

# ONE Minute Brief

3 January 2017

**GTC**  
consult • partner • manage

## Economic and Political News

In South Africa, private sector credit registered a rise of 4.60% on an annual basis, in November, compared to a rise of 6.31% in the previous month. Markets were anticipating private sector credit to advance 5.70%.

President, Jacob Zuma, stated that, in 2016, the South African government made great progress in expanding various services including housing, water, electricity, education, health care and roads. He further added that collaboration between business, labour and government to improve the economy will continue in 2017, keeping job creation as a priority.

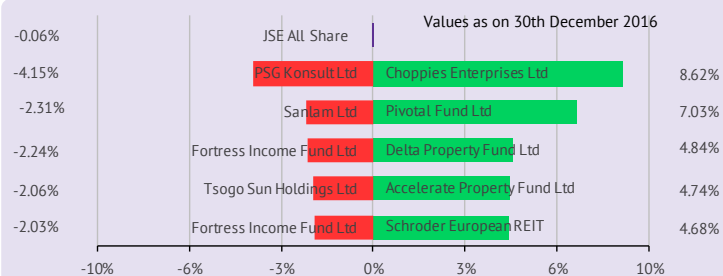
Following criticism by the ANC of the visit of Tshwane mayor Solly Msimanga to Taiwan, the Democratic Alliance (DA) has blamed the African National Congress for not focusing on job-creating investments in South Africa.

South Africa's Reserve Bank revealed that the nation's net international investment position weakened from ZAR452bn at the end of June to ZAR378bn at the end of September.

## South Africa Market ▼

### South African markets closed lower

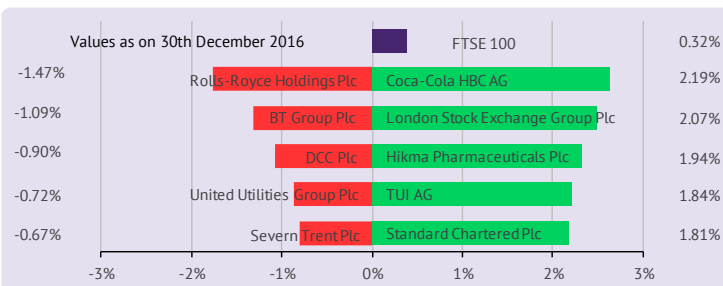
South African markets closed in the red on Friday, led by losses in banking sector stocks. Data indicated that South Africa's private sector credit rose less-than-expected on a yearly basis in November. The JSE All Share Index fell 0.1% to close at 50,653.54.



## UK Market ▲

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

UK markets finished higher on Friday, amid gains in mining and consumer discretionary sector stocks. The FTSE 100 Index advanced 0.3% to close at 7,142.83.



## Key Indices

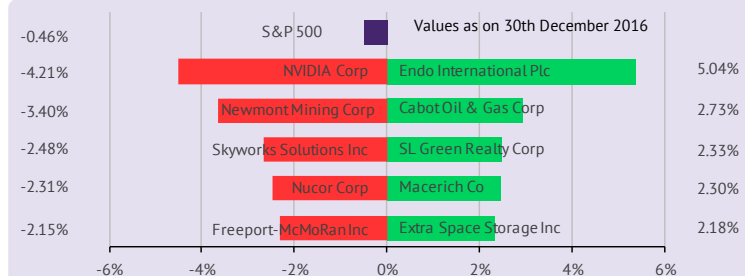
	Last Close	1 Day Chg	1 D % Chg	WTD % Chg	MTD % Chg	Prev. Month % Chg	YTD % Chg
JSE All Share*	50653.54	▼	-28.54	-0.06%	0.00%	0.00%	0.88%
JSE Top 40*	43901.99	▼	-75.35	-0.17%	0.00%	0.00%	0.48%
FTSE 100*	7142.83	▲	22.57	0.32%	0.00%	0.00%	5.29%
DAX 30	11598.33	▲	117.27	1.02%	1.02%	1.02%	7.90%
CAC 40	4882.38	▲	20.07	0.41%	0.41%	0.41%	6.20%
S&P 500*	2238.83	▼	-10.43	-0.46%	0.00%	0.00%	1.82%
Nasdaq Composite	5383.12	▼	-48.97	-0.90%	0.00%	0.00%	1.12%
DJIA*	19762.60	▼	-57.18	-0.29%	0.00%	0.00%	3.34%

\*Values as on 30th December 2016

## US Market ▼

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

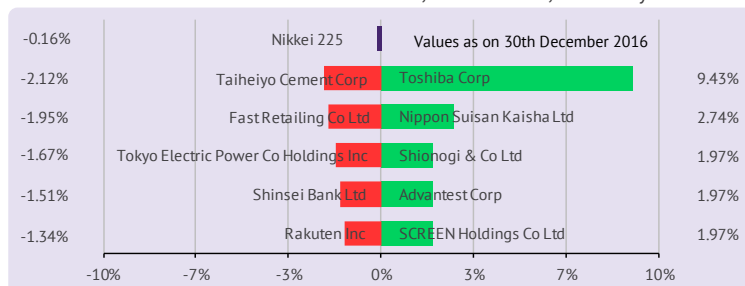
US markets closed lower on Friday, weighed down by losses in financial sector stocks. Data revealed that US Chicago purchasing manager index declined more-than-forecast in December. The S&P 500 Index dropped 0.5% to close at 2,238.83.



## Asian Market ▲

### Trading mostly higher

Asian markets are trading mostly higher this morning. Data showed that China's Caixin manufacturing PMI expanded more-than-expected in December. Markets in Japan are closed on account of a public holiday. The Nikkei 225 Index closed 0.2% lower, at 19114.37, on Friday.



**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

3 January 2017

**GTC**  
consult • partner • manage

## USDZAR ▼

### USD trading lower against ZAR

At 06:00 SAST, the US Dollar retreated 0.2% against the South African Rand to trade at R13.7100. Later today, traders will keep a close watch on ISM and Markit manufacturing PMI's and construction spending in the US for further cues.

The US Dollar rose against the South African Rand yesterday. On Friday, data revealed that US Chicago purchasing manager index dropped more than market expectations in December. Separately, in South Africa private sector credit recorded a less-than-expected rise on an annual basis in November.

## GBPZAR ▲

### GBP trading higher against ZAR

At 06:00 SAST, the British Pound is trading 0.1% firmer against the South African Rand at R16.8740. Later today, traders will keep an eye on UK's Markit manufacturing PMI for further direction.

The British Pound declined against the South African Rand yesterday.

## EURZAR ▲

### EUR trading stronger against ZAR

At 06:00 SAST, the Euro is trading marginally firmer against the South African Rand at R14.3732. Going forward, market participants will keep a tab on Germany's unemployment rate and consumer price index scheduled in few hours.

The Euro weakened against the South African Rand yesterday. Data showed that Eurozone's final Markit manufacturing PMI expanded at par with market expectations in December. Separately, Germany's final Markit manufacturing PMI advanced more-than-expected in the same month.

## AUDZAR ▲

### AUD trading firmer against ZAR

At 06:00 SAST, the Australian Dollar rose 0.4% against the South African Rand to trade at R9.9082. Earlier in the session, Australia's AiG performance of manufacturing index expanded more than market anticipations in December, supported by an increase in industrial production.

The Australian Dollar fell against the South African Rand yesterday. Data indicated that Australia's private sector credit advanced in line with market anticipations on a monthly basis in November.

## Key Currencies & Commodities

	Current		1 D % Chg	WTD % Chg	MTD % Chg	Prev. Month % Chg	YTD % Chg
USDZAR	13.7100	▼	0.06%	0.06%	0.06%	-2.48%	0.06%
GBPZAR	16.8740	▲	-0.40%	-0.40%	-0.40%	-3.94%	-0.40%
EURZAR	14.3732	▲	-0.47%	-0.47%	-0.47%	-3.21%	-0.47%
AUDZAR	9.9082	▲	-0.41%	-0.41%	-0.41%	-4.68%	-0.41%
EURUSD	1.0483	▲	-0.53%	-0.53%	-0.53%	-0.68%	-0.53%
GBPUSD	1.2301	▲	-0.49%	-0.49%	-0.49%	-1.34%	-0.49%
Brent (\$/barrel)#	57.1	▲	-0.1%	NA	0.00%	9.61%	0.00%
Gold (\$/oz)#	1156.9	▲	-0.6%	NA	0.00%	-1.63%	0.00%
Platinum (\$/oz)#	910.5	▲	-0.4%	NA	0.00%	-0.91%	0.00%
Copper (\$/MT)*	5523.0	-	0.00%	NA	0.00%	-4.99%	0.00%

\*As of Previous Close ; #1D% change as on 30th December 2016

## Gold ▲

### Trading in the green

At 06:00 SAST, gold prices edged 0.5% higher to trade at \$1,156.90/oz.

On Friday, gold prices fell 0.6% to close at \$1,151.70/oz, reversing its previous session gains.

## Brent Crude Oil ▲

### Trading stronger

At 06:00 SAST, Brent crude oil edged 0.5% higher to trade at \$57.13/bl.

On Friday, Brent crude oil dropped 0.1% to settle at \$56.82/bl, as Baker Hughes reported that US oil rig count rose by 2 to 525 in the week ended December 30.

## Platinum ▲

### Trading in positive territory

At 06:00 SAST, platinum prices edged 1.0% higher to trade at \$910.50/oz.

On Friday, platinum prices climbed 0.4% to close at \$901.60/oz.



# ONE Minute Brief

3 January 2017



## Major South Africa Corporate News

### Ellies Holdings Limited

In its 1H17 results, the company stated that its revenue decreased to ZAR652.41mn from ZAR881.50mn recorded in the corresponding period of the previous year. Its headline loss per share stood at 11.30c, compared with 1.02c recorded in the corresponding period of the previous year.

## Major Global Economic News

### Eurozone

In the Eurozone, the final manufacturing PMI registered a rise to 54.90 in December, in line with market expectations. The preliminary figures had also indicated a rise to 54.90. In the previous month, the manufacturing PMI had recorded a reading of 53.70.

In December, the final manufacturing PMI advanced to 55.60 in Germany, compared to market expectations of a rise to 55.50. Manufacturing PMI had registered a level of 54.30 in the prior month. The preliminary figures had indicated an advance to 55.50.

### Asia

In Australia, the AIG performance of manufacturing index registered a rise to 55.40 in December. The index had recorded a reading of 54.20 in the previous month.

In December, Caixin/Markit manufacturing PMI index unexpectedly rose to 51.90 in China, compared to market expectations of an unchanged reading. The index had recorded a level of 50.90 in the prior month.

### US

In December, the Chicago Fed purchasing managers index recorded a drop to 54.60 in the US, compared to a level of 57.60 in the previous month. Markets were anticipating the index to ease to 56.80.

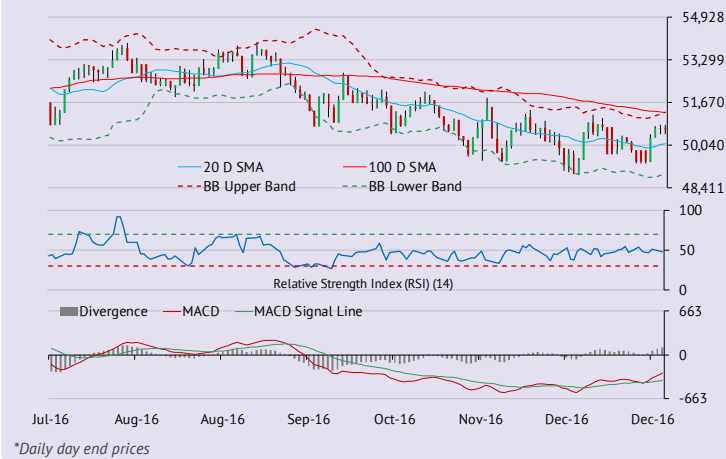
# ONE Minute Brief

3 January 2017

**GTC**  
consult • partner • manage

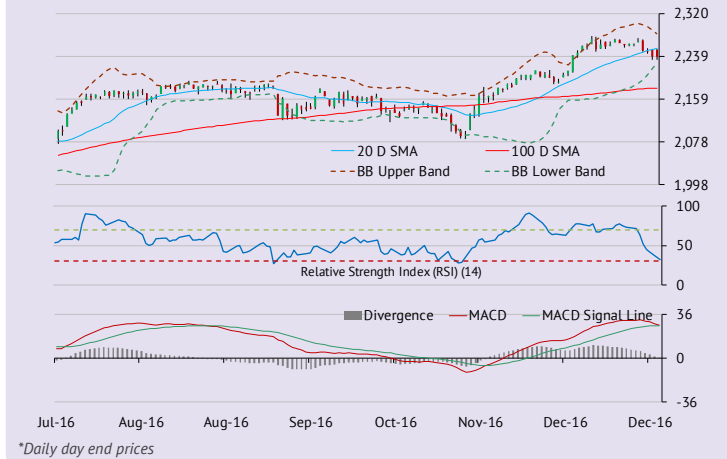
## Technical Snapshot

### JSE All Share



The JSE All Share index is expected to find support at 49,725.11, and a fall through could take it to the next support level of 48,796.67. The index is expected to find its first resistance at 51,197.25, and a rise through could take it to the next resistance level of 51,740.95.

### S&P 500



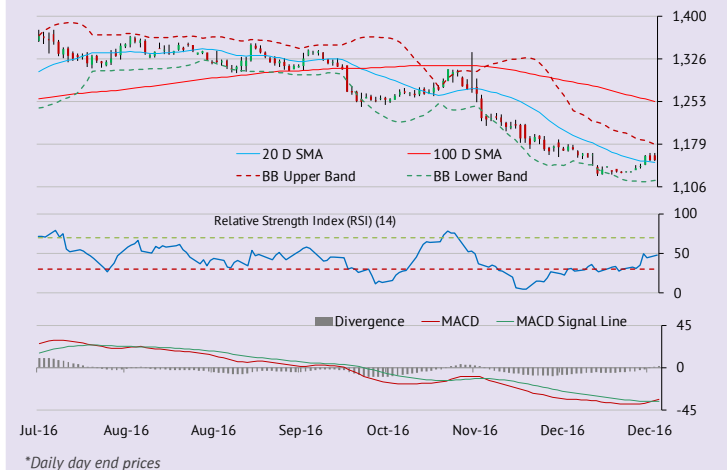
The S&P 500 index is expected to find support at 2,223.69, and a fall through could take it to the next support level of 2,208.56. The index is expected to find its first resistance at 2,263.89, and a rise through could take it to the next resistance level of 2,288.96.

### USDZAR



The pair is expected to find support at 13.5156, and a fall through could take it to the next support level of 13.2913. The pair is expected to find its first resistance at 13.9909, and a rise through could take it to the next resistance level of 14.2419.

### XAU/USD



Gold is expected to find support at \$1,135.90/oz, and a fall through could take it to the next support level of \$1,120.10/oz. The precious metal is expected to find its first resistance at \$1,165.90/oz, and a rise through could take it to the next resistance level of \$1,180.10/oz.

# ONE Minute Brief

3 January 2017

**GTC**  
consult • partner • manage

## Economic Calendar

Country	SAST	Economic Indicator	Relevance	Consensus/ *Actual	Previous/ **Previous Est.	Frequency
China	03:45	Caixin/Markit Manufacturing PMI (Dec)	✓✓	51.90*	50.90	Monthly
France	09:45	Consumer Price Index (EU norm) (MoM) (Dec) (P)	✓	0.50%	0.00%	Monthly
France	09:45	Consumer Price Index (EU norm) (YoY) (Dec) (P)	✓	0.90%	0.70%	Monthly
France	09:45	Consumer Price Index (MoM) (Dec) (P)	✓	0.50%	0.00%	Monthly
Germany	10:55	Unemployment Rate s.a. (Dec)	✓✓	6.00%	6.00%	Monthly
Germany	10:55	Unemployment Change (Dec)	✓✓✓	-5.00K	-5.00K	Monthly
UK	11:30	Markit Manufacturing PMI (Dec)	✓✓✓	53.30	53.40	Monthly
Germany	15:00	Consumer Price Index (MoM) (Dec) (P)	✓✓	0.60%	0.10%	Monthly
Germany	15:00	Consumer Price Index (YoY) (Dec) (P)	✓✓	1.40%	0.80%	Monthly
Germany	15:00	Harmonised Index of Consumer Prices (HICP) (MoM) (Dec) (P)	✓✓	0.60%	0.00%	Monthly
Germany	15:00	Harmonised Index of Consumer Prices (HICP) (YoY) (Dec) (P)	✓✓✓	1.30%	0.70%	Monthly
US	15:55	Redbook Index (YoY) (30-Dec)	✓	-	2.10%	Weekly
US	15:55	Redbook Index s.a. (MoM) (30-Dec)	✓	-	0.80%	Weekly
US	16:45	Markit Manufacturing PMI (Dec) (F)	✓✓	54.20	54.20**	Monthly
Eurozone	16:45	ECB Publishes Weekly, Monthly QE Portfolio	✓	-	-	As scheduled
US	17:00	ISM Employment (Dec)	✓	-	52.30	Monthly
US	17:00	ISM Inventories (Dec)	✓	-	49.00	Monthly
US	17:00	ISM Production (Dec)	✓	-	56.00	Monthly
US	17:00	ISM New Orders (Dec)	✓	-	53.00	Monthly
US	17:00	ISM Imports (Dec)	✓	-	50.50	Monthly
US	17:00	ISM New Export Orders (Dec)	✓	-	52.00	Monthly
US	17:00	ISM New York Index (Dec)	✓	-	52.50	Monthly
US	17:00	Construction Spending (MoM) (Nov)	✓✓	0.50%	0.50%	Monthly
US	17:00	ISM Manufacturing PMI (Dec)	✓✓	53.70	53.20	Monthly
US	17:00	ISM Prices Paid (Dec)	✓✓	55.50	54.50	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