

ONE Minute Brief

8 April 2019

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Economic and political news

In South Africa (SA), net gold & forex reserves fell to USD43.27bn in March, compared to a reading of USD43.66bn in the previous month. Gross gold & forex reserves dropped to USD49.68bn in March, compared to a level of USD50.84bn in February.

Mxolisi Dukwana, a former economic development MEC in the Free State, in his testimony, revealed that ANC Secretary-General, Ace Magashule accepted a bribe of ZAR1mn from Rajesh Gupta to help further his family's business interests.

The Democratic Alliance (DA) is planning to submit an application under the Promotion of Access to Information Act in order to force President Cyril Ramaphosa to release the findings of an Eskom probe by the Special Investigations Unit (SIU).

British American Tobacco South Africa (BATSA) pledged that it will use all of ZAR30mn million tax rebate from South African Revenue Service (SARS) to fight illegal tobacco trade.

Key indices

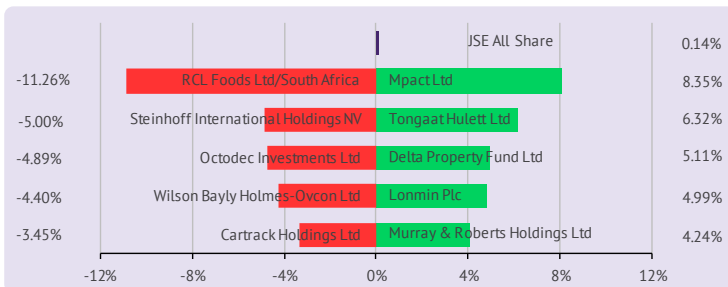
	As at 05 April 2019	1 Day Chg	1 D % Chg	WTD % Chg	MTD % Chg	Prev. month % Chg	YTD % Chg	
JSE All Share (ZAR)	57776.36	▲	79.81	0.14	NA	2.33	0.82	9.56
JSE Top 40 (ZAR)	51517.73	▲	86.52	0.17	NA	2.47	1.22	10.25
FTSE 100 (GBP)	7446.87	▲	44.93	0.61	NA	2.30	2.89	10.68
DAX 30 (EUR)	12009.75	▲	21.74	0.18	NA	4.20	0.09	13.74
CAC 40 (EUR)	5476.20	▲	12.40	0.23	NA	2.35	2.10	15.76
S&P 500 (USD)	2892.74	▲	13.35	0.46	NA	2.06	1.79	15.39
Nasdaq Composite (USD)	7938.69	▲	46.91	0.59	NA	2.71	2.61	19.64
DJIA (USD)	26424.99	▲	40.36	0.15	NA	1.91	0.05	13.28
MSCI Emerging Markets (USD)	1085.14	▲	4.41	0.41	NA	2.55	0.68	12.34
MSCI Developed World (USD)	2149.85	▲	7.10	0.33	NA	2.00	1.05	14.12

South Africa Market ▲

South African markets closed higher

South African markets closed in the green on Friday, helped by gains in platinum mining and gold mining sector stocks. Data revealed that SA's net gross & forex reserves fell in March. The JSE All Share Index rose 0.1% to close at 57,776.36.

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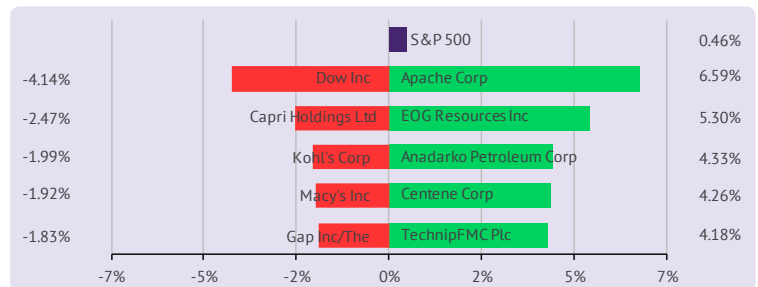


US Market ▲

The S&P 500 futures are trading in the red

US markets closed in positive territory on Friday, following stronger-than-expected US jobs data and amid optimism over US-China trade deal. The S&P 500 Index climbed 0.5% to close at 2,892.74.

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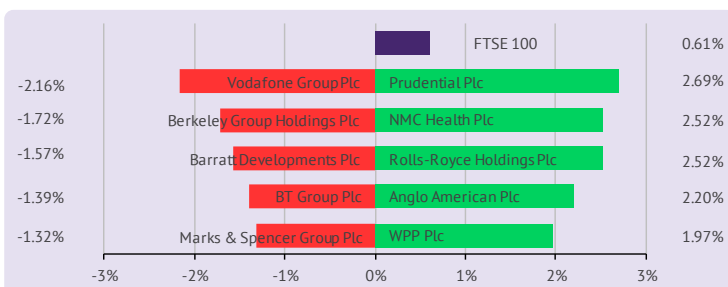


UK Market ▲

The FTSE 100 futures are trading in negative territory

UK markets finished higher on Friday, amid recent positive developments in US-China trade negotiations. Data showed that UK's monthly Halifax house price index fell less-than-expected in March. The FTSE 100 Index advanced 0.6% to close at 7,446.87.

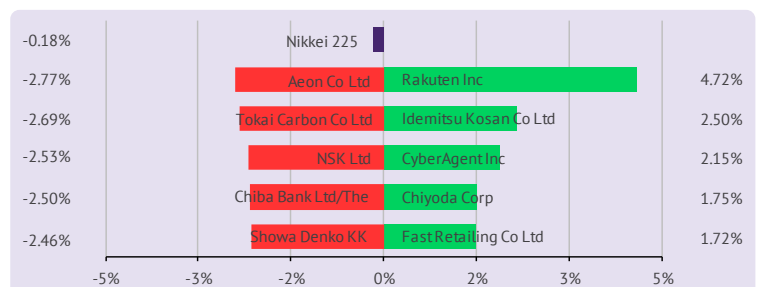
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Asian Market ▼

Trading mostly lower

Asian markets are trading mostly lower this morning. Data revealed that Japan posted a less than expected trade surplus in February. The Nikkei 225 Index is trading 0.2% lower at 21,767.24.



USD ZAR ▲

USD trading higher against ZAR

At 06:00 SAST, the US Dollar advanced 0.2% against the South African Rand to trade at R14.1163. Later today, traders will keep a close watch on the US factory orders and durable goods orders for further cues.

The US Dollar fell against the South African Rand on Friday. On the data front, the US non-farm payrolls climbed more than market forecast in March. Meanwhile, unemployment rate remained unchanged in March, at par with market forecast. Average hourly earnings rose less than expected on an annual basis in March. Further, consumer credit advanced less than market anticipations in February. Separately, in SA, gross gold & forex reserves registered a decline in March. Additionally, net gold & forex reserves eased in the same month.

GBP ZAR ▲

GBP trading stronger against ZAR

At 06:00 SAST, the British Pound advanced 0.4% against the South African Rand to trade at R18.4420. 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, amid ongoing Brexit crisis. On the macro front, UK's Halifax house price index recorded a drop on a monthly basis in March.

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EUR ZAR ▲

EUR trading firmer against ZAR

At 06:00 SAST, the Euro is trading 0.3% higher against the South African Rand at R15.8524. Going forward, market participants will keep a tab on the Eurozone's Sentix investor confidence index along with Germany's trade and current account balance data for further indication.

The Euro weakened against the South African Rand on Friday. Data indicated that Germany's monthly industrial production rebounded more than market forecast in February.

AUD ZAR ▲

AUD trading marginally higher against ZAR

At 06:00 SAST, the Australian Dollar is trading slightly higher against the South African Rand at R10.0100.

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	14.1163	▲	-0.19	NA	-2.81	2.96	-1.77
GBPZAR	18.4420	▲	-0.49	NA	-2.78	1.15	0.26
EURZAR	15.8524	▲	-0.23	NA	-2.85	1.59	-3.96
AUDZAR	10.0100	▲	-0.35	NA	-2.75	3.00	-1.13
EURUSD	1.1230	▲	-0.04	NA	-0.02	-1.35	-2.19
GBPUSD	1.3064	▲	-0.30	NA	0.02	-1.72	2.23
Brent (\$/barrel)	70.7	▲	1.35	NA	4.08	1.92	30.74
Gold (\$/oz)	1300.1	▲	0.11	NA	-0.20	-1.76	0.71
Platinum (\$/oz)	904.0	▲	0.11	NA	6.14	-3.01	13.21
Copper (\$/MT)*	6385.3	▼	-0.80	NA	-1.56	-1.05	7.33

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

Gold ▲

Trading in the green

At 06:00 SAST, gold prices gained 0.8% to trade at \$1,300.10/oz.

On Friday, gold prices rose 0.1% to close at \$1,290.40/oz.

Brent Crude Oil ▲

Trading stronger

At 06:00 SAST, Brent crude oil edged 0.5% higher to trade at \$70.69/bl.

On Friday, Brent crude oil advanced 1.4% to settle at \$70.34/bl, as robust US jobs report eased concerns about weakening global crude oil demand and amid speculation that rising conflict in Libya could tighten oil supplies. Meanwhile, Baker Hughes reported that US oil rig count climbed by 15 to 831 last week.

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Platinum ▲

Trading in positive territory

At 06:00 SAST, platinum prices climbed 0.3% to trade at \$904.00/oz.

On Friday, platinum prices climbed 0.1% to close at \$901.00/oz.

Major South African corporate news

Afrimat Limited

In its FY19 trading statement, the company announced that it expects HEPS to be in the range of 216.80c and 234.90c, representing an increase of 20.0% to 30.0% compared with the same period of the previous year. Moreover, the company expects EPS to be in the range of 216.40c to 234.40c, which is 20.0% to 30.0% higher compared with the corresponding period of the preceding year.

Major global economic news

US

In the US, non-farm payrolls rose by 196.00K in March, more than market anticipations. Non-farm payrolls had registered a revised increase of 33.00K in the prior month.

In March, unemployment rate in the US remained unchanged at 3.8%, in line with market expectations.

In the US, average hourly earnings of all employees registered a rise of 3.2% on an annual basis in March, less than market expectations. In the prior month, average hourly earnings of all employees had advanced 3.40%.

In the US, consumer credit climbed USD15.19bn in February, less than market expectations. In the previous month, consumer credit had advanced by a revised USD17.72bn.

UK

In the UK, the Halifax house price index slid 1.6% on a monthly basis in March, compared to a rise of 5.9% in the prior month.

Asia

Japan posted a trade surplus (BOP basis) of JPY489.20bn in February, compared to a deficit of JPY964.80bn in the prior month.

In Japan, current account surplus widened more than anticipated to JPY2676.80bn in February, compared to a surplus of JPY600.40bn in the previous month.

Eurozone

In Germany, seasonally adjusted industrial production climbed 0.7% on a monthly basis in February, more-than-expected and compared to a revised flat reading in the prior month.

40 best performers on the All Share Index

Company name	Last close	1 Week % change	MTD % change	YTD % change
Lonmin PLC	1536	7.11	7.11	83.08
Impala Platinum Holdings Ltd	6290	3.11	3.11	71.48
Kumba Iron Ore Ltd	44341	3.05	3.05	63.40
Sibanye Gold Ltd	1635	3.94	3.94	63.17
Northam Platinum Ltd	6680	5.20	5.20	54.42
Anglo American Platinum Ltd	79506	8.00	8.00	49.31
Assore Ltd	37300	-0.27	-0.27	32.32
Royal Bafokeng Platinum Ltd	3290	-0.30	-0.30	32.26
Quilter PLC	2833	3.32	3.32	29.24
Clover Industries Ltd	2300	-2.75	-2.75	27.97
Exxaro Resources Ltd	17621	7.22	7.22	27.81
African Rainbow Minerals Ltd	17668	6.57	6.57	27.04
Anglo American PLC	39967	3.59	3.59	26.49
BHP Group PLC	35268	1.51	1.51	24.82
Naspers Ltd	348169	4.49	4.49	24.15
DataTec Ltd	3387	1.90	1.90	23.79
British American Tobacco PLC	57050	-4.58	-4.58	23.56
Capitec Bank Holdings Ltd	136555	1.15	1.15	22.14
Mpact Ltd	2505	4.81	4.81	21.97
Distell Group Holdings Ltd	12907	0.19	0.19	21.76
Grindrod Ltd	733	-4.18	-4.18	21.41
Coronation Fund Managers Ltd	4974	8.27	8.27	20.29
AECI Ltd	9667	4.90	4.90	20.29
Barloworld Ltd	13408	5.57	5.57	19.73
Libstar Holdings Ltd	811	3.79	3.79	19.06
Metair Investments Ltd	2298	0.39	0.39	17.85
Hospitality Property Fund Ltd	1020	3.98	3.98	16.57
Tradehold Ltd	1170	-1.10	-1.10	16.42
Raubex Group Ltd	1970	-2.09	-2.09	15.88
Octodec Investments Ltd	1983	3.01	3.01	15.83
Telkom SA SOC Ltd	7306	0.19	0.19	15.44
Stenprop Ltd	2030	-0.68	-0.68	14.91
Investec Property Fund Ltd	1575	5.35	5.35	14.55
Allied Electronics Corp Ltd	2056	4.37	4.37	14.22
Astral Foods Ltd	17083	1.88	1.88	14.08
Glencore PLC	6088	1.48	1.48	13.65
Net 1 UEPS Technologies Inc	5700	0.00	0.00	13.43
South32 Ltd	3777	0.72	0.72	13.26
Oceana Group Ltd	7977	2.93	2.93	12.84
Investec Ltd	8848	4.91	4.91	12.00
JSE All Share Index	57776	2.33	2.33	9.56

Economic calendar

Country	SAST	Economic indicator	Relevance	Consensus/ *Actual	Previous/ **Previous est.	Frequency
Japan	1:50	Adjusted Current Account Total (Feb)	✓	JPY1957.60 bn*	JPY1833.00 bn	Monthly
Japan	1:50	Current Account n.s.a. (Feb)	✓	JPY2676.80 bn*	JPY600.40 bn	Monthly
Japan	1:50	Trade Balance - BOP Basis (Feb)	✓✓✓	JPY489.20 bn*	-JPY964.80 bn	Monthly
Japan	6:30	Bankruptcies (YoY) (Mar)	✓✓	-16.09%*	-4.53%	Monthly
Japan	7:00	Consumer Confidence Index (Mar)	✓✓	41.50	41.50	Monthly
Germany	8:00	Current Account n.s.a. (Feb)	✓	EUR19.00 bn	EUR18.30 bn	Monthly
Germany	8:00	Exports s.a. (MoM) (Feb)	✓	-0.50%	0.00%	Monthly
Germany	8:00	Imports s.a. (MoM) (Feb)	✓	-0.60%	1.50%	Monthly
Germany	8:00	Trade Balance n.s.a. (Feb)	✓✓✓	EUR16.00 bn	EUR14.50 bn	Monthly
Japan	8:00	Eco Watchers Survey: Current (Mar)	✓✓	47.80	47.50	Monthly
Japan	8:00	Eco Watchers Survey: Outlook (Mar)	✓✓	49.10	48.90	Monthly
France	8:30	Bank of France Business Sentiment (Mar)	✓✓✓	101.00	101.00	Monthly
Eurozone	10:30	Sentix Investor Confidence (Apr)	✓✓✓	-2.00	-2.20	Monthly
Canada	14:15	Housing Starts s.a. (Mar)	✓✓✓	194.00 K	173.20 K	Monthly
Canada	14:30	Building Permits (MoM) (Feb)	✓	2.00%	-5.50%	Monthly
US	16:00	Cap Goods Orders Nondef Ex Air (Feb) (F)	✓	-	-0.10%**	Monthly
US	16:00	Cap Goods Ship Nondef Ex Air (Feb) (F)	✓	-	0.00%**	Monthly
US	16:00	Factory Orders (Feb)	✓✓✓	-	500479.00 mn	Monthly
US	16:00	Factory Orders (MoM) (Feb)	✓✓✓	-0.50%	0.10%	Monthly
US	16:00	Durable Goods Orders (Feb) (F)	✓✓✓	-1.60%	-1.60%**	Monthly
US	16:00	Durable Goods Orders ex Transportation (Feb) (F)	✓✓	0.10%	0.10%**	Monthly
Eurozone	17:45	ECB's Villeroy speaks in Paris	✓	-	-	As scheduled
US	-	Composite Leading Indicator (Feb)	✓	-	99.05	Monthly
France	-	Composite leading indicator (Feb)	✓	-	99.08	Monthly

Note: ✓✓✓High ✓✓Medium ✓Low

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