

ONE Minute Brief

5 April 2019

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Economic and political news

In South Africa (SA), electricity production dropped 1.9% on a yearly basis in February, compared to a fall of 2.1% in the prior month. Annual electricity consumption fell 1.0% in February, compared to a rise of 0.1% in January.

Patricia de Lille, leader of the GOOD party, has accused the George Municipality of VBS-style looting and has approached Public Protector Busisiwe Mkhwebane to investigate the municipality's ZAR350 million investments in various financial institutions.

The Judicial Service Commission (JSC) has recommended five candidates to President, Cyril Ramaphosa, including Judge Annali Basson, Western Cape Deputy Judge President, Patricia Goliath, former South African Human Rights Commission head, Jody Kollapen, Judge, Stevan Majiedt and Judge, Zukisa Tshiqi for vacancies on the Constitutional Court bench.

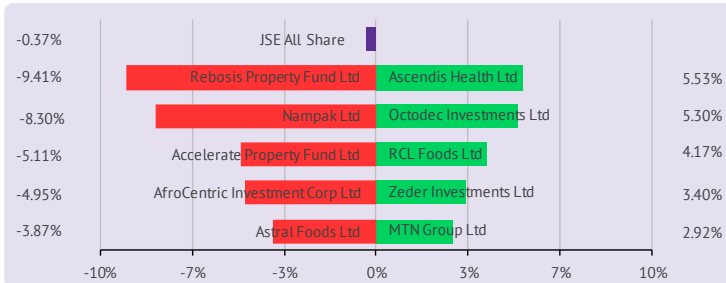
The Socialist Revolutionary Workers' Party (SRWP), founded by trade union Numsa, has officially launched its election manifesto and inaugural congress in Boksburg.

South Africa Market ▼

South African markets closed lower

South African markets closed in the red yesterday, weighed down by losses in resources and retail sector stocks. The JSE All Share Index fell 0.4% to close at 57,711.02.

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UK Market ▼

The FTSE 100 futures are trading in positive territory

UK markets finished lower yesterday, amid ongoing uncertainty over Brexit and led by losses in financial and mining sector stocks. The FTSE 100 Index declined 0.2% to close at 7,401.94.

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Key indices

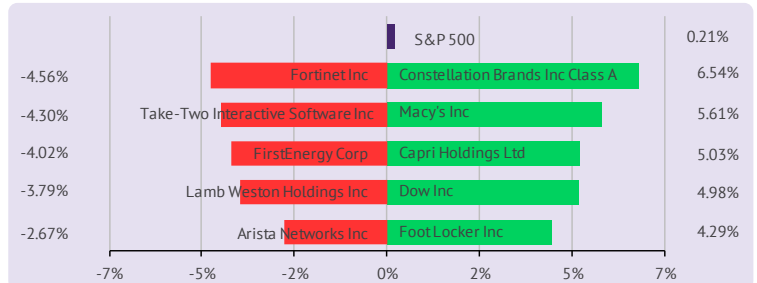
	As at 04 April 2019	1 Day Chg	1 D % Chg	WTD % Chg	MTD % Chg	Prev. month % Chg	YTD % Chg
JSE All Share (ZAR)	57711.02	▼ -214.99	-0.37	2.21	2.21	0.82	9.43
JSE Top 40 (ZAR)	51449.27	▼ -191.43	-0.37	2.34	2.34	1.22	10.11
FTSE 100 (GBP)	7401.94	▼ -16.34	-0.22	1.69	1.69	2.89	10.01
DAX 30 (EUR)	11988.01	▲ 33.61	0.28	4.01	4.01	0.09	13.53
CAC 40 (EUR)	5463.80	▼ -5.11	-0.09	2.12	2.12	2.10	15.50
S&P 500 (USD)	2879.39	▲ 5.99	0.21	1.59	1.59	1.79	14.86
Nasdaq Composite (USD)	7891.78	▼ -3.77	-0.05	2.10	2.10	2.61	18.94
DJIA (USD)	26384.63	▲ 166.50	0.64	1.76	1.76	0.05	13.11
MSCI Emerging Markets (USD)	1080.73	▲ 0.93	0.09	2.14	2.14	0.68	11.88
MSCI Developed World (USD)	2142.75	▼ -0.27	-0.01	1.66	1.66	1.05	13.74

US Market ▲

The S&P 500 futures are trading in the green

US markets closed mostly higher yesterday, amid rising optimism over US-China trade negotiations and boosted by gains in material and energy sector stocks. Data revealed that the US initial jobless claims unexpectedly fell in the week ended 30 March 2019. The S&P 500 Index climbed 0.2% to close at 2,879.39.

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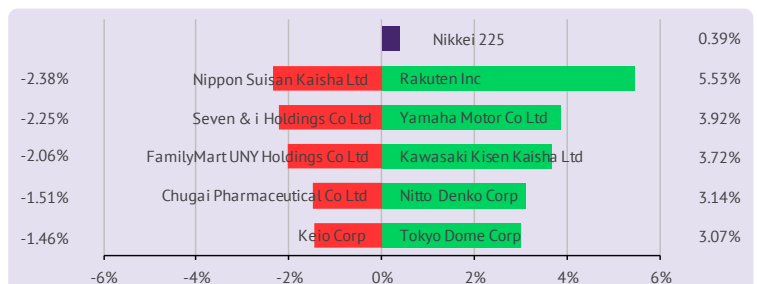


Asian Market ▲

Trading higher

Asian markets are trading higher this morning, amid hopes of US-China trade deal. The Nikkei 225 Index is trading 0.4% higher at 21,809.61.

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USD ZAR ▲

USD trading higher against ZAR

At 06:00 SAST, the US Dollar is trading 0.1% firmer against the South African Rand at R14.1275. Later today, traders will keep a close watch on the US non-farm payrolls, unemployment rate, average hourly earnings and consumer credit data for further direction.

The US Dollar fell against the South African Rand yesterday. On the macro front, the US initial jobless claims registered an unexpected decline in the week ended 30 March 2019, recording its lowest level since early December 1969. Separately, in SA, annual electricity production dropped in February. Additionally, electricity consumption fell on a yearly basis in February.

GBP ZAR ▲

GBP trading stronger against ZAR

At 06:00 SAST, the British Pound rose 0.2% against the South African Rand to trade at R18.4893. Ahead in the day, traders will keep an eye on UK's Halifax house price index for further cues.

The British Pound declined against the South African Rand yesterday, amid rising uncertainty over Brexit negotiations.

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EUR ZAR ▲

EUR trading firmer against ZAR

At 06:00 SAST, the Euro advanced 0.1% against the South African Rand to trade at R15.8572. Going forward, market participants will keep a tab on Germany's industrial production for further indication.

The Euro weakened against the South African Rand yesterday, following dismal German factory orders data. Data indicated that Germany's factory orders unexpectedly declined at its fastest pace in two years in February. Meanwhile, the Markit construction PMI registered an advance in March.

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AUD ZAR ▲

AUD trading stronger against ZAR

At 06:00 SAST, the Australian Dollar is trading 0.2% higher against the South African Rand at R10.0599. Earlier in the session, Australia's AiG performance of construction index advanced in March.

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	14.1275	▲	-0.19	-2.63	-2.63	2.96	-1.58
GBPZAR	18.4893	▲	-0.83	-2.29	-2.29	1.15	0.76
EURZAR	15.8572	▲	-0.30	-2.62	-2.62	1.59	-3.73
AUDZAR	10.0599	▲	-0.18	-2.41	-2.41	3.00	-0.79
EURUSD	1.1224	▲	-0.11	0.03	0.03	-1.35	-2.15
GBPUSD	1.3088	▲	-0.62	0.32	0.32	-1.72	2.53
Brent (\$/barrel)	69.3	▼	0.13	2.69	2.69	1.92	29.00
Gold (\$/oz)	1292.1	▲	-0.07	-0.31	-0.31	-1.76	0.60
Platinum (\$/oz)	900.0	-	3.52	6.02	6.02	-3.01	13.08
Copper (\$/MT)*	6436.8	▼	-0.73	-0.77	-0.77	-1.05	8.20

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

Gold ▲

Trading in the green

At 06:00 SAST, gold prices gained 0.2% to trade at \$1,292.10/oz.

Yesterday, gold prices fell 0.1% to close at \$1,289.00/oz, as strength in the US Dollar dented demand for the safe haven asset.

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Brent Crude Oil ▼

Trading weaker

At 06:00 SAST, Brent crude oil edged 0.2% lower to trade at \$69.25/bl.

Yesterday, Brent crude oil advanced 0.1% to settle at \$69.40/bl, amid expectations of tighter global crude oil supplies.

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Platinum ▼

Trading in negative territory

At 06:00 SAST, platinum prices marginally dropped to trade at \$900.00/oz.

Yesterday, platinum prices climbed 3.5% to close at \$900.00/oz.

Major South African corporate news

Intu Properties Plc

The company announced that it has appointed Matthew Roberts as the Chief Executive Officer, with effect from 29 April 2019. Matthew would succeed David Fischel, who would be standing down from the board and leaving the company on 26 April 2019.

Major global economic news

Eurozone

In Germany, the Markit construction PMI rose to a level of 55.60 in March, compared to a reading of 54.70 in the previous month.

In Germany, seasonally adjusted factory orders recorded an unexpected drop of 4.2% on a monthly basis in February. Factory orders had recorded a drop of 2.6% in the previous month.

US

In the US, seasonally adjusted initial jobless claims unexpectedly dropped to a level of 202.00K in the week ended 30 March 2019. In the previous week, initial jobless claims had registered a revised reading of 212.00K.

Asia

In Australia, the AiG performance of construction index climbed to 45.60 in March, compared to a level of 43.80 in February.

Economic calendar

Country	SAST	Economic indicator	Relevance	Consensus/ *Actual	Previous	Frequency
Japan	01:30	Household Spending (YoY) (Feb)	✓✓	1.70%*	2.00%	Monthly
Japan	01:30	Labour Cash Earnings (YoY) (Feb)	✓✓	-0.80%*	-0.60%	Monthly
Japan	01:50	Japan Foreign Reserves (Mar)	✓	USD1291.80bn*	USD1281.80bn	Monthly
Japan	07:00	Leading Economic Index (Feb) (P)	✓✓✓	97.20	96.50	Monthly
Japan	07:00	Coincident Index (Feb) (P)	✓	98.90	98.10	Monthly
South Africa	08:00	Net Gold & Forex Reserve (Mar)	✓	-	USD43.66bn	Monthly
South Africa	08:00	Gross Gold & Forex Reserve (Mar)	✓	-	USD50.84bn	Monthly
Germany	08:00	Industrial Production n.s.a. and w.d.a. (YoY) (Feb)	✓✓✓	-1.40%	-3.30%	Monthly
Germany	08:00	Industrial Production s.a. (MoM) (Feb)	✓✓✓	0.50%	-0.80%	Monthly
Germany	08:00	Industrial Production (Feb)	✓	-	103.70	Monthly
UK	09:30	Halifax House Prices (3m/YoY) (Mar)	✓	2.10%	2.80%	Monthly
UK	09:30	Halifax House Prices (MoM) (Mar)	✓	-2.80%	5.90%	Monthly
US	14:30	Change in Household Employment (Mar)	✓	-	255.00K	Monthly
US	14:30	Average Hourly Earnings All Employees (YoY) (Mar)	✓✓	3.40%	3.40%	Monthly
US	14:30	Average Weekly Hours All Employees (Mar)	✓	34.50	34.40	Monthly
US	14:30	Unemployment Rate (Mar)	✓✓✓	3.80%	3.80%	Monthly
US	14:30	Underemployment Rate (Mar)	✓✓	-	7.30%	Monthly
US	14:30	Average Hourly Earnings All Employees (MoM) (Mar)	✓✓	0.30%	0.40%	Monthly
US	14:30	Change in Non-farm Payrolls (Mar)	✓✓✓	177.00K	20.00K	Monthly
US	14:30	Change in Manufacturing Payrolls (Mar)	✓	10.00K	4.00K	Monthly
US	14:30	Change in Private Payrolls (Mar)	✓✓	177.00K	25.00K	Monthly
US	21:00	Consumer Credit Change (Feb)	✓✓	USD17.00bn	USD17.05bn	Monthly
US	21:30	Fed's Bostic Discusses Disruption and Opportunity	✓	-	-	As scheduled
Eurozone	-	Eurogroup Meeting	✓✓	-	-	As scheduled

Note: ✓✓✓ High ✓✓ Medium ✓ Low

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