

ONE Minute Brief

29 April 2019

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Economic and political news

The Department of Energy announced that petrol price will rise by 54c per litre, while price for diesel with 0.05% sulphur will increase by 1c per litre and diesel with 0.005% sulphur will remain unchanged, with effect from Tuesday midnight.

Former Deputy Director of Public Prosecutions, Nomgcobo Jiba, stated that she will challenge findings and recommendations of the Mokgoro commission to axe her.

According to a news report, the South Africa Revenue Service (SARS) has concluded preliminary investigations against members of the African National Congress party over tax claims of more than ZAR250mn on income earned from Bosasa.

The Independent Communications Authority (Icasa) has demanded that the Department of Communications should start releasing ZAR450mn in funding by 11am today or face legal action, amid a fight over Icasa's handling of licensing high-demand spectrum.

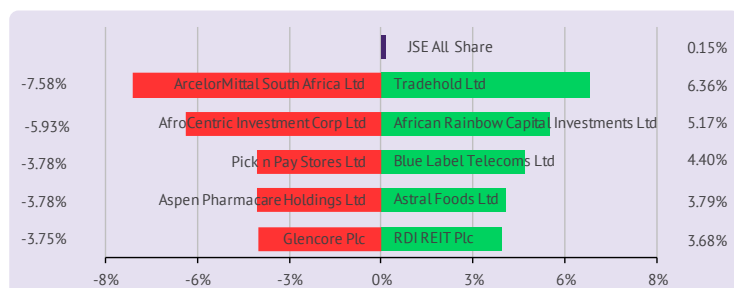
The leader of SA's Association of Mineworkers and Construction Union argued that the union was in total compliance with the Labour Relations Act, contrary to what the country's labour registrar said in the government gazette earlier last week.

South Africa Market ▲

South African markets closed higher

South African markets closed in the green on Friday, helped by gains in banking and retail sector stocks. The JSE All Share Index rose 0.2% to close at 58,894.19.

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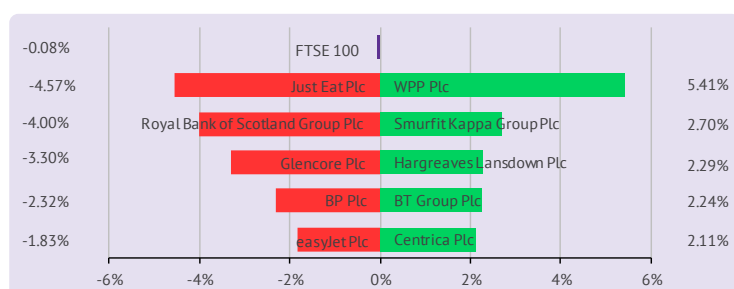


UK Market ▼

UK markets closed lower

UK markets finished lower on Friday, on the back of dismal earnings reports and as shares of Glencore dropped on news of US investigation. The FTSE 100 Index declined 0.1% to close at 7,428.19. Today, the FTSE 100 futures are trading in negative territory.

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Key indices

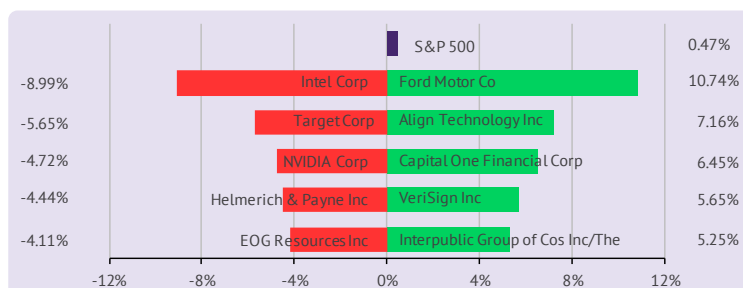
	As at 26 April 2019		1 Day Chg	1 D % Chg	WTD % Chg	MTD % Chg	Prev. month % Chg	YTD % Chg
JSE All Share (ZAR)	58894.19	▲	87.12	0.15	NA	4.31	0.82	11.68
JSE Top 40 (ZAR)	52572.04	▲	101.68	0.19	NA	4.57	1.22	12.51
FTSE 100(GBP)	7428.19	▼	-5.94	-0.08	NA	2.05	2.89	10.40
DAX 30 (EUR)	12315.18	▲	32.58	0.27	NA	6.85	0.09	16.63
CAC 40 (EUR)	5569.36	▲	11.69	0.21	NA	4.09	2.10	17.73
S&P 500 (USD)	2939.88	▲	13.71	0.47	NA	3.72	1.79	17.27
Nasdaq Composite (USD)	8146.40	▲	27.72	0.34	NA	5.40	2.61	22.77
DJIA (USD)	26543.33	▲	81.25	0.31	NA	2.37	0.05	13.79
MSCI Emerging Markets (USD)	1078.06	▲	1.35	0.13	NA	1.88	0.68	11.61
MSCI Developed World (USD)	2173.82	▲	8.45	0.39	NA	3.13	1.05	15.39

US Market ▲

US markets closed firmer

US markets closed higher on Friday, following robust first quarter US GDP data. The S&P 500 Index climbed 0.5% to close at 2,939.88. Today, the S&P 500 futures are trading in the green.

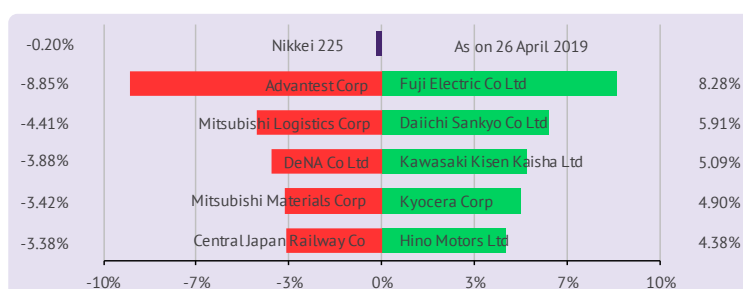
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Asian Market ▲

Trading mostly higher

Asian markets are trading mostly higher this morning. Markets in Japan are closed today on account of a public holiday. On Friday, the Nikkei 225 Index declined 0.2% at 22,258.73.



USD ZAR ▲

USD trading weaker against ZAR

At 06:00 SAST, the US Dollar is trading 0.2% lower against the South African Rand at R14.3587. Later today, traders will keep a close watch on the US personal income, personal spending and the Dallas Fed manufacturing index for further indication.

The US Dollar fell against the South African Rand on Friday, despite upbeat US GDP data. Data showed that US economic growth accelerated in the first quarter of 2019. Additionally, the Reuters/Michigan consumer sentiment index dipped less than initially estimated in April.

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GBP ZAR ▲

GBP trading lower against ZAR

At 06:00 SAST, the British Pound is trading 0.1% weaker against the South African Rand at R18.5716. Going forward, traders will keep an eye on the Bank of England Governor, Mark Carney's speech for further indication.

The British Pound declined against the South African Rand on Friday. On the macro front, UK's BBA mortgage approvals unexpectedly climbed in March.

EUR ZAR ▲

EUR trading weaker against ZAR

At 06:00 SAST, the Euro is trading 0.1% lower against the South African Rand at R16.0223. Ahead in the day, investors would focus on the Eurozone's consumer confidence index, business climate indicator and the economic confidence index for further cues.

The Euro weakened against the South African Rand on Friday.

AUD ZAR ▼

AUD trading stronger against ZAR

At 06:00 SAST, the Australian Dollar advanced 0.1% against the South African Rand to trade at R10.1335.

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	14.3587	▲	-0.19	NA	-0.76	2.96	0.31
GBPZAR	18.5716	▲	-0.10	NA	-1.65	1.15	1.43
EURZAR	16.0223	▲	-0.06	NA	-1.41	1.59	-2.53
AUDZAR	10.1335	▼	0.10	NA	-1.60	3.00	0.03
EURUSD	1.1158	▼	0.17	NA	-0.60	-1.35	-2.76
GBPUSD	1.2933	▼	0.13	NA	-0.91	-1.72	1.27
Brent (\$/barrel)	71.8	▼	-2.96	NA	6.76	1.92	34.11
Gold (\$/oz)	1288.1	▼	1.02	NA	-0.32	-1.76	0.59
Platinum (\$/oz)	903.8	▲	2.07	NA	6.44	-3.01	13.53
Copper (\$/MT)*	6398.8	▲	0.63	NA	-1.35	-1.05	7.56

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

Gold ▼

Trading in the red

At 06:00 SAST, gold prices edged 0.1% lower to trade at \$1,288.10/oz.

On Friday, gold prices rose 1.0% to close at \$1,288.80/oz, as weakness in the US Dollar increased demand for the safe haven asset.

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Brent Crude Oil ▼

Trading weaker

At 06:00 SAST, Brent crude oil edged 0.5% lower to trade at \$71.82/bl.

On Friday, Brent crude oil dropped 3.0% to settle at \$72.15/bl, after the US President, Donald Trump, urged the Organisation of the Petroleum Exporting Countries to raise crude production. Meanwhile, Baker Hughes reported that US oil rig count dropped by 20 to 805 in the week ended 26 April 2019.

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Platinum ▲

Trading in positive territory

At 06:00 SAST, platinum prices edged slightly higher to trade at \$903.80/oz.

On Friday, platinum prices climbed 2.7% to close at \$903.60/oz.

Major South African corporate news

Impala Platinum Holdings Limited

In its 3Q19 production update, the company stated that total platinum production fell to 4.53mn tonnes from 4.59mn tonnes recorded in the same period of the preceding year. Moreover, mine-to-market platinum in concentrate production stood at 307,000oz compared to 309,000oz in the same period of the prior year. For FY19, the company expects Marula mined volumes and gross group refined volumes to be at the lower end of the firm's guided range.

Pick n Pay Stores Limited

In its FY19 financial statement, the company announced that its revenues advanced 9.7% to ZAR90.47bn compared to the same period of the preceding year. Its diluted EPS stood at 342.85c up from 268.33c recorded in the corresponding period of the previous year. The company declared a final dividend of 192.00c per share. Further, the company announced that Mr. Aboubakar Jakoet would retire from his position of Chief Finance Officer.

Major global economic news

US

In the US, the flash annualised gross domestic product (GDP) climbed 3.2% on a quarterly basis in 1Q19, more than market forecast. In the previous quarter, the annualised GDP had risen 2.2%.

The final Reuters/Michigan consumer sentiment index in the US dropped less than expected to 97.20 in April, compared to 98.40 in the previous month. The preliminary figures had indicated a fall to a level of 96.90.

UK

In the UK, the BBA mortgage approvals unexpectedly rose to 39.98K in March, compared to a revised level of 39.21K reported in the previous month.












Asia

In Japan, housing starts unexpectedly climbed to a level of 0.99mn units in March, compared to market expectations for a fall to a level of 0.95mn units. In the prior month, the annualised housing starts had recorded a level of 0.97mn units.

40 best performers on the All Share Index

Company name	Last close	1 Week % change	MTD % change	YTD % change
Kumba Iron Ore Ltd	47206	6.46	9.70	73.96
Impala Platinum Holdings Ltd	6270	-0.32	2.79	70.94
Lonmin PLC	1311	-14.65	-8.58	56.26
Anglo American Platinum Ltd	77400	-2.65	5.14	45.35
Northam Platinum Ltd	6175	-7.56	-2.76	42.74
Royal Bafokeng Platinum Ltd	3500	6.38	6.06	40.70
Sibanye Gold Ltd	1390	-14.98	-11.63	38.72
Assore Ltd	36619	-1.83	-2.09	29.90
Coronation Fund Managers Ltd	5357	7.70	16.61	29.55
Clover Industries Ltd	2325	1.09	-1.69	29.36
Quilter PLC	2806	-0.95	2.33	28.01
Naspers Ltd	359000	3.11	7.74	28.01
Anglo American PLC	40232	0.66	4.28	27.33
Exxaro Resources Ltd	17498	-0.70	6.47	26.92
African Rainbow Minerals Ltd	17450	-1.23	5.25	25.47
Grindrod Ltd	752	2.59	-1.70	24.56
BHP Group PLC	35179	-0.25	1.25	24.51
Telkom SA SOC Ltd	7849	7.43	7.64	24.02
Mpact Ltd	2524	0.76	5.60	22.89
Capitec Bank Holdings Ltd	137044	0.36	1.51	22.58
Distell Group Holdings Ltd	12972	0.50	0.69	22.37
British American Tobacco PLC	56325	-1.27	-5.79	21.99
DataTec Ltd	3325	-1.83	0.03	21.53
AECI Ltd	9680	0.13	5.04	20.45
Metair Investments Ltd	2347	2.13	2.53	20.36
Octodec Investments Ltd	2045	3.13	6.23	19.45
Barloworld Ltd	13346	-0.46	5.09	19.18
Stenprop Ltd	2100	3.45	2.74	18.87
Allied Electronics Corp Ltd	2120	3.11	7.61	17.78
Raubex Group Ltd	2000	1.52	-0.60	17.65
Hospitality Property Fund Ltd	1011	-0.88	3.06	15.54
Libstar Holdings Ltd	780	-3.82	-0.18	14.51
Investec Ltd	9000	1.72	6.71	13.92
MTN Group Ltd	9750	7.00	10.02	13.63
Net 1 UEPS Technologies Inc	5700	0.00	0.00	13.43
Reunert Ltd	7640	7.61	7.61	13.43
Glencore PLC	6036	-0.85	0.62	12.68
Investec PLC	8935	2.08	7.15	12.16
Investec Property Fund Ltd	1538	-2.35	2.88	11.85
Bid Corp Ltd	29300	0.28	-1.68	11.74
JSE All Share Index	58894	-0.55	4.31	11.68

Economic calendar

Country	SAST	Economic indicator	Relevance	Consensus	Previous/ **Previous est.	Frequency
 Spain	09:00	Total Mortgage Lending (YoY) (Feb)	✓	-	16.20%	Monthly
 Spain	09:00	House Mortgage Approvals (YoY) (Feb)	✓	-	22.50%	Monthly
 Italy	10:00	Producer Price Index (MoM) (Mar)	✓✓	-	-0.20%	Monthly
 Italy	10:00	Producer Price Index (YoY) (Mar)	✓	-	3.90%	Monthly
 Eurozone	10:00	M3 Money Supply (YoY) (Mar)	✓	4.20%	4.30%	Monthly
 UK	10:10	Bank of England Governor Carney Speaks in London	✓✓✓	-	-	As scheduled
 Portugal	10:30	Economic Climate Indicator (Apr)	✓	-	2.30	Monthly
 Portugal	10:30	Consumer Confidence (Apr)	✓	-	-9.50	Monthly
 Italy	11:00	Wage Inflation (MoM) (Mar)	✓	-	0.10%	Monthly
 Italy	11:00	Wage Inflation (YoY) (Mar)	✓	-	1.70%	Monthly
 Eurozone	11:00	Consumer Confidence (Apr) (F)	✓✓✓	-7.90	-7.90**	Monthly
 Eurozone	11:00	Industrial Confidence (Apr)	✓	-2.00	-1.70	Monthly
 Eurozone	11:00	Services Sentiment Indicator (Apr)	✓	11.50	11.30	Monthly
 Eurozone	11:00	Business Climate Indicator (Apr)	✓✓	0.49	0.53	Monthly
 Eurozone	11:00	Economic Sentiment Indicator (Apr)	✓	105.00	105.50	Monthly
 US	14:30	Personal Income (MoM) (Mar)	✓✓	0.40%	0.20%	Monthly
 US	14:30	Personal Spending (Mar)	✓✓	0.70%	0.10%	Monthly
 US	14:30	Personal Consumption Expenditure Deflator (MoM) (Mar)	✓	0.30%	-0.10%	Monthly
 US	14:30	BEA Releases March income/spending (includes Feb. outlays)	✓✓	-	-	As scheduled
 US	14:30	Personal Consumption Expenditure Deflator (YoY) (Mar)	✓	1.60%	1.40%	Monthly
 US	16:30	Dallas Fed Manufacturing Business Index (Apr)	✓✓✓	10.00	8.30	Monthly
 Japan	-	Construction Orders (YoY) (Mar)	✓	-	-3.40%	Monthly

Note: ✓✓✓ High ✓✓ Medium ✓ Low

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