momentum

investments



06 December 2019	Close price at	Weekly %	Month to	Year to	Last 12	
	06/12/2019	change	date	date	months	
FTSE/JSE indices						
All-Share Index	55,307.31	-0.1%	-0.1%	4.9%	8.99	
All-Share Index Total Return	8,382.63	0.0%	0.0%	8.4%	12.79	
Resources Index	27,102.09	2.4%	2.4%	18.0%	28.09	
Industrials Index	72,304.29	-1.6%	-1.6%	2.8%	5.19	
Financials Index	39,065.68	-0.2%	-0.2%	-5.4%	-3.39	
Top 40 Index	49,065.21	-0.1%	-0.1%	5.0%	9.69	
Shareholder Weighted Index	20,402.10	-0.3%	-0.3%	5.1%	8.39	
Capped Shareholder Weighted Index	22,322.84	-0.2%	-0.2%	3.4%	6.19	
SA Listed Property Index	1,913.24	-0.2%	-0.2%	3.9%	2.79	
SA Volatility Index	16.37	-1.7%	-1.7%	-24.9%	-25.69	
Interest-bearing indices						
JSE Assa All Bond Index (Albi)	686.55	0.1%	0.1%	8.4%	10.19	
SteFI Composite Index	438.78	0.1%	0.1%	6.8%	7.39	
JSE Assa SA Government ILB Index	692.49	0.1%	0.1%	1.5%	2.19	
Interest rates						
Prime rate	10.00%			-2.4%	-2.4	
Repo rate	6.50%			-3.7%	-3.7	
Commodities (in US dollars)						
Gold price	1,475.00	1.3%	1.3%	15.2%	19.39	
Platinum price	898.46	0.3%	0.3%	13.3%	13.29	
Oil price	64.32	2.9%	2.9%	18.1%	6.79	
Global indices (in base currency)						
Dow Jones (US)	28,015.06	-0.1%	-0.1%	20.1%	12.39	
S&P 500 (US)	3,145.91	0.2%	0.2%	25.5%	16.79	
FTSE (UK)	4,023.21	-1.1%	-1.1%	9.5%	9.5	
Hang Seng (Hong Kong)	26,498.37	0.6%	0.6%	3.9%	1.39	
Shanghai	2,912.01	1.4%	1.4%	16.8%	11.89	
Nikkei (Japan)	23,354.40	0.3%	0.3%	16.7%	1.19	
Cac 40 (France)	5,871.91	-0.6%	-0.6%	24.1%	22.89	
Dax (Germany)	1,216.28	-1.1%	-1.1%	22.8%	19.2	
MSCI Emerging	1,048.96	0.9%	0.9%	8.6%	7.2	
MSCI Developed	2,296.39	0.2%	0.2%	21.9%	15.39	
US Volatility Index	13.62	7.9%	7.9%	-46.4%	-35.79	
Exchange rates						
Rand/US dollar	14.62	-0.2%	-0.2%	1.9%	4.1	
Rand/euro	16.17	0.2%	0.2%	-1.8%	1.2	
Rand/pound	19.21	1.5%	1.5%	4.8%	7.0	
Dollar/euro	1.11	0.4%	0.4%	-3.5%	-2.89	
Inflation indicator		2.770		/ 0		
CPI					3.7	
Group indicator					5.7	
Or oup maicutor						

Local update

The JSE tracked global markets higher on Fri, after US non-farm payrolls climbed to a 10-month high, easing concern that the world's largest economy is slowing down.

Diversified financial services group Alexander Forbes Holdings said on Monday SA's sluggish economy continues to impede its revenue growth, with it clients dipping more into their retirement savings during its six months to end-September. Savings and retirement markets remain under pressure, the group said on Monday, demonstrated by the preservation rate for retirement savings declining from 55% to 53% during the period. This refers to the percentage value of retirement funds that are transferred to preservation or retirement solutions after an employee resigns or retires from a company. The company is exiting its noncore operations, having agreed to sell its short-term insurance business to Momentum Metropolitan Holdings for about R1.9bn, though it is still subject to approval. Headline earnings per share rose 42% to 24.5c in its six months to end-September, with profit for the period surging to R250m, from R53m previously. In its retirement business, members under administration declined 17,000 to 927,000. "We continue to work with determination to implement our strategy of simplifying our business, improving our product offering to our clients and ensuring that we deliver best advice and measurable benefits to them," said CEO Dawie de Villiers.

Mobile operators, who are already subject to new regulations that allow data to be rolled over, could find themselves facing even more financial pressure after the recommendation by the country's top competition watchdog that they slash their internet bundle prices in the next two months. The Competition Commission, through its data services market inquiry, last Monday ordered the operators to reduce mobile connectivity prices by up to 50% in the next two months or risk being prosecuted. But what does this mean for the investment case for the country's largest operator, Vodacom, with 43-million subscribers, and Africa's largest, MTN, with its 29-million strong user base in SA. As much as R22bn was wiped off the market capitalisations of the two operators on the day of the announcement, signalling concern in the market about what the move could bring. Peter Takaendesa, a portfolio manager at Mergence Investment Managers, said Vodacom derives about 30% of its revenue from mobile data in SA while MTN generates about 10% of its turnover from that segment.

On the face of it, there are 32 mining companies with little to worry about when it comes to meeting the demands of the Mining Charter, but legal challenges about the document put that compliance claim in doubt. The Minerals Council SA released data showing 32 of its members representing 80% of the headcount met or exceeded nearly all targets set in four major elements of the second charter, also known as the 2010 charter.

Global update

Washington — The September mayhem in the US repo market suggests there is a structural problem in this vital corner of finance and the incident was not just a temporary hiccup, according to a new analysis from the Bank for International Settlements (BIS).

Los Angeles — Elon Musk beat back a defamation claim from a British cave expert who sued the billionaire CEO over a tweet in which Musk labelled Vernon Unsworth a "pedo guy". A federal jury in Los Angeles on Friday took about an hour to return a verdict that said Musk's insult fell short of defamation.

Tomorrow's weather

Johannesburg	Cape Town	Bloemfontein	Durban	Pretoria
	*	•	•	•
15°C - 18°C	16°C - 28°C	15°C - 24°C	18°C - 21°C	16°C - 19°C
Sun:05:11/18:31	Sun:05:36/19:24	Sun:05:14/18:44	Sun:04:53/18:26	Sun:05:11/18:31
Chance of rain 80%	Chance of rain 0%	Chance of rain 60%	Chance of rain 60%	Chance of rain 80%