

ONE Minute Brief

14 May 2018

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Economic and political news

News reports indicated that South Africa's (SA) national government will look after the administration of North West province.

The International Labour Organisation (ILO) has appointed President, Cyril Ramaphosa, to co-chair its Global Commission on the Future of Work.

According to a news report, trade union, Solidarity, seeks wage hike demands of at least 10.0% in the gold sector annually over the next three years.

News reports indicated that the Public Servants Association has rejected the offer presented by government during wage negotiations at the Public Service Coordinating Bargaining Council.

The Democratic Alliance (DA) will lay today charges of extortion and corruption against African National Congress MP, Mduzuzi Manana.

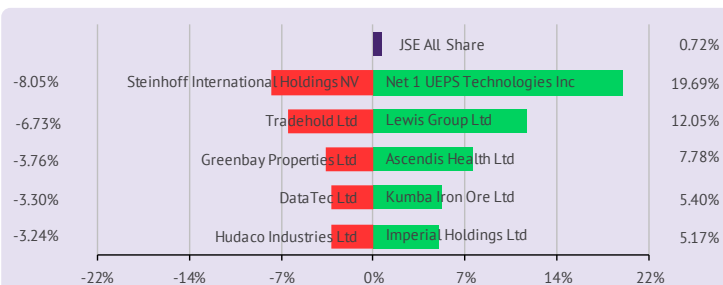
Key indices

	Last close		1 Day Chg	1 D % Chg	WTD % Chg	MTD % Chg	Prev. month % Chg	YTD % Chg
JSE All Share	58422.86	▲	417.24	0.72	NA	0.29	5.01	-1.82
JSE Top 40	51822.78	▲	329.71	0.64	NA	0.78	5.38	-1.35
FTSE 100	7724.55	▲	23.58	0.31	NA	2.87	6.42	0.48
DAX 30	13001.24	▼	-21.63	-0.17	NA	3.09	4.26	0.65
CAC 40	5541.94	▼	-4.01	-0.07	NA	0.39	6.84	4.32
S&P 500	2727.72	▲	4.65	0.17	NA	3.01	0.27	2.02
Nasdaq Composite	7402.88	▼	-2.09	-0.03	NA	4.76	0.04	7.24
DJIA	24831.17	▲	91.64	0.37	NA	2.76	0.25	0.45
MSCI Emerging Markets	1164.49	▲	7.94	0.69	NA	0.00	-0.55	0.52
MSCI Developed World	2131.96	▲	8.43	0.40	NA	2.18	0.95	1.36

South Africa Market ▲

South African markets closed higher

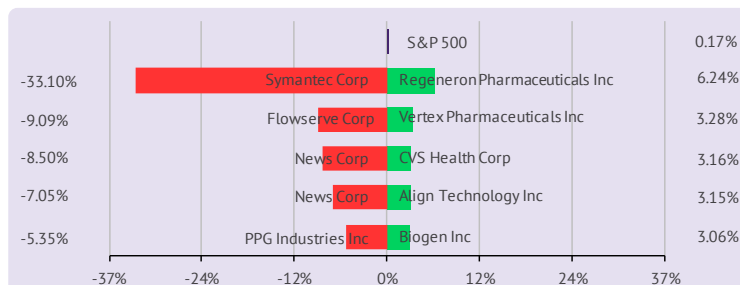
South African markets closed in the green on Friday, boosted by gains in retail and mining sector stocks. The JSE All Share Index rose 0.7% to close at 58,422.86.



US Market ▲

The S&P 500 futures are trading in the green

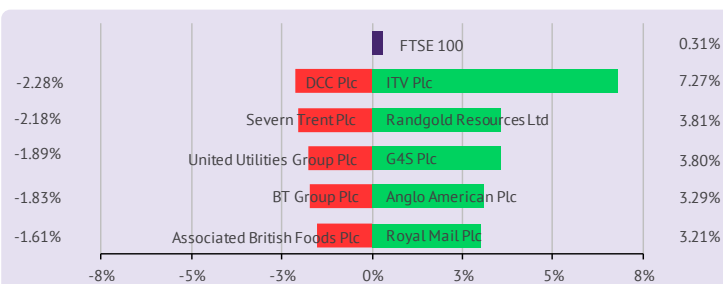
US markets closed mostly higher on Friday, amid gains in telecommunication and health care sector stocks. The S&P 500 Index climbed 0.2% to close at 2,727.72.



UK Market ▲

The FTSE 100 futures are trading in positive territory

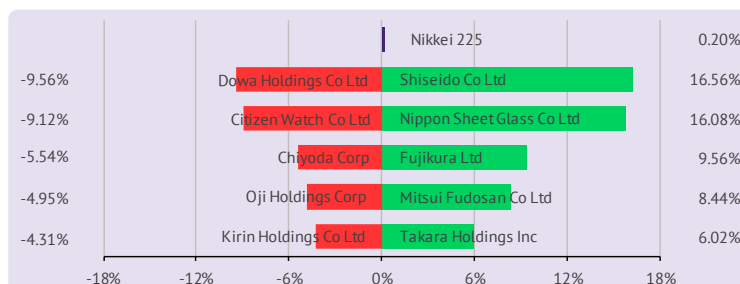
UK markets finished higher on Friday, buoyed by gains in mining sector stocks and as shares of ITV Plc jumped amid upbeat earnings report. The FTSE 100 Index advanced 0.3% to close at 7,724.55.



Asian Market ▲

Trading mostly higher

Asian markets are trading mostly higher this morning. The Nikkei 225 Index is trading 0.2% higher at 22,803.88.



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USD ZAR ▼

USD trading weaker against ZAR

At 06:00 SAST, the US Dollar is trading marginally lower against the South African Rand at R12.2549. Amid no major economic releases in the US today, market sentiment will be determined by global macroeconomic news.

The US Dollar fell against the South African Rand on Friday. On the data front, the US Michigan consumer sentiment index remained unchanged in May.

GBP ZAR ▲

GBP trading higher against ZAR

At 06:00 SAST, the British Pound is trading 0.3% firmer against the South African Rand at R16.6256. With no major economic news in the UK today, investor sentiment will be determined by global macroeconomic factors.

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

EUR ZAR ▲

EUR trading stronger against ZAR

At 06:00 SAST, the Euro gained 0.3% against the South African Rand to trade at R14.6592. Amid absence of economic news across the Eurozone, market sentiment will be determined by global macroeconomic news.

The Euro weakened against the South African Rand on Friday.

AUD ZAR ▲

AUD trading firmer against ZAR

At 06:00 SAST, the Australian Dollar is trading 0.2% higher against the South African Rand at R9.2577.

The Australian Dollar declined against the South African Rand on Friday. Data indicated that Australia's home loans recorded a more-than-expected drop on a monthly basis in March.

Key currencies & commodities

	Current		1 D % Chg	WTD % Chg	MTD % Chg	Prev. month % Chg	YTD % Chg
USDZAR	12.2549	▼	-0.35	NA	-1.63	5.24	-1.01
GBPZAR	16.6256	▲	-0.35	NA	-3.42	3.38	-0.89
EURZAR	14.6592	▲	-0.25	NA	-2.83	3.08	-1.57
AUDZAR	9.2577	▲	-0.26	NA	-1.50	3.20	-4.36
EURUSD	1.1962	▲	0.23	NA	-1.12	-2.00	-0.52
GBPUSD	1.3567	▲	0.17	NA	-1.61	-1.80	0.21
Brent (\$/barrel)	76.7	▼	-0.45	NA	3.25	7.72	15.33
Gold (\$/oz)	1320.2	▼	-0.12	NA	0.11	-0.27	0.87
Platinum (\$/oz)	926.9	▲	0.09	NA	2.38	-2.47	-0.89
Copper (\$/MT)*	6908.5	▲	0.36	NA	2.05	1.36	-4.14

*As of previous close

Gold ▼

Trading in the red

At 06:00 SAST, gold prices marginally fell to trade at \$1,320.20/oz.

On Friday, gold prices fell 0.1% to close at \$1,320.70/oz, reversing its previous session gains.

Brent Crude Oil ▼

Trading weaker

At 06:00 SAST, Brent crude oil edged 0.5% lower to trade at \$76.73/bl.

On Friday, Brent crude oil dropped 0.5% to settle at \$77.12/bl, amid uncertainty over the US sanctions against Iran. Additionally, Baker Hughes reported that US oil rig count rose for the sixth consecutive session by 10 to 844 in the week ended 11 May 2018.

Platinum ▲

Trading in positive territory

At 06:00 SAST, platinum prices edged 0.1% higher to trade at \$926.90/oz.

On Friday, platinum prices climbed 0.1% to close at \$925.90/oz.

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Major South African corporate news

ArcelorMittal South Africa Limited

In its 1Q18 operational update, the company announced that its liquid steel production increased to 1.27mnt compared to 1.20mnt posted in the corresponding period of the previous year. Further, the total steel sales rose 5.9% to 1.17mnt compared to the same period of the previous year.

Net 1 UEPS Technologies Inc

In its 3Q18 results, the company stated that its revenue increased to USD162.71mn compared to USD147.94mn posted in the corresponding period of the previous year. Its diluted EPS significantly fell from the same period of the prior year to USD0.05.

Grand Parade Investments Limited

The company announced the resignation of its Chief Financial Officer, Mr Shaun Barends with effect from 30 June 2018.

Major global economic news

US

In the US, the preliminary Michigan consumer sentiment index remained steady at a level of 98.80 in May.

In the US, the export price index climbed 3.8% on a yearly basis in April. The index had advanced 3.4% in the previous month.

In April, the import price index registered a rise of 3.3% on an annual basis in the US, less than market expectations. In the previous month, the index had registered a revised similar rise.

Asia

In Japan, the domestic corporate goods price index rose 2.0% on an annual basis in April, in line with market expectations and compared to an advance of 2.1% in the previous month.

Economic calendar

Country	SAST	Economic indicator	Relevance	Consensus/ *Actual	Previous	Frequency
Japan	01:50	Domestic Corporate Goods Price Index (YoY) (Apr)	✓	2.00%*	2.10%	Monthly
Japan	08:00	Machine Tool Orders (YoY) (Apr) (P)	✓✓✓	-	28.10%	Monthly
Eurozone	08:30	ECB's Villeroy Speaks in Paris	✓	-	-	As scheduled
Eurozone	08:45	Fed's Mester, ECB's Villeroy Speak in Paris	✓	-	-	As scheduled
US	08:45	FOMC Member Mester speech	✓✓	-	-	As scheduled
Portugal	10:30	Bank of Portugal Governor at Conference on Payment Systems	✓	-	-	As scheduled
Canada	14:30	Teranet - National Bank House Price Index (MoM) (Apr)	✓✓	-	0.00%	Monthly
Canada	14:30	Teranet - National Bank House Price Index (YoY) (Apr)	✓	-	6.60%	Monthly
Canada	14:30	Teranet - National Bank House Price Index (Apr)	✓	-	218.96	Monthly
US	15:40	Fed's Bullard speech	✓✓	-	-	As scheduled
US	-	Mortgage Delinquencies (Q1)	✓	-	5.17%	Quarterly
US	-	MBA Mortgage Foreclosures (Q1)	✓	-	1.19%	Quarterly

Note: ✓✓✓ High ✓✓ Medium ✓ Low

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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	4482	-1.49%	-4.54%	75.66%
Clover Industries Ltd	1869	1.58%	-2.66%	45.00%
JSE Ltd	20070	0.18%	2.65%	34.93%
Murray & Roberts Holdings Ltd	1547	-0.45%	-0.64%	27.75%
PPC Ltd	887	-0.56%	1.37%	27.26%
Anglo American Plc	30772	3.73%	3.89%	23.14%
Nedbank Group Ltd	30700	5.32%	3.20%	22.78%
Octodec Investments Ltd	2288	-0.48%	4.52%	21.70%
AECI Ltd	11800	0.08%	0.14%	21.67%
Netcare Ltd	2975	-2.36%	-4.00%	20.97%
Santam Ltd	31201	-0.63%	-2.50%	19.10%
Astral Foods Ltd	30800	-2.12%	0.22%	18.78%
Reunert Ltd	8143	2.11%	4.40%	18.72%
Emira Property Fund Ltd	1526	-2.18%	-4.74%	18.61%
Clicks Group Ltd	21127	-0.34%	-1.13%	18.15%
Balwin Properties Ltd	601	2.04%	1.86%	17.84%
PSG Konsult Ltd	1005	7.40%	12.13%	16.49%
Adcock Ingram Holdings Ltd	6710	-4.13%	-1.32%	16.48%
BHP Billiton Plc	28350	4.18%	6.44%	16.25%
Echo Polska Properties NV	1887	1.73%	-0.68%	16.19%
RCL Foods Ltd	1750	-2.94%	-3.85%	16.05%
Accelerate Property Fund Ltd	596	-0.67%	-0.67%	15.73%
Telkom SA SOC Ltd	5552	-1.10%	-2.29%	15.38%
Old Mutual Plc	4295	0.61%	-1.04%	14.74%
Standard Bank Group Ltd	21874	3.38%	2.06%	14.50%
City Lodge Hotels Ltd	16100	-2.42%	-1.83%	13.25%
Mpact Ltd	2720	-1.95%	-5.23%	13.07%
Pick n Pay Stores Ltd	7821	-1.56%	-2.76%	12.44%
Bidvest Group Ltd	24159	1.12%	-1.44%	12.07%
African Oxygen Ltd	3044	-0.52%	-0.03%	10.67%
Mondi Plc	33150	1.09%	1.55%	10.62%
Shoprite Holdings Ltd	24266	-0.48%	-2.55%	10.56%
South32 Ltd	3648	3.64%	5.43%	10.31%
Mondi Ltd	33170	1.46%	1.58%	10.28%
Massmart Holdings Ltd	15050	-5.70%	-9.39%	9.59%
Redefine Properties Ltd	1170	0.17%	-2.34%	9.35%
Liberty Holdings Ltd	13118	0.81%	-1.02%	9.03%
Raubex Group Ltd	2172	1.02%	4.93%	8.93%
Foschini Group Ltd	21100	1.24%	-1.86%	8.80%
Investec Plc	9760	0.01%	-2.03%	8.73%
JSE All Share Index	58423	1.34%	0.29%	-1.82%

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