The Analysis of Investor Behaviour in Financial Markets

The Role of Cross-Listings in Establishing a South African Development Community Regional Stock Exchange

Handbook of Frontier Markets Derived from the renowned multi-volume International Encyclopaedia of Laws, this practical analysis of the law covering merchants’ status and obligations – including the laws governing state intervention in economic activities – in South Africa provides quick and easy guidance on such commercial and economic matters as business assets, negotiable instruments, commercial securities, and regulation of the conditions of commercial transactions. Lawyers who handle transnational business will appreciate the explanation of local variations in terminology and the distinctive concepts that determine practice and procedure. Starting with a general description of the specifically applicable concepts and sources of commercial law, the book goes on to discuss such factors as obligations of economic operators and institutions, goodwill, broker/client relations, commercial property rights, and bankruptcy. Discussion of economic law covers the laws governing establishment, supervision of economic activities, competition law, and government taxation. These details are presented in such a way that readers who are unfamiliar with specific terms and concepts in varying contexts will fully grasp their meaning and significance. Thorough yet practical, this convenient volume is a valuable tool for business executives and their legal counsel with international interests. Lawyers representing parties with interests in South Africa will welcome this very useful guide, and academics and researchers will appreciate its value in the study of comparative commercial and economic law.

Understanding South African Financial Markets Topics covered in this book’s 22 chapters include: the role of institutions as intermediaries in the financial system; the time value of money; the capital markets and the securities traded therein; interest-rate term structure theory; and foreign exchange.

South Africa: Extending Financial Inclusion in Africa unveils the genesis and transformation of the financial system in South Africa and its ability to provide finance for all. Contributors of the Book traverse the whole spectrum of African financial systems, examining their depth and breadth and empirically evaluating their appropriateness and effectiveness to achieve inclusive financial services. Explores the evolution of the financial sector in Africa from the pre-colonial to post-colonial era investigates the financial inclusion-economic growth nexus Explores the role of financial regulation and governance in enhancing or limiting financial inclusion Evaluates unintended consequences of financial inclusion, including over-indebtedness and increased propensity to spend Assesses cross-sectional evidence on the link between financial inclusion and technological developments such as the internet and mobile technology.

Financial Markets Control Bill This Technical Note discusses stress testing (ST) results for the financial system of South Africa. The bank STs suggest that banks have adequate capital to withstand severe shocks, but need larger liquidity capacity to meet regulatory requirements. Even in the severe scenario in which GDP falls for three consecutive years, banks’ capital buffers seem sufficient, although the impact of a large default could be significant. Banks also appear resilient to market risks in both the trading and banking business. Some banks, however, would have difficulty meeting the Liquidity Coverage Ratio without the Committed Liquidity Facility of the South African Reserve Bank.

South Africa: Financial Sector Assessment Program-Stress Testing the Financial System-Technical Note Postbellum economic change in the United States required an efficient system by which capital could be transferred to areas where it was relatively scarce. In assessing the structure that evolved to meet this need, John James provides a new and convincing explanation of the forces underlying the integration of separate and local money markets to form a national market. To understand the role of financial markets during the period, the author examines the institutions and operations of the banking system in detail. In contrast to the now-prevailing view among scholars, Professor James finds that the banking system was quite adaptable in responding to institutional constraints, and he focuses in particular on the role of the correspondent banking system. The second part of his book assesses the performance of the market and the forces promoting change during the period. Drawing on a new and more carefully derived set of interest rates, the author tests competing hypotheses to explain integration and advances a more satisfactory alternative theory. He offers the first modern analysis of American financial institutions of the period between the Civil War and the establishment of the Federal Reserve System. In so doing, he adds to our knowledge of the historic role of finance and capital in economic development. Originally published in 1978, The Princeton Legacy Library uses the latest print-on-demand technology to again make available previously out-of-print books from the distinguished backlist of Princeton University Press. These paperback editions preserve the original texts of these important books while presenting them in durable paperback editions. The goal of the Princeton Legacy Library is to vastly increase access to the rich scholarly heritage found in the thousands of books published by Princeton University Press. The Princeton Legacy Library uses the latest print-on-demand technology to again make available previously out-of-print books from the distinguished backlist of Princeton University Press. These paperback editions preserve the original texts of these important books while presenting them in durable paperback editions. The goal of the Princeton Legacy Library is to vastly increase access to the rich scholarly heritage found in the thousands of books published by Princeton University Press since its founding in 1905.

The Futures Market Handbook of Frontier Markets: The European and African Evidence provides novel insights from academic perspectives about the behavior of investors and prices in several frontier markets. It explores finance issues usually reserved for developed and emerging markets in order to gauge whether these issues are relevant and how they manifest themselves in frontier markets. Frontier markets have now become a popular investment class among institutional investors internationally, with major financial services providers establishing index-benchmarks for this market-category. The anticipation for frontier markets is optimistic uncertainty, and many people believe that, given their growth rates, these markets will be economic success stories, irrespective of their degree of success, The Handbook of Frontier Markets can help ensure that the increasing international investment diverted to them will aid in their greater integration within the global financial system. Presents topics in the context of frontier markets and uses tests based on established methodologies from finance research Drawns from authors who are established university academics Pays particular attention to financial institutions and applications of financial risk models Expenses financial systems usually reserved for developed and emerging markets These issues are relevant and how they manifest themselves in frontier markets

A Foreign Investor's Guide to South Africa's Financial Markets

Get South Africa Growing This Technical Note analyzes over-the-counter (OTC) derivatives market reforms in South Africa and identifies vulnerabilities that may potentially impact financial stability. South Africa is committed to reform its OTC derivatives market to reduce vulnerabilities and increase transparency. Reforms are being implemented through the Financial Market Act and Regulations for banks, reflecting the Basel III capital requirements. Swift progress on the consultation and issuance of FMA regulations, trade registry regulations, and related notices was warranted to proceed with reforming the OTC derivatives market. Secondary legislation still needs to be finalized and will contain requirements for financial market institutions.

The Equity Market This Technical Note discusses recommendations made during the Financial Sector Assessment Program (FSAP) for South Africa in the areas of contingency planning, crisis management, and bank resolution. The proposed scope of the financial sector and the South African Reserve Bank’s (SARB) jurisdiction as the resolution authority remains unclear. It is suggested that authorities should consider focusing on all deposit-taking institutions and only those other financial institutions that are currently deemed systemic. Non-deposit-taking financial institutions that are not found to be systemic should be resolved by the Prudential Authority or the Market Conduct Authority, whichever is the lead regulator.

South Africa This paper discusses findings of the Financial System Stability Assessment for South Africa. South Africa’s financial sector operates in a challenging economic environment. Despite remarkable growth since the end of apartheid in 1994, South Africa still has one of the world’s highest unemployment and income inequality rates. Slow economic growth since 2008 has further aggravated unemployment, real disposable income is stagnant, and households are heavily indebted.
Relatively high capital buffers as well as sound regulation and supervision have helped mitigate the risks. Stress tests confirm the capital resiliency of banks and insurance companies to severe shocks but illustrate a vulnerability to liquidity shortfalls.

Money and Capital Markets in Postbellum America

South Africa This guide outlines the essential features of the South African financial sector. Written by executives of prominent financial institutions, it provides the reader with first-hand accounts of operations in various financial markets, covering the elements of the financial system, its institutions, markets, and instruments, and monetary policy.

Advancing Regional Monetary Cooperation

The Power of Investor Sentiment This paper examines the role of the derivatives market in South Africa and provides policy options for promoting the development of derivatives markets in sub-Saharan Africa. South Africa’s derivatives market has grown rapidly in recent years, supporting capital inflows and helping market participants to price, unbundle and transfer risk. There are tight regulations on asset allocations by insurance and pension funds to prevent excessive risk taking. The development of derivatives markets in sub-Saharan African countries could enable market participants to self-insure against volatile capital flows. There is a dependence on bank credit as a source of funding could be reduced and their management of seasonal risk could be improved through the introduction of commodity futures. However, these markets must be appropriately regulated and supervised. Since such markets would likely be small, consideration should be given to the establishment of a regional derivatives market.

The Mechanics of the South African Financial System

South Africa Now in its seventh edition, Financial Management is the leading text on the theory and application of corporate finance in southern Africa. Set against the backdrop of the world economy, financial crisis, and subsequent developments in financial markets, this new edition makes reference to real-world applications and financial decisions undertaken by South African companies. The seventh edition contains an expanded focus on corporate strategy and financial risk management, and also incorporates all the relevant legislation that affects corporate finance, corporate governance, capital markets, and tax legislation. Additional new topics include: the role of hedge funds, CFDs, the use of put-call parity, behavioral finance, currency swaps, and the application of Section 24j in determining the cost of capital. Many chapters have references to Warren Buffet’s views on each topic.

Short-term Foreign Finance and the South African Balance of Payments

South Africa: Financial Sector Assessment Program-Reforms in the OTC Derivatives Market-Technical Note

Financial institutions in South Africa South Africans have been poorly served by the economic choices their governments have made. The consequences of these choices are everywhere to be seen but most importantly in unemployment and poverty. In this book Brian Kantor advances spirited economic arguments for freer markets and less government intervention and regulation of the South African economy: the book will add significantly to a layman’s understanding of how our economy works. It offers a succinct review of all the key drivers that determine a modern economy’s performance as well as the key institutions of a modern economy. The book presents an insightful review of the challenges facing the South African economy and its policy makers. Kantor’s sound economic insights, enriched by his familiarity with current affairs and developments in the local political milieu and financial markets, make his book a key and important contribution to the continuing debate which rages around our failing economy indeed it presents solutions which policy makers ignore at their (and our) peril.

The South African Money and Capital Markets

The Impact of Contractual Savings Institutions on Securities Markets

Handbook of International Insurance

Price Discovery in South African Financial Markets Master’s Thesis from the year 2013 in the subject Economics - Case Scenarios, course: LLM in International Trade, Investment and Business Law in Africa, language: English, abstract: It has been established that African stock markets are confronted with a multitude of problems which include, inadequate liquidity, low capitalisation, few market participants, a small number of listed companies and low trading volumes. As a result, their broader economic impact has so far been limited. The Southern Africa Development Community (SADC) stock markets with the exception of South Africa are small, both in terms of the number of listed companies and market capitalisation, and they display considerable illiquidity. In general, the SADC region has shallow and underdeveloped financial markets. Their development has been hampered by a number of factors which include: political and economic uncertainty, fiscal dominance, weak judicial institutions, limited investment opportunities in the private sector, technological constraints, and the shortage of skilled personnel with expertise in banking and finance. It is contended that all these problems could be eased through regional financial integration. The integration of African stock markets and the introduction of regional stock exchanges will promote cross-border listings and thus stimulate increased liquidity across markets. Thus, it is suggested that the integration of SADC’s stock markets and the creation of a regional stock exchange is one of the panaceas to overcome Africa’s stock market problems. A regional stock exchange has the potential for tremendous benefits for both local and foreign investors, as well as for business enterprises in the region

Toward the Effective Regulation of Market Manipulation in South African Financial Markets

Mitigating the impacts of the financial and economic crisis in Africa

Financial Management The global economic crisis revealed a high fragility of growth in African economies, especially among those that are heavily dependent on commodity export. The fragility and lack of depth in African financial markets has also exposed them to adverse effects of volatility of foreign capital outflows. This calls for an urgent need to design strategies to exploit the full potential of domestic resource mobilization and pooling of resources, as well as a rebalancing of export-driven growth strategies.

Asia’s Stock Markets from the Ground Up This paper discusses key findings of the Detailed Assessment of Compliance on the Basel Core Principles for Effective Banking Supervision in South Africa. The South African banking system is highly concentrated with more than 90 percent of banking assets being controlled by the five largest banks. A suitable legal framework for banking supervision is in place to provide each responsible authority with the necessary legal powers to authorize banks, conduct ongoing supervision, address compliance with laws, and undertake timely corrective actions to address safety and soundness concerns. The responsibilities and objectives of each of the authorities involved in banking supervision are clearly defined in legislation and publicly disclosed.


South Africa Banking & Financial Market Handbook Volume 1 Strategic Information and Important Regulations Impavido, Musalem, and Tressel assess empirically the impact of contractual savings institutions portfolios (pension funds and life insurance companies) on securities markets, for example, depth and liquidity in the domestic stock market, and depth in the domestic bond market. They discuss how the institutionalization of savings can modify financial markets through the lengthening of securities’ maturities. The results are the following: * An increase in assets of contractual savings institutions relative to domestic financial assets has a positive impact on the depth of stock and bond markets on average. * The impact on stock market depth and liquidity is nonlinear: it is stronger in countries where corporate information is more transparent. * There is evidence of a significant heterogeneity among countries: contractual savings have a stronger impact on securities markets in countries where the financial system is market based, pension fund contributions are mandatory, and international transactions in securities are lower. * The authors do not find that the impact of contractual savings institutions...
on securities markets is explained by the overall level of development, education, demographic structure or the legal environment. This paper— a product of the Financial Sector Operations and Policy Department—is part of a larger effort in the department to study the effects of contractual savings on financial markets.

South African Financial Markets Review 2008/09 A summary of how stock markets work for those looking to invest. This book is a practical guide to Asia’s stock markets for a general audience. It is for people who do not know much about financial markets but, for whatever reason, would like to learn more. They could be seasoned expatriate pilots, academics and other professionals, newcomers in the region as well as students or young men and women about to start in the finance industry. The idea is to cut through the alphabet soup of industry jargon to provide a clear understanding of how these markets work, how they differ from each other in size and depth, what unique features each stock market has and what drives all the different sectors in these markets – consumers, the internet, banks and technology. The book includes helpful history lessons and personal anecdotes drawn from the author’s 30 years in the world of Asian investments.

The Routledge Handbook of Responsible Investment The UN-supported Principles for Responsible Investment initiative has led to around a third of the world’s financial assets being managed with a commitment to invest in a way that considers environmental, social or governance (ESG) criteria. The responsible investment trend has increased dramatically since the global financial crisis, yet understanding of this field remains at an early stage. This handbook provides an atlas of current practice in the field of responsible investment. With a large global team of expert contributors, the book explores the impact of responsible investment on key financial actors ranging from mainstream asset managers to religious organizations. Offering students and researchers a comprehensive introduction to current scholarship and international structures in the expanding discipline of responsible investment, this handbook is vital reading across the fields of finance, economics and accounting.

Student Guide to the South African Financial System Commercial and Economic Law in South Africa This book examines regional monetary cooperation as a strategy to enhance macroeconomic stability in developing countries and emerging markets. Interdisciplinary case studies on Southern Africa, Southeast Asia and South America provide a cross-regional perspective on the viability of such strategy.

An Investigation of Hedging Instruments in the South African Financial Markets

Get South Africa Growing Handbook of International Insurance: Between Global Dynamics and Local Contingencies analyzes key trends in the insurance industry in more than 15 important national insurance markets that represent over 90 percent of world insurance premiums. Well-known academics from Europe, the Americas and Asia examine their own national insurance markets, including the competitive structure, product and service innovations, and regulatory developments. The book provides academics and executives with an unprecedented range of information about today’s insurance markets. This book also provides important ‘new’ information on the evolution of the financial sector worldwide and comprehensive chapters on reinsurance, Lloyd’s of London, alternative risk transfer, South and East Asian insurance markets, and European insurance markets. Setting the stage is an overview chapter by the editors focusing on overall conclusions on globalization.

Extending Financial Inclusion in Africa This Technical Note discusses findings and recommendations made in the Financial Sector Assessment Program (FSAP) for South Africa in the areas of anti-money laundering and combating the financing of terrorism (AML/CFT). The AML/CFT supervisory framework for the financial sector, in particular the banking sector, has been strengthened by the amended Financial Intelligence Center (FIC) Act that took effect in 2010 and the creation of the AML/CFT supervision team within Banking Supervision Department (BSD) of the South African Reserve Bank (SARB). Significant technical deficiencies remain, such as the absence of requirements to identify and verify the identity of beneficial owners of customers and to apply enhanced diligence to high-risk situations.

The Derivatives Market in South Africa Fundamentals of the South African Financial System In Get South Africa Growing Brian Kantor advances spirited economic arguments for freer markets and less government intervention in the economy. Kantor adds significantly to an understanding of how our economy works and offers a succinct review of all the drivers that determine a modern economy’s performance as well as the key institutions of a modern economy. Kantor’s sound economic insights, enriched by his familiarity with current affairs and developments in the local political milieu and financial markets, make this a key and important contribution to the continuing debate which rages around our failing economy. Get South Africa Growing presents solutions which policy makers ignore at their – and our – peril.