

# ONE Minute Brief

15 October 2018

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## Economic and political news

Moody's has delayed its announcement for South Africa's sovereign credit rating, which was expected to be made on Friday.

President, Cyril Ramaphosa, has appointed a panel of legal organisations and independent public institutions, chaired by Energy Minister Jeff Radebe, to select candidates for the position of national director of public prosecutions (NDPP).

South African miner, Exxaro Resources, stated that it was looking to supply coal to Eskom, as the latter was facing supply shortages.

Transnet Chief Executive Officer, Siyabonga Gama, is set to approach the Labour Court to stop the utility's board from removing him from his position.

Tiger Brands stated that it has re-opened a facility that was closed after the outbreak of listeria.

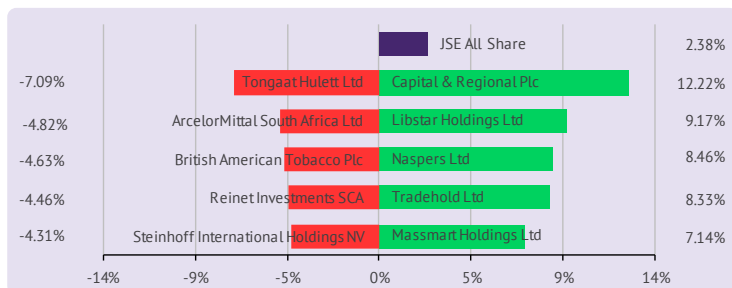
## Key indices

	Last close		1 Day Chg	1 D % Chg	WTD % Chg	MTD % Chg	Prev. month % Chg	YTD % Chg
JSE All Share	53473.11	▲	1243.78	2.38	NA	-4.01	-5.05	-10.14
JSE Top 40	47272.60	▲	1222.25	2.65	NA	-4.54	-5.61	-10.01
FTSE 100	6995.91	▼	-11.02	-0.16	NA	-6.85	1.05	-9.00
DAX 30	11523.81	▼	-15.54	-0.13	NA	-5.90	-0.95	-10.79
CAC 40	5095.98	▼	-10.39	-0.20	NA	-7.24	1.60	-4.08
S&P 500	2767.13	▲	38.76	1.42	NA	-5.04	0.43	3.50
Nasdaq Composite	7496.89	▲	167.83	2.29	NA	-6.83	-0.78	8.60
DJIA	25339.99	▲	287.16	1.15	NA	-4.23	1.90	2.51
MSCI Emerging Markets	980.09	▲	25.44	2.66	NA	-6.47	-0.76	-15.40
MSCI Developed World	2063.44	▲	18.48	0.90	NA	-5.52	0.39	-1.90

## South Africa Market ▲

### South African markets closed higher

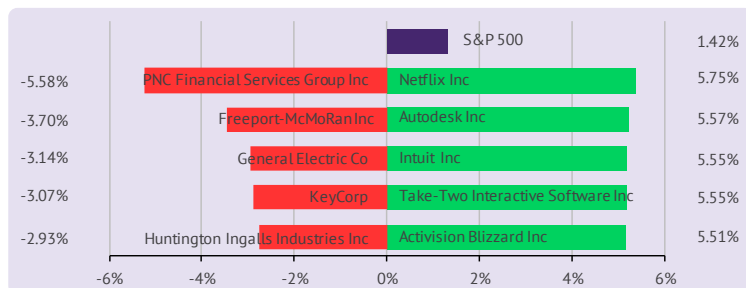
South African markets closed in the green on Friday, boosted by gains in industrial, retail and banking sector stocks. The JSE All Share Index rose 2.4% to close at 53,473.11.



## US Market ▲

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

US markets closed higher on Friday, boosted by gains in technology sector stocks. Data indicated that the US Michigan consumer sentiment index unexpectedly eased October. The S&P 500 Index climbed 1.4% to close at 2,767.13.



## UK Market ▼

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

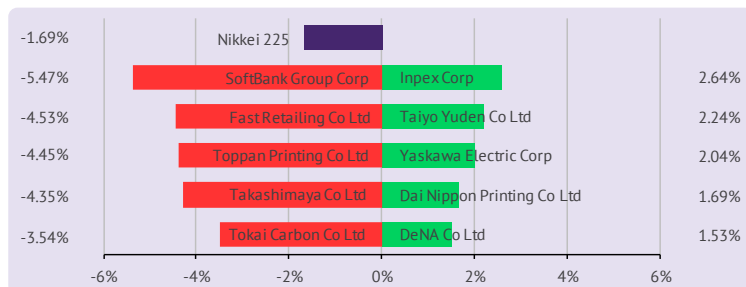
UK markets finished lower on Friday, amid mounting tensions over the rising US interest rates. The FTSE 100 Index declined 0.2% to close at 6,995.91.



## Asian Market ▼

### Trading lower

Asian markets are trading lower this morning. Data revealed that Japan's monthly industrial production rose in August. The Nikkei 225 Index is trading 1.7% lower at 22,311.09.



## USD ZAR ▲

### USD trading stronger against ZAR

At 06:00 SAST, the US Dollar is trading marginally higher against the South African Rand at R14.5254. Later today, traders will keep a close watch on the US advance retail sales and business inventories for further direction.

The US Dollar fell against the South African Rand on Friday. Data revealed that the US Michigan consumer sentiment index registered an unexpected decline in October.

## GBP ZAR ▼

### GBP trading lower against ZAR

At 06:00 SAST, the British Pound fell 0.3% against the South African Rand to trade at R19.0363. Data indicated that the UK's Rightmove house price index recorded an advance on a monthly basis in October.

The British Pound declined against the South African Rand on Friday, amid ongoing concerns over the Brexit negotiations.

## EUR ZAR ▼

### EUR trading weaker against ZAR

At 06:00 SAST, the Euro slightly fell against the South African Rand to trade at R16.7719. With no major economic news across the Eurozone today, investor sentiment will be determined by global macroeconomic news.

The Euro weakened against the South African Rand on Friday. On the data front, the Eurozone's industrial production recorded a less-than-expected rise on a monthly basis in August. Separately, Germany's annual consumer price index (CPI) climbed to its highest level in seven years in September.

## AUD ZAR ▼

### AUD trading lower against ZAR

At 06:00 SAST, the Australian Dollar is trading 0.1% weaker against the South African Rand at R10.3186.

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	14.5254	▲	-0.78	NA	2.67	-3.73	17.25
GBPZAR	19.0363	▼	-1.35	NA	3.64	-3.17	14.23
EURZAR	16.7719	▼	-1.10	NA	2.23	-3.68	12.96
AUDZAR	10.3186	▼	-0.88	NA	1.11	-3.25	6.92
EURUSD	1.1547	▼	-0.28	NA	-0.38	0.02	-3.71
GBPUSD	1.3106	▼	-0.58	NA	0.94	0.55	-2.66
Brent (\$/barrel)	81.4	▲	0.21	NA	-2.78	6.56	20.28
Gold (\$/oz)	1225.6	▲	-0.44	NA	2.23	-0.84	-6.97
Platinum (\$/oz)	836.2	=	-0.78	NA	2.14	4.01	-10.49
Copper (\$/MT)*	6319.0	▲	0.97	NA	0.89	4.95	-12.32
*As of previous close							

## Gold ▲

### Trading in the green

At 06:00 SAST, gold prices edged 0.6% higher to trade at \$1,225.60/oz.

On Friday, gold prices fell 0.4% to close at \$1218.1/oz, as a rebound in major global stock markets and strength in the US Dollar dented demand for the precious metal.

## Brent Crude Oil ▲

### Trading stronger

At 06:00 SAST, Brent crude oil edged 1.2% higher to trade at \$81.43/bl, amid ongoing tensions in Saudi Arabia.

On Friday, Brent crude oil advanced 0.2% to settle at \$80.43/bl. Meanwhile, Baker Hughes reported that US oil rig count rose by 8 to 869 in the week ended 12 October 2018. Further, the International Energy Agency stated that global oil demand will grow at a slower-than-expected pace this year and next year, as economic risks from trade tensions weigh.

## Platinum ▼

### Trading in negative territory

At 06:00 SAST, platinum prices are trading marginally lower at \$836.20/oz.

On Friday, platinum prices declined 0.8% to close at \$840.00/oz.

## Major South African corporate news

### PSG Group Limited

In its 1H18 trading statement, the company indicated that it expects HEPS to be between ZAR5.05 and ZAR5.10, which is 39.1% and 40.5% higher compared to the same period of the previous year. Further, the company expects EPS to be in the range of ZAR5.12 to ZAR5.20, which is 32.6% and 34.7% higher compared to the corresponding period of the preceding year.

## Major global economic news

### Eurozone

In the Eurozone, seasonally adjusted industrial production rose 1.0% on a monthly basis in August, less than market expectations and compared to a revised drop of 0.7% in the prior month.

In Germany, the final CPI recorded a rise of 2.3% on an annual basis in September, meeting market expectations. In the previous month, the CPI had risen 2.0%. The preliminary figures had also recorded an advance of 2.3%.

### US

In the US, the flash Michigan consumer sentiment index registered an unexpected drop to a level of 99.00 in October. The index had registered a level of 100.10 in the prior month.

### Asia

In Japan, final industrial production registered a rise of 0.2% on a monthly basis in August. Industrial production had fallen 0.1% in the prior month. The preliminary figures had indicated a rise of 0.7%.

### UK

In the UK, the Rightmove house price index advanced 1.0% on a monthly basis in October. In the previous month, the index had risen 0.7%.

## 40 best performers on the All Share Index

Company name	Last close	1 Week % change	MTD % change	YTD % change
Anglo American Platinum Ltd	48716	0.86	5.45	40.44
Murray & Roberts Holdings Ltd	1643	1.73	2.13	39.91
Anglo American Plc	31980	-1.14	0.00	31.05
EPP NV	2021	1.66	3.27	30.68
BHP Billiton Plc	30049	-5.39	-2.88	27.04
Sasol Ltd	52496	-5.13	-4.12	25.83
Harmony Gold Mining Co Ltd	2826	16.39	21.03	24.55
South32 Ltd	3931	-9.13	-0.86	21.81
Emira Property Fund Ltd	1490	1.22	-0.13	21.69
Stenprop Ltd	2199	-0.05	2.28	20.91
Lewis Group Ltd	2980	-3.06	-7.19	20.73
Santam Ltd	30500	-5.57	-7.29	17.79
Clover Industries Ltd	1456	-1.09	-0.29	16.58
Mondi Ltd	34359	-11.10	-11.56	15.39
Mondi Plc	34157	-11.40	-12.11	15.03
Raubex Group Ltd	2222	-0.71	0.32	13.08
African Oxygen Ltd	3049	3.99	3.43	12.81
PSG Konsult Ltd	973	-0.51	-2.70	12.78
Octodec Investments Ltd	2024	-1.75	-0.30	12.70
Telkom SA SOC Ltd	5133	-1.29	-0.64	11.77
RCL Foods Ltd	1670	0.60	0.91	10.74
Reunert Ltd	7416	-2.75	-2.42	9.86
Adcock Ingram Holdings Ltd	6237	-2.0	-0.78	9.79
Transaction Capital Ltd	1795	0.84	1.47	8.81
Exxaro Resources Ltd	15000	1.81	3.19	8.56
AngloGold Ashanti Ltd	13671	10.05	11.69	6.99
RDI REIT Plc	620	1.47	0.49	5.19
JSE Ltd	15580	3.87	-2.13	4.74
Investec Plc	9145	-5.72	-8.32	4.41
Investec Ltd	9135	-5.27	-8.22	4.33
Wilson Bayly Holmes-Ovcon Ltd	16022	0.12	4.32	4.10
Equites Property Fund Ltd	2110	4.92	5.50	3.69
AECI Ltd	9887	-3.54	-5.60	3.41
Oceana Group Ltd	8650	6.79	4.89	3.22
Investec Australia Property Fund	1239	-4.69	-0.88	3.22
Sun International Ltd	5997	-0.96	-0.94	2.29
Vukile Property Fund Ltd	2019	-0.64	0.10	2.09
African Rainbow Minerals Ltd	12625	-2.70	-1.82	2.07
Fortress REIT Ltd	1730	3.35	2.13	1.53
Hudaco Industries Ltd	14038	-0.13	-2.95	1.20
<b>JSE All Share Index</b>	<b>53473</b>	<b>-1.72</b>	<b>-4.01</b>	<b>-10.14</b>

## Economic calendar

Country	SAST	Economic indicator	Relevance	Consensus/ *Actual	Previous/ **Previous est.	Frequency
UK	01:01	Rightmove House Price Index (MoM) (Oct)	✓	1.00%*	0.70%	Monthly
UK	01:01	Rightmove House Price Index (YoY) (Oct)	✓	0.90%*	1.20%	Monthly
Japan	06:30	Capacity Utilisation (MoM) (Aug)	✓	2.20%*	-0.60%	Monthly
Japan	06:30	Industrial Production (MoM) (Aug) (F)	✓✓✓	0.20%*	0.70%**	Monthly
Japan	06:30	Industrial Production (YoY) (Aug) (F)	✓✓✓	0.20%*	0.60%**	Monthly
Switzerland	09:15	Producer and Import Prices (MoM) (Sep)	✓	-	0.00%	Monthly
Switzerland	09:15	Producer and Import Prices (YoY) (Sep)	✓	-	3.40%	Monthly
US	14:30	Retail Sales Ex Auto & Gas (Sep)	✓✓✓	0.40%	0.20%	Monthly
US	14:30	Retail Sales ex Autos (MoM) (Sep)	✓✓✓	0.40%	0.30%	Monthly
US	14:30	Advance Retail Sales (MoM) (Sep)	✓✓✓	0.70%	0.10%	Monthly
US	14:30	NY Empire State Manufacturing Index (Oct)	✓✓	20.50	19.00	Monthly
US	14:30	Retail Sales "Control Group" (MoM) (Sep)	✓✓	0.40%	0.10%	Monthly
Canada	15:00	Existing Home Sales (MoM) (Sep)	✓	-	0.90%	Monthly
US	16:00	Business Inventories (Aug)	✓	0.50%	0.60%	Monthly
Canada	16:30	BoC Senior Loan Officer Survey (Q3)	✓✓	-	-8.90	Quarterly
Canada	16:30	Business Outlook Future Sales (Q3)	✓✓	-	6.00%	Quarterly
Canada	16:30	Bank of Canada Business Outlook Survey	✓✓	-	-	As scheduled
Germany	-	Export price index (Aug)	✓	-	107.70	Monthly
Germany	-	Import Price Index (Aug)	✓	-	104.80	Monthly
Germany	-	Import Price Index n.s.a. (YoY) (Aug)	✓✓	5.20%	5.00%	Monthly
Germany	-	Import Price Index s.a. (MoM) (Aug)	✓✓	0.00%	-0.20%	Monthly
Italy	-	Italy budget deadline	✓✓	-	-	As scheduled

Note: ✓✓✓ High    ✓✓ Medium    ✓ Low

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formerly Grant Thornton Capital

**a** GTC @Grant Thornton, The Wanderers Office Part,  
52 Corlett Drive, Illovo, 2196  
**p** P O Box 55118, Illovo, 2118

**t** +27 (0) 10 597 6800  
**f** +27 (0) 10 597 6801  
**w** www.gtc.co.za

GTC (Pty) Ltd.  
**reg. no.** 1996/001488/07  
**Directors:** G.K. Mockler, F.Dildar

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