



## Market Wrap

### Technical sell-off lowers bourse

The JSE closed a little lower on Thursday, with gold and platinum stocks under pressure, in what many analysts said was a technical sell-off.

The JSE all-share fell 0.16% to 56,059.5 points. The top-40 was flat. Platimums slumped 7.34% and gold miners 6.15%. Brent crude was lower at \$67.25 a barrel. Amplats lost 7.6% to R728.09, Lonmin

8.32% to R14.10 and Impala 7.69% to R60.01. Sibanye-Stillwater plunged 10.21% to R15.57. British American Tobacco gained 1.89% to R603.15 and AB InBev 0.82% to R1,216.97. Vodacom slipped 2.98% to R110.36. At 2pm, the rand had fallen 0.93% to R14.73/\$, 0.68% to R16.54/€ and 0.61% to R19.332/£. — **BDLive**

## Movers & Shakers

MAJOR MOVES UP			MAJOR MOVES DOWN		
Sharename	Sale	%Move	Sharename	Sale	%Move
CALGRO	600	26.05 %	INSIMBI	93	-18.42 %
BAUBA	58	11.54 %	MCZ	795	-13.11 %
ADVHLTH	55	10.00 %	PHUMELELA	840	-8.89 %
4SIGHT	45	9.76 %	HUGE	700	-7.89 %
ECSPONENT	24	9.09 %	SABVEST-N	3700	-7.43 %
ELIJES	13	8.33 %	SIBANYE	1613	-6.98 %
ROLFES	229	8.02 %	OMNIA	5309	-6.86 %
BELL	1080	8.00 %	ETFFLD	19736	-6.75 %
CIL	300	7.91 %	MAZOR	70	-6.67 %
JASCO	30	7.14 %	STADIO	340	-6.59 %
FAIRVEST	220	4.76 %	EFORA	15	-6.25 %
ALEXANDER	502	4.58 %	ACCELERAT	276	-5.48 %
CAPITEC	134358	4.14 %	ONELOGIX	331	-5.43 %
PPC	468	4.00 %	CSG	71	-5.33 %
STEINHOFF	189	3.85 %	REBOSIS	174	-4.92 %
PHOENIX	57	3.64 %	ANGLOPLA	775251	-4.50 %

## Exchange Rates

Rand / Currency	R	Name	RP	%Move
R/Australian \$	10.40	DJ Futures	25694.00	0.13 %
R/Botswana Pula	1.36	DJ Ind	25625.59	-0.13 %
R/Brazilian Real	3.72	FTSE 100	7240.00	0.64 %
R/British £	19.37	DAX	11457.63	0.34 %
R/Canadian \$	10.93	CAC40	5312.42	0.21 %
R/Chinese Yuan	2.18	Nikkei	21033.76	-1.61 %
R/Euro	16.50	Shanghai	2994.94	-0.92 %
R/Indian Rupee	0.21	Hang-Seng	28678.50	-0.17 %
R/Japanese Yen	0.13	ASX All	6256.50	0.63 %
R/Kenyan Shilling	0.15	Gold \$	1294.49	-1.15 %
R/Mozambique Met.	0.23	Gold R	19016.14	-0.56 %
R/Namibian \$	1.00	Gold R/Kg	611369	-0.56 %
R/New Zealand \$	10.01	Brent Crude	66.72	-1.61 %
R/Russian Rouble	0.23	Silver \$	15.1080	-1.21 %
R/United States \$	14.65	Platinum \$	838.25	-1.75 %
R/Zambia Kwacha	1.21	Palladium \$	1344.10	-5.44 %

(For real-time spots, SMS the word SPOTS to 34019. Charged at R2/SMS)

# Jobs of white-collar workers under threat in hi-tech age

Highly skilled people in service industries more under threat, says expert

TED KEENAN

The disruptive impact of the technological age has shifted focus from slashing jobs in the blue-collar, repetitive-job sectors, and has zeroed in on the white-collar workers, earning high salaries.

"People producing products are now at less risk of losing jobs, compared to those highly skilled people in service industries," added Francois Fouche, of Trade Advisory, in a presentation on Thursday at the East Cape Export Symposium in East London.

"The reason is that rapidly evolving technology has seen international trade shift focus away from products towards services that leap borders effortlessly, which products cannot do."

Fouche is an adviser at Trade Advisory, a North West University spin-off research business.

In his early career he worked for Wharton Econometric Forecasting Associates, a US-based commercial think-tank founded by Nobel prize winner Dr Lawrence Klein.

His responsibilities included macro-economic modelling and econometric analysis of selected sub-Saharan African countries.

He recently acted as a financial economics adviser to the Reserve Bank of South Africa.

Fouche said arbitrage opportunities, where salaries in one country are much lower than others, will change service jobs, simply because of massive wage differences.



"An accountant in US earns five times more than one in Poland. A nurse in Kenya, 20 times less than the counterpart in Germany. Skilled people who work from home in one country can use the massive high-tech developments to export their skills to another country, especially if there is a large difference in salaries."

The same is not possible with products, because they have to physically cross borders, which offers a degree of protection to the local manufacturing workers.

In addition, research showed

**NOT SO SECURE:** People in production are now at less risk of losing jobs, compared to those highly skilled people in service industries, says business analyst Francois Fouche.

Picture: TED KEENAN

a steady decline of ocean-crossing exports of products and an ever-increasing trade with neighbours, which creates significant opportunity for South African companies to export into Africa.

"Digital technology allows skilled workers to effectively leap borders while remaining in their office. It is the age of telecommuting to areas of demand, in effect foreign freelancers.

"They can earn money anywhere they choose, and the more specialised their job, the more they are in demand. Language used to be a barrier

as much as a border is, but that has changed, said Fouche.

There are programmes that allow almost instantaneous translation of most languages. He said Skype and similar programmes created a global office where communication could be both verbal and visual.

"Trade Advisory is involved in working with a group in China. A few years ago, communications would have made this a long process, with them speaking Mandarin and us English. Not today. There is quick translation, making communication fast and accurate."

# Media group faces testing times ahead

SISEKO NJOBENI

Tiso Blackstar Group warned in midweek that it expects a tough second half for its media business, with political uncertainty in the run-up to the elections and rising newsprint costs expected to weigh on performance.

The publisher of Business Day, Sunday Times, Sowetan and the Daily Dispatch said the media unit faced rising input costs such as newsprint, "but prudent cost management and growth in new revenues such as digital and eventing will diversify revenue".

Chief executive Andrew Bonamour said tough economic conditions, characterised by low growth, and rising input costs "have forced a continued review of costs across the [media] division".

In the six months to end-December, Tiso increased revenue 2.9% to R2bn, while operating profit from continuing operations was up 21.6% to R144.1m. Tiso's operating costs were down 5.5% to R442.5m. The company reported a total comprehensive loss for the period of R66.5m, compared with a loss of R57.5m in the corresponding period in 2017.

Tiso's retail marketing and packaging company Hirt & Carter increased revenue 11.5% to R1.1bn.

"The Hirt & Carter Group is focused on growing its customer base and utilising cross-selling opportunities to deliver volumes and drive topline growth," Bonamour said.

Revenue from the media business declined 5.9% to R702.1m.

"Traditional reader and advertising revenue continue to be challenged by the economy," the company said. "The full implementation of new editorial systems and work-flows will

ensure market-leading digital-first capacity and strong production savings."

Tiso's investments in the six months included the launch of Vrye Weekblad, a digital Afrikaans product in order to secure new digital subscription revenues, a new business intelligence system and a procurement system to reduce costs, it said.

The group sold unwanted steel business Consolidated Steel Industries (CSI) for R50m in November 2018.

These include disposing of a 47.6% share in steel maker Robor. Bonamour said the company wanted to exit the business "as efficiently and quickly as possible whilst also realising value for shareholders".

He said Robor's merger with another steel company, Mac-

**In the six months to end-December, Tiso Blackstar increased revenue 2.9% to R2bn**

steel, had not materialised. The Competition Commission recommended to the Competition Tribunal in December that it approve Robor's acquisition of Macsteel's tube and pipe business.

"However, Macsteel and Trident, two of SA's largest steel tube and pipe manufacturers, both announced the closure of their manufacturing plants, which should increase volumes through Robor's plant and improve profitability," he said.

Bonamour said the company prioritised cost management, the disposal of its stake in steel-maker Robor and extracting value from its 20.01% stake in Kagiso Tiso Holdings. — **BDLive**



			4		
1	5		9	7	4
3	5		7		1
5	9		7		6
3	2		1		9
5	8		4		3
6	8		3		2
			2		

Today's Puzzle

su | do | ku

© Puzzles by Pappocom

**HOW TO PLAY:** Every digit from 1 to 9 must appear in each of the nine vertical columns, in each of the nine horizontal rows, and in each of the nine boxes. Solutions, tips and a computer programme can be found at [www.sudoku.com](http://www.sudoku.com)

7	5	2	6	3	9	4	8	1
3	8	9	7	4	1	2	6	5
6	4	1	8	2	5	9	7	3
5	6	4	9	8	2	3	1	7
2	1	8	4	7	3	5	9	6
9	7	3	5	1	6	8	2	4
8	9	7	3	6	4	1	5	2
1	3	5	2	9	7	6	4	8
4	2	6	1	5	8	7	3	9

Yesterday's Solution

## briefing

### SOEs' banks bill awaits Cyril's nod

LINDA ENSOR

A proposed law allowing state-owned enterprises (SOEs) to establish banks passed the penultimate hurdle in midweek before it is sent to President Cyril Ramaphosa for signature and promulgation.

The National Council of Provinces (NCOP) select committee on finance adopted the Financial Matters Amendment Bill, which contains the enabling provision for state-owned banks.

The bill, along with a number of other bills including the Copyright Amendment Bill, goes before the final plenary session of the NCOP on Thursday for final adoption.

The DA opposed the bill because it opposes the establishment of state-owned banks. The party has long argued that no economic rationale has been presented for them, the creation of which has long been on the agenda of the ruling ANC and was included among the resolutions adopted by the party at its December national congress.

The Treasury's Financial Matters Amendment Bill includes conditions that will have to be met before a bank can be established by an SOE. The assets of the SOE must exceed its liabilities and its application for a banking licence must be approved by the finance minister in concurrence with the relevant minister responsible for the SOE.

The same requirements for applications for banking licences will apply to those of a state-owned bank. The bill also includes important amendments to the Insolvency Act, which are needed for SA to comply with its international obligations for over-the-counter derivative contracts.

Reserve Bank governor Lesetja Kganyago has urged the adoption of the amendments, which he says are vital for the stability of the banking system as they provide security to creditors in the event of insolvency.

The bill also contains amendments to the Military Pensions Act and the Government Employees Pension Law. — **BDLive**

# New tax agency boss looks to clean up mess

GENEVIEVE QUINTAL

Newly-appointed SA Revenue Service (Sars) commissioner Edward Kieswetter says he will need all the help he can get as he seeks to restore a once world-class institution that was wrecked during the years of state capture.

The Treasury said in midweek that President Cyril Ramaphosa had appointed the previous deputy commissioner, who has also been CEO of financial services company Alexander Forbes, from May 1 for a five-year term.

He is part of the board that was appointed to clean up Transnet, one of the state-owned enterprises that was weakened by rampant corruption and mismanagement over the past decade.

"The country needs a well functioning and respected revenue authority that has integrity," Kieswetter told Business Day shortly after the announcement of his appointment.

"There is a big job waiting for me and so it is with a mixture of excitement, but also significant humility knowing what challenges lie before us. I will obviously need all the help I can get."

Kieswetter will take over from Mark Kingon, a Sars veteran who took over in an acting capacity after Ramaphosa suspended Tom Moyane in 2018. The former commissioner was fired in November, in line



EDWARD KIESWETTER

Nazrien Kader.

Finance minister Tito Mboweni submitted the panel's report and his recommendation to the president on Monday.

Kieswetter was deputy commissioner between 2004 and 2009, when the agency, which collects the tax revenue the government uses to fund everything from education to defence, was headed by current public enterprises minister Pravin Gordhan.

The former Alexander Forbes boss had set up the large business centre and high net-worth individual unit, leading to both compliance and revenue collection improvements, the Treasury said. This was one of the units dismantled during the restructuring by Moyane and Bain.

Nugent found that Moyane lacked integrity and had colluded with consultants Bain & Co to implement a restructuring that weakened the agency.

Kieswetter was hired after the government followed a process recommended by Nugent, which involved the setting up of an interview panel, chaired by former finance minister Trevor Manuel.

Other members included judge Dennis Davis and Treasury tax chief Ismail Momoniat.

The Treasury said Kieswetter's appointment was recommended by the panel. He was chosen from a list of six candidates that included Nathaniel Mababwa, Sunita Manik, Kingon, Gene Ravele and

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