

Monday, 23 October 2017

TOP 10 GAINERS		
Share Name	Closing price	% change
ARCELORMITTAL SOUTH AFRICA	590	8,26
ASTRAL FOODS LTD	18900	8,19
NORTHAM PLATINUM LTD	4978	8,03
LONMIN PLC	1580	6,61
CLOVER INDUSTRIES LTD	1338	6,53
KUMBA IRON ORE LTD	26929	6,06
METAIR INVESTMENTS LTD	1922	5,90
PAN AFRICAN RESOURCES PLC	243	5,65
SIBANYE GOLD LTD	1700	5,59
MAS REAL ESTATE INC	3100	5,44

TOP 10 LOSERS		
Share Name	Closing price	% change
CASHBUILD LTD	37628	-8,67
HARMONY GOLD MINING CO LTD	2223	-7,95
WOOLWORTHS HOLDINGS LTD	5726	-7,27
CITY LODGE HOTELS LTD	12680	-6,76
CONSOLIDATED INFRASTRUCTURE	1149	-6,59
MURRAY & ROBERTS HOLDINGS	1571	-5,76
TRUWORTHS INTERNATIONAL LTD	7499	-5,57
MASSMART HOLDINGS LTD	11000	-5,25
IMPERIAL HOLDINGS LTD	19294	-4,96
STADIO HOLDINGS PTY LTD	647	-4,85

GLOBAL EQUITY INDICES		
Indices	% Change	Points
Dow Jones	1,77	23 277
S & P 500	0,67	2 570
Nasdaq	0,39	6 631
FTSE 100	-0,16	7 523
Nikkei 225	1,43	21 458
Hang Seng	0,04	28 487
S & P ASX 200	1,60	5 907

COMMODITIES*		
Name	% Change	Price
Gold	-1,91	\$1 278,89
Platinum	-2,75	\$919,82
Brent Crude Oil	0,49	\$57,45

CURRENCIES*		
Indices	% Change	Price
\$ / R	-2,92	R 13,67
£ / R	-2,12	R 18,01
€ / R	-2,49	R 16,08

Updated: 17:57 20/10/2017

COMMENTS FOR TOP 40 STOCK MOVEMENTS

The local market ended the week higher on Friday, lifted by rand hedges, as the rand lost ground to the dollar. The US Dollar gained strength, following the Senate passing a budget blueprint, paving the way for the tax cuts. The rand weakened against the firmer dollar after the tax cut news, down 1.3% trading at R13.66/\$. It remained under pressure for the whole week, following President Zuma's unexpected cabinet reshuffle on Tuesday in the run up to the first Medium Term Budget Policy Statement presented by Finance Minister Malusi Gigaba on Wednesday.

The All-share ended the week 0.12% up, its third straight week of gains. The Top 40 gained 0.29% for the week. Financials index shed 0.89% for the week. Banking stocks fell 2.39% on Friday. Barclays Africa led the losses, down 4.45%, Standard Bank was down 2.63% and FirstRand shed 1.05% for the week. The Resources index gained 0.53% for the week. Northam was the biggest gainer up 8.03%, followed by Lonmin up 6.61%, while Harmony dropped 7.95%. General retailers shed 1.81%, food and drug retailers 0.99% on Friday. The local bond market was weaker with the R186 bid at 8.820% from 8.785%.

KEY EVENTS & COMPANY RESULTS

Dischem Pharmacies Limited

Interim results for the six months ended 31 August 2017

The group reported turnover increase of 13.3% to R9.6 billion. This was mainly due to the maturing store base, with an additional 19 stores, resulting in 118 stores. Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA) increased by 21% and profit after tax went up 37.4% from the prior comparative period. Earnings attributable to shareholders and Earnings per Share (EPS) increased by 49.4% and 38.1% respectively from the prior comparative period.

This was partly due to the buy-out of the non-controlling interest in certain subsidiaries in September and November 2016. Headline Earnings per Share (HEPS) and adjusted HEPS are 46.8 cents per share, an increase of 38.1%. Management stated that it will continue to focus on adding retail stores and it expects that weak consumer spending will continue. The group declared gross interim cash dividend of 18.73 cents per share.

Mediclinic International PLC

2017/18 Interim trading update

The group reported that in constant currency, interim revenue was flat and underlying EBITDA was down 5.0%. However, after the translation effect of foreign currency movements, interim revenue was up 9.5% at GBP1.4bn (1H17: GBP 1.3bn) and underlying EBITDA was up 5.0% at GBP 231m (1H17: GBP220m). EPS is expected to be 11.5 pence (1H17: 12.8 pence). In a divisional review, management stated that patient volumes in Switzerland and Southern Africa were down in the first half of the year after being hit by the timing of the Easter holidays. South Africa's interim revenue increased by 4% to R7.6bn, with inpatient bed days decreasing 3.3% and revenue per bed day rising 7.7%.

Interim revenue in Switzerland was only up 0.1% to CHF0.8 billion, with bed days sold and inpatient admissions down 1.9% and 1.3% respectively. Revenue from Middle East was down 4.7% to AED 1.5 billion. This was impacted by the

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

business and operational alignment initiatives that took place in Abu Dhabi during the prior year. Meintjes said inpatient and outpatient volumes were down 2% and 15%, respectively after having been affected by the business and operational alignment initiatives in the Abu Dhabi-based operations.

BHP Billiton PLC

Operational review for the quarter ended 30 September 2017

Petroleum output declined 8% to 50 Million Barrels of Oil Equivalent (MMboe), which beat a median estimate of 48.3-million barrels. The lower volume reflected a natural field decline, which was mainly due to the impact of Hurricane Harvey on US petroleum assets. Iron ore output fell by 3% to 56 million tonnes. This was due to the impact of planned maintenance and lower opening stockpile levels, following the fire at the Mt Whaleback screening plant in June 2017, but that was offset by improved mine productivity and record volumes at Jimblebar.

Copper output was up 14% to 404 000 tonnes, boosted by the Los Colorados extension project at Escondida mine and higher average copper grades. Production at BHP's onshore oil and gas assets in the US tumbled 16%. Energy coal production decreased by 2% to 7 million tonnes. This was a result of unfavourable weather at Cerrejon, but strong performance from at New South Wales offset the losses. Crude oil, condensate and natural gas liquids production quarter declined by 9% to 22 MMboe. Production at onshore oil and gas assets in the US tumbled 16%.

South 32

Quarterly report – September 2017

The group reported net cash position increase from \$33 million to \$1.7 billion, at the back of stronger commodities markets. South Africa Aluminium saleable production was unchanged at 180 000 tonnes. Aluminium sales were down 9%. Brazil Alumina saleable production increased by 2% (or 5kt) as the refinery continued to operate at its capacity. Severe drought conditions in the Porto Trombetas region of Brazil have impacted bauxite supply from the MRN mine. South Africa Manganese saleable ore production decreased by 8% to 496 000 Wet Metric Ton (WMT), while sales were maintained at an annualised rate of 3.5 million WMT per annum. This was due to strong market demand. Guidance for FY18 production is said to remain unchanged at 1.885 000wmt. Cannington silver, lead and zinc payable production decreased by 17%, 4% and 17% respectively.

GLOBAL AND WORLD MARKET DEVELOPMENTS

US stocks hit record highs and the dollar advanced against major currencies, after the Senate approved a budget blueprint that paves the way for promised tax reforms. The Senate voted by 51 to 49 votes to pass the budget proposal. The U.S. dollar shot to the highest level in roughly three months against the yen and strengthened against other crosses on Friday. The dollar index, was up 0.5%. The dollar was up 0.80% against the yen at ¥113.45, on Friday, leaving it 1.44% higher over the week. The Dow hit record highs up 0.46% on Friday, with a five-day gain of 1.74%. The S&P 500 rose 0.33% on Friday, its fifth consecutive closing record. For the week, the index rose 0.69%. T

The Nasdaq Composite index gained 0.38%, for the week. Bank stocks were among the biggest winners, after the Senate news, with J.P. Morgan Chase & Co. JPM up 1.43% while Citigroup was up 0.89%. Treasuries sold off amid concerns of higher inflation. The 10-year US Treasury yield was up 7 basis points on Friday, at 2.39% and 11 basis points higher over the week. The 30-year yield was 7 basis points higher on Friday at 2.90%. Spain's IBEX 35 index added 0.3%, although tensions over Catalonia still ran high as Madrid prepared to seize powers from the regional government. Spain's 10-year government bond yield, rose 5 basis points over the week to 1.65%. The FTSE 100 ended the week flat on Friday, with a weekly loss of 0.16%. Oil prices ended the week flat on Friday, weighed down by the weak US demand, but drew support from the decline in Iraqi crude exports due to tensions in Kurdistan region. Brent crude oil was up 0.49% for the week, settling at \$57.45 a barrel on Friday. The firm dollar and higher yields weighed on gold. Gold was down 1.91% for the five-day period, trading at \$1,278.89 an ounce on Friday.

THE WEEK AHEAD

Earnings releases for JSE listed companies

Company	Date
enX Group Ltd	23-Oct-17
RH Bophelo Ltd	23-Oct-17
African Equity Empowerment Investments Ltd	25-Oct-17
Oasis Crescent Property Fund Pty Ltd	25-Oct-17
Nu-World Holdings Ltd	25-Oct-17
Clicks Group Ltd	26-Oct-17
Delta Property Fund Ltd	26-Oct-17
Adcorp Holdings Ltd	26-Oct-17
Allied Electronics Corp Ltd	26-Oct-17
Premier Fishing and Brands Ltd	27-Oct-17
Montauk Holdings Ltd	27-Oct-17
Adrenna Property Group Ltd	27-Oct-17

Disclaimer:

Legae Securities (Pty) Ltd is a member of the JSE Limited and all investment management services as provided are regulated by the provisions of the Securities Services Act, No 36 of 2004 or any replacement act or acts and that all dealings are subject to the Rules, Directives, practice and usage of the JSE Ltd. This information is not advice as defined and contemplated in the Financial Advisory and Intermediary Services Act, 37 of 2002, as amended. Past investment returns are not indicative of future returns. Legae Securities (Pty) Ltd shall not be liable for any actions taken by any person based on the correctness of this information.