

Monday, 18 September 2017

TOP 10 GAINERS		
Share Name	Closing price	% change
NIVEUS INVESTMENTS LTD	4300	14.67
AFRICAN OXYGEN LTD	2400	12.15
TRUSTCO GROUP HOLDINGS LTD	500	11.11
EQUITES PROPERTY FUND LTD	2050	8.81
ASPEN PHARMACARE HOLDINGS LT	30974	8.01
NAMPAK LTD	2072	7.02
INVICTA HOLDINGS LTD	5098	5.11
RCL FOODS LTD/SOUTH AFRICA	1491	5.00
REINET INVESTMENTS SA-DR	2885	4.72
HAMMERSON PLC	9875	4.49

TOP 10 LOSERS		
Share Name	Closing price	% change
IMPALA PLATINUM HOLDINGS LTD	3423	-16.49
CLOVER INDUSTRIES LTD	1350	-8.97
PAN AFRICAN RESOURCES PLC	240	-7.34
NORTHAM PLATINUM LTD	4710	-7.01
CONSOLIDATED INFRASTRUCTURE	1270	-6.34
SIBANYE GOLD LTD	1790	-6.23
ITALTILE LTD	1280	-5.88
MPACT LTD	2400	-5.88
PALLINGHURST RESOURCES LTD	275	-5.82
GROUP FIVE LTD	1320	-5.71

GLOBAL EQUITY INDICES		
Indices	% Change	Points
Dow Jones	2.16	22,268
S & P 500	1.58	2,500
Nasdaq	1.39	6,448
FTSE 100	-2.20	7,215
Nikkei 225	3.29	19,910
Hang Seng	0.50	27,808
S & P ASX 200	0.39	5,695

COMMODITIES*		
Name	% Change	Price
Gold	-1.96	\$1,320.18
Platinum	-3.83	\$969.05
Brent Crude Oil	3.42	\$55.62

CURRENCIES*		
Indices	% Change	Price
\$ / R	-1.73	R 13.16
£ / R	-4.68	R 17.90
€ / R	-1.02	R 15.72

Updated: 9:19 09/16/2017

## COMMENTS FOR TOP 40 STOCK MOVEMENTS

The All Share ended the week 0.14% lower as investors globally continued with the risk-off trade. The slow down in the Chinese economy added to the woes as base and precious metals were under pressure. The Top40 remained unchanged for the week. Resources shed 0.54% for the week as diversified miners were under pressure following from global markets. Financials slid 1.41% for the week due to investors reducing their exposure to the sector, as it has been the worst performer year to date and the rating agency's dark cloud is still hanging over the economy. Industrials received support from rand weakness as the rand slid 4.68% against the pound, helping the index to move into the green. Industrials had weekly gains of 0.53%, the only major index on the JSE to finish in the green.

The retail sales constant y/y for July was at 1.8% below market expectations of 2.5% and the m/m change for July was at negative 0.6% compared to the no change expected by the market. The last time retail sales was in negative territory was in January. The current account deficit for the second quarter has widened to R110bn compared to analyst estimates of R88bn.

## KEY EVENTS & COMPANY RESULTS

### Aspen Pharmacare Holdings Limited

#### Reviewed provisional group results for the year ended 30 June 2017

Group revenue increased by 16% to R41.2bn and normalised HEPS were up 16% to 1463.2 cents, beating consensus analyst expectations of 1461.1 cents. The synergy programme contributed approximately R1.2bn to profits during the year, despite currency headwinds, price erosion and the constrained nutritional sales in Australia. Anaesthetics' revenue increased to R7bn post-acquisition with the largest contributions coming from developed Europe at R1.7bn and China contributing R1.5bn after the company recently gained entry into the market. The South African business had a strong turnaround in the second half of the year supporting a 9% increase in full year private sector performance, while the public sector business increased by 1% to R1.5bn. The board declared a dividend of 287 cents per share.

### Remgro Limited

#### Trading statement

HEPS is expected to be between 1466.7 cents (31% higher) and 1511.5 cents (35% higher) compared to 1119.6 cents in the prior period. The increase in HEPS is mainly due to a positive fair value adjustment of R687m. Analysts have an EPS expectation of 1449.62.

### AVI Limited

#### Results for the year ended 30 June 2017

Group revenue was up 8.2% to R13.18bn, revenue growth was due to higher selling prices and higher raw material costs. Overall gross profit margins were well protected, declining marginally to 43.7% from 43.9%. Operating profit increased 10.7% to R2.39bn and HEPS was up 9.4% to 507.7 cents. EPS came in at 503.6 cents, below analyst expectations of 504.8 cents. Entyce Beverages' revenue grew by 9.8% to R3.76bn and operating profit margin increased to 19.6% compared to 19.3% in the prior period. The good performance was supported by the premium tea segment as there was strong demand at the high price points. Snackworks, which includes the biscuit business, grew revenue by 8.6% to R3.96bn despite a dip in sales volumes as demand was constrained at high pricing points. A final dividend of 243 cents was declared.

## Contact Details

Derick Meintjes  
Email: [Derickm@legae.co.za](mailto:Derickm@legae.co.za)  
Tel: +27 11 722 7330

Private Clients Enquiries  
Email: [privateclients@legae.co.za](mailto:privateclients@legae.co.za)  
Tel: +27 11 722 7343

### Ascendis Health Limited

#### Annual financial results for 30 June 2017

Group revenue was up 64% to R6.4bn compared to R3.9bn in the prior year, supported by a R2.3bn acquisition growth contribution from Remedica and Scitec. Gross margin for the group increased by 380 bps to 43.7% due to a higher contribution from prescription drugs. Normalised HEPs grew by 29% to 156.4 cents. The group is set to continue pursuing its growth strategy through synergies, acquisitions and international diversification to create shareholder value. No dividend was declared by the company.

### Impala Platinum Holdings Limited

#### Interim consolidated annual results for the 12 months ended 30 June 2017

Group revenue increased by 2.5% to R36.8bn compared to R35.9bn in the prior year. The contribution of an increase in unit costs and cost of sales largely resulted in a decline in gross profit from R4m to a loss of R529m. The group suffered a basic headline loss of 137 cents per share and earnings were impacted by a R10.2bn impairment. Platinum production reached 1.53 million ounces for the year compared to 1.44 million ounces in the prior period, due to a good operational performance. Impala Rustenburg and Marula produced sub-optimal performances due to a closure of two shafts in Rustenburg for repairs and community disruptions at Marula. The group is set to continue to focus on strengthening the balance sheet and on the implementation of effective strategies for capital allocation and cash management. No dividend was declared by the company.

### GLOBAL MARKETS

Global markets ended the week in the green despite North Korea firing a ballistic missile over Japan on Friday. This comes after the UN Security Council tightened sanctions against the country. Investors shrugged off the rise in tensions on the Korean Peninsula and the terrorist attack in London, with safe haven assets declining. Gold shed 1.96% for the week and the yen gave up 2.7% for the week against the dollar, on the back of dollar strength. US CPI rose 1.9% y/y for August, which came in above market expectations of 1.8%, due to high gasoline prices as Hurricane Harvey shut down refineries in the Gulf coast. Core inflation excluding food and energy prices has been constant at 1.7% y/y for August and it has been at that level for four consecutive months. Retail sales m/m for August fell to negative 0.2%, lower than market expectations of a 0.1% increase as some of the hurricane effects on retail sales were priced into the figure. The Dow Jones and the S&P 500 had weekly gains of 2.16% and 1.58% respectively. The FED is expected to meet this week to discuss whether to hike rates and on likely unwinding the balance sheet. UK CPI y/y for August rose by 2.9% beating market expectations of 2.8% due to rising clothing and motor fuel prices. This places the Bank of England in a difficult position on whether to increase interest rates sooner in order to curb the increase in inflation, or to wait for the impact of leaving the single economy. The FTSE 100 shed 2.2% for the week due to pound strength and London-listed copper and nickel miners were under pressure. The DAX posted 1.75% weekly gains. China's industrial production y/y for August eased to 6%, lower than market expectations of 6.6%, indicating a slow down in the world's second largest economy. Asian markets ended the week in the green despite North Korea testing a missile. The Nikkei and Hang Seng were up 3.29% and 0.5% for the week respectively.

### THE WEEK AHEAD

Company	Date
Discovery Limited	18-Sep-2017
Sasfin Holdings Limited	18-Sep-2017
Rand Merchant Investment Holdings Limited	18-Sep-2017
EOH Limited	19-Sep-2017
Remgro Limited	20-Sep-2017

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