

KEY INDICATORS – 12 AUGUST 2016

SA MARKETS	LAST PRICE	WEEKLY MOVE	YTD MOVE
JSE ALL-SHARE	52 806,50	0,88%	4,17%
RESOURCE 10	31 926,14	0,26%	25,72%
INDUSTRIAL 25	68 981,75	0,46%	-3,86%
FINANCIAL 15	15 604,72	2,13%	2,42%
SA LISTED PROPERTY	669,59	1,53%	10,03%

GLOBAL MARKETS	LAST PRICE	WEEKLY MOVE	YTD MOVE
DOW JONES	18 576,47	0,18%	6,61%
S&P 500	2 184,05	0,05%	6,85%
NASDAQ	5 232,90	0,23%	4,50%
STOXX 600	346,09	1,38%	-5,39%
FTSE 100	6 916,02	1,80%	10,79%
NIKKEI 226	16 919,92	4,09%	-11,11%
ASX ALL ORDINARIES	5 626,30	0,73%	5,27%

COMMODITIES	LAST PRICE	WEEKLY MOVE	YTD MOVE
GOLD	1 335,80	-0,04%	25,98%
BRENT CRUDE	46,97	6,10%	25,99%
IRON ORE	59,83	-0,60%	51,16%
PLATINUM	1 126,80	-1,85%	26,37%

CURRENCIES	LAST PRICE	WEEKLY MOVE	YTD MOVE
USDZAR	13,47	-1,81%	-12,89%
GBPZAR	17,39	-3,07%	-23,72%
EURZAR	15,03	-1,24%	-10,43%

Source: Thomson Reuters

MARKET COMMENTARY

Local Update

The Johannesburg Stock Exchange ended the week stronger led by the financial sector. The sector has been buoyed by a stronger rand, the prospect of lower inflation and a more resilient local market.

Following the outcome of the recent municipal elections smaller parties await the ANC's national executive committee's (NEC's) decision on alliances. The EFF is the kingmaker in these negotiations as it holds the balance of power in most hung councils, particularly in major metros such as Johannesburg and Tshwane.

Global Update

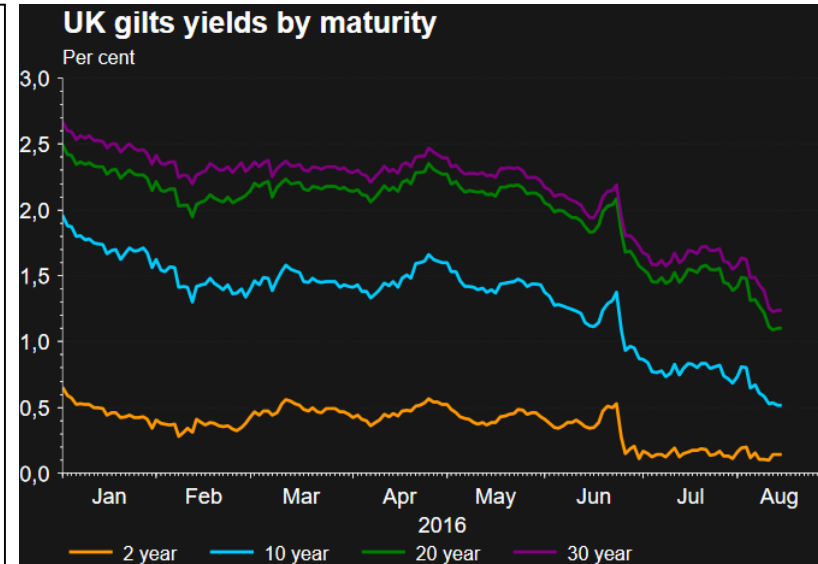
In the US treasuries rallied (yields fell), while the dollar weakened after disappointing retail sales data in the world's largest economy added to speculation the Federal Reserve will be in no rush to raise interest rates this year.

With the earnings season approaching its end, investors are turning their focus to economic data to gauge the vitality of U.S. growth and the Fed's next policy steps.

Oil climbed to \$46.97 in New York, extending its weekly rally to 6.1 percent. Saudi Arabia signalled it's prepared to discuss stabilizing markets at informal OPEC discussions next month after prices tumbled into a bear market.

The week ahead sees the first official data in the UK covering the period after the June referendum.

CHART OF THE WEEK



What the chart is telling us

(Source: Thomson Reuters) Following the Bank of England failing to buy enough gilts (bonds) to fulfil its targets, prices along the yield curve rose and the respective yields fell. The 10 year yield has fallen to a fresh all-time low (0,53%). Yields started the year at a tempting 2%. The need for income is pushing investors towards riskier assets that still pay a decent income (higher-yielding bonds issued by companies, high dividend paying stocks and other assets such as commercial property funds).