

ONE Minute Brief

22 October 2018

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Economic and political news

The Presidency has committed to formulate a plan by early December, to fix the challenges facing the healthcare sector.

Transnet CEO, Siyabonga Gama, has been fired from his post. Meanwhile, Gama indicated that he has not yet received any communication from Transnet to that effect.

Ajay Gupta stated that the Gupta family had never asked any minister for any commercial benefit and that he would testify at the Zondo commission into state capture, though not at the current moment.

A lawyer for MTN stated that a hearing in the court case between the firm and Nigeria's central bank in a dispute over the alleged funds transfer, has been set for 30 October.

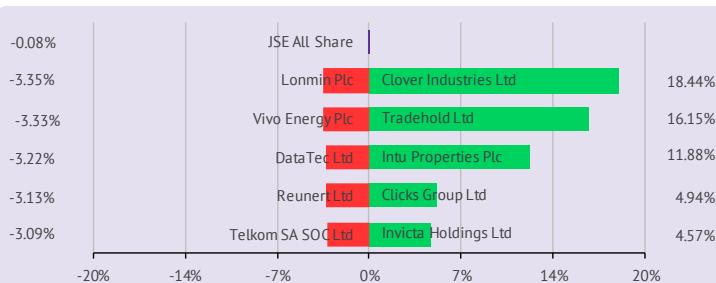
The Giyani municipality has confirmed that its Chief Financial Officer, Hitler Maluleke, has been fired following his alleged involvement in the VBS Mutual Bank debacle.

Former Free State economic development MEC, Mxolisi Dukwana indicated that he had declined an offer of ZAR2mn from Tony Gupta in exchange for his signature for a government deal. Meanwhile, African National Congress Secretary General, Ace Magashule, has dismissed allegations that he took Dukwana to the Guptas' Saxonwold compound seven years ago to discuss a ZAR140mn deal.

South Africa Market ▼

South African markets closed lower

South African markets closed in the red on Friday, led by losses in gold mining sector stocks. The JSE All Share Index fell 0.1% to close at 52,092.98.



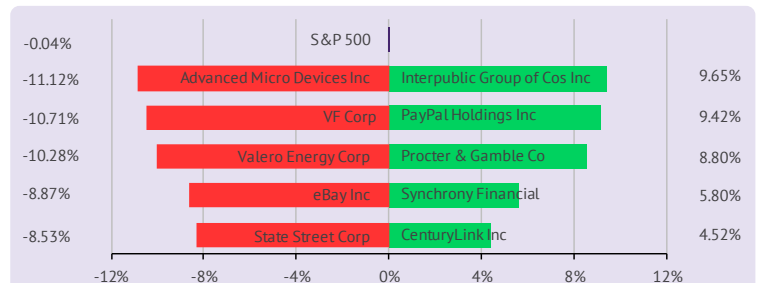
Key indices

	Last close		1 Day Chg	1 D % Chg	WTD % Chg	MTD % Chg	Prev. month % Chg	YTD % Chg
JSE All Share	52092.98	▼	-39.62	-0.08	NA	-6.49	-5.05	-12.46
JSE Top 40	45895.36	▼	-40.59	-0.09	NA	-7.32	-5.61	-12.64
FTSE 100	7049.80	▲	22.81	0.32	NA	-6.13	1.05	-8.30
DAX 30	11553.83	▼	-35.38	-0.31	NA	-5.66	-0.95	-10.56
CAC 40	5084.66	▼	-32.13	-0.63	NA	-7.44	1.60	-4.29
S&P 500	2767.78	▼	-1.00	-0.04	NA	-5.02	0.43	3.52
Nasdaq Composite	7449.03	▼	-36.11	-0.48	NA	-7.42	-0.78	7.90
DJIA	25444.34	▲	64.89	0.26	NA	-3.83	1.90	2.93
MSCI Emerging Markets	971.47	▲	0.57	0.06	NA	-7.29	-0.76	-16.14
MSCI Developed World	2062.34	▼	-2.14	-0.10	NA	-5.57	0.39	-1.95

US Market ▼

The S&P 500 futures are trading in the green

US markets closed lower on Friday, weighed down by losses in healthcare and consumer discretionary sector stocks. The S&P 500 Index marginally dropped to close at 2,767.78.



UK Market ▲

The FTSE 100 futures are trading in positive territory

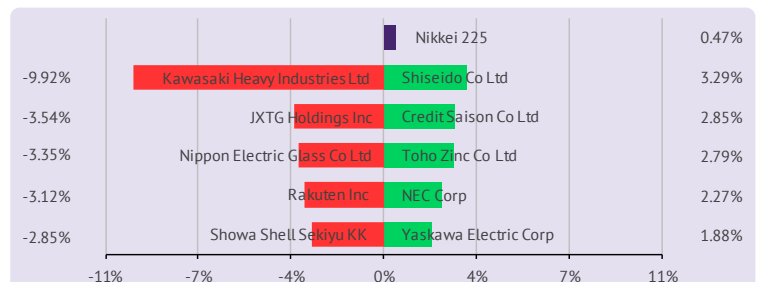
UK markets finished higher on Friday, boosted by gains in energy and utility sector stocks. The FTSE 100 Index advanced 0.3% to close at 7,049.80.



Asian Market ▲

Trading higher

Asian markets are trading higher this morning. The Nikkei 225 Index is trading 0.5% higher at 22,638.24.



USD ZAR ▼

USD trading lower against ZAR

At 06:00 SAST, the US Dollar fell 0.2% against the South African Rand to trade at R14.3784. Later today, traders will keep a close watch on the Chicago Fed national activity index for further direction.

The US Dollar fell against the South African Rand on Friday. On the macroeconomic front, the US existing home sales declined more than market forecast on a monthly basis in September, marking its lowest level since November 2015.

GBP ZAR ▼

GBP trading weaker against ZAR

At 06:00 SAST, the British Pound fell 0.3% against the South African Rand to trade at R18.7984. With no major economic news in the UK today, investor sentiment will be determined by global macroeconomic news.

The British Pound advanced against the South African Rand on Friday. On the data front, the UK's public sector net borrowing deficit widened more than market expectations in September.

EUR ZAR ▼

EUR trading weaker against ZAR

At 06:00 SAST, the Euro is trading 0.4% lower against the South African Rand at R16.5553. Amid no major economic news across the Eurozone today, market sentiment will be determined by global macroeconomic news.

The Euro strengthened against the South African Rand on Friday. Data indicated that Eurozone's current account surplus widened in August.

AUD ZAR ▼

AUD trading weaker against ZAR

At 06:00 SAST, the Australian Dollar is trading 0.3% lower against the South African Rand at R10.2294.

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

Key currencies & commodities

	Current		1 D % Chg	WTD % Chg	MTD % Chg	Prev. month % Chg	YTD % Chg
USDZAR	14.3784	▼	-0.25	NA	1.93	-3.73	16.41
GBPZAR	18.7984	▼	0.21	NA	2.28	-3.17	12.74
EURZAR	16.5553	▼	0.39	NA	1.23	-3.68	11.85
AUDZAR	10.2294	▼	0.02	NA	0.42	-3.25	6.19
EURUSD	1.1515	▲	0.53	NA	-0.78	0.02	-4.09
GBPUSD	1.3072	▼	0.45	NA	0.35	0.55	-3.23
Brent (\$/barrel)	80.0	▲	0.62	NA	-3.57	6.56	19.31
Gold (\$/oz)	1231.3	▲	-0.10	NA	2.84	-0.84	-6.42
Platinum (\$/oz)	832.3	-	0.54	NA	1.66	4.01	-10.91
Copper (\$/MT)*	6228.0	▲	1.14	NA	-0.57	4.95	-13.58

*As of previous close

Gold ▲

Trading in the green

At 06:00 SAST, gold prices advanced 0.5% to trade at \$1,231.30/oz, as a weaker greenback boosted demand appeal for the safe haven asset.

On Friday, gold prices fell 0.1% to close at \$1,225.30/oz.

Brent Crude Oil ▲

Trading stronger

At 06:00 SAST, Brent crude oil edged 0.3% higher to trade at \$79.98/bl, ahead of the US sanctions against Iran's crude exports to be implemented next month.

On Friday, Brent crude oil advanced 0.6% to settle at \$79.78/bl, amid concerns over US-Saudi tensions. Meanwhile, Baker Hughes reported that US oil rig count rose by 4 to 873 in the week ended 19 October 2018.

Platinum ▼

Trading in negative territory

At 06:00 SAST, platinum prices are trading marginally lower at \$832.30/oz.

On Friday, platinum prices climbed 0.5% to close at \$836.00/oz.

Major South African corporate news

MTN Group Limited

In its financial statements for the nine months ended 30 September 2018 for MTN Ghana, the company stated that its revenues increased to GHS3.05bn, compared to GHS2.49bn posted in the corresponding period of the previous year. Its basic EPS rose to GHS0.06 from GHS0.05 recorded in the same period of the prior year. The company has declared a gross interim dividend of GHS0.02 per share.

Oceana Group Limited

In its FY18 trading statement, the company indicated that it expects HEPS to be between 705.40c and 744.60c, which is 80.0% to 90.0% higher compared to the same period of the previous year. Further, the company expects EPS to be in the range of 714.30c to 754.40c, a 78.0% to 88.0% increase compared to the corresponding period of the preceding year.

Major global economic news

UK

In the UK, public sector net borrowing deficit widened more than market forecast to GBP3.30bn in September, from a revised deficit of GBP4.80bn in the previous month.

US

In the US, existing home sales fell 3.4% to a level of 5.15mn on a monthly basis in September, more-than-expected and compared to a revised level of 5.33mn in the previous month..






Eurozone

In the Eurozone, non-seasonally adjusted current account surplus widened to EUR24.00bn in August, from a surplus of EUR19.00bn in the previous month.

Asia

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Economic calendar

Country	SAST	Economic indicator	Relevance	Consensus/ *Actual	Previous	Frequency
 Japan	6:30	All Industry Activity Index (MoM) (Aug)	✓✓✓	0.50%*	0.00%	Monthly
 Japan	9:00	Convenience Store Sales (YoY) (Sep)	✓	-	1.00%	Monthly
 Canada	14:30	Wholesale Sales (MoM) (Aug)	✓✓✓	-	1.50%	Monthly
 US	14:30	Chicago Fed National Activity Index (Sep)	✓✓✓	0.22	0.18	Monthly
 Germany	-	German Buba Monthly Report	✓	-	-	As scheduled

Note: ✓✓✓ High ✓✓ Medium ✓ Low

40 best performers on the All Share Index

Company name	Last close	1 Week % change	MTD % change	YTD % change
Murray & Roberts Holdings Ltd	1675	1.95	4.12	42.64
Anglo American Platinum Ltd	46909	-3.71	1.53	35.23
Clover Industries Ltd	1670	14.70	14.37	33.71
Harmony Gold Mining Co Ltd	2990	5.80	28.05	31.78
EPP NV	2032	0.54	3.83	31.39
Anglo American PLC	31120	-2.69	-2.69	27.52
BHP Billiton PLC	29240	-2.69	-5.50	23.62
Emira Property Fund Ltd	1495	0.34	0.20	22.10
Sasol Ltd	50830	-3.17	-7.16	21.83
South32 Ltd	3854	-1.96	-2.80	19.42
Stenprop Ltd	2139	-2.73	-0.51	17.61
Mondi Ltd	34507	0.43	-11.18	15.88
Mondi PLC	34313	0.46	-11.71	15.55
Lewis Group Ltd	2828	-5.10	-11.93	14.58
PSG Konsult Ltd	975	0.21	-2.50	13.01
Octodec Investments Ltd	2027	0.15	-0.15	12.86
RCL Foods Ltd/South Africa	1663	1.11	2.03	11.98
African Oxygen Ltd	3015	-1.12	2.28	11.55
Telkom SA SOC Ltd	5107	-0.51	-1.14	11.20
Santam Ltd	28646	-6.08	-12.93	10.63
AngloGold Ashanti Ltd	14120	3.28	15.36	10.50
Transaction Capital Ltd	1795	0.00	1.47	8.81
Reunert Ltd	7204	-2.86	-5.21	6.72
JSE Ltd	15750	1.09	-1.06	5.89
Equites Property Fund Ltd	2143	1.56	7.15	5.31
Exxaro Resources Ltd	14548	-3.01	0.08	5.29
Adcock Ingram Holdings Ltd	5950	-4.60	-5.35	4.74
RDI REIT PLC	616	-0.65	-0.16	4.51
Vukile Property Fund Ltd	2061	2.08	2.18	4.21
Wilson Bayly Holmes-Ovcon Ltd	15587	-0.66	3.63	3.41
Investec PLC	9038	-1.17	-9.39	3.19
Investec Ltd	9027	-1.18	-9.30	3.09
AECI Ltd	9848	-0.39	-5.97	3.00
Oceana Group Ltd	8520	-1.50	3.31	1.67
Investec Australia Property Fund	1218	-1.69	-2.56	1.47
KAP Industrial Holdings Ltd	776	2.51	0.52	0.72
African Rainbow Minerals Ltd	12418	-1.64	-3.43	0.40
Sun International Ltd/South Africa	5875	-2.03	-2.96	0.20
Delta Property Fund Ltd	598	0.50	1.36	0.02
Royal Bafokeng Platinum Ltd	2800	2.75	9.33	0.00
JSE All Share Index	52093	-2.58	-6.49	-12.46

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