

Stock Market Performer

Welcome to Frank Black's Stock Market Performer: Edition 401

26th January 2017



Edition overview:

- **Up at the open.**
- **New share selection.**

New share selection:



This is one of the three shares I recommended as top performers for the year. But now it's time for Amplats to join our regular portfolio.

Anglo American Platinum is part of the Anglo group and is one of the leading platinum and PGM's producers in the world. It accounts for 40% of the world's production.

The recent trading statement for the year to 31 December 2016 indicates that coming earnings are going to be 20% higher!

The key to this selection is in the results of the last few years. Due to the crash in the platinum price, earnings have been terrible. That's the key! The platinum price is now starting to recover strongly and just have a look at the graph of Amplats – it's recovering fast too. This is always a great time to get into a share!

On top of this, with the Trump economic policies, the demand for platinum and the PGM's is going to rise as well worldwide.

We are at a good place for the share. World production has been more or less static, demand has fallen and the platinum price has crashed. Now we have an expected rise in demand, the platinum price recovering and the share about to follow.

Quick Fundamentals

●Share code: AMS. ● Sector listed: Large Cap, Mining. ●Risk: High. ●Highly liquid. ●The share will enter our Commodities Portfolio at today's opening price of R356.25

Share Price Graph:

We see a long hard fall and now the recovery looking good. The graph of the platinum price further down is very similar.



Good morning all

The Dow finally cracked the 20,000 point mark and holds. Well done Dow! It's not that important fundamentally, but it is a psychological feather in the cap.

The Trump economic policies and plans are beginning to take shape and they look good. He will be chopping and changing, re-writing and reforming: ●Tax laws, ●Business regulations, ●Trade policy, ●Health Care, ●Infrastructure development and various other stimulus efforts.

In one of his meetings with top US businessmen he said to them, "You guys come up with plans. What do you want and need? And let's work this out together." It's all business friendly, with a favourable slant toward small business.

Good business always raises all ships. So things do look good right now and the market is responding positively.

Global growth is picking up and forecast at 3.4% now, but likely to pick up fast. We are still lagging at just under 1%, but should follow higher as we move on.

The JSE:

Our market is looking good. We are following international markets right now with the normal currency effects on the rand-hedge stocks. Some of our shares have been shooting the lights out. Take Merafe for example! It just won't slow down.

We are set for a very strong close to January. Remember the “January effect”. As goes January, so goes the year. That’s been historically true about 70% of the time.

The Trump effect should trump the Zuma effect on the JSE for the time being.

As always be cautious, watch and be vigilant.



A breath of non-market fresh air:

This is a painting I did using mixed media and incorporating some of my photography.



Kind regards, have a great day, and sleep well tonight!



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