

ONE Minute Brief

19 December 2016

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Economic and Political News

In South Africa, the producer price index (PPI) recorded a rise of 6.9% on a yearly basis in November, compared to a rise of 6.6% in the prior month. Markets were anticipating the PPI to advance 6.8%.

The National Union of Metalworkers of South Africa (NUMSA) wants the proposed minimum wage to be increased to ZAR12,500 from ZAR3,500. Separately, NUMSA's General Secretary, Irvin Jim, called for President, Jacob Zuma, to face the charges brought forth against him by the National Prosecuting Authority in 2007 and to be sent to jail if found guilty.

The Presidency announced that President, Jacob Zuma, will analyse and will take necessary steps on the report received by the board of inquiry that investigated the suspended National Police Commissioner, Riah Phiyega's fitness to hold office.

South African Communist Party (SACP) General Secretary, Blade Nzimande, indicated that the SACP will remain in the alliance with the African National Congress (ANC), for now, but warned that the ANC will not be able to lead the national democratic revolution if it does not unite.

Key Indices

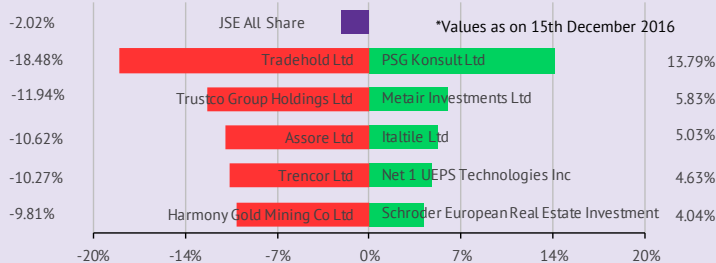
	Last Close		1 Day Chg	1 D % Chg	WTD % Chg	MTD % Chg	Prev. Month % Chg	YTD % Chg
JSE All Share*	49691.31	▼	-1024.94	-2.02%	NA	-1.03%	-0.75%	-1.98%
JSE Top 40*	43165.26	▼	-886.44	-2.01%	NA	-1.20%	-0.75%	-5.75%
FTSE 100	7011.64	▲	12.63	0.18%	NA	3.36%	-2.45%	12.32%
DAX 30	11404.01	▲	37.61	0.33%	NA	7.18%	-0.23%	6.15%
CAC 40	4833.27	▲	14.04	0.29%	NA	5.57%	1.53%	4.23%
S&P 500	2258.07	▼	-3.96	-0.18%	NA	2.70%	3.42%	10.48%
Nasdaq Composite	5437.16	▼	-19.69	-0.36%	NA	2.13%	2.59%	8.58%
DJIA	19843.41	▼	-8.83	-0.04%	NA	3.76%	5.41%	13.88%

*Values as on 15th December 2016

South Africa Market ▼

South African markets closed lower

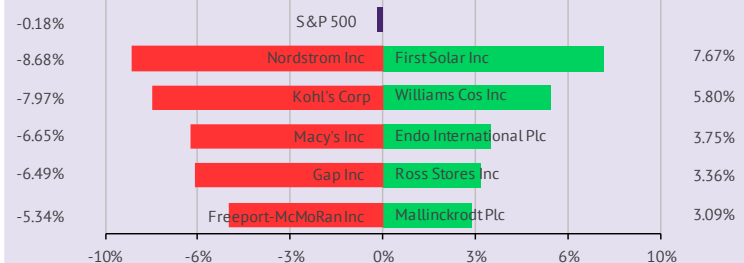
South African markets closed in the red on Thursday, amid losses in gold mining sector stocks. Data indicated that South Africa's PPI advanced more-than-expected on an annual basis in November. The JSE All Share Index fell 2.0% to close at 49,691.31.



US Market ▼

The S&P 500 futures are trading in the green

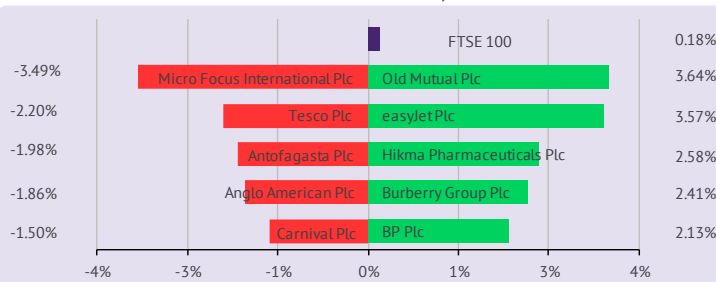
US markets closed lower on Friday, led by losses in financial sector stocks. Data revealed that US housing starts dropped more-than-expected on a monthly basis in November. The S&P 500 Index dropped 0.2% to close at 2,258.07.



UK Market ▲

The FTSE 100 futures are trading in positive territory

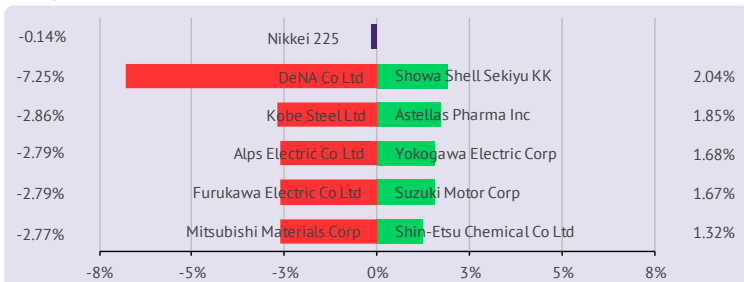
UK markets finished higher on Friday, supported by gains in health care, energy and industrial sector stocks. Data showed that UK's CBI trends total orders unexpectedly rose on a monthly basis in December. The FTSE 100 Index advanced 0.2% to close at 7,011.64.



Asian Market ▼

Trading lower

Asian markets are trading lower this morning. Data indicated that Japan's adjusted merchandise trade balance increased less-than-expected in November. The Nikkei 225 Index is trading 0.1% lower at 19,374.48.



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

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USDZAR ▼

USD trading lower against ZAR

At 06:00 SAST, the US Dollar is trading 0.4% weaker against the South African Rand at R14.0125. Later today, traders will keep a close watch on US Markit services PMI for further direction.

The US Dollar rose against the South African Rand on Friday. Data indicated that US housing starts fell more than market anticipations on a monthly basis in November. Further, building permits dropped more-than-expected in November from October, amid a decline in construction activity. Separately, South African PPI registered a higher-than-expected rise on a yearly basis in November, its highest level in 3 months.

GBPZAR ▼

GBP trading weaker against ZAR

At 06:00 SAST, the British Pound fell 0.5% against the South African Rand to trade at R17.4840.

The British Pound advanced against the South African Rand on Friday. Data revealed that UK's CBI trends total orders surprisingly advanced in December from November, its highest level in 20 months.

EURZAR ▼

EUR trading weaker against ZAR

At 06:00 SAST, the Euro retreated 0.3% against the South African Rand to trade at R14.6523. Going forward, market participants will keep a tab on Eurozone's construction output and labour costs scheduled in few hours. Germany's Ifo business climate will be on investors' radar.

The Euro strengthened against the South African Rand on Friday. Data revealed that final consumer price index (CPI) in the Eurozone advanced in line with market expectations on an annual basis in November, while CPI declined at par with market forecast on a monthly basis in the same month. Further, trade surplus narrowed in October from September, its lowest level in eight months, as exports declined and imports increased.

AUDZAR ▼

AUD trading lower against ZAR

At 06:00 SAST, the Australian Dollar is trading 0.6% weaker against the South African Rand at R10.2235. Earlier in the session, in China, Australia's largest trading partner, house price index advanced on an annual basis in November, compared to the prior reading.

The Australian Dollar rose against the South African Rand on Friday.

Key Currencies & Commodities

	Current		1 D % Chg	WTD % Chg	MTD % Chg	Prev. Month % Chg	YTD % Chg
USDZAR	14.0125	▼	0.76%	NA	-0.04%	4.61%	-9.03%
GBPZAR	17.4840	▼	1.29%	NA	-0.31%	6.86%	-22.95%
EURZAR	14.6523	▼	1.02%	NA	-1.50%	0.88%	-12.55%
AUDZAR	10.2235	▼	0.05%	NA	-1.09%	1.49%	-9.51%
EURUSD	1.0456	▲	0.32%	NA	-1.30%	-3.59%	-3.86%
GBPUSE	1.2478	▼	0.56%	NA	-0.14%	2.14%	-15.30%
Brent (\$/barrel)	55.6	▲	2.20%	NA	6.50%	6.64%	48.10%
Gold (\$/oz)	1139.9	▲	0.67%	NA	-3.03%	-8.04%	7.08%
Platinum (\$/oz)	927.0	▼	4.53%	NA	2.66%	-7.02%	4.75%
Copper (\$/MT)*	5629.8	▼	-1.64%	NA	-3.16%	20.08%	19.64%

*As of Previous Close

Gold ▲

Trading in the green

At 06:00 SAST, gold prices rose 0.4% to trade at \$1,139.90/oz.

On Friday, gold prices rose 0.7% to close at \$1,135.30/oz, as weakness in the US Dollar increased demand for the precious yellow metal.

Brent Crude Oil ▲

Trading stronger

At 06:00 SAST, Brent crude oil edged 0.7% higher to trade at \$55.59/bl.

On Friday, Brent crude oil advanced 2.2% to settle at \$55.21/bl, amid rising hopes that oil producers will curb the output as decided.

Platinum ▼

Trading in negative territory

At 06:00 SAST, platinum prices edged 0.8% lower to trade at \$927.00/oz.

On Friday, platinum prices climbed 4.5% to close at \$934.10/oz.



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Major South Africa Corporate News

AngloGold Ashanti Limited

The company reported an improved production outlook at the Tropicana Gold Mine in Western Australia, based on higher mining and processing rates along with a 45.0% increase in the mine's ore reserve estimate. Gold production is expected to increase to an annualised rate of between 450,000 – 490,000 ounce per annum from 2H17, with further increases anticipated, depending on the outcome of the Long Island Study.

Major Global Economic News

US

In the US, building permits eased 4.7%, on monthly basis, to an annual rate of 1201.00K in November compared to a revised reading of 1260.00K in the previous month. Markets were anticipating building permits to ease to a level of 1240.00K.

In November, housing starts dropped 18.7%, on a monthly basis, to an annual rate of 1090.00K in the US, compared to a revised reading of 1340.00K in the previous month. Market expectation was for housing starts to drop to 1230.00K.

Asia

In Japan, adjusted merchandise trade surplus rose to JPY536.10bn in November. Japan had posted a revised adjusted merchandise trade surplus of JPY466.80bn in the prior month.

In November, the house price index recorded a rise of 12.6% on a yearly basis in China. The index had registered a rise of 12.3% in the prior month.

Eurozone

In Eurozone, the final CPI registered a rise of 0.6% on an annual basis in November, at par with market expectations. In the prior month, the CPI had registered a rise of 0.5%. The preliminary figures had recorded an advance of 0.5%.

In October, the seasonally adjusted trade surplus narrowed to EUR19.70bn in the Eurozone, following a revised trade surplus of EUR24.40bn in the previous month. Market anticipation was for the region's a trade surplus to widen to EUR24.50bn.

UK

In the UK, CBI trends total order recorded an unexpected rise to a level of 0.00 in December, compared to a reading of -3.00 in the prior month. Market anticipation was for the CBI trends total order to fall to a level of -5.00.



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40 Best Performers on the All Share Index

Company Name	Last Close	1 Week % Change	MTD % Change	YTD % Change
Kumba Iron Ore Ltd	172	-0.14%	3.83%	318.33%
Assore Ltd	227	-2.90%	-0.55%	265.70%
Anglo American Plc	200	-8.84%	-5.83%	189.39%
ArcelorMittal South Africa Ltd	11	-0.36%	7.45%	143.56%
South32 Ltd	28	-8.08%	-1.48%	131.40%
Glencore Plc	47	-10.44%	-4.28%	127.52%
African Rainbow Minerals Ltd	98	-9.95%	-8.35%	126.54%
Exxaro Resources Ltd	87	-3.55%	-9.54%	98.41%
Bidvest Group Ltd	173	1.47%	6.25%	94.56%
Niveus Investments Ltd	38	2.70%	-3.80%	90.00%
Barloworld Ltd	114	2.05%	6.41%	83.62%
Harmony Gold Mining Company Ltd	26	-11.82%	-17.33%	67.31%
Impala Platinum Holdings Ltd	42	-2.93%	-5.68%	66.49%
Invicta Holdings Ltd	73	-2.14%	12.00%	62.10%
Blue Label Telecoms Ltd	19	-2.37%	-2.47%	52.76%
Northam Platinum Ltd	39	-8.60%	-6.56%	46.27%
Imperial Holdings Ltd	174	-6.91%	2.35%	45.41%
African Oxygen Ltd	19	-1.63%	-6.51%	43.62%
Royal Bafokeng Platinum Ltd	38	5.22%	5.60%	40.71%
Anglo American Platinum Ltd	259	-8.30%	-10.36%	39.78%
Tongaat Hulett Ltd	129	-2.20%	-0.78%	38.59%
Raubex Group Ltd	23	-5.43%	1.52%	38.58%
Murray & Roberts Holdings Ltd	11	-1.43%	-1.87%	38.00%
Omnia Holdings Ltd	184	0.85%	13.30%	37.87%
Pan African Resources Plc	2	-16.32%	-26.30%	37.71%
Standard Bank Group Ltd	151	-1.68%	-0.27%	32.68%
Wilson Bayly Holmes - Ovcon Ltd	150	6.38%	4.18%	32.00%
BHP Billiton Plc	228	-4.70%	-2.51%	31.09%
Sappi Ltd	86	0.91%	2.65%	31.03%
Group Five Ltd	26	-1.67%	6.00%	29.93%
Foschini Group Ltd	156	-3.34%	5.16%	28.10%
Massmart Holdings Ltd	128	-4.08%	11.35%	27.50%
Lonmin Plc	23	-8.04%	-12.19%	27.49%
Coronation Fund Managers Ltd	67	-3.81%	-6.13%	27.41%
Santam Ltd	233	-2.44%	-0.24%	27.06%
Clicks Group Ltd	112	-4.63%	-6.85%	26.24%
Grindrod Ltd	14	1.14%	2.52%	26.22%
AngloGold Ashanti Ltd	134	-12.12%	-13.72%	26.12%
Capitec Bank Holdings Ltd	673	2.75%	3.49%	24.96%
FirstRand Ltd	52	-1.60%	3.37%	23.20%
JSE All Share Index	49691	-2.37%	-1.03%	-1.98%

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Economic Calendar

Country	SAST	Economic Indicator	Relevance	Consensus/ *Actual	Previous	Frequency
Japan	01:50	Adjusted Merchandise Trade Balance (Nov)	✓	JPY536.10 bn*	JPY466.80 bn	Monthly
Japan	01:50	Exports (YoY) (Nov)	✓✓	-0.40%*	-10.30%	Monthly
Japan	01:50	Imports (YoY) (Nov)	✓	-8.80%*	-16.50%	Monthly
Japan	01:50	Merchandise Trade Balance Total (Nov)	✓✓	JPY152.50 bn*	JPY496.00 bn	Monthly
China	03:30	House Price Index (YoY) (Nov)	✓	12.60%*	12.30%	Monthly
Germany	11:00	IFO - Business Climate (Dec)	✓✓	110.60	110.40	Monthly
Germany	11:00	IFO - Current Assessment (Dec)	✓✓	115.90	115.60	Monthly
Germany	11:00	IFO - Expectations (Dec)	✓✓	105.60	105.50	Monthly
Eurozone	12:00	Labour Cost (Q3)	✓	-	1.00%	Quarterly
Eurozone	12:00	Construction Output s.a. (MoM) (Oct)	✓	-	-0.90%	Monthly
Eurozone	12:00	Construction Output w.d.a. (YoY) (Oct)	✓	-	1.80%	Monthly
US	16:45	Markit Composite PMI (Dec) (P)	✓✓	-	54.90	Monthly
US	16:45	Markit Services PMI (Dec) (P)	✓✓	55.20	54.60	Monthly
Eurozone	18:00	ECB's Weidmann Speaks at Conference in Brussels	✓	-	-	As scheduled

Note: ✓✓✓ High ✓✓ Medium ✓ Low

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