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Economic Indicators			
	USD	Euro	Move
Rand	15.47	16.82	7.06%
Pula	11.22	12.18	3.03%
Kenya	102.30	111.08	0%
Kwacha	11.00	11.95	6.28%
Naira	199.30	216.37	0.18%
	November	December	Move
Gold (\$)	1064.77	1061.10	-0.3%
Oil (\$)	44.61	37.28	-16%

Move is % change monthly against USD

Top 10 JSE Equity Buys 2015			
	Share Code	Entry Price	Target Price
1	MDC	10065	13481
2	SNT	21500	27837
3	DCT	350	447
4	OML	3470	4290
5	NED	24900	30319
6	AGL	21533	25961
7	SHF	5940	7126
8	ILV	2450	2893
9	LBH	12269	14419
10	LHC	2450	2893

Prices in SA cents

JM BUSHUA Funds Returns	
Fund Name	3 Years
CashPlus	6.24%
BondPlus	6.24%
Real Return	8.17%
Absolute AllClass	11.42%
Absolute Aggressive	10.01%
Diversified Equity	15.36%
Communities Fund	N/A
Global Investor	N/A
Afro Fund	8.17%*

\* Same as Real Return

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#### Fed finally delivers!

In a year of uncertainty and volatility, the final month of 2015 saw the US Federal Reserve eventually come good with their interest rate hike. Global markets waited in anticipation for months as Janet Yellen and her team cautiously guided investors toward a path of policy normalization, eventually implementing a 25 basis point increase on the federal funds rate. The Fed stated that the US labour market has improved dramatically over the past year while inflation is expected to pick up as monetary policy remains accommodative. The move to increase rates is viewed as a prudent step considering the laggard effect of monetary policy in the economy. The unprecedented low rates also means that the Fed has more ammunition to deal with upward inflationary pressure as opposed to dealing with the downside risks. The overall outlook for the largest economy in the world is that growth is expected to be moderate while global challenges will be closely monitored as it presents the greatest risk to the long term recovery of the US economy.

#### Investment Markets- Financials Crash

The JSE ALSI ended December in the red, falling 1.77% as local issues weighed in on the markets. Financials were the focal point as the FIN15 lost 6.28% on the back of the credit downgrade and Nhlanhla Nene's removal as Finance Minister. Some of the biggest losers included South Africa's traditional 'big 4' banks, and insurance giants Discovery and Sanlam. The macroeconomic and political uncertainty also hurt the retail sector as food and apparel suppliers saw major declines. Oil prices edged lower as the global supply glut showed little sign of abating with the lifting of sanctions on Iran expected to provide further supply to global markets. OPEC has however stated that production will be cut by 2019, and there is expectation that higher exploration costs will see less efficient suppliers exit the market.

#### Economic Activities- SA on the brink

December saw another blow to SA as Fitch downgraded the country to the lowest investment grade (BBB-) while Standard & Poor's lowered their outlook to negative. The Rand weakened on the back of this latest rating while the fiasco that followed in government resulted in the local currency breaching R16. Bond yields spiked to levels last seen during the financial crisis as uncertainty took centre stage, with the 10 year yield reaching 10.38% after Nene's sacking. SA's government is struggling to manage the budget deficit and the current account deficit continues to grow, while inflation is poised to present a challenge that will see further impediments to growth. Things can only get worse before they get better.

#### Social and Political Developments- #LeadersMustRise

SA ended 2015 with a bang – serious social issues of service's affordability and corruption taking centre stage. And there was no lack of political drama too. For the first time since the dawn of democracy, students from all backgrounds rallied behind one common objective – a call for affordable education under the campaign "#FeesMustFall". This campaign got global support and will continue in 2016. Then there was the "#ZumaMustFall" campaign after he replaced Minister Nene with Mr. Van Rooyen who in turn was replaced within a week by former Minister Mr. Gordhan as financial market pressure prevailed.

In the US, the presidential nominations campaigns for the Republicans and Democrats is taking shape – with interesting front runners emerging. We think the "Apprentice" Republican Presidential candidate Mr. Donald Trump will not win the US Presidency, even if he succeeds as nominee for his party. In Africa, Zambians go to the polls this year while the drought in SADC continues to blight the region. Our wish in the year ahead is for good leadership and peace in the world.

#### Parting Words of Wisdom

"Success is not final, failure is not fatal: it is the courage to continue that counts." – Winston Churchill

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

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