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REGIMENTS SECURITIES™

REGIMENTS SECURITIES MARKET WRAP

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Top40: -0.91%

Value: R9.850bn / \$1.251bn

Volume 266mn

\$/ZAR 7.8722

£/ZAR 12.8978

€/ZAR 11.6507

Gold: \$1062.63

Plat \$1334.75

Brent Crude \$75.62

Copper Future \$294.10

Overview: Market initially opened lower -1.1% led by the general finance index (-2.15%) as the market digested the news of CIT filing for bankruptcy, with most banking stocks falling around 2% in opening trade. Miners remained mixed with gold stocks mostly rising but platinum miners declining. A slightly improved Kagiso PMI reading of 47.6 vs. 45.9 previously did little to help spur the markets which traded relatively flat as the day progressed. In afternoon trade, the market lost steam and sold off, declining to test its intraday lows until the US market opened. After the US market opened in positive territory, the local market got a slight boost but failed to hold onto gains as the US market remained choppy and toggled between declines and rallies. By the close of the trading session, the market ended the start of the trading week lower in the red.

Resi20: -0.09% with AMS **-4.741%** leading declines. News by RIO, that China may purchase Iron Ore next year under a new pricing mechanism did little to push the market higher. Heavyweights AGL **+0.34%** & BIL **+0.09%** managed to recover into positive territory in the closing auction period as the US market recovered. The Gold mining Index closed higher **+2.27%** by the end of the trading session with all miners higher as: SIM **+3.41%**, HAR **+0.45%**, (despite being downgraded to "Hold" from "Buy" at Deutsche bank, DRD **+2.37%**, ANG **+3.52%** & GFI **+1.28%**. Plats index **-2.77%** as platinum stock remained weak throughout the trading session as: WEZ **-1.55%**, NHM **-1.75%**, AMS **-4.74%**, IMP **-1.89%** with LON **+1.95%** higher. SOL **-0.78%**, as the Dollar strengthened.

Indi25: -1.43% with AEG **-4.171%** & WHL **-3.72%** pulling the index lower. NTC **+0.09%** after managing to retain its overweight rating at JP Morgan, who raised the 12 month target price on the stock to R15.3. Telecomm heavyweight MTN **-2.46%**, after the company announced that they are looking for other MGA prospects in Asia as the local market continues to operate in a pressurized environment with customer numbers declining and government pushing to halve interconnection fees.

Fini15: -2.11%, with LBT **-5.07%** & ABL **-4.93%** pulling the index lower. REI **+0.74%**, the only stock in the index closing higher. Banking stocks all slipping lower with: NED **-2.03%**, RMH **-2.86%**, ASA **-1.61%**, SBK **-1.73%** with FSR **-3.04%**. Life Co.'s lower with SLM **-3.21%**, OML **-1.09%** with DSY **-1.86%**.

USD/ZAR recap: The ZAR weakened to a level of 8.2811 overnight as investors cut their holdings of higher yielding assets on greater risk aversion, slumping the ZAR which is one of the most vulnerable to the risks associated with unwinding of carry trades. The ZAR recovered to an intraday low of 7.8200 before trading at 7.8722 by the close of the session.

Top40 - Top 3: ANG **+3.52%**, LON **+1.95%**, & GFI **+1.28%**

Top40- Bottom 3: LBT **-5.07%**, ABL **-4.93%** & AMS **-4.74%**

Sources: Bloomberg, Reuters, Standard Bank, The Wall Street Journal, The Financial Times, BusinessDay, Fin24, Business Report

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