

KEY INDICATORS – 30 SEPTEMBER 2016

SA MARKETS	LAST PRICE	WEEKLY MOVE	YTD MOVE
JSE ALL-SHARE	51 949,83	-0,10%	2,48%
RESOURCE 10	32 458,44	2,25%	27,82%
INDUSTRIAL 25	68 217,66	-0,66%	-4,93%
FINANCIAL 15	14 728,46	-1,05%	-3,33%
SA LISTED PROPERTY	630,50	0,71%	3,60%

GLOBAL MARKETS	LAST PRICE	WEEKLY MOVE	YTD MOVE
DOW JONES	18 308,15	0,26%	5,07%
S&P 500	2 168,27	0,17%	6,08%
NASDAQ	5 312,00	0,12%	6,08%
STOXX 600	342,92	-0,70%	-6,26%
FTSE 100	6 899,33	-0,15%	10,53%
NIKKEI 225	16 449,84	-1,82%	-13,58%
ASX ALL ORDINARIES	5 525,15	0,12%	3,38%

COMMODITIES	LAST PRICE	WEEKLY MOVE	YTD MOVE
GOLD	1 313,30	-1,79%	23,86%
BRENT CRUDE	49,06	6,91%	31,60%
IRON ORE	56,63	-0,40%	43,08%
PLATINUM	1 028,60	-2,65%	15,35%

CURRENCIES	LAST PRICE	WEEKLY MOVE	YTD MOVE
USDZAR	13,71	0,01%	-11,33%
GBPZAR	17,80	0,09%	-21,94%
EURZAR	15,42	0,22%	-8,07%

Source: Thomson Reuters

MARKET COMMENTARY

Local Update

The JSE All Share Index ended the week softer. Volatility was elevated with the removal of SAB from the main index causing a significant reshuffling of the index constituent and their respective index weights.

The resource sector was stronger on the back of OPEC's decision on Wednesday to scale back production. Crude prices reacted positively to the proposed production freeze with prices increasing by 6.9% over the week.

Global Update

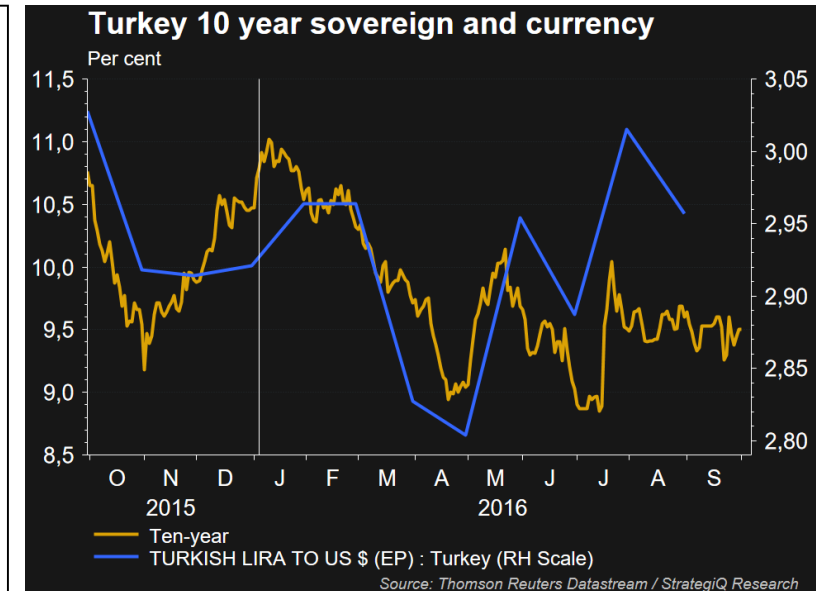
Investors were worried about the health of Deutsche Bank and there was a growing concern that Deutsche's woes would spread to the global financial sector.

US second quarter GDP growth was released on Thursday, showing that GDP growth was revised up to 1.4%. Despite the better reading, the growth rate for the first half of the year is just above 1%. The US economic backdrop with respect to a stronger jobs market, an increase in wage growth and a relatively low oil price remains generally positive.

UK Prime Minister Theresa May said that Article 50 (UK's exit from EU) would be triggered before March 2017.

In the week ahead we expect next Friday's US jobs report will receive the bulk of investors attention.

CHART OF THE WEEK



What the chart is telling us

The chart above illustrates Turkey's 10 year sovereign bond yield (9.50%) on the left-hand axis and the Turkish Lira to the USD (3.00) on the right. When Moody's cut Turkey's credit rating to junk status on September 23 there were fears it would trigger a wild sell off of Turkish assets and send the lira tumbling. Stocks did fall more than 4%, the lira weakened about 1%, and the yield on the two-year benchmark note increased to 9% on September 26 from Friday's 8.7%. But, there was no panic sell-off and no massive outflow from Turkish assets followed.