

## KEY INDICATORS – 27<sup>th</sup> MAY 2017

SA MARKETS	LAST PRICE	WEEKLY MOVE	YTD MOVE
JSE ALL-SHARE	53 996,14	-0,79%	6,60%
RESOURCE 10	31 037,03	-5,20%	-3,34%
INDUSTRIAL 25	74 360,58	-0,09%	15,68%
FINANCIAL 15	15 123,80	1,56%	0,30%
SA LISTED PROPERTY	634,72	0,98%	0,44%

GLOBAL MARKETS	LAST PRICE	WEEKLY MOVE	YTD MOVE
DOW JONES	21 080,28	1,32%	6,67%
S&P 500	2 415,82	1,43%	7,91%
NASDAQ	6 210,19	2,08%	15,36%
STOXX 600	391,35	-0,04%	8,28%
FTSE 100	7 547,63	1,03%	5,67%
TOPIX (Tokyo Index)	1 569,42	0,62%	3,35%
ASX ALL ORDINARIES	5 792,06	0,40%	1,27%

COMMODITIES	LAST PRICE	WEEKLY MOVE	YTD MOVE
GOLD	1 267,60	1,19%	10,23%
BRENT CRUDE	52,15	-2,72%	-8,22%
IRON ORE	61,25	-1,07%	-23,20%
PLATINUM	959,80	2,36%	6,46%

CURRENCIES	LAST PRICE	WEEKLY MOVE	YTD MOVE
USDZAR	12,85	-2,81%	-6,38%
GBPZAR	16,48	-4,41%	-2,63%
EURZAR	14,39	-2,94%	-0,39%

Source: Thomson Reuters

## MARKET COMMENTARY

### Local Update

The JSE All-Share index (-0,79%) ended the week weaker led by losses in Industrials (-0,09%) and Resources (-5,20%). A weaker US dollar (-2,81%) explains the dip in the Resources. BHP Billiton (-5,43%), Sasol (-3,92%) and Impala (-13,92%) all ended the week lower. Financials (+1,56%) and SA Listed Property (+0,98%) both ended the week stronger.

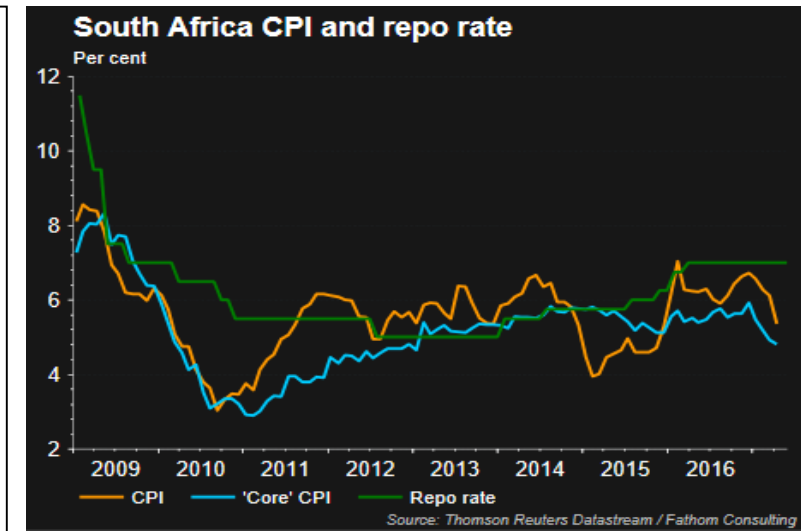
The ANC NEC (National Executive Committee) meeting continues today, with Zuma facing a second motion of no confidence in 6 months. A long list of members were expected to argue for and against Zuma's recall. Fresh reports alleging the controversial Gupta family were assisting Zuma establish an exit strategy which could see him relocate his family to Dubai. The case against Zuma has "worsened" considerably since last November's motion of no confidence.

### Global Update

Over the week major global markets Dow Jones (+1,32%), S&P 500 (+1,4%) and NASDAQ (+2,08%) all ended the week stronger. The S&P 500 hit an all-time high on Wednesday on the back of positive corporate results as well as the hope that the central banks do not raise interest rates too quickly.

Ratings agency Moody's downgraded its rating on Chinese government bonds, around concerns of the level of debt in the economy as well as the lack of progress in financial reforms.

## CHART OF THE WEEK



### What the chart is telling us

The South African Reserve Bank held its repo rate at 7%, despite core inflation being close to midpoint of its target range. Policymaker hawkishness can be explained by political uncertainty which could weaken the currency and erase the recent improvement in inflation dynamics. The YoY inflation rate was 5,3%, 0,8% less than the previous year.

The rand continues to benefit from the favourable inflation differential with major global economies.