

Monday, 16 July 2018

TOP 10 GAINERS		
Share Name	Closing price	% change
Steinhoff International Holdings NV	312	86.83
Pan African Resources PLC	145	11.54
Hospitality Property Fund Ltd	1000	11.11
ArcelorMittal South Africa Ltd	244	8.44
Brimstone Investment Corp Ltd	975	8.21
Cartrack Holdings Ltd	1650	6.38
EOH Holdings Ltd	3245	6.05
Royal Bafokeng Platinum Ltd	2400	5.87
Delta Property Fund Ltd	597	5.66
Clientele Ltd	2000	5.26
TOP 10 LOSERS		
Share Name	Closing price	% change
Trustco Group Holdings Ltd	900	-9.91
Blue Label Telecoms Ltd	880	-8.90
Sibanye Gold Ltd	737	-8.22
Lonmin PLC	710	-8.15
Intu Properties PLC	3115	-8.11
Harmony Gold Mining Co Ltd	2120	-7.67
Afrimat Ltd	2530	-7.50
Capital & Regional PLC	878	-6.89
Glencore PLC	5492	-6.84
Impala Platinum Holdings Ltd	1974	-6.80
GLOBAL EQUITY INDICES		
Indices	% Change	Points
Dow Jones	2.24	25 005
S & P 500	1.50	2 801
Nasdaq	1.90	7 834
FTSE 100	0.71	7 672
Nikkei 225	3.71	22 597
Hang Seng	0.74	28 525
S & P ASX 200	-0.06	6 268
COMMODITIES*		
Name	% Change	Price
Gold	-1.05	\$1 242.27
Platinum	-2.19	\$825.95
Brent Crude Oil	-2.83	\$74.93
CURRENCIES*		
Indices	% Change	Price
\$ / R	1.49	R 13.27
£ / R	2.10	R 17.52
€ / R	2.23	R 15.49

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COMMENTS FOR TOP 40 STOCK MOVEMENTS

The All Share closed 1.66% lower, as resources lost more than 2% on the back of softer commodity prices as trade tensions escalate. Brent crude slipped 2.44% for the week after the US President Donald Trump commented that Saudi Arabia should increase their oil production in order to curb the high oil prices. In addition increased oil supply from Libya added pressure on the oil price. Financials shed 0.76% for the week supported by Rand strength which pared some of the weekly losses. Capitec advanced the most amongst the banks, up 3.85% for the week. Industrials had weekly losses of 1.57%, dragged lower by the index heavyweight Naspers and some of the rand hedges. General retailers finished lower for the week. Steinhoff had a stellar week up 86.83%, as creditors were willing to allow the company to restructure its debt.

The manufacturing production m/m for May came in at 1.5% higher compared to market expectation of a 0.4% increase. The y/y figure came in at 2.3% higher compared to market expectations of a 0.6% decrease. Mining production y/y for May showed a decline of 2.6%, which was below market expectations of a 3.5% decline.

KEY EVENTS & COMPANY RESULTS

Anchor Group Limited

Sale of controlling interest in Anchor Stockbrokers

The Anchor group's stockbroking business partnered with a BEE consortium to create a majority black-owned research and brokerage house. The consortium will acquire 51% shareholding in Anchor Stockbrokers and the business will retain its autonomy and flexibility in its business operations. The transaction is set to enhance research and insight solutions to clients across the spectrum but with a strong property focus.

Glencore Plc

Condensed Update on subpoena from the United States Department of Justice

On 3 July 2018, Glencore announced that a subsidiary had received a subpoena from the United States Department of Justice (DOJ) to produce documents and other records with respect to compliance with the Foreign Corrupt Practices Act and the United States money laundering statutes. The requested documents relate to Glencore's business in Nigeria, the Democratic Republic of Congo and Venezuela from 2007 to present. The company has since established a committee to oversee and co-operate with the DOJ's requests. The company Chairman came out to say that the company takes ethics and compliance seriously throughout the group.

Steinhoff International Holdings N.V.

Update on the disposal of Kika/Leiner

Further to the company's announcement on 22 June 2018 regarding the sale of Kika-Leiner operating companies and property companies, the company is pleased to announce that the receipt of the merger clearance from the Austrian competition authorities has been completed. The sale of the operating companies in the Czech Republic and Slovakia remains conditional upon merger clearance being received from the competition authorities in the respective countries.

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MTN Group Limited**MTN sells 100% of MTN Cyprus to Monaco Telecom For approximately R4.1bn**

MTN Dubai Limited, a wholly owned subsidiary of MTN group, has entered into an agreement in which it has sold 100% of MTN Cyprus to Monaco Telecom S.A as part of an ongoing review of its portfolio. The net sale proceeds of €260 million (approximately R4.41bn) will be paid upfront in cash. The company has agreed to allow Monaco Telecom to use the MT brand in Cyprus for up to three years in return for a commercial fee. The transaction is expected to be concluded in the third quarter of 2018.

GLOBAL AND WORLD MARKET DEVELOPMENTS

Trade tension between the US and China dominated the week as news surfaced that the US was planning to follow through on a threat to impose additional tariffs worth \$200bn of Chinese goods. The lack of an immediate response from China offered global markets some relief. Global markets managed to finish in the green supported by a good run in US markets. The technology – heavy weighted Nasdaq managed to climb to new record highs, with the index finishing 2.02% higher for the week. The S&P 500 had weekly advances of 1.57% boosted higher by technology stocks, while utilities stocks lagged the market. Trading volumes were subdued for most of the week as investors awaited the rush of second-quarter earnings. The US CPI y/y for June increased to 2.9%, which was in line with market expectation of a 2.9% increase. The CPI number reached the highest rate in six years supported by a gradual increase in wage growth.

Most European indices ended the week higher with another week punctuated by escalating trade tensions as well as political uncertainty surrounding Brexit. The UK Prime Minister Theresa May suffered another blow when the Brexit Secretary David Davis resigned from his post and followed by the Foreign Secretary Boris Johnson resignation the next day. They both were unhappy with the soft Brexit approach that Theresa May was proposing. The UK FTSE was up 0.71% for the week supported higher by the weakening pound amid the political uncertainty. The German DAX had weekly gains of 0.4%, with a recovery in auto makers. On Thursday, the ECB released its minutes that backed the view that the central bank will continue to take a dovish approach to its long-term rate policy.

Asian indices ended the week higher despite trade tension taking centre stage. The Nikkei posted their best weekly gains of in the past six months, recouping almost all of its year-to-date losses. The Nikkei and Seng Hang advanced 3.71% and 0.74%, respectively.

THE WEEK AHEAD**Earnings releases for JSE listed companies**

No company earnings releases

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