

Monday, 26 June 2017

TOP 10 GAINERS		
Share Name	Closing price	% change
ALEXANDER FORBES GROUP HOLDI	731	6,72
ROYAL BAFOKENG PLATINUM LTD	3070	5,86
NASPERS LTD-N SHS	263861	5,63
ANGLO AMERICAN PLATINUM LTD	29650	5,40
MMI HOLDINGS LTD	2015	4,73
DISCOVERY LTD	13050	4,72
GOLD FIELDS LTD	4667	4,17
SAPPI LIMITED	8900	4,09
INVESTEC AUSTRALIA PROPERTY	1314	3,87
CAPITEC BANK HOLDINGS LTD	78500	3,83
TOP 10 LOSERS		
Share Name	Closing price	% change
MPACT LTD	2800	-15,15
BRAITSE	5917	-11,04
METAIR INVESTMENTS LTD	1805	-8,38
KAP INDUSTRIAL HOLDINGS LTD	770	-8,33
WILSON BAYLY HOLMES-OVCON	13755	-7,96
LEWIS GROUP LTD	3110	-7,61
SUN INTERNATIONAL LTD	5490	-7,22
NORTHAM PLATINUM LTD	4010	-7,11
DISTELL GROUP LTD	14465	-7,04
TRENCOR LTD	3600	-6,95
GLOBAL EQUITY INDICES		
Indices	% Change	Points
Dow Jones	0,05	21 395
S & P 500	0,21	2 438
Nasdaq	1,84	6 265
FTSE 100	-0,53	7 424
Nikkei 225	0,43	20 153
Hang Seng	-0,49	25 797
S & P ASX 200	-1,46	5 720
COMMODITIES*		
Name	% Change	Price
Gold	0,83	\$1 254,13
Platinum	0,32	\$927,96
Brent Crude Oil	-1,94	\$46,00
CURRENCIES*		
Indices	% Change	Price
\$ / R	0,78	R 12,90
£ / R	0,67	R 16,45
€ / R	0,43	R 14,43

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COMMENTS FOR TOP 40 STOCK MOVEMENTS

South African markets had a fairly volatile week following the continued unstable local political landscape. The All-share index closed up 0.84% on Friday, with an overall five day gain of 1.32%. Naspers' annual results, which were released on Friday, bolstered the All-share, with the share gaining a total of 5.63% for the week. Dollar weakness provided room for rand appreciation. The rand was trading at R12.94/\$ at market close. The rand hedges were under pressure as the rand strengthened, closing the week in red. The financial index ended the week up 0.43%, with Capitec being the biggest gainer up 3.83%. Brait remained under pressure, losing a further 1.05% to R59.17, with a weekly loss of 11.04%.

The resources index closed in the green gaining 0.25%, due to firmer commodity prices. Gold climbed to a one week high on Friday up 0.46% to \$1256.29, with a total gain of 0.2% in the week, as the dollar remained under pressure relative to major currencies, due to economic and political uncertainty around the world. Platinum was relatively unchanged trading at \$929.8 on Friday. The industrial index also ended the week firmer gaining 2.92%. Brent Crude finished the week higher, after recovering from a volatile week. Sasol was up 0.17% on Friday following the oil gain, but the move was capped by the rand strength. The local bonds firmed on the back of the stronger rand with the R186 bid at 8.52% from 8.57%.

KEY EVENTS & COMPANY RESULTS

Naspers Limited

Summarised consolidated financial results for the year ended 31 March 2017

The group produced positive results for the year end March 2017, supported by Tencent which delivered strong earnings. Core headline earnings grew by 41% to US\$1.8 billion, or 406 cents per share. The annual gross dividend went up to 580 cents, from 520 cents. Group revenue grew by 19% to US\$14.6 billion, or 29% in South African currency. The consolidated revenue rose 3% from US\$ 5.93 million to US\$ 6.10 million, mainly due to the ecommerce business performance which grew by 11%. The group's trading profit went up 22% to US\$2.7 billion. This was driven by growth from Tencent and as well as contracting trading losses in the B2C business. Net interest borrowing was down 17% to US\$142 million, due to lower utilisation of credit facilities and the cash retained from the disposal of Allergo amounting to US\$3.2 billion.

The internet segment expanded mainly in classifieds, payments and travel. These businesses were said to have been strengthened by additional investments, including a mobile app-only classified platform, Letgo, acquiring Citrus Pay and merging the group's Tbibio platform with MakeMyTrip in India. The video entertainment business has become more mature and competitive. The group stated the video entertainment segment continued to face the effects of weakened African currencies and higher content costs. This translated into a marginal decrease in year-on-year revenue and significant pressure on profitability, although the segment managed to record strong subscriber growth particularly outside of South Africa.

Remgro Limited

Proposed restructuring by Distell Group Limited of its ownership structure

Remgro announced that it will exchange its existing 50% shareholding in Remgro-Capevin Investments Proprietary Limited (RCI) for additional ordinary shares in Capevin (RCI-Related Capevin Shares) (RCI Exchange). Remgro currently holds 19% of the ordinary shares in issue in Capevin pre the RCI Exchange and will, after the RCI Exchange, hold 59.5% in Capevin. Furthermore, following the RCI Ex-

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change, Remgro will exchange its full Capevin ordinary shareholding for ordinary shares in a new listed entity named New Distell Exchange. The new listed entity will be similar to the current Distell (New Distell). Remgro will, in addition, receive unlisted B shares in New Distell (B shares). The B shares in New Distell will be stapled to those New Distell ordinary shares acquired by Remgro pursuant to the New Distell Exchange in respect of the RCI-Related Capevin shares, resulting in Remgro replicating RCI's current 52.8% voting rights in Distell.

GLOBAL AND WORLD MARKET DEVELOPMENTS

The weakness in energy prices were the theme of the week in the global markets. Energy producers slumped more than 3% for the week. Crude oil prices experienced their worst half year drop since 1997 as output rose 336 000 bpd in May to 32.14 million bpd led by a rebound in Nigeria and Libya, who were exempted from supply cuts. OPEC stated that a rebalancing of the oil market is under way at a slower pace. Crude oil inventories fell by 2.25m barrels in the week ended 16 June, following a drop in the previous period and compared to market expectations of a 2.1m decline. Gasoline stocks decreased by 578k, compared to market expectations of a 443k increase. US investors rotated back into technology shares. The S&P 500 ended 0.19% higher at 2439 on Friday, with an overall 0.25% gain for the week. Health care shares posted their best week since November. US healthcare stocks posted a sharp 1.2% gain on Thursday, with hospitals and insurers climbing after Senate Republicans released a draft bill to replace Obamacare.

Initial jobless claims increased by 3k to 241k in the week ended 16 June. Claims have now been below the 300 000 level for 120 straight weeks, the longest stretch since 1970. Manufacturing PMI edged down to 52.1 from 52.7 in May and well below forecast of 53. Output and new business growth slowed offsetting stronger contributions from job creation and inventory building. The US yield on the 10-year Treasuries remained virtually unchanged for the week, adding less than 1 basis point to 2.15%, as the Federal Reserve did not provide clear indication on the timing of the rate increases. In Europe, Theresa May offered EU citizens a 'settled status' for anyone who lived in the UK for 5 years, securing their position in the country. EU leaders have questioned May's offer claiming that it leaves too many questions. The UK 10-year gilt yields went up 2 basis points to 1.03%, mainly led by losses in shorter-dated securities as money markets push the odds of a rate hike by the end of the year. The UK 10-year gilt yields went up 2 basis points to 1.03%, mainly led by losses in shorter-dated securities as money markets push odds of a rate hike by the end of the year. The pound climbed 0.4% to \$1.27 on Friday, pairing its drop this week to 0.5%. The euro finished the week flat, closing at 0.41% higher to \$1.12. The yen rose less than 0.1% to 111.24 per dollar on Friday, with an overall weekly loss of 0.32%. Eurozone PMI rose to 57.3 in May beating market expectations of 56.8. New orders increased the most since February. Japan's Manufacturing PMI fell to 52 in June, from a final 53.1 in May and missing market consensus of 53.4. It was the weakest reading since November 2016, as output, new orders and new exports orders rose at slower paces while employment growth eased and business confidence softened.

THE WEEK AHEAD

Earnings releases for JSE listed companies

Company	Date
Sirius Real Estate Ltd (SRE)	26-Jun-17
Invicta Holdings Ltd (IVT)	26-Jun-17
Pallinghurst Resources Ltd (PGL)	26-Jun-17
Murray & Roberts Holdings Ltd (MUR)	26Jun-17
Omnia Holdings Ltd (OMN)	27-Jun-17
Calgro M3 Holdings Ltd (CGR)	30-Jun-17
Hudaco Industries Ltd (HDC)	30-Jun-17
Trustco Group Holdings Ltd (TTO)	30-Jun-17