

Monday, 9 April 2018

TOP 10 GAINERS		
Share Name	Closing price	% change
FORTRESS REIT LTD-B	1465	25.75
GREENBAY PROPERTIES LTD	125	25.00
RESILIENT REIT LTD	5937	18.27
NEPI ROCKCASTLE PLC	13199	16.81
ASCENDIS HEALTH LTD	1090	11.79
MURRAY & ROBERTS HOLDINGS	1490	10.37
REINET INVESTMENTS SCA	24450	10.36
INVESTEC AUSTRALIA PROPERTY	1150	9.21
SUPER GROUP LTD	3907	9.10
BRITISH AMERICAN TOBACCO PLC	73300	9.08
TOP 10 LOSERS		
Share Name	Closing price	% change
NAMPAK LTD	1416	-15.96
TRADEHOLD LTD	1562	-6.69
EOH HOLDINGS LTD	4309	-6.33
TSOGO SUN HOLDINGS LTD	2180	-6.03
CARTRACK HOLDINGS LTD	1850	-4.88
SANLAM LTD	7970	-4.63
STEINHOFF INTERNATIONAL H NV	310	-4.62
AECI LTD	11100	-4.15
AFRIMAT LTD	3050	-3.85
HOSPITALITY PROPERTY FUND LT	1146	-3.70
GLOBAL EQUITY INDICES		
Indices	% Change	Points
Dow Jones	0.05	24 116
S & P 500	-0.25	2 634
Nasdaq	-1.02	6 992
FTSE 100	1.97	7 184
Nikkei 225	0.53	21 568
Hang Seng	-3.07	29 845
S & P ASX 200	-0.01	5 789
COMMODITIES*		
Name	% Change	Price
Gold	0.61	\$1 333.61
Platinum	-2.18	\$911.76
Brent Crude Oil	-2.02	\$67.94
CURRENCIES*		
Indices	% Change	Price
\$ / R	-1.80	R 12.06
£ / R	-2.27	R 16.98
€ / R	-1.29	R 14.79

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COMMENTS FOR TOP 40 STOCK MOVEMENTS

The All Share ended a volatile week higher, posting a weekly gain of 2.08%. The increased volatility was caused by escalating trade war tension between the US and China. At some point during the week the All Share was down more than 3%. Financials had a weekly gain of 0.92%, despite the rand weakening against the greenback. Industrials were 2.24% higher for the week, boosted by Naspers and rand hedges. Naspers had a choppy week as global technology stocks were under pressure amid the trade war tensions. Rand hedges received support from a weaker rand. British American Tobacco had a stellar week, up 9.08% on the back of strong US tobacco sales and a surge in e-cigarette purchases in March. Resources were up 3.13% for the week supported by global diversified miners. Listed property had a weekly gain of 4.04% as the Resilient stable helped the index higher as news surfaced that Resilient was intending to unbundle its interest in Fortress. The market took the news positively as investors were concerned about the cross shareholding within the stable.

ABSA Manufacturing PMI for March came in at 46.9 points lower than the 50.8 points in the prior period. Naamsa vehicle sales y/y for March was up 1.10% compared to -3.8% posted in the prior period. The positive vehicle sales data did not move the needle much for all the diversified industrials that have exposure to vehicles, though they all had positive weekly gains.

KEY EVENTS & COMPANY RESULTS

Hammerson Plc

Quarter one 2018 business update

The company estimated EVPRA (European Public Real Estate Association) NAVPS (Net Asset Value Per Share) of 790 pence for March 2018, which was up 1.8% in the quarter mainly driven by retained earnings and valuations of premium outlets. They experienced strong leasing momentum across the UK, which was up 10% to £3.1m compared to £2.4m in comparable period. The total leasing portfolio grew by 6% to £6.8m compared to £4.3m in the comparable period. France and Ireland delivered a strong leasing performance as there were numerous relettings in France and in Ireland. Swords had an impressive start to the year with Smiggle occupying its third store in Dublin and River Island upsizing to a flagship store. The company continues to work actively with retailers to maintain a more compelling customer offering and also provide right-sized stores for tenants. Occupancy rates for the portfolio has improved from 96.6% to 97.1%, which was above the 97% group target.

Consol Holdings Limited

Announces its intention to relist on the JSE main board

Consol is a leading glass packaging manufacturer in Sub-Saharan Africa by manufacturing capacity. They provide glass packaging products to customers in a variety of industries including alcoholic beverages. They have operations in South Africa, Kenya and Nigeria and export to 17 African jurisdictions. The company is currently constructing a new facility in Ethiopia, which is expected to be commissioned during the fourth quarter of 2018. The company was previously listed on the JSE and was taken private by a consortium of private equity investors led by Brait SE.

ADvTech Limited

Acquires top Kenya school group

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ADvTech continues to grow its posting as the leading provider of quality private education in Africa, with the announcement of its further expansion into Kenya and Uganda. The acquisition adds 9 schools, 5 campuses, boarding facilities and approximately 4100 students to its portfolio.

GLOBAL MARKETS

Global markets turned their attention to trade war tension between the US and China, with China retaliating by placing tariffs on \$50bn worth of US goods. Later in the week tensions eased as both parties said they were open to talks around a trade deal. Volatility in the US market was significant, with the VIX edging up more than 20%. In the US, consumer discretionary and energy stocks fared best, while healthcare and technology stocks lagged. The sell-off in technology stocks was not only affected by news of a trade war but by damaging individual reports, as well as President Donald Trump's continued attack on Amazon. The S&P 500 was down 0.35% for the week and the Dow managed to finish the week marginally higher, up 0.04%, with the market reacting negatively to President Donald Trump's consideration of increasing tariffs on \$100bn worth of Chinese goods. The US non-farm payroll numbers for March came in at 130 000 lower than market expectations of an increase of 193 000. The weak non-farm payroll numbers are unlikely to deter the Fed in increasing the interest rate for the second time this year as the market has pencilled in three rate hikes this year.

European stocks weathered a volatile week, with the UK FTSE 100 and German DAX posting weekly gains of 1.87% and 2.5% respectively. The Eurozone economic recovery continued to strengthen, as the unemployment rate fell to 8.5% in February from 8.6% in the prior period. The EU CPI y/y for March was in line with market expectations of a 1.4% increase, though the figure remains stubbornly below the 2% target but showing gradual signs of an increase. German Chancellor Angela Merkel and French President Emmanuel Macron will attempt a pincer movement on US President Donald Trump, with China emerging as the likely target of their joint effort to avert a trade war with the US. The two European leaders are set to visit the US president in Washington within days of each other as the clock ticks down to a May 1 deadline for the European Union proposals to stop the US from imposing tariffs on steel and aluminium. Asian markets were mixed with Nikkei posting weakly gains of 0.53% supported by yen depreciation, and the Hang Seng declined 3.07% amid China's trade war tensions with US. The EU has taken concrete action, asking to join a US dispute against China in the World Trade Organisation over the Asian nation's discriminatory technology licensing rules, which adds to China's woes.

THE WEEK AHEAD

Earnings releases for JSE listed companies

Company	Date
Zeder Investments Limited (ZED)	09-Apr-18

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