

# ONE Minute Brief

28 October 2019

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## Economic and political news

The Democratic Alliance (DA) announced that former chief whip, John Steenhuisen, has been elected as parliamentary leader of the party.

News reports indicate that a draft Bill to amend Section 25 of the Constitution to allow land expropriation without compensation is expected to be open for public comments in December and January.

The Public Servants Association (PSA) has warned the Public Protector's office of "silencing" the union's shop stewards and members by means of unfair suspension and threats of dismissals. Further, the PSA urged Parliament to speed up the process to conduct an inquiry into Public Protector Busisiwe Mkhwebane's fitness to hold office.

Co-operative Governance & Traditional Affairs Minister, Nkosazana Dlamini-Zuma, stated that national and provincial government departments owe some of the country's municipalities just over ZAR9bn for services.

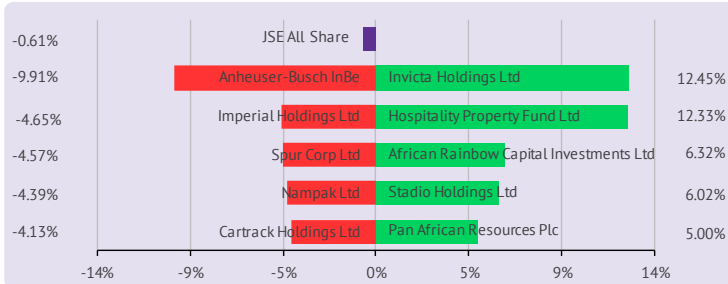
The South African Banking Risk Information Centre has cautioned that local banks are under sustained distributed denial-of-service attacks that started on 23 October. The organisation stated that these attacks started with a ransom note that was delivered via e-mail to both unattended as well as staff e-mail addresses, all of which were publicly available.

## 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 0.6% to close at 55,141.98.

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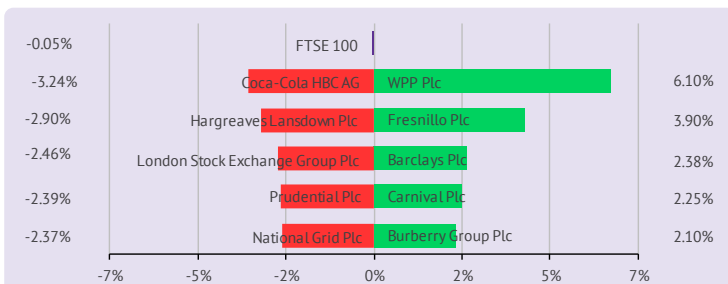


## UK Market ▼

### UK markets closed in the red

UK markets finished lower on Friday, amid persistent tensions over Brexit. The FTSE 100 Index declined 0.1% to close at 7,324.47. Today, the FTSE 100 futures are trading in negative territory.

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## Key indices

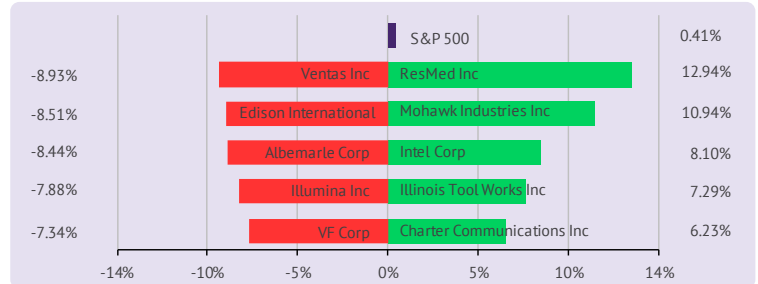
	As at 25 Oct 2019	1 Day Chg	1 D % Chg	WTD % Chg	MTD % Chg	Prev. month % Chg	YTD % Chg
JSE All Share (ZAR)	55141.98	▼ -336.47	-0.61	NA	0.58	-0.79	4.56
JSE Top 40 (ZAR)	48858.47	▼ -265.96	-0.54	NA	0.09	-1.03	4.56
FTSE 100(GBP)	7324.47	▼ -3.78	-0.05	NA	-1.13	2.79	8.86
DAX 30 (EUR)	12894.51	▲ 22.41	0.17	NA	3.75	4.09	22.12
CAC 40 (EUR)	5722.15	▲ 37.82	0.67	NA	0.78	3.60	20.96
S&P 500 (USD)	3022.55	▲ 12.26	0.41	NA	1.54	1.72	20.57
Nasdaq Composite (USD)	8243.12	▲ 57.32	0.70	NA	3.05	0.46	24.23
DJIA (USD)	26958.06	▲ 152.53	0.57	NA	0.15	1.95	15.56
MSCI Emerging Markets (USD)	1035.84	▼ -1.57	-0.15	NA	3.48	1.69	7.24
MSCI Developed World (USD)	2222.75	▲ 7.11	0.32	NA	1.96	1.94	17.99

## US Market ▲

### US markets closed firmer

US markets closed higher on Friday, amid optimism over US-China trade deal and robust corporate earnings report. Data revealed that the US Michigan consumer sentiment index advanced in October. The S&P 500 Index climbed 0.4% to close at 3,022.55. Today, the S&P 500 futures are trading in the green.

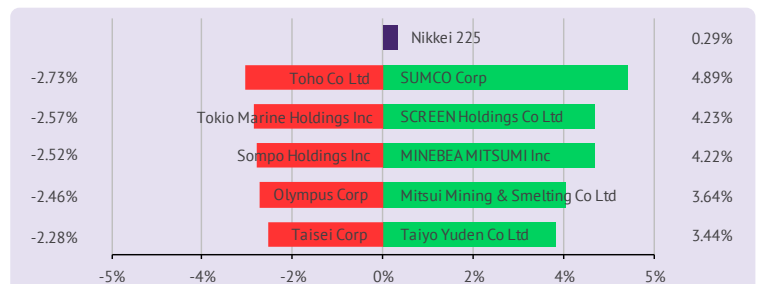
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## Asian Market ▲

### Trading higher

Asian markets are trading higher this morning. The Nikkei 225 Index is trading 0.3% higher at 22,864.98.



## USD ZAR ▲

### USD trading lower against ZAR

At 06:00 SAST, the US Dollar slightly retreated against the South African Rand to trade at R14.6251. Later today, traders will keep a close watch on the US Chicago Fed National Activity Index, goods trade balance and the Dallas Fed manufacturing index for further indication.

The US Dollar fell against the South African Rand on Friday. On the data front, the Michigan consumer sentiment index improved in October. Separately, the South African Rand rose against the US Dollar, ahead of Finance Minister, Tito Mboweni's medium-term budget statement and ratings agency, Moody's rating review.

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## GBP ZAR ▲

### GBP trading weaker against ZAR

At 06:00 SAST, the British Pound dropped 0.1% against the South African Rand to trade at R18.7460. With no major economic releases 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 uncertainty surrounding Brexit deadline extension.

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## EUR ZAR ▼

### EUR trading higher against ZAR

At 06:00 SAST, the Euro gained marginally against the South African Rand to trade at R16.2067. Going forward, market participants will keep a tab on Eurozone's M3 money supply data for further direction.

The Euro weakened against the South African Rand on Friday. On the macro front, Germany's GfK consumer confidence index unexpectedly declined in November. Additionally, Moreover, the Ifo current assessment index fell more than market expectations in October. Meanwhile, the nation's Ifo expectations index climbed more than market forecast in October. Further, the Ifo business climate index remained unchanged in the same month.

## AUD ZAR ▲

### AUD trading weaker against ZAR

At 06:00 SAST, the Australian Dollar fell 0.2% against the South African Rand to trade at R9.9665.

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	14.6251	▲	-0.51	NA	-3.37	-0.39	1.95
GBPZAR	18.7460	▲	-0.66	NA	0.83	0.78	2.43
EURZAR	16.2067	▼	-0.73	NA	-1.76	-1.13	-1.53
AUDZAR	9.9665	▲	-0.39	NA	-2.27	-0.10	-1.36
EURUSD	1.1082	▲	-0.22	NA	1.66	-0.76	-3.37
GBPUSD	1.2817	▼	-0.19	NA	4.38	1.09	0.57
Brent (\$/barrel)	61.9	▼	0.57	NA	4.68	0.00	15.28
Gold (\$/oz)	1506.8	▲	0.04	NA	2.31	-3.76	17.03
Platinum (\$/oz)	929.1	▼	0.81	NA	5.17	-5.18	16.74
Copper (\$/MT)*	5907.0	▲	0.74	NA	3.72	0.70	-0.71

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

## Gold ▲

### Trading in the green

At 06:00 SAST, gold prices gained 0.5% to trade at \$1,506.80/oz.

On Friday, gold prices marginally rose to close at \$1,499.50/oz, amid dismal US consumer sentiment data.

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## Brent Crude Oil ▼

### Trading weaker

At 06:00 SAST, Brent crude oil declined 0.2% to trade at \$61.90/bl.

On Friday, Brent crude oil advanced 0.6% to settle at \$62.02/bl, amid renewed hopes on US-China trade deal and expectations of further output cuts by the OPEC. Additionally, Baker Hughes reported that the number of active US oil rigs fell by 17 to 696 last week.

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## Platinum ▼

### Trading in negative territory

At 06:00 SAST, platinum prices edged marginally lower to trade at \$929.10/oz.

On Friday, platinum prices climbed 0.8% to close at \$929.10/oz.

## Major South African corporate news

### Accelerate Property Fund Limited

The company, in reference to an earlier announcement, indicated that the firm and Azrapart have now entered into the Accelerate option undivided share sale agreement to agree the terms and conditions relating to, inter alia, the sale and delivery of the Accelerate additional undivided share to Accelerate and the payment of the acquisition consideration to Azrapart. Separately, the company entered into a sale of letting enterprise with HJA Prinia Proprietary Limited, to dispose of Kyalami Downs, Erf 8 & Ptn 1 of Erf 172, Kyalami Park, Gauteng. The consideration for the transaction is a total of ZAR99.50 million split between ZAR88.00 million cash and ZAR11.50 million vendor loan.

## Major global economic news

### Eurozone

In Germany, the GfK consumer confidence index unexpectedly fell to a level of 9.60 in November. The index had recorded a revised level of 9.80 in the prior month.

In Germany, the Ifo business expectations index rose to a level of 91.50 in October, more than market expectations. The index had recorded a revised level of 90.90 in the prior month.

In Germany, the Ifo current assessment index dropped to 97.80 in October, more than market forecast. The index had recorded a revised level of 98.60 in the previous month.

In October, the Ifo business climate index remained unchanged at 94.60 in Germany.

### US

In the US, the final Michigan consumer sentiment index advanced to 95.50 in October. In the previous month, the index had recorded a level of 93.20. The preliminary figures had indicated a rise to 96.00.

## Economic calendar

Country	SAST	Economic indicator	Relevance	Consensus/ *Actual	Previous	Frequency
Japan	1:50	Corporate Service Price (YoY) (Sep)	✓	0.50%*	0.60%	Monthly
Germany	8:00	Import Price Index s.a. (MoM) (Sep)	✓✓	-	-0.60%	Monthly
Germany	8:00	Import Price Index n.s.a. (YoY) (Sep)	✓✓	-	-2.70%	Monthly
Eurozone	11:00	M3 Money Supply (3m) (Sep)	✓	-	5.10%	Monthly
Eurozone	11:00	Private Loans (YoY) (Sep)	✓	3.50%	3.40%	Monthly
Eurozone	11:00	M3 Money Supply (YoY) (Sep)	✓	5.70%	5.70%	Monthly
UK	13:00	CBI Distributive Trades Survey - Realised (Oct)	✓✓	-25.00%	-16.00%	Monthly
US	14:30	Wholesale Inventories (MoM) (Sep) (P)	✓✓✓	-	0.20%	Monthly
US	14:30	Chicago Fed National Activity Index (Sep)	✓✓✓	-0.37	0.10	Monthly
US	16:30	Dallas Fed Manufacturing Business Index (Oct)	✓✓✓	1.40	1.50	Monthly
Eurozone	17:00	ECB's President Draghi speech	✓✓✓	-	-	As scheduled
UK	19:00	BoE's Teneyro speech	✓✓	-	-	As scheduled
US	20:00	Loan Officer Survey (Q3)	✓	-	-	As scheduled

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	10300	0.46	8.10	180.81
Sibanye Gold Ltd	2629	1.86	25.31	162.38
Northam Platinum Ltd	9800	-1.83	17.90	126.54
Anglo American Platinum Ltd	106889	-0.61	17.07	103.50
Harmony Gold Mining Co Ltd	5000	6.47	15.47	98.41
AngloGold Ashanti Ltd	32547	6.12	14.57	79.93
Gold Fields Ltd	8662	4.75	13.79	77.38
Royal Bafokeng Platinum Ltd	4204	0.05	7.79	69.00
Cartrack Holdings Ltd	2300	-3.16	16.46	61.87
Allied Electronics Corp Ltd	2579	-1.98	1.54	45.92
Pan African Resources Plc	231	12.68	6.45	44.38
Kumba Iron Ore Ltd	35664	-0.80	-4.76	40.99
Clover Industries Ltd	2494	0.00	0.52	38.76
Pioneer Foods Group Ltd	10800	0.47	1.88	34.19
DataTec Ltd	3553	6.15	6.41	33.86
Tradehold Ltd	1279	16.27	24.78	33.38
Transaction Capital Ltd	2230	-2.53	0.68	32.92
Investec Australia Property Fund	1570	-0.63	-0.32	32.14
Lighthouse Capital Ltd	895	4.56	11.60	31.64
Sirius Real Estate Ltd	1400	0.65	0.14	30.86
Bid Corp Ltd	33820	1.41	5.01	30.31
Resilient REIT Ltd	6745	1.29	4.09	29.05
Metair Investments Ltd	2392	0.93	4.00	28.11
Clicks Group Ltd	24024	-1.73	11.74	28.01
Distell Group Holdings Ltd	13300	-2.92	-2.20	27.89
Fortress REIT Ltd	2161	5.36	4.90	27.76
Spur Corp Ltd	2650	1.88	11.49	26.10
Reinet Investments SCA	26890	0.65	-2.04	24.71
Capitec Bank Holdings Ltd	138143	2.32	7.30	24.58
Stenprop Ltd	2124	4.58	9.77	23.94
AECI Ltd	9750	1.25	1.60	23.45
Quilter Plc	2610	-4.99	2.11	23.38
Afrimat Ltd	3380	7.30	0.93	23.26
Anglo American Plc	37618	3.80	6.95	22.44
Libstar Holdings Ltd	832	14.60	4.39	22.15
Cie Financiere Richemont SA	10952	-0.11	-1.93	20.01
Raubex Group Ltd	2018	3.49	5.88	20.01
NEPI Rockcastle Plc	12600	-1.56	-1.55	19.78
Mediclinic International Plc	6957	-3.33	12.85	17.49
Equites Property Fund Ltd	2179	-0.86	6.29	16.53
<b>JSE All Share Index</b>	<b>55142</b>	<b>-1.04</b>	<b>0.58</b>	<b>4.56</b>

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