

Weekly Market Report

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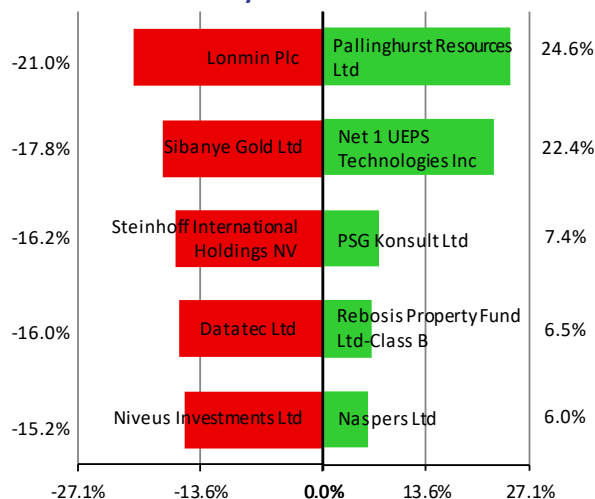
14 May 2018

Key Global Indices	11 May 2018 Close	1W% Change	YTD % Change
JSE All Share	58422.86	1.3%	-1.8%
FTSE 100	7724.55	2.1%	0.5%
DAX 30	13001.24	1.4%	0.6%
CAC 40	5541.94	0.5%	4.3%
DJIA	24831.17	2.3%	0.5%
S&P 500	2727.72	2.4%	2.0%
NASDAQ Comp.	7402.88	2.7%	7.2%
Nikkei 225	22758.48	1.3%	0.0%
Shanghai Comp	3163.26	2.3%	-4.4%
S&P/ASX 200	6116.19	0.9%	0.8%

South African Equity Markets

South African (SA) markets ended higher last week, tracking advances in global equity markets and after a Goldman Sachs research report indicated stronger growth prospects for SA during the rest of the year. Net 1 UEPS Technologies rallied 22.4%, as it reported a rise in its 3Q 2018 revenues. Rebois Property Fund gained 6.5%, as it recorded an increase in its 1H 2018 net property income. Market heavyweight, Naspers rose 6.0%, after selling its stake in Flipkart to Walmart for \$2.20 billion. In contrast, Sibanye Gold tumbled 17.8%, as seven of its employees passed away from injuries sustained during the incident at Masakhane mine. Datatec declined 16.0%, as it expects a significant increase in its 1H 2018 headline loss per share. The JSE All Share Index advanced 1.3% to close at 58,422.86.

JSE All Share - Weekly Gainers & Losers



JSE All Share - Daily Chart



Top 10 New 52 Week Highs

Share	52Week High (ZAR)	1W% Change
BHP Billiton Plc	283.97	4.2%
Sasol Ltd	461.48	1.8%
Nedbank Group Ltd	316.50	5.3%
Netcare Ltd	31.61	-2.4%
Reunert Ltd	84.39	2.1%
PSG Konsult Ltd	10.05	7.4%

Top 10 New 52 Week Lows

Share	52Week Low (ZAR)	1W% Change
Sibanye Gold Ltd	8.54	-17.8%
Impala Platinum Holdings Ltd	17.84	-14.5%
Tongaat Hulett Ltd	83.40	-0.2%
Steinhoff International Holdings NV	1.56	-16.2%
Trencor Ltd	30.70	-13.1%
DataTec Ltd	17.15	-16.0%
Rhodes Food Group Pty Ltd	16.17	-0.9%
Lonmin Plc	7.84	-21.0%
Niveus Investments Ltd	3.00	-15.2%
Group Five Ltd/South Africa	2.65	-5.3%

Key Currencies	11 May 2018 Close	1W% Change	YTD % Change
USDZAR	12.2576	-1.9%	-1.0%
EURZAR	14.6217	-2.2%	-1.6%
GBPZAR	16.5724	-2.0%	-0.9%
EURUSD	1.1943	-0.1%	-0.5%
EURCHF	1.1948	-0.1%	2.1%
GBPUSD	1.3542	0.1%	0.2%
USDJPY	109.39	0.2%	-2.9%
USDCHF	0.9998	0.0%	2.6%
AUDUSD	0.7543	0.1%	-3.4%
USDCAD	1.2795	-0.4%	1.8%

Daily USD/ZAR



Key Commodities	11 May 2018 Close	1W% Change	YTD % Change
Gold (\$/oz)	1319.30	0.4%	1.3%
Silver (\$/oz)	16.75	1.4%	-2.3%
Copper (USd/lb.)	3.10	1.0%	-6.2%
Brent Crude (\$/bls)	77.12	3.0%	15.3%
Sugar No.11 (USd/lb.)	11.22	-2.5%	-26.0%
Iron Ore 62% Fe (\$/dry MT)	64.97	0.5%	-8.2%

Daily Platinum



Currencies

The ZAR strengthened against its major peers last week. On the macroeconomic front, South Africa's gross gold & forex reserves fell in April. Further, net gold & forex reserves unexpectedly eased in April. Additionally, the business confidence index for April declined to its lowest level since November 2017. Moreover, mining production unexpectedly dropped on an annual basis in March, marking its sharpest fall in two years. Furthermore, annual gold and platinum production declined on a yearly basis in March. Moreover, the seasonally adjusted manufacturing production index surprisingly fell on an annual basis in March.

For the week, the USD weakened 1.9% against the South African Rand to close at R12.2576. The EUR was 2.2% lower at R14.6217 and the GBP was 2.0% weaker at R16.5724 for the week.

The US Dollar traded mostly lower against its key counterparts last week, after soft April US consumer price index curbed the prospect of aggressive rate hikes. In contrast, the US recorded a higher-than-expected budget surplus in April. Moreover, JOLTS job openings climbed more than market expectations in March, marking its highest level since December 2000.

The EUR weakened against the USD last week, after the Eurozone's Sentix investor confidence index unexpectedly declined in May, reaching its lowest level since February 2017. Separately, Germany's monthly factory orders surprisingly dropped in March. In contrast, German trade surplus widened more-than-expected in March.

The GBP rose against the USD. Data indicated that UK's NIESR gross domestic product estimate fell during the three months ended April. Further, industrial production recorded a less-than-anticipated rise on a monthly basis in March.

Commodities

Gold prices rose last week, as weakness in the US Dollar boosted demand for the safe haven asset. Going forward, market participants will closely watch the US advance retail sales, business inventories and initial jobless claims along with industrial and manufacturing production data for further direction.

Crude oil prices advanced last week, as the US decision to pull out of the Iran nuclear deal, raised prospects of disruptions to Middle East oil supplies. Additionally, the American Petroleum Institute (API) reported that crude oil inventories dropped by 1.9 million bls last week. Further, the US Energy Information Administration (EIA) reported that crude oil inventories declined by 2.2 million bls in the week ended 4 May 2018. Meanwhile, Baker Hughes indicated that US oil rig count climbed by 10 to 844 last week.

Sugar prices traded in negative territory last week, weighed down by decrease in demand from bulk consumers and amid excess supply.

Key Economic News Last Week

Country	News
South Africa	Gross gold & forex reserves eased to \$49.54 billion in April, meeting market expectations and compared to a reading of \$49.98 billion in the previous month.
	Net gold & forex reserves unexpectedly dropped to a level of \$43.12 billion in April, compared to a reading of \$43.38 billion in the prior month.
	The business confidence index recorded a drop to 96.00 in April, compared to a level of 97.60 in the prior month.
	The manufacturing production index recorded an unexpected drop of 1.3% on an annual basis in March. The manufacturing production index had registered a rise of 0.6% in the previous month.
	Mining production registered an unexpected decline of 8.4% on a yearly basis in March. In the prior month, mining production had recorded a revised rise of 2.0%.
	Gold production eased 18.0% on an annual basis in March. In the prior month, gold production had fallen 7.1%.
Platinum production registered a fall of 6.1% on a yearly basis in March. Platinum production had recorded a drop of 8.8% in the prior month.	

Economic Calendar - Week Ahead

	Monday, May 14, 2018	Tuesday, May 15, 2018	Wednesday, May 16, 2018	Thursday, May 17, 2018	Friday, May 18, 2018
South Africa	-	Unemployment Rate (Mar)	Retail Sales (Mar)	Bloomberg May South Africa Economic Survey	Bloomberg May South Africa Economic Survey

South African Corporate News

Company Name	News
Adcorp Holdings	The company, in its FY 2018 operational update, stated that its revenue decreased by 3.0% compared with the previous year and the EBITDA rose by 4.0% to R387.00 million compared with the prior period. Further, it expects the headline loss per share from continuing operations to be in the range of 80.00c and 90.00c compared with 79.80c reported in the previous year.
Allied Electronics Corporation	The company, in its FY 2018 results, stated that its revenue increased to R14.74 billion from R13.89 billion posted in the corresponding period of the previous year. Its diluted EPS fell 6.9% from the same period of the prior year to 108.00c.
Anglogold Ashanti	The company, in its 1Q 2018 operational update, stated that its production from retained operations increased 6.0% from the same period of the preceding year to 773,000.00oz, with Australian production up by 27.0%, highlighting strong performance from core assets. Further, the company remains on track to meet FY 2018 production guidance of between 3.33Moz and 3.45Moz.
ArcelorMittal South Africa	The company, in its 1Q 2018 operational update, announced that its liquid steel production increased to 1.27mnt from 1.20mnt posted in the corresponding period of the previous year. Further, the total steel sales rose 5.9% from the same period of the previous year to 1.17mnt. Further, the company announced that Mr. Dean Subramanian has given notice to resign as the Chief Financial Officer and Executive Director of the company with effect from 31 July 2018.
Barloworld	The company, in its 1H 2018 trading statement, announced that it expects EPS to be in the range of 454.40c and 488.10c, which is 35.0% to 45.0% higher compared with the same period of the prior year. Further, it expects HEPS to be in the range of 440.00c to 480.00c, which is 10.0% to 20.0%, higher compared with the same period of the prior year.
Brait SE	The company announced that Dr Christo Wiese has decided to retire as Non-Executive Director of its investee company and Brait South Africa Proprietary Limited with effect from 8 May due to time constraints.
Brimstone Investment Corporation	The company announced the appointment of Mrs. T Moodley as its Executive Director with immediate effect.
Capital Appreciation	The company in its FY 2018 trading update announced that it expects EPS and HEPS to significantly increase and be in range of 9.00c to 9.40c per share, compared with 3.14c per share recorded in the corresponding period of the previous year. Separately, the company announced the appointment of Mr. Kuseni Dlamini, Mr. Errol Kruger, Ms. Mathukana Mokoka and Mr. Eitan Neishlos to the board. Further, the company announced that Dr. Dan Matjila, Chief Executive Officer of the Public Investment Corporation, will resign as a Director with immediate effect and Ms. Mokoka will continue to represent the Public Investment Corporation in his stead.
Datatec	The company, in its 1H 2018 trading statement, announced that the headline loss per share is expected to be in the range of 19.10c to 21.10c, which is significantly lower from the same period of the prior year. Further, EPS is expected to be in the range of 20.50c to 19.10c, which is a significant increase from the same period of the prior year.
Emira Property Fund	The company announced that it has undertaken its fourth equity deal in the USA with its in-country partners, the Rainier Group of Companies, by acquiring 49.0% of the equity of Stony Creek Marketplace, a dominant shopping centre valued at \$32.00 million, located in Noblesville, Hamilton County in the State of Indiana. The investment represents a cash-on-cash return of 11.7% in USD for the company on a net cash equity investment of \$6.50 million.
Equites Property Fund	The company announced that through its wholly-owned subsidiary, Equites International Limited and Roxhill Limited, it has concluded an agreement of sale of land in terms of which Equites International has acquired 7.33 acres of vacant land for £2.57 million and a forward funding agreement in terms of which Equites International will fund the Seller in respect of the development of a 12,609 square metre distribution warehouse to be let to Coloplast Limited for an amount up to £10.52 million.
Grand Parade Investments	The company announced the resignation of its Chief Financial Officer, Mr Shaun Barends with effect from 30 June 2018.
Hospitality Property Fund	The company announced the appointment of MSI Gani as an independent Non-Executive Director and as a member and the Chair of the Audit and Risk Committee with effect from 8 May 2018.
Huge Group	The company, in its 1H 2018 trading statement, stated that it expects an increase in EPS and HEPS to be in the range of 43.40c to 48.66c, which is an increase of 65.0% to 85.0%, compared with the prior comparative period.
Imperial Holdings	The company, in its 10M 2018 trading update, announced that the revenue, operating profit and profit before tax from continuing operations are in line with expectations with improved growth in 2H 2018 compared to 1H 2018. Further, the Motus division recorded a stronger performance than Imperial Logistics.
Indluplace Properties	The company, in its 1H 2018 results, stated that its revenue increased to R334.72 million, compared with R194.99 million in the preceding year. Profit for the period increased to R143.40 million, compared with R117.43 million. The company declared a gross interim dividend of 48.6c per share.


South African Corporate News

Company Name	News
JSE	The company announced that Mr Nigel Payne will step down from the board of the company as a Non-Executive Director with effect from 3 August 2018.
Kaap Agri	The company, in its 1H 2018 results, stated that its revenue declined to R3.41 million, compared with R3.46 million reported in the same period of the preceding year. Its diluted EPS increased to 219.77c, compared with 205.37c. The company declared a gross interim dividend of 32.00c per share.
Merafe Resources	The company announced that Ms. Karabo Nondumo has tendered her resignation as an independent Non-Executive Director of the company effective from 8 May 2018.
Mix Telematics	The company, in its FY 2018 results, stated that its revenue increased to R1.71 billion from R1.54 billion posted in the corresponding period of the previous year. Its diluted EPS rose significantly from the same period of the prior year to R0.32.
Mr Price Group	The company announced that Myles Ruck, Non-Executive Director of the company, chair of the Remuneration and Nominations Committee and member of the Audit and Compliance Committee, has advised the Board of Directors that he will not offer himself for re-election at the company's August 2018 AGM and will accordingly retire by rotation.
MTN Group	The company, in its 1Q 2018 Nigeria operation update, stated that its revenue increased to N249.22 billion from N217.63 billion posted in the corresponding period of the previous year. Its diluted EPS rose significantly from the same period of the prior year to N79.10. Further, the company declared a dividend of 94.85 naira per share. The company also announced that the United States decision to reimpose economic sanctions against Iran will limit the ability of the company to repatriate cash, both dividends and loans, from MTN Irancell. Separately, the company announced the appointment of Bajabulile Swazi Tshabalala and Mcebisi Hubert Jonas as its independent Non-Executive Directors to the Board of Directors of the company with effect from 1 June 2018.
Naspers Limited	The company announced the disposal of its entire 11.2% stake in Indian ecommerce company, Flipkart Online Services Private Limited for \$2.20 billion to Walmart.
Nedbank Group	The company, in its 1Q 2018 performance update, announced that its net interest income modestly increased compared with the same period of the previous year. Further, net interest margin advanced due to advances, funding mix benefits and improved asset pricing.
Net 1 UEPS Technologies	The company, in its 3Q 2018 results, stated that its revenue increased to \$162.71 million from \$147.94 million posted in the corresponding period of the previous year. Its diluted EPS significantly fell from the same period of the prior year to \$0.05.
Netcare Limited	The company, in its 1H 2018 trading statement, stated that it expects HEPS to be in the range of 134.30c to 139.60c, which is significantly lower compared with the corresponding period of the previous year, due to impairment of the contractual economic interest in debt of BMI Healthcare and retail price index swap valuation credit in 1H 2017.
Raubex Group	The company, in its FY 2018 results, stated that its revenue decreased to R8.54 billion from R9.01 billion posted in the corresponding period of the previous year. Its diluted EPS rose 15.5% from the same period of the prior year to 233.50c. Further, the company declared a final dividend of 33.00c per share.
Rebosis Property Fund	The company, in its 1H 2018 results, stated that its revenue increased to R1.20 billion, compared to restated figure of R0.99 billion in the preceding year. Profit for the period declined to R0.34 billion, compared with R1.21 billion. The company declared a dividend of 126.43c per class A share and 63.23c per class B share.
Redefine Properties	The company, in its 1H 2018 result, stated that its revenue increased to R3.93 billion from R3.59 billion posted in the corresponding period of the previous year. Its diluted EPS rose 22.2% from the same period of the prior year to 88.20c. Separately, the company declared an interim cash dividend of 47.30c per share.
Sibanye Gold	The company announced that all the 13 employees who were trapped underground at its Masakhane mine have been rescued and brought to surface by mine rescue personnel. However, 7 of the 13 employees passed away from injuries sustained during the incident.
Spear REIT	The company announced that it has concluded a sale of rental enterprise agreement with Gutsche Investments and Management Company Proprietary Limited. Further, in terms of the agreement, the company will acquire the property known as Erf 6498 Montague Gardens, easuring 3,838 square metres in extent, situated at The Estuaries, 2 Oxbow Crescent, Century City. Further, the the purchase price payable for the Rental Enterprise, including the Property, is R98.00mn.
Transaction Capital	The company, in its 1H 2018 trading statement, stated that it expects HEPS and EPS to be in the range of 49.80c to 51.50c, which is 26.0% to 30.0% higher compared with the corresponding period of the previous year.


South African Corporate News

Company Name	News
Universal Partners	The company, in its 1Q 2018 results, stated that its total revenue increased to £5.39 million, compared to £0.12 million in the preceding year. Profit after tax stood at £4.38 million, compared with a loss of £0.10 million. Further, Its HEPS significantly rose from the same period of the prior year to 6.07p.
Vukile Property Fund	The company announced that it has acquired Habaneras Shopping Centre through its subsidiary Castellana Properties Socimi SA for an aggregate consideration of €80.63 million.

Technical Alerts



Name	Ticker	Currency	Last Close	% Chg	Signal
SA Corporate Real Estate Ltd	SAC SJ	ZAr	476	0.00%	MA 20D crossover
Datatec Ltd	DTC SJ	ZAr	1907	-15.95%	Lower Bollinger crossunder
Trencor Ltd	TRE SJ	ZAr	3301	-13.13%	Lower Bollinger crossunder
Impala Platinum Holdings Ltd	IMP SJ	ZAr	1892	-14.51%	Stochastic indicates oversold



Name	Ticker	Currency	Last Close	% Chg	Signal
Blue Label Telecoms Ltd	BLU SJ	ZAr	1227	0.49%	MA 20D crossunder
Dis-Chem Pharmacies Ltd	DCP SJ	ZAr	3189	4.90%	MA 20D crossunder
South32 Ltd	S32 SJ	ZAr	3648	3.64%	Stochastic indicates overbought
Anglo American Plc	AGL SJ	ZAr	30772	3.73%	Stochastic indicates overbought

Research Disclosure

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