

# Weekly Market Report

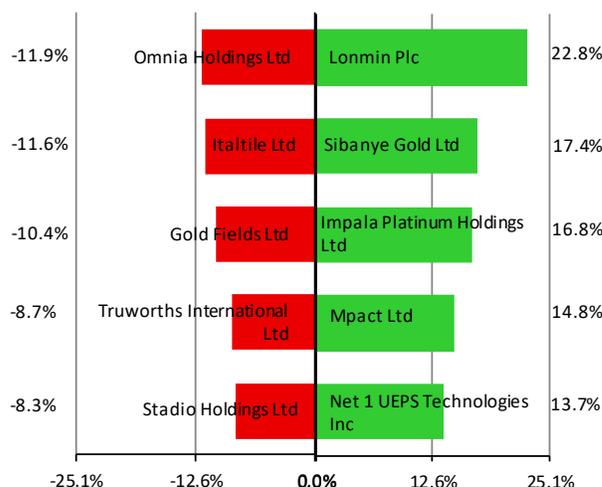
11 February 2019

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Key Global Indices	08 Feb 2019 Close	1W% Change	YTD % Change
JSE All Share	53244	-1.3%	1.0%
FTSE 100	7071	0.7%	5.1%
DAX 30	10907	-2.4%	3.3%
CAC 40	4962	-1.1%	4.9%
DJIA	25106	0.2%	7.6%
S&P 500	2708	0.05%	8.0%
NASDAQ Comp.	7298	0.5%	10.0%
Nikkei 225	20333	-2.2%	1.6%
Shanghai Comp*	2618	0.6%	5.0%
S&P/ASX 200	6071	3.6%	7.5%

\*Value as on 1st February 2019

## JSE All Share - Weekly Gainers & Losers



## South African Equity Markets

South African markets ended lower last week. Platinum miner, Lonmin rallied 22.8%, despite reporting a substantial decline in its 1Q 2019 mining production. Sibanye Gold surged 17.4%, even as its bid to halt a strike of its operations by the Association of Mineworkers and Construction Union had been rejected by the labour court. Impala Platinum Holdings soared 16.8%, after the company recorded an increase in its 2H 2018 platinum sales. Mpact jumped 14.8%, after the firm announced that it expects to record a substantial growth in its FY 2018 HEPS. On the flipside, Omnia Holdings plummeted 11.9%, after the firm announced that its Group Finance Director, Wayne Koonin had resigned. Gold Fields slumped 10.4%, after the firm indicated that it expects a significant fall in its FY 2018 HEPS, following a six-week strike at its South Deep mine. The JSE All Share Index declined 1.3% to close at 53,244.

## JSE All Share - Daily Chart



## Top 10 New 52 Week Highs

Share	52Week High (ZAR)	1W% Change
Clover Industries Ltd	24.22	10.0%
Sibanye Gold Ltd	14.37	17.4%
Capitec Bank Holdings Ltd	1195.00	1.0%
Impala Platinum Holdings Ltd	45.44	16.8%
African Rainbow Minerals Ltd	162.38	8.4%
Anglo American Platinum Ltd	668.99	2.4%
PSG Group Ltd	254.00	-2.0%
Anglo American Plc	349.03	-1.4%
Northam Platinum Ltd	52.30	4.7%

## Top 10 New 52 Week Lows

Share	52Week Low (ZAR)	1W% Change
AVI Ltd	88.92	-1.8%
Omnia Holdings Ltd	71.10	-11.9%
Massmart Holdings Ltd	84.26	-4.8%
Alexander Forbes Group Holdings Ltd	4.36	-1.3%
Peregrine Holdings Ltd	16.69	-2.5%
Sappi Ltd	70.02	-8.0%
Hosken Consolidated Investments Ltd	111.15	-3.1%
Coronation Fund Managers Ltd	38.82	-3.5%
Vodacom Group Ltd	111.90	-5.8%
Tongaat Hulett Ltd	46.10	-5.7%

Key Currencies	08 Feb 2019 Close	1W% Change	YTD % Change
USDZAR	13.62	2.2%	-5.0%
EURZAR	15.43	1.1%	-6.3%
GBPZAR	17.64	1.2%	-3.7%
EURUSD	1.13	-1.2%	-1.3%
EURCHF	1.13	-0.7%	0.7%
GBPUSD	1.29	-1.0%	1.5%
USDJPY	109.73	0.2%	0.04%
USDCHF	1.00	0.5%	1.8%
AUDUSD	0.71	-2.2%	0.6%
USDCAD	1.33	1.3%	-2.6%

## Daily USD/ZAR



Key Commodities	08 Feb 2019 Close	1W% Change	YTD % Change
Gold (\$/oz)	1316.61	-0.1%	2.7%
Silver (\$/oz)	15.81	-0.8%	1.7%
Copper (US\$/lb.)	2.81	1.4%	6.8%
Brent Crude (\$/bbl)	62.10	-1.0%	15.4%
Sugar No.11 (US\$/lb.)	12.71	0.9%	5.7%
Iron Ore 62% Fe (\$/dry MT)	81.07	0.0%	14.9%

## Daily Platinum



## Currencies

The ZAR weakened against its major peers last week. On the data front, South Africa's SACCI business confidence index slightly dipped in January. Additionally, gross gold & forex reserves fell in January. Meanwhile, the nation's net gold & forex reserves registered a slight advance in January. Separately, South African President, Cyril Ramaphosa, in his State of the Nation address, pledged to revive the country's flagging economy and tackle deep-seated corruption.

For the week, the USD strengthened 2.2% against the South African Rand to close at R13.62. The EUR was 1.1% higher at R15.43 and the GBP was 1.2% stronger at R17.64 for the week.

The US Dollar, which is seen as a safe-haven currency, strengthened against its key counterparts last week, as concerns that the US and China would not be able to reach a trade deal reignited fears of a global slowdown. On the data front, the US trade deficit narrowed more-than-expected in November. In contrast, the ISM non-manufacturing PMI expanded at a slower pace and the Markit services PMI registered a decline in January.

The EUR dropped against the USD last week, after the European Commission slashed its Eurozone economic growth forecast for this year and the next, as it expects the bloc's largest countries to be held back by global trade tensions and a string of domestic challenges. On the macroeconomic front, the Eurozone's Sentix investor confidence index deteriorated to a four-year low in February. Meanwhile, the region's Markit services PMI remained unchanged at its lowest reading since November 2014 in January. Moreover, monthly retail sales declined to its lowest level in seven and a half years in December. Separately, German industrial production came in worse than expected for December, reinforcing concerns over the health of the Eurozone's largest economy.

The GBP fell against the USD last week, after the Bank of England, at its latest monetary policy meeting, unanimously stood pat on interest rates and cut the UK's growth forecasts for this year and the next. Data revealed that UK's construction PMI dropped to a ten-month low level in January, amid ongoing Brexit uncertainty. Moreover, Markit services PMI fell more than market forecast to its lowest level in two-and-a-half years in January. Meanwhile, the European Union agreed to work with Theresa May on "whether a way can be found" to avoid a no-deal Brexit.

## Commodities

Gold prices declined last week, as strength in the US Dollar dented demand for the safe haven asset. Going ahead, market participants will closely watch the US consumer price index, JOLTS job openings, NFIB small optimism index, weekly mortgage applications, initial jobless claims, retail sales, industrial production and the Michigan consumer sentiment index for further cues.

Crude oil prices dropped last week, as worries over global economic slowdown weighed on the demand outlook for the commodity. Additionally, the American Petroleum Institute reported that crude oil inventories advanced by 2.5 million bbls in the week ended 1 February 2019. Moreover, Baker Hughes reported that US oil rig count rose by 7 to 854 last week. Meanwhile, the US Energy Information Administration reported that crude oil inventories rose less than market forecast by 1.3 million bbls last week.

Copper traded in positive territory last week, amid hopes of easing trade tensions between the US and China.

## Key Economic News Last Week

Country	News
	The business confidence index dipped to a level of 95.10 in January. The index had registered a level of 95.20 in the previous month.
	Electricity consumption recorded a rise of 0.9% on a yearly basis in December. In the prior month, electricity consumption had registered a similar rise.
<b>South Africa</b>	Electricity production slid 1.8% on an annual basis in December. The electricity production had recorded a drop of 0.2% in the prior month.
	Gross gold & forex reserves registered a drop to \$50.83 billion in January. In the prior month, gross gold & forex reserves had registered a reading of \$51.64 billion.
	Net gold & forex reserves advanced to \$43.59 billion in January. In the prior month, the net gold & forex reserves had recorded a level of \$43.09 billion.

## Economic Calendar - Week Ahead

	Monday, Feb 11, 2019	Tuesday, Feb 12, 2019	Wednesday, Feb 13, 2019	Thursday, Feb 14, 2019	Friday, Feb 15, 2019
	-	Unemployment Rate (4Q 2018)	Retail Sales (Dec)	Mining Production (Dec)	-
<b>South Africa</b>	-	Manufacturing Production Index (Dec)	-	Gold Production (Dec)	-
	-	-	-	Platinum Production (Dec)	-

## South African Corporate News

Company Name	News
<b>African &amp; Overseas Enterprises</b>	The company, in its 2H 2018 trading statement, indicated that it expects HEPS to rise by at least 20.0%, compared with 31.80c per share in the prior year. Further, the company expects that EPS will increase by at least 20.0%, compared with 31.70c per share in the prior year.
<b>Anglo American Platinum</b>	The company, in its updated FY 2018 trading statement, indicated that the company expects HEPS to be between 2,715.00c and 3,010.00c, which is 83.0% to 103.0% higher compared with the same period of the previous year. Further, the company expects EPS to be in the range of 2,510.00c to 2,655.00c.
<b>AngloGold Ashanti</b>	The company, in its FY 2018 trading statement, indicated that it expects HEPS to be between 50.00c and 54.00c compared with a HEPS of 6.00c recorded in the corresponding period of the previous year. Moreover, the company expects EPS to be in the range of 29.00c to 33.00c compared with the loss per share of 46.00c posted in the same period of the prior year.
<b>ArcelorMittal South Africa</b>	The company, in its FY 2018 results, indicated that its revenue rose to R45.27 billion from R39.02 billion posted in the corresponding period of the previous year. Its diluted EPS stood at 125.00c compared with a loss per share of 469.00c recorded in the same period of the prior year.
<b>Astral Foods</b>	The company, in its 1Q 2019 operational update, indicated that operating profit for the period was significantly lower than the corresponding period of the previous year. Disappointing consumer spending during the period and high poultry stock levels at the end of FY 2018, resulted in average selling prices below that of the comparative period. Higher sales volumes during the first quarter culminated in a reduction in the company's poultry finished goods stock levels at the end of December 2018. Further, despite the current trading conditions, the company is continuing with its strategy to upgrade and expand the festive processing plant located in Midrand.
<b>Barloworld</b>	The company announced that Ms. Funke Ighodaro has tendered her resignation as the Chief Financial Officer (CFO) designate and Executive Director with effect from 1 February 2019 to pursue other interests.
<b>Curro Holdings</b>	The company, in its FY 2018 trading statement, indicated that the company expects HEPS to be between 58.70c and 61.20c, which is 22.0% to 27.0% higher compared with the corresponding period of the prior year. The company expects EPS to be in the range of 58.70c to 61.20c, which is 15.0% to 20.0% higher compared with the same period of the preceding year.
<b>Finbond Group</b>	The company, in its results for the year ending 28 February 2019, indicated that HEPS is expected to decrease by at least 11.71c per share, which is a fall of 35.0% compared with the 33.70c per share reported for the prior year. Further, the company expects EPS to decrease by at least 10.95c per share, which is a decline of 35.0% compared with the 31.30c per share reported for the prior year. Separately, the company announced that it has appointed SNG Grant Thornton as external auditors, effective immediately.
<b>Gold Fields</b>	The company, in its FY 2018 trading statement, indicated that it expects HEPS to be in the range of \$0.05 to \$0.09, which is 65.0% to 81.0% lower compared with the same period of the previous year.
<b>Hammerson</b>	The company announced the appointment of Carol Welch as a Non-Executive Director with effect from 1 March 2019.
<b>Harmony Gold Mining</b>	The company, in its 1H 2019 operating overview and trading statement, indicated that gold production advanced by 34.0% compared with the same period of the prior year to 751,000.00oz. Further, the company expects HEPS to be in the range of 7.00c to 29.00c, which is 87.0% to 97.0% lower compared with the same period of the previous year. The company expects EPS to be between 6.00c and 26.00c, which is 87.0% to 97.0% lower compared with the corresponding period of the preceding year.
<b>Impala Platinum Holdings</b>	The company, in its 2H 2018 trading statement, reported that it expects HEPS and EPS to be at least 292.00c. The company's refined platinum production for the period is expected to increase by 10.0% to 800.00koz, primarily due to a stock release of circa 44.00koz platinum and improved performance from Impala Rustenburg. Platinum sales volumes are expected to increase by 19.0% compared with the same period of the previous year to 773.00koz.
<b>Imperial Logistics</b>	The company, in its 1H 2019 trading statement, indicated that the company expects HEPS to be between 285.00c and 315.00c, compared with 241.00c in the same period of the previous year. The company expects EPS to be in the range of 2,966.00c to 2,998.00c, compared with 671.00c in the corresponding period of the prior year.
<b>Indluplace Properties</b>	The company announced that Mark Kaplan and Imraan Suleman (the Chief Executive Officer (CEO) and CFO, respectively, of the company's controlling shareholder Arrowhead Properties Limited), no longer play an active executive role in the company and that as part of the group's ongoing commitment to good governance and that the company's shareholders are advised that Mark Kaplan has resigned as an Executive Director with effect from 7 February 2019. Imraan Suleman will remain on the board as a Non-Executive Director, but has stepped down from his role as an Executive Director of the company, also with effect from 7 February 2019. In a further change to the board, Yondela Silimela has resigned as an independent Non-Executive Director, with effect from 30 April 2019.

## South African Corporate News

Company Name	News
<b>Life Healthcare Group Holdings</b>	The company announced that Avanthi Parboosing has been appointed as the Group Company Secretary of Life Healthcare with effect from 1 March 2019.
<b>Lonmin Plc</b>	The company, in its 1Q 2019 production report, stated that mining production decreased by 7.0% compared with the same period of the previous year to 2.20 million tonnes. Refined platinum production declined by 10.4% compared with the corresponding period of the prior year to 144,651.00oz, due to reduced mining tonnes, lower grades and recoveries. Platinum sales were 4.6% lower and Platinum group metals sales were 12.7% lower at 140,488.00oz and 255,152.00oz, respectively. Further, the twelve-month rolling total injury frequency rate to 31 December 2018 was 10.08 per million-man hours.
<b>Mpact</b>	The company, in its FY 2018 trading statement, indicated that the company expects HEPS to be between 190.00c and 200.00c, an increase of between 15.5% and 21.6% compared with the same period of the previous year. The company expects EPS to be in the range of 180.00c to 190.00c, which is 11.0% to 17.2% higher compared with the corresponding period of the prior year. Further, the company expects total revenue to increase by approximately 5.0%, with underlying EBIT increasing between 44.0% and 50.0%.
<b>MTN Group</b>	The company, in its FY 2018 trading statement, indicated that it expects HEPS and EPS to be 36.40c and 49.20c, respectively, which is a 20.0% improvement compared with the same period of the previous year.
<b>Net 1 UEPS Technologies</b>	The company, in its 2Q 2019 results, stated that its revenue decreased to \$97.15 million from \$148.42 million posted in the corresponding period of the previous year. Its diluted loss per share stood at \$1.12 compared with an EPS of \$0.17 recorded in the same period of the prior year.
<b>Northam Platinum</b>	The company, in its 1H 2019 trading statement and operational update, indicated that the company expects headline loss per share to be in the range of 18.60c to 19.40c, compared with the same period of the previous year. Further, the company expects loss per share to be between 17.80c and 18.60c. The company expects to record an operating profit of R1.00 billion, compared to the prior year period. Also, revenue for the period increased by 48.6% to approximately R5.00 billion and net debt stood at approximately R2.90 billion.
<b>Omnia Holdings</b>	The company announced that Mr. Wayne Koonin has resigned as the Group Finance Director, with effect from 1 February 2019 and will leave the group on 31 March 2019.
<b>PPC</b>	The company, in its 9M 2018 operational update, stated that despite difficult trading conditions, average cement prices in Southern African (including Botswana) increased by 1.0% to 2.0% for the period. Cement volumes decreased by 2.0%, against the backdrop of estimated market contraction of between 4.0% and 5.0%. Total cement imports increased by 80.0% for the January-November 2018 period, with imports into Cape Town increasing by 48.0% to 209,000.00 tonnes.
<b>Sappi</b>	The company, in its 1Q 2019 results, stated that its revenue increased to \$1.42 billion from \$1.33 billion posted in the corresponding period of the previous year. Its diluted EPS rose to 15.00c from 11.00c recorded in the same period of the prior year. The company stated that its EBITDA excluding special items stood at \$197.00 million compared with \$172.00 million posted in the comparable period of the preceding year. Further, net debt for the period stood at \$1.56 billion.
<b>Sasol</b>	The company, in its 1H 2019 trading statement, indicated that it expects HEPS to be between R22.97 and R23.68, which is 30.0% to 34.0% higher compared with the corresponding period of the previous year. Further, the company expects EPS to be in the range of R23.71 to R24.16 compared with the same period of the preceding year.
<b>South32</b>	The company announced the election of Karen Wood as Chair Elect of the Board of Directors. Karen will succeed David Crawford AO effective from 12 April 2019, at which time David will retire as Chairman and Non-Executive Director.
<b>Stenprop</b>	The company announced that Patsy Watson has indicated her intention to retire from her role as CFO during 2019.
<b>Sun International</b>	The company announced that Mr. Valli Moosa, the current Chairman of the company has decided to retire from the Board at the 2019 Annual General Meeting of the company, which will be taking place on 14 May 2019 and he will not be standing for re-election as a Director. Furthermore, the firm indicated that with effect from the end of the Annual General and subject to him being elected by shareholders as a Director of the Company, Mr. Jabu Mabuza will be appointed as the new Non-Executive Chairman of Sun International.
<b>Woolworths Holdings</b>	The company announced that David Thomas, the CEO of David Jones, an Australian subsidiary of the company, has resigned.

## Research Disclosure

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