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#### Economic Indicators

	USD	Euro	Move
Rand	9.86	13.12	-0.10%
Pula	8.53	11.29	-0.23%
Kenya	87.5	116.1	6.31%
Kwacha	5234	6911	11.21%
Naira	161	213	-0.61%

	Jun	Jul	Move
Gold (\$)	1240	1291	4.11%
Oil (\$)	102	108	5.39%

*Move is % change monthly against USD*

#### Top 10 JSE Equity Buys 2013

	Share Code	Entry Price	Target Price
1	DTC	4905	6760
2	DSY	6219	8450
3	JDG	4500	5941
4	OML	2449	3147
5	NPN	54320	69268
6	GRT	2450	3074
7	AEG	3066	3835
8	MTN	17760	21689
9	MMI	2217	2637
10	NED	18800	22304

Prices in SA cents

#### JM BUSHUA Funds Returns

Fund Name	3 Years
CashPlus	6.36%
BondPlus	9.29%
Real Return	12.16%
Absolute AllClass	14.22%
Absolute Aggressive	12.16%
Diversified Equity <sup>(1)</sup>	18.23%
Risk Averse Fund	12.46%
Global Investor	N/A
Afro Fund	12.16%

Returns are annualised

(1) 28 months returns

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#### Zambian Kwacha remains weak

Despite a Statutory Instrument, Number 55 (SI55) which was introduced to manage and stabilise the currency, the Kwacha has remained weak against major currencies. The weakness is attributed to market players withholding foreign currency and the fall in copper prices from \$8,200/MT in February to \$6,600/MT in June this year, a -19.51% decline.

SA's inflation surprised by slowing down to 5.5% year-on-year in June from 5.7% recorded in the previous month.

#### Investment markets

Bond yields have remained elevated after the 100 basis points increase in May. Equity and balanced portfolios returned better as equities recovered with above 3.5% return for the month of July led by resources. The truth is that the direction the bond and equity markets will take remains unclear, but what is certain is continued volatility. Asset allocation and security selection becomes key in performance.

#### Economic Activities

The South African Reserve Bank (SARB) adjusted its GDP growth lower to 2.0% year on year for 2013. Low prices and demand for commodities and job losses are exacerbating the situation.

In Zimbabwe, cash crops have been selling well. Since May, 105 million kilograms of cotton has been sold. Buyers are offering \$0.45-0.58 per kg with farmers and ginners having agreed to a minimum of \$0.35/kg. Tobacco sales increased by 19.8% to 157.5 million kilograms (US\$582.3 in revenue) compared to 2012 figures. On the mining front, gold production increased by 29% to 7.2 tonnes (\$377 million revenue) in the first half of 2013. Unfortunately job losses continue. A total of 863 workers have been retrenched so far compared to 746 workers over the same period last year in the gold sector.

Mobile and internet based money transactions are gathering momentum in Africa. ABSA's (Barclays Africa) Cashsend, Standard Bank's Instant Cash, M-Pesa in Kenya and Econet's Ecocash are now popular money transfer services. Mobile banking registered a growth of 28.3% last month, surpassing cards payment method for the first time. Is physical branch network banking under threat? Banks must be innovative to remain sustainable and save jobs. Mobile telephone transactions bring serious competition to traditional banking.

#### Social and Political Developments: ZANU PF wins in Zimbabwe

Elections have come and gone in the Republic of Zimbabwe. ZANU PF won by two thirds of the vote. And the "the vote-was-rigged" cry from the Movement of Democratic Change Tsvangirai faction (MDC-T) continues louder, and was heard even before the counting was concluded and official results announced this time.

The MDC-T leadership has been advised to stop crying all the time by many organisations, including former alliance partners like the National Constitutional Assembly (NCA) led by Prof Lovemore Madhuku. Just as in 2005, Mr. Tsvangirai is proposing that the successful MDC-T Members of Parliament (MPs) boycott parliament proceedings when they start. If Mr. Tsvangirai does not learn from the past, another split is on the cards. There are currently four (4) MDC factions, namely MDC-T, MDC-M, MDC-N, MDC-99, and the next faction will likely be called MDC-B. Hard times, and gone is the MDC like all other opposition parties that were formed with no ideology in Zimbabwe. The problem is that most people are using politics as a means of survival (jobs as MPs) and not to serve the suffering masses of Africa.

#### Parting Words of Wisdom

"A wise person knows that there is something to be learnt from everyone".  
Anonymous

Lesotho • Namibia • South Africa • Swaziland • Zambia • Zimbabwe

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