

JSE ends subdued session weaker

Odwa Mjo

The JSE closed lower in subdued trade on Tuesday, with general retailers and industrials incurring the greatest losses. Trade was cautious ahead of Wednesday's national polls.

Analysts say the size of any ANC victory could move the market, while the possibility that coalition governments will be needed in the Western Cape and Gauteng could also be significant, given the economic importance of these provinces.

"A 57%-plus ANC win could see initial rand strength because ... the second half of 2019 prospects are improved. A slightly lower 55%-57% range is not alarming but requires an improved cabinet on May 27," economist Gina Schoeman wrote in a note.

Earlier, the SA Chamber of Commerce and Industry (Sacci) business confidence index came in slightly better than expected but failed to have any significant effect on the rand. Sacci's

index rose to 93.7 points in April from 91.8 in February.

Global trade was risk-off, with investors wary about an escalation of the US-China trade conflict, after US President Donald Trump threatened to levy additional tariffs on China.

The all share fell by 1.14% on Tuesday to 58,043.6 points and the top 40 fell by 1.2%. General retailers were down 2.55%. Mr Price fell 2.76% to R217, Woolworths 2.55% to R48.42, TFG 3.63% to R189.55 and Massmart 3.99% to R87.50.

Industrials dropped by 1.46%. Bidvest dropped 1.81% to R216.01, Imperial Logistics 1.98% to R62.30 and Barloworld 1.99% to R126.66.

Financials were down by 0.96%. Sanlam dropped 2.3% to R77.73, Old Mutual 2.33% to R23.47, Discovery 1.43% to R145.39 and Liberty 2.59% to close at R105.69.

Among gold miners, AngloGold Ashanti climbed 1.89% to R171.21, Sibanye 1.62% to R13.15 and DRD Gold 5.43% to R2.91.

Rebosis Property Fund climbed 6.15% to R1.38 after it said it had renewed nine leases, eight with the department of public works.

MTN rose 0.24% to R103.91 after a court ruling that it had met a deadline to respond to a \$2bn tax demand from Nigeria's attorney-general, Reuters reported. Separately, Reuters reported MTN Nigeria has registered to list 20.4-billion ordinary shares at 0.02 naira each with the country's securities regulator. Its shares were down by 0.2% to R103.45 by the close.

Brent crude was at \$70.46 a barrel, down 1.45%, as traders said the stalling talks between US-China had an effect on oil prices, according to Reuters. The Dow Jones was down 1.34% to 26,084.81 points, while the FTSE 100 fell by 1.54%, the CAC 40 by 1.66% and the DAX 30 by 1.8%.

The rand remained flat against the dollar by 5.25pm on Tuesday at R14.4437. It was at R18.8448/£ and R16.1558/€

mjoo@businesslive.co.za