

ONE  
Minute Brief

27 November 2018

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## Economic and political news

Public Enterprises Minister, Pravin Gordhan, has filed a defamation complaint against Economic Freedom Fighters (EFF) leader, Julius Malema.

The Constitutional Court has dismissed an application by former SARS Commissioner, Tom Moyane, to have the Nugent Commission of inquiry set aside and to block his dismissal.

According to a news report, ANC chairperson, Gwede Mantashe, is expected to testify today at the commission of inquiry into state capture.

Yesterday, around 1,000 Optimum Coal mine workers protested outside the Mpumalanga mine over unpaid wages. Meanwhile, the National Union of Mineworkers (NUM) stated that members are not willing to return to work until their salaries for October and November are paid.

Former head of Government Communications, Mzwanele Manyi, has accused the state capture commission of being biased and stated that former Public Protector, Thuli Madonsela, should also be called to testify at the Zondo Commission.

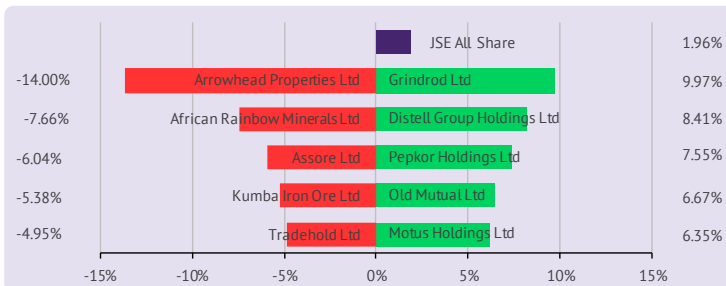
## Key indices

	Last close		1 Day Chg	1 D % Chg	WTD % Chg	MTD % Chg	Prev. month % Chg	YTD % Chg
JSE All Share	51690.12	▲	992.42	1.96	1.96	-1.33	-5.96	-13.13
JSE Top 40	45545.18	▲	1009.68	2.27	2.27	-1.29	-6.82	-13.30
FTSE 100	7036.00	▲	83.14	1.20	1.20	-1.29	-5.09	-8.48
DAX 30	11354.72	▲	162.03	1.45	1.45	-0.81	-6.53	-12.10
CAC 40	4994.98	▲	48.03	0.97	0.97	-1.93	-7.28	-5.98
S&P 500	2673.45	▲	40.89	1.55	1.55	-1.41	-6.94	-0.01
Nasdaq Composite	7081.85	▲	142.87	2.06	2.06	-3.07	-9.20	2.59
DJIA	24640.24	▲	354.29	1.46	1.46	-1.89	-5.07	-0.32
MSCI Emerging Markets	976.57	▲	7.40	0.76	0.76	2.16	-8.78	-15.70
MSCI Developed World	1999.21	▲	24.12	1.22	1.22	-1.13	-7.42	-4.96

## South Africa Market ▲

## South African markets closed higher

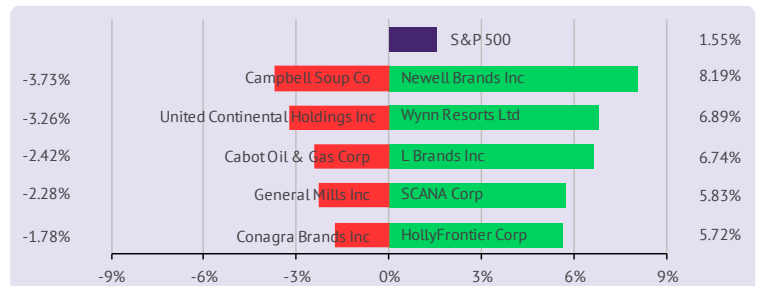
South African markets closed in the green yesterday, boosted by gains in banking, retail and industrial sector stocks. The JSE All Share Index rose 2.0% to close at 51,690.12.



## US Market ▲

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

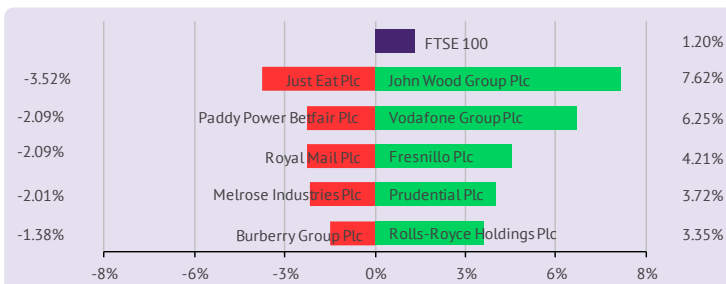
US markets closed higher yesterday, as retail stocks rallied on hopes of robust holiday shopping sales. The S&P 500 Index climbed 1.6% to close at 2,673.45.



## UK Market ▲

## The FTSE 100 futures are trading in positive territory

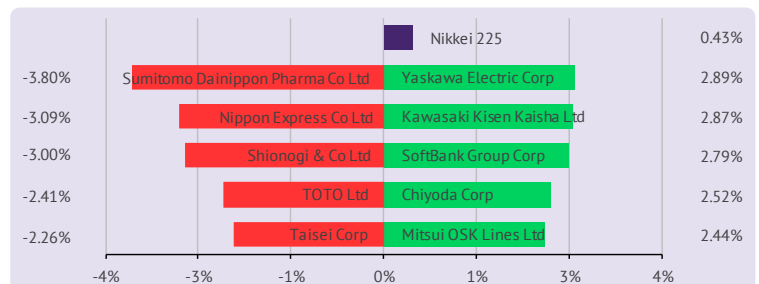
UK markets finished higher yesterday, after the European Union leaders approved UK's Brexit deal and led by gains in financial and energy sector stocks. The FTSE 100 Index advanced 1.2% to close at 7,036.00.



## Asian Market ▲

## Trading higher

Asian markets are trading higher this morning. The Nikkei 225 Index is trading 0.4% higher at 21,905.83.



## USD ZAR ▼

### USD trading weaker against ZAR

At 06:00 SAST, the US Dollar is trading slightly lower against the South African Rand at R13.9057. Later today, traders will keep a close watch on the US house price index and consumer confidence index for further indication.

The US Dollar rose against the South African Rand yesterday. On the macro front, the US Chicago Fed national activity index climbed more than market forecast in October. Meanwhile, the nation's Dallas Fed manufacturing activity index dropped more-than-anticipated in November.

## GBP ZAR ▼

### GBP trading lower against ZAR

At 06:00 SAST, the British Pound marginally declined against the South African Rand to trade at R17.8147. 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 yesterday. On the data front, UK's BBA loans for house purchase registered an advance in October.

## EUR ZAR ▲

### EUR trading stronger against ZAR

At 06:00 SAST, the Euro is trading slightly higher against the South African Rand at R15.7614. Amid no major economic news across the Eurozone, market sentiment will be determined by global macroeconomic news.

The Euro strengthened against the South African Rand yesterday. On the data front, Germany's Ifo business climate index dropped more than market forecast in November, marking its lowest level since July 2018. Additionally, the Ifo expectations index declined to a four-month low level in November. Moreover, the Ifo current assessment index slid in November.

## AUD ZAR ▲

### AUD trading firmer against ZAR

At 06:00 SAST, the Australian Dollar is trading 0.1% higher against the South African Rand at R10.0478. Earlier in the session, the ANZ Roy Morgan weekly consumer confidence index advanced in the week ended 25 November 2018.

The Australian Dollar rose against the South African Rand yesterday.

## Key currencies & commodities

	Current		1 D % Chg	WTD % Chg	MTD % Chg	Prev. month % Chg	YTD % Chg
USDZAR	13.9057	▼	0.34	0.34	-5.94	4.56	12.32
GBPZAR	17.8147	▼	0.34	0.34	-5.55	2.35	6.55
EURZAR	15.7614	▲	0.26	0.26	-5.79	1.89	6.06
AUDZAR	10.0478	▲	0.20	0.20	-3.90	2.26	3.92
EURUSD	1.1334	▲	-0.08	-0.08	0.14	-2.52	-5.64
GBPUSD	1.2812	▼	0.10	0.10	0.48	-2.03	-5.08
Brent (\$/barrel)	60.6	▲	2.86	2.86	-19.40	-9.30	-9.56
Gold (\$/oz)	1228.1	▲	-0.07	-0.07	0.61	1.97	-6.64
Platinum (\$/oz)	845.7	▼	0.33	0.33	0.57	2.97	-9.25
Copper (\$/MT)*	6221.0	▼	-0.25	-0.25	3.06	-3.62	-13.68

\*As of previous close

## Gold ▲

### Trading in the green

At 06:00 SAST, gold prices advanced 0.5% to trade at \$1,228.10/oz.

Yesterday, gold prices fell 0.1% to close at \$1,222.40/oz, amid strength in the global stock markets.

## Brent Crude Oil ▲

### Trading stronger

At 06:00 SAST, Brent crude oil rose 0.1% to trade at \$60.57/bl.

Yesterday, Brent crude oil advanced 2.9% to settle at \$60.48/bl, on hopes that major oil producers will agree to production cuts at a meeting early next month.

## Platinum ▼

### Trading in negative territory

At 06:00 SAST, platinum prices edged 0.2% lower to trade at \$845.70/oz.

Yesterday, platinum prices climbed 0.3% to close at \$847.8/oz.

## Major South African corporate news

### Accelerate Property Fund Limited

The company, in its 1H18 results for the period ended 30 September 2018, announced that revenues increased to ZAR636.04mn, from ZAR633.23mn posted in the same period a year ago. Further, its diluted EPS fell to 32.41c, compared to 32.74c recorded in the same period of the prior year.

## Major global economic news

### Eurozone

In Germany, the Ifo business climate index recorded a more-than-expected drop to 102.00 in November, compared to a revised reading of 102.90 in the prior month.

In Germany, the Ifo business expectations index eased to 98.70 in November, more-than-anticipated and compared a revised level of 99.70 in the previous month.

In Germany, the Ifo current assessment index dropped to 105.40 in November, compared to a revised level of 106.10 in the prior month.

### US

In the US, the Dallas Fed manufacturing business index eased to 17.60 in November, more than market expectations. In the prior month, the index had registered a reading of 29.40.

In the US, the Chicago Fed national activity index rose more-than-expected to 0.24 in October. In the prior month, the index had registered a revised reading of 0.14.

### Asia

In Australia, the ANZ Roy Morgan weekly consumer confidence index rose to a level of 118.6 in the week ended 25 November 2018, compared to a reading of 117.8 in the prior week.

### UK

In the UK, the BBA mortgage approvals advanced to 39.70K in October, compared to a revised reading of 38.71K in the prior month.

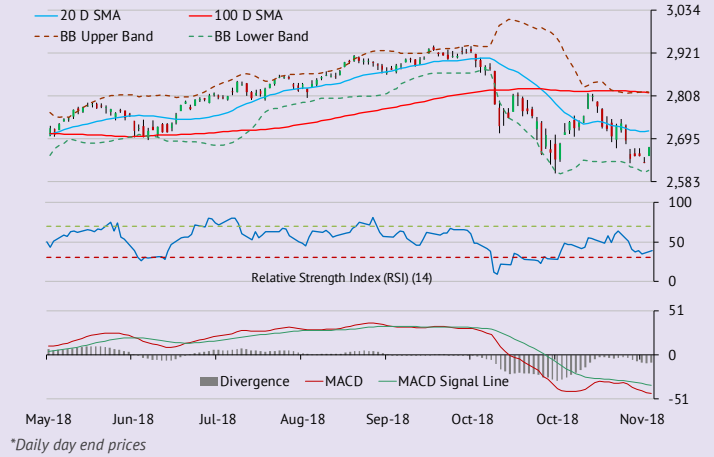
## Technical snapshot

### JSE All Share



The JSE All Share index is expected to find support at 50,548.65, and a fall through could take it to the next support level of 49,407.18. The index is expected to find its first resistance at 52,627.56, and a rise through could take it to the next resistance level of 53,565.00.

### S&P 500



The S&P 500 index is expected to find support at 2,644.91, and a fall through could take it to the next support level of 2,616.37. The index is expected to find its first resistance at 2,688.17, and a rise through could take it to the next resistance level of 2,702.89.

### USD ZAR



The pair is expected to find support at 13.6895, and a fall through could take it to the next support level of 13.4707. The pair is expected to find its first resistance at 14.1496, and a rise through could take it to the next resistance level of 14.3909.

### XAU USD



Gold is expected to find support at \$1,218.03/oz, and a fall through could take it to the next support level of \$1,213.67/oz. The precious metal is expected to find its first resistance at \$1,228.83/oz, and a rise through could take it to the next resistance level of \$1,235.27/oz.

## Economic calendar

Country	SAST	Economic indicator	Relevance	Consensus/ *Actual	Previous	Frequency
Japan	01:50	Corporate Service Price (YoY) (Oct)	✓	1.30%*	1.20%	Monthly
China	03:30	Industrial Profits (YoY) (Oct)	✓✓	3.60%*	4.10%	Monthly
South Africa	12:00	BER Business Confidence Index (Q4)	✓	40.00	38.00	Quarterly
UK	13:00	CBI Distributive Trades Survey - Realised (Nov)	✓✓	10.00%	5.00%	Monthly
US	15:30	Fed Vice Chairman Clarida Speaks in New York	✓	-	-	As scheduled
US	15:55	Redbook Index (YoY) (23-Nov)	✓	-	6.20%	Weekly
US	15:55	Redbook Index s.a. (MoM) (23-Nov)	✓	-	0.20%	Weekly
US	16:00	S&P/Case-Shiller Home Price Index (Sep)	✓	-	213.72	Monthly
US	16:00	House Price Purchase Index (QoQ) (Q3)	✓✓	-	1.10%	Quarterly
US	16:00	Housing Price Index (MoM) (Sep)	✓	0.40%	0.30%	Monthly
US	16:00	S&P/Case-Shiller 20 City s.a. (MoM) (Sep)	✓✓✓	0.20%	0.09%	Monthly
US	16:00	S&P/Case-Shiller Composite-20 (YoY) (Sep)	✓✓	5.20%	5.49%	Monthly
Eurozone	17:00	ECB's Nouy, Bank of Portugal's Ferreira Speak in Lisbon	✓	-	-	As scheduled
US	17:00	Consumer Confidence (Nov)	✓✓✓	135.90	137.90	Monthly
Eurozone	18:00	ECB's Mersch speech	✓✓	-	-	As scheduled
US	21:30	Fed's Bostic, Evan and George Speak on Panel	✓	-	-	As scheduled

Note: ✓✓✓ High    ✓✓ Medium    ✓ Low

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