

## KEY INDICATORS – 7 OCTOBER 2016

SA MARKETS	LAST PRICE	WEEKLY MOVE	YTD MOVE
JSE ALL-SHARE	51 662.07	-0.55%	1.91%
RESOURCE 10	32 321.20	-0.42%	27.28%
INDUSTRIAL 25	67 469.69	-1.10%	-5.97%
FINANCIAL 15	14 712.40	-0.11%	-3.43%
SA LISTED PROPERTY	633.84	0.53%	4.15%

GLOBAL MARKETS	LAST PRICE	WEEKLY MOVE	YTD MOVE
DOW JONES	18 240.49	-0.37%	4.68%
S&P 500	2 153.74	-0.67%	5.37%
NASDAQ	5 292.41	-0.37%	5.69%
STOXX 600	339.64	-0.96%	-7.15%
FTSE 100	7 044.39	2.10%	12.85%
NIKKEI 225	16 860.09	2.49%	-11.42%
ASX ALL ORDINARIES	5 548.47	0.42%	3.82%

COMMODITIES	LAST PRICE	WEEKLY MOVE	YTD MOVE
GOLD	1 248.90	-4.90%	17.79%
BRENT CRUDE	51.93	5.85%	39.30%
IRON ORE	54.97	-2.93%	38.88%
PLATINUM	958.80	-6.79%	7.52%

CURRENCIES	LAST PRICE	WEEKLY MOVE	YTD MOVE
USDZAR	13.85	1.05%	-10.40%
GBPZAR	17.25	-3.08%	-24.34%
EURZAR	15.53	0.66%	-7.46%

Source: Thomson Reuters

## MARKET COMMENTARY

### Local Update

The JSE All Share Index again ended the week softer. The industrial sector (-1.10%) was worst hit, followed by the resource sector (-0.42%), whilst financial shares (-0.10%) were only marginally weaker.

The rand-dollar exchange rate was one of the key factors negatively impacting industrial shares, as many of these companies making up the index derive a large part of their earnings abroad.

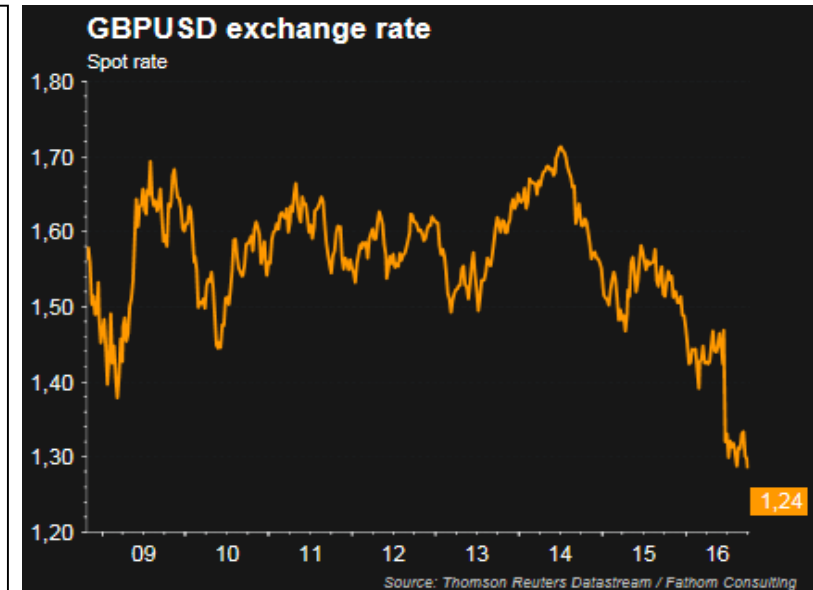
The rand ended the week 1.05% weaker against the US Dollar, closing at a level of 13.85 but price action was volatile and it traded as low as 13.53 mid-week. Factors including the buying of rand to pay SAB shareholders and the redirection of investment flows from Turkey to South Africa after Turkey was down-graded last week are said to be contributing factors to this volatility.

### Global Update

Investors were cautious all week ahead of the US payrolls report released on Friday. Data showed that the US economy added 156,000 jobs last month, while the unemployment rate ticked up to 5% as more workers entered the labour market. This number was slightly below expectations.

Other major news included a flash crash of Pound Sterling in the early hours of Friday morning, dropping by 8% to \$1.18 to the US Dollar. The move was attributed to a 'fat finger', algorithms, and French President, Francois Hollande's comments that the UK must suffer the consequences of leaving the EU.

## CHART OF THE WEEK



### What the chart is telling us

The chart above illustrates Pound Sterling relative to the US Dollar. The UK currency had been under renewed pressure after Theresa May said that she would trigger article 50 by next March and hinted at a hard Brexit – putting immigration controls at the forefront of EU discussions at the expense of remaining in the single market. With investors worried about the subsequent outlook for the UK economy, the pound is trading at a 31-year low relative to the US Dollar.