

KEY INDICATORS – 11th MARCH 2017

SA MARKETS	LAST PRICE	WEEKLY MOVE	YTD MOVE
JSE ALL-SHARE	51 269.54	-0.85%	1.22%
RESOURCE 10	30 247.26	-5.54%	-5.80%
INDUSTRIAL 25	66 647.31	0.98%	3.68%
FINANCIAL 15	15 358.72	-0.16%	1.86%
SA LISTED PROPERTY	645.88	0.11%	2.21%

GLOBAL MARKETS	LAST PRICE	WEEKLY MOVE	YTD MOVE
DOW JONES	20 902.98	-0.49%	5.77%
S&P 500	2 372.60	-0.44%	5.97%
NASDAQ	5 861.73	-0.15%	8.89%
STOXX 600	373.23	-0.53%	3.27%
FTSE 100	7 343.08	-0.42%	2.80%
TOPIX (Tokyo Index)	1 574.01	1.02%	3.65%
ASX ALL ORDINARIES	5 811.16	0.62%	1.61%

COMMODITIES	LAST PRICE	WEEKLY MOVE	YTD MOVE
GOLD	1 200.70	-2.02%	4.41%
BRENT CRUDE	50.43	-5.46%	-7.74%
IRON ORE	86.44	-1.29%	8.39%
PLATINUM	936.90	-5.61%	3.92%

CURRENCIES	LAST PRICE	WEEKLY MOVE	YTD MOVE
USDZAR	13.15	1.07%	-4.24%
GBPZAR	16.02	0.14%	-5.37%
EURZAR	14.06	1.86%	-2.62%

Source: Thomson Reuters

MARKET COMMENTARY

Local Update

The JSE All-Share index (-0.85%) ended the week marginally weaker led by the resource sector (-5.54%) falling ahead of an expected US interest rate rise next week. The financial sector (-0.16%) was relatively flat whilst industrials (+0.98%) were marginally stronger.

Emerging markets were generally weaker owing to the stronger dollar (+1.07%) driven by next weeks probable rate hikes.

Global Update

Global equity markets as a whole mostly ended the week in negative territory with the Dow Jones (-0.49%), S&P 500 Index (-0.44%), Stoxx 600 Index (-0.53%) and UK's FTSE 100 Index (-0.42%).

On Friday afternoon a stronger than expected US nonfarm jobs number was released. This expectations beat further supported the hypothesis of a rates hike next week and saw the USD strengthen by over 1% for the week.

The FTSE 100 ended the week down 0.42% following the chancellor of the exchequer Philip Hammond's UK spring budget on Wednesday.

Lower oil prices on Thursday, led by an increase in production and thus supply by the US, set the scene for a retreat among commodity prices for the week. Brent crude closed the week at the lowest levels in over 3 months. Further, gold lost 2.02% of its value, to end the week at \$1200.70 per ounce whilst platinum fell 5.61%.

CHART OF THE WEEK



What the chart is telling us

In a speech on Friday evening, Janet Yellen gave a very clear signal that the FOMC would raise the fed funds rate when it meets next. We now expect three 25 basis point increases in the fed funds rate this year, compared to our previous forecast of two. Significantly, we still expect real economic growth and inflation to exceed 3% in 2017 and 2018.