

# Weekly Market Report

07 January 2019

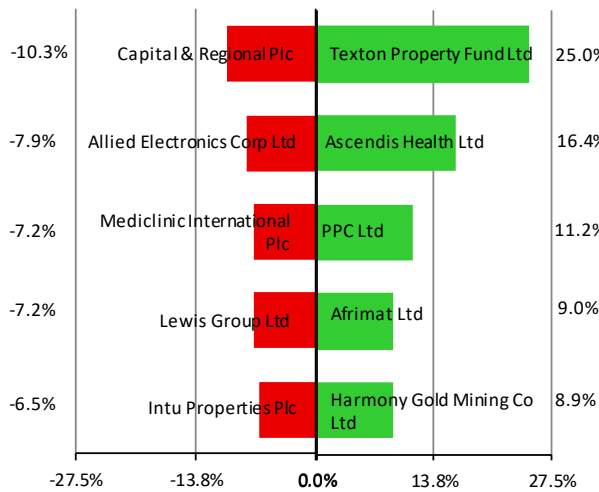
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Key Global Indices	04 Jan 2019 Close	1W% Change	YTD % Change
JSE All Share	52202.95	-0.5%	-1.0%
FTSE 100	6837.42	1.5%	1.6%
DAX 30	10767.69	2.0%	2.0%
CAC 40	4737.12	1.2%	0.1%
DJIA	23433.16	1.6%	0.5%
S&P 500	2531.94	1.9%	1.0%
NASDAQ Comp.	6738.86	2.3%	1.6%
Nikkei 225	19561.96	-2.3%	-2.3%
Shanghai Comp	2514.87	0.8%	0.8%
S&P/ASX 200	5619.36	-0.6%	-0.5%

## South African Equity Markets

South African markets ended lower last week. Capital & Regional, Allied Electronics Corp and Mediclinic International plummeted 10.3%, 7.9% and 7.2%, respectively. Real estate company, Intu Properties plunged 6.5%, as the company is most exposed to the collapse of CD and DVD retailer, HMV Retail. As per news reports, 15 of Intu's sites are occupied by HMV. On the flipside, real estate companies, Texton Property Fund rallied 25.0%. The majority of shareholders in Texton Property Fund have voted against buying back shares in the group from the Public Investment Corporation. Construction material companies, PPC and Afrimat climbed 11.2% and 9.0%, respectively. Gold mining company, Harmony Gold Mining jumped 8.9%, following a rise in gold prices. The JSE All Share Index declined 0.5% to close at 52,202.95.

## JSE All Share - Weekly Gainers & Losers



## JSE All Share - Daily Chart



## Top 10 New 52 Week Highs

Share	52Week High (ZAR)	1W% Change
African Rainbow Minerals Ltd	144.33	-3.1%
AngloGold Ashanti Ltd	191.37	1.0%

## Top 10 New 52 Week Lows

Share	52Week Low (ZAR)	1W% Change
Rebosis Property Fund Ltd - Class B	2.49	-1.9%
Hyprop Investments Ltd	79.46	4.2%
RCL Foods Ltd/South Africa	13.25	0.0%
Hammerson Plc	57.67	-3.2%
Raubex Group Ltd	15.50	-1.2%
Mediclinic International Plc	52.86	-7.2%
AECI Ltd	77.01	-0.01%
Investec Ltd	76.25	0.8%
Coronation Fund Managers Ltd	40.05	-1.4%
Octodec Investments Ltd	16.40	5.0%

Key Currencies	04 Jan 2019 Close	1W% Change	YTD % Change
USDZAR	13.9649	-3.2%	-2.7%
EURZAR	15.9162	-3.6%	-3.3%
GBPZAR	17.7656	-3.0%	-3.0%
EURUSD	1.1395	-0.4%	-0.6%
EURCHF	1.1244	-0.1%	-0.1%
GBPUSD	1.2723	0.2%	-0.2%
USDJPY	108.51	-1.6%	-1.1%
USDCHF	0.9876	0.3%	0.4%
AUDUSD	0.7113	0.9%	0.9%
USDCAD	1.3374	-1.9%	-1.9%

## Daily USD/ZAR



Key Commodities	04 Jan 2019 Close	1W% Change	YTD % Change
Gold (\$/oz)	1286.05	0.6%	0.3%
Silver (\$/oz)	15.79	2.3%	1.6%
Copper (US\$/lb.)	2.65	-1.3%	0.6%
Brent Crude (\$/bbl)	57.06	7.2%	6.1%
Sugar No.11 (US\$/lb.)	11.93	-3.7%	-0.8%
Iron Ore 62% Fe (\$/dry MT)	71.66	1.7%	1.5%

## Daily Platinum



## Currencies

The ZAR strengthened against its major peers last week. On the data front, South Africa's annual private sector credit demand growth slowed in November. Additionally, M3 money supply rose less than market forecast on a yearly basis in November.

For the week, the USD weakened 3.2% against the South African Rand to close at R13.9649. The EUR was 3.6% lower at R15.9162 and the GBP was 3.0% weaker at R17.7656 for the week.

The US Dollar traded mostly lower against its key counterparts last week, after the US Federal Reserve (Fed) Chairman, Jerome Powell reiterated that the central bank would continue to patiently execute its decisions related to interest rate increase in 2019, based on incoming data about the US and global economy. Among economic releases, the US Markit manufacturing PMI declined to its lowest level in 15 months in December, amid a slower increase in new businesses. Additionally, unemployment rate unexpectedly advanced in December, recording its highest level since August 2018. Moreover, the ISM manufacturing activity index eased more-than-expected to its lowest level since November 2016 in December. Further, initial jobless claims unexpectedly jumped to a four-week high level in the week ended 29 December 2018. Also, the final reading of service sector activity fell in December, in comparison to the previous month's reading, as new business growth dipped to its lowest level since October 2017. In contrast, non-farm payrolls climbed more than market forecast in December, reaching its highest level in 10 months.

The EUR dropped against the USD last week, after the Eurozone's Markit manufacturing PMI eased in December, recording its lowest level since February 2016. Additionally, the Markit services PMI declined more than market forecast in December. Further, the consumer price index (CPI) rose at a slower-than-expected pace on a yearly basis in December. Separately, German Markit manufacturing PMI dropped to a 33-month low in December. Moreover, the Markit services PMI eased more than market forecast in December.

The GBP rose against the USD last week, after data revealed that UK's Markit manufacturing PMI unexpectedly climbed in December, notching its highest level in six months. Moreover, Markit services PMI rose more-than-expected in December. On the flipside, the nation's mortgage approvals declined more than market forecast to a seven-month low in November.

## Commodities

Gold prices rose last week, amid weakness in the US Dollar, following the US Fed Chairman, Jerome Powell's comments that the central bank would be patient with monetary policy tightening in the future. Going ahead, market participants will closely watch the FOMC December meeting minutes, the US CPI, the NFIB small optimism index, JOLTS job openings, consumer credit, trade balance, MBA mortgage applications and durable goods orders for further direction.

Crude oil prices advanced last week, after proposed trade talks between the US and China helped to allay fears of a slowdown in global economic growth. Moreover, the American Petroleum Institute reported that the US crude supplies dropped by 4.5 million bbls in the week ended 28 December 2018. Additionally, Baker Hughes reported that the US oil rig count fell by 8 to 877 last week. Meanwhile, the US Energy Information Administration reported that crude oil inventories rose by 7,000 bbls to 441.4 million bbls last week.

Copper prices traded in negative territory last week, after Apple Inc. slashed its sales forecast for China, the top metals consumer and as a recent Chinese manufacturing activity gauge fell into contraction territory.

## Key Economic News Last Week

Country	News
South Africa	Private sector credit demand growth slowed to 5.56% on a yearly basis in November, compared to a growth of 5.82% in October.
	M3 money supply rose 5.69% on an annual basis in November, less than market expectations and compared to a rise of 5.99% in October.

## Economic Calendar - Week Ahead

	Monday, Jan 07, 2019	Tuesday, Jan 08, 2019	Wednesday, Jan 09, 2019	Thursday, Jan 10, 2019	Friday, Jan 11, 2019
South Africa	PMI Manufacturing (Dec)	Gross Gold & Forex Reserve (Dec)	-	SACCI Business Confidence Index (Dec)	-
	Naamsa Vehicle Sales (Dec)	Net Gold & Forex Reserve (Dec)	-	Manufacturing Production Index (Nov)	-
	-	Electricity Production (Nov)	-	-	-
	-	Electricity Consumption (Nov)	-	-	-

## South African Corporate News

Company Name	News
<b>Anglo American</b>	The company announced that Ruben Fernandes, currently Chief Executive Officer (CEO), will succeed Duncan Wanblad as the CEO of Base Metals, effective from 1 March 2019. Further, Wilfred Bruijn has been appointed as the CEO of the company in Brazil, succeeding Ruben Fernandes.
<b>Growthpoint Properties</b>	The company announced that Mr R A Krabbenhöft has stepped down as the Company Secretary, with effect from 31 December 2018, pursuant to his retirement.
<b>Huge Group</b>	The company announced that Mr Zunaid Bulbulia has resigned as a Director of the company and its subsidiary companies, with effect from 31 December 2018. Zunaid has also resigned as an employee of Huge, where he held the position of Chief Financial Officer. The company has however entered into a consulting arrangement with Zunaid for the provision of services.
<b>NEPI Rockcastle</b>	The company announced that its wholly-owned subsidiary, Tuvalu sp.z.o.o, has entered into an agreement to acquire Serenada and Krokus shopping centres, both located in Krakow, Poland. The acquisition is subject to fulfilment of conditions precedent and conclusion of a final purchase agreement.
<b>Sea Harvest Group</b>	The company released an announcement related to the acquisition of 100% of Ladismith Cheese Company Proprietary Limited. Further, shareholders were advised that all the conditions precedent have now been fulfilled and the transaction has become unconditional.

## Research Disclosure

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