

ONE  
Minute Brief

26 March 2018


  
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## Economic and Political News

Ratings agency, Moody's confirmed South Africa's (SA) rating at 'investment-grade' and revised its credit outlook to 'stable' from 'negative', citing gradual strengthening of national institutions. However, Moody's warned that efforts to improve political and policy uncertainty were important to maintain the country's rating. The Treasury and Business Leadership South Africa (BLSA) have welcomed the rating decision by Moody's.

The Democratic Alliance (DA) has urged the High Court in Pretoria to order former President, Jacob Zuma, to repay his personal legal fees spent by the state in relation to corruption charges. Meanwhile, reports indicate that Zuma will appear in court for corruption charges on April 6.

African National Congress (ANC) Secretary General, Ace Magashule, stated that there was no need to panic on the issue of land expropriation without compensation, as land had been expropriated without compensation several times in the past. Separately, Magashule warned that party members who wanted to support anyone facing criminal charges or allegations related to state capture should do so in their personal capacity, in order to protect the party's image.

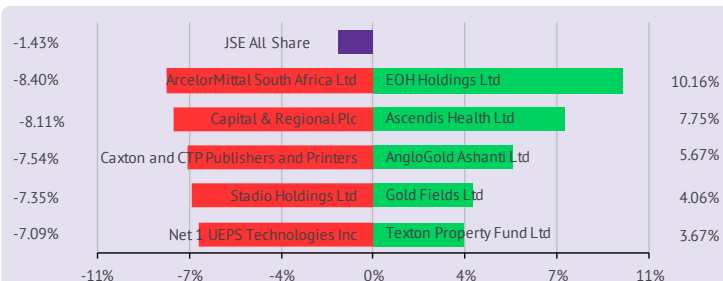
## Key Indices

	Last Close	1 Day Chg	1 D % Chg	WTD % Chg	MTD % Chg	Prev. Month % Chg	YTD % Chg
JSE All Share	56405.64	▼ -818.96	-1.43%	NA	-3.29%	-1.98%	-5.21%
JSE Top 40	49755.20	▼ -762.06	-1.51%	NA	-3.17%	-2.34%	-5.29%
FTSE 100	6921.94	▼ -30.65	-0.44%	NA	-4.29%	-4.00%	-9.96%
DAX 30	11886.31	▼ -213.77	-1.77%	NA	-4.42%	-5.71%	-7.98%
CAC 40	5095.22	▼ -71.99	-1.39%	NA	-4.23%	-2.94%	-4.09%
S&P 500	2588.26	▼ -55.43	-2.10%	NA	-4.63%	-3.89%	-3.19%
Nasdaq Composite	6992.67	▼ -174.01	-2.43%	NA	-3.85%	-1.87%	1.29%
DJIA	23533.20	▼ -424.69	-1.77%	NA	-5.98%	-4.28%	-4.80%

## South Africa Market ▼

## South African markets closed lower

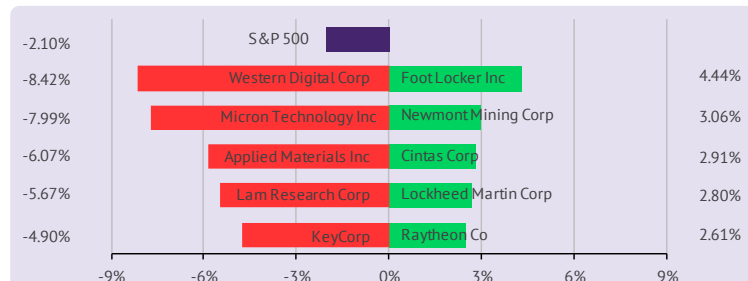
South African markets closed in the red on Friday, led by losses in property, industrial and financial sector stocks. The JSE All Share Index fell 1.4% to close at 56,405.64.



## US Market ▼

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

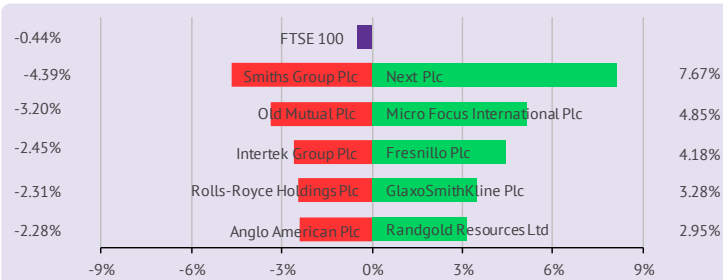
US markets closed lower on Friday, amid fears that rising tensions between the US and China could lead to a global trade war. Data indicated that the US durable goods orders rose more-than-expected in February. The S&P 500 Index dropped 2.1% to close at 2,588.26.



## UK Market ▼

## The FTSE 100 futures are trading in positive territory

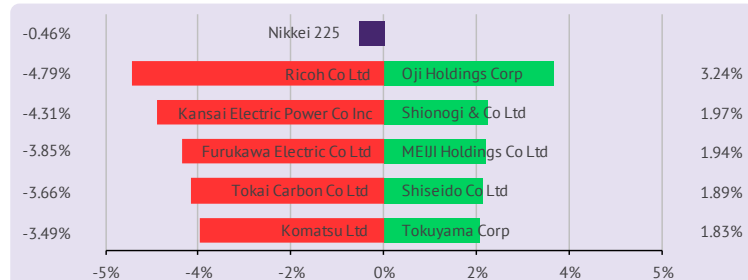
UK markets finished lower on Friday, amid mounting fears of a global trade war, after the US President, Donald Trump announced import tariffs on China. The FTSE 100 Index declined 0.4% to close at 6,921.94.



## Asian Market ▼

## Trading mostly lower

Asian markets are trading mostly lower this morning, following a global sell-off last week. The Nikkei 225 Index is trading 0.5% lower at 20,523.10.



**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

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## USDZAR ▼

### USD trading lower against ZAR

At 06:00 SAST, the US Dollar retreated 0.5% against the South African Rand to trade at R11.6915. Later today, traders will keep a close watch on the US Dallas Fed manufacturing index and Chicago Fed national activity index for further cues.

The US Dollar fell against the South African Rand on Friday, amid growing tensions over a potential trade war. On the macro front, the US new home sales unexpectedly dropped on a monthly basis in February. Meanwhile, durable goods orders advanced higher than market expectations in February. Separately, the Rand strengthened after Moody's affirmed the nation's debt rating at 'investment-grade' and raised its credit outlook to 'stable'.

## GBPZAR ▼

### GBP trading weaker against ZAR

At 06:00 SAST, the British Pound retreated 0.2% against the South African Rand to trade at R16.5606. Later today, traders will keep an eye on UK's BBA loans for house purchase for further direction.

The British Pound declined against the South African Rand on Friday.

## EURZAR ▼

### EUR trading lower against ZAR

At 06:00 SAST, the Euro fell 0.2% against the South African Rand to trade at R14.4658. Amid lack of macroeconomic releases in the Eurozone today, investor sentiment would be determined by global economic factors.

The Euro weakened against the South African Rand on Friday.

## AUDZAR ▼

### AUD trading weaker against ZAR

At 06:00 SAST, the Australian Dollar is trading marginally lower against the South African Rand at R9.0347.

The Australian Dollar fell against the South African Rand on Friday.

## Key Currencies & Commodities

	Current		1 D % Chg	WTD % Chg	MTD % Chg	Prev. Month % Chg	YTD % Chg
USDZAR	11.6915	▼	-0.88%	NA	-0.41%	-0.47%	-5.13%
GBPZAR	16.5606	▼	-0.70%	NA	2.19%	-3.41%	-0.79%
EURZAR	14.4658	▼	-0.56%	NA	0.80%	-2.22%	-2.40%
AUDZAR	9.0347	▼	-0.87%	NA	-1.27%	-4.08%	-6.48%
EURUSD	1.2373	▲	0.41%	NA	1.30%	-1.77%	2.90%
GBPUSD	1.4165	▲	0.26%	NA	2.70%	-3.04%	4.58%
Brent (\$/barrel)	70.4	▼	2.23%	NA	8.84%	-6.04%	5.35%
Gold (\$/oz)	1353.9	▲	1.70%	NA	2.43%	-1.58%	3.10%
Platinum (\$/oz)	952.9	▲	-0.07%	NA	-4.02%	-1.61%	1.52%
Copper (\$/MT)*	6617.8	▼	-0.52%	NA	-4.01%	-2.60%	-8.18%

\*As of Previous Close

## Gold ▲

### Trading in the green

At 06:00 SAST, gold prices edged 0.3% higher to trade at \$1,353.90/oz.

On Friday, gold prices rose 1.7% to close at \$1,349.90/oz, as weakness in the US Dollar, amid trade tensions, increased demand for the safe haven asset.

## Brent Crude Oil ▼

### Trading weaker

At 06:00 SAST, Brent crude oil edged 0.1% lower to trade at \$70.35/bl.

On Friday, Brent crude oil advanced 2.2% to settle at \$70.45/bl, amid rising risk of renewed sanctions on Iran and the possibility of an extension of OPEC production cuts into 2019. Meanwhile, Baker Hughes reported that US oil rig count rose by 4 to 804 in the week ended March 23, 2018.

## Platinum ▲

### Trading in positive territory

At 06:00 SAST, platinum prices edged 0.5% higher to trade at \$952.90/oz.

On Friday, platinum prices declined 0.1% to close at \$948.40/oz.



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## Major South Africa Corporate News

### Grindrod Limited

In its FY17 results, the company stated that its revenue decreased to ZAR3.06bn compared to ZAR3.29bn posted in the corresponding period of the previous year. Its diluted loss per share fell to 78.10c, compared to the same period of the prior year. Separately, the company announced that it has decided to proceed with the separate listing of the company's shipping business on an international stock exchange and has entered into agreements to dispose of the company's shipping business to an independent, newly incorporated Singapore registered company, Grindrod Shipping Holdings Limited.

### Naspers Limited

The company announced that it has successfully concluded the sale of 189,978,300 shares in Tencent, which is equal to approximately 2.0% of Tencent's issued share capital, for an aggregate purchase consideration of USD9.80bn on March 23, 2018 by way of an accelerated offering by private placement on the Hong Kong Stock Exchange.

## Major Global Economic News

### US

In the US, the flash durable goods orders rose 3.1% on a monthly basis in February, more than market anticipations and compared to a fall of 3.6% in the previous month.

In the US, new home sales unexpectedly dropped 0.6% to a level of 618.00K on a monthly basis in February, compared to a revised reading of 622.00K in the prior month.

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## 40 Best Performers on the All Share Index

Company Name	Last Close	1 Week % Change	MTD % Change	YTD % Change
Lewis Group Ltd	4002	-5.30%	0.05%	56.85%
Clover Industries Ltd	1669	1.15%	2.33%	27.40%
RCL Foods Ltd	1900	-1.30%	7.34%	25.00%
JSE Ltd	18269	3.30%	-7.38%	22.82%
Santam Ltd	32159	1.57%	6.78%	22.75%
Emira Property Fund Ltd	1555	1.90%	3.89%	20.87%
Harmony Gold Mining Co Ltd	2740	8.69%	16.00%	20.76%
Balwin Properties Ltd	610	-3.33%	8.16%	19.61%
City Lodge Hotels Ltd	17000	2.41%	0.96%	19.59%
Truworths International Ltd	11012	7.62%	11.53%	19.57%
Mpact Ltd	2908	-0.07%	5.02%	19.18%
Astral Foods Ltd	30850	2.15%	8.25%	18.97%
Foschini Group Ltd	23056	2.93%	7.49%	18.88%
Mr Price Group Ltd	29038	2.79%	2.69%	18.59%
Adcock Ingram Holdings Ltd	6793	-0.76%	1.18%	17.92%
Massmart Holdings Ltd	15995	-2.57%	-0.28%	16.47%
Shoprite Holdings Ltd	25547	1.18%	-0.96%	16.40%
Hudaco Industries Ltd	16144	0.27%	2.18%	14.86%
AECI Ltd	11471	3.25%	1.37%	14.71%
Cashbuild Ltd	50477	6.57%	7.07%	13.43%
Coronation Fund Managers Ltd	8320	-1.28%	4.07%	12.58%
Arrowhead Properties Ltd	737	2.08%	3.08%	12.52%
Standard Bank Group Ltd	21918	-1.97%	0.63%	12.02%
Accelerate Property Fund Ltd	575	2.13%	0.88%	11.65%
Nedbank Group Ltd	28442	-2.38%	-1.09%	11.06%
Reunert Ltd	7613	3.88%	-0.48%	10.99%
Anglo American Plc	27715	-5.51%	-3.08%	10.91%
African Oxygen Ltd	3095	-3.25%	7.65%	10.54%
Echo Polska Properties NV	1865	-2.61%	18.79%	9.71%
Octodec Investments Ltd	2050	-4.65%	3.80%	9.04%
Telkom SA SOC Ltd	5221	0.48%	0.89%	8.50%
MMI Holdings Ltd	2278	0.53%	4.35%	8.48%
Barclays Africa Group Ltd	19567	-1.87%	-1.43%	7.52%
Famous Brands Ltd	11069	-2.82%	-10.01%	7.48%
Metair Investments Ltd	2300	2.82%	-3.52%	6.98%
KAP Industrial Holdings Ltd	850	-5.13%	-3.41%	6.92%
Barloworld Ltd	16766	-2.74%	-5.82%	6.76%
Liberty Holdings Ltd	13200	-2.94%	-0.98%	6.08%
Redefine Properties Ltd	1135	-0.87%	0.09%	6.07%
Afrimat Ltd	3150	3.28%	8.51%	6.06%
<b>JSE All Share Index</b>	<b>56406</b>	<b>-2.92%</b>	<b>-3.29%</b>	<b>-5.21%</b>

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## Economic Calendar

Country	SAST	Economic Indicator	Relevance	Consensus	Previous/ **Previous Est.	Frequency
 France	08:45	Gross Domestic Product (QoQ) (Q4) (F)	✓✓✓	0.60%	0.60%**	Quarterly
 France	08:45	Gross Domestic Product (YoY) (Q4) (F)	✓✓✓	2.50%	2.50%**	Quarterly
 UK	10:30	BBA Mortgage Approvals (Feb)	✓✓	-	40.12K	Monthly
 Eurozone	11:30	ECB's Weidmann Gives Speech in Austrian Central Bank	✓	-	-	As scheduled
 US	14:30	Chicago Fed National Activity Index (Feb)	✓✓✓	0.15	0.12	Monthly
 US	16:30	Dallas Fed Manufacturing Business Index (Mar)	✓✓✓	33.50	37.20	Monthly
 US	19:30	Fed's William Dudley speech	✓	-	-	As scheduled
 US	22:30	Fed's Mester Speaks on Monetary Policy	✓	-	-	As scheduled

Note: ✓✓✓ High    ✓✓ Medium    ✓ Low

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