

Monday, 21 November 2016

TOP 10 GAINERS		
Share Name	Closing price	% change
BALWIN PROPERTIES PTY LTD	786	20,00
ROYAL BAFOKENG PLATINUM LTD	4026	12,93
TONGAAT HULETT LTD	13000	11,51
MURRAY & ROBERTS HOLDINGS	1175	11,16
METAIR INVESTMENTS LTD	2130	10,94
GRINDROD LTD	1224	10,77
TRENCOR LTD	3275	9,68
ASSORE LTD	24215	9,57
TRUWORTHS INTERNATIONAL LTD	6846	8,79
TELKOM SA SOC LTD	6620	8,49

TOP 10 LOSERS		
Share Name	Closing price	% change
BRIMSTONE INVESTMENT - N SHS	1200	-10,11
LEWIS GROUP LTD	3069	-9,42
LONMIN PLC	3195	-9,17
SOUTH32 LTD	2801	-8,35
EXXARO RESOURCES LTD	10667	-8,19
GLENCORE PLC	4769	-7,26
ANGLO AMERICAN PLATINUM LTD	31025	-7,17
HARMONY GOLD MINING CO LTD	3700	-7,08
GOLD FIELDS LTD	4909	-6,65
ANGLO AMERICAN PLC	19986	-6,36

GLOBAL EQUITY INDICES		
Indices	% Change	Points
Dow Jones	0,11	18 868
S & P 500	0,81	2 182
Nasdaq	1,61	5 322
FTSE 100	0,67	6 776
Nikkei 225	-0,30	3 021
Hang Seng	2,45	18 106
S & P ASX 200	0,10	5 351

COMMODITIES*		
Name	% Change	Price
Gold	-0,72	\$1 212,58
Platinum	-0,49	\$928,85
Brent Crude Oil	6,89	\$47,49

CURRENCIES*		
Indices	% Change	Price
\$ / R	-0,22	R 14,46
£ / R	0,96	R 17,85
€ / R	1,09	R 15,33

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COMMENTS FOR TOP 40 STOCK MOVEMENTS

The All Share ended higher, firming 0.66% after a volatile week dominated by off-shore markets. The rand slid to lows of R14.63/\$ on Friday, its weakest since mid-September, before bouncing back to R14.38/\$. The rand volatility is likely to concern the Reserve Bank's monetary policy committee on the interest rate decision this week. Retail sales grew 1.4%, beating market expectations of a 1% increase. Sales were mainly boosted by food, beverages, tobacco and pharmaceuticals. In commodity news, the Brent Crude was the only gainer, lifting 6.89% while the gold spot price and platinum declined 0.72% and 0.49% respectively.

KEY EVENTS & COMPANY RESULTS

Vodacom Group Limited

Interim results for the six months ended 30 September 2016

VOD delivered solid service revenue growth of 5.3%, led by a 2.3 million increase in active customers since March 2016, mostly in South Africa. Group service revenue lifted 5.3% and group revenue was up 4.1%. In South Africa, service revenue increased 5.6%, aided by a strong growth of 1.5 million active customers in the period. International operations' service revenue grew 5.4%, impacted by customer registration processes. Group data revenue firmed 18.7%, supported by strong network investment. Group EBITDA grew 4.1% to R15 278m with margins flat at 38.1%. Group capital expenditure of R5 714m, focused on improved 3G and 4G coverage. HEPS remained unchanged at 440c. The group was negatively impacted by a tax adjustment in Tanzania and foreign currency impacts. Vodacom has continued to operate well in SA. Its growth rate has remained steady at service revenue growth of about 6% over the past three quarters.

AngloGold Ashanti Limited

Market update report for the quarter ended 30 September 2016

AngloGold Ashanti said free cash flow for the quarter was \$161m up from \$50m. Gold production for the quarter was 900 000oz compared with 974 000oz in the same period a year ago. South African gold production fell by 7% to 235 000oz because of lower grades. During the quarter, AngloGold lost 38 600oz of gold to safety stoppages at its South African mines, bringing the total for the year to more than 80 000oz. The improved cash flow during the September quarter helped AngloGold lower its net debt to \$1.972bn from \$2.098bn in the June quarter. Looking ahead, AngloGold forecast its full-year production at between 3.6 million and 3.65 million ounces compared with an earlier forecast of between 3.6 million and 3.8 million ounces.

Mr Price Group Limited

Unaudited group results for the 26 week ended 1 October 2016

The group's overall interim revenue grew 1.5% to R9.2bn while after tax profit fell 13.9% to R921m. Operating profit in Mr Price's apparel division was down 26.7% to R779m on a 0.3% sales decline to R6.3bn for the 26 weeks to October 1. Operating profit in Mr Price's home division, on the other hand, jumped 20.4% to R364m while sales grew 2.3% to R2.3bn. Its financial services and cellular division

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grew operating profit 4.1% to R181m while sales jumped 27.2% to R524m. Cash sales were up 1.9% and constituted 82.6% of total sales, while the introduction of new credit regulations in September 2015 continued to affect credit sales, which were down 6.2%. Mr Price cut its interim dividend by 8% to 228.2cps.

Brait SE Limited

Unaudited interim results for the six months ended 30 September 2016

Brait cut New Look's valuation 42.1% to R18.7bn, as the clothing group's like-for-like sales dropped 8.4% during the six-month period. In the UK, sales fell 8.8%, and it lost market share in the women's wear sector, dropping to 5.9% from 6.4%. Virgin Active's valuation dropped 1.17% to R16.1bn, with the rest of its portfolio appreciating more than 37%. The company posted a R4.5bn loss for the six months through September compared with a profit of R18.1bn a year earlier. Net asset value fell to R105.06 a share from R123.50 the previous period. The company's most recent investments have focused on the UK, where Brait last year spent a combined £1.6bn on Virgin Active, New Look and an increased stake in Iceland Foods. Brait is in the final stages of concluding a new R8.5bn facility with lenders with a four-year term to November 2020.

Telkom SA SOC Limited

Group interim results for the six months ended September 2016

Telkom tripled its after tax profit to R1.8bn and resumed paying interim dividends after 13 years. Interim revenue grew 20.6% to R20.2bn, with declines in Telkom's traditional fixed-line telephone business offset by growth in its mobile division and the full inclusion of BCX. The group's fastest organic growth came from mobile data whose revenue contribution grew 43.2% to R1bn while mobile voice revenue grew 30% to R520m. HEPS was up 19.2% to 336c while BEPS firmed up 8.6%. An interim dividend of 131cps was declared. TKG has revised its dividend policy to pay out 60% of full-year headline earnings and 40% of interim headline earnings.

Coronation Fund Managers Limited

Reviewed preliminary consolidated financial results for the year ended 30 September 2016

Coronation reported revenue down 9% to R4bn, which in turn led to a 13.3% decline in HEPS. Assets under management declined to R599bn over the period on the back of total net outflows of R79bn, the bulk of which was offset by capital appreciation. Poor short-term performance in some of Coronation's funds may have been a catalyst for net outflows of R79bn over the year to September. A total dividend was declared of 447cps.

PPC Limited

Reviewed condensed results for the year ended 30 September 2016

Net profit in the six months slid 83% to R58m as finance costs jumped 54% after note-holders requested early settlement to the amount of R1.6bn. The group also suffered foreign exchange losses of R87m, driven by unfavourable currency movements against the US dollar in the DRC and Rwanda. Group debt was down to R5.9m from R9.17bn in March following the receipt of proceeds from the rights issue. Conversely, revenue was up 15% to R5.2bn due to higher cement sales volumes, specifically in SA, where cement volumes were up 13%. No dividend was declared.

Netcare Limited

Trading statement

Earnings are anticipated to be between 30% and 32.5% (R722m and R782m) lower and EPS between 30% and 32.5% lower than those for the previous financial year of 178.9c. HEPS is expected to be between 30% and 32.5% (52.2c and 56.6c) lower than those for the previous financial period.

Spar Group Limited

Preliminary audited results for the year ended 30 September 2016

Spar Group has reported a 12% surge in full-year operating profit, largely defying the condition in the local retail sector and the Brexit-inspired dip in Europe's consumer confidence. Operating profit had climbed to R2.6bn from R2.3bn in the previous year. HEPS jumped 22.1% to R10.20 and turnover rose 23.8% to R90.7bn. Spar group acquired 60% of its Swiss sister in April. Spar Switzerland contributed R6.5bn of the group's revenue and R32.2m operating profit during the reporting period. The group's Southern African operations achieved turnover growth of 9.5% and a 6.2% rise in operating profit. Spar declared a final cash dividend of 410cps, bringing the total gross dividend for the year to 665cps. Spar declared a final cash dividend of 410cps, bringing

the total gross dividend for the year to 665cps.

Naspers Limited

Trading statement

Core HEPS is expected to increase between 23% and 28%. HEPS and EPS are both expected to be between 10% and 15% higher respectively compared to the prior period.

Investec Bank Limited

Reviewed interim consolidated financial results for the six months ended 30 September 2016

The group reported solid results in a volatile environment for the six months, with a 1.6% increase in operating profit on a currency neutral basis, to £281.4m. Headline earnings attributable to ordinary shareholders amounted to R1 486m (2015: R1 807m). Operating fundamentals were supported by sound levels of corporate and private client activity. Operating income excluding investment income increased by 19.8%. The balance sheet remains sound with a capital adequacy ratio of 14.9%. Investec declared a gross preference dividend of 438.63cps.

GLOBAL AND WORLD MARKET DEVELOPMENTS

Global markets ended the week in positive territory with the Hang Seng leading the gains. Consumer prices in the U.S went up 1.6% YoY in October, up from a 1.5% rise in September and in line with market expectations. Inflation was boosted by rising shelter and energy costs while food prices declined for the second month. Producer prices were unchanged in October from September, following a 0.3% rise in the previous period and below market expectations of a 0.3% gain. On an annual basis, PPI rose 0.8%. Crude oil inventories rose by 5.27m barrels in the week ended 11 November 2016. It is the third straight week of rising inventories and above market expectations of a 1.48m increase. In the U.K, inflation rose 0.9% YoY for October, compared with a 1% growth in the year to September, and below market expectations of a 1.1% gain. On a monthly basis, consumer prices edged up 0.1%, after a 0.2% growth in September and missing market consensus of a 0.3% rise. The unemployment rate declined to 4.8% in the three months to September from 4.9% in the April to June period. Japan's GDP advanced 0.5% QoQ following a 0.2% expansion in the previous period and beating market expectations of a 0.2% expansion. The economy was boosted by exports, government spending and private residential investment. Industrial production in China rose 6.1% YoY in October, the same pace as the previous month and missing market expectations of a 6.2% expansion. While output grew for manufacturing; electricity, gas, water production and mining output fell 2.2%.

THE WEEK AHEAD

Earnings releases for JSE listed companies

Company	Date
Astral Foods Ltd (ARL)	21-Nov-16
Barloworld Ltd (BAW)	21-Nov-16
Pioneer Foods Group Ltd (PFG)	21-Nov-16
Rhodes Food Group Pty Ltd (RFG)	21-Nov-16
Netcare Ltd (NTC)	21-Nov-16
AngloGold Ashanti Ltd (ANG)	22-Nov-16
PPC Ltd (PPC)	22-Nov-16
Tiger Brands Ltd (TBS)	23-Nov-16
Naspers Ltd (NPN)	25-Nov-16

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