

KEY INDICATORS – 27th JANUARY 2017

SA MARKETS	LAST PRICE	WEEKLY MOVE	YTD MOVE
JSE ALL-SHARE	52 973,83	0,84%	4,58%
RESOURCE 10	35 491,29	1,91%	10,53%
INDUSTRIAL 25	67 342,51	0,57%	4,76%
FINANCIAL 15	15 048,30	0,20%	-0,20%
SA LISTED PROPERTY	641,78	0,10%	1,56%

GLOBAL MARKETS	LAST PRICE	WEEKLY MOVE	YTD MOVE
DOW JONES	20 093,78	1,34%	1,68%
S&P 500	2 294,69	1,03%	2,50%
NASDAQ	5 660,78	1,90%	5,16%
STOXX 600	366,38	1,05%	1,37%
FTSE 100	7 184,49	-0,19%	0,58%
TOPIX (Tokyo Index)	1 549,25	1,03%	2,02%
ASX ALL ORDINARIES	5 765,56	0,98%	0,81%

COMMODITIES	LAST PRICE	WEEKLY MOVE	YTD MOVE
GOLD	1 188,10	-1,35%	3,31%
BRENT CRUDE	55,52	0,05%	-2,29%
IRON ORE	80,30	0,99%	0,69%
PLATINUM	979,40	0,74%	8,63%

CURRENCIES	LAST PRICE	WEEKLY MOVE	YTD MOVE
USDZAR	13,47	-0,92%	-1,94%
GBPZAR	16,89	0,65%	-0,20%
EURZAR	14,39	-0,83%	-0,32%

Source: Thomson Reuters

MARKET COMMENTARY

Local Update

The JSE All-Share index ended the week stronger with gains across major sectors, financials lead losses on Friday with continued speculation that a cabinet reshuffle by President Jacob Zuma is imminent. President Zuma is considering firing ministers who backed calls for him to step down last year and defied his instructions, according to senior ANC leaders.

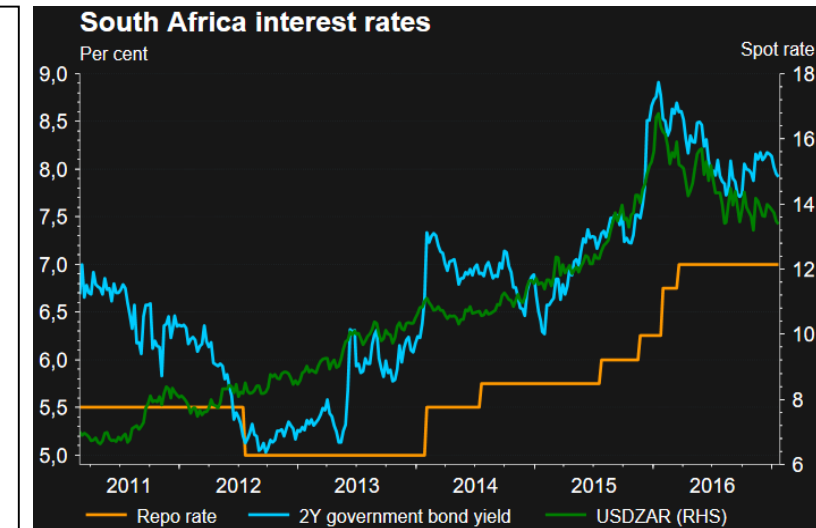
The rand was trading at R13.47 to the US dollar, R16.89 to the British pound and R14.39 to the euro. Precious metals were weaker, with gold falling to sell at \$1184.73 an ounce and platinum gaining to end the week at \$979.40 an ounce.

Global Update

The Dow Jones Industrial Average (Dow) closed at 20,069 on Wednesday, Jan. 25, making it the first time the Dow has closed above the 20,000 milestone. Other broad U.S. stock market indexes (such as the S&P 500 and the Nasdaq) closed at record highs on Wednesday. Better economic growth and rising earnings, combined with improving investor sentiment, have also pushed international stocks higher.

Donald Trump and Theresa May have re-affirmed their commitment to the US/UK special relationship during a short but friendly news conference in the White House on Friday. May said that Trump had told her he was "100% behind Nato". He also said he wanted to have a good relationship with President Putin. This is in contrast with current UK and European relations with the Russian President.

CHART OF THE WEEK



Source: Thomson Reuters

What the chart is telling us

The South African Reserve Bank left its interest rate unchanged at 7% but suggested that despite a strengthening currency, the risks to the inflation outlook were to the upside. While its hiking cycle may have come to an end, there appears little chance of a rate cut in the near term.

Inflation expectations for the year ahead have fallen from the upper end of the band of 6% to 5,8%. The MPC remains confident about an acceleration in 2017 GDP growth, consistent with the noticeable improvement in its leading indicator in recent months.