

JSE Power Hour

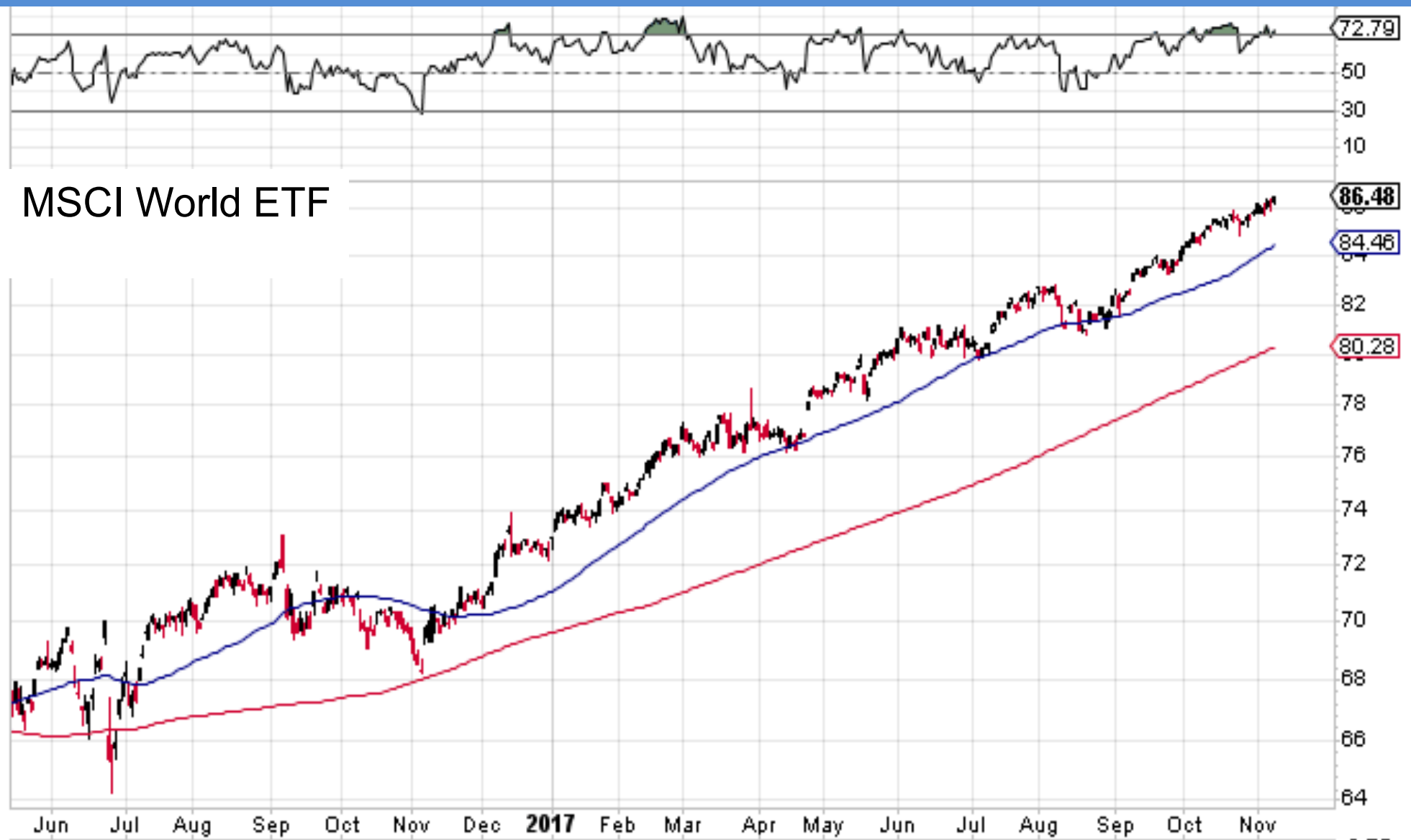
9 November 2017

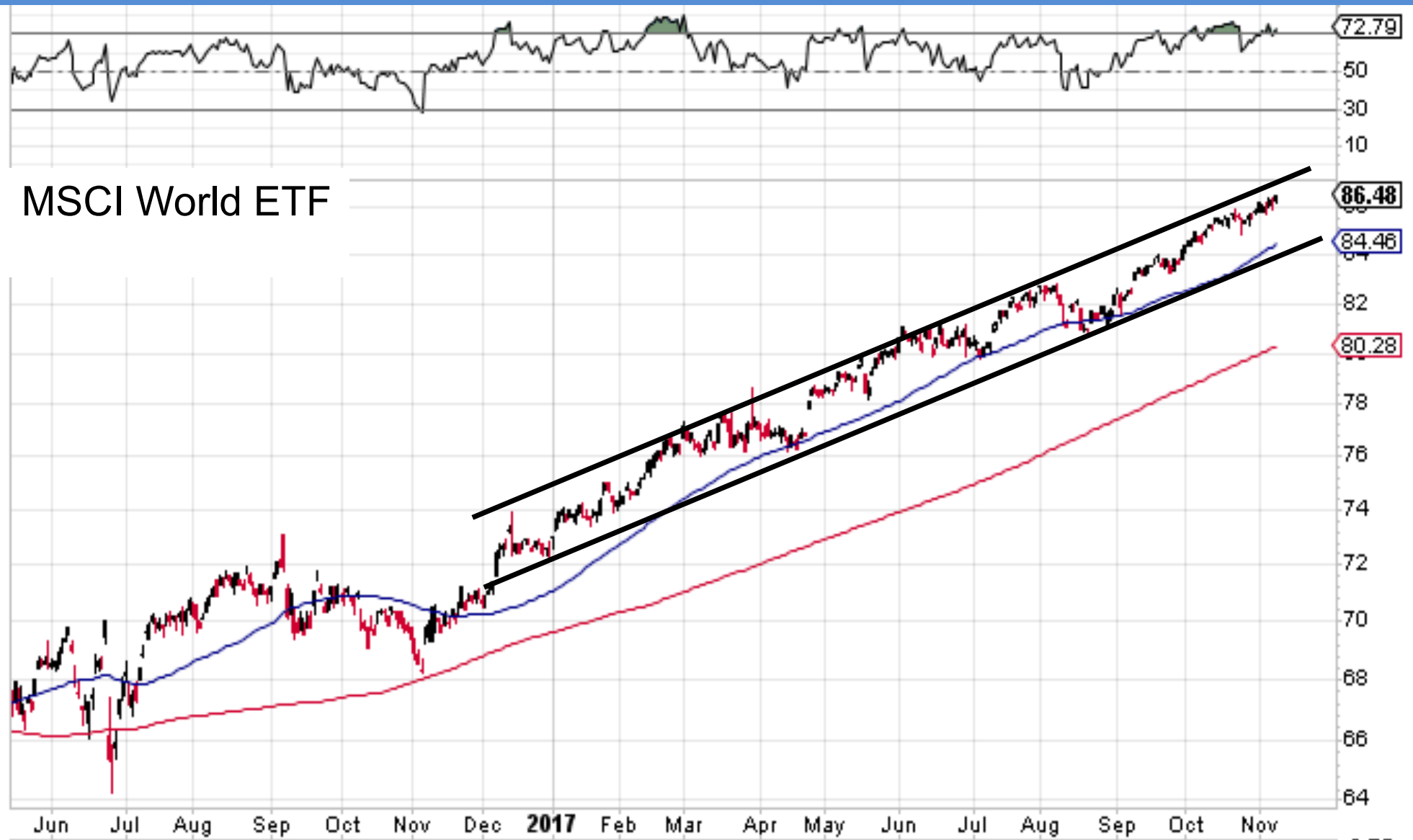
By Garth Mackenzie

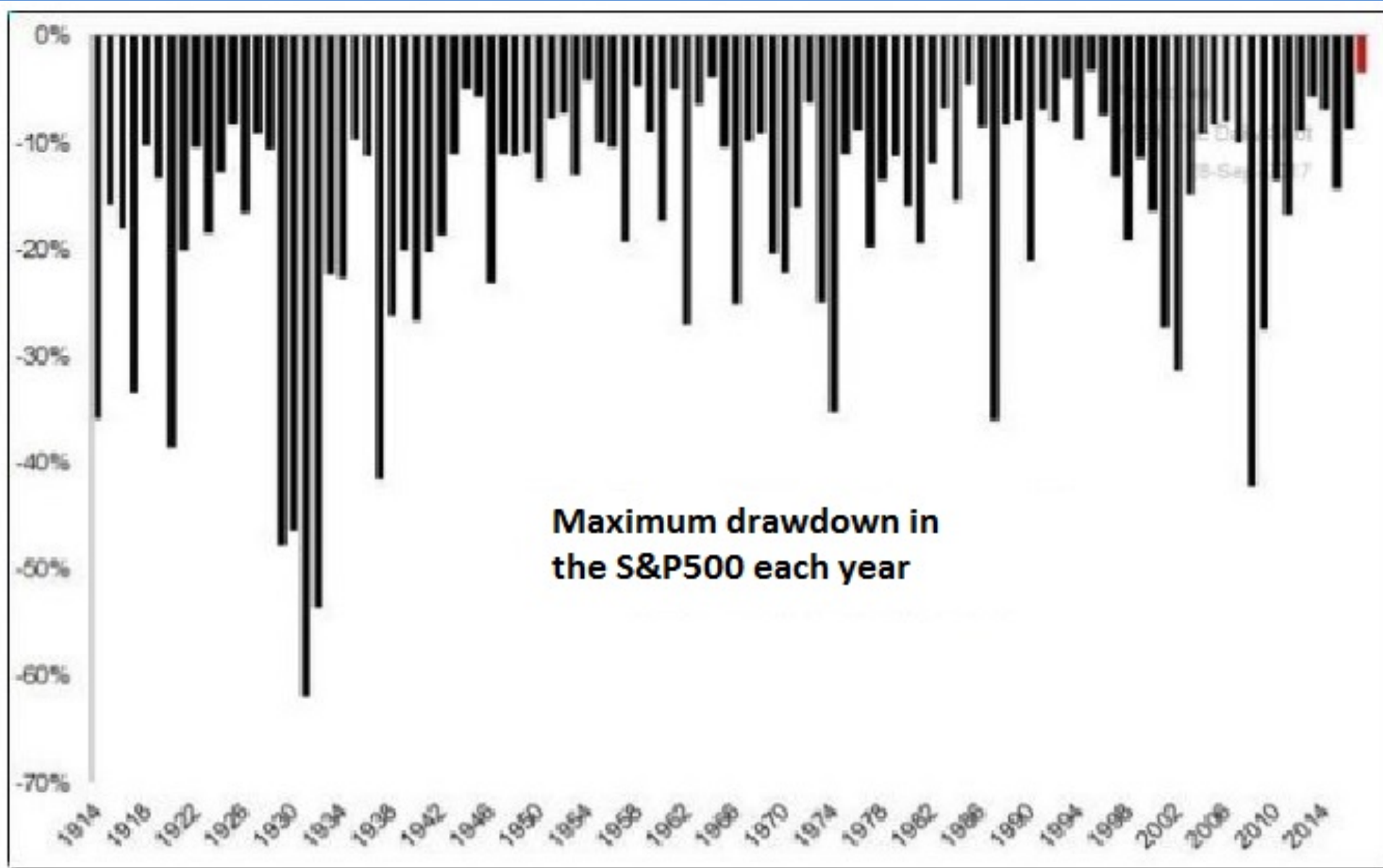
Twitter: @Traderscorner

Background key considerations looking at 2017:

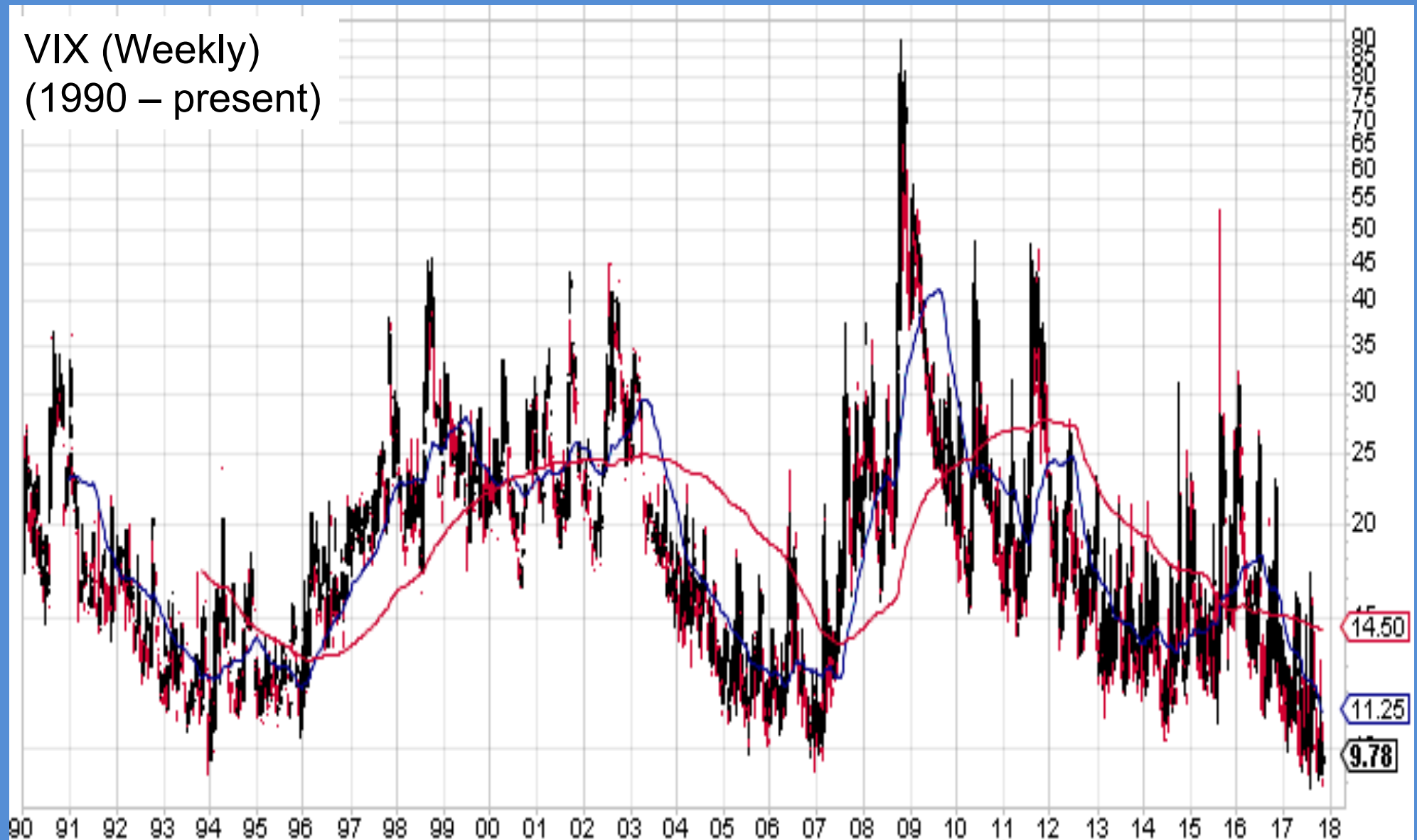
- Overseas developed markets very strong – linear uptrends
- Volatility has been incredibly low in 2017
- JSE Top40 has broken out of 3 year trading range to new all-time highs
- Rand has weakened and has technically weaker targets
- Participation in JSE rally has been narrow
Stock picker's market







VIX (Weekly) (1990 – present)

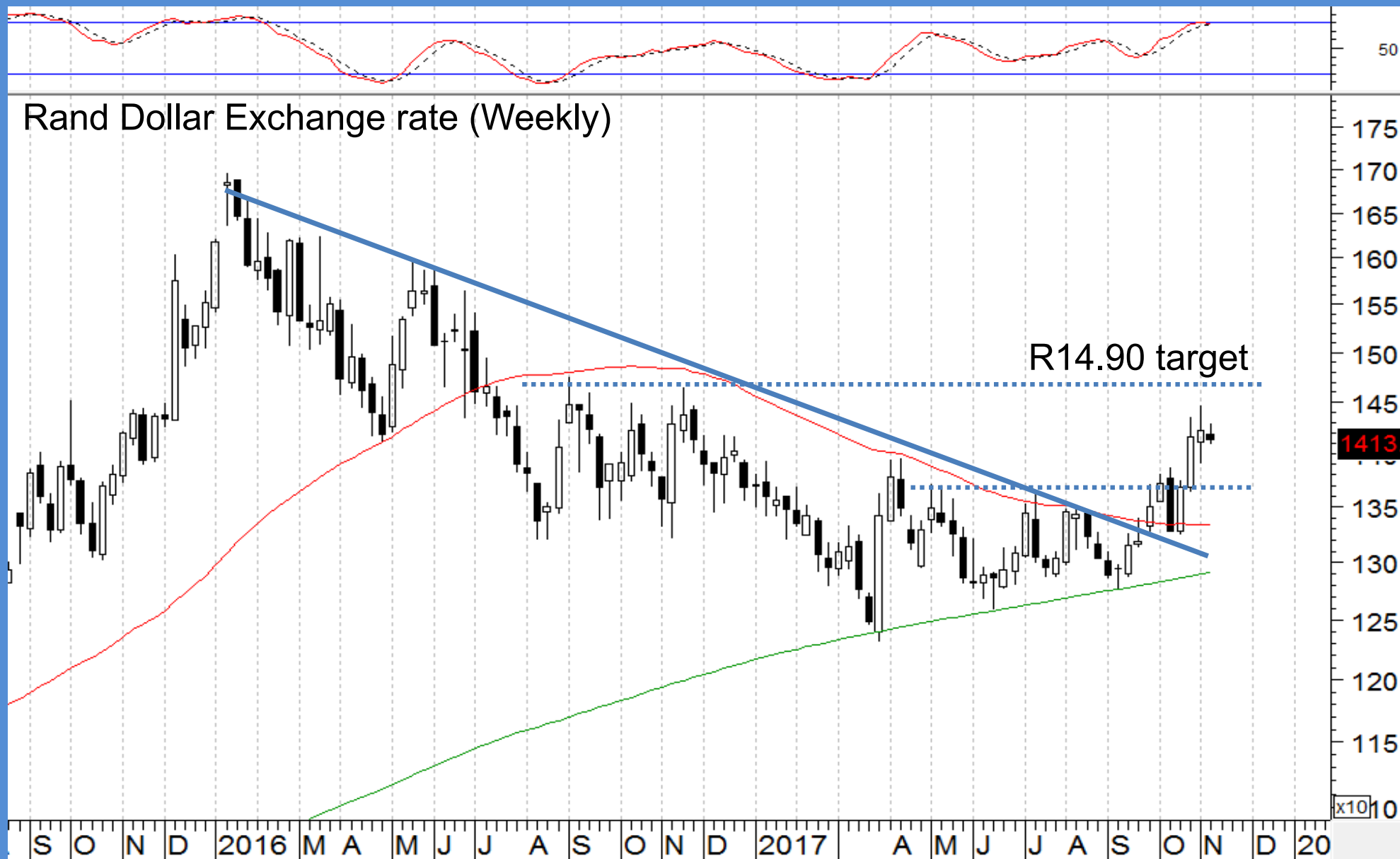










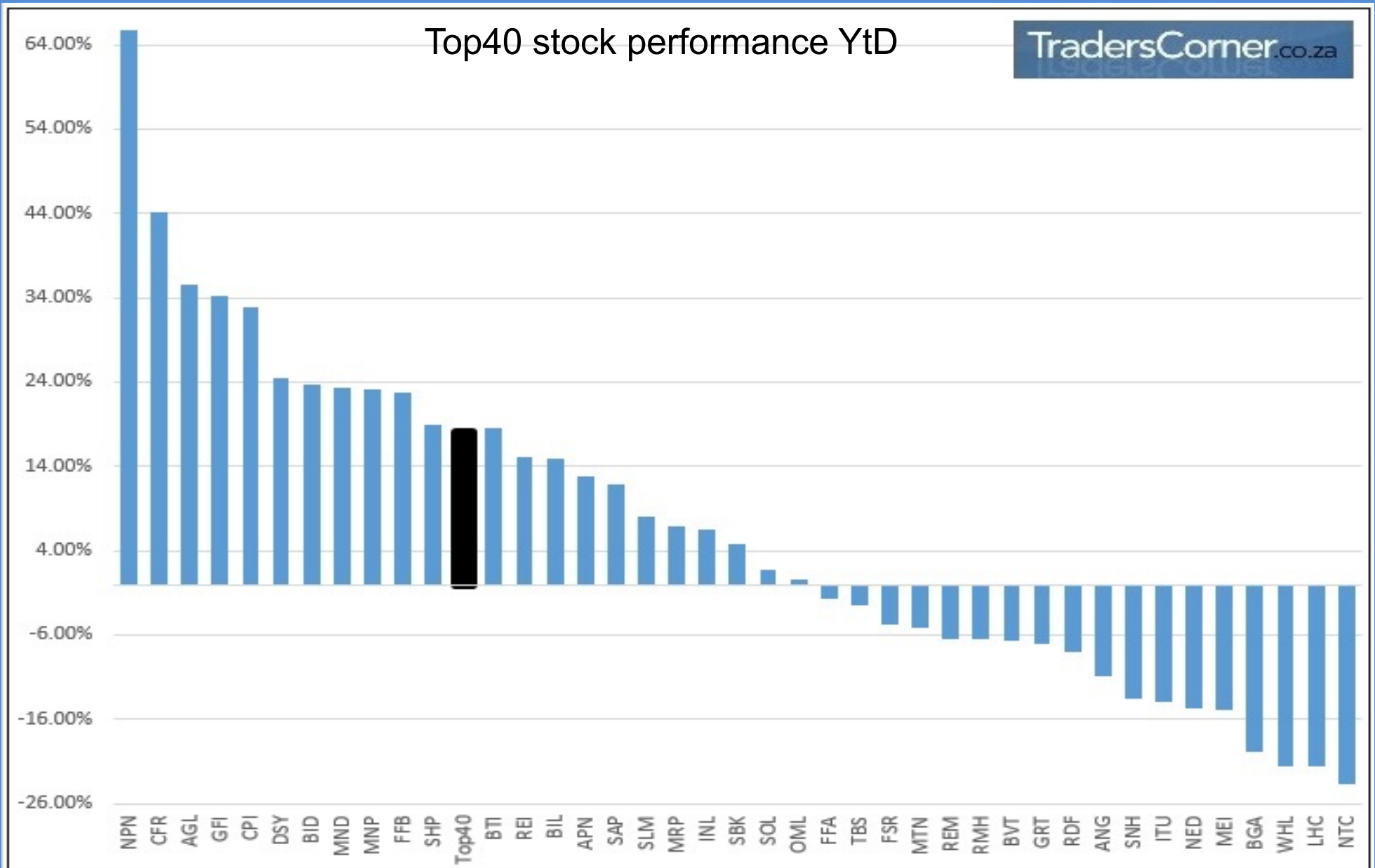






Top40 stock performance YtD

TradersCorner.co.za



TOP40 Constituent Details

CODE	SHARE NAME	INDUSTRY	SHARES *	WEIGHT
NPN	Naspers Ltd -N-	Consumer Services	353	23.44%
CFR	Compagnie Fin Richemont	Consumer Goods	4238	10.17%
BIL	BHP Billiton plc	Basic Materials	1728	8.71%
AGL	Anglo American plc	Basic Materials	929	4.81%
BTI	British American Tob plc	Consumer Goods	249	4.30%

Source: Satrix.co.za

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51.5%

Source: Satrix.co.za

Key considerations looking forward to 2018:

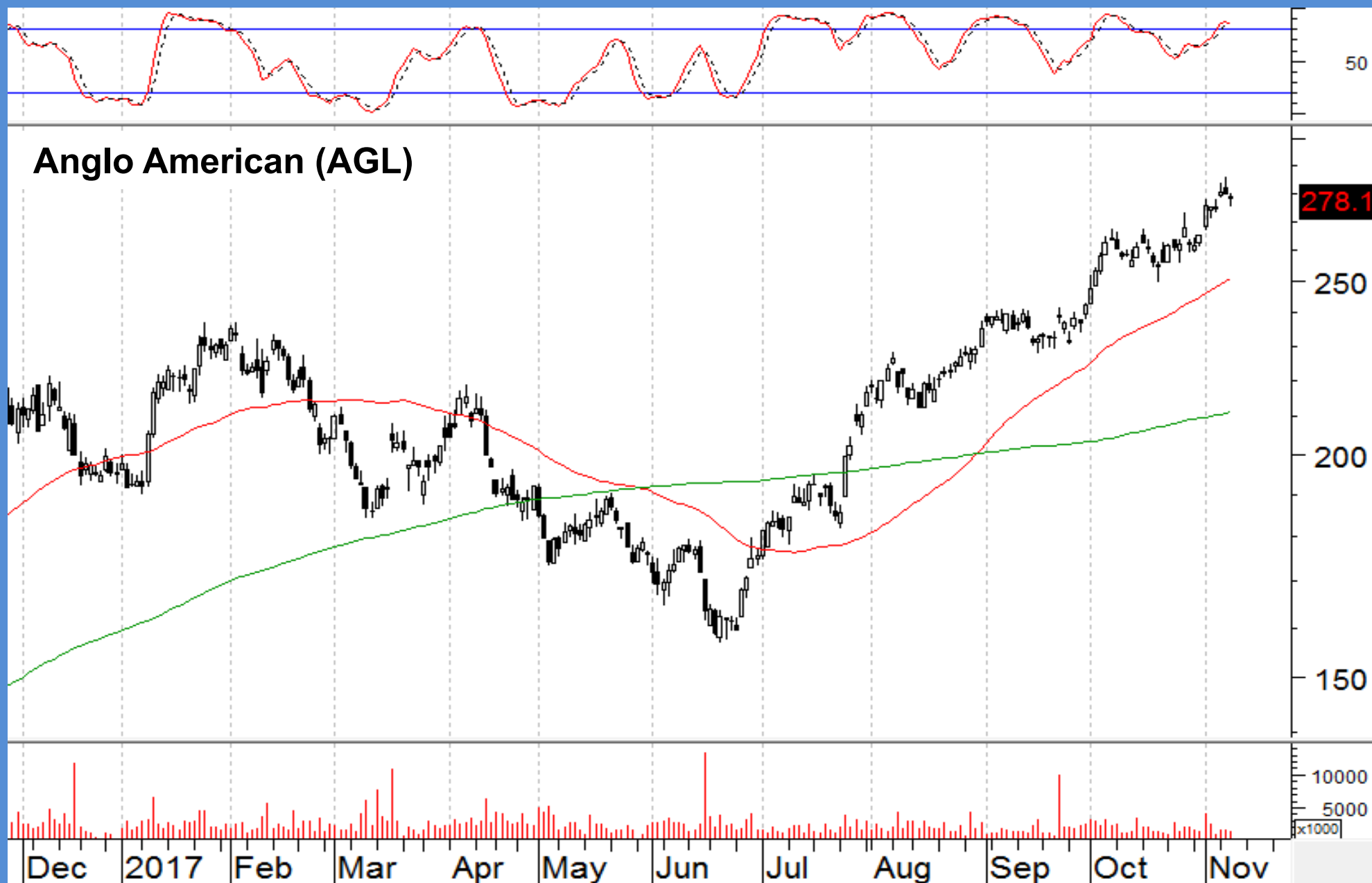
- Will the status quo remain the same?
- Will rand remain weak into 2018?
- Will heavyweight offshore exposed stocks continue to outperform domestic stocks?

OR

- Will rand strengthen and domestic stocks catch a bid on a positive political outcome in Dec 2017?

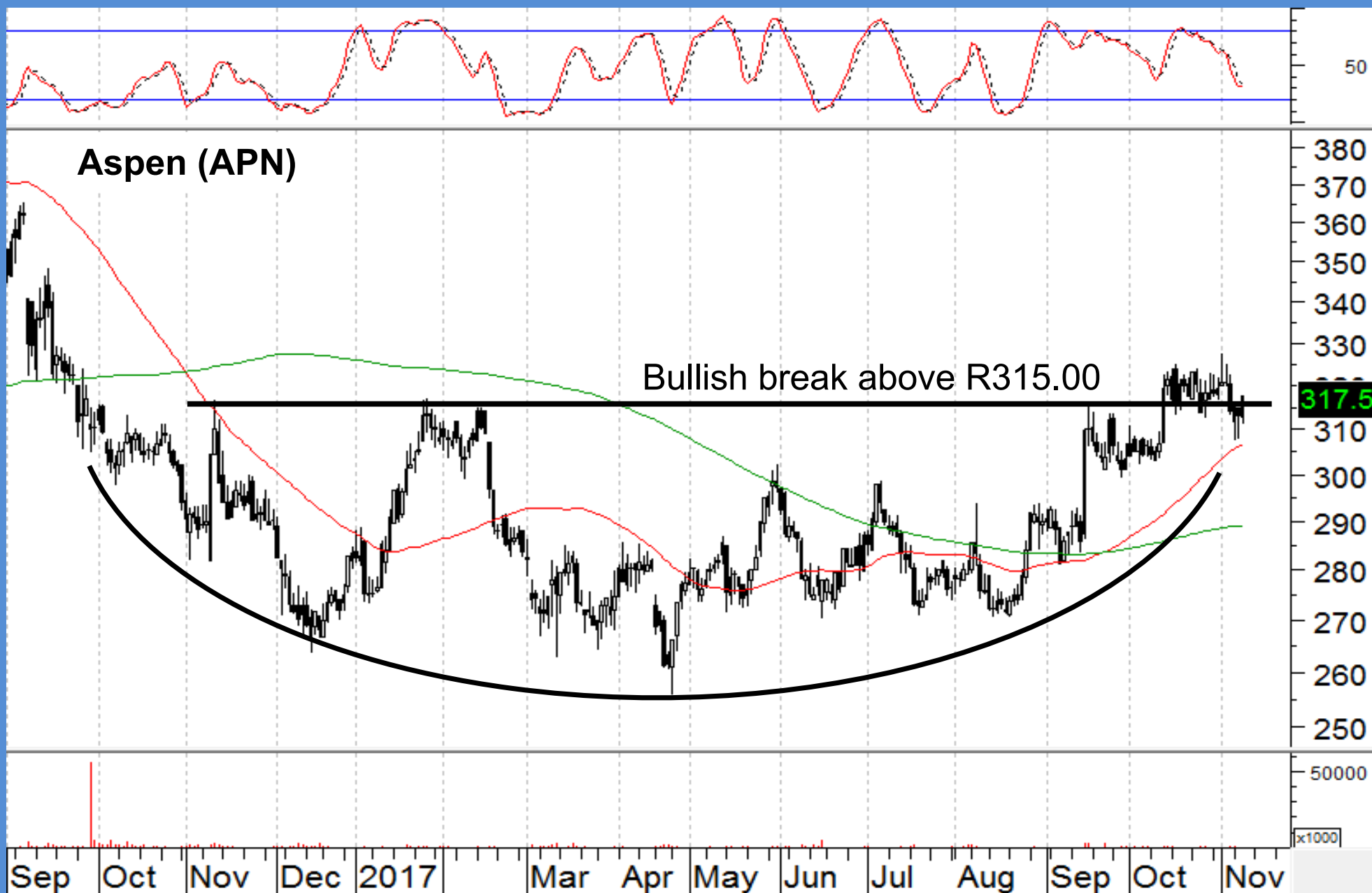
Current top 10 technical JSE stock picks:

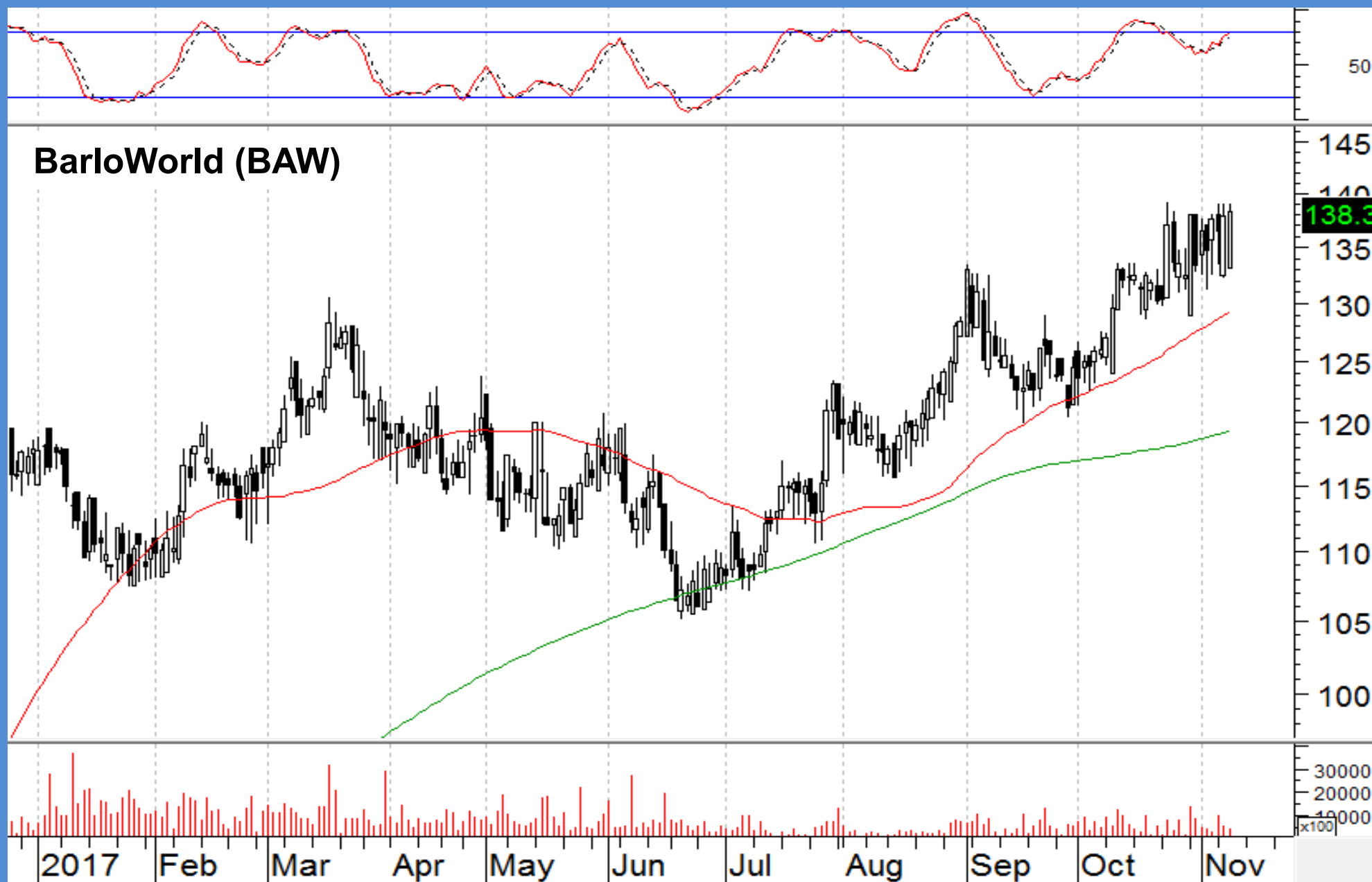
- Anglo American (AGL)
- Aspen (APN)
- BarloWorld (BAW)
- Bidcorp (BID)
- BHP Billiton (BIL)
- Richemont (CFR)
- Clicks (CLS)
- Capitec (CPI)
- Naspers (NPN)
- South32 (S32)

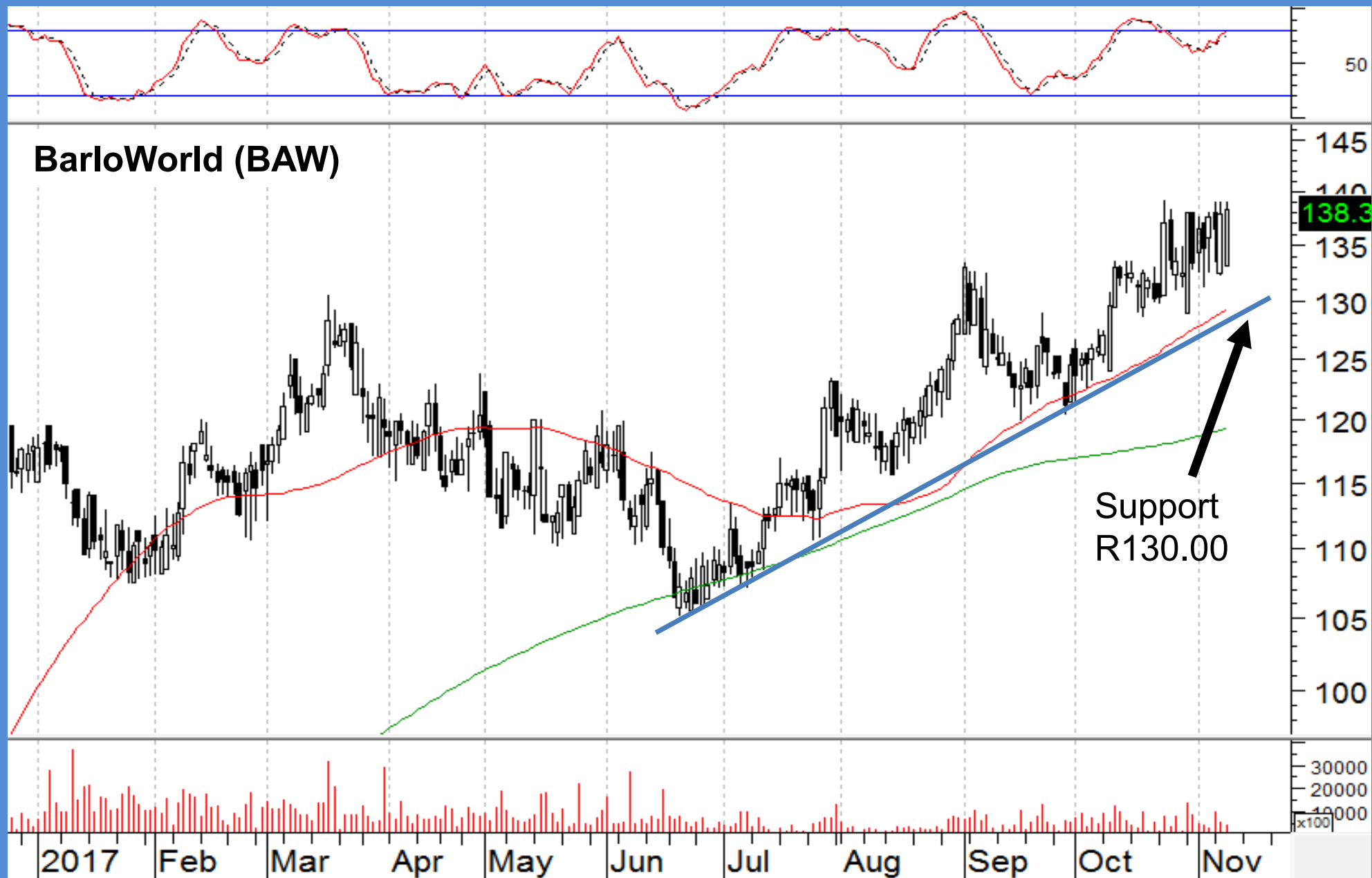


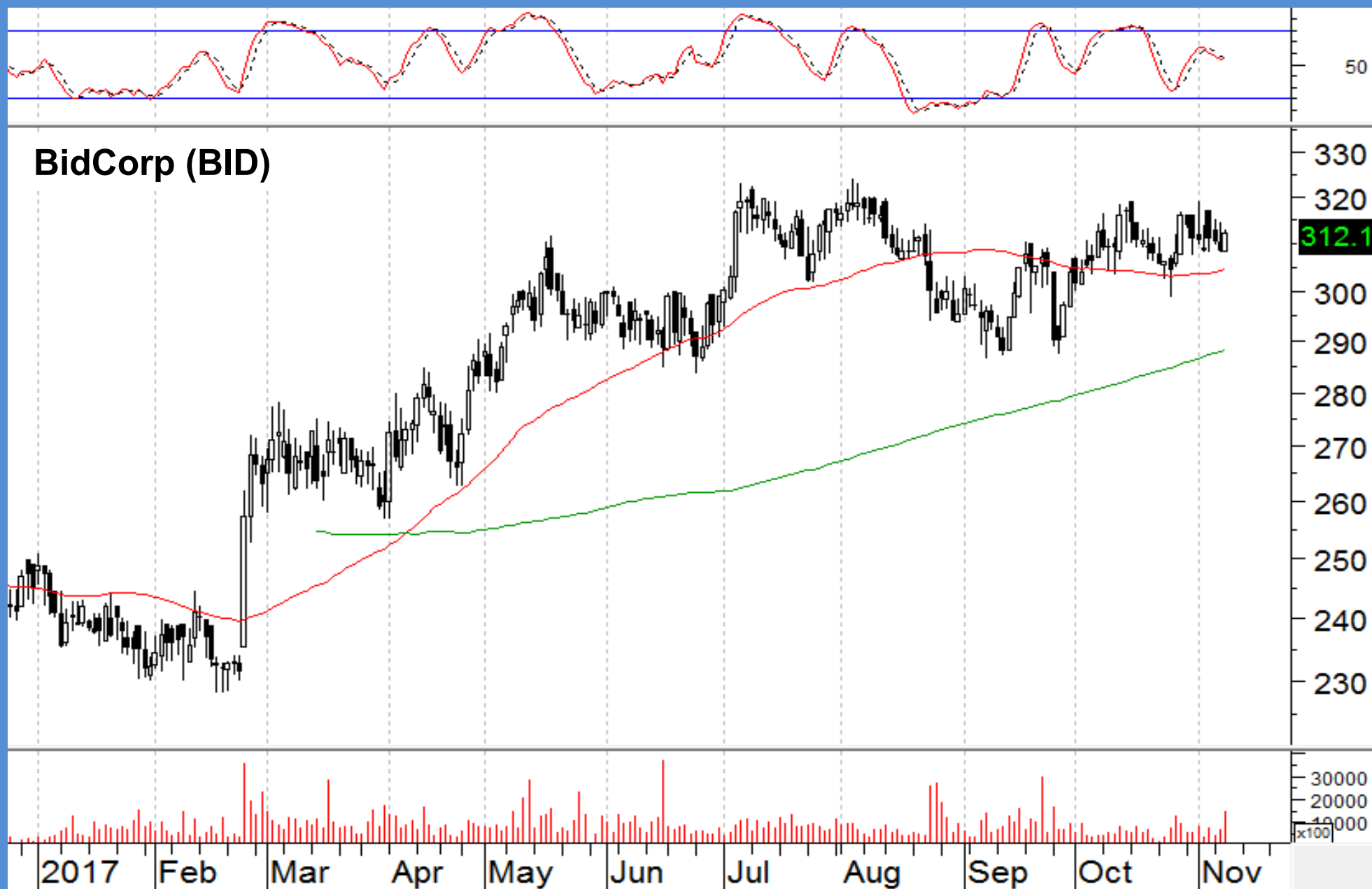


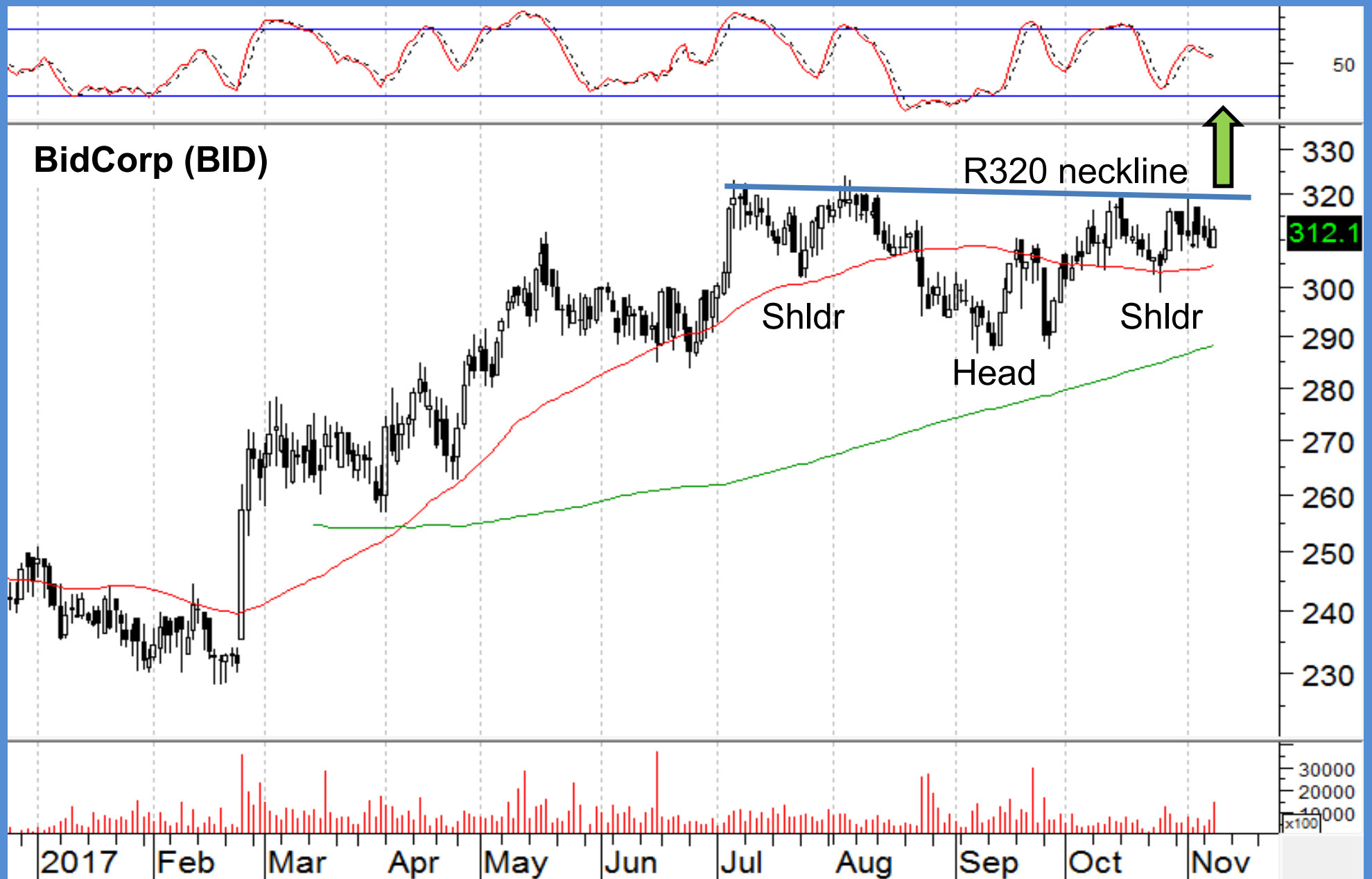


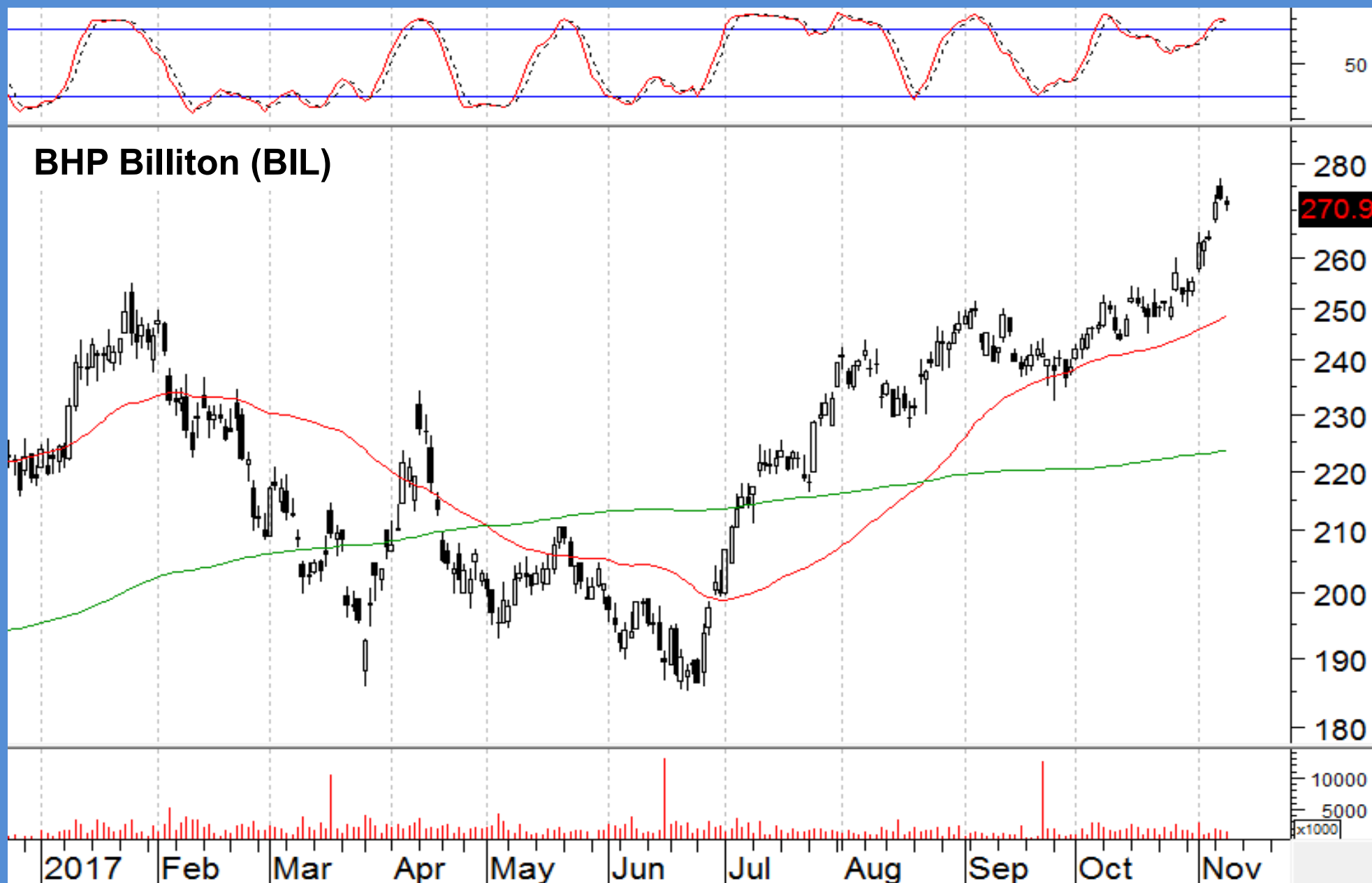




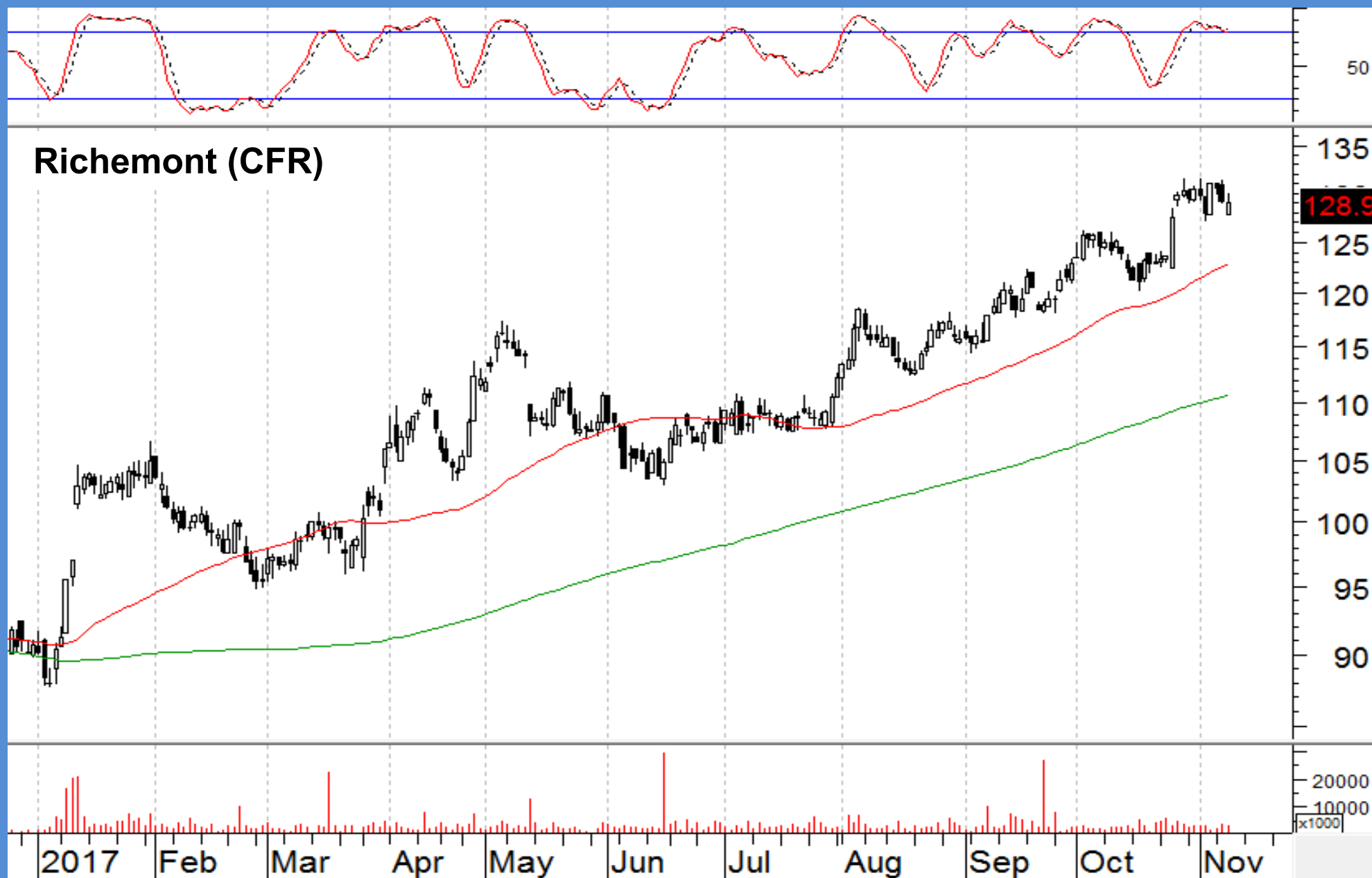


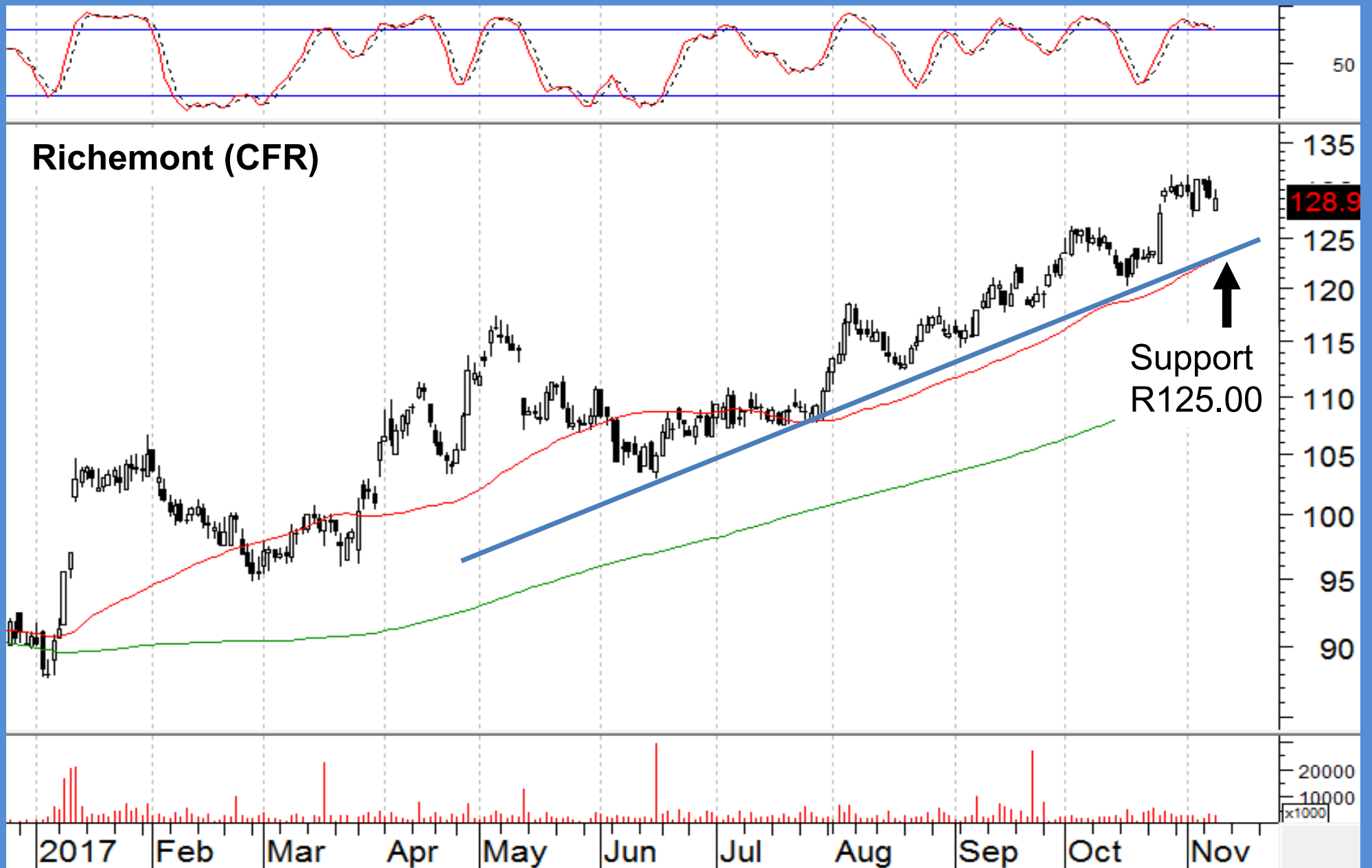






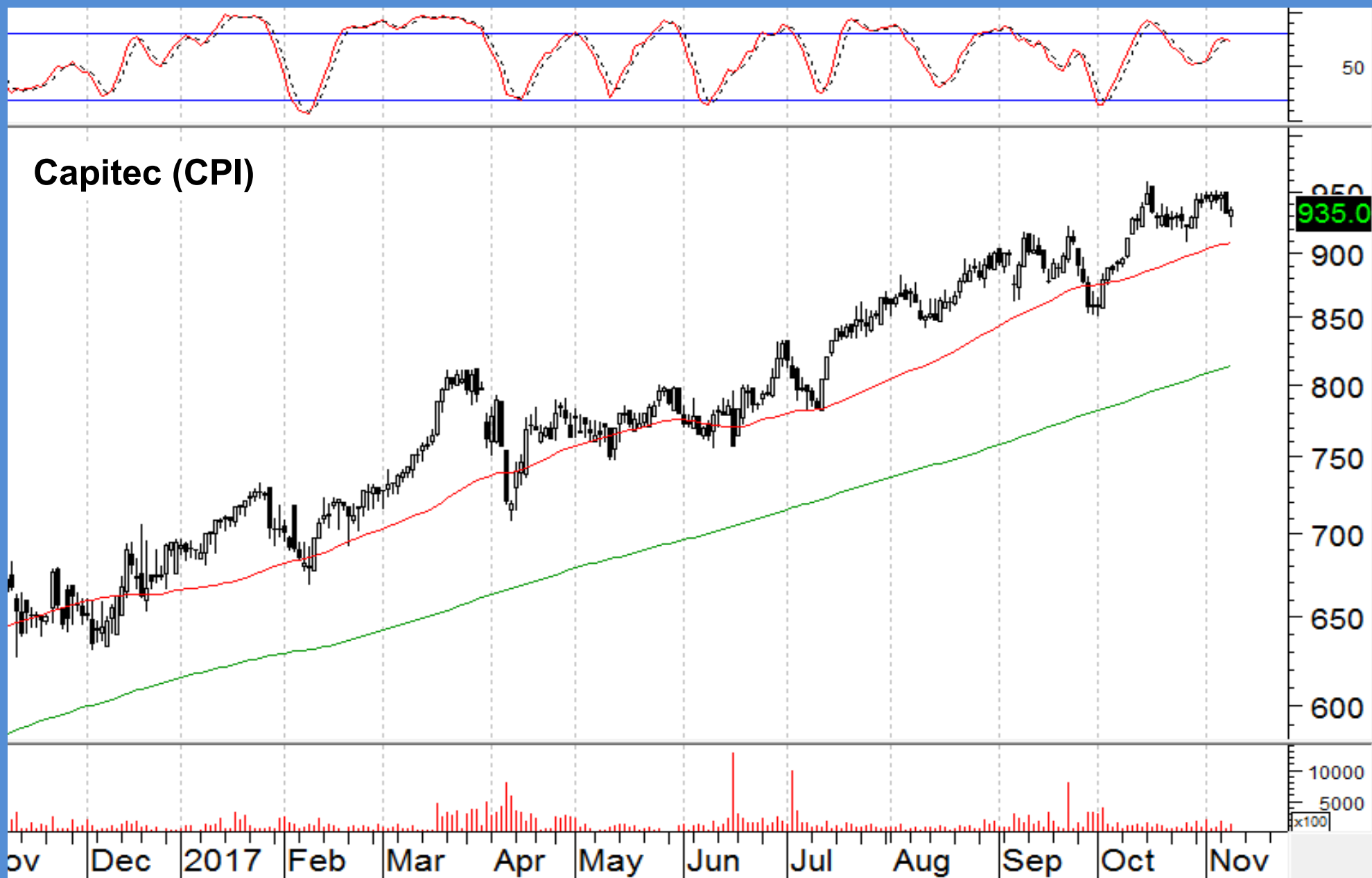




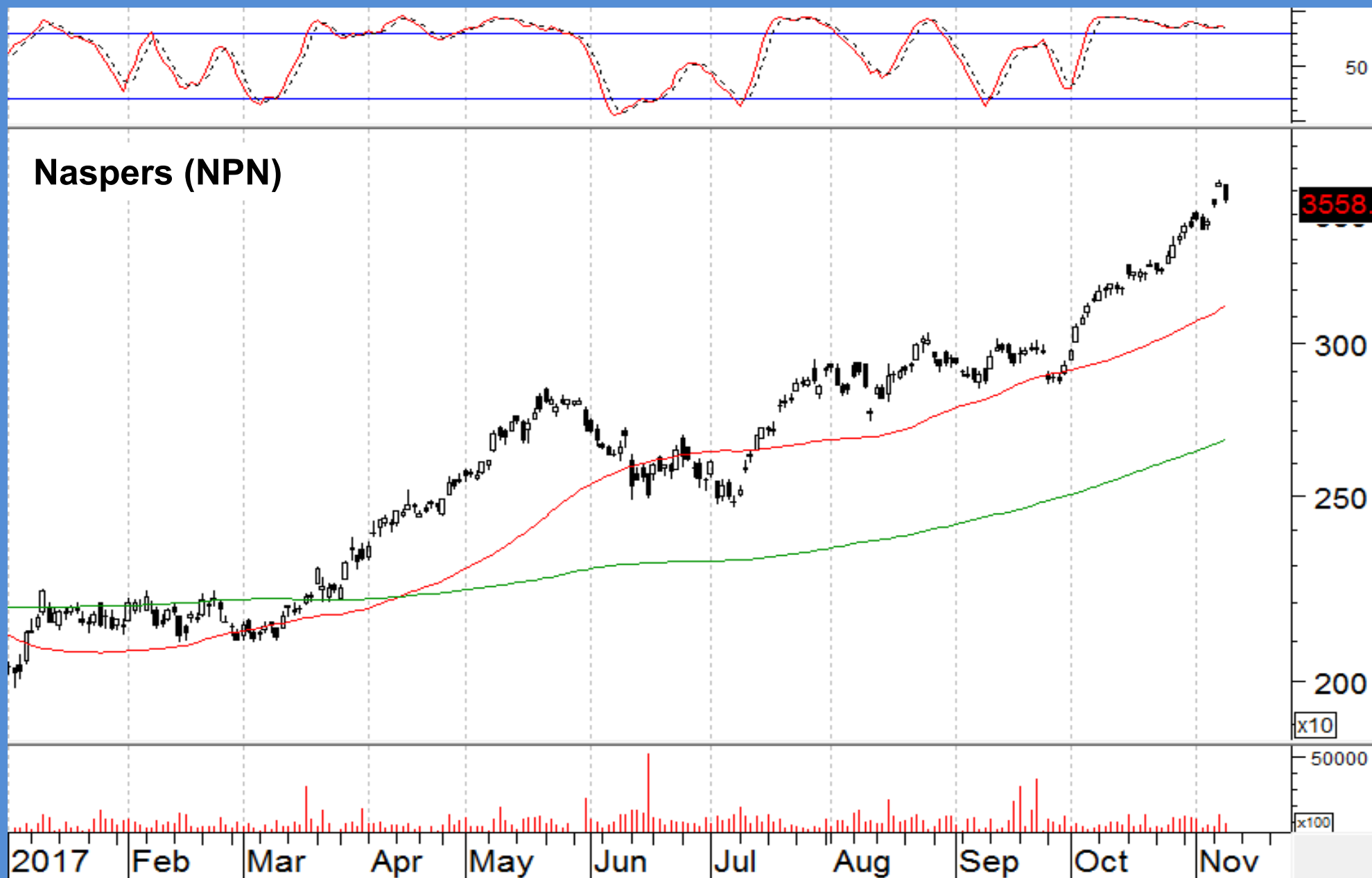


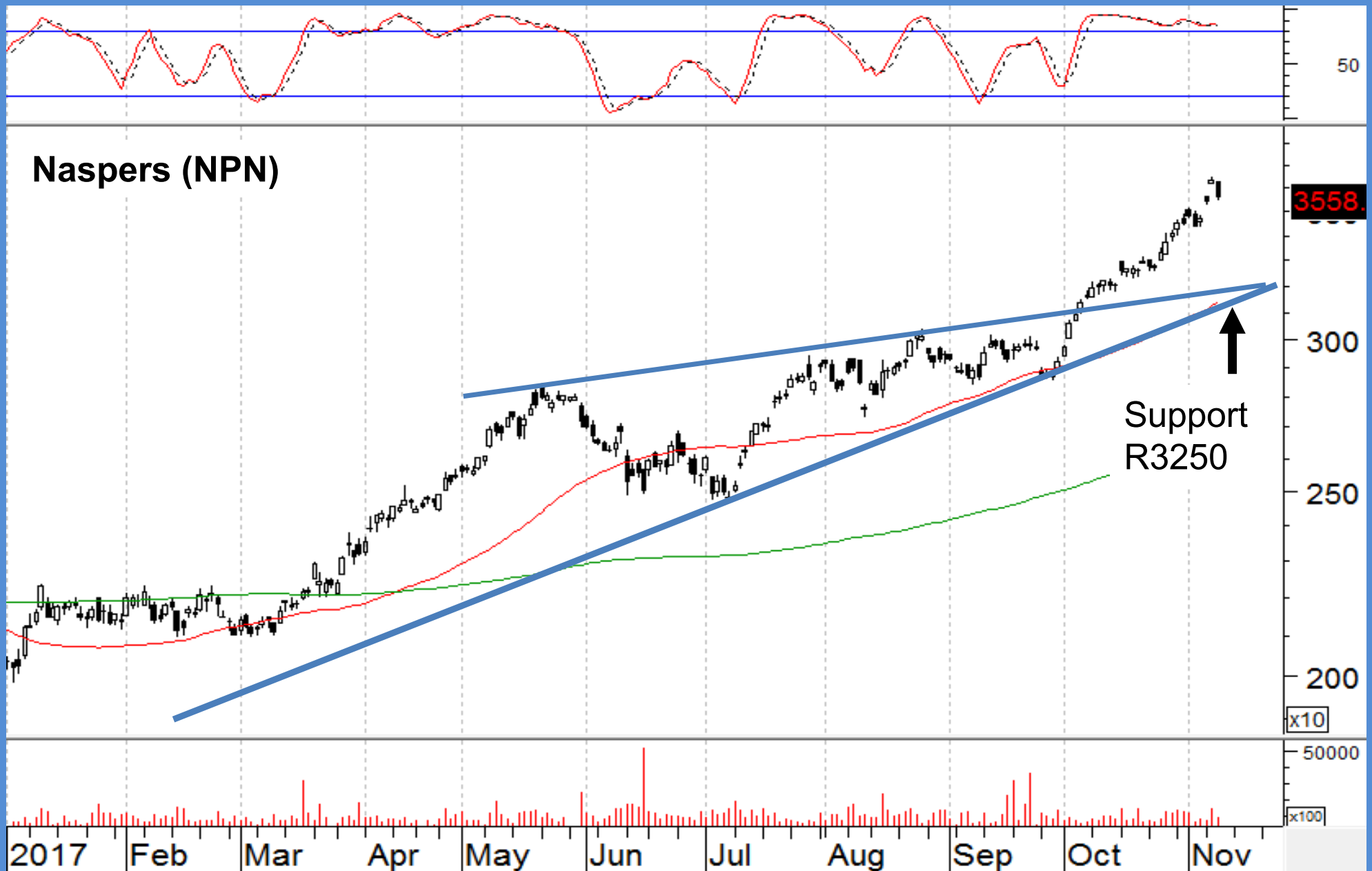
















BONUS CHART 1: Possible Recovery play in 2018



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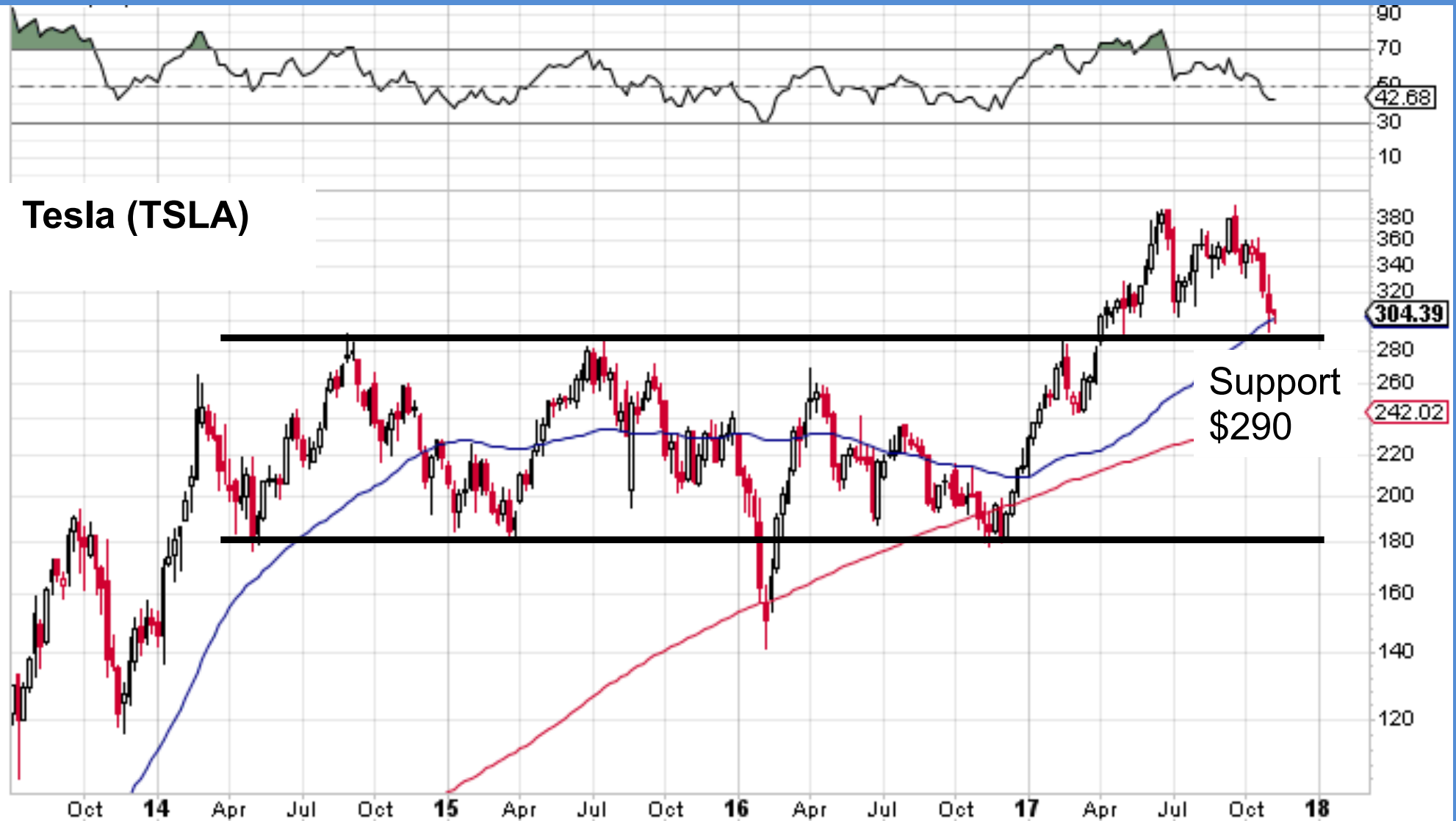


BONUS CHART 2: Offshore stock of interest



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Tesla (TSLA)



Q&A