

KEY INDICATORS – 9th DECEMBER 2016

SA MARKETS	LAST PRICE	WEEKLY MOVE	YTD MOVE
JSE ALL-SHARE	50 899,92	3,34%	0,41%
RESOURCE 10	33 325,97	1,46%	31,23%
INDUSTRIAL 25	64 013,38	3,68%	-10,79%
FINANCIAL 15	15 073,86	4,89%	-1,06%
SA LISTED PROPERTY	613,43	2,54%	0,80%

GLOBAL MARKETS	LAST PRICE	WEEKLY MOVE	YTD MOVE
DOW JONES	19 756,85	3,06%	13,38%
S&P 500	2 259,53	3,08%	10,55%
NASDAQ	5 444,50	3,59%	8,73%
STOXX 600	355,38	4,72%	-2,85%
FTSE 100	6 954,21	3,32%	11,40%
NIKKEI 225	18 996,37	3,10%	-0,20%
ASX ALL ORDINARIES	5 615,78	2,06%	5,07%

COMMODITIES	LAST PRICE	WEEKLY MOVE	YTD MOVE
GOLD	1 159,40	-1,34%	9,35%
BRENT CRUDE	54,33	-0,24%	45,73%
IRON ORE	78,89	5,79%	99,32%
PLATINUM	913,70	-1,86%	2,47%

CURRENCIES	LAST PRICE	WEEKLY MOVE	YTD MOVE
USDZAR	13,81	0,17%	-10,65%
GBPZAR	17,39	-1,01%	-23,76%
EURZAR	14,59	-0,81%	-13,04%

Source: Thomson Reuters

MARKET COMMENTARY

Local Update

The JSE All-Share index ended the week 3,34% higher, with 4,89% gains in financial shares and 3,68% gains in industrial shares.

The rand was trading at R13.81 to the US dollar, R17.39 to the British pound and R14.59 to the euro. Gold had given up 1,34%, while Brent crude was flat over the week trading at \$54 a barrel.

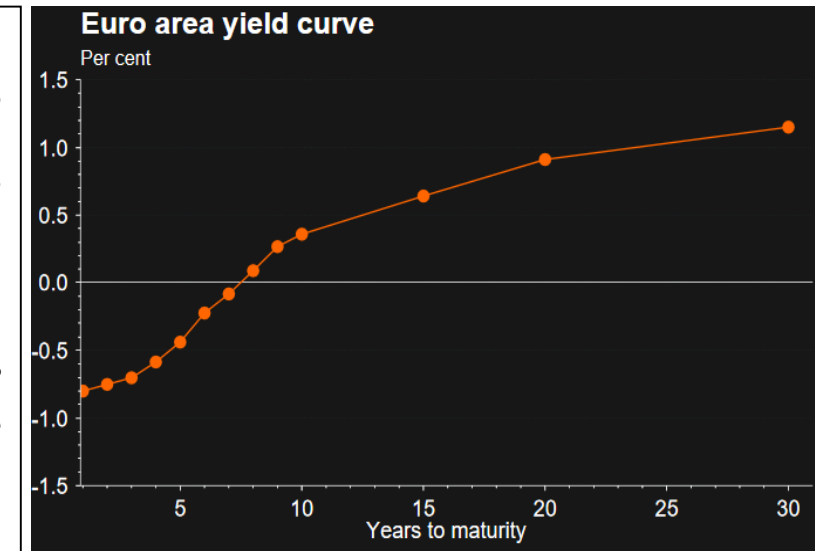
Global Update

Asian markets ended the week strongly with the Nikkei over 3% higher after the European Central Bank decided to extend its bond buying programme beyond March. European and UK markets were also positive, as investors cheered supportive policies from the ECB. The British FTSE 100 advancing to end the week up 3.32%.

In the U.S. stocks followed higher on the week with the Dow Jones Industrial Average and the S&P 500 up over 3%. As the new Trump administration and Congress take office in January, proposed changes in government policies dominate the outlook for 2017. Stock prices, interest rates and the value of the U.S. dollar have risen since the election due to optimism about likely pro-growth policies.

Next week, the Federal Reserve (Fed) is expected to raise short-term interest rates for the second time in the current expansion on Wednesday. Though the Fed will absorb most investors' attention, inflation and housing data (including starts and permits) will also be reported later in the week.

CHART OF THE WEEK



What the chart is telling us

(Source: Thomson Reuters) During its December meeting the ECB announced that it will extend the timeframe of its quantitative easing programme by a further nine months to December 2017, reducing its net monthly asset purchases from €80 billion to €60 billion from April 2017. The yield curve has steepened as a result.

When the yield curve steepens, the gap between the yields on short-term bonds and long-term bonds increases, making the curve appear "steeper." A steepening yield curve typically indicates investor expectations for 1) rising inflation and 2) stronger economic growth.