

For the week ending

10 January 2020

	Close price at 10/01/2020	Weekly % change	Month to date	Year to date	Last 12 months
FTSE/JSE indices					
All-Share Index	57,484.84	-0.6%	0.7%	0.7%	7.9%
All-Share Index Total Return	8,723.25	-0.5%	0.7%	0.7%	11.7%
Resources Index	28,383.71	-1.7%	0.2%	0.2%	23.5%
Industrials Index	76,669.18	0.8%	2.2%	2.2%	7.8%
Financials Index	38,828.15	-1.5%	-1.3%	-1.3%	-7.6%
Top 40 Index	51,245.43	-0.6%	0.8%	0.8%	8.7%
Shareholder Weighted Index	21,405.59	-0.3%	0.9%	0.9%	8.7%
Capped Shareholder Weighted Index	23,196.44	-0.4%	0.6%	0.6%	6.0%
SA Listed Property Index	1,869.30	-0.6%	-0.4%	-0.4%	0.0%
SA Volatility Index	15.10	-5.0%	-4.5%	-4.5%	-29.5%
Interest-bearing indices					
JSE Assa All Bond Index (Albi)	699.76	0.2%	0.2%	0.2%	9.1%
SteFI Composite Index	441.66	0.1%	0.2%	0.2%	7.3%
JSE Assa SA Government ILB Index	697.81	0.0%	0.0%	0.0%	1.8%
Interest rates					
Prime rate	10.00%			0.0%	-2.4%
Repo rate	6.50%			0.0%	-3.7%
Commodities (in US dollars)					
Gold price	1,562.08	0.6%	2.5%	2.5%	20.7%
Platinum price	976.73	-0.3%	0.6%	0.6%	18.1%
Oil price	65.00	-5.3%	-1.7%	-1.7%	6.1%
Global indices (in base currency)					
Dow Jones (US)	28,823.77	0.7%	1.0%	1.0%	20.1%
S&P 500 (US)	3,265.35	0.9%	1.1%	1.1%	25.8%
FTSE (UK)	4,206.72	-0.7%	0.2%	0.2%	10.6%
Hang Seng (Hong Kong)	28,638.20	0.7%	1.6%	1.6%	8.0%
Shanghai	3,092.29	0.3%	1.4%	1.4%	22.0%
Nikkei (Japan)	23,850.57	17.1%	0.8%	0.8%	18.3%
Cac 40 (France)	6,037.11	-0.1%	1.0%	1.0%	25.6%
Dax (Germany)	1,260.32	1.6%	1.7%	1.7%	22.2%
MSCI Emerging	1,133.63	0.9%	1.7%	1.7%	13.5%
MSCI Developed	2,377.62	0.6%	0.8%	0.8%	21.5%
US Volatility Index	12.56	-10.4%	-8.9%	-8.9%	-35.6%
Exchange rates					
Rand/US dollar	14.37	0.4%	2.6%	2.6%	3.7%
Rand/euro	15.98	0.0%	1.8%	1.8%	0.3%
Rand/pound	18.77	0.2%	1.1%	1.1%	6.2%
Dollar/euro	1.11	-0.3%	-0.8%	-0.8%	-3.3%
Inflation indicator					
CPI					3.6%
Group indicator					
Momentum Metropolitan Holdings	21.84	-0.7%	0.0%	0.0%	29.2%

Last available data used, where numbers were not available

Global update

Harare — Zimbabwe is “way behind” in clearing its \$700m arrears to the African Development Bank (AfDB), the bank’s top official in Harare told Business Day last week.

Paris — The French government has signalled it is prepared to scrap an effort to raise the age at which workers can retire with full benefits to 64 in a bid to get the country’s moderate unions on board with President Emmanuel Macron’s pension reform plan.

Tomorrow’s weather

Johannesburg	Cape Town	Bloemfontein	Durban	Pretoria
15°C - 26°C	20°C - 33°C	16°C - 32°C	22°C - 30°C	17°C - 28°C
Sun:05:11/18:31	Sun:05:36/19:24	Sun:05:14/18:44	Sun:04:53/18:26	Sun:05:11/18:31
Chance of rain 30%	Chance of rain 0%	Chance of rain 0%	Chance of rain 30%	Chance of rain 30%

Local update

The JSE ended a four-week winning streak on Friday, but the rand returned to gains after losing nearly 2% in the first week of the year as geopolitical tension had a deleterious effect on emerging markets.

Merchant Investment Holdings (RMI) said on Friday that its Australian subsidiary Youi has estimated it could incur gross losses of as much as A\$40m (R400m) as a result of bushfires in that country. Australia has experienced multiple and ongoing bushfires since late November, with a severe drought and high temperatures intensifying the effect of the fires. Youi’s current estimate of gross losses, which excludes potential reinsurance recoveries, range between \$25m and \$40m, RMI said in a voluntary update. The statement noted that the bushfires are ongoing, and that there is still a high level of uncertainty given the restricted access to some areas, which is preventing accurate assessments of many claims. There have also been longer than usual reporting delays, RMI said, prompting the inclusion of a larger than normal allowance for incurred, but not reported, claims.

Eskom has admitted it has a solution to its highly unreliable ageing fleet of coal power stations. This time, however, the plan is not the clichéd definition of insanity (which seems to have been the plan over much of the last decade). In an interview with Engineering News last week, Eskom chief operating officer Jan Oberholzer revealed that a new approach to maintaining the utility’s coal fleet would be considered by the board before the end of this month. The thinking is that Eskom would remove a number of units for service for an extended period of time, allowing it the space to do proper maintenance. Said Oberholzer: “I believe Eskom needs to be bold and say truthfully to the public of South Africa that we have 25 000MW 24/7, 365 days a year and then take whatever buffer we have and maintain our units. “If it’s time for a 12-year general overhaul, or a nine-year general overhaul, or a midlife refurbishment, or routine maintenance, we take the unit off and we maintain it properly. If it’s a 60-day, a 75-day or a 90-day outage that’s what we do and we replace whatever we need to.” This approach to maintenance is not without precedent at Eskom. The maintenance of nuclear plant Koeberg is extremely rigorous. “We need to show the same level of respect to the coal units,” said Oberholzer.

Nepi Rockcastle, the largest shopping centre owner in Romania, is primed to emerge from the ashes of the 2018 listed property scandal, as it benefits from the country’s economic boom. The JSE-listed property group was part of the Resilient group of companies that shared common founders and had cross shareholdings. Nepi Rockcastle, Resilient, Fortress and Lighthouse Capital suffered a mass sell-off in 2018, losing more than R100bn of their combined market value, after allegations by asset and hedge fund managers of share price manipulation, insider trading and using related party transactions to boost profits.