

ONE Minute Brief

8 August 2016

GTC
consult • partner • manage

Economic and Political News

South Africa's local government elections results indicated that the African National Congress (ANC) secured 53.91% of the vote, while the Democratic Alliance (DA) followed with 26.89%. However, the DA took 43% of the vote compared with the ANC's 41% in Tshwane municipality which includes Pretoria, while in Johannesburg, the ANC beat the DA but fell short of an outright majority, with 44% of the vote. Further, the ANC has also lost Nelson Mandela Bay metropolitan area in the Eastern Cape, which includes Port Elizabeth, to the DA.

Eskom mentioned that Rating agency, Fitch downgraded its rating to a notch above junk, bringing it at par with the nation's long-term local currency debt rating.

The South African Reserve Bank fined five multinational banks with nearly ZAR35.00mn, as inspections revealed weak measures to combat money laundering and the financing of terrorism. The banks are GBS Mutual Bank, The South African Bank of Athens, Habib Overseas Bank, Investec and Standard Chartered's Johannesburg branch.

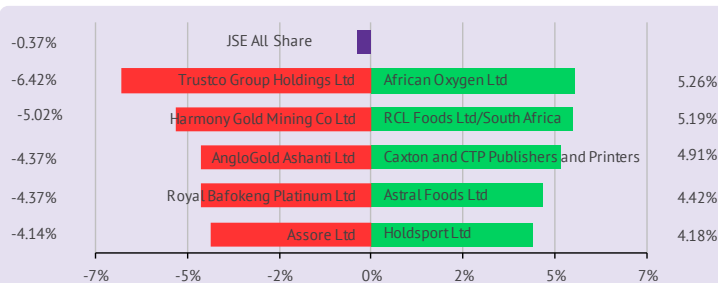
Key Indices

	Last Close		1 Day Chg	1 D % Chg	WTD % Chg	MTD % Chg	Prev. Month % Chg	YTD % Chg
JSE All Share	52348.36	▼	-195.01	-0.37%	NA	-0.85%	1.11%	3.26%
JSE Top 40	45385.74	▼	-147.48	-0.32%	NA	-1.16%	-0.13%	-0.90%
FTSE 100	6793.47	▲	53.31	0.79%	NA	1.03%	3.38%	8.83%
DAX 30	10367.21	▲	139.35	1.36%	NA	0.29%	6.79%	-3.50%
CAC 40	4410.55	▲	64.92	1.49%	NA	-0.66%	4.77%	-4.88%
S&P 500	2182.87	▲	18.62	0.86%	NA	0.43%	3.56%	6.80%
Nasdaq Composite	5221.12	▲	54.87	1.06%	NA	1.14%	6.60%	4.27%
DJIA	18543.53	▲	191.48	1.04%	NA	0.60%	2.80%	6.42%

South Africa Market ▼

South African markets closed lower

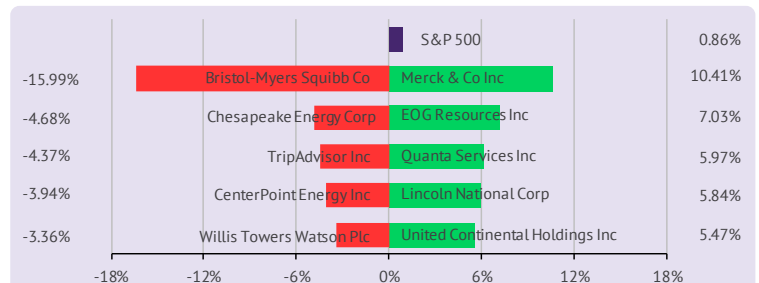
South African markets closed in the red on Friday, amid losses in gold mining sector stocks. The JSE All Share Index fell 0.4% to close at 52,348.36.



US Market ▲

The S&P 500 futures are trading in the green

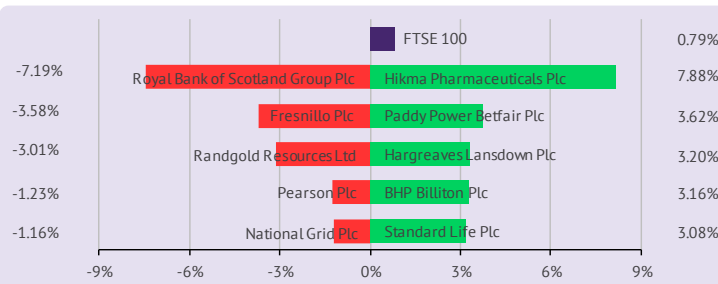
US markets closed higher on Friday, supported by gains in financial sector stocks. Data revealed that non-farm payrolls in the US advanced higher than market expectations in July. The S&P 500 Index climbed 0.9% to close at 2,182.87.



UK Market ▲

The FTSE 100 futures are trading in positive territory

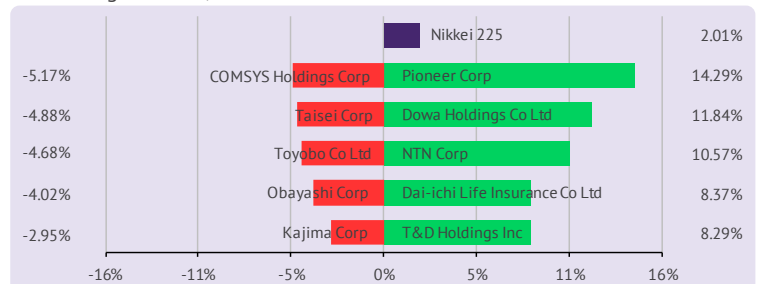
UK markets finished higher on Friday, led by gains in mining and housebuilder sector stocks. The FTSE 100 Index advanced 0.8% to close at 6,793.47.



Asian Market ▲

Trading higher

Asian markets are trading higher this morning, tracking Friday's gains on Wall Street. Earlier in the session, data indicated that Japan's trade surplus on a BOP basis widened in June. The Nikkei 225 Index is trading 2.0% higher at 16,581.



Address: GTC @Grant Thornton, The Wanderers Office Park, 52 Corlett Drive, Illovo, 2196.
t: +27 (0) 21 412 1074 | e: oneminutebrief@gtc.co.za | w: www.gtc.co.za

An Authorised Financial Services Provider FSP No. 731
formerly Grant Thornton Capital

Employee Benefits Consulting • Employee Benefits Administration • Private Client Wealth Management • Healthcare Consulting • Short-Term Risk Solutions • Stockbroking • Derivatives Trading • Unit Trust Management • Asset Management • Fiduciary Services

ONE Minute Brief

8 August 2016

GTC
consult • partner • manage

USDZAR ▼

USD trading weaker against ZAR

At 06:00 SAST, the US Dollar is trading 0.2% lower against the South African Rand at R13.6995. Going forward, traders will keep a close watch on US wholesale inventories and IBD/TIPP economic optimism index, scheduled for release tomorrow. Moreover, South Africa's gross and net reserves will be on investors' radar.

The US Dollar rose against the South African Rand on Friday, after data revealed that non-farm payrolls in the US climbed in July, beating market expectations, indicating signs of a resilient labour market. Moreover, the unemployment rate remained unchanged in the same month. Further, average hourly earnings advanced on a monthly basis in July. Meanwhile, trade deficit widened to a 10-month high in June. Additionally, consumer credit advanced at its slowest pace in four years in June.

GBPZAR ▲

GBP trading firmer against ZAR

At 06:00 SAST, the British Pound advanced 0.1% against the South African Rand to trade at R17.9330. Moving forward, traders will keep an eye on UK's NIESR GDP estimate data scheduled tomorrow.

The British Pound declined against the South African Rand on Friday.

EURZAR ▼

EUR trading lower against ZAR

At 06:00 SAST, the Euro fell marginally against the South African Rand to trade at R15.2018. Going forward, market participants will keep a tab on Eurozone's Sentix investor confidence for further direction.

The Euro weakened against the South African Rand on Friday. Separately, data indicated that Germany's factory orders dropped unexpectedly on a monthly basis in June.

AUDZAR ▼

AUD trading weaker against ZAR

At 06:00 SAST, the Australian Dollar is trading 0.2% lower against the South African Rand at R10.4212.

The Australian Dollar rose against the South African Rand on Friday. The Reserve Bank of Australia, in its monetary policy statement, maintained its outlook on economic growth, although cautioning about persistently weak inflation.

Key Currencies & Commodities

	Current		1 D % Chg	WTD % Chg	MTD % Chg	Prev. Month % Chg	YTD % Chg
USDZAR	13.6995	▼	0.15%	NA	-1.09%	-5.76%	-11.28%
GBPZAR	17.9330	▲	-0.41%	NA	-2.40%	-6.41%	-21.42%
EURZAR	15.2018	▼	-0.31%	NA	-1.97%	-5.05%	-9.52%
AUDZAR	10.4212	▼	-0.18%	NA	-1.08%	-3.73%	-8.04%
EURUSD	1.1101	▲	-0.40%	NA	-0.79%	0.61%	2.02%
GBPUSD	1.3085	▲	-0.26%	NA	-1.19%	-0.61%	-11.32%
Brent (\$/barrel)	44.4	▲	-0.05%	NA	1.70%	-12.43%	18.75%
Gold (\$/oz)	1342.7	▲	-1.65%	NA	-0.93%	2.15%	26.05%
Platinum (\$/oz)	1152.5	▲	-1.16%	NA	0.08%	12.64%	29.14%
Copper (\$/MT)*	4779.3	▼	-0.74%	NA	-2.77%	1.55%	1.56%

*As of Previous Close

Gold ▲

Trading in the green

At 06:00 SAST, gold prices edged 0.5% higher to trade at \$1,342.70/oz.

On Friday, gold prices fell 1.7% to close at \$1,336.40/oz, as better-than-expected jobs report in the US reduced demand for the safe haven asset.

Brent Crude Oil ▲

Trading stronger

At 06:00 SAST, Brent crude oil rose 0.2% to trade at \$44.35/bl.

On Friday, Brent crude oil dropped 0.1% to settle at \$44.27/bl, amid a stronger US Dollar and after Baker Hughes reported that US oil rig count rose by 7 to 381 last week.

Platinum ▲

Trading in positive territory

At 06:00 SAST, platinum prices edged 0.1% higher to trade at \$1,152.50/oz.

On Friday, platinum prices declined 1.2% to close at \$1151.50/oz.



ONE Minute Brief

8 August 2016



Major South Africa Corporate News

Exxaro Resources Limited

In its trading statement for 1H16, the company revealed that net operating profit is expected to increase between R175.00mn and R359.00mn, due to higher coal sales volumes. Due to expectations of a rise in net operating profit, attributable earnings are projected to climb between 1.0% and 11.0%, compared with the corresponding period of the previous year. Headline EPS is expected to be between 284.00c (6.0% decrease) and 310.00c (2.0% increase), compared with the similar period of the prior year.

Holdsport Limited

The company indicated that Old Mutual Plc has acquired a portion of interest in its ordinary shares and now owns a 5.03% stake.

MTN Group Limited

In its 1H16 results, the company stated that its revenue increased to R79.12bn from R69.30bn posted in the corresponding period of the previous year. It posted a headline diluted loss of 301.00c/share, compared with an EPS of 650.00c in the same period of the prior year. For FY16, the company expects net subscriber additions of 8,075.00mn.

Major Global Economic News

US

Non-farm payrolls in the US recorded an increase of 255.00K in July, compared to a revised advance of 292.00K in the prior month. Market expectation was for non-farm payrolls to advance 180.00K.

In July, unemployment rate remained flat at 4.9% in the US, compared to market expectations of a fall to 4.8%.

In July, average hourly earnings of all employees registered a rise of 0.3% on a monthly basis in the US, more than market expectations for an advance of 0.2%. Average hourly earnings of all employees had registered a rise of 0.1% in the prior month.

In June, trade deficit in the US widened to USD44.50bn, following a revised deficit of USD41.00bn in the prior month. Markets were expecting the nation to post a deficit of USD43.00bn.

In June, consumer credit in the US registered a rise of USD12.32bn, compared to a revised rise of USD17.91bn in the prior month. Markets were expecting consumer credit to rise USD16.00bn.

Eurozone

On a monthly basis, the seasonally adjusted factory orders in Germany recorded an unexpected drop of 0.4% in June, compared to a revised rise of 0.1% in the prior month. Markets were expecting factory orders to rise 0.5%

Asia

Trade surplus (BOP basis) in Japan widened to JPY763.60bn in June, less than market expectations of a surplus (BOP basis) of JPY773.30bn. Japan had posted a surplus (BOP basis) of JPY39.90bn in the previous month.

Adjusted (total) current account surplus in Japan expanded to JPY1648.40bn in June, compared to a surplus of JPY1414.50bn in the previous month. Markets were expecting the nation to register a surplus of JPY1600.10bn.

China reported trade surplus of USD52.31bn in July, compared to a trade surplus of USD 48.11bn in the previous month. Markets were anticipating the nation to post a trade surplus of USD 47.30bn.

ONE Minute Brief

8 August 2016

GTC
consult • partner • manage

40 Best Performers on the All Share Index

Company Name	Last Close	1 Week % Change	MTD % Change	YTD % Change
Harmony Gold Mining Co Ltd	62	-1.77%	-1.77%	294.23%
Kumba Iron Ore Ltd	142	5.03%	5.03%	245.46%
Sibanye Gold Ltd	69	7.66%	7.66%	202.49%
Assore Ltd	180	-2.85%	-2.85%	189.37%
AngloGold Ashanti Ltd	299	-1.34%	-1.34%	181.44%
Impala Platinum Holdings Ltd	65	6.48%	6.48%	159.38%
Anglo American Platinum Ltd	444	0.91%	0.91%	139.56%
Pan African Resources Plc	4	2.76%	2.76%	134.29%
African Rainbow Minerals Ltd	98	-1.21%	-1.21%	124.40%
Anglo American Plc	154	0.75%	0.75%	123.45%
Lonmin Plc	40	-7.11%	-7.11%	119.95%
Gold Fields Ltd	87	1.49%	1.49%	106.18%
Northam Platinum Ltd	51	-0.18%	-0.18%	94.35%
Royal Bafokeng Platinum Ltd	50	-3.27%	-3.27%	88.74%
Exxaro Resources Ltd	82	-0.88%	-0.88%	86.81%
Bidvest Group Ltd	162	1.47%	1.47%	82.01%
Murray & Roberts Holdings Ltd	13	0.93%	0.93%	62.63%
African Oxygen Ltd	20	0.00%	0.00%	53.85%
Massmart Holdings Ltd	148	1.86%	1.86%	47.71%
Blue Label Telecoms Ltd	18	-3.35%	-3.35%	47.24%
Shoprite Holdings Ltd	206	1.27%	1.27%	43.71%
Clicks Group Ltd	125	0.68%	0.68%	40.56%
Coronation Fund Managers Ltd	74	0.07%	0.07%	39.55%
JSE Ltd	176	3.41%	3.41%	38.22%
Imperial Holdings Ltd	163	-1.71%	-1.71%	36.48%
Barloworld Ltd	83	0.76%	0.76%	33.94%
Niveus Investments Ltd	26	-9.45%	-9.45%	31.25%
Hyprop Investments Ltd	135	-0.31%	-0.31%	30.14%
Tongaat Hulett Ltd	120	0.80%	0.80%	29.38%
Cashbuild Ltd	385	2.14%	2.14%	28.35%
Omnia Holdings Ltd	170	3.14%	3.14%	27.75%
Standard Bank Group Ltd	145	4.60%	4.60%	27.68%
Tsogo Sun Holdings Ltd	31	6.17%	6.17%	27.23%
Invicta Holdings Ltd	57	-2.98%	-2.98%	26.92%
Ascendis Health Ltd	25	5.64%	5.64%	24.91%
Pick n Pay Stores Ltd	81	3.19%	3.19%	24.25%
Tiger Brands Ltd	390	-0.01%	-0.01%	23.19%
Aspen Pharmacare Holdings Ltd	377	0.47%	0.47%	21.74%
Foschini Group Ltd	148	-0.87%	-0.87%	21.28%
Santam Ltd	228	-2.08%	-2.08%	20.40%
JSE All Share Index	52348	-0.85%	-0.85%	3.26%

Address: GTC @Grant Thornton, The Wanderers Office Park, 52 Corlett Drive, Illovo, 2196.
t: +27 (0) 21 412 1074 | e: oneminutebrief@gtc.co.za | w: www.gtc.co.za

An Authorised Financial Services Provider FSP No. 731
formerly Grant Thornton Capital

Employee Benefits Consulting • Employee Benefits Administration • Private Client Wealth Management • Healthcare Consulting •
Short-Term Risk Solutions • Stockbroking • Derivatives Trading • Unit Trust Management • Asset Management • Fiduciary Services

ONE Minute Brief

8 August 2016

GTC
consult • partner • manage

Economic Calendar

Country	SAST	Economic Indicator	Relevance	Consensus/ *Actual	Previous/ **Previous Est.	Frequency
Japan	01:50	Adjusted Current Account Total (Jun)	✓	JPY1648.40bn*	JPY1414.50bn	Monthly
Japan	01:50	Trade Balance - BOP Basis (Jun)	✓✓	JPY763.60bn*	JPY39.90bn	Monthly
China	05:00	Trade Balance (Jul)	✓✓	USD52.31bn*	USD48.11bn	Monthly
Japan	06:30	Bankruptcies (YoY) (Jul)	✓✓	-	-7.40%	Monthly
Japan	07:00	Eco Watchers Survey: Current (Jul)	✓✓	42.50	41.20	Monthly
Japan	07:00	Eco Watchers Survey: Outlook (Jul)	✓✓	42.00	41.50	Monthly
South Africa	08:00	Net Gold & Forex Reserve (Jul)	✓	USD40.94bn	USD40.83bn	Monthly
South Africa	08:00	Gross Gold & Forex Reserve (Jul)	✓	USD46.40bn	USD46.37bn	Monthly
Germany	08:00	Industrial Production s.a. (MoM) (Jun)	✓	0.70%	-1.30%	Monthly
France	08:30	Bank of France Business Sentiment (Jul)	✓	97.00	97.00	Monthly
Switzerland	09:15	Consumer Price Index (MoM) (Jul)	✓✓	-0.50%	0.10%	Monthly
Eurozone	10:30	Sentix Investor Confidence (Aug)	✓✓	3.00	1.70	Monthly
Greece	11:00	Industrial Production (YoY) (Jun)	✓	-	2.90%	Monthly
Greece	11:00	Consumer Price Index (YoY) (Jul)	✓	-	-0.70%	Monthly
South Africa	11:30	SACCI Business Confidence Index (Jul)	✓	-	95.10	Monthly
Canada	14:30	Building Permits (MoM) (Jun)	✓	1.50%	-1.90%	Monthly
US	-	Mortgage Delinquencies (Q2)	✓	-	4.77%	Quarterly
US	-	MBA Mortgage Foreclosures (Q2)	✓	-	1.74%	Quarterly
China	-	Actual FDI (YoY) (Jul)	✓✓	6.30%	9.70%	Monthly

Note: ✓✓✓ High ✓✓ Medium ✓ Low

Disclaimer

This report and its contents are confidential, privileged and only for the information of the intended recipient. GTC (Pty) Ltd make no representations or warranties in respect of this report or its content and will not be liable for any loss or damage of any nature arising from this report, the content thereof, your reliance thereon its unauthorised use or any electronic viruses associated therewith. Please note that content does not necessarily represent or reflect the views and opinions of GTC (Pty) Ltd. This report is proprietary to GTC (Pty) Ltd and you may not copy or distribute the report without the prior written consent of the authors. Any feedback or contributions are most welcome. GTC (Pty) Ltd Registration No 1996/001488/07 FSP No 731. An authorised Financial Services Provider.

Address: GTC @Grant Thornton, The Wanderers Office Park, 52 Corlett Drive, Illovo, 2196.
t: +27 (0) 21 412 1074 | e: oneminutebrief@gtc.co.za | w: www.gtc.co.za

An Authorised Financial Services Provider FSP No. 731
formerly Grant Thornton Capital

Employee Benefits Consulting • Employee Benefits Administration • Private Client Wealth Management • Healthcare Consulting •
Short-Term Risk Solutions • Stockbroking • Derivatives Trading • Unit Trust Management • Asset Management • Fiduciary Services