

JSE firmer on banks as retailers find support from Shoprite

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The JSE opened firmer on Wednesday on stronger banks and mixed retailers, led by Shoprite, after both sectors were softer on Tuesday due to a stronger pound.



Picture: [Michael Etershank](#)

The pound strengthened after UK Prime Minister Theresa May announced the UK intended to make a clean break from the EU when negotiations start at the beginning of April. It retraced some of its gains on Wednesday morning.

The local market followed stronger Asian markets. The Nikkei 225 up 0.43% and The Hang Seng gained 1.14%.

Banks were firmer in risk-on trade, with financial stocks also recovering. Gold shares took a breather on the weaker gold price.

At 9.48am the all share was up 0.56% to 53,112.90 points and the blue-chip top 40 gained 0.63%.

Banks added 1.10%, resources 0.88%, financials 0.58% and general retailers 0.02%.

US equities traded lower on Tuesday, with financials lagging behind overall market performance, as general uncertainty with regard to president-elect Donald Trump's policies increased ahead of his inauguration on Friday.

The Dow Jones closed 0.30% lower.

"Effectively, investors are currently trying to figure out "what's next"," Momentum SP Reid analysts said.

Among individual shares on the JSE, Sasol rose 1.52% to R427.42 on higher oil prices. Brent crude lifted 0.20% to \$55.60 a barrel in early morning trade.

British American Tobacco was off 0.46% at R766.46 after increasing its offer to buy out associate company Reynolds in a \$49bn deal.

Among banks, Barclays Africa rose 1.91% to R169.60 and Standard Bank added 1.12% to R151.68.

Sanlam was up 1.37% to R65.89.

After losing 1.23% on Tuesday, Shoprite was up 1.41% to R178.99. It recorded non-South African sales growth of 32.2% for the six months to December.

Massmart was up 0.28% to R131.12 and The Foschini Group added 0.48% to R164.09.

Mr Price remained under pressure, losing 1.57% to R153.55. It reported earlier that total retail sales for the 13 weeks ended December 2016 was 0.5% lower.

Paper and pulp group Mondi plc was 2.01% higher at R295.95.

Source: BDpro

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