

ONE Minute Brief

21 April 2016

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Economic and Political News

In March, on a monthly basis, the consumer price index rose 0.8% in South Africa, at par with market expectations. In the previous month, the index had climbed 1.4%.

The ANC announced that President Jacob Zuma will be facing the Parliament members for the second time this year in middle of May for the quarterly oral questions and answer session.

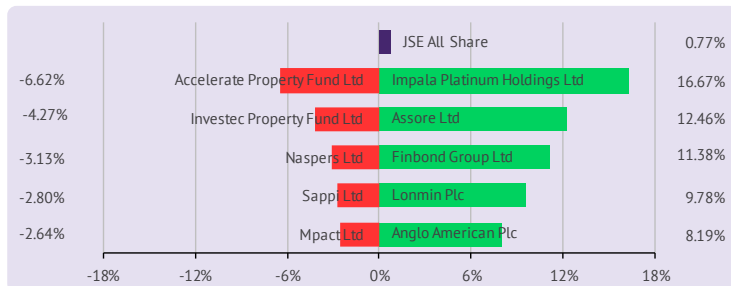
The SARS stated that the audit cases carried out in the cash and carry sector had resulted in raising assessments to more than ZAR600.00mn. Further, it also reported that crackdown operations had revealed that at least 50 percent of cash and carry stores in Gauteng are not operating according to the law.

Cell C's top female management supported their CEO, Jose dos Santos, stating that some inappropriate choice of words had outweighed what he had done for all the women in the company. The CEO, Santos was being criticized after he made some ill-considered phrases about the women employees and later apologised for the same.

South Africa Market ▲

South African markets closed higher

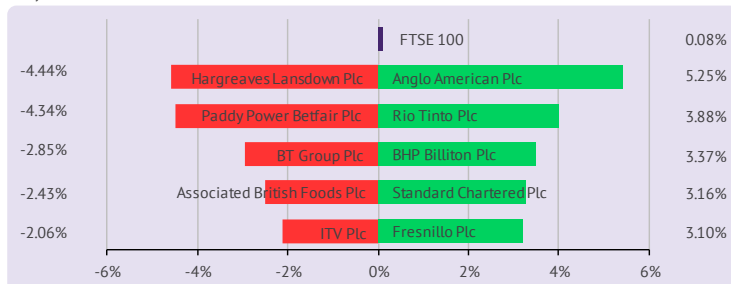
South African markets closed in the green yesterday, led by gains in platinum sector stocks. Data indicated that South Africa's consumer price index dipped on a yearly basis in March. The JSE All Share Index rose 0.8% to close at 53,789.75.



UK Market ▲

The FTSE 100 futures are trading in positive territory

UK markets finished higher yesterday, amid gains in commodity sector stocks. Data revealed that unemployment increased for the first time since August 2015. The FTSE 100 Index advanced 0.1% to close at 6,410.26.



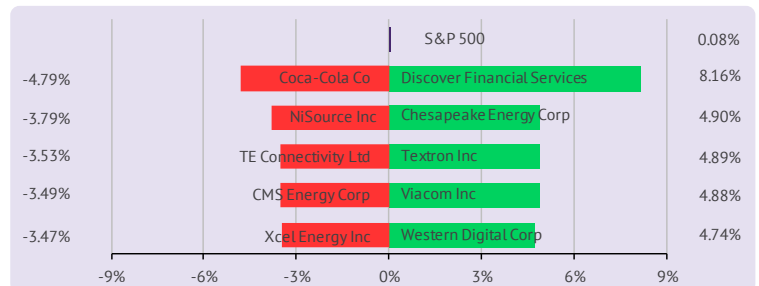
Key Indices

	Last Close		1 Day Chg	1 D % Chg	WTD % Chg	MTD % Chg	Prev. Month % Chg	YTD % Chg
JSE All Share	53789.75	▲	408.81	0.77%	1.42%	2.95%	5.74%	6.11%
JSE Top 40	47271.51	▲	246.33	0.52%	1.09%	2.45%	5.34%	3.22%
FTSE 100	6410.26	▲	4.91	0.08%	1.05%	3.81%	1.28%	2.69%
DAX 30	10421.29	▲	71.70	0.69%	3.68%	4.57%	4.95%	-2.99%
CAC 40	4591.92	▲	25.44	0.56%	2.15%	4.72%	0.72%	-0.97%
S&P 500	2102.40	▲	1.60	0.08%	1.04%	2.07%	6.60%	2.86%
Nasdaq Composite	4948.13	▲	7.80	0.16%	0.20%	1.61%	6.84%	-1.18%
DJIA	18096.27	▲	42.67	0.24%	1.11%	2.33%	7.08%	3.85%

US Market ▲

The S&P 500 futures are trading in the green

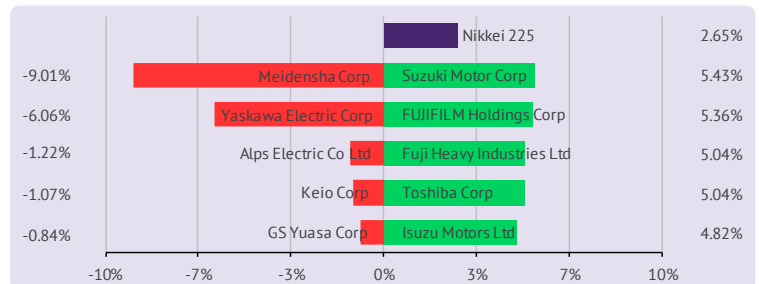
US markets closed higher yesterday, amid gains in financial and energy sector stocks. The S&P 500 Index climbed 0.1% to close at 2,102.40.



Asian Market ▲

Trading higher

Asian markets are trading higher this morning, tracking overnight gains on Wall Street. The Nikkei 225 Index is trading 2.7% higher at 17,354.53.



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USDZAR ▲

USD trading stronger against ZAR

At 06:00 SAST, the US Dollar is trading 0.1% firmer against the South African Rand at R14.2222. Later today, traders will keep a close watch on US initial jobless claims and CB leading indicator for further direction. Moreover, the US Philadelphia Fed manufacturing survey and the housing price index will grab investors' attention.

The US Dollar fell against the South African Rand yesterday. Data indicated that the US existing home sales advanced on a monthly basis in March, rebounding from a three-month low level recorded in February. The upbeat data indicated a recovery in the US housing market despite lower inventory. Moreover, US mortgage applications climbed up to its highest level in 9 weeks.

GBPZAR ▲

GBP trading higher against ZAR

At 06:00 SAST, the British Pound is trading 0.2% higher against the South African Rand at R20.4022. Later today, traders will eye UK's retail sales and public sector net borrowings data for further clues.

The British Pound declined against the South African Rand yesterday, as wage growth in the UK remained subdued. Additionally, the claimant count rate rose also jumped in March, marking its first rise since August. Elsewhere, in South Africa, inflation slowed for the first time in seven months on a yearly basis in March.

EURZAR ▲

EUR trading firmer against ZAR

At 06:00 SAST, the Euro rose 0.1% against the South African Rand to trade at R16.0695. Going forward, market participants will keep a tab on the European Central Bank's interest rate decision and deposit facility rate for further direction in the Euro. Moreover, the ECB President, Mario Draghi's speech and the consumer confidence index will also attract market attention.

The Euro weakened against the South African Rand yesterday, after German producer prices recorded their sharpest fall in over six years on an annual basis in March.

AUDZAR ▲

AUD trading higher against ZAR

At 06:00 SAST, the Australian Dollar climbed 0.3% against the South African Rand to trade at R11.1112. Earlier in the session, data showed that Australia's Business confidence index fell in 1Q16.

The Australian Dollar fell against the South African Rand yesterday, after data indicated that the leading index in Australia fell in March, pointing towards loss of momentum and growth in the nation.

Key Currencies & Commodities

	Current		1 D % Chg	WTD % Chg	MTD % Chg	Prev. Month % Chg	YTD % Chg
USDZAR	14.2222	▲	-0.53%	-2.48%	-3.78%	-6.98%	-8.18%
GBPZAR	20.4022	▲	-0.94%	-1.53%	-3.91%	-4.01%	-10.65%
EURZAR	16.0695	▲	-1.05%	-2.33%	-4.49%	-2.64%	-4.48%
AUDZAR	11.1112	▲	-0.71%	-1.48%	-2.04%	-0.26%	-2.50%
EURUSD	1.1296	▼	-0.54%	0.12%	-0.73%	4.61%	3.96%
GBPUSD	1.4344	▲	-0.45%	0.91%	-0.19%	3.17%	-2.78%
Brent (\$/barrel)	46.0	▲	4.02%	6.26%	13.56%	10.28%	22.85%
Gold (\$/oz)	1250.1	▼	0.02%	1.63%	1.54%	-0.02%	18.20%
Platinum (\$/oz)	1022.6	▼	1.25%	3.86%	5.13%	4.53%	15.14%
Copper (\$/MT)*	4994.5	▲	0.80%	3.44%	2.34%	3.72%	6.14%

*As of Previous Close

Gold ▼

Trading in the red

At 06:00 SAST, gold prices edged 0.2% lower to trade at \$1,250.10/oz.

Yesterday, gold prices rose marginally to close at \$1,253.20/oz, despite a broad strength in the US Dollar.

Brent Crude Oil ▲

Trading stronger

At 06:00 SAST, Brent crude oil edged 0.3% higher to trade at \$45.95/bl.

Yesterday, Brent crude oil advanced 4.0% to settle at \$45.80/bl, after the US domestic oil production fell, marking a sixth weekly decline in a row. Moreover, the US Energy Department reported that US crude oil inventories rose less than anticipated by 2.1mn bls to 538.6mn bls last week.

Platinum ▼

Trading in negative territory

At 06:00 SAST, platinum prices retreated 0.4% to trade at \$1,022.60/oz.

Yesterday, platinum prices climbed 1.3% to close at \$1026.70/oz.



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Major South Africa Corporate News

Allied Electronics Corporation Limited

The company announced that IST Holdings, a wholly owned subsidiary of Power Technologies Proprietary Limited has reached an agreement in which IST Holdings will dispose certain immovable property situated in Pretoria for a total consideration of about R107.00mn.

Anglo American Plc

The company announced that its Finance Director, Rene Medori intends to retire from the board of the company at the age of 60 in 2017.

Trencor Limited

Further to its trading statement for FY15, the company indicated that its headline EPS is expected to decline in the range of 5.0% to 10.0% to be between 493.00c and 521.00c. Its adjusted headline EPS is expected to fall between 12.0% and 17.0% to be in the range of 432.00c to 458.00c.

Truworths International Limited

The company announced that Aberdeen Asset Managers Limited, on behalf of its clients has acquired beneficial stake in the company to take its total holdings to approximately 20.03% of the issued ordinary shares of the company.

Major Global Economic News

UK

In the UK, the ILO unemployment rate remained unchanged at a level of 5.1% in the December-February 2016 period, meeting market expectations.

In March, UK's claimant count rate remained unchanged at 2.1%. Markets were anticipating the claimant count rate to record a steady reading.

In the UK, on a yearly basis, the average earnings including bonus registered a rise of 1.8%, in the December-February 2016 period, compared to an advance of 2.1% in the November-January 2016 period. Market anticipation was for the average earnings including bonus to advance 2.3%.

National Statistics indicated that number of unemployment benefits claimants increased unexpectedly by 6.70 K in the UK, in March, higher than market expectations of a decline of 10.00 K. Number of unemployment benefits claimants had registered a revised decline of 9.30 K in the prior month.

Asia

The business confidence index fell to a level of 4.00 in 1Q16, in Australia, following a revised reading of 5.00 in the previous quarter.

In March, Australia's foreign exchange transaction surplus widened to AUD954.00mn, following a surplus of AUD476.00mn in the previous month.

US

US existing home sales climbed 5.1%, on monthly basis, to a level of 5.33mn, in March, higher than market expectations of 5.28mn. Existing home sales had registered a revised level of 5.07mn in the prior month.

In the US, mortgage applications rose 1.3% in the week ended April 15, 2016, on a weekly basis, from a 10.0% rise in the previous week.

Eurozone

In Germany, the producer price index remained flat on a monthly basis in March, less than market expectations for a rise of 0.2%. In the prior month, the index had recorded a drop of 0.5%.

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Economic Calendar

Country	SAST	Economic Indicator	Relevance	Consensus/ *Actual	Previous/ **Previous Est.	Frequency
Switzerland	08:00	Trade Balance (Mar)	✓✓	-	CHF4.07bn	Monthly
France	08:45	Business Climate (Apr)	✓	100.00	100.00	Monthly
Spain	10:00	Trade Balance (Feb)	✓	-	-EUR2.39bn	Monthly
UK	10:30	Public Sector Net Cash Requirement (Mar)	✓✓	-	GBP0.10bn	Monthly
UK	10:30	Retail Sales (MoM) (Mar)	✓	-0.10%	-0.40%	Monthly
UK	10:30	Public Sector Net Borrowing (Mar)	✓✓	GBP5.40bn	GBP6.50bn	Monthly
Eurozone	11:00	Government Debt-GDP Ratio	✓	-	92.10%	Yearly
Eurozone	13:45	ECB Interest Rate Decision	✓✓✓	0.00%	0.00%	As scheduled
US	14:30	Initial Jobless Claims (16-Apr)	✓✓	265.00K	253.00K	Weekly
US	14:30	Chicago Fed National Activity Index (Mar)	✓	-0.15	-0.29	Monthly
US	14:30	Philadelphia Fed Manufacturing Survey (Apr)	✓✓	9.00	12.40	Monthly
US	14:30	Continuing Jobless Claims (09-Apr)	✓	2173.00K	2171.00K	Weekly
Eurozone	14:30	ECB's Draghi Holds Post Policy Meeting Press Conference	✓	-	-	As scheduled
US	15:00	Housing Price Index (MoM) (Feb)	✓	0.40%	0.50%	Monthly
US	16:00	Leading Indicator (MoM) (Mar)	✓✓	0.40%	0.10%	Monthly
Eurozone	16:00	Consumer Confidence (Apr) (P)	✓✓	-9.30	-9.70	Monthly
UK	16:00	BOE's Governor Carney speech	✓	-	-	As scheduled

Note: ✓✓✓ High ✓✓ Medium ✓ Low

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