

KEY INDICATORS – 4 MARCH 2016

SA MARKETS	LAST PRICE	WEEKLY MOVE	YTD MOVE
JSE ALL-SHARE	52 200,71	5,61%	2,97%
RESOURCE 10	31 020,56	13,70%	22,16%
INDUSTRIAL 25	70 540,23	3,75%	-1,69%
FINANCIAL 15	15 065,81	4,44%	-1,11%
SA LISTED PROPERTY	623,60	1,42%	2,47%

GLOBAL MARKETS	LAST PRICE	WEEKLY MOVE	YTD MOVE
DOW JONES	17 006,77	2,20%	-2,40%
S&P 500	1 999,99	2,67%	-2,15%
NASDAQ	4 717,02	2,76%	-5,80%
STOXX 600	341,80	3,09%	-6,56%
NIKKEI 225	17 014,78	5,10%	-10,61%
HANG SENG	20 176,70	4,20%	-7,93%
ASX ALL ORDINARIES	5 151,05	4,16%	-3,62%

COMMODITIES	LAST PRICE	WEEKLY MOVE	YTD MOVE
GOLD	1 269,90	4,11%	19,77%
BRENT CRUDE	38,72	10,31%	3,86%
IRON ORE	52,11	12,77%	31,66%
PLATINUM	985,80	7,80%	10,55%

CURRENCIES	LAST PRICE	WEEKLY MOVE	YTD MOVE
USDZAR	15,34	-4,98%	-0,76%
GBPZAR	21,80	-2,78%	-4,38%
EURZAR	16,84	-4,83%	0,37%

MARKET COMMENTARY

Local Update

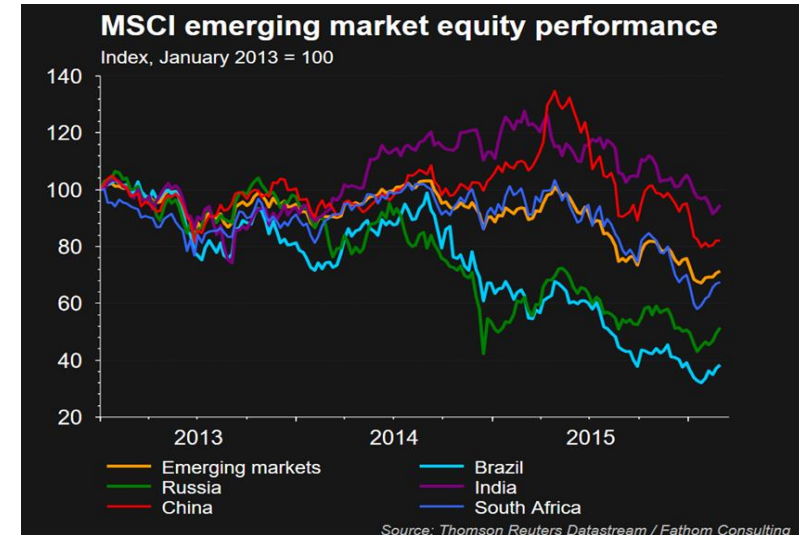
It was a positive week for South African financial markets. The strong performance of the resource sector helping to lift all sectors. Base metals, energy, precious metals and other resources continued to strengthen on the back of Chinese central bank support. We remain skeptical on this commodity bounce and expect recent gains to reverse. There is still excess supply in most commodities and lackluster demand.

Barclays' announcement to sell down their 62% African stake rippled through the local financial markets but the selling down rather than selling out seemed to restore some confidence. The Rand continued to strengthen over the week closing at 15,34 late Friday.

Global Update

Global markets had a strong week with S&P 500 (largest 500 companies in the US by market capitalization) ending just off the 2000 point mark. On Friday the US released their latest unemployment rate which remained at 4,9% with wage inflation coming in lower than expectations. This continues to support a low for longer interest rate scenario in the US which in turn is fueling a search for yield trade in emerging markets (see chart of the week). In US politics Trump and Clinton continue cementing their frontrunner status for their respective parties.

CHART OF THE WEEK



What the chart is telling us

The above chart illustrates the 3-year equity levels of the BRICS states and other emerging economies. It provides useful comparison between equity growth in developing economies during the 2015 Chinese downturn. South Africa has followed the emerging market equity levels far more closely than any other BRICS state. The massive opportunity for growth in India becomes apparent through this illustration with equity returns exhibiting the largest growth. Emerging economies provide new opportunity and thus keeping a close eye on indicators such as the above could point to opportunity!