

31 January 2019

South African Markets (ZAR)

	Latest Value	Last Month	3 Months	1 Yr	3 Yrs Annualised	5 Yrs Annualised
JSE ALL SHARE	54,156.75	2.7%	-7.7%	-9.0%	3.3%	3.7%
JSE Volatility Index (% increase)	21.02	-3.5%	-3.7%	38.9%	-3.7%	-0.1%
ALBI	651.53	2.9%	7.6%	8.8%	10.5%	9.0%
Repo Rate (% increase)	6.75%	0.0%	3.8%	0.0%	0.0%	4.2%

Offshore Markets*

	Latest Value	Last Month	3 Months	1 Yr	3 Yrs Annualised	5 Yrs Annualised
FTSE All World Index	324.14	7.7%	1.3%	-9.5%	9.4%	4.7%
FTSE Emerging Market Index	517.53	8.2%	9.6%	-16.0%	11.6%	2.5%
All Share Index (Kenya)	149.29	7.1%	4.1%	-16.8%	3.2%	2.2%
All Share Index (Zambia)**	5,677.98	8.2%	8.6%	6.6%	0.7%	n/a
All Share Index (Nigeria)	31,145.34	-2.8%	-5.9%	-31.1%	8.5%	-5.5%
All Share Index (Mauritius)	2,215.55	-0.3%	-1.2%	-1.9%	6.3%	1.2%

Inflation***

	Latest Value	Last Month	3 Months	1Yr	3 Yrs Annualised	5 Yrs Annualised
CPI (ZAR)	154.72	-0.2%	0.5%	4.5%	5.3%	5.2%
CPI (Kenya)	194.18	0.7%	-0.3%	5.7%	5.5%	5.9%
CPI (Zambia)	216.99	0.8%	2.4%	7.9%	7.1%	9.7%
CPI (Nigeria)	274.57	0.7%	2.3%	11.4%	15.1%	12.4%
CPI (Mauritius)	102.44	-0.4%	0.4%	7.2%	4.6%	2.7%

Currencies

	Latest Value	Last Month	3 Months	1 Yr	3 Yrs Annualised	5 Yrs Annualised
EUR	15.17	-8.0%	-9.4%	2.9%	-4.2%	0.2%
GBP	17.39	-5.2%	-8.0%	3.1%	-8.5%	-1.0%
USD	13.25	-7.7%	-10.4%	11.7%	-5.8%	3.6%
KES	0.13	-6.7%	-9.2%	13.2%	-5.4%	0.4%
ZMW	1.11	-7.8%	-10.9%	-8.7%	-7.7%	-11.0%
NGN	0.04	-7.7%	-10.7%	11.2%	-18.6%	-8.8%
MUR	0.39	-7.6%	-9.5%	5.4%	-4.2%	0.6%

* Indices are all reflected in their respective local currencies. FTSE Indices are quoted in USD. Data Source: Thomson Reuters
 ** Data source only goes back 3 years for this index
 *** CPI is lagged by one month

Commentary

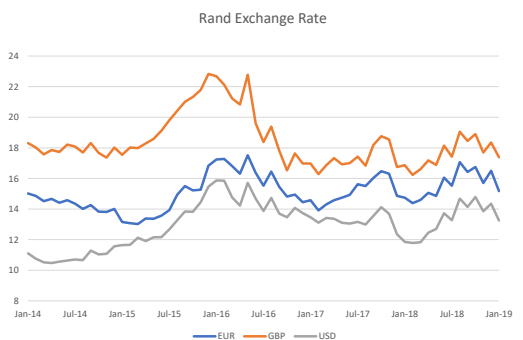
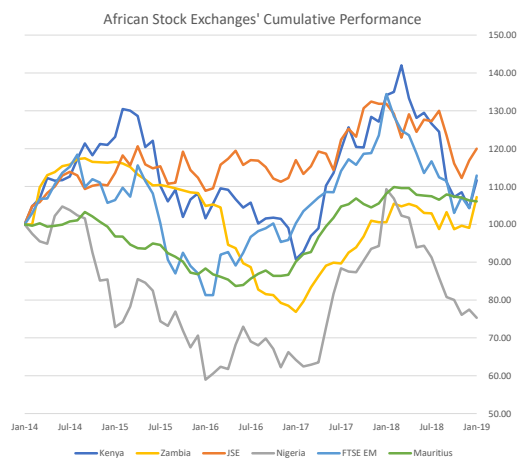
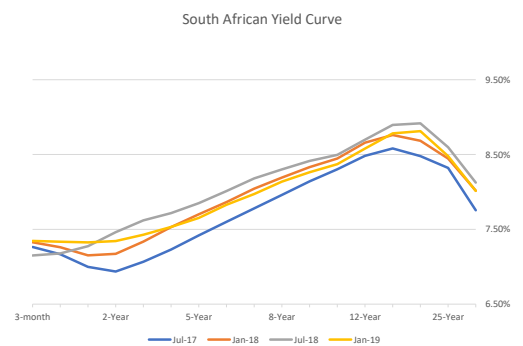
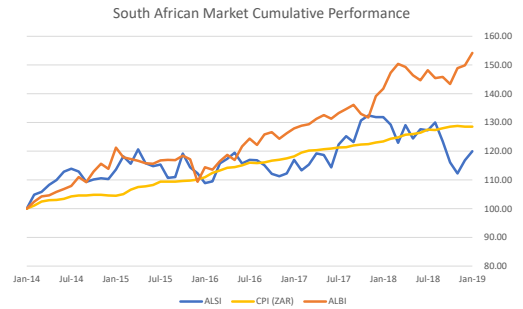
The South African equity market has rebounded slightly over the last month although it lagged the World and Emerging Market Indices. Volatility also reduced slightly. Over the last month real equity returns are positive for all the markets considered – with only Nigeria showing negative real returns in local currency terms. Over a 3-year period, all the markets considered returned poorly in real returns – with only Mauritius showing a positive return in real local currency terms.

The South African equity market underperformed relative to the bond market by 0.2% over the past month. Over a 5-year period the bond market continues to outperform the equity market generating an excess return of 5.3% p.a.

The rand strengthened against all currencies considered over the last month. Over the longer term (5 years), however, it is more of a mixed bag, the rand has strengthened relative to the British Pound, the Zambian Kwacha and the Nigerian Naira, and it is weaker relative to the other currencies considered.

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