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REGIMENTS SECURITIES™

# REGIMENTS SECURITIES MARKET WRAP

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**Top40: +1.71%**

**Value: R9.814bn / \$1.332bn**

**Volume 236mn**

**\$/ZAR 7.3650**

**£/ZAR 12.3323**

**€/ZAR 11.0280**

**Gold: \$1130.40**

**Plat \$1426.00**

**Brent Crude \$76.71**

**Copper Future \$308.40**

**Top40 Index Overview:** Market initially opened higher +0.73% as the local market took direction and surged from Asia's performance after gold and platinum prices rallied to new highs giving all commodity prices a boost. Most sectors across the board experienced gains in early morning trade with the gold mining index leading the way as it rose 2.41% pushed higher by HAR & GFI which each rose over +3%. For Industrials, SHP led the way opening +2.36% higher and CLS led retailers opening +1.17%. For Plat miners, LON rose over 2% higher following the general performance of miners. With the start of the 2 day MPC meeting underway, speculation by investors on whether new SARB Governor, Gill Marcus, will buckle to union pressure, was negated by news that expectations by economists are for the interest rate to remain unchanged @ 7%, which would anger unions. In other news, Bobby Godsell confirmed that he will not be returning to Eskom after resigning despite governments' hopes that he would reconsider his resignation. As the day progressed, the market maintained its positive momentum to reach an intraday high of 24 510, trading around the higher levels for most of the day. In late afternoon trade before the US markets opened, the market trended slightly lower as US economic data (Empire manufacturing index) showed that manufacturing declined in November to 23.51, which was lower than the 30.00 level estimated. Advanced retail sales read 1.4%, higher than the 0.9% estimates which did little to help the local market. After the US market opened the local market managed to remain in positive territory and end the session higher.

**Resi20: +2.77%** with LON **+7.63%** leading the index higher after announcing final results which pleased investors & the share led gains on the FTSE 100 share index in London as the price of the metal climbed and the company said automakers are boosting stocks. Better commodity prices boosted heavyweights with AGL **+3.75%** & BIL **+2.58%** higher. The Gold mining Index close at **+2.57%** as the metal surged to a new high of \$1131.70 which helped most miners close firmer. DRD **-2.57%** & SIM **-1.00%**, with GFI **+3.17%**, ANG **+2.02%** & HAR **+3.58%** higher, despite reports that it is not sure on how many miners will lose their jobs at its S.A. mines, with independent estimates around 2000 jobs. Plats index **+2.60%** with platinum stock all ending higher as WEZ **+2.33%**, NHM **+4.59%**, IMP **+2.45%**, LON **+7.63%** & AMS **+2.22%** higher. SOL **+1.47%**, as crude oil prices rose in line with the commodity price rally.

**Indi25: +0.45%** with CFR **+4.61%** leading gains after Natixis raised its rating on the stock to "add" from "reduce," while Exane BNP Paribas lifted its recommendation to "neutral" from "underperform.". For telecoms, MTN **-2.34%** after reports the company may cut 400 jobs of permanent employees or around 7% of its workforce. VOD unchanged & TKG ending **-0.61%** lower too. BAW **+3.32%** higher, despite releasing results which showed annual profit fell 41% as the global economic recession curbed demand for its products. ARL **+2.35%** after releasing final results which showed the company's revenue rose +8%, operating profit increased +6% and EPS rose by 6% with a final dividend of R4.40/share declared.

**Fini15: +1.01%**, as Life Co.'s higher with: OML **+2.64%**, SLM **+1.94%** & DSJ **+0.81%**. Banking stocks remained mostly firmer with few exceptions as NED **-0.70%** with RMH **+2.09%**, ASA **+1.80%**, FSR **+0.69%** & SBK **+0.57%**.

**General Retailers: +0.93%** with JDG **+4.15%** after releasing final results which showed a growth in revenue of 2.5% to R12.9bn. The group's strategy was to split the retail & financial services which helped improve gross profit by 6.4% to R2.8bn. A final dividend of 41cps was declared. MSM **-1.01%** lower on the day with WHL **+2.34%** & LEW **+1.96%** closing higher.

**USD/ZAR recap:** The ZAR continued to strengthen against the greenback reaching a level of 7.3650 by the end of the session.

**Top40 - Top 3:** LON **+7.63%**, CFR **+4.61%**, & AGL **+3.75%**

**Top40- Bottom 3:** MTN **-2.34%**, REI **-1.20%** & REM **-0.78%**

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

## REGIMENTS SECURITIES™

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