

Weekly Market Report

09 April 2018

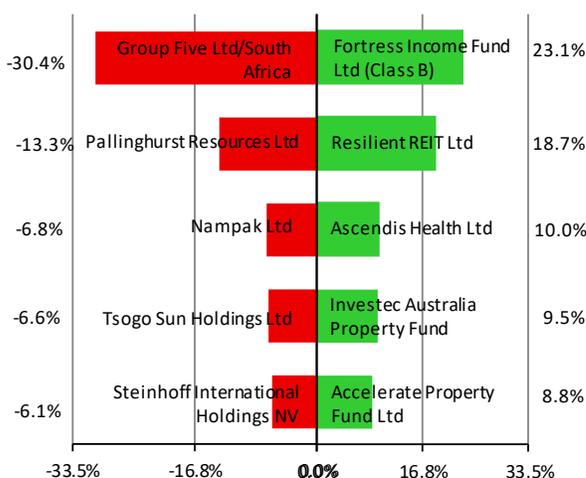
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Key Global Indices	06 April 2018 Close	1W% Change	YTD % Change
JSE All Share	55878.81	0.7%	-6.1%
FTSE 100	7183.64	1.8%	-6.6%
DAX 30	12241.27	1.2%	-5.2%
CAC 40	5258.24	1.8%	-1.0%
DJIA	23932.76	-0.7%	-3.2%
S&P 500	2604.47	-1.4%	-2.6%
NASDAQ Comp.	6915.11	-2.1%	0.2%
Nikkei 225	21567.52	0.5%	-5.3%
Shanghai Comp	3131.11	-1.2%	-5.3%
S&P/ASX 200	5788.74	0.5%	-4.6%

South African Equity Markets

South African markets ended higher last week, buoyed by gains in real estate sector stocks. However, gains were capped as concerns regarding global trade war continued to weigh on the JSE All Share index. Real estate company, Resilient REIT surged 18.7%, as it announced completion of the independent audit of its financials and stated that it had no knowledge of any management misconduct in dealings with the Siyahka education trust. Peers, Fortress Income Fund, Investec Australia Property Fund and Accelerate Property Fund rallied 23.1%, 9.5% and 8.8%, respectively. In contrast, Group Five tanked 30.4%, as it expects to report a significant increase in its 1H 2018 loss compared to its previous guidance. Retailer, Steinhoff International Holdings plunged 6.1%, after it indicated that its European real-estate portfolio may be worth significantly lower than previous estimates. The JSE All Share Index advanced 0.7% to close at 55,878.81.

JSE All Share - Weekly Gainers & Losers



JSE All Share - Daily Chart



Top 10 New 52 Week Highs

Share	52Week High (ZAR)	1W% Change
Astral Foods Ltd	326.68	1.9%

Top 10 New 52 Week Lows

Share	52Week Low (ZAR)	1W% Change
Bid Corp Ltd	242.67	4.6%
Rand Merchant Investment Holdings Ltd	37.82	0.9%
Sappi Ltd	71.80	6.7%
Northam Platinum Ltd	33.71	-0.9%
Tongaat Hulett Ltd	98.00	-0.6%
Curro Holdings Ltd	29.01	-2.8%
Net 1 UEPS Technologies Inc	104.04	1.8%
Group Five Ltd/South Africa	4.50	-30.4%

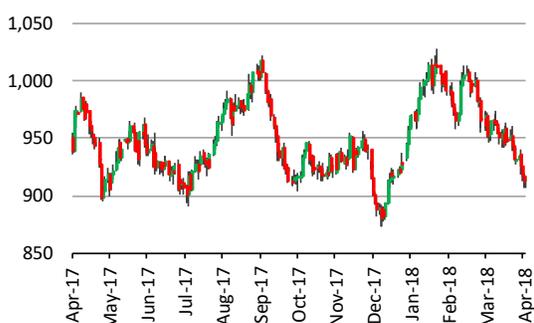
Key Currencies	06 April 2018 Close	1W% Change	YTD % Change
USDZAR	12.0329	1.6%	-2.8%
EURZAR	14.7773	1.2%	-0.5%
GBPZAR	16.9518	2.1%	1.4%
EURUSD	1.2281	-0.3%	2.3%
EURCHF	1.1779	0.2%	0.6%
GBPUSD	1.4092	0.5%	4.3%
USDJPY	106.93	0.6%	-5.1%
USDCHF	0.9591	0.5%	-1.6%
AUDUSD	0.7684	0.1%	-1.6%
USDCAD	1.2782	-0.9%	1.7%

Daily USD/ZAR



Key Commodities	06 April 2018 Close	1W% Change	YTD % Change
Gold (\$/oz)	1333.03	0.6%	2.3%
Silver (\$/oz)	16.36	0.6%	-4.6%
Copper (USD/lb.)	3.06	1.1%	-7.3%
Brent Crude (\$/bbl)	67.11	-3.2%	0.4%
Sugar No.11 (USD/lb.)	12.34	-0.1%	-18.6%
Iron Ore 62% Fe (\$/dry MT)	62.16	-0.1%	-12.2%

Daily Platinum



Currencies

The ZAR weakened against its major peers last week. Finance Minister, Nhlanhla Nene, stated that South Africa's Treasury is on track to achieve its revenue collection target of ZAR1.217 trillion for FY2017-2018. On the macroeconomic front, South Africa's manufacturing PMI registered a fall in March. Additionally, the business confidence index declined in March. In contrast, the nation's new vehicle sales rose in March. Further, electricity production and electricity consumption advanced on an annual basis in February.

For the week, the USD strengthened 1.6% against the South African Rand to close at R12.0329. The EUR was 1.2% higher at R14.7773 and the GBP was 2.1% stronger at R16.9518 for the week.

The US Dollar strengthened against its most of its key counterparts last week. On the data front, the US private sector employment unexpectedly advanced in March. Moreover, the average hourly earnings advanced in line with expectations on a monthly basis in March. On the other hand, the US nonfarm payrolls came in less than expected in March. Further, the nation's final Markit manufacturing PMI and the final Markit services PMI surprisingly fell in March. Additionally, ISM manufacturing index dropped more than market forecasts in March. Further, US trade deficit widened more than expected in February. Further, initial jobless claims advanced more-than-expected for the week ended March 31, 2018, marking its highest level in three months.

The EUR weakened against the USD last week, after the region's final Markit services PMI unexpectedly fell to a seven-month low in March. Additionally, retail sales rose at a slower-than-expected pace on a monthly basis in February. Meanwhile, the region's producer price index advanced more than market forecasts on a yearly basis in February. Separately, Germany's final Markit manufacturing PMI surprisingly fell in March, marking its lowest level since July 2017.

The GBP rose against the USD, after the UK's Markit manufacturing PMI surprisingly rose in March. Meanwhile, the nation's services PMI recorded a more-than-expected decline in March, reaching its lowest level since July 2016.

Commodities

Gold prices rose last week, as concerns regarding trade war between China and the US led to increase in demand for the precious metal. Going forward, market participants will watch the FOMC minutes along with the US consumer price index and monthly budget statement.

Crude oil prices declined last week, amid escalating trade war concerns between China and the US. Further, the Baker Hughes reported that US oil rig count rose by 11 to 808 last week, reaching its highest level since March 2015. Moreover, Russia reported that its oil production increased in March to a 11-month high, which was marginally above a limit agreed under the global supply agreement. Additionally, Bahrain discovered a largest oilfield in decades, which contains oil greater than the country's existing fields. Meanwhile, the American Petroleum Institute reported that the US crude oil inventories fell by 3.28 million barrels last week. The US Energy Information Administration indicated that crude oil inventories unexpectedly declined by 4.60 million barrels last week.

Sugar prices traded in negative territory last week, as the domestic currency in Brazil, which is the world's largest sugar producer declined against greenback. Further, reports indicated that policies undertaken by Pakistan and India to protect local producers and boost sugar exports could further depress global prices.

Key Economic News Last Week

Country	News
	The manufacturing PMI eased to 46.90 in March. The manufacturing PMI had recorded a level of 50.80 in the previous month.
	The new vehicle sales advanced 1.1% on an annual basis in March. New vehicle sales had recorded a drop of 3.8% in the prior month.
South Africa	The business confidence index fell to a level of 97.60 in March. The index had registered a reading of 98.90 in the prior month.
	Electricity consumption advanced 0.4% on an annual basis in February. In the prior month, electricity consumption had advanced 1.2%.
	Electricity production advanced 2.0% on a yearly basis in February. Electricity production had risen 2.4% in the previous month.

Economic Calendar - Week Ahead

	Monday, April 09, 2018	Tuesday, April 10, 2018	Wednesday, April 11, 2018	Thursday, April 12, 2018	Friday, April 13, 2018
	Gross Gold & Forex Reserve (Mar)	Manufacturing Production Index (Feb)	BER Consumer Confidence (Mar)	Mining Production (Feb)	-
South Africa	Net Gold & Forex Reserve (Mar)	-	-	Gold Production (Feb)	-
	-	-	-	Platinum Production (Feb)	-

South African Corporate News

Company Name	News
Advtech	The company announced that it has acquired the prestigious Makini group of schools, which has 8 schools on 4 campuses in Nairobi and Kisumu and caters to 3200 students from Kindergarten to Grade 12.
AECI	The company announced that all conditions precedent to the acquisition of Much Asphalt Proprietary Limited has been fulfilled, including the conclusion of a management agreement in terms of which management retained approximately 2.0% of the shares of Much Asphalt. Separately, the company announced that Deloitte & Touche has been appointed as its external auditor, with Mr Patrick Ndlovu as designated audit partner for the current financial year ending 31 December 2018.
Allied Electronics Corporation	The company announced that substantial progress has been made regarding the fulfilment of the conditions precedent to the disposal by Altron of its interest in Powertech Transformers. Further, the last of the conditions precedent is expected to be fulfilled by 31 May 2018.
Anglo American	The company announced the suspension of its Minas-Rio iron ore operation in Brazil, with effect from 29 March, to conduct a full inspection of the pipeline. The suspension decision was taken due to a minor leak that was identified in the pipeline. Further, the company announced that full inspection of the pipeline will take approximately 90 days to complete during which time operations at Minas-Rio will remain suspended.
Brimstone Investment Corporation	The company announced in its 1H 2018 Intrinsic Net Asset Value (NAV) disclosure, that its intrinsic NAV decreased to R4.09 billion and fully diluted intrinsic NAV per share fell 5.2% to 1,660.20c compared with the previous quarter.
Combined Motor Holdings	The company announced the retirement of John Edwards as its Director and Chairman with effect from 31 May 2018 and will be succeeded by James Dixon.
Emedia Holdings	The company announced that Ms Junadi van der Merwe has resigned as Company Secretary. Further, the HCI Managerial Services Proprietary Limited has been appointed as Company Secretary, with effect from 31 March 2018.
Grand Parade Investments	The company announced the resignation of Ms Tasneem Karriem as the Chief Executive Officer (CEO) and as Executive Director of the company, with effect from 2 April 2018. Further, Dr Hassen Adams, Executive Chairman, will assume the role of acting CEO until a suitable replacement has been appointed.
Investec Australia Property Fund	The company announced that it has entered into a contract with Logos Properties Holding Pty Ltd as a trustee for the Hydrive Trust for acquisition of a warehouse and distribution facility located at 36-42 Hydrive Close, Dandenong South for AUD19.45 million.
Kaap Agri	The company announced that certain of its subsidiaries had entered into a transaction to acquire three retail fuel operations, situated in Gauteng and in Limpopo, and two accompanying retail fuel related properties which the parties had agreed to extend the date by which the final conditions precedent were to be completed by 30 March 2018. However, the remaining conditions precedent to the transactions were not fulfilled by 30 March 2018 and have, accordingly, lapsed. In the circumstances, the company was not amenable to negotiating a further extension of the deadline for these conditions precedent and the acquisition will therefore not be proceeding.
Micromega Holdings	The company announced that its Directors have declared a gross interim special cash dividend of 300.00c per share payable on 20 April 2018 and have elected to declare a further special cash dividend upon finalisation of the purchase price, which is subject to adjustment based on FY 2018 EBITDA.
Murray & Roberts Holdings	The company announced that it has been given an additional underground mining project in the sub-Saharan, North American and Australasian markets to the value of R3.70 billion. Separately, the company advised its shareholders to not accept any offer from Aton GmbH when made, as the fair value price range for control of the company is R20.00 per share to R22.00 per share as suggested by the independent expert, BDO Corporate Finance Proprietary Limited.
Northam Platinum	The company announced that an agreement has been reached with the association of mineworkers and construction union, the representative union, for a full return to work by the affected Murray & Roberts Cementation Limited employees, beginning from 4 April 2018.
Novus Holdings	The company announced that Ms. Marlene McConnell has resigned as its Company Secretary, with effect from 30 April 2018.
Premier Fishing and Brands	The company announced that Advocate Ngoako Ramathodi and Mr Sebenzile Patrick Mngconkola have been appointed as members of the audit and risk committee with effect from 3 April 2018. Further, Mr Sebenzile Patrick Mngconkola has been appointed as a member of the social, ethics and transformation committee with effect from 3 April 2018.

South African Corporate News

Company Name	News
Royal Bafokeng Platinum	The company announced that all the surface rights relating to the Maseve plant transaction have now been transferred to the company's wholly owned subsidiary. Therefore, the company has settled the Maseve plant consideration and taken ownership of its assets.
Sanlam	The company announced that Mr Mohammed Valli Moosa will be retiring from the Boards of Directors of Sanlam and Sanlam Life Insurance Limited with effect from 6 June 2018.
Sephaku Holdings	The company announced that Ms. Bukelwa Bulu was appointed as an independent Non-Executive Director of Sephaku Holdings and a member of the Audit and Risk Committee with effect from 26 March 2018.
Shoprite Holdings Limited	The company announced that Mr Marius Bosman will retire as Chief Financial Officer but will remain involved as a consultant to assist in the completion of the financial accounts for FY 2018. Further, the company has appointed Mr Anton de Bruyn as its Chief Financial Officer.
Texton Property Fund	The company announced that Jacob Daniel Wiese has resigned from the Board with effect from 5 April 2018 and Mr Kenneth Collins, being the alternate Director to Jacob Daniel Wiese, has accordingly resigned as an alternate Director with effect from the same date.
Wesizwe Platinum	The company announced that Sizwe Ntsaluba Gobodo has been appointed as the new auditor with Neridha Moodley being the designated auditor with immediate effect.

Technical Alerts



Name	Ticker	Currency	Last Close	% Chg	Signal
Anglo American Plc	AGL SJ	ZAr	27303	-1.18%	MA 20D crossover
Group Five Ltd/South Africa	GRF SJ	ZAr	550	-30.38%	Lower Bollinger crossunder
Pallinghurst Resources Ltd	PGL SJ	ZAr	260	-13.33%	RSI indicates oversold
Rebosis Property Fund Ltd	REB SJ	ZAr	845	-1.63%	Stochastic indicates oversold



Name	Ticker	Currency	Last Close	% Chg	Signal
Omnia Holdings Ltd	OMN SJ	ZAr	14609	-1.95%	MA 20D crossunder
Sanlam Ltd	SLM SJ	ZAr	7970	-3.17%	MA 20D crossunder
Stenprop Ltd	STP SJ	ZAr	1814	2.20%	Upper Bollinger crossover
PPC Ltd	PPC SJ	ZAr	790	0.64%	Stochastic indicates overbought

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