

Monday, 6 February 2017

TOP 10 GAINERS		
Share Name	Closing price	% change
BRIMSTONE INVESTMENT - N SHS	1500	14.94
RCL FOODS LTD/SOUTH AFRICA	1415	10.98
HUDACO INDUSTRIES LTD	12706	10.97
HARMONY GOLD MINING CO LTD	3579	9.67
ANGLOGOLD ASHANTI LTD	17642	9.32
ARCELORMITTAL SOUTH AFRICA	1417	9.01
DATATEC LTD	5735	8.00
PSG GROUP LTD	23700	7.07
AFRIMAT LTD	3037	6.46
NET 1 UEPS TECHNOLOGIES INC	16999	6.03

TOP 10 LOSERS		
Share Name	Closing price	% change
TRUWORTHS INTERNATIONAL LTD	7675	-7.37
GLENORE PLC	5170	-5.88
BHP BILLITON PLC	23203	-5.84
SPUR CORP LTD	3258	-5.34
MEDICLINIC INTERNATIONAL PLC	12995	-5.27
SANLAM LTD	6293	-5.17
EOH HOLDINGS LTD	14240	-5.02
EXXARO RESOURCES LTD	10356	-4.60
MTN GROUP LTD	12189	-4.59
MR PRICE GROUP LTD	15759	-4.57

GLOBAL EQUITY INDICES		
Indices	% Change	Points
Dow Jones	-0.11	20,071
S & P 500	0.12	2,297
Nasdaq	0.11	5,667
FTSE 100	0.05	7,188
Nikkei 225	-2.02	18,977
Hang Seng	-0.38	23,286
S & P ASX 200	-0.81	5,616

COMMODITIES*		
Name	% Change	Price
Gold	2.32	\$1,223.39
Platinum	1.77	\$1,007.35
Brent Crude Oil	3.16	\$57.07

CURRENCIES*		
Indices	% Change	Price
\$ / R	1.68	R 13.28
£ / R	1.68	R 16.58
€ / R	1.02	R 14.30

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COMMENTS FOR TOP 40 STOCK MOVEMENTS

The All Share followed global markets lower as concerns grow surrounding the effects of Donald Trump's protectionist policies. Risk-off trade was evident throughout the week, with gold stocks leading the weeks gains rising 6.47%. The gold miners all released trading updates showing strong earnings growth (off a low base) supported by the strengthening gold price. Global miners BHP Billiton and Glencore were under pressure following a slide in industrial metals. Financials slumped 2.09% for the week weighed down by insurers with Sterling affecting the insurers. Currency markets were volatile as central banks and economic data were released throughout the week contributing to equity market volatility. Local economic data saw a sharp increase in the Trade Balance Surplus (R12.04bn) as imports tumbled 20% and manufacturing PMI rose to a reading above the 50 level (50.9).

KEY EVENTS & COMPANY RESULTS

Vodacom Group Limited

Trading update for the quarter ended 31 December 2016

The group reported that revenue rose by 1.2% to R21.222 billion. The company said that it added 1.6 million group active customers during the quarter. Group data revenue increased 18.4% to R6.53 billion, representing 37.5% of service revenue. International service revenue declined 8.2% (+3.4%*) to R4 206 million; impacted by customer registration processes and currency volatility.

Glencore PLC

Production Report for the 12 months ended 31 December

The group reported own-sourced copper production was 5% lower than 2015, reflecting the suspended production at the African Copper assets. Own-sourced zinc production slid 24%, due to the October 2015 announcement of production curtailment in Australia and Peru. The company reported nickel rose by 20% compared to the comparable period and coal production slid 5% mainly due to the divestment of Optimum Coal.

RCL Foods Limited

Trading Statement

RCL Foods said that they expect HEPS for the period to decrease by between 54% and 36.9% when compared to the corresponding period. Earnings per share (EPS) for the six months ended 31 December 2016 is expected to be between 65.3% and 48% lower than corresponding period. The results were materially impacted by provision for uncertain taxation disputes as part of the Foodcorp acquisition.

Anglo Gold Limited

Trading Statement for year ended 31 December 2016

The company expects headline earnings for the period to be between 242% and 262% higher and HEPS for the period is expected to be between 239% and 256% higher than the comparable period. The expected overall increases in headline earnings and basic earnings are primarily due to stronger gold price, continued focus on cost controls and weaker FX in Brazil, Argentina and South Africa.

Sibanye Gold Limited

Operating and strategic update for the six months ended 31 December

Sibanye's Gold Division produced approximately 23,800kg (765,000oz) of gold, 7% lower than the comparable period in 2015. The company attributed the year-on-year decline in production to the closure of the Cooke 4 shaft during the period and a number of power outages during the last quarter. The Platinum Division delivered

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a solid operating result, with attributable platinum group metal (PGM) production amounting to approximately 230,000oz (4E) for the December 2016 quarter. The Rustenburg Operations production saw an improvement of 7% from the previous quarter and 9% more than for the comparable quarter in 2015.

Harmony Gold Mining Company Limited

Interim results for the six months ended 31 December 2016

The company reported that revenue, including a gold hedge, increased by 3% to R9.868 billion (13% to US\$706 million) compared to the previous period. During the six months ended 31 December 2016 a gain from gold hedging of R233 million (US\$17 million) was realised on the contracts that matured. Gold production increased by 8% to 17 227kg while all-in sustaining costs for all operations increased by only 4% to R510 506/kg. The company reported headline earnings per share (HEPS) of 150 cents versus the headline loss of 103 cents per share reported for the previous comparable period in 2015.

Gold Fields Limited

Trading statement for twelve months to 31 December 2016

The company advises that EPS for the twelve months ended 31 December 2016 are expected to be between 160% and 170% (US\$0.49 to US\$0.52) higher than the loss per share of US\$0.31 of the comparable period. HEPS for FY 2016 are expected to be between 730% and 780% (US\$0.29 to US\$0.31) higher than the headline loss per share of US\$0.04 reported for FY 2015. The increases in EPS and HEPS are primarily driven by an increase in the US\$ gold price (8% YoY) and lower net operating costs in local currencies as well as the impact of converting these costs at weaker exchange rates.

GLOBAL AND WORLD MARKET DEVELOPMENTS

Global markets ended the week mostly lower as indices in the US retreated from record levels. The Trump effect put pressure on the markets as his extreme policies such as an immigration ban added to market uncertainty. The UK FTSE ended a volatile week 0.2% higher. During the week parliament voted in favour of the Article 50 being triggered by the end of March. US indices ended the volatile week slightly lower, company earnings were mixed but mainly positive. Apple reported strong numbers beating expectations fuelled by record breaking iPhone sales of 78.3m in the quarter. The Bank of England, US Fed and Bank of Japan all left interest rates unchanged as expected. Chinese markets were closed till Friday for Lunar New Year. On Friday however, the PBOC raised key interest rates in the money market, reinforcing a shift to tighter monetary policy and curbing the demand for commodities. Copper prices ended the week down 1.71% despite briefly touching a June 2015 high on Wednesday following the workers at BHP’s Escondida mine in Chile voting to go on strike. Brent Crude ended the week more than 2% higher as oil producers appear to be on track to curb supply in accordance with the deal. Russia reportedly cut production by 100k barrels per day.

THE WEEK AHEAD

Earnings releases for JSE listed companies

Company	Date
Sappi Limited	08-Feb-17
Italtile Limited	09-Feb-17
ArcelorMittal SA Limited	10-Feb-17
Resilient REIT Limited	10-Feb-17

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