November 03, 2009

REGIMENTS SECURITIES MARKET WRAP

For any further information or queries please contact:

Equities: Kevin Kairuz Tel: (011) 715-0315 KevinK@regiments.co.za

Top40: -1.37% **Value: R12.636bn / $1.608bn** **Volume 377mn**

$/ZAR 7.8563 **£/ZAR 12.8322** **€/ZAR 11.5200**

Gold: $1061.10 **Plat $1331.10** **Brent Crude $75.61** **Copper Future $292.55**

Overview: Market initially opened higher +0.3% but failed to hold onto the positive open, falling shortly afterwards into negative territory around -1.7%. Local vehicle sales from Naamsa, which showed sales for October declined by -16.9%, the smallest declining figure since April last year, helped the local bourse with a small rally but was short lived. Thereafter, the local market declined even further to its intraday low of 22 896, around -2.3% lower from its opening level. After the US market opened, the local market got a slight boost but failed to gain enough momentum to get back into positive territory and by the close of the trading session, ended its 2nd trading session for the week lower again.

Resi20: -1.19% with MRF **-5.04%** leading declines. Spot gold prices jumped after the IMF sold around $6.7bn to the Reserve Bank of India, the 1st time the IMF has sold the metal in 9 years with gold rallying even further as investors sought an alternative to the weaker Dollar. Heavyweights: AGL**-1.30%** & BIL **-2.24%** lower, dictating market movement even further. The Gold mining Index closed lower **-0.16%** despite positive investor sentiment, higher spot prices and a continuous weakening of the Dollar. By the end of the trading session miners were mostly lower as: SIM **-3.30%**, HAR **-3.09%**, DRD **-1.89%** & GFI **-0.28%** with news of another death at its Kloof mine in S.A. adding to the negative performance. Only ANG **+0.93%** managed to close the day higher. Plats index **-0.43%** with platinum stocks mixed as: WEZ **+2.11%**, NHM **+1.51%**, AMS **+1.89%**, with heavyweights LON **-2.42%** & IMP **-1.78%** after Nomura International Plc cut its recommendation on the stock to "reduce" as a strengthening rand hurts the company's profits. The brokerage also cut its price estimate for Impala to R120, from R260. SOL **-0.78%**, as the oil price declined.

Indi25: -1.57% with NPN **-4.13%** & ACL **-3.63%** pulling the index lower. SPG unchanged after it sold its 160-store Mica chain to a group of Mica members for R25mn. IPL **-1.40%**, after comments by the CEO that although the S.A. business remains "lackluster", it may be reaching a bottom with its European operations seeing improvements in its German shipping business. Telecomm heavyweight MTN **+0.33%** with VOD **-2.50%** after its parent company, Vodafone is being investigated by the U.K. Fraud Office after receiving numerous allegations of fraud on the 70% purchase of Ghana Telecoms Co. for $900mn last year.

Fini15: -1.49%, with banking stocks all slipping lower as: NED **-3.02%**, RMH **-1.37%**, ASA **-1.63%**, SBK **-1.55%** with FSR **-2.09%**. Life Co.'s mixed with SLM **+0.53%**, OML **-0.74%** & DSY **-2.68%**.

USD/ZAR recap: The ZAR managed to hold onto its gains and continue to firm in the late afternoon trade as vehicle sales indicated the recession is easing. The S.A. central bank said S.A. banks do not face "major systemic threat" from increasing bad debt though the financial positions of consumers were fragile. The ZAR recovered from its intraday high of 7.9901 to an intraday low of 7.8766 before trading at 7.8563 by the close of the session.

Top40 - Top 3: AMS **+1.89%**, ANG **+0.93%**, & SLM **+0.53%**
Top40- Bottom 3: NPN **-4.13%**, ACL **-3.63%** & HAR **-3.09%**

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