

KEY INDICATORS – 17th MARCH 2017

SA MARKETS	LAST PRICE	WEEKLY MOVE	YTD MOVE
JSE ALL-SHARE	52 550,99	2,50%	3,75%
RESOURCE 10	31 691,19	4,77%	-1,30%
INDUSTRIAL 25	67 856,17	1,81%	5,56%
FINANCIAL 15	15 602,77	1,59%	3,48%
SA LISTED PROPERTY	653,23	1,14%	3,37%

GLOBAL MARKETS	LAST PRICE	WEEKLY MOVE	YTD MOVE
DOW JONES	20 914,62	0,06%	5,83%
S&P 500	2 378,25	0,24%	6,23%
NASDAQ	5 901,00	0,67%	9,62%
STOXX 600	378,32	1,36%	4,68%
FTSE 100	7 424,96	1,12%	3,95%
TOPIX (Tokyo Index)	1 565,85	-0,52%	3,11%
ASX ALL ORDINARIES	5 840,77	0,51%	2,13%

COMMODITIES	LAST PRICE	WEEKLY MOVE	YTD MOVE
GOLD	1 229,80	2,42%	6,94%
BRENT CRUDE	51,76	0,76%	-8,91%
IRON ORE	89,47	3,51%	12,19%
PLATINUM	962,00	2,68%	6,70%

CURRENCIES	LAST PRICE	WEEKLY MOVE	YTD MOVE
USDZAR	12,71	-3,35%	-7,45%
GBPZAR	15,76	-1,58%	-6,87%
EURZAR	13,66	-2,88%	-5,42%

Source: Thomson Reuters

MARKET COMMENTARY

Local Update

The JSE All-Share index (+2,50%) ended the week stronger with gains in all major sectors. Resources (+4,77%) led the local market higher followed by the industrial sector (+1,81%), whilst the financial sector (+1,59%) added to overall market gains.

The large gain in the resources sector was the product of a 2,42% increase in gold prices. The safe haven asset climbed higher as a response to the amount at which the Fed is expected to raise rates in the future.

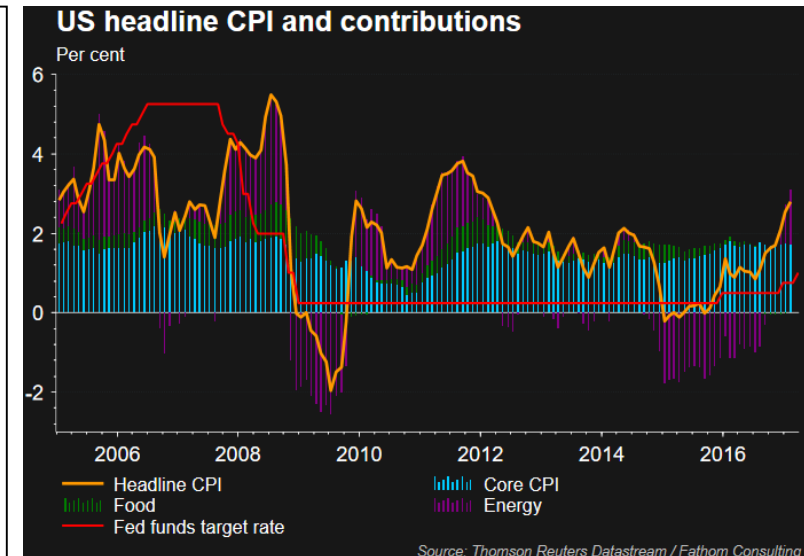
Global Update

The major talking point of the week was the U.S. Federal Reserve's decision to increase interest rates. The central bank raised interest rates by 0.25 points and indicated that two more hikes are expected this year.

Other economic news included a surprise drop in U.S. crude inventories. This was the first drop in inventories after nine consecutive increases. Brent crude prices ended the week 0,76% stronger.

Global equity markets excluding the Topix (-0,52%) ended the week stronger. The Dow Jones (+0.06%), S&P 500 Index (+0.24%), Stoxx 600 Index (+1.36%) and UK's FTSE 100 Index (+1.12%) all ending the week higher. Commodities ended the week stronger due to substantial gains in gold and iron ore. Gold rallied as a response to the Fed rate hike and iron ore were spurred on by positive Chinese data.

CHART OF THE WEEK



What the chart is telling us

US headline CPI inflation climbed to five-year high of 2.7%. Core inflation slipped from 2.3% to 2.2%, but this did not deter the FOMC (Federal Open Market Committee), from raising the fed funds target rate by 25 basis points to 75 basis points, as was widely anticipated. The decision came in line with market expectations as the labour market strengthened and economic activity continued to expand at a moderate pace, policymakers said. Interest rate forecasts point to another two rate hikes this year, the same as in the December projection.