

KEY INDICATORS – 19th FEBRUARY 2017

SA MARKETS	LAST PRICE	WEEKLY MOVE	YTD MOVE
JSE ALL-SHARE	52 223,54	-0,88%	3,10%
RESOURCE 10	33 522,71	-2,65%	4,40%
INDUSTRIAL 25	66 273,80	-1,46%	3,10%
FINANCIAL 15	15 158,54	0,80%	0,53%
SA LISTED PROPERTY	656,03	1,93%	3,82%

GLOBAL MARKETS	LAST PRICE	WEEKLY MOVE	YTD MOVE
DOW JONES	20 624,05	1,75%	4,36%
S&P 500	2 351,16	1,51%	5,02%
NASDAQ	5 838,58	1,82%	8,46%
STOXX 600	370,22	0,77%	2,43%
FTSE 100	7 299,96	0,57%	2,20%
TOPIX (Tokyo Index)	1 544,54	-0,13%	1,71%
ASX ALL ORDINARIES	5 850,98	1,38%	2,31%

COMMODITIES	LAST PRICE	WEEKLY MOVE	YTD MOVE
GOLD	1 237,60	0,26%	7,62%
BRENT CRUDE	55,81	-1,57%	-1,78%
IRON ORE	86,40	2,72%	8,34%
PLATINUM	1 003,50	-0,53%	11,30%

CURRENCIES	LAST PRICE	WEEKLY MOVE	YTD MOVE
USDZAR	13,06	-2,17%	-4,89%
GBPZAR	16,23	-2,62%	-4,10%
EURZAR	13,88	-2,27%	-3,89%

Source: Thomson Reuters

MARKET COMMENTARY

Local Update

The JSE All-Share index ended the week weaker (-0,88%) with losses across all major sectors, except the financial and property sectors.

Three South African banks have been implicated among 17 banking groups in 'widespread' collusion relating to the price-fixing of the rand. Following an almost two-year investigation into the matter, the Competition Commission has now referred a collusion case to the Competition Tribunal for prosecution.

Finance minister Pravin Gordhan is likely to target income, alcohol and tobacco taxes in his Feb 22 budget to reassure rating agencies that he will gradually rein in the deficit in coming years.

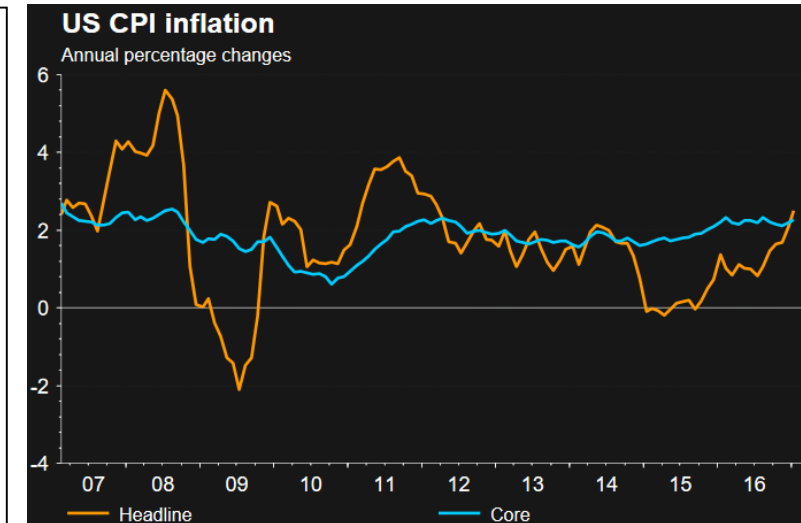
Global Update

U.S. stocks closed at record highs on Friday and ended the week up 1.5%. The S&P 500 is up 5.0% year-to-date as investors continue to be captivated by possible changes to the U.S. corporate tax code and the regulatory environment.

Investors remain concerned on the increasing possibility of Marine Le Pen winning the pending French election. According to recent polls, Le Pen — France's far-right, anti-European Union candidate — is the favourite to win the first round of voting, scheduled for April. However, it is not clear whether she will win the run-off vote in May.

In the week ahead the Federal Reserve's January meeting minutes will be released on Wednesday.

CHART OF THE WEEK



Source: Thomson Reuters

What the chart is telling us

US core CPI increased by 0,3% over January, and by 2,3% on the year. Higher inflation and a tightening labour market should prompt the Fed to tighten policy. Financial markets pricing suggests the fed funds rate will rise by 50 basis points this year.

There are two other major effects of inflation: The effect of inflation on savers and investors is that they lose purchasing power and secondly the effect of inflation on debtors is positive because debtors can pay their debts with money that is less valuable.