

Monday, 14 November 2016

TOP 10 GAINERS		
Share Name	Closing price	% change
GLENCORE PLC	5000	24.75
KUMBA IRON ORE LTD	16382	19.72
BHP BILLITON PLC	23453	18.52
ASSORE LTD	22101	15.12
ANGLO AMERICAN PLC	20665	13.70
SOUTH32 LTD	2981	12.92
MURRAY & ROBERTS HOLDINGS	1057	12.45
AFRICAN RAINBOW MINERALS LTD	10405	10.88
EXXARO RESOURCES LTD	11075	7.36
INVESTEC PLC	8754	6.57

TOP 10 LOSERS		
Share Name	Closing price	% change
HARMONY GOLD MINING CO LTD	3741	-17.60
LEWIS GROUP LTD	3300	-13.11
ANGLOGOLD ASHANTI LTD	16945	-12.17
SUN INTERNATIONAL LTD	7371	-11.72
SIBANYE GOLD LTD	3487	-11.45
ASCENDIS HEALTH LTD	2320	-11.45
GOLD FIELDS LTD	5110	-9.70
TRUSTCO GROUP HOLDINGS LTD	320	-8.83
MR PRICE GROUP LTD	13370	-8.42
ALEXANDER FORBES GROUP HOLDI	565	-8.28

GLOBAL EQUITY INDICES		
Indices	% Change	Points
Dow Jones	5.36	18,848
S & P 500	3.80	2,164
Nasdaq	3.78	5,237
FTSE 100	0.56	6,730
Nikkei 225	2.56	3,030
Hang Seng	3.00	17,693
S & P ASX 200	1.81	5,346

COMMODITIES*		
Name	% Change	Price
Gold	-5.18	\$1,215.23
Platinum	-6.29	\$936.98
Brent Crude Oil	-3.06	\$44.74

CURRENCIES*		
Indices	% Change	Price
\$ / R	-6.96	R 14.36
£ / R	-8.14	R 18.03
€ / R	-4.81	R 15.50

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COMMENTS FOR TOP 40 STOCK MOVEMENTS

The All Share ended the week higher in volatile trade as a result of the uncertainty surrounding the US presidential elections. Following Donald Trump's surprise victory emerging market currencies and bonds were under pressure with the Rand tumbling more than 6% in risk off trade. The All Share ended up 1.22% supported by global miners rallying on the back of strong industrial metal prices. Copper and iron ore commodity prices traded at a 30 year and 2 year high respectively as optimism surrounding infrastructure spending and demand re-entered the global economy. Gold and platinum producers weighed on the market as a stronger dollar and weaker precious metal prices put pressure on the miners. In economic news, South African mining production expanded by 3.4% year-on-year in September supported by gains in coal and gold production. South Africa's manufacturing output was flat in September missing economist forecasts of 0.1% growth, adding to concerns of a credit rating downgrade.

KEY EVENTS & COMPANY RESULTS

The Spar Group Limited

Trading statement

The group expects headline earnings per share (HEPS) to be between 20% and 25% higher (between 1002.6 cents and 1044.4 cents per share) than the previous corresponding period. Earnings per share (EPS) is expected to be between 20% and 25% higher (between 985.0 cents and 1026.0 cents per share) compared to the previous corresponding period.

ArcelorMittal South Africa Limited

Operational information for the quarter ended 30 September 2016

The company reported that liquid steel production was 6% lower mainly due to the planned mini-reline at Saldanha Works. Local sales Y-o-Y were 20 000 tonnes (3%) higher driven mainly by flat products, while compared to 2Q16 were 11% lower due to weaker local demand and ongoing imports. Export sales had decreased by 64% largely due to the reline and weak international demand.

Massmart Holdings Limited

Trading statement

Massmart's total sales increased to R73.2 billion, representing growth of 7.6% over the prior year's 44-week period while comparable stores' sales increased by 5.3%. Divisionally, Masswarehouse and Massbuild increased by 10.7% (7.5% comparable) and 5.7% (1.1% comparable) respectively showing signs of a sales recovery. Massdiscounters increased by 4.6% (0.5% comparable) which was affected by low consumer confidence, drought-affected food inflation and higher-priced imported products.

Anglo American Platinum

Trading statement for the twelve months ending 31 December 2016

The company expects headline earnings and HEPS to be at least 20% (R21 million or 8 cents per share) higher than previous period. Basic earnings and basic EPS is also expected to be at least 20% (R2.425 billion or 928 cents per share) higher than the reported basic earnings and EPS for the comparative period.

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Mediclinic International plc**2016/17 Interim results**

The company reported that group revenue grew by 27% and underlying EBITDA grew by 11%. Regionally, the company realized strong performance in Switzerland with revenue up 5% and underlying EBITDA up 7%. Southern Africa revenue rose 8% and Mediclinic Middle East climbed 112%. The Al Noor business was acquired on 15 February 2016, the inclusion of the Al Noor business accounted for around 16% of the overall increase in group revenue. The board declared an interim dividend from retained earnings of 3.20 pence per ordinary share, an increase of 20%.

Sappi Limited**Fourth quarter results**

The group reported that net profit for the year had increased by 91% to US\$319 million. The group's EBITDA excluding special items was US\$739 million, an increase of 18% on the prior year. During this seasonally stronger quarter, graphic paper sales volumes were 9% above those of the prior quarter, but 4% below those of the equivalent quarter last year. Operating profit excluding special items for the year rose 36% to US\$487 million compared to the prior year. The groups net debt compared to the previous year fell 20% to \$1.4 billion. The directors declared a dividend of 11 US cents per share which will be paid to shareholders on 17 January 2017.

Lewis Group Limited**Unaudited interim Results for the six months ended 30 September 2016**

The company reported that for the six months to the end of September after tax profit fell 41.5% while overall revenue fell 2% to R2.74 billion. Excluding new stores, sales fell 9.2% with group credit sales down 2.3% (63.4% of overall sales). The group declared an interim dividend of R1.00 down from R2.15 (down 53%). The National Credit Regulator's affordability assessment regulations had severely impacted the group's merchandise sales and in particular credit sales over the past six months.

The Foschini Group Limited**Unaudited interim condensed consolidated results for the half-year ended 30 September 2016**

The group reported that headline earnings were up 8.1% and HEPS rose 5.7% to 496,8 cents. TFG group turnover rose 16,9% to R11,4 billion (TFG Africa: +9,5%). Cash turnover growth for the period was strong at 29.5% (TFG Africa:19.0%). Credit turnover however was severely impacted by the Affordability Regulations and grew by only 1.4%. The board declared an interim dividend increase of 4.6% of 320,0 cents per share.

Harmony Gold Mining Company Limited**Production results for the three months ended 30 September 2016**

The company reported its highest ever quarterly revenue of R5.25 billion, a 9% increase quarter on quarter. The company's operations generated positive free cash flow of R850 million (US\$60 million), allowing them to reduce net debt by 51% to R528 million recorded. Quarter on quarter gold production increased by 10% to 8 630kg with all-in sustaining cost for the group remaining stable with a 1% decrease to R516 116/kg (US\$1 142/oz), despite the seasonal effect of winter electricity tariffs. Currency and gold hedges realised R240 million (US\$17 million) in profits.

Woolworths Holdings Limited**Trading update: 19 weeks ended 6 November 2016**

Woolworths reported that group sales for the period increased by 8.9%. Segmentally, Woolworths Clothing and General Merchandise sales increased by 2.0%, food sales increased by 9.1%. Australian David Jones sales increased by 2.2% in Australian Dollar terms while Country Road Group sales declined by 2.8% in Australian Dollar terms.

Life Healthcare group holdings limited

Audited results for the year ended 30 September 2016

The company said that group revenue increased by 12.0% to R16 404 million. As a result of an 8.8% increase in Southern African revenue to R15 230 million and the growth in revenue from Poland of 81.2% to R1 174 million. Earnings per share on a normalised basis increased by 2.6% to 182.1 cps HEPS increased by 7.0% to 192.5 cps. The board declared a gross dividend of 92 cents per share or a scrip distribution alternative. The group also issued a cautionary announcement ahead of a potential acquisition.

GLOBAL AND WORLD MARKET DEVELOPMENTS

Global markets ended the week positively, with all three major US indices posting their best weekly gains of the year on the back of the surprise Republican sweep. Donald Trump edged out Hillary Clinton and the Republicans won both the Senate and House of Representatives which was positively digested by global markets. It is expected that Trump's key focus will be on fiscal policies (tax cuts), infrastructure spending and the deregulation of banks in the US. The rally in financials, industrials and healthcare stocks was also evident in most of the European and Asian markets. The stronger dollar dampened demand for emerging markets but was shrugged off by China's Shanghai Composite which entered a bull market (climbing 20% from the lows hit in January). Chinese trade data missed expectations with China's trade balance surplus narrowing as exports and imports fell more than expected. However the inflation number beat expectations boosting optimism about the strength of the world's second largest economy. In commodity news, OPEC released its monthly report which showed the cartel continued to produce at record levels, adding to uncertainty that any production limiting agreement will be reached at the meeting later this month, Brent crude tumbled more than 2% over the week.

THE WEEK AHEAD

Earnings releases for JSE listed companies

Company	Date
AngloGold Ashanti Ltd	14-Nov-16
Lonmin PLC	14-Nov-16
Mr Price Group Ltd	14-Nov-16
Vodacom Group Ltd	14-Nov-16
PPC Ltd	15-Nov-16
Telkom SA SOC Ltd	15-Nov-16
Brait SE	16-Nov-16
Peregrine Holdings Ltd	16-Nov-16
Spar Group Ltd	16-Nov-16
Investec Ltd	17-Nov-16
Harmony Gold Ltd	18-Nov-16

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