

# ONE Minute Brief

7 November 2016

**GTC**  
consult • partner • manage

## Economic and Political News

Hawks spokesman, Hangwana Mulaudzi, announced that the media reports of investigation against African National Congress (ANC), General Secretary, Gwede Mantashe, the party's treasurer, Zweli Mkhize, and Deputy Finance Minister, Mcebisi Jonas, are false.

Treasury's budget office head, Michael Sachs, stated that if South Africa's rating is downgraded to sub investment grade, then state-owned companies will need extra loan guarantees and cash injections.

ANC NEC member, Dr Mathole Motshekga, asked President, Jacob Zuma, to step down, supporting the party's Chief Whip, Jackson Mthembu.

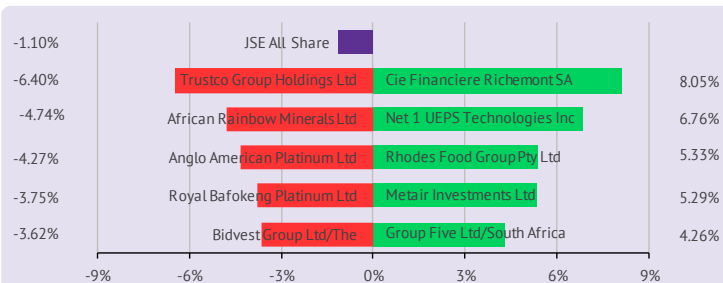
Democratic Alliance (DA) Leader, Mmusi Maimane, stated that the Public Protector's State of Capture report indicates the deterioration with the ANC and that a motion of no confidence to have the President removed will be debated in Parliament soon.

NPA head, Shaun Abrahams, revealed to Parliament that the head of the Hawks, Lieutenant-General, Berning Ntlembeza, had pleaded with him not to drop the charges against Finance Minister, Pravin Gordhan.

## South Africa Market ▼

### South African markets closed lower

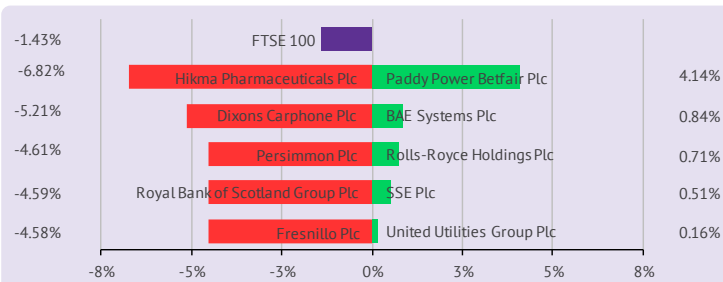
South African markets closed in the red on Friday, amid losses in retail, financial and banking sector stocks. The JSE All Share Index fell 1.1% to close at 49,686.10.



## UK Market ▲

### The FTSE 100 futures are trading in positive territory

UK markets finished lower on Friday, led by losses in pharmaceuticals and mining sector stocks. The FTSE 100 Index declined 1.4% to close at 6,693.26.



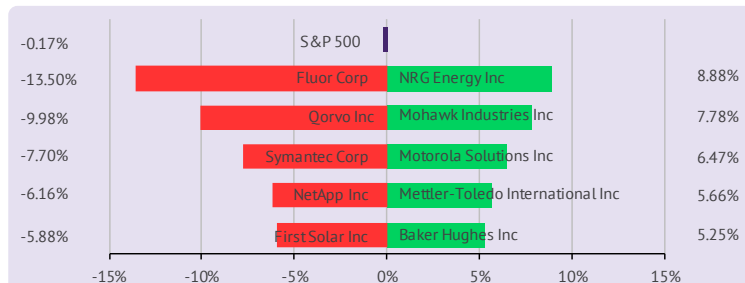
## Key Indices

	Last Close		1 Day Chg	1 D % Chg	WTD % Chg	MTD % Chg	Prev. Month % Chg	YTD % Chg
JSE All Share	49686.10	▼	-553.17	-1.10%	NA	-1.79%	-2.62%	-1.99%
JSE Top 40	43229.65	▼	-482.66	-1.10%	NA	-1.79%	-3.10%	-5.61%
FTSE 100	6693.26	▼	-97.25	-1.43%	NA	-3.75%	0.80%	7.22%
DAX 30	10259.13	▼	-66.75	-0.65%	NA	-3.81%	1.47%	-4.50%
CAC 40	4377.46	▼	-34.22	-0.78%	NA	-2.92%	1.37%	-5.60%
S&P 500	2085.18	▼	-3.48	-0.17%	NA	-1.93%	-1.94%	2.02%
Nasdaq Composite	5046.37	▼	-12.04	-0.24%	NA	-2.75%	-2.31%	0.78%
DJIA	17888.28	▼	-42.39	-0.24%	NA	-1.40%	-0.91%	2.66%

## US Market ▲

### The S&P 500 futures are trading in the green

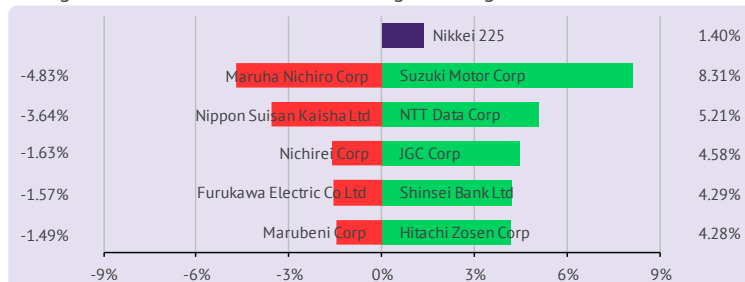
US markets closed lower on Friday, weighed down by losses in consumer staples sector stocks. Data indicated that US nonfarm payrolls rose less-than-anticipated in October. The S&P 500 Index dropped 0.2% to close at 2,085.18.



## Asian Market ◀▶

### Trading mixed

Asian markets are trading mixed this morning. Bank of Japan's latest monetary policy meeting minutes revealed that the country's economy is recovering at a satisfactory pace and will achieve its 2% inflationary target. The Nikkei 225 Index is trading 1.4% higher at 17142.12.



**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

7 November 2016

**GTC**  
consult • partner • manage

## USDZAR ▼

### USD trading lower against ZAR

At 06:00 SAST, the US Dollar is trading 0.1% lower against the South African Rand at R13.5624. Later today, traders will keep a close watch on US labour market condition index and consumer credit change for further cues.

The US Dollar rose against the South African Rand on Friday. Data indicated that US nonfarm payrolls advanced less-than-expected in October from September. Further, unemployment rate declined and came in line with market anticipations in October. Additionally, trade deficit narrowed in September from August.

## GBPZAR ▼

### GBP trading weaker against ZAR

At 06:00 SAST, the British Pound declined 0.6% against the South African Rand to trade at R16.8900. Later today, traders will keep an eye on UK's BRC like-for-like retail sales for further direction.

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

## EURZAR ▼

### EUR trading lower against ZAR

At 06:00 SAST, the Euro is trading 0.6% weaker against the South African Rand at R15.0256. Going forward, market participants will keep a tab on Eurozone's Sentix investor confidence index and retail sales data scheduled to release in few hours. Moreover, in Germany, Markit's construction PMI and factory orders will be on investors' radar.

The Euro strengthened against the South African Rand on Friday, after data indicated that producer price index in the Eurozone bounced back in the positive territory on a monthly basis, in September. Further, final Markit services PMI expanded less-than-expected in October. Moreover, Germany's services PMI advanced more than preliminary estimate, remaining in the expansion territory.

## AUDZAR ▼

### AUD trading weaker against ZAR

At 06:00 SAST, the Australian Dollar is trading marginally weaker against the South African Rand at R10.4105. Earlier in the session, data indicated that Australia's performance of construction index contracted in October from September to a 20 month low.

The Australian Dollar rose against the South African Rand on Friday. Data indicated that Australia's retail sales unexpectedly increased on a monthly basis in September. Separately, the Reserve Bank of Australia, in its November monetary policy statement, stated that it expects GDP growth to average between 2.5% and 3.5% over the next two years. Moreover, CPI is also estimated to return to target range over the same period.

## Key Currencies & Commodities

	Current		1 D % Chg	WTD % Chg	MTD % Chg	Prev. Month % Chg	YTD % Chg
USDZAR	13.5624	▼	0.89%	NA	0.82%	-1.91%	-12.30%
GBPZAR	16.8900	▼	1.26%	NA	3.00%	-7.38%	-25.51%
EURZAR	15.0256	▼	1.13%	NA	2.22%	-4.15%	-10.04%
AUDZAR	10.4105	▼	0.73%	NA	1.65%	-2.60%	-8.36%
EURUSD	1.1079	▼	0.29%	NA	1.42%	-2.28%	2.47%
GBPUSD	1.2457	▼	0.46%	NA	2.25%	-5.63%	-15.09%
Brent (\$/barrel)	46.0	▲	-1.66%	NA	-6.23%	-3.15%	22.26%
Gold (\$/oz)	1292.5	▼	0.09%	NA	2.47%	-3.06%	23.04%
Platinum (\$/oz)	997.0	▼	1.02%	NA	2.65%	-4.86%	12.65%
Copper (\$/MT)*	4977.5	▲	0.62%	NA	2.82%	-0.14%	5.77%

\*As of Previous Close

## Gold ▼

### Trading in the red

At 06:00 SAST, gold prices fell 0.9% to trade at \$1,292.50/oz.

On Friday, gold prices rose 0.1% to close at \$1,304.50/oz, amid weakness in the US Dollar and decline in global equities market increased demand for the precious metal.

## Brent Crude Oil ▲

### Trading stronger

At 06:00 SAST, Brent crude oil gained 1% to trade at \$46.03/bl.

On Friday, Brent crude oil dropped 1.7% to settle at \$45.58/bl, after Baker Hughes reported that US oil rig count rose by 9 to 450 last week.

## Platinum ▼

### Trading in negative territory

At 06:00 SAST, platinum prices retreated 0.7% to trade at \$997.00/oz.

On Friday, platinum prices climbed 1.0% to close at \$1004.50/oz.



# ONE Minute Brief

7 November 2016



consult • partner • manage

## Major Global Economic News

### US

In the US, non-farm payrolls rose by 161.00K in October, following a revised advance of 191.00K in the previous month. Markets were anticipating non-farm payrolls to advance 173.00K.

In October, unemployment rate registered a drop to 4.9% in the US, at par with market expectations. In the prior month, unemployment rate had recorded a level of 5.0%.

In the US, trade deficit fell to USD36.40bn in September, compared to market expectations of a trade deficit of USD38.00bn. The US had reported a revised trade deficit of USD40.50bn in the previous month.

### Asia

In Australia, the AIG performance of construction index eased to 45.90 in October. The index had registered a reading of 51.40 in the previous month.

Bank of Japan's (BoJ) September 20-21st meeting minutes, revealed that the majority of the policymakers expressed the view that it could take time for the central bank's monetary policy to heighten inflation expectations. At this meeting, the BoJ switched its policy target to interest rate targeting from quantitative easing, after years of asset purchases failed to jolt the economy out of stagnation.

### Eurozone

In October, the final services PMI recorded a rise to 52.80 in the Eurozone, compared to market expectations of a rise to 53.50. In the previous month, the PMI had recorded a reading of 52.20. The preliminary figures had indicated a rise to 53.50.

In Germany, the final services PMI registered a rise to 54.20 in October, compared to a level of 50.90 in the previous month. The preliminary figures had indicated a rise to 54.10. Market expectation was for services PMI to rise to 54.10.

In September, the producer price index (PPI) recorded an unexpected rise of 0.1% on a monthly basis in the Eurozone, compared to a drop of 0.2% in the prior month. Market expectation was for the PPI to remain unchanged.



# ONE Minute Brief

7 November 2016



consult • partner • manage

## 40 Best Performers on the All Share Index

Company Name	Last Close	1 Week % Change	MTD % Change	YTD % Change
Kumba Iron Ore Ltd	137	-0.29%	0.12%	232.14%
Assore Ltd	192	10.98%	5.21%	209.16%
Harmony Gold Mining Company Ltd	45	7.58%	10.44%	191.03%
Anglo American PLC	182	-1.82%	-1.95%	163.44%
ArcelorMittal South Africa Ltd	12	-3.06%	1.91%	160.44%
Exxaro Resources Ltd	103	5.70%	3.99%	134.24%
South32 Ltd	26	0.88%	-0.38%	118.18%
African Rainbow Minerals Ltd	94	-3.26%	-3.75%	115.97%
Impala Platinum Holdings Ltd	54	-0.31%	-0.24%	115.93%
Niveus Investments Ltd	40	0.00%	-2.44%	100.00%
Lonmin PLC	37	17.97%	19.20%	99.78%
Pan African Resources PLC	3	-1.15%	1.47%	96.57%
Glencore PLC	40	-2.20%	-1.43%	92.51%
Bidvest Group Ltd	163	-2.43%	-2.69%	83.20%
Northam Platinum Ltd	48	-2.56%	-2.50%	81.89%
AngloGold Ashanti Ltd	193	4.57%	6.79%	81.55%
Anglo American Platinum Ltd	325	-1.37%	2.15%	75.08%
Sibanye Gold Ltd	39	4.93%	7.16%	72.34%
Blue Label Telecoms Ltd	20	-1.73%	-2.70%	63.37%
Raubex Group Ltd	25	2.04%	-0.52%	48.37%
African Oxygen Ltd	19	-4.35%	-4.26%	45.31%
Royal Bafokeng Platinum Ltd	39	-4.35%	-6.07%	44.47%
Imperial Holdings Ltd	164	-2.80%	-3.55%	37.63%
Barloworld Ltd	85	-1.01%	-2.82%	36.97%
Clicks Group Ltd	120	-1.58%	-4.50%	34.66%
Gold Fields Ltd	57	1.25%	3.25%	34.10%
Coronation Fund Managers Ltd	71	-4.06%	-2.33%	33.91%
Santam Ltd	240	-1.45%	-0.74%	31.33%
Wilson Bayly Holmes - Ovcon Ltd	148	2.19%	-2.51%	30.83%
Ascendis Health Ltd	26	-3.68%	-3.50%	30.49%
Shoprite Holdings Ltd	186	-2.59%	-6.51%	29.87%
Invicta Holdings Ltd	58	4.50%	4.32%	29.15%
Cashbuild Ltd	382	-2.13%	-3.04%	27.27%
Standard Bank Group Ltd	142	2.10%	-0.74%	25.11%
Tongaat Hulett Ltd	116	-3.94%	-5.10%	24.28%
Capitec Bank Holdings Ltd	668	-0.93%	-2.53%	23.98%
Tsogo Sun Holdings Ltd	30	-2.71%	-2.48%	23.35%
Italtile Ltd	15	1.40%	-0.34%	22.88%
JSE Ltd	154	0.16%	-1.92%	21.34%
Omnia Holdings Ltd	161	-1.24%	-1.47%	20.93%
<b>JSE All Share Index</b>	<b>49686</b>	<b>-2.19%</b>	<b>-1.79%</b>	<b>-1.99%</b>

**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

7 November 2016

**GTC**  
consult • partner • manage

## Economic Calendar

Country	SAST	Economic Indicator	Relevance	Consensus/ *Actual	Previous	Frequency
Japan	00:00	Labour Cash Earnings (YoY) (Sep)	✓✓	0.20%*	0.00%	Monthly
Germany	07:00	Plant and Machinery Orders (Sep)	✓	-	118.10	Monthly
Germany	07:00	Factory Orders n.s.a. (YoY) (Sep)	✓✓	3.50%	2.10%	Monthly
Germany	07:00	Factory Orders s.a. (MoM) (Sep)	✓✓	0.20%	1.00%	Monthly
Spain	08:00	Industrial Output n.s.a. (YoY) (Sep)	✓✓	-	6.90%	Monthly
Spain	08:00	Industrial Production Index (Sep)	✓✓	-	97.80	Monthly
Switzerland	08:00	Foreign Currency Reserves (Oct)	✓	-	CHF628.00bn	Monthly
Spain	08:00	Industrial Output s.a. (YoY) (Sep)	✓✓	2.50%	4.00%	Monthly
Switzerland	08:15	Harmonised Index of Consumer Prices (HICP) (MoM) (Oct)	✓✓	-	0.00%	Monthly
Switzerland	08:15	Harmonised Index of Consumer Prices (HICP) (YoY) (Oct)	✓✓	-	-0.30%	Monthly
Switzerland	08:15	Consumer Price Index (MoM) (Oct)	✓✓	0.20%	0.10%	Monthly
Switzerland	08:15	Consumer Price Index (YoY) (Oct)	✓✓	0.00%	-0.20%	Monthly
UK	08:30	Halifax House Prices (3m/YoY) (Oct)	✓	4.90%	5.80%	Monthly
UK	08:30	Halifax House Prices (MoM) (Oct)	✓	0.20%	0.10%	Monthly
Eurozone	09:15	ECB's Constancio on Panel at EU Macro-Prudential Hearing	✓	-	-	As scheduled
Eurozone	09:30	Sentix Investor Confidence (Nov)	✓✓	8.60	8.50	Monthly
Eurozone	10:00	Retail Sales (YoY) (Sep)	✓✓✓	1.20%	0.60%	Monthly
Eurozone	10:00	Retail Sales (MoM) (Sep)	✓✓	-0.30%	-0.10%	Monthly
Eurozone	16:00	ECB's Lautenschlaeger Speaks in Munich	✓	-	-	As scheduled
US	20:00	Consumer Credit Change (Sep)	✓✓	-	USD25.87bn	Monthly
Japan	23:50	Japan Foreign Reserves (Oct)	✓	-	USD1260.10bn	Monthly
US	-	Mortgage Delinquencies (Q3)	✓	-	4.66%	Quarterly
US	-	MBA Mortgage Foreclosures (Q3)	✓	-	1.64%	Quarterly

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