

ONE  
Minute Brief

7 September 2020

GTC  
consult • partner • manage

## Economic and political news

Eskom has seized the bank account of Matjhabeng Municipality in the Free State, to recover ZAR3.4bn in debt owed to the power utility. Separately, the utility indicated that Stage 1 load shedding would be implemented from 8am until 4pm today. Thereafter, Stage 2 load-shedding would be implemented until 10pm.

Communications and Digital Technologies Minister, Stella Ndabeni-Abraham has voluntarily submitted herself to appear before the African National Congress' (ANC) Integrity Commission.

Health Minister Zweli Mkhize confirmed that the number of COVID-19 cases in the country had increased to 636,884.

The Economic Freedom Fighters (EFF) has issued a new directive to "fighters and ground forces" to nationally shut down Clicks outlets in South Africa (SA), in wake of an offensive hair advert by Clicks SA.

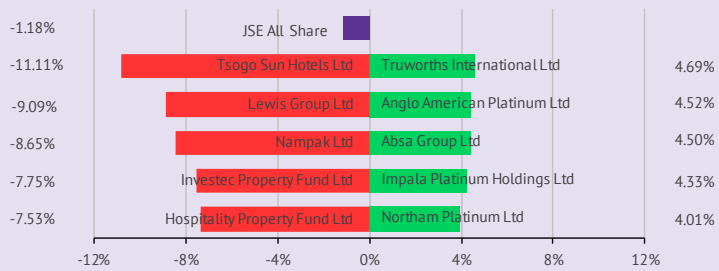
The National Union of Metalworkers of South Africa (Numsa) has taken Comair to the Labour Court to force the company to pay outstanding salaries and continue with workers' medical aid contributions.

## South Africa Market ▼

## South African markets closed lower

South African markets closed in the red on Friday, weighed down by losses in industrial sector stocks. The JSE All Share Index fell 1.2% to close at 53,878.95.

To Read More Click [Here](#)

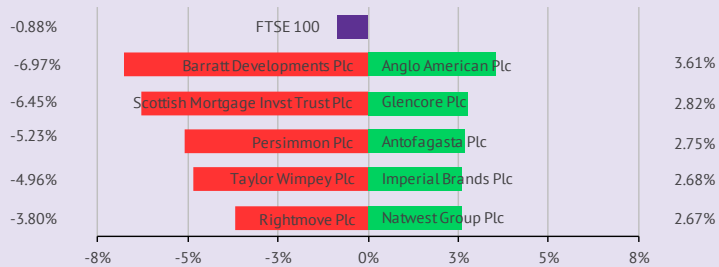


## UK Market ▼

## UK markets closed in the red

UK markets finished lower on Friday, amid fears that Britain would exit from the European Union (EU) without a trade deal and led by losses in housebuilding sector stocks. The FTSE 100 Index declined 0.9% to close at 5,799.08. Today, the FTSE 100 futures are trading in positive territory.

To Read More Click [Here](#)



## Key indices

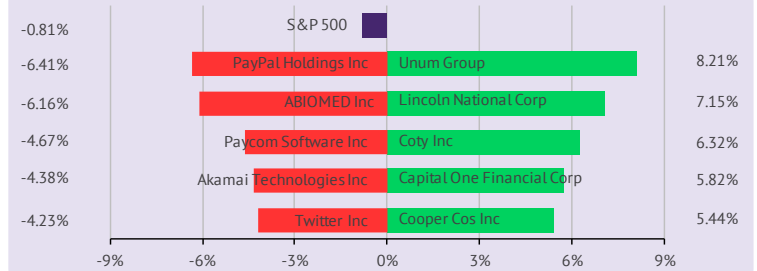
	As at 04 Sept 2020	1 Day Chg	1 D % Chg	WTD % Chg	MTD % Chg	Prev. month % Chg	YTD % Chg
JSE All Share (ZAR)	53878.95	▼ -643.40	-1.18	NA	-2.88	-0.44	-5.61
JSE Top 40 (ZAR)	49720.42	▼ -598.74	-1.19	NA	-2.94	-0.28	-2.16
FTSE 100(GBP)	5799.08	▼ -51.78	-0.88	NA	-2.76	1.12	-23.11
DAX 30 (EUR)	12842.66	▼ -215.11	-1.65	NA	-0.79	5.13	-3.07
CAC 40 (EUR)	4965.07	▼ -44.45	-0.89	NA	0.36	3.42	-16.95
S&P 500 (USD)	3426.96	▼ -28.10	-0.81	NA	-2.10	7.01	6.07
Nasdaq Composite (USD)	11313.13	▼ -144.97	-1.27	NA	-3.93	9.59	26.09
DJIA (USD)	28133.31	▼ -159.42	-0.56	NA	-1.04	7.57	-1.42
MSCI Emerging Markets (USD)	1099.50	▼ -9.35	-0.84	NA	-0.18	2.09	-1.36
MSCI Developed World (USD)	2399.60	▼ -26.18	-1.08	NA	-2.28	6.53	1.74

## US Market ▼

## US markets closed weaker

US markets closed lower on Friday, amid continuing sell-off in technology sector stocks. The S&P 500 Index dropped 0.8% to close at 3,426.96. Today, the S&P 500 futures are trading in the red.

To Read More Click [Here](#)

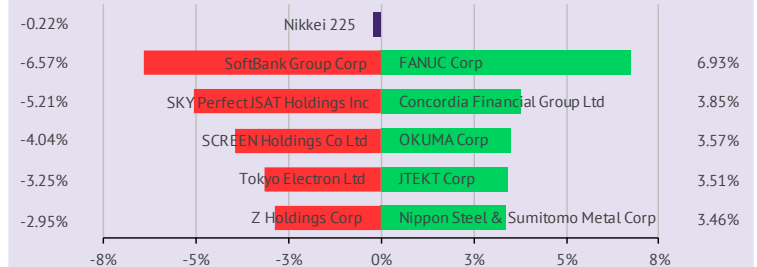


## Asian Market ▲

## Trading mostly higher

Asian markets are trading mostly higher this morning, despite rising tensions between the US and China. As at 6:00 SAST, the Nikkei 225 Index is trading 0.2% lower at 23,153.37.

To Read More Click [Here](#)



## USD ZAR ▲

### USD trading lower against ZAR

At 06:00 SAST, the US Dollar fell 0.1% against the South African Rand to trade at R16.5912. With no major economic releases in the US today, investor sentiment will be determined by global macroeconomic news.

The US Dollar fell against the South African Rand on Friday. On the macro front, the US unemployment rate fell more-than-expected in August. Additionally, average hourly earnings of all employees advanced in August. Meanwhile, nonfarm payrolls rose less than market forecast in August.

## GBP ZAR ▲

### GBP trading weaker against ZAR

At 06:00 SAST, the British Pound is trading 0.4% lower against the South African Rand at R21.9732. Ahead in the day, traders will keep an eye on UK's Halifax house price index and the BRC like-for-like retail sales for further indication.

The British Pound declined against the South African Rand on Friday, amid fears of a no-deal Brexit. Data indicated that UK's construction PMI unexpectedly dropped in August.

To Read More Click [Here](#)

## EUR ZAR ▲

### EUR trading lower against ZAR

At 06:00 SAST, the Euro is trading 0.1% weaker against the South African Rand at R19.6395. Going forward, market participants will keep a tab on Eurozone's Sentix investor confidence index along with Germany's industrial production for further cues.

The Euro weakened against the South African Rand on Friday. On the data front, Germany's factory orders rose less than market anticipations in July.

## AUD ZAR ▼

### AUD trading higher against ZAR

At 06:00 SAST, the Australian Dollar advanced 0.1% against the South African Rand to trade at R12.0885. Earlier in the session, Australia's AiG performance of services index dropped in August.

The Australian Dollar fell against the South African Rand on Friday.

## Key currencies & commodities

	Current#		1 D % Chg	WTD % Chg	MTD % Chg	Prev. month % Chg	YTD % Chg
USDZAR	16.5912	▲	-0.76	NA	-2.01	-0.76	18.58
GBPZAR	21.9732	▲	-0.75	NA	-2.62	1.40	18.81
EURZAR	19.6395	▲	-0.89	NA	-2.81	0.57	25.19
AUDZAR	12.0885	▼	-0.73	NA	-3.32	2.45	22.77
EURUSD	1.1837	▼	-0.12	NA	-0.82	1.34	5.57
GBPUSD	1.3243	▼	-0.02	NA	-0.68	2.18	0.17
Brent (\$/barrel)	42.3	▼	-3.20	NA	-5.79	4.04	-35.36
Gold (\$/oz)	1941.7	▲	-0.21	NA	-2.25	0.39	26.47
Platinum (\$/oz)	905.4	▲	0.97	NA	-4.23	2.07	-7.54
Copper (\$/MT)*	6729.5	▲	2.36	NA	0.48	4.29	9.44

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

## Gold ▲

### Trading in the green

At 06:00 SAST, gold prices edged 0.8% higher to trade at \$1,941.70/oz.

On Friday, gold prices fell 0.2% to close at \$1,926.20/oz, amid strength in the US Dollar.

To Read More Click [Here](#)

## Brent Crude Oil ▼

### Trading weaker

At 06:00 SAST, Brent crude oil edged 0.9% lower to trade at \$42.26/bl.

On Friday, Brent crude oil sharply fell 3.2% to settle at \$42.66/bl, as fears of a slow economic recovery from the COVID-19 pandemic renewed concerns over oil demand. Additionally, Baker Hughes reported that the US oil rig count rose by 1 to 181 last week.

To Read More Click [Here](#)

## Platinum ▲

### Trading in positive territory

At 06:00 SAST, platinum prices advanced 0.8% to trade at \$905.40/oz.

On Friday, platinum prices climbed 1.0% to close at \$898.20/oz.

## Major South African corporate news

### SPAR Group Limited

The company announced that it has appointed Brett Botten, the current Managing Director as the Group Chief Executive Officer (CEO) and Mr Graham O'Connor as a Non-Executive Director and Chairman of the Board.

## Major global economic news

### US

In the US, the unemployment rate dropped more-than-expected to 8.4% in August, compared to 10.2% in the previous month.

In August, average hourly earnings of all employees rose 0.4% on a monthly basis in the US, compared to a revised rise of 0.1% in the prior month

In the US, nonfarm payrolls increased by 1371.00K in August, less than market forecast and compared to a revised level of 1734.00K in the prior month.

### UK

In the UK, the construction PMI unexpectedly fell to a level of 54.60 in August, compared to a level of 58.10 in the previous month.











### Eurozone

In Germany, seasonally adjusted factory orders advanced 2.8% on a monthly basis in July, less than market consensus and compared to a revised surge of 28.8% in the previous month.

### Asia

In Australia, the AiG performance of services index fell to a level of 42.50 in August, compared to a level of 44.00 in the previous month.

## Economic calendar

Country	SAST	Economic indicator	Relevance	Consensus/ *Actual	Previous	Frequency
 Japan	01:50	Japan Foreign Reserves (Aug)	✓	USD1398.50bn*	USD1402.50bn	Monthly
 Germany	08:00	Industrial Production n.s.a. and w.d.a. (YoY) (Jul)	✓✓✓	12.10%	-11.70%	Monthly
 Germany	08:00	Industrial Production s.a. (MoM) (Jul)	✓✓✓	-	8.90%	Monthly
 South Africa	08:00	Net Gold & Forex Reserve (Aug)	✓	USD48.77bn	USD48.11bn	Monthly
 South Africa	08:00	Gross Gold & Forex Reserve (Aug)	✓	USD59.45bn	USD57.88bn	Monthly
 Switzerland	09:00	Foreign Currency Reserves (Aug)	✓✓✓	-	CHF845.80bn	Monthly
 South Africa	10:00	BER Consumer Confidence (Q3)	✓	-	-33.00	Quarterly
 Switzerland	10:00	Total Sight Deposits (CHF) (04-Sep)	✓	-	CHF701600.00mn	Weekly
 Switzerland	10:00	Domestic Sight Deposits (CHF) (04-Sep)	✓	-	CHF636500.00mn	Weekly
 Eurozone	10:30	Sentix Investor Confidence (Sep)	✓✓✓	-26.40	-13.40	Monthly

Note: ✓✓✓ High    ✓✓ Medium    ✓ Low

## 40 best performers on the All Share Index

Company name	Last close	1 Week % change	MTD % change	YTD % change
Pan African Resources PLC	509	-3.96	-6.78	135.65
Gold Fields Ltd	20115	-8.42	-8.18	111.88
Harmony Gold Mining Co Ltd	9690	-8.93	-12.39	89.26
AngloGold Ashanti Ltd	46304	-7.10	-6.39%	47.12
Kumba Iron Ore Ltd	52363	-4.50	-1.39	38.02
Royal Bafokeng Platinum Ltd	6661	3.90	3.19	34.24
African Rainbow Minerals Ltd	20704	0.17	-2.73	33.61
Northam Platinum Ltd	16215	4.57	1.31%	31.17
Naspers Ltd	293342	-6.57	-5.15	28.05
Blue Label Telecoms Ltd	320	1.59	0.00	24.03
Cartrack Holdings Ltd	2850	-3.03	1.79	21.41
BHP Group PLC	36670	-1.14	-1.22	17.89
Stenprop Ltd	2710	3.79	2.30	17.80
Reinet Investments SCA	31540	-3.91	-2.39	15.00
Impala Platinum Holdings Ltd	15929	1.98	1.87	12.85
Peregrine Holdings Ltd	2057	1.18	0.34	12.46
Aspen Pharmacare Holdings Ltd	13394	-1.88	-1.42	12.35
Vodacom Group Ltd	12452	-4.65	-2.62	11.49
Investec Australia Property Fund	1543	-2.77	-2.34	8.95
Quilter PLC	3035	-3.39	-3.76	7.56
Zeder Investments Ltd	224	-5.08	-6.67	7.19
Coronation Fund Managers Ltd	4075	-5.10	-4.81	6.34
Rebosis Property Fund Ltd	34	-17.07	-24.44	6.25
Afrimat Ltd	3435	-6.95	-5.42	5.86
Exxaro Resources Ltd	13136	-5.56	-4.24	5.85
JSE Ltd	11600	-3.81	-2.19	5.31
Allied Electronics Corp Ltd	2400	2.13	-1.23	5.19
Anglo American PLC	40253	-0.88	-0.48	4.49
Sirius Real Estate Ltd	1637	-0.97	-0.18	4.40
Net 1 UEPS Technologies Inc	5363	-0.67	3.13	3.99
Trencor Ltd	501	-5.65	-4.57	2.95
Cie Financiere Richemont SA	11244	1.75	-0.24	2.66
Discovery Ltd	12123	-3.02	0.17	1.72
Oceana Group Ltd	6150	-4.67	-2.26	1.39
Mondi PLC	31731	-2.10	-1.32	0.10
Steinhoff International Holdings NV	84	-14.29	-9.68	0.00
AfroCentric Investment Corp Ltd	321	-9.58	-8.29	-0.68
Rand Merchant Investment Holdings Ltd	2993	-4.95	-0.47	-0.93
Anglo American Platinum Ltd	123439	-1.39	-2.36	-1.28
British American Tobacco PLC	56058	-0.07	-1.95	-2.49
<b>JSE All Share Index</b>	<b>53879</b>	<b>-3.89</b>	<b>-2.88</b>	<b>-5.61</b>

### 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](http://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