

Monday, 27 March 2017

TOP 10 GAINERS		
Share Name	Closing price	% change
CHOPPIES ENTERPRISES LTD	380	12.76
SUN INTERNATIONAL LTD	7700	6.50
ADCOCK INGRAM HOLDINGS LTD	6475	5.87
ASTRAL FOODS LTD	16479	4.97
ADVTECH LTD	2051	4.70
PIONEER FOODS GROUP LTD	18771	4.28
TRANSACTION CAPITAL	1493	4.19
EQUITES PROPERTY FUND LTD	1748	4.05
CAXTON AND CTP PUBLISHERS AN	1300	4.00
BRAIT SE	7850	3.97

TOP 10 LOSERS		
Share Name	Closing price	% change
ARCELOMITTAL SOUTH AFRICA	1110	-13.95
ASSORE LTD	22761	-13.62
AFRICAN RAINBOW MINERALS LTD	9085	-13.49
PEREGRINE HOLDINGS LTD	2665	-10.75
LONMIN PLC	1333	-9.87
CAPITAL & REGIONAL PLC	851	-9.85
MURRAY & ROBERTS HOLDINGS	1500	-9.04
KUMBA IRON ORE LTD	19994	-7.44
TRADEHOLD LTD	1859	-7.05
JSE LTD	13260	-6.88

GLOBAL EQUITY INDICES		
Indices	% Change	Points
Dow Jones	-1.52	20,597
S & P 500	-1.44	2,344
Nasdaq	-1.22	5,829
FTSE 100	-1.19	7,337
Nikkei 225	-1.67	19,263
Hang Seng	0.20	24,358
S & P ASX 200	-0.79	5,754

COMMODITIES*		
Name	% Change	Price
Gold	1.16	\$1,243.57
Platinum	-0.03	\$964.67
Brent Crude Oil	-1.85	\$50.80

CURRENCIES*		
Indices	% Change	Price
\$ / R	2.36	R 12.43
£ / R	1.76	R 15.51
€ / R	1.71	R 13.44

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COMMENTS FOR TOP 40 STOCK MOVEMENTS

South African markets had a fairly flat week due to the strong rand and uncertainty in global markets. The All-share index ended the week 1.77% lower. Gold reversed last week's loss by gaining 1.16% due to increased global uncertainty around the UK and USA. Platinum marginally decreased by 0.03% and oil shed 1.85% after gains earlier in the week. The CPI number came out better than expected for February at 6.3% from 6.6% the previous month. The rand continued to strengthen following a boost from a narrow current account deficit. The current account deficit declined to 1.7% of GDP for the 4th quarter of 2016 compared to the previous quarter at 4.1%.

KEY EVENTS & COMPANY RESULTS

Advtech Limited

Preliminary audited results for the year ended 31 December 2016

Advtech reported that revenue increased by 24% to R3.4bn, while trading profit grew by 30% indicating continued operating margin improvements supported by good results in their tertiary and schools division. Tertiary division revenue was up 28% to R1.3bn, contributing 37% to the group's revenue.

The group has increased its exposure in new and growing markets, by purchasing a 51% stake of Oxbridge group in 2016 and further acquiring the University of Africa in Zambia, which will improve their distance education offering to the rest of Africa. The International Finance Corporation (IFC), a member of the world bank group, has invested in the group supporting the sub-Saharan Africa growth strategy. The group declared a gross dividend of 19.0 cents per share and this brings the full year dividend to 32.5 cents per share.

Capitec

Investment in an international online lending group

Capitec has expressed interest in buying a share in Cream Finance Holding Limited, which is a globally expanding online lending group. Capitec will acquire an interest in Cream Finance for 21 mn euros. The investment will be done in three tranches at nine month intervals, subject to achievement of performance measures. Management believes that the acquisition will provide the group with the opportunity to gain experience in entering and operating in foreign countries, more specifically to credit lending and the online environment internationally. The South African Reserve Bank (SARB) has approved Capitec's investment of up to 49% in Cream Finance.

Brait SE

Proposed transfer of the registered office of the company to the United Kingdom

The board remains convinced of the long term benefits to the company of a possible transfer to the UK and a premium listing on the London Stock Exchange. The timing and form of Brexit has created a lot of uncertainty. Given the potential impact of Brexit on capital markets, the board has decided not to proceed with the transfer and premium listing at this point.

Contact Details

Derick Meintjes
 Email: Derickm@legae.co.za
 Tel: +27 11 722 7330

Private Clients Enquiries
 Email: privateclients@legae.co.za
 Tel: +27 11 722 7343

Global and world market developments

The S&P 500 ended a back-and-forth session little changed, after the House of Representatives cancelled a vote on the bill on Friday afternoon as Republicans determined that they didn't have the numbers to pass the vote to repeal Obamacare. President Donald Trump is now set to focus on tax reform. Bank stocks, which stand to benefit from the tax reform and deregulation have taken a pause after posting their longest monthly winning streak since 2013. Financial companies in the S&P 500 have declined 3.8% in March 2017, the worst week in over a year. There is a lot of uncertainty on whether President Trump will succeed with the tax reform in light of the cancelled vote on Obamacare.

German economic activity unexpectedly gathered speed in March, prompting a marked pick-up in job creation and price pressures. The Purchasing Manager's Index (PMI) for manufacturing and services rose to 57 from 56.1 in February. With inflation above 2%, unemployment at record lows and strong demand at home and abroad, it seems as if the Euro region's largest economy is going to push for the European Central Bank to wind down stimulus. The jump in the headline PMI beat market expectations, with the latest reading in line with a quarterly economic expansion of 0.6% compared to the 0.4% pace in the last quarter of 2016. The recovery has so far allowed the currency bloc to weather a period fraught with uncertainties ranging from the U.K.'s Brexit vote and the U.S. trade policies, as well as the upcoming elections in a number of Euro-area countries.

THE WEEK AHEAD

Earnings releases for JSE listed companies

Company	Date
Sun International Limited	27-Mar-17
Stenprop Limited	27-Mar-17
Capitec Bank Holdings Limited	28-Mar-17
Afrocentric Investments Corporation Limited	31-Mar-17

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