

## KEY INDICATORS – 3 JUNE 2016

SA MARKETS	LAST PRICE	WEEKLY MOVE	YTD MOVE
JSE ALL-SHARE	54 259,36	0,28%	7,03%
RESOURCE 10	31 464,99	-0,68%	23,91%
INDUSTRIAL 25	74 070,70	0,49%	3,23%
FINANCIAL 15	15 461,90	0,37%	1,49%
SA LISTED PROPERTY	654,96	0,62%	7,62%

GLOBAL MARKETS	LAST PRICE	WEEKLY MOVE	YTD MOVE
DOW JONES	17 807,06	-0,37%	2,19%
S&P 500	2 099,13	0,00%	2,70%
NASDAQ	4 942,52	0,18%	-1,30%
STOXX 600	341,29	-2,39%	-6,70%
NIKKEI 225	16 642,23	-1,14%	-12,56%
HANG SENG	20 947,24	1,80%	-4,41%
ASX ALL ORDINARIES	5 392,55	-1,41%	0,90%

COMMODITIES	LAST PRICE	WEEKLY MOVE	YTD MOVE
GOLD	1 240,10	2,17%	16,96%
BRENT CRUDE	49,64	0,65%	33,15%
IRON ORE	48,19	-12,29%	21,75%
PLATINUM	980,90	0,04%	10,00%

CURRENCIES	LAST PRICE	WEEKLY MOVE	YTD MOVE
USDZAR	15,09	-3,91%	-2,42%
GBPZAR	21,91	-4,76%	-3,91%
EURZAR	17,15	-1,89%	2,23%

## MARKET COMMENTARY

### Local Update

The Johannesburg Stock Exchange (JSE) ended the week strongly buoyed by a weak US jobs report. Locally all eyes were firmly fixed on the expected ratings decision from S&P.

Late on Friday evening S&P affirmed SA's investment grade rating. Although economists welcomed Standard & Poor's decision, most cautioned that it was only a matter of time before SA is downgraded to junk status.

The rand strengthened to end the week at R15.09 to the US dollar.

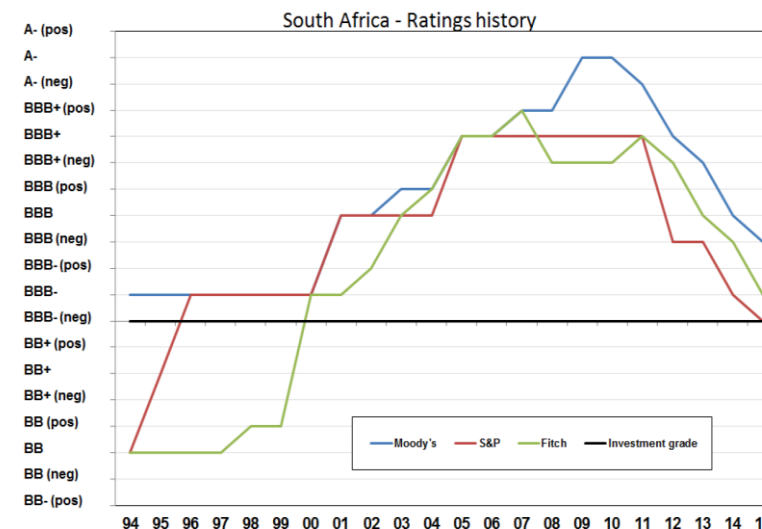
### Global Update

Earlier in the week Japanese Prime Minister Shinzo Abe said he will delay a sales-tax increase scheduled for next year, underscoring the economy's weakness after more than three years of his "Abenomics" growth program.

The European Central Bank sounded a note of cautious optimism on the eurozone's economic recovery on Thursday after leaving its €1.8 trillion (\$2 trillion) stimulus unchanged.

The week ended with the release of the May US unemployment report. Only 38000 jobs were added in May, it was the worst monthly job gain since 2010. Some 458,000 people left the job market, which is what pushed the US unemployment rate down to 4.7%.

## CHART OF THE WEEK



### What the chart is telling us

The above chart illustrates South Africa's rating history since 1994. Earlier this month, South Africa avoided a downgrade from ratings agency Moody's who affirmed SA's credit rating at two levels above junk. S&P released their rating yesterday evening, affirming South Africa's investment grade credit rating. Whilst this is a positive outcome the pressure on being downgraded to non-investment grade in December will continue to linger. South Africa will need to follow a tight-line to avoid a downgrade as the recent political instability was highlighted as an area of serious concern.