

ONE
Minute Brief

27 March 2018

GTC
consult • partner • manage

Economic and Political News

South Africa's (SA) former President, Jacob Zuma will challenge the decision of the National Prosecuting Authority (NPA) to prosecute him on corruption charges.

Finance Minister, Nhlamhla Nene, stated that SA cannot be complacent after Moody's affirmed the nation's credit ratings at investment grade. He added that structural reforms are required to foster economic growth.

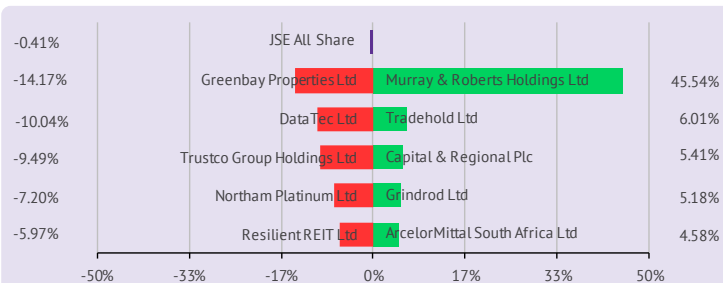
Trade and Industry Minister, Rob Davies, stated that SA was prepared to negotiate a quota for its steel and aluminium exports to the US as a way of avoiding the ad valorem tariffs imposed by the US President, Donald Trump. Meanwhile, Davies pledged full support for the African Continental Free Trade Area (AfCFTA) deal.

Labour Minister, Mildred Oliphant, confirmed that implementation of the new minimum wage bill scheduled on May 1, will be delayed as the parliamentary process will not be completed by then.

South Africa Market ▼

South African markets closed lower

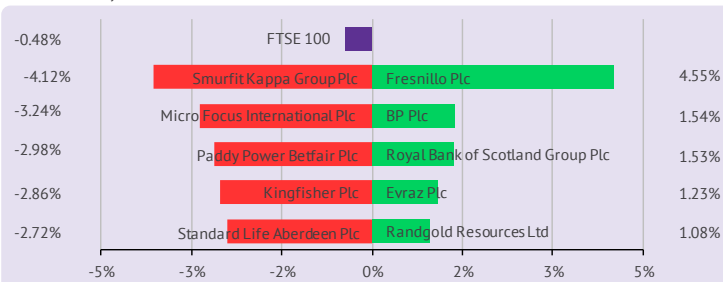
South African markets closed in the red yesterday, weighed down by losses in platinum mining, resources and industrial sector stocks. The JSE All Share Index fell 0.4% to close at 56,176.43.



UK Market ▼

The FTSE 100 futures are trading in positive territory

UK markets finished lower yesterday, after the US and EU expelled dozens of Russian diplomats over attack on a UK spy and weighed down by strength in the British Pound. The FTSE 100 Index declined 0.5% to close at 6,888.69.



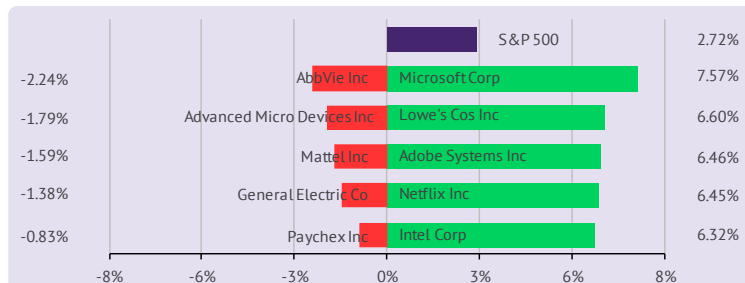
Key Indices

| | Last Close | 1 Day Chg | 1 D % Chg | WTD % Chg | MTD % Chg | Prev. Month % Chg | YTD % Chg |
|------------------|------------|-----------|-----------|-----------|-----------|-------------------|-----------|
| JSE All Share | 56176.43 | ▼ -229.21 | -0.41% | -0.41% | -3.68% | -1.98% | -5.59% |
| JSE Top 40 | 49566.23 | ▼ -188.97 | -0.38% | -0.38% | -3.54% | -2.34% | -5.65% |
| FTSE 100 | 6888.69 | ▼ -33.25 | -0.48% | -0.48% | -4.75% | -4.00% | -10.39% |
| DAX 30 | 11787.26 | ▼ -99.05 | -0.83% | -0.83% | -5.22% | -5.71% | -8.75% |
| CAC 40 | 5066.28 | ▼ -28.94 | -0.57% | -0.57% | -4.78% | -2.94% | -4.64% |
| S&P 500 | 2658.55 | ▲ 70.29 | 2.72% | 2.72% | -2.04% | -3.89% | -0.56% |
| Nasdaq Composite | 7220.54 | ▲ 227.88 | 3.26% | 3.26% | -0.72% | -1.87% | 4.59% |
| DJIA | 24202.60 | ▲ 669.40 | 2.84% | 2.84% | -3.30% | -4.28% | -2.09% |

US Market ▲

The S&P 500 futures are trading in the green

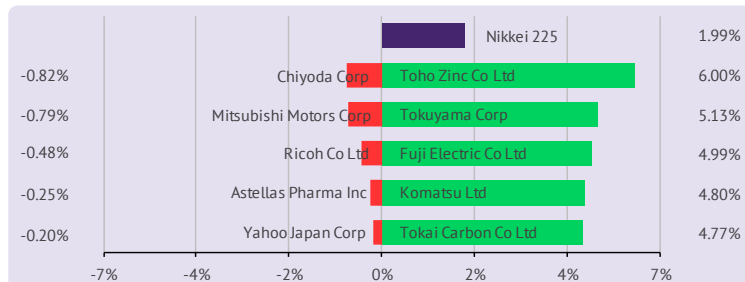
US markets closed sharply higher yesterday, as trade war tensions between the US and China faded and amid gains in technology and financial stocks. The S&P 500 Index climbed 2.7% to close at 2,658.55.



Asian Market ▲

Trading higher

Asian markets are trading higher this morning, tracking overnight gains on Wall Street. The Nikkei 225 Index is trading 2.0% higher at 21,178.46.



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

27 March 2018

GTC
consult • partner • manage

USDZAR ▲

USD trading stronger against ZAR

At 06:00 SAST, the US Dollar is trading 0.2% higher against the South African Rand at R11.6627. Later today, traders will keep a close watch on the US consumer confidence index and the Richmond Fed manufacturing index for further indication.

The US Dollar fell against the South African Rand yesterday. On the macro front, the US Dallas Fed manufacturing index dropped more than market forecast in March. Meanwhile, the Chicago Fed national activity index advanced more than market expectations in February.

GBPZAR ▲

GBP trading firmer against ZAR

At 06:00 SAST, the British Pound rose 0.3% against the South African Rand to trade at R16.6013. Amid no major releases in UK today, investor sentiment would be determined by global macroeconomic factors.

The British Pound declined against the South African Rand yesterday. Data indicated that UK's BBA loans for house purchase declined more than market expectations in February.

EURZAR ▲

EUR trading stronger against ZAR

At 06:00 SAST, the Euro is trading 0.3% firmer against the South African Rand at R14.5206. Going forward, market participants will keep a tab on Eurozone's economic and consumer confidence index for further direction.

The Euro weakened against the South African Rand yesterday.

AUDZAR ▲

AUD trading higher against ZAR

At 06:00 SAST, the Australian Dollar climbed 0.2% against the South African Rand to trade at R9.0284. Earlier in the session, Australia's ANZ Roy Morgan consumer confidence index recorded a drop in the week ended March 25, 2018.

The Australian Dollar fell against the South African Rand yesterday.

Key Currencies & Commodities

| | Current | | 1 D % Chg | WTD % Chg | MTD % Chg | Prev. Month % Chg | YTD % Chg |
|-------------------|---------|---|-----------|-----------|-----------|-------------------|-----------|
| USDZAR | 11.6627 | ▲ | -0.97% | -0.97% | -1.37% | -0.47% | -6.05% |
| GBPZAR | 16.6013 | ▲ | -0.21% | -0.21% | 1.98% | -3.41% | -1.00% |
| EURZAR | 14.5206 | ▲ | -0.15% | -0.15% | 0.66% | -2.22% | -2.54% |
| AUDZAR | 9.0284 | ▲ | -0.27% | -0.27% | -1.54% | -4.08% | -6.73% |
| EURUSD | 1.2452 | ▲ | 0.74% | 0.74% | 2.05% | -1.77% | 3.66% |
| GBPUSD | 1.4235 | ▲ | 0.69% | 0.69% | 3.41% | -3.04% | 5.30% |
| Brent (\$/barrel) | 70.4 | ▲ | -0.47% | -0.47% | 8.33% | -6.04% | 4.86% |
| Gold (\$/oz) | 1359.9 | ▲ | 0.38% | 0.38% | 2.82% | -1.58% | 3.49% |
| Platinum (\$/oz) | 959.0 | ▲ | 0.21% | 0.21% | -3.82% | -1.61% | 1.73% |
| Copper (\$/MT)* | 6556.0 | ▼ | -0.93% | -0.93% | -4.91% | -2.60% | -9.03% |

*As of Previous Close

Gold ▲

Trading in the green

At 06:00 SAST, gold prices climbed 0.4% to trade at \$1,359.90/oz, as trade tensions between the US and China eased.

Yesterday, gold prices rose 0.4% to close at \$1,355.00/oz, after the United States stated that it would expel 60 Russian diplomats, thereby boosting the demand for safe haven asset.

Brent Crude Oil ▲

Trading stronger

At 06:00 SAST, Brent crude oil edged 0.3% higher to trade at \$70.35/bl, on Middle East tensions.

Yesterday, Brent crude oil dropped 0.5% to settle at \$70.12/bl.

Platinum ▲

Trading in positive territory

At 06:00 SAST, platinum prices edged 0.9% higher to trade at \$959.00/oz.

Yesterday, platinum prices climbed 0.2% to close at \$950.40/oz.



ONE Minute Brief

27 March 2018



Major South Africa Corporate News

Capital & Counties Properties Plc

The company announced that it has completed the sale of Empress State Building to the Mayor's office for policing and crime for a total cash consideration of GBP250.00mn.

Net 1 UEPS Technologies Inc

The company announced that the South African Constitutional Court has given an order regarding the continued payment of social grants when the current contract between the company's subsidiary Cash Paymaster Services Limited and SASSA ends on March 31, 2018. Essentially, the current contract has been extended for a further period of six months under the current contract's terms and conditions, augmented by certain additional terms and conditions ordered by the Constitutional Court.

Murray & Roberts Holdings Limited

The company announced that it received correspondence from ATON GMBH regarding its intention to make a firm offer to the company's shareholder to acquire all the issued and to be issued ordinary shares of the company, which is not currently owned by ATON GMBH at a cash offer price of ZAR15.00 per share.

RCL Foods Limited

The company announced that identifiable costs till date, attached directly with the recall and suspension of production, are estimated to be approximately ZAR75.00mn on pre-tax basis.

Nedbank Group Limited

The company announced that Ms Nomavuso Mnxasana has retired as an independent Non-Executive Director of the company with effect from the close of its Annual General Meeting on May 10, 2018.

Major Global Economic News

US

In the US, the Dallas Fed manufacturing business index fell more-than-expected to a level of 21.40 in March. In the prior month, the Dallas Fed manufacturing business index had registered a level of 37.20.

In the US, the Chicago Fed national activity index advanced more-than-anticipated to 0.88 in February. In the prior month, the Chicago Fed national activity index had registered a revised level of 0.02.

UK

In the UK, BBA mortgage approvals eased more than market expectations to 38.12K in February. BBA mortgage approvals had recorded a revised reading of 40.03K in the prior month.

ONE Minute Brief

27 March 2018

GTC
consult • partner • manage

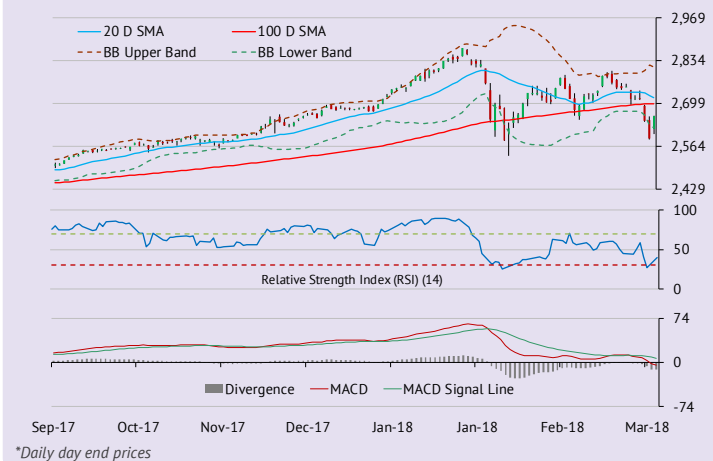
Technical Snapshot

JSE All Share



The JSE All Share index is expected to find support at 55,050.66, and a fall through could take it to the next support level of 53,924.90. The index is expected to find its first resistance at 58,072.92, and a rise through could take it to the next resistance level of 59,969.42.

S&P 500



The S&P 500 index is expected to find support at 2,583.25, and a fall through could take it to the next support level of 2,507.94. The index is expected to find its first resistance at 2,736.50, and a rise through could take it to the next resistance level of 2,814.44.

USDZAR



The pair is expected to find support at 11.4762, and a fall through could take it to the next support level of 11.3187. The pair is expected to find its first resistance at 11.9195, and a rise through could take it to the next resistance level of 12.2053.

XAU/USD



Gold is expected to find support at \$1,322.40/oz, and a fall through could take it to the next support level of \$1,289.80/oz. The precious metal is expected to find its first resistance at \$1,371.80/oz, and a rise through could take it to the next resistance level of \$1,388.60/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

27 March 2018

GTC
consult • partner • manage

Economic Calendar

| Country | SAST | Economic Indicator | Relevance | Consensus/ *Actual | Previous/ **Previous Estimate | Frequency |
|----------|-------|--|-----------|-----------------------|----------------------------------|--------------|
| US | 01:10 | Fed's Quarles Speaks in Atlanta | ✓ | - | - | As scheduled |
| Japan | 01:50 | Corporate Service Price (YoY) (Feb) | ✓ | 0.60%* | 0.70% | Monthly |
| Germany | 08:00 | Import Price Index s.a. (MoM) (Feb) | ✓✓ | -0.30% | 0.50% | Monthly |
| Germany | 08:00 | Import Price Index n.s.a. (YoY) (Feb) | ✓✓ | -0.30% | 0.70% | Monthly |
| Eurozone | 10:00 | Private Loans (YoY) (Feb) | ✓ | - | 2.90% | Monthly |
| Eurozone | 10:00 | M3 Money Supply (YoY) (Feb) | ✓ | 4.60% | 4.60% | Monthly |
| Eurozone | 10:00 | M3 Money Supply (3m) (Feb) | ✓ | 4.60% | 4.70% | Monthly |
| Eurozone | 11:00 | Consumer Confidence (Mar) (F) | ✓✓✓ | 0.10 | 0.10** | Monthly |
| Eurozone | 11:00 | ECB's Nowotny Presents Austrian Central Bank's Annual Report | ✓ | - | - | As scheduled |
| Eurozone | 11:00 | Business Climate Indicator (Mar) | ✓✓ | 1.36 | 1.48 | Monthly |
| Eurozone | 11:00 | Economic Sentiment Indicator (Mar) | ✓ | 113.30 | 114.10 | Monthly |
| Eurozone | 11:00 | Industrial Confidence (Mar) | ✓ | 6.90 | 8.00 | Monthly |
| Eurozone | 11:00 | Services Sentiment Indicator (Mar) | ✓ | 16.50 | 17.50 | Monthly |
| US | 15:00 | S&P/Case-Shiller Home Price Index (Jan) | ✓ | - | 204.45 | Monthly |
| US | 15:00 | S&P/Case-Shiller 20 City s.a. (MoM) (Jan) | ✓✓✓ | 0.60% | 0.64% | Monthly |
| US | 15:00 | S&P/Case-Shiller Composite-20 (YoY) (Jan) | ✓✓ | 6.15% | 6.30% | Monthly |
| US | 16:00 | Consumer Confidence (Mar) | ✓✓✓ | 131.00 | 130.80 | Monthly |
| US | 16:00 | Richmond Fed Manufacturing Index (Mar) | ✓ | 22.00 | 28.00 | Monthly |
| US | 17:00 | Fed's Bostic Speaks at Economic Conference in Atlanta | ✓ | - | - | 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