

# ONE Minute Brief

13 June 2017

**GTC**  
consult • partner • manage

## Economic and Political News

Eskom board chairman, Ben Ngubane, has resigned with immediate effect and Zethembe Khoza has been appointed as the acting chairman.

Former COO of the South African Broadcasting Corporation (SABC), Hlaudi Motsoeneng, has been fired from SABC after he was found guilty of misconduct and bringing the SABC into disrepute by an internal disciplinary hearing.

Moody's has downgraded the long-term local and foreign-currency deposit ratings of the Standard Bank of South Africa Limited, FirstRand Bank Limited, Absa Bank Limited, Nedbank Limited, and Investec Bank Limited to Baa3 from Baa2 and assigned a negative outlook.

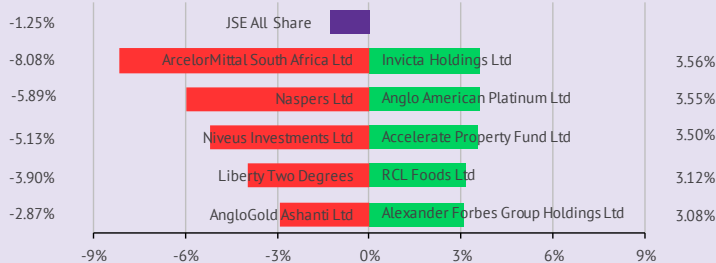
The Democratic Alliance is set to ask the National Assembly to establish an ad hoc committee of inquiry to probe all the allegations of state capture, including those revealed in leaked e-mails. Meanwhile, the party also plans to lay criminal charges against Communications Minister, Faith Muthambi, Public Enterprises Minister, Lynne Brown and Co-operative Governance Minister, Des van Rooyen.

President, Jacob Zuma, has filed a counter-application in the High Court in Gauteng, to prevent the implementation of the Public Protector's state capture report at this stage.

## South Africa Market ▼

### South African markets closed lower

South African markets closed in the red yesterday, amid a decline in gold mining and industrial sector stocks. The JSE All Share Index fell 1.3% to close at 51,564.00.



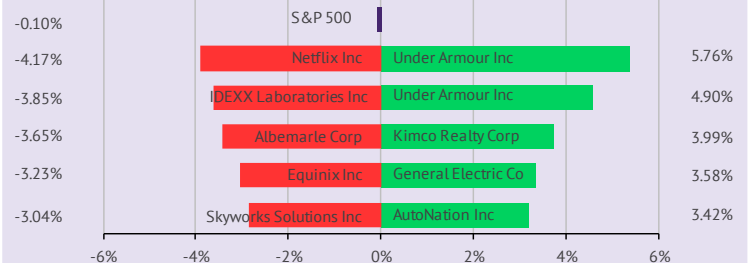
## Key Indices

	Last Close	1 Day Chg	1 D % Chg	WTD % Chg	MTD % Chg	Prev. Month % Chg	YTD % Chg
JSE All Share	51564.00	▼ -652.93	-1.25%	-1.25%	-3.73%	-0.47%	1.80%
JSE Top 40	45168.67	▼ -705.55	-1.54%	-1.54%	-4.21%	0.17%	2.89%
FTSE 100	7511.87	▼ -15.46	-0.21%	-0.21%	-0.11%	4.39%	5.17%
DAX 30	12690.44	▼ -125.28	-0.98%	-0.98%	0.60%	1.42%	10.53%
CAC 40	5240.59	▼ -59.12	-1.12%	-1.12%	-0.81%	0.31%	7.78%
S&P 500	2429.39	▼ -2.38	-0.10%	-0.10%	0.73%	1.16%	8.51%
Nasdaq Composite	6175.47	▼ -32.45	-0.52%	-0.52%	-0.37%	2.50%	14.72%
DJIA	21235.67	▼ -36.30	-0.17%	-0.17%	1.08%	0.33%	7.45%

## US Market ▼

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

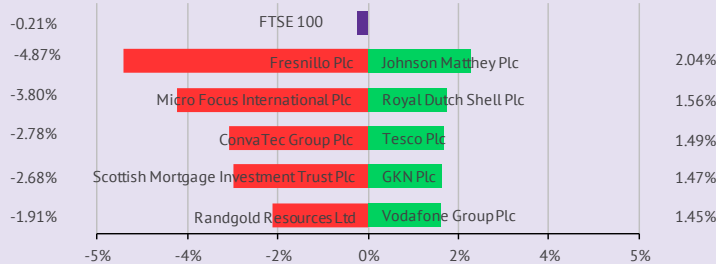
US markets closed lower yesterday, led by losses in information technology sector stocks. Data revealed that US monthly budget deficit widened more-than-anticipated in May. The S&P 500 Index dropped 0.1% to close at 2,429.39.



## UK Market ▼

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

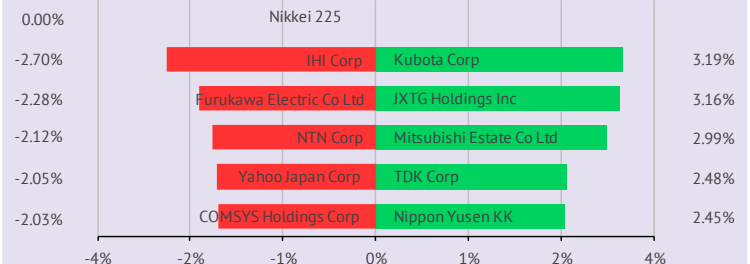
UK markets finished lower yesterday, weighed down by losses in mining and information technology sector stocks. The FTSE 100 Index declined 0.2% to close at 7,511.87.



## Asian Market ▲

### Trading mostly higher

Asian markets are trading mostly higher this morning. The Nikkei 225 Index is trading flat at 19,907.77.



**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 June 2017

**GTC**  
consult • partner • manage

## USDZAR ▼

### USD trading lower against ZAR

At 06:00 SAST, the US Dollar is trading 0.2% weaker against the South African Rand at R12.8030. Later today, traders will keep a close watch on the US NFIB small business optimism index for further direction.

The US Dollar fell against the South African Rand yesterday. On the macro front, US monthly budget deficit widened more than market expectations in May, as spending outpaced revenues.

## GBPZAR ▼

### GBP trading weaker against ZAR

At 06:00 SAST, the British Pound is trading 0.2% lower against the South African Rand at R16.1986. Later today, traders will keep an eye on UK's consumer price inflation, retail price index and house price index for further cues.

The British Pound declined against the South African Rand yesterday.

## EURZAR ▼

### EUR trading lower against ZAR

At 06:00 SAST, the Euro is trading 0.3% weaker against the South African Rand at R14.3270. Going forward, market participants will keep a tab on Eurozone's and Germany's ZEW economic sentiment index for further indication. Moreover, Germany's ZEW current situation index and wholesale price index will be on investors' radar.

The Euro weakened against the South African Rand yesterday.

## AUDZAR ▲

### AUD trading higher against ZAR

At 06:00 SAST, the Australian Dollar advanced 0.2% against the South African Rand to trade at R9.6743. Earlier in the session, data revealed that Australia's NAB business confidence index recorded a drop in May, compared to its prior reading, while the NAB business condition index declined in the same month.

The Australian Dollar fell against the South African Rand yesterday.

## Key Currencies & Commodities

	Current		1 D % Chg	WTD % Chg	MTD % Chg	Prev. Month % Chg	YTD % Chg
USDZAR	12.8030	▼	-0.94%	-0.94%	-2.24%	-1.89%	-6.61%
GBPZAR	16.1986	▼	-1.58%	-1.58%	-3.76%	-2.60%	-4.11%
EURZAR	14.3270	▼	-0.86%	-0.86%	-2.36%	1.03%	-0.52%
AUDZAR	9.6743	▲	-0.98%	-0.98%	-0.67%	-2.87%	-2.52%
EURUSD	1.1191	▼	0.07%	0.07%	-0.36%	3.20%	6.56%
GBPUSD	1.2652	▼	-0.68%	-0.68%	-1.79%	-0.47%	2.62%
Brent (\$/barrel)	48.5	▲	0.29%	0.29%	-4.87%	-2.48%	-15.01%
Gold (\$/oz)	1268.3	▲	-0.19%	-0.19%	-0.46%	0.29%	9.93%
Platinum (\$/oz)	946.3	▲	0.45%	0.45%	-0.61%	0.17%	4.76%
Copper (\$/MT)*	5743.0	▼	-0.63%	-0.63%	1.51%	-0.92%	3.98%

\*As of Previous Close

## Gold ▲

### Trading in the green

At 06:00 SAST, gold prices gained 0.2% to trade at \$1,268.30/oz.

Yesterday, gold prices fell 0.2% to close at \$1,266.10/oz, amid rising expectations that the Federal Reserve will increase interest rate this week.

## Brent Crude Oil ▲

### Trading stronger

At 06:00 SAST, Brent crude oil edged 0.4% higher to trade at \$48.49/bl.

Yesterday, Brent crude oil advanced 0.3% to settle at \$48.29/bl, after the news emerged that Saudi Arabia, the world's biggest oil exporter, will limit crude allocations to Asia in July to a total of about 300,000 bls per day.

## Platinum ▲

### Trading in positive territory

At 06:00 SAST, platinum prices climbed 0.2% to trade at \$946.30/oz.

Yesterday, platinum prices climbed 0.5% to close at \$944.50/oz.



# ONE Minute Brief

13 June 2017



## Major South Africa Corporate News

### Invicta Holdings Limited

In its trading statement for FY17, the company stated that its headline EPS for the period ended March 31, 2017 is expected to increase by between 35.0% to 40.0%, from 359.00c reported for the previous corresponding period.

### MMI Holdings Limited

The company announced that African Bank and it has entered into an agreement where they will offer expanded financial services solutions to their respective customers to facilitate financial wellness. The agreement is subject to regulatory approval. The two companies envisage that investing in this symbiotic relationship will enable them to provide a wider range of products and services to their customers and expand their service footprint, ultimately leading to an improved client experience.

## Major Global Economic News

### Asia

In Australia, the NAB business confidence index eased to 7.00 in May. The index had recorded a reading of 13.00 in the prior month.

In May, the NAB business conditions index eased to 12.00 in Australia, compared to a revised level of 13.00 in the prior month.

### US

In the US, budget deficit stood at USD88.43bn in May, more than market expectations of a budget deficit of USD87.00bn. The US had posted a budget surplus of USD182.43bn in the prior month.

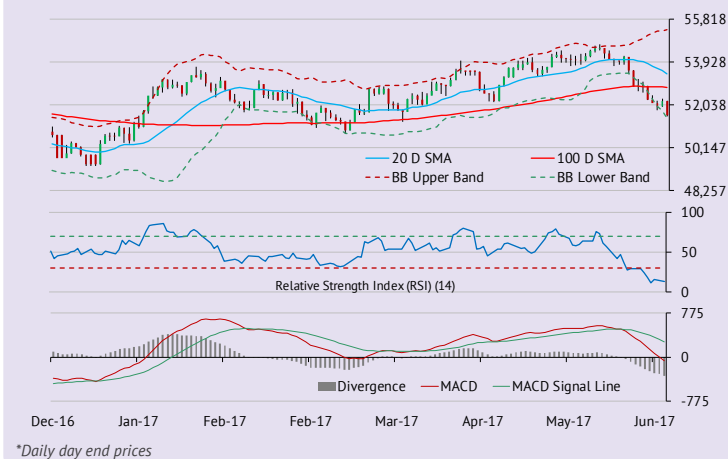
# ONE Minute Brief

13 June 2017

**GTC**  
consult • partner • manage

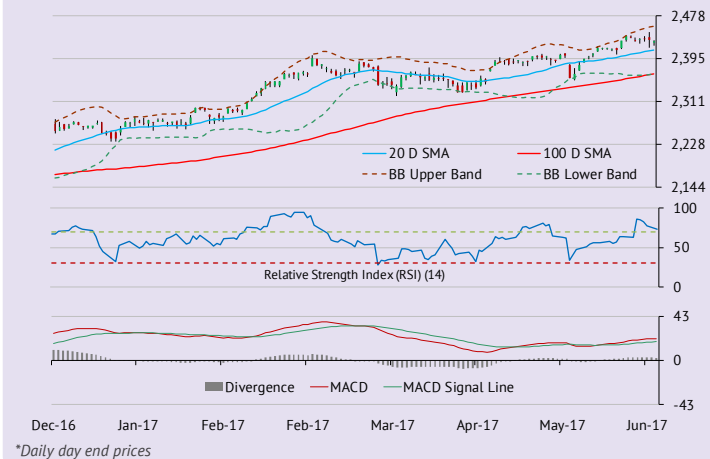
## Technical Snapshot

### JSE All Share



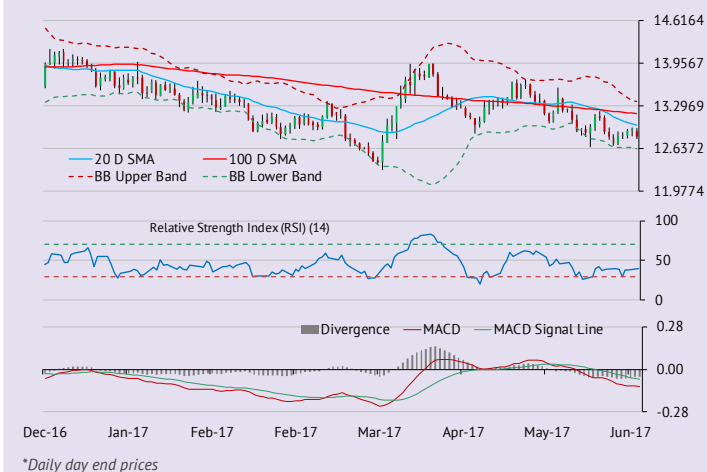
The JSE All Share index is expected to find support at 51,101.88, and a fall through could take it to the next support level of 50,639.76. The index is expected to find its first resistance at 52,448.12, and a rise through could take it to the next resistance level of 53,332.24.

### S&P 500



The S&P 500 index is expected to find support at 2,414.66, and a fall through could take it to the next support level of 2,399.93. The index is expected to find its first resistance at 2,445.16, and a rise through could take it to the next resistance level of 2,460.93.

### USDZAR



The pair is expected to find support at 12.6900, and a fall through could take it to the next support level of 12.5563. The pair is expected to find its first resistance at 12.9593, and a rise through could take it to the next resistance level of 13.0949.

### XAU/USD



Gold is expected to find support at \$1,254.47/oz, and a fall through could take it to the next support level of \$1,242.83/oz. The precious metal is expected to find its first resistance at \$1,286.47/oz, and a rise through could take it to the next resistance level of \$1,306.83/oz.

# ONE Minute Brief

13 June 2017

**GTC**  
consult • partner • manage

## Economic Calendar

Country	SAST	Economic Indicator	Relevance	Consensus/ *Actual	Previous/ **Previous Est.	Frequency
Japan	01:50	BSI Large Manufacturing (QoQ) (Q2)	✓✓	2.90%*	1.10%	Quarterly
China	02:01	Manpower Survey (Q3)	✓	5.00%*	4.00%	Quarterly
Japan	02:01	Manpower Survey (Q3)	✓	24.00%*	23.00%	Quarterly
Germany	08:00	Wholesale Price Index (MoM) (May)	✓	-	0.30%	Monthly
Germany	08:00	Wholesale Price Index (YoY) (May)	✓	-	4.70%	Monthly
Spain	09:00	Consumer Price Index (YoY) (May) (F)	✓✓✓	1.90%	1.90%**	Monthly
Spain	09:00	Consumer Price Index (MoM) (May) (F)	✓✓	-0.10%	-0.10%**	Monthly
UK	10:30	Retail Price Index (May)	✓	-	270.60	Monthly
UK	10:30	Consumer Price Index (MoM) (May)	✓✓	0.20%	0.50%	Monthly
UK	10:30	Consumer Price Index (YoY) (May)	✓✓✓	2.70%	2.70%	Monthly
UK	10:30	Retail Price Index (MoM) (May)	✓	0.30%	0.50%	Monthly
UK	10:30	Retail Price Index (YoY) (May)	✓	3.50%	3.50%	Monthly
UK	10:30	Consumer Price Index Core (YoY) (May)	✓✓✓	2.40%	2.40%	Monthly
Eurozone	11:00	ZEW Survey - Economic Sentiment (Jun)	✓✓	-	35.10	Monthly
Germany	11:00	ZEW Survey - Current Situation (Jun)	✓✓	85.00	83.90	Monthly
Germany	11:00	ZEW Survey - Economic Sentiment (Jun)	✓✓✓	21.70	20.60	Monthly
US	12:00	NFIB Small Business Optimism (May)	✓	104.50	104.50	Monthly
US	14:30	Producer Price Index (MoM) (May)	✓	0.00%	0.50%	Monthly
US	14:30	Producer Price Index (YoY) (May)	✓✓	2.30%	2.50%	Monthly
US	14:55	Redbook Index (YoY) (09-Jun)	✓	-	2.50%	Weekly
US	14:55	Redbook Index s.a. (MoM) (09-Jun)	✓	-	0.70%	Weekly

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