

Tuesday, 02 October 2018

TOP 10 GAINERS		
Share Name	Closing price	% change
Impala Platinum Holdings Ltd	2750	21.52
Kumba Iron Ore Ltd	32096	18.26
MTN Group Ltd	8758	12.04
Assore Ltd	34482	10.78
Raubex Group Ltd	2215	10.75
EOH Holdings Ltd	3771	10.68
Capitec Bank Holdings Ltd	102424	10.02
Lewis Group Ltd	3211	9.85
Afrimat Ltd	2800	9.80
Net 1 UEPS Technologies Inc	11300	8.61

TOP 10 LOSERS		
Share Name	Closing price	% change
Harmony Gold Mining Co Ltd	2335	-13.00
Netcare Ltd	2421	-11.71
MiX Telematics Ltd	808	-11.69
Steinhoff International Holdings NV	230	-9.45
Sibanye Gold Ltd	857	-8.83
Rhodes Food Group Pty Ltd	1620	-8.73
Trencor Ltd	2852	-8.62
Capital & Regional PLC	780	-8.34
Distell Group Holdings Ltd	10649	-8.20
Metair Investments Ltd	1495	-7.89

GLOBAL EQUITY INDICES		
Indices	% Change	Points
Dow Jones	-0.92	26,497
S & P 500	-0.36	2,919
Nasdaq	0.92	8,060
FTSE 100	0.46	7,524
Nikkei 225	1.88	24,120
Hang Seng	1.13	27,789
S & P ASX 200	0.21	6,208

COMMODITIES*		
Name	% Change	Price
Gold	-0.67	\$1,192.04
Platinum	-0.56	\$823.33
Brent Crude Oil	5.05	\$82.78

CURRENCIES*		
Indices	% Change	Price
\$/R	1.33	R 14.13
£/R	1.48	R 18.44
€/R	2.43	R 16.42

Updated: 17:28 28/09/2018

COMMENTS FOR TOP 40 STOCK MOVEMENTS

The All Share closed off a disappointing week, with the index shedding 1.48%. A firmer rand weighed down heavily on resource stocks and rand hedges. The rand gained 1.3% against the greenback. Financials received some support from the stronger rand, losing 0.38% for the week. Capitec was the only gainer among the banks for the week, after the company released earnings and they expressed the intention to establish a business banking unit, which the market took positively. Resources were 0.91% lower for the week, on the back of lower commodity prices. Industrials shed 2.61% for the week, dragged lower by Naspers and rand hedges.

KEY EVENTS & COMPANY RESULTS

Capitec Bank Holdings Limited

Financial Unaudited financial results for the six months ended 31 August 2018

HEPS has increased by 20% to 2128 cents compared to 1769 cents reported in the comparable period. Basic EPS increased by 20% to 2122 cents compared to 1770 cents reported in the comparable period. Net transaction fee income grew by 32% to R3.1bn compared to R2.05bn in the comparable period. Net transaction fee income now comprises 47% of total net income and covers 90% of operating expenses. Total transactional volume, including self-service banking transactions, increased by 25% due to increased usage and a 15% increase in active clients. The loan book sales grew by 4%, while the net loan book growth of 3% was in line with sales growth. The credit granting strategy resulted in loan sales with a product term between 73 and 84 months increasing 121%, and loan sales with product term between one and 12 months decreasing by 10%. Loans up to one month in arrears decreased by 9% and loans that are two and three months in arrears have decreased by 11%, showing good signs customer profiling and collections. Operating costs increased by 11% to R3.5bn from R3.2bn in the comparable period due staff growth, increased spend of the branch networks and IT infrastructure. The board declared an interim dividend of 630 cents per share.

Netcare Limited

Trading Update

Total growth in patient days of approximately 6% is expected for the 2018 financial year. This comprises of growth of approximately 1.8% in acute hospital patient days, as well as the contribution from the Akeso clinics. Growth in acute hospital activity remained strong until June 2018, but experienced a decline in the last quarter of the financial year, impacted by the general downturn in the South African economy. Demand for mental care remained strong in the second half of the year and Akeso's patient days exceeded expectations in its established hospitals. Acute hospital occupancy level was at 66.3% until the end of August 2018. And revenue per person increased by 5.5%. Six new acute hospital beds and 30 mental health beds were added during the year.

Life Healthcare Group Holdings Limited

Trading update for the year ending 30 September 2018

The group expects revenue to grow by between 10% and 14% compared to R20bn reported in the prior year and normalised EBITDA is set to grow by between 8% and 10% compared to R5bn reported in the prior period. The Southern African operations recovered with positive volume growth against the prior year. Alliance medical group delivered a solid performance for 2018 in the Irish, Italian and northern Europe businesses. Scanned continues to perform in line with expectations. The UK molecular imaging business continued to experience good scan volume growth, with 2018 volumes increasing above 12% over the prior period. The

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company has accepted an offer from the global investment firm Kohlberg Kravis Roberts to acquire Life Healthcare's 49.7% stake in Max Healthcare Institute Limited.

GLOBAL MARKETS

US markets ended the week mixed, with technology-heavy Nasdaq recording gains. Technology stocks and consumer discretionary stocks outperformed, while materials and financials suffered declines. Escalating trade tensions weighed on sentiment. US President Donald Trump further accused China of attempting to interfere in the US mid-term elections, this comes after Chinese officials having declined to attend high level talks with the Trump administration. Investors also paid close attention to the FED's rate decision, which was increased by 25bps to 2.25%. The FOMC also projected one more hike before the end of the year and three more in 2019. The rate decision was in line with market expectations. US GDP for the second quarter came in at 4.2%, which was in line with market expectations. The S&P 500 and Dow Jones had weekly losses of 0.37% and 0.93%, respectively. The SEC (Securities and Exchange Commission) has filed a civil suit against Tesla CEO Elon Musk, which sent shares of the company down by 12% on Friday.

European markets had a disappointing week, as Brexit and the Italian government budget weighed on sentiment. European stocks lost ground after Italy's coalition government agreed to increase the country's 2019 budget by 2.4% of GDP, which was higher than market expectations of a 2% increase. The budget increase was more than the EU restrictions, after the EU urged the country to rein in its spending. The budget increase will likely prompt all three major credit ratings agencies to downgrade Italy and put it on negative outlook, putting selling pressure on its assets. On the other end, the UK and EU are yet to work out a deal on Brexit, with the EU placing measures to deal with a no deal Brexit. The UK FTSE had weekly gains of 0.43% on the back of a weaker pound. The German DAX shed 1.35 for the week.

Asian markets posted strong gains boosted by technology stocks and easing trade tensions between the US and China. The Nikkei and Hang Seng had weekly gains of 1.88% and 1.13%, respectively.

THE WEEK AHEAD

Earnings releases for JSE listed companies

Company	Date
EOH Holdings Limited	03-Oct-18

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