

ONE
Minute Brief

28 March 2017



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Economic and Political News

A Bureau for Economic Research (BER) survey indicated that the business confidence in the manufacturing sector dropped in 1Q17.

Statistics South Africa revealed that the total number of liquidations and insolvencies declined by 24.4% on an annual basis in February 2017.

The Presidency confirmed that President, Jacob Zuma, has told the Finance Minister, Pravin Gordhan and Deputy Minister, Mcebisi Jonas, to cancel the international investment promotion roadshow in the UK and US and return to South Africa immediately. Further, the banking association of South Africa (BASA) stated that it is worried about the decision made by the President and has asked the Presidency and all stakeholders to act in the best interests of the nation.

Arguing in court papers that he would be directly affected in any declaratory order that the courts hand down, President Jacob Zuma has joined an application by Finance Minister Pravin Gordhan over the Gupta banking matter as an "interested party".

The African National Congress (ANC) Regional Chairperson in Nelson Mandela Bay, Andile Lungisa, has stepped down from his position with immediate effect, after the ANC national executive committee (NEC) asked him to quit.

South Africa Market ▼

South African markets closed lower

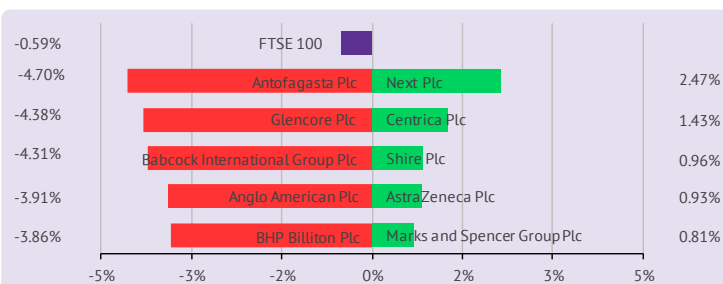
South African markets closed in the red yesterday, led by sharp losses in banking sector stocks. The JSE All Share Index fell 0.2% to close at 51,724.92.



UK Market ▼

The FTSE 100 futures are trading in positive territory

UK markets finished lower yesterday, amid a decline in material sector stocks. The FTSE 100 Index declined 0.6% to close at 7,293.50.



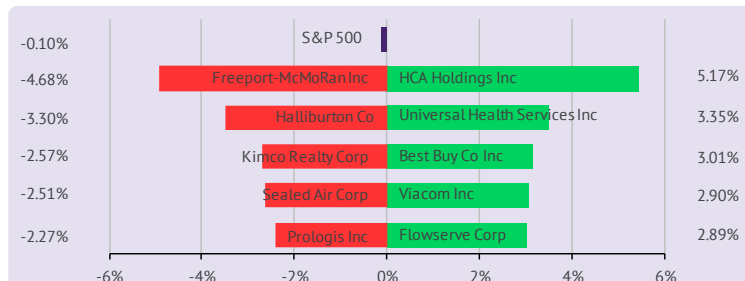
Key Indices

	Last Close		1 Day Chg	1 D % Chg	WTD % Chg	MTD % Chg	Prev. Month % Chg	YTD % Chg
JSE All Share	51724.92	▼	-91.39	-0.18%	-0.18%	1.13%	-3.11%	2.12%
JSE Top 40	44660.90	▼	-1.70	0.00%	0.00%	1.20%	-3.91%	1.73%
FTSE 100	7293.50	▼	-43.32	-0.59%	-0.59%	0.41%	2.31%	2.11%
DAX 30	11996.07	▼	-68.20	-0.57%	-0.57%	1.37%	2.59%	4.49%
CAC 40	5017.43	▼	-3.47	-0.07%	-0.07%	3.27%	2.31%	3.19%
S&P 500	2341.59	▼	-2.39	-0.10%	-0.10%	-0.93%	3.72%	4.59%
Nasdaq Composite	5840.37	▲	11.64	0.20%	0.20%	0.26%	3.75%	8.49%
DJIA	20550.98	▼	-45.74	-0.22%	-0.22%	-1.26%	4.77%	3.99%

US Market ▼

The S&P 500 futures are trading in the green

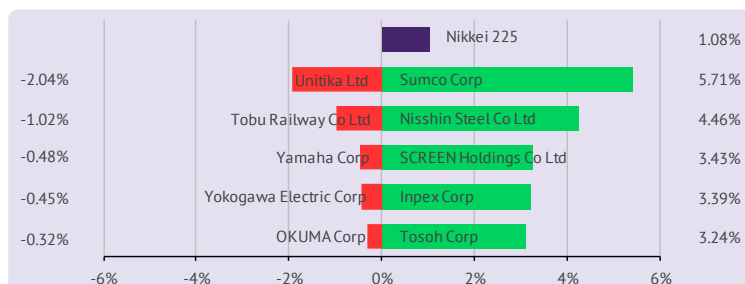
US markets closed lower yesterday, weighed down by losses in telecommunication sector stocks. Data revealed that US Dallas Fed manufacturing activity index declined more-than-expected in March. The S&P 500 Index dropped 0.1% to close at 2,341.59.



Asian Market ▲

Trading mostly higher

Asian markets are trading mostly higher this morning. The Nikkei 225 Index is trading 1.1% higher at 19,190.82.



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USDZAR ▼

USD trading lower against ZAR

At 06:00 SAST, the US Dollar is trading marginally weaker against the South African Rand at R12.7440. Later today, traders will keep a close watch on US consumer confidence index, advance goods trade balance and wholesale inventories for further cues. Separately, South Africa's non-farm payrolls will be on inventors' radar.

The US Dollar rose against the South African Rand yesterday following news that the South African President, Jacob Zuma, had recalled the nation's Finance Minister, Pravin Gordhan, from a trip to the UK and the US. Data showed that US Dallas Fed manufacturing activity index dropped more than market forecast in March.

GBPZAR ▲

GBP trading higher against ZAR

At 06:00 SAST, the British Pound gained 0.1% against the South African Rand to trade at R16.0150.

The British Pound advanced against the South African Rand yesterday.

EURZAR ▼

EUR trading weaker against ZAR

At 06:00 SAST, the Euro is trading 0.1% lower against the South African Rand at R13.8405.

The Euro strengthened against the South African Rand yesterday. Meanwhile, data indicated that Germany's Ifo business climate index recorded a rise in March to its strongest level since June 2011. Further, business expectation index advanced more-than-expected in the same month.

AUDZAR ▲

AUD trading stronger against ZAR

At 06:00 SAST, the Australian Dollar is trading marginally firmer against the South African Rand at R9.7058. Earlier in the session, data revealed that Australia's ANZ Roy Morgan consumer confidence index came higher than the prior reading for the week ended March 26, 2017.

The Australian Dollar rose against the South African Rand yesterday.

Key Currencies & Commodities

	Current		1 D % Chg	WTD % Chg	MTD % Chg	Prev. Month % Chg	YTD % Chg
USDZAR	12.7440	▼	2.58%	2.58%	-2.82%	-2.56%	-7.18%
GBPZAR	16.0150	▲	3.23%	3.23%	-1.53%	-4.15%	-5.53%
EURZAR	13.8405	▼	3.23%	3.23%	-0.14%	-4.52%	-4.02%
AUDZAR	9.7058	▲	2.50%	2.50%	-3.35%	-1.61%	-2.04%
EURUSD	1.0862	▼	0.62%	0.62%	2.73%	-2.04%	3.34%
GBPUUSD	1.2565	▲	0.68%	0.68%	1.40%	-1.57%	1.76%
Brent (\$/barrel)	51.0	▲	-0.10%	-0.10%	-10.19%	1.67%	-10.68%
Gold (\$/oz)	1257.0	▲	0.58%	0.58%	0.14%	3.75%	9.03%
Platinum (\$/oz)	969.4	▲	0.11%	0.11%	-6.01%	3.46%	7.48%
Copper (\$/MT)*	5736.5	▼	-0.70%	-0.70%	-3.85%	-0.46%	3.87%

*As of Previous Close

Gold ▲

Trading in the green

At 06:00 SAST, gold prices advanced 0.1% to trade at \$1,257.00/oz.

Yesterday, gold prices rose 0.6% to close at \$1,255.70/oz, as the greenback weakened after the failure of GOP healthcare reform and replacement of Obamacare, increasing demand for the safe haven asset.

Brent Crude Oil ▲

Trading stronger

At 06:00 SAST, Brent crude oil edged 0.4% higher to trade at \$50.96/bl.

Yesterday, Brent crude oil dropped 0.1% to settle at \$50.75/bl, amid rising doubts whether OPEC will extend its agreement to slash crude output in the second half of the year.

Platinum ▲

Trading in positive territory

At 06:00 SAST, platinum prices marginally rose to trade at \$969.40/oz.

Yesterday, platinum prices climbed 0.1% to close at \$969.00/oz.



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Major South Africa Corporate News

Old Mutual Plc

The company announced that it has agreed to sell a 24.95% shareholding in OM Asset Management to HNA Capital US for gross cash consideration of approximately \$446.00mn.

Sun International Limited

In its FY16 results, the company stated that its revenue increased to ZAR7.67bn from ZAR5.84bn recorded in the previous year. Its diluted earnings stood at a profit of 107.00c/share from a loss of 452.00c/share reported in the prior year. It recorded a profit before tax of ZAR466.00mn against a loss of ZAR28.00mn posted last year.

Major Global Economic News

Eurozone

In Germany, the Ifo business climate index unexpectedly climbed to 112.30 in March, compared to market expectations of an unchanged reading. The Ifo business climate index had recorded a revised level of 111.10 in the previous month.

In March, the Ifo business expectations index climbed to 105.70 in Germany, higher than market expectations of an advance to a level of 104.30. In the previous month, the Ifo business expectations index had registered a revised reading of 104.20.

US

In March, the Dallas Fed manufacturing business index dropped to 16.90 in the US, compared to a level of 24.50 in the previous month. Market anticipation was for the index to drop to a level of 22.00.

Asia

In Australia, the ANZ Roy Morgan consumer confidence index advanced to 113.8 for the week ended March 26, 2017, compared to a reading of 112.0 in the prior week.

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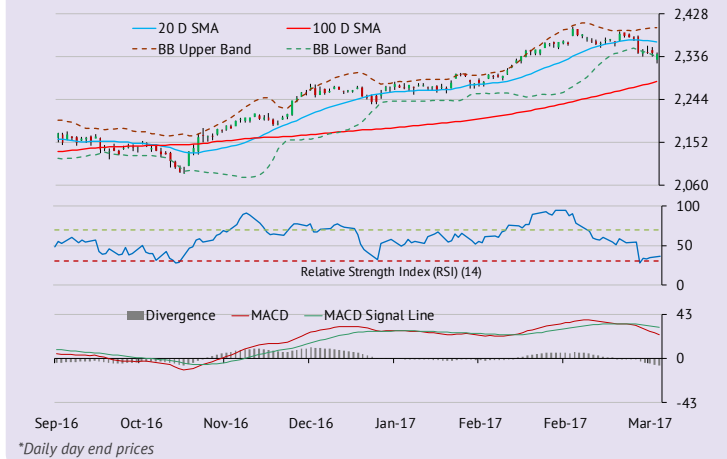
Technical Snapshot

JSE All Share



The JSE All Share index is expected to find support at 51,046.69, and a fall through could take it to the next support level of 50,368.45. The index is expected to find its first resistance at 52,634.75, and a rise through could take it to the next resistance level of 53,544.57.

S&P 500



The S&P 500 index is expected to find support at 2,315.25, and a fall through could take it to the next support level of 2,288.91. The index is expected to find its first resistance at 2,374.93, and a rise through could take it to the next resistance level of 2,408.27.

USDZAR



The pair is expected to find support at 12.4196, and a fall through could take it to the next support level of 12.0941. The pair is expected to find its first resistance at 12.9553, and a rise through could take it to the next resistance level of 13.1655.

XAU/USD



Gold is expected to find support at \$1,234.53/oz, and a fall through could take it to the next support level of \$1,213.37/oz. The precious metal is expected to find its first resistance at \$1,268.93/oz, and a rise through could take it to the next resistance level of \$1,282.17/oz.

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Economic Calendar

Country	SAST	Economic Indicator	Relevance	Consensus	Previous	Frequency
US	00:30	Fed's Kaplan Speaks in College Station, Texas	✓	-	-	As scheduled
Eurozone	09:00	ECB's Benoit Coeure Speaks in Frankfurt	✓	-	-	As scheduled
Italy	10:00	Industrial Sales s.a. (MoM) (Jan)	✓	-	2.60%	Monthly
Italy	10:00	Industrial Orders (Jan)	✓	-	105.30	Monthly
Italy	10:00	Industrial Orders s.a. (MoM) (Jan)	✓	-2.60%	2.80%	Monthly
Eurozone	13:00	ECB's Makuch Speaks in Bratislava	✓	-	-	As scheduled
Eurozone	13:45	ECB's Benoit Coeure in Panel Discussion in Brussels	✓	-	-	As scheduled
US	14:30	Wholesale Inventories (MoM) (Feb) (P)	✓✓✓	0.20%	-0.20%	Monthly
US	14:55	Redbook Index (YoY) (24-Mar)	✓	-	1.20%	Weekly
US	14:55	Redbook Index s.a. (MoM) (24-Mar)	✓	-	-0.60%	Weekly
US	15:00	S&P/Case-Shiller Home Price Index (Jan)	✓	-	192.61	Monthly
US	16:00	Richmond Fed Manufacturing Index (Mar)	✓	15.00	17.00	Monthly
US	16:00	Consumer Confidence (Mar)	✓✓✓	114.00	114.80	Monthly
Canada	16:10	Bank of Canada Governor Stephen Poloz Speech in Oshawa	✓✓✓	-	-	As scheduled
Canada	17:10	Bank of Canada Governor Stephen Poloz Press Conference	✓✓✓	-	-	As scheduled
Italy	17:30	Bank of Italy Governor Visco Speaks at Book Presentation	✓✓✓	-	-	As scheduled
Switzerland	18:30	SNB's Maechler Speaks in Geneva	✓	-	-	As scheduled
US	18:45	Fed's George Speaks in Midwest City, OK	✓	-	-	As scheduled
US	19:00	Fed's Kaplan Speaks in Dallas	✓	-	-	As scheduled

Note: ✓✓✓ High ✓✓ Medium ✓ Low

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