

Monday, 4 September 2016

TOP 10 GAINERS		
Share Name	Closing price	% change
MURRAY & ROBERTS HOLDINGS	1646	22.84
NOVUS HOLDINGS LTD	745	14.62
PPC LTD	545	11.91
ANGLOGOLD ASHANTI LTD	13073	10.79
BARLOWORLD LTD	13300	8.75
PAN AFRICAN RESOURCES PLC	250	8.70
HARMONY GOLD MINING CO LTD	2623	7.85
NORTHAM PLATINUM LTD	4939	7.84
ASSORE LTD	26880	7.38
ADVTECH LTD	1816	7.14
TOP 10 LOSERS		
Share Name	Closing price	% change
OCEANA GROUP LTD	8355	-11.31
PIONEER FOODS GROUP LTD	11807	-10.55
NET 1 UEPS TECHNOLOGIES INC	12318	-9.16
CHOPPIES ENTERPRISES LTD	265	-7.67
BRAITSE	5596	-6.97
PSG GROUP LTD	24735	-6.03
MMI HOLDINGS LTD	2098	-5.20
SUN INTERNATIONAL LTD	5825	-4.90
SAPPI LIMITED	8640	-4.66
CAPITAL & REGIONAL PLC	940	-4.08
GLOBAL EQUITY INDICES		
Indices	% Change	Points
Dow Jones	0.80	21,988
S & P 500	1.37	2,477
Nasdaq	2.71	6,435
FTSE 100	0.42	7,439
Nikkei 225	1.23	19,691
Hang Seng	0.38	27,953
S & P ASX 200	-0.34	5,725
COMMODITIES*		
Name	% Change	Price
Gold	2.62	\$1,325.23
Platinum	3.38	\$1,007.55
Brent Crude Oil	1.48	\$52.75
CURRENCIES*		
Indices	% Change	Price
\$ / R	0.64	R 12.94
£ / R	0.13	R 16.76
€ / R	1.23	R 15.35

Updated:12:16 09/2/2017

COMMENTS FOR TOP 40 STOCK MOVEMENTS

The All Share was under pressure for most of the week as the rand continued to strengthen against the greenback affecting rand-hedges. Increased geopolitical risks between the US and North Korea added to the woes of the index, after North Korea fired a Ballistic missile over Japan. The All Share shed 0.36% for the week and Industrials were 1.07% lower for the week as two heavy weighted shares, British American Tobacco and Naspers were soft pulling the index lower. Financials were the worst performers decreasing 1.15%. Investors were cutting their exposure due to volatility ahead of the ANC conference and credit rating agency announcements in the coming months. The RESI displayed a stellar performance, up 2.11% on the back of the rally in commodity prices, while the rand strength capped some of the gains. The rand gained 0.64% for the week against the dollar and ended the week at R12.94.

The PPI y/y for July came in at 0.5% higher than consensus analyst estimates of 3.6%, the producer price index has been declining on a y/y basis since December 2016.

KEY EVENTS & COMPANY RESULTS

Bidvest Group Limited

Audited provisional summarised financial results and cash dividend for the year ended 30 June 2017

Group revenue was up 4% to R71bn, with R1.7bn of the increase attributable to Brandcorp. Trading profit increased by 4.6% to R6bn, with an increase in trading margin of 8.5% compared to 8.6% in the comparable period. Headline earnings grew by 6.2% to R3.7bn compared to R3.5bn in the comparable period. HEPS increased by 5.1% to 1108.2 cents, on the back of strong gains achieved by Adcock Ingram and Comair. The SA operations delivered improved results in most of the divisions, with trading profit up 6.4% against revenue growth of 3.5%, bolstered by strong focus on clients and solutions. The Automotive division managed to cap losses during challenging market conditions. The group expects the economy to improve moderately, supported by higher commodity prices and improving consumer confidence as evidenced by the latest retail sales numbers. A final dividend of 264 cents per share was declared.

Super Group Limited

Reviewed final results for the year end 30 June 2017

Group revenue grew by 15.1% to R29.9bn, due to the inclusion of NLC and Super-group IN tIME, as well as the turnaround in the coal business. EBITDA increased by 10.1% to R2.3bn compared to R2.08bn in the prior period. EPS and HEPS declined by 3.9% to 285 cents and 1.4% to 288.5 cents respectively, due to the impact of the increased weighted number of shares and the once-off foreign exchange profit from the Supergroup IN tIME's forward contract in the prior period. The increase of 4.8% in the weighted number of shares in issue was due to the rights issue and the book build concluded to fund the Supergroup IN tIME and NLC acquisitions. The SA dealership business increased revenue by 36.7%, despite challenging market conditions, UK dealerships profits declined by 1.5% impacted by the rand strength against the British pound during the period. No final dividend was declared by the company.

Cashbuild Limited

Audited results and dividend declaration for the year ended 30 June 2017

Revenue increased by 12% to R9.53bn compared to R8.67bn in the prior period. The gross profit margin has declined to 25.5% from 26.1% in the prior period as a

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result of the P&L Hardware inclusion. EPS grew by 7% to 2047.7 cents compared to 1920.4 cents in the comparable period. HEPS increased by 8% to 2045.2 cents compared to 1890.7 cents in the prior period. The company managed to increase its store foot print by opening 12 new Cashbuild stores and 4 P&L Hardware stores. A final dividend of 390 cents has been declared.

Advanced Health Limited

Reviewed provisional condensed consolidated annual financial statements for the year ended 30 June 2017

The company reported a loss per share of 21.74 cents compared to 8.26 cents loss per share in the comparable period. Headline loss per share was 21.75 cents compared to 8.02 cents loss per share in the comparable period, which was affected by high net finance costs and incurred losses in the eight Greenfields facilities. Revenue increased by 28% to R309.1m supported by an increase in the number of facilities in SA operations as well as organic growth within existing facilities resulted in additional patients and the number of patients increased by 5%. No dividend was declared.

RCL Foods Limited

Group financial results and cash dividend declaration for the year ended June 2017

Revenue declined by 0.3% to R24.95bn and EBITDA decreased by 0.8% to R1.75bn. HEPS declined 34.2% to 548.5 cents compared to 832.9 cents in the prior period, due to a disappointing performance in the chicken unit as the poultry industry has been under significant pressure. Impairments of R172m from the chicken unit related to redundant plant and equipment due to reduced chicken volumes and from the disposal of the Tzaneen chicken operation. Despite the disappointing numbers, the company continues to grow its basket of products with current and new customers, developing tailored solutions across various categories. A final dividend of 20 cents per share has been declared.

Assore Limited

Preliminary reviewed results for the year ended 30 June 2017 and cash dividend declaration

Headline earnings grew by 199% to R5.2bn compared to R1.7bn in the prior period, due to a positive contribution from Assmang as well as a strong performance from the Dwarsriver chrome mine. Attributable earnings surged by 226% to R5bn arising from once-off transactions. Sales volumes for manganese alloys increased by 73% and chrome ore increased by 12% compared to the prior period. The company recorded high volumes at Dwarsriver, which allowed it to take advantage of strong Chinese demand. The company declared a final dividend of 800 cents.

Aspen Pharmacare Holdings Limited

Trading statement

Normalised HEPS is expected to increase in the range of 13% to 18% to between 1428 cents and 1491.2 cents compared to the comparable period. HEPS is expected to increase in the range of 43% to 48%, attributable to the devaluation of the Venezuelan business in the prior period. EPS is expected to increase by between 16% and 21%, due to the negative impact by high intangible asset impairments in the prior period.

Santam Limited

Reviewed interim report for the six months ended 30 June 2017

EPS grew by 8% and HEPS declined by 6%. The conventional insurance book achieved good written premium growth of 12% and a net underwriting margin of 4.2% compared to 6.4% in the prior period, which was impacted by significant catastrophe claims and several large commercial fire claims. The property class grew by 11% supported by solid growth in the corporate property business in addition to a new block of commercial business. The 15% growth in Miway supported an increase of 12% in the motor class due to strong growth in the commercial and personal lines intermediated business. An interim dividend of 336 cents per has been declared.

Discovery Limited

Trading statement

HEPS is expected to increase in the range of 18% to 22% to between 674 and 697 cents compared to the comparable period and EPS is expected to increase in the range of 18% to 22% to between 676 and 699 cents compared to the comparable period. Normalised headline earnings is expected to increase by 5% to 8% compared to the comparable period, due to non-recurring rebranding and business acquisition.

Distell Group Limited

Audited group results for the year ended 30 June 2017 and cash dividend declaration

Group revenue grew by 3.7% to R22.3bn on constant sales volume. Domestic revenue increased by 7%, despite the country being in a technical recession and amid increased multinational competition. Sales volumes were up 5.1%. The latter half of the year displayed an improved performance as total volumes grew by 5.4%, compared to the prior period. The spirits portfolio delivered strong results and volume growth, while the wine portfolio showed lower overall volume growth. Basic EPS declined by 15.4% to 591.4 cents compared to 699.4 cents in the prior period and HEPS decreased by 3.7% to 708.3 cents compared to 735.3 cents in

the comparable period. This was partially impacted by the write-down of R315m, relating to the investment in the Bisquit Cognac entity, industrial property rights held by its Angolan subsidiary and a British wine broking company. A final dividend of 214 cents per share has been declared.

GLOBAL AND WORLD MARKET DEVELOPMENTS

Global markets finished the week in the green, despite increased tensions between the US, and North Korea, after North Korea fired a missile over Japan. Tensions faded later as President Donald Trump said that they will be looking at all available options in dealing with the matter. The Dow Jones and S&P 500 ended the week with weekly gains of 0.8% and 1.37% respectively, as investors moved back into risky assets. The change in the Nonfarm payrolls for August came in at 156k, which was below analyst expectations of 180k. The change in private payrolls for August was at 165k, below analyst expectations of 172k. The unemployment for August increased to 4.4%, which was higher than analyst estimates of 4.3%. The soft jobs numbers make it highly unlikely that the Fed will increase interest rates this year as inflation has remained below the 2% target and the interest probability for an interest rate hike for December is at 34.5%. UK manufacturing PMI for August came in strong at 56.9, higher than analyst estimates of 55, despite the country wanting to leave the single market. The EU chief negotiator Michel Barnier said at a conference in Italy over the weekend that British people need to be educated about the price of leaving the bloc, which is showing signs of a hard Brexit. The FTSE 100 ended the week in positive territory, up 0.42% and the German DAX finished the week down 0.21% weekly losses. Asian stocks finished the week in the green, the Nikkei and Hang Seng had weekly gains of 1.23% and 0.38% respectively.

THE WEEK AHEAD

Earnings releases for JSE listed companies

Company	Date
Master Drilling Group Limited (MDI)	04-Sep-17
DRDGOLD Limited (DRD)	05-Sep-17
WBO Limited (WBO)	05-Sep-17
Pembury Lifestyle Group (PEM)	05-Sep-17
MMI Holdings Limited (MMI)	06-Sep-17
Sanlam Limited (SLM)	07-Sep-17
African Rainbow Minerals Limited (ARI)	07-Sep-17
FirstRand Limited (FSR)	07-Sep-17
Spur Coporation Limited (SUR)	07-Sep-17
Impala Platinum Holdings Limited (IMP)	08-Sep-17
African Oxygen Limited (AFX)	08-Sep-17
RMB Holdings (RMH)	08-Sep-17

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