

South Africa

Corporate Releases

ABSA (ABG) – Absa forecasts sharper fall in annual profit

South African lender Absa Group said on Friday its full-year profit is expected decline further, a second profit warning in three months, hit by the Covid-19 pandemic. Absa said it expects normalised headline earnings per share (HEPS), the main profit measure in South Africa, to decrease by 50% to 55% for the year ended December 31, from the 1 926 cents in 2019. The company had in November warned of a 40% decline in annual HEPS.

Move | -1.94% Open | 12965c Close | 12416c High | 12965c Low | 12240c

Massmart (MSM) – Massmart plans further store closures as it flags FY loss

Massmart said on Friday it was planning further store closures and flagged a deeper full-year net loss of more than R1.7 billion (\$116.8 million) after curbs related to the Covid-19 pandemic hammered sales. Chief Executive Officer Mitch Slape, a veteran of the retailer's majority owner Walmart Inc, announced a turnaround plan last year to return Massmart to profitability by shutting underperforming stores and cutting costs. The retailer said on Friday it would close an additional 14 Masscash cash and carry stores, under the Browns & Weirs and Jumbo brands. In 2020 it had said it might close 11 underperforming Masscash stores, but later sold eight of them to Devland Cash and Carry. The potential sale of the remaining three is still under consideration. As of June 28, the Masscash division had 131 food retail and wholesale outlets under the Cambridge Food, Rhino cash and carry, Jumbo cash and carry and Shield brands. The Game and Makro department chain owner said it expected a net loss of between R1.711 billion and R1.776 billion in the year to December 27, compared to a net loss of R1.3 billion a year before. It said its headline loss however, the main profit measure in South Africa, would slightly narrow to between R901 million and R958 million from R1.2 billion.

Move | 1.22% Open | 4837c Close | 4960c High | 5063c Low | 4800c

JSE All Share index
2020 vs 2021



Corporate Releases

Local stocks closed higher on Friday, as the JSE All-Share index added 1.34% while the Top 40 index posted a 1.47% gain. The uptick was mostly driven by resources and industrials, which added 2.10% and 1.33% respectively. Finance Minister Tito Mboweni will deliver the country's 2021 budget on Thursday, with the country facing ever-increasing fiscal pressures in the wake of the coronavirus pandemic. South Africa's economy enjoyed a strong final quarter of 2020 based on hard activity data thus far, and the IMF expects a modest rebound of 3% in real GDP in 2021 following last year's 8% contraction.

Key Local Indicators

Indicator	Close	1d%	1m%	ytd%
All Share	67464,9	1,3	6,1	13,6
Top 40	62105,2	1,5	6,4	14,2
Financial 15	12369,2	0,1	2,9	2,6
Industrial 25	90064,9	1,3	5,9	15,6
Resource 10	67016,2	2,1	7,6	16,4
Mid Cap	68283,2	0,7	2,1	6,3
Small Cap	49636,2	-0,1	7,8	11,7
Banks	6947,9	-0,5	1,3	1,4
General Retailers	5216,1	-0,4	5,6	12,2
Property (J253) - Total Return	1268,5	0,0	7,1	3,2

Expected Corporate Release

Company	Code	Release
Amplats	AMS	Final
Sasol	SOL	Interim
Super Group	SPG	Interim
AngloGold Ashanti	ANG	Final
Liberty Two Degrees	L2D	Final

52-Week Highs

Company	Close	1d%	52w High
Glencore	6160	2,5	6160
Textainer Group Holdings	38389	12,9	38389
Advtech	1219	-0,2	1221
Impala Platinum Hlds	24125	2,5	24280
BHP Group Plc	46833	1,9	47146

52-Week Lows

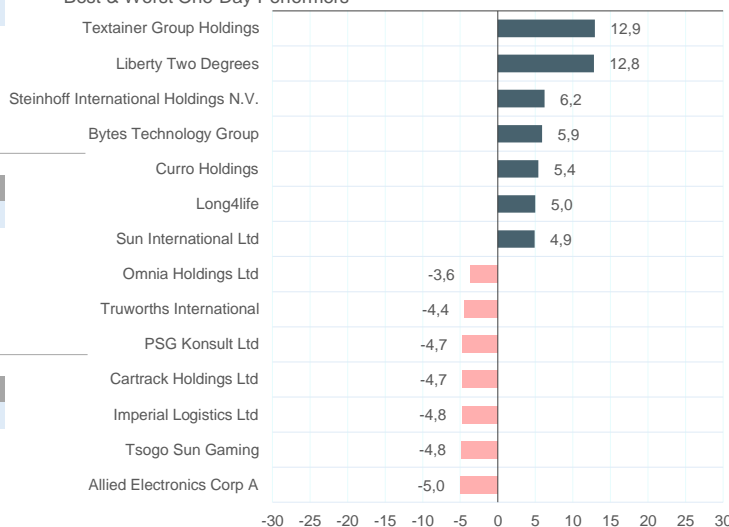
Company	Close	1d%	52w Low
British American Tobacco PLC	52880	0,3	49111
Brait SE	260	-3,7	235
Mediclinic International plc	6033	0,0	5157
Santam	26155	1,6	22000
Life Healthcare Group Holdings	1785	-1,0	1500

Dividend Data

Company	Code	Expected Dividend
Nu-World	NWL	195.4 ZARc
Italtile	ITE	32 ZARc
DRDGold	DRD	40 ZARc

Sasfin Watchlist

Best & Worst One-Day Performers



Global

Corporate Releases

COVID-19: Barclays sees profits slump 30% as pandemic bad loan provision hits £4.8bn

Barclays has reported a 30% drop in pre-tax profits as its provision for bad loans due to the pandemic hit £4.8bn. However, the drop to £3.1bn in 2020 was much less than forecast as a strong performance by its investment bank offset cash set aside to cope with losses caused by the economic fallout of COVID-19. Despite the profits hit, the banking giant said it would resume paying dividends after lenders halted pay-outs last year at the request of the Bank of England. This raises expectations other UK lenders will follow suit when they report full-year earnings in the next few days. Barclays also unveiled a £1.6bn bonus pool for staff and £1.4m in annual bonuses and incentive shares for chief executive Jes Staley. The bank's posted profit was well above the average estimate of £1.96bn from analysts' forecasts compiled by the bank. The results also revealed another £492m had been earmarked to cover expected borrower defaults due to the coronavirus crisis in the final three months of the year, although this was down nearly a fifth on the previous quarter.

International Corporate Releases

Company	Area	QTR End	Date
Home Depot	US	Jan '21	23 Feb
NVIDIA	US	Jan '21	24 Feb
Lowe's	US	Jan '21	24 Feb
Salesforce	US	Jan '21	25 Feb
Anheuser-Busch Inbev	US	Jan '21	25 Feb

European Market Commentary

European markets closed higher Friday as investors reacted to a fresh batch of corporate earnings and economic data, as well as comments from US Treasury Secretary Janet Yellen calling for fiscal stimulus. The pan-European Stoxx 600 ended the session up 0.5%, with basic resources shares surging 2.8% to lead the gains as most sectors and major bourses closed in positive territory. UK Prime Minister Boris Johnson will chair a virtual meeting of leaders of the G-7 major economies on Friday, and is expected to outline an ambition to cut the time to develop new vaccines by two-thirds to 100 days.

Indicator	Close	1d%	1m%	ytd%
CAC 40	5773,6	0,8	3,1	4,0
DAX 30	14007,2	0,8	1,3	2,1
Eurostoxx 50	3705,5	0,7	3,1	4,3
FTSE	6624,0	0,1	-1,3	2,5

US Market Commentary

US stocks came under pressure Friday afternoon, reversing early gains. Though the major indexes traded higher for most of the morning, a combination of rising interest rates and profit taking in some of the market's largest technology companies appeared to dampen optimism after noon. Cyclical stocks outperformed the broader market with the materials, energy and industrials sectors up 1.8%, 1.7% and 1.6%, respectively. Utilities and consumer staples stocks were among the biggest laggards.

Indicator	Close	1d%	1m%	ytd%
Dow Jones	31494,3	0,0	1,8	2,9
Nasdaq	13874,5	0,1	5,1	7,7
S&P 500	3906,7	-0,2	2,8	4,0

Asian Market Headlines

Stocks in Asia were mixed in early trade today as China left its benchmark lending rate unchanged over the weekend. China kept the one-year loan prime rate (LPR) unchanged at 3.85%, largely in line with expectations of traders and analysts in a Reuters snap poll. The five-year LPR was also kept steady at 4.65%. The LPR is a lending reference rate set monthly by 18 banks.

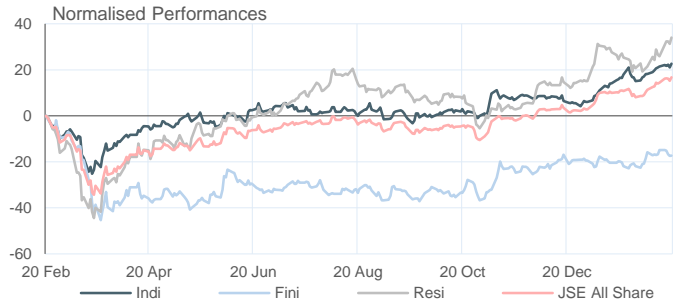
Indicator	Close	1d%	1m%	ytd%
Hang Seng	30644,7	0,2	3,4	12,5
Nikkei 225	30017,9	-0,7	4,8	9,4
Shanghai	3696,2	0,6	3,6	6,4

Expected Corporate Calendar

Time	Area	Today's Event / Release	Period	Exp.	Prev.
11:00	EUR	German ifo Business Climate	Feb	90.1	90.5
TNTV	EUR	German Buba Monthly Report	---	---	---
17:00	USD	CB Leading Index m/m	Jan	0.3%	---
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Time	Area	Previous Session's Releases	Period	Exp.	Actual
11:00	EUR	Flash Manufacturing PMI	Feb	54.6	57.7
11:00	EUR	Flash Services PMI	Feb	45.9	44.7
11:00	EUR	Current Account	Dec	22.0B	36.7B
11:30	GBP	Flash Services PMI	Feb	42.1	49.7
16:45	USD	Flash Manufacturing PMI	Feb	58.4	58.5

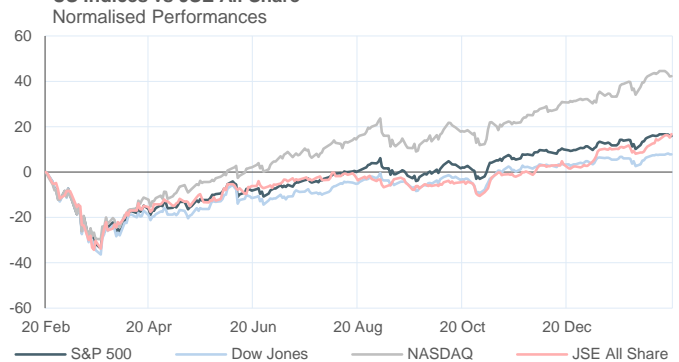
Selected JSE Indices



European Indices vs JSE All Share



US Indices vs JSE All Share



Asia Indices vs JSE All Share

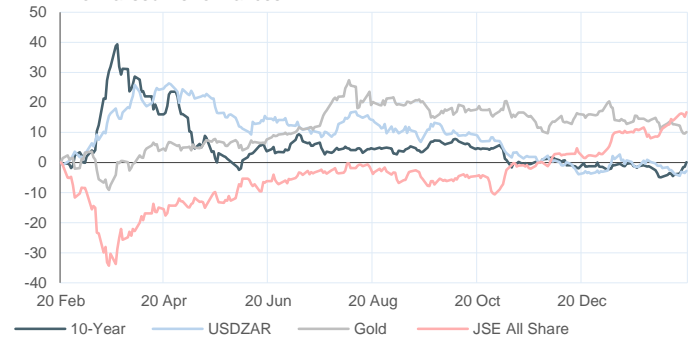


Bond Yields & Interest Rates

10-Year Bond Yields		*Basis Point Change		
Region	Yield	*1d	*1m	*1y
United States	1,38	9,0	27,0	---
United Kingdom	0,70	8,0	37,0	13,0
Germany	-0,31	4,0	19,0	13,0
Japan	0,11	2,0	8,0	---
South African 10-Year	8,91	14,0	15,0	5,0

Interest Rates			
Region	Current Rate	Previous Rate	Changed
United States	0,00%-0,25%	1,00%-1,25%	15 Mar
United Kingdom	0,10%	0,25%	19 Mar
European	0,00%	0,05%	10 Mar
SA Repo Rate	3,50%	3,75%	23 Jul
SA Prime Rate	7,00%	7,25%	23 Jul

10-Year Bond Yield vs Basket of Items
Normalised Performances



Currencies & Commodities

Currency Market Commentary

The rand was flat early on Friday in increasingly cautious trade ahead of the budget speech next week, which is expected to detail the progress of the country's economic recovery. At the close, the rand was 0.08% weaker at R14.71 per dollar. The rand's rally in the first two months of 2021 to a one-year high has largely been driven by offshore events, with expansive stimulus policies in the United States and other developed economies, as well as the roll-out of COVID-19 vaccines, driving global risk demand. The rand was trading around R14.72 to the dollar this morning.

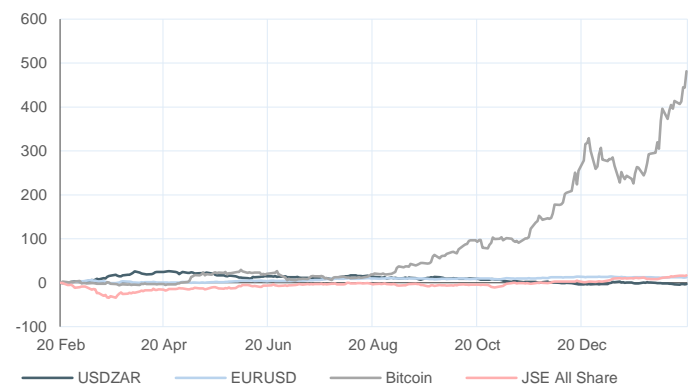
Indicator	This AM	% Chg	Close	1d%	1m%	ytd%
USDZAR	14,72	0,1	14,71	0,8	-1,9	0,1
GBPZAR	20,64	0,3	20,59	0,9	0,8	2,5
EURUSD	1,21	0,0	1,21	0,2	-0,1	-0,8
USDJPY	105,63	0,2	105,43	-0,2	1,5	2,1
Bitcoin	56598,6	2,0	55503,5	6,8	51,0	90,6

Commodity Market Commentary

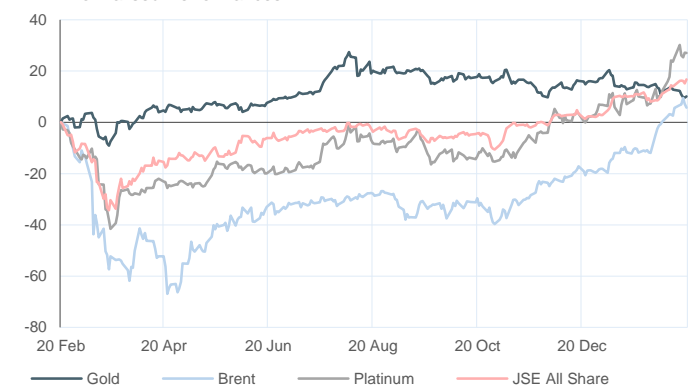
Gold prices edged higher this morning to recover from an over seven-month low touched in the previous session as the dollar weakened, although higher US Treasury yields capped bullion gains. President Joe Biden's push for a \$1.9 trillion COVID-19 relief bill took a step forward on Friday as a US House of Representatives committee unveiled the legislation Democrats hope to pass by late next week. Oil prices rose today as the slow return of US crude output that was cut by frigid conditions raised concerns about supply just as demand is coming back from the depths of the coronavirus pandemic.

Indicator	This AM	% Chg	Close	1d%	1m%	ytd%
Brent Crude (\$)	63,8	1,7	62,7	-1,4	18,3	21,2
Gold (\$)	1784,2	0,0	1783,8	0,5	-3,0	-6,0
Palladium	2414,5	1,3	2383,0	1,0	1,1	-2,9
Platinum (\$)	1290,6	1,3	1274,7	-0,1	17,0	18,9
Silver	27,5	0,7	27,3	0,9	8,2	3,4

Selected Currency Pairs vs JSE All Share
Normalised Performances



Selected Commodities vs JSE All Share
Normalised Performances



Sasfin Funds (2-Day Delay)

Local Funds			
Fund Name	Close	ytd%	3y%
Sasfin BCI Prudential A1	2,0	3,2	7,4
Sasfin BCI Balanced A	1,3	3,4	8,5
Sasfin BCI Stable A	1,2	4,8	6,9
Sasfin BCI Equity A	4,0	10,6	8,0
Sasfin BCI Flexible Income A	1,0	1,3	9,4
Sasfin BCI Optimal Income A	1,1	0,5	5,3
Sasfin BCI High Yield Fund A	1,0	1,5	---
Sasfin BCI Opportunity Equity Fund A	1,4	4,1	15,4

Global Funds			
Fund Name	Close	ytd%	3y%
Sasfin BCI Global Equity Feeder Fund A	1,0	9,4	2,6

Latest From Sasfin

Title	Author	Date
Budget Speech 2021: Will South Africa's rand value hold?	Gregory Garner	11 Feb
LVMH – Investment Case	Alec Abraham	08 Feb
Gaming the system	Jonathan Wernick	04 Feb
Richemont Group Q3 Sales Update	Alec Abraham	25 Jan

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South African Top 40 Companies

Companies Sorted Alphabetically

Cents per share

Indicator	Code	Close	1d%	1m% (Rolling)	6m% (Rolling)	ytd%	1y% (Rolling)	3y% (Rolling)	52w High	52w Low	P/E Ratio	Dividend Yield	Mcaps (Billion)
Absa Group Ltd	ABG	12416	-1,9	3,9	57,5	3,6	-15,3	-38,7	14504	6330	10,9	7,1	74,1
Anglo American PLC	AGL	58716	3,3	9,7	35,1	21,1	45,1	107,5	59794	20413	11,3	2,9	569,1
Anglo American Platinum Ltd	AMS	175239	1,2	13,5	33,2	21,4	25,6	395,7	181443	1900	12,2	2,0	363,3
AngloGold Ashanti Ltd	ANG	30640	1,7	-8,8	-37,8	-10,5	-2,5	153,6	63735	20979	10,8	0,4	185,5
Aspen Pharmacare Holdings Ltd	APN	14621	1,0	0,4	10,2	16,6	34,5	-46,4	16514	8000	8,1	0,0	50,4
BHP Group PLC	BHP	46833	1,9	9,2	15,6	20,4	43,6	82,8	47146	19505	9,8	5,6	741,3
Bid Corporation Ltd	BID	28869	4,1	6,2	6,1	9,8	-8,4	6,6	31627	17103	17,8	2,9	77,3
British American Tobacco PLC	BTI	52880	0,3	-5,1	-8,9	-3,1	-18,4	-27,2	73124	49111	7,9	8,0	1379,4
Bidvest Group Ltd	BVT	17469	2,3	6,1	18,3	11,3	-16,9	-29,8	19792	12639	11,6	2,1	44,9
Compagnie Financiere Richemont S	CFR	14490	1,6	2,0	28,1	10,5	30,7	35,8	14800	7919	57,6	1,6	593,8
Clicks Group Ltd	CLS	24959	0,2	-9,7	1,7	-1,2	-2,3	49,4	28113	20133	30,6	2,0	55,7
Capitec Bank Holdings Ltd	CPI	135607	-0,4	-5,1	55,9	-5,3	-5,7	64,6	152500	53986	33,2	1,7	125,0
Discovery Ltd	DSY	14256	1,4	0,3	16,9	-7,2	33,8	-19,2	15880	5450	17,3	0,8	80,4
Exxaro Resources Ltd	EXX	17845	1,3	15,0	25,3	28,5	41,1	21,4	18289	7507	4,8	9,4	46,2
FirstRand Ltd	FSR	5094	-0,3	1,7	32,3	-0,2	-18,1	-30,8	6085	3113	11,9	3,9	210,4
Gold Fields Ltd	GFI	12555	-0,2	-6,1	-41,7	-8,7	18,4	156,9	25569	6397	20,7	1,3	181,5
Growthpoint Properties Ltd	GRT	1370	-0,3	19,1	5,3	9,0	-31,3	-53,7	1979	950	6,4	13,0	33,9
Impala Platinum Holdings Ltd	IMP	24125	2,5	8,7	44,2	19,5	41,2	621,4	24280	4476	4,2	3,1	135,2
Investec Ltd	INL	3971	-0,6	-0,6	23,4	8,4	-8,9	-21,8	6133	2575	0,0	6,4	10,5
Investec PLC	INP	4125	-0,3	0,6	27,3	9,6	-3,8	-18,8	4990	2518	7,7	7,2	22,8
MultiChoice Group Ltd	MCG	12990	2,9	-0,2	23,9	-3,1	25,0	---	14559	7228	14,2	4,6	54,0
Mondi PLC	MNP	37195	1,9	1,2	9,4	8,4	15,0	21,1	39698	23015	14,7	2,8	167,1
Mr Price Group Ltd	MRP	17810	0,0	0,7	35,6	4,4	3,9	-37,6	19345	9820	20,0	2,4	33,7
MTN Group Ltd	MTN	7270	2,4	14,5	7,8	20,8	-17,4	-41,7	8849	2625	7,1	6,4	104,5
Nedbank Group Ltd	NED	13238	-0,9	2,6	25,8	2,2	-34,3	-54,8	19451	6730	10,0	7,2	48,3
Northam Platinum Ltd	NHM	21586	4,8	1,5	37,7	3,0	45,0	382,7	21996	4988	8,7	0,0	94,4
Naspers Ltd	NPN	383486	1,4	11,2	29,9	27,0	42,0	82,6	388800	184380	24,7	0,2	1365,7
NEPI Rockcastle PLC	NRP	8850	0,2	-3,1	8,2	-5,3	-23,4	-15,3	12118	4990	8,5	8,0	41,1
Old Mutual Ltd	OMU	1386	1,8	13,2	8,3	16,6	-20,3	---	1713	924	8,7	7,6	46,4
Prosus NV	PRX	193776	1,0	12,7	21,9	20,6	67,2	---	196982	86782	36,0	0,0	2630,0
Remgro Ltd	REM	10560	0,6	2,0	13,2	9,8	-17,9	-34,2	12674	7102	14,6	3,0	47,3
Rmb Holdings Ltd	RMH	153	-1,9	7,7	16,8	9,3	-29,3	-33,4	253	98	0,0	172,2	1,6
Reinet Investments SCA	RNI	29791	0,0	9,1	-3,4	8,1	-12,7	25,0	34249	22503	6,7	1,4	53,4
Standard Bank Group Ltd	SBK	13488	0,0	3,9	23,0	6,1	-19,5	-37,6	16280	8341	10,6	9,5	169,7
Shoprite Holdings Ltd	SHP	14124	-0,9	0,2	18,1	0,9	24,8	-42,8	15173	9501	16,8	2,8	81,7
Sanlam Ltd	SLM	6244	2,1	8,6	3,5	6,3	-16,1	-34,5	7334	3850	13,5	3,3	112,2
Sasol Ltd	SOL	20296	2,1	18,0	57,3	51,5	-9,0	-49,9	22500	2077	12,0	0,0	66,1
SPAR Group Ltd	SPP	19595	0,2	0,4	13,6	3,4	11,0	-7,1	21347	14225	16,7	3,9	35,1
Sibanye Stillwater Ltd	SSW	6843	-0,5	10,5	32,4	14,1	38,4	391,2	7175	1537	5,8	0,0	150,8
Vodacom Group Ltd	VOD	12612	0,9	2,2	-8,1	1,4	4,0	-22,2	13935	9070	12,1	6,4	226,9
Woolworths Holdings Ltd	WHL	4507	0,0	10,7	32,6	14,0	1,6	-31,3	4832	2401	16,9	2,5	36,9

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