24 February 2011

dailyview

Today's highlights

- 2011-2012 Budget: Getting value for government money
- Blue Label Telecoms (BLU): Confusing, but the picture stays intact
- Murray and Roberts (MUR): As ugly as it gets
- Exxaro (EXX): Coal the star performer
- Upcoming dividend dates and corporate actions
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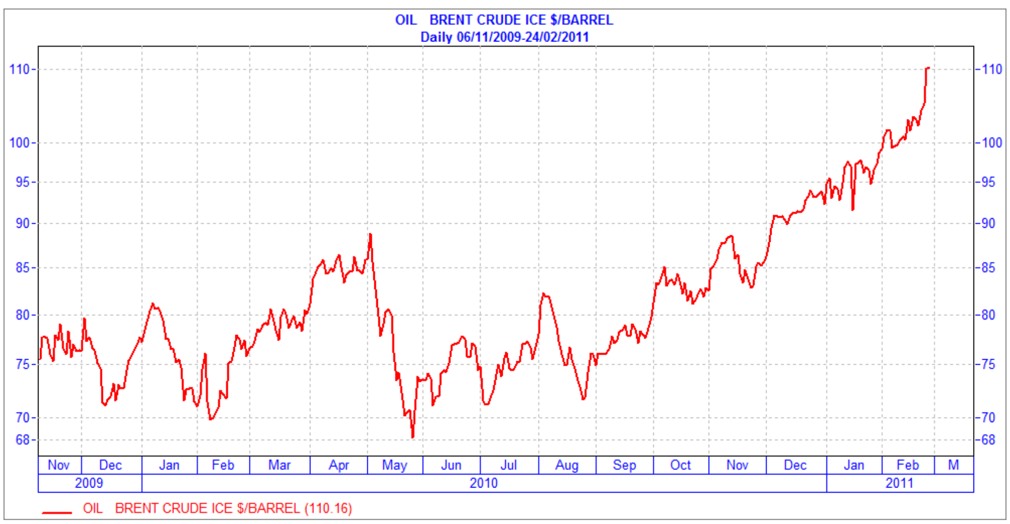
Talking point: From sweet oil to dishing out the sweets

With a population of only about 6m, and only about 2% of the world's oil production, it seems strange that Libya should matter so much to the world, apart from its outspoken and eccentric despot (or "Brother Leader"), Muammar Gaddafi. Yet it certainly does matter, if the oil price and market volatility indicators are a meaningful gauge, for two reasons. Firstly, its oil production may seem small in a world context, but it is known for its high quality (it is "sweet" oil, to use the parlance), so is not easily replicated through the refining of other more sour grades. Further, disruption in Libya can absorb a major portion of OPEC's spare capacity..

Secondly, and maybe more significantly, there is the fear of contagion, with unrest potentially breaking out in other oil producers, including Algeria and Saudi Arabia. The latter is of particular concern since it is one of the most important oil producers in the world. Not surprisingly, its government yesterday announced a series of measures to give new benefits to its populace, worth some US$36bn. Like a teacher who fears using a cane on an unruly class, the Saudi government has resorted to dishing out the sweets in the hope of keeping the children quiet. It remains to be seen if this approach will work, and indeed the Saudi Arabian people may see this as a sign of weakness from the ruling family, and an opportunity to press home new demands. Understandably, markets remain nervous.



Source: I-Net Bridge

Market highlights

Rising tensions in Libya and higher oil prices scared US investors overnight, knocking the S&P 500 and pushing the VIX (a key fear indicator) above 35%.

Libyan unrest weighed on global stock markets and the JSE was no exception, with mining shares falling and banking shares also losing ground on the announcement in the Budget that government was looking at new banking regulations.

Bonds weakened following the Budget speech, as fixed income markets took a fairly dim view of government's funding plans. The rand continued to firm despite rising risk aversion levels on currency markets.

Unless one was holding positions in oil or precious metals, yesterday was a tough day on commodity markets, with heightened tensions in the Arab world knocking most commodities, except for oil which soared to post 2008 financial crisis highs on worries about supplies and gold topped $1400/oz on renewed risk worries.

Investec

dailyview

Key indicators in a nutshell – Wednesday 23 February 2011

Key indicators	Last price	1 Day	1 Month	1 Quarter	Year to date	1 Year
JSE All Share	**31932.07**	-1.58%	0.20%	2.03%	-0.58%	17.04%
S&P 500	**1307.4**	-0.61%	1.28%	9.10%	3.96%	18.00%
Nikkei	**10579.1**	-0.80%	2.26%	4.95%	3.42%	1.72%
Rand/US $	**7.10**	0.64%	-1.55%	-1.00%	-6.81%	8.47%
Rand/GB Pound	**11.52**	0.14%	-3.09%	-3.94%	-10.53%	3.46%
US$/Euro	**1.38**	-0.63%	-0.85%	-3.05%	-2.73%	-1.12%
Gold $/oz.	**1410.76**	0.88%	5.72%	2.61%	-0.75%	26.70%

Company results and updates

British American Tobacco reported a 15% increase in adjusted diluted EPS for the year to December, to 175.7p. A final dividend of 81p a share was declared, which brings the total for the year to 114.2p, an increase of 15%.

Grindrod reported HEPS for the year to December of 168c, down from 190c previously. A final dividend of 27cps was declared, bringing the total for the year to 54cps, down from 60cpd in 2009.

Liberty Holdings reported BEE normalised HEPS for the year to December of 907.6c, up from 47.2c previously. An unchanged distribution of 455cps for the year was declared.

Massmart recorded a 5.6% increase in HEPS for the 26 weeks to 26 December, to 366c. An unchanged interim dividend of 252cps was declared.

Daily ideas

2011-2012 Budget: Getting value for government money

The first impression one has of the Budget proposals is just how strongly government revenues have grown over the past fiscal year, something around 13%. Also, how strongly tax revenues (not tax rates) are expected to increase over the next few years. At around a 10% per annum rate, or in real terms by about 5%, government expenditure is planned to grow at around an 8% rate or around equivalent to a 3% rate in expected inflation adjusted terms.

These trends are expected to reduce the fiscal deficit or borrowing requirement of the central government from over 5% of GDP to below 4% of GDP by 2013-14. GDP growth is expected to pick up to an over 4% rate over this three year time frame. The share of government spending and revenue collection in GDP is expected to remain largely unchanged at about 28% of GDP for revenues and 33% of GDP spent by government.

Figure 4.4 Revenue and expenditure, 2002/03 – 2013/14

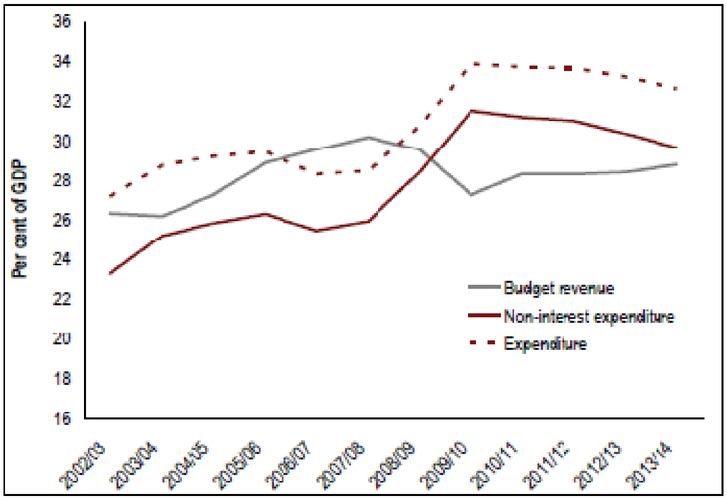


Table 1.2 Consolidated government fiscal framework

R million	2010/11 Revised estimate	2011/12	2012/13	2013/14
		Medium-term estimates		
Revenue	755.0	824.5	908.7	1 017.2
Percentage of GDP	*28.3%*	*28.3%*	*28.4%*	*28.8%*
Expenditure	897.4	979.3	1 061.6	1 151.8
Percentage of GDP	*33.6%*	*33.6%*	*33.2%*	*32.6%*
Budget balance	-142.4	-154.8	-152.9	-134.6
Percentage of GDP	*-5.3%*	*-5.3%*	*-4.8%*	*-3.8%*
Gross domestic product	*2 666.9*	*2 914.9*	*3 201.3*	*3 536.0*

Table 4.5 Revised estimates of consolidated government revenue and expenditure, 2009/10 and 2010/11

R million	2009/10 Budget estimate	2009/10 Outcome	2009/10 Deviation	2010/11 Budget estimate	2010/11 Revised estimates	2010/11 Deviation	% change 2009/10 – 2010/11
Revenue							
Tax revenue	659 304	598 705	-60 599	647 850	672 200	24 350	12.3%
Non-tax revenue	11 602	8 889	-2 713	10 380	12 254	1 874	37.9%
Less: SACU payments	-27 915	-27 915	-0	-14 991	-14 991	–	-46.3%
Other adjustment[1]	–	–	–	–	-2 900	-2 900	
Other[2]	88 245	85 162	-3 083	95 165	88 460	-6 704	3.9%
Budget revenue	**731 235**	**664 840**	**-66 395**	**738 404**	**755 023**	**16 619**	**13.6%**
Percentage of GDP	*29.6%*	*27.2%*		*27.3%*	*28.3%*		
Expenditure							
Current payments	472 376	474 252	1 876	527 892	534 072	6 179	12.6%
of which:							
Debt-service cost	*55 268*	*57 129*	*1 861*	*71 358*	*66 570*	*-4 787*	*16.5%*
Transfers and subsidies	264 611	263 936	-675	284 016	282 269	-1 747	6.9%
Payments for capital assets	61 349	56 017	-5 332	68 163	59 781	-8 382	6.7%
Payments for financial assets	30 000	31 711	1 711	20 893	21 254	362	-33.0%
Contingency reserve	6 000	–	-6 000	6 000	–	-6 000	0.0%
Total expenditure	**834 336**	**825 917**	**-8 419**	**906 964**	**897 376**	**-9 588**	**8.7%**
Percentage of GDP	*33.7%*	*33.8%*		*33.6%*	*33.6%*		
Budget balance[3]	**-103 100**	**-161 076**	**-57 976**	**-168 560**	**-142 353**	**26 207**	**-11.6%**
Percentage of GDP	*-4.2%*	*-6.6%*	*-2.4%*	*-6.2%*	*-5.3%*	*0.9%*	
Gross domestic product	*2 474 214*	*2 442 593*		*2 699 888*	*2 666 894*		

1. *Payments to SACU partners in respect of a previous error in calculation of the 1969 agreement.*
2. *Includes provinces, social security funds and selected entities.*
3. *A positive number reflects a surplus and a negative number a deficit.*

(All tables and charts taken from the Budget Review)

The ability of the SA economy to deliver extra revenue at this rate is impressive testimony to the recovery the economy has made since the recession of 2009. The taxes on expenditure have delivered a great deal more than those on incomes, especially corporate income. Company tax produced over R30bn less while individuals contributed R10bn more in 2010-2011 and extra Vat receipts more than made up for the decline in corporate tax in 2010-2011.

Table 5.3 Budget revenue, 2007/08 – 2013/14

R million	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
	Outcome			Revised	Medium-term estimates		
Taxes on income and profits[1]	332 058	383 483	359 045	380 080	418 345	469 709	533 561
Of which:							
Personal income tax	*168 774*	*195 115*	*205 145*	*228 000*	*252 750*	*292 710*	*337 970*
Coporate income tax	*140 120*	*165 378*	*134 883*	*132 500*	*144 165*	*161 350*	*178 230*
Taxes on payroll and workforce	6 331	7 327	7 805	8 420	9 150	9 610	10 130
Taxes on property	11 884	9 477	8 826	9 365	9 590	11 060	12 695
Domestic taxes on goods and services	194 690	201 416	203 667	247 540	274 210	302 880	333 170
of which:							
Value-added tax	*150 443*	*154 343*	*147 941*	*181 335*	*200 880*	*226 900*	*254 330*
Taxes on international trade and	27 082	22 852	19 319	26 790	30 325	34 050	38 404
Stamp duties and fees	557	572	49	5	–	–	–
State miscellaneous revenue[2]	212	-27	-6	–	–	–	–
Tax revenue	**572 815**	**625 100**	**598 705**	**672 200**	**741 620**	**827 310**	**927 960**
Non-tax revenue[3]	12 693	12 616	8 889	12 254	10 001	11 540	12 351
of which:							
Mineral and petroleum royalties	–	–	–	*3 712*	*4 890*	*5 150*	*5 430*
Less: SACU payments	-24 713	-28 921	-27 915	-14 991	-21 763	-32 432	-35 997
Other adjustment[4]				-2 900			
National budget revenue	**560 795**	**608 796**	**579 679**	**666 563**	**729 858**	**806 418**	**904 314**
Provinces, social security funds and selected public entities.	65 910	74 201	85 162	88 460	94 609	102 296	112 873
Budget Revenue	**626 705**	**682 997**	**664 840**	**755 023**	**824 466**	**908 714**	**1 017 187**
Tax revenue as a percentage of GDP	*27.6%*	*27.0%*	*24.5%*	*25.2%*	*25.4%*	*25.8%*	*26.2%*
Budget revenue as a	30.1%	29.5%	27.2%	28.3%	28.3%	28.4%	28.8%
GDP (R billion)	2 079	2 313	2 443	2 667	2 915	3 201	3 536
Tax/GDP multiplier	*1.05*	*0.81*	*-0.75*	*1.34*	*1.11*	*1.18*	*1.16*

1. Also includes secondary tax on companies and interest on overdue income tax and small business tax amnesty levy.

2. Revenue received by SARS in respect of taxation which could not be allocated to a specific tax instrument.

3. Includes mineral royalties, mining leases and departmental revenue.

4. Payments to SACU partners in respect of a previous error in calculation of the 1969 agreement.

The structure of the tax system, that is the mix between taxes on income and expenditure, is not expected to change over the next few years.

Figure 4.1 Structure of tax revenue, 1996/97 – 2013/14

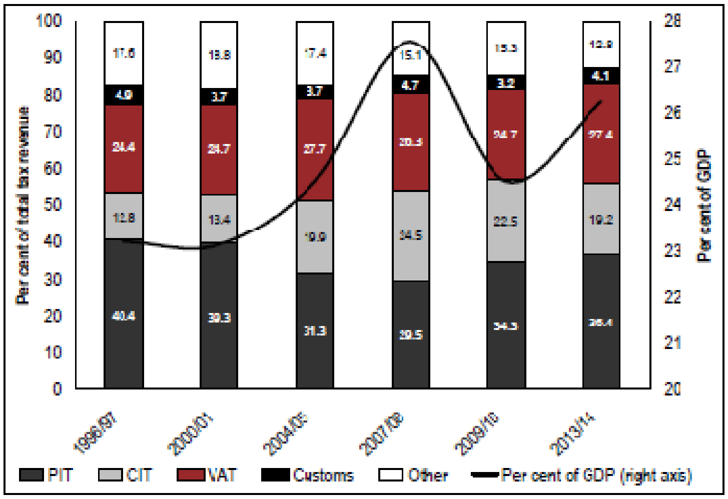


Table 4.2 presents consolidated government revenue outcomes from 2007/08 to the present, and the three-year projection.

Clearly the SA government has no shortage of cash to fund the range of services it intends to deliver. As is well known, cash is not the problem for the SA government; effective delivery of government services, especially to the poor, is the problem (though one largely beyond the power of the Minister of Finance to correct). The quality of service has not improved in the view of the citizenry despite the doubling of the government's salary bill over the past five years, as reported in the Budget Review.

The challenge for the Treasury remains one of restraining the demands of government employees for more benefits so that more of the taxes collected can be used to alleviate poverty and stimulate growth through the provision of highly productive infrastructure. It is not a balancing act in which the Treasury could be said to have excelled, given the highly effective strike action conducted by government employees in 2010 (who cannot be described as lacking decent work).

An important focus of the Budget proposals is to support the ambitious employment targets set by the government for 5 million more jobs. The employment growth projections of the Treasury for the next three years are however very modest indicating growth in employment of less than 2% pa, that is less than the expected growth in GDP, meaning a less rather than more labour intensive economy to come.

As the Minister understands it will take much faster growth than that projected by the Treasury (see below) to reduce measured unemployment.

Table 2.1 Macroeconomic projections, 2007 2013

Calendar year	2007	2008	2009	2010	2011	2012	2013
		Actual		Estimate		Forecast	
Percentage change unless otherwise indicated							
Final household consumption	5.5	2.2	-2.0	4.6	4.2	4.3	4.5
Final government consumption	4.1	4.7	4.8	4.6	4.4	4.1	3.9
Gross fixed-capital formation	14.0	14.1	-2.2	-3.6	3.9	5.5	6.8
Gross domestic expenditure	6.3	3.4	-1.7	4.1	4.2	4.4	4.6
Exports	6.6	1.8	-19.5	5.3	6.0	6.4	7.3
Imports	9.0	1.5	-17.4	10.4	8.5	7.0	7.4
Real GDP growth	**5.6**	**3.6**	**-1.7**	**2.7**	**3.4**	**4.1**	**4.4**
GDP inflation	8.1	8.9	7.2	6.3	5.3	5.4	5.8
GDP at current prices (R billion)	**2 016.2**	**2 274.1**	**2 396.0**	**2 615.7**	**2 846.5**	**3 122.0**	**3 445.9**
Headline CPI inflation	6.1	9.9	7.1	4.3	4.9	5.2	5.5
Current account balance (% of GDP)	-7.0	-7.1	-4.1	-3.2	-4.2	-4.9	-5.0

The government believes it has the answer to the employment problem in its industrial policy and intended subsidies for adding jobs and aid for smaller businesses. But the government is well aware that most jobs will have to be provided by the private sector, which will need encouragement by government to do so. The notion that regulated wages and employment benefits, also payroll and other taxes, might have had an important influence on the conspicuously declining ratio of formal employment in the private sector to its value add, gets not even a mention in the analysis of employment.

But is raising extra taxes at the rapid rate the government intends the best way to achieve more rapid economic growth? Our answer is that the government would do much better for the economy and the poor to tax and spend less and encourage the private sector accordingly.

But such thoughts do not play well in Pretoria, which displays consistent ambitions to spend the economy to growth; most conspicuously with the hugely expensive Health Plan that will take 14 years to implement but whose influence on government spending is already very evident.

The question one is obliged to ask of paying taxes for health, or perhaps more accurately paying taxes for workers who provide health services of questionable quality, is the impact of such taxes on the supply of jobs and enterprise. More jobs come with lower not higher taxes.

The Treasury has to perform the balancing act of preserving the SA tax base while providing for the ambitions of an activist government. The tax base can only be preserved if the economy can compete for scarce capital and skills with competitive after tax returns. The global competition for capital and skills remains intense. And the tax system in South Africa is particularly redistributive – high income earners receive little in return for their tax contributions.

The balance of government spending and taxation and the burden of the government debt in SA may be judged as adequately sustained by this Budget and the Medium Term Expenditure and Tax plans.

The SA problem is not an ability to pay our sustainable way. The problem is getting value for government money not a lack of it. Eternal vigilance by the Treasury is called for – especially to restrain the employment benefits to be demanded by public sector workers and their unions. Hopefully the government can come to govern better and realise much improved benefits for taxpayers' contributions. ***Brian Kantor***

Blue Label Telecoms (BLU): Confusing, but the picture stays intact

Blue Label Telecoms (553c; market cap: R4.2bn; forward PE: 9.5x; forward DY: 3.4%): Blue Label reported a confusing set of results to the half year ended 30 November 2010. Headline earnings per share increased by 9% to 25.42c.

We had expected 20% growth in the first half and a weaker second half as the impact of Blue Label losing its Nigerian contract with Multi-Links hit the bottom line.

Instead we got 9% and the composition of the result looks scary at first glance. The core operating business declined by 16% with this being offset by a massive increase in finance income earned to arrive at a 9% increase in headline earnings per share.

This clearly leads one to question whether Blue Label's growth story has come to an end?
After analysing the results and discussing some of the detail with management we have comfort that the operating margin compression responsible for the poor operating performance can be explained by some once off effects, specifically: once off profits included in last year's results); the South African Sim Card distribution business (which is higher margin than airtime distribution); the longer time than expected taken to recover post the RICA implementation in August 2009; and the "kitchen sinking" of the Multi-Links contract in this set of results. Unfortunately this information was not clearly conveyed to the market and may affect the share's rating as investors like clarity.

We believe that Blue Label can still achieve I-Net consensus earnings for this year, putting the business on 9.5x earnings, 3.4% dividend yield to the company's financial year end, May 2011.

We remain believers in the prepaid payment system, its growth potential in SA (with the recent launch of MPESA which Blue Label is facilitating) and its potential in other developing nations. We believe that Blue Label will remain dominant in SA and has the potential to achieve a similar level of dominance in other countries. Blue Label's operations in India, Mexico and Nigeria are all progressing well and are currently contributing very little to the bottom line so one gets them pretty much for free at the current price. ***Oliver Kirkby***

Murray and Roberts (MUR): As ugly as it gets

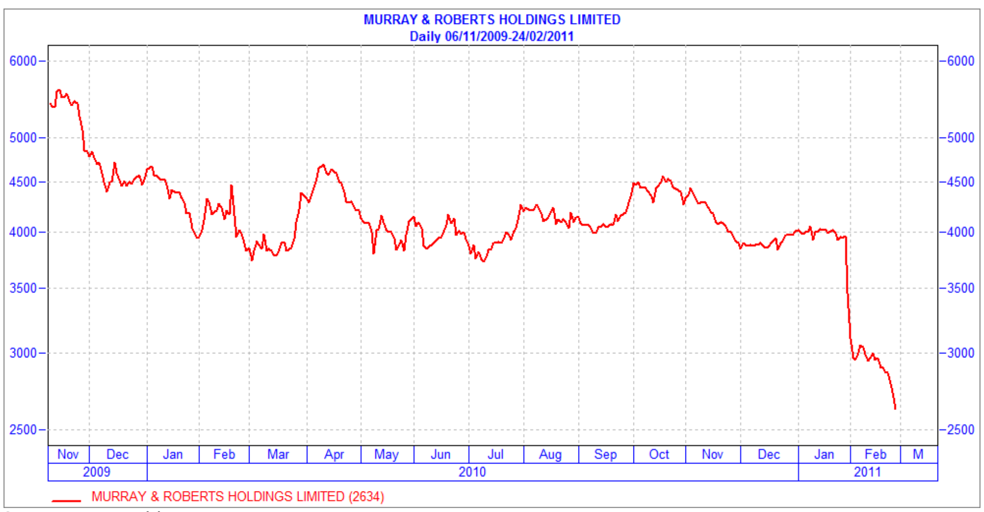
Murray & Roberts (2637c; market cap: R8.8bn; forward PE [I-Net]: 6.8x): The interim results reported by Murray & Roberts yesterday were just about as ugly as it gets. Diluted headline earnings from continuing operation and adjusted for impairments declined 36.9% to 133cps, versus guidance of minus 35%-45%.

As expected, extraordinary items dominated the result, with the company forced to write down R410m on contracts-in-progress and a R385m charge of current year expenses against which revenue recovery is not certain. Of concern is that, while uncertified income declined from R1.4bn at June 2010 to R1.25bn, adjusting for the R410m written down suggests a further R260m was added to uncertified income during the half. The risks of accounting for uncertified revenue have been clearly spelt out by this result, yet the practice remains one which defines Murray and Roberts relative to its major listed peers and which implies that it will continue to represent a different risk proposition.

Further uncertainty exists following the announcement accompanying the results that both the CEO and CFO will retire in June 2011. While the succession question in itself provides uncertainty about the strategic direction of the business, it comes at a time when the market remains concerned about the certainty, timing and quantum of any recovery of the impairments taken. It is also likely that the incoming CEO would take a firm view on the current uncertified income balance, which may result in further writedowns at the full year stage.

While the peer group is generally characterised by significant balance sheet strength, with Aveng, Wilson Bayly and Group Five all in net cash positions, Murray's finds itself with net debt of R1bn, with this figure as high as R2.4bn for the South African operations. Further significant impairments, combined with uncertainty surrounding the current rate of cash consumption, may therefore require equity capital raising.

The results confirm our concerns surrounding Murray's aggressive accounting practices, the vulnerability of its balance sheet and the uncertain outlook given senior management changes. ***Rory Spangenberg***



Source: I-Net Bridge

Exxaro (EXX): Coal the star performer

Exxaro (R149.81; market cap: R53.6bn; forward PE [I-Net, F2011]: 7.2x; forward DY: 4.1%) came out this morning with the results for the year ending 31 December 2010. HEPS was up 105% to R14.95 which is in the middle of guidance given in the trading update and in line with I-Net consensus.

Group consolidated profit was up 52% to R2.6bn.

As noted in the trading update coal was the star performer, up 41%, showing a profit of R2.7bn as a result of higher export prices and higher sales volumes to Arcelor Mittal and Eskom.

The mineral sands business reported a profit of R179m, from a loss of R124m in the previous period.

Despite higher revenue for the period, the base metals business continued to struggle and reported a loss of R113m which is mainly attributable to production issues at their Zincor refinery. This loss was above expectation as it was guiding for a loss of "a little more" than the R8m loss from the previous year.

In terms of attributable earnings from investments in associates there was no surprise that the majority of earnings came from its 20% interest in Sishen which showed a post tax profit of R3.62bn, up over 105% from the previous period.

The numbers put Exxaro on a historic PE of 10x and it's currently on a forward PE to December 2011 (I-Net consensus) of just over 7.2x.

All in all this is a good set of numbers although the numbers from the marginal businesses were a bit disappointing. Exxaro continues to offer exposure to Kumba Iron Ore at a discount as well as some good coal exposure through its exposure to domestic and export thermal coal as well as sales of coking coal to ArcelorMittal. Fundamentals for coal are still looking very strong and as mentioned in the statement, supply agreements linked to hard coking coal prices in particular should show a substantial increase in the coming months. The surging oil price will also have an impact on thermal coal prices which track oil closely. ***Ewan Naude***

Upcoming dividend dates and corporate actions

Share/security	Last day to trade	Ex-dividend	Record date	Pay date	Description	Per share amount/ result
Aquarius Platinum	25 February	28 February	4 March	25 March	Cash Dividend	USD0.04
Cullinan Prefs	25 February	28 February	4 March	7 March	Cash Dividend	R0.055
Rareco			28 February		Minority offer	R3 a share
EsorFranki NPLs	25 February		4 March	7 March	Rights take up	1 ESRN converts to 1 ESR at R2.15 a share
NEPI	25 February	28 February	4 March	11 March	Cash Dividend	EUR0.0926
Palabora	25 February	28 February	4 March	7 March	Cash Dividend	R7.24
Resilient	25 February	28 February	4 March	7 March	Interest	R1.1123
Shoprite 6% Prefs	25 February	28 February	4 March	7 March	Cash Dividend	R0.06
Shoprite 5% Prefs	25 February	28 February	4 March	7 March	Cash Dividend	R0.05
Absa Prefs	4 March	7 March	11 March	14 March	Cash Dividend	R28.876
Anglo Platinum	4 March	7 March	11 March	14 March	Cash Dividend	R6.83
Absa	4 March	7 March	11 March	14 March	Cash Dividend	R2.30
AngloGold Ashanti	4 March	7 March	11 March	18 March	Cash Dividend	R0.80
Assore	4 March	7 March	11 March	14 March	Cash Dividend	R2
BHP Billiton	4 March	7 March	11 March	31 March	Cash Dividend	USD0.46
Digicore	4 March	7 March	11 March	14 March	Cash Dividend	R0.03
Distell	4 March	7 March	11 March	14 March	Cash Dividend	R1.24
Emira	4 March	7 March	11 March	14 March	Interest	R0.5521
Gold Fields	4 March	7 March	11 March	14 March	Cash Dividend	R0.70
Hospitality A	4 March	7 March	11 March	14 March	Interest	R0.6033
Hospitality B	4 March	7 March	11 March	14 March	Interest	R0.3845
Hudaco	4 March	7 March	11 March	4 April	Cash Dividend	R2.35
Imperial	4 March	7 March	11 March	4 April	Cash Dividend	R1.50
Panprop	4 March	7 March	11 March	14 March	Interest	R0.7404
RMB Holdings	4 March		7 March	14 March	Unbundling	1 Rand Merchant Insurance Holdings per RMH
Paracon	4 March	7 March	11 March	14 March	Cash Dividend	R0.10
Simeka Business Group	4 March	7 March	11 March	14 March	Name change	Morvest Business Group (MOR)

SBR002	4 March	7 March	11 March	15 March	Interest	R1.41
Sovereign NPLs	4 March		11 March	14 March	Rights take up	1 SOVN converts to 1 SOV at R4.75 a share
City Lodge	11 March	14 March	18 March	22 March	Cash Dividend	R1.24
Discovery	11 March	14 March	18 March	22 March	Cash Dividend	R0.42
JOZI03	11 March	14 March	18 March	22 March	Interest	R14.83
Kagiso Media	11 March	14 March	18 March	22 March	Cash Dividend	R0.50
Kumba Iron Ore	11 March	14 March	18 March	22 March	Cash Dividend	R21
Shoprite	11 March	14 March	18 March	22 March	Cash Dividend	R0.88
Truworths	11 March	14 March	18 March	22 March	Cash Dividend	R1.28
Foschini Prefs	17 March	18 March	25 March	28 March	Cash Dividend	R0.065
Country Bird	6 May	9 May	13 May	16 May	Capital reduction	R0.111

Source: JSE

Company calendar – 24 February to 3 March

Thursday 24 February
Fortress Income Fund interims

Friday 25 February
Northam Platinum interims

Monday 28 February
Nedbank finals
ARM interims

Tuesday 1 March
Bidvest interims
KAP interims

Wednesday 2 March
Afgri interims
Aspen interims
Hyprop finals
Merafe finals
Metorex interims
Steinhoff interims

Thursday 3 March
Santam finals
Standard Bank finals

Source: I-Net, Company updates

Economic calendar – 24 February to 3 March

Date	International	South Africa
Thursday **24 February**	**Germany** – Q4 GDP final [09h00] **EMU** – February Consumer confidence [12h00] **US –** Initial jobless claims for previous week [14h30] **US** – January Durable sales [14h30] **US** – January New home sales [16h00]	
Friday **25 February**	**Germany** – February CPI [09h00] **EMU** – January M3 [11h00] **UK** – Q4 GDP second estimate [11h30] **US** – Q4 Real GDP second estimate [14h30] **US** – February Consumer sentiment final [15h55]	
Monday **28 February**	**Japan** – February PMI manufacturing **Japan** – January Industrial production prelim **US** – January Personal income [14h30] **US** – February Chicago PMI [15h45] **US** – January Pending home sales [16h00]	January PSCE [08h00] January Trade [14h00] January Exchequer account [14h00]
Tuesday **1 March**	**Japan** – January Unemployment **Germany** – February PMI manufacturing [10h55] **Germany** – February Unemployment [10h55] **EMU** – February PMI manufacturing [11h00] **EMU** – January Unemployment [12h00] **UK** – February PMI manufacturing [11h30] **UK** – January M4 money supply [11h30] **US** – February ISM manufacturing [16h00]	February Kagiso PMI [10h00] February New vehicle sales [10h00]
Wednesday **2 March**	**US** – Beige Book [20h00]	
Thursday **3 March**	**Japan –** February PMI services and composite **Germany** – February PMI services and composite [10h55] **UK** – February PMI services [11h30] **EMU** – February PMI services and composite [11h00] **EMU** – ECB rate announcement [12h00] **EMU** – Q4 GDP prelim [12h00] **EMU** – January Retail sales [12h00] **US –** Initial jobless claims for previous week [14h30] **US** – February ISM nonmanufacturing [16h00]	

Sources: Bloomberg, NAAMSA, SA Reserve Bank, National Treasury

dailyview

Key market indicators – Wednesday 23 February 2011

Indices	Last price	1 Day	1 Month	1 Quarter	Year to date	1 Year
JSE All Share	**31932.07**	-1.58%	0.20%	2.03%	-0.58%	17.04%
JSE Fini 15	**7973.29**	-1.60%	-2.52%	-1.06%	-2.42%	5.84%
JSE Indi 25	**26073.73**	-1.61%	-0.48%	-0.14%	-2.68%	21.64%
JSE Mining	**38137.14**	-1.95%	2.41%	5.77%	2.53%	16.44%
JSE Resi 20	**58104.92**	-1.66%	2.62%	6.69%	3.20%	18.10%
S&P 500	**1307.40**	-0.61%	1.28%	9.10%	3.96%	18.00%
DJI	**12105.78**	-0.88%	1.05%	8.21%	4.56%	16.59%
NASDAQ	**2722.99**	-1.21%	0.20%	7.07%	2.64%	21.45%
Nikkei	**10579.10**	-0.80%	2.26%	4.95%	3.42%	1.72%
Hang Seng	**22906.90**	-0.36%	-3.76%	-0.64%	-0.56%	12.41%
FTSE 100	**5923.53**	-1.22%	-0.34%	3.94%	-0.80%	10.68%
CAC 40	**4013.12**	-0.92%	-0.50%	6.72%	5.48%	6.83%
DAX	**7194.60**	-1.69%	1.79%	4.58%	4.06%	26.48%
ASX-ORD	**4935.60**	-0.24%	0.97%	5.39%	1.83%	4.29%
JSE All Share (in US$)	**4495.83**	-0.95%	-1.36%	1.00%	-7.35%	26.95%
MS EM Index	**1096.00**	-0.51%	-3.58%	-0.28%	-4.81%	16.19%
MS World Index	**1329.90**	-0.61%	1.35%	8.68%	3.89%	16.68%

Currencies	Last price	1 Day	1 Month	1 Quarter	Year to date	1 Year
Rand/US $	**7.10**	0.64%	-1.55%	-1.00%	-6.81%	8.47%
Rand/GB Pound	**11.52**	0.14%	-3.09%	-3.94%	-10.53%	3.46%
Rand/Euro	**9.77**	0.07%	-2.43%	-4.08%	-9.51%	7.13%
Rand/Aus $	**7.12**	0.35%	-2.10%	-3.58%	-5.11%	-2.71%
Yen/ US $	**82.44**	0.39%	0.12%	1.44%	-1.61%	10.70%
Swiss Franc/US $	**0.93**	0.62%	1.88%	7.32%	0.28%	15.39%
US $/Euro	**1.38**	-0.63%	-0.85%	-3.05%	-2.73%	-1.12%
US $/GB Pound	**1.62**	-0.47%	-1.54%	-2.93%	-3.83%	-4.52%
US $/Aus $	**1.00**	-0.26%	-0.52%	-2.55%	1.99%	-10.21%
Nominal Effective Exchange Rate (2000 = 100)	**74.52**	-0.54%	1.52%	2.99%	9.04%	-3.82%

Commodities	Last price	1 Day	1 Month	1 Quarter	Year to date	1 Year
Gold $/oz.	**1410.76**	0.88%	5.72%	2.61%	-0.75%	26.70%
Platinum/oz.	**1784.5**	-0.31%	-1.71%	7.31%	0.82%	16.90%
Brent Crude $/bbl	**110.16**	4.54%	14.06%	28.75%	16.26%	42.00%

Fixed income	Closing yield %
SA R157	**7.79**
US 2 YEAR	**0.75**
US 10 YEAR	**3.45**
UK 2 YEAR	**0.87**
UK 10 YEAR	**3.67**
EURO 2 YEAR	**1.46**
EURO 10 YEAR	**3.15**

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