

# ONE Minute Brief

13 February 2017

**GTC**  
consult • partner • manage

## Economic and Political News

South Africa's (SA) total maize harvest fell 22.0% in 2016, whereas white maize dropped 24.0% in the same year, while the yellow type declined 11.0% after drought damaged crops for the second year.

The South African Institute of Professional Accountants (SAIPA) indicated that there is a 75% chance of an increase in VAT by government in the upcoming budget speech.

Agriculture SA's President, Johannes Moller, stated that it has no record of farmers who were supported by ZAR2.5bn for drought relief, mentioned by President Jacob Zuma in his State of the Nation Address and added further that it has approached the Agriculture Department to get details of how the ZAR2.5bn was calculated.

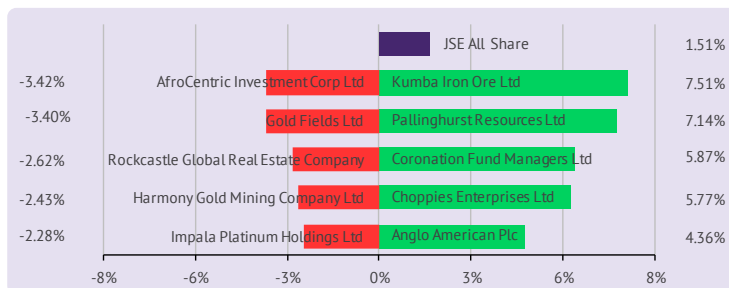
President, Jacob Zuma, stated that controlling the economy by four major banks which include Standard Bank, Barclays Africa, FirstRand and Nedbank must come to an end and that there should be more banks in the country.

The South African Renewable Energy Council (SAREC) indicated that it was confident that the country's renewable power programme will recover in speed, after President, Jacob Zuma, supported the programme in his State of the Nation speech.

## South Africa Market ▲

### South African markets closed higher

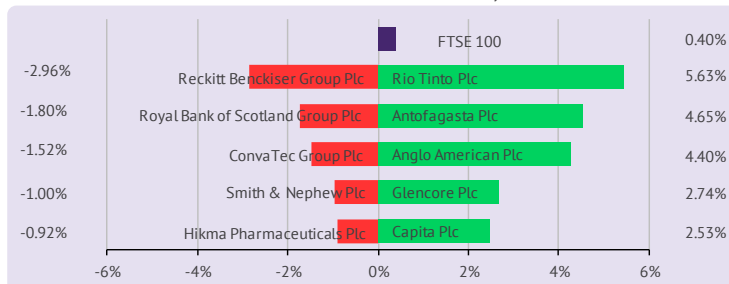
South African markets closed in the green on Friday, amid gains in banking and retail sector stocks. The JSE All Share Index rose 1.5% to close at 52,687.29.



## UK Market ▲

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

UK markets finished higher on Friday, led by gains in material sector stocks. Data showed that UK's NIESR gross domestic product estimate advanced in the three months to January, more than the prior reading. The FTSE 100 Index advanced 0.4% to close at 7,258.75.



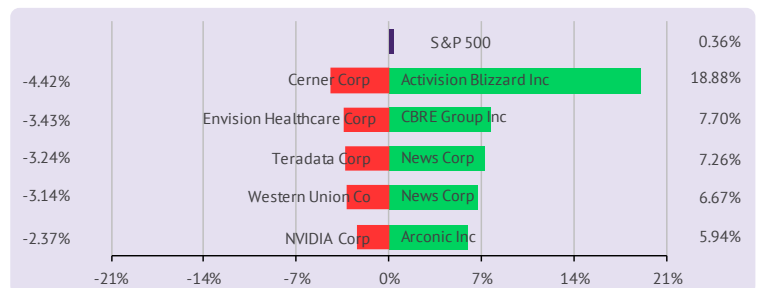
## Key Indices

	Last Close	1 Day Chg	1 D % Chg	WTD % Chg	MTD % Chg	Prev. Month % Chg	YTD % Chg
JSE All Share	52687.29	▲	782.95	1.51%	NA	-0.19%	4.21%
JSE Top 40	45756.81	▲	743.56	1.65%	NA	-0.37%	4.62%
FTSE 100	7258.75	▲	29.25	0.40%	NA	-0.61%	1.62%
DAX 30	11666.97	▲	24.11	0.21%	NA	1.14%	0.47%
CAC 40	4828.32	▲	2.08	0.04%	NA	1.67%	-2.33%
S&P 500	2316.10	▲	8.23	0.36%	NA	1.63%	1.79%
Nasdaq Composite	5734.13	▲	18.95	0.33%	NA	2.13%	4.30%
DJIA	20269.37	▲	96.97	0.48%	NA	2.04%	0.51%

## US Market ▲

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

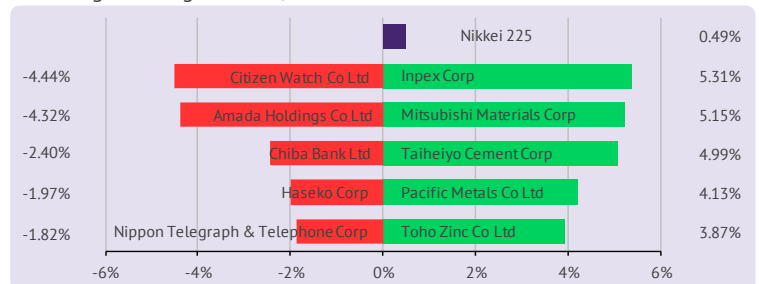
US markets closed higher on Friday, supported by gains in material and energy sector stocks. Data revealed that the US preliminary Reuters/Michigan consumer sentiment index declined more-than-expected in February. The S&P 500 Index climbed 0.4% to close at 2,316.10.



## Asian Market ▲

### Trading higher

Asian markets are trading higher this morning, tracking overnight gains on Wall Street. Data indicated that Japan's annualised gross domestic product expanded less-than-expected in 4Q16. The Nikkei 225 Index is trading 0.5% higher at 19,474.59.



**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

13 February 2017

**GTC**  
consult • partner • manage

## USDZAR ▲

### USD trading higher against ZAR

At 06:00 SAST, the US Dollar gained 0.2% against the South African Rand to trade at R13.3771.

The US Dollar fell against the South African Rand on Friday. Data indicated that the US preliminary Reuters/Michigan consumer sentiment index dropped more than market anticipations in February. Further, import price index advanced more-than-expected on a monthly basis in January. Additionally, export price index rose in line with market expectations on a monthly basis in January. Moreover, monthly budget statement registered a more-than-expected surplus in January.

## GBPZAR ▲

### GBP trading stronger against ZAR

At 06:00 SAST, the British Pound is trading 0.3% higher against the South African Rand at R16.7110.

The British Pound declined against the South African Rand on Friday. Data revealed that UK's NIESR gross domestic product estimate expanded in the 3 months to January, higher than previous reading, boosted by increase in consumer spending and enhancement in production industries. Moreover, total trade deficit narrowed more-than-expected in December. Further, industrial production recorded a more-than-expected rise on a monthly basis in December. Additionally, manufacturing production advanced more than market forecast on a monthly basis in December and construction output grew higher-than-expected on a monthly basis in the same month.

## EURZAR ▲

### EUR trading higher against ZAR

At 06:00 SAST, the Euro marginally rose against the South African Rand to trade at R14.2030. Later today, traders will keep an eye on Germany's wholesale price index for further cues.

The Euro weakened against the South African Rand on Friday.

## AUDZAR ▲

### AUD trading stronger against ZAR

At 06:00 SAST, the Australian Dollar is trading 0.1% firmer against the South African Rand at R10.2522.

The Australian Dollar rose against the South African Rand on Friday. Data revealed that Australia's home loans rose less than market forecast in December. Meanwhile, in China, Australia's largest trading partner, trade surplus widened more-than-anticipated in January.

## Key Currencies & Commodities

	Current		1 D % Chg	WTD % Chg	MTD % Chg	Prev. Month % Chg	YTD % Chg
USDZAR	13.3771	▲	-0.30%	NA	-0.82%	-1.97%	-2.78%
GBPZAR	16.7110	▲	-0.47%	NA	-1.62%	0.09%	-1.53%
EURZAR	14.2030	▲	-0.29%	NA	-2.31%	0.66%	-1.66%
AUDZAR	10.2522	▲	0.29%	NA	0.31%	3.03%	3.34%
EURUSD	1.0617	▼	-0.15%	NA	-1.45%	2.68%	1.19%
GBPUSD	1.2491	▲	-0.04%	NA	-0.70%	1.95%	1.24%
Brent (\$/barrel)	56.6	▼	1.92%	NA	2.02%	-2.18%	-0.21%
Gold (\$/oz)	1230.5	▼	-0.06%	NA	2.13%	4.94%	7.18%
Platinum (\$/oz)	1009.3	▼	-1.03%	NA	1.53%	10.53%	12.21%
Copper (\$/MT)*	6082.5	▲	4.71%	NA	1.47%	8.53%	10.13%

\*As of Previous Close

## Gold ▼

### Trading in the red

At 06:00 SAST, gold prices edged 0.3% lower to trade at \$1,230.50/oz.

On Friday, gold prices fell 0.1% to close at \$1,234.40/oz, as strength in the US Dollar decreased demand for the precious metal.

## Brent Crude Oil ▼

### Trading weaker

At 06:00 SAST, Brent crude oil edged lower 0.2% to trade at \$56.61/bl.

On Friday, Brent crude oil advanced 1.9% to settle at \$56.70/bl, after the International Energy Agency reported that production from the Organization of the Petroleum Exporting Countries declined to 32.06mn bls per day in January, a decline of about 1mn bls per day compared with OPEC's October baseline. Moreover, Baker Hughes reported that US oil rig count rose by 8 to 591 last week.

## Platinum ▼

### Trading in negative territory

At 06:00 SAST, platinum prices edged 0.2% lower to trade at \$1,009.30/oz.

On Friday, platinum prices declined 1.0% to close at \$1011.70/oz.



# ONE Minute Brief

13 February 2017



## Major South Africa Corporate News

### Arcelormittal South Africa Limited

In its FY16 results, the company indicated that its revenue rose to ZAR32.74bn from ZAR31.14bn recorded in the previous year. Its diluted headline loss decreased to 244.00c/share from a loss of 1,338.00cc/shares posted last year. For FY17, the company expects domestic steel demand to remain subdued due to low economic growth and lack of infrastructure spend which will be mitigated by import substitution and new products, namely heavy structural products from Evraz Highveld.

### Pioneer Foods Group Limited

In its trading update for the 4 months ended January 31, 2017, the company announced that its group turnover increased by 5.1%, mostly as a consequence of inflation. The South African business increased turnover by 7.6%, whilst International turnover declined by 10.3%.

### Net 1 UEPS Technologies Inc.

In its 2Q17 results, the company reported that its revenue advanced 1.0% from the same period of the preceding year to \$151.43bn. Its diluted EPS remained unchanged at 0.35c compared with the corresponding period of the previous year. Its income before tax rose to \$30.14mn from \$27.39mn posted in the similar period of last year.

## Major Global Economic News

### UK

In the UK, the NIESR estimated gross domestic product (GDP) rose 0.7% on a monthly basis, in the November-January 2017 period. NIESR estimated GDP had recorded a rise of 0.5% in the October-December 2016 period.

In December, the total trade deficit fell to GBP3.30bn in the UK. The UK had registered a revised total trade deficit of GBP3.56bn in the prior month.

In the UK, industrial production climbed 1.1% on a monthly basis in December, more than market expectations for a rise of 0.2%. In the prior month, industrial production had risen by a revised 2.0%.

In December, manufacturing production climbed 2.1% on a monthly basis in the UK, more than market expectations for a rise of 0.5%. Manufacturing production had advanced by a revised 1.4% in the previous month.

In the UK, construction output rose 1.8% on a monthly basis in December, more than market expectations for a rise of 1.0%. Construction output had registered a revised rise of 0.4% in the previous month.

### US

In February, the flash Reuters/Michigan consumer sentiment index dropped to 95.70 in the US, lower than market expectations of a drop to a level of 98.00. In the prior month, the index had recorded a reading of 98.50.

In the US, budget surplus recorded a level of USD51.26bn in January, from a budget deficit of USD27.50bn in the prior month.

In January, the import price index advanced 0.4% on a monthly basis in the US, higher than market expectations for an advance of 0.3%. The import price index had climbed by a revised 0.5% in the prior month.

In the US, the export price index recorded a rise of 0.1% on a monthly basis in January. In the prior month, the export price index had registered a revised rise of 0.4%.

### Asia

In Japan, the preliminary annualized GDP climbed 1.0% on a quarterly basis in 4Q16, less than market expectations for a rise of 1.1%. Annualized GDP had advanced 1.3% in the prior quarter.

# ONE Minute Brief

13 February 2017

**GTC**  
consult • partner • manage

## 40 Best Performers on the All Share Index

Company Name	Last Close	1 Week % Change	MTD % Change	YTD % Change
Trencor Ltd	39	4.30%	4.17%	36.88%
Kumba Iron Ore Ltd	212	8.14%	2.42%	33.33%
Anglo American Platinum Ltd	348	-1.48%	-0.87%	31.69%
Northam Platinum Ltd	53	1.57%	2.76%	29.78%
PPC Ltd	7	3.24%	2.19%	26.58%
Impala Platinum Holdings Ltd	53	3.79%	-0.56%	24.33%
Exxaro Resources Ltd	110	6.02%	3.46%	22.91%
Hudaco Industries Ltd	138	8.92%	20.87%	21.15%
ArcelorMittal South Africa Ltd	14	-2.61%	4.31%	19.83%
Sibanye Gold Ltd	30	-0.87%	-1.78%	17.13%
Brimstone Investment Corporation Ltd	14	-6.67%	4.48%	16.67%
AngloGold Ashanti Ltd	178	1.82%	4.50%	16.36%
RCL Foods Ltd	15	4.24%	11.32%	16.14%
Mpact Ltd	33	10.37%	10.78%	15.68%
Anglo American Plc	225	1.38%	-2.16%	15.54%
Datatec Ltd	57	-0.52%	9.60%	15.40%
African Rainbow Minerals Ltd	114	-3.68%	-5.68%	15.38%
Royal Bafokeng Platinum Ltd	41	7.05%	6.38%	15.14%
Glencore Plc	54	3.59%	-2.33%	15.06%
Harmony Gold Mining Company Ltd	36	3.20%	6.92%	14.65%
Rebosis Property Fund Ltd	13	2.48%	3.94%	14.19%
Astral Foods Ltd	147	-3.57%	-2.85%	13.94%
Cashbuild Ltd	387	14.84%	11.37%	12.50%
Assore Ltd	265	-6.61%	-4.26%	11.85%
Compagnie Financiere Richemont SA	101	-0.52%	-4.24%	10.81%
Afrimat Ltd	31	3.00%	10.35%	10.74%
Adcock Ingram Holdings Ltd	53	2.82%	2.66%	9.43%
Attacq Ltd	18	0.55%	2.22%	8.94%
Mondi Plc	303	2.95%	2.19%	8.87%
Fortress Income Fund Ltd	35	2.27%	1.15%	8.82%
Pan African Resources Plc	3	6.06%	4.48%	8.53%
PSG Group Ltd	237	0.00%	4.46%	8.43%
Aspen Pharmacare Holdings Ltd	307	-0.05%	-0.21%	8.38%
Naspers Ltd	2178	-0.46%	1.86%	8.12%
Pioneer Food Group Ltd	166	0.14%	0.22%	7.98%
Mondi Ltd	302	2.12%	2.08%	7.94%
British American Tobacco Plc	840	2.55%	2.47%	7.87%
Pick N Pay Stores Ltd	69	1.68%	0.20%	7.50%
Mediclinic International Plc	139	8.27%	5.83%	7.30%
Grindrod Ltd	14	4.80%	1.77%	7.06%
<b>JSE All Share Index</b>	<b>52687</b>	<b>0.81%</b>	<b>-0.19%</b>	<b>4.02%</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

13 February 2017

**GTC**  
consult • partner • manage

## Economic Calendar

Country	SAST	Economic Indicator	Relevance	Consensus/ *Actual	Previous	Frequency
 Japan	01:50	Gross Domestic Product (QoQ) (Q4) (P)	✓✓	0.20%*	0.30%	Quarterly
 Japan	01:50	Gross Domestic Product Annualised (Q4) (P)	✓✓✓	1.00%*	1.30%	Quarterly
 Japan	01:50	Gross Domestic Product Deflator (YoY) (Q4) (P)	✓	-0.10%*	-0.20%	Quarterly
 Japan	01:50	Nominal Gross Domestic Product (QoQ) (Q4) (P)	✓✓	0.30%*	0.10%	Quarterly
 Germany	-	Wholesale Price Index (MoM) (Jan)	✓	-	1.20%	Monthly
 Germany	-	Wholesale Price Index (YoY) (Jan)	✓	-	2.80%	Monthly
 Eurozone	-	European Commission Economic Forecasts	✓	-	-	As scheduled

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