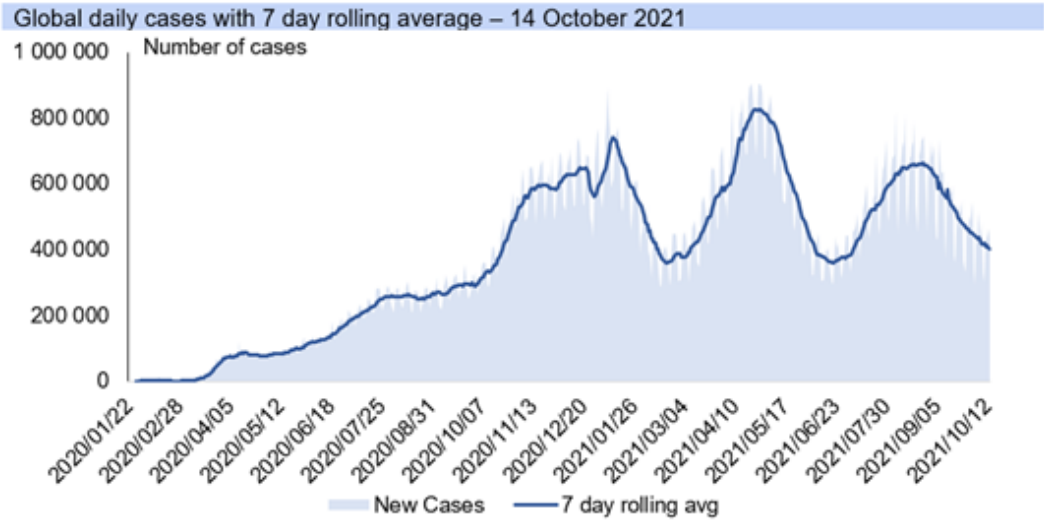


# SA Economics

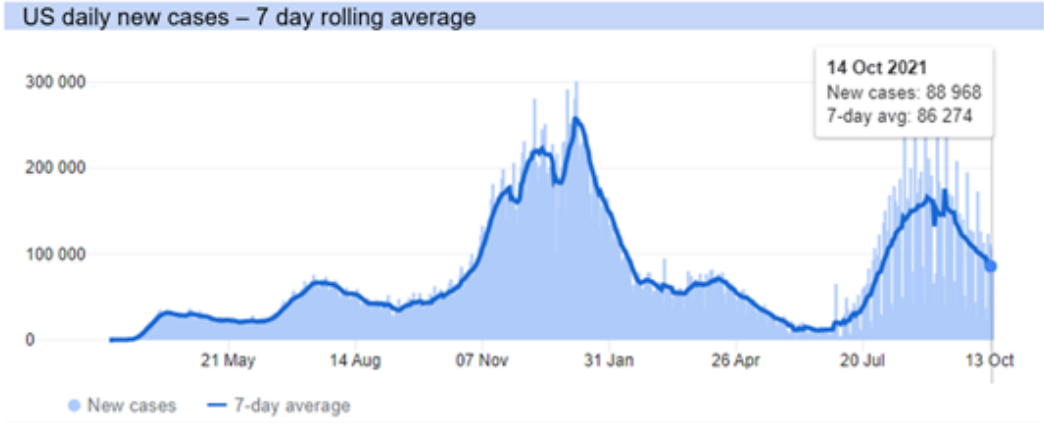


Friday 15 October 2021

Covid-19: as economies, policy measures and markets continue to unwind, or experience the impacts of the unwinding from the effects of COVID-19, volatility persists, as does some uncertainty



Source: Our World in Data

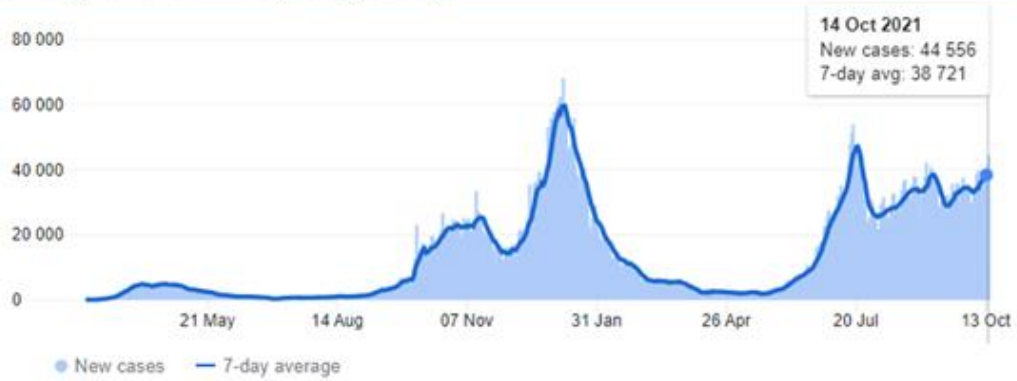


Source: The New York Times

# SA Economics

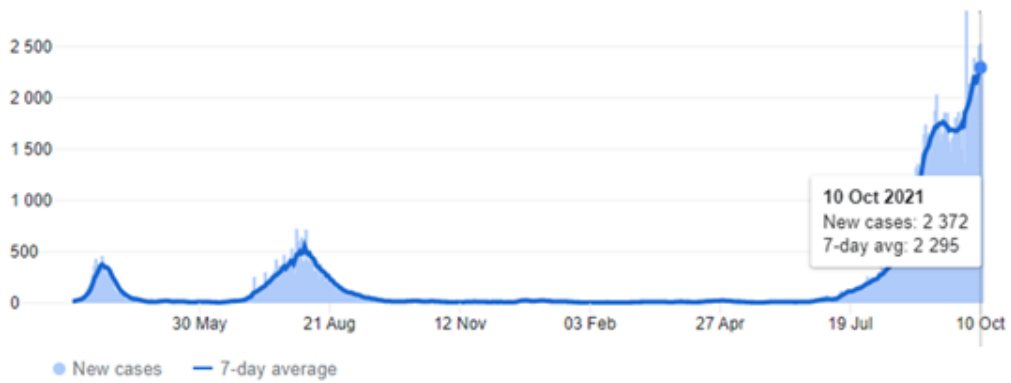


UK daily new cases – 7 day rolling average



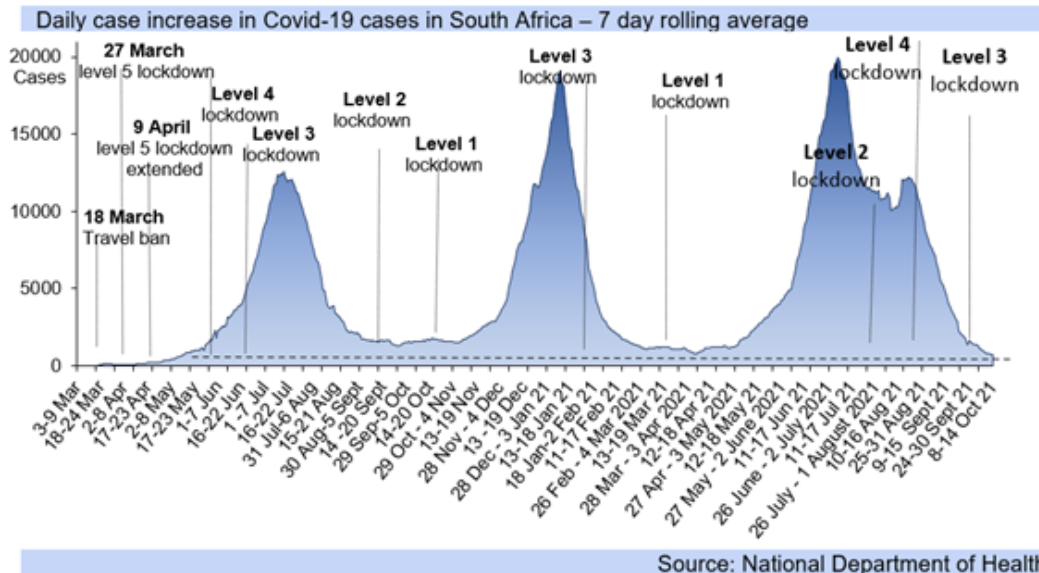
Source: JHU CSSE

Australia daily new cases – 7 day rolling average



Source: Wikipedia

# SA Economics



- Globally, COVID 19 cases continue to decline, with the seven-day rolling average at 402 944, the lowest since April this year, while global deaths are seeing slower moderation, at 6 689 a day (seven day average), comparable to November last year, or February 2020's brief spike.
- However, daily deaths attributed to COVID-19, on a seven-day rolling average (or 7/day average), remain below the lowest point of deaths reached between the second and third wave of COVID-19 globally, which saw 7 686 as a low point.
- A fourth wave of COVID-19, both locally and globally is expected, but will also need a driving factor, and in particular the development likely of a new variant, or a current one which sees a virulent spread.
- The Centre for Disease Control in the US has ten variants of interest and/or concern it is still monitoring, from Alpha to Mu, and has a category for a variant of high consequence (VOHC) where prevention measures have reduced effectiveness, but no variant in this category.
- While a fourth wave is not a definite, it is seen as very likely unless vaccination rates rise rapidly globally. US COVID-19 attributed deaths are still seeing an elevated level, although declining trend, at 1 627 (7/day average), well above 188 between its second and third waves.
- That is the US is well off its third wave peak of 2 087 COVID-19 fatalities (7/day average) experienced in September, and is expected to see further decline, although still a high rate globally, with the UK at 113, South Africa 57, Germany 54, France 32 and Australia at 15.
- Overall, the improvement in global COVID-19 numbers, and vaccination rates, since the start of the third wave in June certainly support future further recovery in economies, and an easing in supply chains and so inflationary pressures to some extent.

# SA Economics



- However, energy shortages (and high prices) globally are a restraining factor, and show increasing risk to economic growth just as rapid climate change shows increasing risk to the sustainability of livelihoods and lives, with low-income economies the hardest hit.
- The unwinding, and expected unwinding, of support measures has brought volatility to the markets, with the Fed still expected to taper this year, although the chance of this occurring in December instead has seen the volatile rand at R14.70/USD today, and stronger.

Please scroll down to the second section below



Source: Our World in Data



Source: The New York Times

# SA Economics

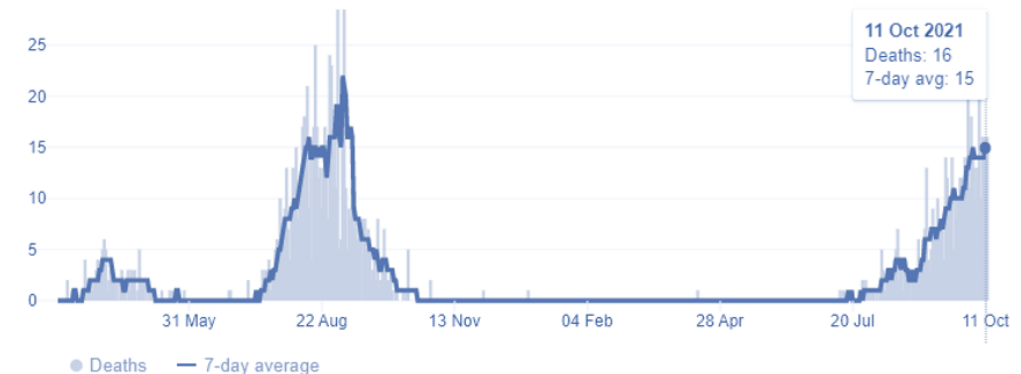


UK daily new deaths – 7 day rolling average



Source: JHU CSSE

Australia daily new deaths – 7 day rolling average



Source: The New York Times

- US ten year treasuries' yields have seen a recent subsidence, to 1.52% from 1.62% recently, as worries over a rapid drop in the size of QE subsided on the latest set of FOMC minutes, with markets expecting a moderate tapering trajectory.
- The FOMC minutes reported “substantial further progress ... regarding ... asset purchases was distinct from the criteria given in ... forward guidance on the federal funds rate and that a policy shift toward a moderation of asset purchases provided no direct signal about ... interest rate policy.”

# SA Economics



- That is, “the Committee had articulated a different, and more stringent, test concerning the conditions that would need to be met before it started raising the target range for the federal funds rate.”
- "Various participants stressed that economic conditions were likely to justify keeping the rate at or near its lower bound over the next couple of years” and “that there would likely be sustained downward pressure on inflation in the years ahead.”
- Key is that the September FOMC meeting noted “that the economy was still well below maximum employment” and the US payrolls figures on 8<sup>th</sup> October did not bring reassurance on this front. While the US unemployment rate fell, seasonal factors were at play.
- There is a significant possibility that the FOMC will not begin tapering its QE asset purchases at its November MPC meeting, and instead may only see a reduction in monthly purchases in December, which has given some lift to the rand.
- This afternoon, the rand is seeing pressure to strengthen, with markets likely still digesting Wednesday’s FOMC minutes. The rand is also likely benefiting from building expectations that the increasingly hawkish SARB may deliver a 25bp hike at its November MPC meeting.
- The FOMC meeting occurs early in November (3<sup>rd</sup>), while South Africa’s Reserve Bank (SARB)’s MPC meeting will be on 18<sup>th</sup> November, and likely deliver a 25bp hike in the repo rate if the FOMC begins tapering its asset purchases from November.
- Indeed, such has been the extremely hawkish tone of the SARB, even though its monetary policy stance is still very accommodative, that the FRA curve has built in around seven 25bp hikes by next year October, or a 190bp lift, which would be crushing to consumers if it occurs.

# SA Economics



Global Vaccination Campaign					
Country	No. of doses administered	Enough for % of people	Given 1+ dose	Fully vaccinated	Daily rate of doses administered
<i>Global Total</i>	6,625,086,938	–	–	–	26,029,561
Mainland China	2,228,305,003	79.6	82.5	74.8	2,138,001
India	971,383,650	35.5	50.5	20.1	4,509,575
EU	577,829,827	65.0	68.7	66.0	741,525
U.S.	405,444,558	63.3	65.6	56.7	835,492
Brazil	250,811,841	60.7	73.5	47.4	673,092
Japan	177,622,120	70.4	74.7	66.0	890,860
Indonesia	165,656,774	31.0	38.5	22.3	1,968,592
Turkey	113,418,257	68.2	65.8	56.3	230,779
Germany	109,521,772	65.9	68.7	65.5	131,345
Mexico	108,947,179	42.7	52.8	38.9	696,615
France	96,590,046	74.5	78.3	76.1	126,863
Russia	95,858,116	32.7	34.0	30.9	306,874
U.K.	94,560,905	70.8	73.8	67.8	60,028
Pakistan	93,551,193	22.8	31.7	17.0	819,930
Italy	87,030,447	72.1	76.2	74.8	176,698
South Korea	72,326,317	69.9	77.7	61.2	299,285
Spain	70,919,608	76.3	81.4	79.5	39,988
Iran	64,401,471	38.7	54.1	23.2	1,485,431
Thailand	62,579,803	44.9	51.6	34.9	695,014
Canada	57,411,835	76.5	77.5	72.4	80,176
Vietnam	56,330,750	29.2	41.3	17.1	1,168,207
Bangladesh	56,118,944	16.8	22.3	11.1	475,586
Argentina	55,103,707	61.3	67.6	53.5	275,088
Philippines	50,936,703	23.7	27.2	22.2	353,134
Malaysia	46,458,672	71.3	75.6	66.7	183,684
Saudi Arabia	44,375,456	65.1	69.9	59.9	168,841
Morocco	44,069,544	61.9	65.0	58.8	240,722
Colombia	43,608,145	43.3	55.6	37.4	265,890
Poland	38,051,598	50.1	52.6	51.7	38,283
Chile	33,522,333	87.7	83.5	74.6	87,822
Australia	31,679,382	62.1	70.6	53.6	242,258
Peru	30,909,479	46.6	51.5	39.7	305,244
Sri Lanka	27,358,879	62.7	67.6	57.6	91,545
Cambodia	25,772,396	78.1	82.1	73.5	232,812
Netherlands	23,767,664	69.0	74.7	67.4	13,836
Egypt	23,377,000	11.8	15.2	8.3	784,974
Cuba	23,149,042	102.1	85.0	56.1	205,550
Uzbekistan	21,978,290	33.0	36.2	14.9	223,216
Ecuador	21,264,562	61.6	67.4	58.0	30,074
UAE	20,613,303	95.9	88.1	78.9	34,195
<b>South Africa</b>	<b>19,899,964</b>	<b>20.8</b>	<b>23.5</b>	<b>17.9</b>	<b>167,738</b>
Taiwan	18,766,730	39.8	59.2	20.3	213,502
Ukraine	18,235,447	21.8	30.2	15.2	178,190
Belgium	17,071,861	74.5	75.4	74.0	28,363
Venezuela	16,127,242	29.0	35.7	22.3	41,239
Portugal	16,104,710	78.4	87.3	85.5	10,381
Israel	15,711,501	86.8	68.4	62.9	24,435
Kazakhstan	15,035,724	40.3	42.5	37.5	48,453
Nepal	14,857,561	26.1	29.5	22.7	54,160
Sweden	14,103,587	68.3	69.8	65.6	25,017
Algeria	14,082,920	16.2	14.4	9.3	292,376
Greece	12,360,246	57.6	60.8	58.5	13,946

Source: Bloomberg Vaccine Tracker, 14 October 2021

Note: Population coverage accounts for the number of doses required for each vaccine administered. The daily rate is a 7-day average; for countries that do not report daily, the last-known average rate is used.

# SA Economics



## Global Vaccination Campaign (continued)

Country	No. of doses administered	Enough for % of people	Given 1+ dose	Fully vaccinated	Daily rate of doses administered
Dominican Republic	12,291,745	59.3	59.6	57.5	40,186
Myanmar	12,263,702	11.6	15.9	7.3	166,004
Hungary	12,111,107	62.0	60.5	58.2	19,263
Czech Republic	11,917,933	56.0	57.4	56.5	8,487
Austria	10,982,143	62.0	65.5	62.1	10,487
Romania	10,933,473	28.2	31.8	28.7	42,561
Switzerland	10,748,570	62.9	65.9	61.7	22,024
Singapore	9,736,175	85.3	82.8	81.8	29,064
Azerbaijan	9,037,099	45.3	49.1	41.4	33,490
Hong Kong	8,855,452	58.9	60.5	57.3	9,363
Denmark	8,823,891	76.0	76.9	75.6	4,335
Tunisia	8,540,640	36.2	45.1	34.9	35,041
Iraq	8,187,299	10.5	12.8	8.1	38,586
El Salvador	8,062,316	62.5	65.4	57.6	26,533
Norway	7,890,442	73.6	78.2	69.0	4,310
Guatemala	7,881,191	22.4	28.0	16.4	67,679
Finland	7,833,068	71.0	75.6	66.4	15,756
Nigeria	7,676,012	1.9	2.6	1.1	97,167
Turkmenistan	7,580,976	64.7	74.7	54.8	1,505,846
Ireland	7,267,542	73.4	76.5	75.1	3,318
Jordan	7,213,207	35.8	37.8	33.8	14,981
Bolivia	6,980,293	30.2	37.7	30.0	14,022
Serbia	6,678,484	48.0	44.3	42.5	8,776
Uruguay	6,457,705	91.8	78.1	73.9	8,701
New Zealand	6,113,819	62.1	71.0	51.7	60,355
Costa Rica	5,921,089	58.3	69.5	47.2	22,971
Honduras	5,817,602	29.8	34.2	25.4	9,287
Zimbabwe	5,632,534	18.9	21.4	16.4	17,859
Panama	5,597,294	66.3	71.2	61.4	12,028
Oman	5,254,466	62.6	70.6	54.7	21,963
Paraguay	4,836,914	33.8	39.7	27.9	28,046
Slovakia	4,829,892	44.3	45.3	41.7	3,428
Qatar	4,780,790	85.5	84.4	79.4	4,333
Mongolia	4,718,157	71.6	68.3	64.8	5,924
Laos	4,402,770	30.7	42.1	29.0	9,906
Tajikistan	4,362,853	23.5	26.5	20.4	55,867
Kenya	4,340,511	4.6	6.7	2.2	42,292
Angola	4,336,710	7.2	10.2	4.0	78,703
Ethiopia	3,918,985	2.0	3.1	1.0	16,314
Rwanda	3,888,869	15.7	17.7	13.7	13,357
Belarus	3,862,369	20.4	23.6	17.2	78,016
Mozambique	3,677,063	5.9	6.1	5.7	1,554
Croatia	3,496,972	43.0	45.7	42.8	4,968
Lithuania	3,291,649	59.1	63.7	58.9	4,927
Lebanon	3,247,459	23.7	25.8	21.6	22,175
Bahrain	2,691,511	90.7	78.8	76.2	8,431
Uganda	2,615,807	3.3	5.5	1.0	37,150
Bulgaria	2,615,154	18.8	37.7	19.7	5,436
Ivory Coast	2,578,266	4.9	7.5	2.3	40,235
Afghanistan	2,517,902	3.4	2.3	1.2	22,418
Kuwait	2,380,000	25.1	56.2	19.4	12,990
Slovenia	2,197,987	54.2	55.0	51.0	4,289
Ghana	2,189,552	3.6	4.5	2.7	54,790
Sudan	2,067,204	2.4	1.5	1.3	50,308

Source: Bloomberg Vaccine Tracker, 14 October 2021

Note: Population coverage accounts for the number of doses required for each vaccine administered. The daily rate is a 7-day average; for countries that do not report daily, the last-known average rate is used.



# SA Economics



Global Vaccination Campaign (continued)					
Country	No. of doses administered	Enough for % of people	Given 1+ dose	Fully vaccinated	Daily rate of doses administered
Guinea	1,967,768	7.2	9.6	4.8	19,982
Georgia	1,889,200	25.4	27.0	23.8	6,790
Senegal	1,835,241	5.6	7.8	3.5	1,067
Albania	1,810,433	31.5	33.7	29.3	6,775
Libya	1,748,160	13.3	22.0	4.0	14,530
Latvia	1,728,488	45.0	51.2	47.4	8,855
Mauritius	1,686,047	66.5	69.4	64.4	4,356
Kyrgyzstan	1,565,476	12.3	13.9	10.5	8,646
North Macedonia	1,544,531	37.1	38.3	36.0	2,397
Kosovo	1,476,104	41.0	46.0	36.0	11,019
Moldova	1,446,037	27.0	30.8	30.6	3,337
Estonia	1,394,238	52.6	57.9	54.5	1,616
Mauritania	1,298,995	16.0	17.5	14.0	12,056
Bosnia and Herzegovina	1,242,203	18.8	22.2	15.4	7,916
Togo	1,215,025	7.5	10.0	5.1	11,169
Cyprus	1,188,888	67.9	68.4	64.3	2,156
Malawi	1,173,196	2.9	4.3	2.5	3,602
Trinidad and Tobago	1,160,173	41.6	44.0	39.9	6,440
Fiji	1,107,254	61.9	69.0	55.4	8,795
Bhutan	1,087,753	73.0	78.6	66.9	640
Nicaragua	999,990	7.7	10.3	5.0	19,740
Syria	902,519	–	–	–	25,955
Tanzania	885,579	0.8	–	–	26,331
Malta	846,671	85.7	85.9	85.8	1,744
Jamaica	846,389	15.5	20.4	12.0	6,074
Zambia	827,347	2.3	1.8	2.6	6,876
Timor-Leste	810,855	31.4	38.3	22.7	7,028
Luxembourg	799,074	65.1	68.7	65.1	983
Maldives	740,902	99.6	105.7	93.4	681
Botswana	690,001	14.5	24.6	10.3	8,628
Macau	684,611	50.3	54.8	46.2	3,809
Niger	646,086	1.4	1.8	0.9	14,023
Somalia	599,715	2.0	2.3	1.6	13,440
Guyana	593,900	37.8	47.0	28.7	2,127
Namibia	584,381	11.9	11.6	8.0	18,663
Iceland	562,426	78.8	79.0	77.6	563
Brunei	552,265	60.0	73.0	47.1	5,201
Armenia	514,241	8.7	11.9	5.7	555
Montenegro	480,822	38.6	40.3	36.3	1,573
Cameroon	479,521	0.9	1.6	0.3	957
Madagascar	479,068	0.9	0.7	0.7	3,264
Cape Verde	460,484	41.9	52.9	30.2	5,030
Mali	422,357	1.1	1.7	1.3	975
Suriname	421,648	35.3	40.1	30.6	1,616
Equatorial Guinea	414,506	15.2	17.4	13.1	1,939
Lesotho	383,341	9.4	17.0	16.6	2,920
Republic of the Congo	372,046	4.1	5.6	2.6	3,633
Comoros	360,675	20.6	22.7	18.5	1,005
Sierra Leone	359,091	2.3	3.7	0.6	11,148
Yemen	356,173	0.6	1.0	0.2	2,077
Belize	344,535	42.2	52.8	35.4	511

Source: Bloomberg Vaccine Tracker, 14 October 2021

Note: Population coverage accounts for the number of doses required for each vaccine administered. The daily rate is a 7-day average; for countries that do not report daily, the last-known average rate is used.

# SA Economics



## Global Vaccination Campaign (continued)

Country	No. of doses administered	Enough for % of people	Given 1+ dose	Fully vaccinated	Daily rate of doses administered
Liberia	326,046	3.6	1.9	0.2	2,236
Burkina Faso	297,231	0.7	1.3	1.0	2,371
Eswatini	266,056	11.9	20.8	19.7	1,942
Barbados	255,645	44.5	49.7	39.4	1,098
Benin	252,698	1.1	1.9	0.2	386
Bahamas	224,531	29.5	33.9	26.3	2,392
Gambia	208,379	4.4	7.9	7.3	197
Central African Republic	207,004	2.2	4.2	0.2	4,961
Papua New Guinea	194,962	1.1	1.6	0.7	434
Curaçao	189,304	58.1	60.7	55.5	168
Gabon	186,365	4.5	5.8	3.9	550
Samoa	183,617	45.7	57.4	28.7	1,498
Chad	183,351	0.6	0.9	0.2	2,962
Jersey	159,090	—	—	—	603
Aruba	157,866	70.5	73.2	67.7	122
Seychelles	148,402	77.3	80.5	74.1	154
Solomon Islands	141,920	11.1	17.7	4.4	1,674
DR Congo	140,254	0.1	0.1	<0.1	520
Isle of Man	129,530	76.2	77.1	75.3	8
Guinea-Bissau	120,641	3.4	6.3	0.5	1,096
South Sudan	115,650	0.4	0.6	0.2	738
Cayman Islands	109,668	84.4	85.7	85.7	219
Sao Tome and Principe	102,791	24.1	35.2	12.9	673
Andorra	102,692	66.7	70.6	62.0	220
Greenland	102,357	89.8	124.5	64.0	300
Guernsey	102,340	—	—	—	23
Antigua and Barbuda	98,840	50.9	56.1	45.8	336
Haiti	96,073	0.4	0.6	0.2	2,885
Djibouti	92,097	4.3	6.1	2.4	3,109
Bermuda	87,723	69.6	70.8	68.5	73
St. Lucia	84,799	23.6	26.8	20.3	463
Gibraltar	81,080	119.2	117.5	116.8	268
Tonga	80,062	40.0	49.8	27.5	371
Faroe Islands	75,647	77.2	79.1	75.3	78
Micronesia	74,215	35.7	43.2	—	102
Grenada	62,095	28.5	32.8	24.2	389
Turks & Caicos	54,417	71.6	74.5	68.7	97
Sint Maarten	50,118	59.7	62.0	57.3	51
Monaco	49,980	64.1	68.4	59.8	120
Saint Kitts and Nevis	48,755	42.8	45.5	40.0	99
Dominica	48,091	33.9	37.0	30.7	200
San Marino	47,380	69.7	73.2	71.9	19
St. Vincent and the Grenadines	35,118	16.0	19.4	12.5	183
Anguilla	18,704	62.3	63.7	61.0	17
Nauru	14,863	57.2	58.6	55.8	4
St. Helena	7,892	65.8	72.7	58.9	8
Falkland Islands	4,407	73.5	87.7	59.2	202
Montserrat	2,911	29.1	30.0	28.2	3
Eritrea	—	—	—	—	—

Source: Bloomberg Vaccine Tracker, 14 October 2021

Note: Population coverage accounts for the number of doses required for each vaccine administered. The daily rate is a 7-day average; for countries that do not report daily, the last-known average

# SA Economics

