

## KEY INDICATORS – 23 SEPTEMBER 2016

SA MARKETS	LAST PRICE	WEEKLY MOVE	YTD MOVE
JSE ALL-SHARE	51 999,45	0,32%	2,58%
RESOURCE 10	31 745,03	3,73%	25,01%
INDUSTRIAL 25	68 669,91	-1,55%	-4,30%
FINANCIAL 15	14 884,01	2,26%	-2,31%
SA LISTED PROPERTY	626,08	1,35%	2,88%

GLOBAL MARKETS	LAST PRICE	WEEKLY MOVE	YTD MOVE
DOW JONES	18 261,45	0,76%	4,80%
S&P 500	2 164,69	1,19%	5,91%
NASDAQ	5 305,75	1,17%	5,96%
STOXX 600	345,34	2,23%	-5,60%
FTSE 100	6 909,43	2,97%	10,69%
NIKKEI 225	16 754,02	1,42%	-11,98%
ASX ALL ORDINARIES	5 518,65	2,26%	3,26%

COMMODITIES	LAST PRICE	WEEKLY MOVE	YTD MOVE
GOLD	1 337,20	2,40%	26,12%
BRENT CRUDE	45,89	0,26%	23,10%
IRON ORE	56,86	-0,30%	43,66%
PLATINUM	1 056,60	4,00%	18,49%

CURRENCIES	LAST PRICE	WEEKLY MOVE	YTD MOVE
USDZAR	13,71	-3,24%	-11,34%
GBPZAR	17,78	-3,53%	-22,01%
EURZAR	15,39	-2,69%	-8,27%

Source: Thomson Reuters

## MARKET COMMENTARY

### Local Update

The JSE All Share Index ended the week slightly stronger. The resource and financial sectors were the main recipients of the FED and the South African Monetary Policy Committee decision to hold rates at current levels (see chart of the week).

Earlier in the week Moody's (rating agency) put the probability of a rating downgrade in December at about a third. They warned a cut was likely if economic growth fell below its estimated growth of 0,2% this year.

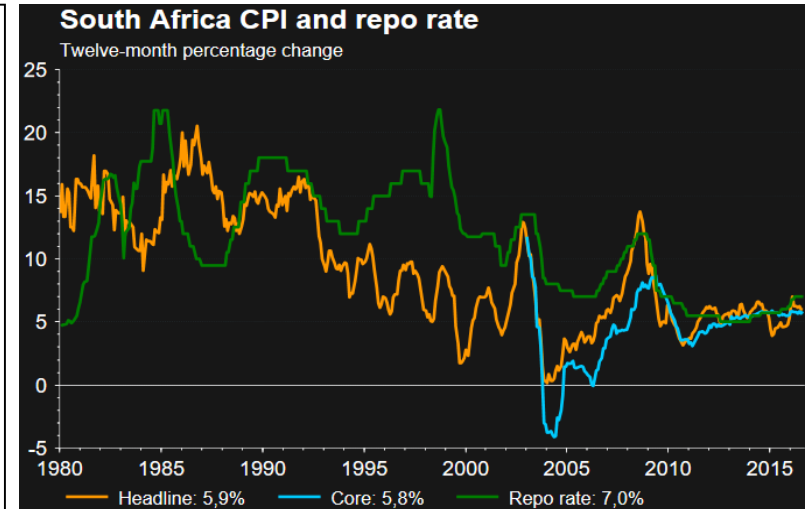
### Global Update

The US FOMC left the funds rate unchanged in a move widely anticipated by markets. Policymakers said that the case for a rate hike has strengthened but decided, for the time being, to wait for further evidence of continued progress toward its objectives. Three out of ten members voted for a rate hike. Fed Chair Janet Yellen, speaking after the central bank's latest policy statement, said US growth has strengthened and rate hikes would be necessary to keep the economy from overheating and fuelling high inflation. Market reaction to the Fed's statement was positive, reflecting an outcome that better aligns with market expectations, reducing interest rate uncertainty.

The Bank of Japan announced that it will target a 0% yield on 10 year government bonds, which is more of the same monetary policy, just packaged differently.

Hillary Clinton and Donald Trump will meet Monday night for their first debate in a virtual dead heat in the race for the White House.

## CHART OF THE WEEK



### What the chart is telling us

(Source: Thomson Reuters) The South African Reserve Bank held its policy rate at 7% and suggested that its tightening cycle was over. The Bank has increased interest rates three times in the past year. Easing rates of annual inflation suggest further rises may not be required.

Consumer prices in South Africa went up 5.9 percent year-on-year in August of 2016, following a 6 percent gain in the previous period and in line with consensus. It is the lowest reading since December and is a rate below the upper level of the MPC's inflation target band of 3% to 6%. The most worrisome component remained food, the price of which increased again to 11.6%, a recent high.