

Key indices

	Last Close		Last week Chg	1W% Chg	WTD% Chg	1M% Chg	1Y% Chg
JSE All Share	56894.67	▼	-1322.76	-2.27	-3.57	-0.61	5.53
JSE Top 40	50847.58	▼	-1117.66	-2.15	-3.58	-0.35	6.50
FTSE 100	7507.67	▼	-102.14	-1.34	-2.17	-1.63	9.72
DAX 30	13388.42	▼	-41.01	-0.31	-1.02	0.66	20.93
CAC 40	5971.79	▼	-67.24	-1.11	-2.11	-0.96	23.37
S&P 500	3325.54	▲	8.73	0.26	-0.12	3.17	26.03
Nasdaq Composite	9402.48	▲	45.35	0.48	0.14	5.02	33.83
DJIA	29160.09	▼	-137.55	-0.47	-0.64	2.26	18.65
MSCI Emerging Markets	1122.19	▼	-18.43	-1.62	-2.15	1.18	10.94
MSCI Developed World	2406.14	▼	-0.03	0.00	-0.39	2.31	21.51

Key currencies & commodities

	Current*		1W% Chg	WTD% Chg	1M% Chg	1Y% Chg
USDZAR	14.3832	▲	-0.10	-0.48	1.71	4.23
GBPZAR	18.8773	▼	0.17	0.39	3.00	4.59
EURZAR	15.8954	▲	-0.82	-0.80	1.39	1.26
AUDZAR	9.8513	▲	-0.90	-0.91	0.56	-0.13
EURUSD	1.1051	▲	-0.74	-0.33	-0.31	-2.86
GBPUSD	1.3125	▼	0.33	0.82	1.38	0.41
Brent (\$/barrel)	62.1	▼	-3.99	-4.33	-7.68	1.47
Gold (\$/oz)	1567.8	▲	0.96	0.33	4.42	21.92
Platinum (\$/oz)	1001.7	▲	0.60	-1.74	6.25	26.43
Copper (\$/MT)*	5956.0	▼	-4.72	-4.66	-3.75	0.62

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

South Africa Market ▼

South African markets closed lower

South African markets closed in the red during the week, amid concerns over the outbreak of a deadly virus in China. Adding to the negative sentiment, the International Monetary Fund (IMF) lowered South Africa's (SA) economic forecast for 2020 and 2021. The JSE All Share Index fell 2.3% to close at 56,894.67.

UK Market ▼

UK market closed in the red

UK markets closed weaker during the week, amid persistent worries over the spread of a new coronavirus in China and after the IMF downgraded global growth outlook. Separately, the IMF left UK's growth forecast unchanged for this year and next; but warned that the outlook would depend on Britain's 'orderly exit' from the EU. The FTSE 100 Index declined 1.3% to close at 7,507.67.

USD ZAR ▲

The US Dollar declined against the South African Rand during the week, as China's plans to contain the coronavirus, dampened the currency's safe haven appeal. Meanwhile, the IMF revised down its forecast for global growth.

EUR ZAR ▲

The Euro weakened against the South African Rand during the week, following dovish comments from the European Central Bank (ECB) President, Christine Lagarde. The ECB, in its policy meeting, kept its interest rate unchanged and announced a review of its monetary policy strategy.

Gold ▲

During the week, gold prices advanced 1.0% to close at \$1,565.40/oz, as growing concerns over the coronavirus outbreak and its impact on global economy increased demand for the safe haven asset.

US Market ▲

US markets closed mostly higher

US markets ended mostly higher during the week, on the back of robust corporate earnings report. However, gains were limited following the outbreak of a deadly virus in China and the IMF's downbeat global assessment. The S&P 500 Index climbed 0.3% to close at 3,325.54.

Asian Market ▼

Trading mostly lower

Asian markets are trading mostly lower this morning, amid concerns over the rising death toll due to coronavirus outbreak in China. At 6:00 SAST, the Nikkei 225 Index is trading slightly lower at 23,803.05.

GBP ZAR ▼

The British Pound advanced against the South African Rand during the week, as strong UK economic data during the week diminished hopes for an interest rate cut by the central bank. On the data front, Britain's employment grew by 208,000 in the three months to November.

AUD ZAR ▲

The Australian Dollar fell against the South African Rand during the week, on mounting concerns over the impact of the Coronavirus on the Chinese economy, which is Australia's largest trading partner.

Brent Crude Oil ▼

During the week, Brent crude oil declined 4.0% to settle at \$62.04/bbl, amid concerns over rising global oil supplies and a potential slowdown in global economic growth. Additionally, the International Energy Agency (IEA) forecasted a surplus crude oil supplies.

SA economic & political news

- The IMF downgraded SA's economic growth forecasts for 2020 and 2021.
- SA's statistics agency is planning to rebase GDP data and revise the weights of various sectors.
- SA's consumer price index advanced on an annual basis in December.
- South African Airway's (SAA) Director, Martin Kingston, has resigned from his position.
- David Nicholls has been appointed as Chairman of the Nuclear Energy Corporation (Necsa).
- Mineral Resources and Energy Minister, Gwede Mantashe, has appointed seven new members to Necsa board.
- News reports indicate that SAA is on the brink of collapse, amid delay in bailout.
- As part of the business rescue process, South African government and the African National Congress have opted to restructure and retain SAA as a national airline.

Global economic and political news

- UK's retail sales unexpectedly declined for a fifth consecutive month in December.
- Eurozone's consumer price inflation accelerated as estimated in December.
- US housing starts climbed to a 13-year high level in December.
- The People's Bank of China kept its key interest rate unchanged.
- The Bank of Japan (BoJ) kept its key interest rate steady at -0.1% and upgraded its forecast for 2020 and 2021.
- The IMF has revised down its global growth estimates for 2019-2021.
- UK's ILO unemployment rate remained unchanged in the three months ended November, marking its lowest level since 1970.
- Germany's ZEW economic sentiment index advance more-than-expected in January, hitting its highest level since July 2015.
- US existing home sales rose to its highest level in nearly 2 years in December.
- Australia's unemployment rate unexpectedly declined in December.
- The ECB kept its key interest rate unchanged at 0.00% and announced the launch of strategic review.
- US industrial output fell in December, registering its third drop in the past four months.

SA corporate news

- FirstRand Limited has appointed Mr. Gert Kruger as Chief Risk Officer, with effect from 1 July 2020.
- Life Healthcare Group's Chief Executive Officer (CEO), Dr. Shrey Viranna, has stepped down from his position.
- Sibanye-Stillwater has achieved 'A' rating for its climate change disclosure.
- Redefine Properties has sold its 46.5% equity stake in Polish logistics platform to Madison International Realty.
- PetroSA has appointed Pragasen Naidoo as CEO.
- ArcelorMittal SA announced that it expects its HEPS to decrease by at least 393.00c and attributable profit to decrease at least by ZAR6.10bn.

Upcoming key economic events

- In South Africa, investors will keep a close watch on M3 money supply, private sector credit and trade balance.
- In the US, Fed's interest rate decision, gross domestic product (GDP), durable goods orders, consumer confidence, personal income, personal spending and the Chicago Purchasing Managers' Index are some of the key events scheduled for next week.
- Looking ahead, Eurozone's CPI, GDP, consumer confidence index and unemployment rate while Germany's Ifo indices, CPI and unemployment rate will be on investors radar.
- In the Bank of England's interest rate decision are some key economic indicators to be released next week.
- In Asia, Japan's unemployment rate, consumer confidence index and industrial production along with China's NBS manufacturing PMI would keep investors on their toes.

Disclaimer

This report and its contents are confidential, privileged and only for the information of the intended recipient. GTC (Pty) Ltd make no representations or warranties in respect of this report or its content and will not be liable for any loss or damage of any nature arising from this report, the content thereof, your reliance thereon its unauthorised use or any electronic viruses associated therewith. Please note that content does not necessarily represent or reflect the views and opinions of GTC (Pty) Ltd. This report is proprietary to GTC (Pty) Ltd and you may not copy or distribute the report without the prior written consent of the authors. Any feedback or contributions are most welcome.

formerly Grant Thornton Capital

a GTC, The Wanderers Office Park,
52 Corlett Drive, Illovo, 2196
p P O Box 55118, Illovo, 2116

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

An Authorised Financial
Services Provider
FSP no. 731

GTC is nationally represented in Johannesburg, Cape Town and Durban.

GTC Group of products and services include: Employee Benefits Consulting • Employee Benefits Administration • Private Client Wealth Management • Healthcare Consulting • Short-Term Risk Solutions • Stockbroking • Derivatives Trading • Unit Trust Management • Asset Management • Fiduciary Services