

Monday, 9 January 2017

TOP 10 GAINERS		
Share Name	Closing price	% change
LONMIN PLC	2962	27.18
NORTHAM PLATINUM LTD	4530	12.94
IMPALA PLATINUM HOLDINGS LTD	4700	11.19
ANGLO AMERICAN PLATINUM LTD	28961	11.05
HARMONY GOLD MINING CO LTD	3333	10.47
DELTA PROPERTY FUND LTD	820	10.22
SIBANYE GOLD LTD	2701	9.35
OCTODEC INVESTMENTS LTD	2400	8.70
ANGLOGOLD ASHANTI LTD	16030	8.68
ASTRAL FOODS LTD	13684	8.60
TOP 10 LOSERS		
Share Name	Closing price	% change
INVICTA HOLDINGS LTD	6310	-8.55
RAUBEX GROUP LTD	2323	-7.04
ASCENDIS HEALTH LTD	2329	-6.84
TSOGO SUN HOLDINGS LTD	2639	-6.35
BRAIT SE	8230	-5.79
MAS REAL ESTATE INC	2101	-5.53
BIDVEST GROUP LTD	17230	-5.25
LEWIS GROUP LTD	3987	-5.09
TRANSACTION CAPITAL	1391	-4.66
TRUWORTHS INTERNATIONAL LTD	7683	-4.55
GLOBAL EQUITY INDICES		
Indices	% Change	Points
Dow Jones	0.73	19,964
S & P 500	1.23	2,277
Nasdaq	1.64	5,521
FTSE 100	1.26	7,210
Nikkei 225	0.27	19,454
Hang Seng	3.27	22,503
S & P ASX 200	0.99	5,756
COMMODITIES*		
Name	% Change	Price
Gold	2.19	\$1,172.63
Platinum	7.21	\$968.20
Brent Crude Oil	0.44	\$57.10
CURRENCIES*		
Indices	% Change	Price
\$ / R	-0.14	R 13.76
£ / R	0.21	R 16.91
€ / R	-0.29	R 14.49

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COMMENTS FOR TOP 40 STOCK MOVEMENTS

The All Share followed global markets higher, firming 1.05% for the first week of the new year. The shortened week saw Resources gaining a solid 1.87%, with platinum shares such as Lonmin, Northam and Impala Holdings shining bright with returns of 27.18%, 12.94% and 11.19% respectively. Their performance was amid an equally stellar performance of the precious metal which gained 7.21%. Palladium also rallied this past week and was actually the best-performing precious metal last year, with the price rising 20% for its biggest annual gain in six years. Both metals are widely used in the automotive sector, and are more exposed to the economic cycle than gold. Gold had a good showing, rising by 2.19% reaching its highest level in four weeks on Thursday, despite slipping on Friday with the greenback strengthening on US nonfarm payrolls data.

Financials increased marginally with property counters such as Redefine Properties and Intu Properties lifting the index as they increased by 4.11% and 2.26% respectively. Industrials increased by 1.02% with MTN being the headline performer with a 7.47% rise, while Bidvest was the worst performer on the index with a 5.25% decline. Retailers had an unimpressive showing as the index fell 2.09% with Lewis dragging down the index as the furniture and electrical appliance retailer lost 5.09%.

KEY EVENTS & COMPANY RESULTS

CAPITAL & REGIONAL PLC

Refinancing

Capital & Regional announced that it had completed the refinancing of the debt on its five wholly-owned mall properties by entering into new debt facilities totaling £372.5 million, of which £362.5 million had been drawn.

Three new facilities have been entered into as follows: a £165 million 10 year loan with Teachers Insurance and Annuity Association of America with a one year extension option, a £107.5 million 7 year loan with Wells Fargo Bank International Unlimited Company; and a £100 million bank facility of 5 years with two one year extension options with The Royal Bank of Scotland plc. £90million of this facility has been drawn down with a further £10 million available to fund capex.

Exxaro Resources Ltd

Change in BEE ownership structure

Exxaro Resources, which is Eskom's largest black-owned coal supplier, received approval from its shareholders two weeks ago that will result in its black ownership slipping to 30% from above 50%. This move was unappreciated by Eskom's management with the acting Chief Executive Matshela Koko taking to social media on Tuesday to voice his discontent over the move. Over the past 2 years Eskom has implemented a policy of only signing new long-term contracts with coal suppliers that are 50% black owned. Eskom spokesman Khulu Phasiwe said that they intended to arrange a meeting with Exxaro to understand its reasons.

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GLOBAL AND WORLD MARKET DEVELOPMENTS

European trading activity was light on Monday as the U.K, Switzerland and U.S markets remained closed for the long New Year's weekend. The CAC delivered a mere 0.4%, while the DAX was up 1%. Eurozone Manufacturing PMI data for December 2016 was released and came out to be the highest since April 2011 as it stood at 54.9%, up from 53.7% in November. In addition, the average PMI value over 2016 (52.5%) was the highest annual average since 2010. National data pointed to widespread improvement in operating conditions, with headline PMI readings rising in all seven of the countries covered by the survey.

U.S stock markets ended the first trading day up, with energy and healthcare stocks moving higher on Tuesday. The Dow Jones industrials and Nasdaq gave investors positive returns of 0.6% and 0.9% respectively. The Institute for Supply Management also mentioned that its manufacturing index rose to 54.7% in December, its highest reading of 2016. The December figure lies 1.5% above the November reading of 53.2% and this increase is in line with the aforementioned Eurozone Manufacturing PMI data. The only blip on an otherwise positive week for U.S markets came on Thursday, as U.S retailers reported disappointing holiday sales which led to a sell-off in affected retail stocks and this came in conjunction with some companies such as Macy's releasing more details of planned store closures.

A large number of shoppers shifted their holiday buying online, with online sales shooting to a record of \$91.7 billion over the holidays, an 11% rise. This move benefited Amazon with data pointing to the online retail giant accounting for 38% of online sales from November 1st to the 29th of December 2016. European markets experienced choppy trading on the day but they advanced for the week (FTSE:+1.26% and DAX:+1.03%). In Asia stocks indices rose, garnering ubiquitous gains across the region amidst the U.S. dollar retreating from 14 year highs and the FOMC minutes being less hawkish than expected. The FOMC unanimously approved a quarter-point increase that pushed the target range for its short-term lending rate to between 0.5% and 0.75%.

Friday saw stocks overcome early weakness, while the dollar and U.S. Treasury yields rallied. The 5-day returns for the Nasdaq and S&P 500 index was 1.64% and 1.23% respectively. Jobs data that came out was mixed as Nonfarm payrolls grew by 156,000 jobs in December missing expectations but on the other hand average hourly wages jumped 10 cents to \$26, representing a 2.9 % annualized gain. The developments in the wage data can be seen as more evidence that will result in the Fed increasing rates at their next meeting. The Nikkei share average dropped as automakers dragged after U.S President elect Donald Trump threatened to initiate punitive taxes on Toyota cars imported into the United States from Mexico. European markets rose on Friday and were initially lower as they waited for the US jobs report. After its release, the indices managed to climb higher. Overall, most international markets had a good start to 2017, with most markets ending the week in positive territory.

THE WEEK AHEAD

No upcoming company meetings

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