

ONE Minute Brief

22 August 2017

GTC
consult • partner • manage

Economic and Political News

President, Jacob Zuma, has signed the Financial Sector Regulation Act into law. The Act establishes two new financial sector regulators, the Financial Sector Conduct Authority and the Prudential Authority.

Parliament's legal services unit has recommended that Public Service and Administration Minister and former Communications Minister, Faith Muthambi, should be investigated for possibly misleading the ad hoc committee of inquiry into the South African Broadcasting Corporation.

The Minister of Trade and Industry, Dr. Rob Davies stated that infrastructure development was essential for industrialisation in Africa.

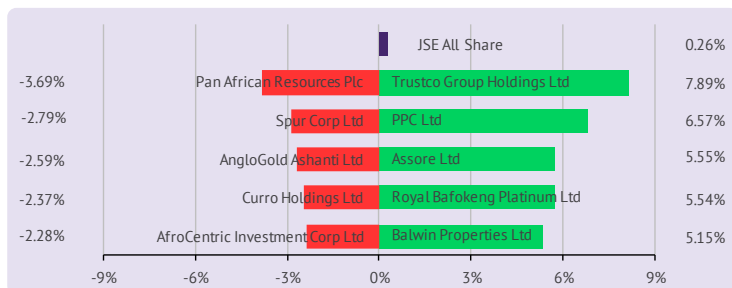
The Council for the Advancement of the South African Constitution (CASAC) has urged National Assembly speaker, Baleka Mbete and the portfolio committee on justice and correctional services to urgently deal with the review of the executive members' ethics act.

The Congress of South Africa Trade Unions (COSATU), reiterated its call for President, Jacob Zuma, to step down, along with "incompetent" cabinet ministers.

South Africa Market ▲

South African markets closed higher

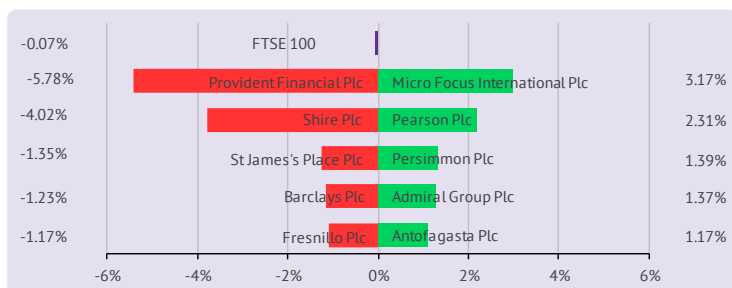
South African markets closed in the green yesterday, boosted by gains in platinum mining and retail sector stocks. The JSE All Share Index rose 0.3% to close at 55,450.53.



UK Market ▼

The FTSE 100 futures are trading in positive territory

UK markets finished lower yesterday, led by losses in financial sector stocks. The FTSE 100 Index declined 0.1% to close at 7,318.88.



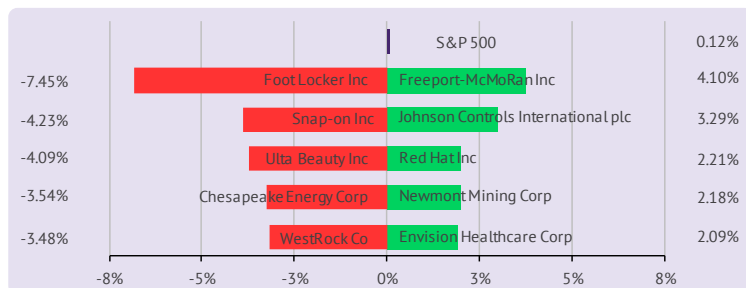
Key Indices

	Last Close		1 Day Chg	1 D % Chg	WTD % Chg	MTD % Chg	Prev. Month % Chg	YTD % Chg
JSE All Share	55450.53	▲	146.30	0.26%	0.26%	0.44%	6.97%	9.47%
JSE Top 40	49029.00	▲	99.13	0.20%	0.20%	0.32%	7.60%	11.68%
FTSE 100	7318.88	▼	-5.10	-0.07%	-0.07%	-0.72%	0.81%	2.46%
DAX 30	12065.99	▼	-99.20	-0.82%	-0.82%	-0.43%	-1.68%	5.09%
CAC 40	5087.59	▼	-26.56	-0.52%	-0.52%	-0.12%	-0.53%	4.63%
S&P 500	2428.37	▲	2.82	0.12%	0.12%	-1.70%	1.93%	8.47%
Nasdaq Composite	6213.13	▼	-3.40	-0.05%	-0.05%	-2.13%	3.38%	15.42%
DJIA	21703.75	▲	29.24	0.13%	0.13%	-0.86%	2.54%	9.82%

US Market ▲

The S&P 500 futures are trading in the green

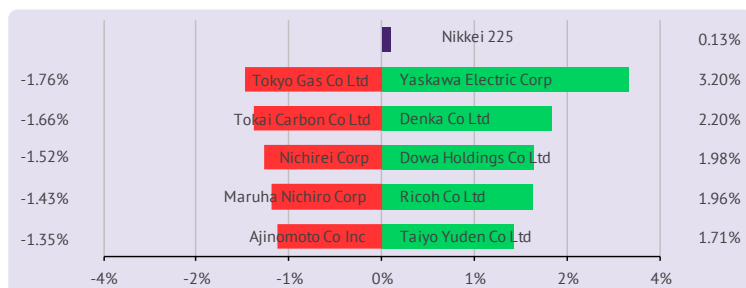
US markets closed higher yesterday, amid an increase in retail sector stocks. Data revealed that the US Chicago Fed's National activity index declined more than market expectations in July. The S&P 500 Index climbed 0.1% to close at 2,428.37.



Asian Market ▲

Trading higher

Asian markets are trading higher this morning, tracking overnight gains on Wall Street. The Nikkei 225 Index is trading 0.1% higher at 19,417.90.



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

22 August 2017

GTC
consult • partner • manage

USDZAR ▼

USD trading weaker against ZAR

At 06:00 SAST, the US Dollar is trading 0.1% lower against the South African Rand at R13.1605. Later today, traders will keep a close watch on US house price index for further cues. Separately, South Africa's leading indicator will be on investors' radar.

The US Dollar rose against the South African Rand yesterday. On the macro front, US Chicago Fed's National activity index dropped more-than-expected in July.

GBPZAR ▼

GBP trading lower against ZAR

At 06:00 SAST, the British Pound dropped 0.2% against the South African Rand to trade at R16.9606. Later today, traders will keep an eye on UK's public sector net borrowings for further direction.

The British Pound advanced against the South African Rand yesterday.

EURZAR ▼

EUR trading weaker against ZAR

At 06:00 SAST, the Euro is trading 0.2% lower against the South African Rand at R15.5430. Going forward, market participants will keep a tab on the Eurozone's and Germany's ZEW economic sentiment index for further indication.

The Euro strengthened against the South African Rand yesterday. In major news, the Bundesbank stated that the German economy is expected to grow at a faster pace in the third quarter on the back of exceptionally robust industrial production, exports and consumption.

AUDZAR ▼

AUD trading lower against ZAR

At 06:00 SAST, the Australian Dollar marginally dropped against the South African Rand to trade at R10.4524. Earlier in the session, data showed that Australia's ANZ Roy Morgan weekly consumer confidence index recorded a drop for the week ended August 20, 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	13.1605	▼	0.12%	0.12%	-0.09%	0.85%	-4.06%
GBPZAR	16.9606	▼	0.32%	0.32%	-2.49%	2.31%	0.37%
EURZAR	15.5430	▼	0.61%	0.61%	-0.32%	4.50%	7.79%
AUDZAR	10.4524	▼	0.55%	0.55%	-1.16%	5.43%	5.56%
EURUSD	1.1810	▼	0.46%	0.46%	-0.23%	3.64%	12.38%
GBPUSD	1.2887	▼	0.23%	0.23%	-2.38%	1.46%	4.57%
Brent (\$/barrel)	51.8	▲	-2.01%	-2.01%	-2.01%	8.10%	-9.08%
Gold (\$/oz)	1294.4	▲	0.40%	0.40%	1.91%	1.96%	12.08%
Platinum (\$/oz)	984.5	▼	0.32%	0.32%	4.76%	1.84%	9.31%
Copper (\$/MT)*	6551.3	▲	1.53%	1.53%	3.39%	6.90%	18.62%

*As of Previous Close

Gold ▲

Trading in the green

At 06:00 SAST, gold prices edged 0.3% higher to trade at \$1,294.40/oz.

Yesterday, gold prices rose 0.4% to close at \$1,290.80/oz, as increasing geopolitical tensions between the US and North Korea fuelled demand for the safe haven asset.

Brent Crude Oil ▲

Trading stronger

At 06:00 SAST, Brent crude oil edged 0.3% higher to trade at \$51.82/bl, boosted by indications that supply is gradually tightening, especially in the United States.

Yesterday, Brent crude oil dropped 2.0% to settle at \$51.66/bl, reversing its previous session gains.

Platinum ▼

Trading in negative territory

At 06:00 SAST, platinum prices edged 0.1% lower to trade at \$984.50/oz.

Yesterday, platinum prices climbed 0.3% to close at \$985.50/oz.



ONE Minute Brief

22 August 2017



Major South Africa Corporate News

Advtech Limited

In its 1H17 results, the company stated that its revenue advanced 22.1% from the same period of the preceding year to R2.00bn. Its diluted EPS stood at 38.40c, compared with 36.20c recorded in the corresponding period of the previous year.

Sasol Limited

In its FY17 results, the company stated that its turnover slightly dropped to R172.41bn from R172.94bn recorded in the previous year. Its diluted EPS rose 53.6% from the preceding year to 33.27c.

AngloGold Ashanti Limited

In its 1H17 results, the company revealed that its revenue advanced 4.3% from the same period of the preceding year to \$2.13bn. Its diluted loss per share stood at 43.00c, compared with EPS of 13.00c recorded in the corresponding period of the previous year.

Major Global Economic News

Eurozone

In its monthly bulletin, the Deutsche Bundesbank indicated that the German economy is expected to continue its strong growth trend in the third quarter, on the back of exceptionally strong industrial production, exports and consumption. The central bank further added that the outlook for consumers remains bright, amid a strong labour market and positive income growth.

US

In the US, the Chicago Fed national activity index fell to a level of -0.01 in July, compared to market expectations of a fall to 0.10. The index had recorded a revised level of 0.16 in the prior month.

Asia

In Australia, the ANZ Roy Morgan Weekly consumer confidence index fell to 109.20 for the week ended August 20, 2017, compared to a reading of 111.70 in the prior month.

ONE Minute Brief

22 August 2017

GTC
consult • partner • manage

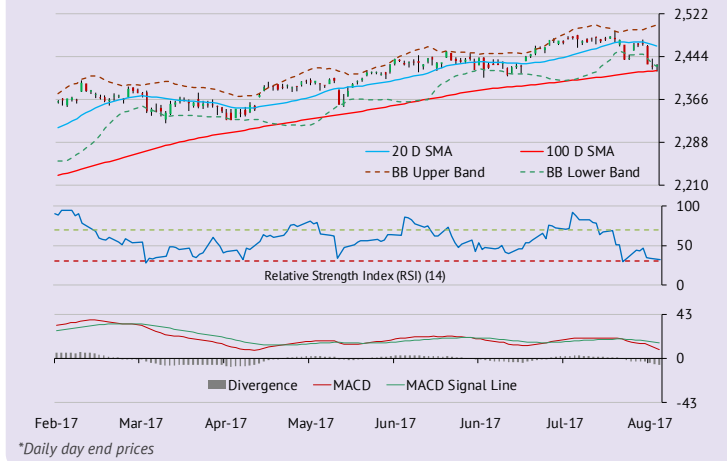
Technical Snapshot

JSE All Share



The JSE All Share index is expected to find support at 55,020.14, and a fall through could take it to the next support level of 54,589.74. The index is expected to find its first resistance at 55,844.11, and a rise through could take it to the next resistance level of 56,237.68.

S&P 500



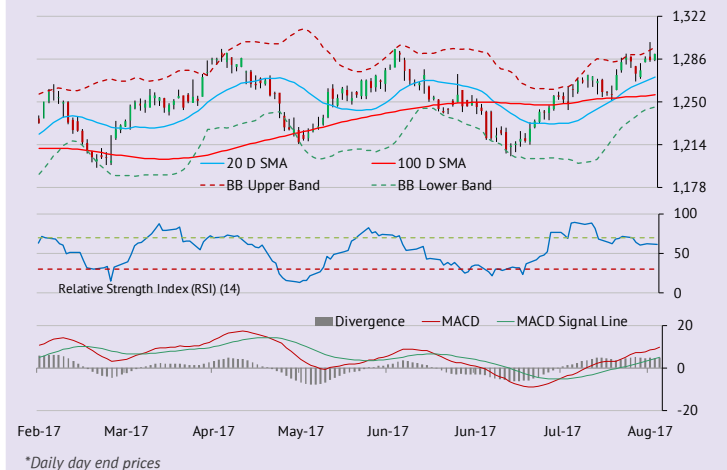
The S&P 500 index is expected to find support at 2,405.50, and a fall through could take it to the next support level of 2,382.64. The index is expected to find its first resistance at 2,463.08, and a rise through could take it to the next resistance level of 2,497.80.

USDZAR



The pair is expected to find support at 13.0629, and a fall through could take it to the next support level of 12.9515. The pair is expected to find its first resistance at 13.3509, and a rise through could take it to the next resistance level of 13.5275.

XAU/USD



Gold is expected to find support at \$1,271.90/oz, and a fall through could take it to the next support level of \$1,253.00/oz. The precious metal is expected to find its first resistance at \$1,305.20/oz, and a rise through could take it to the next resistance level of \$1,319.60/oz.

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

22 August 2017

GTC
consult • partner • manage

Economic Calendar

Country	SAST	Economic Indicator	Relevance	Consensus	Previous	Frequency
Japan	07:00	Supermarket Sales (YoY) (Jul)	✓	-	-1.20%	Monthly
South Africa	09:00	Leading Indicator (Jun)	✓✓	-	95.80	Monthly
UK	10:30	PSCNR Net Debt % GDP (Jul)	✓✓	-	102.40%	Monthly
UK	10:30	Public Sector Net Cash Requirement (Jul)	✓✓	-	GBP17.80bn	Monthly
UK	10:30	PSNB ex Interventions (Jul)	✓	GBP1.00bn	GBP6.90bn	Monthly
UK	10:30	Public Sector Net Borrowing (Jul)	✓✓	GBP0.30bn	GBP6.30bn	Monthly
Eurozone	11:00	ZEW Survey - Economic Sentiment (Aug)	✓✓	-	35.60	Monthly
Germany	11:00	ZEW Survey - Economic Sentiment (Aug)	✓✓✓	15.00	17.50	Monthly
Germany	11:00	ZEW Survey - Current Situation (Aug)	✓✓	85.20	86.40	Monthly
UK	12:00	CBI Trends Selling Prices (Aug)	✓✓	-	9.00	Monthly
UK	12:00	CBI Industrial Trends Survey - Orders (Aug)	✓	8.00	10.00	Monthly
Eurozone	14:00	ECB's Constancio Speaks at Economists' Congress in Lisbon	✓	-	-	As scheduled
US	15:00	House Price Index s.a. (Jun)	✓✓	-	249.20	Monthly
China	15:00	Conference Board Leading Economic Index (Jul)	✓	-	-	Monthly
US	15:00	House Price Purchase Index (QoQ) (Q2)	✓✓	-	1.40%	Quarterly
US	15:00	Housing Price Index (MoM) (Jun)	✓	0.50%	0.40%	Monthly
US	16:00	Richmond Fed Manufacturing Index (Aug)	✓	10.00	14.00	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