

20 January 2022

	Close price at 1/19/2022	Daily % change	Month to date	Year to date	Last year
FTSE/JSE indices					
All-Share Index	76,176.15	1.6%	3.3%	3.3%	19.8%
All-Share Index Total Return	12,380.60	1.6%	3.4%	3.4%	24.8%
Resources Index	44,006.20	3.3%	8.1%	8.1%	22.6%
Industrials Index	103,072.72	1.3%	0.2%	0.2%	14.4%
Financials Index	39,027.49	-0.7%	3.1%	3.1%	29.1%
Top 40 Index	69,512.97	1.8%	3.7%	3.7%	19.1%
Shareholder Weighted Index	27,089.65	0.6%	2.8%	2.8%	16.8%
Capped Shareholder Weighted Index	30,283.64	0.7%	2.8%	2.8%	24.3%
SA Listed Property Index	1,656.48	-0.9%	-1.6%	-1.6%	39.9%
SA Volatility Index	17.52	-0.3%	-9.7%	-9.7%	-0.7%
Interest-bearing indices					
FTSE/JSE All Bond Index	827.47	0.4%	0.6%	0.6%	8.9%
SteFI Composite Index	483.31	0.0%	0.2%	0.2%	3.8%
FTSE/JSE Inflation-Linked Index	303.73	0.0%	-2.0%	-2.0%	12.1%
Interest rates					
Prime rate	7.25%			0.0%	3.6%
Repo rate	3.75%			0.0%	7.1%
Commodities (in US dollars)					
Gold price	1,814.74	0.1%	-0.8%	-0.8%	-1.6%
Platinum price	988.61	2.0%	2.0%	2.0%	-10.0%
Oil price	88.44	1.1%	13.7%	13.7%	58.2%
Global indices (in base currency)					
Dow Jones (US)	35,028.65	-1.0%	-3.6%	-3.6%	13.2%
S&P 500 (US)	4,532.76	-1.0%	-4.9%	-4.9%	19.3%
FTSE (UK)	4,273.79	0.3%	1.6%	1.6%	12.6%
Hang Seng (Hong Kong)	24,127.85	0.1%	3.1%	3.1%	-18.6%
Shanghai	3,558.18	-0.3%	-2.2%	-2.2%	-0.2%
Nikkei (Japan)*	27,467.23	-2.8%	-4.6%	-4.6%	-4.1%
Cac 40 (France)	7,172.98	0.5%	0.3%	0.3%	28.1%
Dax (Germany)	1,472.68	0.0%	-0.4%	18.9%	12.3%
MSCI Emerging*	1,239.83	-0.1%	0.6%	0.6%	-10.2%
MSCI Developed*	3,098.60	-0.8%	-4.1%	-4.1%	13.4%
US Volatility Index	23.85	4.7%	38.5%	38.5%	2.6%
Exchange rates					
Rand/US dollar	15.34	-1.2%	-3.8%	-3.8%	2.3%
Rand/euro	17.39	-1.1%	-4.1%	-4.1%	-4.4%
Rand/pound	20.87	-1.2%	-3.2%	-3.2%	2.1%
Dollar/euro	1.13	0.1%	-0.3%	-0.3%	-6.5%
Inflation indicator					
CPI					5.5%
Group indicator					
Momentum Metropolitan Holdings	19.86	-1.0%	4.8%	4.8%	19.3%

*Last available numbers used, as these numbers were not available

Global update

Richemont had its fastest holiday-season sales growth in at least a decade and Burberry forecast 35% earnings growth this year, signalling that the luxury-goods market is thriving again. Source: businesslive.co.za

One of the world's largest coffee traders expects another year of shortages as drought and frost slash crop potential in top producer Brazil. Source: news24.com

Local update

The JSE tracked firmer US and European markets on Wednesday as a slew of strong US corporate earnings boosted sentiment. Miners, industrials and retailers were the main winners on the day. "Stocks rose as investors got better-than-expected earnings while digesting [the] rising US 10-year Treasury yield," said Oanda senior market analyst Craig Erlam. "While equity markets are recovering some of Tuesday's losses, anxiety and uncertainty continue to dominate." Source: businesslive.co.za

Rising interest rates are unlikely to affect home buying in South Africa this year, according to FirstRand Ltd.'s First National Bank. The lender expects the central bank to raise its benchmark rate by at least 75 basis points in 2022 because of mounting inflationary pressures and plans by advanced economies including the U.S. to raise borrowing costs. Source: News24.com

A hybrid work model, which includes working both in the office and from home, as well as occupiers downsizing to smaller quarters, is projected to result in more vacancies in the office sector, which was already struggling before the Covid-19 pandemic hit in 2020. Source: businesslive.co.za

Despite traditionally being the group's most resilient and best performing business, expectations reported in Woolworths's latest trading update for the 26 weeks ended December 2021, published on Thursday, show that its food business is experiencing a performance slowdown. Source: moneyweb.co.za

Momentum in the news

Sanisha Packirisamy, economist at Momentum, and Herman van Papendorp, head of investment research and asset allocation at Momentum Investments, say that while inflation has eroded the yields of bonds in developed countries, the high real (after-inflation) yields of South African bonds "are in stark contrast to those in the developed world and even among emerging-market peers". For example, local 10-year government bonds are yielding 4.9% after inflation, as against -3.5% in the UK, 1.2% in Mexico and 0.4% in Brazil. "It stands to reason that these high real bond yields already discount a high fiscal and country risk premium. Not only are South African real bond yields currently attractive versus developed and emerging-market yields, but they are also high against historical averages," Packirisamy and Van Papendorp say. Source: iolnews.co.za