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Economic Indicators

	USD	Euro	Move
Rand	7.8	10.2	-3.45%
Pula	7.2	9.4	-2.65%
Kenya	83.7	109	0.19%
Kwacha	5042	6647	-0.09%
Naira	161	210	-0.67%

	Nov	Dec	Move
Gold (\$)	1564	1739	11.20%
Oil (\$)	107	110	2.8%

Move is % change monthly against USD

Top 10 JSE Equity Buys

	Share Code	Current Price	Exit Price
1	Bidvest	15480	
2	Anglovaal	3972	
3	Stefanutti	1065	
4	RMH	2730	
5	Kumba	50000	
6	Ciplamed	635	
7	BHP	23430	
8	Imperial	12350	
9	Discovery	4350	
10	Vodacom	8900	

Prices in SA cents

JM BUSH A Funds Returns

Fund Name	3 Years
CashPlus	8.05%
BondPlus	9.26%
Absolute AllClass	14.02%
Absolute Aggressive	14.36%
FinancialsPlus	15.88%
Diversified Equity	N/A
Real Return	11.26%
Global Investor	N/A
Afro Fund	11.26%

Research Team

Chief Investment Officer
Joseph M Busha

Economic Research
Limakatso Lehobo

Investment Research
Joseph M Busha
Mageshnie Reddy
Patrick Serere

Contact Details
Tel: +0027 11 325-2027/8
Fax: +0027 11 325-2047
invest@jmbusha.com
www.jmbusha.com

Inflation numbers- a mixed bag

Zambia records its lowest inflation of 6.4% year-on-year in the country recent history while South Africa's number remained at 6.1% and Zimbabwe inflation picked up to 4.9%. Like in SA, double-digit wage increases – well above inflation figures are set to push the numbers higher in the coming months. Zambia's Konkola Copper Mine awarded its employees a 17% salary increase, while Kansanshi is proposing 12%. Zimbabwe civil servants require a significant increase in order to meet the high living costs in the country.

MTN faces allegations

MTN Group Ltd. (MTN), Africa's largest mobile-phone operator fell 7.33% for the month of January 2012 after Turkcell Iletisim Hizmetleri (Turkcell) said it may file a lawsuit in USA against it over the acquisition of an operating license in Iran. Turkey's Turkcell alleges that MTN (i) made improper payments to an Iranian and a South African government official to secure its licence and (ii) encouraged the SA government to back Iran's civil nuclear power development program at a meeting of International Atomic Energy Agency (IAEA) in November 2005 and (iii) enlisted the SA government support for the supply of military equipment to Iran. Iran is MTN's second largest market by subscribers (about 3.3 million) after Nigeria.

Optimism returned to the investment market with the JSE SWIX Index and the All Bond Index returning 4.53% and 2.06% respectively in January. The JSE overall equity market index reached new highs. We believe equities will do well this year and the current momentum offers support. Inflation increase will temper with bond returns and hence we recommend increasing equity weight exposure in balanced portfolios.

Zimbabwe Stock Exchange (ZSE) started 2012 on a negative note with the Industrial and Mining Indices down -5.64% and -19.77% respectively. Is the mining sector being affected by the 51% holding required by law to be transferred to indigenous Zimbabweans?

Economic Activities

At the World Economic Forum, the focus was on debt, economic sustainability and social equity. Average Africa's growth rate is 6%. Energy (electricity and oil) price increases threatens the projected growth in SADC region with Zimbabwe Electricity Supply Authority (ZESA) and SA's ESKOM increasing tariffs. Infrastructure development will again be the key driver to Africa's growth rate, but only if this development is linked to industrialisation and production. The current infrastructure focus is linked to moving imported consumption goods.

Economic indigenisation (empowerment) is gathering momentum in SADC with Zimbabwe pushing hard for the 51% share transfer compliance and SA revisiting its Black Economic Empowerment (BEE) policies ahead of coming elections: - general elections in Zimbabwe 2012/13 and ANC leadership contest in December 2012.

Zambia reversed the USD257 million June 2010 sale of Zamtel, which it declared illegal. The sale of 49% stake in ZANCO to Rabo Bank is being queried. Listed agro firm Zambeef was slammed with a USD10.7 million tax penalty for using the wrong tax code for the importation of palm oil since acquiring Zamanita in 2008.

Social and Political Developments

Greece debt and restructuring efforts are keeping protestors on the streets of Athens as solutions elude the country. There is nothing significant in SADC in terms of positive social development other than the promises from governments.

Parting Words of Wisdom

"Money is the source of all evils" – Anonymous.