



Richard Cluver Predicts

In our 27th year of service to the investing public of South Africa



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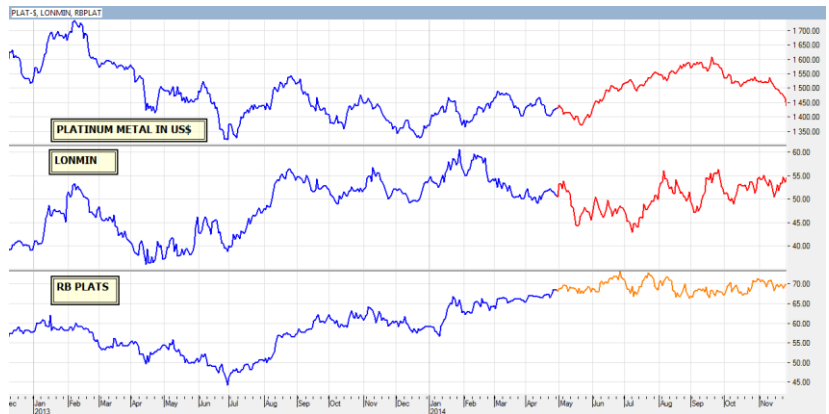
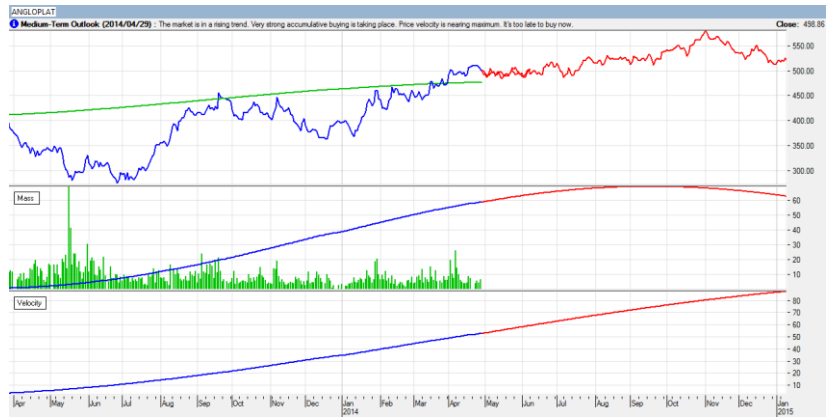
Ordinarily I would never take an interest in platinum shares because they are altogether too cyclical for a long-term investor like myself. But I am intrigued by what has been happening in the sector.

The graph composite of the right depicts the recent share price movements of Anglo Plats which, despite the crippling strike that has now lasted over three months, has seen its price doubled since the middle of last year. Furthermore, as the Mass and Velocity indicators make clear, long-term investors have been accumulating the shares as they continue to chase the price upwards.

And Anglo Plats has not been alone in this regard. While the dollar price of the metal itself has barely moved in the past 12 months, gaining a modest 7% in that time, Lonmin is currently up 33%, having in January been up 68% at its peak in late January from a low of R36 a year ago. RB Plats has similarly gained 41% since its low at the end of last June and, furthermore, ShareFinder's projections suggest that the prices of all three shares will continue rising to peaks between July and September as a consequence of the metal price beginning to climb strongly from mid-May to mid-September during which time ShareFinder suggests the metal price could rise by some 17%.

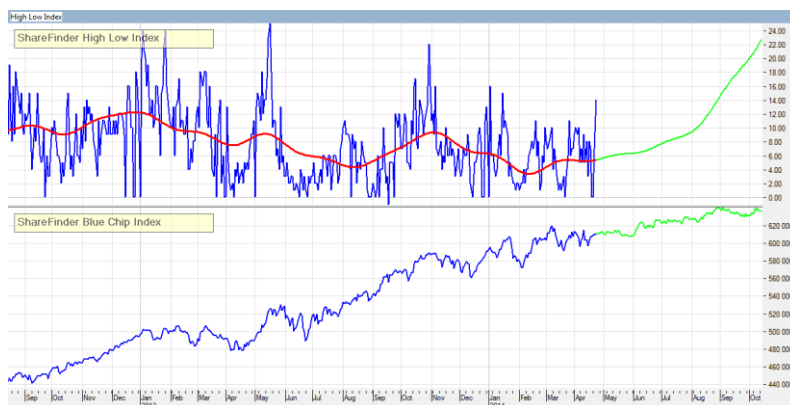
Given that there is no end in sight for the platinum miners' strike and the fact that the mining companies were already in deep financial trouble last year - Anglo Plats earnings per share went from + 1365 in December 2011 to a loss of 562 in December 2012 and another loss is expected for the 2013 year - it is interesting that the consensus among analysts is that the shares are a buy at current prices. I certainly would not take a bet on platinum shares right now.

Meanwhile the holiday for the Rand appears to be over for now. As the graph composite on the right makes clear, the



Rand has been losing value against all major currencies since April 4 in respect of the Pound, April 8 relative to the Euro and April 10 relative to the Dollar and, note the short-term projections in green, it is likely that the Rand will continue its slide well into June.

Finally, the outlook for Blue Chip South African shares remains positive for the foreseeable future as suggested by the projections on the right.



The month ahead:

New York's SP500: I correctly predicted a recovery which could last until May 16 before the next downward run.

London's Footsie: I correctly predicted a recovery which I saw lasting until the end of April. Now I see a brief retraction and a similarly brief rise until the market peaks on May 7 followed by a decline for most of May.

JSE Industrial Index: I correctly predicted the beginning of a decline which started on April 29 and, with a few upward bumps along the way should see the index falling for several weeks.

Top40 Index: I correctly predicted a recovery lasting until April 25. Now I see declines until May 12.

ShareFinder Blue Chip Index: I wrongly predicted a recovery lasting until May 6. Now I see declines until May 8 before the next recovery begins.

Rand: I correctly weakness lasting which I continue to see lasting well into May.

Golds: I correctly predicted a recovery which I still see lasting to the end of May.

Bonds: I correctly predicted a brief decline which I now see continuing into mid-May.

The Predicts accuracy rate on a running average basis over the past 503 weeks has been 82.38%. For the past 12 months it has been 89.77%.

Richard Cluver