

Weekly Report: Swap Rates

19th August 2020



International Interest Rates: Swap Rates (percentage per annum)

	GBP		USD		Euro		ZAR	
	Current	1 Year ago	Current	1 Year ago	Current	1 Year ago	Current	1 Year ago
1 Year	0.1029	0.75393	0.2313	1.789	-0.4395	-0.4985	3.512	6.705
2 Year	0.08999	0.6972	0.214	1.5474	-0.4383	-0.5481	3.779	6.674
3 Year	0.106	0.67025	0.2231	1.4581	-0.431	-0.5498	4.15	6.78
4 Year	0.14012	0.65283	0.2558	1.4231	-0.4159	-0.535	4.615	6.915
5 Year	0.17857	0.6415	0.3096	1.4135	-0.3938	-0.508	5.105	7.055
6 Year	0.217	0.63799	0.3771	1.4195	-0.364	-0.4685	5.58	7.205
7 Year	0.25558	0.636	0.4478	1.4327	-0.33	-0.4193	6.03	7.35
8 Year	0.293	0.64223	0.515	1.451	-0.2922	-0.365	6.43	7.482
9 Year	0.32814	0.648	0.5774	1.4728	-0.2528	-0.307	6.77	7.61
10 Year	0.362	0.6585	0.6336	1.4964	-0.2112	-0.252	7.04	7.73

Swap Rates reflect longer term interest rates charged and paid by international banks and are widely seen as the benchmark interest rates used to drive returns for investors. Different institutions will pay different rates of interest depending on their financial strength and requirements for cash – a stronger bank will typically pay less to raise cash than a weaker bank.

The table above show current interest rates for a number of currencies and is a useful matrix when assessing the real-time value of the returns offered by current products and also the options open to investors whose alternative investment choice may be cash.

Source: Bloomberg; Swap mid rates as at 19.08.2020.

For Professional Clients and Eligible Counterparties as defined by the FCA only.

IDAD Limited is authorised and regulated by the Financial Conduct Authority FCA FRN 740499. IDAD Limited is a limited liability company registered in England and Wales number 4521366. IDAD Ltd does not offer investment advice nor make any recommendation regarding any investments.