

Weekly Review in Charts
17 to 23 June 2024

Kevin Lings

23 June 2024

STANLIB

Weekly economic review: 17 to 23 June 2024

21 June 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%	3.7%
Dow Jones Industrial Average	22.3%	7.2%	18.7%	-8.8%	13.7%	3.9%
S&P 500 equity index	28.9%	16.3%	26.9%	-19.4%	24.2%	14.6%
Nasdaq 100 index	38.0%	47.6%	26.6%	-33.0%	53.8%	17.1%
Stoxx Euro 600	23.2%	-4.0%	22.2%	-12.9%	12.7%	7.5%
FTSE 100 Index	12.1%	-14.3%	14.3%	0.9%	3.8%	6.5%
Shanghai Composite Index	22.3%	13.9%	4.8%	-15.1%	-3.0%	1.2%
NIKKEI 225 Index	18.2%	16.0%	4.9%	-9.4%	28.2%	15.3%
Gold	18.3%	25.0%	-3.6%	0.4%	14.6%	12.3%
Oil	21.9%	-21.7%	52.9%	8.7%	-10.4%	11.2%
Rand/Dollar	-2.7%	5.0%	8.6%	-6.2%	-7.0%	1.8%
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%	51.7%
<i>US 10-year bond yield</i>	1.92%	0.93%	1.52%	3.88%	3.88%	4.25%
<i>US 2-year bond yield</i>	1.58%	0.13%	0.73%	4.41%	4.23%	4.70%
<i>SA long bond yield</i>	8.48%	7.70%	8.60%	9.88%	10.27%	10.18%

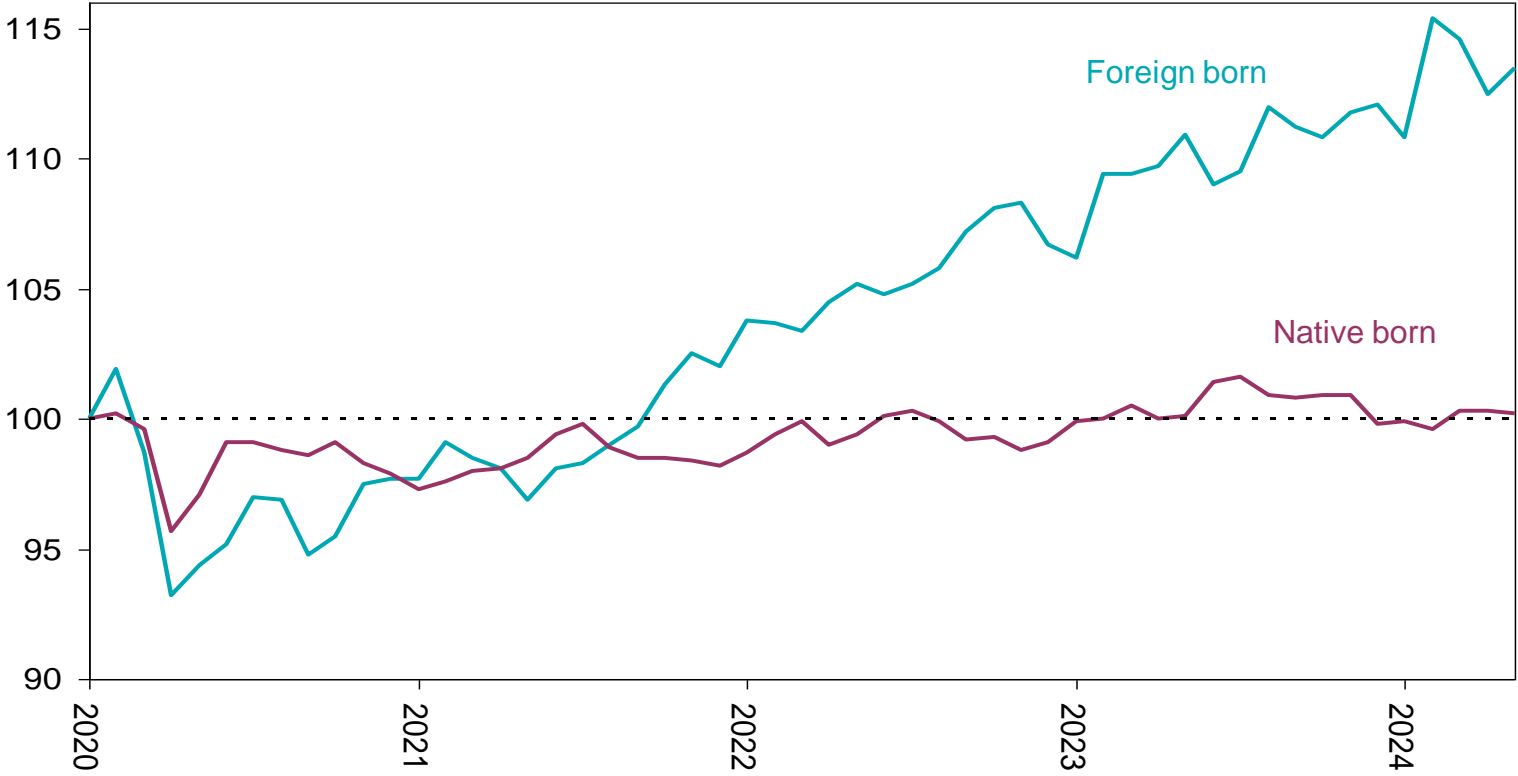
Weekly economic review: 17 to 23 June 2024

Chart of the week

- Since the beginning of 2020 (pre-COVID) the US labour force has grown by a modest 2.1% to 167.7 million. During that time the labour market participation rate moderated from 63.3% to 62.5%, while total employment increased by 2.597 million to 161.1 million.
- A breakdown of the growth in the US labour force since January 2020 reveals that the “native born” labour force has grown by meagre 0.2%, while the “foreign born” labour force has increased by a substantial 13.5%.
- In essence the data highlights that the US force labour would not have grown without the contribution of immigration.
- Furthermore, without an increase in the labour force it would have been very difficult for the US to increase employment – especially since there has been a substantial increase in the number of people retiring during the post-COVID era.
- It will be critical to assess any changes to US immigration policy, especially following the outcome of the US Presidential election in November 2024.

US labour force: native born vs foreign born

Index, Jan 2020 = 100



Weekly economic review: 17 to 23 June 2024

Monday, 17 June 2024

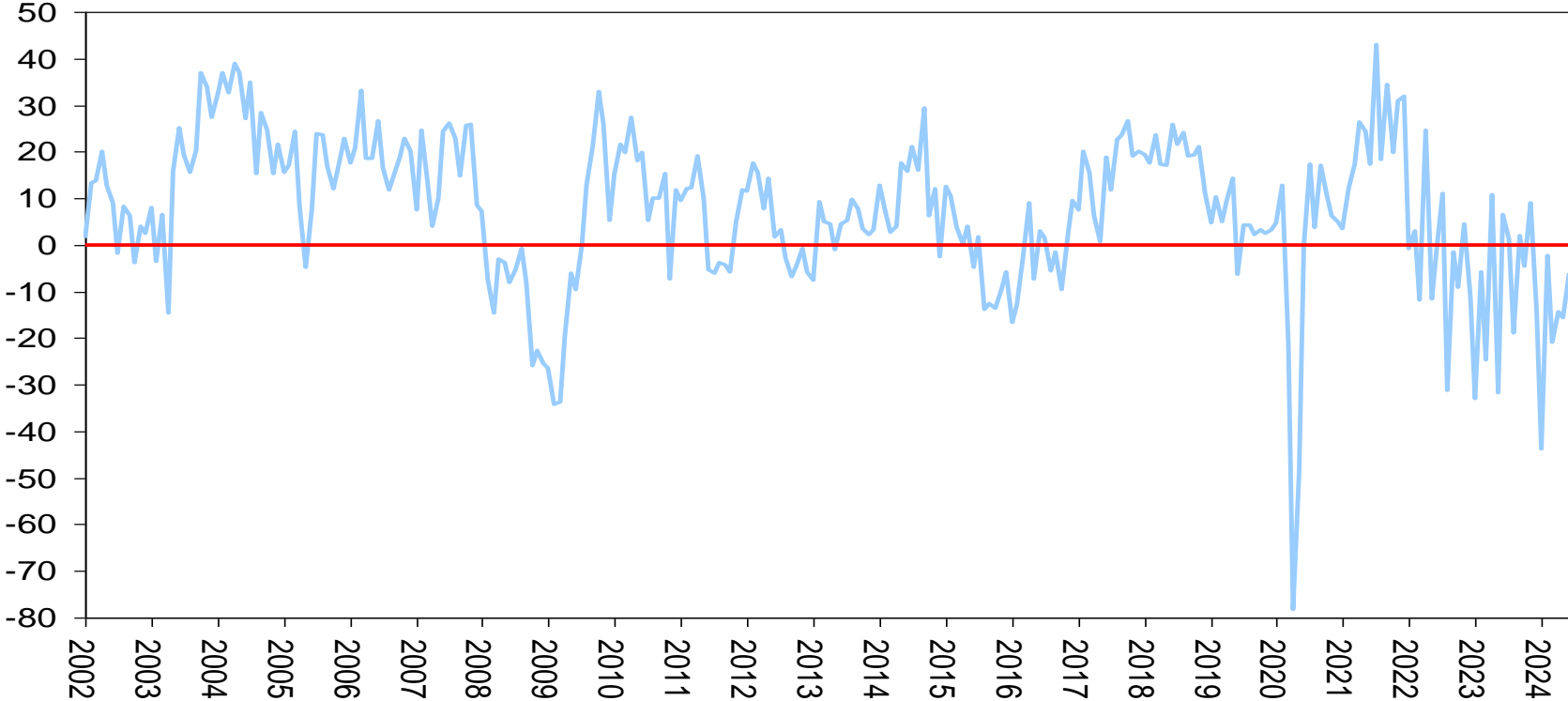
- US Empire manufacturing index for June 2024
- Euro-area consensus economic forecast for June 2024
- China industrial production for May 2024
- China retail sales for May 2024
- China house prices (70 cities) for May 2024
- NATO report on defence spending



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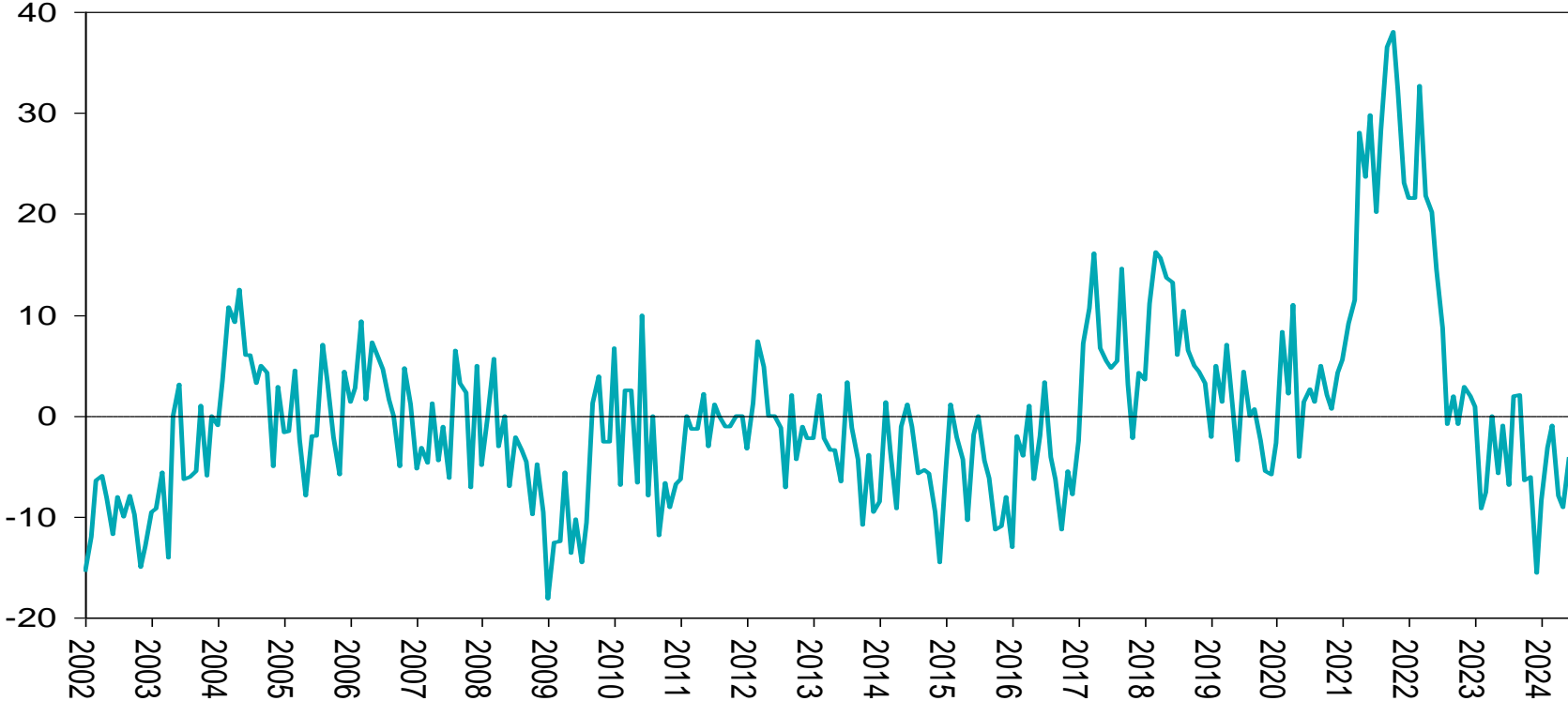
US Empire State Manufacturing survey

Index



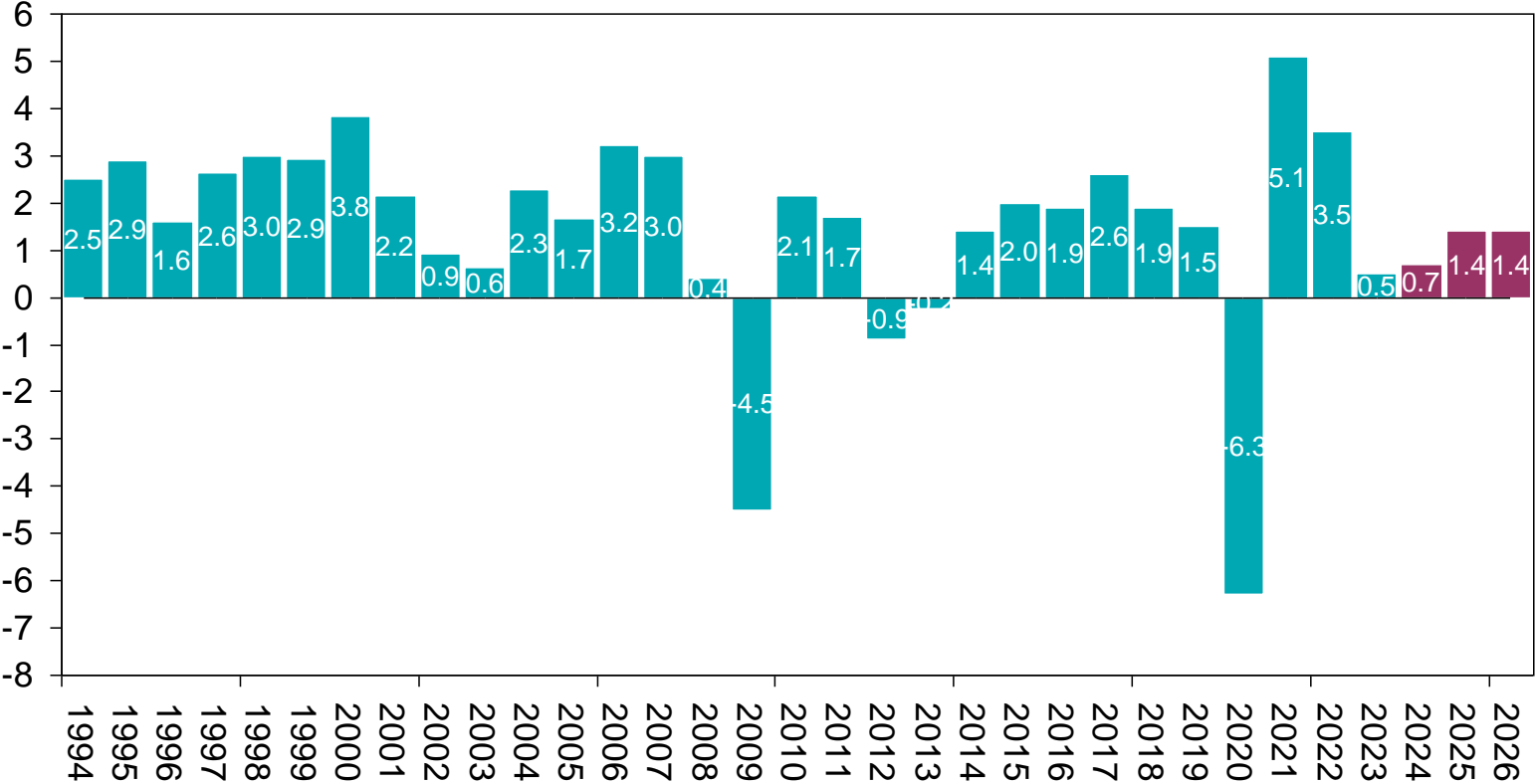
US Empire State Manufacturing survey – delivery time

Index

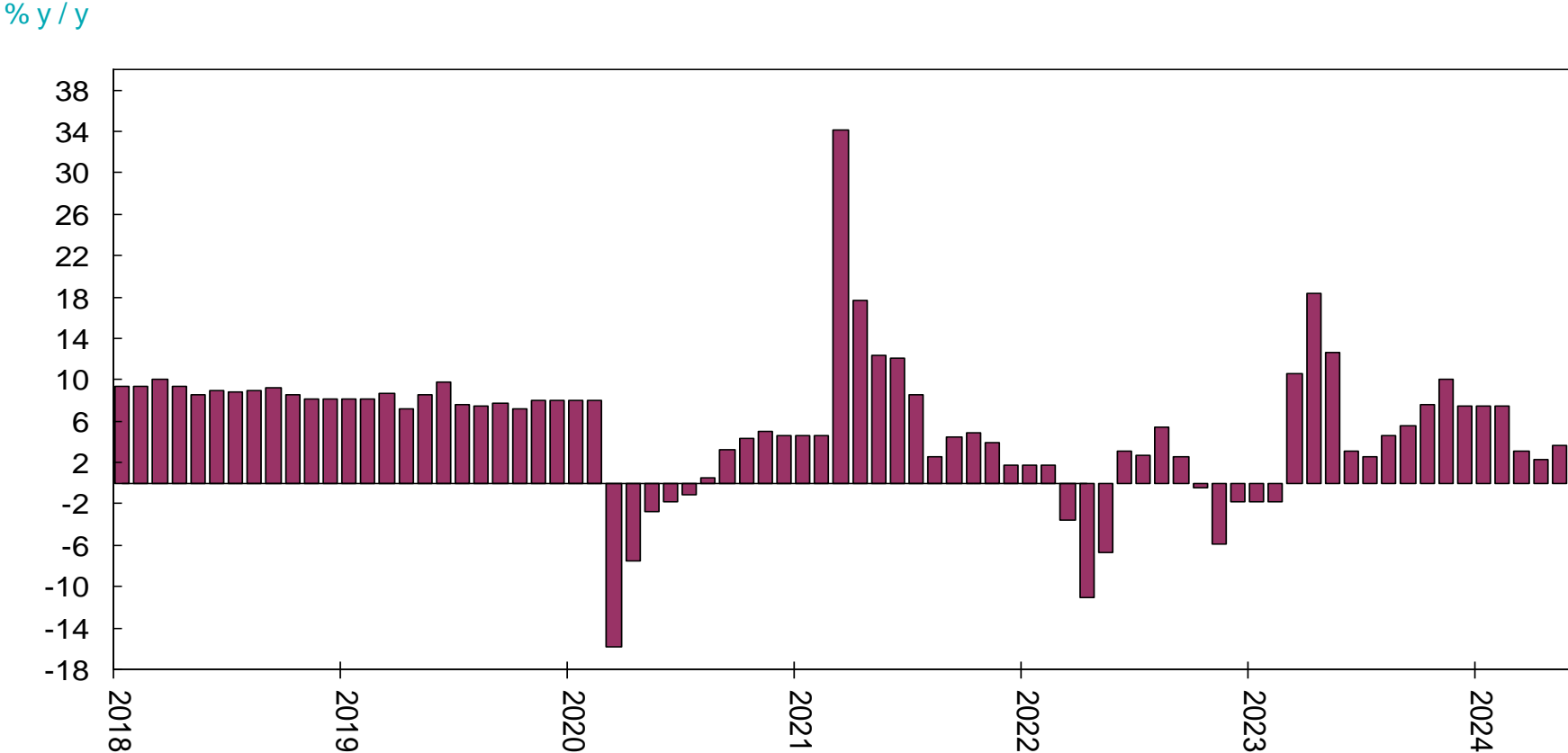


Euro-area GDP annual growth rate: consensus growth estimate

% y/y



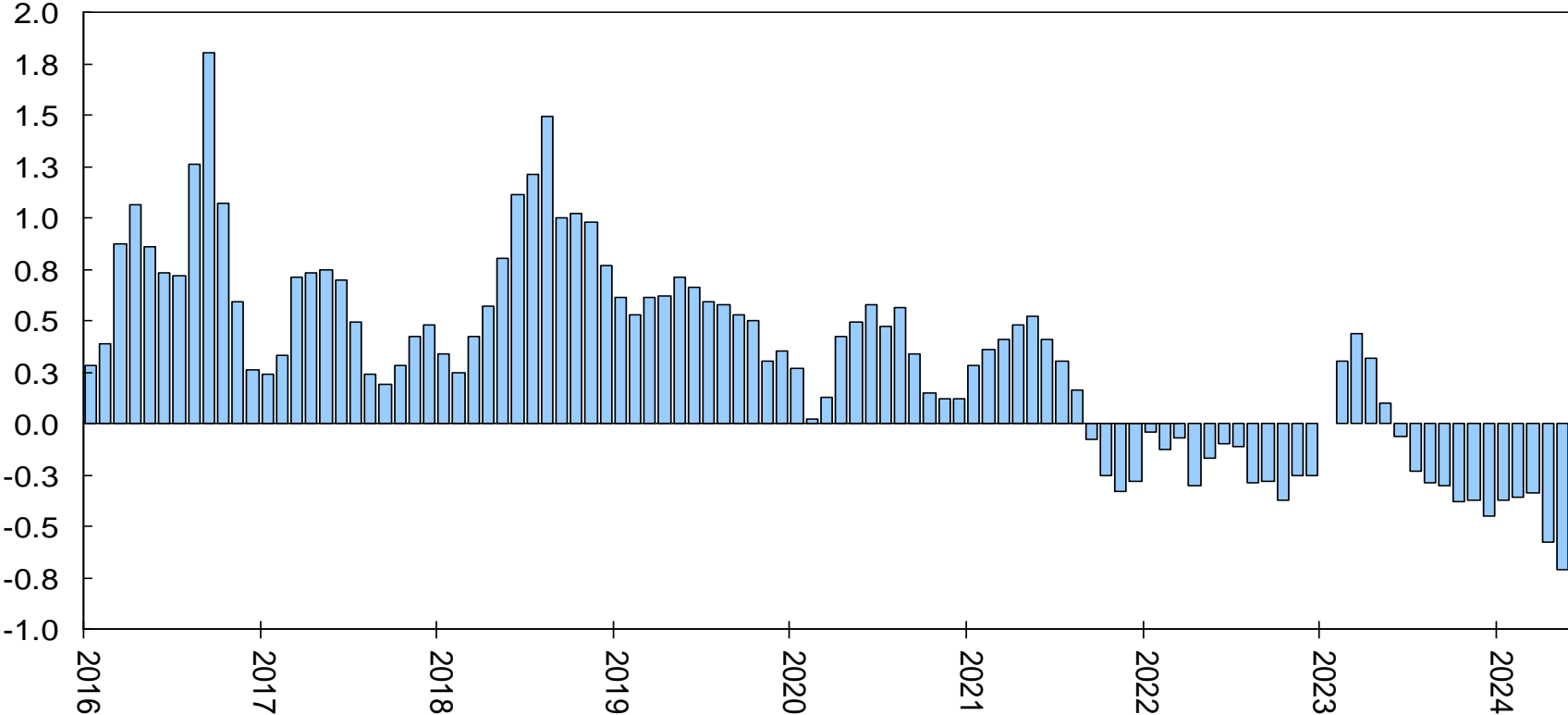
China retail sales



Source: China Statistics Bureau

China new home prices

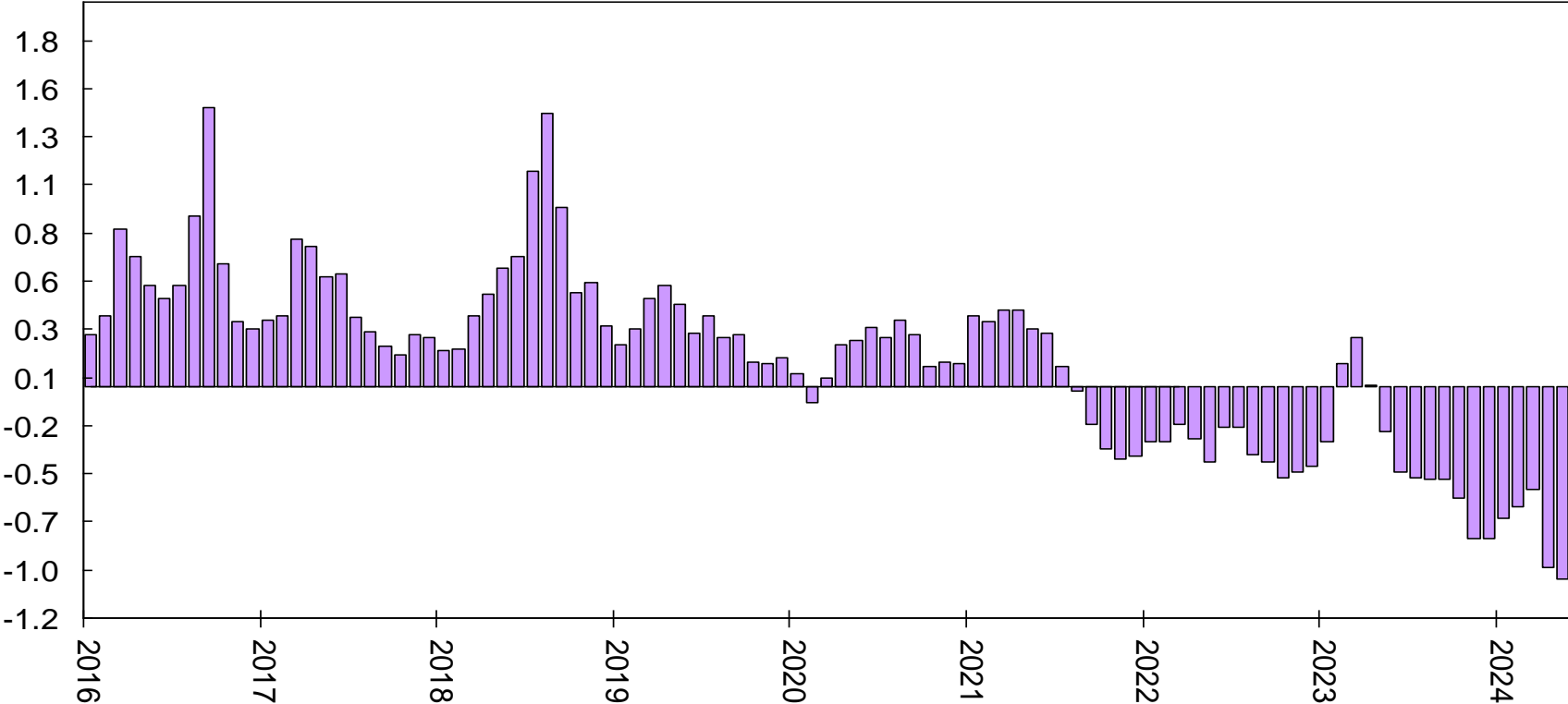
% m / m



Source: China Statistics Bureau

China existing home prices

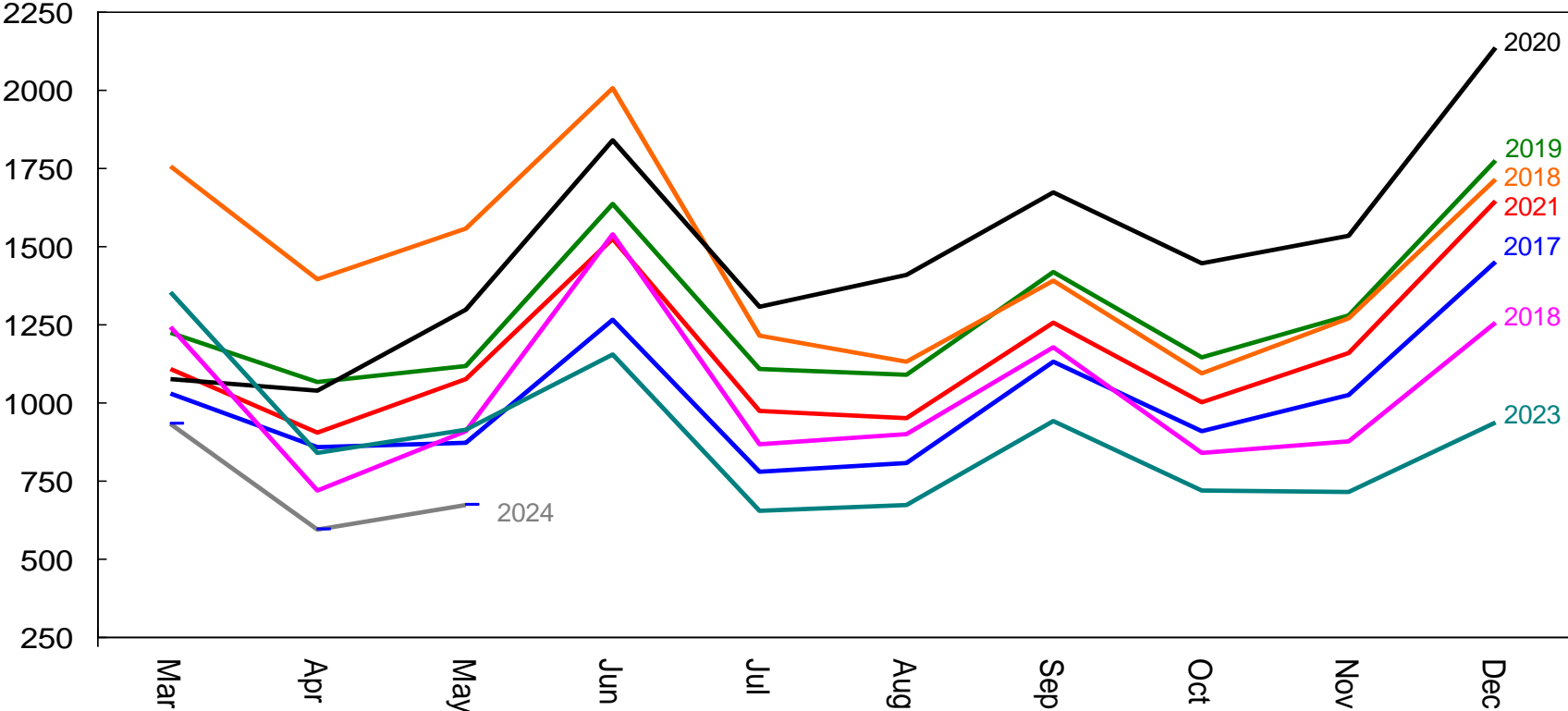
% m / m



Source: China Statistics Bureau

China residential property sales

CNY Billion monthly

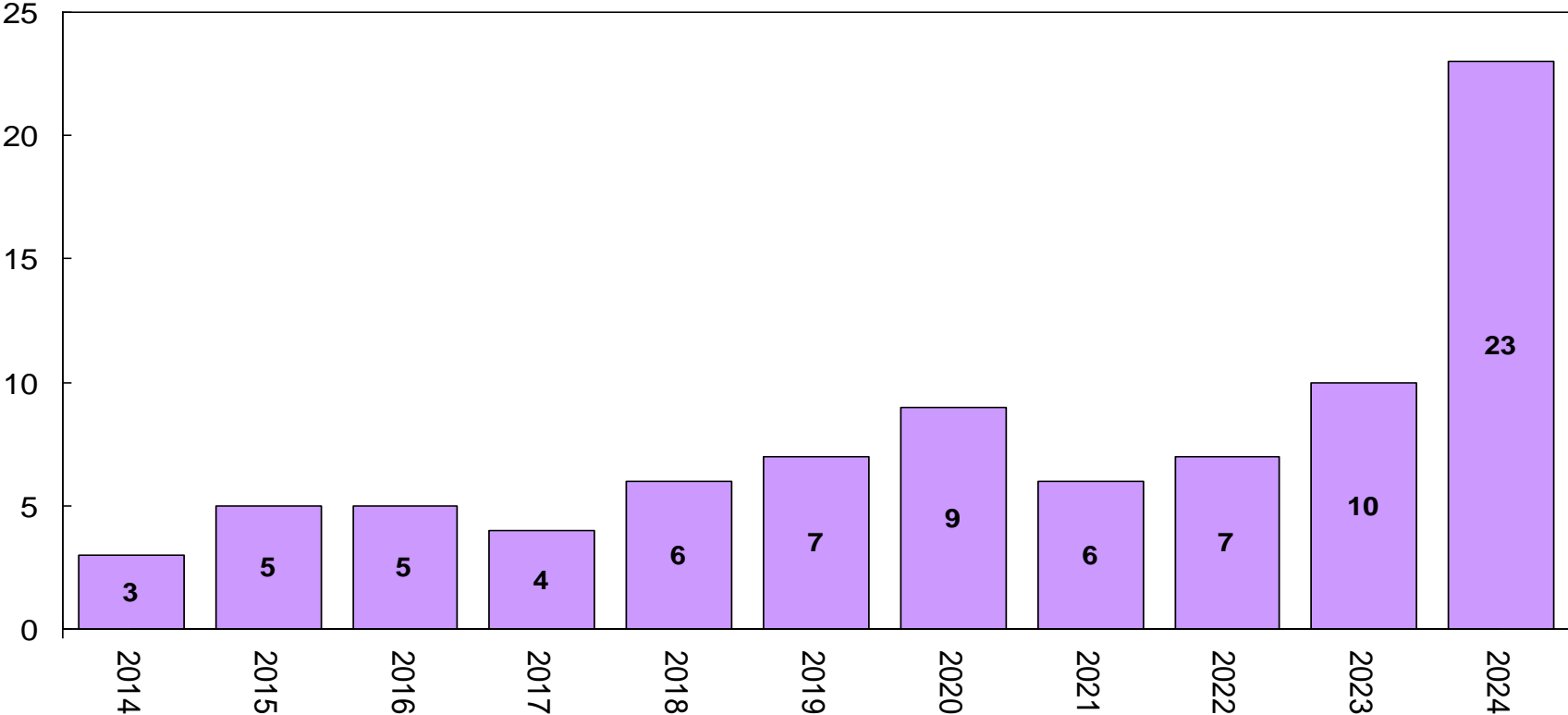


Source: China Statistics Bureau

Number of NATO countries meeting the 2% defence target

Number

A record 23 out of 32 NATO member nations are on track to meet their 2% of GDP defence spending target



Source: China Statistics Bureau

Weekly economic review: 17 to 23 June 2024

Tuesday, 18 June 2024

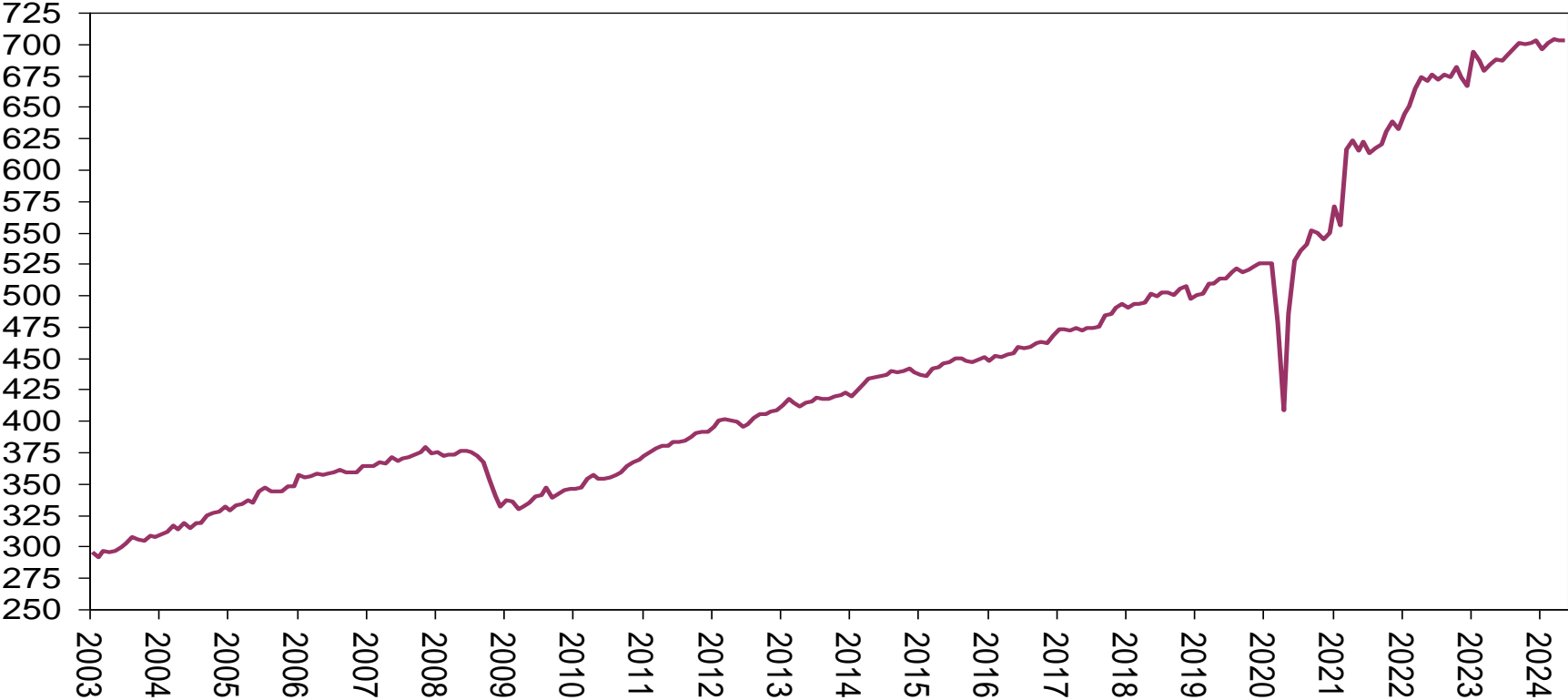
- US retail sales for May 2024
- US industrial production for May 2024
- US inventories for April 2024



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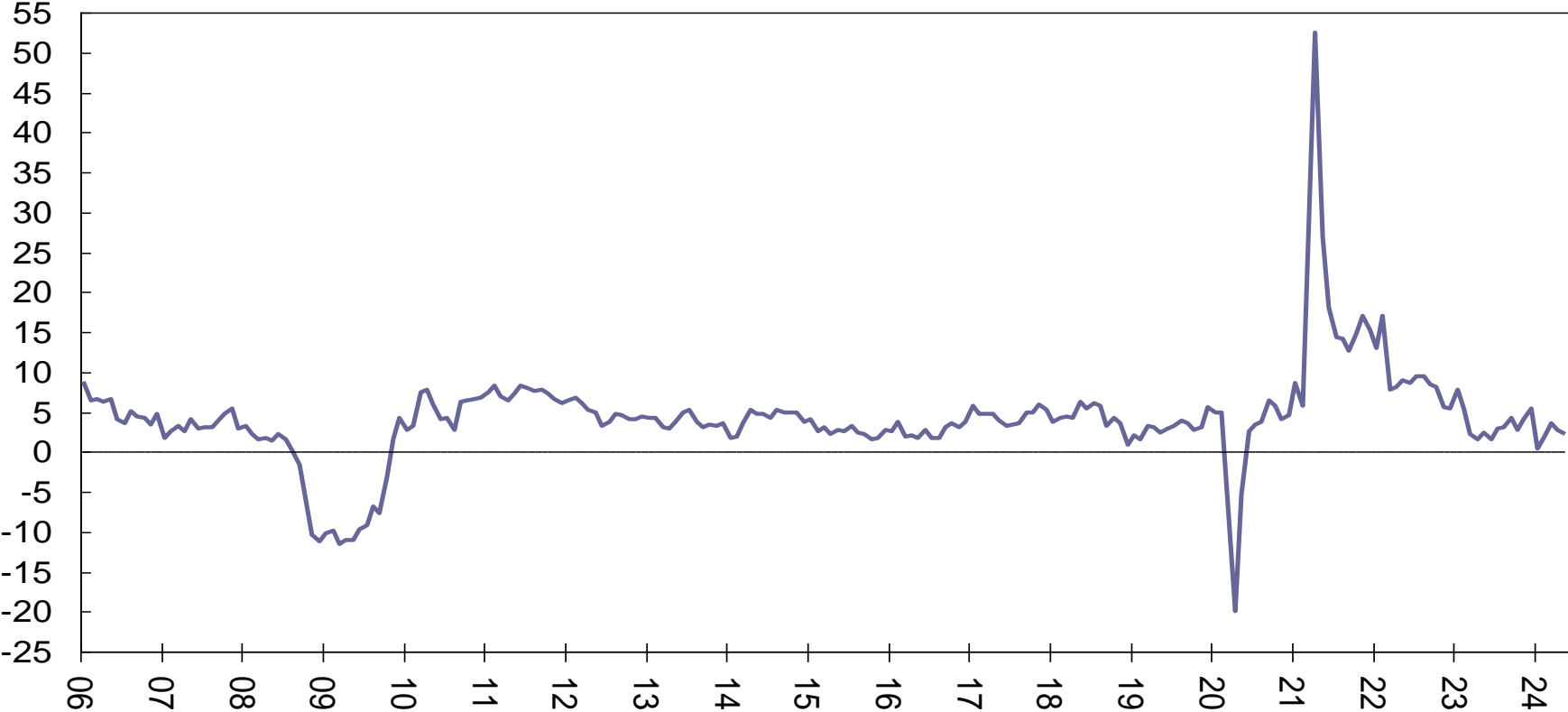
US retail sales (total value)

R billion



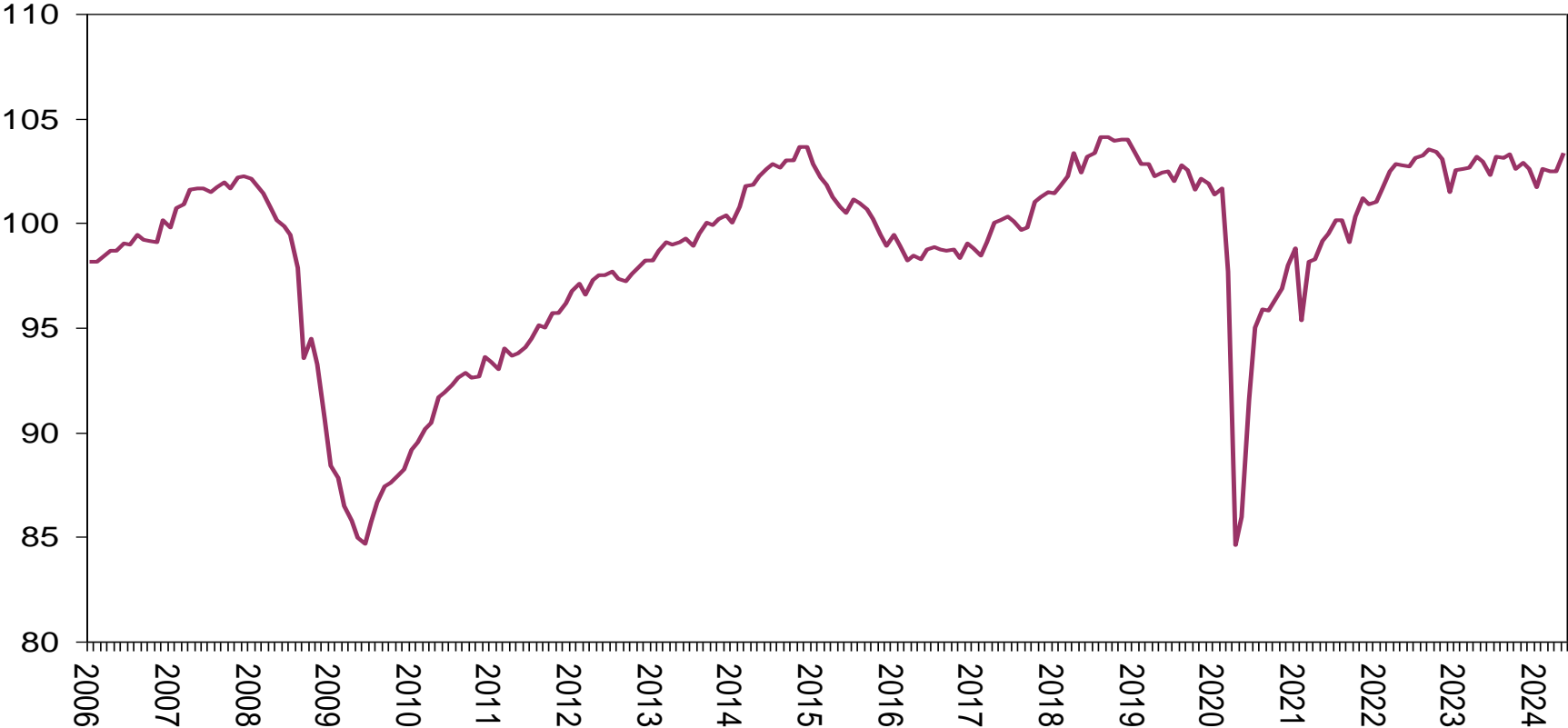
US retail sales

% year-on-year, nominal

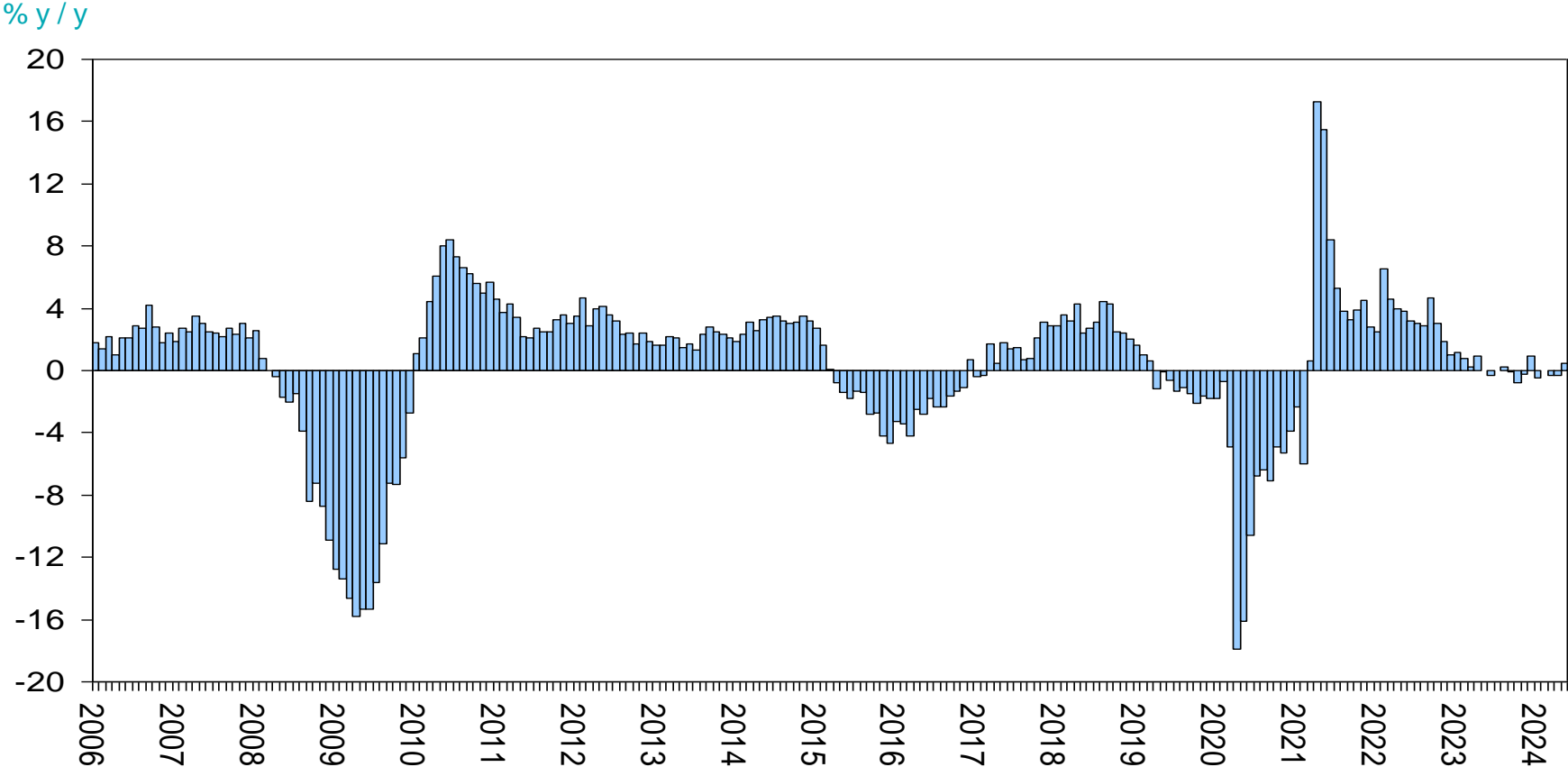


US industrial production

Index



US industrial production



US inventory to sales ratio

Ratio



Weekly economic review: 17 to 23 June 2024

Wednesday, 19 June 2024

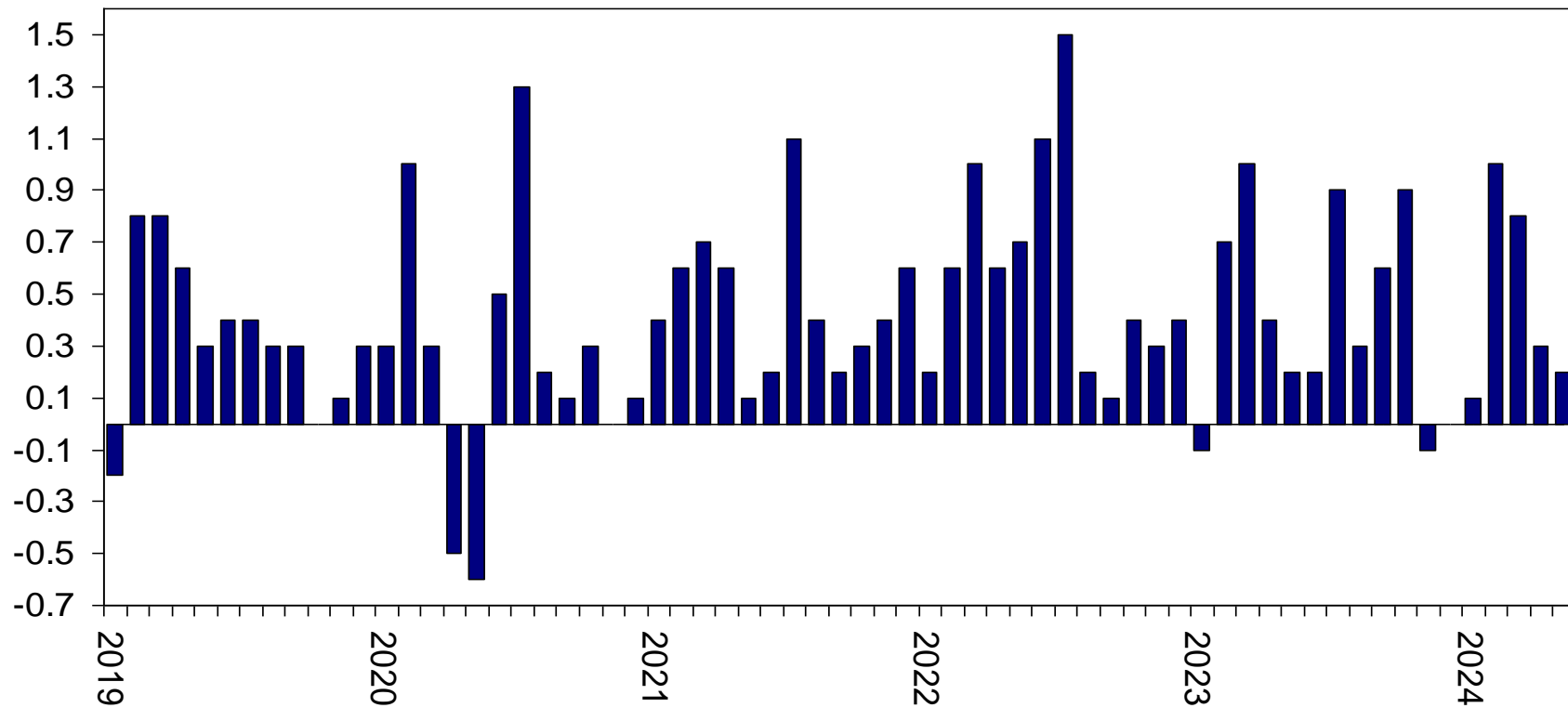
- SA consumer inflation for May 2024
- SA retail sales for April 2024
- US NAHB housing activity index for June 2024
- US weekly mortgage application



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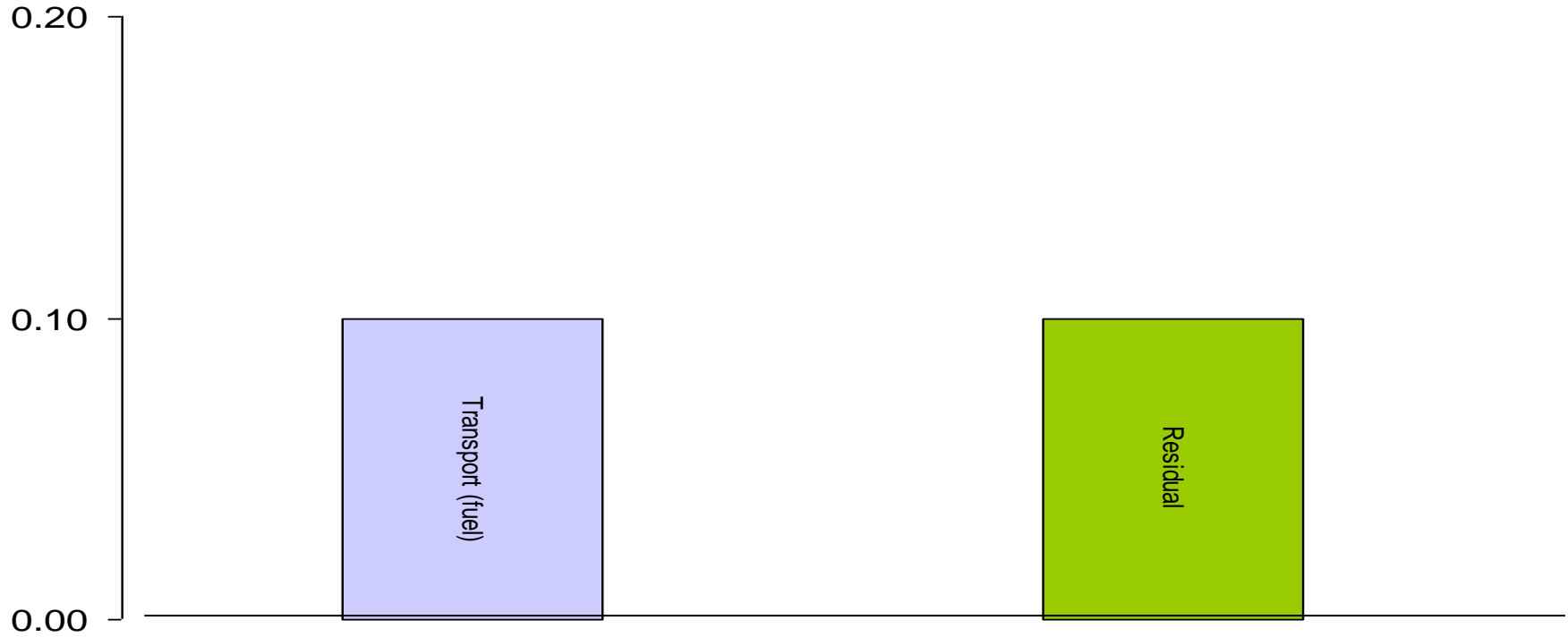
South Africa Inflation (CPI): month-on-month

% m/m



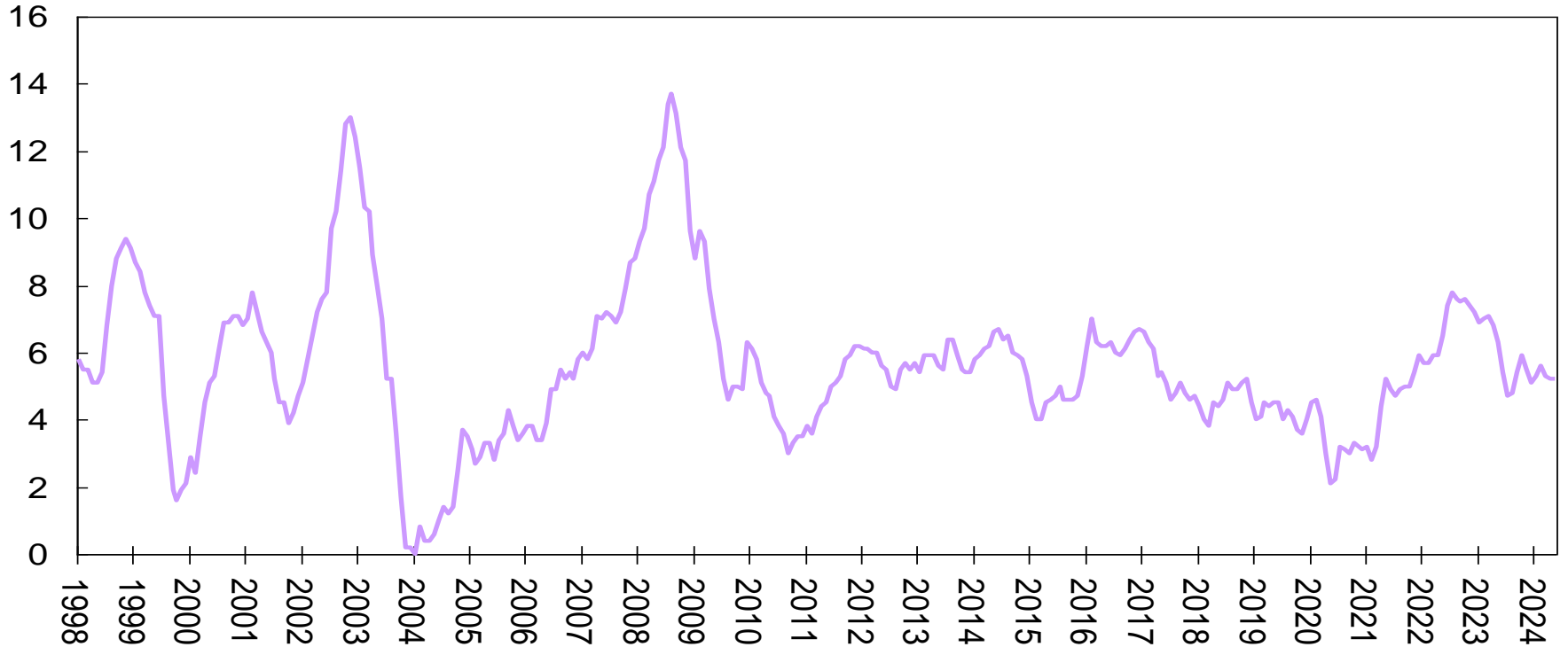
Contribution to monthly change in CPI

% May 2024, 0.2% m/m

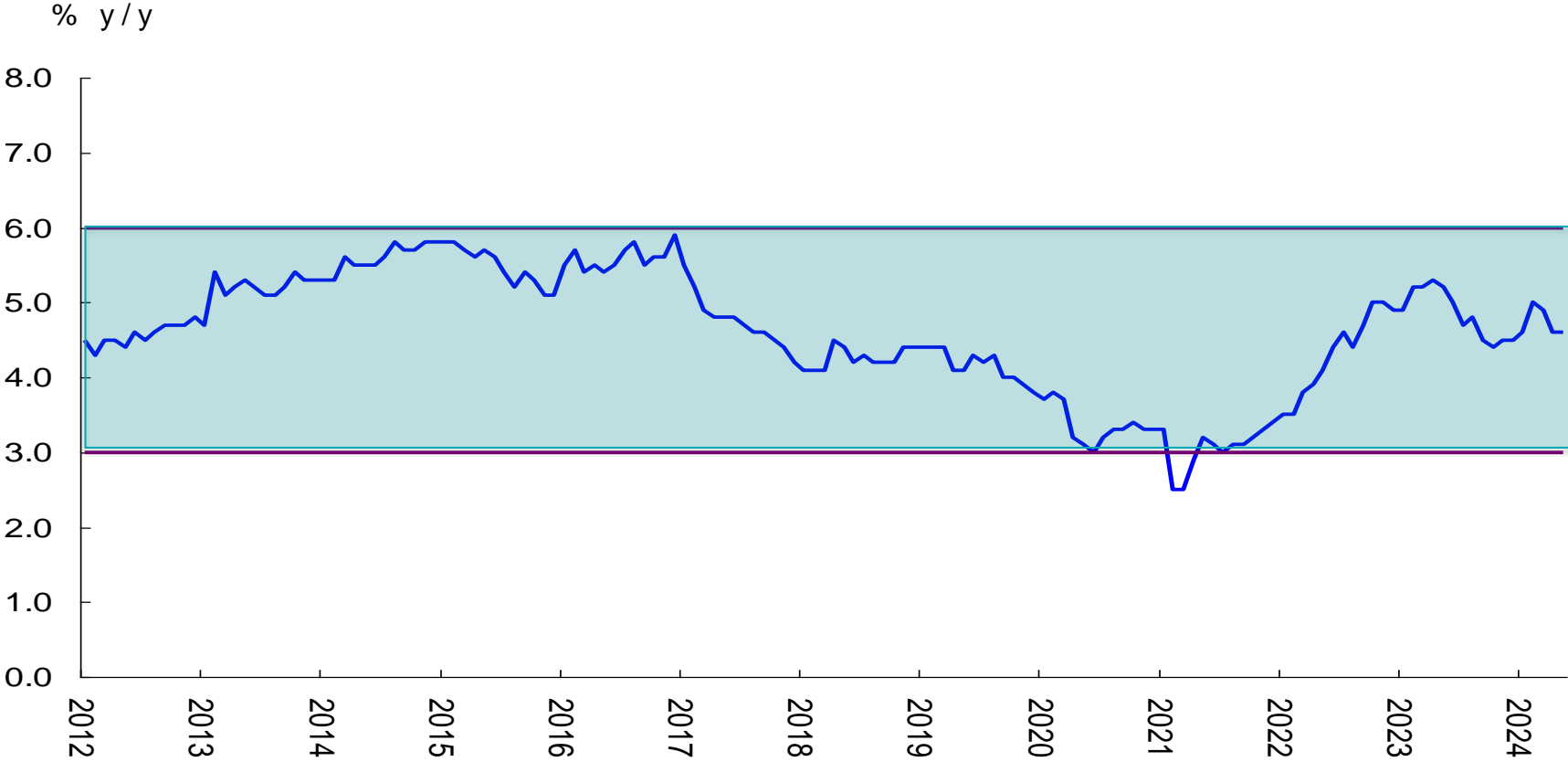


South Africa headline consumer inflation

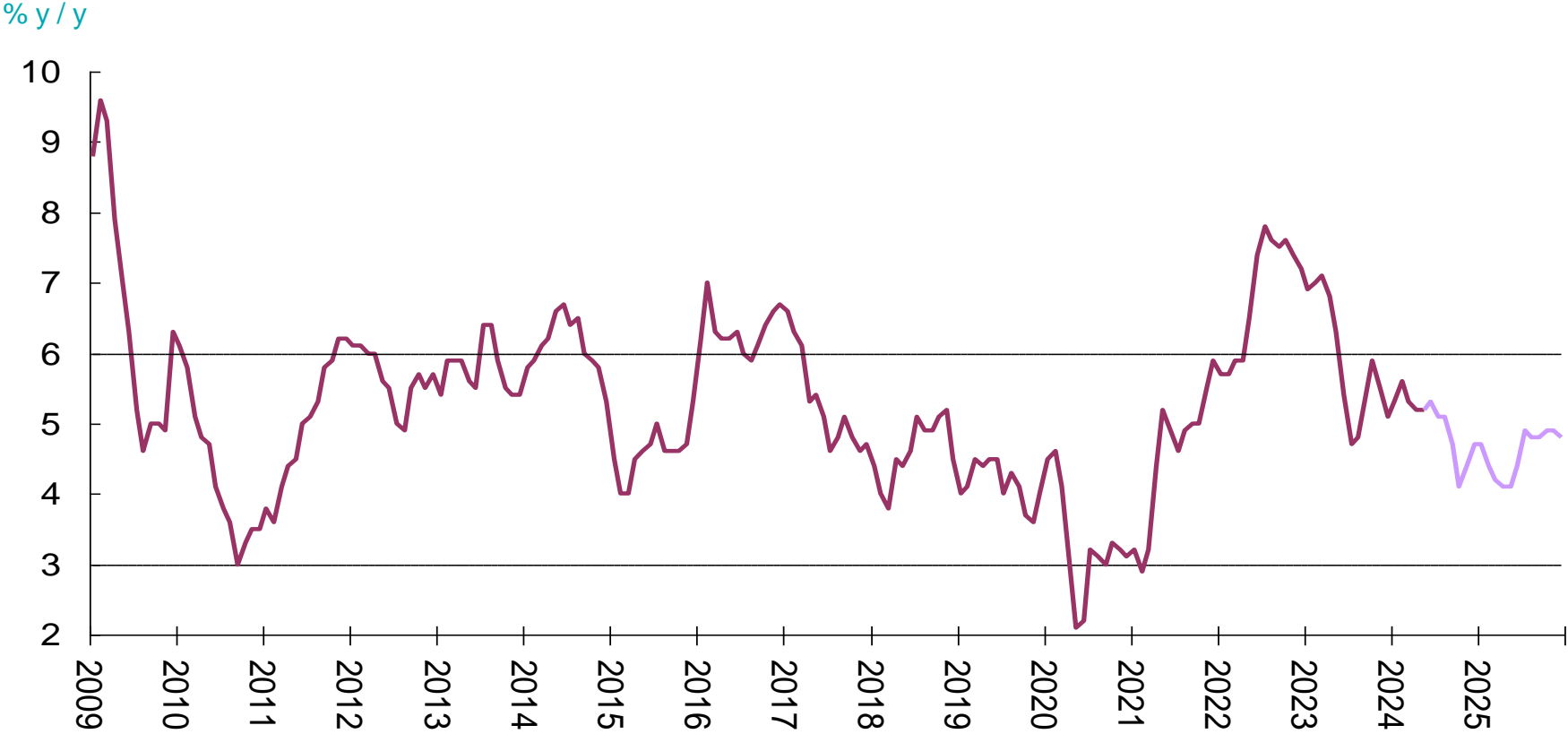
% y/y



South Africa core inflation rate

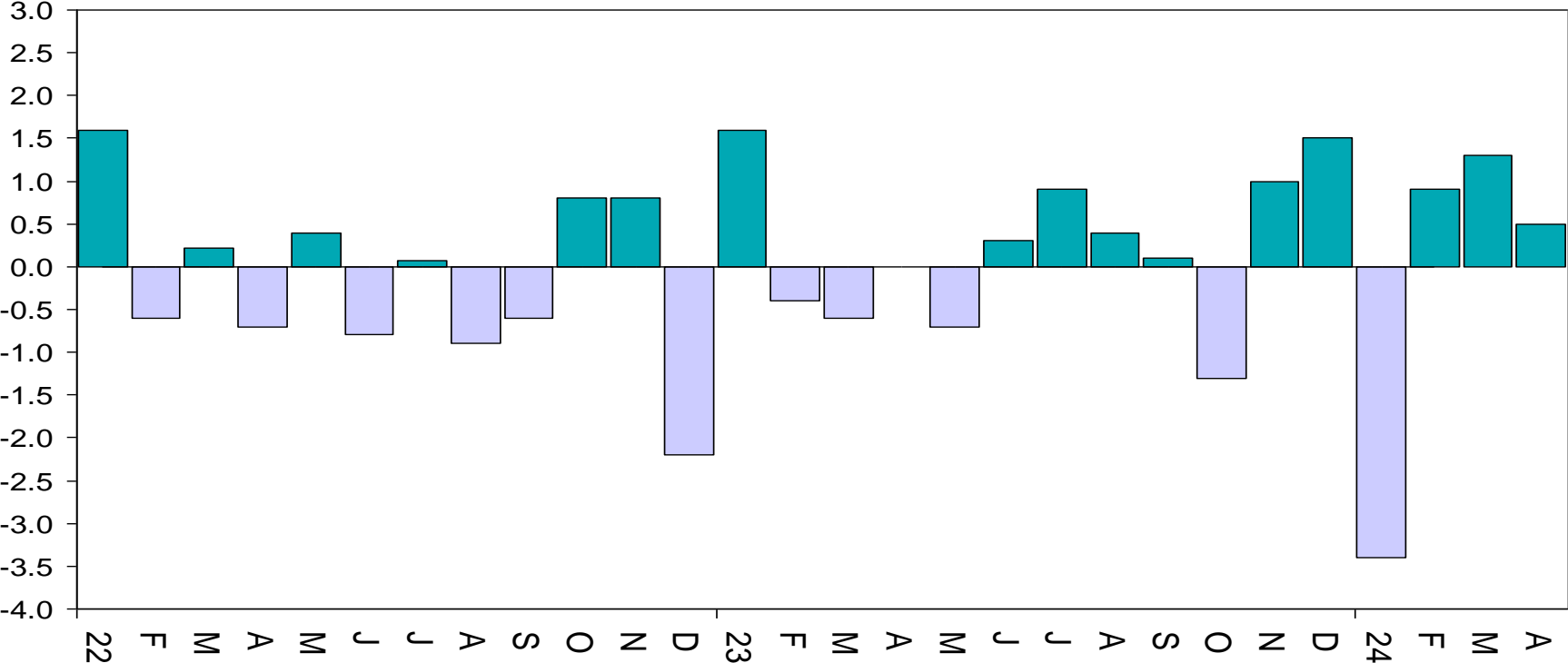


South Africa headline CPI forecast

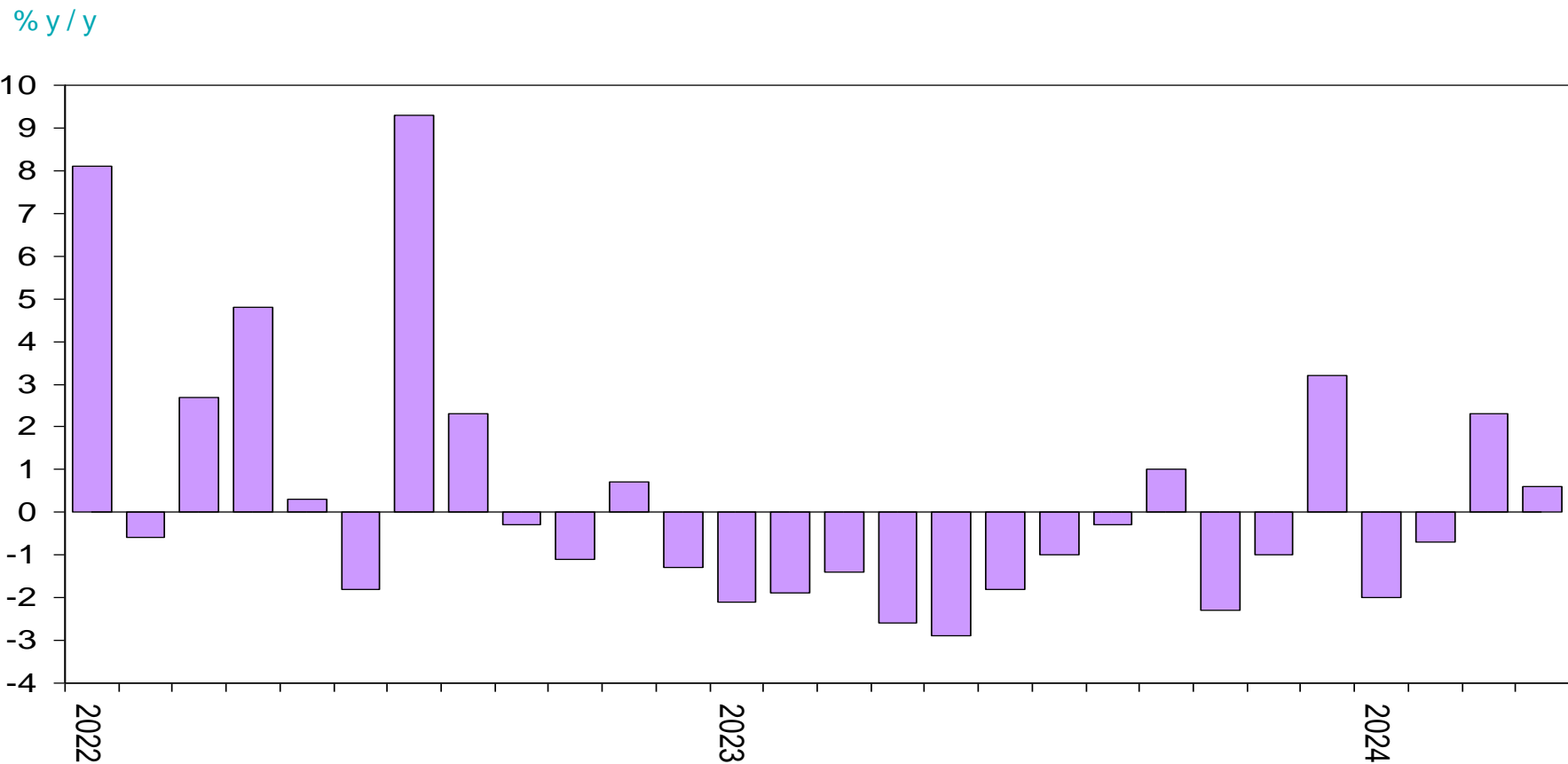


SA retail spending (monthly)

% m/m

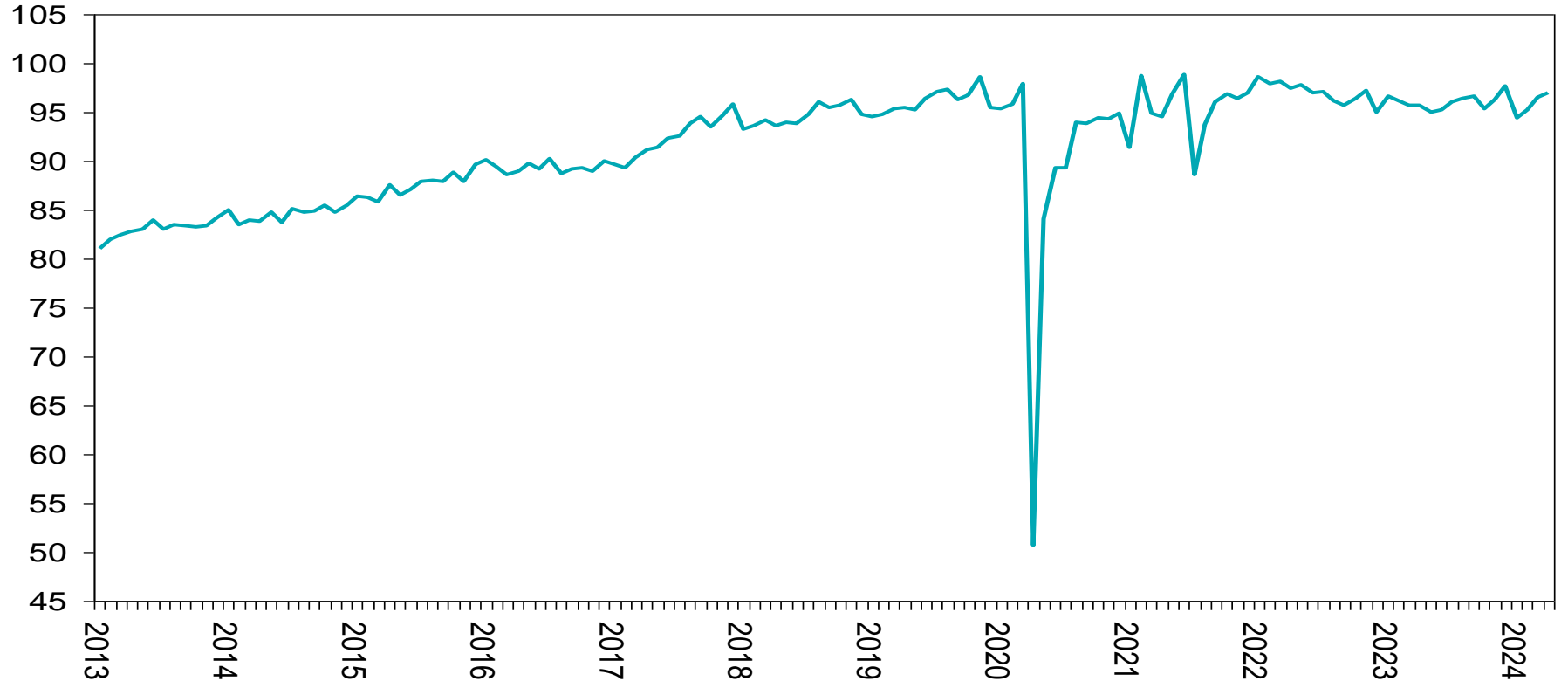


SA retail sales (year-on-year growth)



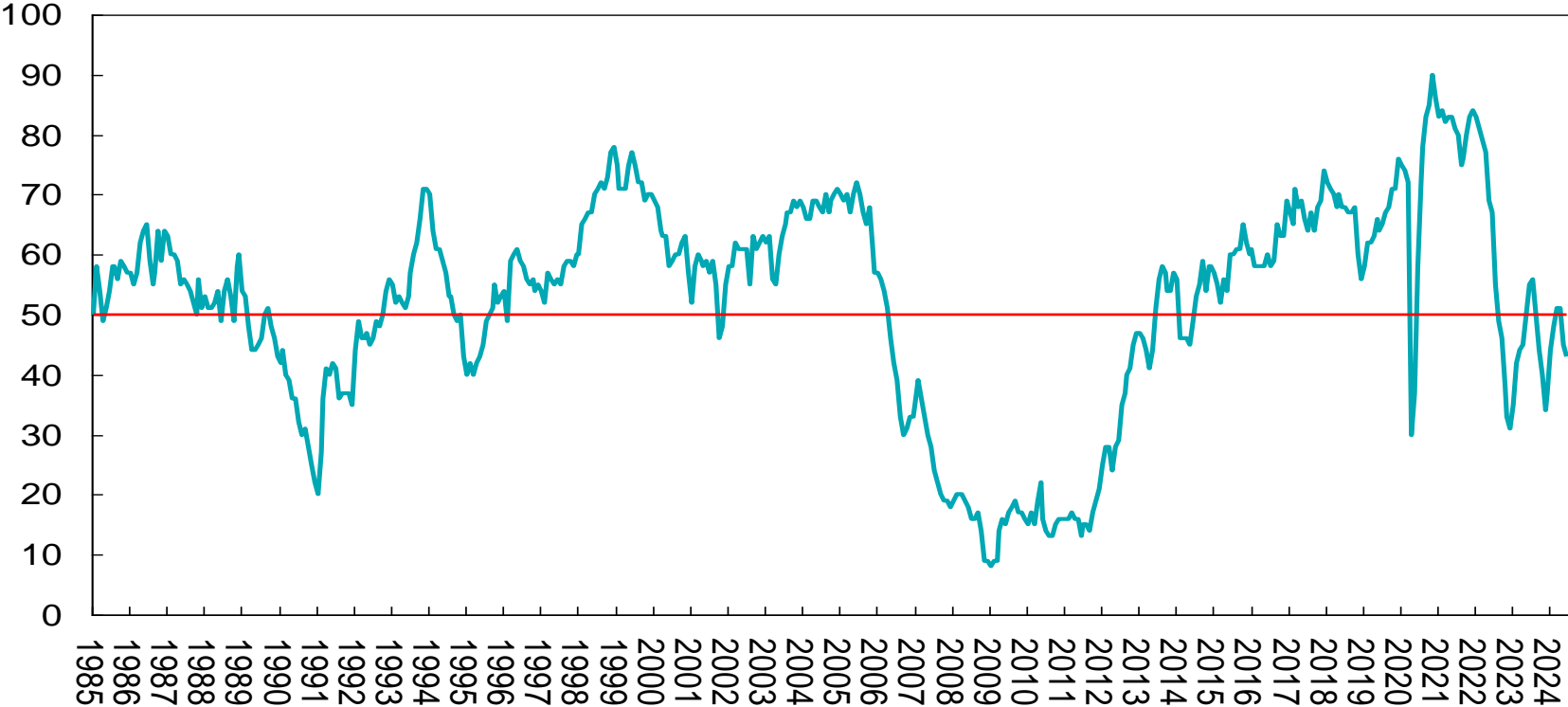
SA retail sales (constant prices)

R billion



US NAHB housing activity index

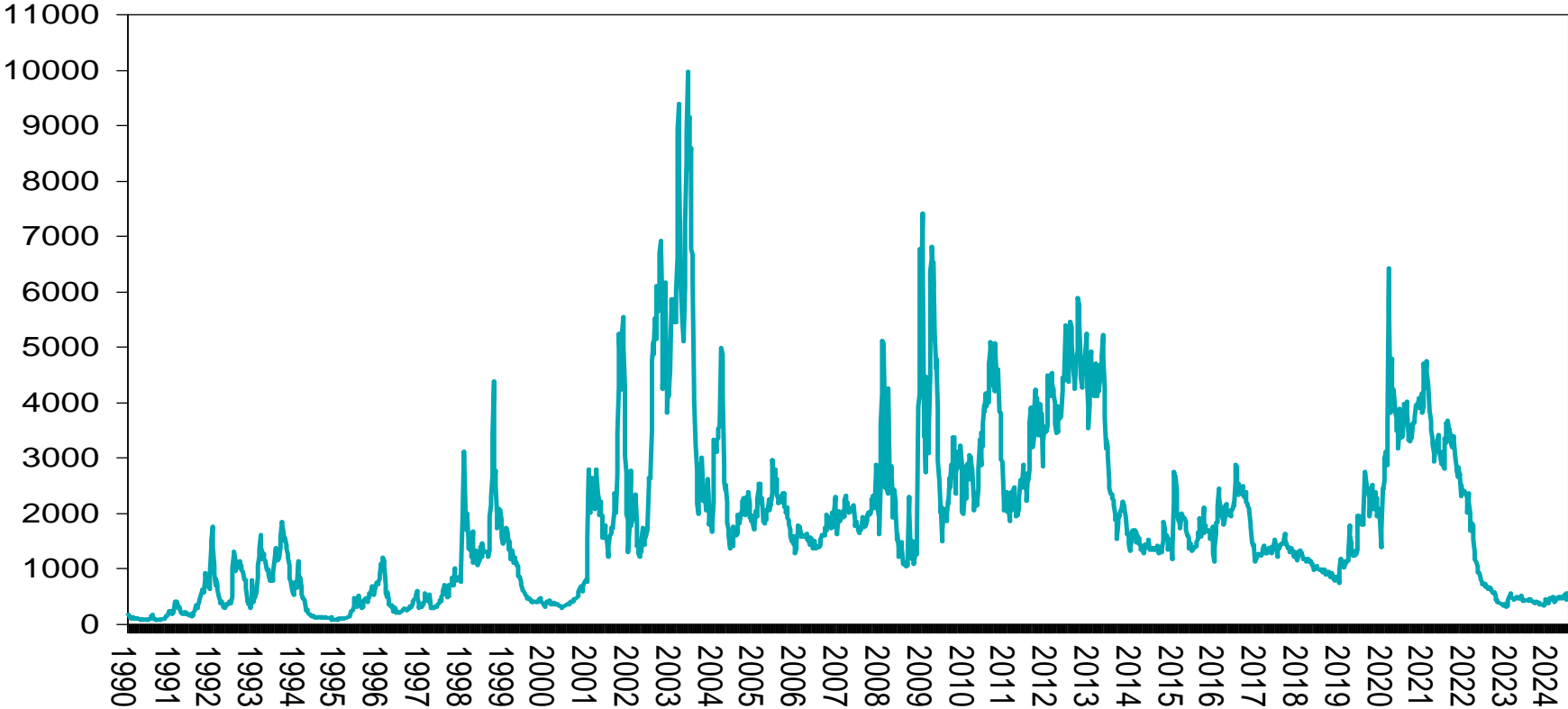
Index



Source: US Federal Reserve

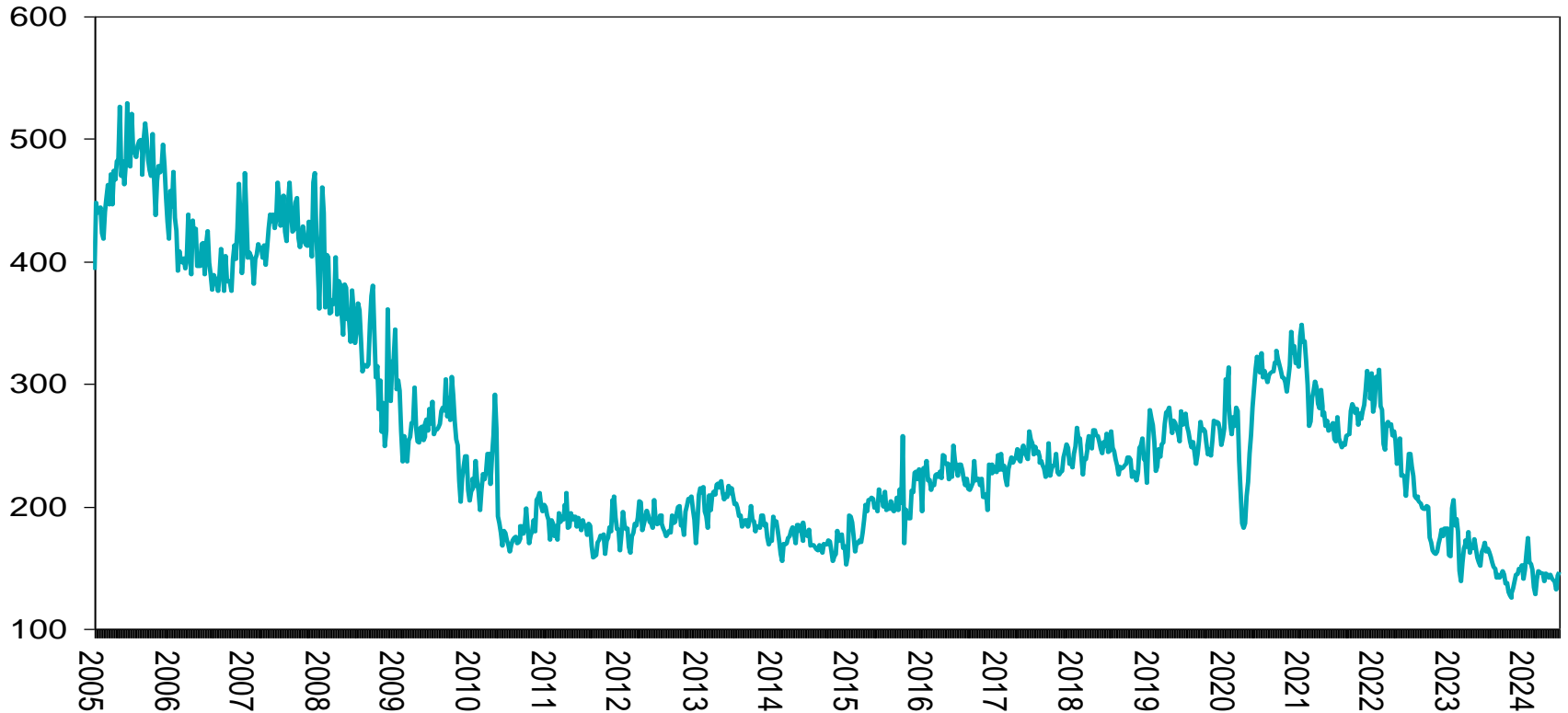
US mortgage refinancing index

Index



US mortgage applications for purchase

Market composite index



US 30-year fixed rate mortgage

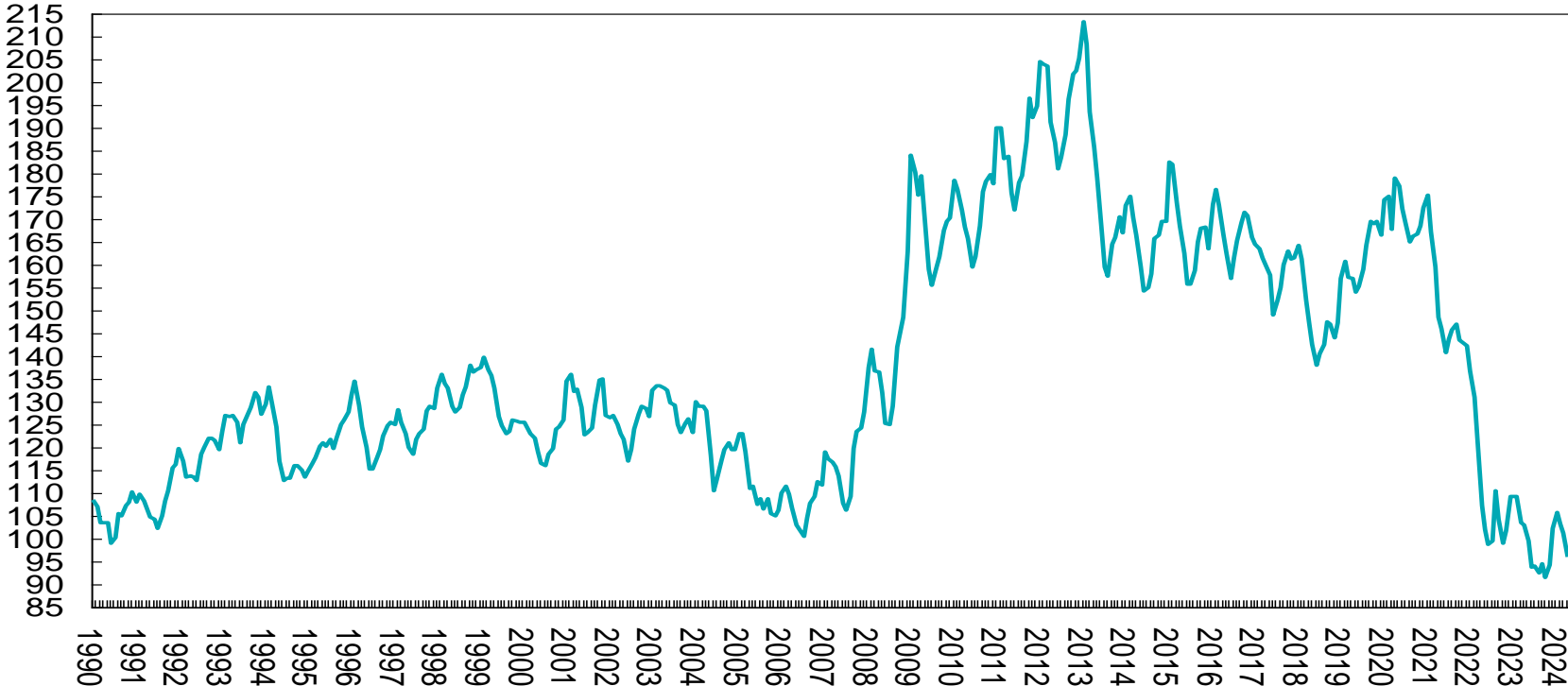
% yield, 30-year rate



US housing affordability

Index, composite

The lower the index the more unaffordable housing has become



Weekly economic review: 17 to 23 June 2024

Thursday, 20 June 2024

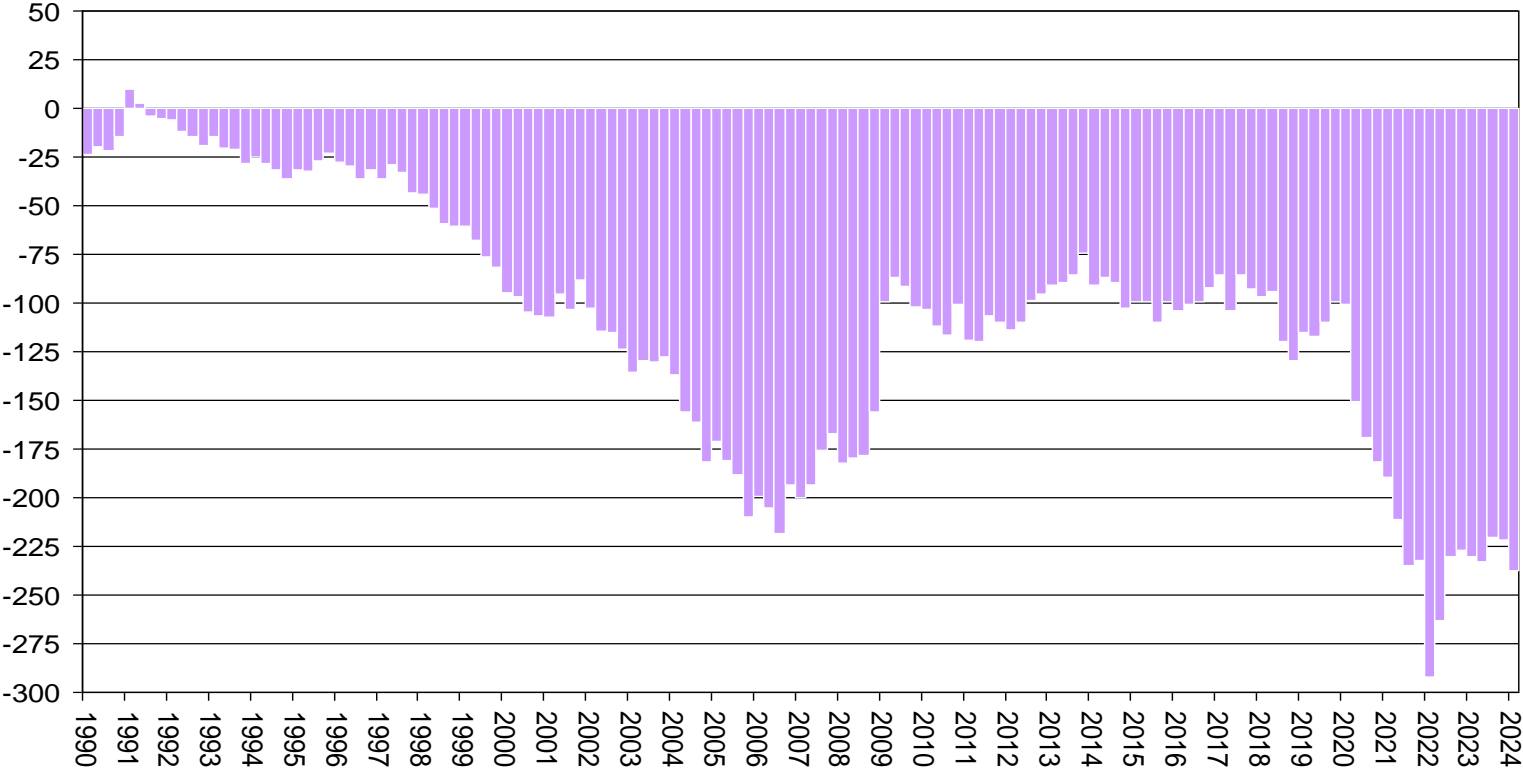
- US current account balance for Q1 2024
- US housing starts for May 2024
- US weekly jobless claims
- Euro-area vehicle sales for May 2024
- Euro-area consumer confidence for June 2024
- UK BoE interest rate decision
- Citi US economic surprise index



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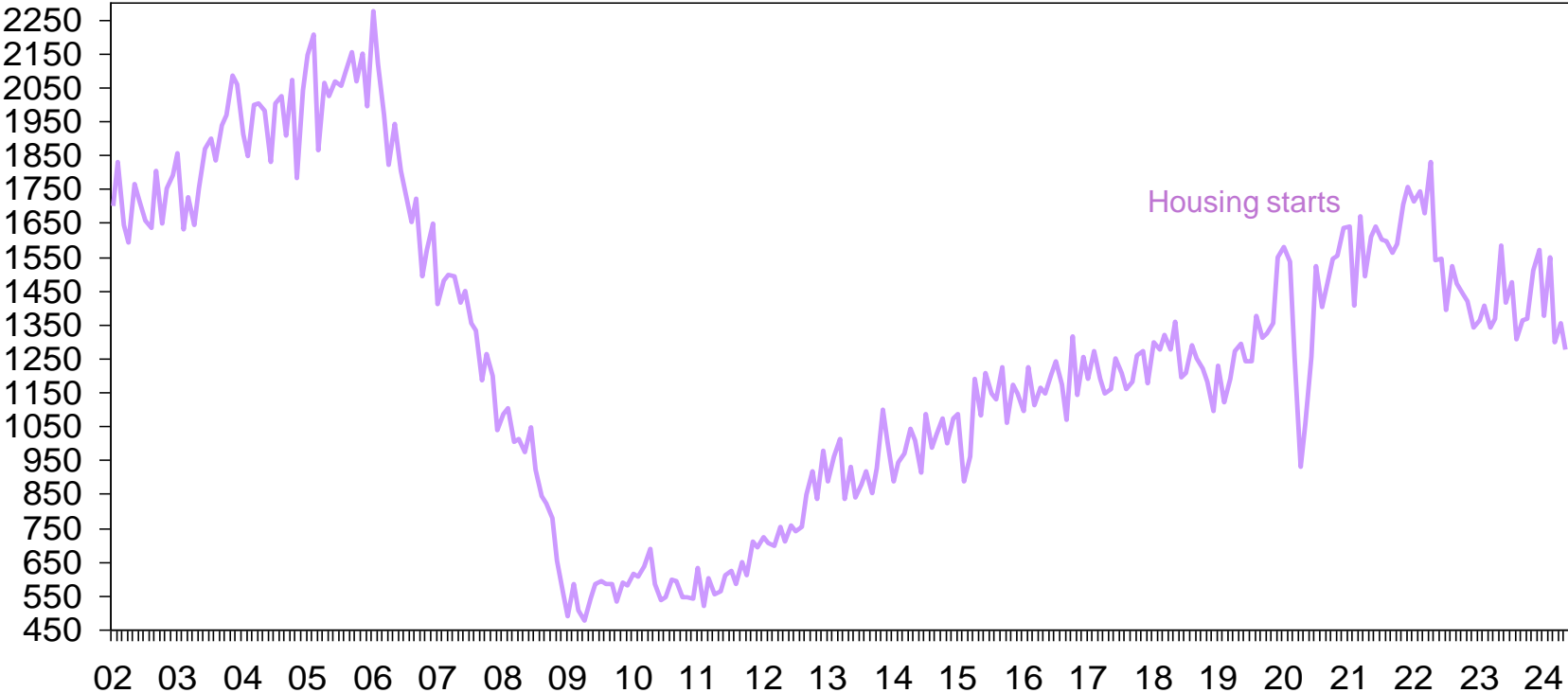
US current account balance

\$ billion, annualised



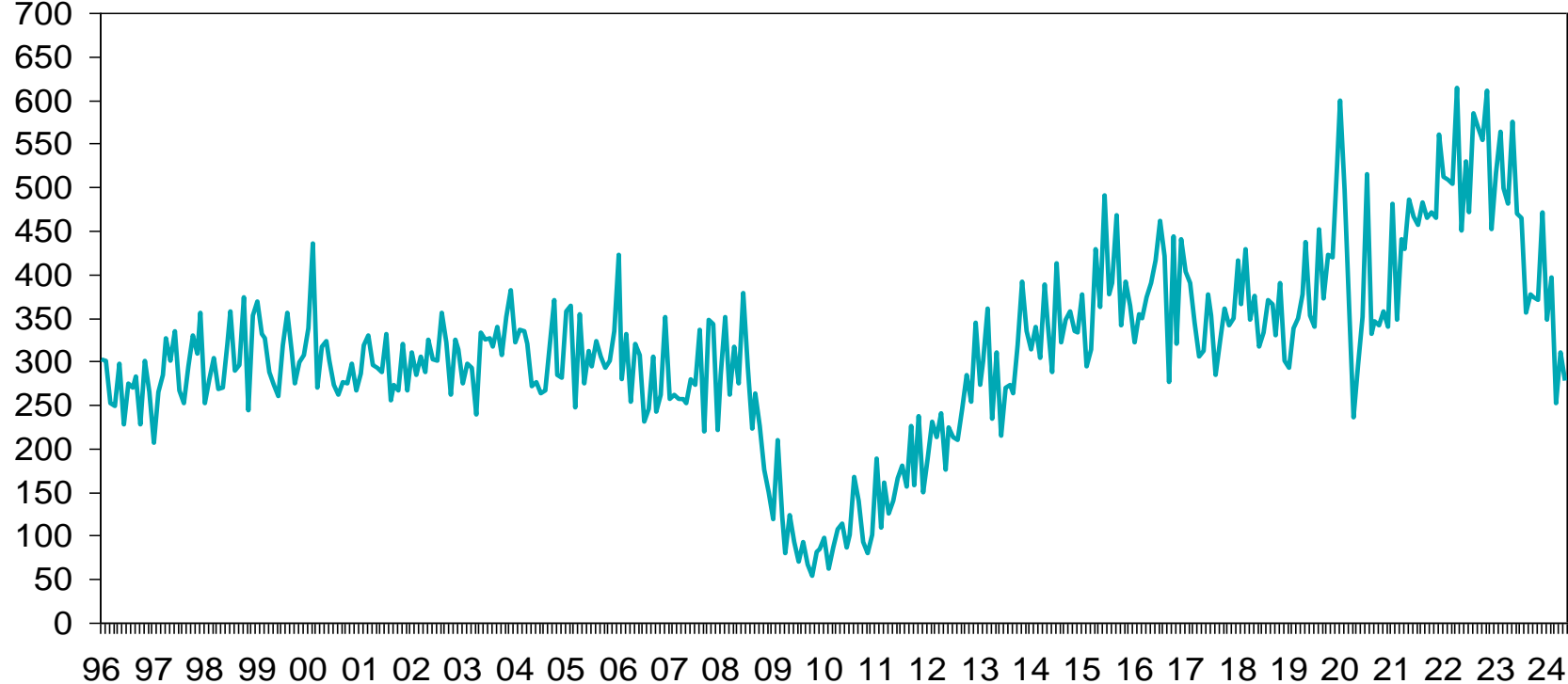
US housing starts

Thousands, seasonally adjusted



US housing starts – multi-family homes

Thousands, seasonally adjusted



US housing permits

Thousands, seasonally adjusted



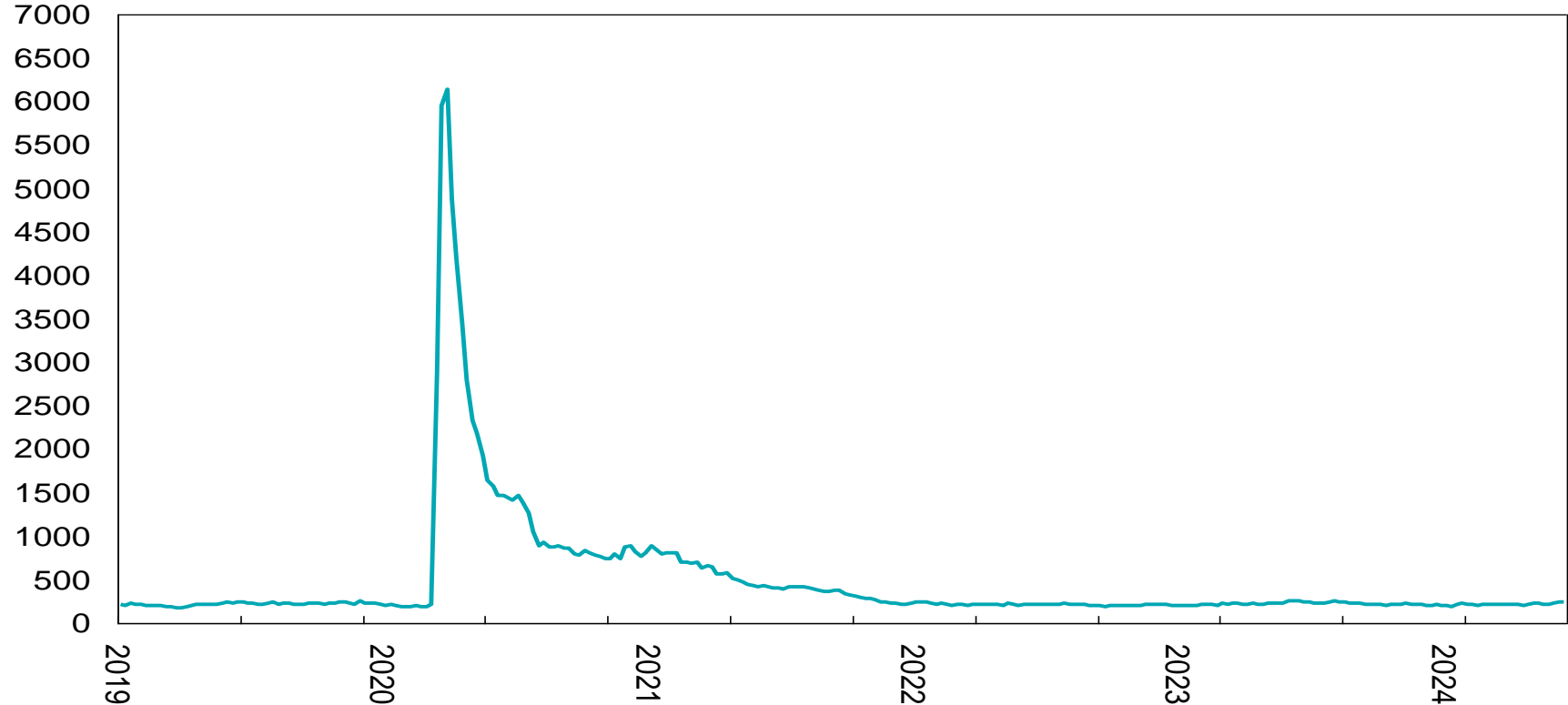
US initial jobless claims

000's



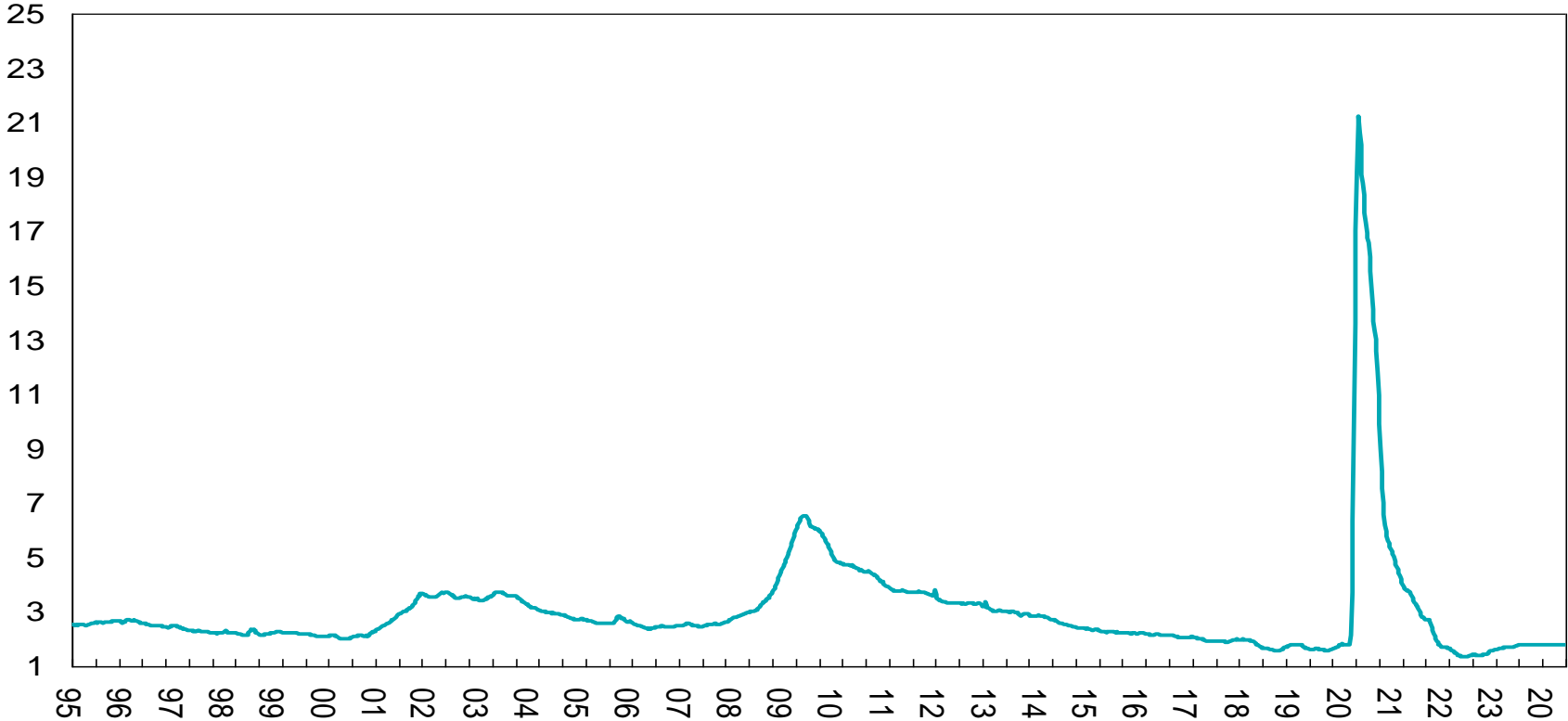
US initial jobless claims

000's



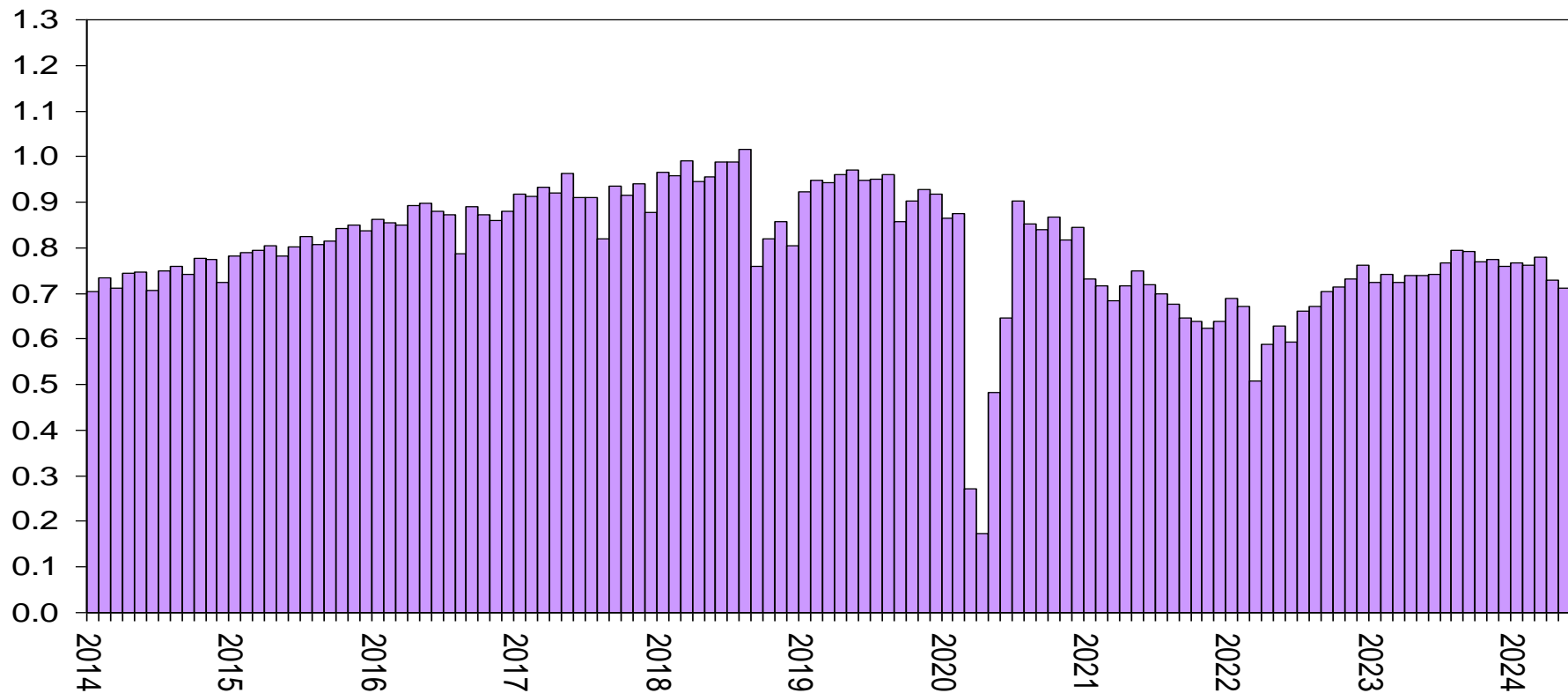
US continuing claims

Million



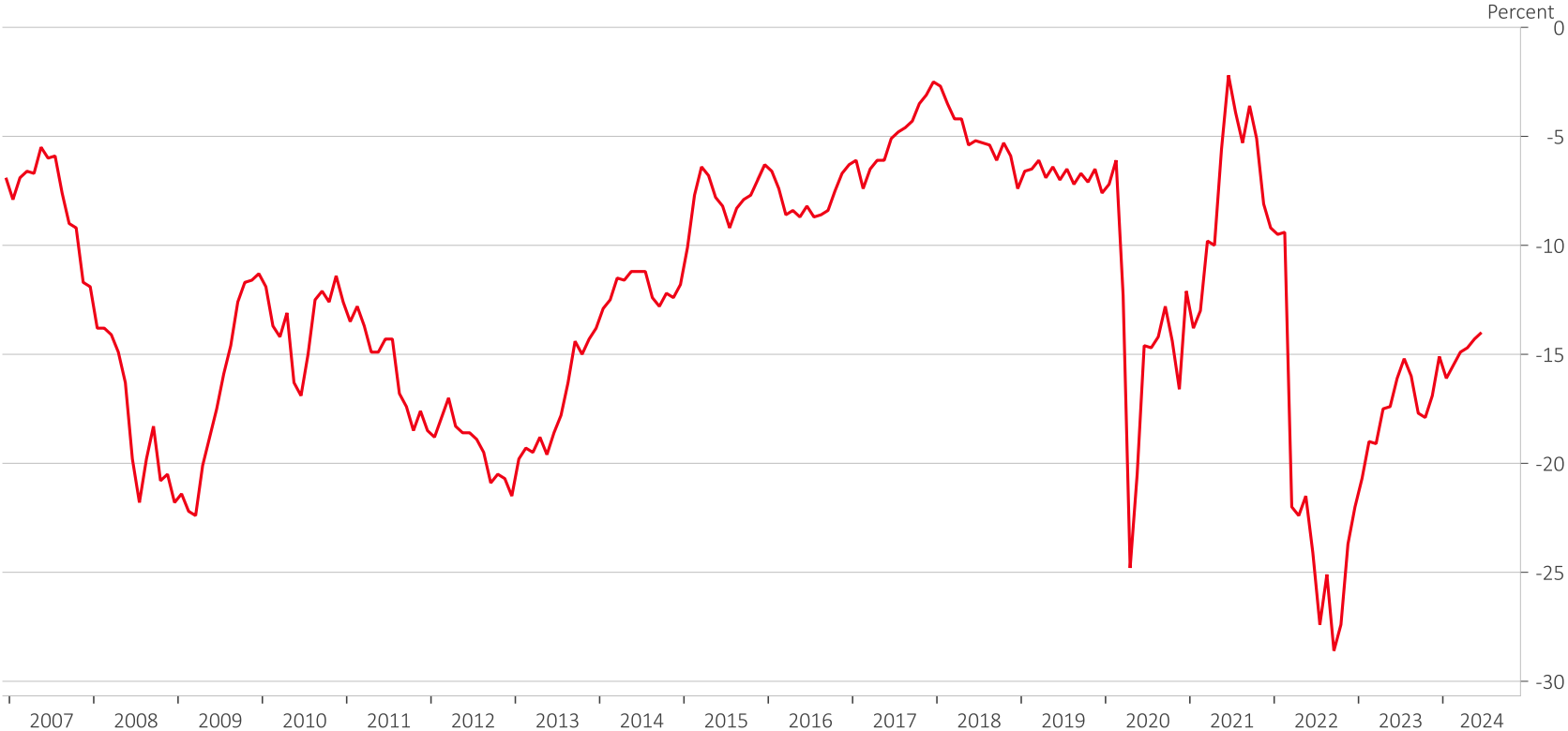
Euro-area vehicle sales

Million, seasonally adjusted

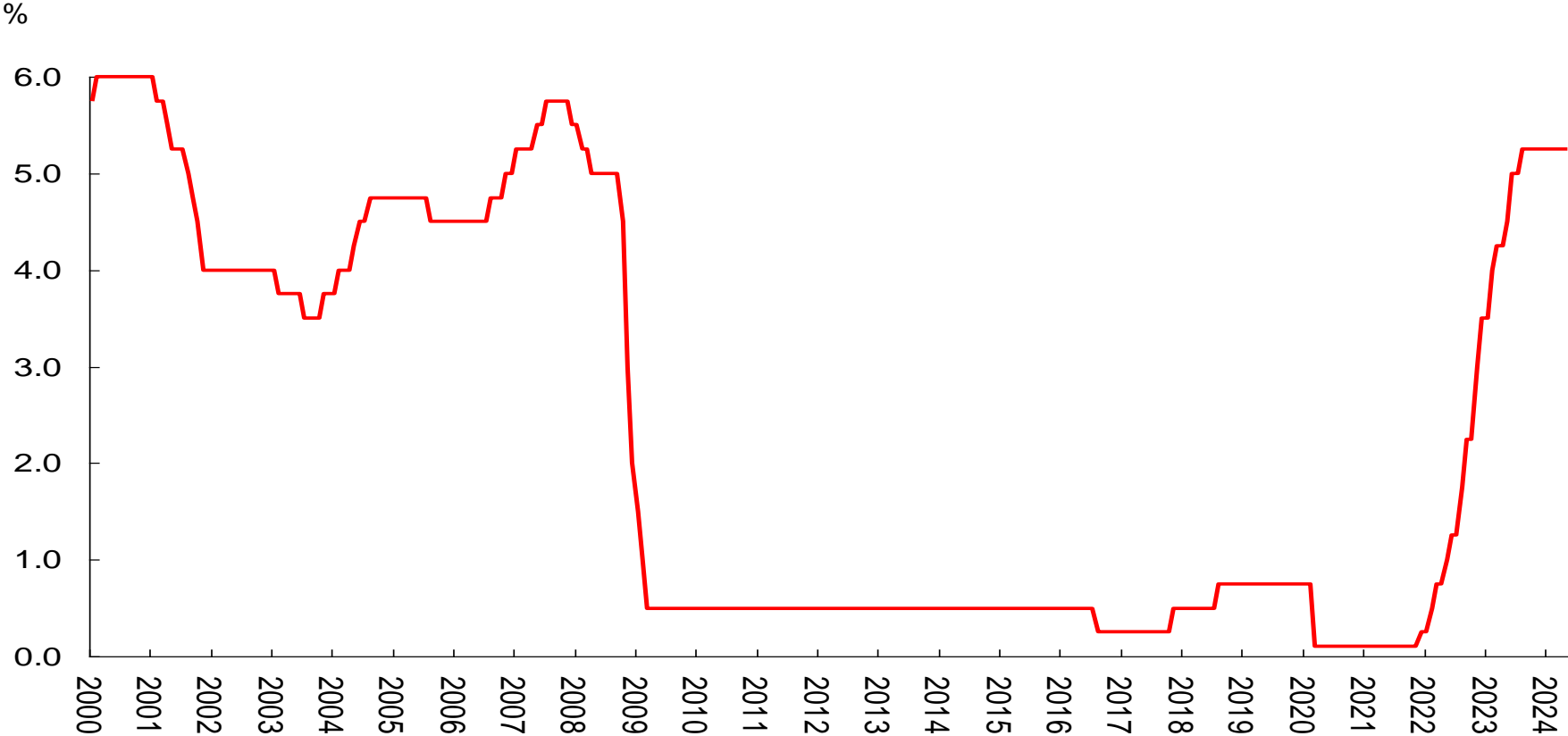


Euro-area consumer confidence

%



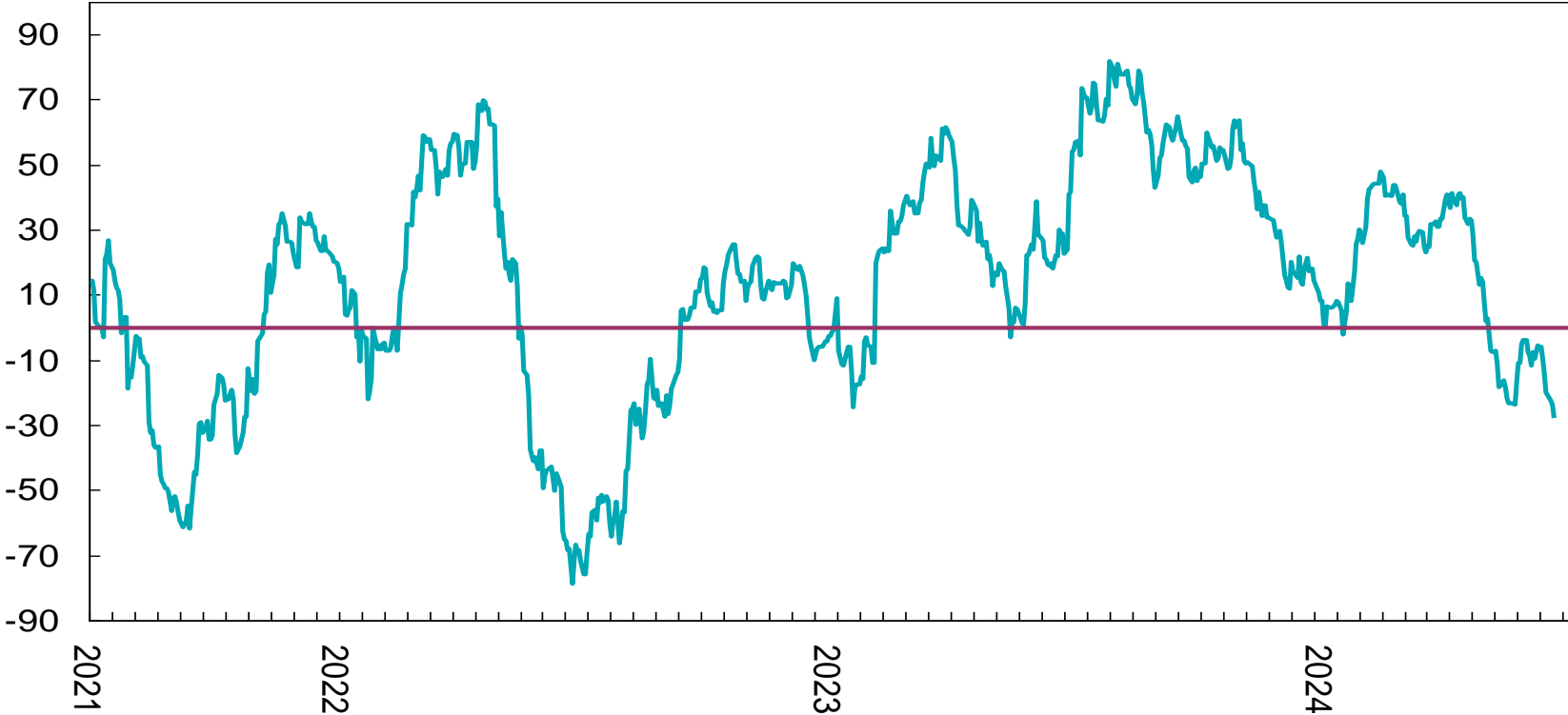
UK official interest rates



• Source: Macrobond

Citi Economic Surprise Index: United States

Index



Weekly economic review: 17 to 23 June 2024

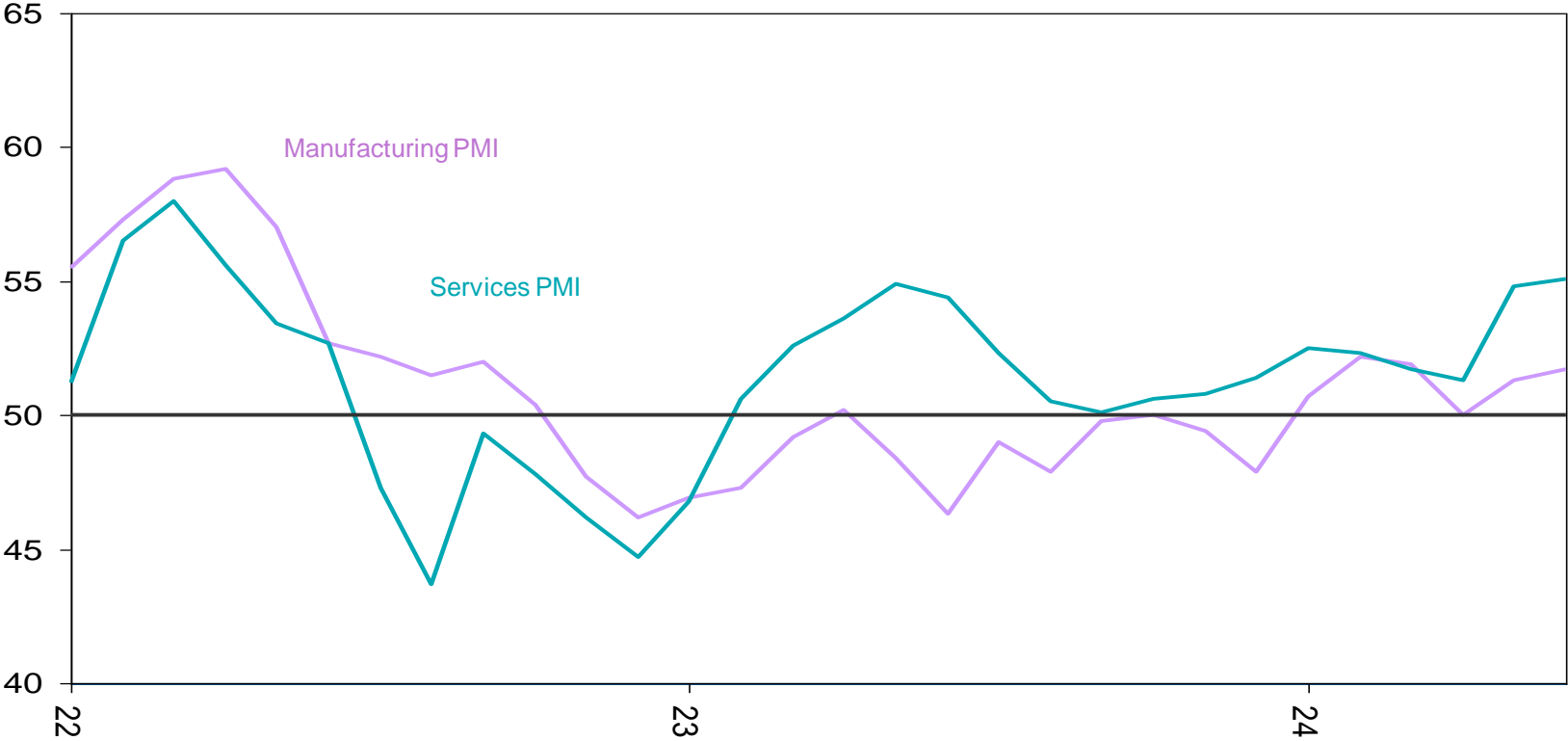
Friday, 21 June 2024

- US S&P global US manufacturing PMI for June 2024
- US S&P global US services PMI for June 2024
- US leading economic indicator for May 2024
- US existing home sales for May 2024
- Euro-area manufacturing and services PMI for June 2024

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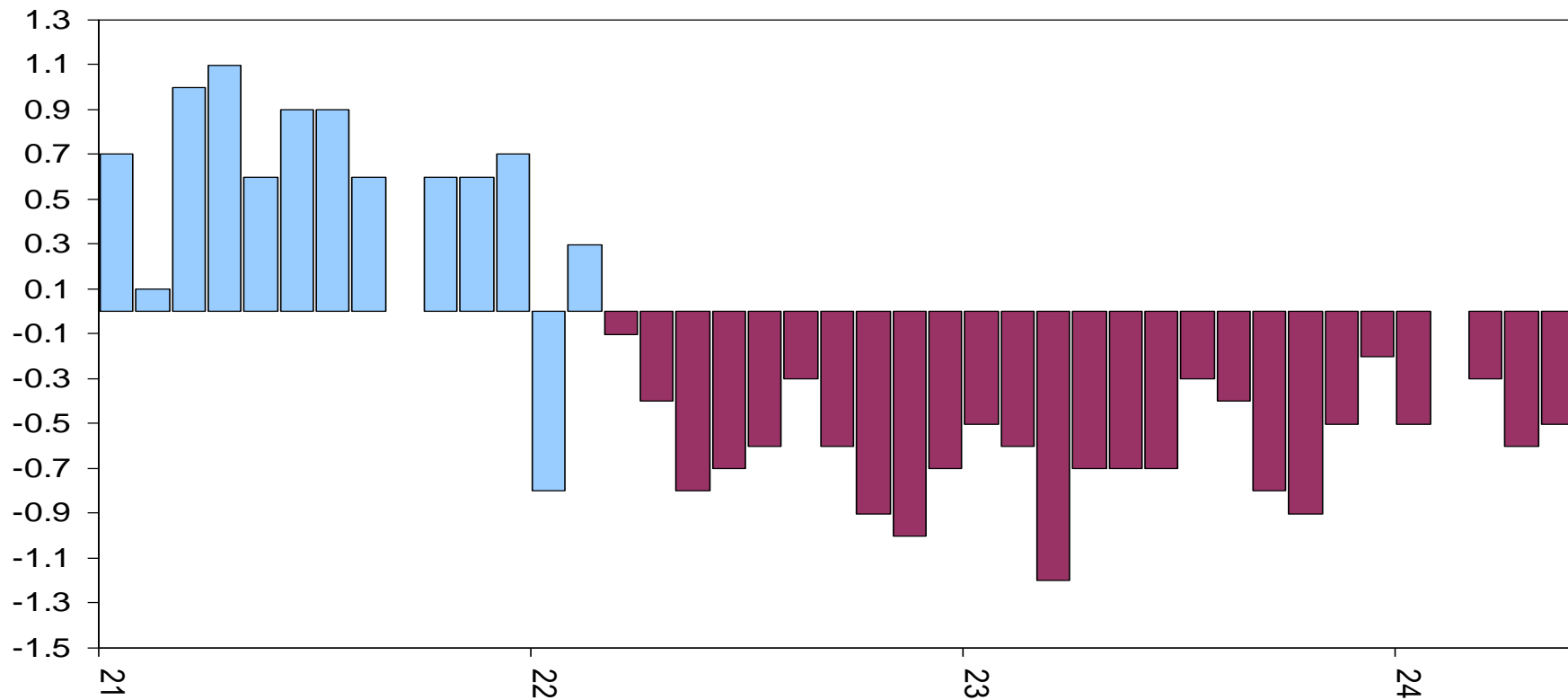
US S&P Global manufacturing and services PMI

Index

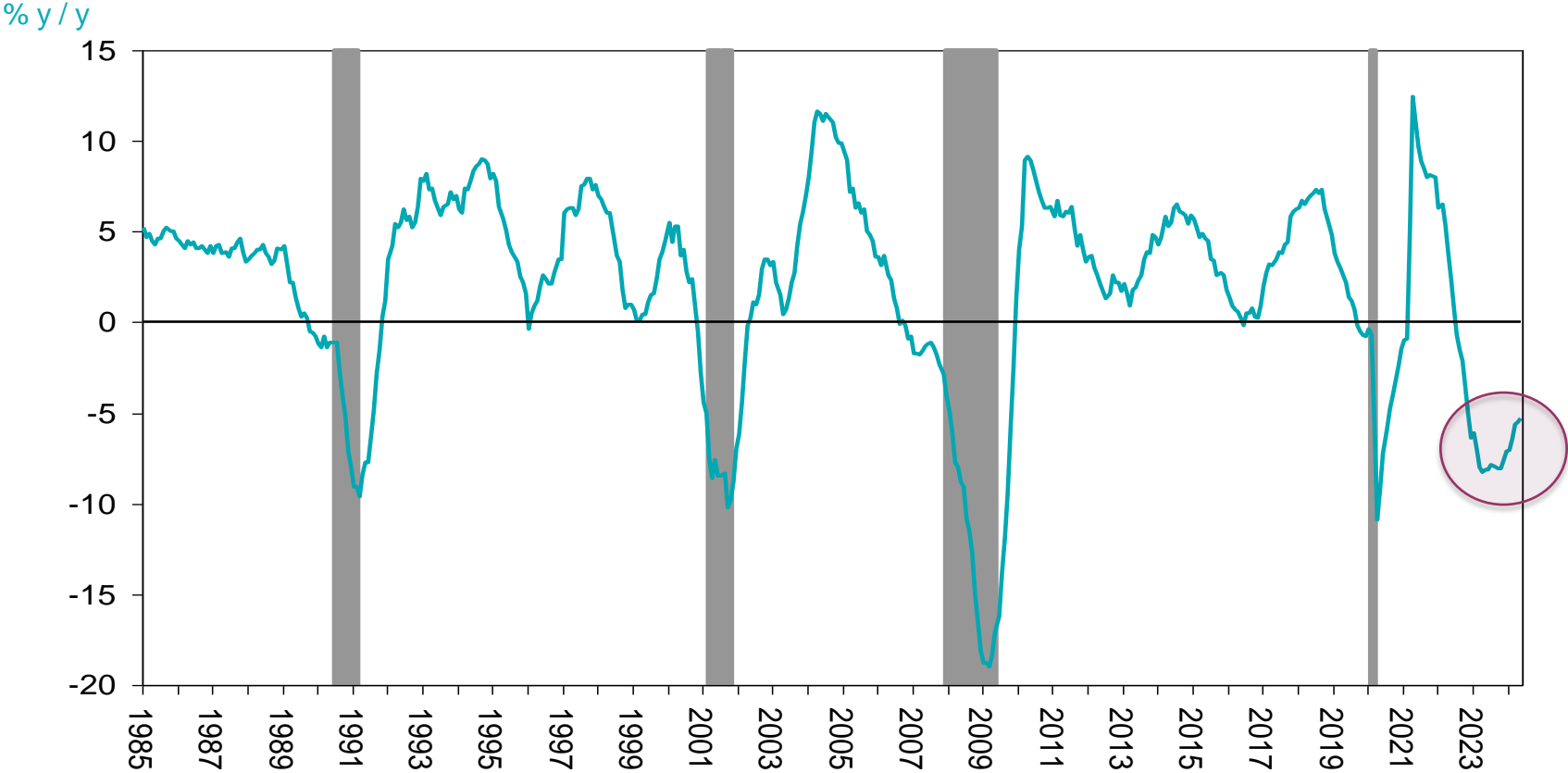


US leading indicator month-on-month

% m / m



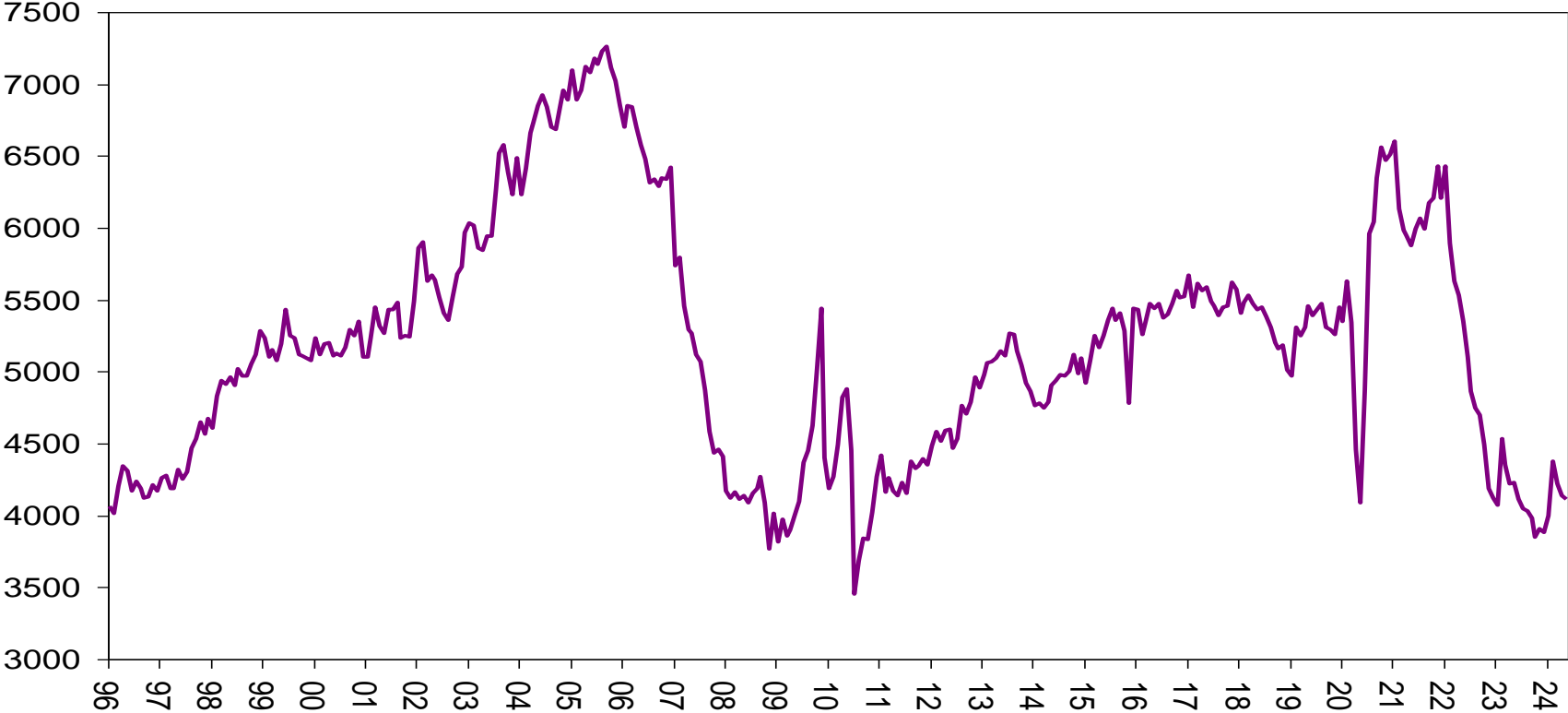
US leading economic indicator



Source: US Conference Board

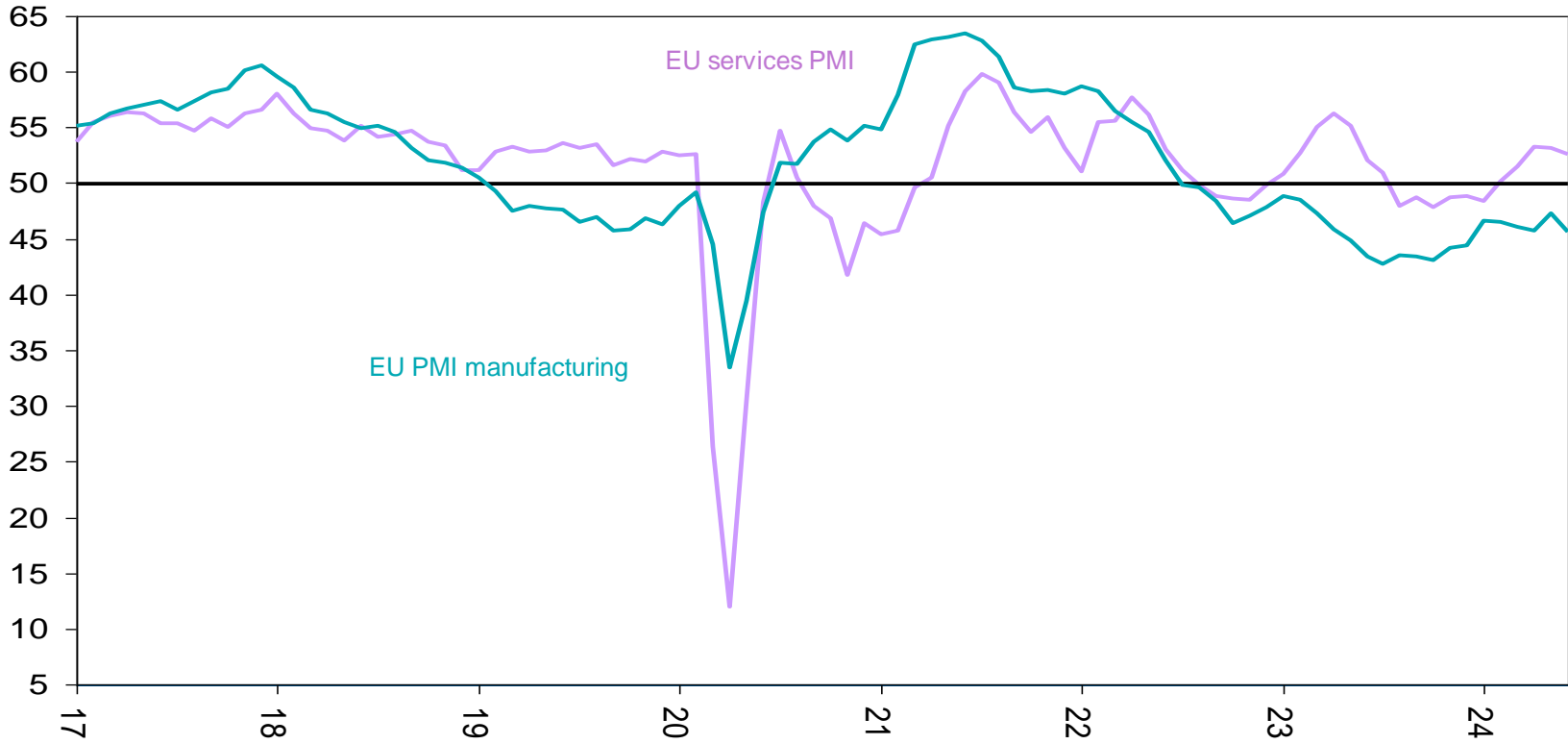
US existing home sales

000's



Euro-area manufacturing and services PMI

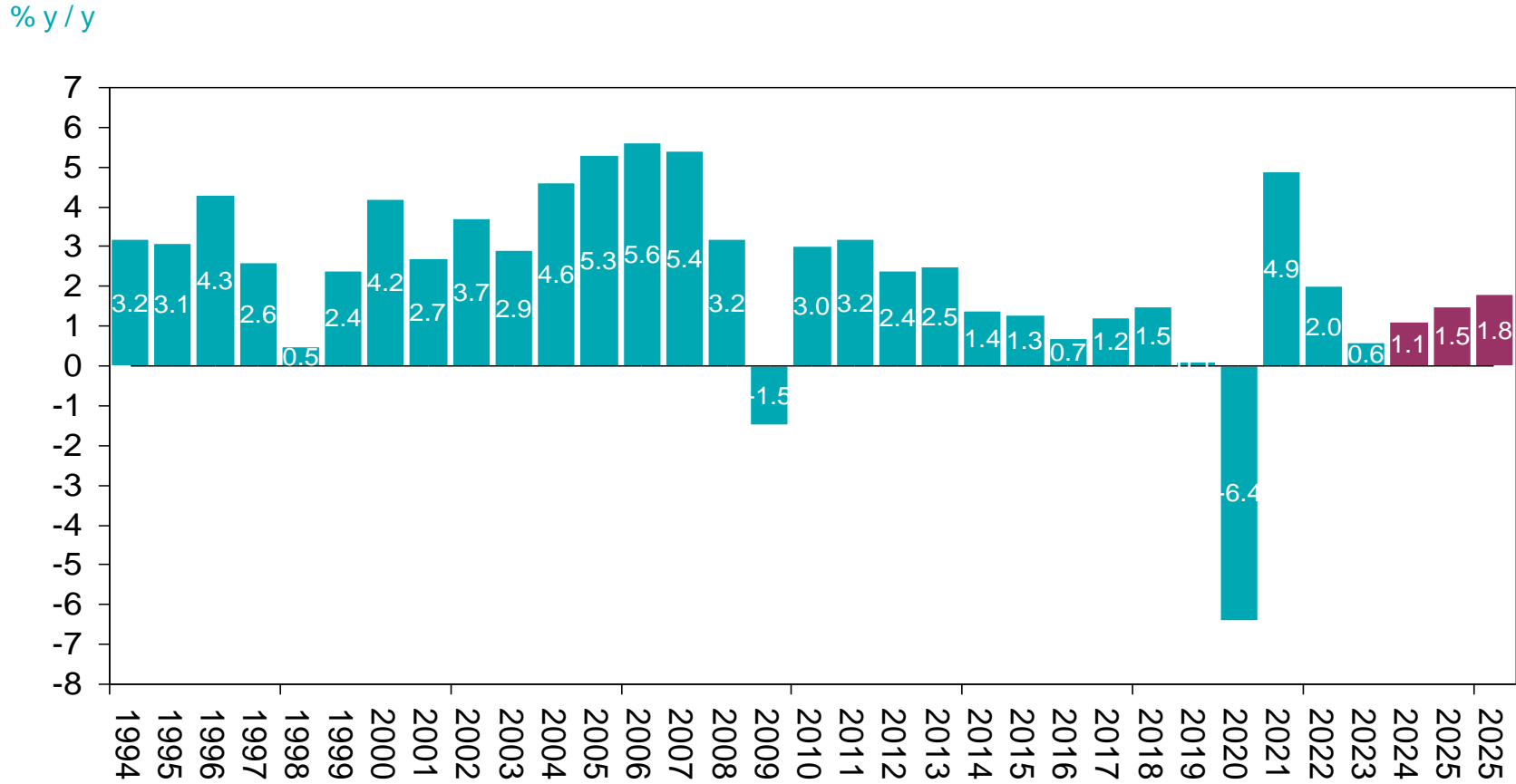
Index



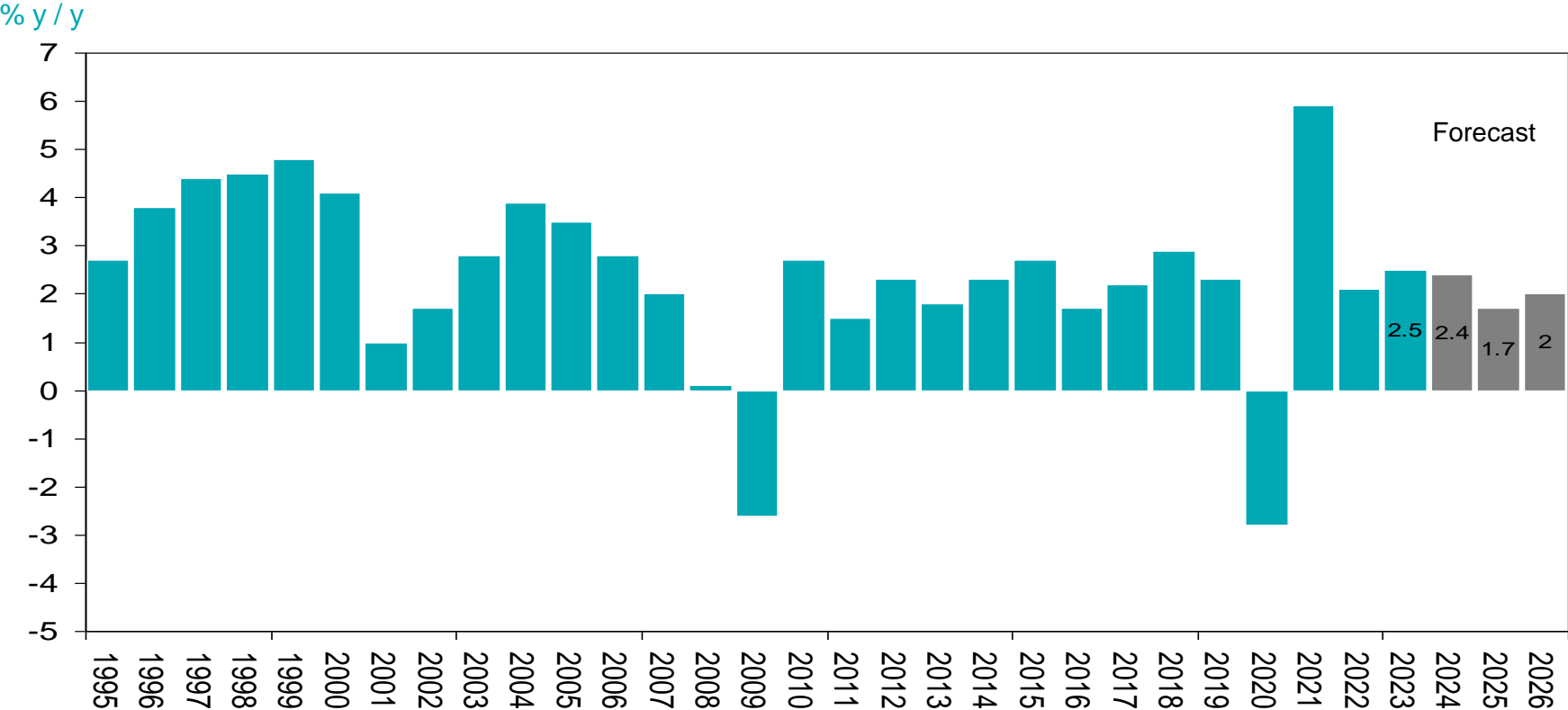
Consensus GDP growth

- 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



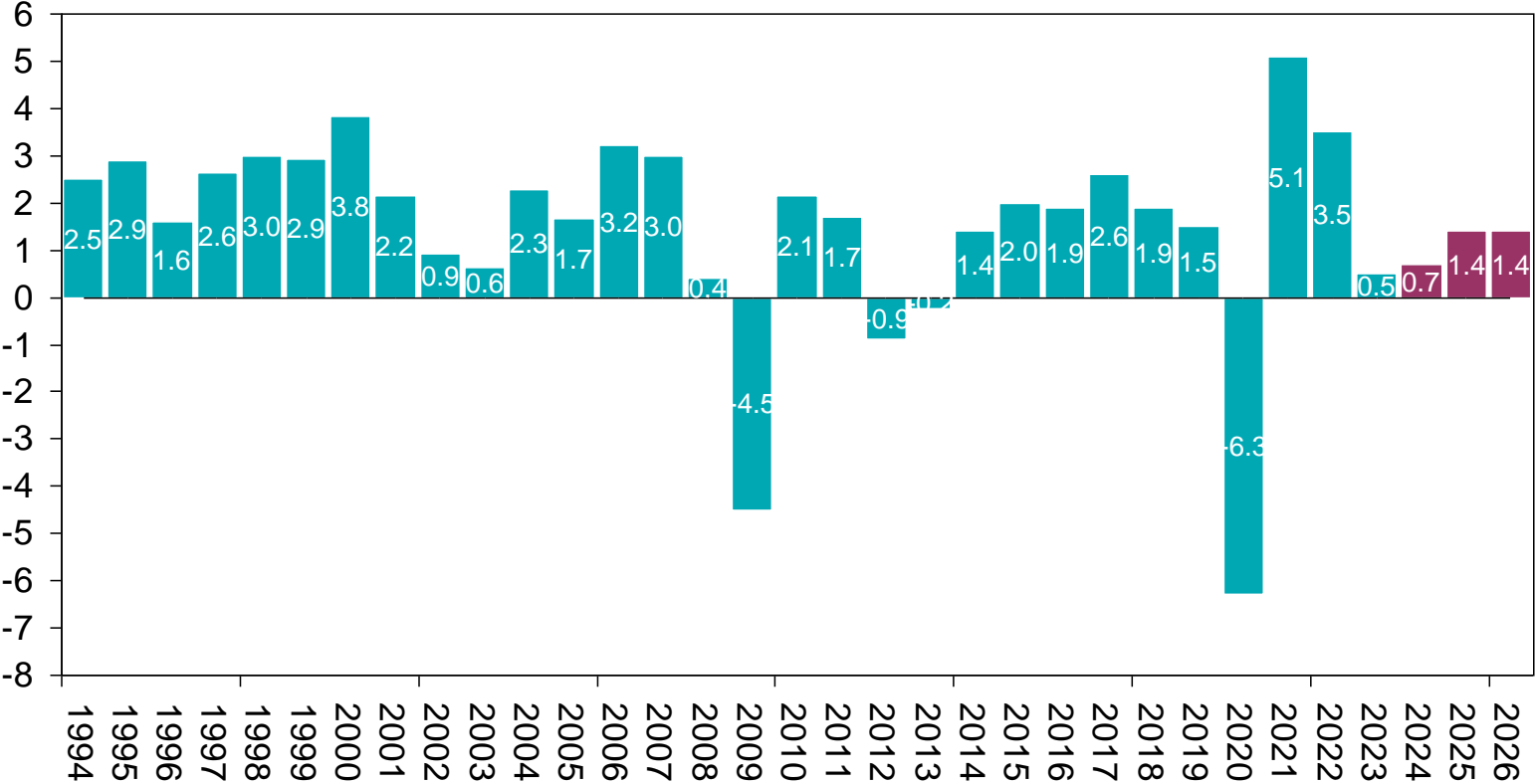
US consensus real annual GDP growth



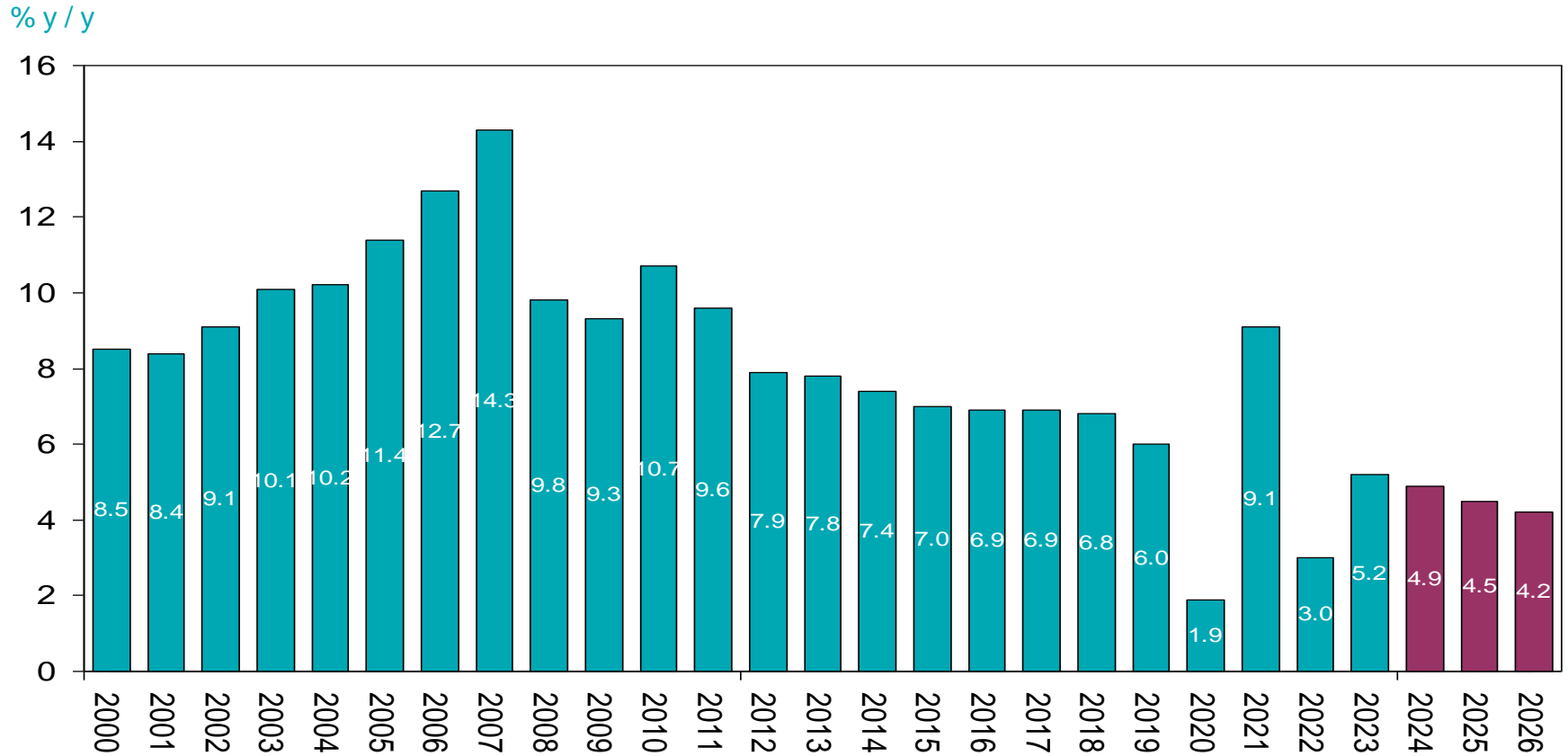
Source: Bloomberg

Euro-area GDP annual growth rate: consensus growth estimate

% y/y



China GDP growth consensus forecast



US financial conditions: 17 to 23 June 2024

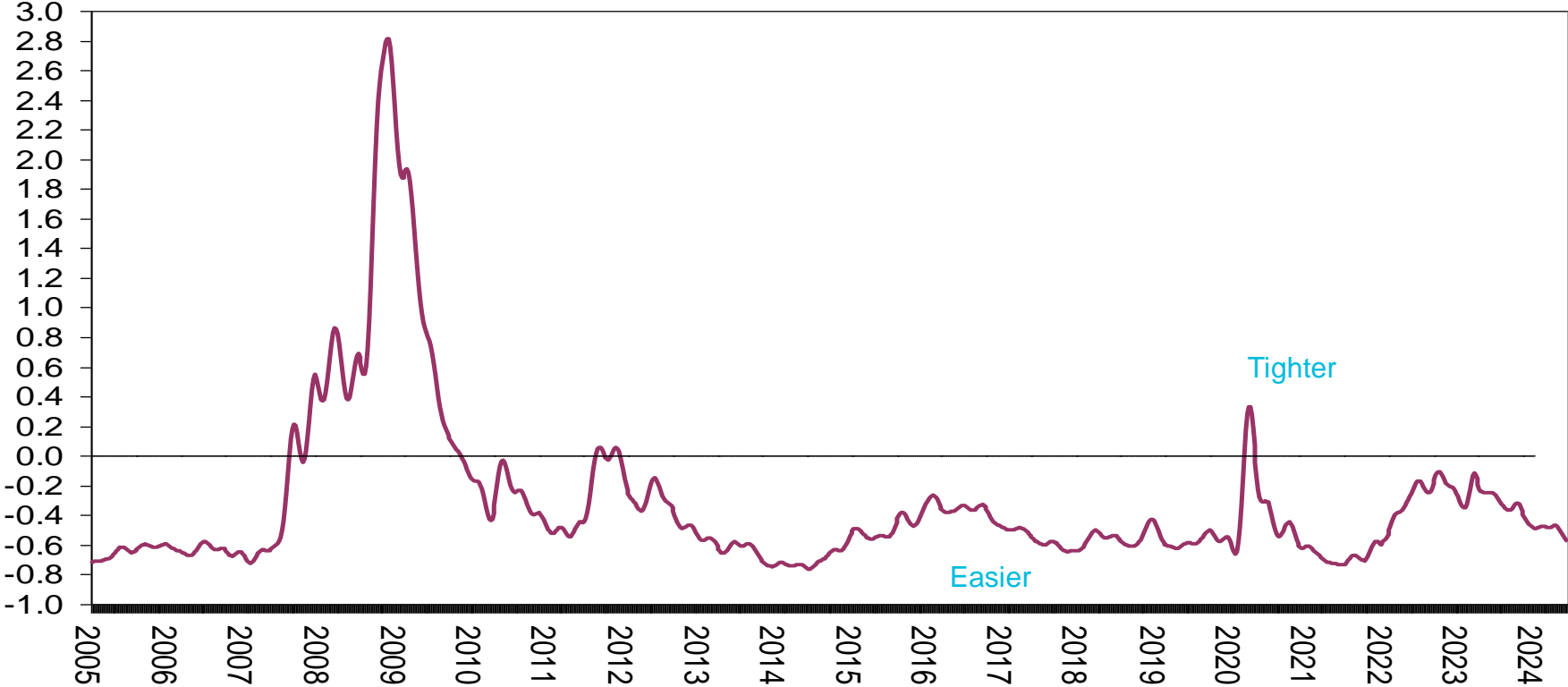
- US financial conditions (Federal Reserve Chicago)
- US financial stress index (OFR)
- China PBOC liquidity injection



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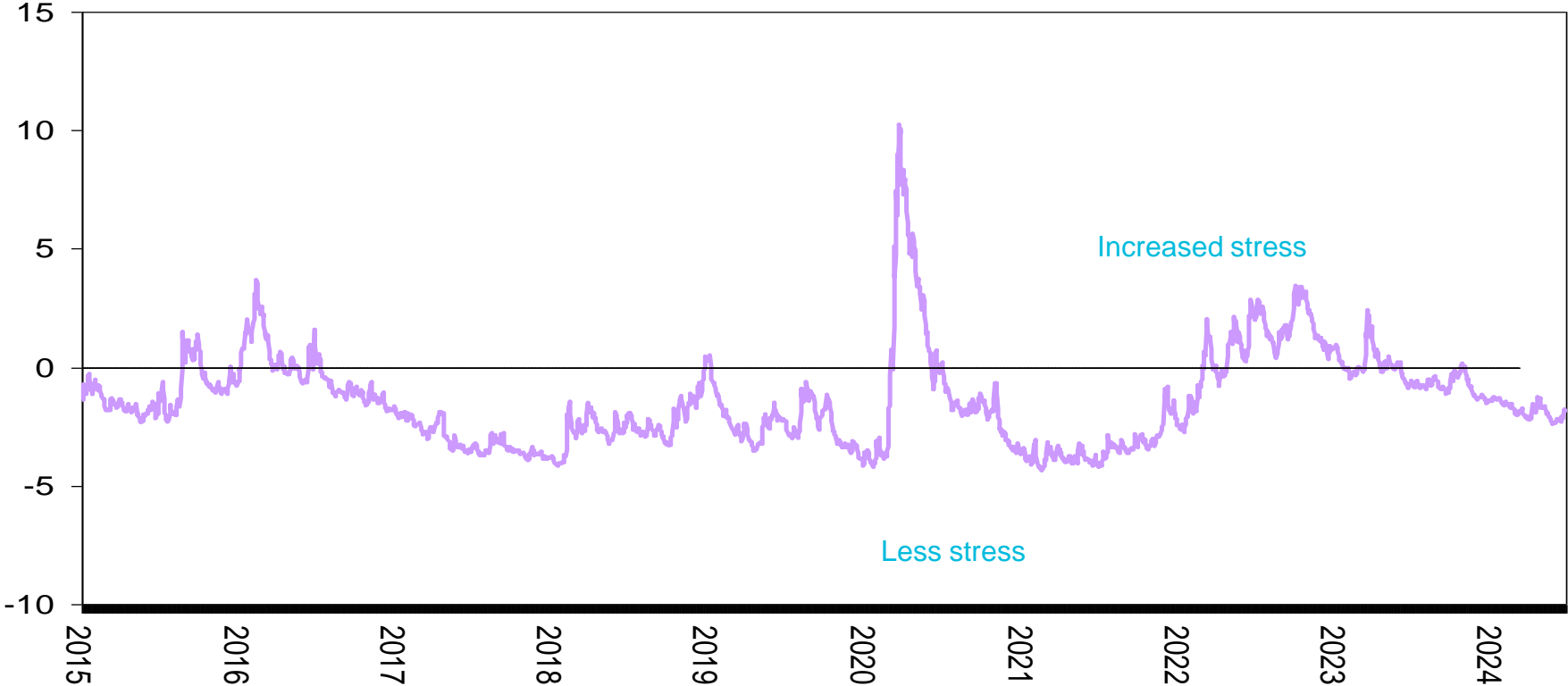
US financial conditions (Federal Reserve Chicago)

Index



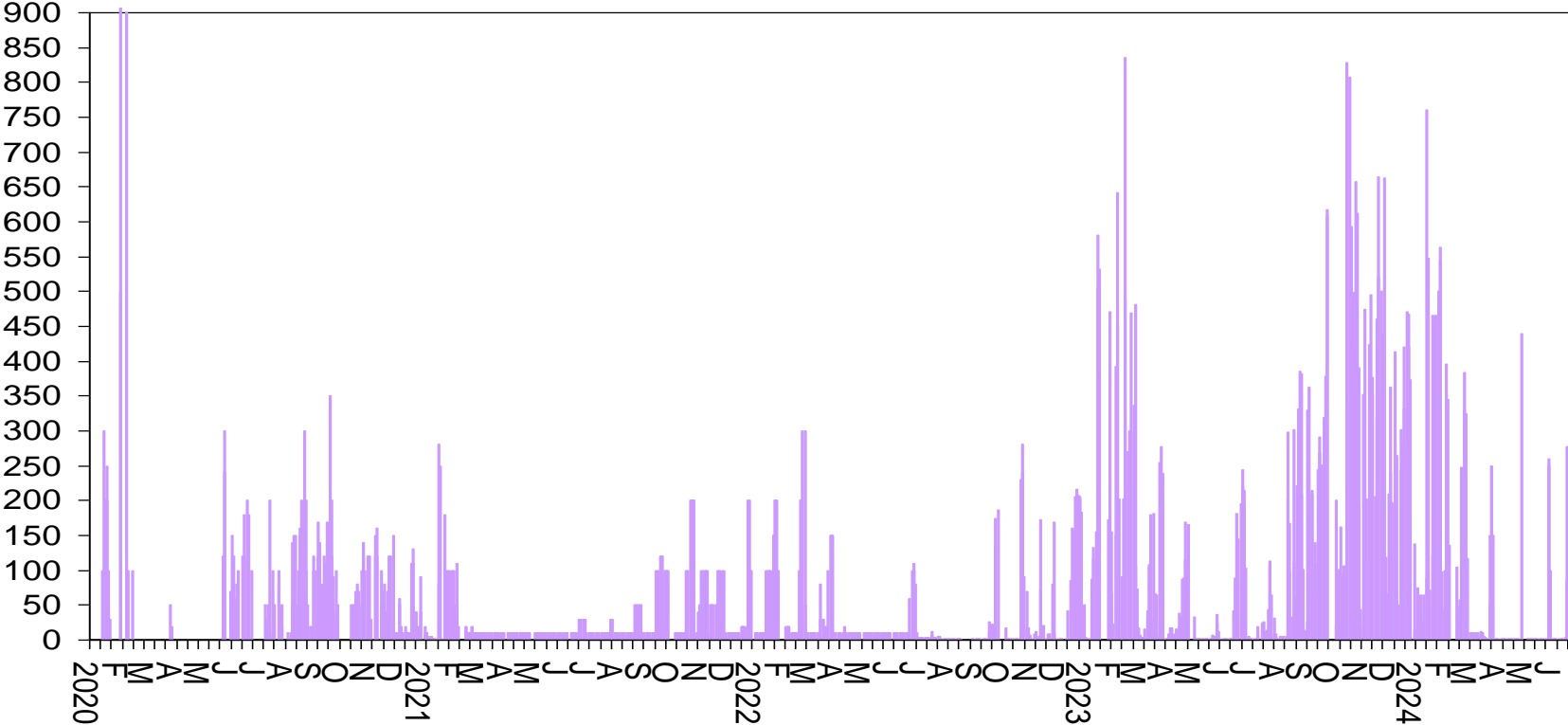
US financial stress index (OFR Financial Stress Index)

Index



China PBOC liquidity injection daily (total reverse Repos)

Yuan billion



Commodity prices: 17 to 23 June 2024

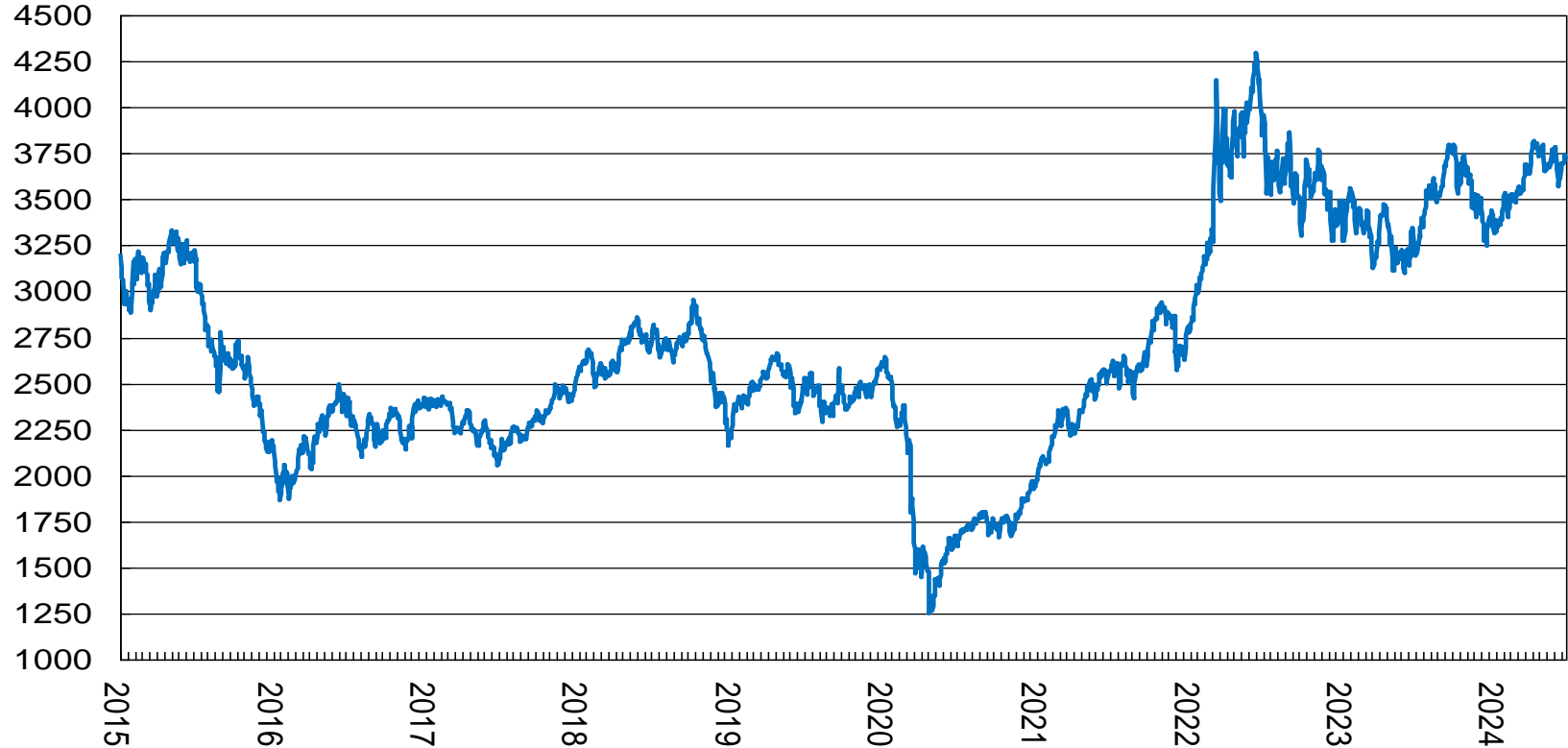
- Global commodity price index
- World food inflation
- Gold price
- Tin price
- Zinc price
- Lead price
- Silver price
- Oil price
- Copper price
- Platinum price
- Aluminium price
- Palladium price
- Rhodium price
- Wheat price



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Global commodity price index (S&P GSCI)

Index



World food inflation



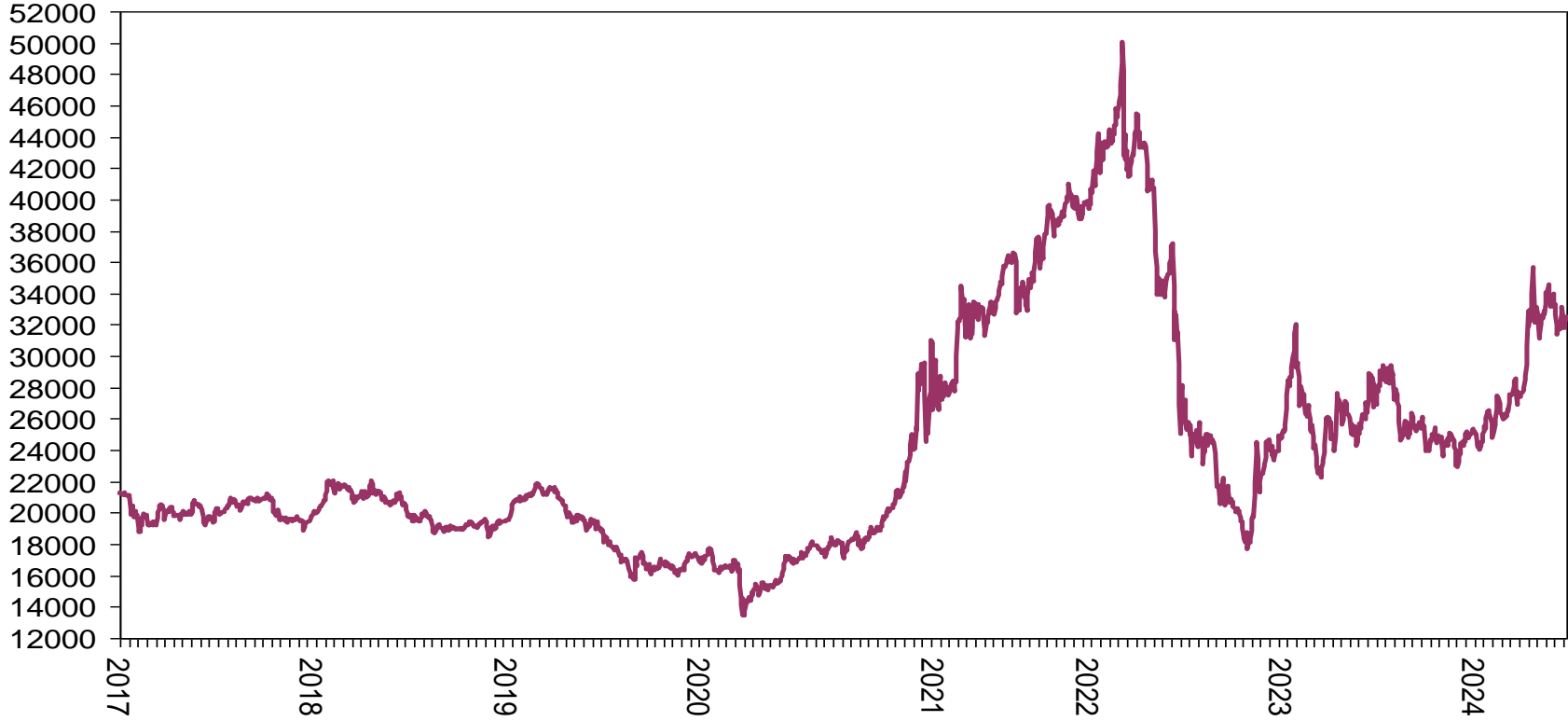
Gold price

\$/ounce



Tin price

\$/MT



Silver price

\$/ounce



Oil price

\$/b l



Copper price

\$/MT



Platinum price

\$/ounce



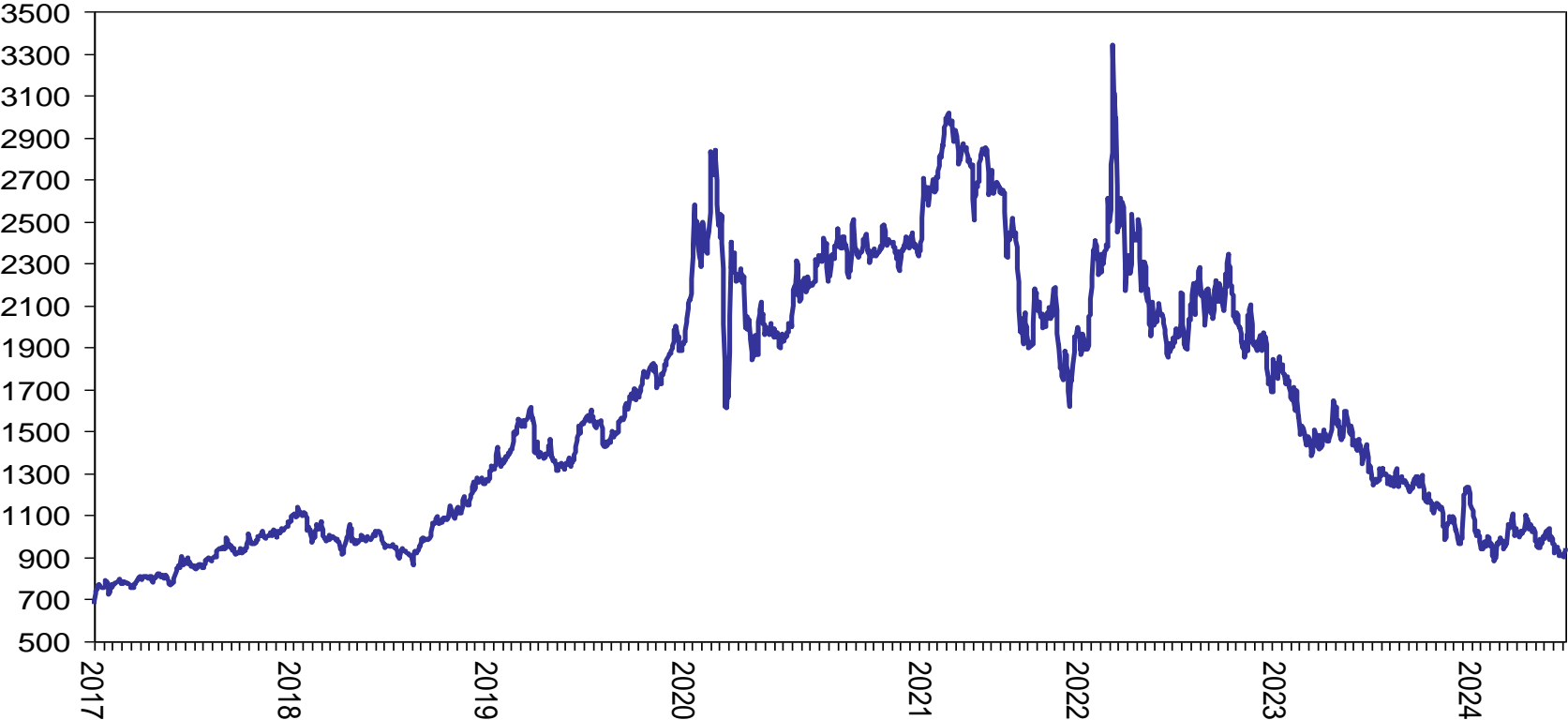
Aluminium price

\$/MT



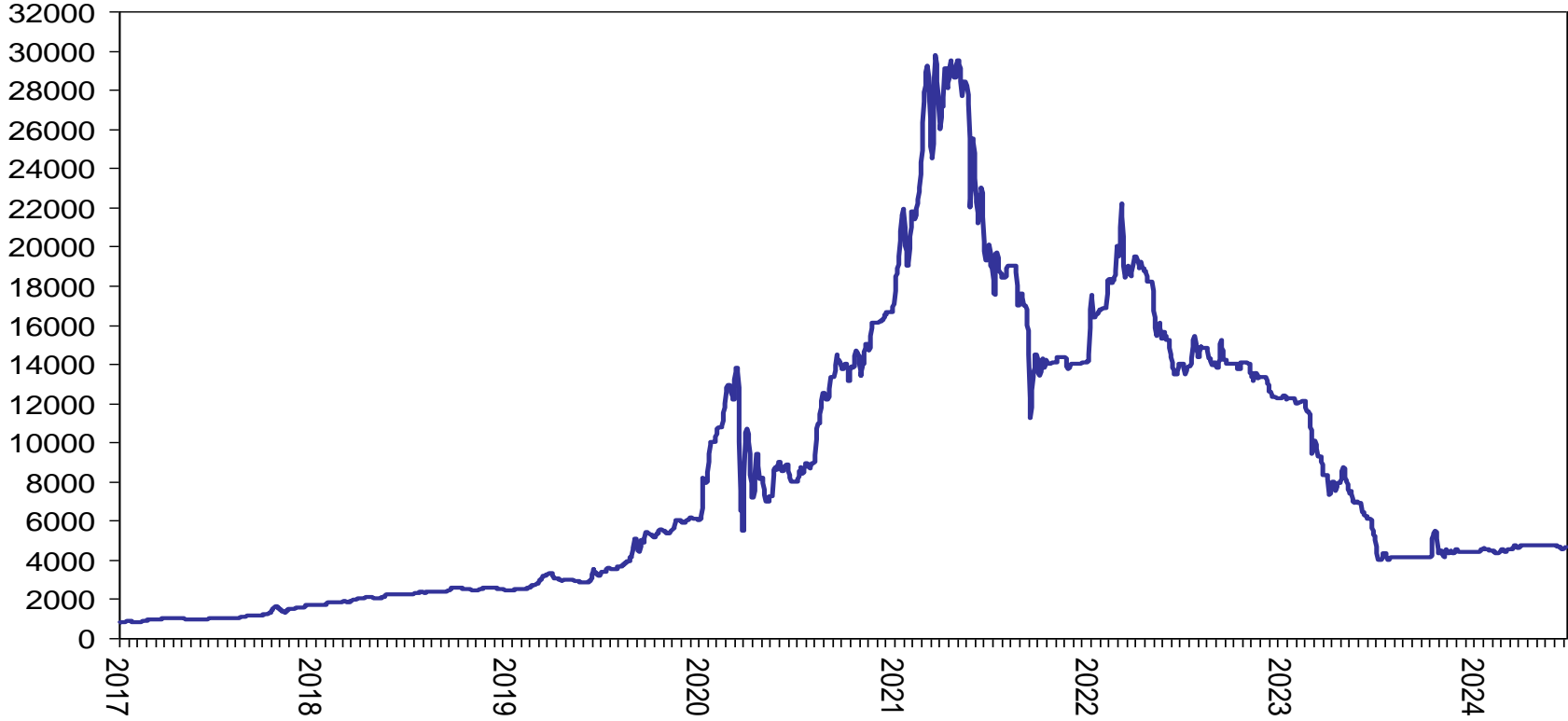
Palladium price

\$/ounce



Rhodium price

\$/ounce



Global wheat price index

Index



Financial markets: 17 to 23 June 2024

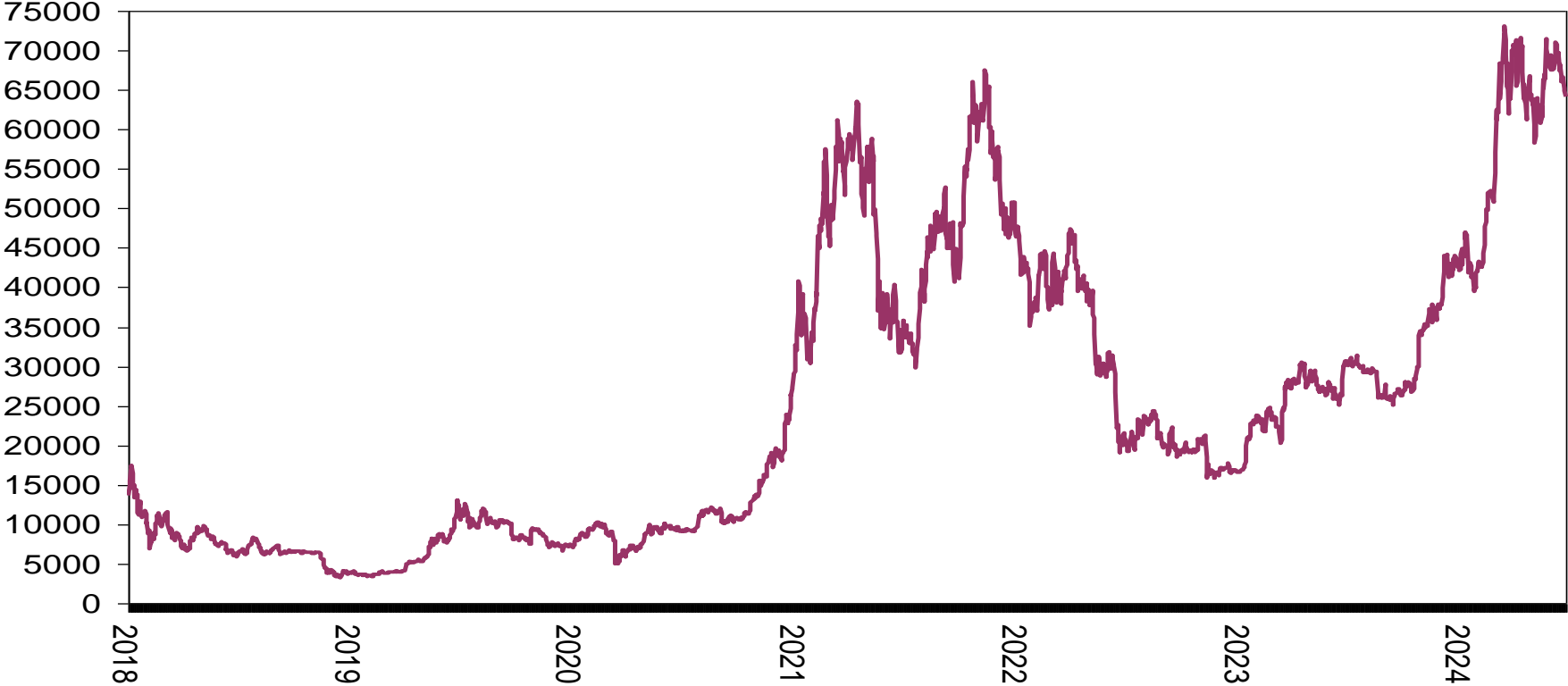
- Bitcoin price
- SA Rand vs Dollar, monthly rate of change
- SA 10-year government bond yield
- US 10-year bond yield
- US S&P 500 equity index
- US Nasdaq 100 index
- US Chicago Board Options Exchange Volatility Index
- SA All Share equity index
- US Dollar per Euro
- US Dollar vs RMB
- SA 10-year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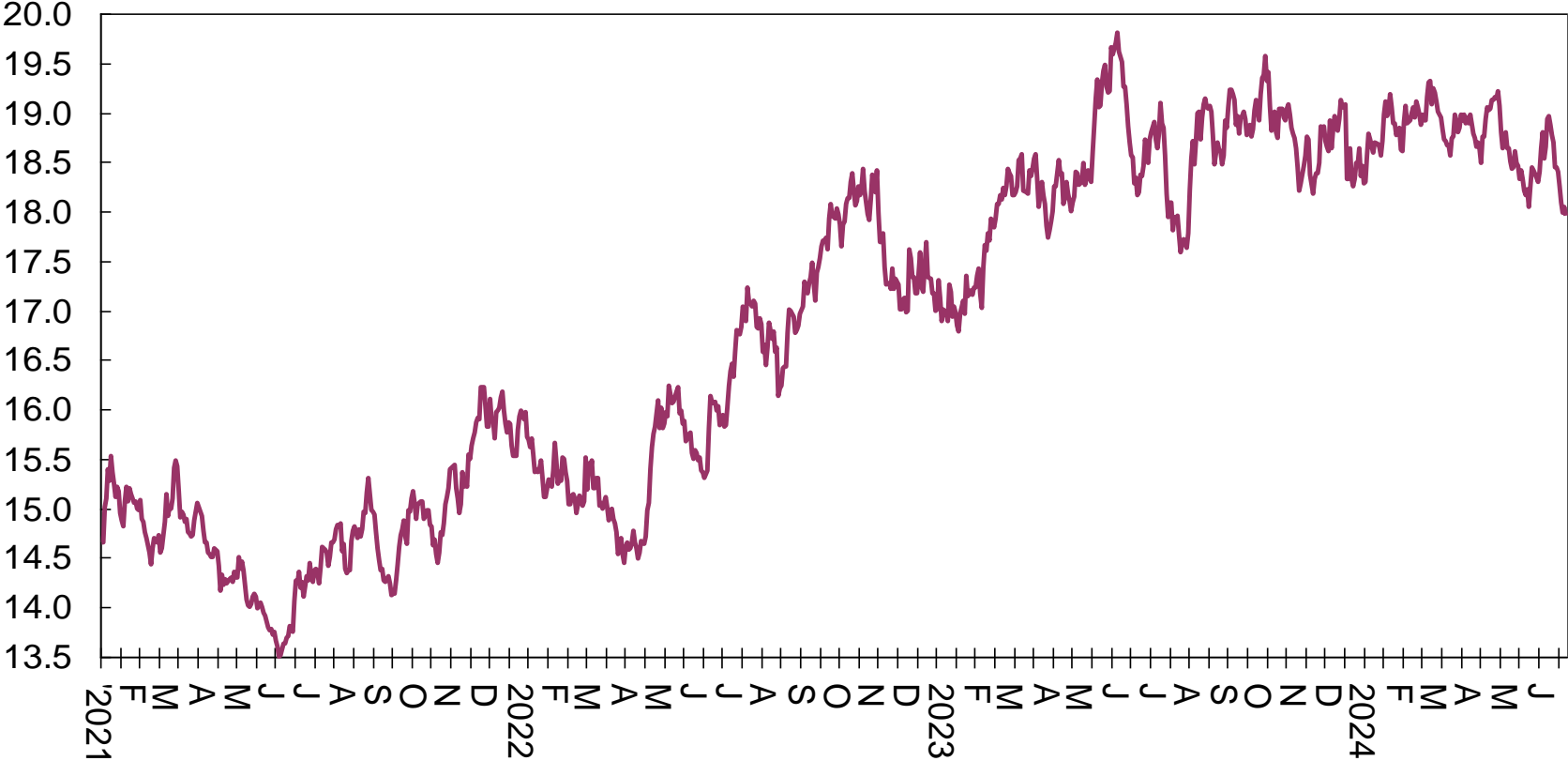
Bitcoin price

Dollar



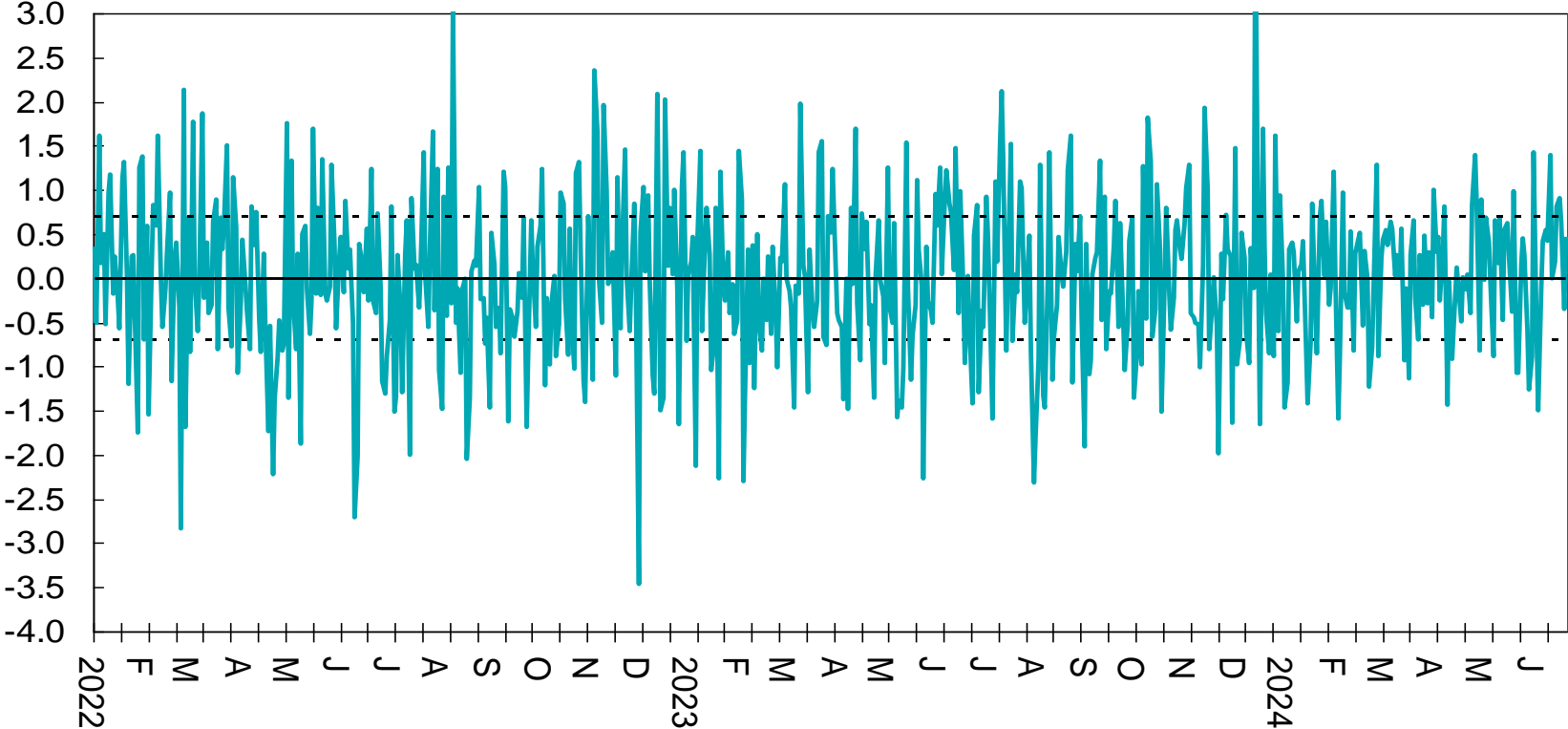
South Africa Rand vs US Dollar (daily)

Rand per Dollar



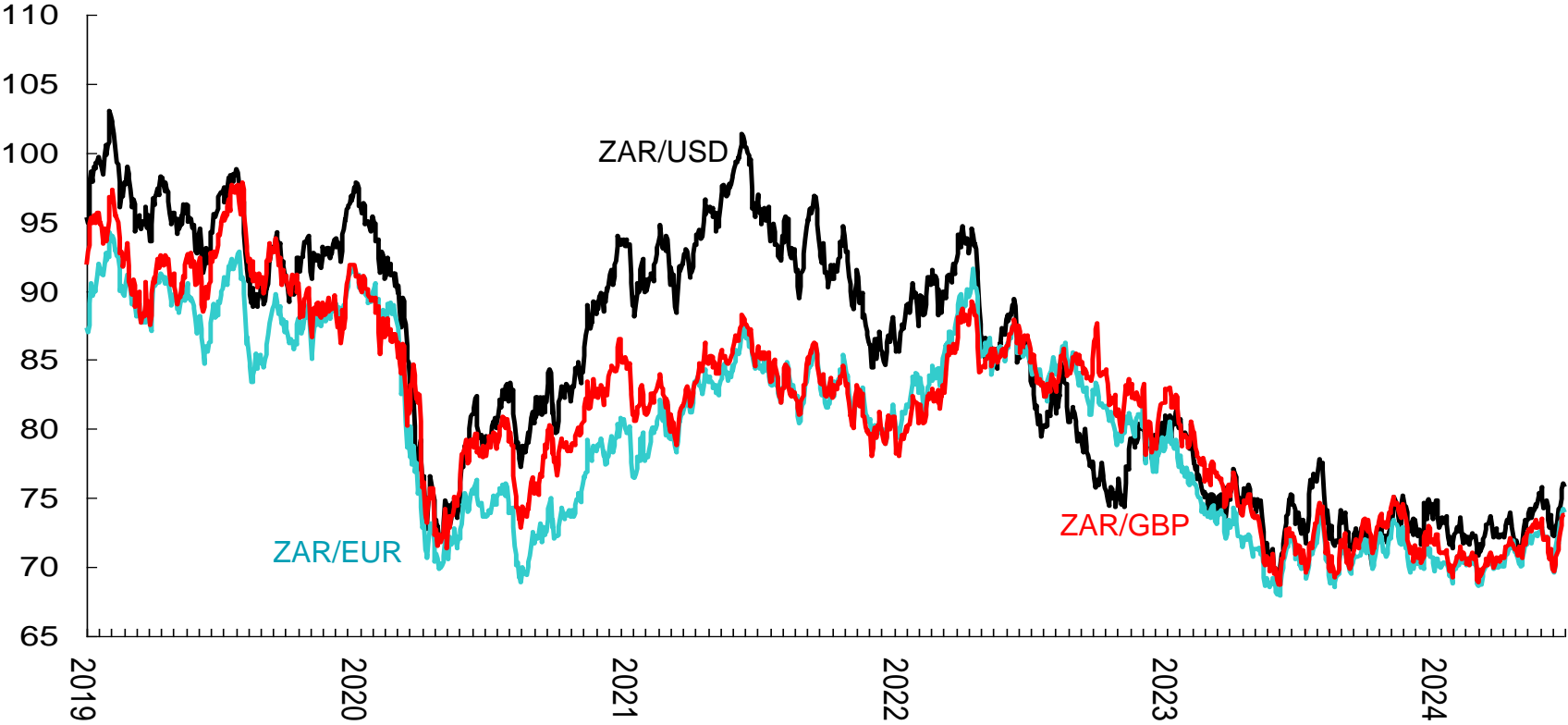
South Africa Rand vs US Dollar (daily change in value)

% change, day-on-day



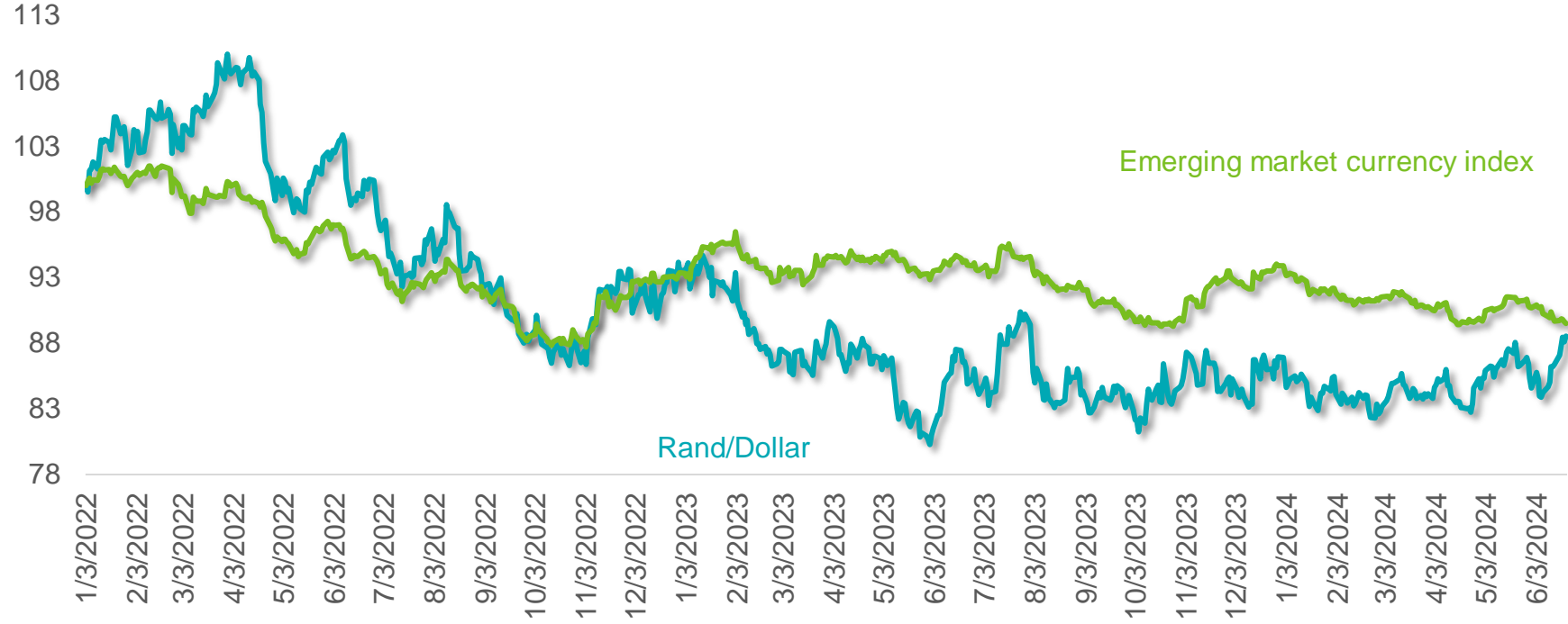
SA Rand vs Dollar, Euro and Pound

Index, 1 January 2017 = 100



Rand/US Dollar vs Emerging Market Currencies

Index, 1 Jan 2022 = 100



Source: Analytics Consulting, Macrobond, 21 June 2024

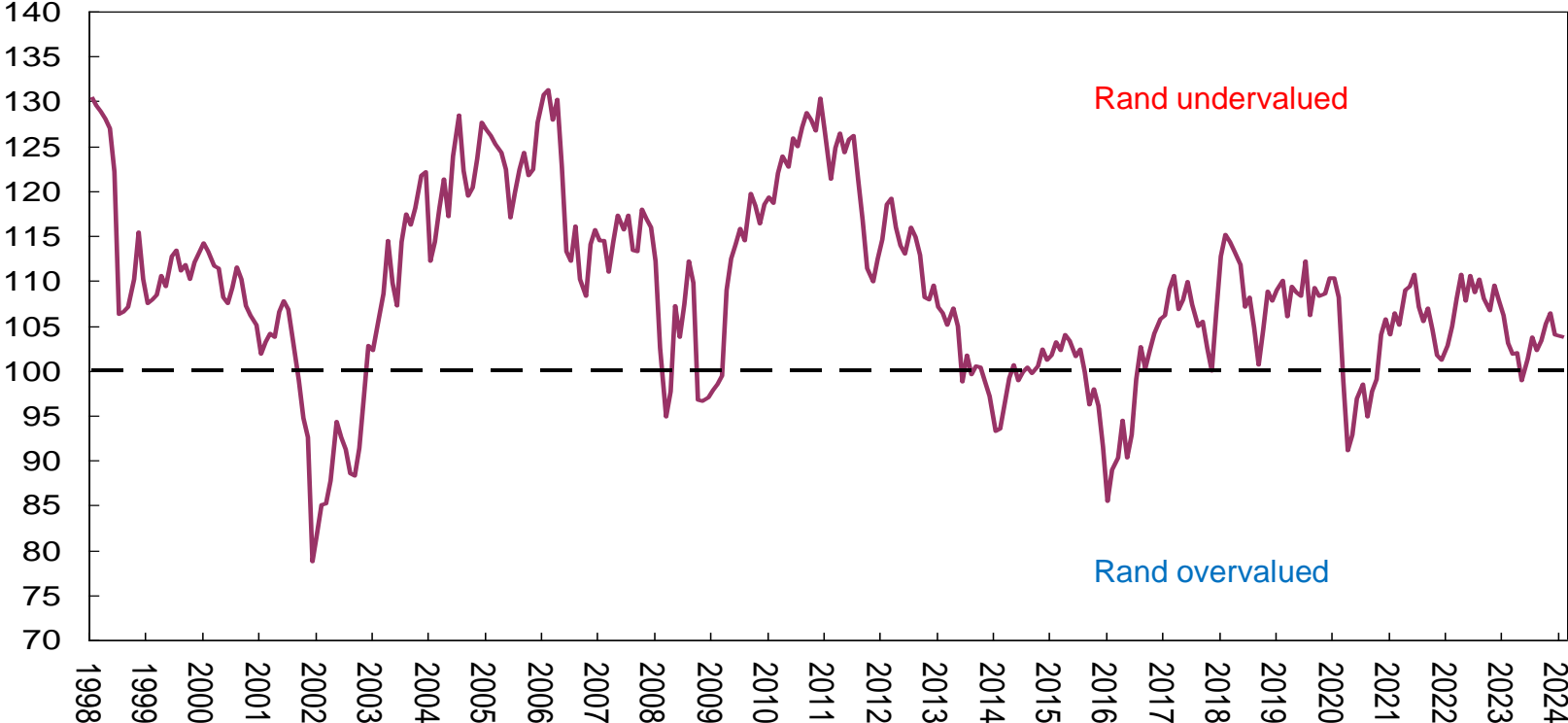
SA trade-weighted exchange rate

Index, nominal, daily data from JP Morgan



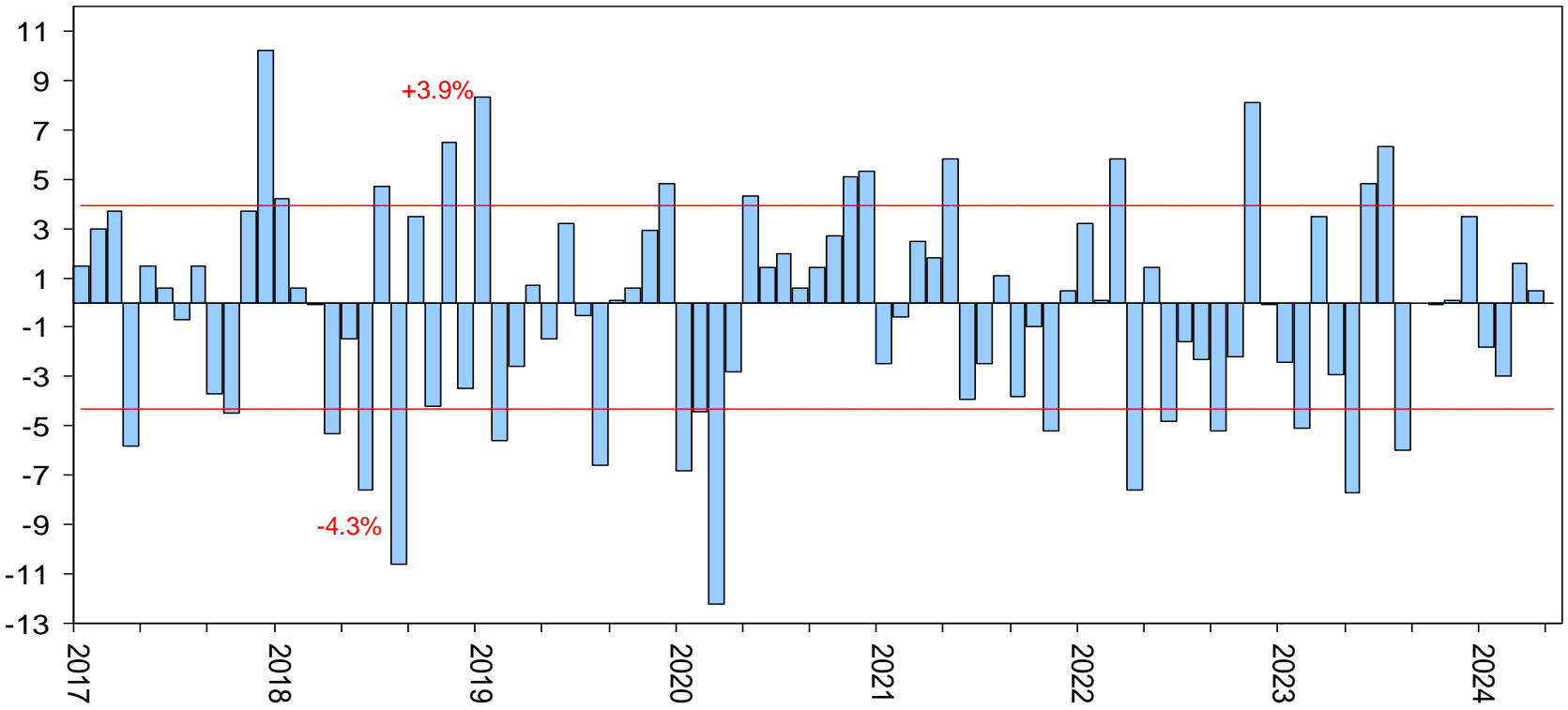
SA real trade-weighted exchange rate

Index, real, monthly, SA Reserve Bank



Monthly percentage change in Rand/Dollar

% month-on-month

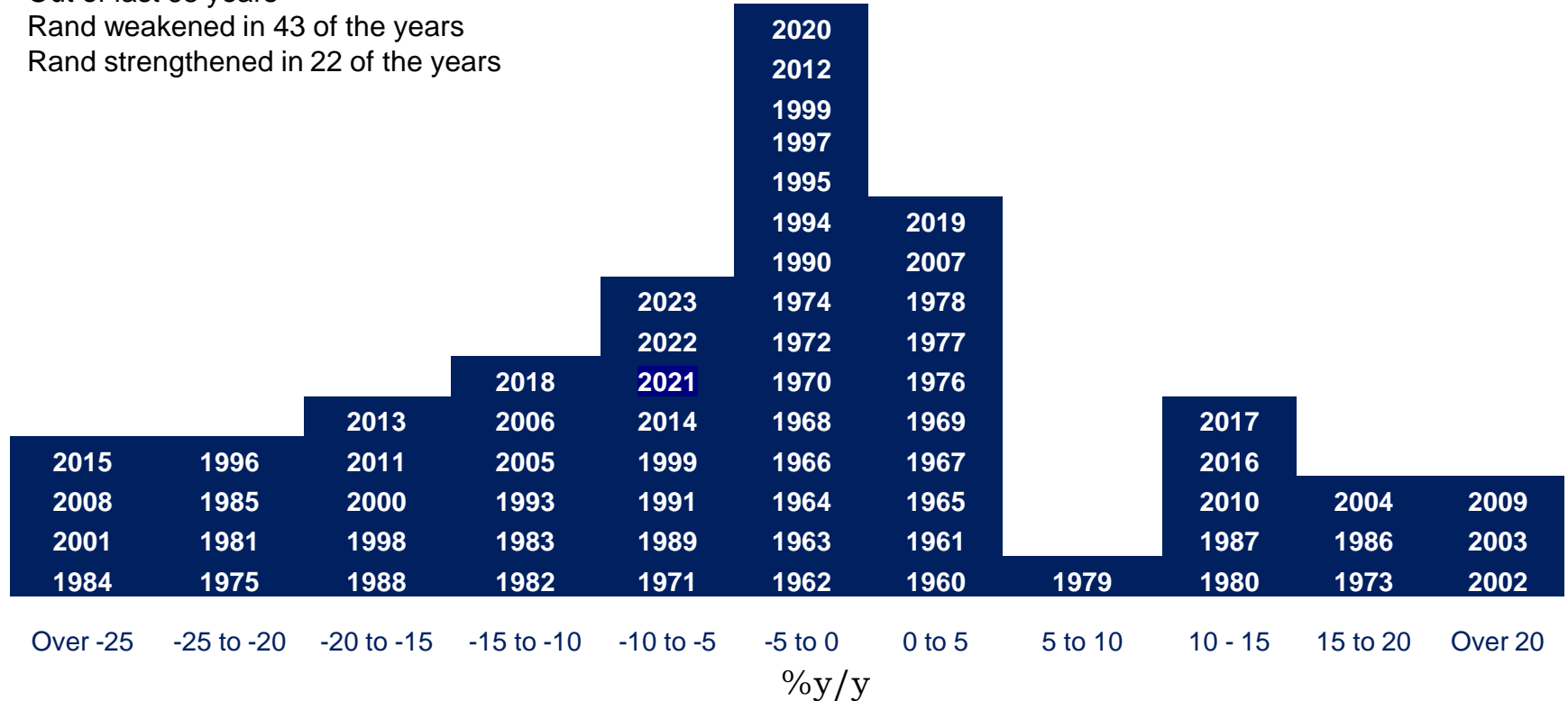


Rand/Dollar annual performance

Out of last 65 years

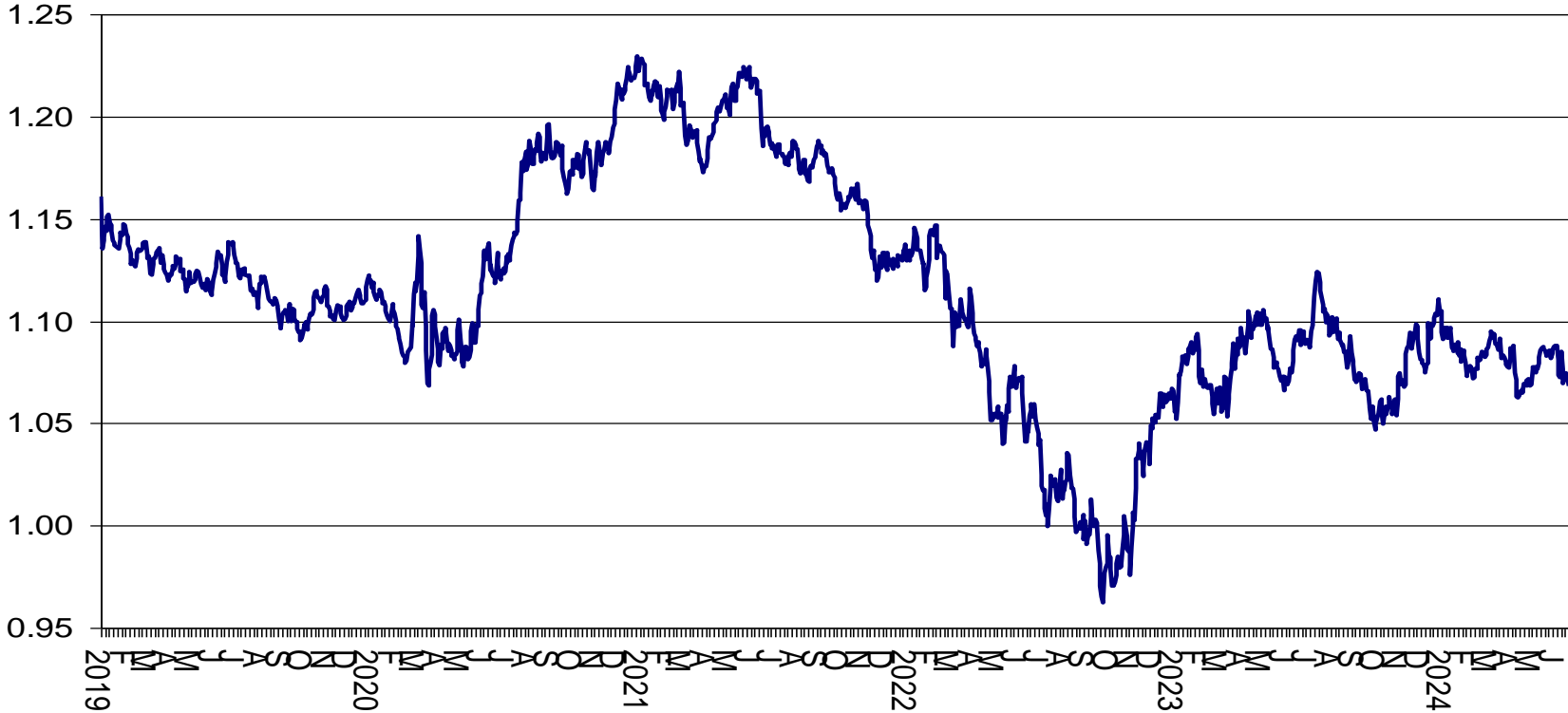
Rand weakened in 43 of the years

Rand strengthened in 22 of the years



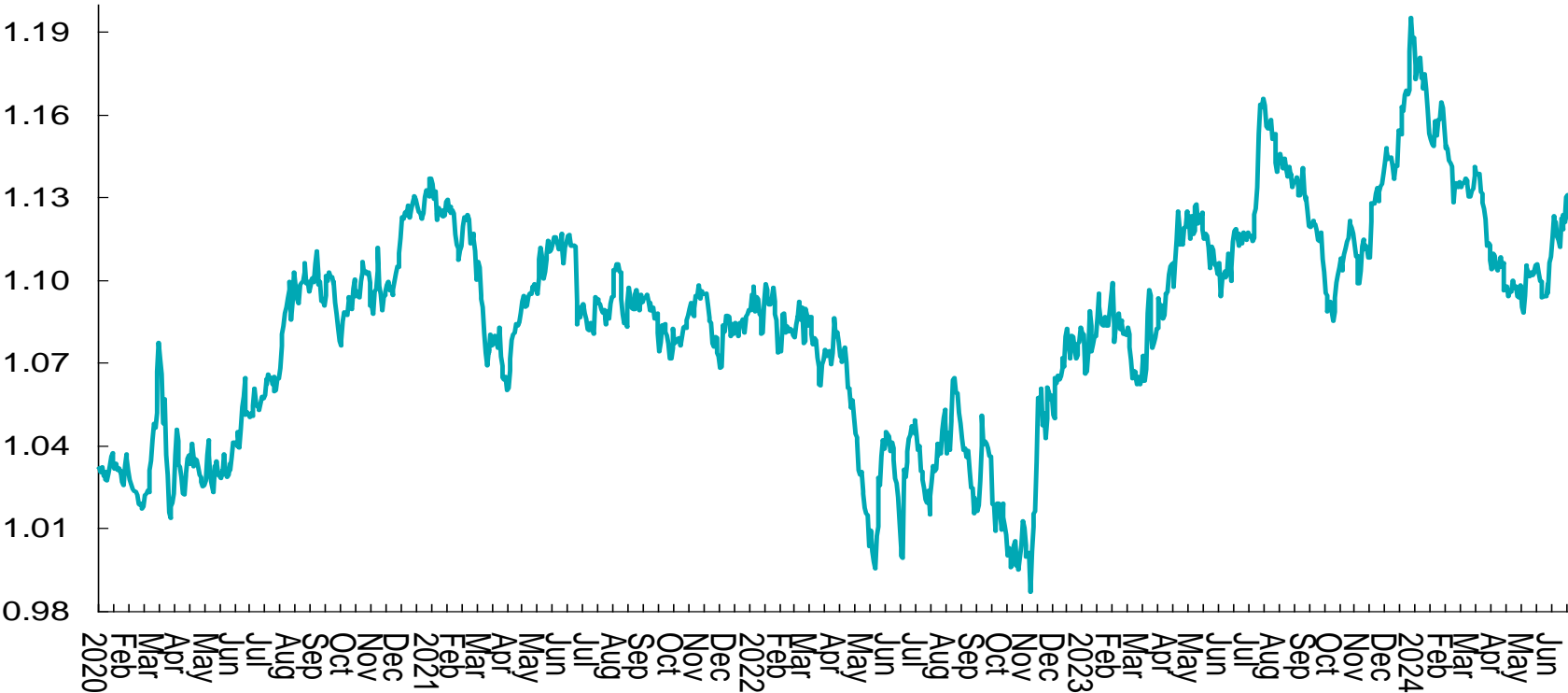
US Dollar vs Euro

Dollar per Euro



US Dollar per Swiss Franc

USD per CHF



US Dollar vs CNY

CNY per US Dollar



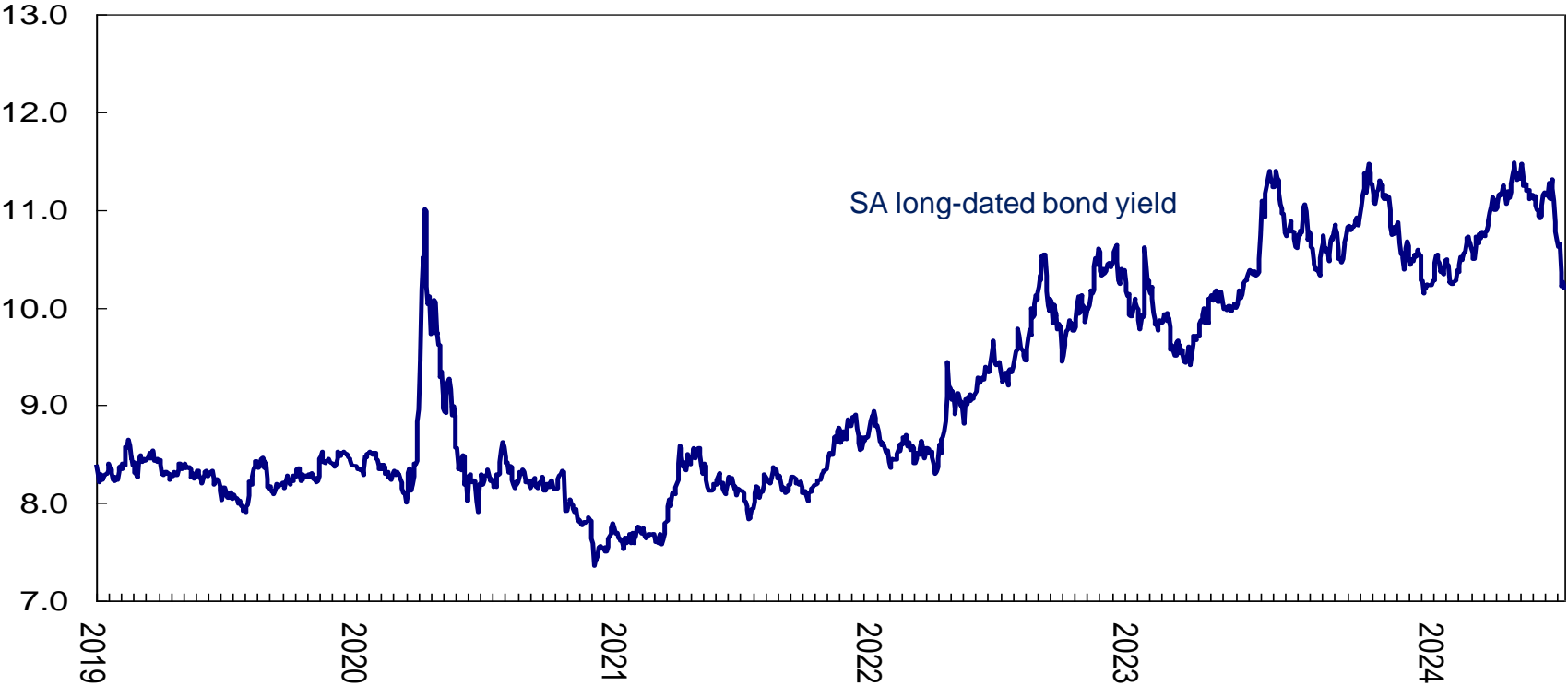
Japanese Yen per US Dollar

Yen per Dollar



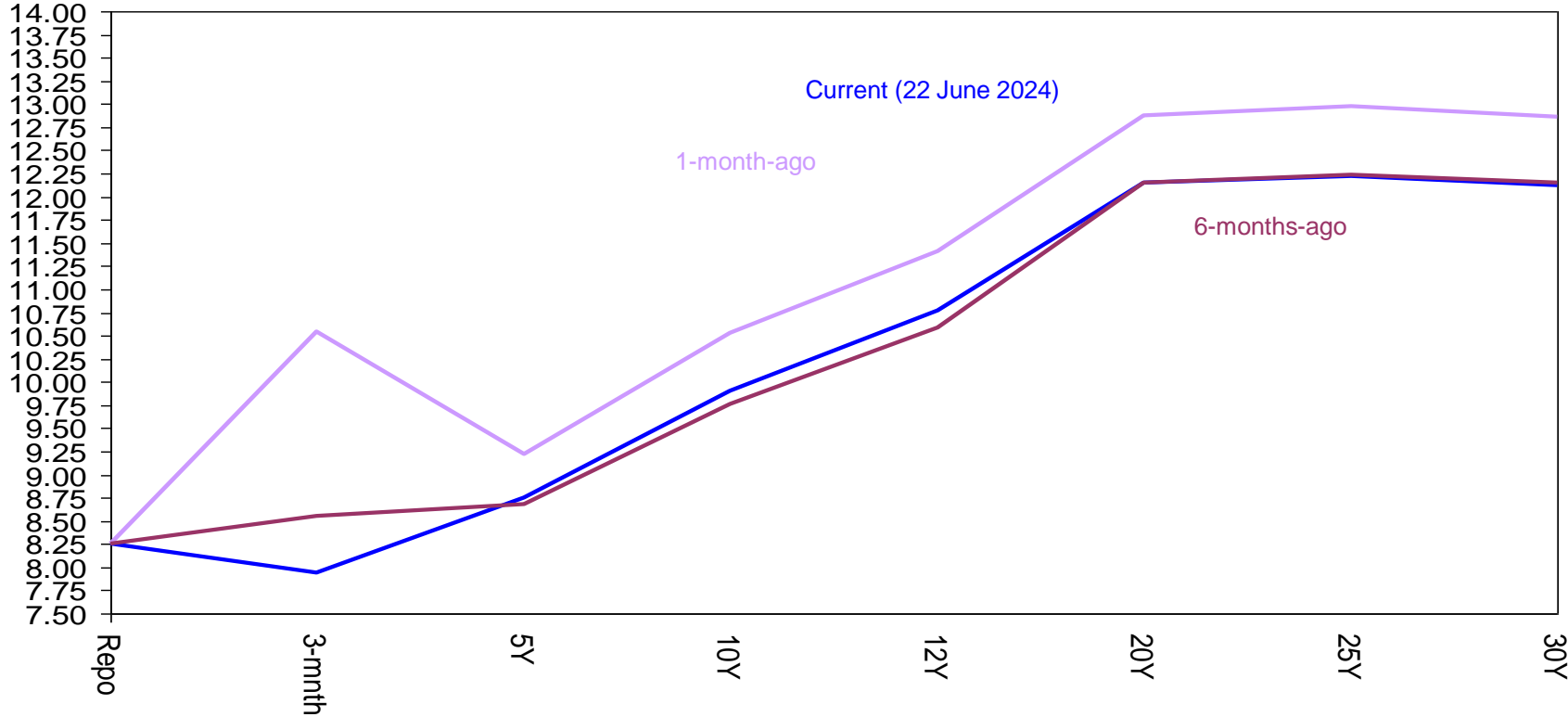
SA long-dated government bond yield

% yield



South Africa government yield curve

Yield, %



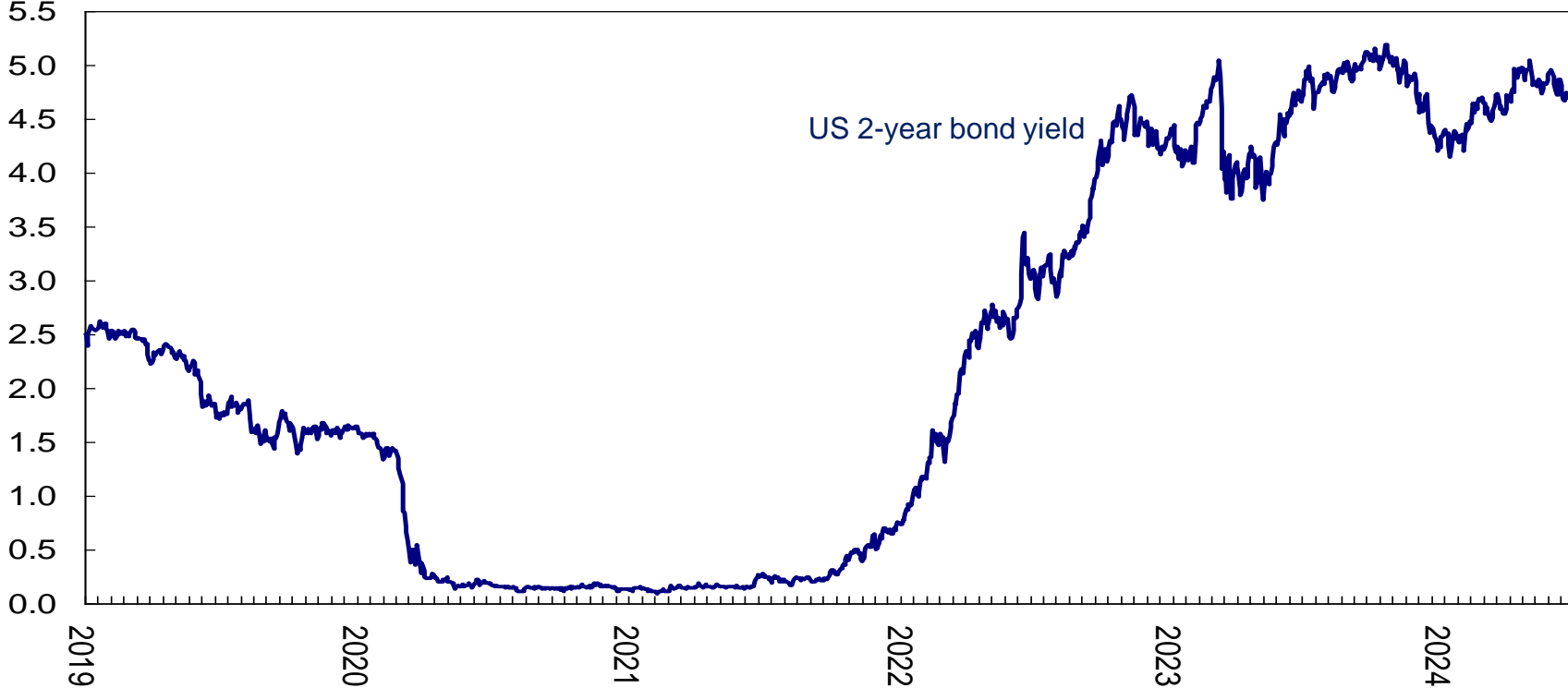
US 10-year government bond yield

% yield



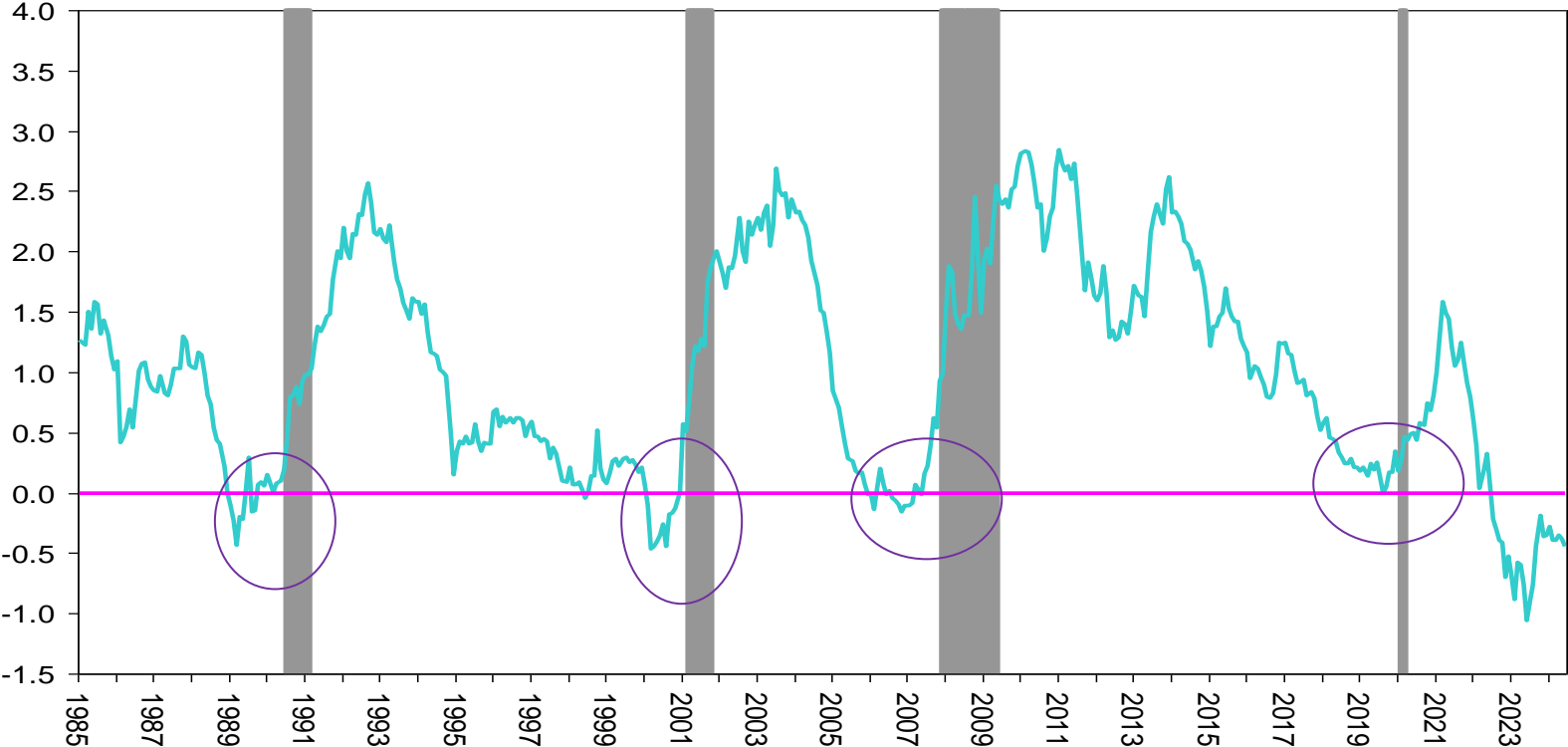
US 2-year government bond yield

% yield

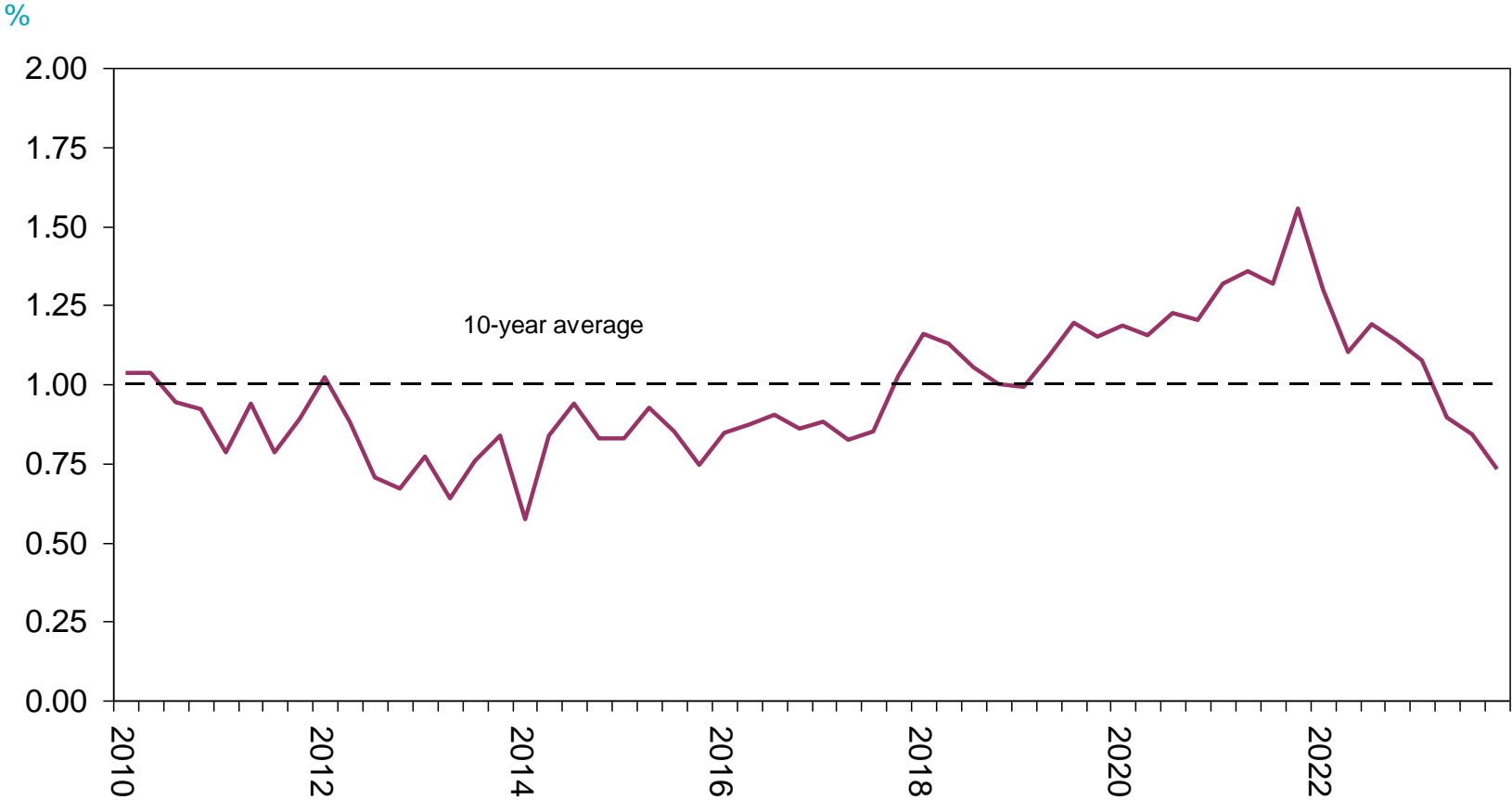


US 10-year less 2-year treasury and business cycle

Percentage points

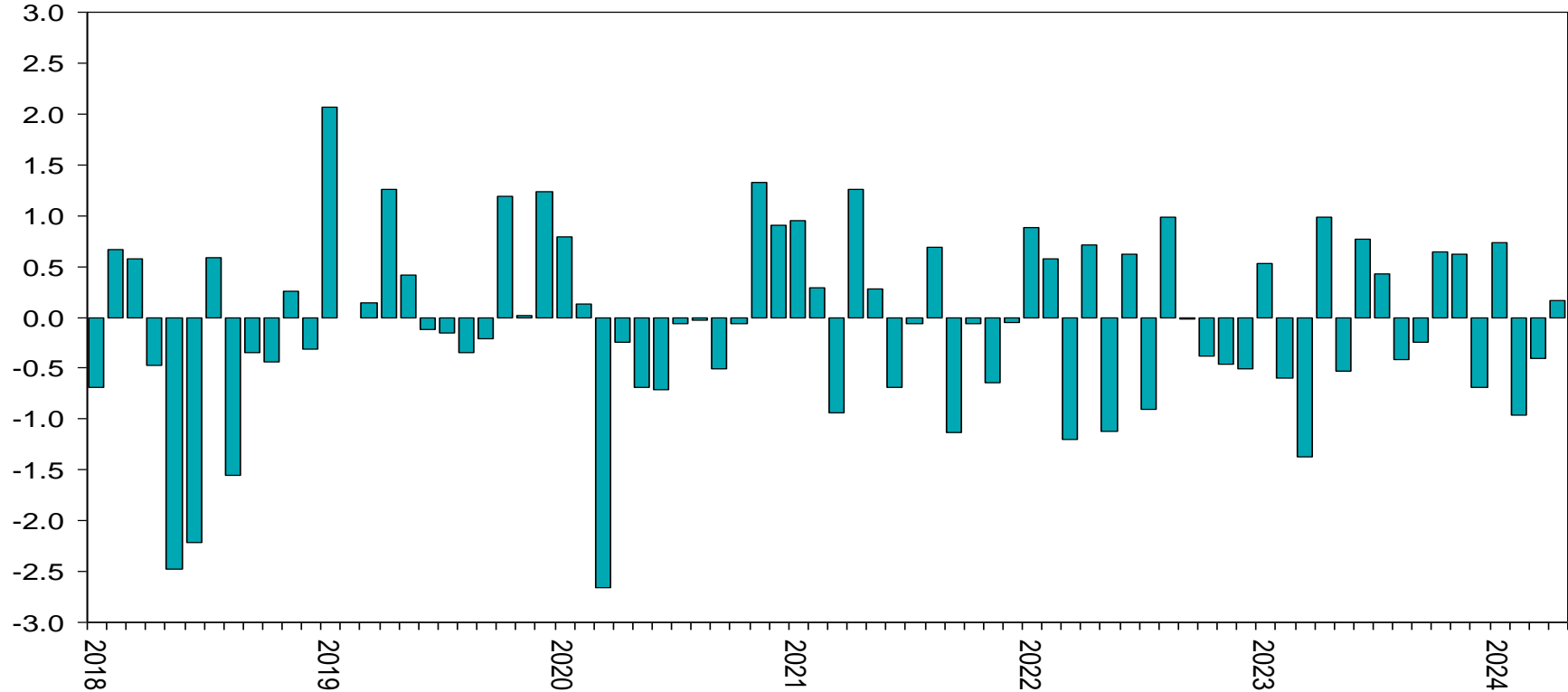


US neutral rate of interest (US New York Federal Reserve)



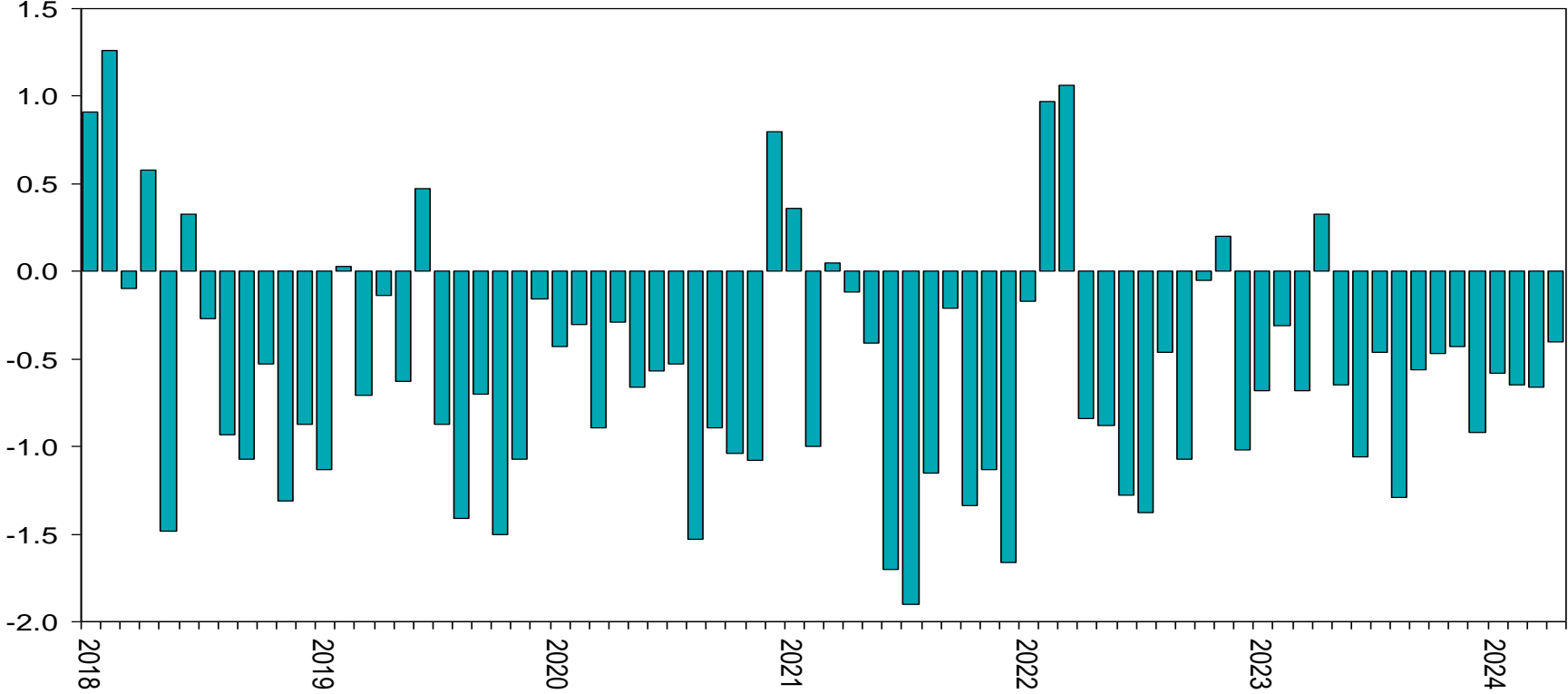
Foreign buying of South African government bonds

\$ billion (SA Reserve Bank data)



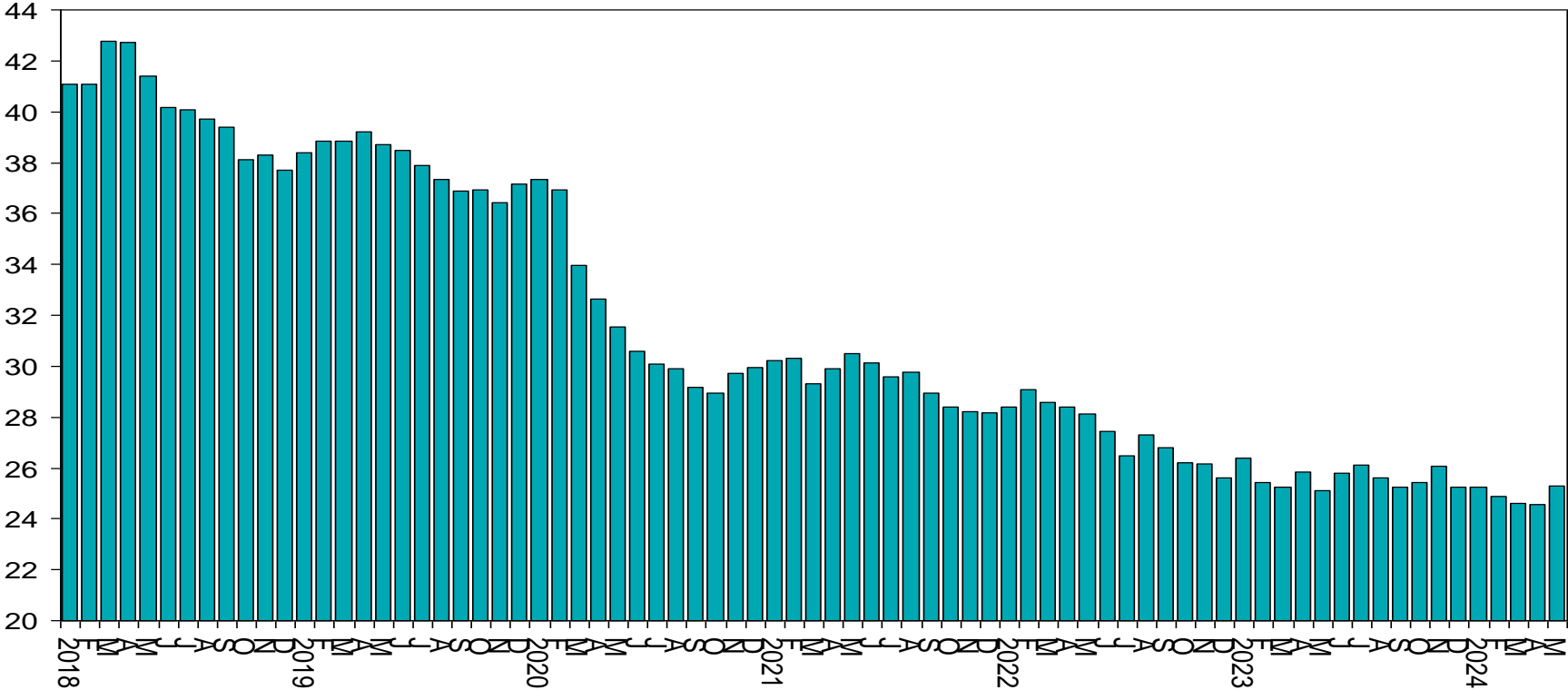
Foreign buying of South African equities

\$ billion (SA Reserve Bank data)



Foreign ownership of South African government bonds

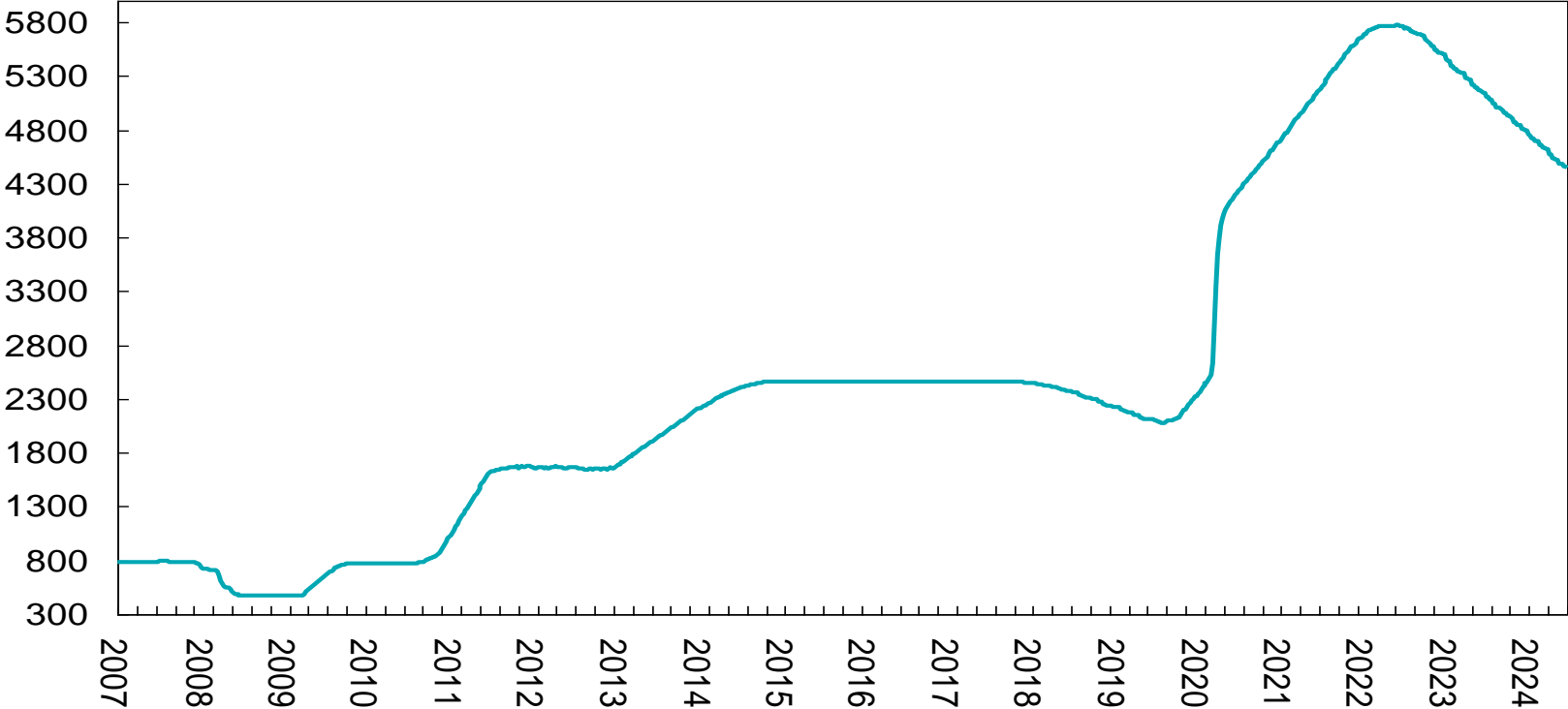
% of total



Source: South African National Treasury

US Federal Reserve ownership of government bonds

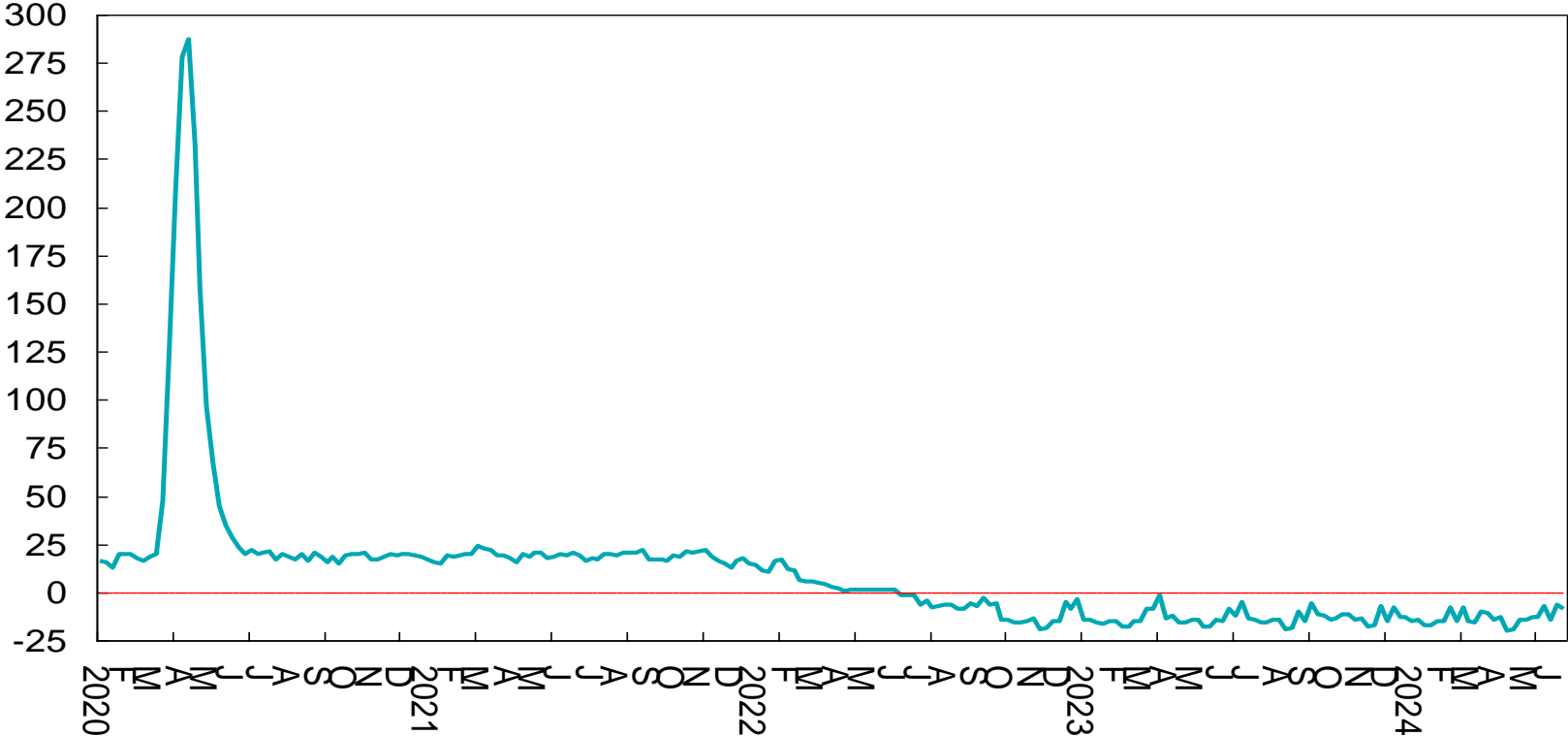
\$ billion



Source: US Federal Reserve

US Federal Reserve purchase of government bonds

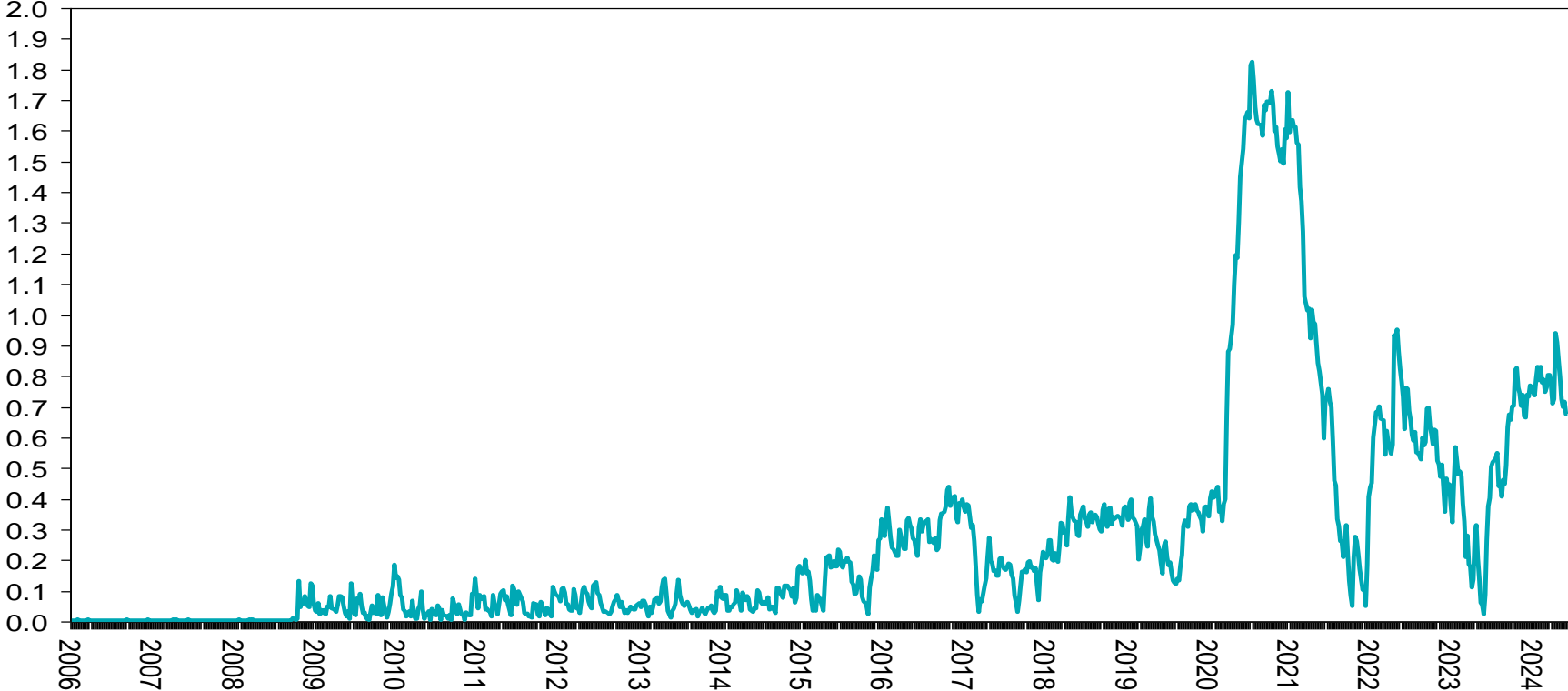
4-week average rate of purchases, \$ billion



Source: US Federal Reserve

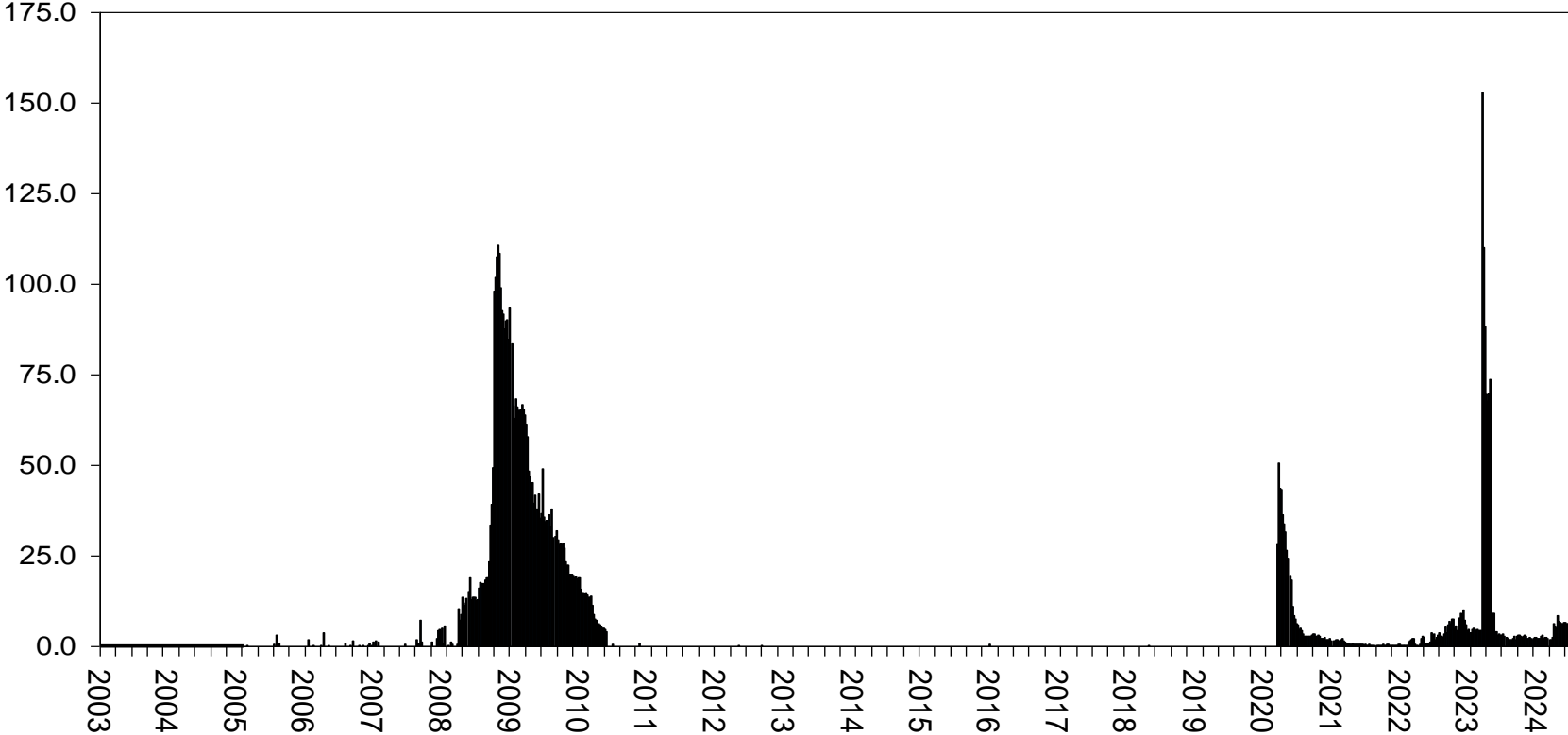
US Treasury cash balance at Federal Reserve

\$ trillion, weekly



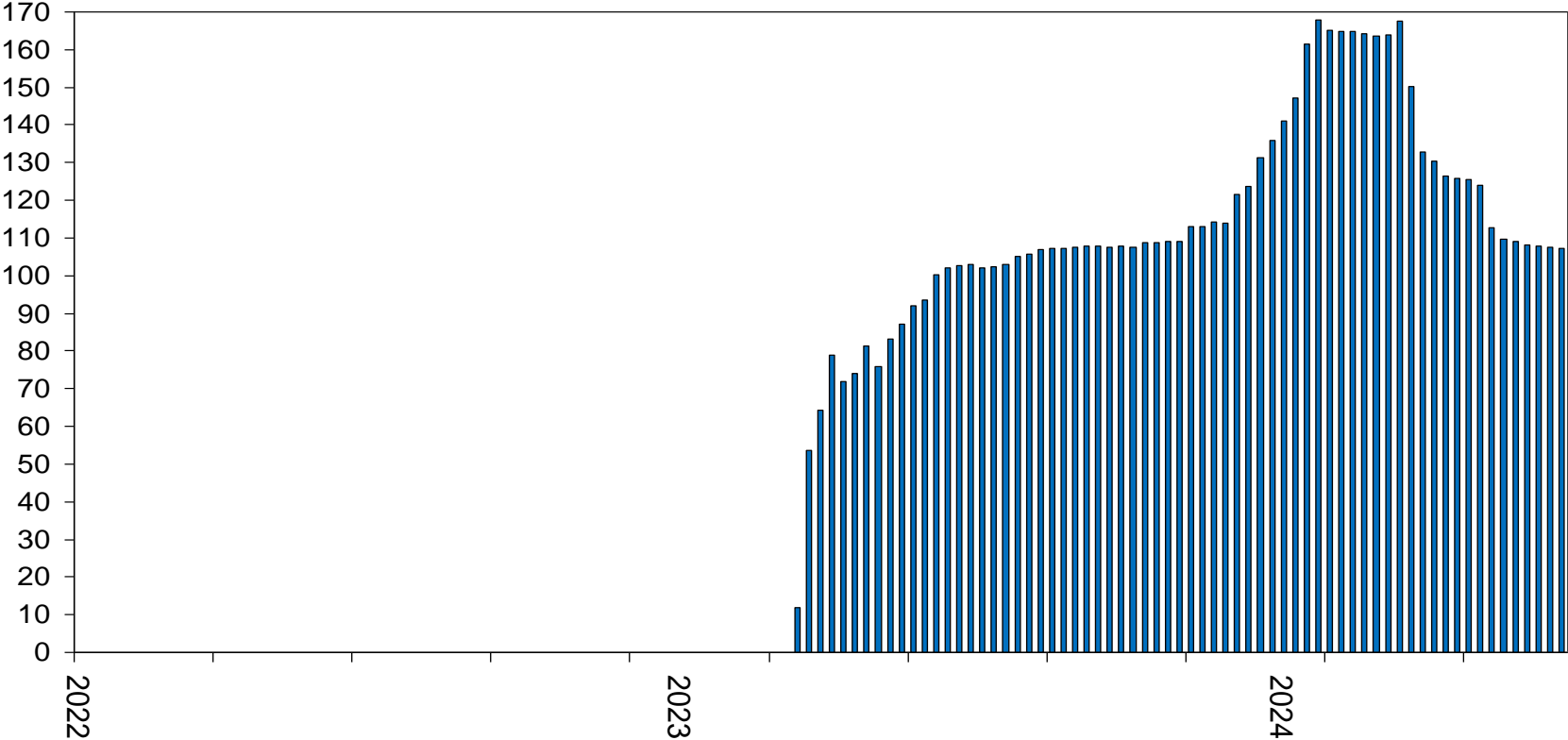
US Federal Reserve discount window (balance)

\$ billion (weekly data)



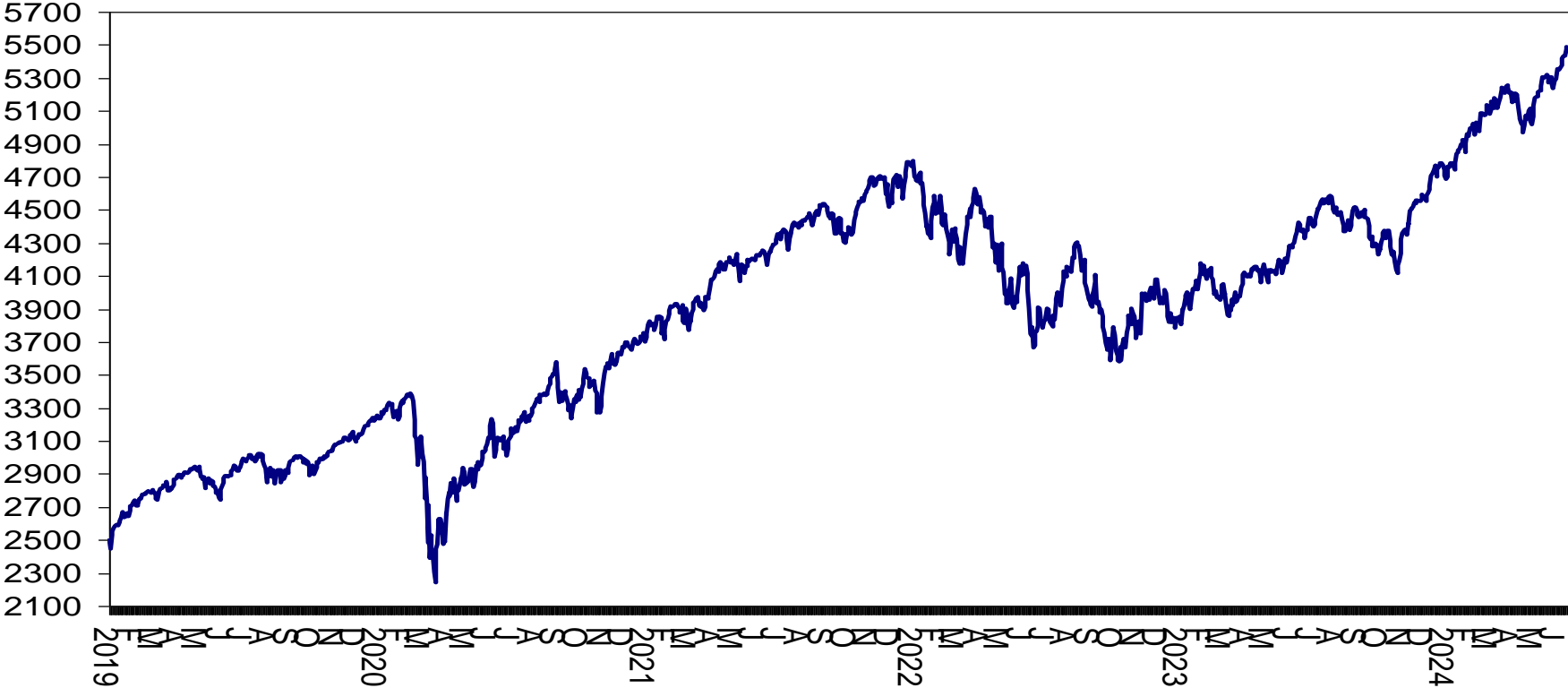
US Federal Reserve Bank Term Funding Program (balance)

\$ billion (weekly data)



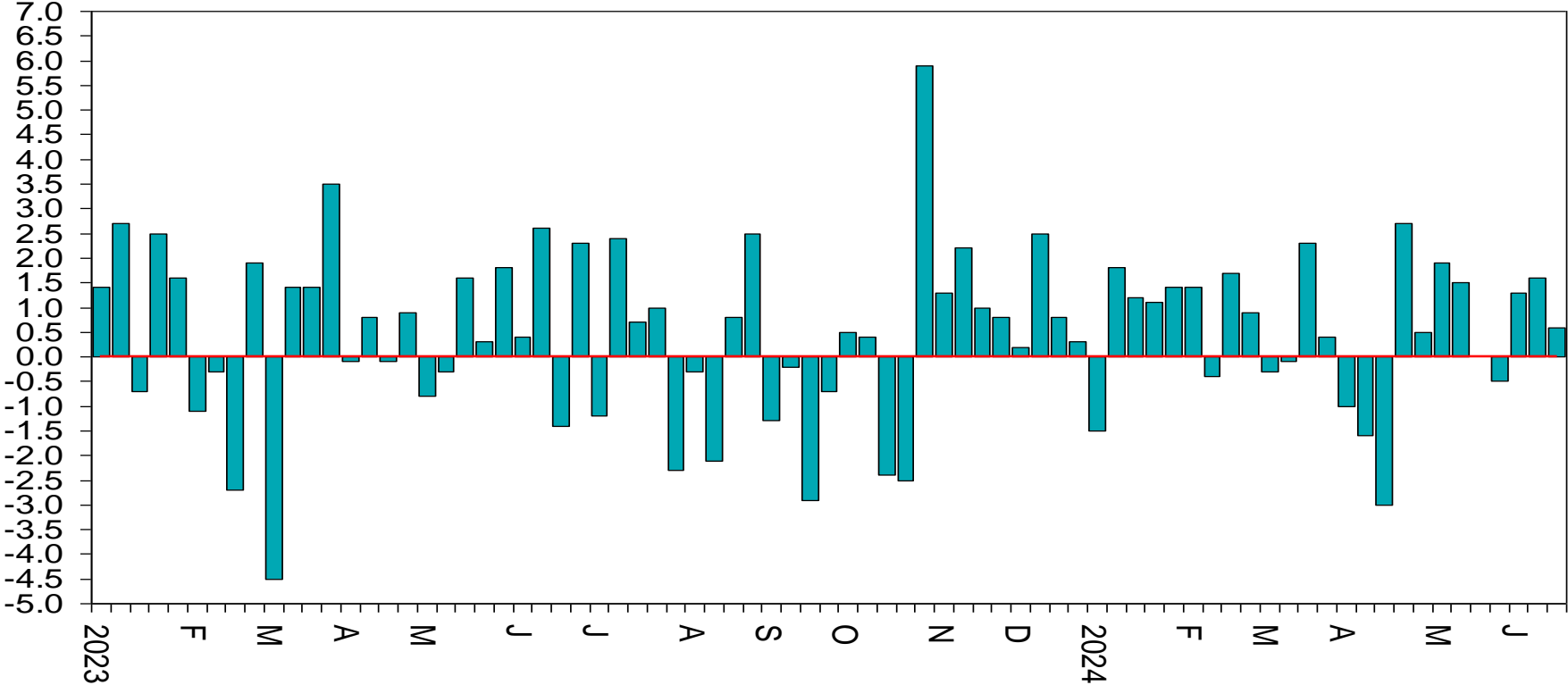
US S&P 500

Index



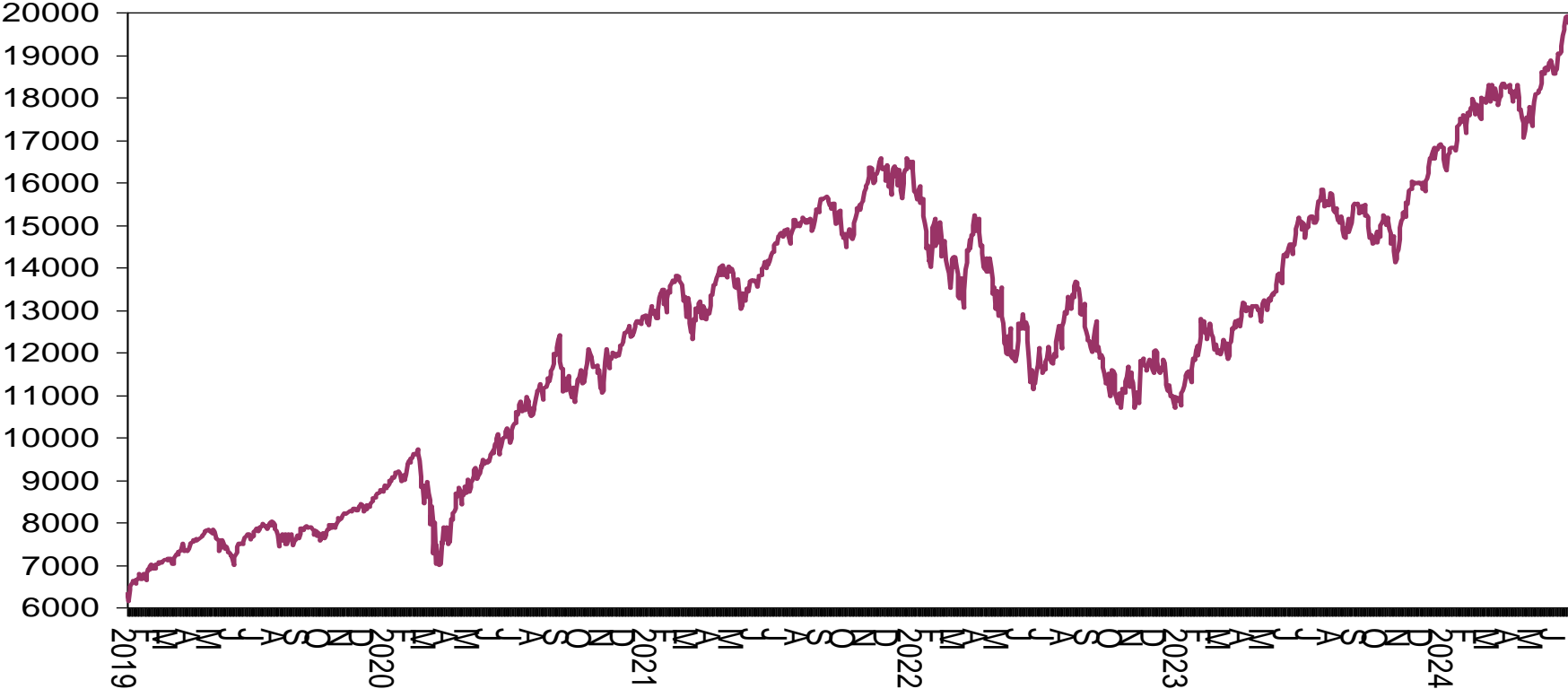
US S&P 500 (weekly change)

\$ week-on-week



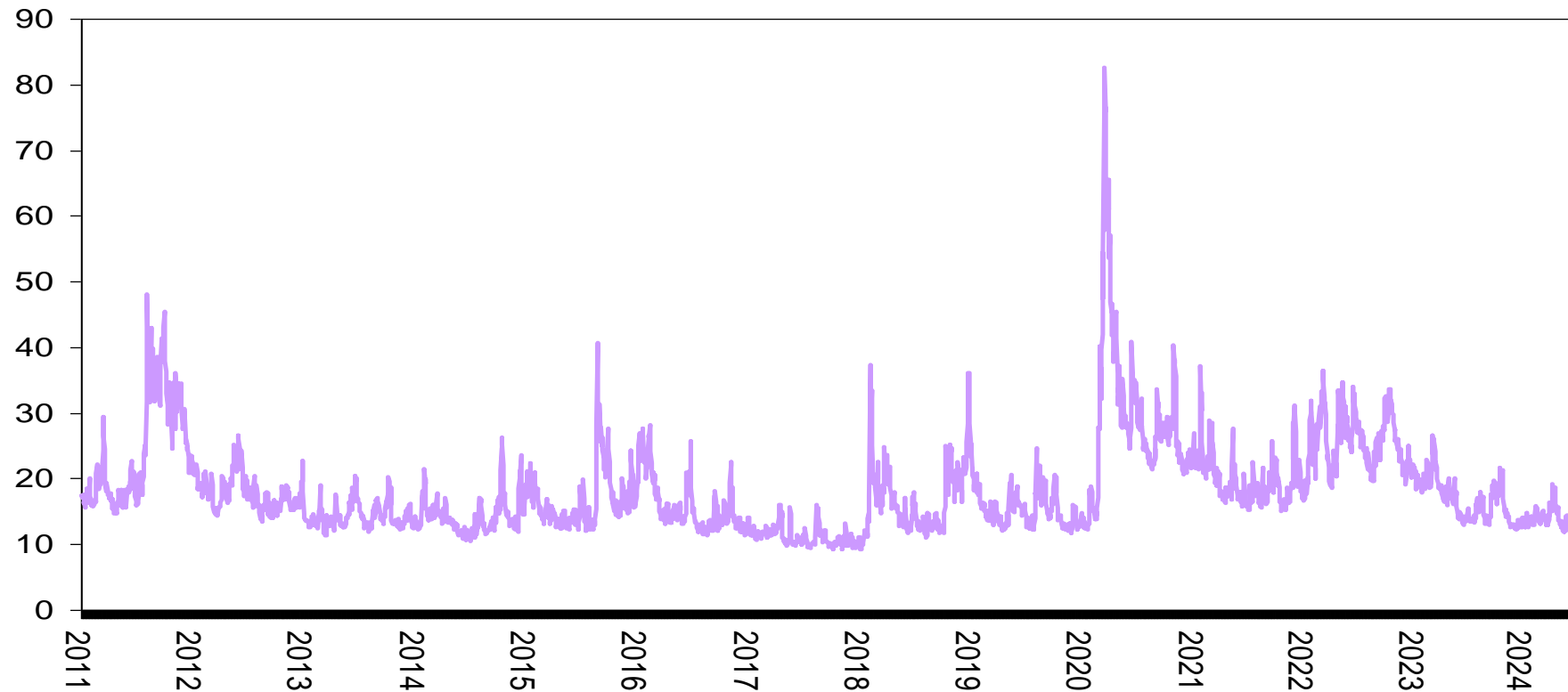
US NASDAQ (100) index

Index



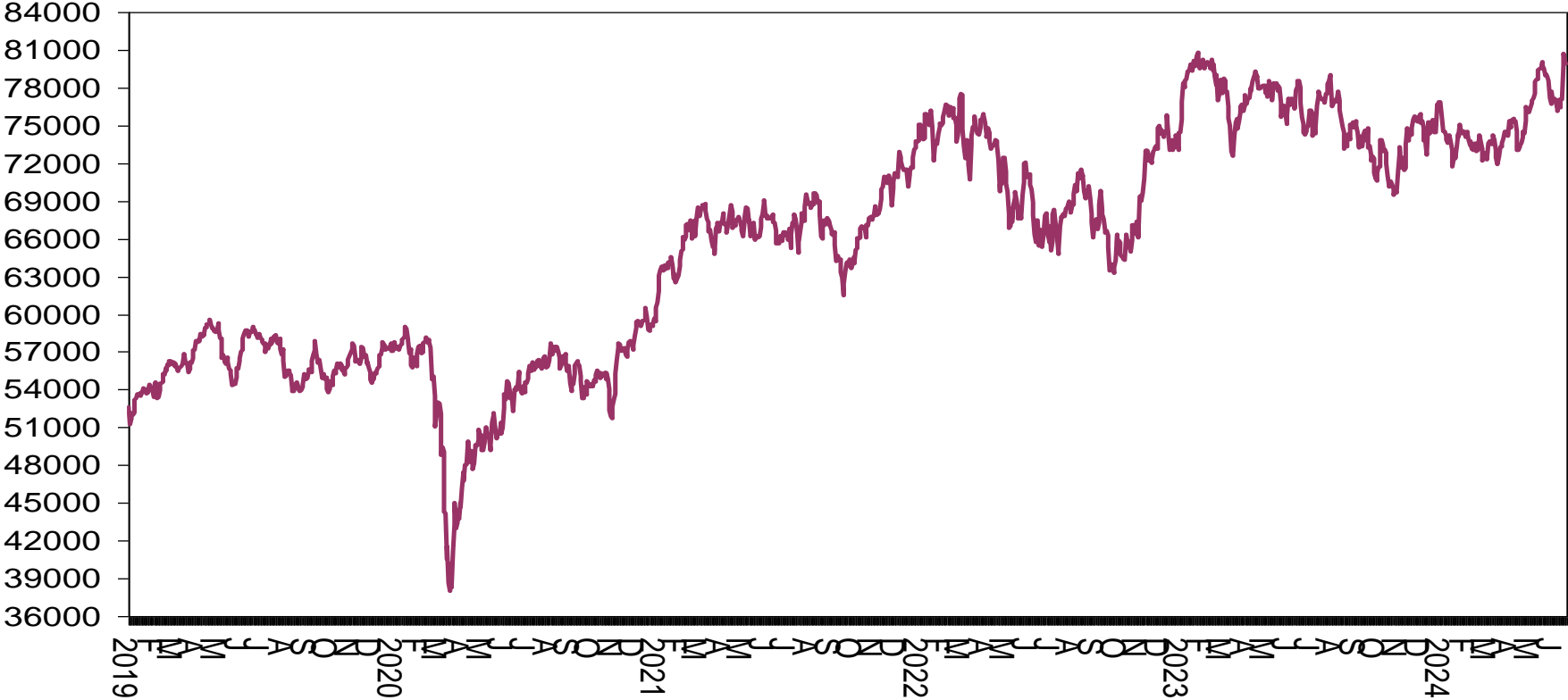
Chicago Board Options Exchange volatility index (VIX index)

Index



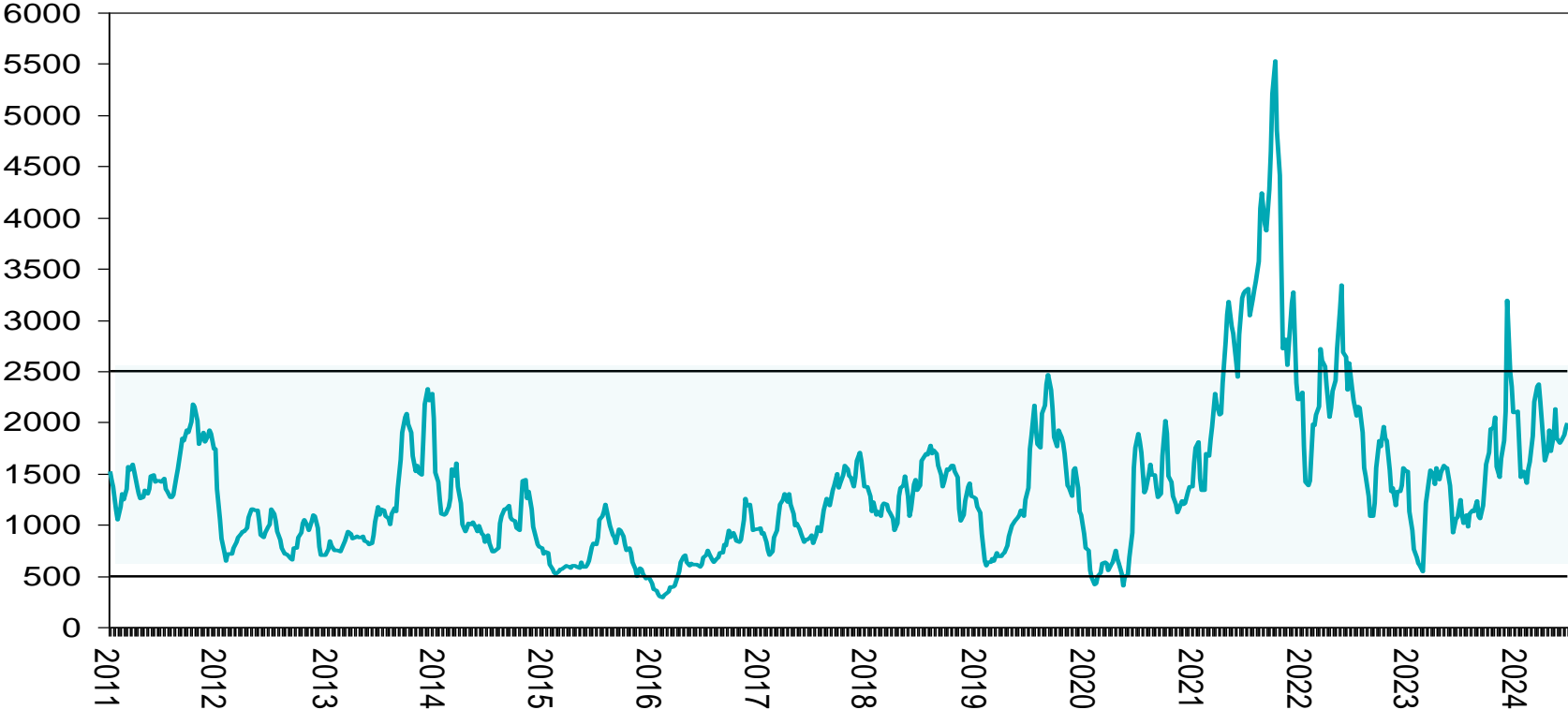
SA equity market

Index



Baltic Dry Index (shipping cost of commodities)

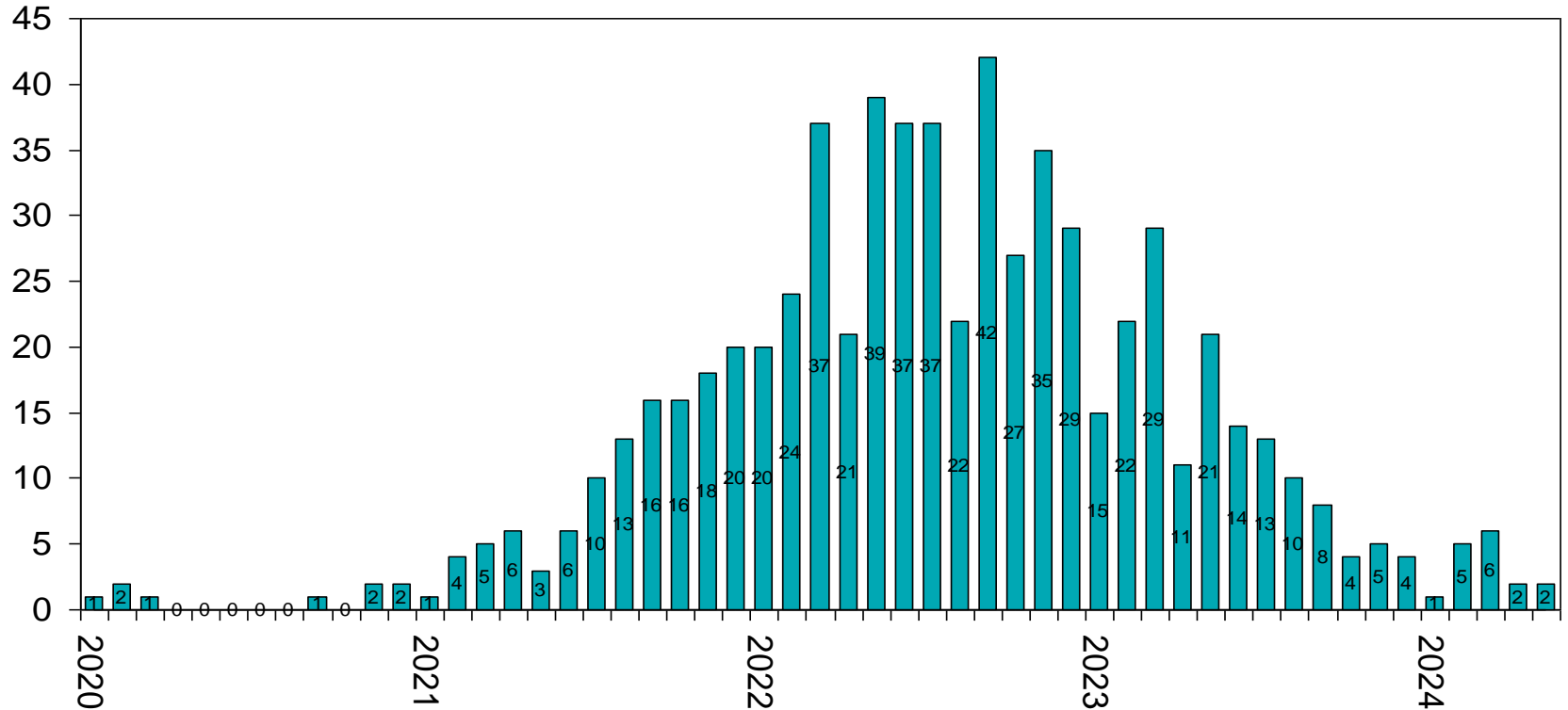
Index, Baltic Exchange



Source: Baltic Exchange

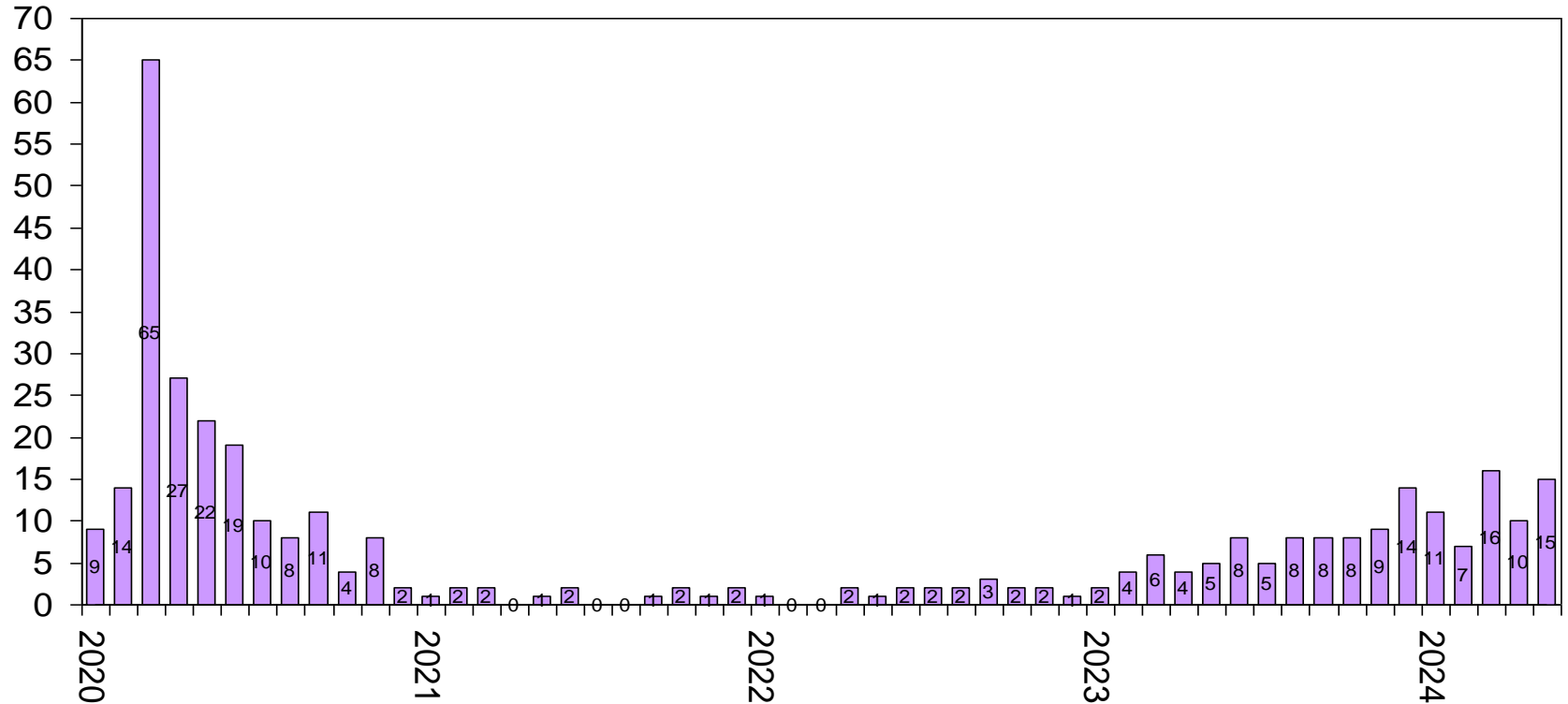
Number of central banks increasing interest rates each month

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: 17 to 23 June 2024

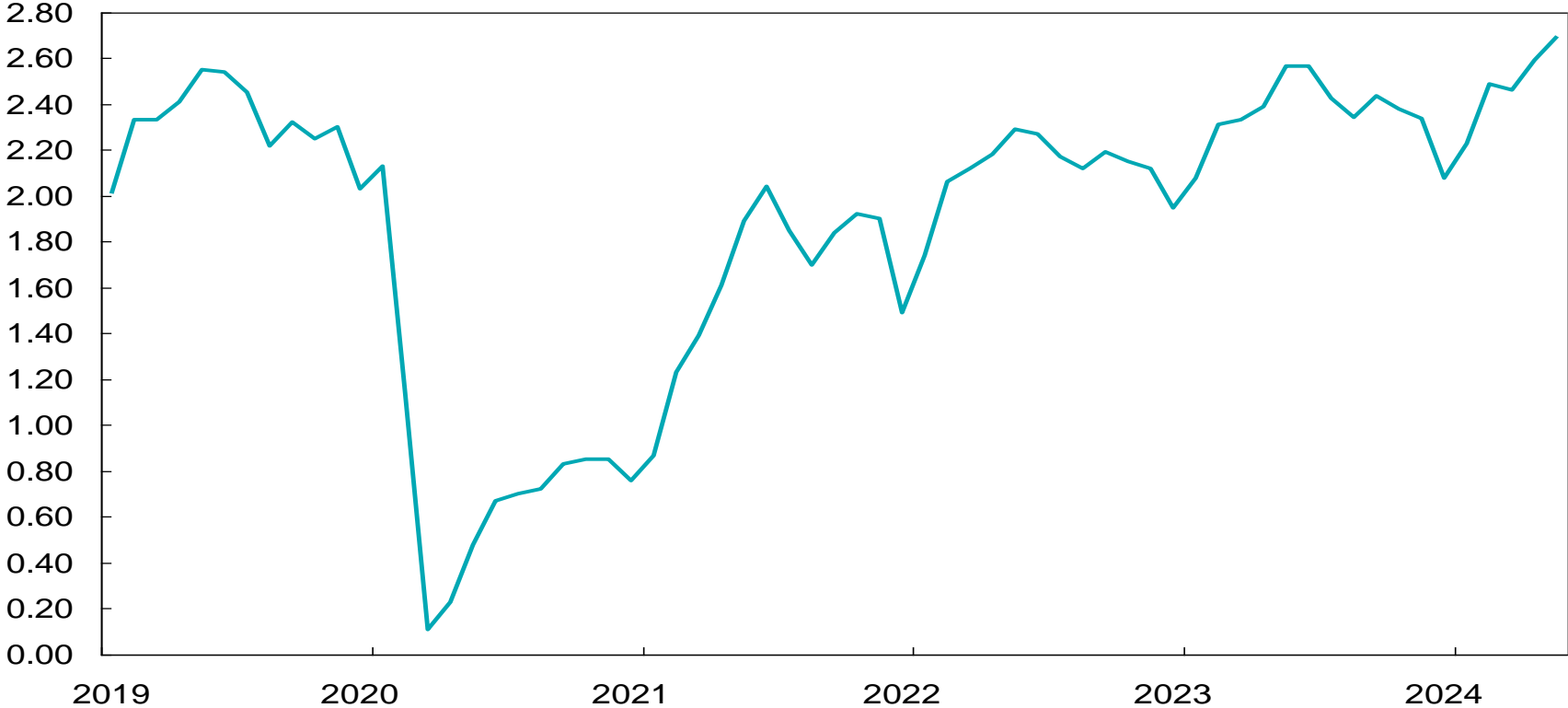
- US airport passengers monthly
- US weekly motor gasoline sales
- US oil and gas rig count
- US weekly rail traffic



STANLIB

US number of airport passengers (monthly)

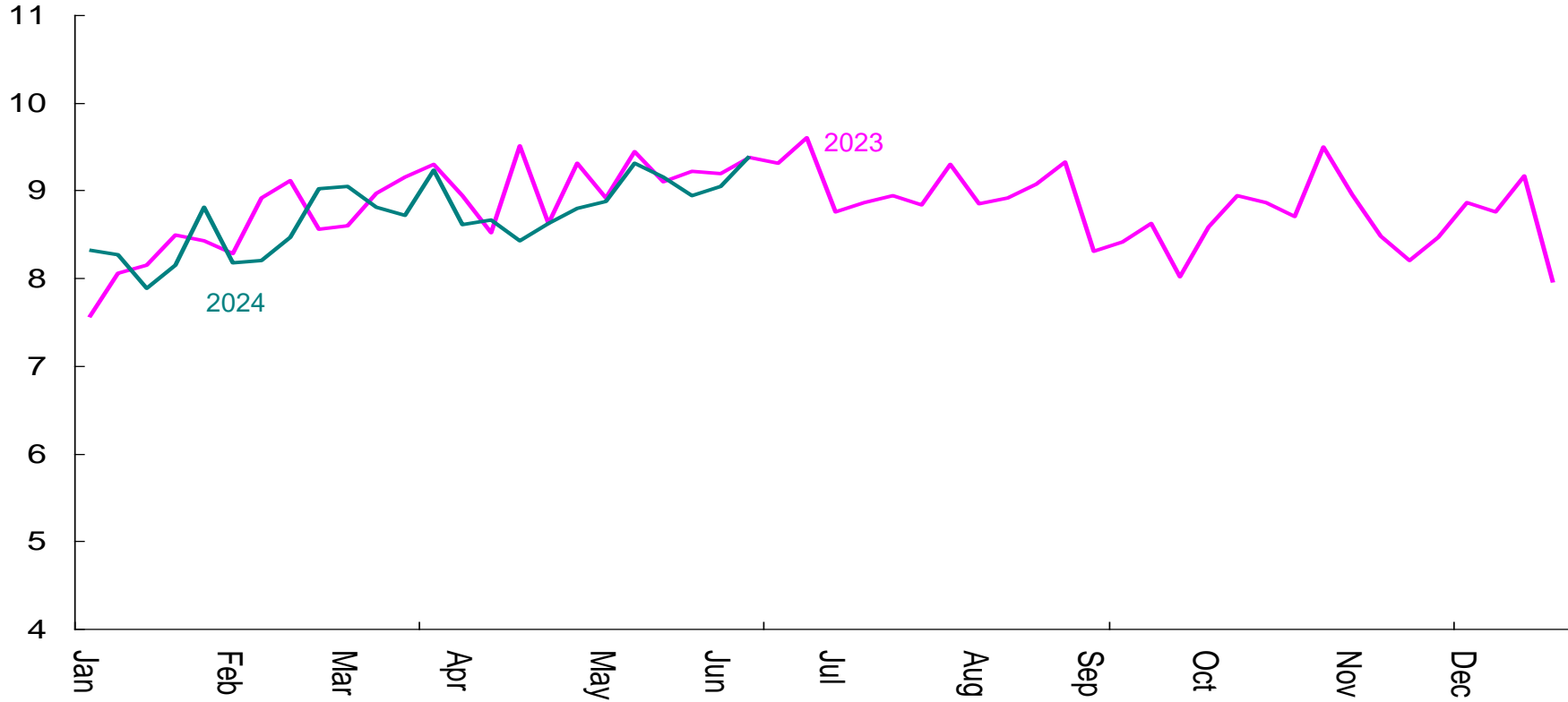
Number of passengers, millions



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

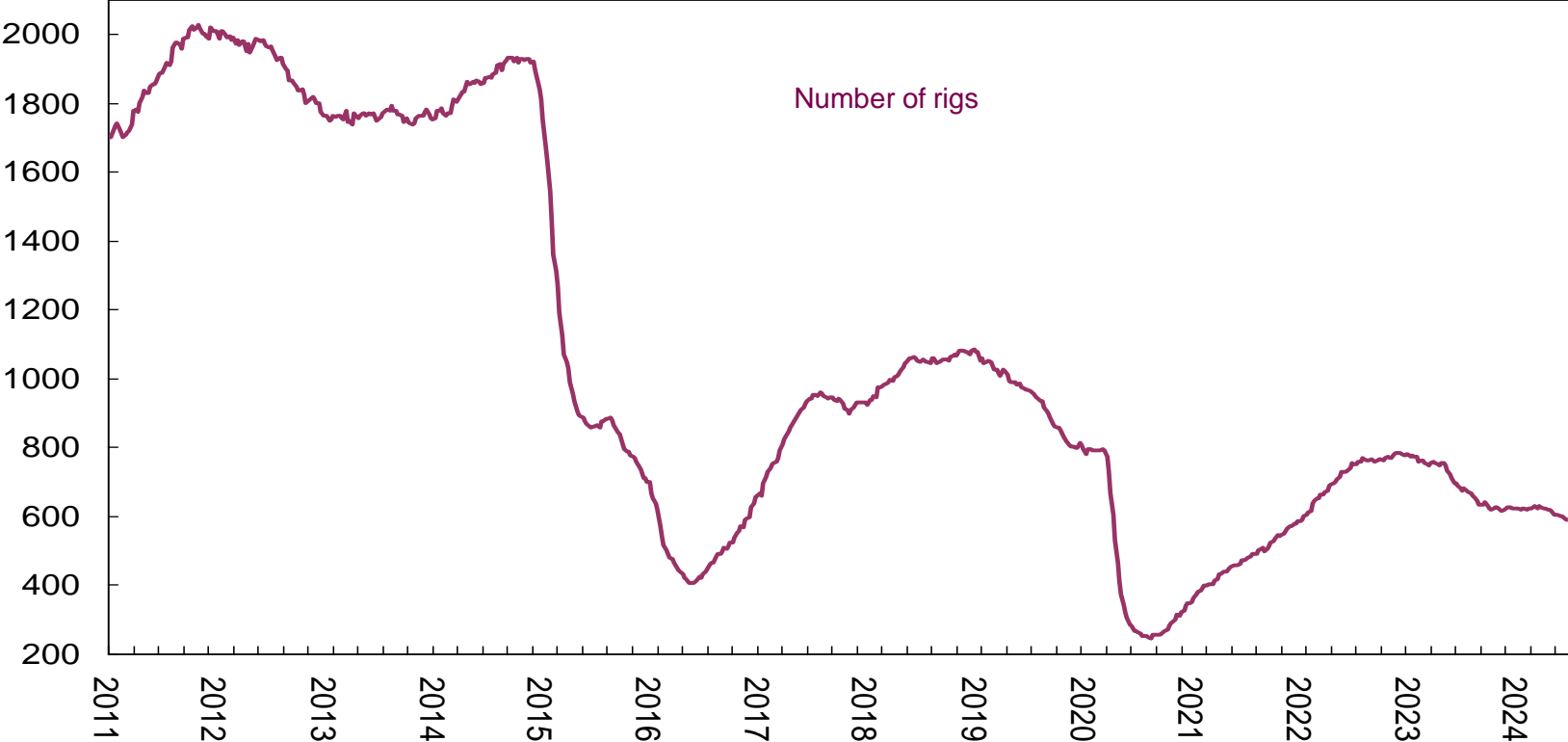
US weekly motor gasoline supply

Million barrels per day



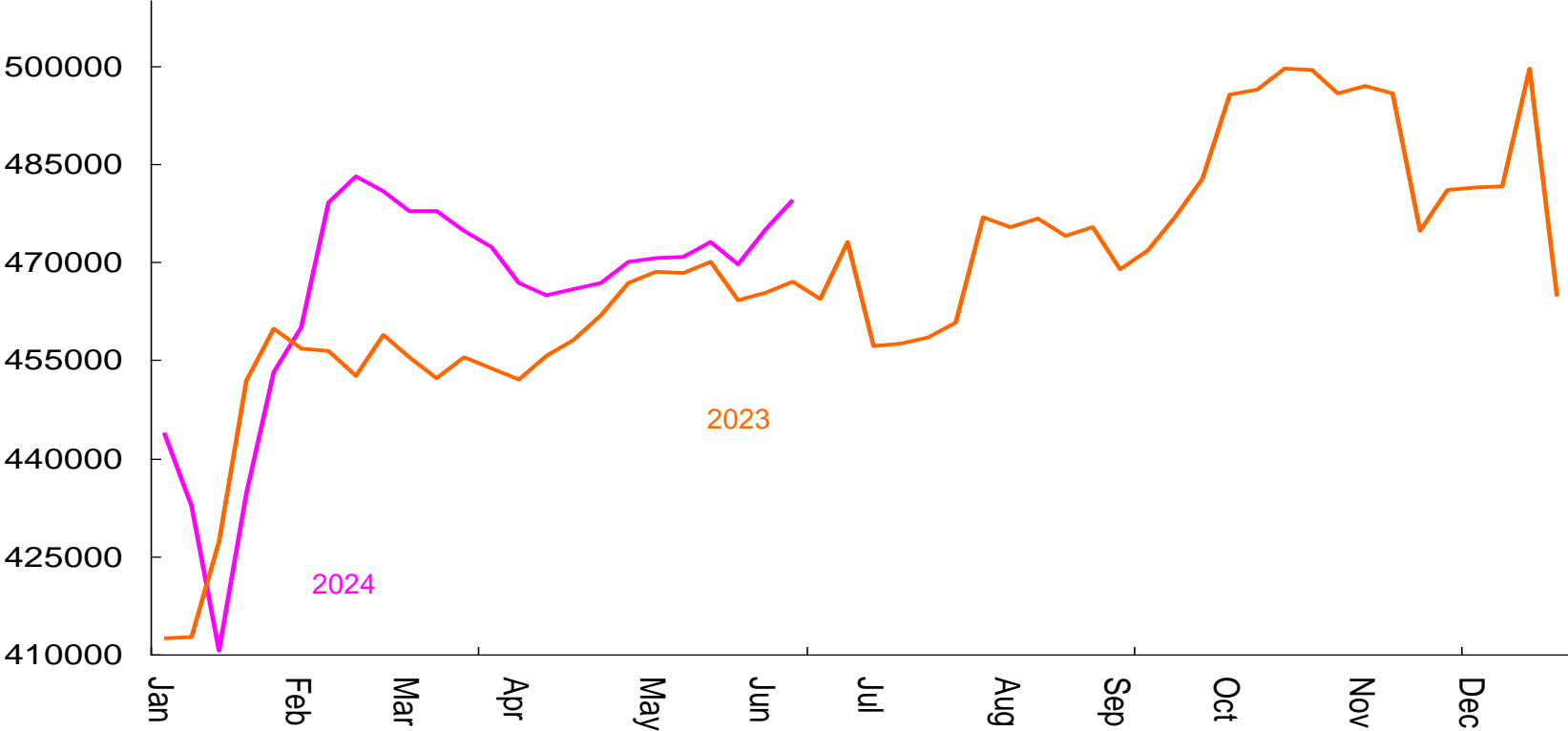
US oil and gas rig count

Number of rigs



US weekly rail traffic

Carloads and/or intermodal units



SA energy crisis: 17 to 23 June 2024

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

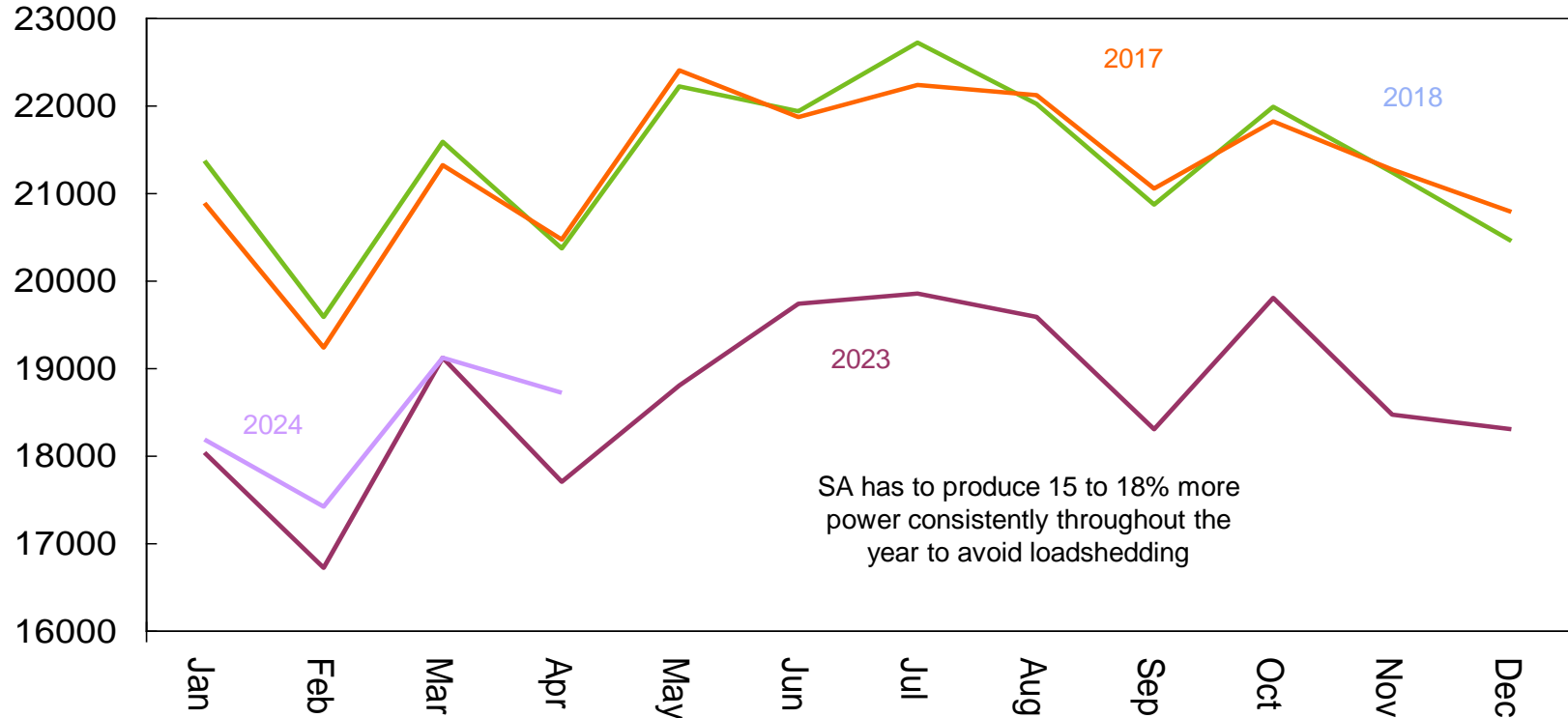


STANLIB

South Africa electricity production: 2017/2018 vs 2023

G W h

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



Private sector power projects (NERSA)

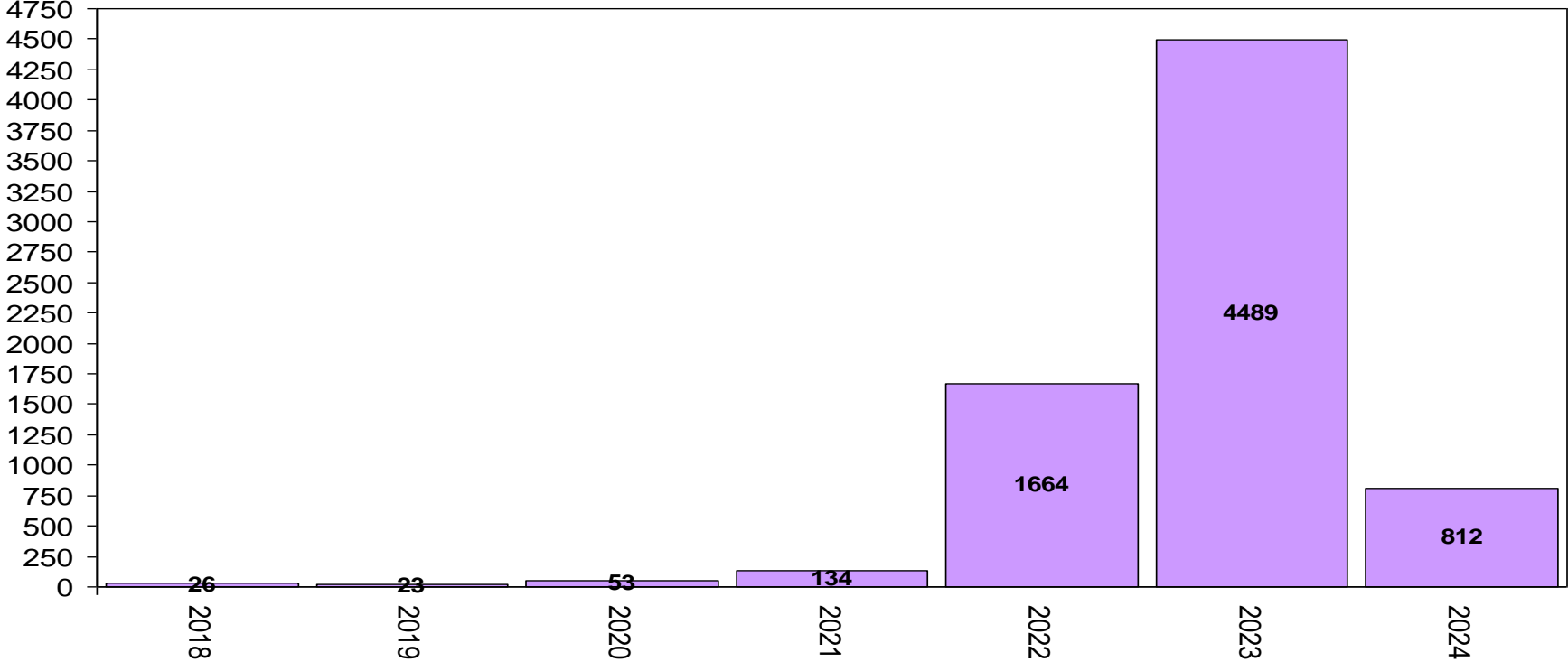
Year	Number of projects	MW of all projects
2018	52	26
2019	41	23
2020	124	53
2021	282	134
2022	406	1664
2023	405	4489
2024*	128	812

*Jan – April 2024

SA private renewable energy projects (outside of REIPPP)

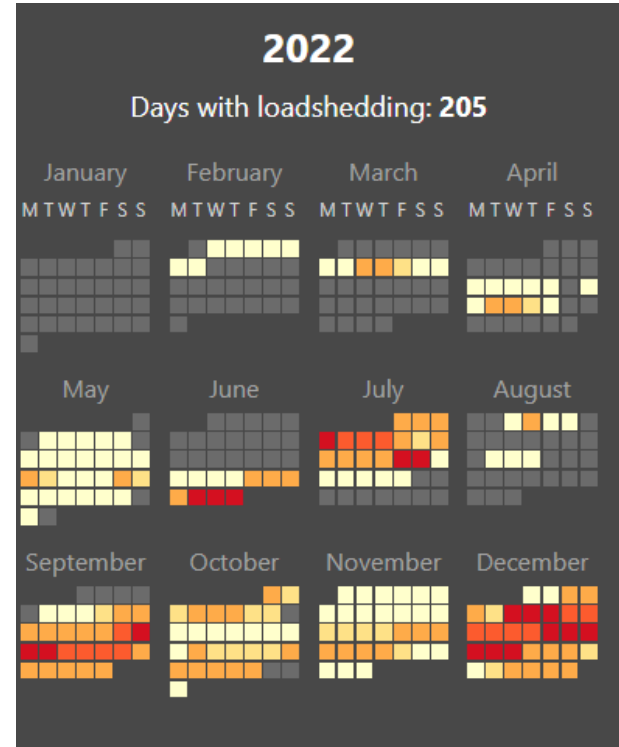
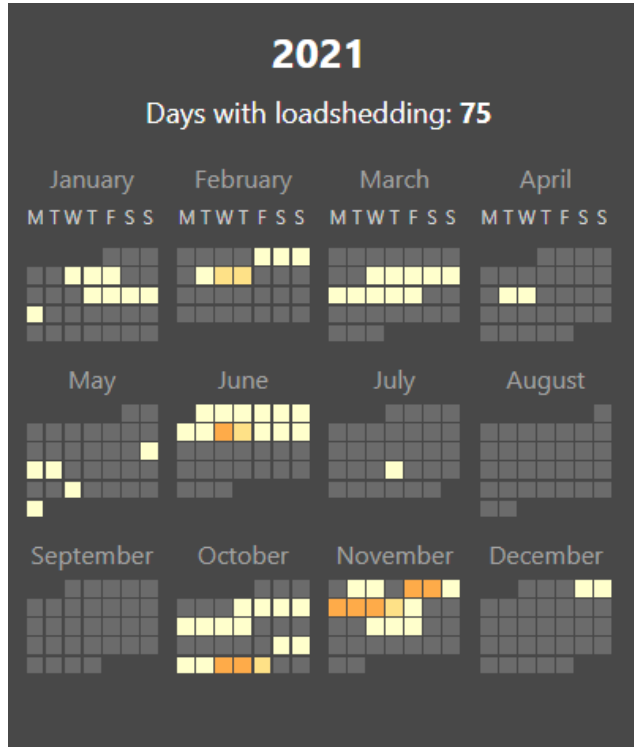
MW

Total of 7 201 MW until end April 2024



Source: NERSA

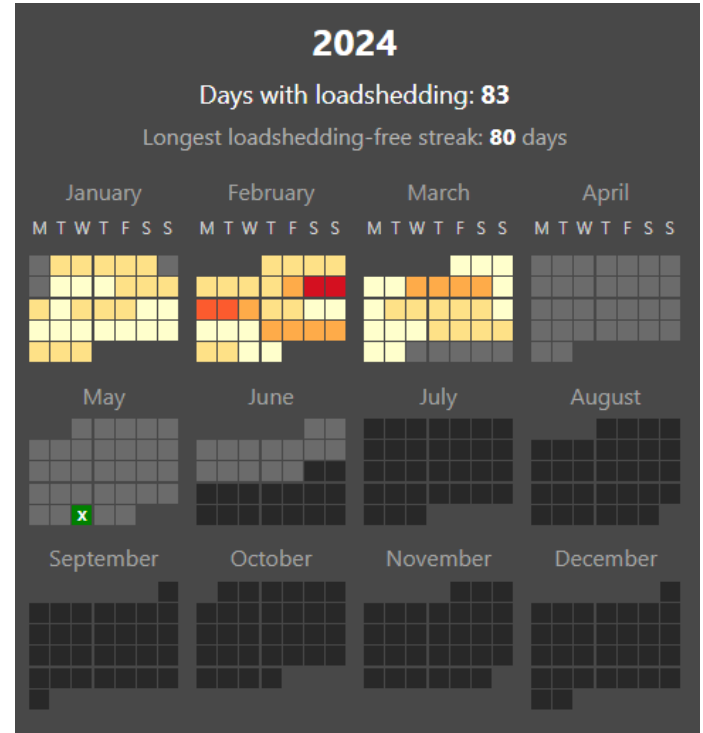
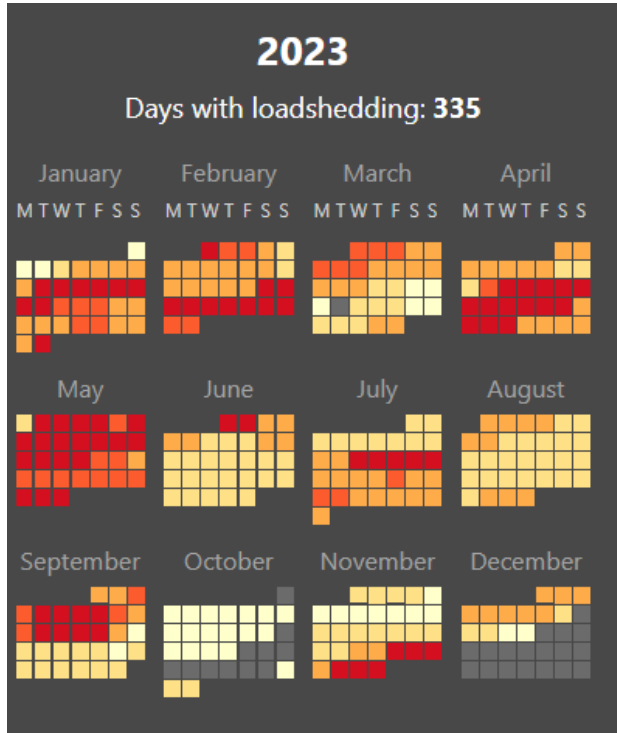
South Africa number of days of loadshedding



STAGE: 0 1 2 3 4 5 6

THE STAGE SHOWN IS THE HIGHEST STAGE FOR THAT DAY.

South Africa number of days of loadshedding

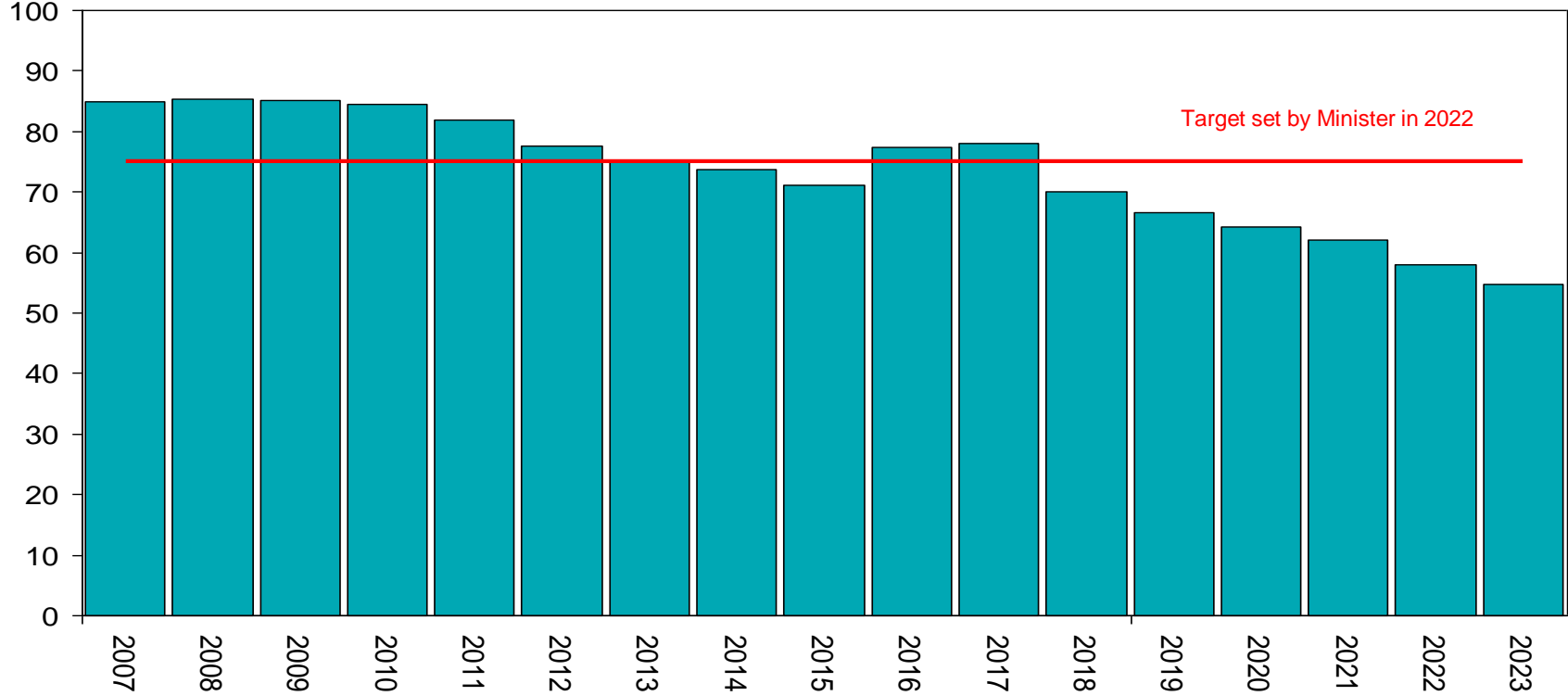


STAGE: 0 1 2 3 4 5 6

THE STAGE SHOWN IS THE HIGHEST STAGE FOR THAT DAY.

Eskom Energy Availability Factor (EAF)

Percent



Source: Eskom

ESKOM Energy Availability Factor (EAF) - monthly

