

ONE  
Minute Brief

26 March 2019


  
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## Economic and political news

The Minerals Council of South Africa (SA) warned that SA's gold and platinum mines will shed around 90,000 jobs in the next three years, amid electricity tariff increases by Eskom.

The Council of the Independent Communications Authority of South Africa (Icasa) announced that it has appointed executive board member, Dr Keabetswe Modimoeng as acting Chairperson.

The Democratic Alliance (DA) has urged the Parliament to establish an ad hoc committee to deal with the country's energy crisis. Further, the DA stated that it is planning to protest against Eskom's power crisis and higher electricity tariffs on Friday.

Yesterday, platinum miner, Lonmin warned about insufficient liquidity to fund new projects and urged shareholders to back its proposed takeover by Sibanye-Stillwater.

## Key indices

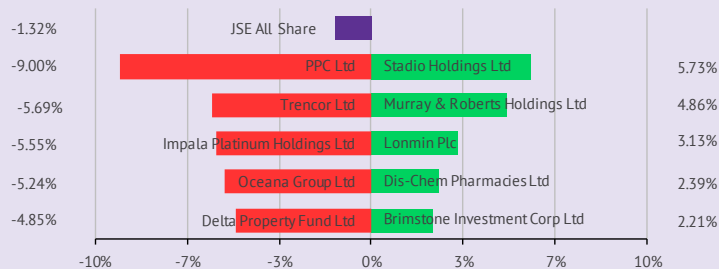
	As at 25 March 2019		1 Day Chg	1 D % Chg	WTD % Chg	MTD % Chg	Prev. month % Chg	YTD % Chg
JSE All Share (ZAR)	55367.11	▼	-740.37	-1.32	-1.32	-1.13	3.41	4.99
JSE Top 40 (ZAR)	49161.53	▼	-630.89	-1.27	-1.27	-1.02	3.57	5.21
FTSE 100 (GBP)	7177.58	▼	-30.01	-0.42	-0.42	1.45	1.52	6.68
DAX 30 (EUR)	11346.65	▼	-17.52	-0.15	-0.15	-1.47	3.07	7.46
CAC 40 (EUR)	5260.64	▼	-9.28	-0.18	-0.18	0.38	4.96	11.20
S&P 500 (USD)	2798.36	▼	-2.35	-0.08	-0.08	0.50	2.97	11.63
Nasdaq Composite (USD)	7637.54	▼	-5.13	-0.07	-0.07	1.39	3.44	15.11
DJIA (USD)	25516.83	▲	14.51	0.06	0.06	-1.54	3.67	9.39
MSCI Emerging Markets (USD)	1047.71	▼	-11.92	-1.12	-1.12	-0.31	0.10	8.47
MSCI Developed World (USD)	2087.06	▼	-7.76	-0.37	-0.37	0.06	2.83	10.78

## South Africa Market ▼

## South African markets closed higher

South African markets closed in the red yesterday, amid ongoing concerns over global economic slowdown and led by losses in platinum mining and property sector stocks. The JSE All Share Index fell 1.3% to close at 55,367.11.

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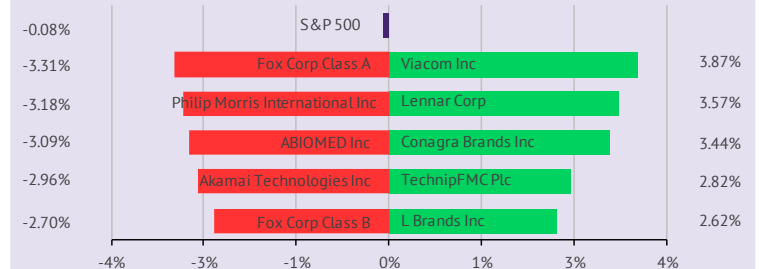


## US Market ▼

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

US markets closed mostly lower yesterday, on mounting global growth worries, amid signs of a possible recession in the economy. Data indicated that the US Dallas Fed manufacturing activity index fell more-than-expected in March. The S&P 500 Index dropped 0.1% to close at 2,798.36.

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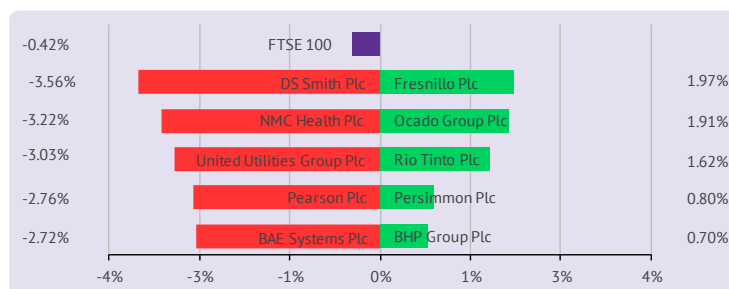


## UK Market ▼

## The FTSE 100 futures are trading in positive territory

UK markets finished lower yesterday, amid persistent worries over Brexit and fears of a recession in the US. The FTSE 100 Index declined 0.4% to close at 7,177.58.

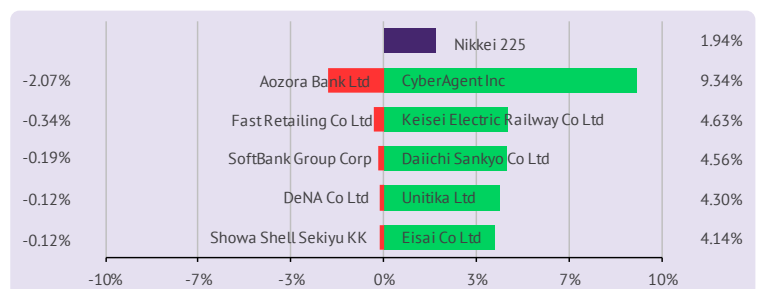
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## Asian Market ▲

## Trading mostly higher

Asian markets are trading mostly higher this morning. The Nikkei 225 Index is trading 1.9% higher at 21,383.54.



## USD ZAR ▲

### USD trading higher against ZAR

At 06:00 SAST, the US Dollar climbed 0.1% against the South African Rand to trade at R14.3286. Later today, traders will keep a close watch on the US housing starts, building permits, the house price index, the consumer confidence index and the Richmond Fed manufacturing index for further direction.

The US Dollar fell against the South African Rand yesterday, as the US government bond yields fell, amid ongoing fears of slowing global growth. On the data front, the US Chicago Fed national activity index registered a decline in February. Additionally, the Dallas Fed manufacturing index fell more than market forecast in March.

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## GBP ZAR ▲

### GBP trading stronger against ZAR

At 06:00 SAST, the British Pound is trading 0.1% firmer against the South African Rand at R18.9147. Ahead in the day, traders will keep an eye on the UK's BBA loans for house purchase for further indication.

The British Pound declined against the South African Rand yesterday.

## EUR ZAR ▲

### EUR trading firmer against ZAR

At 06:00 SAST, the Euro rose 0.2% against the South African Rand to trade at R16.2143. Going forward, market participants will keep a tab on Germany's GfK consumer confidence index for further cues.

The Euro weakened against the South African Rand yesterday. On the macro front, Germany's Ifo business climate index unexpectedly rose in March, marking its first rise since August 2018. Additionally, the Ifo business expectations index climbed more than market anticipations in March. Moreover, the Ifo current assessment index unexpectedly jumped in the same month.

## AUD ZAR ▲

### AUD trading stronger against ZAR

At 06:00 SAST, the Australian Dollar is trading 0.2% higher against the South African Rand at R10.2015.

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	14.3286	▲	-1.31	-1.31	1.58	6.27	-0.27
GBPZAR	18.9147	▲	-1.31	-1.31	1.15	7.50	3.12
EURZAR	16.2143	▲	-1.25	-1.25	1.05	5.58	-1.66
AUDZAR	10.2015	▲	-0.81	-0.81	1.91	3.66	0.59
EURUSD	1.1316	▲	0.09	0.09	-0.52	-0.67	-1.35
GBPUSD	1.3199	▲	-0.11	-0.11	-0.51	1.17	3.46
Brent (\$/barrel)	67.3	▲	0.27	0.27	1.36	8.99	24.93
Gold (\$/oz)	1326.6	▲	0.78	0.78	0.49	-0.27	3.22
Platinum (\$/oz)	853.2	▼	1.10	1.10	-2.00	6.12	7.76
Copper (\$/MT)*	6337.0	▲	0.36	0.36	-3.33	6.57	6.52

\*As of previous close, #As on 06:00 SAST

## Gold ▲

### Trading in the green

At 06:00 SAST, gold prices climbed 0.3% to trade at \$1,326.60/oz, amid fall in treasury yields and equities.

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Yesterday, gold prices rose 0.8% to close at \$1,322.60/oz, as weakness in the US Dollar boosted demand for the dollar denominated commodity.

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## Brent Crude Oil ▲

### Trading stronger

At 06:00 SAST, Brent crude oil edged 0.1% higher to trade at \$67.27/bl, amid ongoing crude oil cuts by the Organisation of the Petroleum Exporting Countries and the US sanctions on Iran and Venezuela.

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Yesterday, Brent crude oil advanced 0.3% to settle at \$67.21/bl.

## Platinum ▼

### Trading in negative territory

At 06:00 SAST, platinum prices declined 0.5% to trade at \$853.20/oz.

Yesterday, platinum prices climbed 1.1% to close at \$857.70/oz.

## Major South African corporate news

### Naspers Limited

The company announced that it intends to form a new global consumer internet group (NewCo) comprising of Naspers' international internet assets. Further, the company stated that it is planning to list NewCo on Euronext Amsterdam along with a secondary, inward listing on the Johannesburg Stock Exchange in SA.

## Major global economic news

### Eurozone

In Germany, the Ifo business climate index recorded an unexpected rise to a level of 99.60 in March. The index had recorded a revised level of 98.70 in the prior month.

In Germany, the Ifo business expectations index rose more-than-expected to a level of 95.60 in March. The index had registered a revised reading of 93.80 in the prior month.

In Germany, the Ifo current assessment index registered an unexpected rise to 103.80 in March. The index had registered a revised level of 103.60 in the previous month.

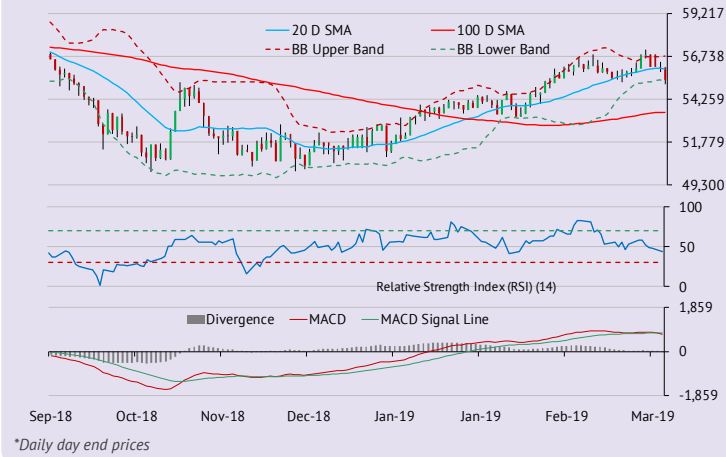
### US

In the US, the Dallas Fed manufacturing business index dropped more-than-expected to 8.30 in March. In the previous month, the index had registered a reading of 13.10.

In February, the Chicago Fed national activity index recorded a drop to -0.29 in the US, compared to a revised reading of -0.25 in the previous month.

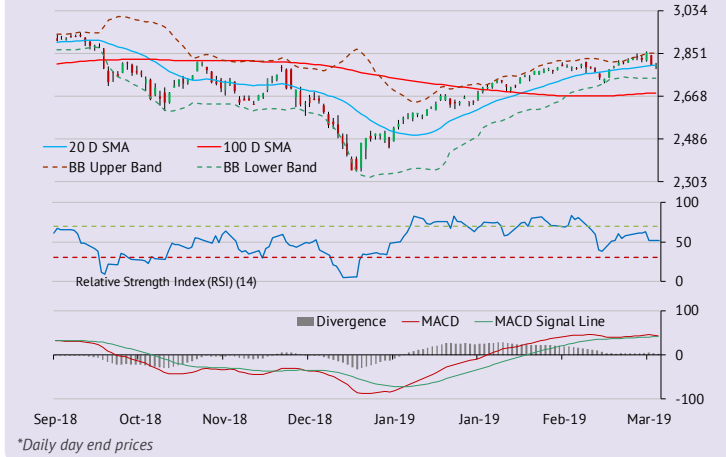
## Technical snapshot

### JSE All Share



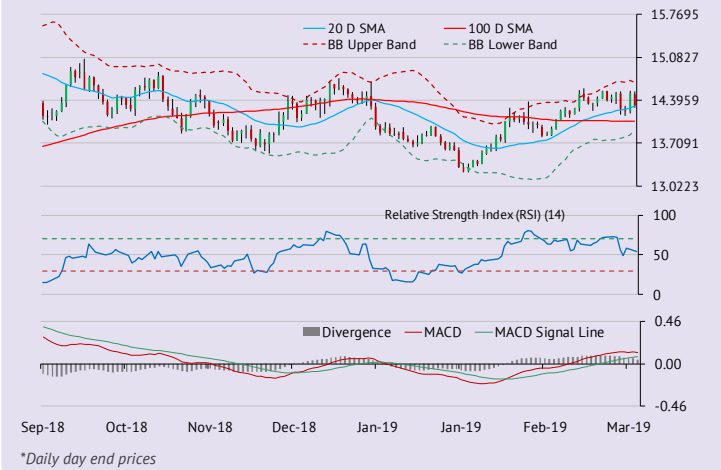
The JSE All Share index is expected to find support at 54,628.11, and a fall through could take it to the next support level of 53,889.10. The index is expected to find its first resistance at 56,622.24, and a rise through could take it to the next resistance level of 57,877.36.

### S&P 500



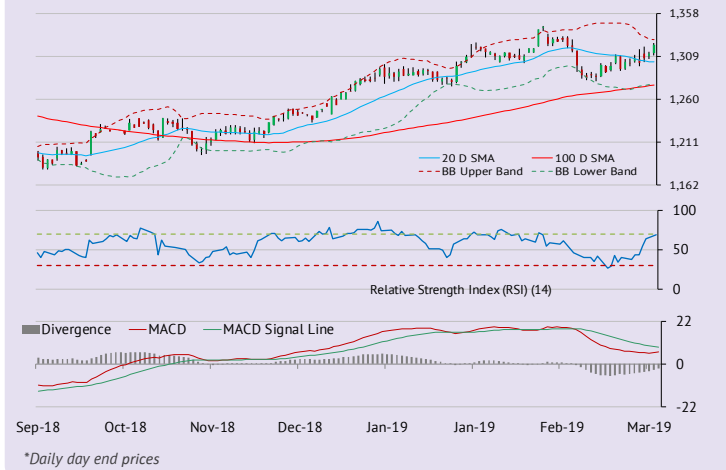
The S&P 500 index is expected to find support at 2,768.82, and a fall through could take it to the next support level of 2,739.27. The index is expected to find its first resistance at 2,844.11, and a rise through could take it to the next resistance level of 2,889.85.

### USD ZAR



The pair is expected to find support at 14.1170, and a fall through could take it to the next support level of 13.9267. The pair is expected to find its first resistance at 14.5222, and a rise through could take it to the next resistance level of 14.7371.

### XAU USD



Gold is expected to find support at \$1,305.63/oz, and a fall through could take it to the next support level of \$1,288.67/oz. The precious metal is expected to find its first resistance at \$1,332.03/oz, and a rise through could take it to the next resistance level of \$1,341.47/oz.

## Economic calendar

Country	SAST	Economic indicator	Relevance	Consensus/ *Actual	Previous	Frequency
Japan	1:50	Corporate Service Price (YoY) (Feb)	✓	1.10%*	1.10%	Monthly
US	2:30	Fed's Rosengren Speaks at Finance Conference in Hong Kong	✓	-	-	As scheduled
Germany	9:00	GfK Consumer Confidence Survey (Apr)	✓✓✓	10.80	10.80	Monthly
South Africa	9:00	Leading Indicator (Jan)	✓	104.70	105.20	Monthly
UK	11:30	BBA Mortgage Approvals (Feb)	✓✓	-	40.63K	Monthly
US	12:30	Fed's Evans Takes Part in a Moderated Q&A in Hong Kong	✓	-	-	As scheduled
Eurozone	13:00	Slovakia's central bank Governor Makuch Speaks in Bratislava	✓	-	-	As scheduled
UK	13:00	BoE's Broadbent Speak on Statistics in London	✓	-	-	As scheduled
US	14:30	Building Permits (Feb)	✓✓✓	1305.00K	1345.00K	Monthly
US	14:30	Housing Starts (Feb)	✓✓✓	1210.00K	1230.00K	Monthly
US	14:30	Housing Starts (MoM) (Feb)	✓✓✓	-1.60%	18.60%	Monthly
US	14:30	Building Permits (MoM) (Feb)	✓✓✓	-0.90%	1.40%	Monthly
US	14:55	Redbook Index (YoY) (22-Mar)	✓	-	4.90%	Weekly
US	14:55	Redbook Index s.a. (MoM) (22-Mar)	✓	-	-0.10%	Weekly
US	15:00	House Price Index s.a. (Jan)	✓✓	-	270.20	Monthly
US	15:00	Housing Price Index (MoM) (Jan)	✓	0.40%	0.30%	Monthly
US	16:00	Consumer Confidence (Mar)	✓✓✓	132.50	131.40	Monthly
US	16:00	Richmond Fed Manufacturing Index (Mar)	✓	10.00	16.00	Monthly
US	21:00	Fed's Daly to Discuss Managing Inflation in Current Climate	✓	-	-	As scheduled

Note: ✓✓✓ High    ✓✓ Medium    ✓ Low

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