

## KEY INDICATORS – 29 JULY 2016

SA MARKETS	LAST PRICE	WEEKLY MOVE	YTD MOVE
JSE ALL-SHARE	52 797,58	-0,39%	4,15%
RESOURCE 10	31 313,57	0,72%	23,31%
INDUSTRIAL 25	70 311,61	-1,28%	-2,01%
FINANCIAL 15	15 104,54	0,17%	-0,86%
SA LISTED PROPERTY	669,18	0,42%	9,96%

GLOBAL MARKETS	LAST PRICE	WEEKLY MOVE	YTD MOVE
DOW JONES	18 432,24	-0,75%	5,78%
S&P 500	2 173,60	-0,07%	6,34%
NASDAQ	5 162,13	1,22%	3,09%
STOXX 600	341,89	0,46%	-6,54%
FTSE 100	6 724,43	-0,09%	7,72%
NIKKEI 226	16 569,27	-0,35%	-12,95%
ASX ALL ORDINARIES	5 643,96	1,25%	5,60%

COMMODITIES	LAST PRICE	WEEKLY MOVE	YTD MOVE
GOLD	1 349,00	1,96%	27,23%
BRENT CRUDE	42,46	-7,07%	13,89%
IRON ORE	56,61	1,02%	43,03%
PLATINUM	1 147,30	5,68%	28,66%

CURRENCIES	LAST PRICE	WEEKLY MOVE	YTD MOVE
USDZAR	13,88	-2,84%	-10,26%
GBPZAR	18,36	-1,94%	-19,46%
EURZAR	15,50	-1,08%	-7,61%

## MARKET COMMENTARY

### Local Update

The Johannesburg Stock Exchange ended the week down four tenths of a percent.

South Africa recorded a trade surplus of 12.53 billion rand (\$886 million) in June, from a revised record surplus of 18.36 billion the month before.

The rand raced to a more than eight-month high against the dollar on Friday, breaching the 14.0000 mark for the first time since November partly due to data showing the second straight monthly trade surplus in June (see chart of the week).

In the week ahead we will be focussed on the local municipal elections which we hope will run smoothly (free and fair).

### Global Update

Friday's gross domestic product reading in the US fell below even the dimming hopes on Wall Street. The 1.2 percent growth rate in the second quarter combined with a downward revision to the first three months of the year to produce an average growth rate of just 1 percent. In total, it was far below the Wall Street forecast of 2.6 percent second-quarter growth and didn't lend a lot of credence to a Fed statement earlier this week that sounded more confident on the economy?

Euro zone banks are firmly in the spotlight ahead of the publication of regional stress testing results. This continues to be a major risk to financial stability and future growth prospects.

## CHART OF THE WEEK



### What the chart is telling us

Year to date the rand continues to strengthen against major developed currencies. This relative strength has been driven by a slowing global economy (search for yield), a more dovish US rate hiking cycling (slower US growth) and improving trade dynamics (SA exports are increasing). On Friday the South African Revenue Service (Sars) reported that the country's trade surplus narrowed to around R12.53 billion last month, from over R18.36 billion the month before. SARS reported that there was a trade surplus of R12.516 billion from January to last month, a vast improvement from a shortfall of R22.94 billion during the same period last year.