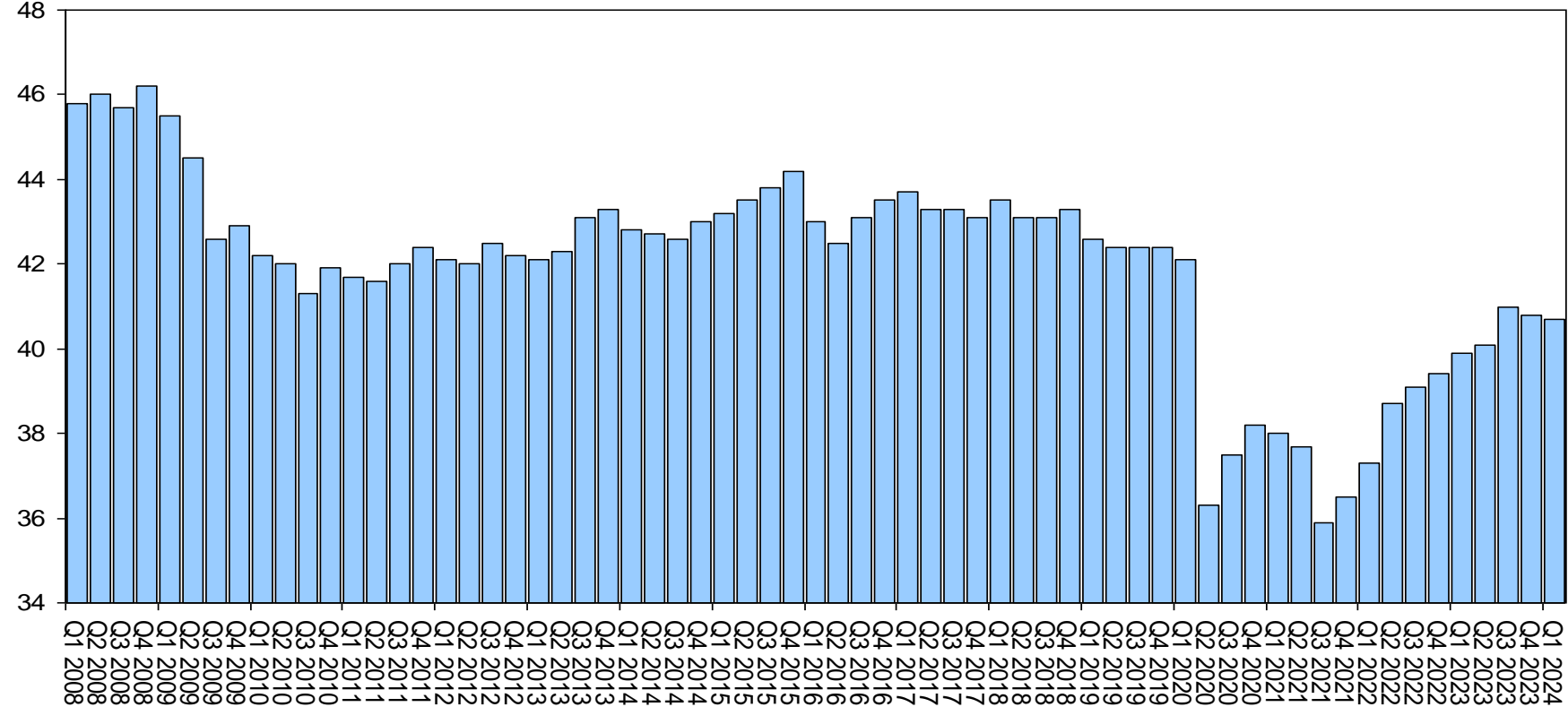
Weekly economic review: 13 to 19 May 2024

Chart of the week

- South Africa's unemployment rate remained dismal at 32.9% in Q1 2024, although over the past year the level of employment has recovered from the impact of COVID.
- The unemployment rate ranges from a low of 21.4% in the Western Cape to a high of 42.4% in the Eastern Cape. The expanded level of unemployment (including discourages workers) increased to 41.9% in Q1 2024.
- SA's labour market absorption rate (employment as a ratio of the population aged 15 to 64, which is sometimes referred to as the employment rate) was measured at a mere 40.7% in Q1 2024. This is well below the level prior to COVID – which was already very disappointing.
- SA's low absorption rate, which ranges from a high of 54.4% in the Western Cape and a low of 29.6% in the Eastern Cape, indicates an extremely high dependency ratio – including the ongoing need for a large number of social grant payments by the government.
- The 29.6% absorption rate in the Eastern Cape means that only 29.6% of people aged 15 to 64 are employed (as a reference point the absorption rate in the US is currently just over 70%).
- In SA the situation is aggravated by a large level of underemployment and the fact that 75.2% of unemployed people have been unemployed for more than a year.

South Africa labour absorption rate

Percent



Weekly economic review: 13 to 19 May 2024

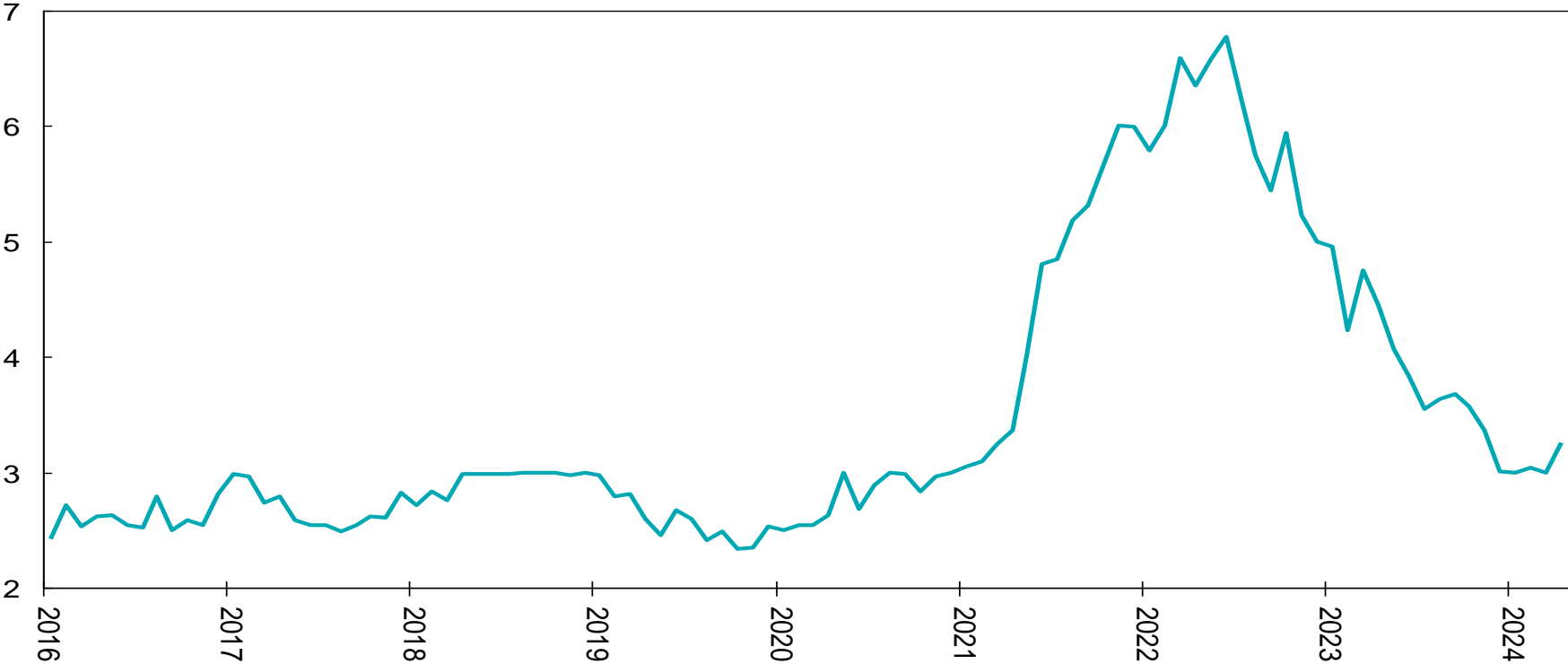
Monday, 13 May 2024

- US New York Fed 1-year inflation expectations for April 2024
- Euro-area consensus economic forecast for May 2024
- China consumer and producer inflation for April 2024

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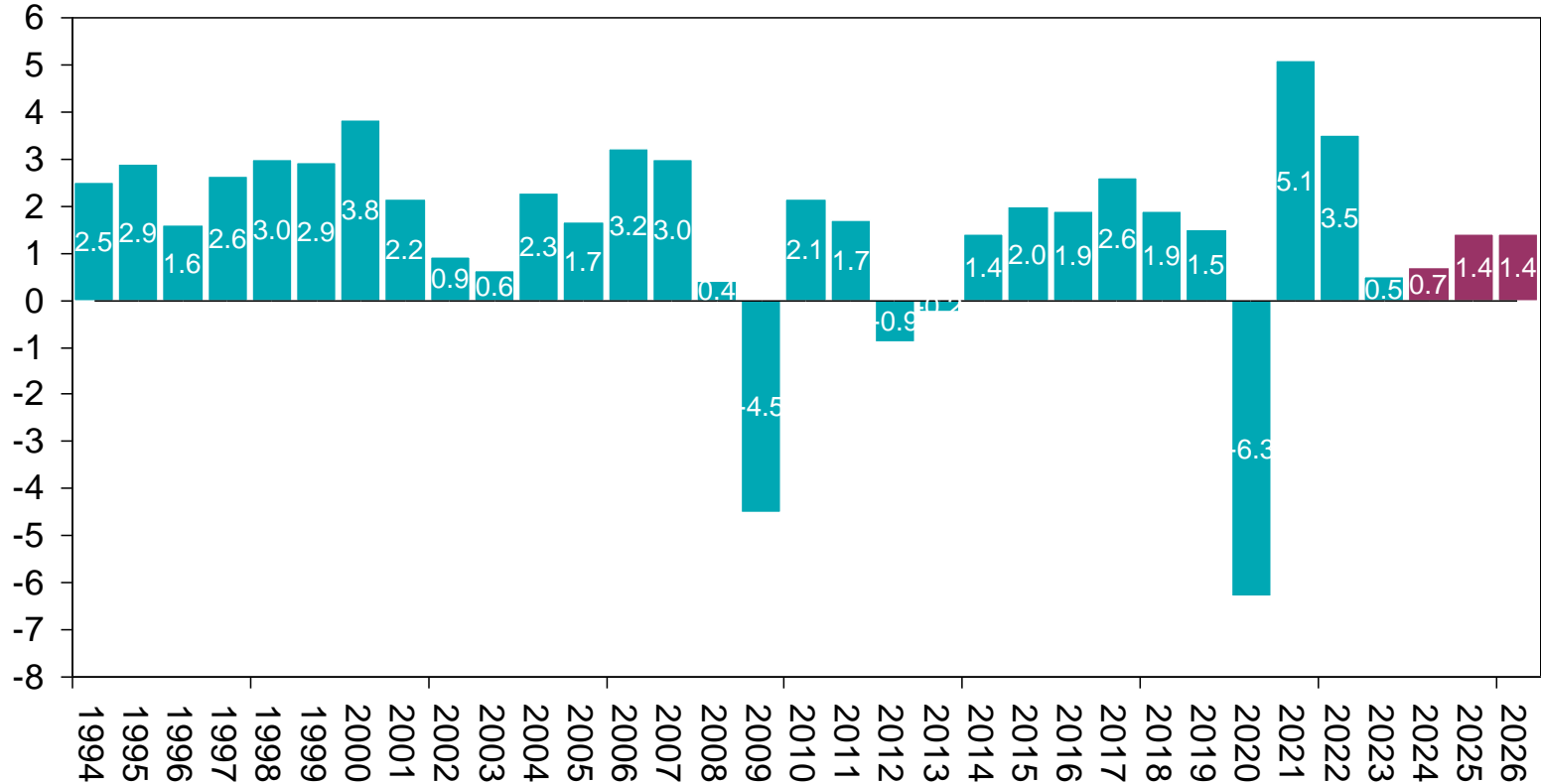
US New York Fed 1-year inflation expectations

Index



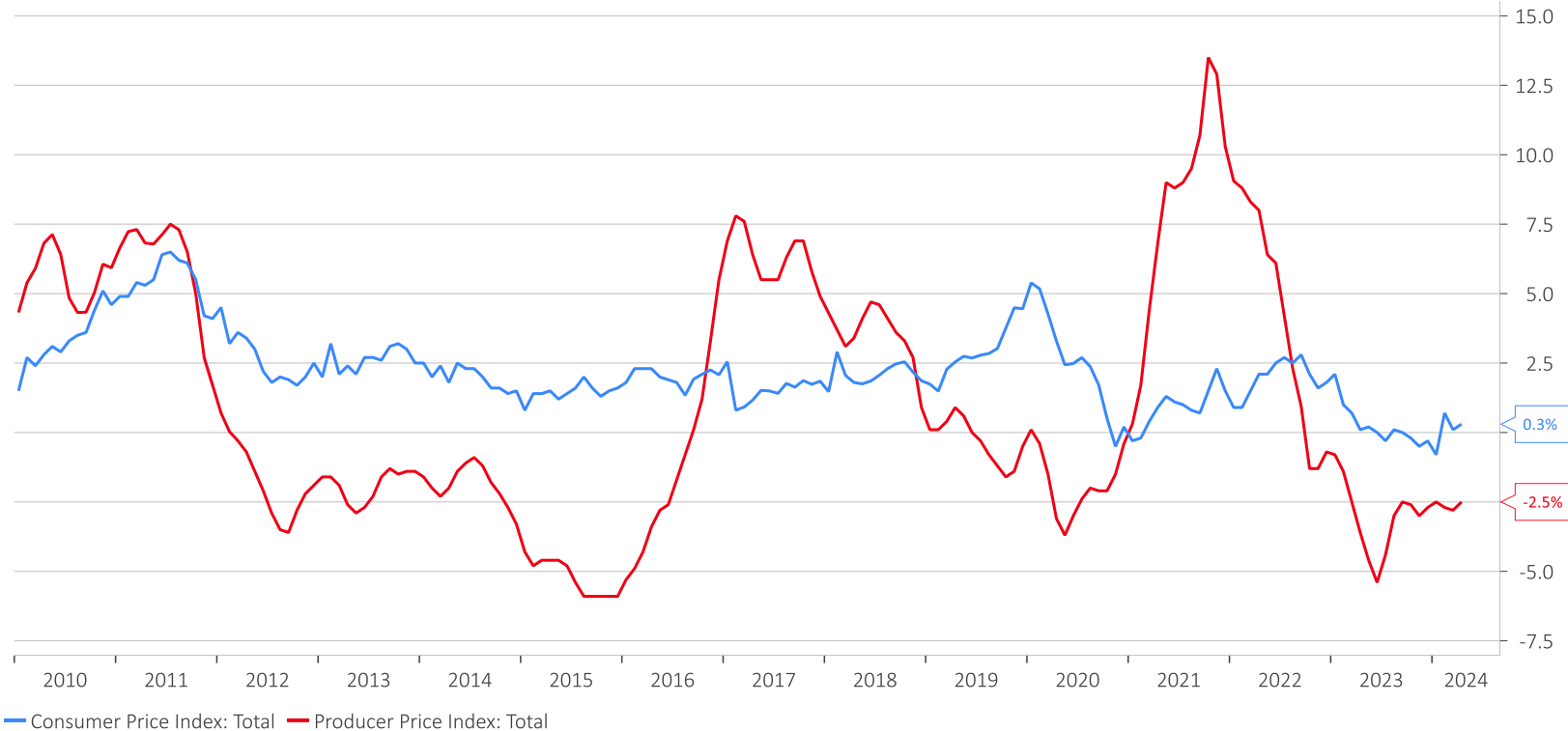
Euro-area GDP annual growth rate: consensus growth estimate

% y/y



China consumer and producer inflation

% y/y



Weekly economic review: 13 to 19 May 2024

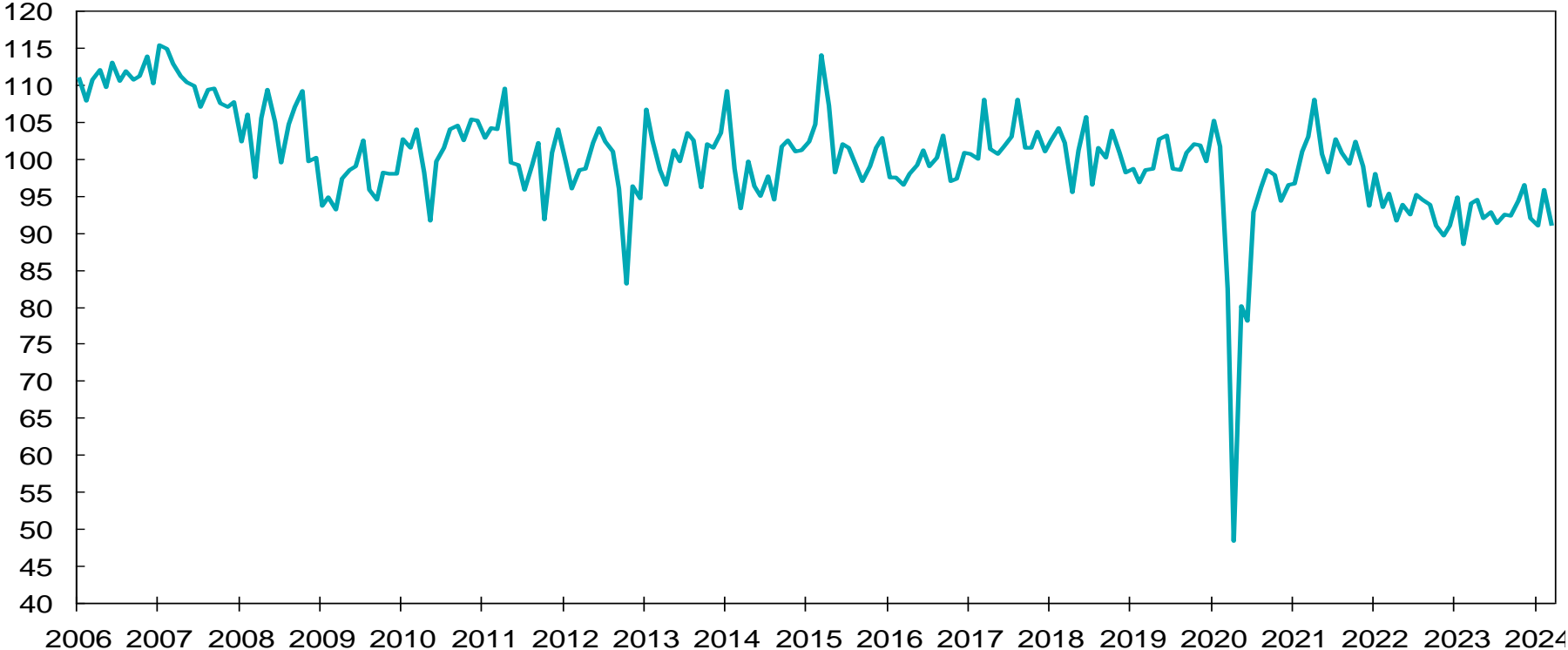
Tuesday, 14 May 2024

- SA mining production for March 2024
- SA unemployment rate for Q1 2024
- US NFIB small business confidence index for April 2024
- US PPI inflation for April 2024

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SA mining production

Index



Source: Statistics South Africa

SA mining production (shorter time period)

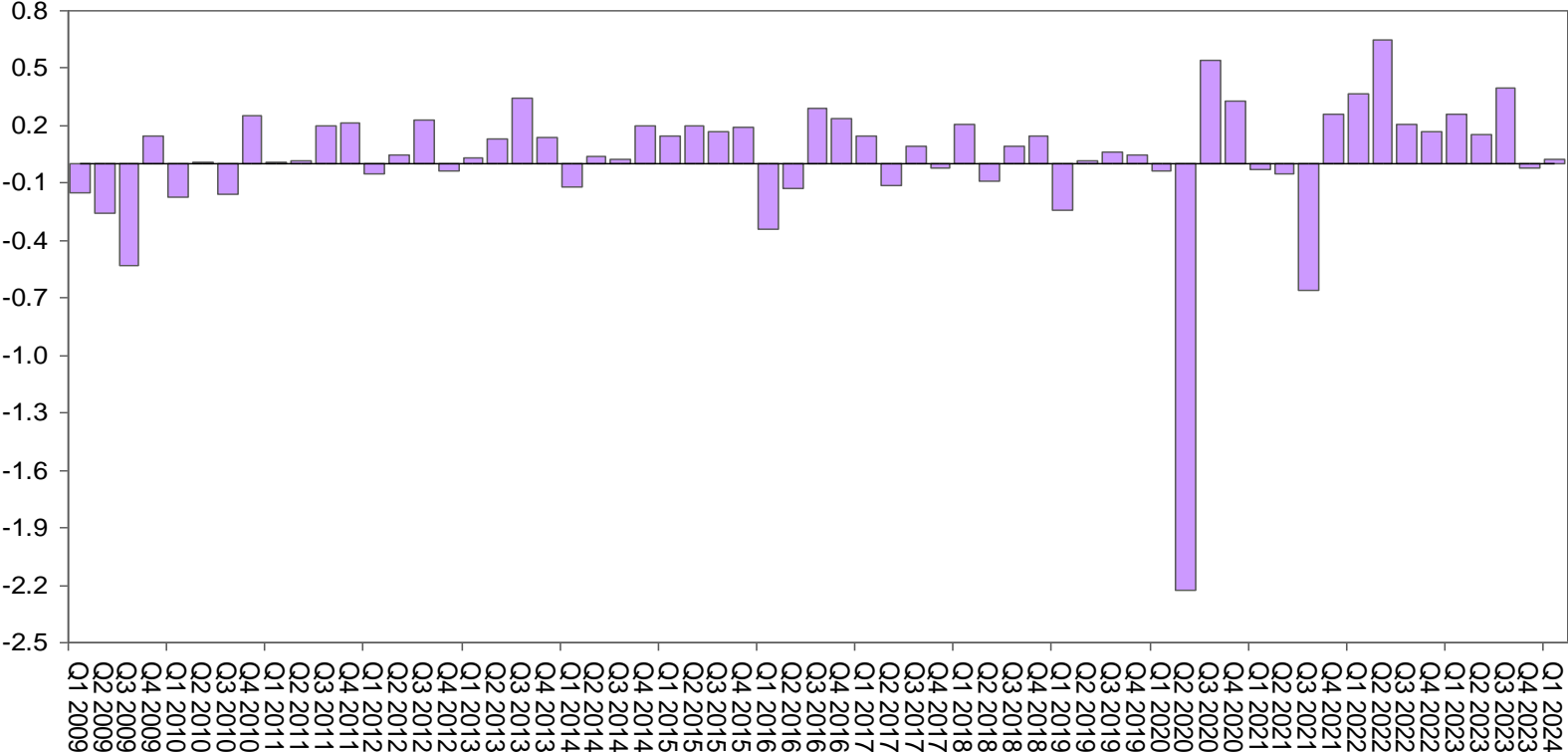
Index



Source: Statistics South Africa

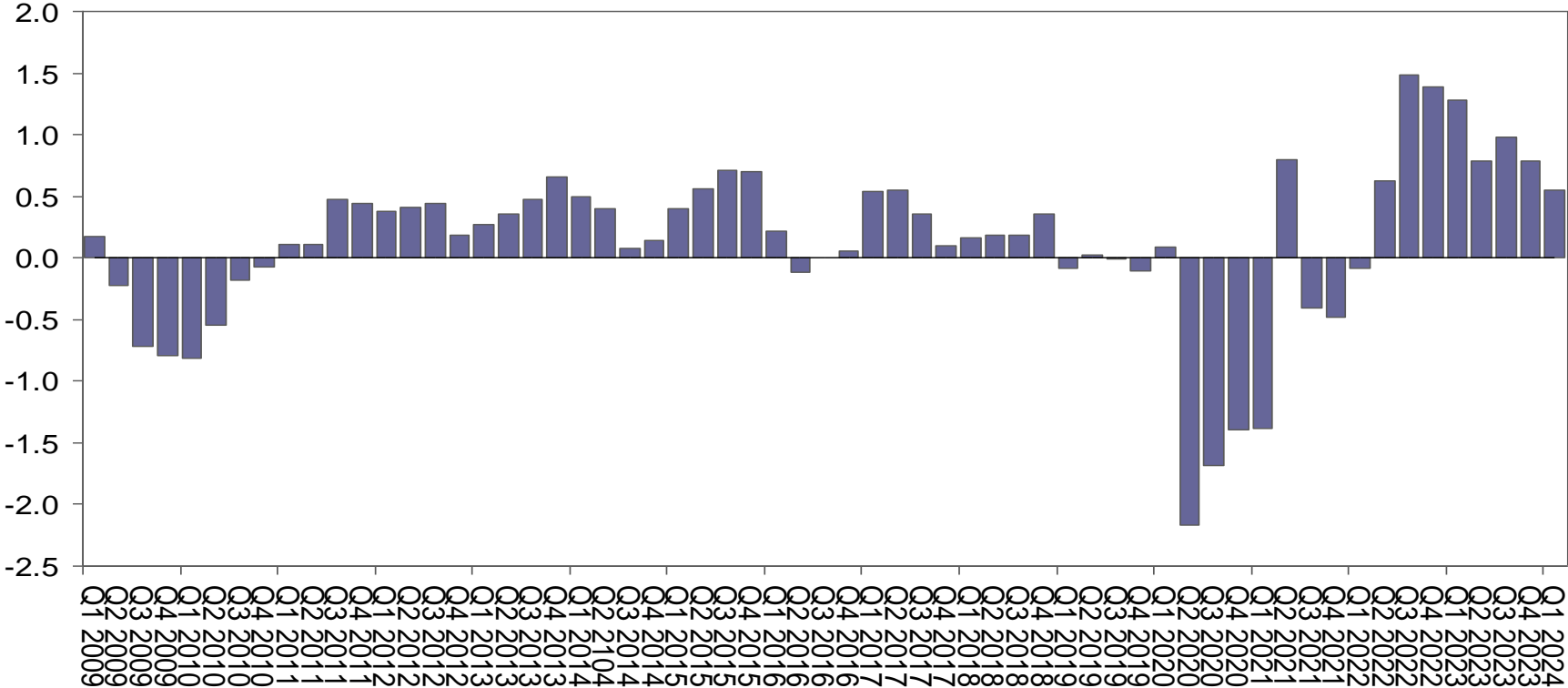
South Africa quarterly change in employment

Million



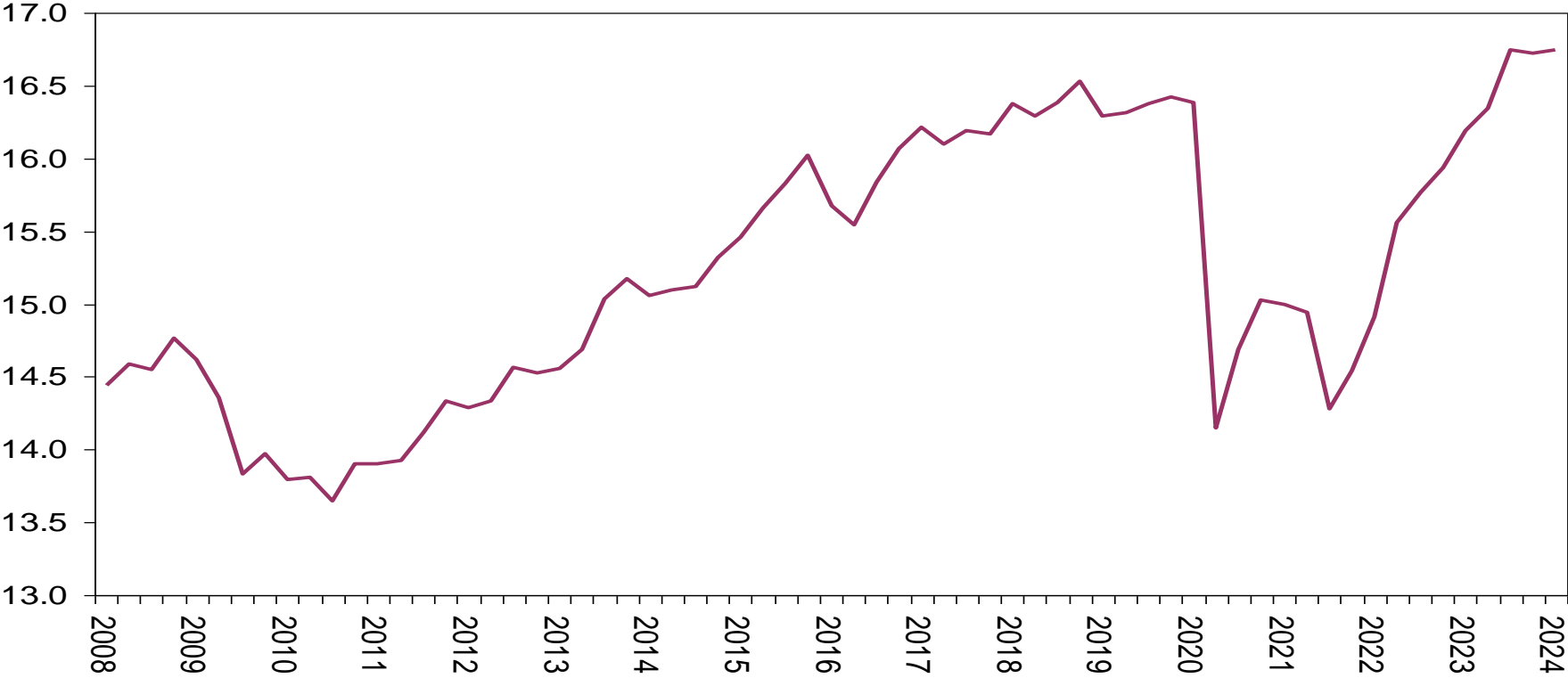
South Africa annual change in employment

Million



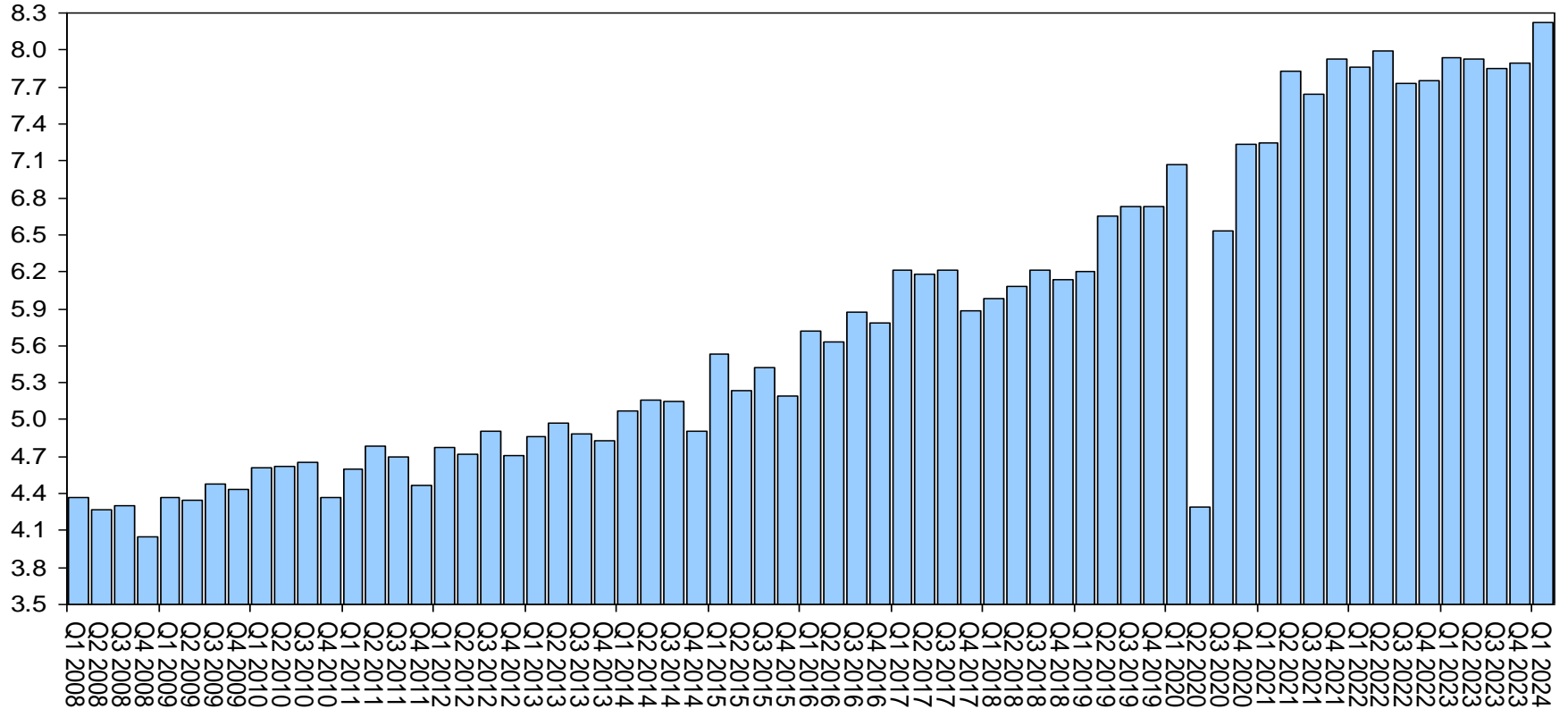
South Africa employment (total)

Million



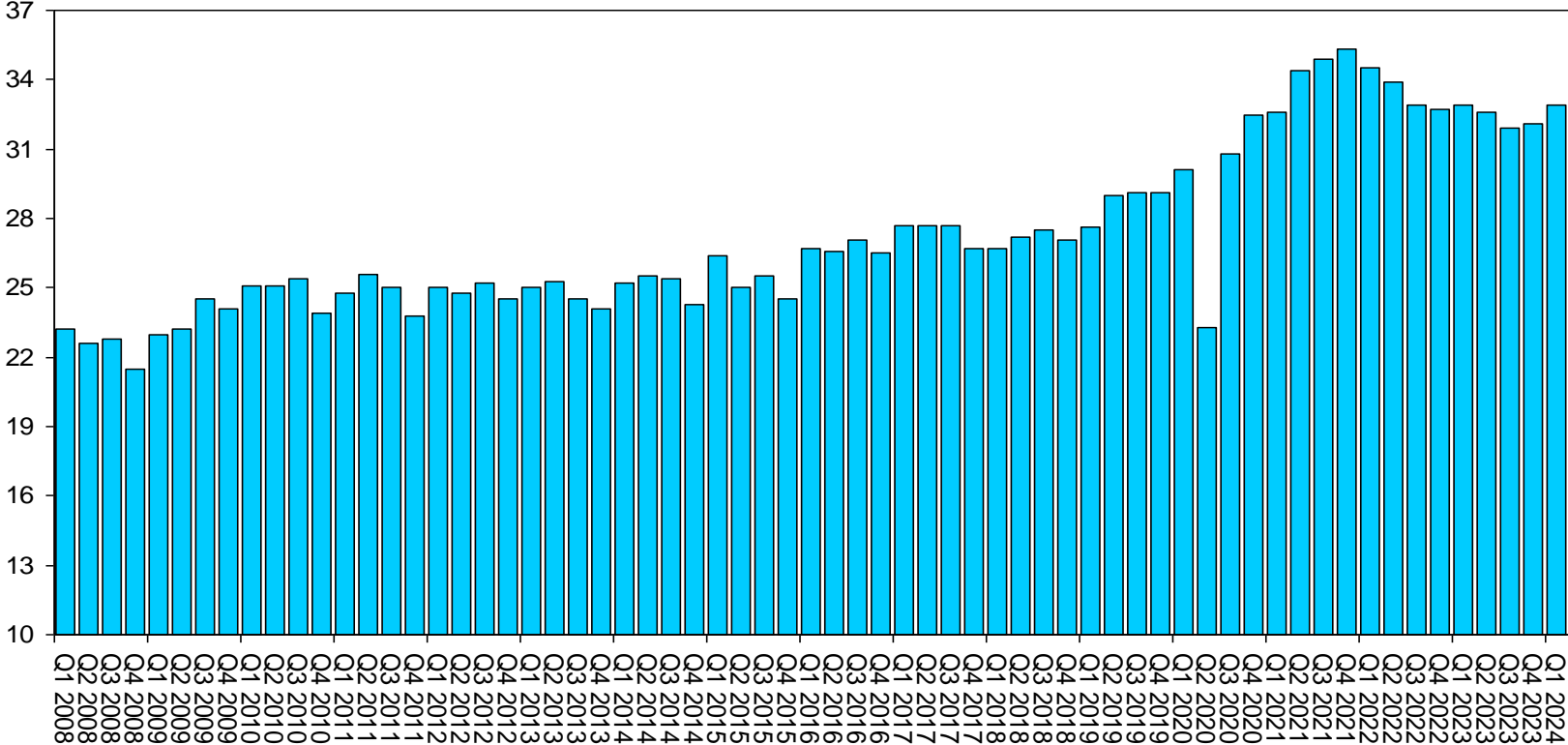
South Africa number of people unemployed (Std definition)

Million



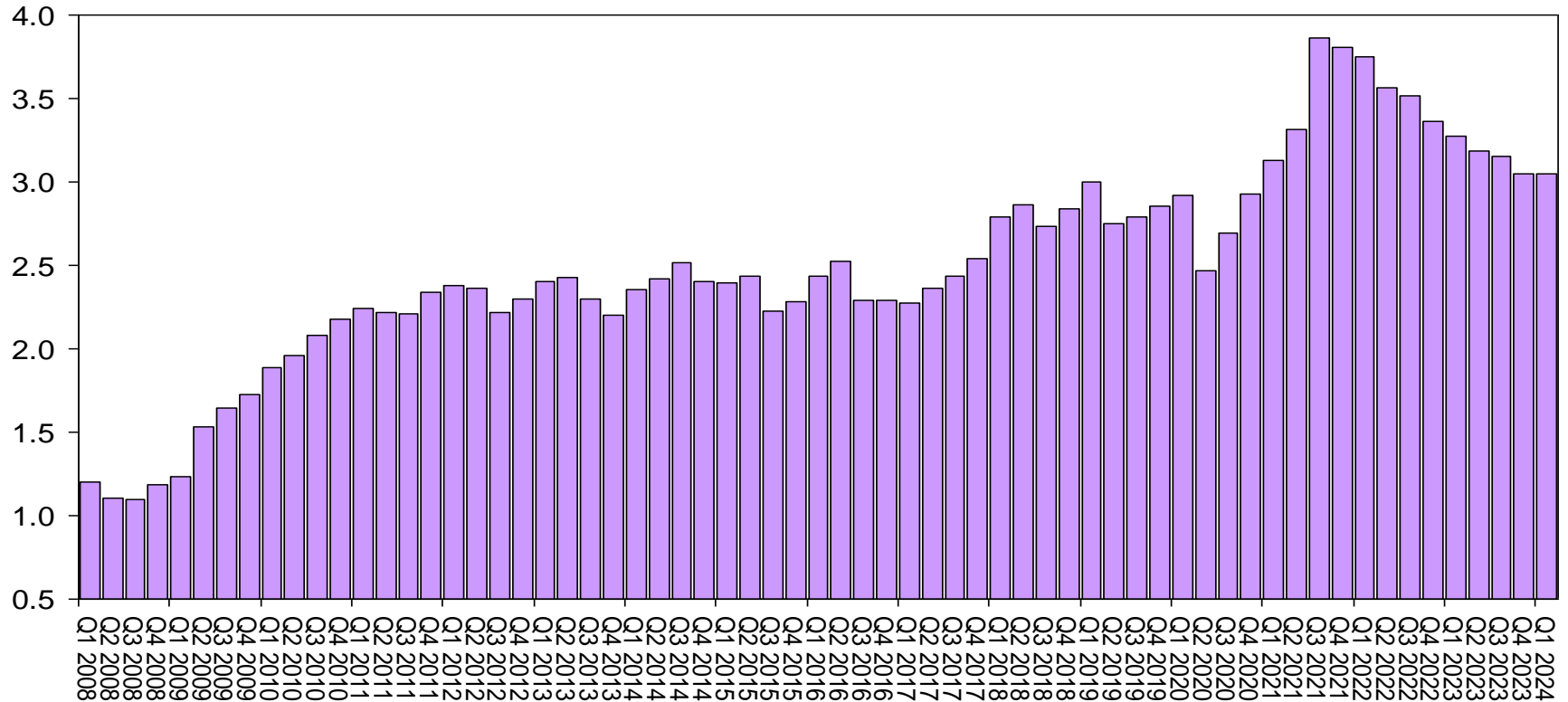
South Africa official unemployment rate

Percentage, %



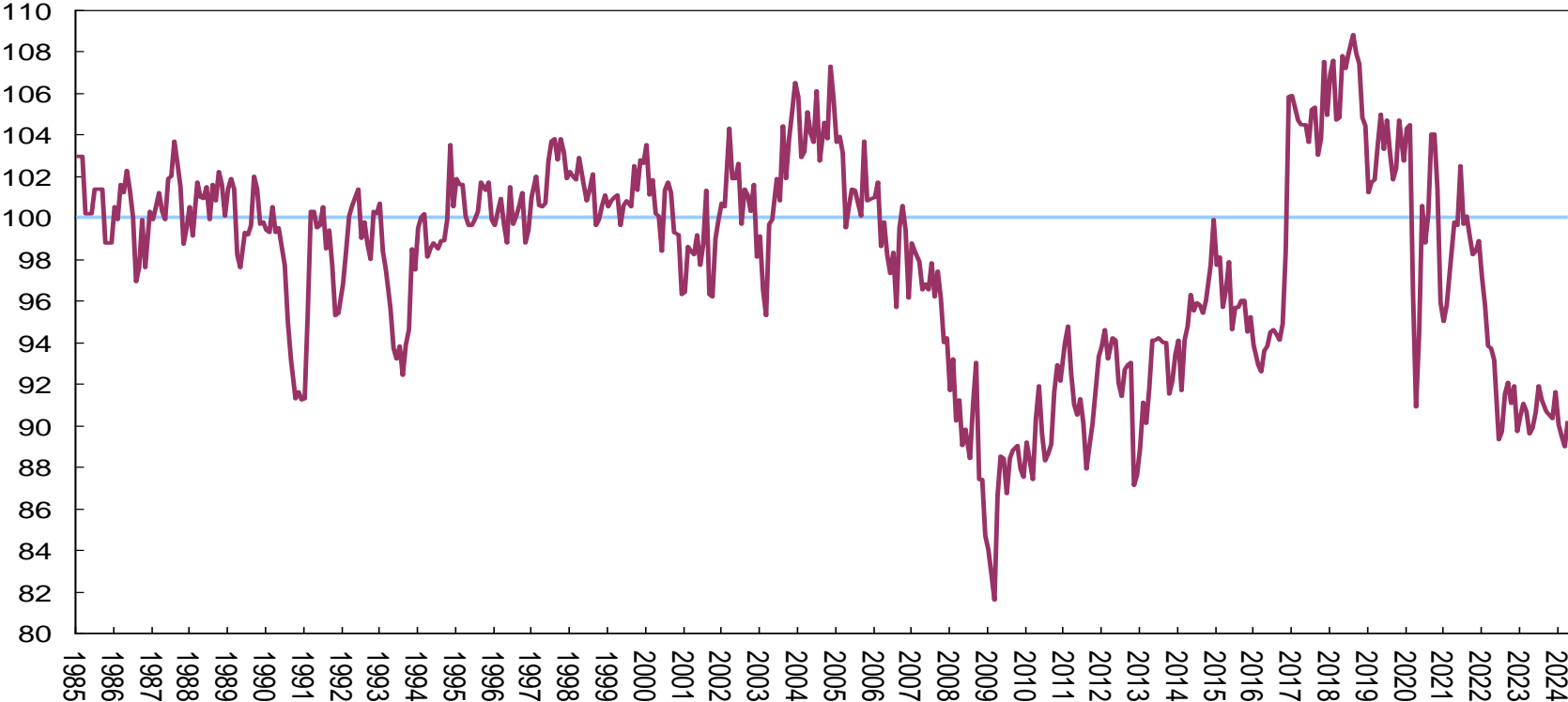
South Africa discouraged workers

Million



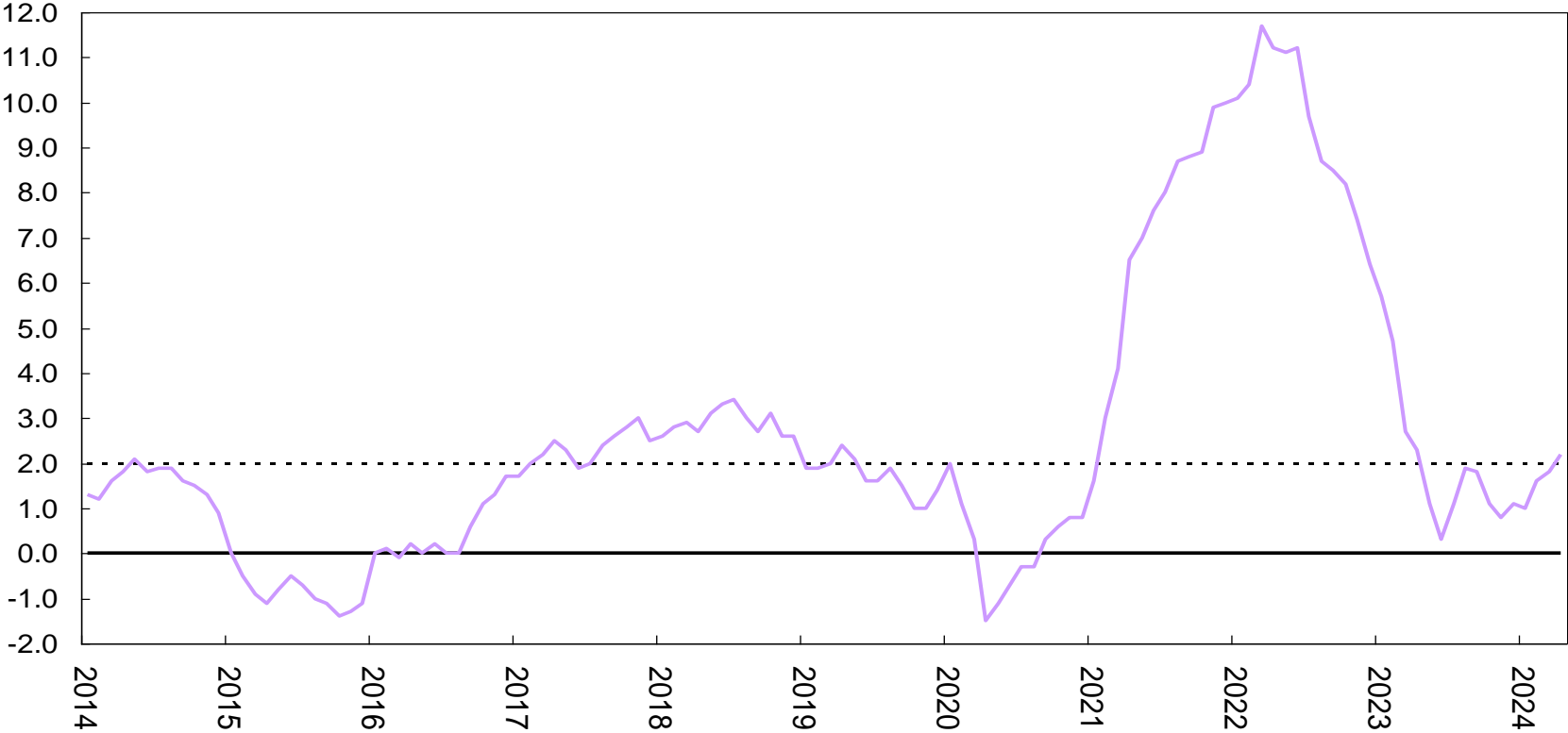
US small business confidence index (NFIB)

Index



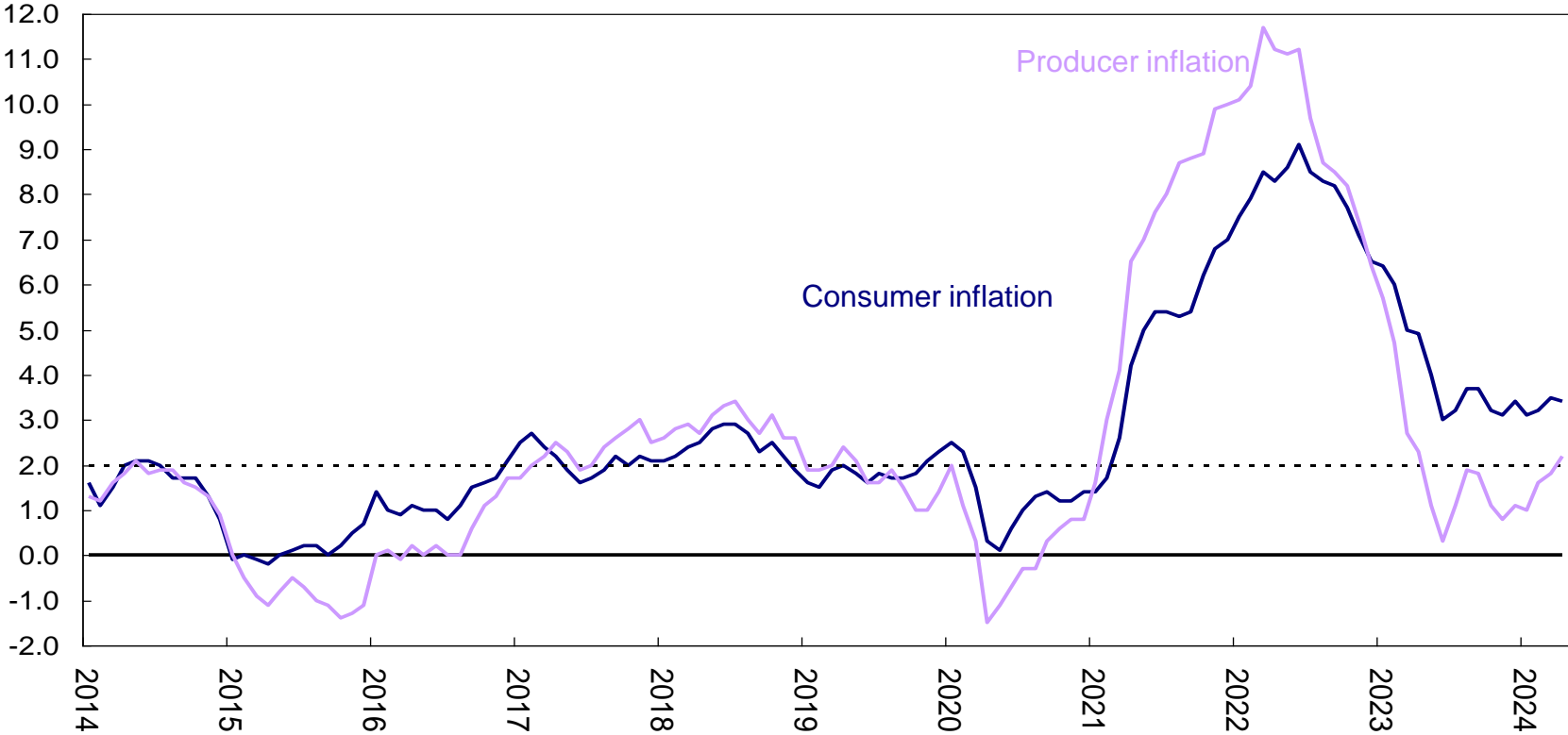
US producer inflation

% y/y



US consumer vs producer inflation

% y/y



Weekly economic review: 13 to 19 May 2024

Wednesday, 15 May 2024

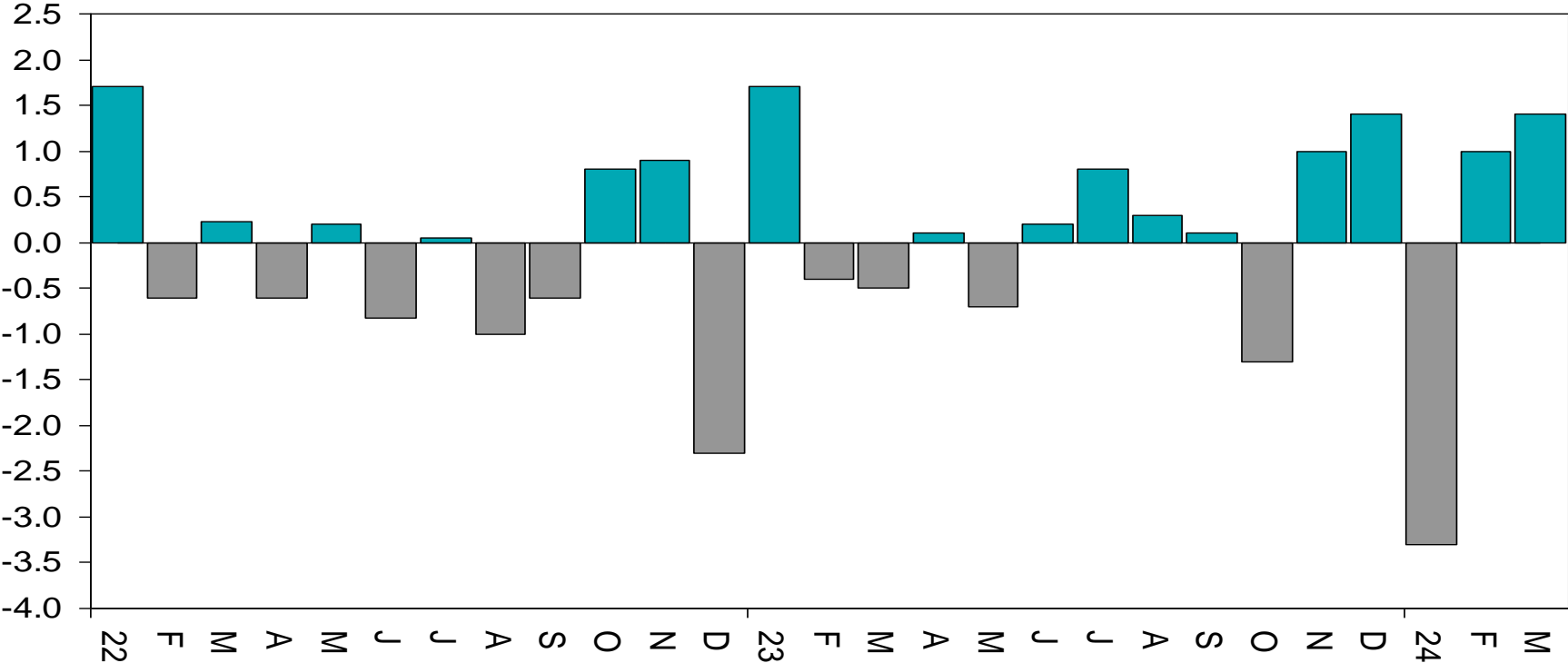
- SA retail sales for March 2024
- US consumer inflation for April 2024
- US retail sales for April 2024
- US business inventories for March 2024
- US NAHB housing market index for May 2024
- US weekly mortgage application



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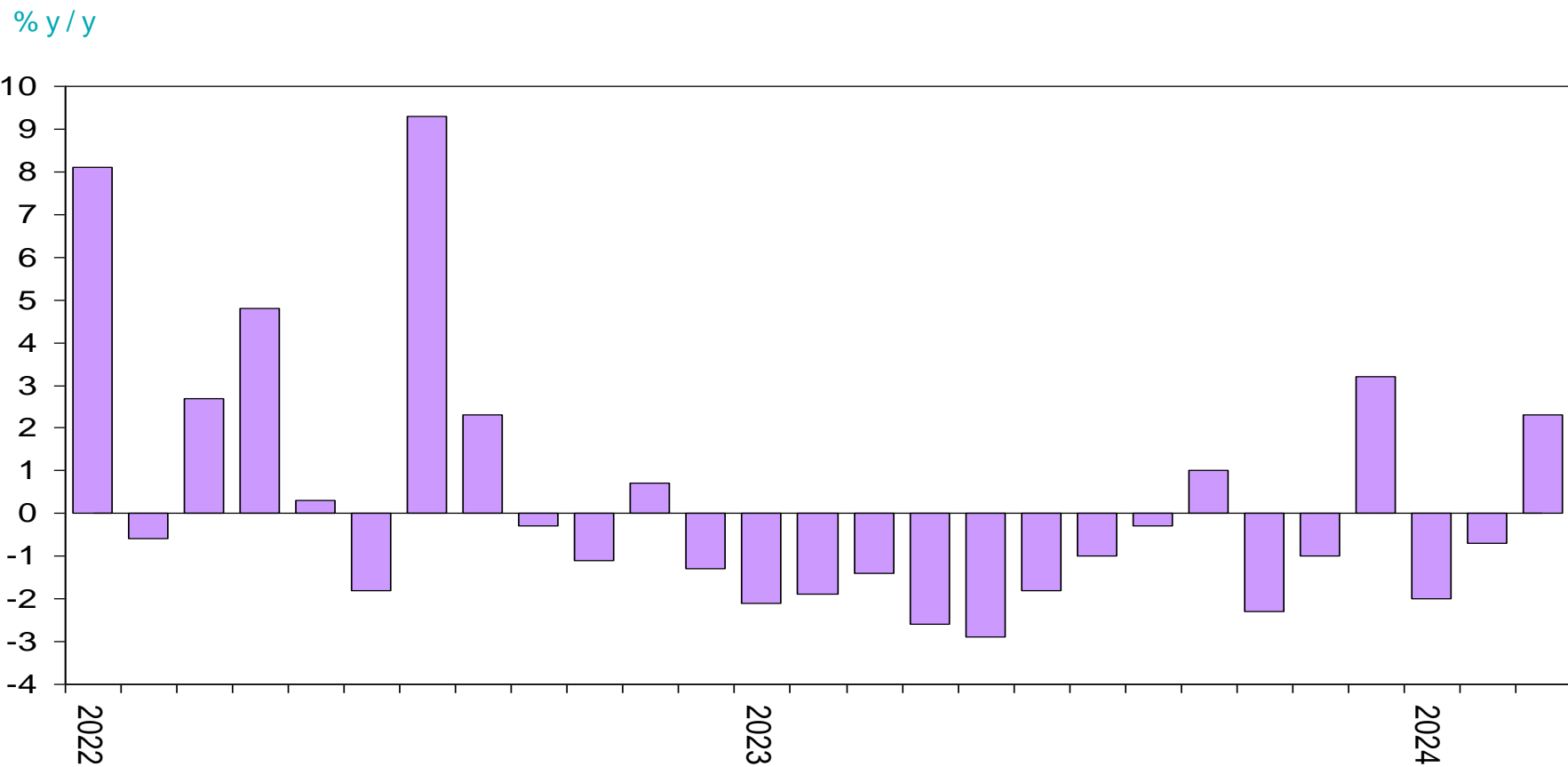
SA retail spending (monthly)

% m / m



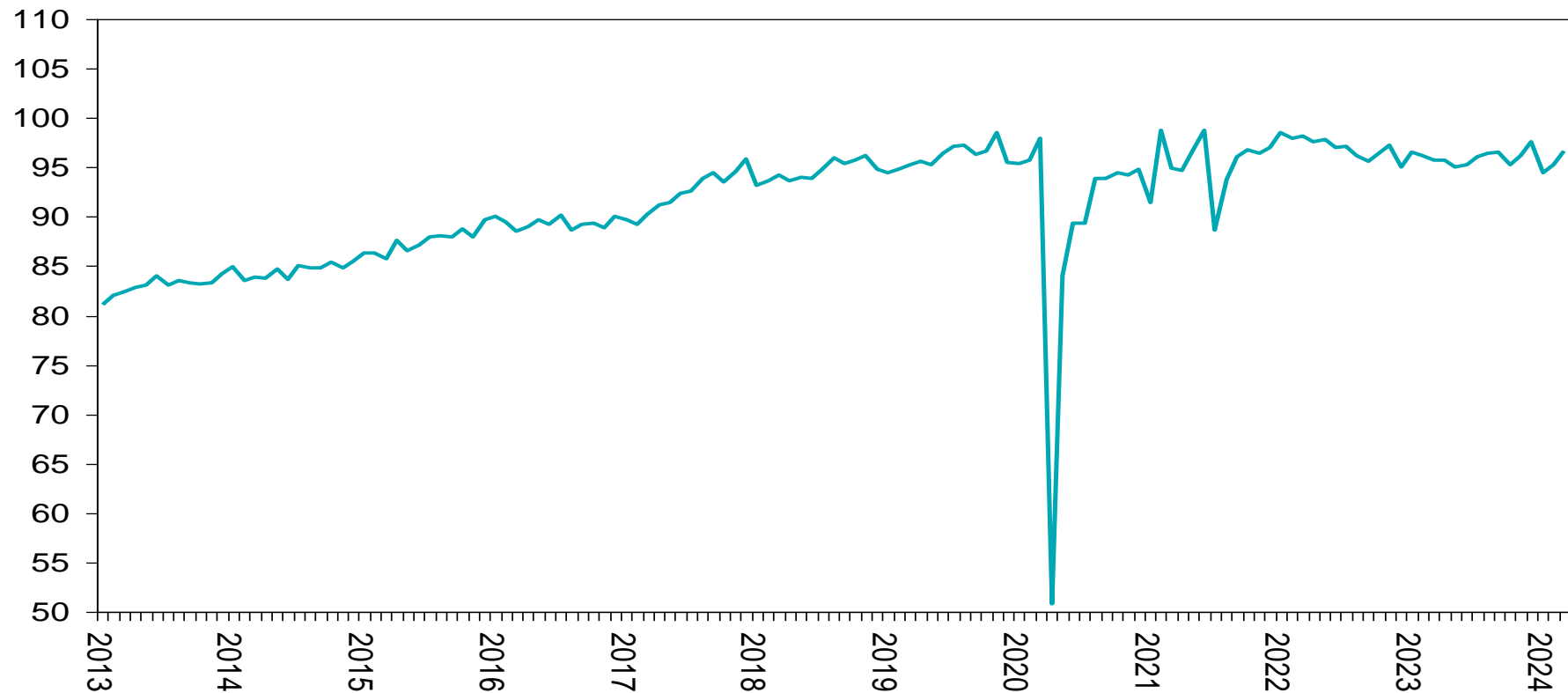
Source: Statistics South Africa and STANLIB

SA retail sales (year-on-year growth)



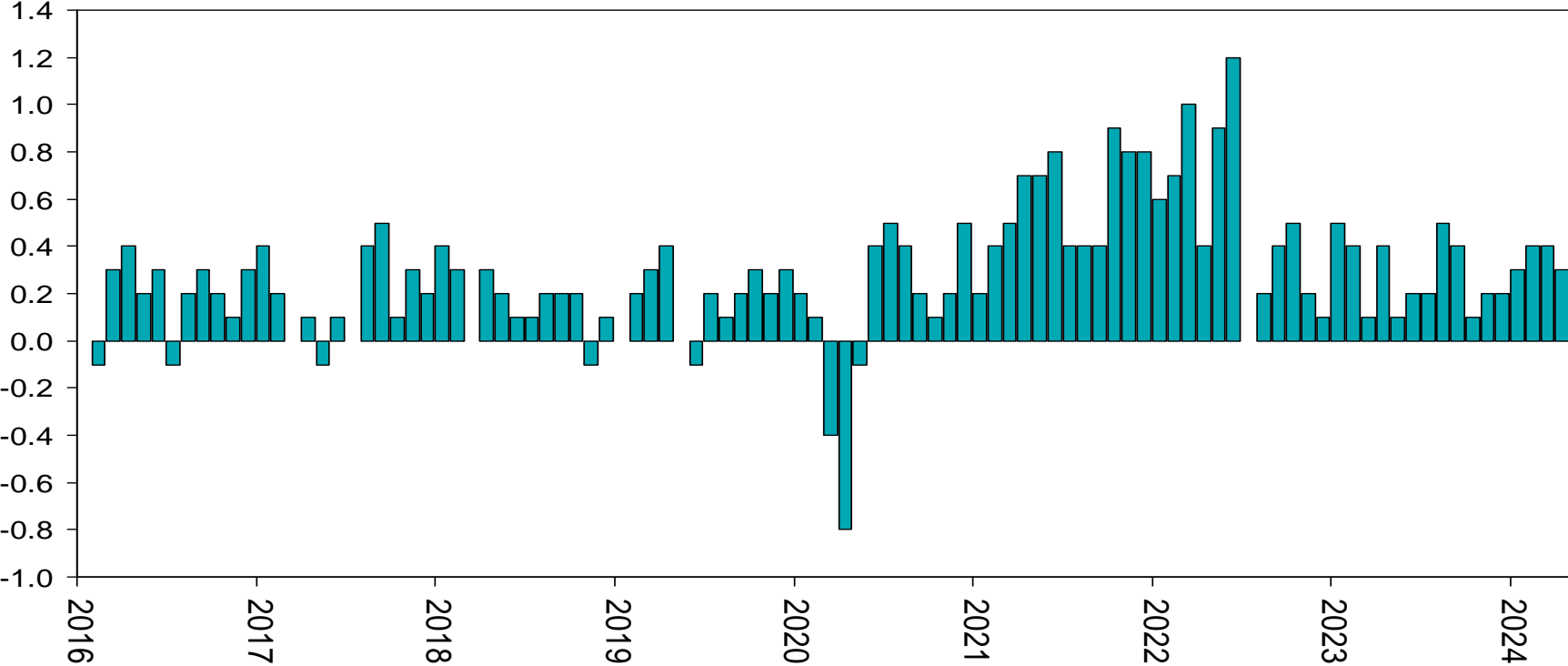
SA retail sales (constant prices)

R billion



US headline inflation (month-on-month)

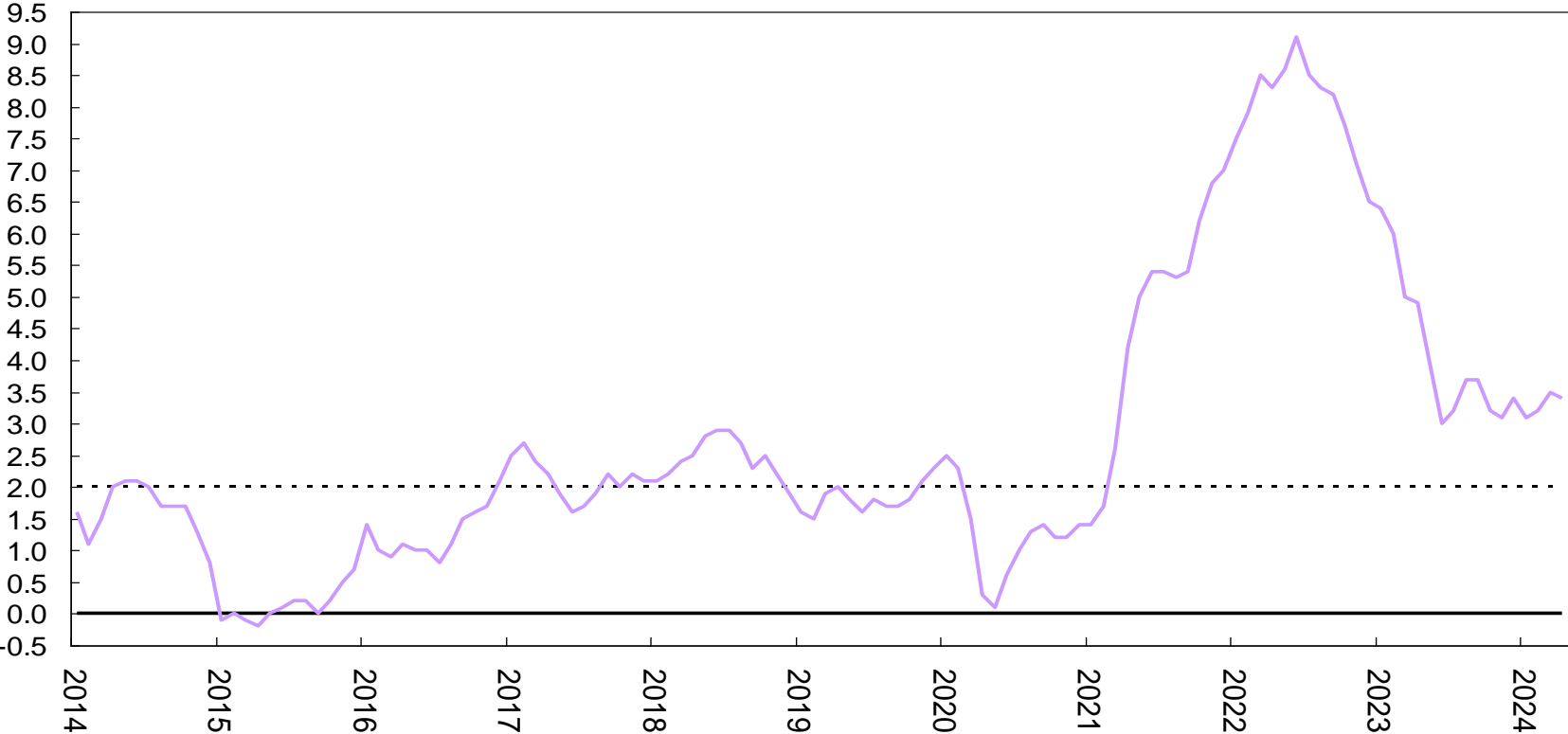
%m/m (seasonally adjusted)



• Source: US Bureau of Labour Statistics

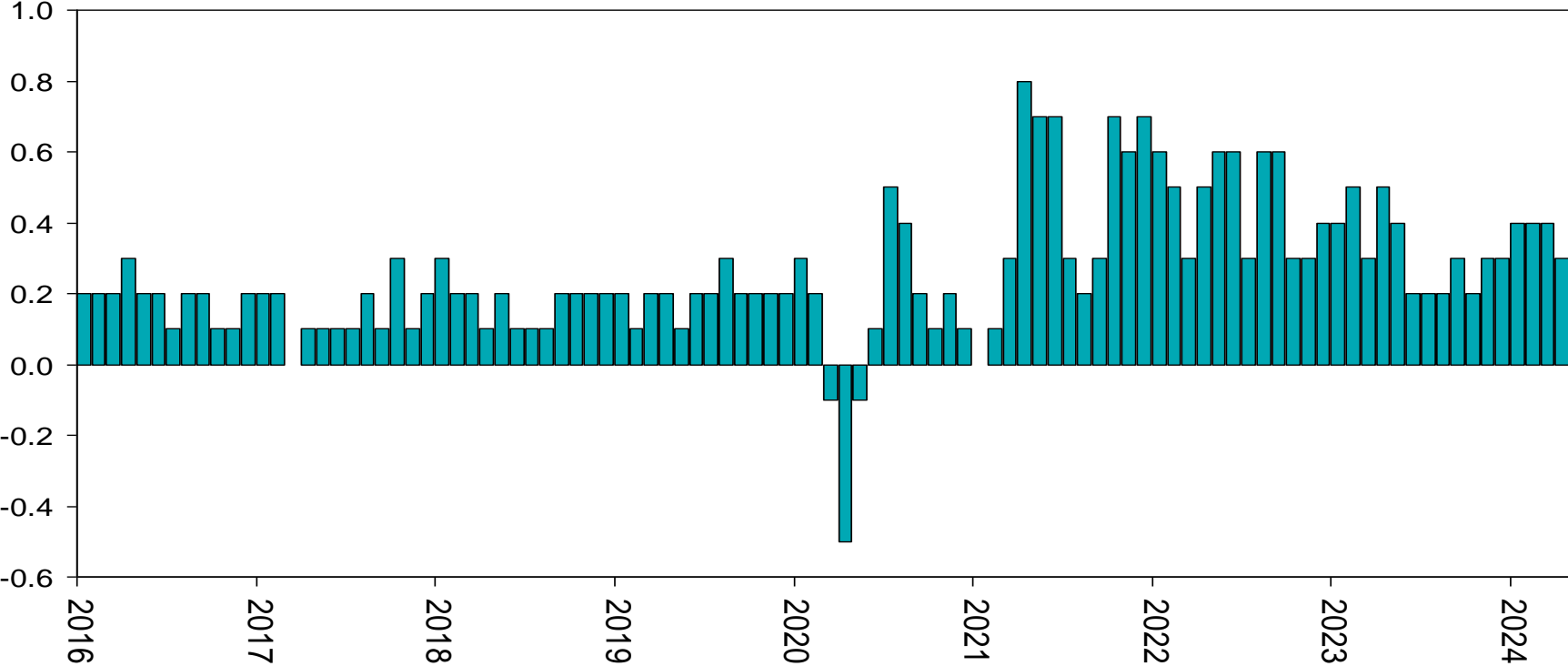
US consumer inflation

% y/y



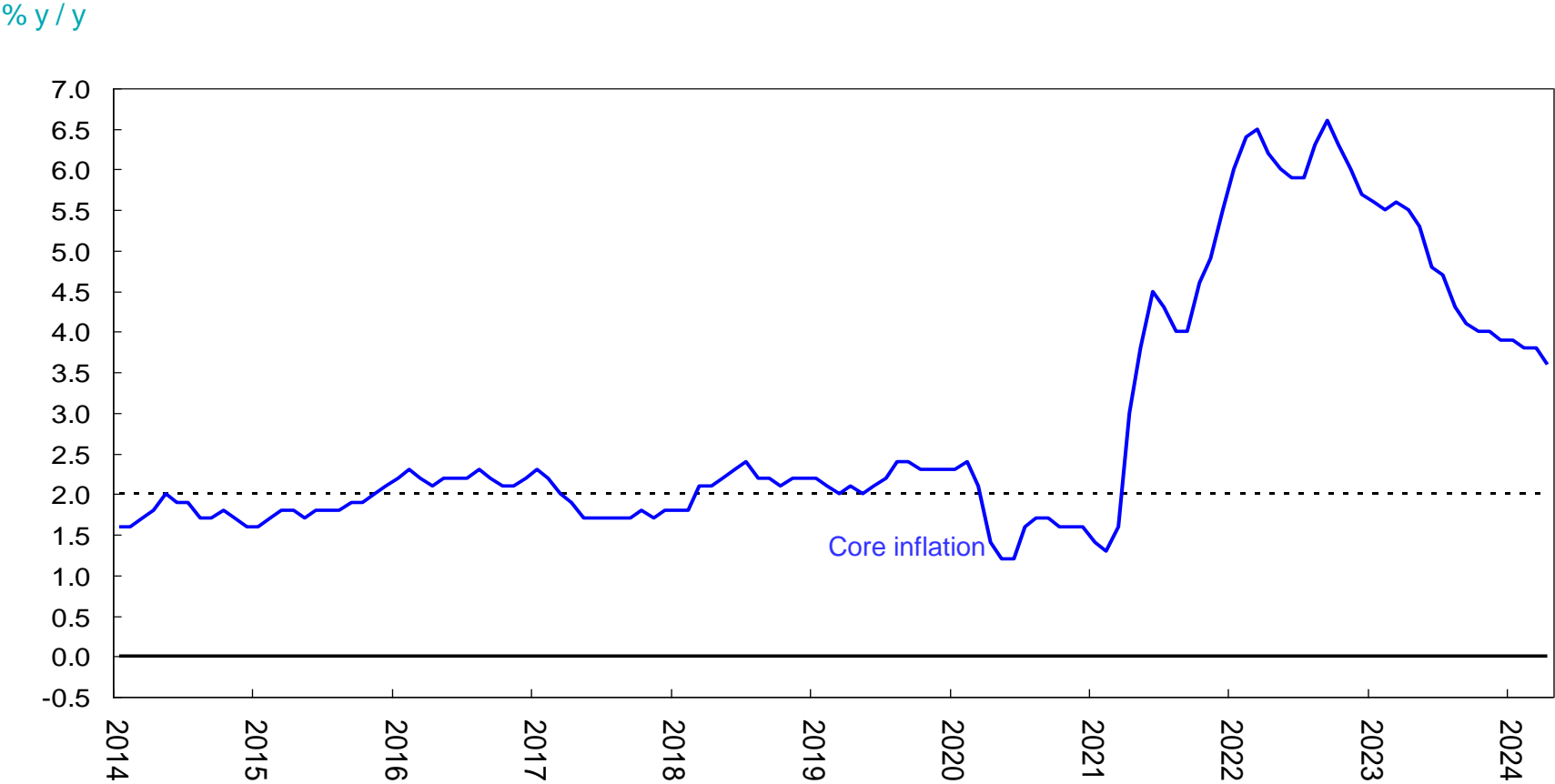
US core inflation (month-on-month)

%m/m (seasonally adjusted)



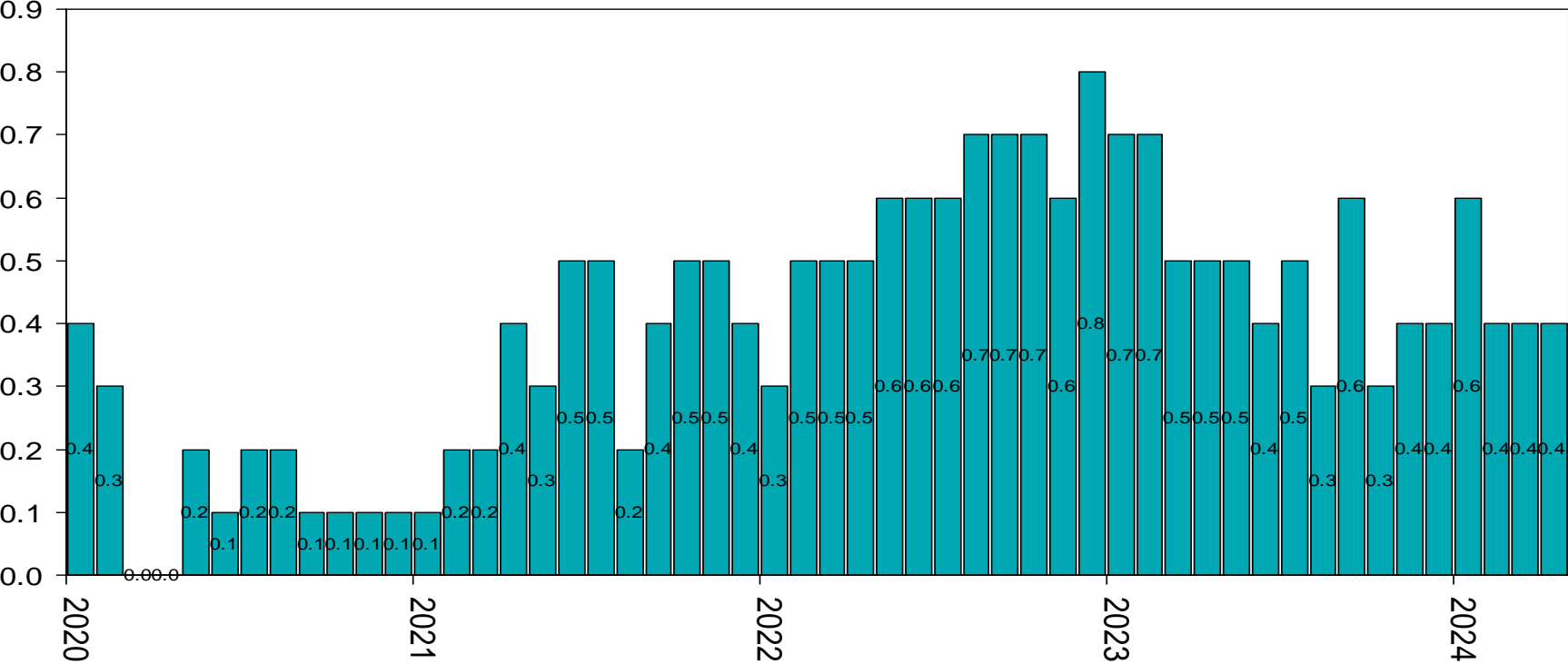
• Source: US Bureau of Labour Statistics

US core consumer inflation



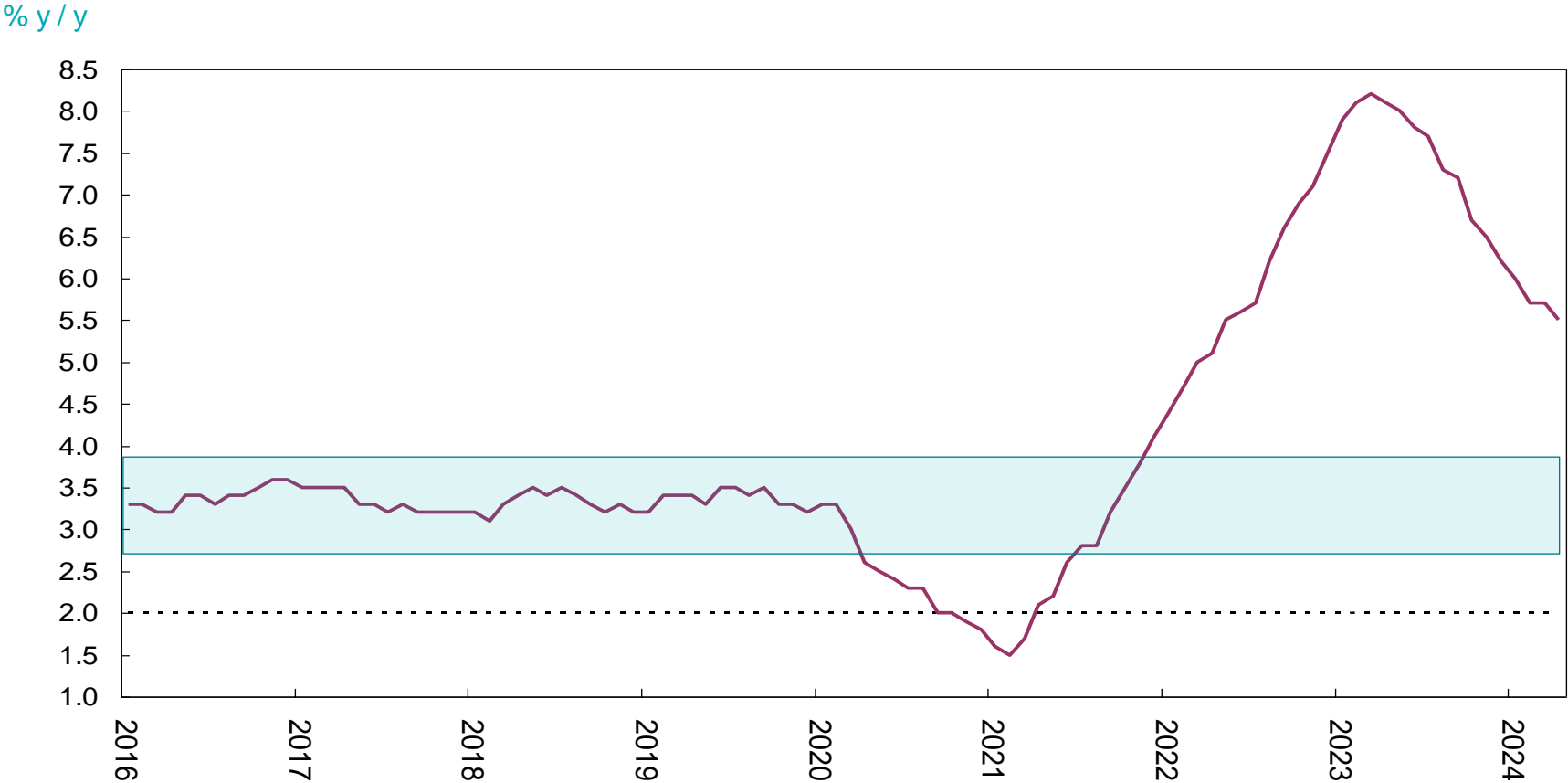
US shelter inflation (month-on-month)

%m/m (seasonally adjusted)



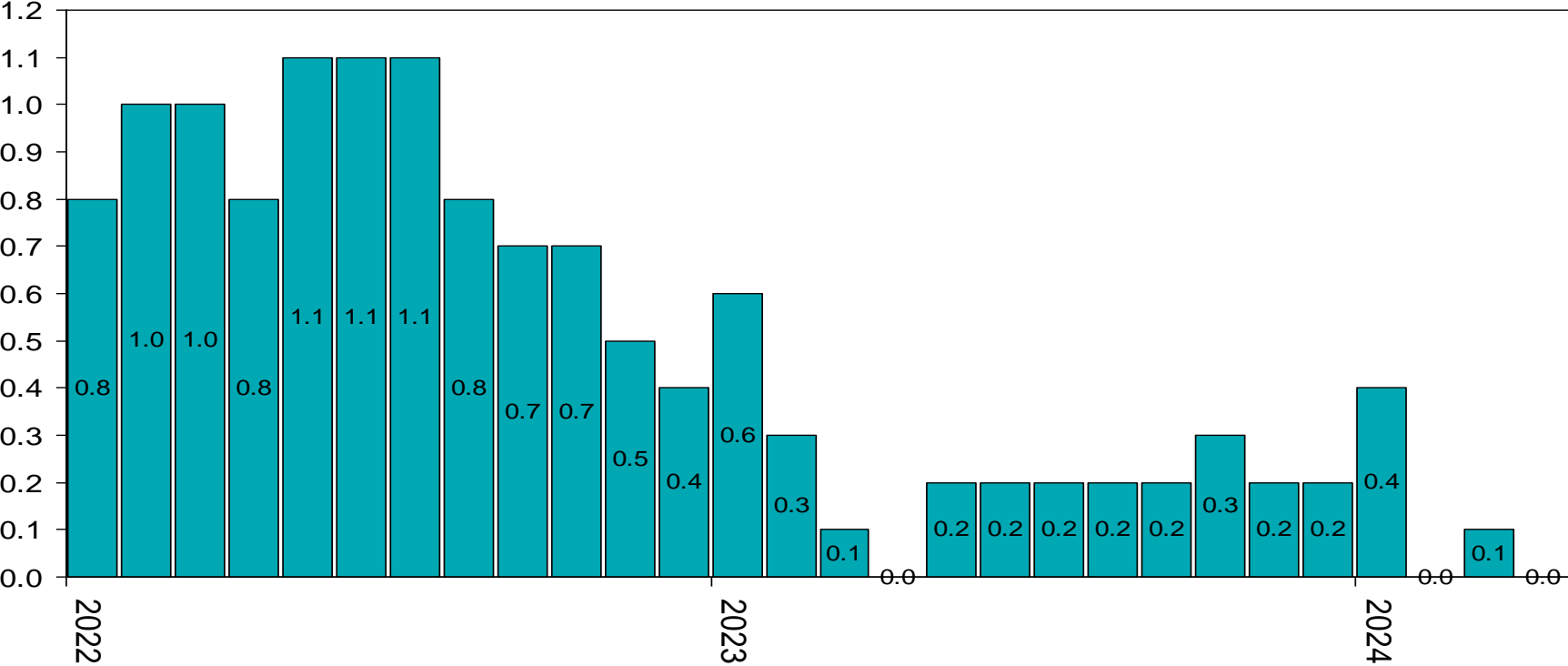
• Source: US Bureau of Labour Statistics

US consumer inflation: shelter (33.3% weight)



US food inflation (month-on-month)

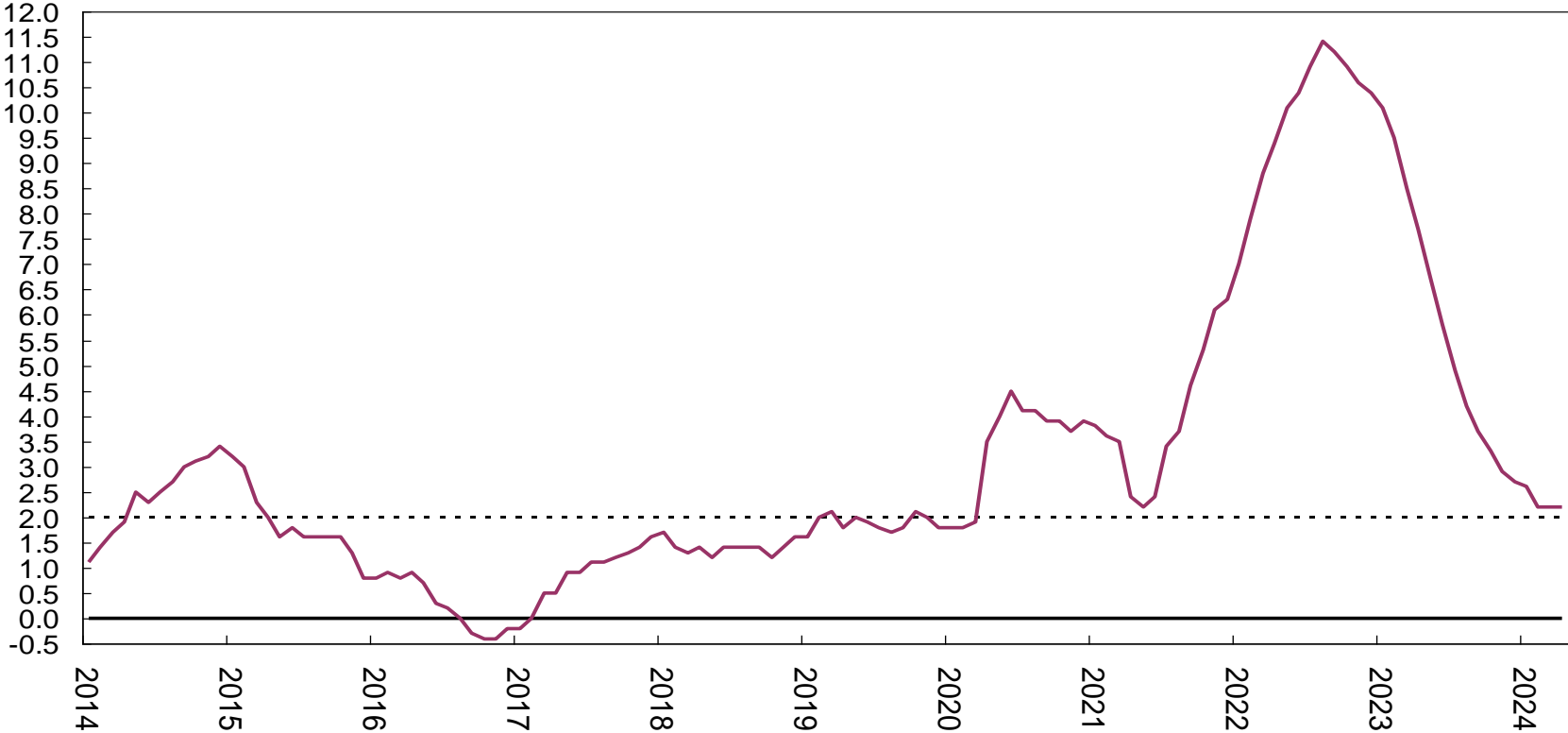
%m/m (seasonally adjusted)



• Source: US Bureau of Labour Statistics

US food inflation

% y/y



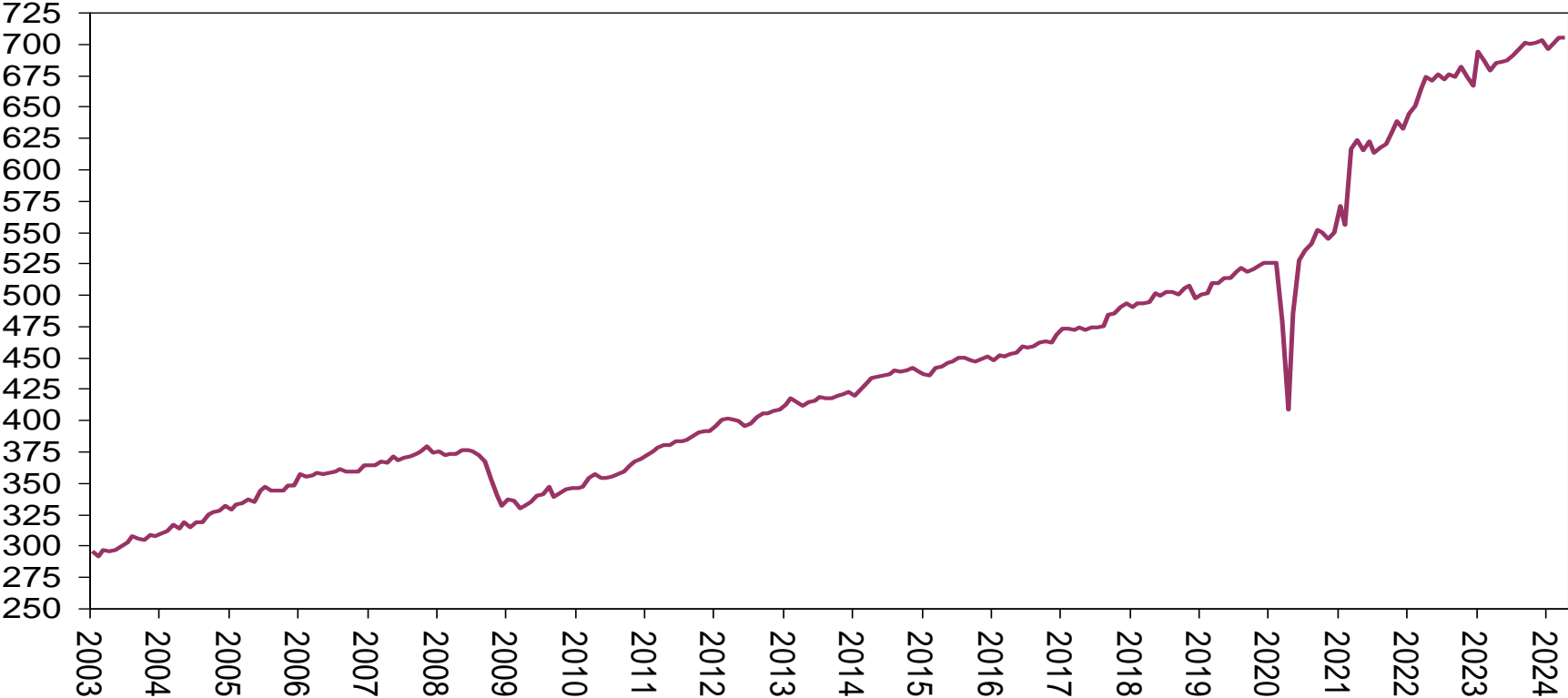
US motor vehicle insurance inflation

% y/y



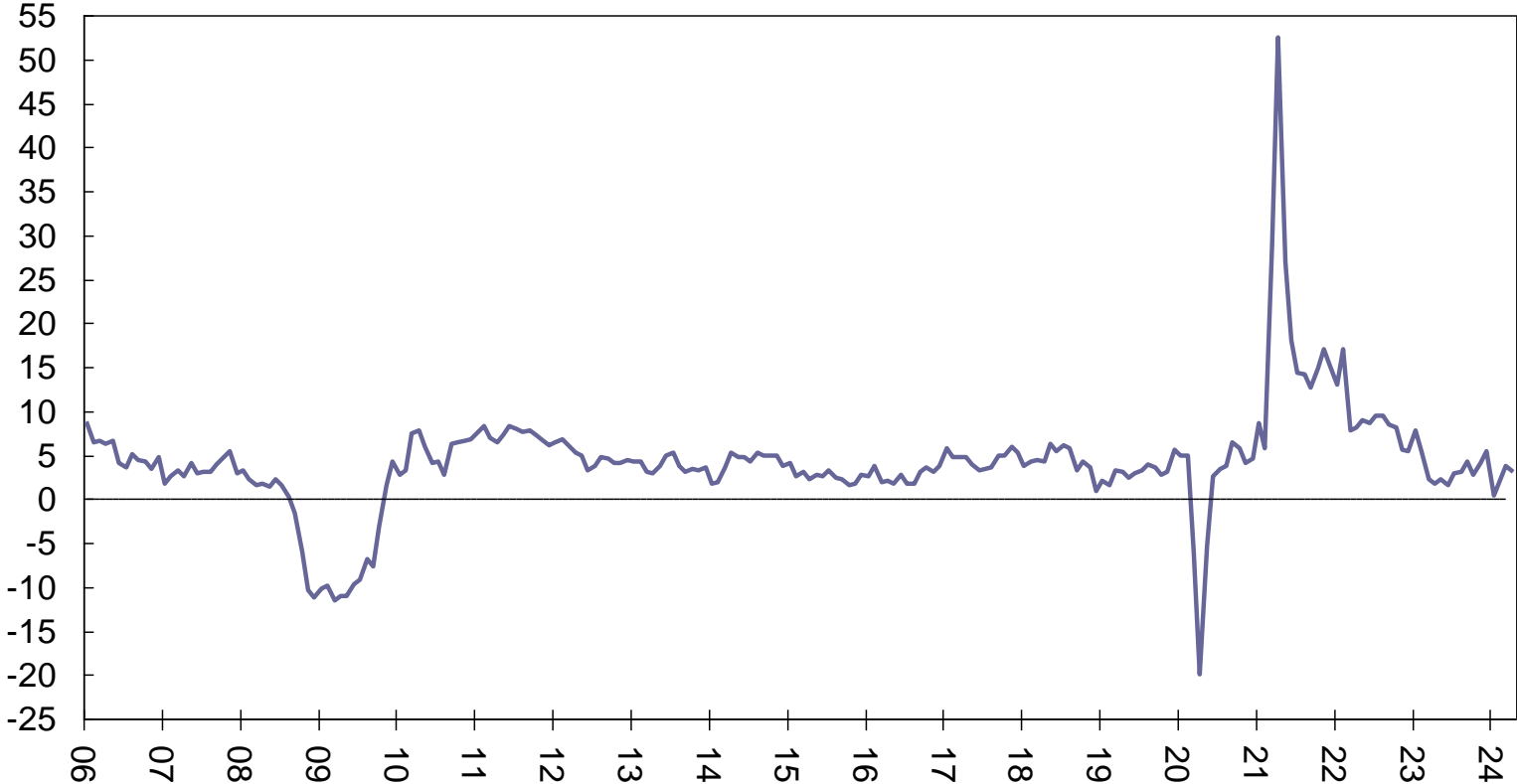
US retail sales (total value)

R billion



US retail sales

% year-on-year, nominal



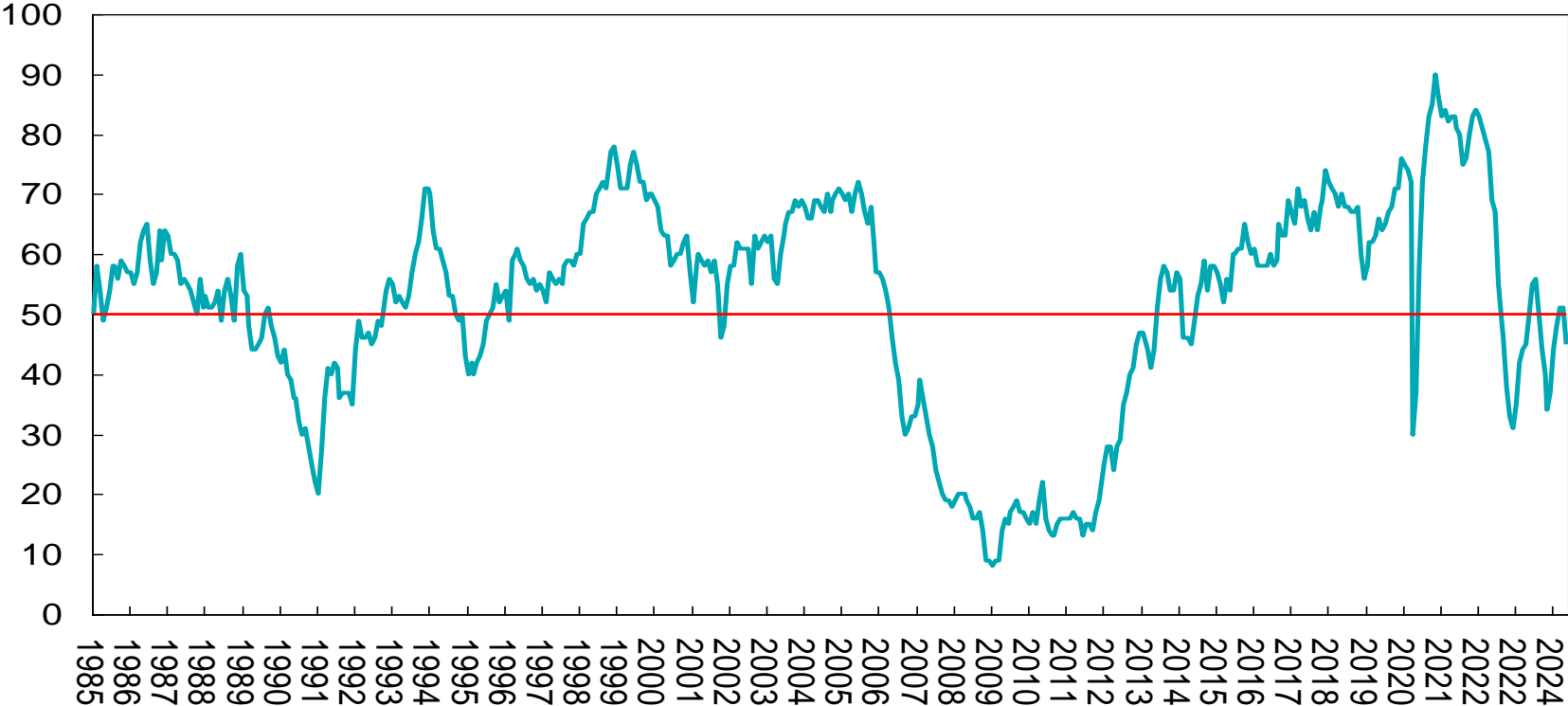
US inventory to sales ratio

Ratio



US NAHB housing activity index

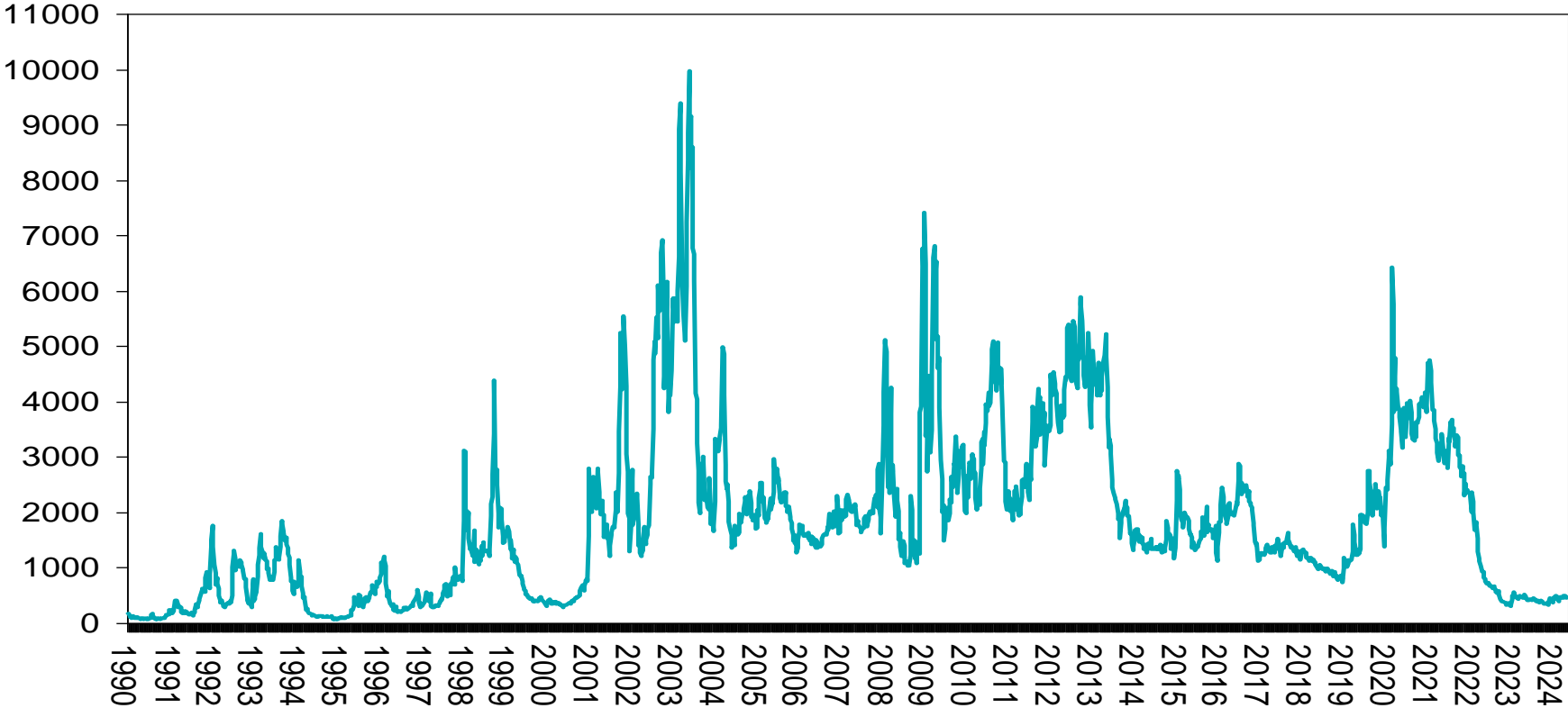
Index



Source: US Federal Reserve

US mortgage refinancing index

Index



US mortgage applications for purchase

Market composite index



US 30-year fixed rate mortgage

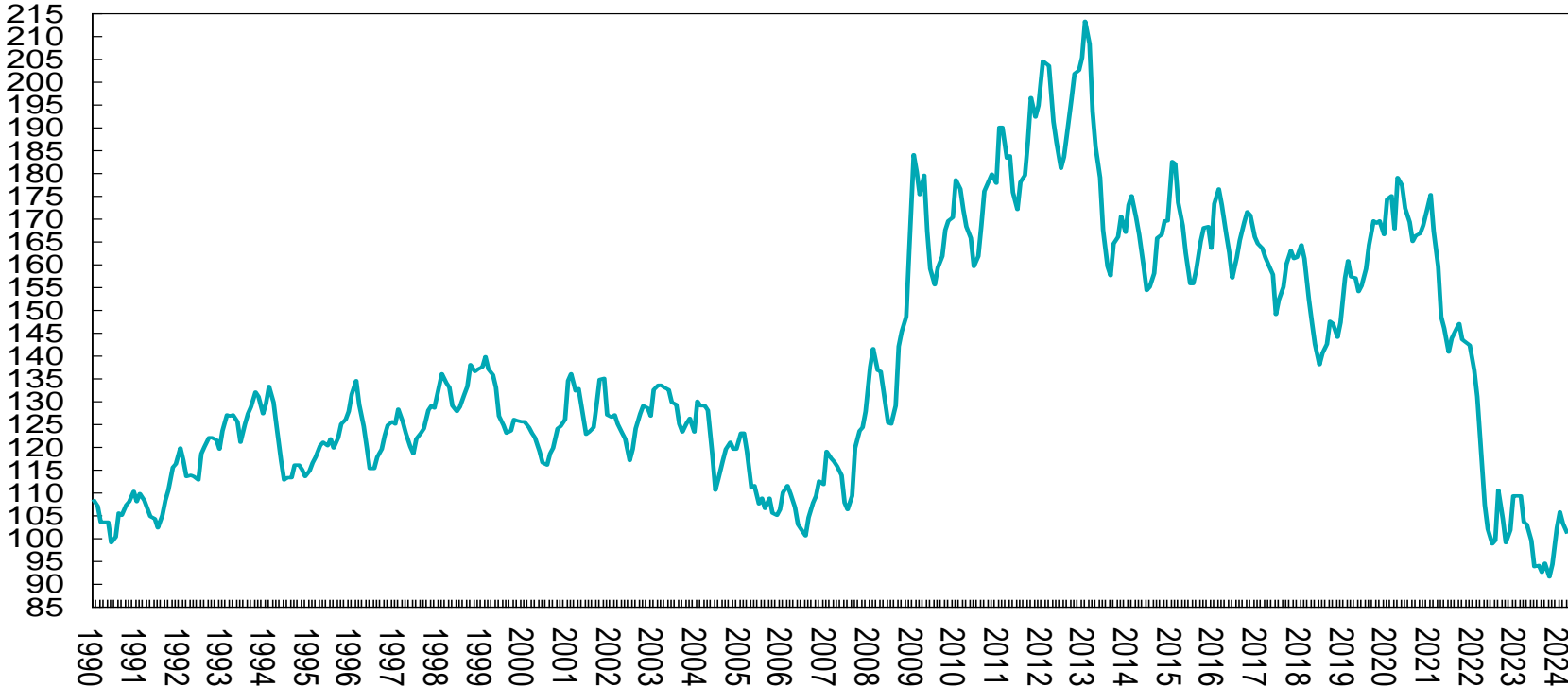
% yield, 30-year rate



US housing affordability

Index, composite

The lower the index the more unaffordable housing has become



Weekly economic review: 13 to 19 May 2024

Thursday, 16 May 2024

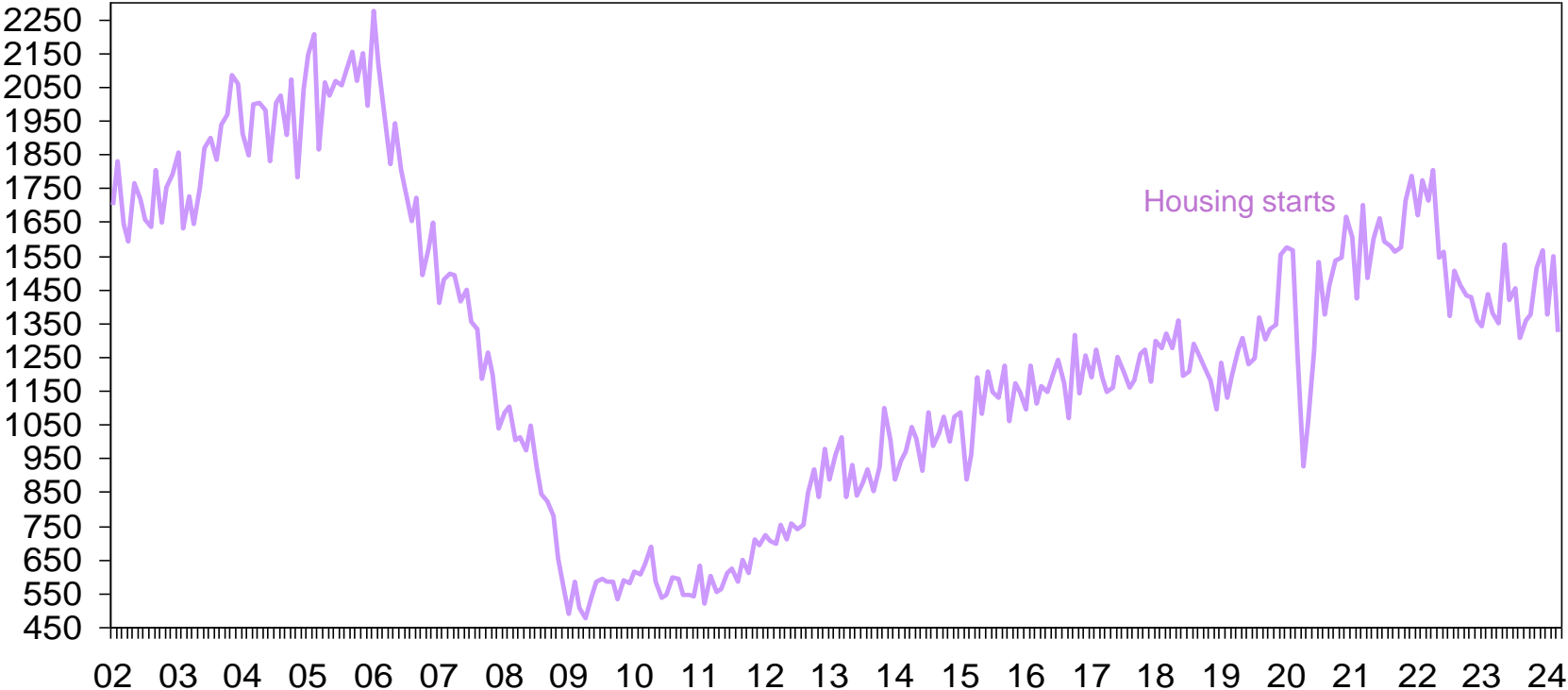
- US housing starts for April 2024
- US building permits for April 2024
- US industrial production for April 2024
- US weekly jobless claims



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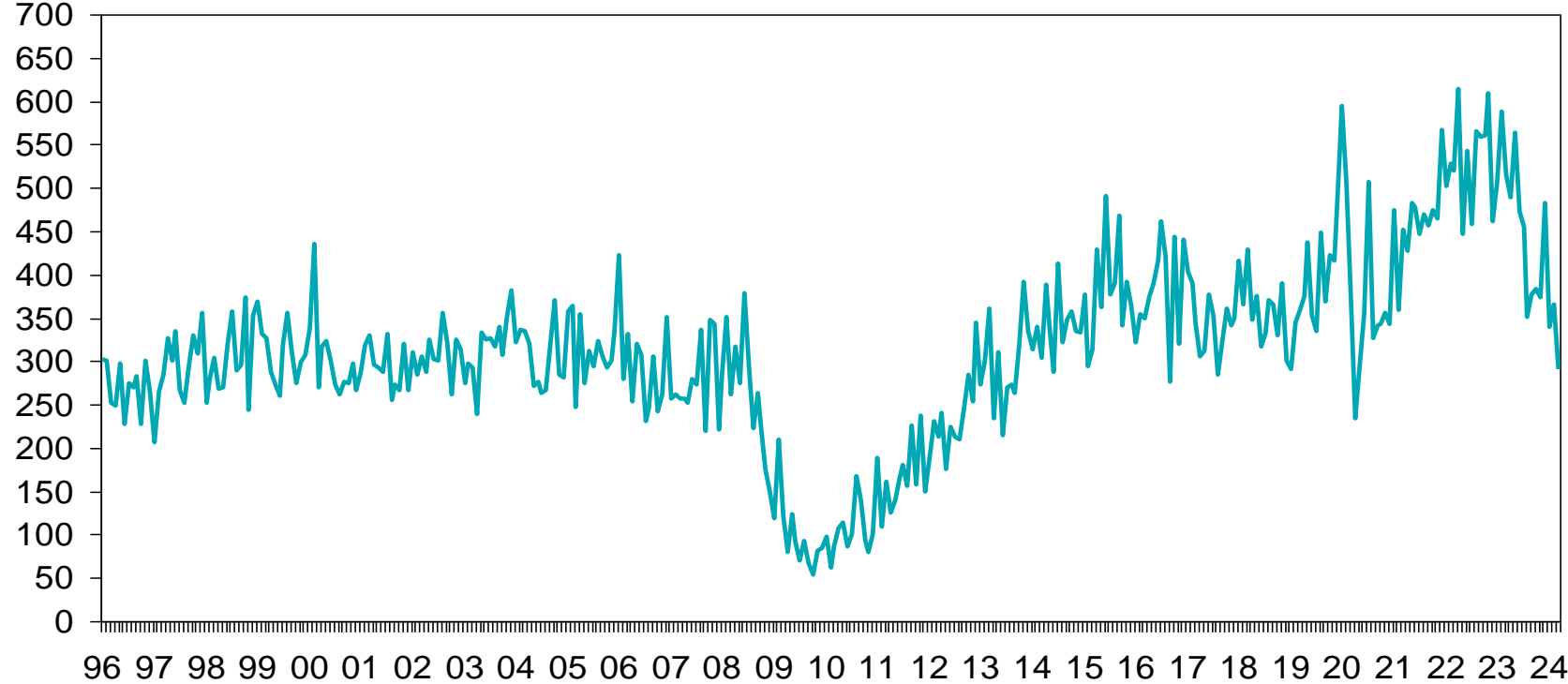
US housing starts

Thousands, seasonally adjusted



US housing starts – multi-family homes

Thousands, seasonally adjusted



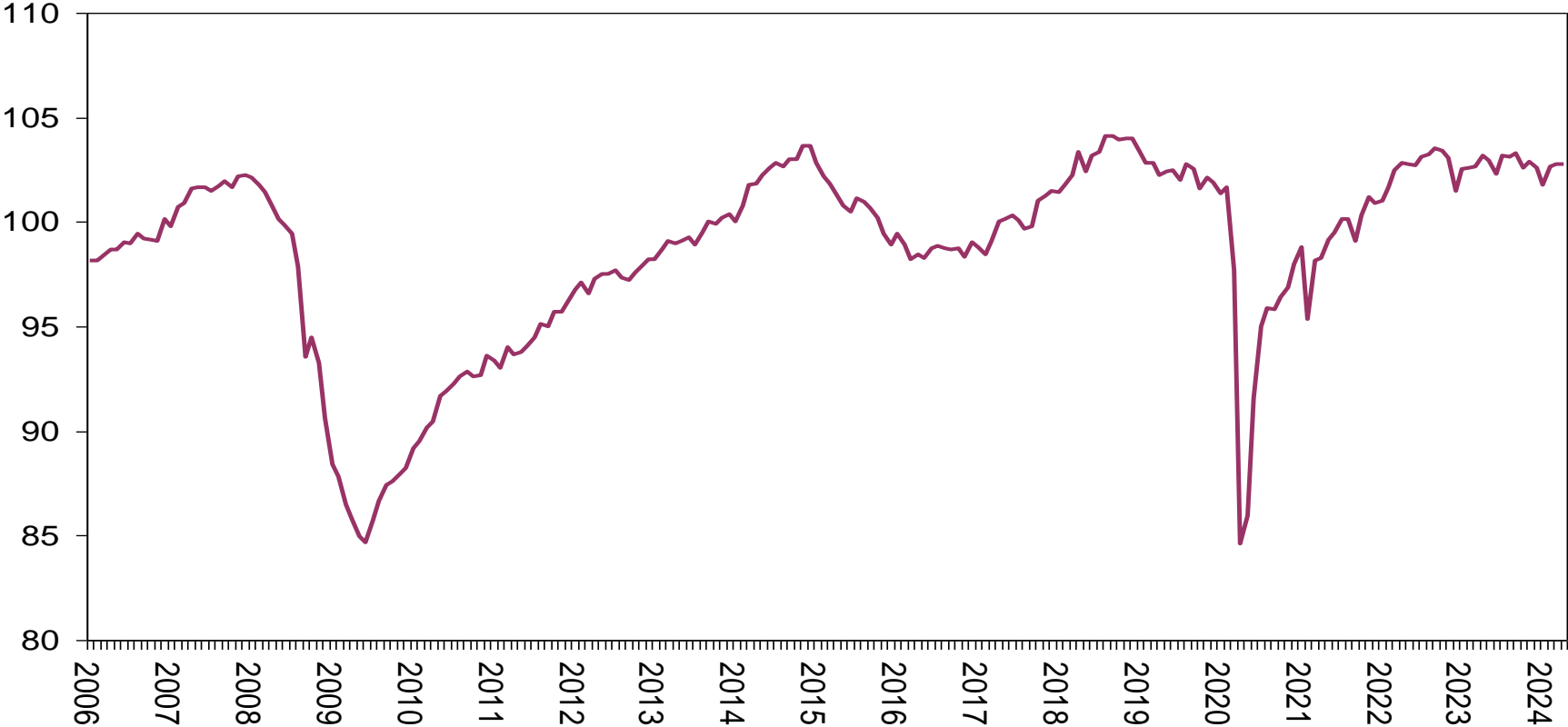
US housing permits

Thousands, seasonally adjusted

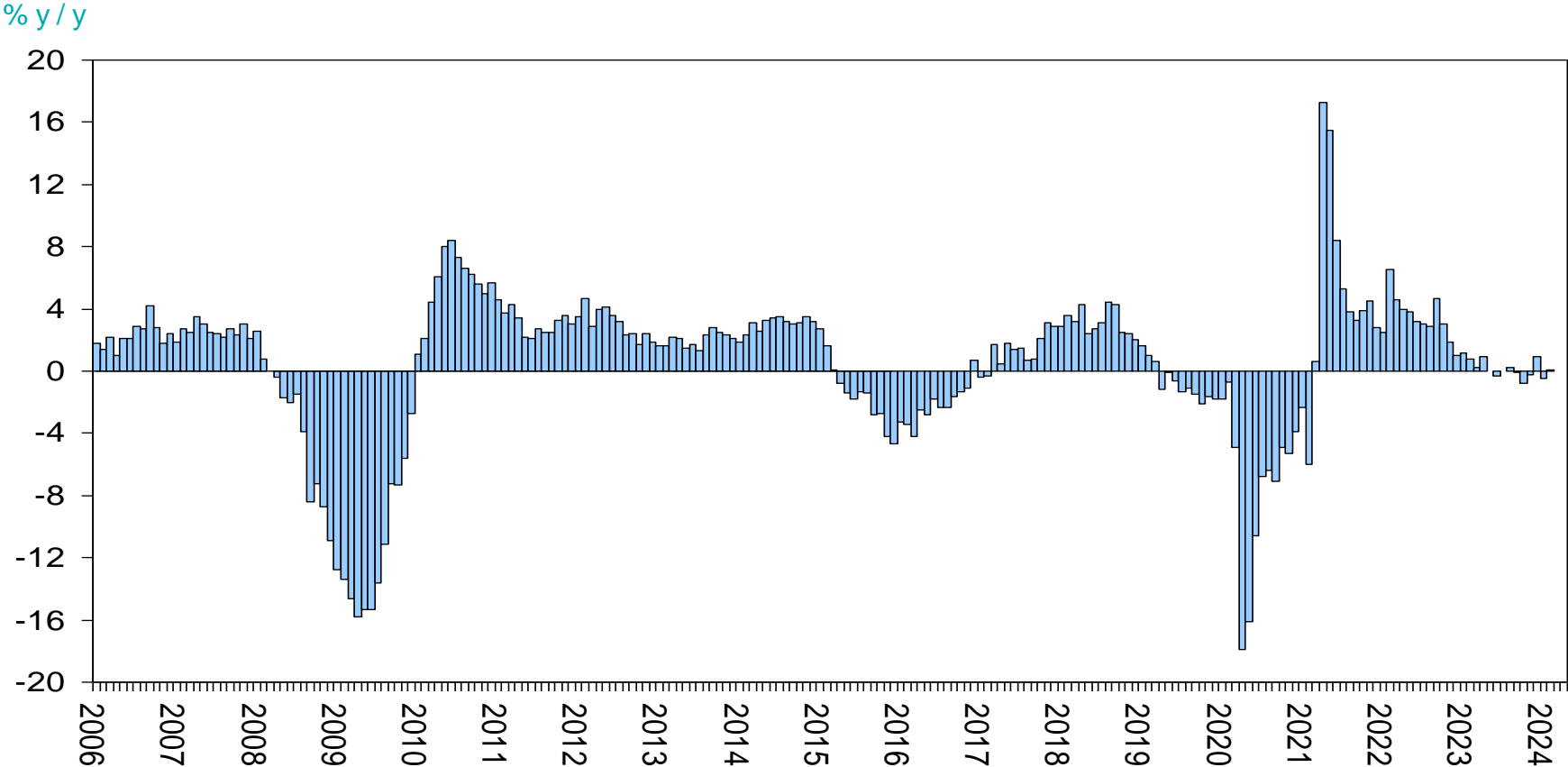


US industrial production

Index

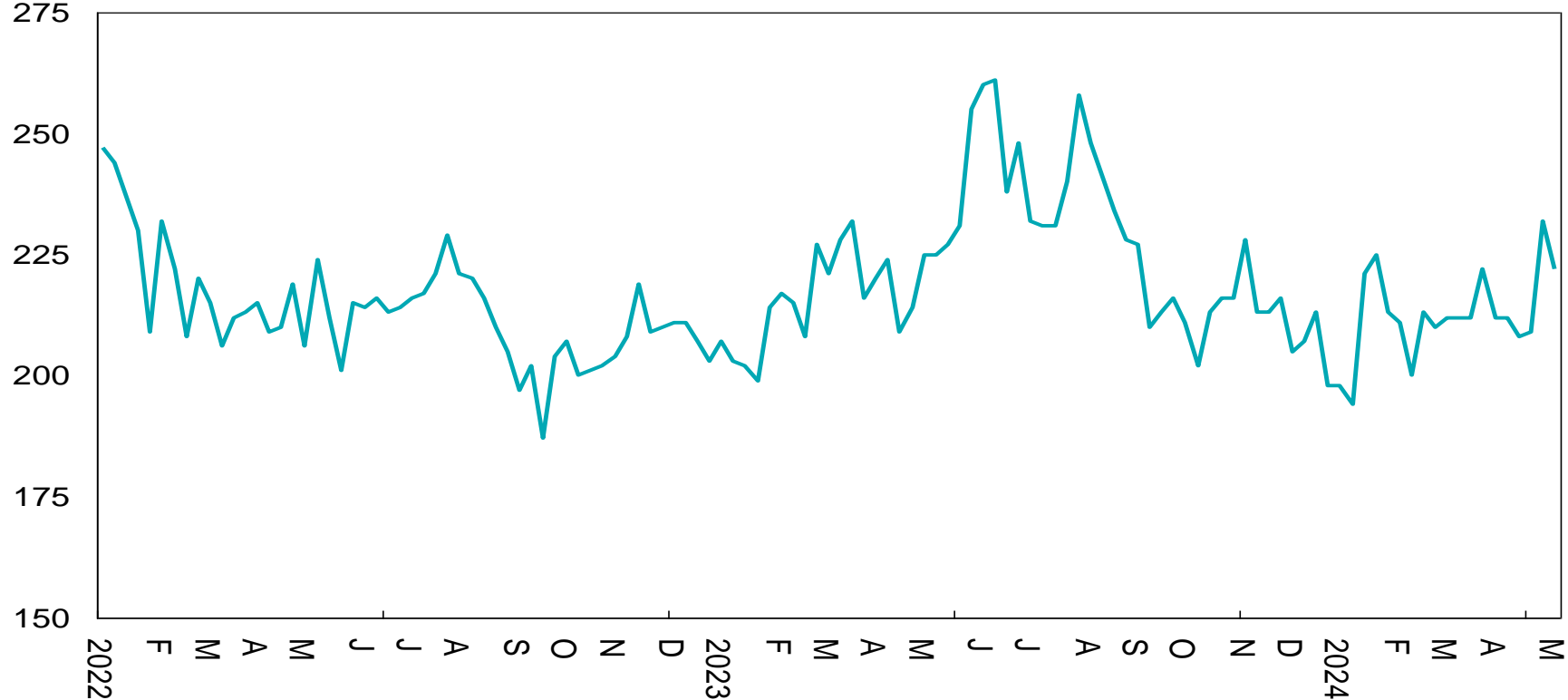


US industrial production



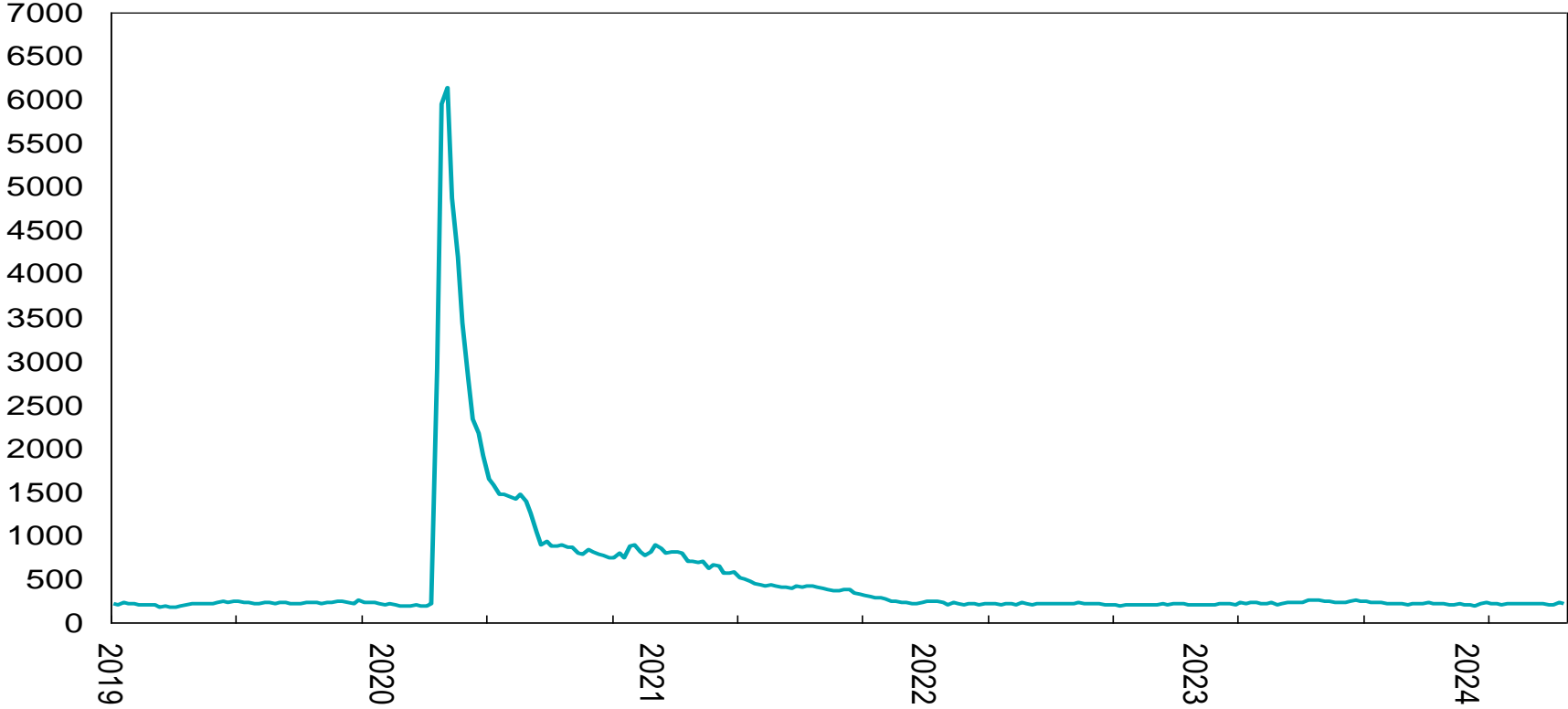
US initial jobless claims

000's



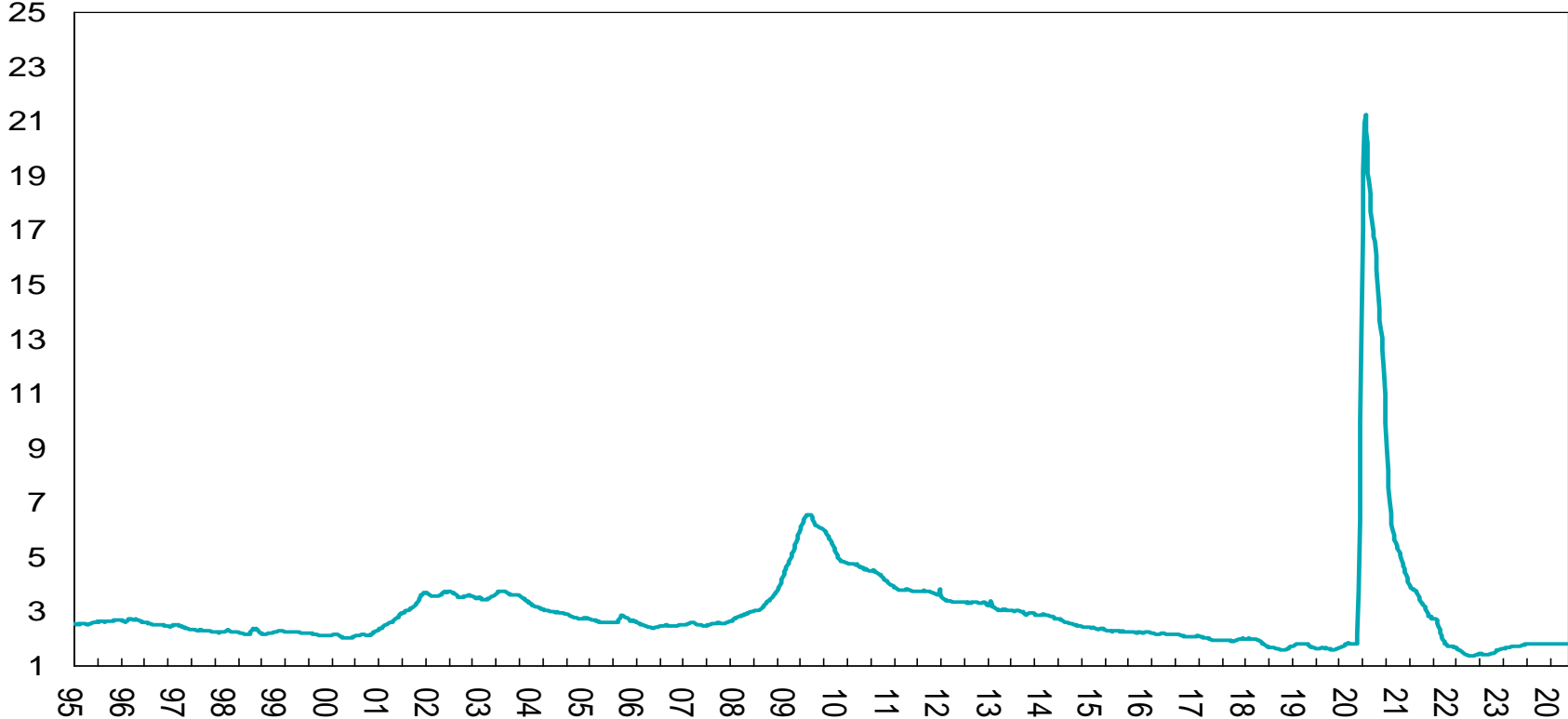
US initial jobless claims

000's



US continuing claims

Million



Weekly economic review: 13 to 19 May 2024

Friday, 17 May 2024

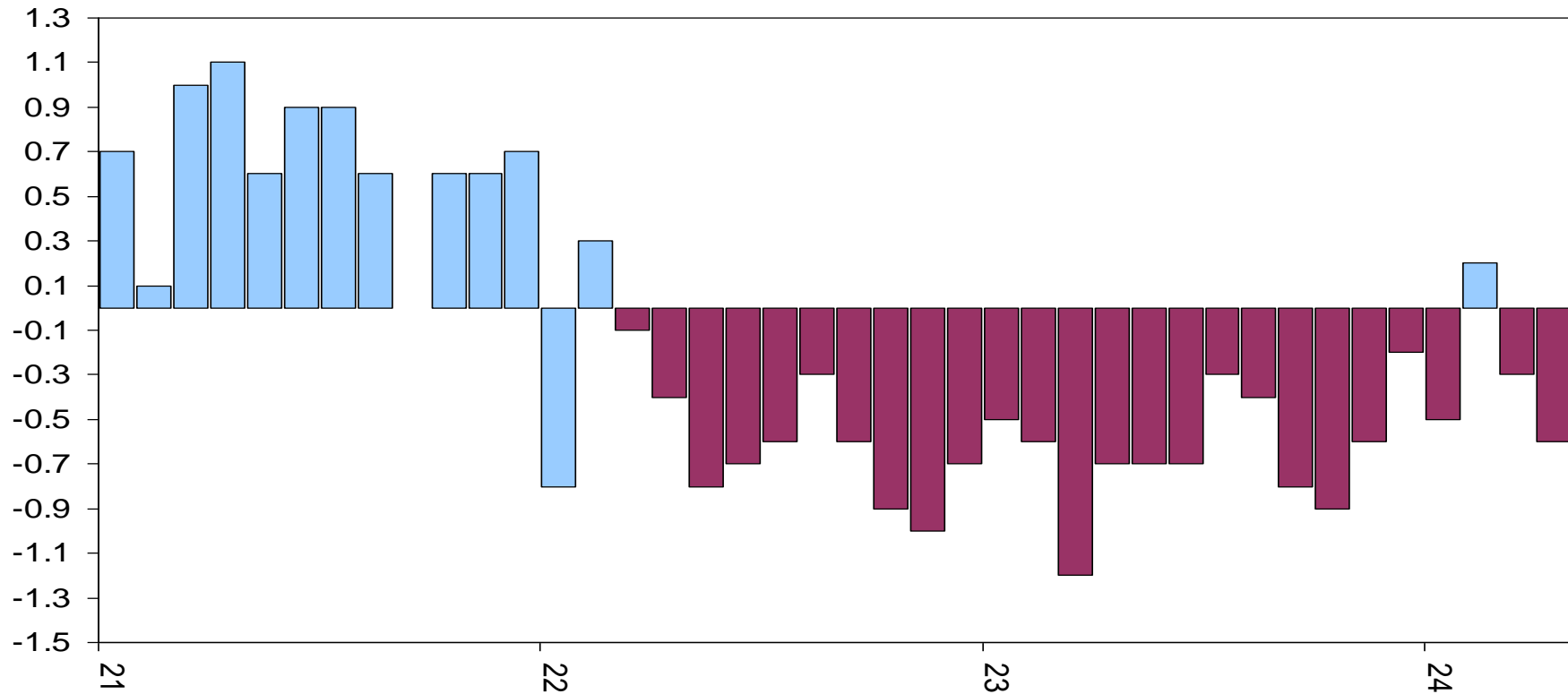
- US leading economic indicator for April 2024
- China industrial production for April 2024
- China retail sales for April 2024
- S&P credit rating update of South Africa



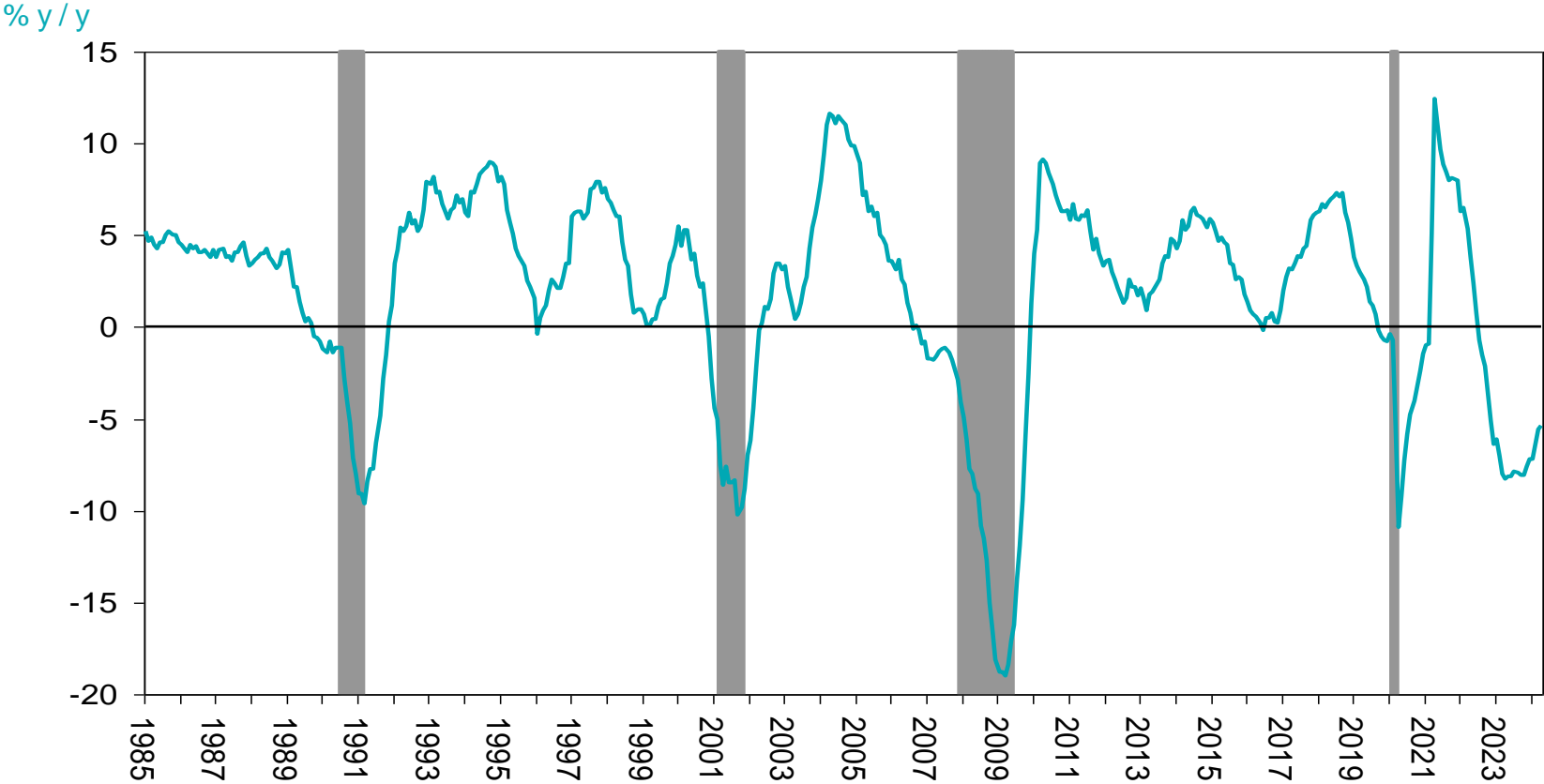
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US leading indicator month-on-month

% m / m



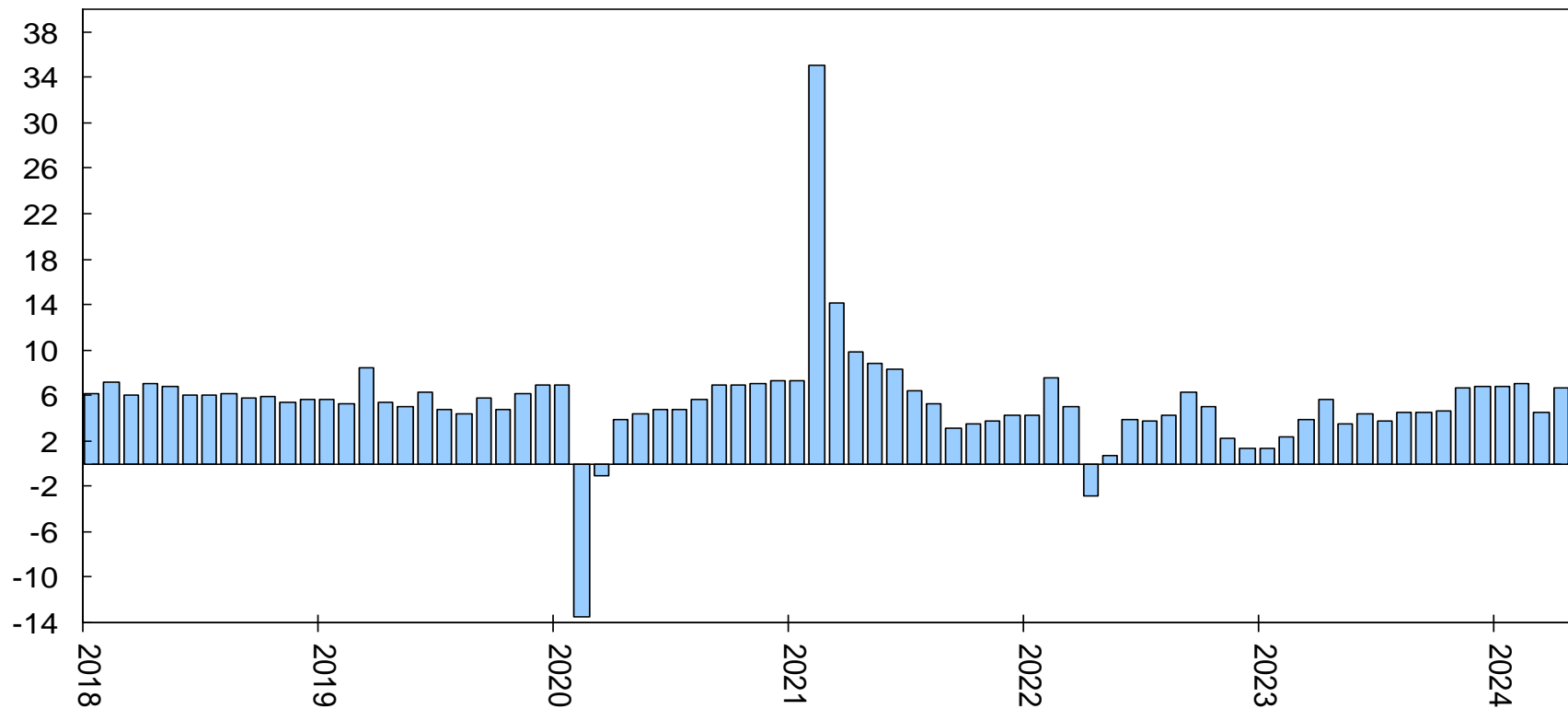
US leading economic indicator



Source: US Conference Board

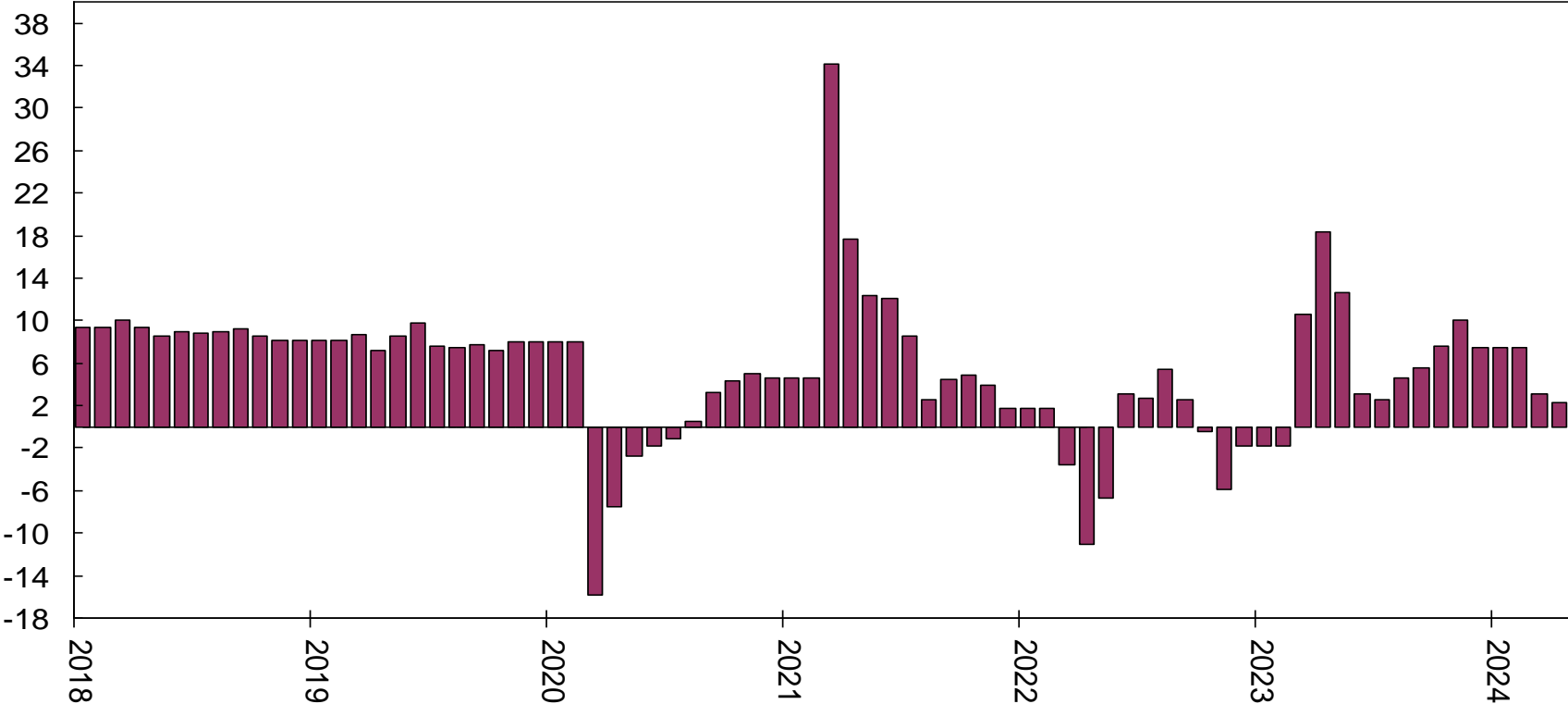
China industrial production

%y/y



China retail sales

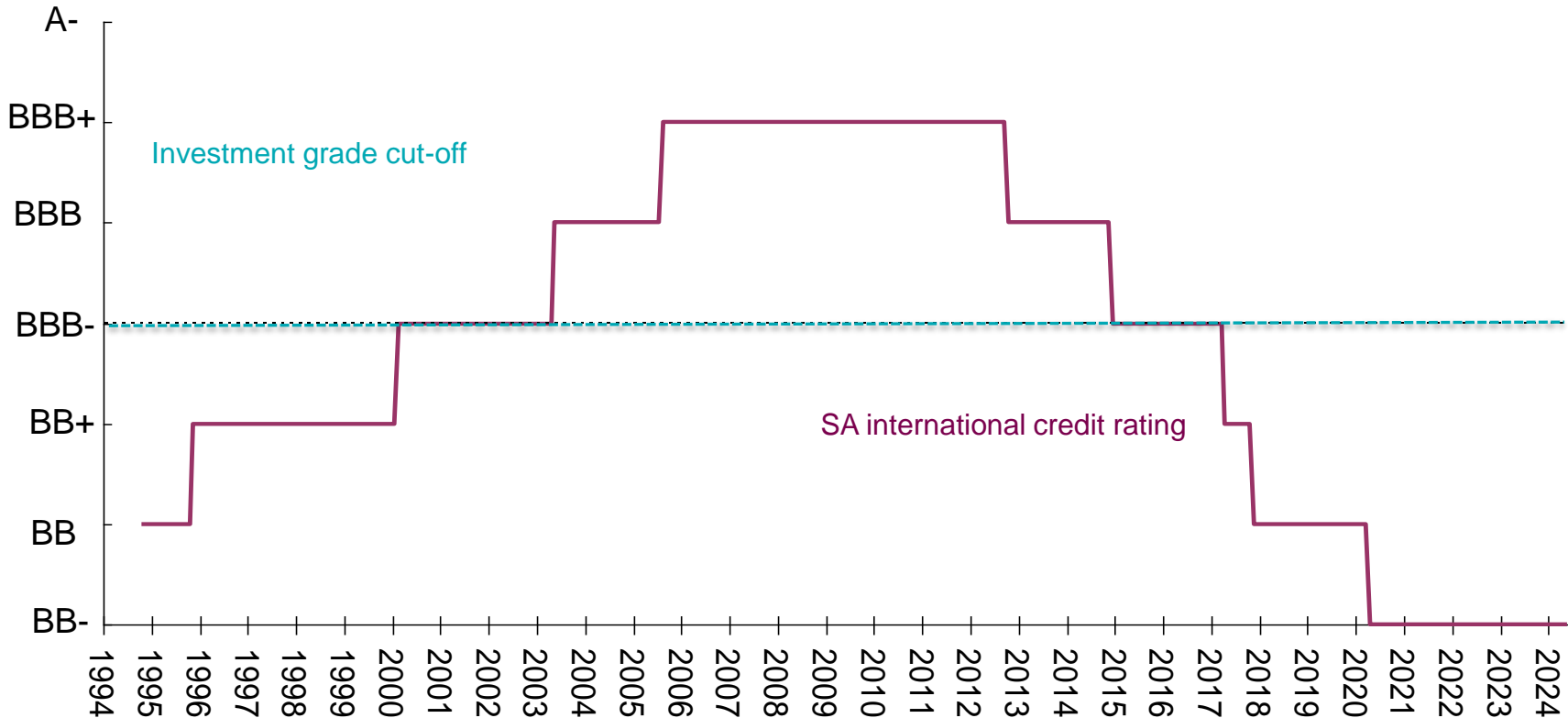
%y/y



Source: China Statistics Bureau

South Africa's credit rating by S&P

Credit rating

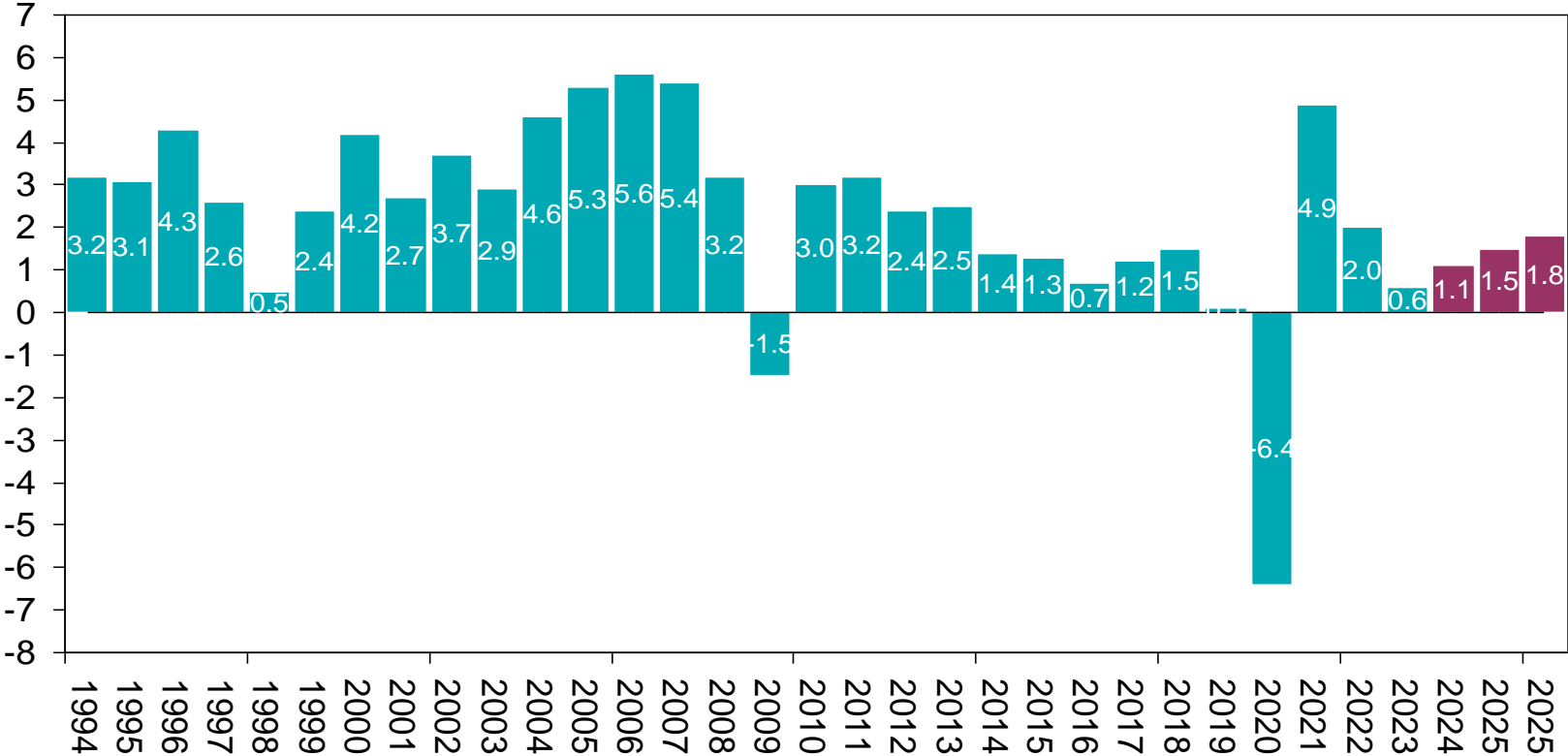


Consensus GDP growth

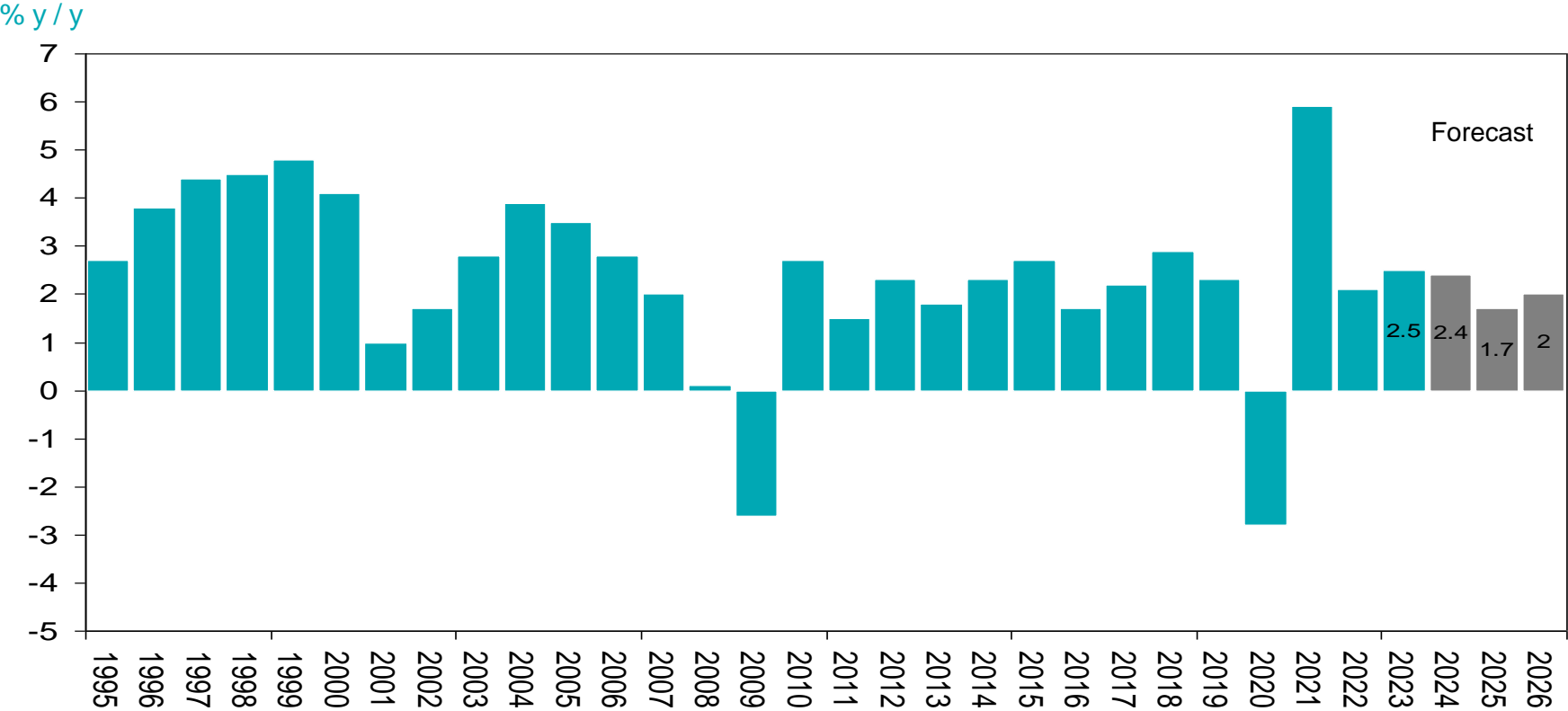
- South Africa consensus GDP growth forecast
- United States consensus GDP growth forecast
- Euro-area consensus GDP growth forecast
- China consensus GDP growth forecast

SA consensus GDP annual growth rate

% y/y



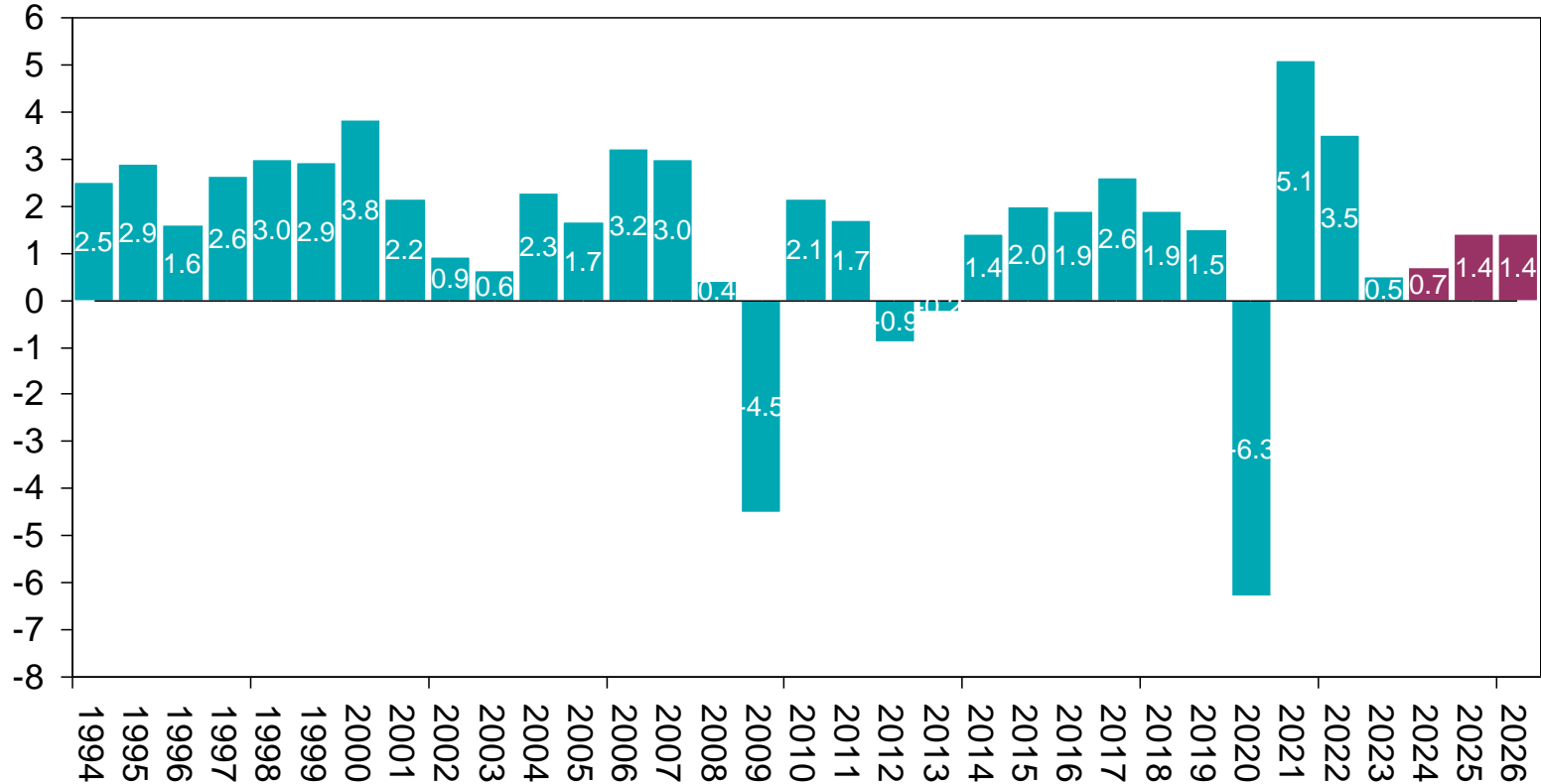
US consensus real annual GDP growth



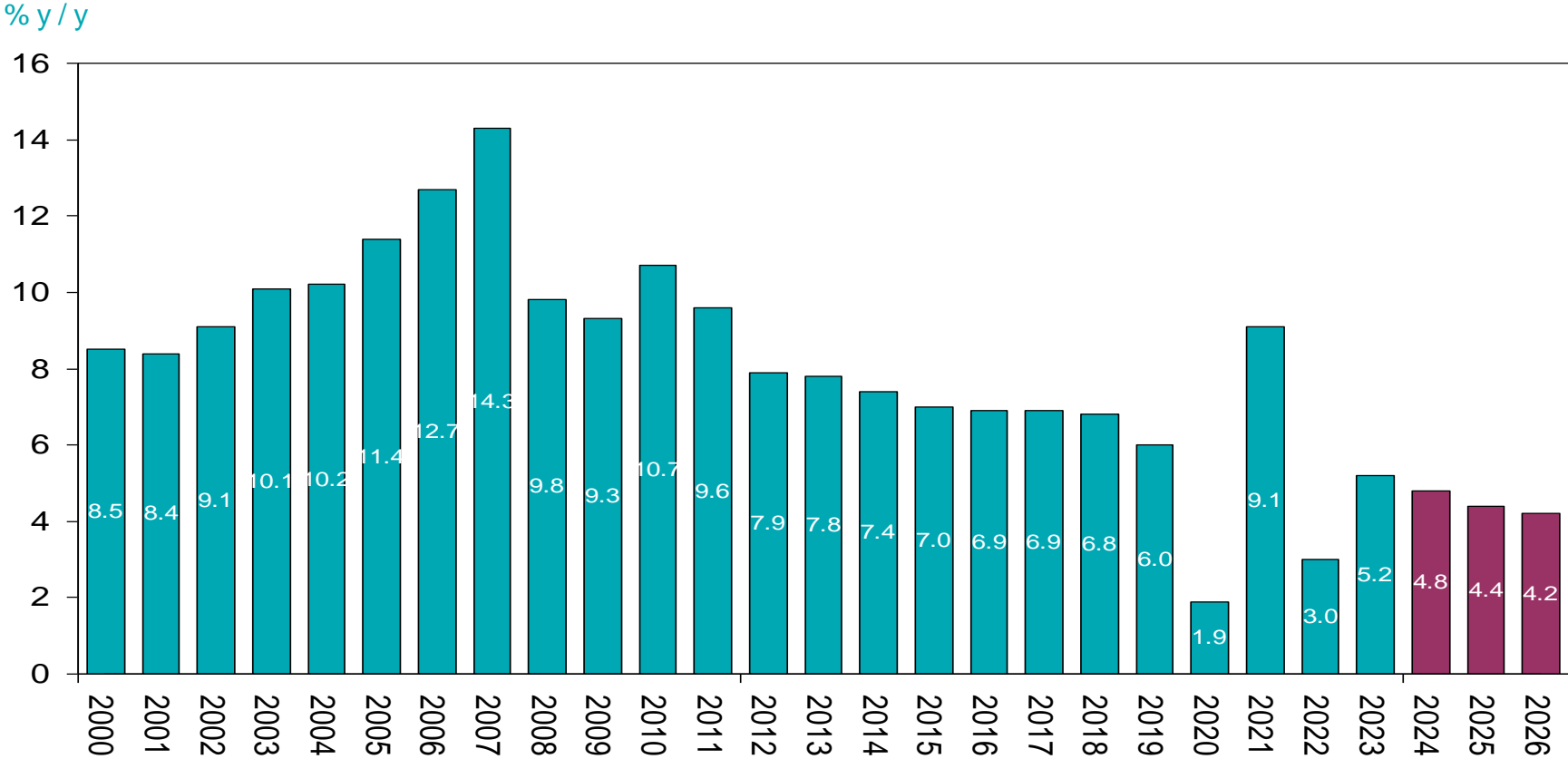
Source: Bloomberg

Euro-area GDP annual growth rate: consensus growth estimate

% y/y



China GDP growth consensus forecast



Source: Bloomberg

US financial conditions: 13 to 19 May 2024

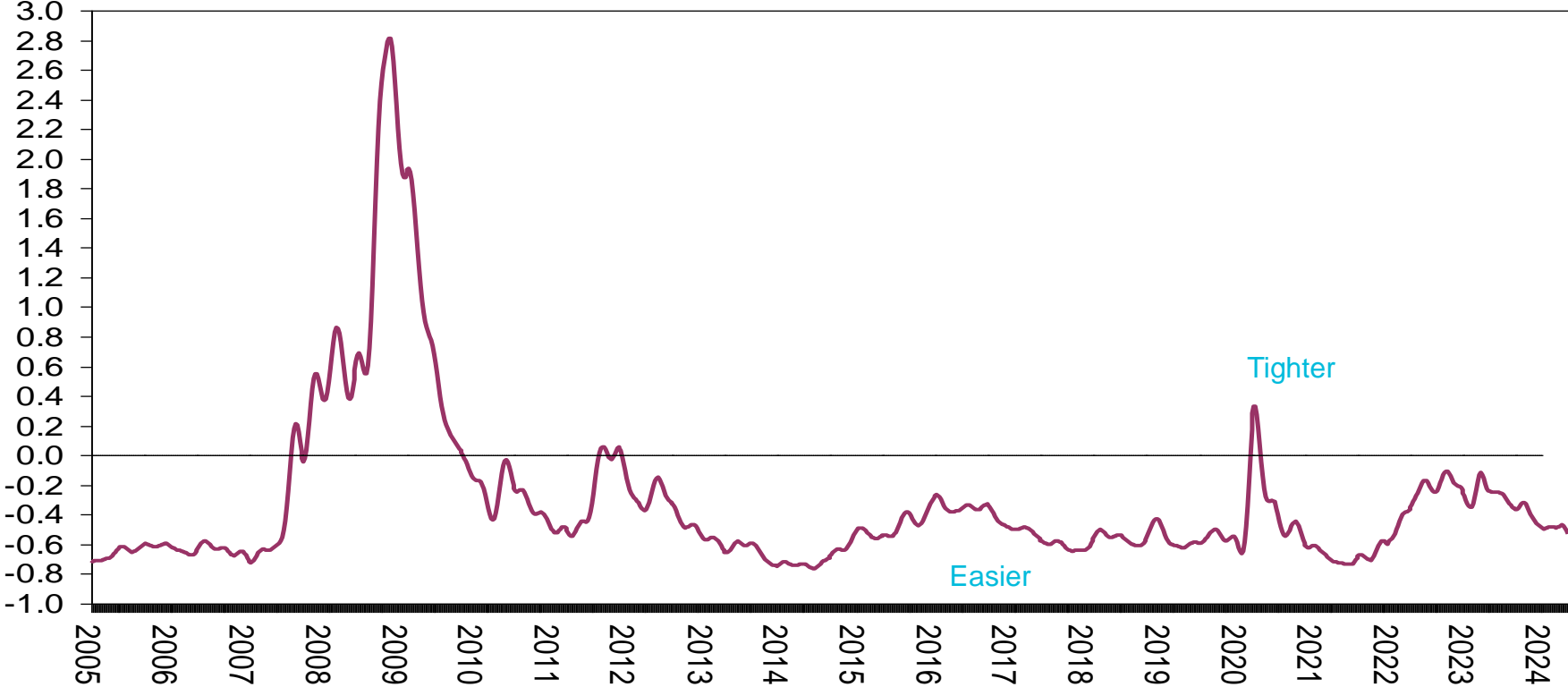
- US financial conditions (Federal Reserve Chicago)
- US financial stress index (OFR)
- China PBOC liquidity injection



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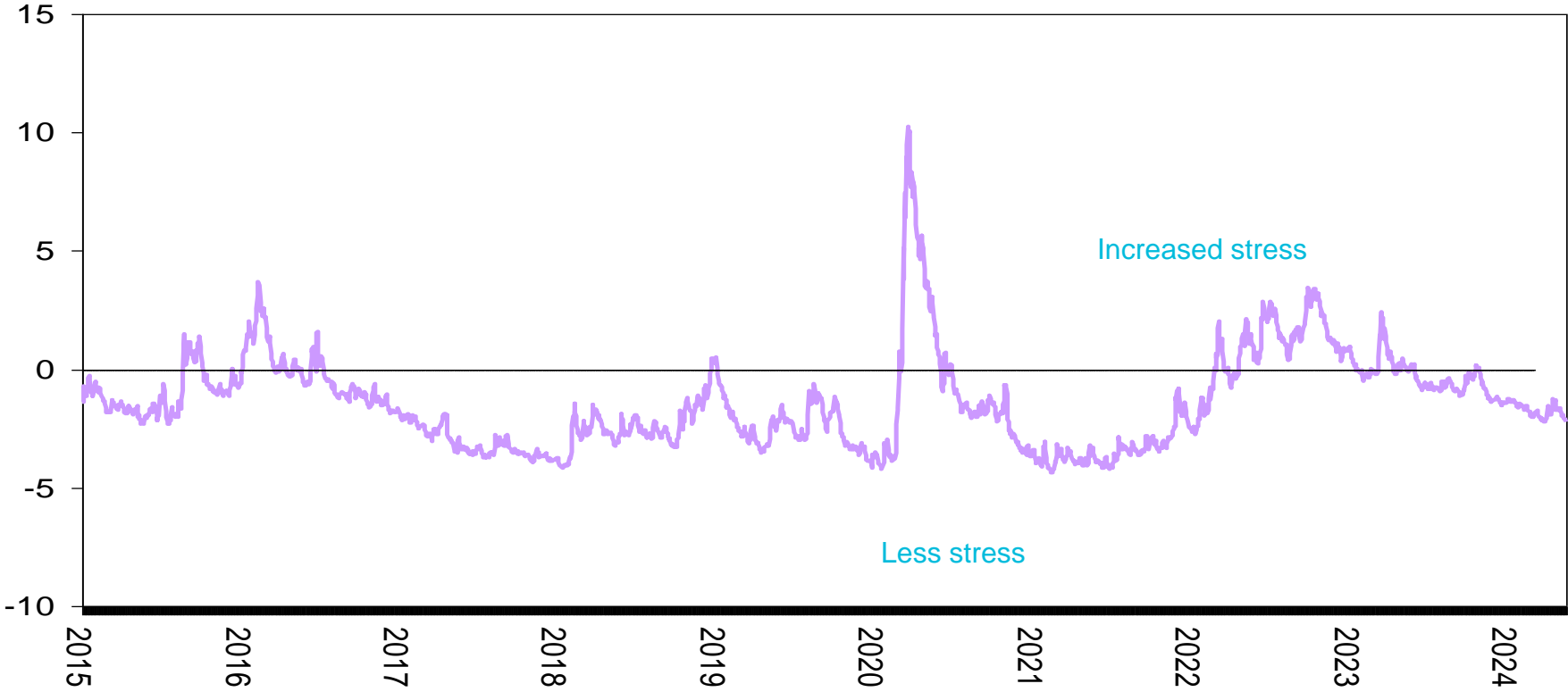
US financial conditions (Federal Reserve Chicago)

Index



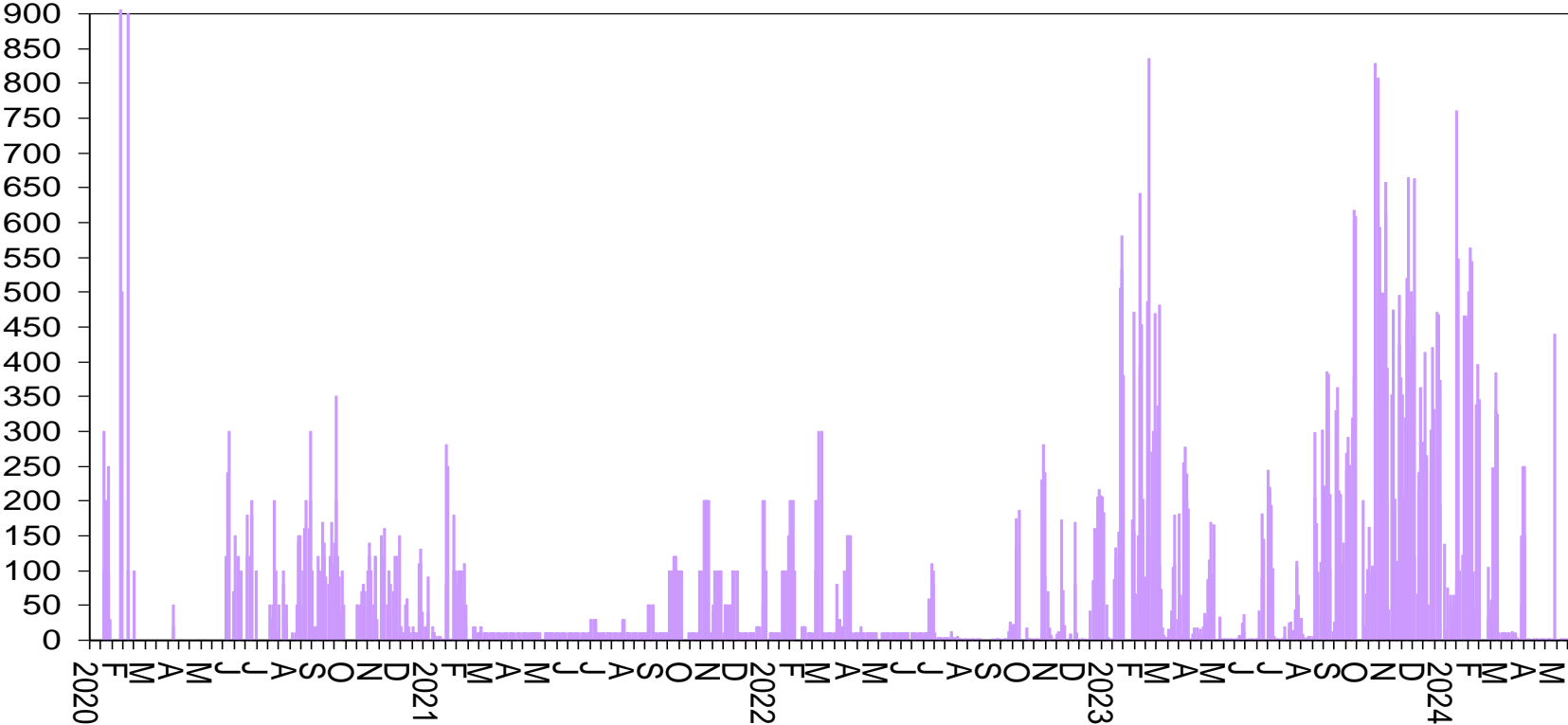
US financial stress index (OFR Financial Stress Index)

Index



China PBOC liquidity injection daily (total reverse Repos)

Yuan billion



Commodity prices: 13 to 19 May 2024

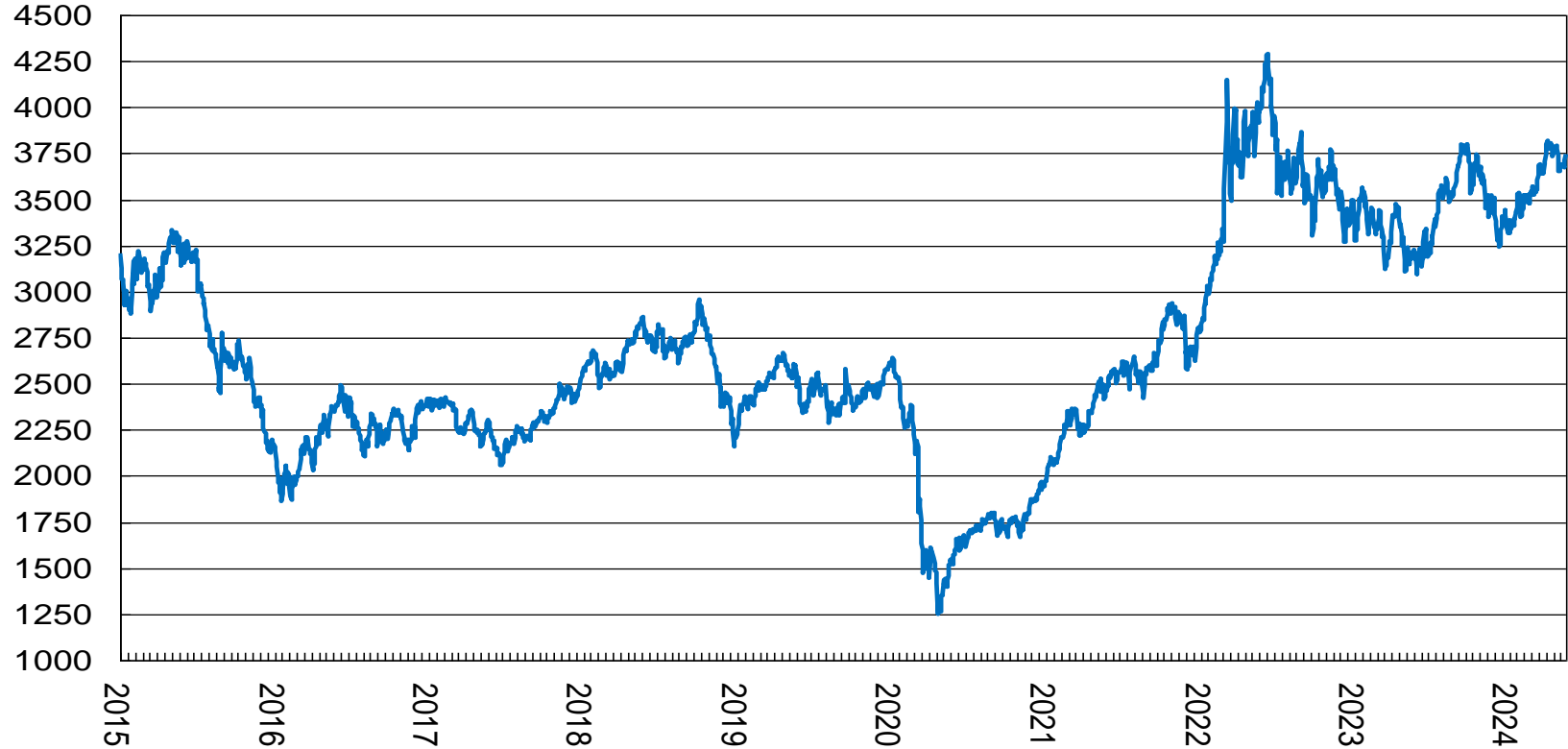
- Global commodity price index
- World food inflation
- Gold price
- Tin price
- Zinc price
- Lead price
- Silver price
- Oil price
- Copper price
- Platinum price
- Aluminium price
- Palladium price
- Rhodium price
- Wheat price



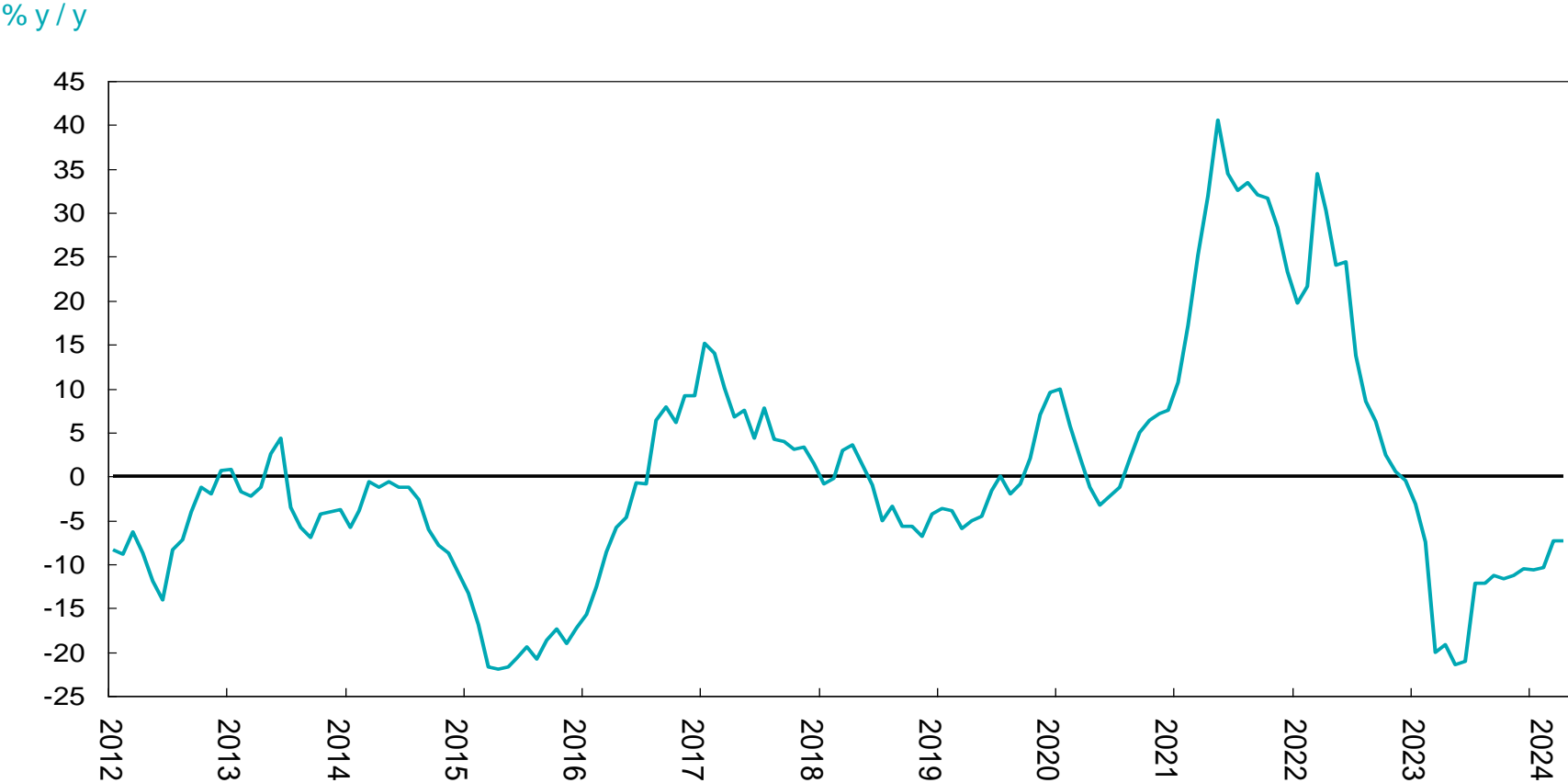
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Global commodity price index (S&P GSCI)

Index

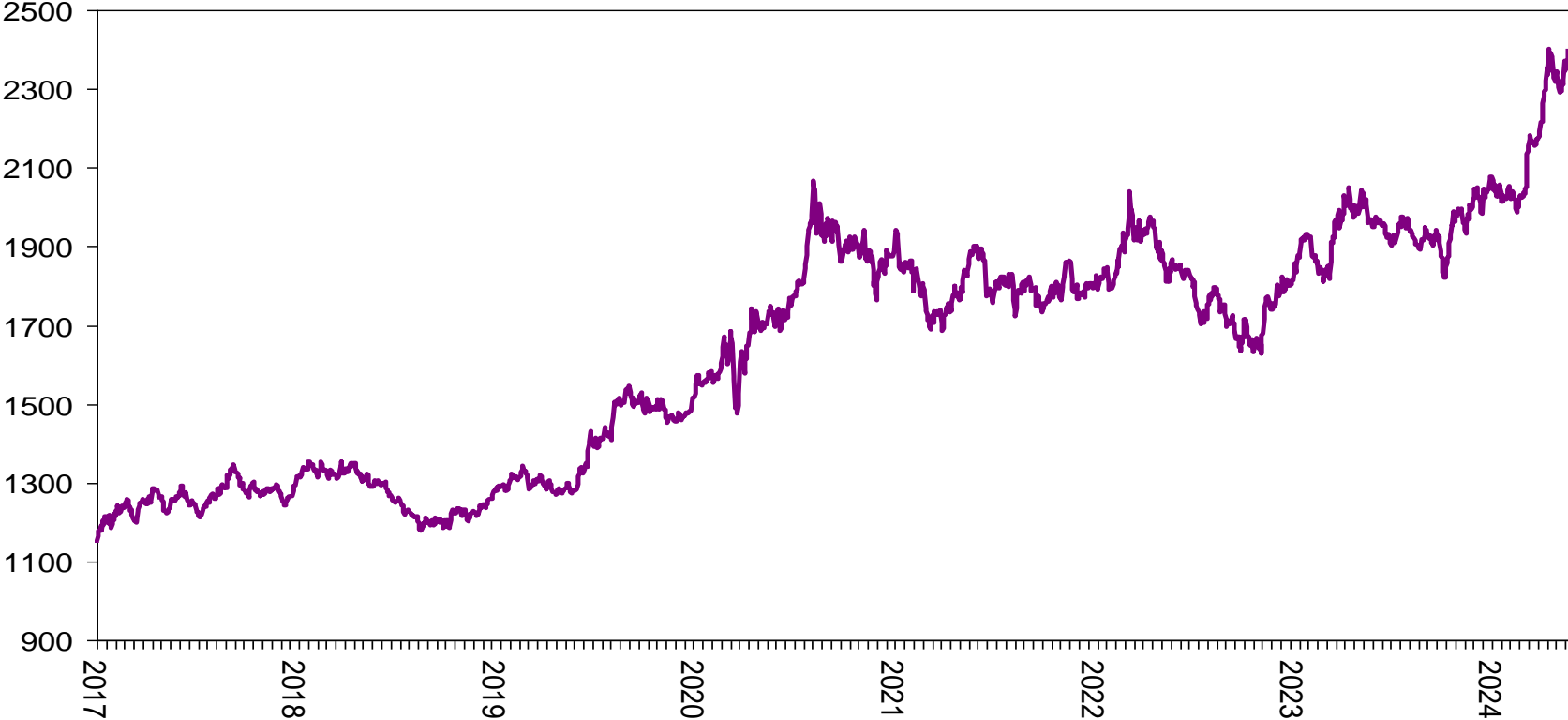


World food inflation



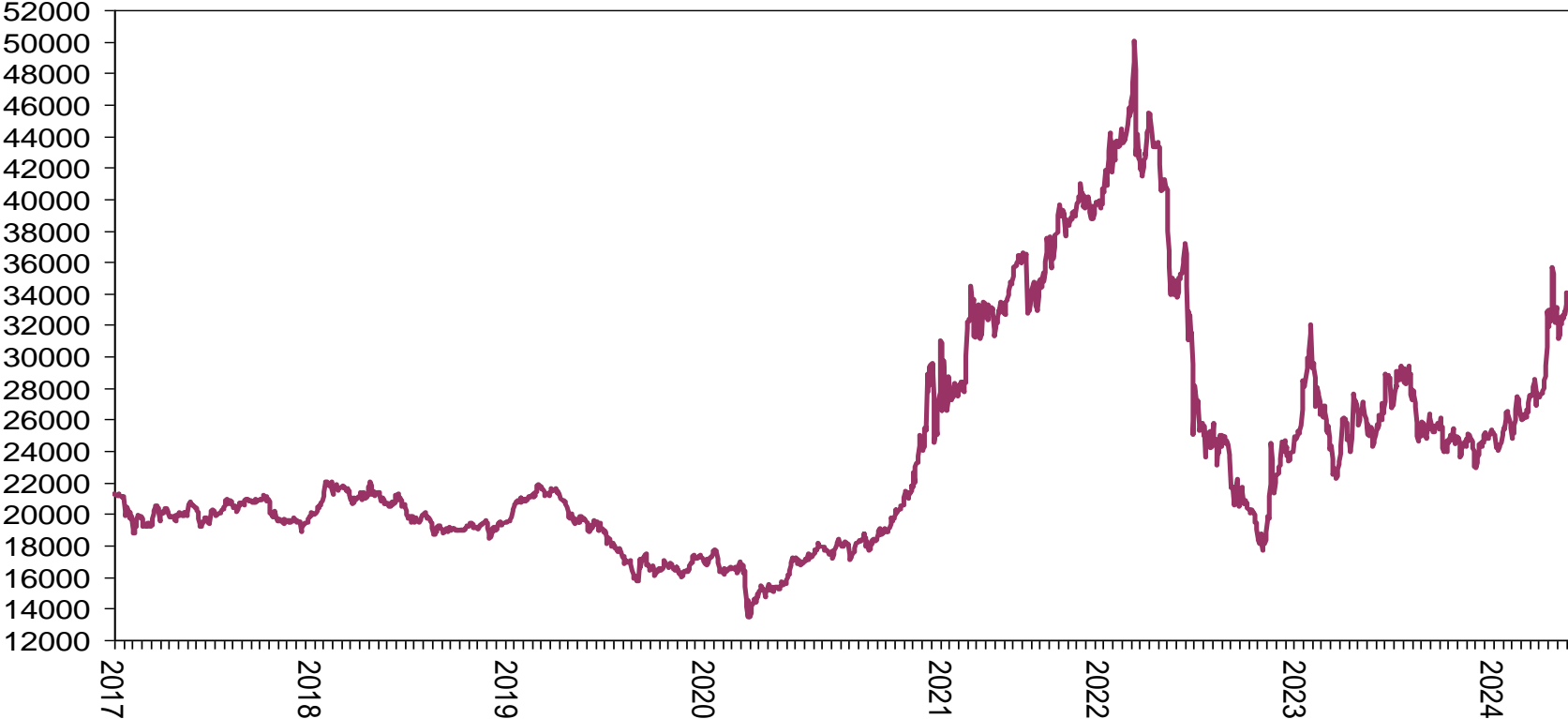
Gold price

\$/ounce



Tin price

\$/MT



Silver price

\$/ounce



Oil price

\$/b l



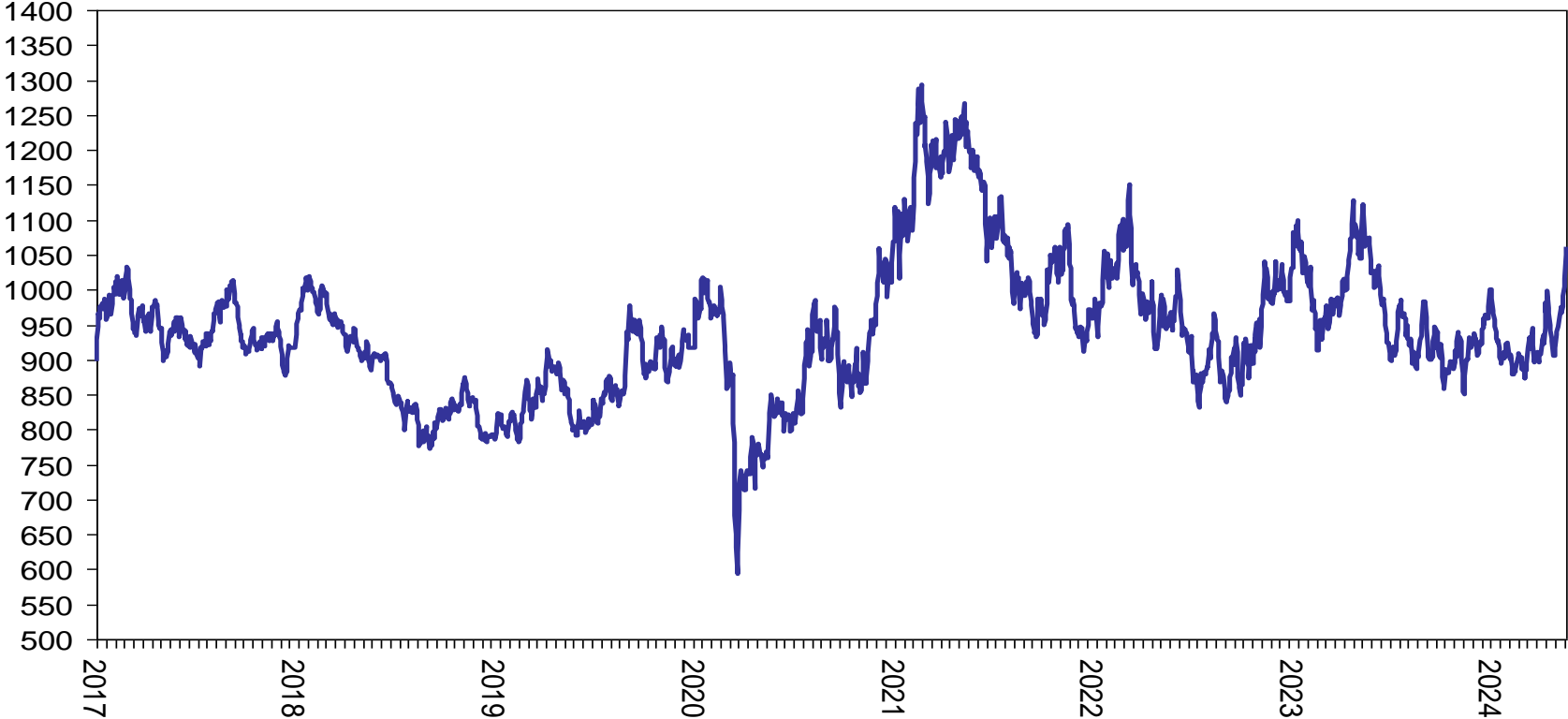
Copper price

\$/MT



Platinum price

\$/ounce



Aluminium price

\$/MT



Palladium price

\$/ounce



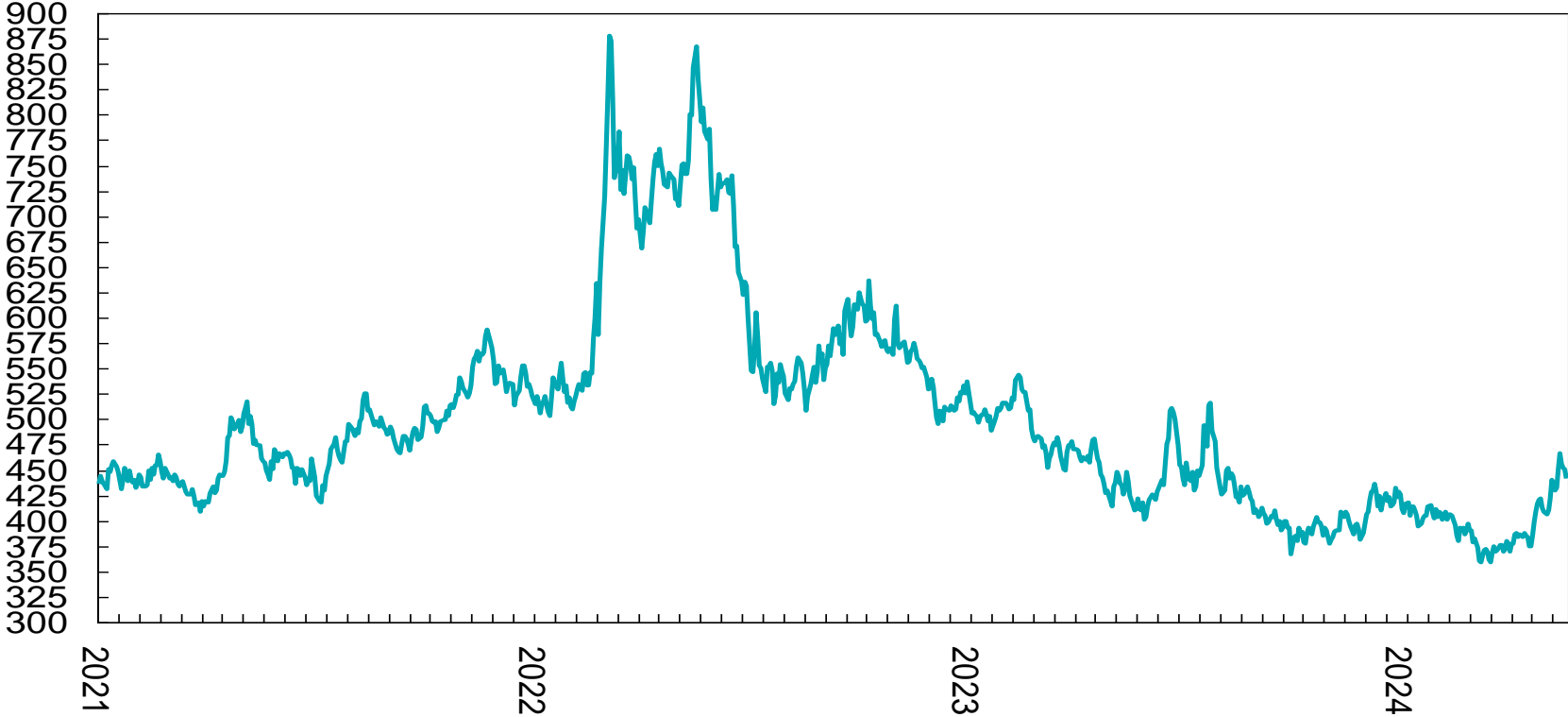
Rhodium price

\$/ounce



Global wheat price index

Index



Financial markets: 13 to 19 May 2024

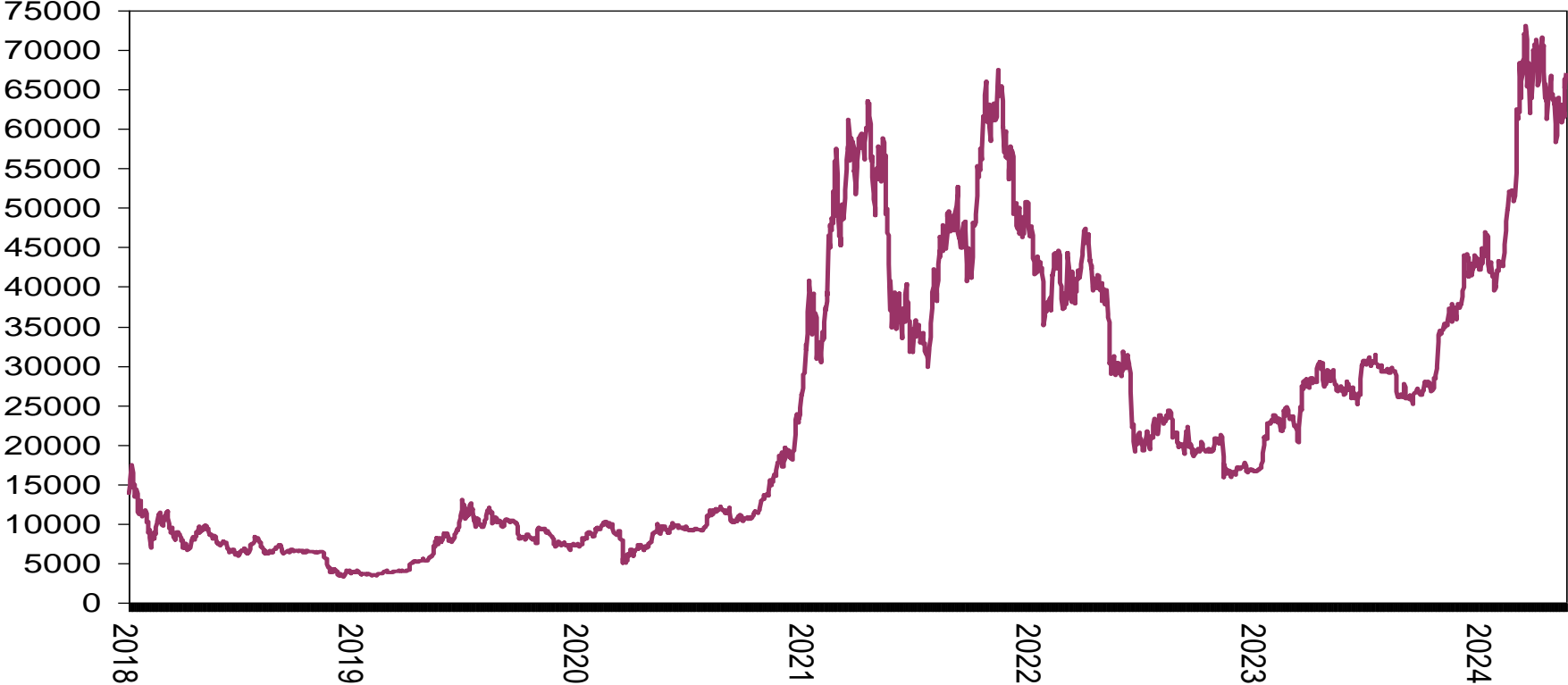
- Bitcoin price
- SA Rand vs Dollar, monthly rate of change
- SA 10-year government bond yield
- US 10-year bond yield
- US S&P 500 equity index
- US Nasdaq 100 index
- US Chicago Board Options Exchange Volatility Index
- SA All Share equity index
- US Dollar per Euro
- US Dollar vs RMB
- SA 10-year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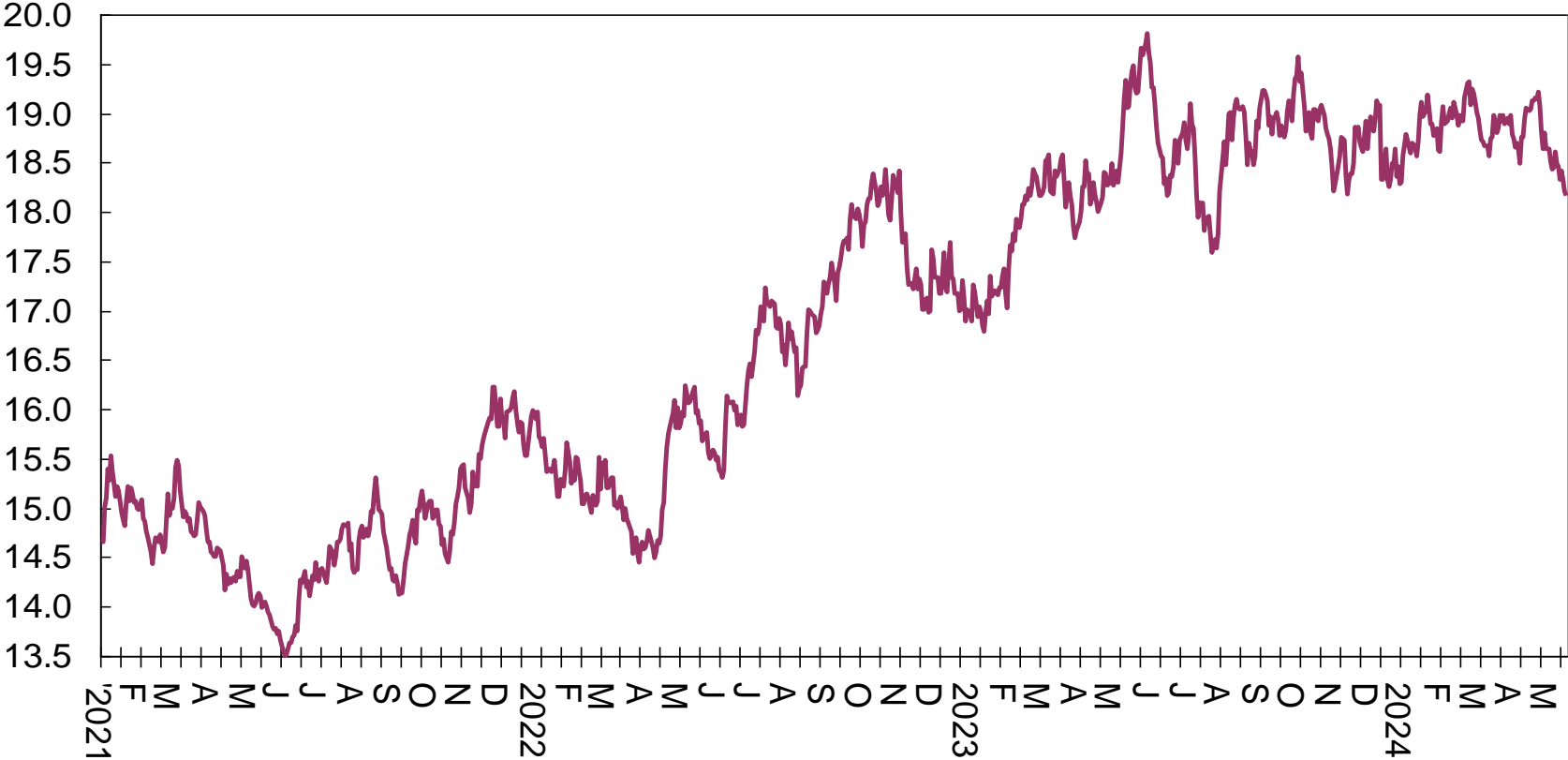
Bitcoin price

Dollar



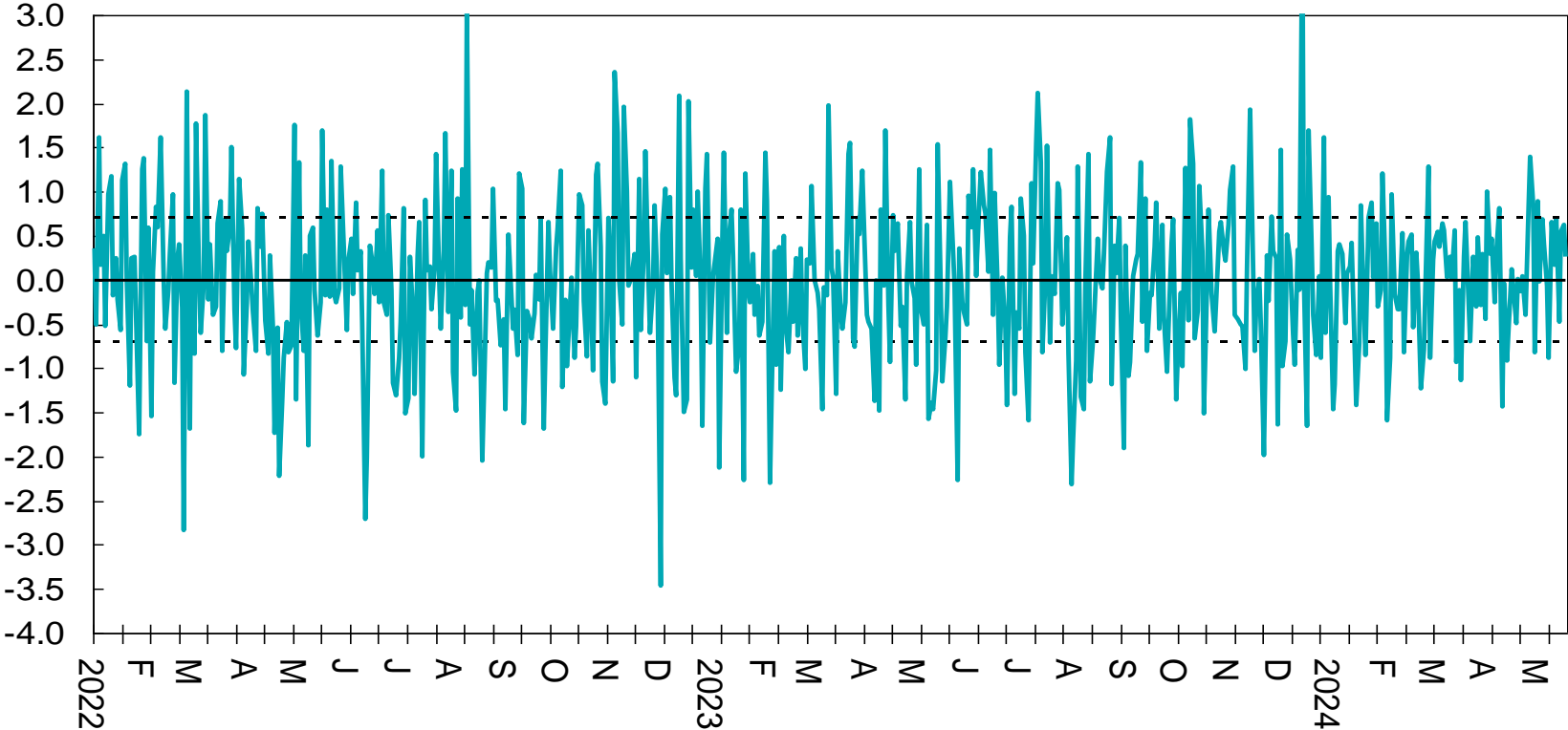
South Africa Rand vs US Dollar (daily)

Rand per Dollar



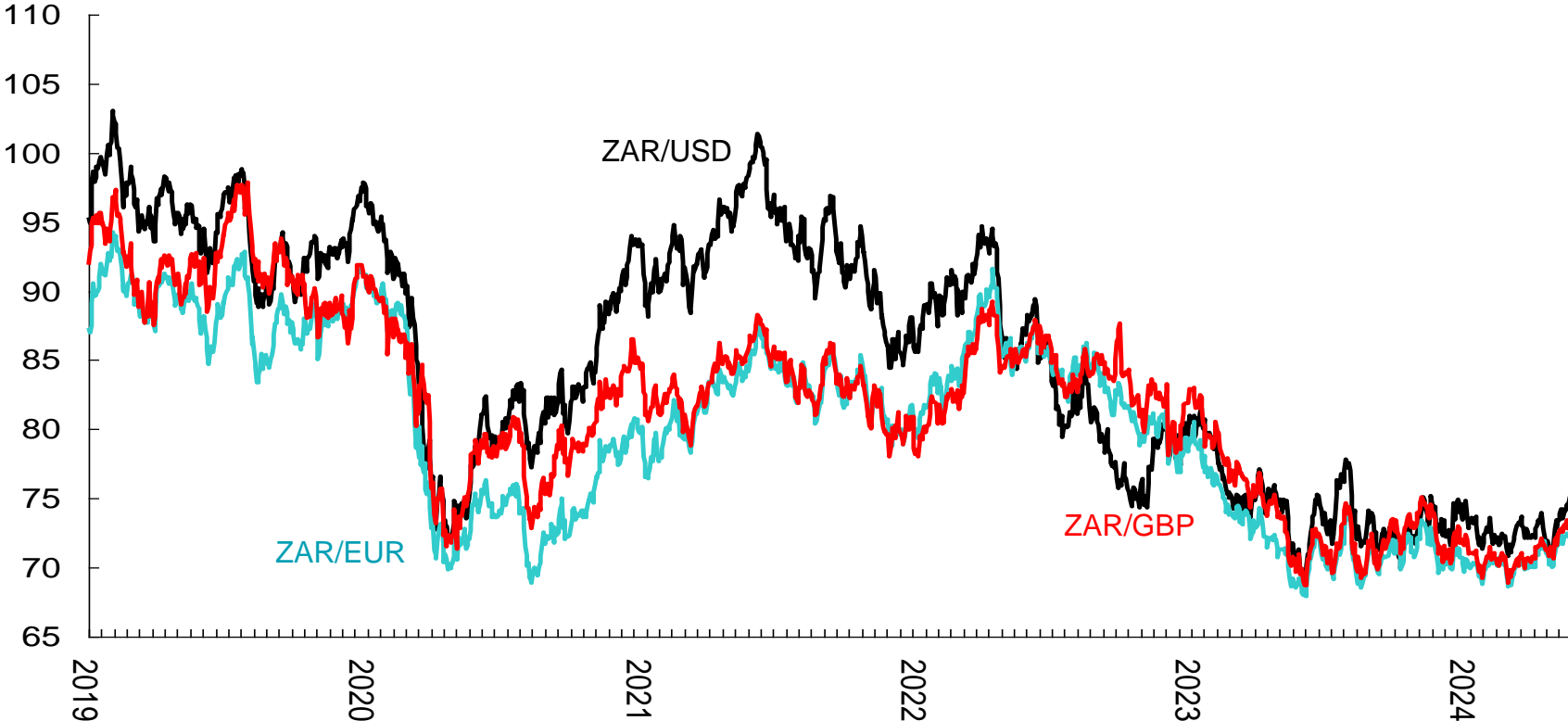
South Africa Rand vs US Dollar (daily change in value)

% change, day-on-day



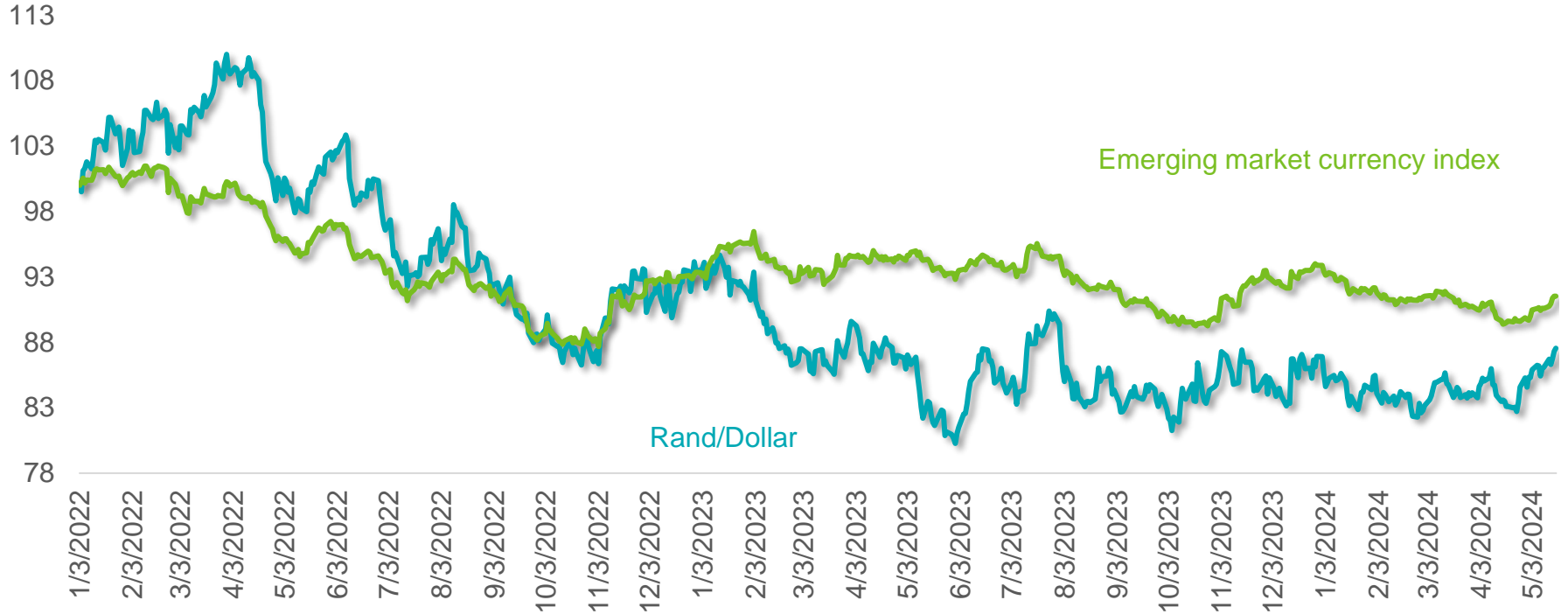
SA Rand vs Dollar, Euro and Pound

Index, 1 January 2017 = 100



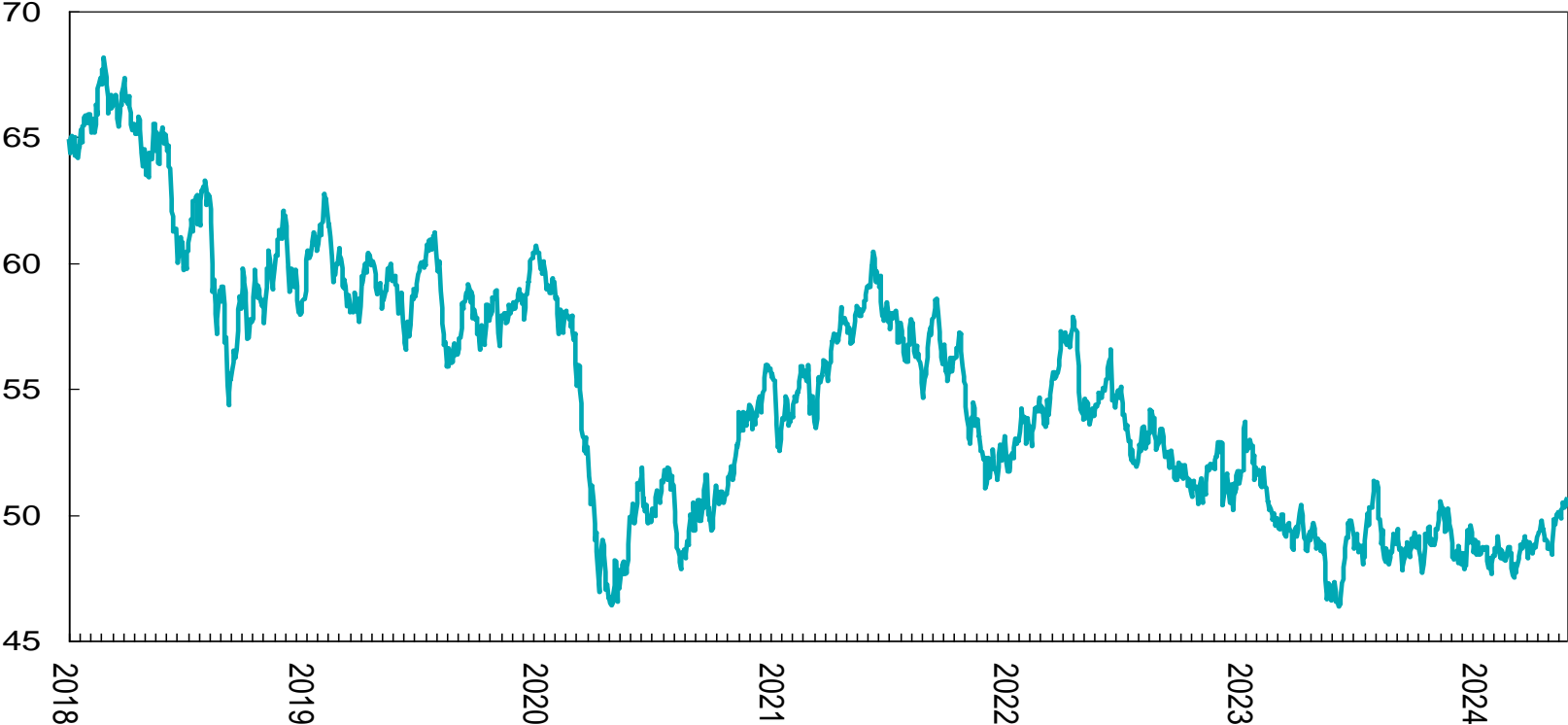
Rand/US Dollar vs Emerging Market Currencies

Index, 1 Jan 2022 = 100



SA trade-weighted exchange rate

Index, nominal, daily data from JP Morgan

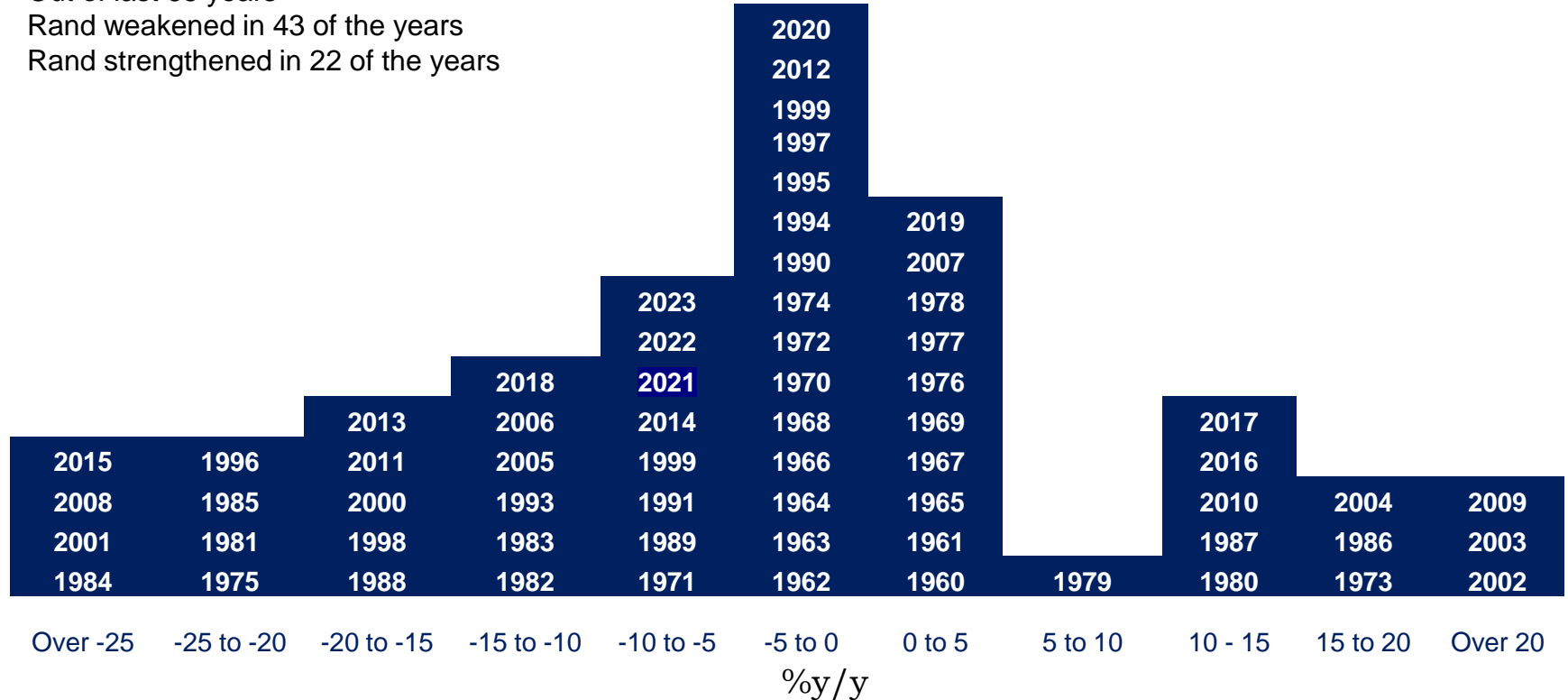


Rand/Dollar annual performance

Out of last 65 years

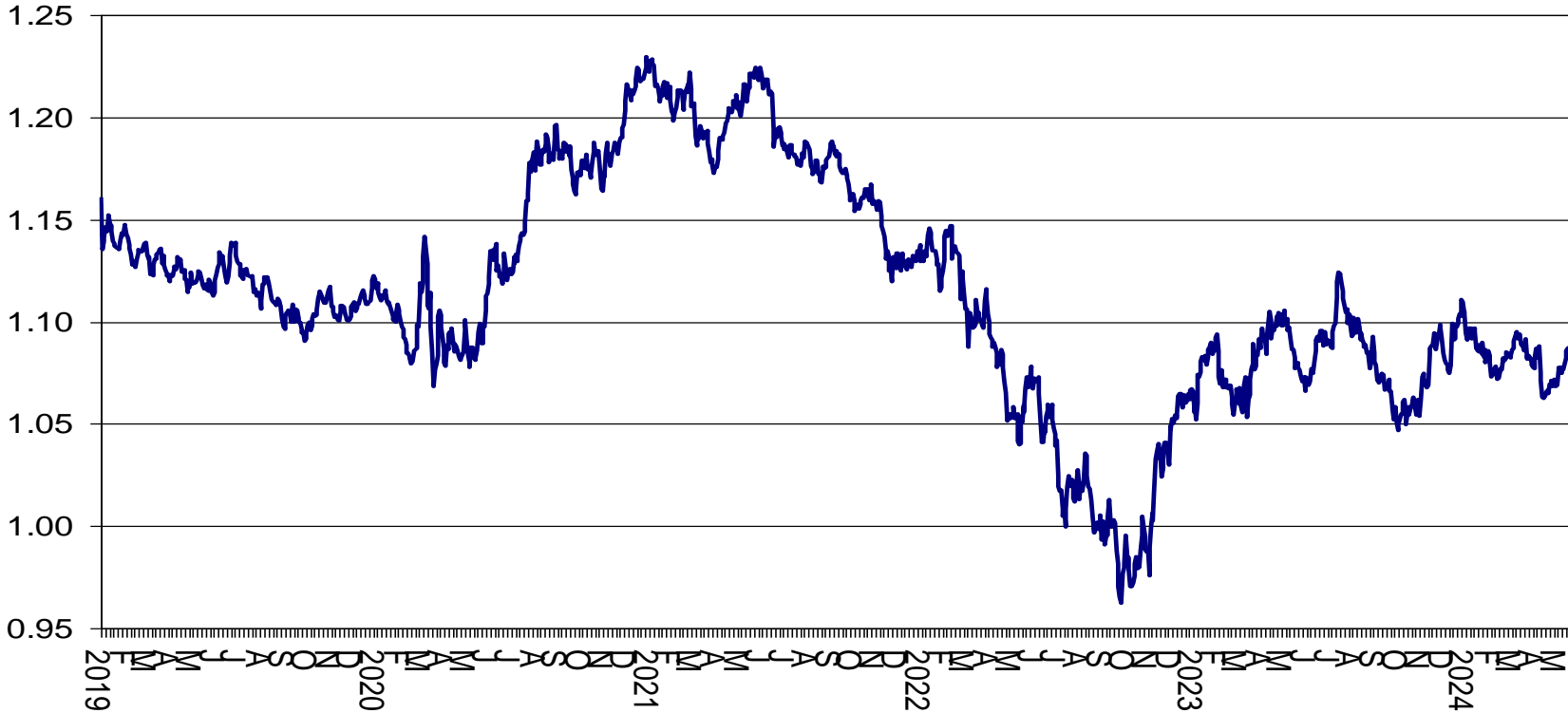
Rand weakened in 43 of the years

Rand strengthened in 22 of the years



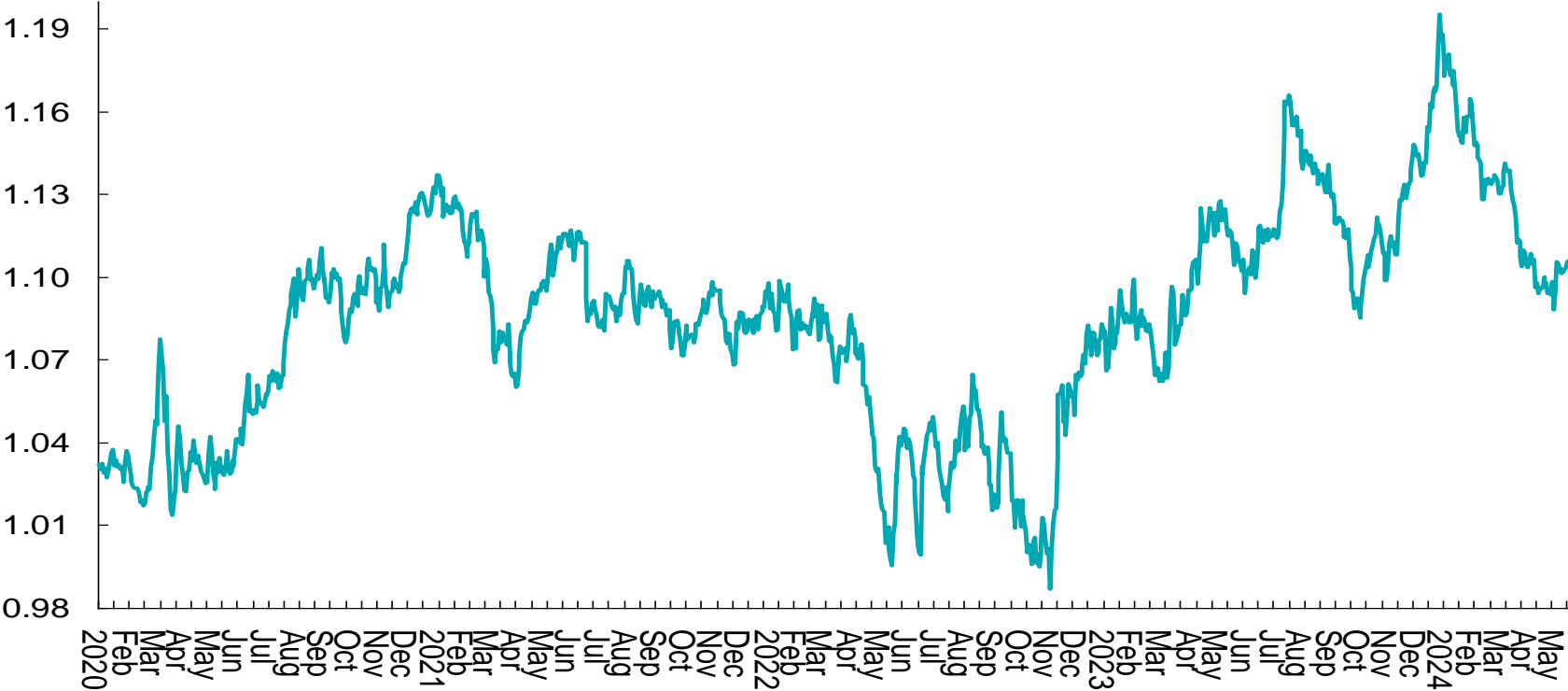
US Dollar vs Euro

Dollar per Euro



US Dollar per Swiss Franc

USD per CHF



US Dollar vs CNY

CNY per US Dollar



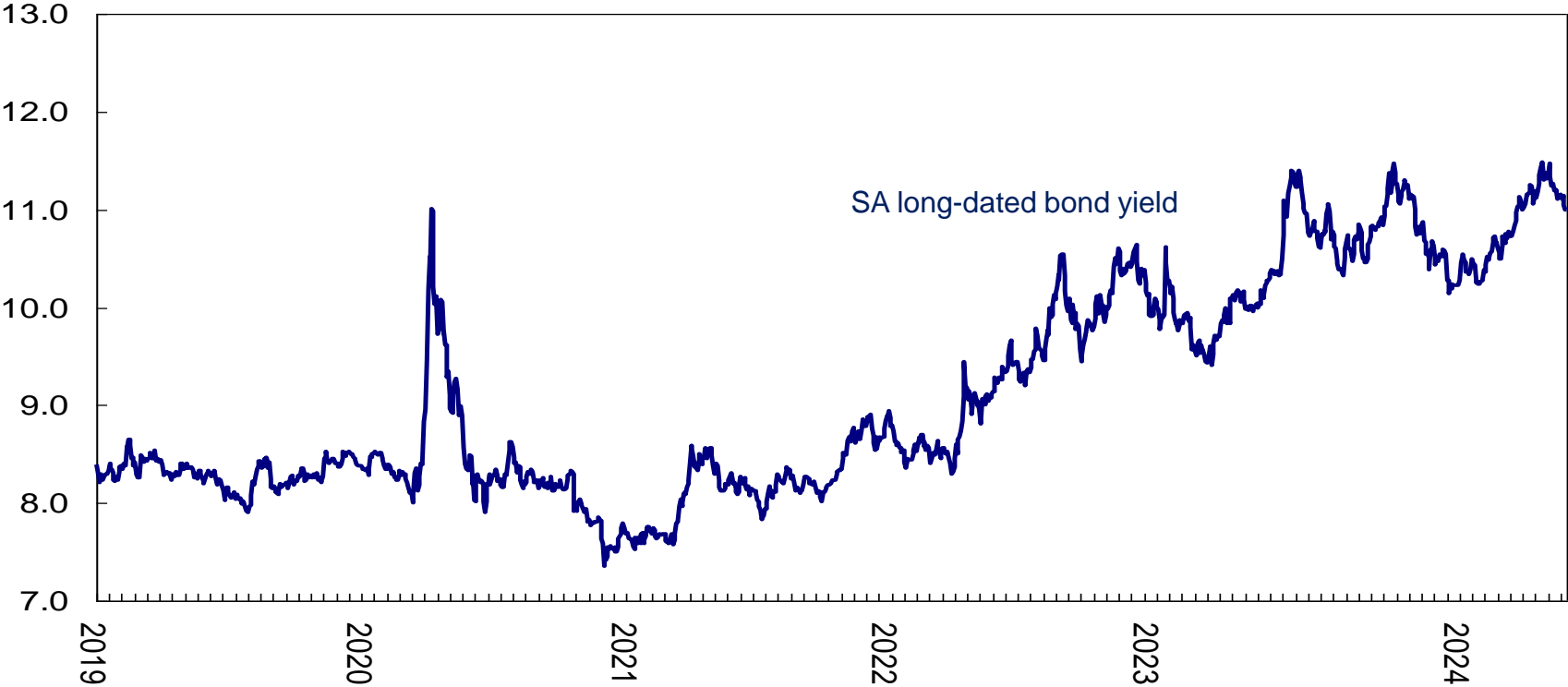
Japanese Yen per US Dollar

Yen per Dollar



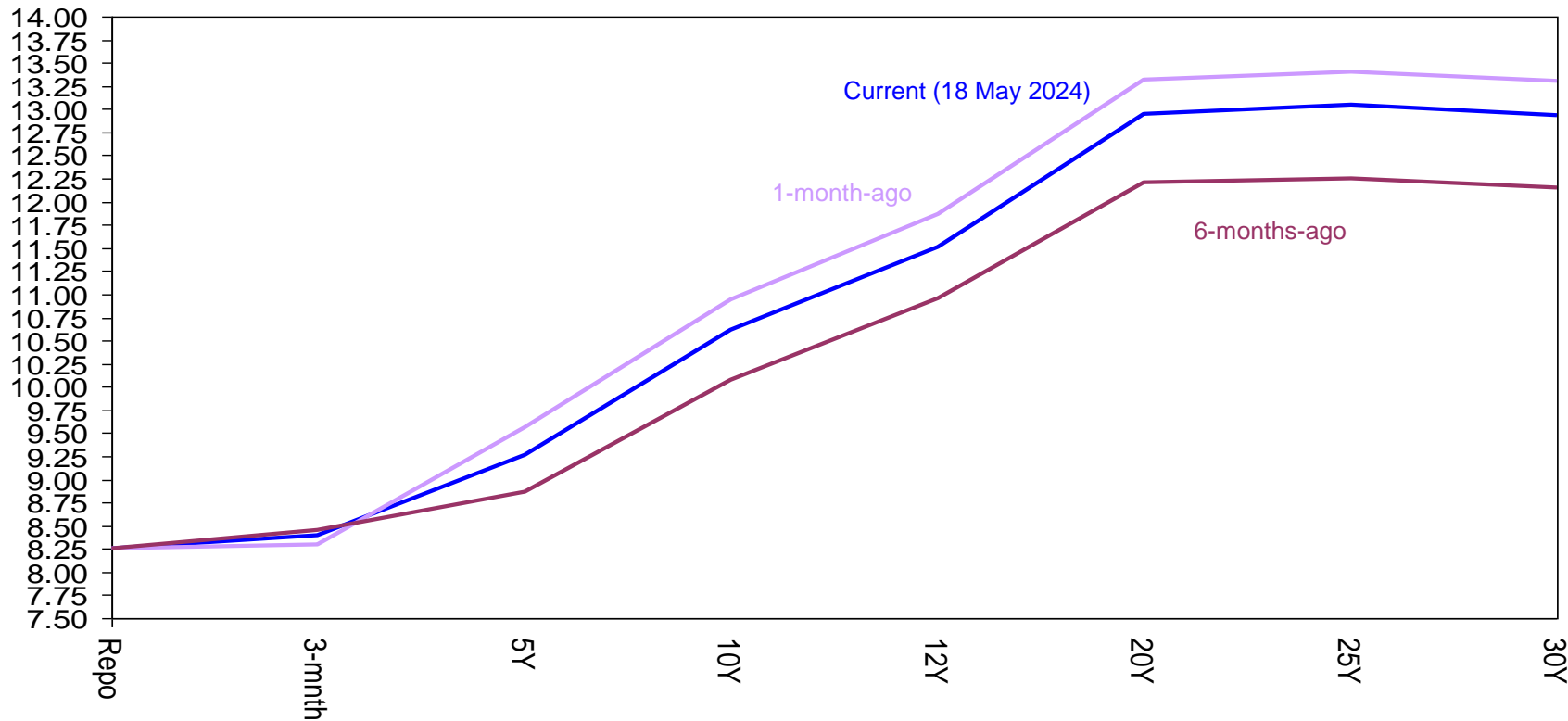
SA long-dated government bond yield

% yield



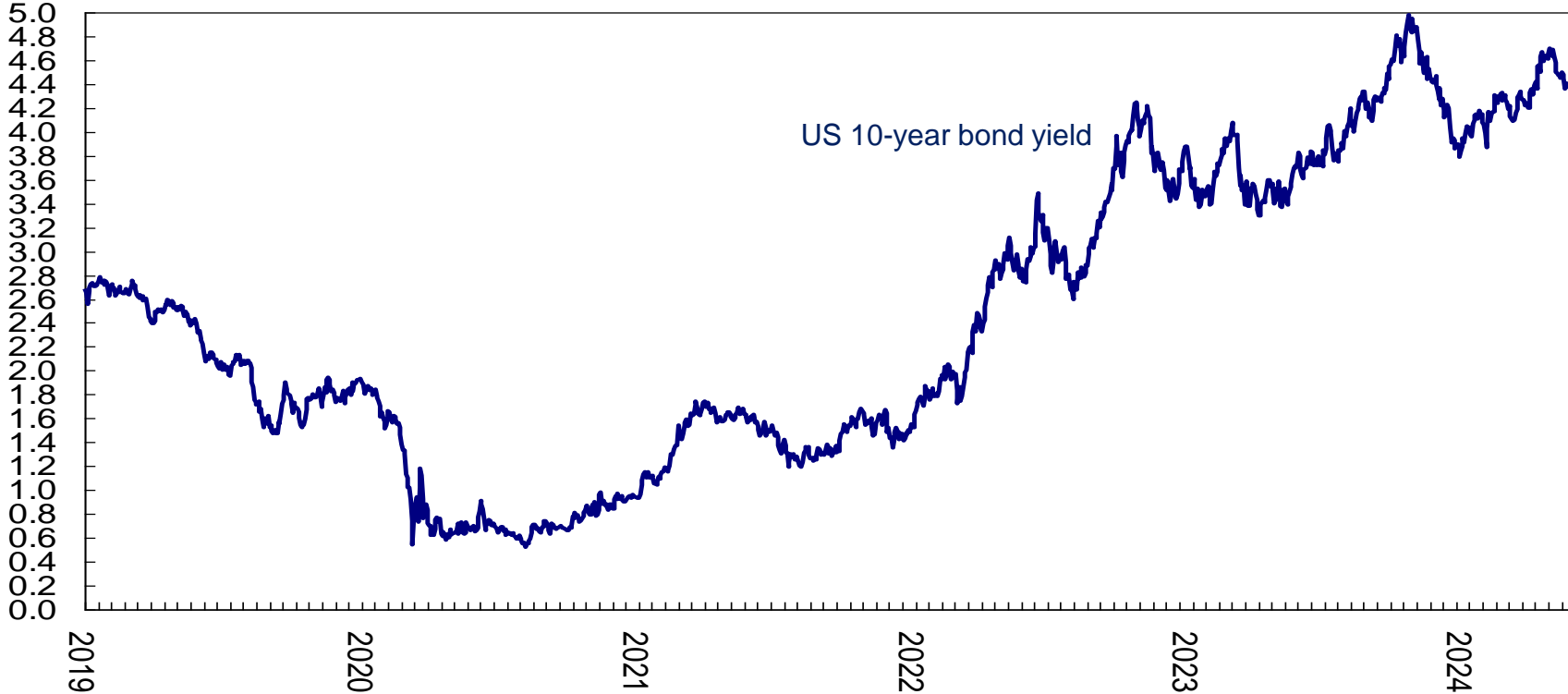
South Africa government yield curve

Yield, %



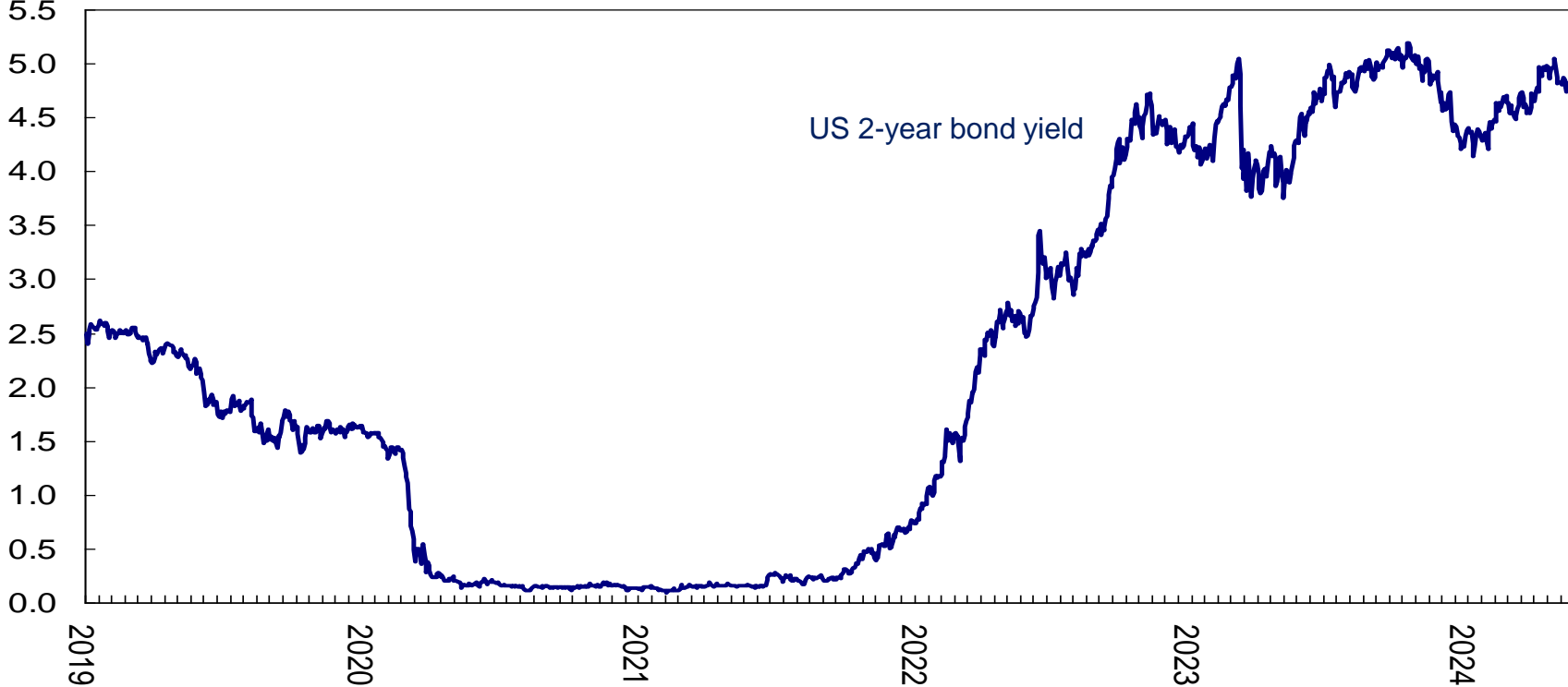
US 10-year government bond yield

% yield



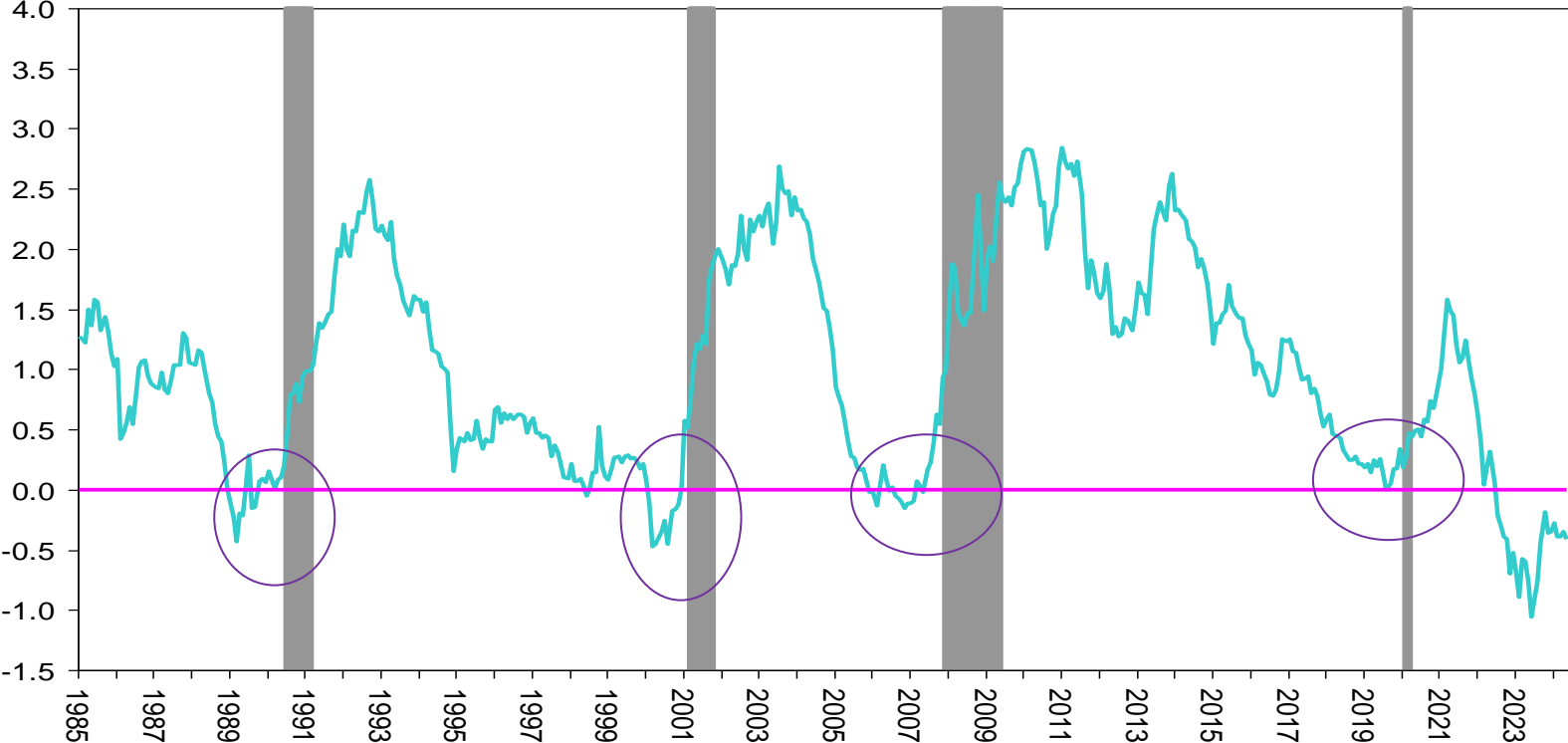
US 2-year government bond yield

% yield



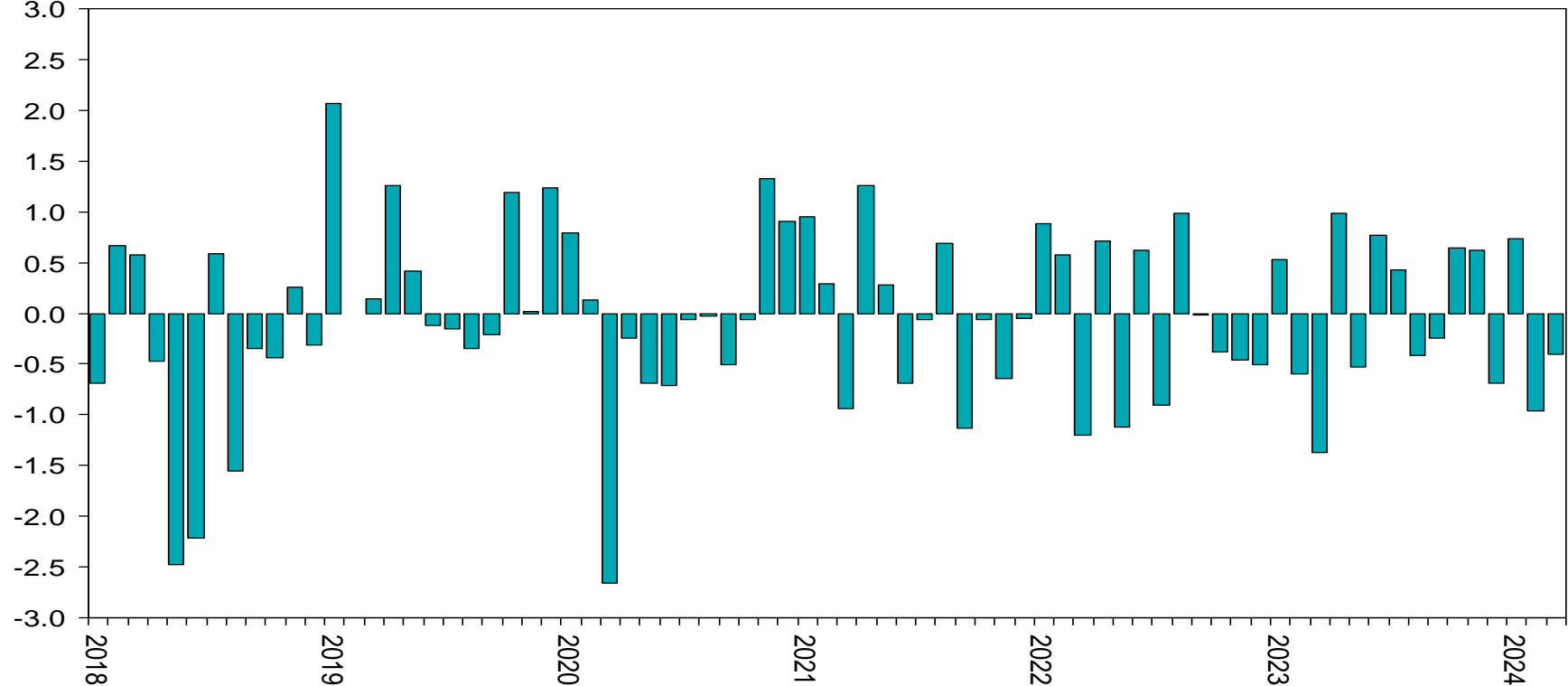
US 10-year less 2-year treasury and business cycle

Percentage points



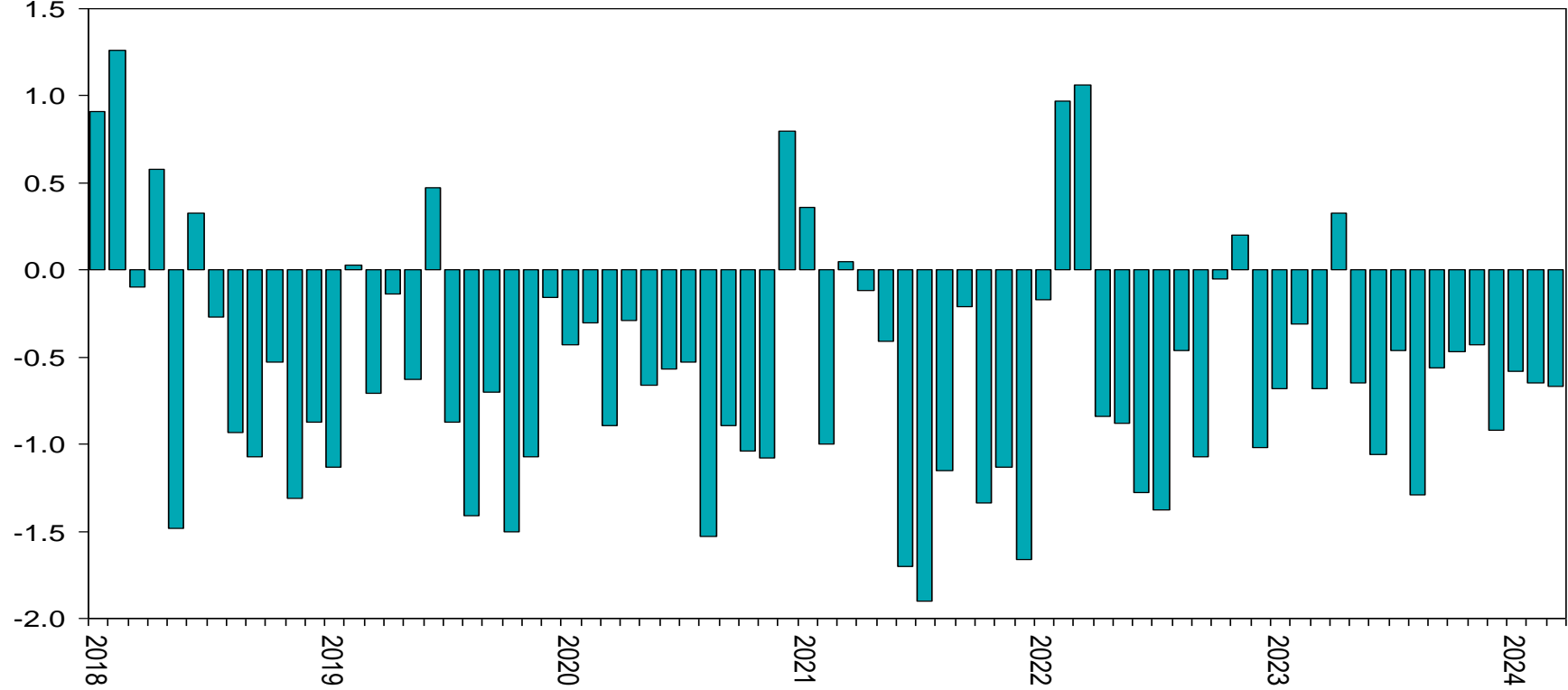
Foreign buying of South African government bonds

\$ billion (SA Reserve Bank data)



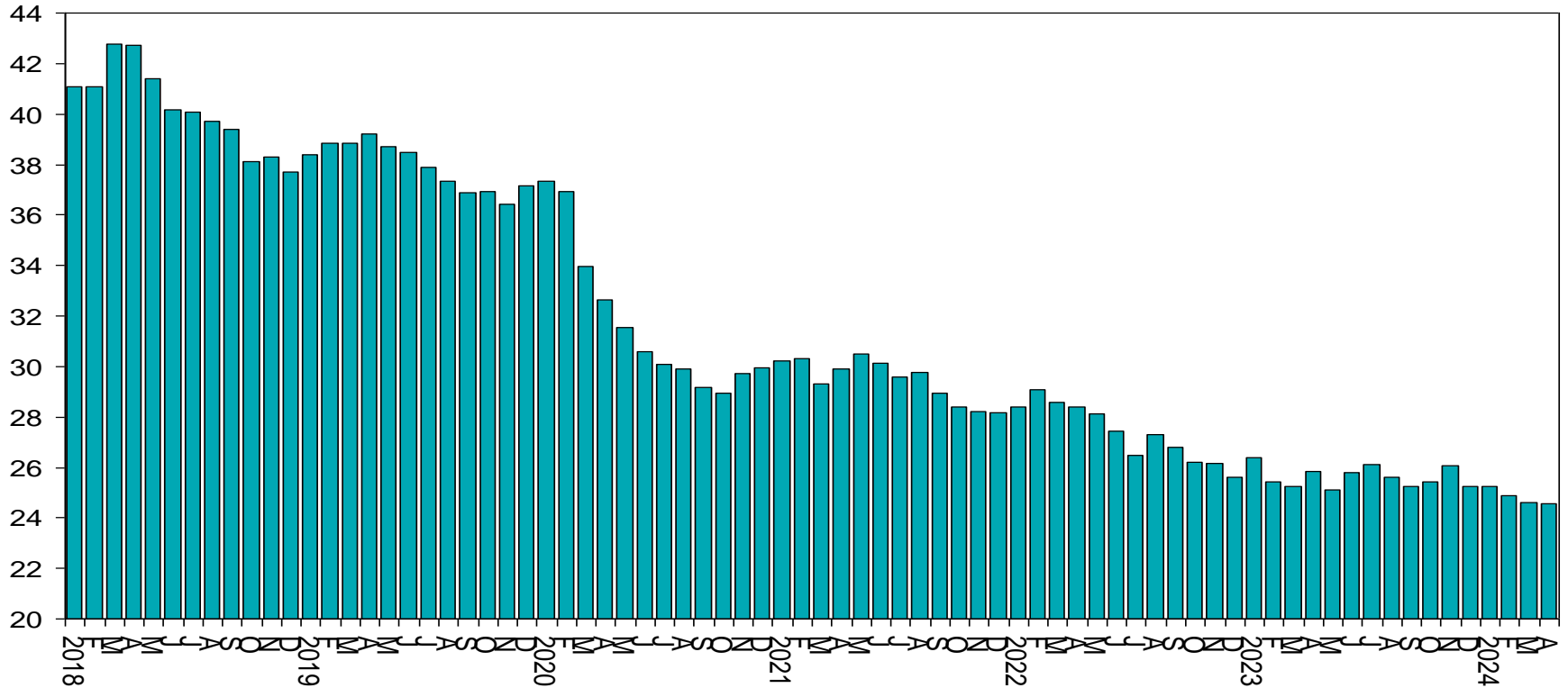
Foreign buying of South African equities

\$ billion (SA Reserve Bank data)



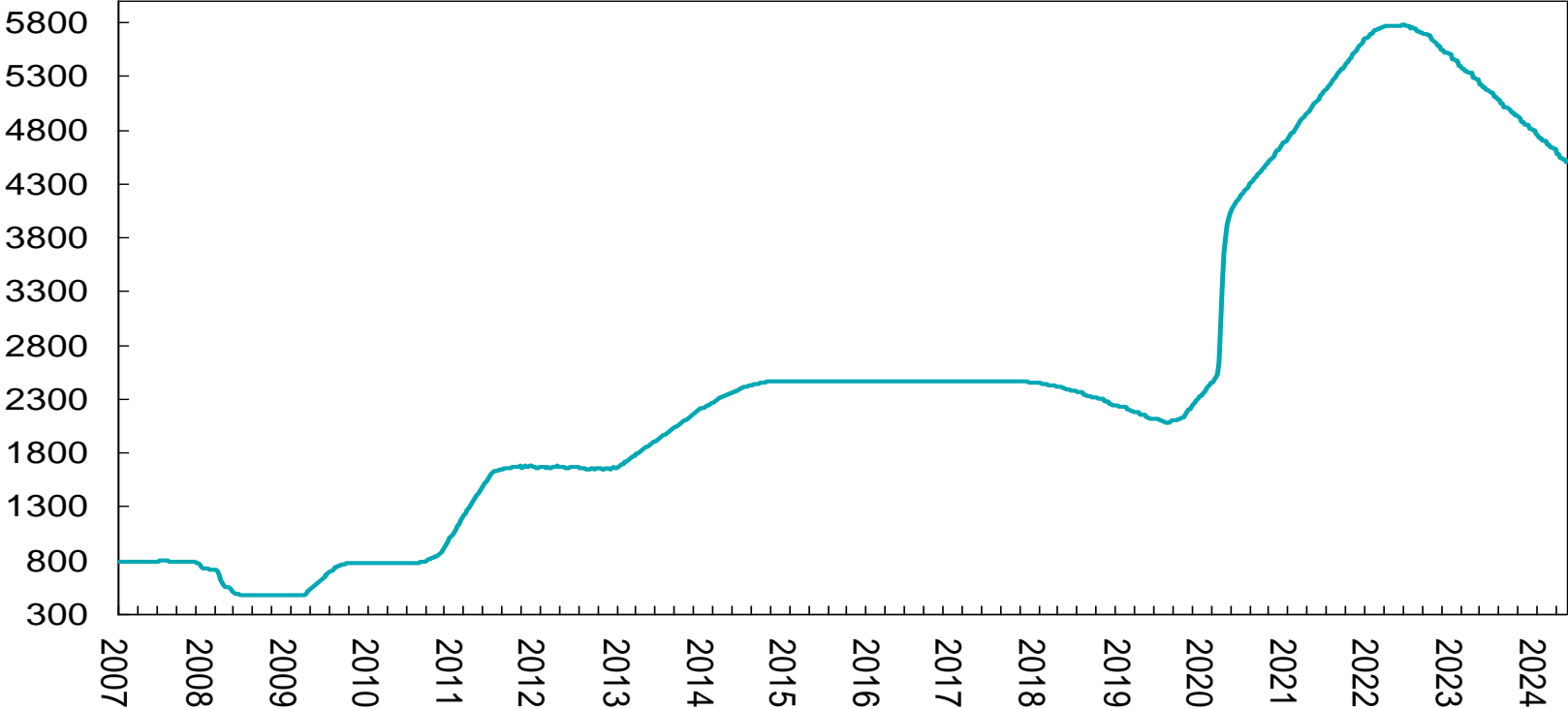
Foreign ownership of South African government bonds

% of total



US Federal Reserve ownership of government bonds

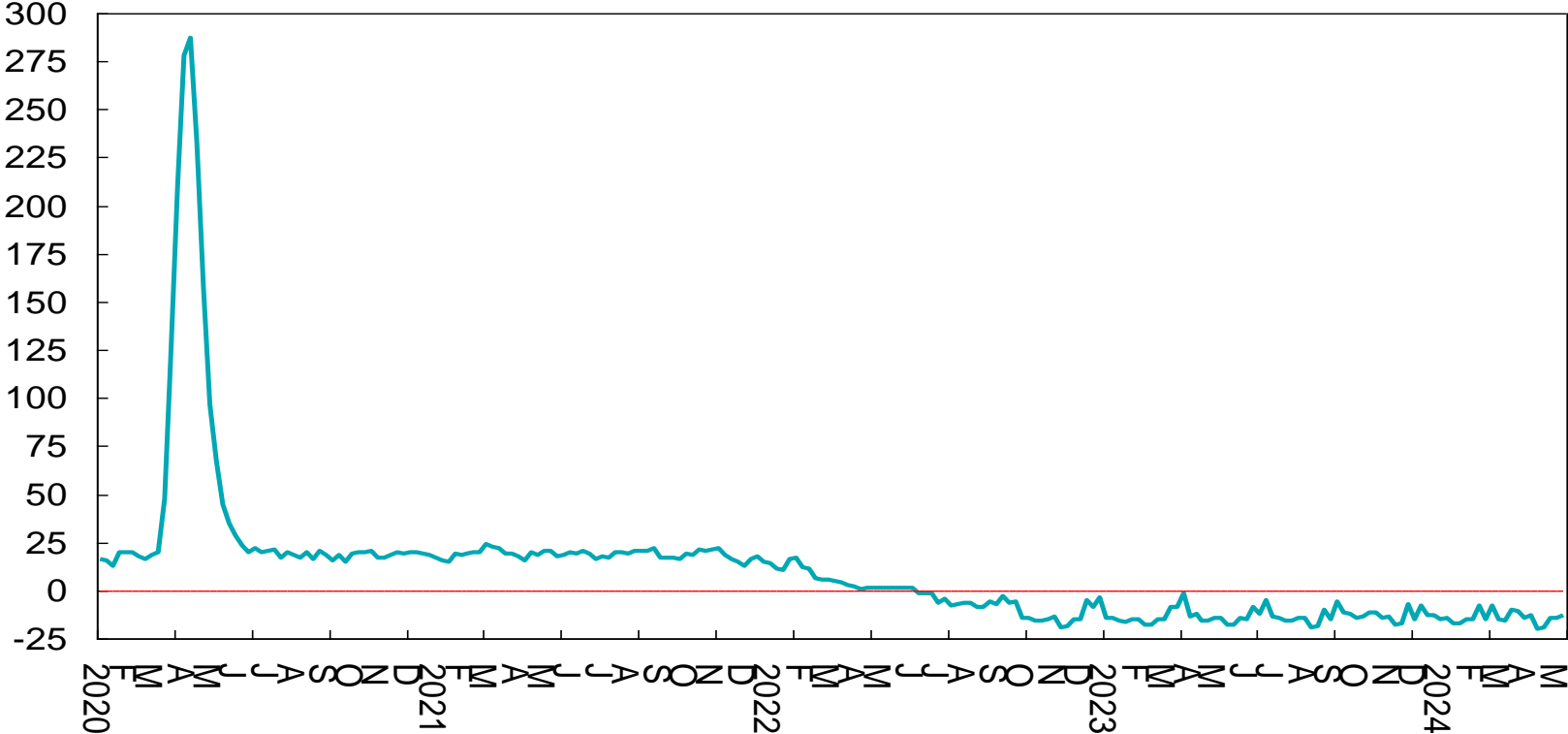
\$ billion



Source: US Federal Reserve

US Federal Reserve purchase of government bonds

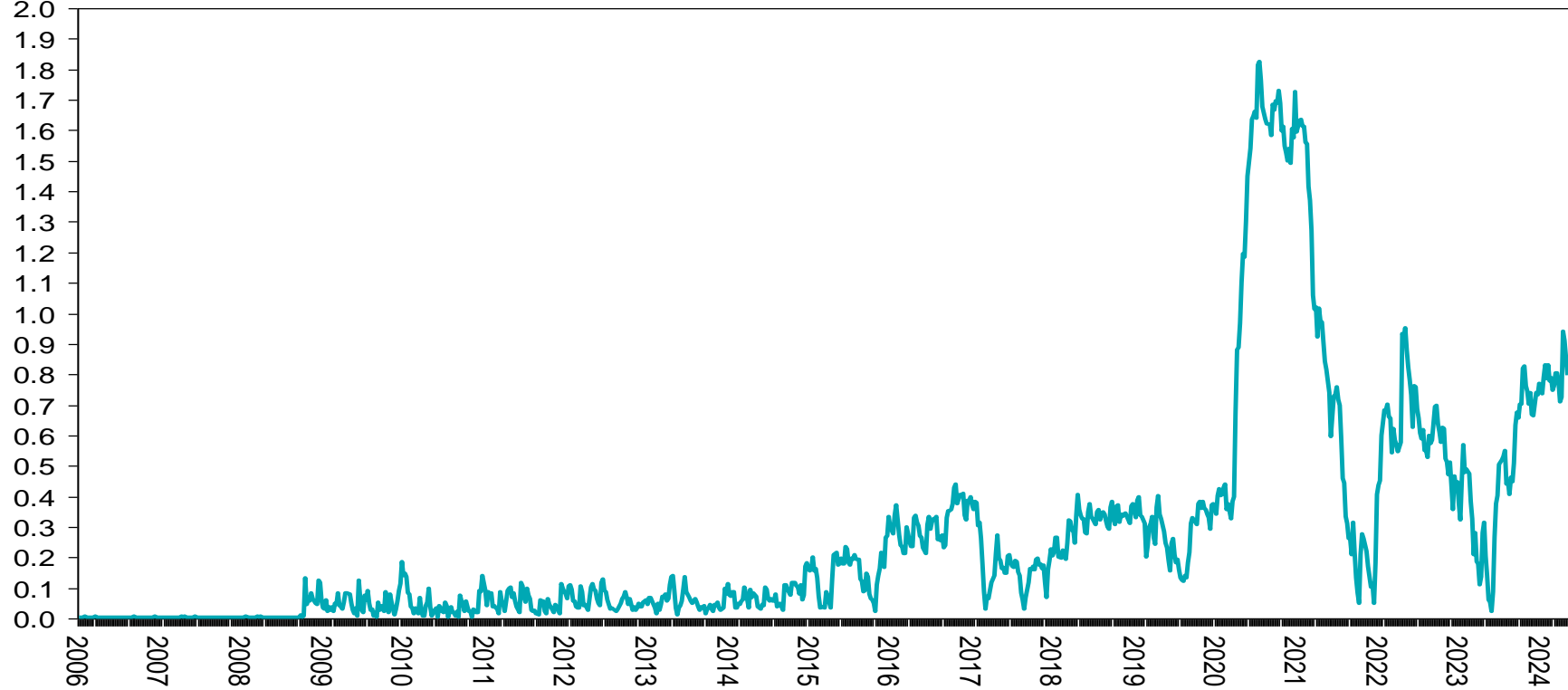
4-week average rate of purchases, \$ billion



Source: US Federal Reserve

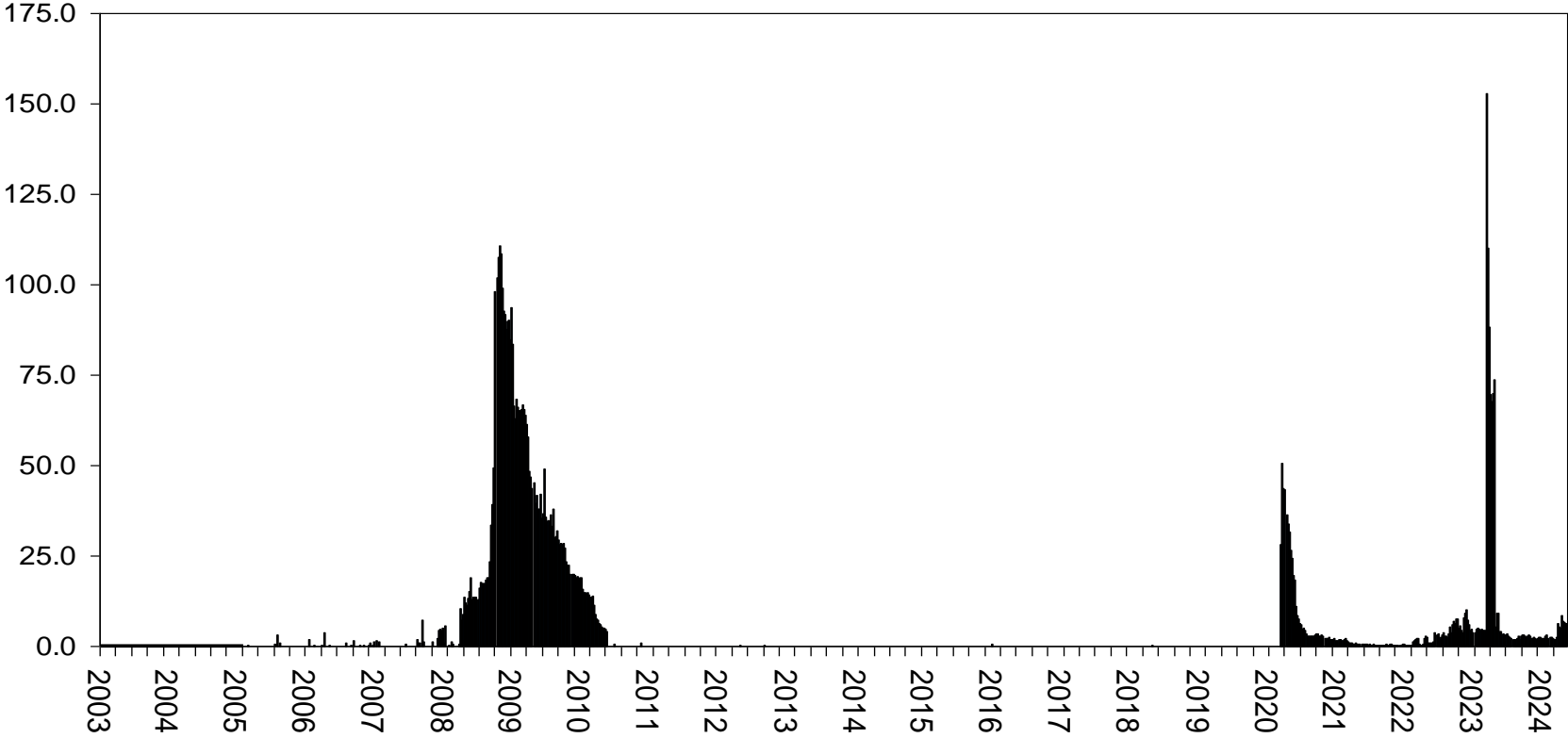
US Treasury cash balance at Federal Reserve

\$ trillion, weekly



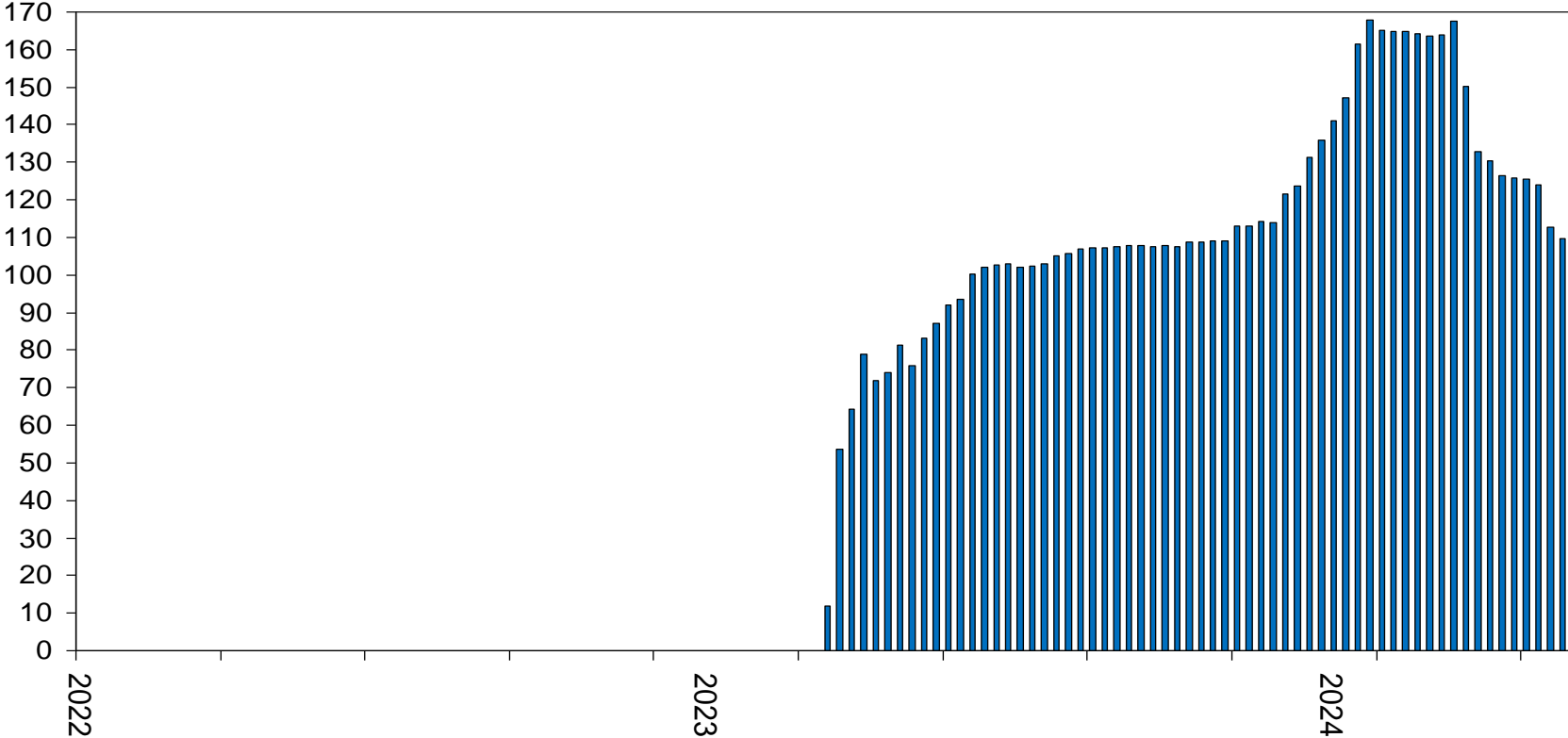
US Federal Reserve discount window (balance)

\$ billion (weekly data)



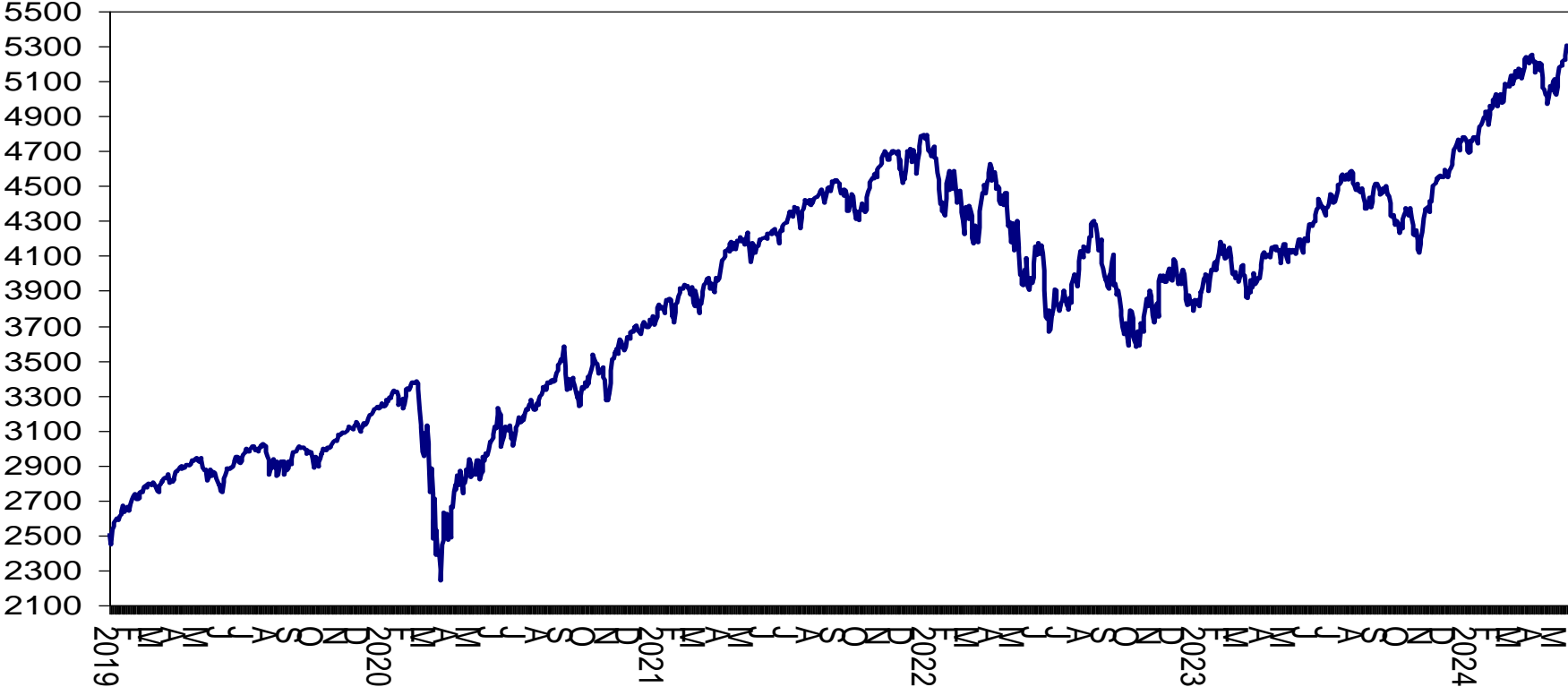
US Federal Reserve Bank Term Funding Program (balance)

\$ billion (weekly data)



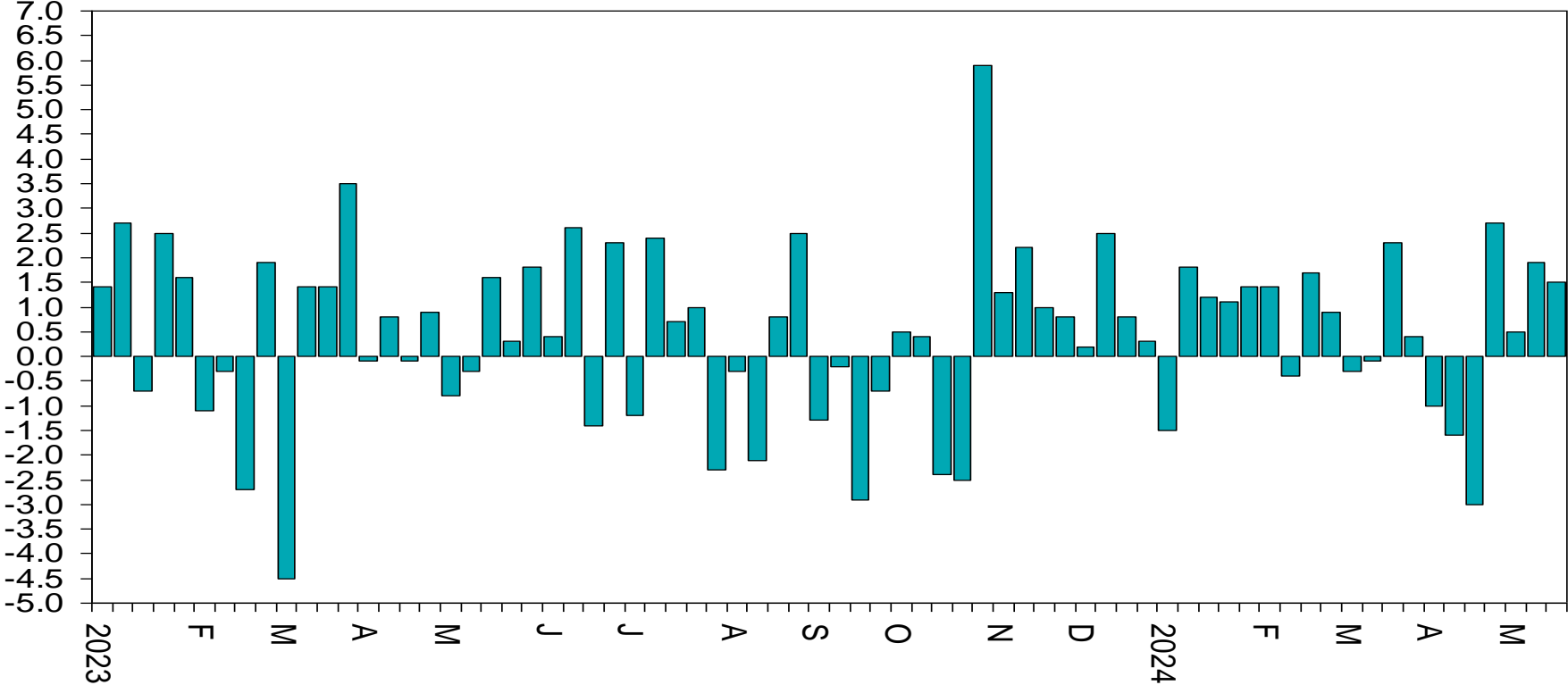
US S&P 500

Index



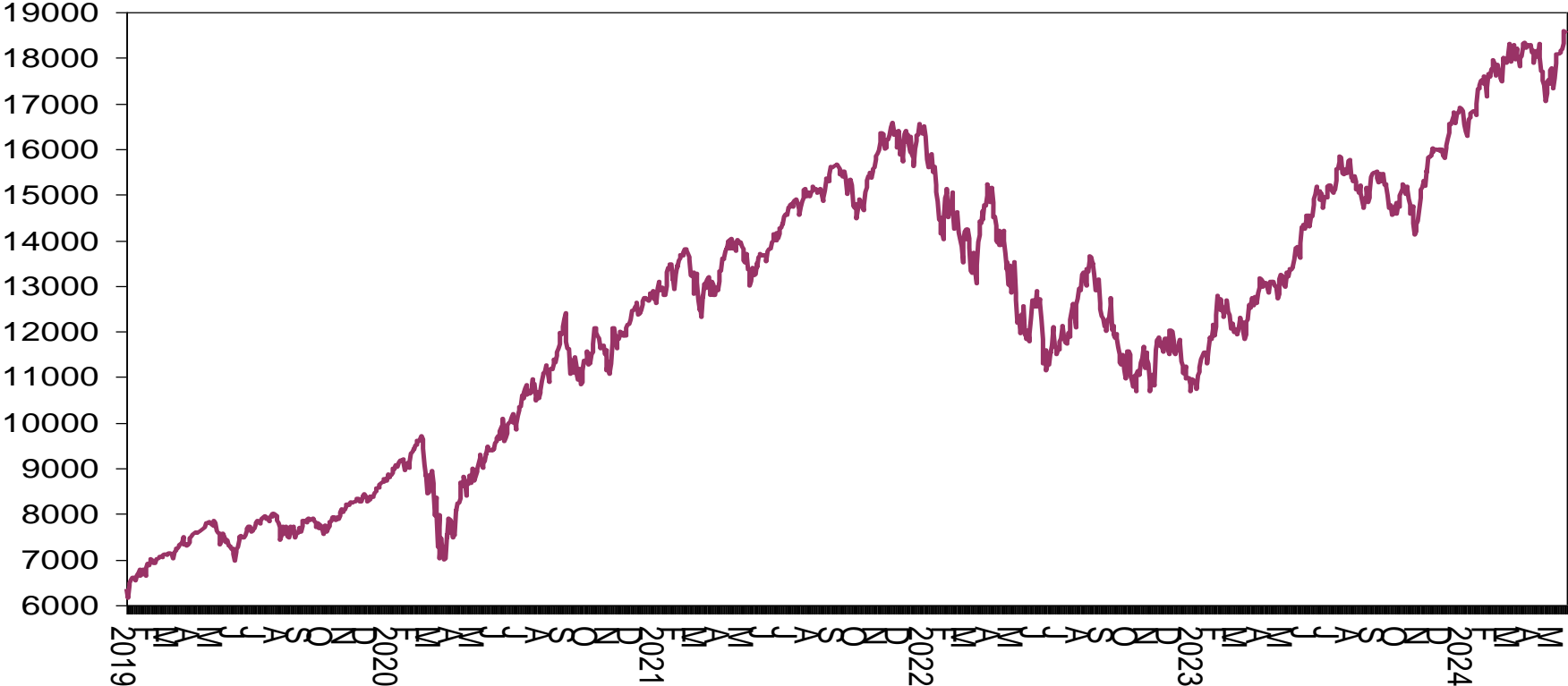
US S&P 500 (weekly change)

\$ week-on-week



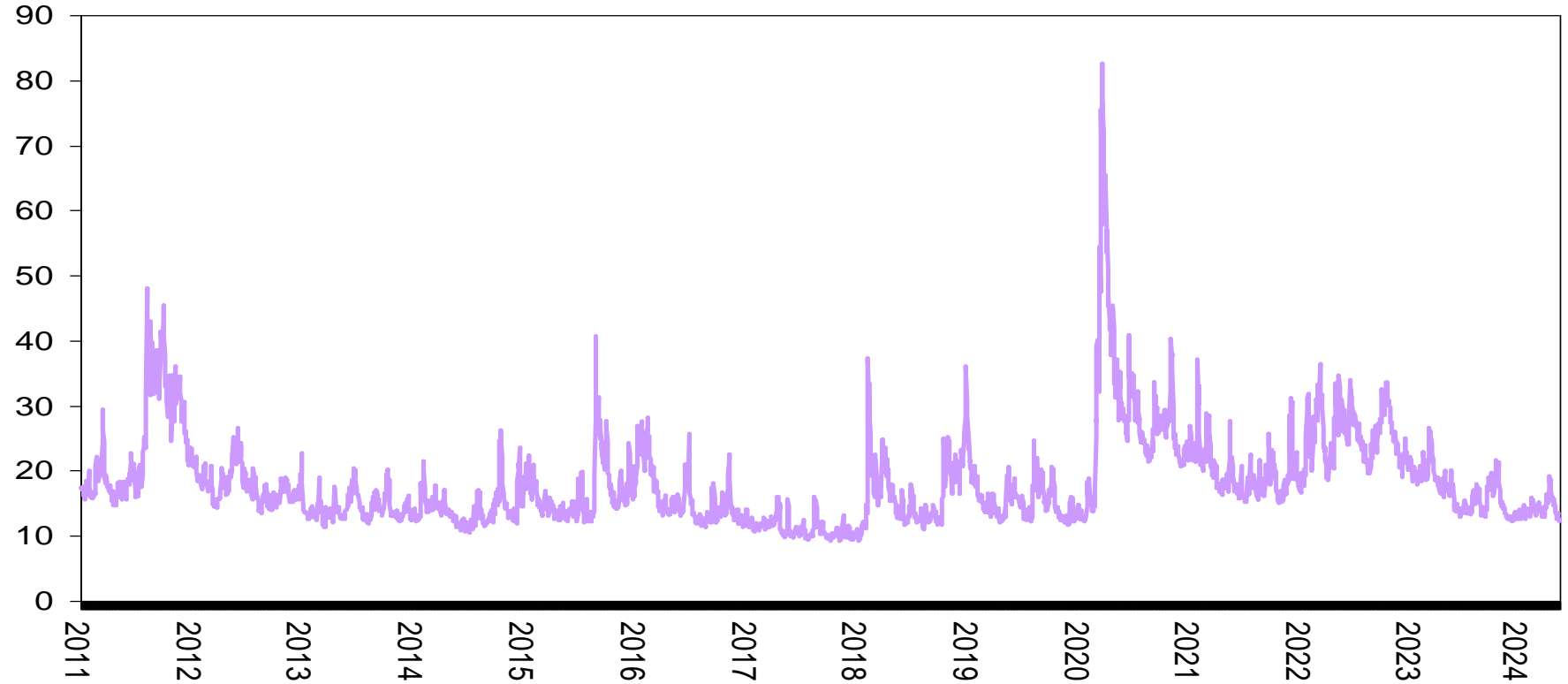
US NASDAQ (100) index

Index



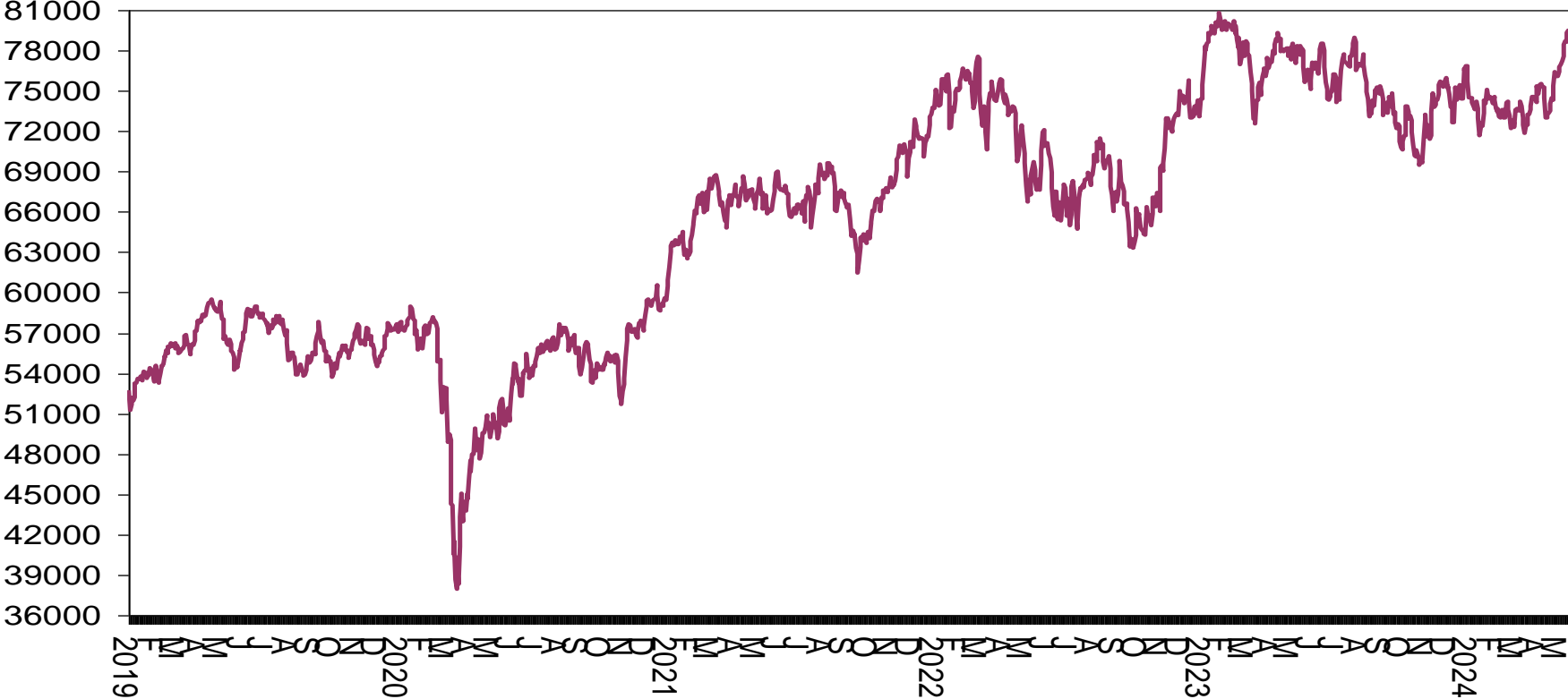
Chicago Board Options Exchange volatility index (VIX index)

Index



SA equity market

Index



Baltic Dry Index (shipping cost of commodities)

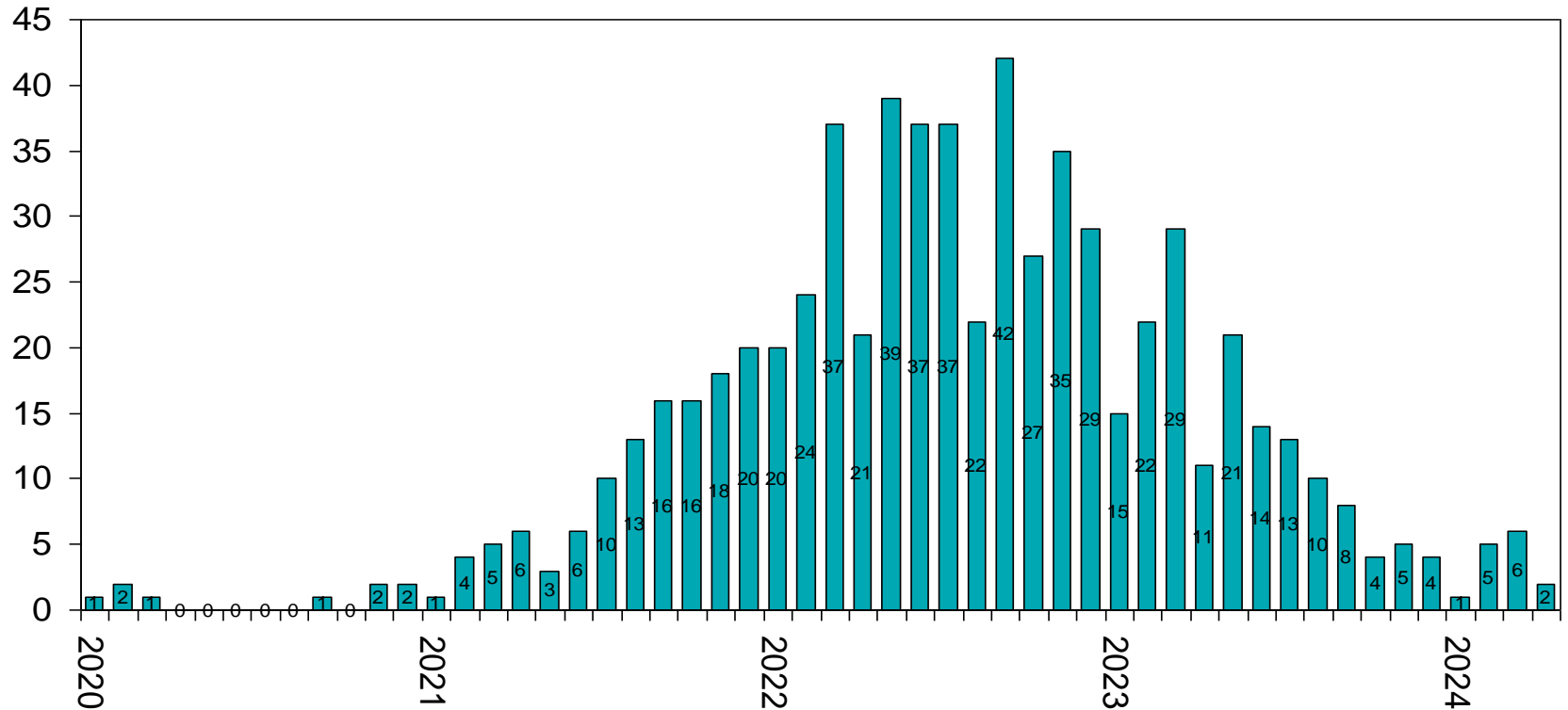
Index, Baltic Exchange



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



US fast economic data: 13 to 19 May 2024

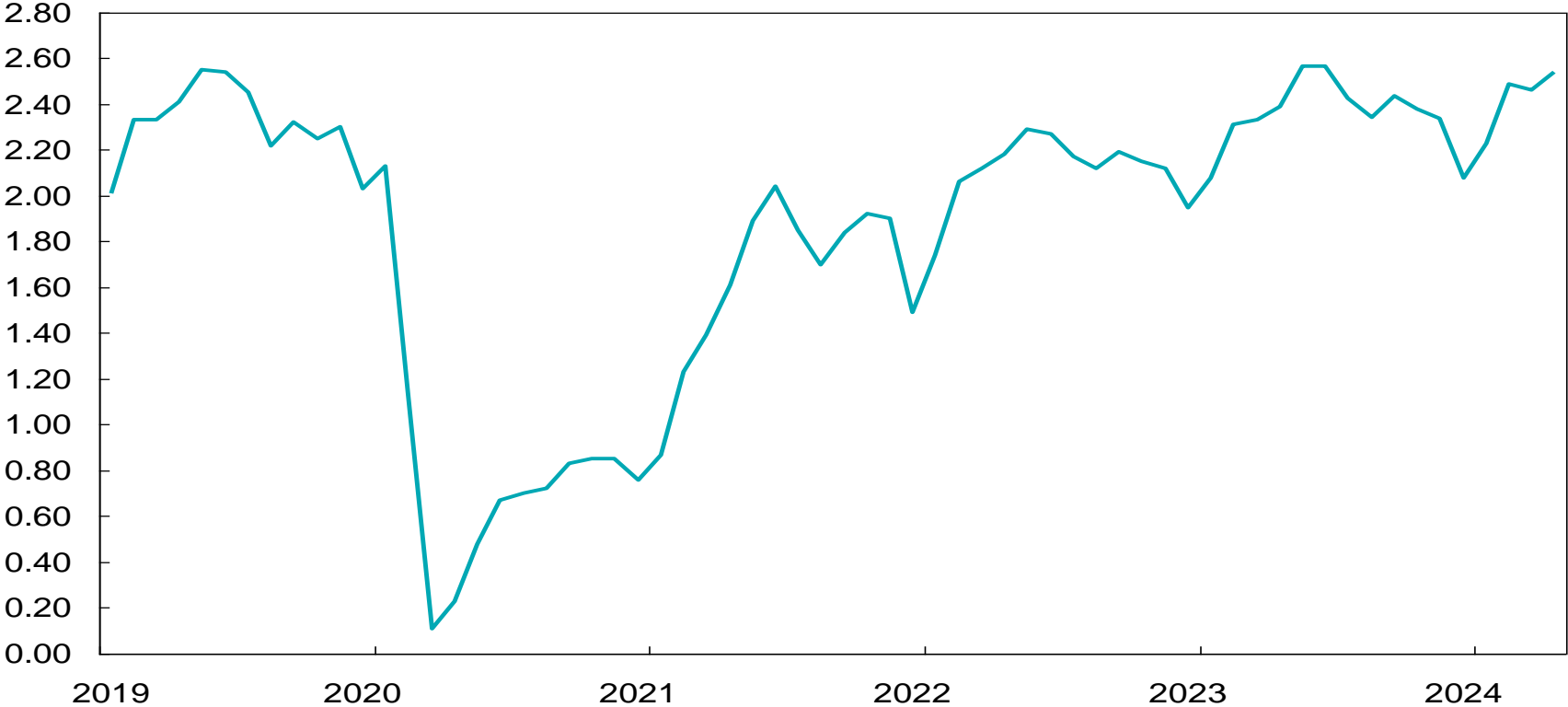
- US airport passengers monthly
- US weekly motor gasoline sales
- US oil and gas rig count
- US weekly rail traffic



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US number of airport passengers (monthly)

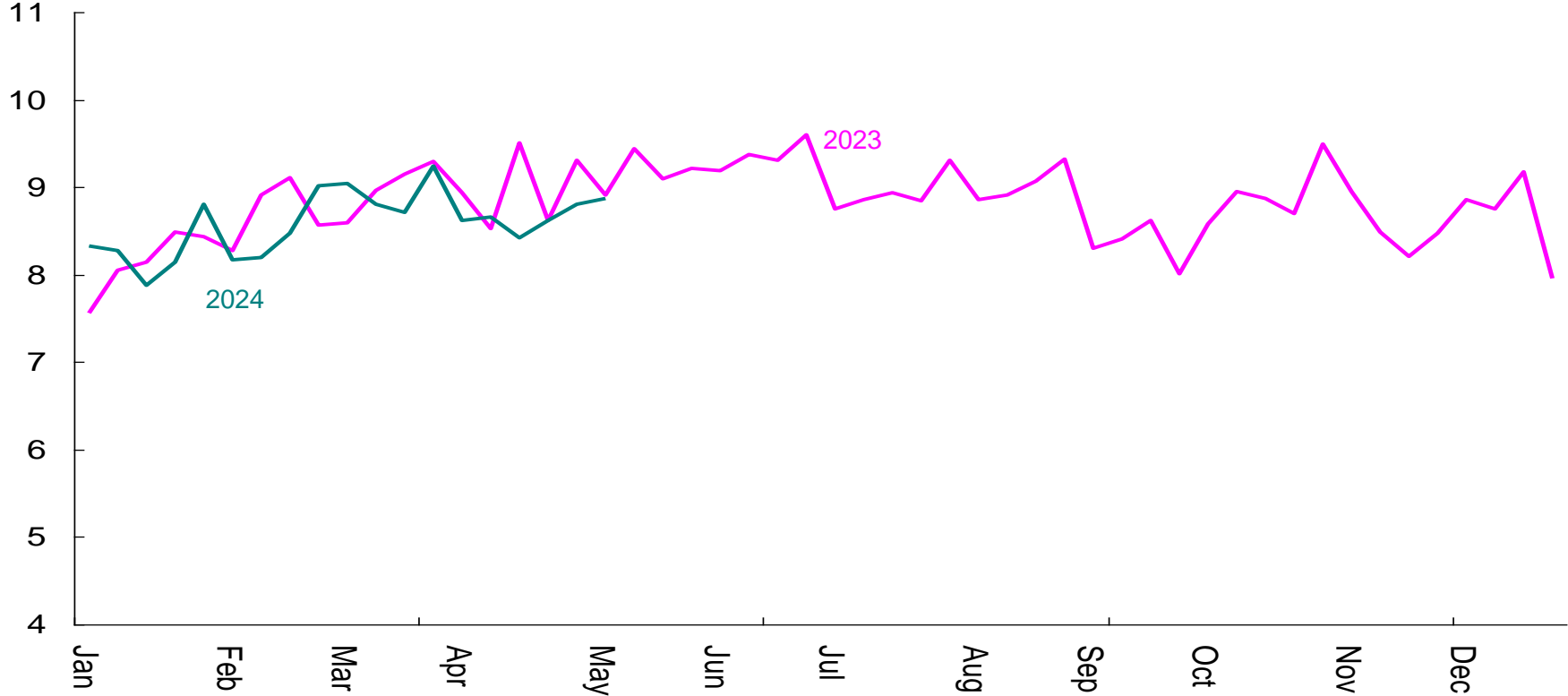
Number of passengers, millions



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

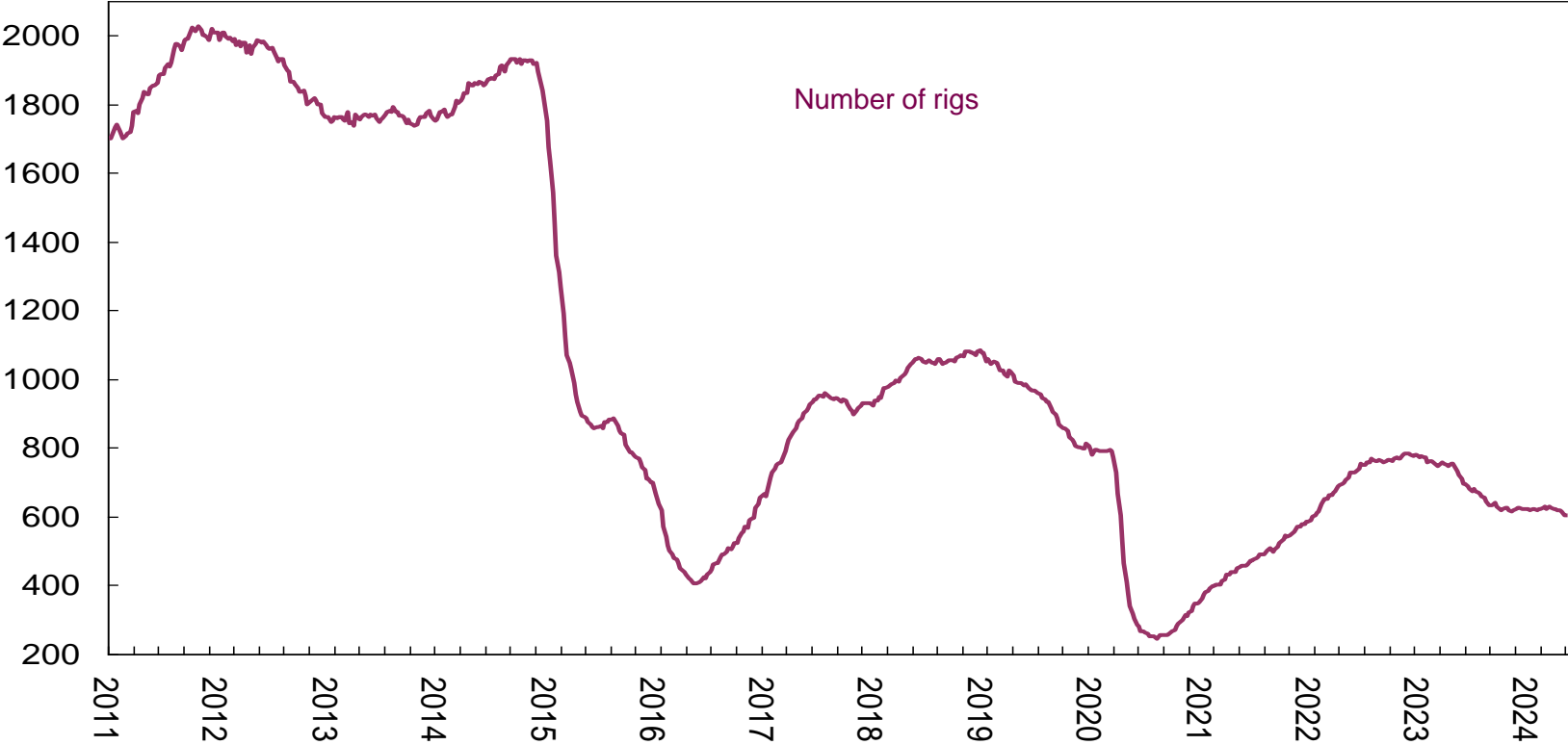
US weekly motor gasoline supply

Million barrels per day



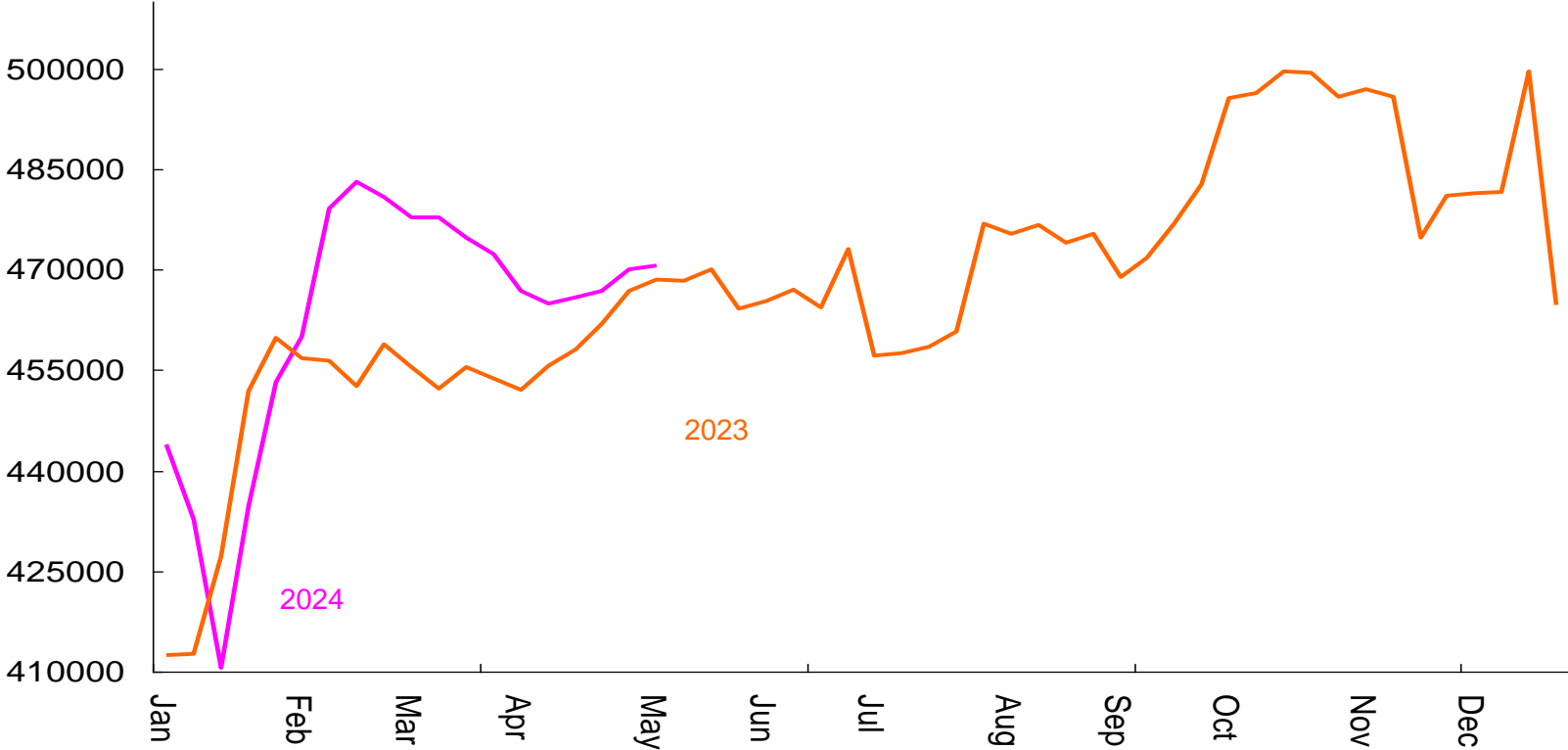
US oil and gas rig count

Number of rigs



US weekly rail traffic

Carloads and/or intermodal units



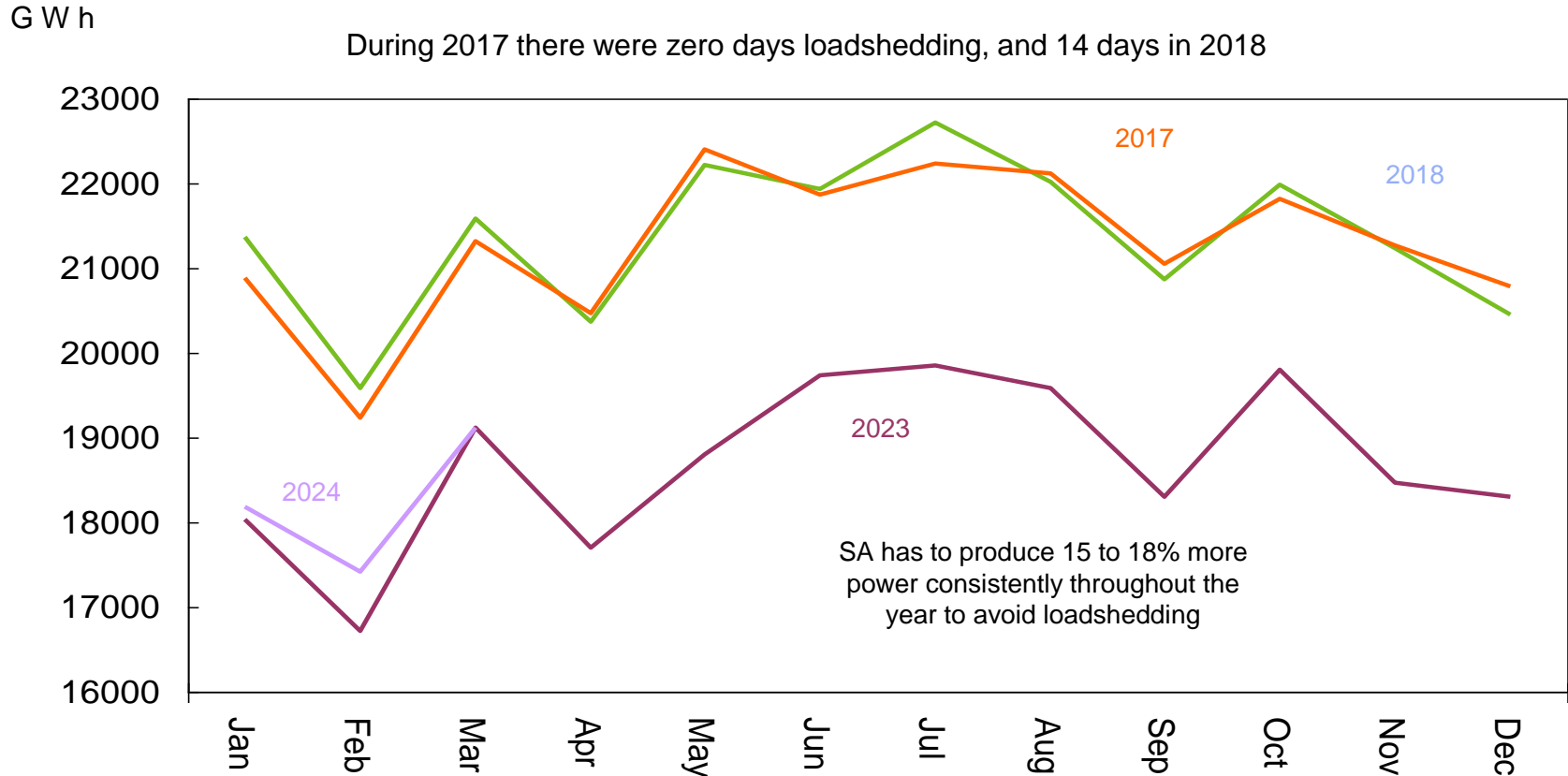
SA energy crisis: 13 to 19 May 2024

- 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



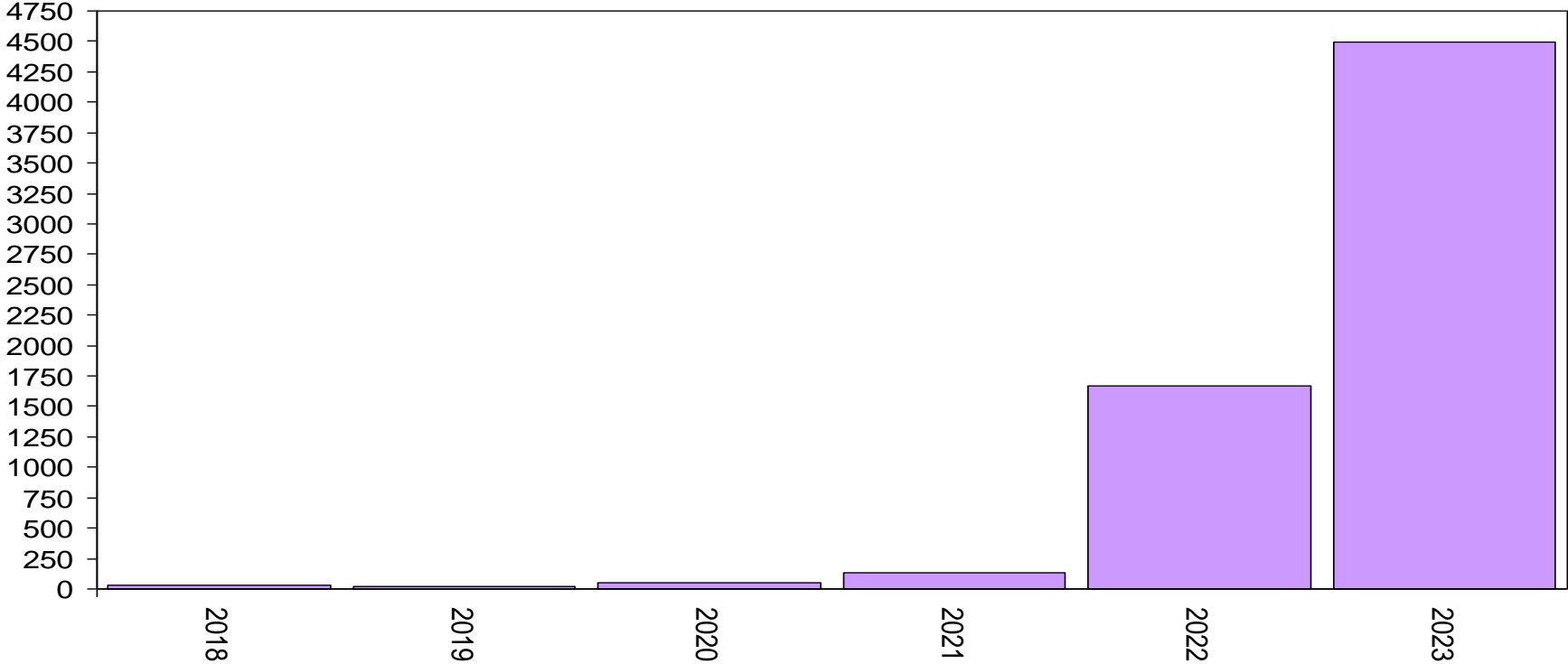
Private sector power projects (NERSA)

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

*Jan 2024

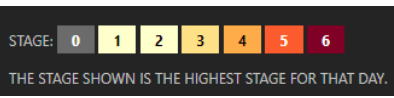
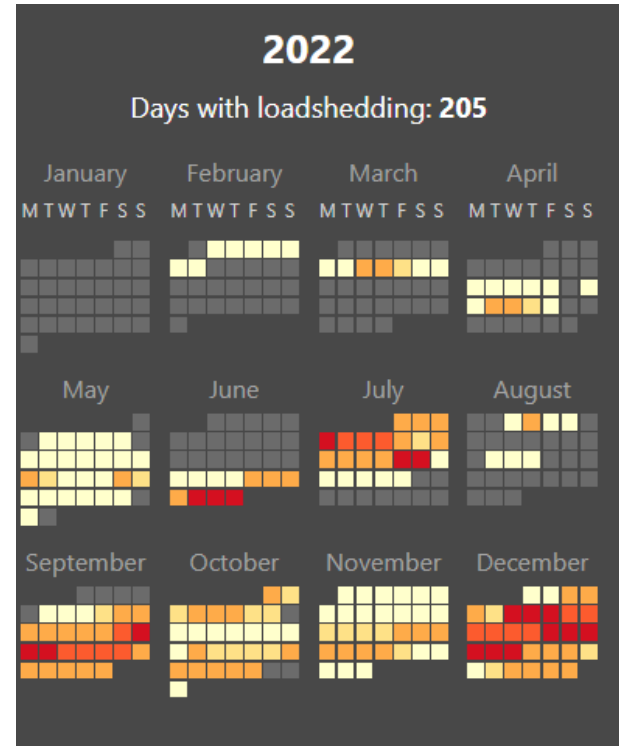
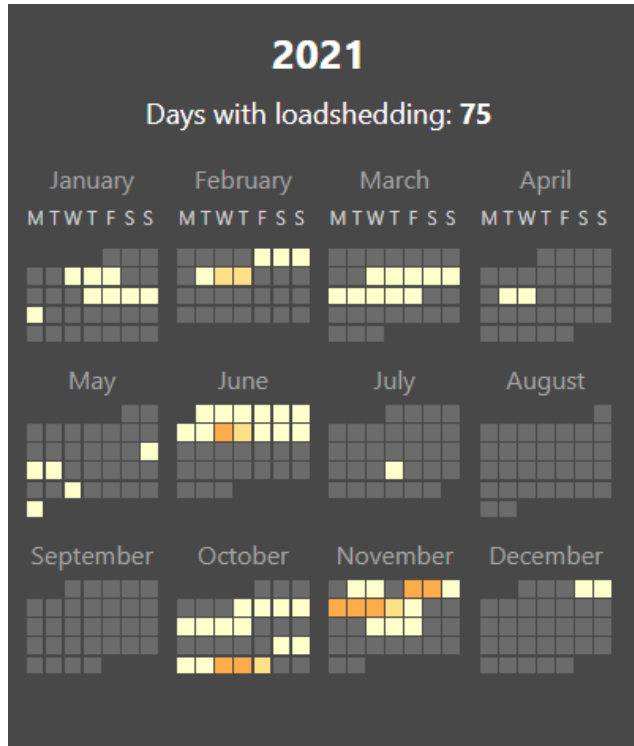
SA private renewable energy projects (outside of REIPPP)

MW (January to December 2023)

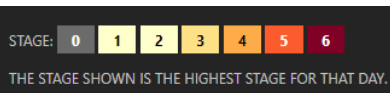
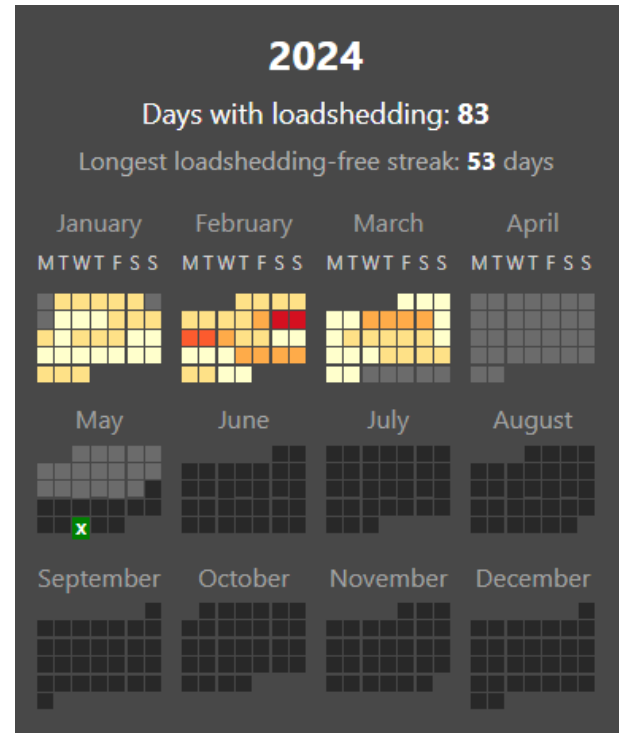
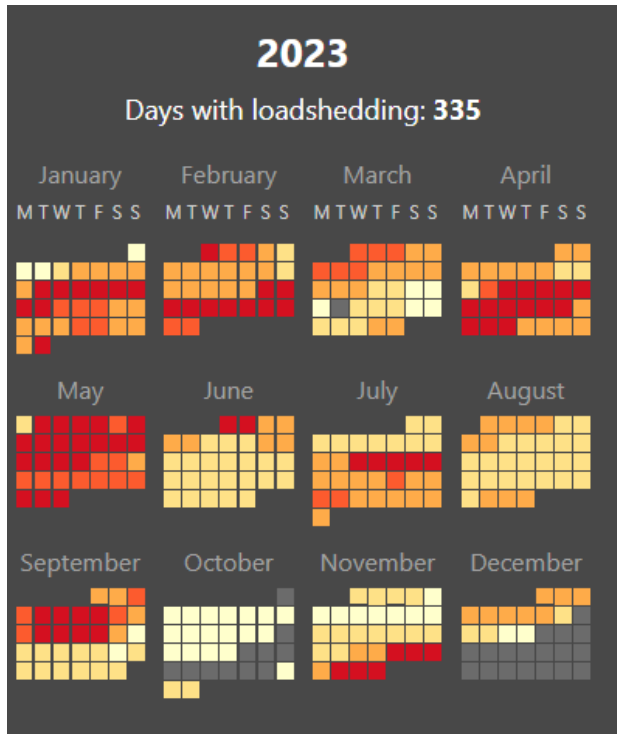


Source: NERSA

South Africa number of days of loadshedding

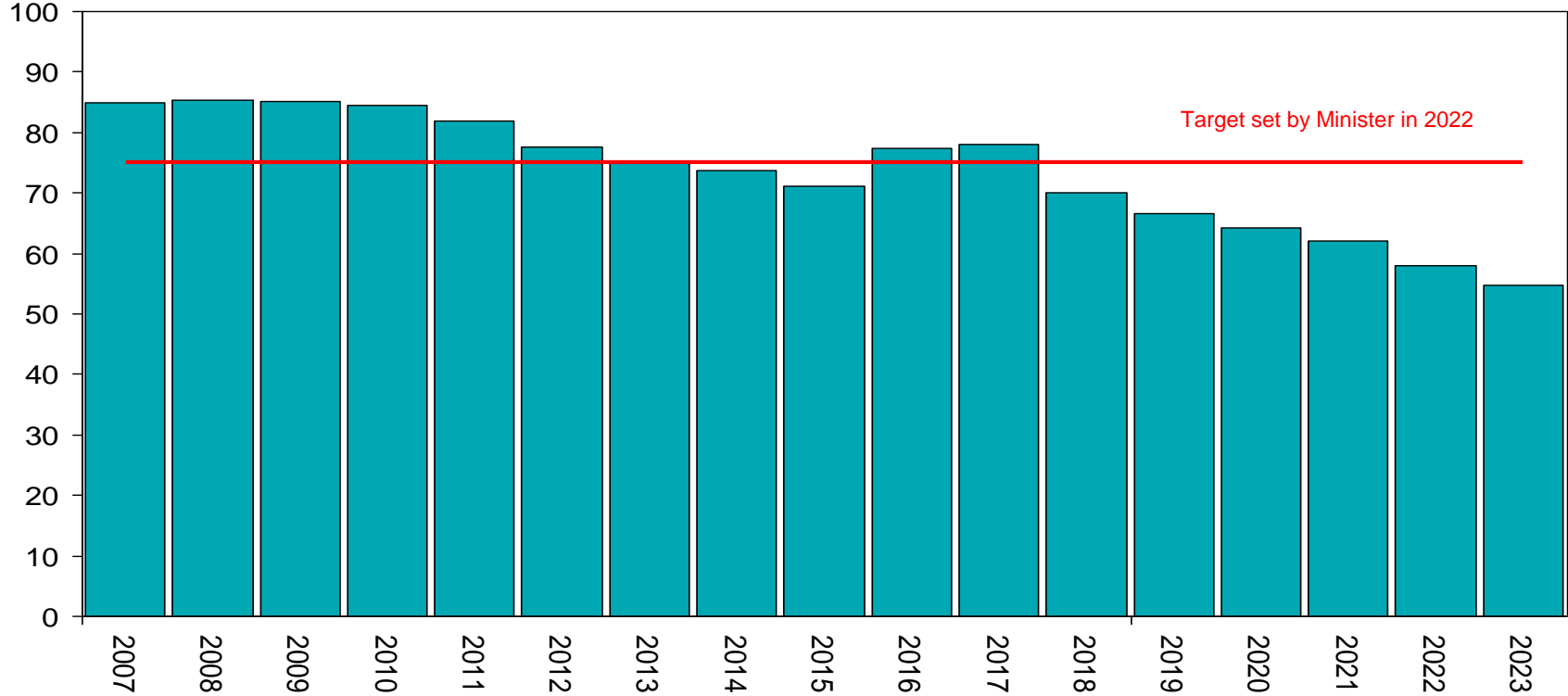


South Africa number of days of loadshedding



Eskom Energy Availability Factor (EAF)

Percent



Source: Eskom

ESKOM Energy Availability Factor (EAF) - monthly

