

ONE Minute Brief

23 October 2017

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Economic and Political News

The National Prosecuting Authority (NPA) has given President Jacob Zuma until 30 November to make representations in his defence before the NPA decides to reinstate 783 corruption charges filed against him.

President Jacob Zuma's spokesperson has denied rumours regarding the removal of the nation's Deputy President, Cyril Ramaphosa.

South Africa's Deputy President, Cyril Ramaphosa highlighted the need for revolutionary leaders in the country and called on union members to report corruption practices and state capture. He raised concerns regarding South Africa being referred to as the capital of corruption. He added that education and upskilling of people was important if the nation was to recover from its current economic situation. Separately, the ANC Gauteng Provincial Executive Council has expressed support for Ramaphosa as the next party president.

A media report indicated that a top team of officials acting under instructions from Russian President, Vladimir Putin met with President, Jacob Zuma and instructed him to speed up a multibillion-dollar nuclear deal with Russia, just before the surprise Cabinet reshuffle.

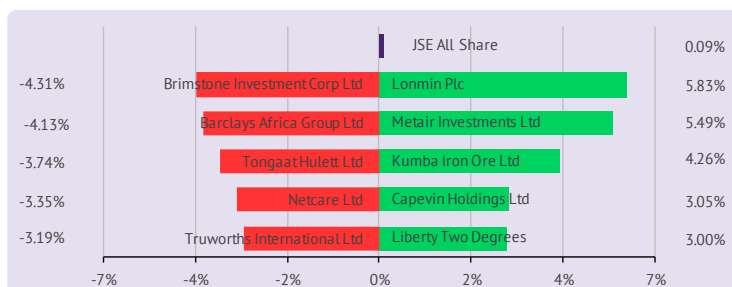
Key Indices

	Last Close		1 Day Chg	1 D % Chg	WTD % Chg	MTD % Chg	Prev. Month % Chg	YTD % Chg
JSE All Share	57948.66	▲	51.83	0.09%	NA	4.26%	-1.67%	14.40%
JSE Top 40	51600.66	▲	75.14	0.15%	NA	4.50%	-1.24%	17.54%
FTSE 100	7523.23	▲	0.19	0.003%	NA	2.04%	-0.78%	5.33%
DAX 30	12991.28	▲	1.18	0.01%	NA	1.27%	6.41%	13.15%
CAC 40	5372.38	▲	4.09	0.08%	NA	0.80%	4.80%	10.49%
S&P 500	2575.21	▲	13.11	0.51%	NA	2.22%	1.93%	15.02%
Nasdaq Composite	6629.05	▲	23.99	0.36%	NA	2.05%	1.05%	23.15%
DJIA	23328.63	▲	165.59	0.71%	NA	4.12%	2.08%	18.04%

South Africa Market ▲

South African markets closed higher

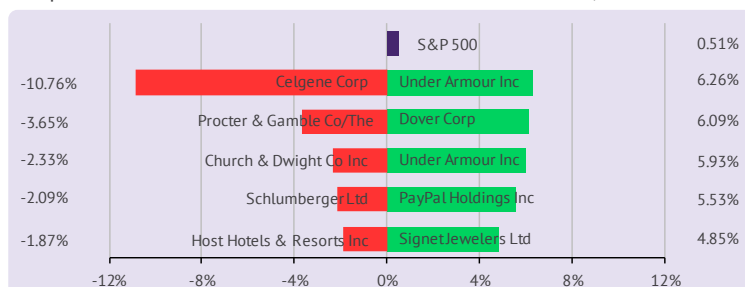
South African markets closed in the green on Friday, amid gains in platinum mining sector stocks. The JSE All Share Index rose 0.1% to close at 57,948.66.



US Market ▲

The S&P 500 futures are trading in the red

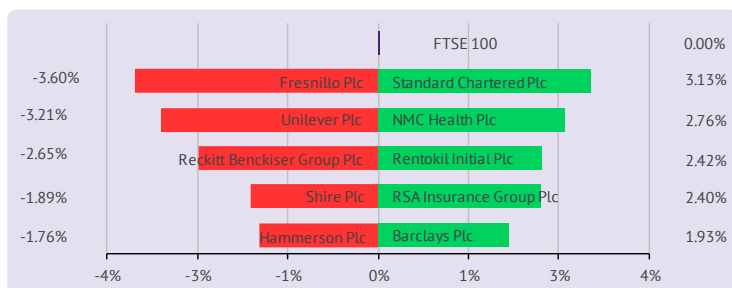
US markets closed higher on Friday, as the US Senate passed a USD4.00tn budget measure and following gains in financial sector stocks. The US existing home sales unexpectedly rebounded in September. The S&P 500 Index climbed 0.5% to close at 2,575.21.



UK Market ▲

The FTSE 100 futures are trading in negative territory

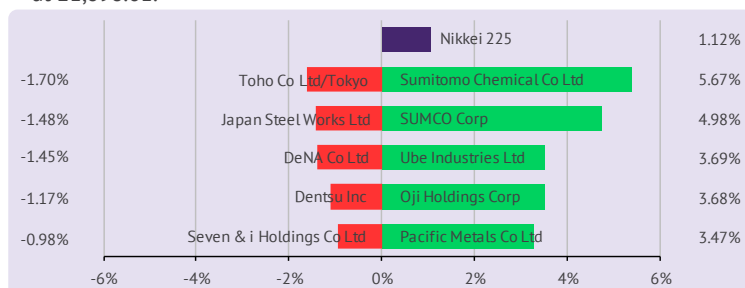
UK markets finished flat on Friday, after paring their early gains. Data revealed that UK's public sector net borrowing advanced in September. The FTSE 100 Index marginally rose to close at 7523.23.



Asian Market ▲

Trading mostly higher

Asian markets are trading mostly higher this morning. Japan's snap election saw Prime Minister, Shinzo Abe's ruling coalition securing a two-thirds "super majority". The Nikkei 225 Index is trading 1.1% higher at 21,698.01.



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USDZAR ▲

USD trading higher against ZAR

At 06:00 SAST, the US Dollar is trading 0.2% higher against the South African Rand at R13.6756. Later today, traders will keep a close watch on US Chicago Fed national activity index for more cues.

The US Dollar rose against the South African Rand on Friday, after the US Senate approved a budget plan for the 2018 financial year. Moreover, the Federal Reserve Chair, Janet Yellen, indicated that reduction of its bond buying programme was working well, while inflation readings have been a surprise and unexplainable this year. On the data front, existing home sales in the US surprisingly rebounded in September, as adverse effects of Hurricanes Harvey and Irma began to fade away. Meanwhile, the nation's monthly budget surplus narrowed slightly less-than-expected in September.

GBPZAR ▲

GBP trading firmer against ZAR

At 06:00 SAST, the British Pound advanced 0.3% against the South African Rand to trade at R18.0506. Later today, traders will eye UK's CBI industrial trends survey for further direction.

The British Pound advanced against the South African Rand on Friday. In economic news, the UK public sector borrowing advanced less than market expectations in September, reaching its lowest level in 10 years.

EURZAR ▲

EUR trading stronger against ZAR

At 06:00 SAST, the Euro is trading 0.1% higher against the South African Rand at R16.0938. Going forward, market participants will keep a tab on Eurozone's consumer confidence index for October.

The Euro strengthened against the South African Rand on Friday, after Eurozone's current account surplus unexpectedly widened in August. Separately, German producer prices rose more than market expectations on a yearly basis in September.

AUDZAR ▲

AUD trading higher against ZAR

At 06:00 SAST, the Australian Dollar climbed 0.3% against the South African Rand to trade at R10.6987.

The Australian Dollar rose against the South African Rand on Friday, reversing its losses from previous session.

Key Currencies & Commodities

	Current		1 D % Chg	WTD % Chg	MTD % Chg	Prev. Month % Chg	YTD % Chg
USDZAR	13.6756	▲	1.17%	NA	0.63%	4.27%	-0.63%
GBPZAR	18.0506	▲	1.38%	NA	-0.96%	8.01%	6.29%
EURZAR	16.0938	▲	0.57%	NA	0.36%	3.41%	11.32%
AUDZAR	10.6987	▲	0.38%	NA	0.41%	2.78%	7.68%
EURUSD	1.1769	▼	-0.57%	NA	-0.25%	-0.81%	12.09%
GBPUSD	1.3200	▲	0.24%	NA	-1.55%	3.62%	6.92%
Brent (\$/barrel)	57.9	▲	0.91%	NA	1.69%	7.43%	1.64%
Gold (\$/oz)	1277.9	▲	-0.74%	NA	-0.32%	-2.81%	10.91%
Platinum (\$/oz)	924.1	=	0.10%	NA	1.52%	-8.83%	2.50%
Copper (\$/MT)*	6921.5	▼	-0.18%	NA	7.61%	-4.84%	25.32%

*As of Previous Close

Gold ▲

Trading in the green

At 06:00 SAST, gold prices traded marginally higher at \$1,277.90/oz.

On Friday, gold prices fell 0.7% to close at \$1,277.40/oz, amid a stronger US Dollar.

Brent Crude Oil ▲

Trading stronger

At 06:00 SAST, Brent crude oil edged 0.2% higher to trade at \$57.87/bl.

On Friday, Brent crude oil advanced 0.9% to settle at \$57.75/bl, amid geopolitical concerns in Iraq which disrupted oil production and exports. Meanwhile, Baker Hughes announced that US oil rigs dropped by 7 to 736 last week.

Platinum ◀▶

Trading flat

At 06:00 SAST, platinum prices traded flat at \$924.10/oz.

On Friday, platinum prices climbed 0.1% to close at \$924.10/oz.



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Major South Africa Corporate News

Royal Bafokeng Platinum Limited

The company was ordered by mining inspectors to suspend part of one of its operations.

Sasol Limited

The company announced that it is starting to see improved production rates, labour productivity and cost efficiency from its business improvement programme.

Major Global Economic News

US

The Fed Chairwoman, Janet Yellen, warned that there is an “uncomfortably high” risk that the central bank may have to deploy crisis-era unconventional policy tools again if the US economy remains stuck in a low interest-rate regime. Further, Yellen also noted that the Fed is making “good progress” in reducing its massive portfolio of bond holdings.

In September, existing home sales unexpectedly rose by 0.7%, on a monthly basis, to a level of 5.39mn in the US, compared to market expectations of 5.30mn. Existing home sales had recorded a level of 5.35mn in the previous month.

UK

In the UK, the public sector net borrowing posted a deficit of GBP5.30bn in September, from a revised deficit of GBP4.10bn in the prior month. Markets were anticipating public sector net borrowing to post a deficit of GBP5.70bn.

Eurozone

The Eurozone reported the seasonally adjusted current account surplus of EUR33.30bn in August, compared to a revised current account surplus of EUR31.50bn in the prior month.

In Germany, the producer price index (PPI) advanced 3.1% on an annual basis in September, compared to a rise of 2.6% in the previous month. Market anticipation was for the PPI to advance 2.9%.



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40 Best Performers on the All Share Index

Company Name	Last Close	1 Week % Change	MTD % Change	YTD % Change
Kumba Iron Ore Ltd	26929	6.06%	86.65%	84.36%
Exxaro Resources Ltd	14692	1.87%	47.37%	74.43%
Naspers Ltd	329700	3.03%	21.73%	64.13%
Trencor Ltd	4205	1.74%	24.78%	49.56%
Astral Foods Ltd	18900	8.19%	19.22%	48.96%
Glencore Plc	6765	1.27%	39.52%	47.38%
Dis-Chem Pharmacies Ltd	3277	0.83%	13.67%	46.67%
MAS Real Estate Inc	3100	5.44%	34.30%	44.04%
Equites Property Fund Ltd	2200	3.19%	28.21%	43.89%
Murray & Roberts Holdings Ltd	1571	-5.76%	21.74%	40.45%
Anglo American Platinum Ltd	36844	1.92%	32.10%	39.34%
Cie Financiere Richemont SA	12283	0.46%	13.39%	38.22%
Clicks Group Ltd	15500	-4.09%	14.51%	37.28%
Anglo American Plc	25584	-2.01%	49.59%	34.93%
Capitec Bank Holdings Ltd	92100	-1.26%	18.93%	34.67%
African Oxygen Ltd	2411	2.60%	24.46%	33.10%
Assore Ltd	29677	2.33%	59.41%	32.31%
Fortress Income Fund Ltd	4021	-0.47%	17.70%	30.30%
Gold Fields Ltd	5523	2.15%	19.85%	29.51%
Resilient REIT Ltd	14048	-0.76%	19.62%	28.65%
South32 Ltd	3354	-0.74%	32.72%	28.45%
Discovery Ltd	14430	1.06%	13.41%	27.74%
Bid Corp Ltd	30768	-2.88%	3.52%	27.73%
Trustco Group Holdings Ltd	530	-3.64%	22.97%	27.10%
RCL Foods Ltd/South Africa	1573	2.84%	6.27%	26.41%
Shoprite Holdings Ltd	21150	-2.40%	2.70%	26.29%
Mondi PLC	34050	0.70%	-0.47%	25.26%
Mondi Ltd	34150	1.48%	-0.26%	25.07%
PPC Ltd	688	0.73%	12.05%	24.41%
African Rainbow Minerals Ltd	11377	4.38%	49.36%	23.13%
Northam Platinum Ltd	4978	8.03%	13.19%	22.91%
Adcock Ingram Holdings Ltd	5780	-2.20%	-5.31%	22.57%
PSG Konsult Ltd	885	-1.67%	7.93%	21.29%
PSG Group Ltd	25950	0.10%	8.32%	19.94%
BHP Billiton Plc	24828	0.15%	26.17%	19.02%
Sanlam Ltd	7168	-0.22%	4.44%	18.67%
Capital & Regional Plc	1000	1.42%	4.62%	18.14%
Echo Polska Properties NV	2159	1.31%	10.41%	17.97%
KAP Industrial Holdings Ltd	860	0.94%	-1.48%	17.89%
DataTec Ltd	5830	-1.19%	11.69%	17.83%
JSE All Share Index	57949	0.12%	4.26%	14.40%

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Economic Calendar

Country	SAST	Economic Indicator	Relevance	Consensus/ *Actual	Previous/ **Previous Est.	Frequency
China	03:30	House Price Index (YoY) (Sep)	✓	6.30%*	8.30%	Monthly
Japan	07:00	Coincident Index (Aug) (F)	✓	-	117.60**	Monthly
Japan	07:00	Leading Economic Index (Aug) (F)	✓✓	-	106.80**	Monthly
Japan	07:30	Nationwide Department Store Sales (YoY) (Sep)	✓	-	2.00%	Monthly
Japan	07:30	Tokyo Department Store Sales (YoY) (Sep)	✓	-	3.60%	Monthly
Switzerland	09:00	M3 Money Supply (YoY) (Sep)	✓	-	4.00%	Monthly
UK	12:00	CBI Industrial Trends Survey - Orders (Oct)	✓	-	7.00	Monthly
UK	12:00	CBI Trends Selling Prices (Oct)	✓✓	-	18.00	Monthly
UK	12:00	CBI Business Optimism (10)	✓	-	5.00	Quarterly
Canada	14:30	Wholesale Sales (MoM) (Aug)	✓	-	1.50%	Monthly
US	14:30	Chicago Fed National Activity Index (Sep)	✓	-0.10	-0.31	Monthly
Eurozone	16:00	Consumer Confidence (Oct) (P)	✓✓✓	-1.10	-1.20	Monthly

Note: ✓✓✓ High ✓✓ Medium ✓ Low

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