

US economy grows by 3.2% - pg. 2

Southern African drought hurts Omnia's first-half profit - pg. 3

Market moves

Performance: 26/11/2016 to 02/12/2016	Return (Cumulative)
Local Markets	
All Share TR ZAR	-2.73
Ind/Financials TR ZAR	-1.56
Ind/Industrials TR ZAR	-3.01
Financials&Indl 30 TR ZAR	-2.55
Ind/Basic Materials TR ZAR	-3.33
Gold Mining TR ZAR	-0.57
SA Listed Property TR ZAR	-0.86
Beassa ALBI TR ZAR	0.34
Commodities	
Oil Price Brent Crude PR	15.28
LBMA Platinum AM PR USD	0.55
Gold London AM Fixing PR USD	-1.33

The week ahead

Domestic

08 Dec Mining production

09 Dec Current account

International

08 Dec CHINA: Balance of trade

02 Dec UK: Inflation rate

Macro

South Africa

The economy expanded by 0.2% in the three months ending September. This compares to an upwardly revised 3.5% growth in the June quarter. It was also below market estimates of a 0.5% expansion.

Eurozone

The unemployment rate declined to 9.8% in October from a downwardly revised 9.9% in September. This was below market expectations of 10% rate.

China

Consumer prices in China rose 2.1% yoy in October, compared to a 1.9% rise in September. This was in line with market expectations. It was also the highest inflation rate since April this year.

Markets*

Best performer

For the week was the Invicta Holdings and the Alexander Forbes Group, both with a return of 15%. Calgro M3 Holdings was second with a 10% return for the same period.

Worst performer

Choppies Enterprises was the worst performer for the week with a loss of 14%. Followed by Exxaro Resources with a 12% drop for the week.

Sectors

The best performing sector for the week was industrial engineering with a return of 15% for the week. The health care sector was the worst performing sector with a 4.7% loss.

*Disclaimer: Total weekly returns based on closing values from Monday to Monday.

Macro note

US economy grows by 3.2%

The US economy grew by 3.2% in the third quarter of the year.

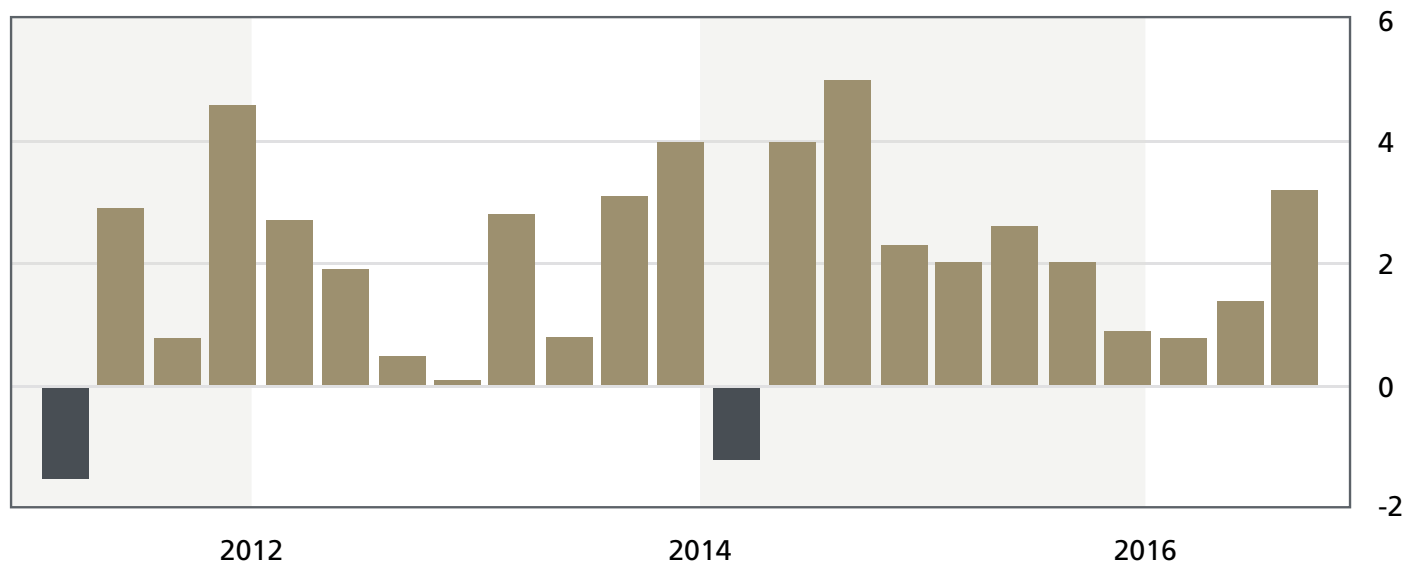
The percentage which represents the annualised growth for the three months to September, is higher than the 1.4% growth in the previous period. The 3.2% growth was also better than the 2.9% expansion expected in advance estimates.

It is the highest growth rate in two years, as consumer spending, exports and investment in structures rose faster

than anticipated. However, fixed investment fell more, according to the second estimate released by the Bureau of Economic Analysis.

GDP growth rate in the United States averaged 3.23% from 1947 until 2016, reaching an all time high of 16.90% in the first quarter of 1950 and a record low of -10.00% in the first quarter of 1958.

US GDP growth rate the past two years



Source: Trading Economics

Bottom line

The phrase: 'When America sneezes, the rest of the world catches a cold' originated in 1929 after the Wall Street crash. Events have shown that the opposite is also true. The stronger-than-expected US GDP growth is especially good news for local investors who have diversified their

portfolios internationally. The offshore exposure in the PSG Wealth Solutions is the cornerstone of its diversification. Investors should be assured that they will continue to benefit from these well-structured portfolios.

Market note

Southern African drought hurts Omnia's first-half profit

South African chemicals and fertiliser maker Omnia Holdings reported a 25% drop in half-year earnings. The hit came after a slack demand for some core products due to the drought and weak economic growth.

Omnia, which makes fertilizers, mining explosives and chemicals used in manufacturing, said headline earnings per share (HEPS) came in at 371 cents in the six months ended September, compared with 494 cents a year earlier. Headline EPS is the main profit measure used in South Africa that strips out certain one-off times.

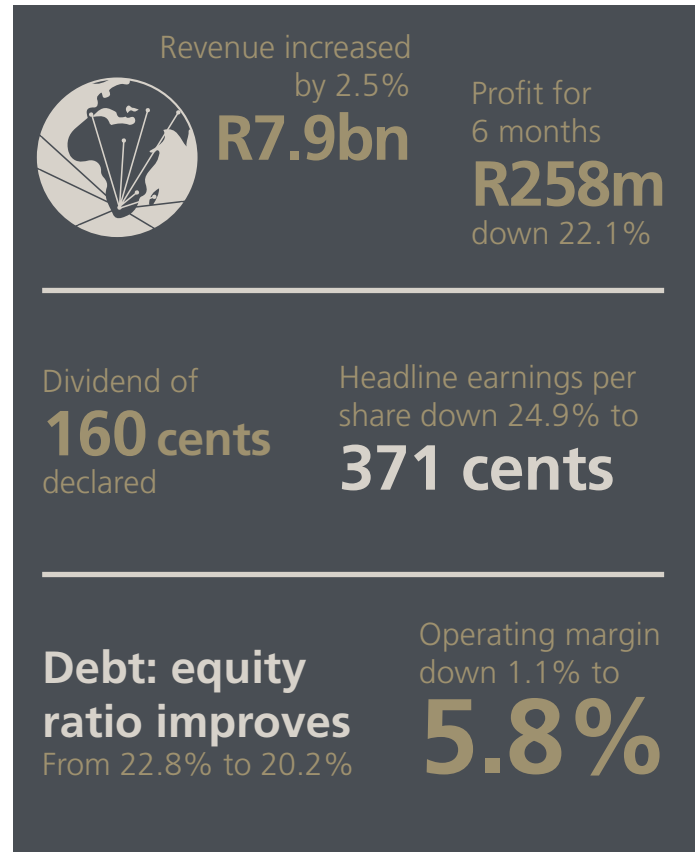
Omnia also cut its interim dividend pay-out by 11% to 160 cents per share. Its shares tumbled 2.97% to R153.60 on the day their results were announced. On Monday their shares closed at R164.47.

"We have had an immense drought for the last 18 months so clearly the farmers are a bit more conservative waiting for the rain," Omnia Chief Executive Officer Rod Humphris told Reuters.

An El Nino weather pattern, which ended in May, triggered drought conditions across the southern African region, hitting the staple, maize, and other crops and denting demand for fertilisers.

Omnia's first-half revenue rose 2.5% to R7.9 billion (\$566 million) as a strong showing in its mining explosives unit offset declining sales in its chemicals and agriculture divisions.

Omnia Holdings financial features



Source: Omnia Holdings interim results ending 30 September 2016

Previous publications

Daily

07 December 2016



Weekly



30 Nov	31 Aug	08 Jun	30 Mar
16 Nov	17 Aug	01 Jun	23 Mar
09 Nov	10 Aug	25 May	16 Mar
02 Nov	02 Aug	18 May	09 Mar
26 Oct	27 Jul	11 May	01 Mar
12 Oct	13 Jul	04 May	23 Feb
05 Oct	06 Jul	26 Apr	11 Dec
28 Sep	29 Jun	20 Apr	20 Nov
14 Sep	22 Jun	12 Apr	16 Nov
07 Sep	15 Jun	05 Apr	

Monthly



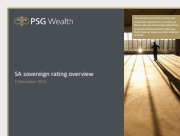
Nov 2016	Dec 2015
Oct 2016	Nov 2015
Sep 2016	Oct 2015
Aug 2016	Sep 2015
Jul 2016	Aug 2015
Jun 2016	Jul 2015
May 2016	Jun 2015
Apr 2016	May 2015
Mar 2016	
Feb 2016	

Quarterly



Spring 2016
Winter 2016
Autumn 2016
Summer 2015
Spring 2015

Special Reports



- S&P 2 Dec review
- US election
- Market PE's
- Domestic local government elections
- Brexit vote
- Cash vs Long-term instruments
- S&P June 2016 rating decision explained
- Fed Dec 2015 interest rate hike
- Impact of political moves on investments
- FoF fees small compared to actual gains
- SARB hikes rates
- Weak PMI support foreign diversification

Wealth Perspective



Sep 2016
Jul 2016
Apr 2016
Jan 2016
Oct 2015
Jul 2015

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