

KEY INDICATORS – 12th MAY 2017

SA MARKETS	LAST PRICE	WEEKLY MOVE	YTD MOVE
JSE ALL-SHARE	54 063,34	0,90%	6,73%
RESOURCE 10	31 907,35	0,43%	-0,63%
INDUSTRIAL 25	73 567,35	0,87%	14,44%
FINANCIAL 15	15 058,13	1,44%	-0,13%
SA LISTED PROPERTY	640,52	1,57%	1,36%

GLOBAL MARKETS	LAST PRICE	WEEKLY MOVE	YTD MOVE
DOW JONES	20 896,61	-0,53%	5,74%
S&P 500	2 390,90	-0,35%	6,79%
NASDAQ	6 121,23	0,34%	13,71%
STOXX 600	395,63	0,28%	9,47%
FTSE 100	7 435,39	1,89%	4,10%
TOPIX (Tokyo Index)	1 580,71	1,96%	4,09%
ASX ALL ORDINARIES	5 870,91	0,12%	2,65%

COMMODITIES	LAST PRICE	WEEKLY MOVE	YTD MOVE
GOLD	1 226,20	0,11%	6,63%
BRENT CRUDE	50,84	3,54%	-10,52%
IRON ORE	61,45	-1,66%	-22,95%
PLATINUM	915,00	0,80%	1,49%

CURRENCIES	LAST PRICE	WEEKLY MOVE	YTD MOVE
USDZAR	13,35	-0,49%	-2,77%
GBPZAR	17,22	-1,06%	1,71%
EURZAR	14,60	-1,06%	1,07%

Source: Thomson Reuters

MARKET COMMENTARY

Local Update

The JSE All-Share index (+0,90%) ended the week stronger led by gains in all sectors. Industrials (+0,87%) ended the week higher, led by continued gains from the rand hedges. Naspers had an especially strong week. Financials (+1,44%) and SA Listed Property (+1,57%) also finished the week strongly. The South African rand appreciated against the US dollar over the week (-0,49%).

In political news, Brian Molefe was reappointed to head-up state parastatal Eskom. Word from Luthuli House is that ANC leaders will instruct Minister Brown to reverse Molefe's appointment or dissolve the board.

Global Update

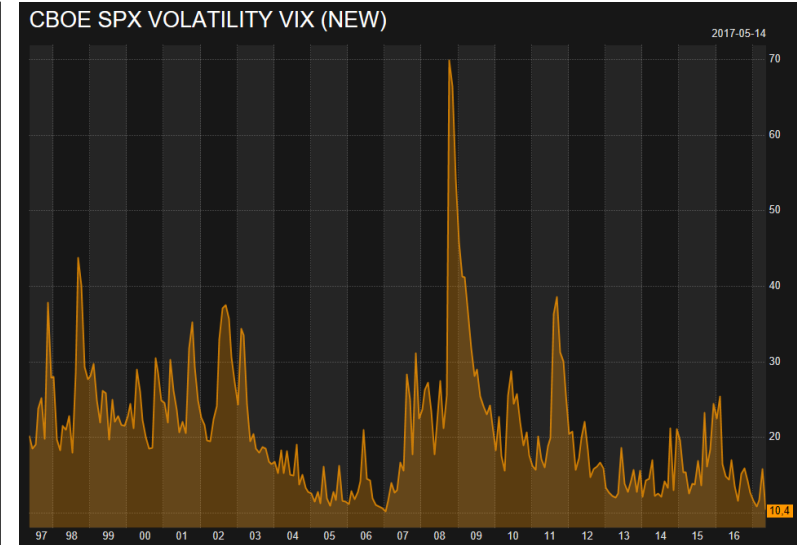
Global equity investors started the week with a spring in their step, as Emmanuel Macron's victory in Sunday's final round of the French presidential election settled nerves in the Eurozone.

In the US Trump's firing of FBI Chief James Comey sparked considerable outrage causing the dollar to weaken. The S&P 500 hit yet another record high at the start of the week, but fell back thereafter to end the week down 0.35%.

North Korea has carried out another ballistic missile test, days after a new president took office in the South. A series of North Korean missile tests this year - which are banned by the UN - has sparked international alarm and continues to raise tensions with the US.

Another major cyber-attack could be imminent after Friday's global hit that infected more than 125,000 computer systems.

CHART OF THE WEEK



What the chart is telling us

The U.S. stock market's main volatility gauge - the CBOE Volatility Index, better known as the VIX - is at its lowest level since 2007. That seems strange in light of the geopolitical anxiety surrounding the recent French elections, the war-talk with North Korea and the mixed fiscal and economic signals coming from the U.S.

The answer isn't straightforward as the VIX itself measures expected volatility through S&P500 options, not necessarily a sentiment gauge as it is sometimes referred to. Strategists also point to an accommodative Fed & ECB, strong earnings and other positive market indicators.