

# ONE Minute Brief

14 March 2017

**GTC**  
consult • partner • manage

## Economic and Political News

Finance Minister, Pravin Gordhan, is set to appear before Parliament's standing committee on public accounts to discuss the grants crisis.

The Office of the Chief Justice spokesman, Nathi Mncube, has confirmed that the South African Social Security Agency (SASSA) has met its deadline to file papers with the Constitutional Court.

Former Passenger Rail Agency of South Africa (PRASA) Chairman, Popo Molefe, has stated that the appointment of an interim board at PRASA was a calculated move by Transport Minister, Dipuo Peters. The Transport Minister, Dipuo Peters, had earlier named former Sanral CEO, Nazir Alli, to Chair the board.

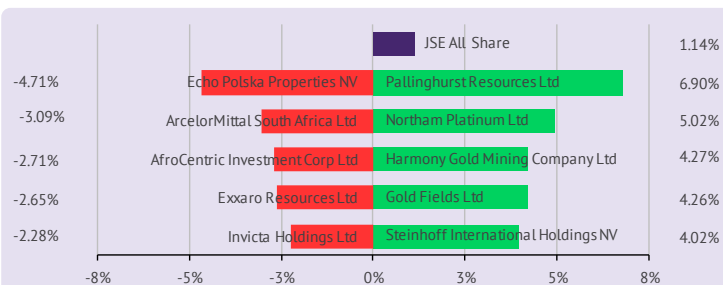
The Democratic Alliance (DA) has requested Public Protector, Busisiwe Mkhwebane, to probe the relationship between Cash Paymaster Services (CPS) and the Social Development Minister, Bathabile Dlamini, who is seeking to extend the company's contract to distribute welfare grants.

National Education Health and Allied Workers' Union members hired by the Department of Social Development (DSD) went on a complete strike across the country after negotiations over working conditions between the two failed.

## South Africa Market ▲

### South African markets closed higher

South African markets closed in the green yesterday, led by gains in gold and platinum mining sector stocks. The JSE All Share Index rose 1.1% to close at 51,855.38.



## Key Indices

	Last Close		1 Day Chg	1 D % Chg	WTD % Chg	MTD % Chg	Prev. Month % Chg	YTD % Chg
JSE All Share	51855.38	▲	585.84	1.14%	1.14%	1.39%	-3.11%	2.37%
JSE Top 40	44846.34	▲	542.03	1.22%	1.22%	1.62%	-3.91%	2.15%
FTSE 100	7367.08	▲	24.00	0.33%	0.33%	1.43%	2.31%	3.14%
DAX 30	11990.03	▲	26.85	0.22%	0.22%	1.31%	2.59%	4.43%
CAC 40	4999.60	▲	6.28	0.13%	0.13%	2.90%	2.31%	2.82%
S&P 500	2373.47	▲	0.87	0.04%	0.04%	0.42%	3.72%	6.01%
Nasdaq Composite	5875.78	▲	14.06	0.24%	0.24%	0.86%	3.75%	9.15%
DJIA	20881.48	▼	-21.50	-0.10%	-0.10%	0.33%	4.77%	5.66%

## US Market ▲

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

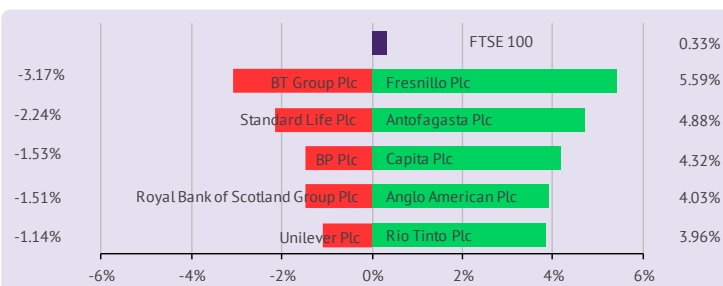
US markets closed higher yesterday, led by gains in material sector stocks. The S&P 500 Index marginally climbed to close at 2,373.47.



## UK Market ▲

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

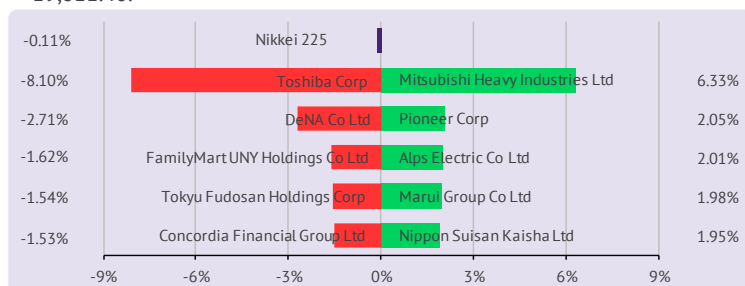
UK markets finished higher yesterday, amid an advance in mining sector stocks. The FTSE 100 Index advanced 0.3% to close at 7,367.08.



## Asian Market ▲

### Trading mostly higher

Asian markets are trading mostly higher this morning. Early morning data indicated that Chinese industrial production (YTD) rose more-than-expected in February. The Nikkei 225 Index is trading 0.1% lower at 19,611.40.



**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

14 March 2017

**GTC**  
consult • partner • manage

## USDZAR ▼

### USD trading lower against ZAR

At 06:00 SAST, the US Dollar fell 0.1% against the South African Rand to trade at R13.1221. Later today, traders will keep a close watch on the US NFIB business optimism index and the labour market conditions index for further direction.

The US Dollar fell against the South African Rand yesterday.

## GBPZAR ▼

### GBP trading weaker against ZAR

At 06:00 SAST, the British Pound retreated 0.2% against the South African Rand to trade at R16.0070. Later today, traders will focus on the UK's CB leading economic index for further cues.

The British Pound advanced against the South African Rand yesterday.

## EURZAR ▼

### EUR trading lower against ZAR

At 06:00 SAST, the Euro fell 0.2% against the South African Rand to trade at R13.9691. Going forward today, market participants will keep a tab on the Eurozone and German ZEW survey data along with the German consumer price index and Eurozone's industrial production data.

The Euro weakened against the South African Rand yesterday, after dovish comments from the European Central Bank (ECB) officials.

## AUDZAR ▼

### AUD trading weaker against ZAR

At 06:00 SAST, the Australian Dollar is trading 0.3% lower against the South African Rand at R9.9164. The Australian Dollar came under pressure after data showed that Australia's business confidence and business conditions indices registered a decline in February. Meanwhile, in China, Australia's largest trading partner, industrial production (YTD) growth accelerated faster than expected in February, whereas retail sales (YTD) rose less-than-anticipated for the same month.

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	13.1221	▼	-0.07%	-0.07%	0.19%	-2.56%	-4.30%
GBPZAR	16.0070	▼	0.18%	0.18%	-1.19%	-4.15%	-5.20%
EURZAR	13.9691	▼	-0.51%	-0.51%	0.81%	-4.52%	-3.11%
AUDZAR	9.9164	▼	0.29%	0.29%	-0.99%	-1.61%	0.36%
EURUSD	1.0652	▼	-0.15%	-0.15%	0.74%	-2.04%	1.33%
GBPUSD	1.2203	▼	0.40%	0.40%	-1.31%	-1.57%	-0.96%
Brent (\$/barrel)	51.4	▲	-0.04%	-0.04%	-9.13%	1.67%	-9.63%
Gold (\$/oz)	1203.4	▲	0.14%	0.14%	-4.05%	3.75%	4.46%
Platinum (\$/oz)	942.6	▲	0.32%	0.32%	-8.71%	3.46%	4.39%
Copper (\$/MT)*	5776.5	▲	1.05%	1.05%	-3.18%	-0.46%	4.59%

\*As of Previous Close

## Gold ▲

### Trading in the green

At 06:00 SAST, gold prices edged marginally higher to trade at \$1,203.40/oz.

Yesterday, gold prices rose 0.1% to close at \$1,203.10/oz. However, gains in gold prices were limited as strength in the US Dollar dented demand for the yellow metal.

## Brent Crude Oil ▲

### Trading stronger

At 06:00 SAST, Brent crude oil rose 0.1% to trade at \$51.40/bl.

Yesterday, Brent crude oil marginally dropped to settle at \$51.35/bl, extending its previous session losses, amid concerns that rising US crude inventories might adversely affect the OPEC's efforts to limit output and reduce a global glut.

## Platinum ▲

### Trading in positive territory

At 06:00 SAST, platinum prices edged 0.1% higher to trade at \$942.60/oz.

Yesterday, platinum prices climbed 0.3% to close at \$941.20/oz.



# ONE Minute Brief

14 March 2017



## Major South Africa Corporate News

### Rand Merchant Investment Holdings Limited

In its 1H17 results, the company stated that its earned premiums net of reinsurance climbed to ZAR7.05bn from ZAR6.40bn recorded in the same period of the previous year. Its profit before tax advanced to ZAR2.30bn from ZAR2.11bn posted in the similar period last year. Its diluted headline EPS from continuing operations advanced 8.0% on an annual basis to 107.70c.

## Major Global Economic News

### Asia

Industrial production (YTD) advanced 6.3% on a YoY basis in February, in China, higher than market expectations for an advance of 6.2%. Industrial production (YTD) had advanced 6.0% in the prior month.

Retail sales (YTD) in China recorded a rise of 9.5% on a YoY basis in February, lower than market expectations for a rise of 10.6%. In the previous month, retail sales (YTD) had registered a rise of 10.4%.

The business confidence index in Australia recorded a drop to 7.00 in February, compared to a level of 10.00 in the previous month.

The business conditions index in Australia recorded a drop to 9.00 in February. In the previous month, the business conditions index had registered a level of 16.00.

# ONE Minute Brief

14 March 2017

**GTC**  
consult • partner • manage

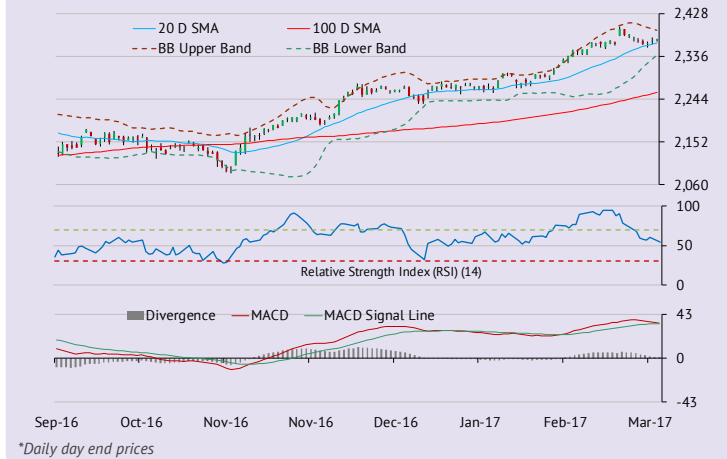
## Technical Snapshot

### JSE All Share



The JSE All Share index is expected to find support at 51,109.98, and a fall through could take it to the next support level of 50,364.58. The index is expected to find its first resistance at 52,228.08, and a rise through could take it to the next resistance level of 52,600.78.

### S&P 500



The S&P 500 index is expected to find support at 2,359.72, and a fall through could take it to the next support level of 2,345.97. The index is expected to find its first resistance at 2,382.04, and a rise through could take it to the next resistance level of 2,390.61.

### USDZAR



The pair is expected to find support at 12.9167, and a fall through could take it to the next support level of 12.6933. The pair is expected to find its first resistance at 13.3667, and a rise through could take it to the next resistance level of 13.5933.

### XAU/USD



Gold is expected to find support at \$1,189.27/oz, and a fall through could take it to the next support level of \$1,175.43/oz. The precious metal is expected to find its first resistance at \$1,222.17/oz, and a rise through could take it to the next resistance level of \$1,241.23/oz.

# ONE Minute Brief

14 March 2017

**GTC**  
consult • partner • manage

## Economic Calendar

Country	SAST	Economic Indicator	Relevance	Consensus/ *Actual	Previous/ **Previous Est.	Frequency
China	04:00	Industrial Production YTD (YoY) (Feb)	✓✓	6.30%*	6.00%	Monthly
China	04:00	Retail Sales YTD (YoY) (Feb)	✓✓	9.50%*	10.40%	Monthly
China	04:00	Fixed Assets Inv Excl. Rural YTD (YoY) (Feb)	✓✓	8.90%*	8.10%	Monthly
Germany	09:00	Consumer Price Index (MoM) (Feb) (F)	✓✓✓	0.60%	0.60%**	Monthly
Germany	09:00	Consumer Price Index (YoY) (Feb) (F)	✓✓	2.20%	2.20%**	Monthly
Germany	09:00	Harmonised Index of Consumer Prices (HICP) (MoM) (Feb) (F)	✓✓	0.70%	0.70%**	Monthly
Germany	09:00	Harmonised Index of Consumer Prices (HICP) (YoY) (Feb) (F)	✓✓	2.20%	2.20%**	Monthly
Spain	10:00	Consumer Price Index (MoM) (Feb) (F)	✓	-0.30%	-0.30%**	Monthly
Spain	10:00	Consumer Price Index (YoY) (Feb) (F)	✓	3.00%	3.00%**	Monthly
Spain	10:00	Harmonised Index of Consumer Prices (MoM) (Feb) (F)	✓✓	-0.30%	-0.30%**	Monthly
Spain	10:00	Harmonised Index of Consumer Prices (YoY) (Feb) (F)	✓✓	3.00%	3.00%**	Monthly
South Africa	11:30	Gold Production (YoY) (Jan)	✓✓	-	-7.10%	Monthly
South Africa	11:30	Mining Production (YoY) (Jan)	✓✓	1.20%	-1.90%	Monthly
Eurozone	12:00	ZEW Survey - Economic Sentiment (Mar)	✓✓	-	17.10	Monthly
Germany	12:00	ZEW Survey - Current Situation (Mar)	✓✓	78.00	76.40	Monthly
Germany	12:00	ZEW Survey - Economic Sentiment (Mar)	✓✓✓	13.00	10.40	Monthly
Eurozone	12:00	Industrial Production w.d.a. (YoY) (Jan)	✓✓	0.90%	2.00%	Monthly
US	12:00	NFIB Small Business Optimism (Feb)	✓	105.60	105.90	Monthly
Eurozone	12:00	Industrial Production s.a. (MoM) (Jan)	✓	1.30%	-1.60%	Monthly
South Africa	13:00	Manufacturing Production s.a. (MoM) (Jan)	✓✓	1.50%	0.30%	Monthly
South Africa	13:00	Manufacturing Production Index (YoY) (Jan)	✓✓	1.60%	-2.00%	Monthly
US	14:30	Producer Price Index (MoM) (Feb)	✓	0.10%	0.60%	Monthly
US	14:30	Producer Price Index (YoY) (Feb)	✓✓	1.90%	1.60%	Monthly
US	14:30	Producer Price Index ex Food & Energy (MoM) (Feb)	✓	0.20%	0.40%	Monthly
US	14:30	Producer Price Index ex Food & Energy (YoY) (Feb)	✓✓	1.50%	1.20%	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