

# ONE Minute Brief

15 July 2019

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## Economic and political news

Former President, Jacob Zuma, will appear today before the Zondo Commission of Inquiry into State Capture.

The South African Broadcasting Corporation (SABC) has dismissed reports that it is planning to cut a third of its staff as part of a turnaround plan.

Public Works and Infrastructure Minister, Patricia de Lille, has announced that all new tenders issued by her department will be “open for public scrutiny”.

Transnet announced that it had obtained an interdict to stop a strike by its employees at the Ngqura Container Terminal in Port Elizabeth, Eastern Cape.

## Key indices

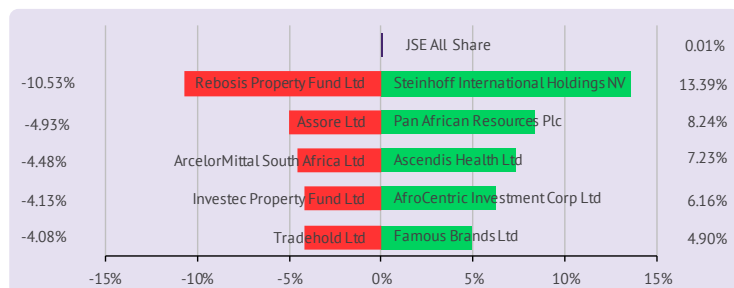
	As at 12 July 2019		1 Day Chg	1 D % Chg	WTD % Chg	MTD % Chg	Prev. month % Chg	YTD % Chg
JSE All Share (ZAR)	57277.35	▲	4.21	0.01	NA	-1.59	4.59	8.61
JSE Top 40 (ZAR)	51189.53	▲	1.36	0.00	NA	-1.93	5.27	9.55
FTSE 100 (GBP)	7505.97	▼	-3.85	-0.05	NA	1.08	3.69	11.56
DAX 30 (EUR)	12323.32	▼	-8.80	-0.07	NA	-0.61	5.73	16.71
CAC 40 (EUR)	5572.86	▲	20.91	0.38	NA	0.61	6.36	17.80
S&P 500 (USD)	3013.77	▲	13.86	0.46	NA	2.45	6.89	20.22
Nasdaq Composite (USD)	8244.15	▲	48.10	0.59	NA	2.97	7.42	24.25
DJIA (USD)	27332.03	▲	243.95	0.90	NA	2.75	7.19	17.17
MSCI Emerging Markets (USD)	1050.91	▼	-4.25	-0.40	NA	-0.37	5.70	8.80
MSCI Developed World (USD)	2212.65	▲	7.30	0.33	NA	1.57	6.46	17.45

## South Africa Market ▲

### South African markets closed firmer

South African markets closed marginally higher on Friday, supported by gains in resources sector stocks. The JSE All Share Index marginally rose to close at 57,277.35.

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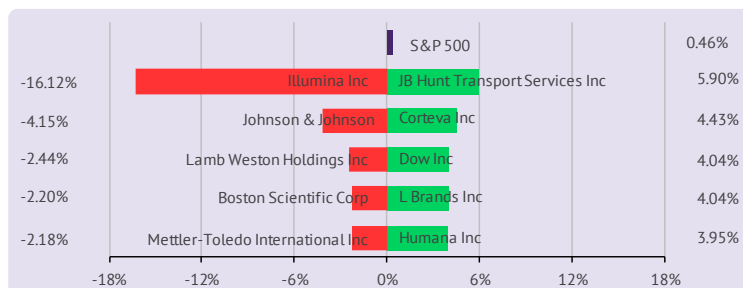


## US Market ▲

### US markets closed higher

US markets closed firmer on Friday, amid rising expectations of an interest rate cut by the Federal Reserve and helped by gains in technology sector stocks. The S&P 500 Index climbed 0.5% to close at 3,013.77. Today, the S&P 500 futures are trading in the green.

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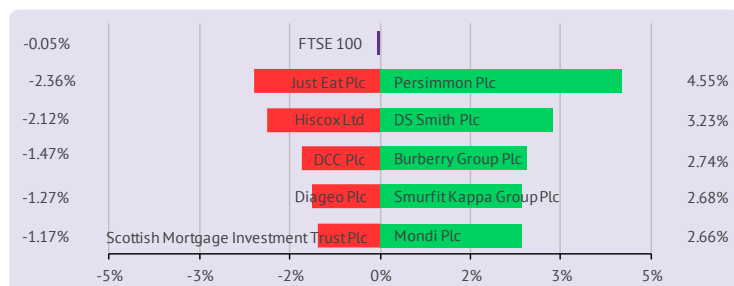


## UK Market ▼

### UK markets closed weaker

UK markets finished lower on Friday, weighed down by losses in pharmaceutical sector stocks. The FTSE 100 Index declined 0.1% to close at 7,505.97. Today, the FTSE 100 futures are trading in positive territory.

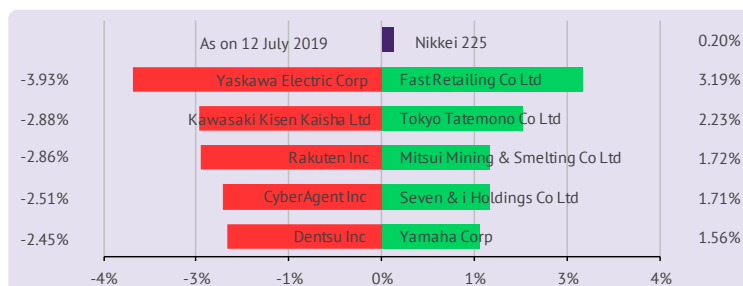
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## Asian Market ▲

### Trading mostly higher

Asian markets are trading mostly higher this morning. Markets in Japan are closed today on account of a public holiday.



## USD ZAR ▲

### USD trading lower against ZAR

At 06:00 SAST, the US Dollar retreated 0.1% against the South African Rand to trade at R13.9477. Later today, traders will keep a close watch on the US Empire State Manufacturing Index for further indication.

The US Dollar fell against the South African Rand on Friday. On the macro front, the US producer price index (PPI) climbed more than market forecast on an annual basis in June.

## GBP ZAR ▲

### GBP trading weaker against ZAR

At 06:00 SAST, the British Pound is trading 0.1% lower against the South African Rand at R17.5335. With no major economic news in the UK today, investor sentiment will be determined by global macroeconomic news. Data indicated that UK's Rightmove house prices declined on a monthly basis in July.

The British Pound advanced against the South African Rand on Friday.

## EUR ZAR ▲

### EUR trading lower against ZAR

At 06:00 SAST, the Euro is trading 0.1% weaker against the South African Rand at R15.7243. 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 on Friday. On the data front, Eurozone's industrial production rebounded on a monthly basis in May.

## AUD ZAR ▼

### AUD trading higher against ZAR

At 06:00 SAST, the Australian Dollar is trading 0.1% firmer against the South African Rand at R9.8118. Meanwhile, in China, Australia's largest trading partner, gross domestic product (GDP) recorded a more-than-expected rise on a quarterly basis in the second quarter of 2019. Additionally, monthly industrial production jumped more than market anticipations in June. Moreover, retail sales registered a more-than-expected advance on a yearly basis in June.

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	13.9477	▲	-0.06	NA	-0.90	-3.38	-2.70
GBPZAR	17.5335	▲	0.35	NA	-1.84	-2.92	-4.19
EURZAR	15.7243	▲	0.08	NA	-1.81	-1.65	-4.41
AUDZAR	9.8118	▼	0.59	NA	-0.89	-2.20	-3.21
EURUSD	1.1273	▲	0.14	NA	-0.91	1.83	-1.72
GBPUSD	1.2570	▼	0.41	NA	-0.98	0.53	-1.43
Brent (\$/barrel)	66.7	▼	0.30	NA	3.06	4.44	24.01
Gold (\$/oz)	1413.7	▲	0.39	NA	-0.11	8.26	10.22
Platinum (\$/oz)	828.4	=	0.41	NA	-0.85	5.20	4.08
Copper (\$/MT)*	5928.8	▼	-0.32	NA	-0.89	3.03	-0.34

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

## Gold ▲

### Trading in the green

At 06:00 SAST, gold prices edged 0.1% higher to trade at \$1,413.70/oz.

On Friday, gold prices rose 0.4% to close at \$1,412.20/oz, as investors shrugged off stronger-than-expected US data.

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## Brent Crude Oil ▼

### Trading weaker

At 06:00 SAST, Brent crude oil edged 0.1% lower to trade at \$66.66/bl.

On Friday, Brent crude oil advanced 0.3% to settle at \$66.72/bl, amid ongoing Middle East worries. Additionally, Baker Hughes reported that US oil rig count fell by 4 to 784 last week.

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## Platinum ▼

### Trading in negative territory

At 06:00 SAST, platinum prices are trading marginally lower at \$828.40/oz.

On Friday, platinum prices climbed 0.4% to close at \$828.40/oz.

## Major South African corporate news

### Pan African Resources Plc

In its FY19 operational update, the company announced that its gold production from continuing mining operations rose 54.1% to 172,442oz compared with 111,879oz recorded in the corresponding period of the previous year. However, Barberton Mines has recently experienced a number of lost production days due to its roadways being blocked and the destruction of mine property by protestors demanding employment and commercial concessions from the mine.

### Steinhoff International Holdings NV

In its 1H19 results, the company announced that its revenues advanced 2.9% to EUR6.86bn from the same period of the preceding year. Its diluted loss per share stood at 9.70c, compared to 10.10c recorded in the corresponding period of the previous year.

## Major global economic news

### Asia

In China, GDP climbed 1.6% on a quarterly basis in 2Q19, more than market expectations. In the previous quarter, GDP had recorded a rise of 1.4%.

In China, industrial production registered a more-than-anticipated rise of 6.3% on a yearly basis in June. In the previous month, industrial production had advanced 5.0%.

In China, retail sales advanced 9.8% on a yearly basis in June, more than market expectations. In the prior month, retail sales had recorded a rise of 8.6%.

### US

In the US, the PPI registered a rise of 1.7% on a yearly basis in June, more than market expectations. In the prior month, the PPI had registered a rise of 1.8%.













### Eurozone

In the Eurozone, seasonally adjusted industrial production rose 0.9% on a monthly basis in May, more-than-expected and compared to a revised drop of 0.4% in the prior month.

### UK

In the UK, the Rightmove house price index dropped 0.2% on a monthly basis in July. The index had recorded a rise of 0.3% in the prior month.

## Economic calendar

Country	SAST	Economic indicator	Relevance	Consensus/ *Actual	Previous	Frequency
 UK	01:01	Rightmove House Price Index (MoM) (Jul)	✓	-0.20%*	0.30%	Monthly
 UK	01:01	Rightmove House Price Index (YoY) (Jul)	✓	-0.20%*	0.00%	Monthly
 China	04:00	Gross Domestic Product (QoQ) (Q2)	✓✓✓	1.60%*	1.40%	Quarterly
 China	04:00	Gross Domestic Product (YoY) (Q2)	✓✓✓	6.20%*	6.40%	Quarterly
 China	04:00	Retail Sales YTD (YoY) (Jun)	✓	8.40%*	8.10%	Monthly
 China	04:00	Fixed Assets Inv Excl. Rural YTD (YoY) (Jun)	✓	5.80%*	5.60%	Monthly
 China	04:00	NBS Press Conference	✓✓	-	-	As scheduled
 China	04:00	Industrial Production (YoY) (Jun)	✓✓	6.30%*	5.00%	Monthly
 China	04:00	Industrial Production YTD (YoY) (Jun)	✓✓	6.00%*	6.00%	Monthly
 China	04:00	Retail Sales (YoY) (Jun)	✓✓✓	9.80%*	8.60%	Monthly
 US	14:30	NY Empire State Manufacturing Index (Jul)	✓✓	2.00	-8.60	Monthly
 Canada	15:00	Existing Home Sales (MoM) (Jun)	✓	1.10%	1.90%	Monthly

Note: ✓✓✓High    ✓✓Medium    ✓Low

## 40 best performers on the All Share Index

Company name	Last close	1 Week % change	MTD % change	YTD % change
Impala Platinum Holdings Ltd	7230	-0.14	3.66	97.11
Kumba Iron Ore Ltd	46568	-1.27	-6.75	71.61
Sibanye Gold Ltd	1664	6.67	-0.72	66.07
Allied Electronics Corp Ltd	2772	1.54	4.41	56.84
Anglo American Platinum Ltd	79357	-0.50	-5.18	49.03
Gold Fields Ltd	7221	0.39	-5.92	46.88
Northam Platinum Ltd	6339	3.92	7.44	46.53
Royal Bafokeng Platinum Ltd	3571	3.51	3.21	43.55
Telkom SA SOC Ltd	8730	-1.64	-5.30	41.48
AngloGold Ashanti Ltd	25244	2.02	-0.62	39.56
DataTec Ltd	3635	4.04	4.57	32.86
Cartrack Holdings Ltd	1860	-1.06	-5.82	30.90
Harmony Gold Mining Co Ltd	3293	6.71	3.75	30.67
Libstar Holdings Ltd	870	-5.43	-10.22	27.73
Afrimat Ltd	3500	0.00	9.38	27.64
Distell Group Holdings Ltd	13390	1.29	3.24	26.31
Exxaro Resources Ltd	16802	1.13	-2.31	26.06
Cie Financiere Richemont SA	11758	-1.00	-1.64	25.55
African Rainbow Minerals Ltd	17410	-0.52	-4.43	25.19
Tradehold Ltd	1199	4.26	-0.17	25.04
Metair Investments Ltd	2315	-3.02	-1.70	23.99
Alexander Forbes Group Holdings Ltd	612	2.86	5.70	23.66
Transaction Capital Ltd	2071	1.52	3.71	23.44
BHP Group Plc	34860	0.77	-3.37	23.38
Assore Ltd	34712	-3.99	-5.36	23.14
Pan African Resources Plc	197	7.65	5.91	23.13
Fortress REIT Ltd	2135	-0.14	-0.42	21.88
Mpact Ltd	2500	6.20	12.71	21.73
Naspers Ltd	340569	-2.19	-0.40	21.44
Ascendis Health Ltd	504	2.44	7.23	21.15
MTN Group Ltd	10297	-0.70	-3.54	20.01
Quilter Plc	2570	-1.15	2.43	19.83
Investec Australia Property Fund	1420	-2.07	-0.70	19.52
Anglo American Plc	37702	-0.47	-6.35	19.32
Net 1 UEPS Technologies Inc	5980	-7.86	8.24	19.00
NEPI Rockcastle Plc	12955	-0.19	0.11	18.74
Barloworld Ltd	13090	2.56	2.27	18.37
Octodec Investments Ltd	1899	3.21	3.21	17.27
Resilient REIT Ltd	6391	3.51	3.15	17.06
Coronation Fund Managers Ltd	4646	-0.81	3.94	16.50
<b>JSE All Share Index</b>	<b>57277</b>	<b>-0.54</b>	<b>-1.59</b>	<b>8.61</b>

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