

ONE  
Minute Brief

27 May 2019

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## Economic and political news

S&P Global Ratings has maintained South Africa's (SA) long term foreign currency rating at 'BB' and its local currency debt rating at 'BB+' with a stable outlook.

On Saturday, Cyril Ramaphosa was sworn in as SA's President.

Eskom's Chief Executive Officer, Phakamani Hadebe, has resigned from his position, citing health problems and is likely to leave office at the end of July.

President, Cyril Ramaphosa, has delayed the announcement of the members of his new Cabinet, until later this week.

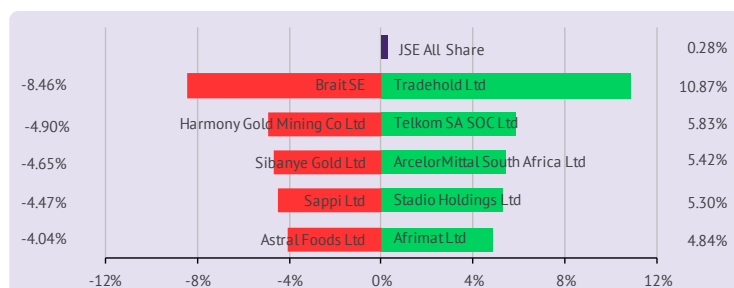
President, Cyril Ramaphosa has signed SA's long-delayed Carbon Tax Act into law and it will come into effect from 1 June 2019 with a tax rate of ZAR120 per tonne of carbon dioxide equivalent.

## South Africa Market ▲

## South African markets closed higher

South African markets closed in the green on Friday, boosted by gains in banking sector stocks. The JSE All Share Index rose 0.3% to close at 54,423.56.

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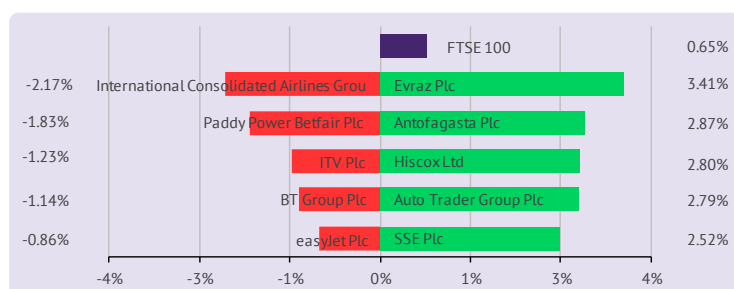


## UK Market ▲

## UK markets closed higher

UK markets finished higher on Friday, as investors shrugged off Prime Minister, Theresa May's decision to step down as leader of her party. Data revealed that the UK's monthly retail sales remained steady on a monthly basis in April. The FTSE 100 Index advanced 0.7% to close at 7,277.73. Today, the FTSE 100 futures are trading in negative territory.

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## Key indices

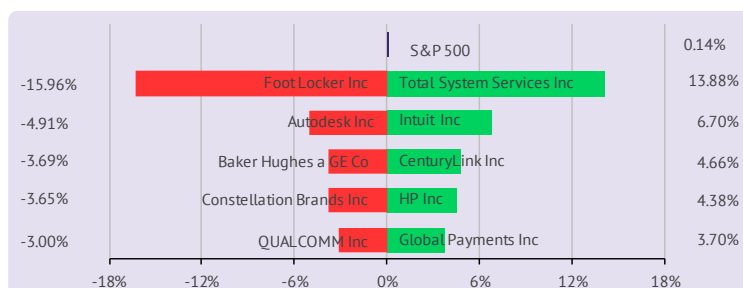
	As at 24 May 2019	1 Day Chg	1 D % Chg	WTD % Chg	MTD % Chg	Prev. month % Chg	YTD % Chg
JSE All Share (ZAR)	54423.56	▲	152.32	0.28	NA	-7.01	3.66
JSE Top 40 (ZAR)	48427.67	▲	137.54	0.28	NA	-7.36	3.98
FTSE 100(GBP)	7277.73	▲	46.69	0.65	NA	-1.89	1.91
DAX 30 (EUR)	12011.04	▲	58.63	0.49	NA	-2.70	7.10
CAC 40 (EUR)	5316.51	▲	35.14	0.67	NA	-4.83	4.41
S&P 500 (USD)	2826.06	▲	3.82	0.14	NA	-4.07	3.93
Nasdaq Composite (USD)	7637.01	▲	8.73	0.11	NA	-5.66	4.74
DJIA (USD)	25585.69	▲	95.22	0.37	NA	-3.79	2.56
MSCI Emerging Markets (USD)	986.65	▲	1.84	0.19	NA	-8.58	1.99
MSCI Developed World (USD)	2095.03	▲	7.57	0.36	NA	-3.84	3.37

## US Market ▲

## US markets closed higher

US markets closed higher on Friday, on hopes of US-China trade deal. Data showed that the US durable goods orders fell more-than-anticipated in April. The S&P 500 Index climbed 0.1% to close at 2,826.06. Today, the S&P 500 futures are trading weaker.

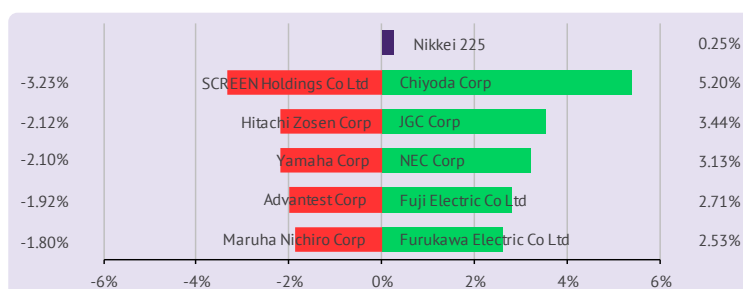
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## Asian Market ▲▶

## Trading mixed

Asian markets are trading mixed this morning. The Nikkei 225 Index is trading 0.3% higher at 21,171.0.



## USD ZAR ▲

### USD trading lower against ZAR

At 06:00 SAST, the US Dollar is trading slightly weaker against the South African Rand at R14.4054. Amid no major economic news in the US, market sentiment will be determined by global macroeconomic news.

The US Dollar fell against the South African Rand on Friday, amid weaker than expected US economic data. On the data front, the US durable goods orders registered a more-than-expected decline in April.

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## GBP ZAR ▼

### GBP trading higher against ZAR

At 06:00 SAST, the British Pound climbed 0.1% against the South African Rand to trade at R18.3456. With no major economic news in the UK today, investor sentiment will be determined by global macroeconomic news.

The British Pound declined against the South African Rand on Friday. On the macro front, the UK's retail sales recorded an unchanged reading on a monthly basis in April.

## EUR ZAR ▼

### EUR trading firmer against ZAR

At 06:00 SAST, the Euro marginally gained against the South African Rand to trade at R16.1545. Amid no major economic news across the Eurozone, market sentiment will be determined by global macroeconomic news.

The Euro weakened against the South African Rand yesterday.

## 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 R9.9896.

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	14.4054	▲	-0.50	NA	0.79	-1.40	0.45
GBPZAR	18.3456	▼	-0.02	NA	-1.66	-1.36	0.03
EURZAR	16.1545	▼	-0.25	NA	0.73	-1.44	-1.85
AUDZAR	9.9896	▼	-0.13	NA	-0.95	-2.06	-1.38
EURUSD	1.1214	▼	0.20	NA	-0.11	-0.03	-2.30
GBPUSD	1.2735	▼	0.45	NA	-2.44	-0.02	-0.31
Brent (\$/barrel)	68.7	▲	1.37	NA	-4.68	6.63	27.68
Gold (\$/oz)	1292.1	▲	-0.14	NA	-0.16	-0.56	0.18
Platinum (\$/oz)	803.7	▲	0.43	NA	-9.96	5.04	0.88
Copper (\$/MT)*	5932.0	▲	0.53	NA	-7.70	-0.92	-0.29

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

## Gold ▲

### Trading in the green

At 06:00 SAST, gold prices edged 0.7% higher to trade at \$1,292.10/oz, amid rising US-China trade tensions.

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On Friday, gold prices fell 0.1% to close at \$1,283.60/oz.

## Brent Crude Oil ▲

### Trading stronger

At 06:00 SAST, Brent crude oil edged 0.1% higher to trade at \$68.73/bl.

On Friday, Brent crude oil advanced 1.4% to settle at \$68.69, after Baker Hughes reported that US oil rig count fell for the third consecutive by 5 to 797 last week.

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## Platinum ▲

### Trading in positive territory

At 06:00 SAST, platinum prices edged 0.1% higher to trade at \$803.70/oz.

On Friday, platinum prices climbed 0.4% to close at \$802.90/oz.

## Major South African corporate news

### Old Mutual Limited

The company announced that CEO, Mr. Peter Moyo, has been suspended with immediate effect, after it was concluded that there has been a material breakdown in trust and confidence between him and the Board. Meanwhile, Iain Williamson, the Chief Operating Officer will assume the role of acting CEO. Separately, in its 1Q19 operating update, the company stated that gross flows fell 10.0% to ZAR39.30bn compared to the corresponding period of the previous year, due to lower flows in Wealth and Investments and lower single premium sales in Old Mutual Corporate. Funds under management rose to ZAR1,084.00bn compared to the same period of the preceding year.

### Truworths International Limited

The company announced that Ms. Sarah Proudfoot has been appointed as an Executive Director, with effect from 23 May 2019.

## Major global economic news






### US

In the US, preliminary durable goods orders dropped 2.1% on a monthly basis in April, more than market expectations. In the prior month, durable goods orders had registered a revised rise of 1.7%.

### UK

In the UK, retail sales remained steady on a monthly basis in April, compared to a revised gain of 1.2% in the prior month.

## Economic calendar

Country	SAST	Economic indicator	Relevance	Consensus/ *Actual	Previous/ **Previous est.	Frequency
 China	3:30	Industrial Profits (YoY) (Apr)	✓✓	-3.70%*	13.90%	Monthly
 Japan	5:00	BoJ's Governor Kuroda speech	✓✓✓	-	-	As scheduled
 Japan	7:00	Coincident Index (Mar) (F)	✓	-	99.60**	Monthly
 Japan	7:00	Leading Economic Index (Mar) (F)	✓✓✓	-	96.30**	Monthly
 Eurozone	10:40	ECB's Coeure Speaks in Basel	✓	-	-	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
Kumba Iron Ore Ltd	44203	3.44	3.12	62.89
Impala Platinum Holdings Ltd	5352	-5.27	-6.53	45.91
Assore Ltd	38627	5.54	4.00	37.02
Telkom SA SOC Ltd	8646	2.97	1.97	36.61
Allied Electronics Corp Ltd	2400	5.03	16.50	33.33
Lonmin PLC	1087	-5.48	-16.32	29.56
Libstar Holdings Ltd	879	-4.46	10.29	29.05
DataTec Ltd	3520	7.48	7.78	28.65
Tradehold Ltd	1275	-0.39	15.91	26.87
Metair Investments Ltd	2333	8.51	-0.60	24.95
Anglo American Platinum Ltd	65616	-6.90	-9.12	23.22
Exxaro Resources Ltd	16130	1.20	2.15	21.02
Transaction Capital Ltd	2050	3.38	7.27	20.52
Northam Platinum Ltd	5207	-4.11	-12.63	20.37
Raubex Group Ltd	2025	-0.30	-7.07	19.12
Ascendis Health Ltd	493	-1.40	11.29	18.51
Clover Industries Ltd	2127	-5.76	-7.12	18.34
British American Tobacco PLC	54607	0.64	-2.00	18.27
Hospitality Property Fund Ltd	1031	0.88	0.10	17.83
African Rainbow Minerals Ltd	16365	1.64	-3.77	17.67
Distell Group Holdings Ltd	12410	0.06	-9.75	17.07
Stenprop Ltd	2066	0.68	-3.23	16.95
MTN Group Ltd	10030	0.29	-2.97	16.89
Barloworld Ltd	13035	3.09	2.44	16.40
Capitec Bank Holdings Ltd	128814	-2.99	-3.63	16.17
MiX Telematics Ltd	984	0.51	-4.93	16.09
BHP Group PLC	32800	-0.38	-2.89	16.09
Afrimat Ltd	3250	8.33	6.56	16.07
AECI Ltd	9250	-2.35	-3.47	15.10
Sibanye Gold Ltd	1149	1.06	-14.57	14.67
Mpact Ltd	2349	-2.93	-1.30	14.37
Royal Bafokeng Platinum Ltd	2838	-10.13	-15.49	14.09
Cie Financiere Richemont SA	10656	2.07	1.66	13.79
Quilter PLC	2440	-6.12	-11.08	13.77
Coronation Fund Managers Ltd	4657	-9.99	-8.92	12.62
Investec Property Fund Ltd	1545	-0.32	-2.83	12.36
Octodec Investments Ltd	1923	-1.38	-4.33	12.32
Bid Corp Ltd	29354	2.24	-2.82	11.95
Gold Fields Ltd	5499	6.51	1.93	11.86
<b>JSE All Share Index</b>	<b>54424</b>	<b>-3.13</b>	<b>-7.01</b>	<b>3.20</b>

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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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