

Newsflash: Markets higher amid the chaos

Tuesday 2 June

Country Equity	Index	Year to Date	Currency	Price	Year to Date
SA Equities (ZAR)	FTSE/JSE ALSI	-10.8%	Gold (USD)	1,737*	+14.3%
US Equities (USD)	S&P 500	-5.4%	Platinum (USD)	813*	-12.7%
UK Equities (GBP)	FTSE 100	-18.2%	Oil (USD)	34.84*	-46.5%
German Equities (EUR)	DAX	-14.1%	USD/ZAR	17.40*	-19.3%*
Japanese Equities (JPY)	NIKKEI 225	-6.7%	GBP/ZAR	21.73*	-14.6%*
Chinese Equities (CNY)	SHANGHAI SE	-4.4%	EUR/ZAR	19.40*	-18.5%*

Source: Morningstar Direct, Bloomberg, *time of writing 06h40, 2020-06-02

The deaths of three African Americans in recent days have fuelled protests in the US over police brutality of minority groups. In the most recent death, the police officer has been charged with murder. Dozens of US cities have imposed overnight curfews, and President Trump has threatened to deploy the US army on America soil if US state governors did not quell the unrest.

Globally equity markets have continued to recover; however, April and May were slow and steady compared to the initial recovery in March. JP Morgan sees an opportunity for stocks to continue to rise due to the rebalancing of portfolios. Fund managers are holding cash at levels rarely seen in history, according to Bank of America Corp. The markets, however, are being driven only by sentiment, as corporate profits are incredibly depressed.

The increase in deaths from the virus has slowed in the US and western Europe. The US continues to lead with over 105 thousand fatalities. South Africa's deaths have increased by 224 to 705. The vast majority of deaths (525) have occurred in the Western Cape. South Africa has recorded the 32nd most deaths globally. The most significant increase in mortality has been seen in Brazil to just under 30 thousand.

The SA lockdown was eased yesterday with more businesses able to begin trading again. A limited opening of government schools was planned to begin; however, this was delayed by a week due to a lack of readiness. Western Cape schools did, however, open for grades 7 and 12. The evening curfew has been lifted, alcohol is now available for sale, and one can exercise between the hours of 6 am and 6 pm.

Sources: BBC.com, Bloomberg.com, News24.co.za, MoneyWeb.co.za

Coronavirus Numbers Update

Global Confirmed	Global Deaths	Total Test Results in US
6,270,758	375,632	17,340,682

Source: Center for Systems Science and Engineering (CSSE) at Johns Hopkins University

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South Africa

Total Confirmed 34,357	Total Recovered 17,291
Active Cases 16,361	Total Deaths 705

Source: Department of Health

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