

ONE Minute Brief

6 November 2017

GTC
consult • partner • manage

Economic and Political News

Deputy President, Cyril Ramaphosa, a leading contender to head the ANC in December, has named Science and Technology Minister, Naledi Pandor, as the ANC deputy presidential candidate on his ticket. Meanwhile, President Jacob Zuma has indicated that he is ready to hand over the reins of the party to the next ANC president.

The Democratic Alliance (DA) has indicated that it will interdict any attempt by Energy Minister, David Mahlobo, to force through a nuclear deal, citing that South Africa (SA) could not currently afford the high investment needed.

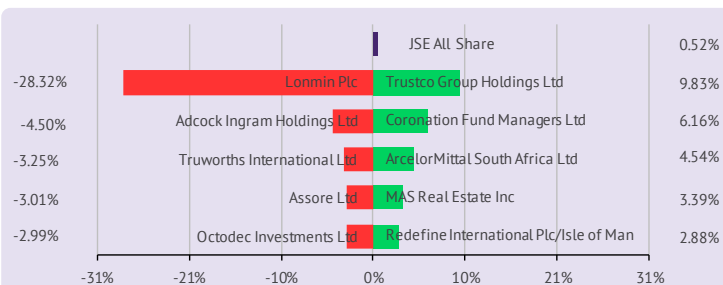
The DA has expressed concerns at reports that State Security Minister, Bongani Bongo, is being probed by Hawks for his alleged involvement in fraud and corruption when he was the head of legal services in the Mpumalanga human settlements department in 2012.

National Treasury indicated that SA has not found a potential equity partner for South African Airways and that the state pension fund manager PIC will not invest in the airline. Separately, the Treasury revealed that SA is not considering an International Monetary Fund (IMF) bailout at this stage.

South Africa Market ▲

South African markets closed higher

South African markets closed in the green on Friday, amid gains in industrial and resources sector stocks. The JSE All Share Index rose 0.5% to close at 59,638.21.



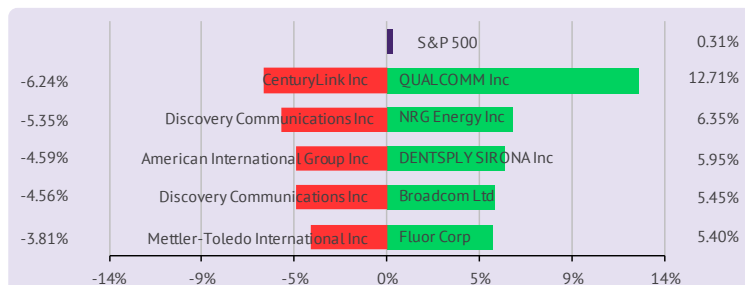
Key Indices

	Last Close		1 Day Chg	1 D % Chg	WTD % Chg	MTD % Chg	Prev. Month % Chg	YTD % Chg
JSE All Share	59638.21	▲	307.01	0.52%	NA	1.12%	6.12%	17.74%
JSE Top 40	53198.96	▲	353.33	0.67%	NA	1.20%	6.47%	21.18%
FTSE 100	7560.35	▲	5.03	0.07%	NA	0.90%	1.63%	5.85%
DAX 30	13478.86	▲	37.93	0.28%	NA	1.88%	3.12%	17.40%
CAC 40	5517.97	▲	7.47	0.14%	NA	0.27%	3.25%	13.48%
S&P 500	2587.84	▲	7.99	0.31%	NA	0.49%	2.22%	15.59%
Nasdaq Composite	6764.44	▲	49.49	0.74%	NA	0.55%	3.57%	25.66%
DJIA	23539.19	▲	22.93	0.10%	NA	0.69%	4.34%	19.11%

US Market ▲

The S&P 500 futures are trading in the red

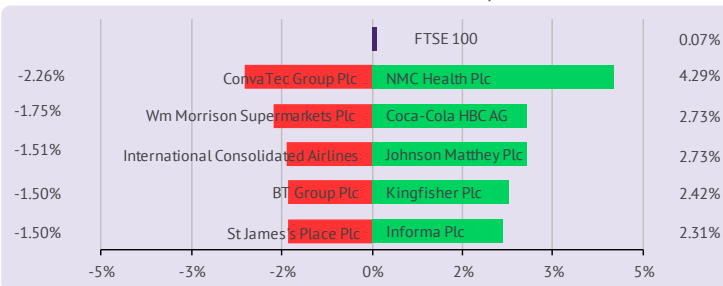
US markets closed higher on Friday, amid an upsurge in shares of heavyweight Apple following better-than-expected earnings. Data showed that the US non-farm payrolls rose less-than-expected in October. The S&P 500 Index climbed 0.3% to close at 2,587.84.



UK Market ▲

The FTSE 100 futures are trading in negative territory

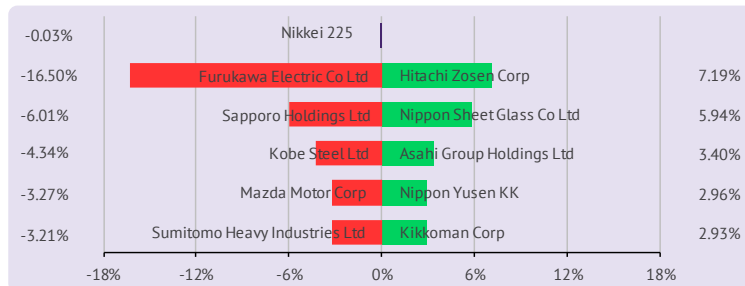
UK markets finished higher on Friday, supported by gains in healthcare and consumer discretionary sector stocks. Data showed that UK's service sector activity advanced to its highest level in six months in October. The FTSE 100 Index advanced 0.1% to close at 7,560.35.



Asian Market ▼

Trading lower

Asian markets are trading lower this morning. Data indicated that Japan's Nikkei services PMI expanded in October. The Nikkei 225 Index is trading marginally lower at 22,532.77.



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

6 November 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 R14.1998. With no major economic news in the US today, investor sentiment will be determined by global macroeconomic news.

The US Dollar rose against the South African Rand on Friday, after US unemployment rate recorded an unexpected drop to its lowest level since December 2000 in October, while non-farm payrolls advanced less than market forecast in the same month. Furthermore, growth in the nation's service sector surprisingly surged to its highest level since August 2005 in October. However, factory orders climbed more-than-expected on a monthly basis in September. Moreover, the final durable goods orders grew in line with market expectations on a monthly basis in September. Meanwhile, the nation's trade deficit widened surpassing market expectations in the same month. Further, the final Markit services PMI was revised lower in October compared to preliminary estimates.

GBPZAR ▼

GBP trading weaker against ZAR

At 06:00 SAST, the British Pound is trading 0.2% lower against the South African Rand at R18.5672. Amid a lack of economic releases in the UK today, investor sentiment will be determined by global macroeconomic news.

The British Pound advanced against the South African Rand on Friday, after UK's Markit services PMI unexpectedly rose in October, notching its strongest level in six months.

EURZAR ▼

EUR trading lower against ZAR

At 06:00 SAST, the Euro is trading 0.1% weaker against the South African Rand at R16.4921. Going forward, market participants will keep a tab on Eurozone's Sentix investor confidence index and the Markit services PMI across the Eurozone along with Germany's factory orders data for further cues.

The Euro strengthened against the South African Rand on Friday.

AUDZAR ▼

AUD trading weaker against ZAR

At 06:00 SAST, the Australian Dollar dropped 0.1% against the South African Rand to trade at R10.8748.

The Australian Dollar rose against the South African Rand on Friday. Data revealed that Australia's AiG performance of service index expanded at a slower pace in October. Further, retail sales recorded a flat reading on a monthly basis in September. Meanwhile, in China, Australia's largest trading partner, the Caixin services PMI expanded more than market expectations in October.

Key Currencies & Commodities

	Current		1 D % Chg	WTD % Chg	MTD % Chg	Prev. Month % Chg	YTD % Chg
USDZAR	14.1998	▼	1.80%	NA	0.69%	4.19%	3.59%
GBPZAR	18.5672	▼	1.92%	NA	-0.90%	3.32%	9.89%
EURZAR	16.4921	▼	1.35%	NA	0.33%	2.73%	14.32%
AUDZAR	10.8748	▼	0.96%	NA	0.60%	1.82%	9.84%
EURUSD	1.1614	▲	-0.43%	NA	-0.33%	-1.42%	10.42%
GBPUSD	1.3077	-	0.14%	NA	-1.55%	-0.86%	6.01%
Brent (\$/barrel)	62.3	▲	2.39%	NA	1.85%	7.31%	9.24%
Gold (\$/oz)	1269.9	▲	-0.70%	NA	-0.10%	-0.86%	10.20%
Platinum (\$/oz)	924.0	▲	-0.64%	NA	0.25%	1.02%	2.25%
Copper (\$/MT)*	6864.5	▼	-0.49%	NA	0.70%	5.98%	24.29%

*As of Previous Close

Gold ▲

Trading in the green

At 06:00 SAST, gold prices edged 0.1% higher to trade at \$1,269.90/oz.

On Friday, gold prices fell 0.7% to close at \$1,269.20/oz, as the US Dollar advanced following declining US unemployment rate and a strong reading on the ISM non-manufacturing PMI.

Brent Crude Oil ▲

Trading stronger

At 06:00 SAST, Brent crude oil gained 0.3% to trade at \$62.25/bl.

On Friday, Brent crude oil advanced 2.4% to settle at \$62.07/bl, as prices settled at their highest level in two years after Baker Hughes reported that US oil rig count fell by 8 to 729 last week.

Platinum ▲

Trading in positive territory

At 06:00 SAST, platinum prices gained 0.2% to trade at \$924.00/oz.

On Friday, platinum prices declined 0.6% to close at \$921.90/oz.



ONE Minute Brief

6 November 2017



GTC
consult • partner • manage

Major South Africa Corporate News

Lonmin Plc

In its 4Q17 production update, the company stated that sales of platinum increased by 3.6% to 218,687 ounces compared with the corresponding period of the previous year. For FY18, platinum sales are expected to be in the range of 650,000 to 680,000 ounces. Further, it announced that its FY17 results, which was previously expected to be announced on November 13, 2017, will be delayed.

Major Global Economic News

US

In the US, non-farm payrolls advanced by 261.00K in October, compared to a revised advance of 18.00K in the prior month. Market expectation was for non-farm payrolls to advance 313.00K.

In October, unemployment rate recorded an unexpected drop to a level of 4.1% in the US, compared to a reading of 4.2% in the previous month. Markets were expecting unemployment rate to record a steady reading.

In the US, the ISM non-manufacturing PMI unexpectedly climbed to 60.10 in October, compared to a level of 59.80 in the prior month. Market expectation was for the non-manufacturing PMI to ease to a level of 58.50.

The US has registered trade deficit of USD43.50bn in September, following a revised trade deficit of USD42.80bn in the prior month. Market expectation was for the nation to record a trade deficit of USD43.20bn.

In September, the final durable goods orders registered a rise of 2.0% on a monthly basis in the US, meeting market expectations. The preliminary figures had indicated a rise of 2.2%. In the prior month, durable goods orders had registered a similar rise.

In the US, factory orders registered a rise of 1.4% on a monthly basis in September, compared to a rise of 1.2% in the prior month. Markets were anticipating factory orders to advance 1.2%.

In October, the final Markit services PMI remained unchanged at 55.30 in the US, compared to market expectations of a rise to 55.90. The preliminary figures had recorded a rise to 55.90.

UK

In the UK, the Markit services PMI unexpectedly advanced to a level of 55.60 in October, compared to a reading of 53.60 in the previous month. Markets were expecting the services PMI to fall to 53.30.

Asia

In Japan, Markit services PMI advanced to 53.40 in October. Markit services PMI had registered a level of 51.00 in the previous month.

Bank of Japan (BoJ) Governor, Haruhiko Kuroda, expressed his confidence in the Japanese economy by stating that its economic growth is gathering momentum and there is a growing possibility of inflation hitting the 2.0% target, thus strengthening expectations that no additional stimulus is forthcoming.



ONE Minute Brief

6 November 2017



consult • partner • manage

40 Best Performers on the All Share Index

Company Name	Last Close	1 Week % Change	MTD % Change	YTD % Change
Kumba Iron Ore Ltd	29104	8.46%	101.72%	99.25%
Exxaro Resources Ltd	14765	3.14%	48.10%	75.30%
Naspers Ltd	347000	1.83%	28.12%	72.74%
Trencor Ltd	4350	-1.25%	30.63%	56.58%
Astral Foods Ltd	19831	1.19%	25.09%	56.29%
Glencore Plc	7035	2.81%	45.09%	53.26%
Anglo American Platinum Ltd	40143	3.67%	43.93%	51.82%
Dis-Chem Pharmacies Ltd	3330	0.39%	15.50%	49.05%
MAS Real Estate Inc	3200	2.56%	38.63%	48.68%
South32 Ltd	3871	4.31%	53.18%	48.24%
Cie Financiere Richemont SA	13107	0.58%	21.00%	47.50%
Anglo American Plc	27390	4.63%	60.15%	44.46%
Equites Property Fund Ltd	2102	-0.51%	26.04%	41.46%
Clicks Group Ltd	15961	-0.68%	17.91%	41.37%
Murray & Roberts Holdings Ltd	1579	3.20%	22.36%	41.16%
African Rainbow Minerals Ltd	12900	8.98%	69.35%	39.61%
Assore Ltd	31135	3.76%	67.24%	38.81%
Capitec Bank Holdings Ltd	94300	1.49%	21.77%	37.89%
PPC Ltd	747	9.85%	21.66%	35.08%
African Oxygen Ltd	2430	1.25%	25.44%	34.15%
Fortress Income Fund Ltd	4124	2.21%	20.72%	33.64%
Discovery Ltd	14890	2.80%	17.02%	31.81%
Resilient REIT Ltd	14380	3.80%	22.45%	31.69%
Gold Fields Ltd	5565	-1.15%	20.76%	30.50%
Bid Corp Ltd	31081	-1.64%	4.58%	29.02%
Northam Platinum Ltd	5225	1.26%	18.80%	29.01%
BHP Billiton Plc	26450	4.68%	34.42%	26.80%
Mondi Plc	34249	-0.97%	0.12%	26.00%
Trustco Group Holdings Ltd	525	5.00%	21.81%	25.90%
Mondi Ltd	34000	-1.06%	-0.70%	24.52%
DataTec Ltd	6122	2.03%	17.28%	23.73%
British American Tobacco Plc	92600	-0.58%	-0.78%	23.13%
Capital & Regional Plc	1038	4.74%	8.59%	22.63%
Shoprite Holdings Ltd	20481	-1.29%	-0.55%	22.30%
PSG Konsult Ltd	880	0.57%	8.02%	21.39%
PSG Group Ltd	26096	1.63%	9.51%	21.25%
RCL Foods Ltd/South Africa	1503	-3.03%	1.54%	20.79%
Sibanye Gold Ltd	1950	9.18%	25.73%	20.54%
Barloworld Ltd	13762	3.92%	19.47%	20.44%
KAP Industrial Holdings Ltd	863	0.94%	-1.13%	18.30%
JSE All Share Index	59638	1.57%	1.12%	17.74%

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

6 November 2017

GTC
consult • partner • manage

Economic Calendar

Country	SAST	Economic Indicator	Relevance	Consensus/ *Actual	Previous/ **Previous Est.	Frequency
Japan	02:30	Markit Japan Services PMI (Oct)	✓✓	53.40*	51.00	Monthly
Japan	02:30	Markit/JMMA Composite PMI (Oct)	✓✓✓	53.40*	51.70	Monthly
Japan	03:00	BoJ Kuroda makes a speech in Nagoya	✓✓✓	-	-	As scheduled
Germany	09:00	Germany- Foreign Export Orders (Sep)	✓	-	125.60	Monthly
Germany	09:00	Germany- Domestic Orders (Sep)	✓	-	112.00	Monthly
Germany	09:00	Germany- Manufacturing Order-Total (Sep)	✓	-	119.50	Monthly
Japan	09:00	BoJ chief economist speaks at conference	✓✓✓	-	-	As scheduled
Germany	09:00	Factory Orders n.s.a. (YoY) (Sep)	✓✓✓	7.10%	7.80%	Monthly
Germany	09:00	Factory Orders s.a. (MoM) (Sep)	✓✓	-1.10%	3.60%	Monthly
Germany	10:55	Markit Services PMI (Oct) (F)	✓✓✓	55.20	55.20**	Monthly
Eurozone	11:00	Markit Composite PMI (Oct) (F)	✓✓✓	55.90	55.90**	Monthly
Eurozone	11:00	Markit Services PMI (Oct) (F)	✓✓✓	54.90	54.90**	Monthly
Eurozone	11:30	Sentix Investor Confidence (Nov)	✓✓✓	31.00	29.70	Monthly
Eurozone	12:00	Producer Price Index (MoM) (Sep)	✓✓✓	0.40%	0.30%	Monthly
Eurozone	12:00	Producer Price Index (YoY) (Sep)	✓✓✓	2.70%	2.50%	Monthly
US	15:00	FOMC Member Yellen Speech	✓✓✓	-	-	As scheduled
US	19:00	Fed's Dudley Speaks to The Economic Club of New York	✓	-	-	As scheduled
US	19:45	Fed's Quarles Speaks at Clearing House Conference	✓	-	-	As scheduled
Eurozone	-	Eurogroup Meeting	✓	-	-	As scheduled

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