

Monday, 31 July 2017

TOP 10 GAINERS		
Share Name	Closing price	% change
ANGLO AMERICAN PLC	21050	14.09
KUMBA IRON ORE LTD	19137	9.36
AFRICAN RAINBOW MINERALS LTD	9175	9.03
SASOL LTD	39871	8.38
HOLDSPORT LTD	6700	7.20
GOLD FIELDS LTD	5225	7.18
GLENCORE PLC	5645	7.14
BARLOWORLD LTD	12311	7.05
BHP BILLITON PLC	23292	6.52
SOUTH32 LTD	2985	6.04

TOP 10 LOSERS		
Share Name	Closing price	% change
MURRAY & ROBERTS HOLDINGS	1372	-12.78
GROUP FIVE LTD	1760	-10.93
BRITISH AMERICAN TOBACCO PLC	84196	-8.33
NIVEUS INVESTMENTS LTD	3550	-6.58
EOH HOLDINGS LTD	10755	-6.31
IMPALA PLATINUM HOLDINGS LTD	3500	-5.05
REINET INVESTMENTS SA-DR	2830	-5.03
ASCENDIS HEALTH LTD	2015	-4.95
INTU PROPERTIES PLC	4435	-4.91
LONMIN PLC	1440	-4.89

GLOBAL EQUITY INDICES		
Indices	% Change	Points
Dow Jones	0.96	21,787
S & P 500	-0.21	2,467
Nasdaq	-0.37	6,364
FTSE 100	-1.20	7,363
Nikkei 225	-0.70	19,960
Hang Seng	1.02	26,979
S & P ASX 200	-0.35	5,703

COMMODITIES*		
Name	% Change	Price
Gold	1.21	\$1,270.20
Platinum	0.01	\$934.96
Brent Crude Oil	9.03	\$52.40

CURRENCIES*		
Indices	% Change	Price
\$ / R	-0.71	R 13.01
£ / R	-1.65	R 17.08
€ / R	-1.48	R 15.30

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COMMENTS FOR TOP 40 STOCK MOVEMENTS

South African equities were mostly in the green last week, even though there was a slight retreat on Friday following global markets. The All share ended 1.33% higher and the Top40 was 1.57% higher for the week. Resources were up 6.54% for the week boosted by a rally in commodity prices and positive company results. Anglo American led gains in the index, up 14.09% for the week, after its subsidiary Kumba Iron Ore posted good results and declared a dividend. Industrials were 0.22% higher for the week, with Tiger Brands leading gains up 4.86% for the week. Financials ended the week 0.12% higher and general retailers were 0.8% higher, with Holdsport leading gains up 7.20% for the week after Long4life revised its acquisition offer upwards. The rand weakened slightly after US GDP data which was marginally below expectation.

KEY EVENTS & COMPANY RESULTS

Anglo America Platinum Limited

Interim financial result for the six months ended 30 June 2017

The company reported net sales revenue of R27.3bn, down 11%. Net debt has significantly declined to R5.9bn, down 40%. The reduction in net debt was primarily driven by significant decrease in working capital. Headline earnings were R700m lower compared to R1.6bn in the first half of 2016, affected by low sales volumes and a stronger rand. The company has decided not to declare a dividend due to uncertain macroeconomic environment and future capital funding requirements. The share is up 2.72% for the week and is trading at R320.00 (28/07/2017).

Group Five Limited

Trading statement

The company expects to report a loss per share and headline loss per share of at least 590 cents for the year. Shareholders called for an extraordinary meeting, which was led by Allan Gray. It resulted in the entire board being replaced due to underperformance in the business. The share declined 10.93% for the week and is currently trading at R17.60 (28/07/2017).

Adcock Ingram Holdings Limited

Trading statement

Adcock Ingram expects EPS and HEPS not to be less than 324.5 cents and 297.3 cents respectively, showing an increase of more than 220% in EPS and an increase of more than 30% in HEPS. Earnings were impacted by the incurred losses on discontinued operations of R200m from the previous period and the first half-year profits of R41m from the sale of the Indian selling and distribution business. The share was 1.88% lower for the week and is trading at R64.15 (28/07/2017).

AVI Limited

Trading update and statement

Group revenue for the year increased by 8.2%, largely due to selling price increases. HEPS is expected to increase by between 8% and 10%, translating to an increase of between 501 and 510 cents compared to the prior year. EPS is expected to increase by between 3% and 5% compared to the prior year, translating to an increase of between 475 and 484 cents. The share is 1.57% higher for the week and is trading at R98.98 (28/07/2017).

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Glencore Plc**2017 half-year production report**

Copper production declined 9% to 642 900 tonnes due to lower production and pit stability issues at Alumbrera mine as it nears end of life, and weather conditions affecting the Mutanda mine's output. Ferrochrome production increased by 10%, reflecting strong furnace operational performance. Gold production was up by 10% to 524 000 tonnes. The company has agreed to acquire 49% interest in Hunter Valley Operations coal mine. The share increased by 7.14% for the week and is trading at R56.45 (28/07/2017).

Sasol Limited**Trading statement**

Sasol's EPS is expected to surge by between 48% and 58%, resulting in an increase of approximately R10.4 to R12.66 per share over the R21.66 posted in the prior year. HEPS is expected to decline by between 11% and 21%, (approximately to between R4.55 and R8.69) compared to R41.40 in the prior year. The R9.9bn impairment of the Canadian shale gas assets negatively impacted EPS. The Chemicals business sales volumes increased by 2% supported by a stronger demand and liquid fuels sales volume in the energy business declined by 2% due lower Natrex production volumes. The share ended 8.38% higher for the week and is trading at R398.71 (28/07/2017).

Kumba Iron Ore Limited**Reviewed interim results for the six months ended 30 June 2017 and cash dividend declaration**

The company's revenue was up 22% to R21.5bn and HEPS surged by 53% to R14.42 as result of a 29% increase in the iron ore export price and higher total sales volume. The company managed to increase total production to 21.9 Mt helped by production improvements at Sishen mine and a solid performance from the Kolomela mine. The company remains sensitive to the volatility of iron ore export prices and expect iron ore prices to remain under pressure in the short to medium term. A surprise cash interim dividend of R15.97 per share was declared after two years of not paying a dividend. The share increased by 9.32% and is trading at R191.37 (28/07/2017).

MTN Group limited**Trading statement for six months**

The company expects HEPS of between 210 cents and 230 cents versus a headline loss per share of 271 cents in the prior year and EPS of between 280 cents and 300 cents compared to the earnings loss per share of 301 cents in the prior year. The negative result in the prior year was due to the heavy Nigerian regulatory fine, which was fully expensed in the period. The share shed 4.11% for the week and is trading at R119.21 (28/07/2017).

AECI Limited**Condensed consolidated unaudited interim financial results and cash dividend declaration for the half-year ended 30 June 2017**

HEPS increased by 32% to 386 cents compared to 293 cents the year prior and profit from operations grew by 19% to R677m compared to R571m the year prior. Revenue declined by 7% to R8.48bn compared to R9.07bn the year prior and 34% of total revenue is generated outside of S.A. The share shed 3.56% and is trading at R105.74 (28/07/2017).

British American Tobacco Plc**Half-year report to 30 June 2017**

Revenue was up 15.7% compared to the year prior and profit from operations was up 16.3% at £2.6bn. EPS was 15.3% lower at 121.8 pence compared to 143.8 pence in the prior year due to the impact in 2016 of the sale by Reynolds American Inc. Cigarette volume was down 5.6% to 314bn. The group has completed the Reynolds acquisition for an estimated consideration price of £41.7bn for the remaining 57.8% of Reynolds. The share shed 9.57% for the week due to a proposed cap on nicotine content of cigarettes by the U.S. regulators and is trading at R841.96.

GLOBAL AND WORLD MARKET DEVELOPMENTS

The Nikkei was down 0.7% hurt by a strong Yen after the Fed kept interest rates unchanged with inflation stubbornly low at 2%. On Friday US GDP came out at 2.6% q/q for the second quarter, slightly below the 2.7% consensus estimate. Durable goods orders for June were strong at 6.5% compared to the consensus estimate of 3.9%, showing a recovery in business investment. The S&P 500 was down 0.02% for the week as the weak dollar and political uncertainty persist around President Donald Trump's inability to implement his growth policies. US markets were dominated by company earnings with Amazon missing analyst consensus

estimates and dragging technology stocks with it globally. The FTSE was down 1.13% for the week affected by the stronger pound. Mining companies produced a stellar performance on the back of a commodity rally.

Company	Date
Liberty Two Degrees (L2D)	31-Jul-17
Hulamin Limited (HLM)	31-Jul-17
Royal Bafokeng Platinum Limited (RBP)	01-Aug-17
Middle East Diamond Resources Limited (MED)	01-Aug-17
Nedbank Group Limited (NED)	02-Aug-17
SAP Limited (SAP)	03-Aug-17
Resilient REIT (RES)	03-Aug-17

THE WEEK AHEAD

Earnings releases for JSE listed companies

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