

# ONE Minute Brief

11 December 2017

**GTC**  
consult • partner • manage

## Economic and Political News

South African Social Security Agency (SASSA) and the South African Post Office (SAPO) have reached an agreement on processing payments of social grant beneficiaries after SASSA's contract with Cash Paymaster Services (CPS) ends on 31 March 2018. SAPO CEO Mark Barnes indicated that the new agreement will cost the same as the current deal with CPS. Meanwhile, the Democratic Alliance (DA) has asked the Inter-Ministerial Committee on social grants and SASSA to table the new grants distribution system in Parliament for MPs to investigate the feasibility of the proposed timelines and cost estimates.

Public Enterprises Minister, Lynne Brown, has asked the new Eskom board to appoint a new Chief Executive Officer as soon as possible.

The Pretoria High Court ruled on Friday that the appointment of Shaun Abrahams as the National Director of Public Prosecutions by President, Jacob Zuma, is invalid and should be set aside immediately. The Presidency indicated that it would appeal the judgement.

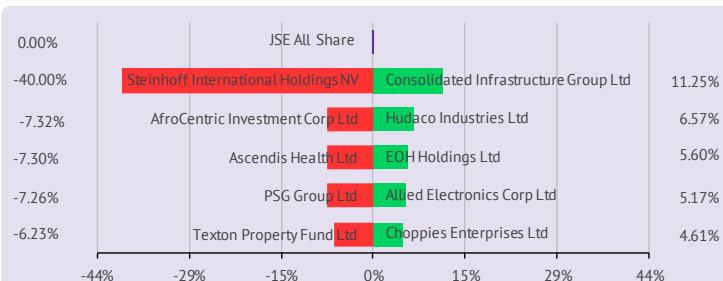
## Key Indices

	Last Close		1 Day Chg	1 D % Chg	WTD % Chg	MTD % Chg	Prev. Month % Chg	YTD % Chg
JSE All Share	58012.31	▼	-0.87	0.00%	NA	-2.95%	1.34%	14.53%
JSE Top 40	51671.17	▲	14.60	0.03%	NA	-3.00%	1.33%	17.70%
FTSE 100	7393.96	▲	73.21	1.00%	NA	0.92%	-2.22%	3.52%
DAX 30	13153.70	▲	108.55	0.83%	NA	1.00%	-1.55%	14.57%
CAC 40	5399.09	▲	15.23	0.28%	NA	0.49%	-2.37%	11.04%
S&P 500	2651.50	▲	14.52	0.55%	NA	0.15%	2.81%	18.43%
Nasdaq Composite	6840.08	▲	27.24	0.40%	NA	-0.49%	2.17%	27.07%
DJIA	24329.16	▲	117.68	0.49%	NA	0.23%	3.83%	23.11%

## South Africa Market ▼

### South African markets closed lower

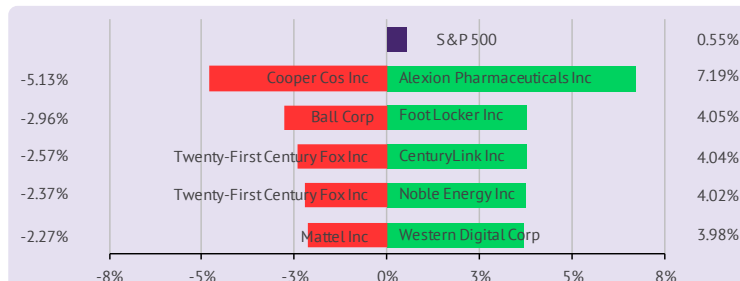
South African markets closed marginally lower on Friday, weighed down by losses in banking and financial sector stocks. The JSE All Share Index marginally fell to close at 58,012.31.



## US Market ▲

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

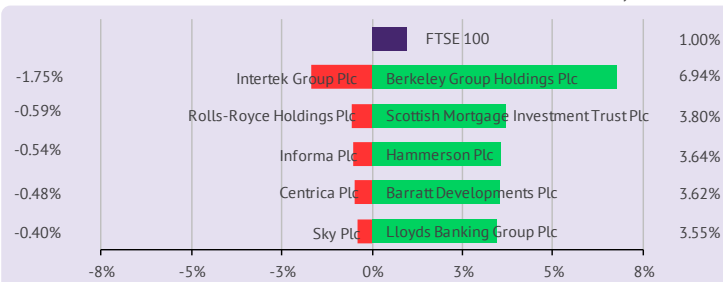
US markets closed higher on Friday, helped by strong US payrolls data that supported the case for an interest rate hike next week. Data showed that the US non-farm payrolls rose more-than-expected in November. The S&P 500 Index climbed 0.6% to close at 2,651.50.



## UK Market ▲

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

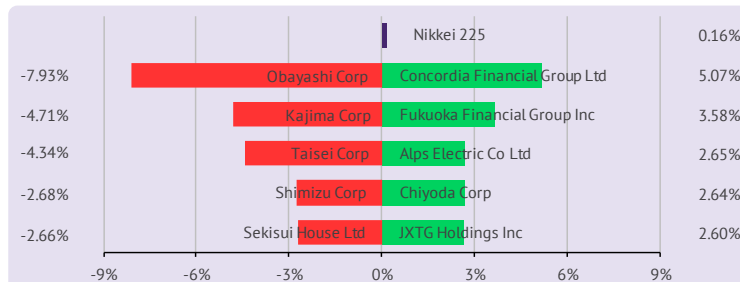
UK markets finished higher on Friday, supported by gains in banking sector stocks and amid weakness in the British Pound as a Brexit breakthrough faded. Data revealed that UK's NIESR GDP estimate grew in November. The FTSE 100 Index advanced 1.0% to close at 7,393.96.



## Asian Market ▲

### Trading higher

Asian markets are trading higher this morning, tracking Friday's gains on Wall Street. The Nikkei 225 Index is trading 0.2% higher at 22,848.71.



**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

11 December 2017

**GTC**  
consult • partner • manage

## USDZAR ▼

### USD trading lower against ZAR

At 06:00 SAST, the US Dollar is trading 0.1% weaker against the South African Rand at R13.6488. Later today, traders will keep a close watch on the US JOLTS job openings for further direction.

The US Dollar fell against the South African Rand on Friday. On the macro front, the US non-farm payrolls advanced stronger than market forecast in November. Further, the unemployment rate recorded a steady reading in the same month. In contrast, the preliminary Michigan consumer confidence index unexpectedly dropped in December. Further, the final wholesale inventories eased more than market expectations on a monthly basis in October. However, average hourly earnings rebounded less-than-expected on a monthly basis in November.

## GBPZAR ▲

### GBP trading firmer against ZAR

At 06:00 SAST, the British Pound is trading 0.1% higher against the South African Rand at R18.2868. On the data front, UK's Rightmove house price index dropped on a monthly basis in December, more than its prior reading. With no major economic news in the UK today, investor sentiment will be determined by global macroeconomic news.

The British Pound declined against the South African Rand on Friday. In economic news, UK's NIESR estimated gross domestic product climbed more-than-expected in November. Further, manufacturing production rose higher than market anticipations on a monthly basis in October. However, the country's monthly industrial production recorded a flat reading in the same month. Additionally, construction output surprisingly declined on a monthly basis in October. Meanwhile, the nation's trade deficit unexpectedly narrowed in October.

## EURZAR ▼

### EUR trading weaker against ZAR

At 06:00 SAST, the Euro is trading 0.1% lower against the South African Rand at R16.0776. Amid lack of major economic releases in the Eurozone today, investor sentiment will be determined by global macroeconomic news.

The Euro weakened against the South African Rand on Friday. On the macroeconomic front, Germany's trade surplus narrowed more-than-expected in October.

## AUDZAR ▲

### AUD trading stronger against ZAR

At 06:00 SAST, the Australian Dollar advanced 0.1% against the South African Rand to trade at R10.2662. Over the weekend, in China, Australia's largest trading partner, both the consumer price index (CPI) and producer price index (PPI) slowed on an annual basis in November.

The Australian Dollar fell against the South African Rand on Friday. Data indicated that in China, Australia's largest trading partner, trade surplus unexpectedly widened in November.

## Key Currencies & Commodities

	Current		1 D % Chg	WTD % Chg	MTD % Chg	Prev. Month % Chg	YTD % Chg
USDZAR	13.6488	▼	-0.48%	NA	-0.23%	-3.04%	-0.47%
GBPZAR	18.2868	▲	-1.31%	NA	-1.51%	-1.19%	7.90%
EURZAR	16.0776	▼	-0.49%	NA	-1.38%	-0.84%	11.42%
AUDZAR	10.2662	▲	-0.61%	NA	-1.16%	-4.09%	3.50%
EURUSD	1.1780	▲	0.00%	NA	-1.10%	2.22%	11.99%
GBPUSD	1.3397	▲	-0.62%	NA	-1.00%	1.82%	8.54%
Brent (\$/barrel)	63.1	▼	1.93%	NA	1.23%	2.77%	11.58%
Gold (\$/oz)	1250.3	▲	-0.37%	NA	-2.20%	0.21%	8.12%
Platinum (\$/oz)	890.3	▲	-1.21%	NA	-6.24%	2.49%	-1.99%
Copper (\$/MT)*	6536.8	▲	0.10%	NA	-2.94%	-1.20%	18.36%

\*As of Previous Close

## Gold ▲

### Trading in the green

At 06:00 SAST, gold prices edged 0.4% higher to trade at \$1,250.30/oz.

On Friday, gold prices fell 0.4% to close at \$1,245.20/oz, as strength in the US Dollar, global equity markets and a recent rally in bitcoin, dented demand for the safe haven asset.

## Brent Crude Oil ▼

### Trading weaker

At 06:00 SAST, Brent crude oil edged 0.5% lower to trade at \$63.10/bl.

On Friday, Brent crude oil advanced 1.9% to settle at \$63.40/bl, as geopolitical tensions in the Middle East, the threat of an oil-workers' strike in Nigeria and strong Chinese crude imports boosted commodity prices. Meanwhile, the Baker Hughes reported that US oil rig count rose by 2 to 751 last week.

## Platinum ▲

### Trading in positive territory

At 06:00 SAST, platinum prices edged 0.7% higher to trade at \$890.30/oz.

On Friday, platinum prices declined 1.2% to close at \$883.70/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

11 December 2017



## Major South Africa Corporate News

### Aveng Limited

The company announced that its agreement with Kutana Construction Limited was terminated, as the necessary funding condition was not fulfilled prior to the fulfilment date.

### Murray & Roberts Holdings Limited

The company announced the completion of further acquisition of 17.0% shareholding in the Bombela Concession Company Limited through the acquisition of shares from Bouygues Travaux Publics and Bombardier Transportation UK Limited.

## Major Global Economic News

### UK

In the UK, the NIESR estimated GDP climbed 0.5% on a monthly basis in the September-November 2017 period, more than market expectations for a rise of 0.4%. In the August-October 2017 period, NIESR estimated GDP had registered a similar rise.

In October, industrial production remained flat on a monthly basis in the UK, at par with market expectations. Industrial production had recorded a rise of 0.7% in the previous month.

In the UK, manufacturing production recorded an unexpected rise of 0.1% on a monthly basis in October, compared to market expectations for a steady reading. In the previous month, manufacturing production had recorded a rise of 0.7%.

In the UK, total trade deficit rose to GBP1.41bn in October, compared to market expectations of a total trade deficit of GBP3.00bn. The UK had posted a revised total trade deficit of GBP1.14bn in the previous month.

In October, construction output unexpectedly dropped 1.7% on a monthly basis in the UK, compared to market expectations for a rise of 0.1%. Construction output had registered a drop of 1.6% in the previous month.

### US

In the US, the non-farm payrolls rose by 228.00K in November, compared to a revised increase of 244.00K in the previous month. Market anticipation was for non-farm payrolls to advance 195.00K.

In November, unemployment rate remained unchanged at a level of 4.1% in the US. Market anticipation was for unemployment rate to record a steady reading.

In the US, the flash Reuters/Michigan consumer sentiment index registered an unexpected drop to 96.80 in December, compared to market expectations of an advance to 99.00. In the previous month, the index had registered a reading of 98.50.

In November, average hourly earnings of all employees recorded a rise of 0.2% on a monthly basis in the US, lower than market expectations for an advance of 0.3%. Average hourly earnings of all employees had dropped by a revised 0.1% in the previous month.

In the US, the seasonally adjusted final wholesale inventories fell 0.5% on a monthly basis in October, compared to a revised rise of 0.1% in the prior month. Market expectation was for the wholesale inventories to drop 0.4%. The preliminary figures had recorded a drop of 0.4%.

### Asia

In China, the CPI recorded a rise of 1.8% on a yearly basis in November, compared to an advance of 1.9% in the prior month. Market expectation was for the CPI to advance 1.8%.

In November, the PPI advanced 5.8% on an annual basis in China, in line with market expectations. In the prior month, the PPI had climbed 6.9%.

### Eurozone

In Germany, the seasonally adjusted trade surplus fell to EUR18.90bn in October, compared to a trade surplus of EUR24.10bn in the previous month. Market anticipation was for the nation to post a trade surplus of EUR21.90bn.



# ONE Minute Brief

11 December 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	35000	7.66%	142.59%	139.61%
Astral Foods Ltd	23755	5.98%	49.84%	87.22%
Naspers Ltd	361920	2.48%	33.63%	80.17%
Exxaro Resources Ltd	14971	-2.97%	50.17%	77.74%
Trustco Group Holdings Ltd	720	-4.13%	67.05%	72.66%
Trencor Ltd	4786	-3.20%	43.72%	72.27%
Dis-Chem Pharmacies Ltd	3800	3.23%	32.56%	71.06%
Niveus Investments Ltd	978	-0.71%	55.45%	68.22%
Clicks Group Ltd	17900	1.70%	32.24%	58.54%
MAS Real Estate Inc	3050	-5.28%	32.13%	41.71%
Mr Price Group Ltd	21150	0.11%	46.92%	38.12%
Equites Property Fund Ltd	2052	1.13%	23.04%	38.09%
African Oxygen Ltd	2500	-0.20%	29.05%	38.01%
Discovery Ltd	15551	-5.23%	22.22%	37.67%
Capitec Bank Holdings Ltd	93303	-4.52%	20.48%	36.43%
Glencore Plc	6256	0.43%	29.03%	36.29%
Cie Financiere Richemont SA	11946	0.40%	10.28%	34.43%
Anglo American Platinum Ltd	34943	-3.87%	25.28%	32.15%
Fortress REIT Ltd	4040	-4.11%	18.26%	30.92%
Anglo American Plc	24807	-2.35%	45.05%	30.83%
Imperial Holdings Ltd	23000	-1.71%	41.01%	30.52%
Sanlam Ltd	7808	0.10%	13.77%	29.26%
Assore Ltd	28987	0.21%	55.70%	29.23%
Shoprite Holdings Ltd	21634	-7.12%	5.05%	29.18%
Barloworld Ltd	14732	-2.44%	27.89%	28.92%
Resilient REIT Ltd	14000	-1.30%	19.22%	28.21%
Bid Corp Ltd	30627	3.67%	3.05%	27.14%
South32 Ltd	3290	-0.96%	30.19%	25.99%
Hudaco Industries Ltd	13749	1.10%	6.34%	25.20%
African Rainbow Minerals Ltd	11522	-2.77%	51.26%	24.69%
Cashbuild Ltd	41300	5.90%	21.26%	23.03%
Standard Bank Group Ltd	17642	0.55%	23.43%	22.67%
Gold Fields Ltd	5116	-11.23%	11.02%	19.97%
British American Tobacco Plc	90000	2.47%	-3.56%	19.67%
PPC Ltd	659	-10.95%	7.33%	19.17%
AVI Ltd	10310	3.53%	7.19%	17.72%
BHP Billiton Plc	24556	-0.84%	24.79%	17.72%
RCL Foods Ltd/South Africa	1457	-0.14%	-1.57%	17.09%
Stenprop Ltd	2000	-1.96%	15.32%	16.48%
<b>JSE All Share Index</b>	<b>58012</b>	<b>-2.42%</b>	<b>-2.95%</b>	<b>14.53%</b>

**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

11 December 2017

**GTC**  
consult • partner • manage

## Economic Calendar

Country	SAST	Economic Indicator	Relevance	Consensus/ *Actual	Previous	Frequency
Japan	01:50	BSI Large Manufacturing (QoQ) (Q4)	✓✓	9.70%*	9.40%	Quarterly
UK	02:01	Rightmove House Price Index (MoM) (Dec)	✓	-2.60%*	-0.80%	Monthly
UK	02:01	Rightmove House Price Index (YoY) (Dec)	✓	1.20%*	1.80%	Monthly
Japan	08:00	Machine Tool Orders (YoY) (Nov) (P)	✓✓✓	-	49.80%	Monthly
Italy	11:00	Retail Sales n.s.a. (YoY) (Oct)	✓✓✓	-	3.40%	Monthly
Italy	11:00	Retail Sales s.a. (MoM) (Oct)	✓✓✓	0.00%	0.90%	Monthly
Greece	12:00	Industrial Production (YoY) (Oct)	✓	-	2.40%	Monthly
UK	13:00	Composite Leading Indicator (Oct)	✓	-	99.50	Monthly
China	13:00	Composite leading indicator (Oct)	✓	-	99.70	Monthly
Spain	13:00	Composite Leading Indicator (Oct)	✓	-	99.90	Monthly
Japan	13:00	Composite leading indicator (Oct)	✓	-	100.10	Monthly
Portugal	13:00	Trade Balance (Oct)	✓	-	-EUR1.18bn	Monthly
US	17:00	JOLTs Job Openings (Oct)	✓	6100.00K	6093.00K	Monthly
Italy	17:30	Bank of Italy Publishes Monthly Report 'Money and Banks'	✓	-	-	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