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Cover stories as effective contrarian indicators: A replication study in a South African context

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ABSTRACT

The contrarian model assumes that inferior (superior) past performance can be used as a good indicator of future superior (inferior) performance. In this regard, recent research has integrated the relevance of business magazine cover stories as a possible indicator of this performance, serving as a signal to investors to adopt a particular contrarian investment strategy.

This research study replicates with extension a United States-based study that examined whether cover stories acted as effective contrarian indicators. Cover stories from the *Financial Mail* were collected for a ten-year period to determine whether the nature of the content (classified as either negative, positive or neutral) can act as a useful predictor of future investment performance. The event study method was used to establish whether this future performance was contrarian or momentum in nature, by adjusting the featured company holding-period returns with three benchmark measures: the FTSE-JSE All Share index; a sector-specific index; and an industry-size-matched (ISM) peer company.

Statistical tests suggested that while positive stories provided evidence of momentum holding-period return (HPR) performance, negative stories showed weak evidence of contrarian performance for a two-year period. However, when HPR was adjusted for sector or ISM index, most of the abnormal returns dissipated, with only weak evidence of contrarian performance for positive stories and momentum performance for negative stories. The results validated those of the United States-based study, that suggested that magazine cover stories do not function as suitable indicators of either momentum or contrarian performance.

KEYWORDS: Contrarian, cover story, event study method, replication study

DECLARATION

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other university. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

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Mahomed Ahmed Moolla Date

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Cover stories as effective contrarian indicators: A replication study in a South African context.

1.2 Research Problem

In the listed equity asset class environment, the availability and interpretation of information allowing for the fair value assessment of the asset is the subject of much conjecture. This assessment is further complicated by the fact that information is made available in the public and private domains using various media, including print, television, the internet and other digital domains. Furthermore, the source of the information, whether company releases, analyst reports, expert opinion or mass media comment, adds an additional dynamic to the way investors assimilate and interpret the information.

In this regard, recent research has integrated the particular relevance of the use of business magazines as a source of public information. Specifically, Arnold, Earl and North (2007) collected headline stories in three business magazines in the United States of America (US) over a 20-year period, and analysed whether the cover stories acted as a suitable predicator of future investment performance.

More exactly, Arnold et al. (2007) examined whether cover stories acted as contrarian indicators. Using the event study method, their hypothesis examined whether positive cover stories signalled the end of superior

performance, while negative stories flagged the end of poor performance (Arnold et al., 2007). The motivation to statistically confirm the impact in an academic context was to verify or deny this contrarian effect, which had previously been introduced by business magazine articles, and which used only limited anecdotal evidence as the basis for their findings (Forsyth, 1996; Forsyth, 1997; Queenan, 1991).

1.3 Research Aim and Motivation

The relevance of a contrarian investment strategy to the South African context is presented by Bell (2009), who demonstrated that various reports from different South African investment experts confirmed that value investing – or contrarian investing – beats the market. Under the contrarian model, superior (inferior) past performance is used as an indicator of future inferior (superior) investment performance (Gregory, Harris & Michou, 2003).

The premise of contrarian investing is supported by Statman (2010), who posits that shares of admired companies in US-based *Fortune* magazine surveys yielded lower returns, on average, than shares of spurned companies. Yet investors still persist in increasing portfolio weightings to admired companies. Statman (2010) suggests that the move away from value investing is more as a result of positive sentiment than acknowledgement of real value.

Using the logic that listed companies featured as magazine cover stories would elicit some sort of sentiment (Arnold et al., 2007), the extent of reaction forms the basis of the study. This reaction is measured by considering

investment performance in the short- and long-term periods, and establishing whether momentum, contrarian or neutral characteristics exist.

The aim of this research study is to confirm the role of publicly available information, in particular the business magazine cover story's influence on investor sentiment, as well as to confirm whether the nature of the cover story can be used as a suitable predictor for future investment performance. The research study is currently unique in South Africa, with no similar published local study.

Two questions are being assessed. First, does publicly available information, as provided in business magazines, influence investor sentiment and, hence, influence share price performance? Second, can the nature (either positive, neutral or negative) of this information act as a useful predictor of future performance?

The purpose of this research study is to replicate - with extension (Hubbard & Armstrong, 1994) - the study completed by Arnold et al. (2007), in a South African context. The value to academic debate is to confirm the consistency of the original study's findings to South Africa, using Johannesburg Securities Exchange (JSE)-listed companies and featured cover stories from a prominent South African business magazine, namely *Financial Mail*.

The research method involves rating cover stories based on their content and then assessing the company's total investment performance for various event window periods, ranging from two days to two years, in various increments. The company will also be assessed relative to the performances of a sector-

specific index, the FTSE-JSE All Share J203 index (ALSI) and an industry-size-matched (ISM) company.

The findings will then be compared to those of the Arnold et al. (2007) study, which demonstrated that magazine cover stories generally coincided with the end of extreme positive and negative performance. However, the stories served as neither a reliable contrarian nor momentum indicator (Arnold et al., 2007b). In the case of the original study, only share return performance was considered.

This research study proposes considering, in addition, the impact of dividends received, thereby representing total investment performance. In the South African context, given the resource effect of the JSE (Mordant & Muller, 2003), this study also considers a sector-specific index. In contrast, Arnold et al. (2007) considered a value-weighted Centre for Research in Security Prices (CRSP) stock index as the basis for assessing the relative performance of featured companies.

The relevance to academic debate in presenting a South African case is that it provides additional data for the theory that is being tested (Eden, 2002). Given the public nature of business magazines - and cover stories in particular - the research is useful to investment analysts, private and institutional investors and companies whose shares are featured. The research study will assist in efforts to predict future investment performance and will assist in optimising investment strategies.

CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

Since the 1960s the efficient market hypothesis (EMH) has enjoyed academic support (Shiller, 2003), which posits that competitive markets incorporate all information that is relevant to the share value (Ball, 2009). This suggests that any new information not already reflected in the price of the asset will quickly be incorporated into the price, based on the principle of utility maximisation and rational optimisation (Ball, 1994).

Behavioural finance emerged in the 1980s as a result of a number of financial anomalies (Sandroni, 2005) that could not be explained using EMH. The anomalies experienced included excessive volatility of stock markets and the occurrence of speculative bubbles (Shiller, 2003). This contributed to the emergence of behavioural finance as an alternative framework, to EMH in explaining share price performance.

Behavioural finance approaches investor reaction, and the subsequent impact on share price from a psychological and sociological perspective (Shiller, 2003), using as construct the broader social science theory base (Stracca, 2004). The literature review therefore commences with an introduction to EMH and behavioural finance to provide context to the assessment of information provided in business magazines and subsequent share price impacts.

Next, the event study method framework is presented. As a starting point, this uses a particular event or occurrence and analyses its impact on share price and, by implication, investment return.

Given that the original study was completed in the US and is now being extended to South Africa, a motivation for replication as a viable research method is presented.

This is followed by an overview of the characteristics of contrarian investment strategies, and concludes with an overview of public featured stories in mass media and the impact on share price performance and investment return.

2.2 Efficient Market Hypothesis

Prior to the 1960s stock markets were considered as showing no real economic order, and little research was conducted on share price movements and investment return (Ball, 1994). During this period any change in share price was referenced in terms of the random walk model and only later began to be connected with the economics of competitive markets (Ball, 1994).

The linkage to economic theory was introduced by Fama (1965, cited in Ball, 1994), who posited that market efficiency is characterised as follows:

a) there are a large number of profit maximisers;

b) competing rationally;

c) by trying to predict future market values of individual shares; and

d) in an environment where current information is almost freely available to all.

The development of a research method allowing for the study of particular events and their impact on share price would be a prerequisite for EMH to move into the academic arena.

This was achieved when Fama, Fisher, Jensen and Roll (1969) formalised the research design in their study of stock splits and share return performance, by introducing the concept of residuals, currently referred to as abnormal returns. Their method provided the quantitative framework to analyse the release of information as events and to assess their impact on share price.

Subsequently, Fama (1970) extended the definition of market efficiency as one “in which prices always ‘fully reflect’ available information” (p. 383). This emphasis on information, whether public or private, and the implications of accessibility, led Fama (1970) to distinguish between three information subset tests, namely:

a) weak form tests: where information is based on historical prices;
b) semi-strong tests: based on publicly available information; and
c) strong tests: based on all types of information, including private.

Once the information was made available to the market, investors would earn only the expected return and an “efficient” price would be established (Fama, 1970). In addition, the information would have no impact on changing this expected return (Fama, 1970). This link to information is critical, and EMH states that prices of shares incorporate all the information that is relevant to their value (Schlag, 2008).

However, Ball (1994) argued that Fama (1970) failed to acknowledge the role of the costs of obtaining and processing information, which would lead to different return expectations. Considering that publicly available information is considered at zero cost, while privately held information is costly and hence potentially more valuable, Ball (1994) argued the efficiency is rather around information and not the markets.

Another negative sentiment, suggested by Le Roy (1976, cited by Fama, 1976), was that EMH was largely tautological (of no real substance), because it allowed any "feasible set of return distributions to be consistent with efficiency" (Ball, 1994, p. 10). In response, Fama (1976) tightened the definition by suggesting that the "market [is required to] correctly use all available information" (p. 143). However what this "correct" use of information refers to and the influence of context is still open to interpretation.

Notwithstanding this vulnerability, the tightening of the definition in response to some of the negative sentiment raised, meant that EMH still enjoyed strong academic support through the 1970s (Ball, 1994; Shiller, 2003).

It was during the 1980s, with the occurrence of other financial anomalies such as increased trading volumes, high price volatility and stock market bubbles (Lawrence, McCabe & Prakash, 2007; Sandroni, 2005; Shiller, 2003), that the relevance of EMH was actively questioned. Gopi (2009) suggested that irrational behaviour is unlikely to yield efficient financial markets. Instances of investor herding or crowd-following and investor overreaction (Olsen, 2008) questioned the appropriateness of EMH and its premise of investor rationality.

Fama's (1998) justification for the ongoing relevance of EMH explained these anomalies as chance events. He suggested that, in the long term, occurrences of under-reaction balanced out with over-reaction. Similarly, post-event continuation of pre-event abnormal returns was as common as post-event reversals (Fama, 1998). Fama (1998) also explained these anomalies as being due to choice of research method and hence disappearing when the research technique was changed.

Lucas (Euroweek, 2009) defended the use of EMH, stating that these anomalies are too small to be given attention. Goedhart, Koller and Wessels (2005), using as the basis for measurement the median return on equity for US companies over a 35-year period, suggested in support of EMH that markets still reflected economic fundamentals and placed an even greater emphasis on requiring an understanding of the intrinsic value.

Further, support for EMH occurred more recently when Ball (2009) rebuked the claim that it was in some way to blame for the global financial crisis, as a result of EMH's premise of exploitation of all information when setting share prices in competitive financial markets. Instead, Ball (2009) argued that the crisis represented the failure of financial institutions to heed warnings of efficient markets. Ball (2009) continued that, in a competitive market, taking risky positions by using debt as leverage was against the tenets of EMH, which required rational utility maximisation - with the emphasis placed on the word "rational".

Ball (2009) went on to suggest that behavioural finance's role, considered by many academics as challenging and supplanting EMH, be seen rather as

complementing and reinforcing EMH. This is supported by Fromlet (2001), who posits that behavioural finance be seen as a valuable supplement to classical theory (EMH), explaining reactions on financial markets that appear contrary to EMH.

Whether behavioural finance supplants or complements EMH, an understanding of the socio-economic theory of finance (Prechter & Parker, 2007) is required. Behavioural finance examines the role of psychology and sociology and their impact on investor decisions.

2.3 Behavioural Finance

The debate on whether EMH provides a single elegant theory to explain share price performance versus the role of behavioural finance as either a complementary or a completely new paradigm concept supplanting EMH, is the subject of much academic discussion. Prechter and Parker (2007) questioned EMH, whose construct lies in economic theory where supply and demand operate among rational optimisers to produce equilibrium. Gopi (2009) argued that irrational behaviour has become a permanent feature of financial markets. This was made all the more evident during the 1980s, when stock markets exhibited increased volatility and the formation of speculative bubbles (Shiller, 2003).

Shiller (2003), in describing the beginnings of behavioural finance, highlighted the impact of feedback models on prices. Speculative prices stemming from early successes and increased public attention fuel the expectation of further price increases, elevated investor demand and resulted in more price

increases (Shiller, 2003). While individual speculative bubbles (Shiller, 2003), with their own unique set of characteristics, have been in existence since the evolution of capital markets, the following elements are common ingredients of most market bubbles: the emotions and psychology of investors; financial innovation; and leverage (Sullivan, 2010).

Nofsinger (2005) supported the premise that decisions were characterised by emotions which in some instances contributed to investor optimism and speculative bubble formation. In order to explain the move away from evaluations based on fundamentals, the focus moved away from analysis of share price fundamentals based on EMH, towards developing models based on psychology and the possible relation between psychology and financial markets (Shiller, 2003).

These irrational pricing effects were grouped into three dominant concepts which provided a basis for a “unified explanation for most judgement and decision biases” (Hirshleifer, 2001, p. 1541). The first is referred to as heuristic simplification, where an individual’s decision making is simplified by using a familiar reference or adopting an easier process. The second is self-deception, which is more individually focused with decision making based on over-confidence and self-attribution bias. The final concept is referred to as emotional loss of control, where decision making is abdicated to social interactions resulting from fear of loss, regret and risk aversion.

The characteristics of these three dominant concepts are detailed in Table 1 and provide useful insights into understanding why different decision makers

deviate from the principles of rational utility optimisation, and act differently when faced with the opportunity of using the same available information.

Table 1: Hirshleifer's (2001) summarised judgement and decision biases

Heuristic simplification	• Citing Kahneman and Tversky (1973) salience and availability effects, where items easier to recall are more common. People also fail to recall all relevant information from memory • Halo effect resulting in misattribution bias • Illusion of truth where people are more inclined to believe the truth if it is easier to process • Narrow framing involves analysis in an isolated fashion, generally when time and resources are limited • Anchoring (citing Tversky and Kahneman, 1974) • Mental accounting, where gains and losses are tracked (citing Thaler, 1985) • Representativeness bias heuristic (citing Kahneman and Tversky, 1973), where reference effects are considered • Citing Edwards (1968), the impact of conservatism • Over-reliance on the strength (extreme nature) instead of weight (reliability) of information (citing Griffin and Tversky, 1992)
Self-deception	• Over-confidence and self-enhancing biased self-attribution, where people tend to attribute good outcomes to their own ability and bad to external factors • Rationalisation and confirmatory bias
Emotional loss of control	• Distaste for ambiguity, where people prefer options that give them a sense of understanding and competence • Risk, regret and loss aversion may stem from fear; thus moods, feeling and emotions are all pertinent • The impact of deferring decisions and availability of time • The impact of social interactions and the influence of conformity, fundamental attribution error and false consensus effect

In the context of capital markets, price deviations can also occur as a result of investors incorrectly processing information and forming misrepresented expectations of a company's future performance (Goedhart et al., 2005).

In instances where irrational behaviour is evident in large groups, represented by share prices deviating substantially from fundamentals, some form of overconfidence, over-reaction and over-representation is exhibited (Goedhart et al., 2005).

Two other behavioural factors that have been covered in academic studies are those of short-term momentum and long-term reversals in share price (Goedhart et al., 2005). The former occurs when investors place too much emphasis on a company's recent performance (caused by initial over-reaction) and the share price adjusts excessively in the short term. However, the share price reverses as investors gain more information in the long term (Goedhart et al., 2005).

At the other end of the scale, systematic under-reaction by overly conservative investors results in the share prices not reacting instantaneously (Goedhart et al., 2005). Goedhart et al. (2005) suggested that markets overcome by emotions are at times inefficient at assessing information, and prices can be driven by factors other than fundamentals (Coakley & Fuertes, 2006).

In the context of this research study, a positive or negative story would be expected to elicit different investor reactions and subsequent investor returns. On the one hand, behavioural finance suggests the possibility of over-reaction or under-reaction resulting in short-term momentum and long-term reversals in share price (Goedhart et al., 2005). EMH, on the other hand, suggests the possibility that asset prices already include all the information available (Ball, 1994), with limited change to investment return.

This study will assess the short- and long-term effects on investment returns based on the nature of the cover stories, and the literature covering behavioural finance and EMH will be used as the context to explain the performance.

2.4 Event Study Method

To examine the impact on investment return after the publication date of the magazine cover stories, this study drew on the event study method.

Event studies are based on the seminal work of Fama et al. (1969). The principle involves measuring the impact of a particular defined event on company performance, before and after the event, over predefined fixed periods. In the context of this research study, the cover story featuring a listed company is defined as the event, and the returns around the publication date will be analysed.

By using a benchmark to estimate expected return, Fama et al. (1969) identified share price returns that were excessive or abnormal, by subtracting the expected return from actual share price performance of target companies. The abnormal return was then analysed to determine if this difference was statistically significant over the event window period.

While the actual share price performance is available, the choice of benchmark to determine the expected return is largely based on four techniques (Mushidzhi & Ward, 2004). The first method is the market return model, which incorporates the risk of the company in relation to the market,

and utilises the beta of the company and market. The second method is the market-adjusted return model, where a company is expected to generate the same returns as the rest of the market. The third method is the mean-adjusted return model, where a company is expected to generate the same returns that it averaged during the estimation period. The final method is the control portfolio return model, which involves the use of a control portfolio of companies, with the target company's expected return estimated by the observed return of the control portfolio. Some of the comparative criteria used for grouping include companies of similar size, in a similar industry, with similar betas, price-to-earnings ratios and book-to-market equity ratios (Smit, 2005).

In the South African context a further consideration in the control portfolio model is the resource effect of the JSE (Mordant & Muller, 2003). Van Rensburg and Robertson (2003) suggested that the stripping of resources shares from the analysis of financial and industrial shares added more validity to the model.

This arises from the fact that resource shares are influenced by external factors such as commodity price cycles and foreign exchange movements, which may have limited or varied impact on other sectors. Therefore comparing other company investment performance to the overall JSE index (with its relatively large resource weighting) may misstate the extent of abnormal return (Van Rensburg & Robertson, 2003). This is particularly pertinent to choice of index comparison and will be discussed in Section 4.6.

Another factor that influences the type of control model used is the size of event window period. For long event windows, a complex model is to be considered to “predict, and therefore control, for cyclical, seasonal and bourse specific events” (Baty, 2008, p. 35). In the case of this study, the longest event window period considered is 500 days, and abnormal returns will be matched against the sector index and an ISM company. Therefore any cyclical seasonal effects would be removed in the abnormal return determination.

McWilliams and Siegel (1997, cited by Mushidzhi & Ward, 2004) suggested that the utilisation of the event study framework requires the following set of assumptions to be valid:

a) unanticipated event: only after announcement does the market become aware of the event;
b) confounding effects: during the event window period no other event occurs; and
c) market efficiency: all available information is incorporated into share price.

This is pertinent in explaining some of the choices around key variables like population of relevance and sample selection as inputs into the research method.

More detail around the event method framework and analysis of the data is discussed in Section 4.6.

2.5 Replication Studies

As noted in Section 1.2, this study represents a replication of the study undertaken by Arnold et al. (2007), in a South African context.

Hubbard and Armstrong (1994) define a replication as a "duplication of previously published empirical study that is concerned with assessing whether similar findings can be obtained upon repeating the study" (p. 236). The original US-based research study collected headline stories of companies listed on the US stock exchange from three US business magazines over a 20-year period (Arnold et al., 2007).

In the case of this research study, the sample will be drawn from a different population: South African companies listed on the JSE using a South African business magazine. In addition, total investment return is considered together with a further abnormal returns-generating model: the sector-specific index.

Therefore, a replication with extension is suggested. The study will not only test whether the findings from this study are consistent with those from the original study (Hubbard & Armstrong, 1994), but also present additional analysis in terms of the two distinctive approaches adopted in the method.

A factor that needs to be considered in a replication study is the difficulty of obtaining original information around the research method and relying on only information published in the original study. This could result in differences in findings between the two studies (Hubbard & Armstrong, 1994).

Replication studies are sometimes considered as redundant and is seen as validating someone else's research (Evanschitzky, Baumgarth, Hubbard & Armstrong, 2007); Booth (2007) suggests that this stems from two misconceptions. The first is that research requires for something new and unique to be added in order to be considered useful so as to add quality to the academic debate. The second misconception is that single studies establish findings, and replications add nothing more (Booth, 2007).

While new ideas and creativity ensure scientific progress (Hunter, 2001), verification of data and facts through replication studies is also required. Further, acknowledging the importance of deviation from the original study and its potential contribution to academic debate, Eden (2002) suggests that even in circumstances where the findings are consistent with previous studies, they provide further data relevant to the theory being tested.

Singh, Ang and Leong (2003), in the context of strategy development, suggested that replication is important to ensure reliability and validity of research for theory development, particularly in the social science arena. This is pertinent given behavioural finance's social roots.

In summary, this study is considered a replication with extension (Hubbard & Armstrong, 1994), as it considers a different population and two additional data analysis methods that deviate from the study undertaken by Arnold et al. (2007). The first, share capital return and total investment return are to be considered, whereas Arnold et al. (2007) only evaluated the former. The second, an additional abnormal returns-generating model, a sector-specific index, is to be considered.

2.6 Contrarian Investment Strategy

Arnold et al. (2007) examined whether cover stories acted as a contrarian indicator, their hypothesis being that a positive cover story would signal the end of extreme performance and would be followed by negative performance. In order to set the context, an introduction to contrarian investment strategy is therefore presented.

Contrarian investment strategy (Mun, Kish & Vasconcellos, 2001) assumes that shares that underperform (outperform) the market will subsequently outperform (underperform) those shares that have previously outperformed (underperformed) the market. The linkage to the research topic is that a positive (negative) cover story generally follows on the back of good performance (underperformance) and represents the end of this extreme performance. Cover stories, then, could serve as a good indicator to adopt this contrarian investment strategy.

Chan (1998) posited that research had found that buying losers and selling winners, as a value strategy, results in abnormal returns. Value strategies involve buying shares that have low price-earnings ratios, book values, dividends or other measures of fundamental value (Lakonishok, Shleifer & Vishny, 1994), thereby exploiting suboptimal investor behaviour.

Gregory, Harris and Michou (2003) supported the premise that contrarian or value investment strategies deliver superior returns. Under the contrarian model, value strategies are profitable since they are contrarian to strategies that use past performance to forecast future returns. In terms of the rational

pricing model, value strategies deliver profitability because they are considered riskier (Gregory et al., 2003).

For investors that use cover stories and historical performance as contrarian indicators, this research can serve as a useful tool to supplement their contrarian strategy by providing a trigger to act in a specific direction.

2.7 Cover Stories as Effective Contrarian Indicators

2.7.1 Public Information Disclosure and Share Price Performance

The first instance of business magazine cover stories as contrarian indicators used anecdotal examples (Queenan, 1991), and suggested that bearish cover stories were generally followed by improved performance. In this magazine article, Paul Montgomery suggested that while “good fundamentals [are] important, ... they do not move the market unless the psychological state of the market place [is considered]” (Queenan, 1991, p.10). His evidence was anecdotal, with no scientific method. Of interest, however, was that behavioural finance was suggested by Queenan (1991) as a framework to explain investment performance.

This contrarian cover story indicator hypothesis was explored later by Forsyth (1996) and Forsyth (1997), again in magazine articles, where it was suggested that the story was usually frequently featured just prior to the turning point in the market. In these articles, Montgomery again suggested that after a bullish cover story ran, the short-term momentum impact usually lasted for few weeks before turning (Forsyth, 1996). Montgomery postulated that the “magazine

cover indicator work[ed] because editors' opinions reflect[ed] the information and mood of the moment just as the market does. General-interest periodicals tend to catch the pendulum swings near their ends, so an eventual reversal is more likely" (Forsyth, 1996, p. 18).

However, Desai and Jain (2004), in their analysis of Abraham Briloff's articles which commented on company accounting practices in a business magazine, suggested the opposite effect. Negative criticism resulted in companies experiencing significant abnormal negative returns, on average, on the first day after publishing - which continued for another 30 days. In order to assess the long-term effects of the critique, the analysis was continued for three years, and the abnormal negative returns continued. The motivation to consider the long-term effects was twofold. The first reason was to assess whether the share price would reverse, as the initial reaction was based on Briloff's reputation rather than the substantive nature of the information. A second reason was to confirm the speed and permanence of the market's reaction to the article.

In another mass media space, television, Ferreira and Smith (2003) found that after recommendations made by panellists on the TV show "Wall $treet Week with Louis Rukeyser", positive abnormal returns were observed for both the short term (first trading day after airing) and the long term (eight quarter periods after the show). Using an ISM company, and a second technique where book-to-market matching was incorporated with ISM, the abnormal return was found to be statistically significant in the short term and in some of the cases in the longer term.

More recently, Casado-Diaz, Mas-Ruiz and Sellers-Rubio's (2009) assessment of the stock market's reaction to the release of third-party complaints in the Bank of Spain's public disclosure document, showed the release of information negatively influenced the company's share returns. Other evidence of public disclosures in a different context suggested a positive (negative) relationship between an increase (decrease) in capital expenditure disclosure and abnormal stock returns (Akbar, Ali Shah & Saadi, 2008).

In the case of assessing the impact of receipt of a quality award (public domain) in the European Union, Tuck (2005) found no abnormal returns and found that there was no information content in the announcement of the award. Finally, Del Guercio and Tkac (2008) analysing the impact of Morningstar ratings adjustments on mutual funds, found economic and statistically significant positive (negative) abnormal returns following rating upgrades (downgrades).

The articles above illustrate abnormal returns suggesting momentum performance (Akbar et al., 2008; Casado-Diaz et al., 2009; Del Guercio & Tkac, 2008, Desai & Jain, 2004; Ferreira & Smith, 2003; Tuck, 2005), which is contradictory to Montgomery's contrarian indicator postulation (Forsyth, 1996; Forsyth, 1997; Queenan, 1991).

Wang and Xie (2010) found that the speed of information diffusion and the information environment determined the extent of over-reaction in the context of the contrarian strategies in the Chinese stock market. Fang and Peress (2009) assessed the impact of mass media and the reliability of the content on share price returns. They found that shares with no media coverage enjoyed

higher returns than those with high media coverage. Therefore, it is not only the nature of the content, but also the speed of dissemination that impacts investment performance.

Bhattacharya, Galpin, Ray and Yu (2009), in assessing the role of media in the internet initial public offerings, classified news items as good news, neutral news and bad news, and found more positive stories in periods of significant growth and more negative stories in periods of fall. The classification of news as good, neutral and bad is consistent with Arnold et al.'s (2007) method.

The impact of newspaper articles on share price performance is evidenced by Huberman and Regev's (2001) case study of a *Sunday New York Times* article on the potential development of cancer-curing drugs by EntreMed. The article resulted in the share price increasing from its close on Friday of 12, to open at 85 and finally close at 52 at the end of Monday. It then closed above 30 for the following three weeks. In this case the impact spilled over to the biotech industry.

What is of interest, though, is that the same information was published five months earlier in the *New York Times*, and induced no over-reaction (Huberman & Regev, 2001). The eventual over-reaction induced an artificial rise in share price into the short and medium term. This suggests that it is not only about the nature of the content, but also the timing.

In a more recent study of *Fortune* magazine's annual list of "America's Most Admired Companies", featured from April 1983 to December 2007, on average shares of admired companies had lower returns than shares of spurned

companies (Anzinger & Statman, 2010). This concurred with an earlier study by Clayman (1987, cited by Anzinger & Statman, 2010), where it was suggested that the inclusion of a company in either the spurned or admired list demonstrated a future contrarian investment performance.

The study (Anzinger & Statman, 2010) was conducted using returns from the date on which the list was published, and not when investors completed the ratings survey (months before the date of publishing). To mitigate against the information delay impact, Anzinger and Statman (2010) cited two previous studies (Shefrin & Statman, 2003; Statman, Fisher & Anginer, 2008) that considered returns from the time of the survey and that also concluded that higher-ranked companies had subsequent lower returns.

A more recent Clayman (1994) study showed conclusions inconsistent to those of the original Clayman (1987) study (both cited by Anzinger & Statman, 2010). The later study demonstrated that companies reflected as excellent had shown subsequent higher returns (Clayman, 1994). This momentum performance was further supported by Anderson and Smith (2006) and Antunovich, Laster and Mitnick (2000) (cited by Anzinger & Statman, 2010), who found that companies highly ranked by *Fortune* magazine had higher subsequent returns.

The apparent inconsistent relationships that have been identified in the literature between public information disclosure and share price performance are summarised in Table 2 below.

Table 2: Summary of nature of disclosure and abnormal returns

Literature Source	Nature of Disclosure and Media choice	Findings
Forsyth (1996); Forsyth (1997); Queenan (1991)	Magazine cover story effect	Anecdotal evidence of contrarian effect
Huberman & Regev (2001)	Potential cancer treatment in newspaper	Substantial increase in share price in short and medium term. Of interest is that the same information was published five months before, with no reaction
Ferreira & Smith (2003)	TV show: panellist recommendations	Positive buy recommendations, abnormal returns in long and short runs
Desai & Jain (2004)	Featured articles in business magazine	Negative comments result in negative abnormal returns continuing into short and long term
Tuck (2005)	Announcement of receipt of quality award	No abnormal returns observed
Healey (2007) (Section 2.8 below)	Research study commissioned by Harvard's Kennedy School of Government	Companies viewed in a positive light, had for a 12-year period outperformed the stock market all of the time, and comparative ISM companies 80 percent of the time.
Akbar et al. (2008)	Disclosure of capital expenditure programme	Increase (decrease) in capex spend correlated with positive (negative) abnormal returns
Del Guercio & Tkac (2008)	Impact of Morningstar ratings on mutual funds	Positive (negative) abnormal returns following rating upgrades (downgrades)
Casado-Diaz et al. (2009)	Third-party complaints public document	Negative influence of inclusion in list showed negative abnormal returns in the short term
Wang & Xie (2010)	Testing nature and speed of information disclosure	Speed of disclosure and information environment determined the extent of over-reaction

Literature Source	Nature of Disclosure and Media choice	Findings
Anginer & Statman (2010)	*Fortune* magazine's most admired and spurned companies list	Spurned or relatively low *Fortune* magazine rated companies beat stocks of admired companies or those with higher ratings
Anderson & Smith (2006); Antunovich, Laster & Mitnick (2000); Clayman (1994)	Previous *Fortune* magazine studies cited by Anginer & Statman (2010)	Companies highly ranked by *Fortune* magazine survey had higher subsequent returns
Clayman (1987); Shefrin & Statman (2003); Statman, Fisher & Anginer, (2008)	Previous *Fortune* magazine studies cited by Anginer & Statman (2010)	Companies highly ranked by *Fortune* magazine survey had lower subsequent returns for a different period to the studies conducted above

2.7.2 Initial US-based Magazine Cover Story

Given the inconsistent return performance in previous studies in Table 2 above, the relevance of Arnold et al.'s (2007) study in terms of features in business magazine cover stories is all the more important.

Arnold et al.'s (2007) study is based on the motivation to statistically test the impact of the contrarian effect of cover stories. The motivation follows from the fact that previously only anecdotal evidence, with no scientific method, had been used as a basis to develop the contrarian hypothesis (Forsyth, 1996; Forsyth, 1997; Queenan, 1991).

Arnold et al. (2007) tested the effect of company performance statistically and demonstrated some abnormal return effect on short-term future share prices.

However, in both instances the long-term abnormal return effects for periods of between one to three years after publication date were, effectively, zero.

Arnold et al.'s (2007) findings confirmed that positive feature stories follow positive company performance and negative stories are preceded by negative performance. However, when the holding-period returns were adjusted by the by an ISM company return or an index, there were no clear abnormal returns.

Healey (2007), in response to the findings of Arnold et al. (2007), suggested that a previous study commissioned while at Harvard's Kennedy School of Government showed that companies viewed in a positive light had, for a 12-year period, outperformed the stock market all of the time. When compared to ISM companies, these analysed companies outperformed ISM companies 80 percent of the time.

The response of Arnold et al. (2007b) to Healey (2007) indicated that far from suggesting that cover stories provide a categorical signal for momentum or contrarian strategies, the cover story "coincided with the end of an extreme performance ... [and] ... will perform equivalently to an industry-matched peer after the cover story appears" (Arnold et al., 2007b, p. 14).

2.8 Summary

The debate between the relevance of EMH and the position of behavioural finance as a framework to supplant EMH's existence continues. However, the most recent thinking suggests that the two schools, stemming from the economic and social sciences respectively, are instead complementary, thereby more fully explaining investor reaction and share return performance. The complementary roles of EMH and behavioural finance, therefore, provide a more relevant context to assess the information provided in the media and subsequent investment performance.

The inconsistent nature of the conclusions and findings from the various studies discussed in this chapter and summarised in Table 2 suggest that using these articles, features or announcements as indicators of future investment performance may be inappropriate. While there is momentum investment performance subsequent to a particular event, there are similar instances in the academic literature where a positive story heralded negative future investment performance and could be considered a contrarian indicator.

In the case of the US-based Arnold et al. (2007) study, despite instances of extreme performance and contrarian abnormal return in the short term, there was no clear contrarian abnormal return in the long term. Arnold et al. (2007b) concluded that cover stories were not a reliable contrarian or momentum indicator. Instead, the cover story merely provided an indication of the end of extreme performance.

The replication-with-extension nature of this research study, using the event study method proposed by Arnold et al. (2007), provides a suitable method to validate the impact of business magazine cover stories in a South African context. Furthermore, it adds to the academic discussion validating the current theory base (Eden, 2002).

CHAPTER 3: RESEARCH HYPOTHESIS

3.1 Introduction

The purpose of the current study is to examine the impact of business magazine featured cover stories on investment performance, using as a basis the Arnold et al. (2007) study. This is to be achieved by categorising cover stories on a five-point scale as “very-positive”, “positive”, “neutral”, “negative” and “very-negative”, based on their featured content. Following Arnold et al. (2007), two further categories were considered: a combined “all-positive” category; and a combined “all-negative” category. In total, seven categories were considered.

For various event window periods (defined in Section 4.6.3) ranging from two days to two years, the total investment return (TR) performance and the share capital return (SR) performance were assessed in four ways:

a) the company holding-period return (HPR);

b) abnormal return assessed relative to the ALSI (AJR);

c) abnormal return relative to an ISM company (ISMR); and

d) abnormal return assessed relative to industry sector index (ASR).

The first three are consistent with Arnold et al. (2007), and the last is as detailed in Section 2.4.

In order to assess whether the investment performance was statistically significant, hypothesis tests were carried out for each of the prior to and post-publication event window periods. This included a parametric one-sample t-

test and the non-parametric Wilcoxon signed rank-sum tests (Zikmund, 2003) where differences from zero were assessed (Arnold et al., 2007).

3.2 Company Holding-Period Return (HPR)

3.2.1 HPR: Total Investment Return

Due to the fact that the individual company holding-period returns could be either positive or negative, a two-tailed test is considered. The following null and alternative hypotheses were tested for each of the event window periods and for the seven categories of cover stories:

$$\text{Null hypothesis: } HPR_{TR} = 0$$

$$\text{Alternative hypothesis: } HPR_{TR} \neq 0$$

In the event of the null hypothesis being rejected, it would suggest that the average HPR is either less than or greater than zero. Depending on the HPR sign, the cover story would then be considered as either a momentum (positive) or contrarian (negative) indicator for each window period.

3.2.2 HPR: Share Capital Return

Similar to Section 3.2.1, the following null and alternative hypotheses were considered for the share capital return for each of the event window periods and for the seven categories of cover stories:

$$\text{Null hypothesis: } HPR_{SR} = 0$$

$$\text{Alternative hypothesis: } HPR_{SR} \neq 0$$

The interpretation of the results of the hypothesis is similar to what is described in Section 3.2.1.

3.3 Abnormal Return Relative to ALSI (AJR)

3.3.1 AJR: Total Investment Return

The rationale for using a two-tailed test is the fact that the abnormal return could be either positive or negative. The following null and alternative hypotheses were considered for each of the event window periods and for the seven categories of cover stories:

$$\text{Null hypothesis: } AJR_{TR} = 0$$

$$\text{Alternative hypothesis: } AJR_{TR} \neq 0$$

In the event of the null hypothesis being rejected, it would suggest that the abnormal return relative to the JSE index is either less than or greater than zero. Depending on the AJR sign, this would suggest whether the listed cover companies underperforms (negative) or outperforms (positive) the sector respectively.

3.3.2 AJR: Share Capital Return

Similar to Section 3.3.1, the following null and alternative hypotheses were considered for the share capital return for each of the event window periods and for the seven categories of cover stories:

$$\text{Null hypothesis: } AJR_{SR} = 0$$

$$\text{Alternative hypothesis: } AJR_{SR} \neq 0$$

The interpretations of the results of the hypothesis are similar to what is described in Section 3.3.1.

3.4 Abnormal Return Relative to ISM Company (ISMR)

3.4.1 ISMR: Total Investment Return

In the case of the ISM comparative, the abnormal return could also be either positive or negative. Therefore a two-tailed test is considered. The following null and alternative hypotheses were considered for each of the event window periods and for the seven categories of cover stories:

$$\text{Null hypothesis: } ISMR_{TR} = 0$$

$$\text{Alternative hypothesis: } ISMR_{TR} \neq 0$$

The interpretation of the outcome of the test is similar to Section 3.3. In instances where the null hypothesis is rejected for each event window period, this would suggest that the average abnormal return relative to the ISM company is either less than or greater than zero, and the difference is statistically significant. This would suggest that the featured cover stories in a particular event window period either underperforms (negative sign) or outperforms (positive sign) the comparative.

3.4.2 ISMR: Share Capital Return

Similar to Section 3.4.1, the following null and alternative hypotheses were considered for the share capital return:

$$\text{Null hypothesis: } ISMR_{SR} = 0$$

$$\text{Alternative hypothesis: } ISMR_{SR} \neq 0$$

3.5 Abnormal Return Relative to Industry Sector Index (ASR)

3.5.1 ASR: Total Investment Return

The final abnormal returns-generating model considered is that of the abnormal return relative to an appropriate industry sector. Due to the fact that the abnormal return could be either positive or negative, a two-tailed test is considered. The following null and alternative hypotheses were considered for each of the event window periods and for the seven categories of cover stories:

$$\text{Null hypothesis: } ASR_{TR} = 0$$

$$\text{Alternative hypothesis: } ASR_{TR} \neq 0$$

In instances where the null hypothesis is rejected for each event window period, this would suggest that the average abnormal return relative to the sector index is either less than or greater than zero and that this difference is statistically significant. This would suggest that the featured cover stories in a particular event window period either underperforms (negative sign) or outperforms (positive sign) the sector index.

3.5.2 ASR: Share Capital Return

Similar to Section 3.5.1, the following null and alternative hypotheses were considered for the share capital return for each of the event window periods and for the seven categories of cover stories:

$$\text{Null hypothesis: } ASR_{SR} = 0$$

$$\text{Alternative hypothesis: } ASR_{SR} \neq 0$$

CHAPTER 4: RESEARCH METHOD

4.1 Research Design

The research used as a basis the method proposed by Arnold et al. (2007). The additions and deviations to the Arnold et al. (2007) method, introduced in previous sections, will be set out in greater detail in this chapter.

In the case of the current study, secondary data from an existing financial database, I-Net Bridge, was used and featured headline cover stories of listed South African companies identified from the South African business magazine publication, *Financial Mail*. The publication was chosen for three reasons. First, the researcher had access to the magazine archives. Second, *Financial Mail* is a business magazine published weekly, and therefore had the potential for a large sample size. Third, the readership of business magazines are very similar and *Financial Mail* is represented as South Africa's leading publication in its field with a readership of 180 000 (Avusa, 2010), compared to *FinWeek's* readership of 70 000 (FinMedia 24, 2010).

Therefore, the research was quantitative and followed a causal research design. The independent variable was the rated cover story (whether it was all-positive, very-positive, positive, neutral, negative, very-negative or all-negative), and the dependent variable was the return performance.

Two definitions of return were considered. The first, a share capital return, and the second, a total investment return, which included dividends received during the holding-period. Total investment return is considered a better return

determinant as it represents the full investor return. The current study also considered the share capital return, so as to allow for comparison with the Arnold et al. (2007) study.

The research was time series-based and falls into the quasi-experimental category (Zikmund, 2003). Magazine cover stories for the ten-year period from 4 September 1998 to 26 September 2008 (period of analysis) were analysed. This allowed for the two-year event window period after the publication date to be analysed, until the third quarter of 2010.

4.2 Unit of Analysis

The unit of analysis was the headlined cover story which featured a listed share in the *Financial Mail*. There were a number of cases where the same listed company was featured as cover story on subsequent dates in the analysis period (Section 5.1 provides details).

4.3 Population of Relevance

The population of relevance consisted of all publicly listed companies on the JSE that have been featured as cover stories in the business magazine *Financial Mail* and covered a ten-year period from 4 September 1998 to 26 September 2008. The I-Net Bridge financial database and *JSE Monthly Bulletin* publication was used to confirm the listing.

In some instances a featured cover story (for example, “Hot Stocks: Best buys on the JSE”) included a number of listed companies (listed groups) as part of

the same single cover story feature. These companies were included in the population of relevance.

Companies that were initially listed but then delisted were also considered to prevent survivorship bias. The impact on sampling is described in Section 4.4.2, with actual sample counts tabulated in Chapter 5.

4.4 Sampling

4.4.1 HPR and AJR Sampling

Given the relative size of the South African bourse to the US stock market, the entire population, in a census study, was considered. In the case of listed groups, each individual listed company was represented as a separate sample. Section 5.1 provides detail around the sample numbers resulting from listed groups compared to the number of samples resulting from a typical single feature cover story. This ensured that there were sufficient data points to allow for statistical analysis. Therefore, all references to sample and population are interchangeable.

4.4.2 ASR and ISMR Sampling

Finding suitable comparative ISM companies proved difficult. This is due to the fact that the JSE is characterised by a number of dominant individual companies operating in a particular sector (analysis of *JSE Monthly Bulletin* publication data).

By way of example, Sappi was the only JSE-listed forestry and paper manufacturer, until Mondi's recent listing in 2008. Similarly, SAB's dominant position in terms of market capitalisation in the beverage sector meant that it was impractical to find an ISM company or to distinguish the company from the sector. In such instances, the cover story was excluded from the ASR and ISMR sample.

To allow for meaningful analysis of the two returns-generating models, ASR and ISMR, the researcher used a percentage criterion to determine whether a particular listed share would be considered as part of the sample for that particular model.

In the case of the ISMR criteria, the comparable company needed to be within 50 percent and 150 percent in terms of market capitalisation of featured company on the cover story date. This range was chosen to ensure that the mean and median of the eventual sample approximated 100 percent (Appendix 9.2 provides details).

In the case of the ASR criterion, only featured listed shares that contributed less than 50 percent of the market capitalisation of sector were included. This sector criterion was chosen to ensure that influence of the featured listed share on sector performance was not in the majority.

With the cover story being excluded due to the criteria being applied, the sample size for the ASR and ISMR hypothesis test are less than sample size in Section 4.4.1. This is discussed in more detail in Chapter 5.

4.5 Data Collection Process

The data required and sources used are tabulated below.

Table 3: Data required and sources

Data Required	Source used
For population of relevance: • Access to *Financial Mail* magazines • Confirmation of company as a listed share	 • *Financial Mail* publisher Avusa library • I-Net Bridge financial database
For data analysis: • Rating of featured cover story • Confirmation of sector constituents • JSE and sector index data • Featured and comparative company share price, shares in issues and dividend data • Market capitalisation data for featured and comparative companies	 • Access to featured cover story article • *JSE Monthly Bulletin* • I-Net Bridge financial database • I-Net Bridge financial database • I-Net Bridge until Jan 2001 and for periods before, the *JSE Monthly Bulletin*

4.6 Data Analysis Approach

4.6.1 Classification of *Financial Mail* Cover Stories and Primary Data

A Microsoft Excel primary database model was setup to capture the cover story date, title and a short synopsis of the featured cover story. Each story was then classified into various categories (described in Section 5.1), with listed shares and listed groups being two such categories. The cover story database is included as Appendix 9.6. Despite being quite lengthy, its inclusion represents a first in South Africa, where a business magazine's cover stories have been captured and classified. It also represents additional value to Avusa's own library archive system, which is not available in this

database format. The relevance to act as secondary data for possible future research is described in Section 7.4.

The I-Net Bridge financial database and the *JSE Monthly Bulletin* publication were used to determine whether the companies featured were listed at the date of publishing and the sector they belonged to. A comparative ISM company was also identified. The market capitalisation of the sector, featured company and comparative ISM company were captured.

Share price, dividend information and number of shares in issue were downloaded using I-Net Bridge from September 1996 to September 2010. JSE and identified sector-specific indices on a total return and capital-only basis were then downloaded.

Issues considered during the primary data download included: consideration of dual listed shares where dividend and share price information was downloaded in rand using I-Net Bridge's rand-based ticker; dividends were considered at last dividend record (LDR) date; and shares in issue data were used to determine share splits. This primary database model provided the data input into the return calculation workings (Section 4.6.4 provides details).

The database model is available on request.

4.6.2 Categorisation of Cover Stories

Once the population of relevance (census sample) was determined, each featured cover story was checked for duplicate observations. This is defined as cover stories for the same company occurring within three months of the

first feature and having the same categorisation for the same story (Arnold et al., 2007). The first observation was included, with all subsequent duplicate observations excluded (Arnold et al., 2007). Appendix 9.5 provides the detailed sample of the listed shares considered.

Consistent with Bhattacharya et al.'s (2009) classification into good, neutral and bad news stories, this study adopts a similar categorisation process. The listed cover story features were categorised using as a basis the five-point scale of Arnold et al. (2007), as reflected in the table below. Consistent with Arnold et al. (2007), two additional categories were also set up by aggregating the positive and negative data.

Table 4: Cover story categorisation

Ranking	Nature of story	Criteria to categorise (Arnold et al., 2007)
1	Very-positive	Company is or has done something innovative or the company is very profitable
2	Positive	Company plans to do something innovative or is in the process of doing something innovative
3	Neutral	The featured cover story provides no view, whether good or bad, on the prospects of the company
4	Negative	Company has experienced poor performance but the end of the performance is near (pessimistic but turnaround is suggested)
5	Very-negative	Company is doing poorly or a scandal has occurred (implying management change or litigation)
6	All-negative	The aggregation of the Negative and the Very-negative categories
7	All-positive	The aggregation of the Positive and the Very-positive categories

4.6.3 Event Window Periods

In order to assess the impact of the cover story on the share price the event study method was used. As described in Section 2.4, the concept of abnormal returns (Fama et al., 1969) for each event window period was used.

Following Arnold et al. (2007), the current study considered the following event window periods:

a) [-500 to -1] and [1 to 500] – two years prior to and post publication date;

b) [-250 to -1] and [1 to 250] – 12 months prior to and post publication date;

c) [-125 to -1] and [1 to 125] – six months prior to and post publication date;

d) [-21 to -1] and [1 to 21] – one month prior to and post publication date;

e) [1 to 5] and [-5 to -1] – one week prior to and post publication date; and

f) [-2 to -1] and [1 to 2] – two days prior to and post publication date to examine short-term immediate effects.

The publication date was excluded to measure the predictive impact of publication (Arnold et al., 2007).

As a consequence of delisting, data for some of the longer event window periods were unavailable. In order to prevent survivorship bias, the sample was still considered and the data from the earlier event window periods were retained. This resulted in the count across event window periods for the same sample being different. Refer to Section 5.2 to Section 5.5 data output tables, where the difference in sample sizes across event window periods is presented.

4.6.4 Return Calculations

Section 3.1 introduced the return calculation definitions, with total investment and share capital return being considered. These included:

a) company holding-period return (HPR);

b) abnormal return assessed relative to ALSI (AJR);

c) abnormal return relative to a ISM company (ISMR); and

d) abnormal return assessed relative to industry sector index (ASR).

4.6.4.1 Holding-Period Returns (HPR)

In terms of the share capital return of a company$_i$ in period$_t$ represented by $R_{i,t}$, this was calculated as follows (Mordant & Muller, 2003):

$$R_{i,t} = \frac{P_t - P_{t-1}}{P_{t-1}} \qquad \text{Formula 1}$$

where P_t = price of share$_i$ at end of period$_t$

P_{t-1} = price of share$_i$ at beginning of period$_t$

In order to determine the averaged share capital return HPR, the next step involved calculating an average abnormal return for every event window period, with each cover sample company return $R_{i,t}$ carrying equal weighting. This was then tested for statistical significance. Formula 1 is consistent with the method adopted by Arnold et al. (2007), where only share capital returns were considered.

In order to determine the total investment return, dividends per share received during the period was added. Formula 1 was extended to include the dividend per share paid out during the holding-period, as per Formula 2 overleaf:

$$R_{i,t} = \frac{P_t + D - P_{t-1}}{P_{t-1}}$$ Formula 2

where P_t & P_{t-1} = is as defined in formula 1 above

D = dividend paid out per share$_i$ during period$_{t-1}$ to period$_t$

4.6.4.2 Adjusted Returns Relative to ALSI (AJR)

The second returns-generating model used to measure abnormal returns was the market-adjusted returns model (Mushidzhi & Ward, 2004). Calculating abnormal returns using this model involved subtracting the ALSI return from the return of the company as follows:

$$AJR_{i,t} = R_{i,t} - R_{j,t}$$ Formula 3

where $AJR_{i,t}$ = abnormal return on share$_i$ in period$_t$

$R_{i,t}$ = actual return on share$_i$ in period$_t$

$R_{j,t}$ = the ALSI return in period$_t$

The ALSI return is calculated on the same basis as company HPR calculation. This method is consistent with that adopted by Arnold et al. (2007), where the average of the holding-period return minus the equivalent holding-period return for the value-weighted CRSP stock index was considered.

4.6.4.3 Abnormal Return Relative to an ISM Company (ISMR)

The abnormal return for an ISM company $ISMR_{i,t}$ in period$_t$ is calculated as follows:

$$ISMR_{i,t} = R_{i,t} - R_{c,t}$$ Formula 4

where $R_{i,t}$ = actual return on share$_i$ in period$_t$

$R_{c,t}$ = actual return on comparative share$_j$ in period$_t$

As was the case for determining the other averaged holding-period returns, the averaged abnormal return for a particular event window was determined by way of a simple average of the $ISMR_{i,t}$ and then tested for statistical significance.

4.6.4.4 Adjusted Returns Relative to Sector (ASR)

The final returns-generating model was the sector-specific market-adjusted returns model (Mushidzhi & Ward, 2004). In this case, calculating abnormal returns using this model involved subtracting the broad sector index return in a specific period from the actual return of the company share as follows:

$$ASR_{i,t} = R_{i,t} - R_{s,t} \qquad \text{Formula 5}$$

where $AR_{i,t}$ = abnormal return on share$_i$ in period$_t$

$R_{i,t}$ = actual return on share$_i$ in period$_t$

$R_{s,t}$ = the sector return in period$_t$

The use of the sector return instead of the broad market was to ensure that the JSE size, value and resource effects were negated (refer to Section 2.4). Adjusted return ASR is calculated by a simple average of the $ASR_{i,t}$ for each event window period, with each sample carrying equal weighting. As previously, this was then tested for statistical significance.

4.6.5 Returns Calculation Spreadsheet

Using as input the primary database, a return calculation spreadsheet using Microsoft Excel was set up. The data conversion was carried out in this

spreadsheet, with the output being transformed so as to allow for statistical analysis. The calculation spreadsheet is available on request.

4.6.6 Statistical Analysis

Statistical analysis was carried out using the NCSS statistical package. The data was first organised into groups and categories by using descriptive statistics in frequency and cross-tabulation tables (Zikmund, 2003). In order to test for differences from zero, a series of separate one-sample t-tests (parametric) and Wilcoxon signed rank-sum tests (non-parametric) for each event window period and for individual categories were carried out. Given the fact that the abnormal return could be either positive or negative the output for a two-tailed test is considered.

The t-test was the parametric test that was interpreted when the sample size was large enough and the distribution was shown to be normalised with equal variance. When these criteria were not met, the output from the non-parametric Wilcoxon signed rank-sum test was interpreted (Albright, Winston & Zappe, 2006). Section 5.2 to Section 5.5 summarise the outputs for the various event window periods in each category.

4.7 Research Limitations

The study is based largely on the method of Arnold et al. (2007) and inferences have been made based on reading the journal article. Hubbard and Armstrong (1994) suggest that differences in findings between the two studies could be attributed to difficulty in confirming the information around the research method and relying only on the shorter published study.

The categorisation of the cover stories was dependent on the researcher's ability to assess the content of the feature. Therefore researcher bias and misinterpretation of the content is a possible error.

The financial database used was I-Net Bridge, with some of the primary data being sourced from the *JSE Monthly Bulletin*. Despite the fact that the data obtained was randomly checked against data extracted from the McGregor BFANet database, the possibility of database error exists.

As a result of the share price and index returns being calculated for specific event window periods, daily information was required. I-Net Bridge only has archived daily information from 1 September 1997 onwards. Prior to this date data was available weekly, and for periods much earlier, only monthly. There are three cases where weekly information was used as approximations. It is unlikely that this anomaly would influence results, given that in total 267 cases were considered across the longest event window period.

I-Net Bridge has archived sector index market capitalisation data from January 2002 onwards. In order to confirm the sector sampling criteria (Section 4.4.2 provides detail), the *JSE Monthly Bulletin* magazines were used instead for both the sector and company market capitalisation. On checking the company data against I-Net Bridge's company market capitalisation data, differences were noted. As the percentage of company to sector market capitalisation was considered, the researcher is of the view that the difference is due to the definition of market capitalisation used by the two sources. Appendix 9.5 provides the database of the various sector and listed company market capitalisations used in the study.

As a result of the JSE reconstituting the sector indices in 2005 (Appendix 9.1 shows current indices and definitions), I-Net Bridge back-calculated and restated the previous indices into the newly constituted format. The researcher therefore attempted to match the company and their sector constituency by using the more recent sector code allocation (Appendix 9.1 provides details). The possibility of error in this matching process could exist.

Due to the fact that hypothesis testing was carried out, the possibility of type one and type two errors exists (Zikmund, 2003).

The returns-generating models are based on calculations and database spreadsheets developed by the researcher, and the possibility of data capture and conversion errors exist.

CHAPTER 5: RESULTS

5.1 Sample Details and Descriptive Statistics

Listed company related features made up 27 percent of *Financial Mail* cover stories for the ten-year period 4 September 1998 to 26 September 2008. The information in Table 5 is extracted from Appendix 9.6, which tabulates the primary cover story database and contains the cover story date, title of cover story, classification into broad topic groupings and categories, and a short synopsis. More specifically, Table 5 shows the classification into broad topics.

Table 5: Cover story classification based on broad topics

Nature of story	Count	%
Listed company	119	24
Listed groups	17	3
Political / government / civil society	108	21
Country economics	68	13
Unlisted company	47	9
Industry macro-environment variables	42	8
Investment & general equity comment	32	6
General organisational issues	18	4
MBAs / education	13	3
Other countries	13	3
Sport	8	2
Other topics	21	4
Total	506	100

The importance attached to the role played by government, civil society and socio-economic factors and its impact on business is implied by the frequency with which the *Financial Mail* editors chose to feature these topics as cover stories. A suggestion for future research here is discussed in Section 7.4.

Table 6 cross-tabulates the number of individual company samples that emanated from the listed company and listed group classifications (described in Section 4.3) against the five categories: very-positive, positive, neutral, negative and very-negative.

Table 6: Listed group and listed company sample counts in each category

Category	Very-negative	Negative	Neutral	Positive	Very-positive	Total
Listed company	17	20	18	36	36	127
Listed groups	3	20	5	112	0	140
Total	20	40	23	148	36	267
Total (%)	8	15	8	55	14	100

Nearly 69 percent of all cover stories are viewed as being either positive or very-positive stories, with negative or very-negative stories being featured 23 percent of the time. The split compares reasonably with that of Arnold et al. (2007), where the sample count for all-positive categories was 338 (64 percent of total) versus 96 (18 percent of total) for all-negative categories, and suggests business magazine publishers' preference for positive stories. As indicated in Section 4.3, the 140 listed companies emanating from the 17 listed group cover stories (Table 5 provides detail) were considered as individual samples.

Due to the fact that the JSE is characterised by a number of dominant individual companies operating in a particular sector, market capitalisation selection criteria were used for the ASR and ISMR analysis (Section 4.4 provides details). Table 7 illustrates the impact on sample counts for the ASR and ISMR hypothesis tests.

Table 7: Sample counts for the different returns-generating models

Category	Very-negative	Negative	Neutral	Positive	Very-positive	Total
HPR	20	40	23	148	36	267
AJR	20	40	23	148	36	267
ISMR	7	14	9	59	16	105
ASR	17	31	15	113	23	199

The impact of the market capitalisation criteria meant that 75 percent of the original sample was considered for the ASR hypothesis test. This reduced further to 39 percent of original sample count for the ISMR test.

Table 8 highlights the frequency of individual listed companies as featured in cover stories, and illustrates the emphasis on resources and financial sectors.

Table 8: Frequency of individual companies featured as cover stories

Category	Frequency	Total Count	Percentage of total count
Anglo	14	14	5
Harmony	10	10	4
SABMiller	10	10	4
Nedbank	8	8	3
Old Mutual	8	8	3
Standard Bank	8	8	3
Sanlam	8	8	3
Investec	7	7	3
BHP Billiton	6	6	2
Sasol	6	6	2
Telkom	6	6	2
Companies featured five times	6	30	11
Companies featured four times	7	28	11
Companies featured three times	9	27	10
Companies featured twice	20	40	15
Companies featured once	51	51	19
Total		267	100

While it is evident that *Financial Mail* has featured a number of listed companies multiple times in terms of cover stories over the ten-year analysis period, the most frequently featured is Anglo, and makes up only 5 percent of the total sample count. Table 8 shows that "Companies featured once" as the largest category, with 19 percent of the total sample count. This suggests that the current study has not been unduly biased by a single company.

To assess the effect of sectoral bias, the aggregated sector sample counts are highlighted in Table 9 (refer to Appendix 9.1 for detailed list of sectors and their classification using the JSE sector codes).

Table 9: Aggregated sector sample counts in each category

Sector	Resource	Financial	Services	Industrials	Retailing	Other	Total
All-positive	44	36	50	23	21	10	184
Neutral	10	6	0	5	2	0	23
All-negative	18	23	11	7	0	1	60
Total	72	65	61	35	23	11	267
Total (%)	27	24	23	13	9	4	100

While the resources sector makes the largest contribution to sample count, Table 9 shows that all of the major sectors have been represented as cover stories. This suggests that the study was not unduly biased by a single sector.

5.2 Company Holding-Period Return (HPR)

5.2.1 HPR: Total Investment Return

Table 10 displays the average holding-period return (HPR) for the all-positive, all-negative and neutral categories (aggregated categories) for the various event window periods. To allow for ease of interpretation, the red highlighted

"Yes" indicates those event window periods where the null hypothesis is rejected. This would suggest a statistically significant difference from zero.

Table 10: Holding-period total investment returns for the aggregated categories

(measured in percentages unless otherwise indicated)

	Period from publication date (in trading days)											
Category / measure	-500 to -1	-250 to -1	-125 to -1	-21 to -1	-5 to -1	-2 to -1	1 to 2	1 to 5	1 to 21	1 to 125	1 to 250	1 to 500
All positive categories												
Count (sample number)	173	180	184	184	184	184	184	184	184	183	182	178
Mean	100.53	38.66	21.82	5.80	0.72	0.53	-0.21	0.14	2.51	4.29	15.50	34.05
t-statistic	10.65	8.86	8.48	7.05	2.22	2.95	-1.34	0.41	3.48	2.40	5.03	6.48
prob (α = 5%)	0.00	0.00	0.00	0.00	0.03	0.00	0.18	0.68	0.00	0.02	0.00	0.00
Reject Ho	Yes	Yes	Yes	Yes	Yes	Yes	No	No	Yes	Yes	**Yes**	Yes
Median	78.78	30.22	17.57	5.49	0.69	0.11	0.00	0.09	2.20	4.44	14.58	27.28
Signed rank-sum test	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.49	1.00	1.00	1.00	1.00
prob (α = 5%)	0.00	0.00	0.00	0.00	0.01	0.00	0.13	0.63	0.00	0.02	0.00	0.00
Reject Ho	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	No	No	**Yes**	**Yes**	Yes	**Yes**
Data normality	No	No	No	No	No	No	No	Yes	No	No	Yes	No
Neutral category												
Count (sample number)	23	23	23	23	23	23	23	23	22	22	22	21
Mean	49.27	23.57	10.58	-1.35	0.08	0.27	0.82	1.35	2.59	7.35	23.46	45.29
t-statistic	3.13	3.46	3.59	-0.87	0.10	0.81	1.95	1.32	1.11	1.28	4.27	4.80
prob (α = 5%)	0.00	0.00	0.00	0.39	0.92	0.43	0.06	0.20	0.28	0.22	0.00	0.00
Reject Ho	Yes	**Yes**	**Yes**	No	No	No	No	No	No	No	**Yes**	**Yes**
Median	27.78	27.52	10.81	-1.72	-0.80	0.36	0.45	1.05	1.60	6.72	25.07	45.88
Signed rank-sum test	1.00	1.00	1.00	0.82	0.73	0.82	1.00	1.00	0.96	1.00	1.00	1.00
prob (α = 5%)	0.01	0.01	0.00	0.41	0.47	0.41	0.02	0.24	0.34	0.24	0.00	0.00
Reject Ho	**Yes**	Yes	Yes	No	No	No	Yes	No	No	No	Yes	Yes
Data normality	No	Yes	Yes	No	No	Yes	Yes	No	Yes	Yes	Yes	Yes
All negative categories												
Count (sample number)	58	60	60	60	60	60	60	60	60	59	57	55
Mean	10.56	0.81	2.03	-1.38	-1.46	-0.56	-0.22	0.53	0.79	4.46	11.17	23.48
t-statistic	1.32	0.14	0.26	-0.52	-1.87	-1.88	-0.38	0.57	0.43	0.95	1.56	2.48
prob (α = 5%)	0.19	0.89	0.79	0.60	0.07	0.07	0.71	0.57	0.67	0.35	0.12	0.02
Reject Ho	No	No	No	No	No	No	No	No	No	No	No	**Yes**
Median	0.72	-0.49	-2.48	-1.48	0.00	-0.21	0.00	0.00	-1.33	2.88	0.00	13.74
Signed rank-sum test	1.00	0.11	0.95	1.00	1.00	1.00	0.69	0.41	0.39	0.52	1.00	1.00
prob (α = 5%)	0.28	0.91	0.34	0.20	0.32	0.07	0.49	0.68	0.70	0.60	0.29	0.04
Reject Ho	No	No	No	No	No	No	No	No	No	No	No	Yes
Data normality	No	Yes	No	No	No	No	No	No	No	No	No	Yes

To assist with the analysis of results, the navigation of a typical Chapter 5 output table's result is presented in Appendix 9.3.

In the case of the all-positive category, there is evidence of statistically significant positive results for the prior to and post-publication date event window periods. For the neutral category only the longer-term event window periods show statistically positive return for the prior to and post publication date periods. In the case of the negative category, only the two-year post-publication date event window period shows contrarian positive HPRs.

In Table 11 the individual positive and negative categories are examined separately, to allow for comparison to the aggregated all-positive and all-negative categories (Arnold et al., 2007).

Table 11: Holding-period total investment returns for the remaining four categories

(measured in percentages unless otherwise indicated)

	Period from publication date (in trading days)											
Category / measure	-500 to -1	-250 to -1	-125 to -1	-21 to -1	-5 to -1	-2 to -1	1 to 2	1 to 5	1 to 21	1 to 125	1 to 250	1 to 500
Very positive category												
Count (sample number)	34	35	36	36	36	36	36	36	36	36	36	36
Mean	102.54	62.24	31.02	5.00	1.03	0.34	0.32	0.85	3.87	8.58	23.47	32.74
t-statistic	8.99	7.17	5.10	4.18	1.79	1.32	0.70	0.98	3.26	2.24	3.30	3.08
prob (α = 5%)	0.00	0.00	0.00	0.00	0.08	0.20	0.49	0.33	0.00	0.03	0.00	0.00
Reject Ho	Yes	Yes	Yes	**Yes**	No	No	No	No	**Yes**	**Yes**	**Yes**	**Yes**
Median	93.42	44.14	24.94	4.80	0.26	0.00	0.00	1.11	4.59	7.65	34.33	40.97
Signed rank-sum test	1.00	1.00	1.00	1.00	1.00	1.00	0.18	1.00	1.00	1.00	1.00	1.00
prob (α = 5%)	0.00	0.00	0.00	0.00	0.13	0.30	0.86	0.26	0.00	0.03	0.00	0.01
Reject Ho	**Yes**	**Yes**	**Yes**	Yes	No	No	No	No	Yes	Yes	Yes	Yes
Data normality	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Positive category												
Count (sample number)	139	145	148	148	148	148	148	148	148	147	146	142
Mean	100.04	32.97	19.58	5.99	0.65	0.58	-0.34	-0.03	2.18	3.23	13.53	34.39
t-statistic	8.76	6.74	6.96	6.10	1.71	2.68	-2.10	-0.09	2.57	1.60	3.97	5.70
prob (α = 5%)	0.00	0.00	0.00	0.00	0.09	0.01	0.04	0.93	0.01	0.11	0.00	0.00
Reject Ho	Yes	Yes	Yes	Yes	No	Yes	**Yes**	No	Yes	No	Yes	Yes
Median	72.08	20.88	16.06	5.56	0.81	0.17	0.00	0.00	1.70	2.05	13.33	26.92
Signed rank-sum test	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.02	1.00	1.00	1.00	1.00
prob (α = 5%)	0.00	0.00	0.00	0.00	0.03	0.01	0.06	0.99	0.03	0.11	0.00	0.00
Reject Ho	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	No	No	**Yes**	No	**Yes**	**Yes**
Data normality	No	No	No	No	No	No	Yes	Yes	No	No	No	No
Negative category												
Count (sample number)	39	40	40	40	40	40	40	40	40	39	38	38
Mean	25.51	11.19	2.54	0.91	-0.39	-0.30	-0.41	0.55	2.53	3.84	10.27	23.52
t-statistic	2.76	1.68	0.53	0.62	-0.48	-1.00	-0.50	0.44	1.01	0.83	1.60	1.96
prob (α = 5%)	0.01	0.10	0.60	0.54	0.64	0.33	0.62	0.66	0.32	0.41	0.12	0.06
Reject Ho	Yes	No	No	No	No	No	No	No	No	No	No	No
Median	13.76	11.75	5.25	0.33	0.11	-0.28	0.00	-0.07	-0.44	6.83	8.84	13.31
Signed rank-sum test	1.00	1.00	0.60	0.28	0.15	1.00	0.52	0.62	0.48	0.94	1.00	1.00
prob (α = 5%)	0.02	0.09	0.55	0.78	0.88	0.21	0.60	0.54	0.63	0.35	0.15	0.12
Reject Ho	**Yes**	No	No	No	No	No	No	No	No	No	No	No
Data normality	No	Yes	Yes	Yes	No	Yes	No	No	Yes	Yes	Yes	Yes
Very negative category												
Count (sample number)	19	20	20	20	20	20	20	20	20	20	19	17
Mean	-20.13	-19.96	1.03	-5.96	-3.62	-1.07	0.16	0.49	-2.69	5.66	12.97	23.41
t-statistic	-1.52	-2.08	0.05	-0.81	-2.23	-1.65	0.23	0.40	-1.19	0.53	0.74	1.53
prob (α = 5%)	0.14	0.05	0.96	0.43	0.04	0.12	0.82	0.69	0.25	0.60	0.47	0.15
Reject Ho	No	No	No	No	Yes	No	No	No	No	No	No	No
Median	-39.24	-24.99	-22.90	-4.83	-0.71	-0.01	0.00	0.00	-1.56	0.00	0.00	26.11
Signed rank-sum test	1.00	1.00	1.00	1.00	1.00	1.00	0.45	0.15	1.00	0.36	0.26	1.00
prob (α = 5%)	0.12	0.03	0.03	0.03	0.08	0.16	0.65	0.88	0.06	0.72	0.79	0.12
Reject Ho	No	Yes	**Yes**	**Yes**	No	No	No	No	No	No	No	No
Data normality	Yes	Yes	No	No	No	No	Yes	No	No	No	No	Yes

Comparing Table 10 to Table 11, shows slight differences in results in terms of statistically significant event window periods. Table 10 indicates no statistical significance for the all-positive category for short-term (two-day and five-day) post-publication event window periods, while the positive and very-positive

categories (Table 11) show no statistical significance for the prior two-day and five-day and post five-day event window periods respectively. The negative categories (Table 11) show prior period longer-term significance, which is not observed in Table 10. The all-negative two-year post-publication statistical significance is not observed in the individual negative categories.

5.2.2 HPR: Share Capital Return

The table below summarises average holding-period share capital return.

Table 12: Holding-period share capital returns for the aggregated categories

(measured in percentages unless otherwise indicated)

	Period from publication date (in trading days)											
Category / measure	**-500 to -1**	**-250 to -1**	**-125 to -1**	**-21 to -1**	**-5 to -1**	**-2 to -1**	**1 to 2**	**1 to 5**	**1 to 21**	**1 to 125**	**1 to 250**	**1 to 500**
All positive categories												
Count (sample number)	173	180	184	184	184	184	184	184	184	183	182	178
Mean	91.00	35.28	20.16	5.65	0.63	0.49	-0.25	0.03	2.16	2.73	12.46	27.73
t-statistic	10.41	8.12	7.83	6.86	1.93	2.72	-1.61	0.07	2.94	1.53	4.10	5.43
prob (α = 5%)	0.00	0.00	0.00	0.00	0.06	0.01	0.11	0.94	0.00	0.13	0.00	0.00
Reject Ho	Yes	Yes	Yes	Yes	No	Yes	No	No	Yes	No	**Yes**	Yes
Median	72.31	26.99	16.06	5.29	0.56	0.10	0.00	0.09	1.76	1.50	11.42	23.36
Signed rank-sum test	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.16	1.00	1.00	1.00	1.00
prob (α = 5%)	0.00	0.00	0.00	0.00	0.02	0.01	0.08	0.87	0.01	0.18	0.00	0.00
Reject Ho	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**	No	No	**Yes**	No	Yes	**Yes**
Data normality	No	No	No	No	No	No	No	Yes	No	No	Yes	No
Neutral category												
Count (sample number)	23	23	23	23	23	23	23	23	22	22	22	21
Mean	42.11	20.05	8.93	-1.59	-0.15	0.11	0.66	1.15	2.08	5.80	20.61	38.92
t-statistic	2.81	3.04	3.13	-1.03	-0.18	0.36	1.70	1.14	0.90	1.01	3.83	4.21
prob (α = 5%)	0.01	0.01	0.00	0.31	0.86	0.72	0.10	0.27	0.38	0.32	0.00	0.00
Reject Ho	Yes	**Yes**	**Yes**	No	No	No	No	No	No	No	**Yes**	**Yes**
Median	18.97	23.50	8.96	-1.84	-1.07	0.14	0.25	1.03	1.15	4.14	20.59	40.13
Signed rank-sum test	1.00	1.00	1.00	1.00	1.00	0.49	1.00	0.97	0.68	0.91	1.00	1.00
prob (α = 5%)	0.03	0.01	0.01	0.25	0.32	0.63	0.03	0.33	0.50	0.36	0.00	0.00
Reject Ho	**Yes**	Yes	Yes	No	No	No	**Yes**	No	No	No	Yes	Yes
Data normality	No	Yes	Yes	Yes	No	Yes	No	No	Yes	Yes	Yes	Yes
All negative categories												
Count (sample number)	58	60	60	60	60	60	60	60	60	59	57	55
Mean	5.35	-1.35	1.06	-1.54	-1.46	-0.56	-0.22	0.53	0.56	3.41	9.04	19.29
t-statistic	0.67	-0.23	0.14	-0.58	-1.87	-1.88	-0.38	0.57	0.30	0.72	1.27	2.08
prob (α = 5%)	0.50	0.82	0.89	0.56	0.07	0.07	0.71	0.57	0.77	0.47	0.21	0.04
Reject Ho	No	No	No	No	No	No	No	No	No	No	No	**Yes**
Median	-6.61	-2.70	-2.57	-1.48	0.00	-0.21	0.00	0.00	-1.51	2.88	0.00	9.01
Signed rank-sum test	0.50	0.25	1.00	1.00	1.00	1.00	0.69	0.41	0.45	0.28	0.57	1.00
prob (α = 5%)	0.62	0.81	0.19	0.16	0.32	0.07	0.49	0.68	0.65	0.78	0.57	0.08
Reject Ho	No	No	No	No	No	No	No	No	No	No	No	No
Data normality	No	Yes	No	No	No	No	No	No	No	No	No	Yes

On comparing Table 12 (share capital return) with Table 10 (total investment return), the results with regards to statistically significant event window periods are nearly identical, with the only exception being the two-day post publication

event window period (Table 12), which shows a small-positive return for the neutral category.

A comparison of Table 13 and Table 11 identifies only a few non-coinciding statistically significant event window periods between total investment and share capital return results. This increases the confidence in interpretation and allows for inferences to be made across the two return methods in Chapter 6.

Table 13: Holding-period total share capital returns for the remaining four categories

(measured in percentages unless otherwise indicated)

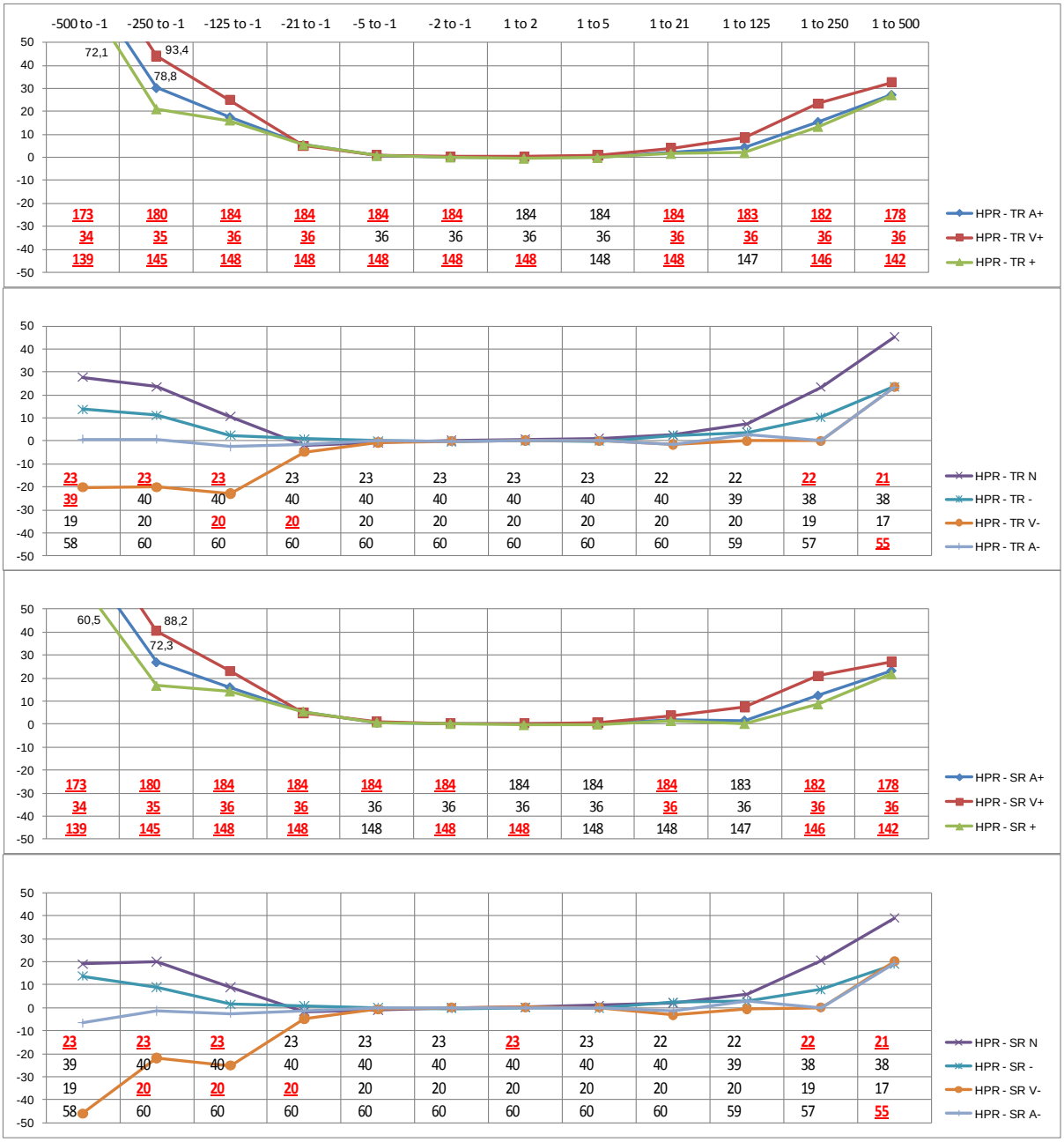
	Period from publication date (in trading days)											
Category / measure	**-500 to -1**	**-250 to -1**	**-125 to -1**	**-21 to -1**	**-5 to -1**	**-2 to -1**	**1 to 2**	**1 to 5**	**1 to 21**	**1 to 125**	**1 to 250**	**1 to 500**
Very positive category												
Count (sample number)	34	35	36	36	36	36	36	36	36	36	36	36
Mean	96.15	59.69	29.82	4.88	0.97	0.33	0.30	0.65	3.53	7.40	21.00	27.15
t-statistic	8.66	6.87	4.90	4.07	1.66	1.27	0.67	0.76	2.95	1.94	2.98	2.65
prob (α = 5%)	0.00	0.00	0.00	0.00	0.11	0.21	0.51	0.45	0.01	0.06	0.01	0.01
Reject Ho	Yes	Yes	Yes	**Yes**	No	No	No	No	**Yes**	No	**Yes**	**Yes**
Median	88.15	40.48	23.19	4.70	0.23	0.00	0.00	1.11	4.51	6.65	29.94	34.70
Signed rank-sum test	1.00	1.00	1.00	1.00	1.00	0.98	0.17	0.92	1.00	1.00	1.00	1.00
prob (α = 5%)	0.00	0.00	0.00	0.00	0.16	0.33	0.87	0.36	0.01	0.06	0.01	0.02
Reject Ho	**Yes**	**Yes**	**Yes**	Yes	No	No	No	No	Yes	No	Yes	Yes
Data normality	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Positive category												
Count (sample number)	139	145	148	148	148	148	148	148	148	147	146	142
Mean	89.74	29.39	17.81	5.84	0.55	0.53	-0.39	-0.13	1.83	1.59	10.35	27.88
t-statistic	8.51	6.05	6.33	5.94	1.44	2.46	-2.41	-0.35	2.11	0.79	3.09	4.75
prob (α = 5%)	0.00	0.00	0.00	0.00	0.15	0.01	0.02	0.73	0.04	0.43	0.00	0.00
Reject Ho	Yes	Yes	Yes	Yes	No	Yes	**Yes**	No	Yes	No	Yes	Yes
Median	60.51	16.77	14.30	5.49	0.78	0.11	0.00	0.00	1.36	0.11	8.67	21.84
Signed rank-sum test	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.29	1.00	0.57	1.00	1.00
prob (α = 5%)	0.00	0.00	0.00	0.00	0.05	0.02	0.04	0.77	0.08	0.57	0.01	0.00
Reject Ho	**Yes**	**Yes**	**Yes**	**Yes**	No	**Yes**	Yes	No	No	No	**Yes**	**Yes**
Data normality	No	No	No	No	No	No	Yes	Yes	No	No	No	No
Negative category												
Count (sample number)	39	40	40	40	40	40	40	40	40	39	38	38
Mean	19.75	8.88	1.46	0.73	-0.39	-0.30	-0.41	0.55	2.35	2.81	7.91	18.89
t-statistic	2.15	1.33	0.30	0.49	-0.48	-1.00	-0.50	0.44	0.94	0.61	1.27	1.61
prob (α = 5%)	0.04	0.19	0.76	0.62	0.64	0.33	0.62	0.66	0.36	0.55	0.21	0.12
Reject Ho	Yes	No	No	No	No	No	No	No	No	No	No	No
Median	13.76	11.09	2.82	0.33	0.11	-0.28	0.00	-0.07	-0.63	3.93	8.52	6.17
Signed rank-sum test	1.00	1.00	0.33	0.11	0.15	1.00	0.52	0.62	0.42	0.64	1.00	1.00
prob (α = 5%)	0.07	0.14	0.74	0.91	0.88	0.21	0.60	0.54	0.67	0.53	0.30	0.22
Reject Ho	No	No	No	No	No	No	No	No	No	No	No	No
Data normality	No	Yes	Yes	Yes	No	Yes	No	No	Yes	Yes	Yes	Yes
Very negative category												
Count (sample number)	19	20	20	20	20	20	20	20	20	20	19	17
Mean	-24.22	-21.81	0.25	-6.08	-3.62	-1.07	0.16	0.49	-3.03	4.58	11.31	20.20
t-statistic	-1.85	-2.26	0.01	-0.82	-2.23	-1.65	0.23	0.40	-1.31	0.42	0.64	1.33
prob (α = 5%)	0.08	0.04	0.99	0.42	0.04	0.12	0.82	0.69	0.21	0.68	0.53	0.20
Reject Ho	No	**Yes**	No	No	Yes	No	No	No	No	No	No	No
Median	-45.95	-28.45	-25.17	-4.83	-0.71	-0.01	0.00	0.00	-1.56	-0.44	0.00	20.93
Signed rank-sum test	1.00	1.00	1.00	1.00	1.00	1.00	0.45	0.15	1.00	0.58	0.34	1.00
prob (α = 5%)	0.07	0.03	0.02	0.03	0.08	0.16	0.65	0.88	0.06	0.56	0.73	0.15
Reject Ho	No	Yes	**Yes**	**Yes**	No	No	No	No	No	No	No	No
Data normality	No	Yes	No	No	No	No	Yes	No	Yes	No	No	Yes

5.2.3 Graphical presentation of output tables

A visual presentation of results is offered, which allows for conclusions to be drawn much more easily. The red-underlined numbers represent the sample counts for those periods where statistically significant differences from zero occurred. Appendix 9.4 provides a key to the legends included in the graphs.

Figure 1: HPR - total investment (TR) and share capital returns (SR) for all categories

(y-axis represents percentage returns, x-axis various event window periods)



The HPR findings confirmed that positive stories headlined on business magazine covers follow statistically significant positive performance. Post publication, the statistically significant positive (momentum) performance continued.

For negative stories, the prior period performance is inconclusive, with only the very-negative category showing statistically significant prior negative holding-period returns. Furthermore, the only statistically significant contrarian (positive) performance was observed for the all-negative category, in two-year post-publication event window period.

In the case of the neutral categories, statistically significant longer-term positive holding-period returns were observed for the prior (six-month, one- and two-year) and post- (one- and two-year) publication date periods.

As suggested earlier, the instances of statistically significant results are similar for both the total investment and share capital return methods. The shapes of the respective return graphs in the figure also show similar trends.

As discussed further in Chapter 6, conclusively suggesting that contrarian performance is observed based on the cover story content, is not appropriate.

5.3 Abnormal Return Relative to ALSI (AJR)

5.3.1 AJR: Total Investment Return

The first benchmark index that is used to estimate abnormal returns is that of the ALSI. Table 14 displays the average abnormal return using as basis the total investment method for the various event window periods.

Table 14: Total investment return relative to ALSI for the aggregated categories

(measured in percentages unless otherwise indicated)

	Period from publication date (in trading days)											
Category / measure	-500 to -1	-250 to -1	-125 to -1	-21 to -1	-5 to -1	-2 to -1	1 to 2	1 to 5	1 to 21	1 to 125	1 to 250	1 to 500
All positive categories												
Count (sample number)	173	180	184	184	184	184	184	184	184	183	182	178
Mean	44.32	15.56	7.67	2.98	0.30	0.06	-0.04	-0.14	-0.12	-4.11	-4.11	-7.67
t-statistic	4.75	3.83	3.56	3.99	1.05	0.38	-0.31	-0.49	-0.19	-2.45	-1.45	-1.53
prob (α = 5%)	0.00	0.00	0.00	0.00	0.30	0.71	0.76	0.63	0.85	0.02	0.15	0.13
Reject Ho	Yes	Yes	Yes	Yes	No	No	No	No	No	Yes	No	No
Median	16.62	3.65	3.19	2.28	0.01	-0.01	0.07	-0.22	-0.53	-4.62	-4.33	-12.88
Signed rank-sum test	1.00	1.00	1.00	1.00	0.71	0.32	0.24	0.30	0.63	1.00	1.00	1.00
prob (α = 5%)	0.00	0.00	0.00	0.00	0.48	0.75	0.81	0.76	0.53	0.01	0.12	0.00
Reject Ho	**Yes**	**Yes**	**Yes**	**Yes**	No	No	No	No	No	**Yes**	No	**Yes**
Data normality	No	No	No	No	No	No	No	Yes	No	No	Yes	No
Neutral category												
Count (sample number)	23	23	23	23	23	23	23	23	22	22	22	21
Mean	4.07	-5.25	-1.96	-1.75	-0.28	-0.08	0.20	-0.21	-1.51	-6.85	-7.18	-14.43
t-statistic	0.33	-1.02	-0.93	-1.28	-0.41	-0.27	0.46	-0.24	-0.81	-1.46	-1.75	-2.28
prob (α = 5%)	0.74	0.32	0.36	0.21	0.69	0.79	0.65	0.82	0.43	0.16	0.09	0.03
Reject Ho	No	No	No	No	No	No	No	No	No	No	No	Yes
Median	-0.10	-0.95	-1.56	-0.58	-0.92	-0.19	-0.29	-0.75	-2.61	-8.28	-2.76	-17.88
Signed rank-sum test	0.32	0.84	0.68	0.84	0.87	0.05	0.55	0.93	1.00	1.00	1.00	1.00
prob (α = 5%)	0.75	0.40	0.49	0.40	0.39	0.96	0.58	0.35	0.27	0.16	0.06	0.03
Reject Ho	No	No	No	No	No	No	No	No	No	No	No	**Yes**
Data normality	No	Yes	Yes	No	Yes	Yes	No	No	Yes	Yes	Yes	No
All negative categories												
Count (sample number)	58	60	60	60	60	60	60	60	60	59	57	55
Mean	-39.34	-18.71	-5.30	-1.86	-0.92	-0.59	-0.16	0.60	-0.85	-6.96	-9.02	-20.29
t-statistic	-6.01	-3.90	-0.70	-0.74	-1.22	-1.98	-0.27	0.73	-0.57	-1.60	-1.39	-2.61
prob (α = 5%)	0.00	0.00	0.48	0.46	0.23	0.05	0.79	0.47	0.57	0.12	0.17	0.01
Reject Ho	Yes	**Yes**	No	No	No	No	No	No	No	No	No	**Yes**
Median	-41.97	-17.29	-7.30	-1.93	-0.54	-0.34	0.05	0.61	-3.10	-6.45	-11.53	-15.88
Signed rank-sum test	1.00	1.00	1.00	1.00	0.77	1.00	0.90	1.00	1.00	1.00	1.00	1.00
prob (α = 5%)	0.00	0.00	0.01	0.11	0.44	0.10	0.37	0.11	0.10	0.04	0.01	0.02
Reject Ho	**Yes**	Yes	**Yes**	No	No	No	No	No	No	**Yes**	**Yes**	Yes
Data normality	No	Yes	No	No	No	No	No	No	No	No	No	Yes

The all-positive category shows statistically positive abnormal returns for the periods one-month to two-years prior to publishing date, and contrarian performance for the six-month and two-year periods post-publishing date. Interestingly, compared to Table 10's holding-period momentum results, the AJR post-publication period results show a reversal to contrarian performance. The all-negative category show statistically significant negative abnormal returns for prior to event window period, followed by momentum performance for periods beyond six months. No prior period negative performance was observed for holding-period returns in Table 10. A negative abnormal return for post two-year event window period was the only the statistically significant result for neutral category. Chapter 6 discusses these results in greater detail.

Table 15: Total investment return relative to ALSI for the remaining four categories

(measured in percentages unless otherwise indicated)

	Period from publication date (in trading days)											
Category / measure	**-500 to -1**	**-250 to -1**	**-125 to -1**	**-21 to -1**	**-5 to -1**	**-2 to -1**	**1 to 2**	**1 to 5**	**1 to 21**	**1 to 125**	**1 to 250**	**1 to 500**
Very positive category												
Count (sample number)	34	35	36	36	36	36	36	36	36	36	36	36
Mean	57.73	31.31	15.82	2.48	0.56	0.27	0.40	0.75	2.81	0.41	0.39	-18.65
t-statistic	5.01	3.74	2.79	2.09	1.05	1.00	0.91	1.07	2.51	0.14	0.07	-2.29
prob (α = 5%)	0.00	0.00	0.01	0.04	0.30	0.33	0.37	0.29	0.02	0.89	0.94	0.03
Reject Ho	Yes	Yes	Yes	**Yes**	No	No	No	No	**Yes**	No	No	**Yes**
Median	49.89	16.66	6.47	2.75	0.43	0.45	0.19	0.21	2.28	0.71	-3.29	-19.64
Signed rank-sum test	1.00	1.00	1.00	1.00	0.97	1.00	0.88	1.00	1.00	0.34	0.04	1.00
prob (α = 5%)	0.00	0.00	0.01	0.07	0.33	0.31	0.38	0.30	0.03	0.74	0.97	0.02
Reject Ho	**Yes**	**Yes**	**Yes**	No	No	No	No	No	Yes	No	No	Yes
Data normality	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
Positive category												
Count (sample number)	139	145	148	148	148	148	148	148	148	147	146	142
Mean	41.04	11.76	5.69	3.11	0.23	0.01	-0.15	-0.35	-0.83	-5.22	-5.22	-4.89
t-statistic	3.64	2.57	2.49	3.51	0.71	0.07	-1.05	-1.15	-1.15	-2.68	-1.60	-0.83
prob (α = 5%)	0.00	0.01	0.01	0.00	0.48	0.95	0.29	0.25	0.25	0.01	0.11	0.41
Reject Ho	Yes	Yes	Yes	Yes	No	No	No	No	No	Yes	No	No
Median	9.49	-0.47	2.57	2.12	-0.20	-0.04	0.05	-0.34	-1.15	-6.12	-4.33	-11.48
Signed rank-sum test	1.00	1.00	1.00	1.00	0.37	0.09	0.76	0.90	1.00	1.00	1.00	1.00
prob (α = 5%)	0.01	0.20	0.06	0.00	0.71	0.93	0.45	0.37	0.08	0.00	0.08	0.02
Reject Ho	**Yes**	No	No	**Yes**	No	No	No	No	No	**Yes**	No	**Yes**
Data normality	No	No	No	No	No	No	No	Yes	No	No	Yes	No
Negative category												
Count (sample number)	39	40	40	40	40	40	40	40	40	39	38	38
Mean	-30.92	-10.81	-5.58	0.25	-0.06	-0.30	-0.33	0.73	0.27	-11.64	-15.37	-22.31
t-statistic	-4.17	-1.94	-1.37	0.18	-0.07	-0.93	-0.40	0.68	0.14	-2.66	-2.79	-2.63
prob (α = 5%)	0.00	0.06	0.18	0.86	0.95	0.36	0.69	0.50	0.89	0.01	0.01	0.01
Reject Ho	Yes	No	No	No	No	No	No	No	No	Yes	Yes	**Yes**
Median	-29.91	-13.52	-2.76	-0.62	-0.06	-0.37	0.32	1.59	-2.10	-6.55	-15.00	-21.92
Signed rank-sum test	1.00	1.00	1.00	0.11	0.42	1.00	1.00	1.00	0.52	1.00	1.00	1.00
prob (α = 5%)	0.00	0.04	0.30	0.91	0.67	0.29	0.27	0.10	0.60	0.01	0.00	0.02
Reject Ho	**Yes**	Yes	No	No	No	No	No	No	No	**Yes**	**Yes**	Yes
Data normality	No	Yes	Yes	Yes	No	Yes	No	No	Yes	No	No	Yes
Very negative category												
Count (sample number)	19	20	20	20	20	20	20	20	20	20	19	17
Mean	-56.61	-34.52	-4.74	-6.07	-2.65	-1.18	0.18	0.34	-3.09	2.15	3.67	-15.80
t-statistic	-4.62	-4.22	-0.22	-0.87	-1.75	-1.89	0.33	0.27	-1.53	0.23	0.23	-0.94
prob (α = 5%)	0.00	0.00	0.83	0.40	0.10	0.07	0.75	0.79	0.14	0.82	0.82	0.36
Reject Ho	**Yes**	**Yes**	No	No	No	No	No	No	No	No	No	No
Median	-60.10	-32.23	-23.54	-8.40	-3.01	0.13	-0.02	-0.11	-4.86	-2.85	-4.67	-0.47
Signed rank-sum test	1.00	1.00	1.00	1.00	1.00	1.00	0.07	0.13	1.00	0.06	0.42	0.38
prob (α = 5%)	0.00	0.00	0.02	0.02	0.09	0.19	0.94	0.90	0.04	0.96	0.67	0.70
Reject Ho	Yes	Yes	**Yes**	**Yes**	No	No	No	No	Yes	No	No	No
Data normality	Yes	Yes	No	No	Yes	No	Yes	No	Yes	No	No	No

The all-positive category shows four statistically significant prior event window periods compared to the two of the positive category. Post-publication, two event window periods were statistically significant. This compares favourably with the four prior and two post periods observed in Table 14. The negative category (Table 15) appears to be the contributor to the abnormal negative performance observed for the all-negative category in Table 14. Statistically significant prior period negative abnormal return was observed for the very-

negative category for the longer event window periods from one-month and earlier. This suggests one extra prior event window period compared to the all-negative category (Table 14).

5.3.2 AJR: Share Capital Return

Table 16: Share capital return relative to ALSI for the aggregated categories

(measured in percentages unless otherwise indicated)

	Period from publication date (in trading days)											
Category / measure	**-500 to -1**	**-250 to -1**	**-125 to -1**	**-21 to -1**	**-5 to -1**	**-2 to -1**	**1 to 2**	**1 to 5**	**1 to 21**	**1 to 125**	**1 to 250**	**1 to 500**
All positive categories												
Count (sample number)	173	180	184	184	184	184	184	184	184	183	182	178
Mean	43.31	15.59	7.59	3.03	0.26	0.02	-0.09	-0.25	-0.32	-4.16	-3.75	-6.12
t-statistic	5.02	3.86	3.51	4.04	0.92	0.13	-0.61	-0.90	-0.50	-2.50	-1.35	-1.27
prob (α = 5%)	0.00	0.00	0.00	0.00	0.36	0.90	0.54	0.37	0.61	0.01	0.18	0.21
Reject Ho	Yes	Yes	Yes	Yes	No	No	No	No	No	Yes	No	No
Median	25.95	4.33	2.76	2.18	-0.09	-0.03	0.03	-0.35	-0.75	-4.17	-3.61	-11.78
Signed rank-sum test	1.00	1.00	1.00	1.00	0.56	0.01	0.53	0.71	0.93	1.00	1.00	1.00
prob (α = 5%)	0.00	0.00	0.01	0.00	0.57	0.99	0.60	0.48	0.35	0.01	0.15	0.00
Reject Ho	**Yes**	**Yes**	**Yes**	**Yes**	No	No	No	No	No	**Yes**	No	**Yes**
Data normality	No	No	No	No	No	No	No	Yes	No	No	Yes	No
Neutral category												
Count (sample number)	23	23	23	23	23	23	23	23	22	22	22	21
Mean	4.83	-5.17	-2.05	-1.75	-0.43	-0.25	0.04	-0.38	-1.70	-6.87	-6.69	-12.57
t-statistic	0.41	-1.05	-0.99	-1.32	-0.61	-0.84	0.09	-0.43	-0.92	-1.49	-1.70	-2.01
prob (α = 5%)	0.68	0.31	0.33	0.20	0.55	0.41	0.93	0.67	0.37	0.15	0.10	0.06
Reject Ho	No	No	No	No	No	No	No	No	No	No	No	No
Median	-1.50	-1.94	-2.01	-0.35	-0.92	-0.44	-0.44	-0.75	-2.42	-7.22	-3.12	-14.89
Signed rank-sum test	0.11	0.87	0.71	0.68	1.00	0.44	0.88	1.00	1.00	1.00	1.00	1.00
prob (α = 5%)	0.92	0.39	0.47	0.49	0.31	0.66	0.38	0.27	0.18	0.14	0.07	0.03
Reject Ho	No	No	No	No	No	No	No	No	No	No	No	**Yes**
Data normality	No	Yes	Yes	No	Yes	Yes	No	No	Yes	Yes	Yes	No
All negative categories												
Count (sample number)	58	60	60	60	60	60	60	60	60	59	57	55
Mean	-36.19	-17.45	-4.71	-1.79	-0.87	-0.59	-0.16	0.61	-0.84	-6.49	-7.84	-16.62
t-statistic	-5.72	-3.62	-0.62	-0.72	-1.16	-1.98	-0.27	0.73	-0.56	-1.48	-1.22	-2.21
prob (α = 5%)	0.00	0.00	0.53	0.48	0.25	0.05	0.79	0.47	0.58	0.14	0.23	0.03
Reject Ho	**Yes**	**Yes**	No	No	No	No	No	No	No	No	No	**Yes**
Median	-41.47	-17.59	-5.89	-1.61	-0.53	-0.34	0.05	0.61	-2.89	-6.08	-9.77	-13.14
Signed rank-sum test	1.00	1.00	1.00	1.00	0.69	1.00	0.90	1.00	1.00	1.00	1.00	1.00
prob (α = 5%)	0.00	0.00	0.01	0.11	0.49	0.10	0.37	0.11	0.12	0.05	0.01	0.06
Reject Ho	Yes	Yes	**Yes**	No	No	No	No	No	No	No	**Yes**	No
Data normality	Yes	Yes	No	No	No	No	No	No	No	No	No	Yes

The results in Table 16 are similar to the total investment return calculation. While the all-positive category shows statistically significant results for prior periods, statistically significant contrarian return performance is observed for the six-month and two-year periods. For the all-negative category, a statistically significant momentum negative difference from zero is observed for the one- and two-year post publication periods.

Table 17: Share capital return relative to ALSI for the remaining four categories

(measured in percentages unless otherwise indicated)

	Period from publication date (in trading days)											
Category / measure	-500 to -1	-250 to -1	-125 to -1	-21 to -1	-5 to -1	-2 to -1	1 to 2	1 to 5	1 to 21	1 to 125	1 to 250	1 to 500
Very positive category												
Count (sample number)	34	35	36	36	36	36	36	36	36	36	36	36
Mean	59.29	32.35	16.17	2.60	0.55	0.26	0.38	0.56	2.71	0.70	1.27	-16.09
t-statistic	5.27	3.87	2.84	2.20	1.03	0.95	0.88	0.81	2.43	0.24	0.23	-2.08
prob (α = 5%)	0.00	0.00	0.01	0.03	0.31	0.35	0.38	0.42	0.02	0.81	0.82	0.05
Reject Ho	Yes	Yes	Yes	**Yes**	No	No	No	No	**Yes**	No	No	**Yes**
Median	53.67	16.82	6.12	2.43	0.50	0.45	0.15	0.08	1.82	0.57	-2.17	-16.35
Signed rank-sum test	1.00	1.00	1.00	1.00	0.95	0.94	0.82	0.78	1.00	0.59	0.09	1.00
prob (α = 5%)	0.00	0.00	0.01	0.05	0.34	0.35	0.41	0.44	0.04	0.56	0.93	0.04
Reject Ho	**Yes**	**Yes**	**Yes**	No	No	No	No	No	Yes	No	No	Yes
Data normality	No	No	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
Positive category												
Count (sample number)	139	145	148	148	148	148	148	148	148	147	146	142
Mean	39.40	11.55	5.50	3.14	0.19	-0.04	-0.20	-0.45	-1.06	-5.35	-4.99	-3.59
t-statistic	3.80	2.54	2.41	3.53	0.58	-0.19	-1.41	-1.48	-1.44	-2.76	-1.56	-0.63
prob (α = 5%)	0.00	0.01	0.02	0.00	0.56	0.85	0.16	0.14	0.15	0.01	0.12	0.53
Reject Ho	Yes	Yes	Yes	Yes	No	No	No	No	No	Yes	No	No
Median	8.18	-0.45	2.09	2.18	-0.16	-0.10	0.02	-0.46	-1.46	-6.31	-4.10	-10.32
Signed rank-sum test	1.00	1.00	1.00	1.00	0.21	0.41	1.00	1.00	1.00	1.00	1.00	1.00
prob (α = 5%)	0.00	0.23	0.07	0.00	0.84	0.68	0.29	0.22	0.05	0.00	0.10	0.02
Reject Ho	**Yes**	No	No	**Yes**	No	No	No	No	**Yes**	**Yes**	No	**Yes**
Data normality	No	No	No	No	No	No	No	Yes	No	No	Yes	No
Negative category												
Count (sample number)	39	40	40	40	40	40	40	40	40	39	38	38
Mean	-27.91	-9.63	-5.09	0.27	-0.03	-0.30	-0.33	0.73	0.28	-11.11	-14.35	-19.00
t-statistic	-3.92	-1.71	-1.25	0.19	-0.04	-0.93	-0.40	0.68	0.14	-2.56	-2.68	-2.31
prob (α = 5%)	0.00	0.09	0.22	0.85	0.97	0.36	0.69	0.50	0.89	0.01	0.01	0.03
Reject Ho	Yes	No	No	No	No	No	No	No	No	Yes	Yes	**Yes**
Median	-29.54	-12.51	-3.80	-0.43	-0.04	-0.37	0.33	1.61	-2.03	-6.82	-15.48	-22.07
Signed rank-sum test	1.00	1.00	1.00	0.09	0.50	1.00	1.00	1.00	0.49	1.00	1.00	1.00
prob (α = 5%)	0.00	0.05	0.28	0.93	0.61	0.29	0.27	0.09	0.62	0.01	0.00	0.03
Reject Ho	**Yes**	No	No	No	No	No	No	No	No	**Yes**	**Yes**	Yes
Data normality	No	Yes	Yes	Yes	No	Yes	No	No	Yes	No	No	Yes
Very negative category												
Count (sample number)	19	20	20	20	20	20	20	20	20	20	19	17
Mean	-53.19	-33.07	-3.94	-5.91	-2.55	-1.17	0.18	0.35	-3.09	2.53	5.17	-11.30
t-statistic	-4.44	-4.02	-0.18	-0.85	-1.69	-1.89	0.33	0.27	-1.49	0.26	0.32	-0.69
prob (α = 5%)	0.00	0.00	0.86	0.41	0.11	0.07	0.75	0.79	0.15	0.79	0.75	0.50
Reject Ho	**Yes**	**Yes**	No	No	No	No	No	No	No	No	No	No
Median	-55.54	-31.42	-23.02	-7.86	-2.88	0.13	-0.02	-0.05	-4.92	-1.92	-2.44	2.00
Signed rank-sum test	1.00	1.00	1.00	1.00	1.00	1.00	0.07	0.13	1.00	0.06	0.34	0.19
prob (α = 5%)	0.00	0.00	0.02	0.02	0.09	0.19	0.94	0.90	0.04	0.96	0.73	0.85
Reject Ho	Yes	Yes	**Yes**	**Yes**	No	No	No	No	Yes	No	No	No
Data normality	Yes	Yes	No	No	Yes	No	Yes	No	Yes	No	No	No

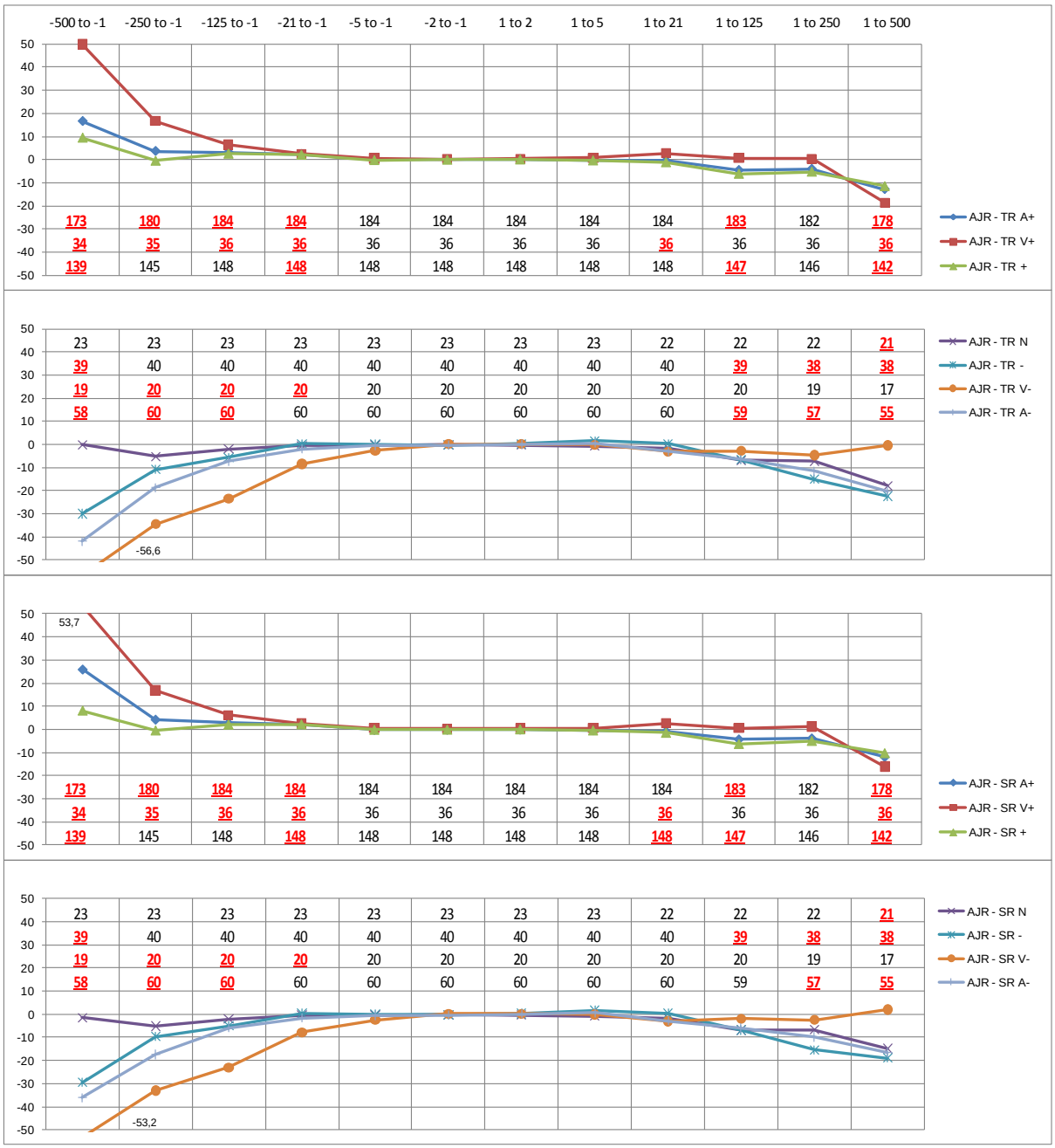
The results in Table 17, with respect to statistically significant event window periods, are identical to the total investment return results (Table 15).

On comparing the aggregated category performance (Table 16) with the individual categories (Table 17), the extreme categories show extreme abnormal return performance for long-term event window periods. However, for the negative and positive performance the incidence of matching statistically significant event window periods are less frequent.

5.3.3 Graphical presentation of output tables

Figure 2: AJR - total investment (TR) and share capital returns (SR) for all categories

(y-axis represents percentage returns, x-axis various event window periods)



For positive categories, Figure 2 demonstrates that when HPR was adjusted for the ALSI, positive abnormal return is followed by contrarian performance for the two-year event window period for positive stories. Negative or neutral stories, however, show statistically significant momentum performance.

It is also evident that the total investment and share capital return show similar trends in terms performance and occurrence of statistically significant periods.

5.4 Abnormal Return Relative to ISM Company (ISMR)

5.4.1 ISMR: Total Investment Return

The second benchmark index that is used to estimate abnormal returns is that of the adjustment based on the comparative ISM company return.

Table 18: Total investment return ISM company for the aggregated categories

(measured in percentages unless otherwise indicated)

	Period from publication date (in trading days)											
Category / measure	**-500 to -1**	**-250 to -1**	**-125 to -1**	**-21 to -1**	**-5 to -1**	**-2 to -1**	**1 to 2**	**1 to 5**	**1 to 21**	**1 to 125**	**1 to 250**	**1 to 500**
All positive categories												
Count (sample number)	64	70	74	75	75	75	75	75	75	74	74	73
Mean	14.00	9.00	2.61	-0.29	-0.03	-0.07	-0.26	0.09	0.42	-2.22	0.52	-1.47
t-statistic	1.11	1.17	0.90	-0.34	-0.07	-0.21	-1.22	0.15	0.29	-0.57	0.11	-0.16
prob (α = 5%)	0.27	0.25	0.37	0.73	0.94	0.83	0.23	0.88	0.77	0.57	0.92	0.87
Reject Ho	No	No	No	No	No	No	No	No	No	No	No	No
Median	2.35	5.49	3.37	-1.29	0.42	0.10	-0.07	0.32	1.28	-3.03	-0.18	-7.12
Signed rank-sum test	1.00	1.00	1.00	0.83	0.48	0.50	1.00	0.69	0.49	0.36	0.08	1.00
prob (α = 5%)	0.30	0.10	0.26	0.41	0.63	0.62	0.29	0.49	0.62	0.72	0.94	0.25
Reject Ho	No	No	No	No	No	No	No	No	No	No	No	No
Data normality	No	No	No	No	Yes	No	Yes	No	No	No	No	No
Neutral category												
Count (sample number)	9	9	9	9	9	9	9	9	9	9	9	9
Mean	-5.88	-5.01	-2.57	-0.70	2.06	0.32	0.32	0.35	-4.71	-16.80	-14.37	3.38
t-statistic	-0.56	-0.37	-0.39	-0.25	1.75	0.45	0.74	0.22	-1.34	-0.72	-0.63	0.17
prob (α = 5%)	0.59	0.72	0.71	0.81	0.12	0.67	0.48	0.83	0.22	0.49	0.55	0.87
Reject Ho	No	No	No	No	No	No	No	No	No	No	No	No
Median	-9.11	12.09	-2.31	3.39	2.11	0.47	0.02	-1.58	-0.82	0.23	2.15	-9.55
Signed rank-sum test	0.36	0.24	0.47	0.00	1.00	0.47	0.47	0.00	1.00	0.36	0.00	0.24
prob (α = 5%)	0.72	0.81	0.64	1.00	0.16	0.64	0.64	1.00	0.24	0.72	1.00	0.81
Reject Ho	No	No	No	No	No	No	No	No	No	No	No	No
Data normality	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	Yes
All negative categories												
Count (sample number)	21	21	21	21	21	21	21	21	21	21	20	20
Mean	-45.75	-28.31	-17.99	-2.27	-2.15	-0.67	0.69	-0.92	-4.02	-12.09	-27.02	-17.65
t-statistic	-2.64	-2.45	-3.27	-0.91	-1.79	-1.59	1.21	-0.96	-2.38	-1.95	-1.83	-1.07
prob (α = 5%)	0.02	0.02	0.00	0.37	0.09	0.13	0.24	0.35	0.03	0.07	0.08	0.30
Reject Ho	Yes	Yes	**Yes**	No	No	No	No	No	**Yes**	No	No	No
Median	-36.16	-20.24	-11.63	-3.00	-1.46	-0.32	0.03	-1.05	-3.81	-13.82	-14.73	-18.05
Signed rank-sum test	1.00	1.00	1.00	1.00	1.00	1.00	0.78	1.00	1.00	1.00	1.00	1.00
prob (α = 5%)	0.02	0.02	0.01	0.23	0.07	0.20	0.43	0.29	0.02	0.09	0.07	0.28
Reject Ho	**Yes**	**Yes**	Yes	No	No	No	No	No	Yes	No	No	No
Data normality	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes

Only the all-negative category shows any statistical significance and this is during the period prior to publication date. While the absolute abnormal returns indicate momentum effect, only the one-month period post-publication

date is statistically significant. The all-positive and neutral categories show no statistically significant results. This lack of statistical significance is evidence of the null hypothesis not being rejected, and hence infers no abnormal return.

Table 19: Total investment return ISM company for the four remaining categories

(measured in percentages unless otherwise indicated)

	Period from publication date (in trading days)											
Category / measure	**-500 to -1**	**-250 to -1**	**-125 to -1**	**-21 to -1**	**-5 to -1**	**-2 to -1**	**1 to 2**	**1 to 5**	**1 to 21**	**1 to 125**	**1 to 250**	**1 to 500**
Very positive category												
Count (sample number)	14	15	16	16	16	16	16	16	16	16	16	16
Mean	37.08	27.05	13.81	-0.42	-0.23	-0.75	0.00	0.69	0.68	-0.29	7.68	-7.32
t-statistic	1.57	2.50	1.87	-0.23	-0.28	-1.15	-0.01	0.49	0.29	-0.05	0.82	-0.54
prob (α = 5%)	0.14	0.03	0.08	0.82	0.78	0.27	0.99	0.63	0.78	0.96	0.43	0.60
Reject Ho	No	**Yes**	No	No	No	No	No	No	No	No	No	No
Median	-7.19	12.09	8.73	-2.04	0.26	-0.39	0.05	2.17	2.64	-2.48	-0.98	-11.04
Signed rank-sum test	0.50	1.00	1.00	0.54	0.65	0.93	0.05	0.80	0.08	0.13	0.28	0.59
prob (α = 5%)	0.62	0.06	0.09	0.59	0.52	0.35	0.96	0.42	0.94	0.90	0.78	0.55
Reject Ho	No	No	No	No	No	No	No	No	No	No	No	No
Data normality	Yes	Yes	No	Yes	No	No	Yes	No	Yes	Yes	Yes	Yes
Positive category												
Count (sample number)	50	55	58	59	59	59	59	59	59	58	58	57
Mean	7.54	4.08	-0.47	-0.26	0.02	0.11	-0.33	-0.08	0.34	-2.75	-1.46	0.18
t-statistic	0.51	0.44	-0.16	-0.27	0.04	0.29	-1.38	-0.12	0.20	-0.58	-0.25	0.02
prob (α = 5%)	0.61	0.66	0.87	0.79	0.97	0.77	0.17	0.90	0.84	0.56	0.80	0.99
Reject Ho	No	No	No	No	No	No	No	No	No	No	No	No
Median	2.90	3.39	3.23	-0.69	0.45	0.36	-0.14	-0.27	0.51	-3.39	0.00	-6.57
Signed rank-sum test	0.89	0.75	0.41	0.62	0.37	1.00	1.00	0.06	0.38	0.32	0.09	0.96
prob (α = 5%)	0.37	0.45	0.68	0.54	0.71	0.29	0.27	0.95	0.70	0.75	0.93	0.34
Reject Ho	No	No	No	No	No	No	No	No	No	No	No	No
Data normality	No	No	No	No	Yes	No	Yes	No	No	No	No	No
Negative category												
Count (sample number)	14	14	14	14	14	14	14	14	14	14	13	13
Mean	-50.44	-19.37	-14.89	0.68	-1.22	-0.39	0.74	-0.92	-4.44	-12.37	-32.78	-30.92
t-statistic	-2.32	-2.27	-2.20	0.24	-0.80	-1.10	0.98	-1.07	-2.44	-1.46	-1.53	-1.63
prob (α = 5%)	0.04	0.04	0.05	0.82	0.44	0.29	0.34	0.31	0.03	0.17	0.15	0.13
Reject Ho	**Yes**	**Yes**	**Yes**	No	No	No	No	No	**Yes**	No	No	No
Median	-36.48	-17.21	-8.13	-2.39	-0.53	-0.01	-0.46	-1.76	-2.79	-9.34	-13.41	-18.32
Signed rank-sum test	1.00	1.00	1.00	0.35	0.91	0.85	0.53	1.00	1.00	1.00	1.00	1.00
prob (α = 5%)	0.03	0.06	0.05	0.73	0.36	0.40	0.59	0.22	0.04	0.25	0.17	0.15
Reject Ho	Yes	No	Yes	No	No	No	No	No	Yes	No	No	No
Data normality	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes
Very negative category												
Count (sample number)	7	7	7	7	7	7	7	7	7	7	7	7
Mean	-36.38	-46.20	-24.20	-8.16	-4.01	-1.22	0.61	-0.92	-3.20	-11.52	-16.33	6.99
t-statistic	-1.19	-1.51	-2.48	-1.89	-2.17	-1.15	0.65	-0.37	-0.86	-1.36	-1.02	0.22
prob (α = 5%)	0.28	0.18	0.05	0.11	0.07	0.29	0.54	0.72	0.43	0.22	0.35	0.83
Reject Ho	No	No	**Yes**	No	No	No	No	No	No	No	No	No
Median	-8.84	-20.24	-22.53	-9.45	-3.75	-1.96	0.83	-0.01	-4.35	-13.82	-37.62	-0.83
Signed rank-sum test	0.76	1.00	1.00	1.00	1.00	0.93	0.59	0.25	0.93	1.00	1.00	0.08
prob (α = 5%)	0.45	0.20	0.08	0.11	0.08	0.35	0.55	0.80	0.35	0.20	0.20	0.93
Reject Ho	No	No	No	No	No	No	No	No	No	No	No	No
Data normality	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

The lack of statistical significance and hence no evidence of abnormal returns is also observed for the individual positive and negative results. The impact of small sample numbers on demonstrating statistically significant prior period abnormal return for the negative categories will be discussed in Chapter 6.

5.4.2 ISMR: Share Capital Return

A similar summary is considered for the abnormal return using as basis share capital return and is reflected in Table 20.

Table 20: Share capital return ISM company for the aggregated categories

(measured in percentages unless otherwise indicated)

	Period from publication date (in trading days)											
Category / measure	-500 to -1	-250 to -1	-125 to -1	-21 to -1	-5 to -1	-2 to -1	1 to 2	1 to 5	1 to 21	1 to 125	1 to 250	1 to 500
All positive categories												
Count (sample number)	64	70	74	75	75	75	75	75	75	74	74	73
Mean	15.11	9.57	2.68	-0.09	0.05	-0.10	-0.29	-0.02	0.33	-1.89	0.68	-0.34
t-statistic	1.23	1.26	0.91	-0.11	0.11	-0.30	-1.38	-0.03	0.24	-0.48	0.14	-0.04
prob (α = 5%)	0.22	0.21	0.37	0.91	0.92	0.76	0.17	0.98	0.81	0.63	0.89	0.97
Reject Ho	No	No	No	No	No	No	No	No	No	No	No	No
Median	4.83	7.71	2.73	-0.69	0.66	0.09	-0.14	0.15	1.28	-1.52	-0.01	-4.65
Signed rank-sum test	1.00	1.00	1.00	0.47	0.57	0.29	1.00	0.42	0.44	0.27	0.23	0.97
prob (α = 5%)	0.17	0.05	0.22	0.64	0.57	0.77	0.21	0.67	0.66	0.79	0.82	0.33
Reject Ho	No	No	No	No	No	No	No	No	No	No	No	No
Data normality	No	No	No	No	Yes	No	Yes	No	No	No	No	No
Neutral category												
Count (sample number)	9	9	9	9	9	9	9	9	9	9	9	9
Mean	-5.00	-5.00	-2.00	-1.02	1.64	0.08	0.08	0.29	-4.71	-16.61	-13.38	5.11
t-statistic	-0.51	-0.38	-0.30	-0.37	1.28	0.11	0.18	0.20	-1.34	-0.72	-0.60	0.27
prob (α = 5%)	0.62	0.71	0.77	0.72	0.23	0.91	0.86	0.85	0.22	0.49	0.57	0.79
Reject Ho	No	No	No	No	No	No	No	No	No	No	No	No
Median	-10.15	10.83	-2.55	2.92	-0.04	0.45	-0.02	-0.82	-0.95	-0.38	2.00	-6.97
Signed rank-sum test	0.47	0.12	0.24	0.00	0.71	0.12	0.00	0.00	1.00	0.00	0.00	0.24
prob (α = 5%)	0.64	0.91	0.81	1.00	0.48	0.91	1.00	1.00	0.29	1.00	1.00	0.81
Reject Ho	No	No	No	No	No	No	No	No	No	No	No	No
Data normality	Yes	No	Yes	Yes	Yes	Yes	Yes	Yes	No	No	No	Yes
All negative categories												
Count (sample number)	21	21	21	21	21	21	21	21	21	21	20	20
Mean	-44.61	-27.93	-18.02	-1.80	-2.15	-0.67	0.69	-0.71	-3.68	-11.37	-26.51	-15.86
t-statistic	-2.61	-2.43	-3.35	-0.70	-1.79	-1.59	1.21	-0.83	-2.38	-1.87	-1.81	-1.01
prob (α = 5%)	0.02	0.02	0.00	0.50	0.09	0.13	0.24	0.42	0.03	0.08	0.09	0.33
Reject Ho	Yes	Yes	**Yes**	No	No	No	No	No	**Yes**	No	No	No
Median	-31.43	-19.80	-11.63	-3.00	-1.46	-0.32	0.03	-1.05	-3.81	-13.29	-14.38	-21.57
Signed rank-sum test	1.00	1.00	1.00	0.85	1.00	1.00	0.78	1.00	1.00	1.00	1.00	0.93
prob (α = 5%)	0.02	0.02	0.01	0.39	0.07	0.20	0.43	0.31	0.02	0.10	0.07	0.35
Reject Ho	**Yes**	**Yes**	Yes	No	No	No	No	No	Yes	No	No	No
Data normality	No	No	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes

The results are identical to the total investment return results (Table 18). Statistically significant abnormal returns are observed only for the all-negative category in the periods prior to publishing. Again, only the period, one-month post publication date, shows statistically significant momentum effects.

The identical results for Table 20 and Table 18, suggests that inferences on statistically significant performance can be made interchangeably.

Table 21: Share capital return ISM company for the four remaining categories

(measured in percentages unless otherwise indicated)

	Period from publication date (in trading days)											
Category / measure	**-500 to -1**	**-250 to -1**	**-125 to -1**	**-21 to -1**	**-5 to -1**	**-2 to -1**	**1 to 2**	**1 to 5**	**1 to 21**	**1 to 125**	**1 to 250**	**1 to 500**
Very positive category												
Count (sample number)	14	15	16	16	16	16	16	16	16	16	16	16
Mean	38.55	27.83	14.16	-0.15	-0.35	-0.75	0.00	0.54	0.64	0.07	8.57	-4.58
t-statistic	1.69	2.67	1.89	-0.09	-0.41	-1.15	-0.01	0.39	0.27	0.01	0.90	-0.33
prob (α = 5%)	0.12	0.02	0.08	0.93	0.69	0.27	0.99	0.70	0.79	0.99	0.38	0.75
Reject Ho	No	**Yes**	No	No	No	No	No	No	No	No	No	No
Median	-1.32	12.09	8.92	-1.00	0.26	-0.39	0.05	1.74	3.00	-1.77	0.84	-8.17
Signed rank-sum test	0.63	1.00	1.00	0.49	0.34	0.93	0.05	0.80	0.23	0.03	0.44	0.49
prob (α = 5%)	0.53	0.03	0.09	0.62	0.74	0.35	0.96	0.42	0.82	0.98	0.66	0.62
Reject Ho	No	Yes	No	No	No	No	No	No	No	No	No	No
Data normality	No	Yes	No	Yes	No	No	Yes	No	Yes	Yes	Yes	Yes
Positive category												
Count (sample number)	50	55	58	59	59	59	59	59	59	58	58	57
Mean	8.55	4.59	-0.48	-0.08	0.16	0.07	-0.37	-0.17	0.25	-2.43	-1.50	0.85
t-statistic	0.60	0.50	-0.16	-0.08	0.27	0.19	-1.56	-0.28	0.15	-0.51	-0.27	0.08
prob (α = 5%)	0.55	0.62	0.88	0.94	0.79	0.85	0.12	0.78	0.88	0.61	0.79	0.94
Reject Ho	No	No	No	No	No	No	No	No	No	No	No	No
Median	7.57	5.56	2.67	0.36	1.08	0.36	-0.28	-0.36	0.51	-1.52	-0.01	-4.51
Signed rank-sum test	1.00	0.96	0.52	0.26	0.52	0.81	1.00	0.18	0.29	0.24	0.02	0.90
prob (α = 5%)	0.25	0.34	0.60	0.79	0.61	0.42	0.18	0.86	0.77	0.81	0.99	0.37
Reject Ho	No	No	No	No	No	No	No	No	No	No	No	No
Data normality	No	No	No	No	Yes	No	Yes	No	No	No	No	No
Negative category												
Count (sample number)	14	14	14	14	14	14	14	14	14	14	13	13
Mean	-48.14	-18.66	-14.65	1.56	-1.22	-0.39	0.74	-0.92	-4.61	-11.77	-32.85	-30.02
t-statistic	-2.25	-2.21	-2.23	0.54	-0.80	-1.10	0.98	-1.07	-2.70	-1.40	-1.55	-1.66
prob (α = 5%)	0.04	0.05	0.04	0.60	0.44	0.29	0.34	0.31	0.02	0.18	0.15	0.12
Reject Ho	**Yes**	**Yes**	**Yes**	No	No	No	No	No	**Yes**	No	No	No
Median	-31.45	-17.08	-9.54	-0.46	-0.53	-0.01	-0.46	-1.76	-3.29	-8.99	-12.60	-28.02
Signed rank-sum test	1.00	1.00	1.00	0.16	0.91	0.85	0.53	1.00	1.00	1.00	1.00	1.00
prob (α = 5%)	0.03	0.07	0.05	0.88	0.36	0.40	0.59	0.22	0.03	0.27	0.15	0.15
Reject Ho	Yes	No	Yes	No	No	No	No	No	Yes	No	No	No
Data normality	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes
Very negative category												
Count (sample number)	7	7	7	7	7	7	7	7	7	7	7	7
Mean	-37.56	-46.45	-24.76	-8.52	-4.01	-1.22	0.61	-0.28	-1.83	-10.58	-14.73	10.45
t-statistic	-1.24	-1.52	-2.58	-1.95	-2.17	-1.15	0.65	-0.14	-0.57	-1.31	-0.96	0.36
prob (α = 5%)	0.26	0.18	0.04	0.10	0.07	0.29	0.54	0.89	0.59	0.24	0.37	0.73
Reject Ho	No	No	**Yes**	No	No	No	No	No	No	No	No	No
Median	-5.93	-19.80	-22.51	-9.45	-3.75	-1.96	0.83	-0.01	-4.35	-13.29	-35.13	-0.83
Signed rank-sum test	0.76	1.00	1.00	1.00	1.00	0.93	0.59	0.08	0.42	1.00	1.00	0.25
prob (α = 5%)	0.45	0.20	0.08	0.11	0.08	0.35	0.55	0.93	0.67	0.20	0.20	0.80
Reject Ho	No	No	No	No	No	No	No	No	No	No	No	No
Data normality	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

The results are identical to the total investment return results (Table 19). This again confirms that inferences on statistically significant window periods for the two methods can be made interchangeably.

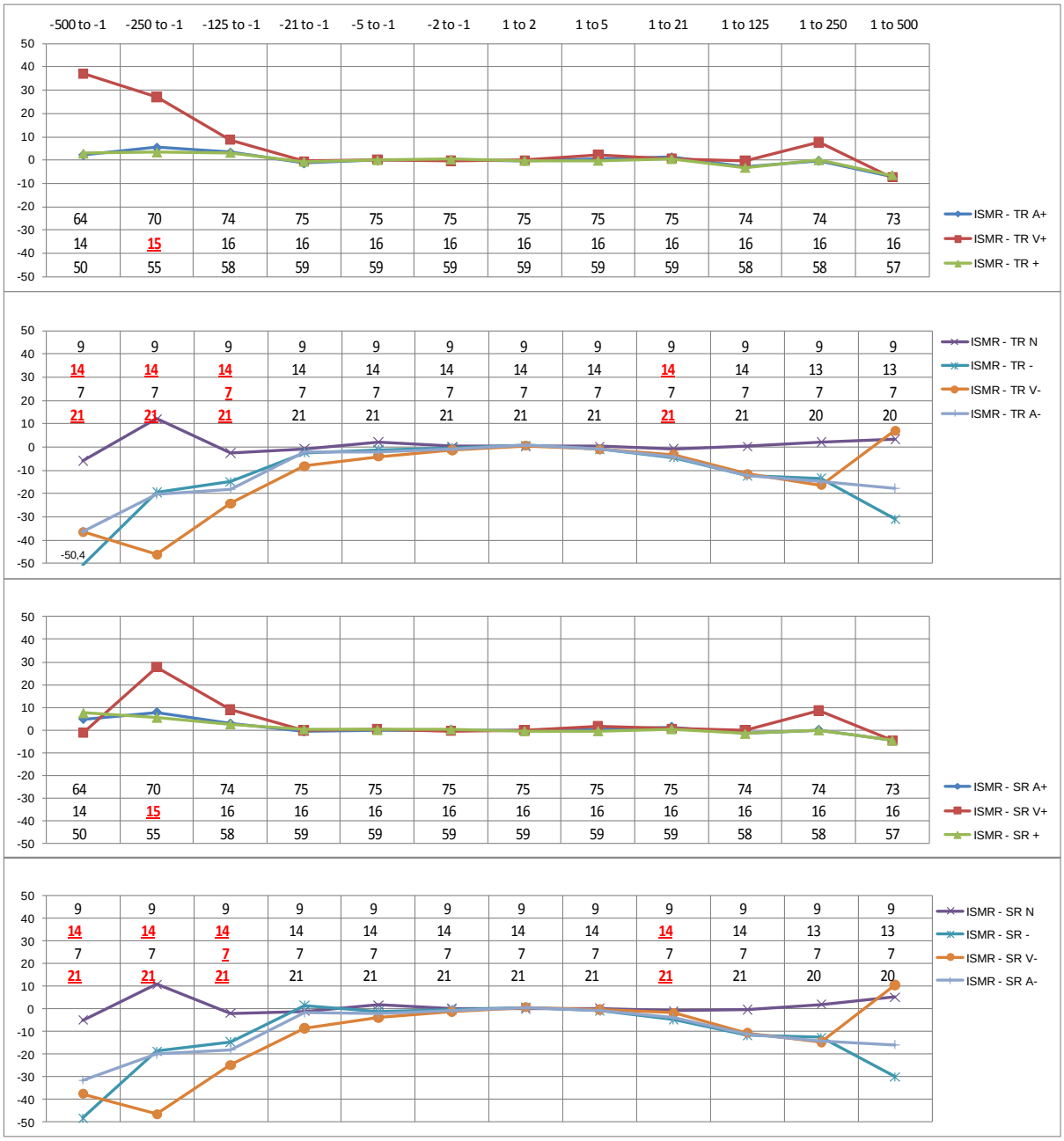
5.4.3 Graphical presentation of output tables

When holding-period returns are adjusted by the ISM company return, most of the abnormal returns dissipated, as represented by the few instances of

statistically significant results. The negative category shows the most frequent statistically significant results for prior periods, however with a small sample.

Figure 3: ISMR - total investment (TR) and share capital returns (SR) all categories

(y-axis represents percentage returns, x-axis various event window periods)



The reason for the lack of significant abnormal return results is probably due to the fact the previous holding-period returns observed, largely tracked that of the broader sector performance, and in particular the ISM company return.

5.5 Abnormal Return Relative to Industry Sector Index (ASR)

5.5.1 ASR: Total Investment Return

The final benchmark index that is used to estimate abnormal returns is that of the sector index.

Table 22: Total investment return relative to sector for the aggregated categories

(measured in percentages unless otherwise indicated)

	Period from publication date (in trading days)											
Category / measure	**-500 to -1**	**-250 to -1**	**-125 to -1**	**-21 to -1**	**-5 to -1**	**-2 to -1**	**1 to 2**	**1 to 5**	**1 to 21**	**1 to 125**	**1 to 250**	**1 to 500**
All positive categories												
Count (sample number)	127	133	136	136	136	136	136	136	136	136	136	133
Mean	26.69	13.36	3.48	1.21	-0.05	-0.18	-0.21	-0.01	-0.07	-0.99	-0.61	-2.59
t-statistic	2.64	2.82	1.54	1.38	-0.16	-0.97	-1.56	-0.05	-0.09	-0.58	-0.23	-0.51
prob (α = 5%)	0.01	0.01	0.13	0.17	0.87	0.34	0.12	0.96	0.93	0.56	0.82	0.61
Reject Ho	Yes	Yes	No	No	No	No	No	No	No	No	No	No
Median	10.29	1.39	-0.83	0.38	0.01	-0.17	-0.19	-0.14	-0.43	-1.01	-1.04	-4.81
Signed rank-sum test	1.00	1.00	0.19	0.80	0.58	1.00	1.00	0.23	0.55	0.80	0.83	1.00
prob (α = 5%)	0.03	0.06	0.85	0.42	0.56	0.27	0.19	0.82	0.58	0.42	0.41	0.02
Reject Ho	**Yes**	No	No	No	No	No	No	No	No	No	No	**Yes**
Data normality	No	No	No	No	No	No	No	Yes	No	No	No	No
Neutral category												
Count (sample number)	15	15	15	15	15	15	15	15	15	15	15	15
Mean	-8.02	-2.21	0.71	0.48	0.74	0.44	-0.12	-0.79	-2.33	-7.91	-6.96	-11.00
t-statistic	-1.18	-0.66	0.31	0.49	1.20	1.31	-0.41	-1.29	-1.90	-1.61	-1.47	-1.08
prob (α = 5%)	0.26	0.52	0.76	0.63	0.25	0.21	0.69	0.22	0.08	0.13	0.16	0.30
Reject Ho	No	No	No	No	No	No	No	No	No	No	No	No
Median	-4.23	-3.75	1.33	1.68	-0.06	0.76	0.14	-0.99	-2.60	-2.78	-7.36	-8.95
Signed rank-sum test	0.88	0.65	0.48	0.99	0.77	1.00	0.00	1.00	1.00	1.00	1.00	1.00
prob (α = 5%)	0.38	0.51	0.63	0.32	0.44	0.22	1.00	0.20	0.11	0.27	0.22	0.29
Reject Ho	No	No	No	No	No	No	No	No	No	No	No	No
Data normality	Yes	Yes	Yes	No	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes
All negative categories												
Count (sample number)	46	48	48	48	48	48	48	48	48	47	45	44
Mean	-35.75	-17.71	-4.08	-0.87	-0.75	-0.37	0.28	1.06	-1.71	-8.38	-12.47	-19.97
t-statistic	-4.69	-3.36	-0.47	-0.34	-0.96	-1.16	0.94	1.44	-1.15	-2.07	-1.93	-2.41
prob (α = 5%)	0.00	0.00	0.64	0.74	0.34	0.25	0.35	0.16	0.26	0.04	0.06	0.02
Reject Ho	**Yes**	**Yes**	No	No	No	No	No	No	No	Yes	No	**Yes**
Median	-32.58	-14.97	-9.70	-2.67	-0.05	-0.11	0.07	0.80	-1.34	-5.20	-7.60	-6.98
Signed rank-sum test	1.00	1.00	1.00	1.00	0.67	1.00	0.56	1.00	1.00	1.00	1.00	1.00
prob (α = 5%)	0.00	0.00	0.01	0.09	0.50	0.28	0.58	0.03	0.17	0.03	0.02	0.05
Reject Ho	Yes	Yes	**Yes**	No	No	No	No	**Yes**	No	**Yes**	**Yes**	No
Data normality	Yes	Yes	No	No	No	Yes	Yes	No	Yes	No	No	Yes

The all-negative category shows statistical significance, during the prior to publication event window periods. Post-publication date, momentum (negative) effect is observed for long-term event window periods. For the all-positive category, only the two-year prior event window period is statistically significant, with a contrarian negative abnormal return observed post-publication date for the two-year event window period.

Table 23: Total investment return relative to sector for the four remaining categories

(measured in percentages unless otherwise indicated)

	Period from publication date (in trading days)											
Category / measure	**-500 to -1**	**-250 to -1**	**-125 to -1**	**-21 to -1**	**-5 to -1**	**-2 to -1**	**1 to 2**	**1 to 5**	**1 to 21**	**1 to 125**	**1 to 250**	**1 to 500**
Very positive category												
Count (sample number)	22	22	23	23	23	23	23	23	23	23	23	23
Mean	42.85	29.47	15.84	1.54	0.02	0.03	0.05	0.15	1.12	3.83	4.16	-8.27
t-statistic	3.11	2.86	2.56	1.09	0.04	0.10	0.13	0.21	1.11	1.22	0.71	-1.17
prob (α = 5%)	0.01	0.01	0.02	0.29	0.97	0.92	0.90	0.83	0.28	0.24	0.49	0.25
Reject Ho	Yes	Yes	Yes	No	No	No	No	No	No	No	No	No
Median	30.70	13.56	8.86	2.04	0.28	-0.17	0.10	0.81	1.19	1.94	1.23	-5.30
Signed rank-sum test	1.00	1.00	1.00	1.00	0.14	0.38	0.73	0.53	1.00	1.00	0.62	1.00
prob (α = 5%)	0.00	0.01	0.02	0.25	0.89	0.70	0.47	0.59	0.31	0.24	0.53	0.27
Reject Ho	**Yes**	**Yes**	**Yes**	No	No	No	No	No	No	No	No	No
Data normality	No	No	No	Yes	No	Yes	No	No	Yes	No	No	Yes
Positive category												
Count (sample number)	105	111	113	113	113	113	113	113	113	113	113	110
Mean	23.31	10.16	0.96	1.14	-0.06	-0.22	-0.27	-0.05	-0.31	-1.97	-1.58	-1.41
t-statistic	1.97	1.93	0.41	1.13	-0.18	-1.05	-1.81	-0.14	-0.35	-1.02	-0.53	-0.24
prob (α = 5%)	0.05	0.06	0.68	0.26	0.86	0.30	0.07	0.89	0.72	0.31	0.60	0.81
Reject Ho	No	No	No	No	No	No	No	No	No	No	No	No
Median	0.97	-0.85	-2.12	0.13	-0.33	-0.17	-0.22	-0.23	-0.80	-2.65	-1.78	-4.18
Signed rank-sum test	1.00	0.86	1.00	0.35	0.57	1.00	1.00	0.52	0.96	1.00	1.00	1.00
prob (α = 5%)	0.26	0.39	0.31	0.72	0.57	0.30	0.08	0.61	0.34	0.17	0.25	0.04
Reject Ho	No	No	No	No	No	No	No	No	No	No	No	**Yes**
Data normality	No	No	No	No	No	No	Yes	Yes	No	No	No	No
Negative category												
Count (sample number)	30	31	31	31	31	31	31	31	31	30	29	29
Mean	-37.80	-11.12	-7.53	0.45	0.57	-0.13	0.34	1.47	-0.47	-7.86	-15.27	-17.72
t-statistic	-4.08	-1.68	-1.65	0.32	0.67	-0.35	1.01	2.27	-0.26	-1.86	-2.05	-1.89
prob (α = 5%)	0.00	0.10	0.11	0.75	0.51	0.73	0.32	0.03	0.80	0.07	0.05	0.07
Reject Ho	Yes	No	No	No	No	No	No	**Yes**	No	No	No	No
Median	-33.75	-13.81	-8.47	-0.82	1.24	0.06	0.12	1.06	-1.17	-4.83	-7.60	-3.16
Signed rank-sum test	1.00	1.00	1.00	0.17	0.89	0.38	0.58	1.00	0.68	1.00	1.00	1.00
prob (α = 5%)	0.00	0.04	0.09	0.87	0.37	0.70	0.56	0.03	0.50	0.09	0.07	0.12
Reject Ho	**Yes**	Yes	No	No	No	No	No	Yes	No	No	No	No
Data normality	No	Yes	Yes	No	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes
Very negative category												
Count (sample number)	16	17	17	17	17	17	17	17	17	17	16	15
Mean	-31.90	-29.73	2.19	-3.29	-3.15	-0.81	0.19	0.32	-3.97	-9.30	-7.41	-24.31
t-statistic	-2.33	-3.63	0.09	-0.47	-2.25	-1.39	0.31	0.18	-1.54	-1.09	-0.60	-1.47
prob (α = 5%)	0.03	0.00	0.93	0.64	0.04	0.18	0.76	0.86	0.14	0.29	0.56	0.16
Reject Ho	**Yes**	**Yes**	No	No	**Yes**	No	No	No	No	No	No	No
Median	-19.30	-36.42	-20.41	-7.28	-3.16	-0.85	-0.14	0.45	-2.70	-7.45	-12.27	-10.80
Signed rank-sum test	1.00	1.00	1.00	1.00	1.00	1.00	0.28	0.66	1.00	1.00	1.00	1.00
prob (α = 5%)	0.07	0.00	0.03	0.05	0.04	0.16	0.78	0.51	0.22	0.19	0.21	0.27
Reject Ho	No	Yes	**Yes**	**Yes**	Yes	No	No	No	No	No	No	No
Data normality	Yes	Yes	No	No	Yes	Yes	Yes	No	No	No	No	Yes

The statistical significance of the momentum effect of the individual negative categories disappears post-publication period for the six-month, one-year and two-year event window periods when compared to the all-negative category (Table 22). This is probably due to the smaller sample sizes for the individual negative categories (as reflected in Table 23).

The very-positive category shows abnormal positive returns for the longer-term prior periods, with no post-publication abnormal return being observed.

The only contrarian abnormal return for the positive category is observed for the post two-year event window period, consistent with the all-positive results.

5.5.2 ASR: Share Capital Return

Table 24: Share capital return relative to sector for the aggregated categories
(measured in percentages unless otherwise indicated)

	Period from publication date (in trading days)											
Category / measure	**-500 to -1**	**-250 to -1**	**-125 to -1**	**-21 to -1**	**-5 to -1**	**-2 to -1**	**1 to 2**	**1 to 5**	**1 to 21**	**1 to 125**	**1 to 250**	**1 to 500**
All positive categories												
Count (sample number)	127	133	136	136	136	136	136	136	136	136	136	133
Mean	29.05	14.04	3.67	1.29	0.00	-0.17	-0.23	-0.03	-0.24	-1.25	-0.88	-1.51
t-statistic	2.99	3.03	1.62	1.47	0.01	-0.96	-1.65	-0.09	-0.31	-0.74	-0.32	-0.31
prob (α = 5%)	0.00	0.00	0.11	0.14	0.99	0.34	0.10	0.93	0.76	0.46	0.75	0.76
Reject Ho	Yes	Yes	No	No	No	No	No	No	No	No	No	No
Median	15.11	2.30	-1.15	0.39	-0.25	-0.18	-0.19	-0.14	-0.34	-1.93	-0.36	-4.31
Signed rank-sum test	1.00	1.00	0.34	1.00	0.53	1.00	1.00	0.36	0.70	1.00	0.55	1.00
prob (α = 5%)	0.00	0.03	0.73	0.32	0.60	0.21	0.14	0.72	0.48	0.31	0.58	0.05
Reject Ho	**Yes**	**Yes**	No	No	No	No	No	No	No	No	No	**Yes**
Data normality	No	No	No	No	No	No	No	Yes	No	No	No	No
Neutral category												
Count (sample number)	15	15	15	15	15	15	15	15	15	15	15	15
Mean	-5.53	-1.36	1.25	0.62	0.60	0.30	-0.27	-0.99	-2.60	-7.79	-5.89	-8.24
t-statistic	-0.87	-0.41	0.57	0.64	0.90	0.85	-0.93	-1.66	-1.92	-1.62	-1.27	-0.82
prob (α = 5%)	0.40	0.69	0.58	0.53	0.38	0.41	0.37	0.12	0.08	0.13	0.23	0.42
Reject Ho	No	No	No	No	No	No	No	No	No	No	No	No
Median	-4.65	-2.55	1.88	0.55	-0.28	0.39	0.00	-1.09	-2.60	-3.11	-6.23	-8.98
Signed rank-sum test	0.77	0.20	0.82	1.00	0.26	0.77	0.51	1.00	1.00	1.00	0.99	0.60
prob (α = 5%)	0.44	0.84	0.41	0.29	0.80	0.44	0.61	0.07	0.09	0.22	0.32	0.55
Reject Ho	No	No	No	No	No	No	No	No	No	No	No	No
Data normality	Yes	Yes	Yes	No	Yes	Yes	Yes	No	Yes	Yes	Yes	Yes
All negative categories												
Count (sample number)	46	48	48	48	48	48	48	48	48	47	45	44
Mean	-30.87	-16.70	-3.89	-0.81	-0.76	-0.37	0.40	1.12	-1.86	-7.92	-11.11	-16.55
t-statistic	-4.21	-3.15	-0.45	-0.31	-0.98	-1.18	1.37	1.51	-1.25	-1.95	-1.75	-2.13
prob (α = 5%)	0.00	0.00	0.66	0.76	0.33	0.25	0.18	0.14	0.22	0.06	0.09	0.04
Reject Ho	**Yes**	**Yes**	No	No	No	No	No	No	No	No	No	Yes
Median	-24.81	-14.98	-9.79	-2.67	-0.05	-0.11	0.19	0.87	-1.77	-4.50	-9.25	-3.99
Signed rank-sum test	1.00	1.00	1.00	1.00	0.69	1.00	0.94	1.00	1.00	1.00	1.00	1.00
prob (α = 5%)	0.00	0.00	0.00	0.10	0.49	0.24	0.35	0.03	0.07	0.04	0.03	0.13
Reject Ho	Yes	Yes	**Yes**	No	No	No	No	**Yes**	No	**Yes**	**Yes**	No
Data normality	Yes	Yes	No	No	No	Yes	Yes	No	Yes	No	No	No

Statistically significant abnormal returns are observed for both the all-negative and all-positive categories in the one-year and two-year periods prior to publishing. The post-publication period shows statistically significant momentum effects for six-month and one-year periods for the all-negative category. In the case of the all-positive category, there is a statistically significant contrarian effect for the two-year post publication period. These results are similar to the total investment return in Table 22.

Table 25: Share capital return relative to sector for the four remaining categories

(measured in percentages unless otherwise indicated)

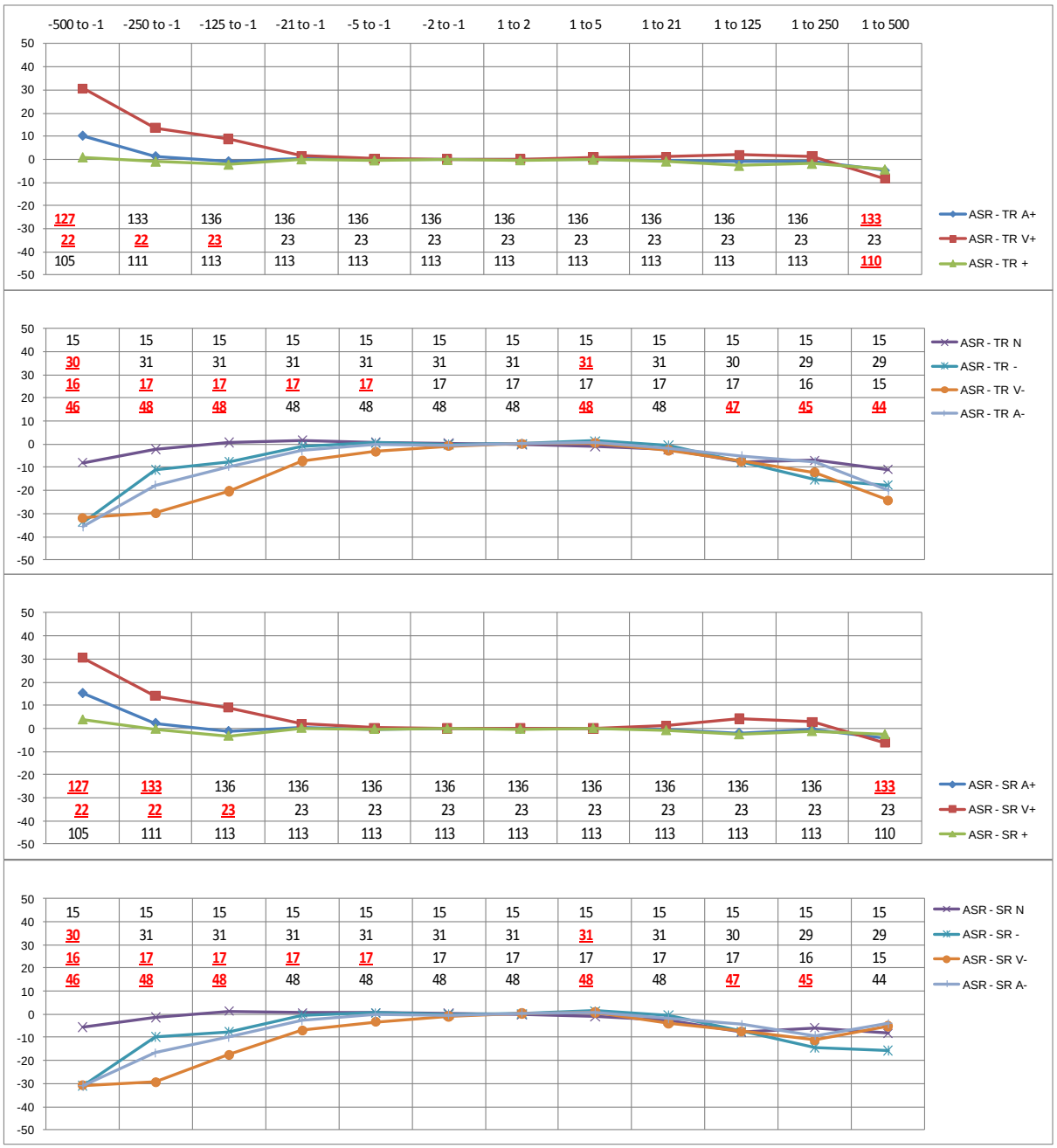
	Period from publication date (in trading days)											
Category / measure	-500 to -1	-250 to -1	-125 to -1	-21 to -1	-5 to -1	-2 to -1	1 to 2	1 to 5	1 to 21	1 to 125	1 to 250	1 to 500
Very positive category												
Count (sample number)	22	22	23	23	23	23	23	23	23	23	23	23
Mean	44.95	30.43	16.49	1.90	0.12	0.01	0.03	0.00	1.08	3.74	4.59	-6.18
t-statistic	3.44	3.03	2.65	1.38	0.19	0.04	0.08	0.00	1.07	1.20	0.78	-0.91
prob (α = 5%)	0.00	0.01	0.01	0.18	0.85	0.97	0.94	1.00	0.30	0.24	0.45	0.37
Reject Ho	Yes	Yes	Yes	No	No	No	No	No	No	No	No	No
Median	30.48	14.10	8.94	2.04	0.28	-0.18	0.10	0.30	0.84	4.22	2.82	-4.64
Signed rank-sum test	1.00	1.00	1.00	1.00	0.05	0.47	0.64	0.26	1.00	1.00	0.90	0.90
prob (α = 5%)	0.00	0.00	0.01	0.19	0.96	0.64	0.52	0.80	0.28	0.23	0.37	0.37
Reject Ho	**Yes**	**Yes**	**Yes**	No	No	No	No	No	No	No	No	No
Data normality	No	No	No	Yes	No	Yes	No	Yes	Yes	No	No	Yes
Positive category												
Count (sample number)	105	111	113	113	113	113	113	113	113	113	113	110
Mean	25.72	10.80	1.06	1.16	-0.02	-0.21	-0.28	-0.03	-0.50	-2.26	-1.99	-0.53
t-statistic	2.25	2.09	0.45	1.14	-0.05	-1.03	-1.89	-0.10	-0.56	-1.17	-0.66	-0.09
prob (α = 5%)	0.03	0.04	0.65	0.26	0.96	0.31	0.06	0.92	0.58	0.24	0.51	0.93
Reject Ho	Yes	Yes	No	No	No	No	No	No	No	No	No	No
Median	3.79	-0.28	-3.28	0.13	-0.34	-0.17	-0.22	-0.23	-0.90	-2.70	-1.29	-2.62
Signed rank-sum test	1.00	1.00	0.90	0.50	0.51	1.00	1.00	0.55	1.00	1.00	0.96	1.00
prob (α = 5%)	0.08	0.28	0.37	0.62	0.61	0.24	0.06	0.58	0.27	0.11	0.34	0.08
Reject Ho	No	No	No	No	No	No	No	No	No	No	No	No
Data normality	No	No	No	No	No	No	Yes	Yes	No	No	No	No
Negative category												
Count (sample number)	30	31	31	31	31	31	31	31	31	30	29	29
Mean	-30.92	-9.79	-7.12	0.62	0.66	-0.05	0.42	1.48	-0.41	-7.47	-14.48	-15.75
t-statistic	-3.49	-1.47	-1.57	0.46	0.78	-0.16	1.36	2.28	-0.23	-1.78	-2.00	-1.82
prob (α = 5%)	0.00	0.15	0.13	0.65	0.44	0.88	0.19	0.03	0.82	0.09	0.06	0.08
Reject Ho	**Yes**	No	No	No	No	No	No	**Yes**	No	No	No	No
Median	-24.81	-14.84	-7.60	-0.55	1.24	0.06	0.12	1.06	-0.83	-4.47	-9.25	-2.79
Signed rank-sum test	1.00	1.00	1.00	0.13	0.97	0.36	0.66	1.00	0.93	1.00	1.00	1.00
prob (α = 5%)	0.00	0.05	0.08	0.90	0.33	0.72	0.51	0.03	0.35	0.12	0.07	0.15
Reject Ho	Yes	Yes	No	No	No	No	No	Yes	No	No	No	No
Data normality	Yes	Yes	No	No	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes
Very negative category												
Count (sample number)	16	17	17	17	17	17	17	17	17	17	16	15
Mean	-30.78	-29.30	2.01	-3.42	-3.34	-0.93	0.37	0.47	-4.50	-8.71	-4.98	-18.09
t-statistic	-2.30	-3.62	0.09	-0.49	-2.39	-1.56	0.59	0.27	-1.77	-1.01	-0.41	-1.13
prob (α = 5%)	0.04	0.00	0.93	0.63	0.03	0.14	0.56	0.79	0.10	0.33	0.69	0.28
Reject Ho	**Yes**	**Yes**	No	No	**Yes**	No	No	No	No	No	No	No
Median	-20.72	-34.09	-17.57	-7.02	-3.32	-0.85	0.26	0.78	-3.94	-7.45	-11.26	-5.19
Signed rank-sum test	1.00	1.00	1.00	1.00	1.00	1.00	0.71	0.80	1.00	1.00	1.00	0.54
prob (α = 5%)	0.07	0.00	0.03	0.05	0.03	0.11	0.48	0.42	0.13	0.20	0.31	0.59
Reject Ho	No	Yes	**Yes**	**Yes**	Yes	No	No	No	No	No	No	No
Data normality	Yes	Yes	No	No	Yes	Yes	No	No	No	No	No	No

As per Table 24, the statistically significant post-publication date momentum effects observed for the all-negative category disappears for the individual negative categories. Furthermore comparing total investment return (Table 23) and share capital return (Table 25) demonstrated identical statistically significant results, with the exception of slight contrarian performance observed for positive category two-year post event window period. However at an alpha of 10 percent, this result would also be statistically significant.

5.5.3 Graphical presentation of output tables

Figure 3: ASR - total investment (TR) and share capital returns (SR) for all categories

(y-axis represents percentage returns, x-axis various event window periods)



For the negative categories, statistically significant negative performance prior to publishing is followed by momentum (negative) performance post-publication. However, for the all-positive category, contrarian performance is observed post-publication date for the two-year event window period.

5.6 Summary

The research objective required testing whether magazine cover stories could be used as a contrarian indicator of future performance. The analysis was carried out for both total investment return and share capital return. The study used as basis the company holding-period return and three relative measures to assess the extent of abnormal return.

The HPR findings confirmed that positive stories headlined on business magazine covers follow statistically significant positive performance. Statistically significant positive (momentum) performance continued after publication. For negative stories, the prior period performance is inconclusive, however post-publication, statistically significant contrarian (positive) performance was observed for long-term event window periods.

The usefulness of HPR on its own as a tool to measure performance is questionable. The abnormal returns resulting from adjusting HPR by the ALSI show a marked difference in post-publication return performance when compared to the original HPR results. For positive categories, positive abnormal return is followed by contrarian performance for the two-year event window period (compared to previous HPR momentum performance). Negative or neutral stories, however, show statistically significant momentum performance (compared to HPR's contrarian performance). Given the JSE size and resource effect (Van Rensburg & Robertson, 2003), the relevance of using ALSI as an index is discussed further in Chapter 6. What is evident though is the impact of index-choice on abnormal returns, when compared to the results of a simple company HPR determination.

When HPR was adjusted by sector index return and an ISM company return, a lack of statistically significant results were observed across most of the event window periods. This is probably due to the fact the previous holding-period returns observed, largely tracked that of the broader sector performance, and in particular the ISM company return. In the case of the latter, the only statistically significant post publication exceptions were a momentum (negative) abnormal return for negative stories, and a contrarian (negative) abnormal return for positive stories for the two-year event window period.

Another finding is the similarity of results between the two performance measures (total investment return and share capital return) in terms of statistically significant event window periods. This suggests that inferences on statistically significant performance can be made interchangeably. This has particularly relevance, as Arnold et al.'s (2007) study is based solely on the share capital return method.

Finally, the impact of smaller sample sizes when comparing the results of the individual positive or negative categories against its applicable aggregated category could be the reason for the differences in some of the results. The possibility of type I and type II hypothesis errors on non-rejection or rejection of null hypothesis (and hence inaccurately making inferences on statistical significance and abnormal return), is a very real risk for smaller sample numbers (Zikmund, 2003).

CHAPTER 6: DISCUSSION OF RESULTS

6.1 Introduction

In order to facilitate the discussion, the four different returns-generating models will first be considered individually. The findings will then be assessed in the context of Arnold et al.'s (2007) results and the other studies in the literature as covered in Chapter 2. Finally, concluding comments are made from an overall perspective, the intention being to indicate whether the research objectives have been met.

6.2 Company Holding-Period Return (HPR)

The objective is to assess the holding-period returns for various event window periods prior to and after the date of publication, to test whether the returns showed statistically significant differences from zero.

Before publication date holding-period returns for the positive categories show positive returns. With the publisher's bias for cover stories with a positive spin (Section 5.1), this decision appears validated by the fact that positive holding-period returns were confirmed statistically significant. Positive post-publication date returns were also statistically significant for event window periods from one month onwards, suggesting positive momentum performance. The study's results for positive categories are consistent with Arnold et al.'s (2007) findings, where positive holding-period returns were demonstrated for both prior to and post-publication date event window periods.

In the case of negative categories, only the very-negative category showed statistically significant negative holding-period returns prior to publication. Contrarian performance is observed post-publication, with the one-year and two-year publication periods showing statistical significance, where positive holding-period returns are observed. However, the sample size in this category was much smaller, at 20, and the non-parametric Wilcoxon signed ranked-sum test was used. Arnold et al. (2007) also demonstrated this lack of statistically significant results for the negative categories for prior event window periods. Post-publication Arnold et al. (2007) confirmed statistically significant holding-period returns for the longer-event window periods.

In terms of the neutral category, the research study validated Arnold et al.'s (2007) findings, with positive holding-period returns observed prior to and post-publication date.

If one accepts the idea that behavioural finance approaches investor performance from a psychological perspective (Shiller, 2003), one would have assumed that the extreme nature of a story would elicit a particular reaction. Goedhart et al.'s (2005) suggestion that behavioural factors cause initial over-reaction, resulting in short-term excessive adjustment followed by long-term share price reversal, is not evident in this research study. This is evidenced by the fact that there was a lack of statistical significance in the shorter-term (two-day and five-day) event window periods in both Arnold et al.'s (2007) and this study. If anything, EMH's suggestion that asset prices already include all available information, with limited change to investment return (Ball, 1994), is potentially a better explanation of HPR performance.

Another interesting finding was the comparative results between total investment performance and share capital performance. It is evident that the results across categories yield similar statistically significant event window periods. However, the absolute mean return is generally lower for the share capital versus total investment capital. This is due to the impact of dividends received being added to share price return, in the formula to determine total investment performance.

Only assessing the holding-period return is problematic. Arnold et al. (2007) suggests that most holding-period returns dissipate when adjusting for an index or an ISM company return. The holding-period returns observed may be merely representative of the change in the overall sector or market sentiment, and not representative of individual company abnormal performance. To this end, more value should be placed on assessing the return performance relative to an index.

In summary, positive story hypothesis test results suggest that there are positive abnormal returns for both prior to and post-publication periods. In the case of negative stories, the prior publishing date results are more inconclusive, with the only post-publication date positive holding-period return being observed for the longest two-year event window period.

The results across all categories are in line with those of Arnold et al. (2007).

6.3 Abnormal Return Relative to ALSI (AJR)

The first benchmark index used to estimate abnormal returns was that of the ALSI. The index return was subtracted from HPR, and the difference from zero was statistically tested.

In this instance, the positive holding-period returns discussed in Section 6.2 were reversed for the post-publication long-term event window periods. For the six-month and two-year periods statistically significant contrarian negative investment performance was observed, when compared to positive HPR performance for the same periods. This reversal is also observed for the negative category stories, where the two-year post-publication period showed a statistically significant negative return when compared to the HPR's positive return for the same period. For the neutral category the abnormal returns in the long-term event window periods yielded negative returns.

Arnold et al.'s (2007) results for the adjusted return, calculated as the average of the holding-period return minus the equivalent holding-period return for the value-weighted CRSP stock index, showed most of this abnormal return dissipating. For the post-publication one- and two-year event window periods, positive categories show reduced but still positive abnormal returns, while the negative category results failed to reject the null hypothesis - and hence suggest that no abnormal return exists.

A possible explanation for the difference in performance between the current study and Arnold et al.'s (2007) findings is the resource effects of the JSE (Mordant & Muller, 2003). Van Rensburg and Robertson (2003) suggest that

the stripping of resource shares from the analysis of financial and industrial shares adds more validity to an index model or control portfolio. In terms of the current study, 73 percent of the listed companies operate in sectors other than the resources sector (Section 5.1 provides details). Therefore, in using a sample where the majority of the companies operate across non-resource sectors, a direct comparison to the ALSI may be considered inappropriate. The final benchmark index, where an individual sector index is considered, would eliminate resource effect.

The findings highlight not only the requirement to assess the HPR of an individual share, but also to do so relative to an index. However finding the appropriate index is important, so as to ensure that the appropriate comparison can be made.

6.4 Abnormal Return Relative to ISM Company (ISMR)

The second benchmark that was used to estimate abnormal return was the ISM company adjustment to HPR.

For positive stories, the study demonstrated a statistically significant positive adjusted return only for the six-month post-publication event window horizon. Most of the other positive categories failed to reject the null hypothesis, and it is therefore inferred that no abnormal returns were observed. Arnold et al. (2007) demonstrated that most of the holding-period return dissipates for positive categories when adjusting with an ISM company return.

This research study found similar results to Arnold et al. (2007) for the negative categories, where abnormal returns were negative for the six-month, one-year and two-year prior event window periods. However, the post-publication period analysis for all categories was statistically inconclusive. The only exception was the one-month post-publication event window period for the all-negative category, which showed a slight momentum abnormal return performance. The lack of statistical significance for post-publication periods, was explained by the fact that the performance of the featured company tracked that of the ISM peer (Arnold et al., 2007b), and therefore provided insufficient evidence of abnormal return.

An additional difficulty with the South African context is the dominance of a few players in a number of sectors, including Sappi in the forestry and paper industry and SAB in the beverages sector (Section 4.4.2 provides details). Therefore, the selection of a suitable comparative is made more difficult. This research study used filtering criteria based on market capitalisation and inclusion in the same sector constituency to identify the ISM company. The effect was that only 39 percent (105) of the initial sample (267) was considered. In the case of the negative and very-negative categories the sample size was even smaller, totalling seven and 14 respectively. Even for the positive category, where a larger sample size of 59 was considered, the hypothesis test for each of the prior to and post-publication date event window periods failed to reject the null hypothesis.

The inconsistency in establishing a clear contrarian or momentum investment performance, using the ISMR method as basis, is evidenced in the literature.

Healey (2007) found that companies viewed in a positive light, had for a 12-year period outperformed ISM peers 80 percent of the time. This momentum finding was also demonstrated by Ferreira and Smith (2003) in their ISM abnormal return analysis. On the other hand, Anginer and Statman (2010) found that spurned or relatively low *Fortune* magazine-rated companies beat shares of admired companies or those with higher ratings.

In terms of this research study's ISMR hypothesis, despite the fact that the absolute values show negative post-publication abnormal returns for both positive and negative stories, the results failed to reject the null hypothesis. The results are consistent with those of Arnold et al. (2007), with no abnormal return observed and the featured company tracking the performance of an ISM peer.

6.5 Abnormal Return Relative to Industry Sector Index (ASR)

The final benchmark that was used to estimate abnormal returns is the sector index. This was used to mitigate against the ALSI resource effect (Mordant & Muller, 2003; Van Rensburg & Robertson, 2003).

The negative categories show statistically significant prior to and post-publication period negative abnormal returns for the long-term event window periods. The neutral category failed to reject the null hypothesis, and therefore suggests no abnormal return. A consideration for the results for the neutral category is the small sample size of 15. In the case of the all-positive category, the only statistically significant prior to event window period occurred for the long-term two-year period. A statistically significant contrarian

investment performance was observed for the two-year post-publication period.

A limitation for the ASR hypothesis test is the fact that the researcher applied a criterion where companies whose market capitalisation made up greater than 50 percent of the overall sector market capitalisation were excluded from the sector sample. This selection criterion resulted in the sample for the ASR hypothesis test dropping to nearly 75 percent (199) of the total listed companies featured in cover stories (267). The reduced sample size meant that for the two extreme very-negative and very-positive categories, the sample sizes were 17 and 23 respectively, possibly explaining why the hypothesis tests for some of the event window periods failed to reject the null hypothesis.

It is interesting that on comparing the results of the ISMR hypothesis to the ASR hypothesis, it is evident that number of statistically significant event window periods is smaller for the ISMR analysis. This would suggest that the ISM company tracked the featured company return more closely than the sector return comparison. Intuitively this makes sense, given the tighter selection criteria and is consistent with Arnold et al.'s (2007) findings.

Arnold et al. (2007) demonstrated the dissipation of most of the abnormal returns when companies holding-period returns were adjusted for by an index. This is evidenced in this study as well, in terms of a reduction of the absolute value of the means and medians, and resulting in similar event window periods that were proven to be statistically significant.

6.6 Summary

The research objective required testing whether magazine cover stories could be used as contrarian indicators of future performance. The study used as a basis the company holding-period return and three relative measures to assess the extent of abnormal return.

The HPR findings confirmed that positive stories headlined on business magazine covers follow statistically significant positive performance. Post-publication, the statistically significant positive (momentum) performance continued. For negative stories, the prior period performance is inconclusive; however, statistically significant contrarian (positive) performance was observed for long-term event window periods. In the absence of an index adjustment, HPR on its own to measure performance is questionable.

The impact of the JSE resource effect (Mordant & Muller, 2003; Van Rensburg & Robertson, 2003) brings into question the use of the ALSI as a viable index measure. Two further abnormal returns-generating models were considered.

These were the sector index and ISM company relative measure, where it was demonstrated that most of the results across event window periods failed to reject the null hypothesis. The lack of abnormal return observed, is due to the fact that the previous holding-period returns observed, largely tracked that of the broader sector performance, and in particular the ISM company return. The only statistically significant post-publication exceptions were a momentum (negative) abnormal return for negative stories and a contrarian (negative) abnormal return for positive stories for the two-year event window period.

Despite the fact that some of the event window periods are statistically inconclusive, the results are still pertinent as they imply that the null hypothesis for differences from zero cannot be rejected (Zikmund, 2003). The non-rejection of null hypothesis implies that no abnormal returns are observed.

In an attempt to look for reasons for the research findings, McWilliam & Siegel (1997, cited by Mushidzi & Ward, 2004) posit that the event study method requires for the event to be unanticipated (new) and free of confounding effects. The idea of business magazine stories being stale and after-the-fact suggests that maybe all the information has already been incorporated into the price. In terms of investment performance theory, EMH's suggestion that asset prices already include all available information with limited change to investment return (Ball, 1994) could explain this lack of abnormal return.

Even when the results are analysed in terms of the alternative framework provided by behavioural finance theory, the suggestion of a short-term over-reaction and subsequent long-term correction in share price (Goedhart et al., 2005) was not observed. The current study has shown that most of the short-term post-publication periods (two-day, five-day and one-month) resulted in the null hypothesis not being rejected. This implies that no abnormal returns are observed.

The tests confirmed that the hypothesis of magazine cover stories as a reliable momentum or contrarian indicator could not be supported, with outcomes being consistent with Arnold et al.'s (2007) findings.

CHAPTER 7: CONCLUSION

7.1 Introduction

The purpose of this research study is to replicate, with extension (Hubbard & Armstrong, 1994), the study completed by Arnold et al. (2007) in a South African context. The value to the academic debate is to confirm the consistency of the original study's findings to South Africa. The research also differentiated itself from the original study by considering, in addition, the impact of total investment return and a sector-specific index. No such study has been published in South Africa to date.

Two questions were asked at the beginning of this study. First, does publicly available information, as provided in business magazines, influence investor sentiment and, hence, influence share price performance? Second, can the nature (either positive, neutral or negative) of this information act as a useful predictor of performance?

7.2 Key Findings

In order to assess the first question of investor sentiment and subsequent reaction, a business cover story can elicit three types of reactions (Goedhart et al., 2005; Arnold et al., 2007). The first is an over-reaction, where the long-term performance reverses, and suggests that the story is a contrarian indicator. The second is an under-reaction, where the long-term effect suggests that the story is a momentum indicator. The third is a correct reaction, where no real long-term effects are observed. The results from this

research show no real evidence (represented by changes in HPR) of initial over-reaction indicated by short-term excessive adjustment (Goedhart et al., 2005) followed by long-term reversal of share price.

This effect of possible investor reactions, and subsequent share price performance, however, is premised on the information being considered as new. In today's world of instantaneous news and ease of access to public domain information, weekly business magazines are at a distinct disadvantage. The period from the news story breaking to it eventually being published suggests that the content is not informational and hence not "new" (Arnold et al., 2007). If anything, EMH's suggestion that asset prices already include all available information (Ball, 1994), is potentially a better explanation of this study's results than traditional behavioural finance theory.

The research objective required testing whether magazine cover stories could be used as contrarian indicators of future performance. The first hypothesis assessing the company holding-period returns appears inconclusive. Positive stories show statistically significant momentum returns for the three longest post-publication periods, while negative stories suggest statistically significant contrarian returns only for the two-year event window period.

When these holding-period returns were adjusted using three measures outlined in the study, these ambiguous results of momentum and contrarian performance were still observed. For the case of the ALSI, positive stories exhibited long-term contrarian (negative) abnormal returns, while negative stories showed statistically significant momentum (negative) abnormal returns.

In the case of the sector and ISM company returns-generating models, most of the results across the event window periods failed to reject the null hypothesis, and therefore implied no abnormal return being observed. The only statistically significant post-publication exceptions were a momentum (negative) abnormal return for negative stories and a contrarian (negative) abnormal return for positive stories for the two-year post-publication period.

This inconsistency is evidenced in the literature, where not only business magazines but other publications and other forms of media show equal prevalence of momentum and contrarian performance (Table 2 provides details). Therefore, suggesting a definite contrarian relationship between nature of content and future performance may be inappropriate.

This research study confirms that using business magazine cover stories as a source for predicting future contrarian or momentum performance is inappropriate. Furthermore, the findings are consistent with those demonstrated by Arnold et al. (2007b), who suggested that magazine cover stories do not serve as a useful predictor of future momentum or contrarian performance.

7.3 Recommendations to Stakeholders

Apart from academic relevance, this research is useful to investment analysts, private and institutional investors, and companies whose shares are featured.

While the evidence for value or contrarian investment strategy is well documented (Anzinger & Statman, 2010; Bell, 2009; Statman, 2010), the use

of business magazines as a predictor for future performance is inappropriate. This is largely due to the fact that the content is generally not informational and new at the time of publishing. While business magazines can be used as a source of information, serious investors should be closer to the market and utilise other sources for their information.

In terms of a company being featured as a business magazine cover story, any form of publicity should be welcomed, particularly if it is positive. However, management should not read too much into the effects of the nature of the content and its influence on the future share price.

The market's ease of access to other public domain sources of information which are more immediate has a more profound impact on share price than business magazine cover stories.

The study found weak evidence of contrarian performance for positive stories and momentum performance for negative stories in the long term. Therefore, if investors are holding onto a share that is featured as a cover story, in the long term, they should consider reducing their position, irrespective of the content.

7.4 Future Research

These recommendations suggest future research using as basis the theory covered and observations made as part of the study.

First, it is evident that the majority of news stories covered by *Financial Mail* featured socio-political topics. Binedell (2010) is of the view that, in a developed economy, the economy influences politics. However, in an

emerging economy like South Africa, politics influence the economy. It would be interesting to assess the impact of political events on share performance.

Second, as demonstrated in Chapter 6, total investment and share capital returns show very similar, statistically significant results. It would be interesting to assess the impact of dividend announcements and payouts on share price and total investment return in the short and long term.

Third, this research was conducted over a ten-year period largely due to the limitation of availability of daily share price data. The researcher has analysed and categorised cover stories going back to 1980, and if the daily share price, market capitalisation and index data could be sourced, the study could be extended over a longer period.

Fourth, the research classified data according to five major aggregated sectors (Section 5.1). However, the investment returns across the different sectors were not compared since this was not the focus of the study. A similar study looking for differences in performance across sectors, would explore further whether there was a sectoral bias, and whether a particular sector could serve as a useful predictor to future performance.

Fifth, similar to Arnold et al. (2007), a comparison to other weekly business magazines could be considered. This would confirm transferability of the research findings to other magazines within a South African context.

Finally, to test the robustness of their results, Arnold et al. (2007) performed a calendar-time portfolio analysis. This involved forming an equally weighted

portfolio of companies and rebalancing this every month for the entire sample period. The portfolio analysis results were consistent with the primary test method (Arnold et al., 2007). A similar analysis in a South African context could be considered using this research as secondary data.

7.5 Concluding Comment

The holy grail of any investment strategy is to successfully and consistently be able to beat the market. This is the mantra of analysts and investors alike. Therefore, an indicator that offers any sort of directional advantage would be most valued. In this regard, recent research has integrated the relevance of business magazine cover stories as a possible indicator of future performance and contrarian investment strategy.

While the evidence of value or contrarian investment strategy is well documented (Anzinger & Statman, 2010; Bell, 2009), the jury is still out on the use of business magazines as a viable momentum or contrarian indicator. Considering the equal prevalence of negative and positive abnormal returns in the literature, this research study provides further evidence of the ambiguous nature of the topic and confirms that the business magazine cover story is an inappropriate forecasting tool for future performance.

Although more research is required to fully understand the implications of the business magazine cover story as a reliable, definitive indicator of future performance, this study is the first of its kind in South Africa and provides a basis to work from in the search for this elusive crystal ball.

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APPENDICES

9.1 Aggregated Sector Code Classification

The table below cross-tabulates the sample details for various sectors against the listed group and listed company classifications. It also indicates the classification of these specific sector codes into the aggregated sectors as presented in Table 9 in Chapter 5.

Table A-1: Sector classification and sampling details

Sector allocation for Listed share	Aggregate sector	Listed company	Listed groups	Total listed
Banks - J835	Financials	14	12	26
Beverages - J353	Industrials	6	5	11
Construction & materials - J235	Services	1	4	5
Electronic and Elect equip - J273	Industrials	2	1	3
Food and drug retailers - J533	Retailing	3	2	5
Food producers - J357	Industrials	1	4	5
General financial - J877	Financials	4	3	7
General industrials - J272	Industrials	4	8	12
General retailer - J537	Retailing	7	11	18
Industrial engineering - J275	Industrials	0	1	1
Industrial transportation - J277	Services	2	4	6
Life insurance - J857	Financials	19	13	32
Media - J555	Services	7	7	14
Mining - J177	Resources	35	26	61
Oil & Gas - J007	Resources	3	3	6
Property loan stock - J256	Other	1	4	5
Real estate - J873	Other	0	2	2
Software and computer services - J953	Services	3	10	13
Telecoms - J560	Services	6	4	10
Travel & leisure - J575	Services	2	8	10
Pharma and biotech - J457	Other	2	2	4
Forestry & paper - J173	Resources	3	2	5
Healthcare - J540	Services	0	0	0
Healthcare and equipment - J453	Services	0	3	3
Industrial metals - J175T	Industrials	2	1	3
Total		127	140	267

9.2 Sector and ISMR Criteria Descriptive Statistics

The table below indicates the key descriptive statistics as a result of the filtering criteria introduced in Section 4.4.2.

Table A-2: ISMR and sector filter criteria

Detail	Sector analysis	ISMR analysis
Range used (% of sector market capitalisation)	< 50%	n/a
Range used (% of market capitalisation of listed share)	n/a	> 50% < 150%
Sample count	199	105
Mean market capitalisation of sample (% of respective variable)	14%	99%
Median market capitalisation of sample (% of respective variable)	10%	97%

9.3 Navigation of Chapter Five Output Table

Consider Table 10 in Section 5.2.1. The only statistically significant difference from zero for the all-negative category occurs in the two-year post-publication (one to 500 days) event window period. The “reject H_o” is reflected as a red-highlighted “Yes” in the Table 10.

The steps to analyse the result commence with the data normality test result. The normality test indicates that the data is normal (reflected as “Yes” in the table); therefore the t-statistic test result is to be read. This suggests that the mean HPR return is 23 percent and suggests an increase in investment return since publication date. A contrarian investment return can be inferred.

Consider now a second example in the all-positive category, for the same post-publication two-year event window period. Here, the data normality test is reflected as a “No”. Therefore, the Wilcoxon signed rank-sum test output is to be considered (Zikmund, 2003). In this case, the “reject H_o” is reflected as a red-highlighted “Yes”. The median HPR result will have to be read and represents a statistically significant positive investment performance of 27 percent from publishing date. This indicates that the performance is momentum relative to publishing date as the prior period positive return continued, since a result of a positive investment return post-publishing date is observed.

Another aspect to take note of is that the hypothesis tests were carried out at an alpha of 5 percent. The absolute probability outputs are also captured in the table, allowing results to be interpreted for other confidence levels.

Finally, as discussed in Section 4.6.3, the impact of delisting post-publication date or not being listed in prior periods is reflected in the different count numbers for the longer event window periods away from the publishing date.

9.4 Graphical Summary Explanation

In an attempt to summarise the various output tables, a graphic representation for each hypothesis is presented. The series of graphs in each hypothesis subsection summarise the mean return percentages (y-axis) for each event window period (x-axis).

Based on the choice of test used for analysis, either the mean for the parametric t-test or the median for the Wilcoxon signed rank-sum test is plotted on the y-axis. The red-highlighted numbers, representing the sample counts, indicate those periods where statistically significant differences from zero occurred. Statistically significant event window periods indicate rejection of the null hypothesis, and provide evidence of abnormal return.

The key used for the legends in the graphs is as follows:

- “SR” : share capital return;
- “TR” : total investment return;
- “A+” : all-positive category;
- “V+” : very-positive category;
- “+” : positive category;
- “N” : neutral category;
- “A-” : all-negative category;
- “V-” : very-negative category; and
- “-” : negative category.

9.5 Final Sample Selection

Table A-3: Sample selection database as input into workings calculation and statistical analysis

Cover story date	Nature of story	Category	Featured share Ticker	Featured share Market Cap (R)	Sector codes	Aggregated sector	Sector Market Cap (R)	Comparable Ticker	Comparable Market Cap (R)	Inclusion in sector sample (%)	Inclusion in ISM sample (%)
19-Sep-08	Very-negative	Listed company	OML	69 484	J857	Financials	134 000				
15-Aug-08	Positive	Listed company	SLM	40 882	J857	Financials	142 458	OML	77 701	29%	53%
15-Aug-08	Neutral	Listed company	OML	77 701	J857	Financials	142 458				
30-May-08	Very-negative	Listed company	INL	12 491	J877	Financials	71 081	ABL	19 419	18%	64%
28-Mar-08	Very-positive	Listed company	MTN	240 382	J560	Services	282 617				
14-Mar-08	Very-positive	Listed company	GND	11 316	J277	Services	30 123	IPL	15 167	38%	75%
29-Feb-08	Positive	Listed company	ABL	24 651	J877	Financials	81 242			30%	
15-Feb-08	Positive	Listed company	SAB	249 737	J353	Industrials	186 174				
18-Jan-08	Very-negative	Listed company	HCI	9 489	J177	Resources	1 516 702			1%	
11-Jan-08	Positive	Listed groups	INL	13 953	J877	Financials	73 794	ABL	15 385	19%	91%
11-Jan-08	Positive	Listed groups	OML	111 778	J857	Financials	185 487				
11-Jan-08	Positive	Listed groups	BVT	36 366	J272	Industrials	117 367			31%	
11-Jan-08	Positive	Listed groups	SAB	269 629	J353	Industrials	201 067				
11-Jan-08	Positive	Listed groups	GND	9 760	J277	Services	35 961			27%	
11-Jan-08	Positive	Listed groups	APN	14 212	J457	Other	12 433				
11-Jan-08	Positive	Listed groups	TKG	70 870	J560	Services	249 551			28%	
11-Jan-08	Positive	Listed groups	NPN	58 829	J555	Services	65 143				
11-Jan-08	Positive	Listed groups	RDF	6 266	J256	Other	62 332	HYP	7 409	10%	85%
11-Jan-08	Positive	Listed groups	BIL	493 629	J177	Resources	1 565 468	AGL	510 307	32%	97%
11-Jan-08	Positive	Listed groups	CLH	3 168	J575	Services	23 209			14%	
11-Jan-08	Positive	Listed groups	MPC	5 289	J537	Retailing	85 447			6%	
11-Jan-08	Positive	Listed groups	BAW	18 247	J272	Industrials	117 367	NPK	12 811	16%	142%
23-Nov-07	Very-negative	Listed company	TKG	88 720	J560	Services	282 556			31%	
31-Aug-07	Very-negative	Listed company	HAR	25 622	J177	Resources	1 550 607			2%	
17-Aug-07	Neutral	Listed company	DSY	15 332	J857	Financials	190 975			8%	
22-Jun-07	Positive	Listed company	UUU	13 059	J177	Resources	1 675 036			1%	
08-Jun-07	Very-positive	Listed company	ASA	90 444	J835	Financials	341 029	NED	63 309	27%	143%

Cover story date	Nature of story	Category	Featured share Ticker	Featured share Market Cap (R)	Sector codes	Aggregated sector	Sector Market Cap (R)	Comparable Ticker	Comparable Market Cap (R)	Inclusion in sector sample (%)	Inclusion in ISM sample (%)
18-May-07	Negative	Listed groups	DRD	2 426	J177	Resources	1 529 129	AFO	1 700	0%	143%
18-May-07	Negative	Listed groups	PPE	369	J877	Financials	98 936			0%	
18-May-07	Negative	Listed groups	TSX	1 304	J177	Resources	1 529 129			0%	
18-May-07	Negative	Listed groups	PAM	3 382	J177	Resources	1 529 129			0%	
18-May-07	Negative	Listed groups	TDH	851	J272	Industrials	139 188			1%	
18-May-07	Negative	Listed groups	HAR	41 995	J177	Resources	1 529 129	GFI	79 175	3%	53%
18-May-07	Negative	Listed groups	GIJ	974	J953	Services	21 022			5%	
18-May-07	Negative	Listed groups	SAP	31 318	J173	Resources	31 318				
18-May-07	Negative	Listed groups	OCE	2 337	J357	Industrials	61 877	AFR	2 504	4%	93%
04-May-07	Negative	Listed company	TKG	92 657	J560	Services	238 624			39%	
13-Apr-07	Positive	Listed company	WHL	19 676	J537	Retailing	147 378			13%	
12-Jan-07	Positive	Listed groups	AFR	2 654	J357	Industrials	54 550	OCE	1 869	5%	142%
12-Jan-07	Positive	Listed groups	INL	20 149	J877	Financials	86 175	ABL	14 400	23%	140%
12-Jan-07	Positive	Listed groups	APK	1 946	J272	Industrials	135 411	ART	1 300	1%	150%
12-Jan-07	Positive	Listed groups	GRF	4 470	J235	Services	45 831	WBO	4 752	10%	94%
12-Jan-07	Positive	Listed groups	GDF	4 666	J575	Services	23 965	PTG	4 794	19%	97%
12-Jan-07	Positive	Listed groups	SLM	45 611	J857	Financials	210 236			22%	
12-Jan-07	Positive	Listed groups	NTC	25 436	J453	Services	29 706				
12-Jan-07	Positive	Listed groups	JNC	15 474	J555	Services	68 392			23%	
12-Jan-07	Positive	Listed groups	RDF	5 678	J256	Other	51 993	HYP	5 630	11%	101%
12-Jan-07	Positive	Listed groups	ENV	1 014	J272	Industrials	135 411			1%	
12-Jan-07	Positive	Listed groups	SIM	4 814	J177	Resources	1 248 001			0%	
12-Jan-07	Positive	Listed groups	MPC	6 435	J537	Retailing	128 089			5%	
12-Jan-07	Positive	Listed groups	BTG	2 242	J953	Services	18 399	BCX	2 033	12%	110%
12-Jan-07	Positive	Listed groups	CRG	200	J277	Services	48 456			0%	
15-Dec-06	Very-positive	Listed company	JSE	4 227	J877	Financials	154 796	PSG	4 570	3%	92%
01-Dec-06	Very-positive	Listed company	MPC	5 569	J537	Retailing	118 714			5%	
17-Nov-06	Very-positive	Listed company	APN	12 591	J457	Other	12 509				
03-Nov-06	Neutral	Listed company	AGL	513 644	J177	Resources	1 259 863	BIL	359 115	41%	143%
18-Aug-06	Very-negative	Listed company	SAP	21 624	J173	Resources	21 624				
09-Jun-06	Positive	Listed company	NED	52 273	J835	Financials	263 562	ASA	71 036	20%	74%
12-May-06	Negative	Listed groups	OML	117 094	J857	Financials	176 610				
12-May-06	Negative	Listed groups	MET	7 860	J857	Financials	176 610	CLE	7 419	4%	106%
12-May-06	Negative	Listed groups	LGL	23 048	J857	Financials	176 610	SLM	38 297	13%	60%
12-May-06	Negative	Listed groups	SLM	38 297	J857	Financials	176 610			22%	
12-May-06	Negative	Listed groups	DSY	14 104	J857	Financials	176 610	LGL	23 048	8%	61%
07-Apr-06	Very-negative	Listed company	RNG	666	J177	Resources	974 279	AFO	926	0%	72%
17-Mar-06	Very-positive	Listed company	INL	14 080	J877	Financials	126 005	ABL	14 208	11%	99%

Cover story date	Nature of story	Category	Featured share Ticker	Featured share Market Cap (R)	Sector codes	Aggregated sector	Sector Market Cap (R)	Comparable Ticker	Comparable Market Cap (R)	Inclusion in sector sample (%)	Inclusion in ISM sample (%)
10-Mar-06	Neutral	Listed groups	SBK	108 235	J177	Resources	821 488	FSR	106 012	13%	102%
10-Mar-06	Neutral	Listed groups	BAW	27 466	J272	Industrials	45 067				
10-Mar-06	Neutral	Listed groups	AGL	312 875	J177	Resources	821 488	BIL	244 618	38%	128%
10-Mar-06	Neutral	Listed groups	SAB	180 303	J353	Industrials	135 122				
10-Mar-06	Neutral	Listed groups	MSM	11 954	J537	Retailing	114 950	JDG	15 486	10%	77%
03-Mar-06	Very-positive	Listed company	IPL	32 705	J277	Services	44 760				
13-Jan-06	Positive	Listed groups	WHL	13 899	J537	Retailing	111 463			12%	
13-Jan-06	Positive	Listed groups	AFR	2 027	J357	Industrials	48 398	OCE	1 774	4%	114%
13-Jan-06	Positive	Listed groups	SIM	1 520	J177	Resources	833 188			0%	
13-Jan-06	Positive	Listed groups	SUI	10 805	J575	Services	18 391				
13-Jan-06	Positive	Listed groups	JNC	14 392	J555	Services	49 333			29%	
13-Jan-06	Positive	Listed groups	SBK	112 789	J835	Financials	282 146	FSR	109 325	40%	103%
13-Jan-06	Positive	Listed groups	NTC	14 521	J453	Services	17 833				
13-Jan-06	Positive	Listed groups	TKG	81 180	J560	Services	142 951	MTN	102 917		79%
13-Jan-06	Positive	Listed groups	GRF	2 402	J235	Services	28 801	WBO	2 664	8%	90%
13-Jan-06	Positive	Listed groups	IVT	1 185	J275	Industrials	1 887	HDC	1 452		82%
13-Jan-06	Positive	Listed groups	IPL	31 563	J277	Services	43 419				
13-Jan-06	Positive	Listed groups	BCF	565	Other	Other	#N/A				
13-Jan-06	Positive	Listed groups	APB	2 902	J873	Other	80 618	EMI	2 639	4%	110%
16-Dec-05	Positive	Listed company	NPN	35 859	J555	Services	40 062				
25-Nov-05	Very-positive	Listed company	PIK	13 519	J533	Retailing	21 516	SHP	9 620		141%
11-Nov-05	Neutral	Listed company	SHP	9 337	J533	Retailing	21 171	PIK	13 563	44%	69%
26-Aug-05	Very-positive	Listed company	SBK	94 653	J835	Financials	230 593	FSR	87 123	41%	109%
19-Aug-05	Very-negative	Listed company	NAN	184	J555	Services	38 039			0%	
15-Jul-05	Very-positive	Listed company	APN	10 288	J457	Other	10 251				
17-Jun-05	Very-positive	Listed company	MTN	74 148	J560	Services	123 200	TKG	62 945		118%
13-May-05	Positive	Listed company	ASA	54 785	J835	Financials	218 167	FSR	76 230	25%	72%
22-Apr-05	Positive	Listed company	OML	55 502	J857	Financials	107 927				
01-Apr-05	Neutral	Listed company	SOL	103 724	J007	Resources	103 017				
18-Feb-05	Neutral	Listed company	ISC	26 299	J175	Industrials	14 808				
28-Jan-05	Negative	Listed company	OML	53 775	J857	Financials	111 009			48%	
14-Jan-05	Positive	Listed groups	JDG	10 934	J537	Retailing	79 475	MSM	8 366	14%	131%
14-Jan-05	Positive	Listed groups	APB	1 778	J873	Other	62 916	EMI	1 874	3%	95%
14-Jan-05	Positive	Listed groups	GFI	35 918	J177	Resources	533 210			7%	
14-Jan-05	Positive	Listed groups	SBK	80 991	J835	Financials	202 836	FSR	71 904	40%	113%
14-Jan-05	Positive	Listed groups	ART	698	J272	Industrials	46 686			1%	
14-Jan-05	Positive	Listed groups	SLM	33 903	J857	Financials	112 972	OML	55 855	30%	61%
14-Jan-05	Positive	Listed groups	SUI	7 624	J575	Services	13 162				

Cover story date	Nature of story	Category	Featured share Ticker	Featured share Market Cap (R)	Sector codes	Aggregated sector	Sector Market Cap (R)	Comparable Ticker	Comparable Market Cap (R)	Inclusion in sector sample (%)	Inclusion in ISM sample (%)
14-Jan-05	Positive	Listed groups	SAB	96 549	J353	Industrials	95 997				
14-Jan-05	Positive	Listed groups	DDT	6 109	J953	Services	9 936				
14-Jan-05	Positive	Listed groups	NPN	22 333	J555	Services	25 389				
14-Jan-05	Positive	Listed groups	SPG	5 137	J277	Services	12 378	GND	3 882	42%	132%
14-Jan-05	Positive	Listed groups	RLO	7 212	J273	Industrials	14 173	ALT	5 167		140%
14-Jan-05	Positive	Listed groups	BCF	522	Other	Other	#N/A				
14-Jan-05	Positive	Listed groups	APN	7 134	J457	Other	7 163				
26-Nov-04	Very-positive	Listed company	SUI	5 703	J575	Services	8 419				
12-Nov-04	Positive	Listed groups	ELH	3 881	J537	Retailing	73 804			5%	
12-Nov-04	Positive	Listed groups	ECO	1 318	J537	Retailing	73 804			2%	
12-Nov-04	Positive	Listed groups	PIK	11 011	J533	Retailing	15 902				
12-Nov-04	Positive	Listed groups	CSB	766	J235	Services	20 018	AGI	528	4%	145%
12-Nov-04	Positive	Listed groups	FSR	68 399	J835	Financials	190 995	SBK	76 964	36%	89%
12-Nov-04	Positive	Listed groups	LGL	17 577	J857	Financials	103 072			17%	
12-Nov-04	Positive	Listed groups	PMA	11 011	J555	Services	22 465	JNC	10 982	49%	100%
05-Nov-04	Neutral	Listed company	GFI	41 806	J177	Resources	535 524			8%	
05-Nov-04	Neutral	Listed company	HAR	22 457	J177	Resources	535 524	GFI	41 806	4%	54%
22-Oct-04	Positive	Listed company	HAR	24 703	J177	Resources	537 088	GFI	45 238	5%	55%
22-Oct-04	Positive	Listed company	GFI	45 238	J177	Resources	537 088			8%	
15-Oct-04	Very-positive	Listed company	SAB	89 039	J353	Industrials	92 758				
24-Sep-04	Very-positive	Listed company	DSY	7 514	J857	Financials	93 685	SNT	6 664	8%	113%
17-Sep-04	Very-positive	Listed company	PMA	9 504	J555	Services	19 377	JNC	8 204	49%	116%
13-Aug-04	Negative	Listed company	OML	44 582	J857	Financials	83 144				
16-Jul-04	Negative	Listed groups	GFI	28 861	J177	Resources	468 431	HAR	19 937	6%	145%
16-Jul-04	Negative	Listed groups	BAW	14 858	J272	Industrials	29 655	IPL	14 874		100%
16-Jul-04	Negative	Listed groups	HAR	19 937	J177	Resources	468 431	GFI	28 861	4%	69%
16-Jul-04	Negative	Listed groups	SOL	65 785	J007	Resources	65 770				
16-Jul-04	Negative	Listed groups	AEG	2 912	J235	Services	14 589			20%	
16-Jul-04	Negative	Listed groups	AMS	48 424	J177	Resources	468 431			10%	
18-Jun-04	Very-positive	Listed company	MSM	6 075	J537	Retailing	44 236	JDG	7 018	14%	87%
11-Jun-04	Very-positive	Listed company	TKG	45 677	J560	Services	60 345	MTN	50 096		91%
14-May-04	Negative	Listed company	SAB	69 927	J353	Industrials	72 826				
07-May-04	Neutral	Listed company	LGL	14 289	J857	Financials	84 410			17%	
23-Apr-04	Neutral	Listed company	AGL	216 165	J177	Resources	515 420			42%	
09-Apr-04	Positive	Listed company	MVL	4 343	J177	Resources	548 913			1%	
26-Mar-04	Very-positive	Listed company	JDG	7 098	J537	Retailing	44 050	MSM	6 135	16%	116%
12-Mar-04	Neutral	Listed company	SLM	23 865	J857	Financials	83 693	OML	43 738	29%	55%
12-Mar-04	Neutral	Listed company	LGL	14 901	J857	Financials	83 693			18%	

Cover story date	Nature of story	Category	Featured share Ticker	Featured share Market Cap (R)	Sector codes	Aggregated sector	Sector Market Cap (R)	Comparable Ticker	Comparable Market Cap (R)	Inclusion in sector sample (%)	Inclusion in ISM sample (%)
27-Feb-04	Very-positive	Listed company	BAW	14 594	J272	Industrials	29 573	IPL	15 227	49%	96%
20-Feb-04	Very-negative	Listed company	NED	18 409	J835	Financials	136 259	RMH	16 986	14%	108%
30-Jan-04	Very-positive	Listed company	ATN	1 059	J273	Industrials	9 780			11%	
30-Jan-04	Very-positive	Listed company	ALT	3 104	J273	Industrials	9 780			32%	
16-Jan-04	Very-positive	Listed company	MUR	4 547	J235	Services	14 077	AEG	3 403	32%	134%
09-Jan-04	Positive	Listed groups	AGL	216 657	J177	Resources	559 132			39%	
09-Jan-04	Positive	Listed groups	SLM	22 962	J857	Financials	82 076	OML	43 546	28%	53%
09-Jan-04	Positive	Listed groups	TKG	38 992	J560	Services	55 928	MTN	46 429		84%
09-Jan-04	Positive	Listed groups	SBK	55 022	J835	Financials	134 938	FSR	49 853	41%	110%
09-Jan-04	Positive	Listed groups	AHH	216 660	J453	Services	11 572				
09-Jan-04	Positive	Listed groups	KGM	775	J555	Services	17 070			5%	
09-Jan-04	Positive	Listed groups	MTN	46 429	J560	Services	55 928	TKG	38 992		119%
09-Jan-04	Positive	Listed groups	DTC	2 184	J953	Services	12 939			17%	
12-Dec-03	Negative	Listed company	SOL	60 618	J007	Resources	62 161				
28-Nov-03	Negative	Listed company	DTC	1 379	J953	Services	9 874			14%	
21-Nov-03	Positive	Listed company	HAR	25 531	J177	Resources	514 483	GFI	42 613	5%	60%
07-Nov-03	Very-positive	Listed company	ECO	1 254	J537	Retailing	42 395			3%	
17-Oct-03	Very-positive	Listed company	SLM	22 431	J857	Financials	84 723			26%	
19-Sep-03	Very-negative	Listed company	NED	19 227	J835	Financials	110 365	RMH	12 947	17%	149%
15-Aug-03	Negative	Listed company	JCD	1 417	J177	Resources	497 509	RNG	1 687	0%	84%
08-Aug-03	Neutral	Listed company	AGL	195 263	J177	Resources	474 551			41%	
01-Aug-03	Negative	Listed company	NED	23 197	J835	Financials	117 151	ASA	23 456	20%	99%
18-Jul-03	Positive	Listed company	BVT	13 747	J272	Industrials	24 532				
11-Jul-03	Positive	Listed company	ANG	54 692	J177	Resources	446 905	GFI	42 393	12%	129%
27-Jun-03	Positive	Listed company	KMB	8 968	J177	Resources	432 086			2%	
09-May-03	Negative	Listed company	AOD	49 233	J177	Resources	380 151			13%	
09-May-03	Negative	Listed company	HAR	15 557	J177	Resources	380 151			4%	
18-Apr-03	Negative	Listed company	SGG	240	J857	Financials	70 795			0%	
28-Mar-03	Very-negative	Listed groups	DTC	517	J953	Services	5 431			10%	
28-Mar-03	Very-negative	Listed groups	CPX	713	J953	Services	5 431			13%	
28-Mar-03	Very-negative	Listed groups	DDT	2 483	J953	Services	5 431			46%	
21-Feb-03	Negative	Listed company	NED	27 880	J835	Financials	107 402	ASA	21 697	26%	128%
14-Feb-03	Positive	Listed company	SAP	27 015	J173	Resources	27 015				
31-Jan-03	Positive	Listed company	HAR	22 850	J177	Resources	475 532			5%	
17-Jan-03	Positive	Listed company	AGL	196 099	J177	Resources	524 903			37%	
10-Jan-03	Very-negative	Listed company	BIL	110 079	J177	Resources	503 488	AGL	180 676	22%	61%
13-Dec-02	Negative	Listed company	SLM	20 573	J857	Financials	80 418			26%	
25-Oct-02	Positive	Listed company	AGL	198 265	J177	Resources	526 688			38%	

Cover story date	Nature of story	Category	Featured share Ticker	Featured share Market Cap (R)	Sector codes	Aggregated sector	Sector Market Cap (R)	Comparable Ticker	Comparable Market Cap (R)	Inclusion in sector sample (%)	Inclusion in ISM sample (%)
04-Oct-02	Positive	Listed company	KMB	11 285	J177	Resources	548 546			2%	
13-Sep-02	Very-positive	Listed company	SOL	79 028	J007	Resources	80 990				
30-Aug-02	Very-negative	Listed company	SGG	607	J857	Financials	86 945			1%	
12-Jul-02	Negative	Listed company	SAB	76 891	J353	Industrials	79 039				
17-May-02	Positive	Listed groups	INL	15 482	J835	Financials	131 998			12%	
17-May-02	Positive	Listed groups	SBK	46 538	J835	Financials	131 998	FSR	45 196	35%	103%
17-May-02	Positive	Listed groups	NED	33 158	J835	Financials	131 998	ASA	22 153	25%	150%
17-May-02	Positive	Listed groups	FSR	45 196	J835	Financials	131 998	SBK	46 538	34%	97%
17-May-02	Positive	Listed groups	ASA	22 153	J835	Financials	131 998	NED	33 158	17%	67%
26-Apr-02	Positive	Listed company	PIK	6 562	J533	Retailing	7 224				
19-Apr-02	Positive	Listed groups	HAR	21 412	J177	Resources	656 779			3%	
19-Apr-02	Positive	Listed groups	AGL	269 715	J177	Resources	656 779			41%	
19-Apr-02	Positive	Listed groups	MVL	1 571	J177	Resources	656 779			0%	
19-Apr-02	Positive	Listed groups	BIL	149 578	J177	Resources	656 779	AGL	269 715	23%	55%
29-Mar-02	Very-positive	Listed company	SAP	35 383	J173	Resources	35 383				
22-Feb-02	very-negative	Listed company	ASA	18 257	J835	Financials	111 709	NED	30 294	16%	60%
15-Feb-02	Very-negative	Listed company	SBO	468	J857	Financials	95 918			0%	
25-Jan-02	Very-negative	Listed company	ASA	17 251	J835	Financials	111 960	NED	31 271	15%	55%
23-Nov-01	Positive	Listed company	ANG	107	J177	Resources	8 142	HAR	145	1%	74%
16-Nov-01	Neutral	Listed company	SAB	841	J353	Industrials	1 360				
09-Nov-01	Neutral	Listed company	DSY	385	J857	Financials	9 059	LGL	272	4%	141%
02-Nov-01	Positive	Listed company	MVL		J177	Resources					
31-Aug-01	Negative	Listed company	NED	244	J835	Financials	12 323			2%	
24-Aug-01	Very-positive	Listed company	WHL	917	J537	Retailing	16 148			6%	
27-Jul-01	Positive	Listed company	NAN	117	J555	Services	3 286	PMA	97	4%	122%
20-Jul-01	Negative	Listed company	FDS	175	J857	Financials	9 060	SGG	148	2%	119%
20-Jul-01	Positive	Listed company	INL	97	J835	Financials	12 323			1%	
15-Jun-01	Very-positive	Listed company	RCH	5 220	J272	Industrials	6 238				
18-May-01	Neutral	Listed company	AGL	1 467	J177	Resources	8 142	BIL	2 294	18%	64%
27-Apr-01	Very-negative	Listed company	MOL		Other	Other					
30-Mar-01	Very-positive	Listed company	BIL	2 294	J177	Resources	8 142			28%	
23-Feb-01	Positive	Listed company	AMS	218	J177	Resources	8 142	NHM	231	3%	94%
23-Feb-01	Positive	Listed company	IMP	66	J177	Resources	8 142			1%	
09-Feb-01	Positive	Listed company	DBR		J177	Resources					
09-Feb-01	Positive	Listed company	AGL	1 467	J177	Resources	8 142	BIL	2 294	18%	64%
26-Jan-01	Very-positive	Listed company	MTN		J560	Services					
05-Jan-01	Positive	Listed groups	GFI	469	J177	Resources	2 607			18%	
05-Jan-01	Positive	Listed groups	NHM	231	J177	Resources	8 142	AMS	218	3%	106%

Cover story date	Nature of story	Category	Featured share Ticker	Featured share Market Cap (R)	Sector codes	Aggregated sector	Sector Market Cap (R)	Comparable Ticker	Comparable Market Cap (R)	Inclusion in sector sample (%)	Inclusion in ISM sample (%)
05-Jan-01	Positive	Listed groups	BIL	2 294	J177	Resources	8 142			28%	
05-Jan-01	Positive	Listed groups	INL	97	J835	Financials	12 323			1%	
05-Jan-01	Positive	Listed groups	SBK	1 325	J835	Financials	12 323	RMH	1 188	11%	112%
05-Jan-01	Positive	Listed groups	SBO	164	J835	Financials	12 323			1%	
05-Jan-01	Positive	Listed groups	OML	3 743	J857	Financials	9 060	SLM	2 655	41%	141%
05-Jan-01	Positive	Listed groups	CLE	32	J857	Financials	9 060			0%	
05-Jan-01	Positive	Listed groups	AFI	119	J857	Financials	9 060	SGG	148	1%	80%
05-Jan-01	Positive	Listed groups	CLH	42	J575	Services	5 234			1%	
05-Jan-01	Positive	Listed groups	SIL	245	J575	Services	5 234	GDF	177	5%	138%
05-Jan-01	Positive	Listed groups	TRT	830	J575	Services	5 234	SIS	1 175	16%	71%
05-Jan-01	Positive	Listed groups	SUR	98	J575	Services	5 234			2%	
05-Jan-01	Positive	Listed groups	TBS	166	J357	Industrials	3 153			5%	
05-Jan-01	Positive	Listed groups	ABI	152	J353	Industrials	1 360			11%	
05-Jan-01	Positive	Listed groups	DDT	1 299	J953	Services	7 785			17%	
05-Jan-01	Positive	Listed groups	IDI	113	J953	Services	7 785	DTC	132	1%	86%
05-Jan-01	Positive	Listed groups	ITV	92	J953	Services	7 785	DTC	132	1%	70%
05-Jan-01	Positive	Listed groups	NPN	156	J555	Services	3 286	PMA	120	5%	130%
05-Jan-01	Positive	Listed groups	SOL	666	J007	Resources	1 325				
05-Jan-01	Positive	Listed groups	MPC	216	J537	Retailing	16 147	PEP	222	1%	97%
17-Nov-00	Negative	Listed company	ISC	258	J175	Industrials	356				
06-Oct-00	Very-positive	Listed company	NPN	148	J555	Services	3 940	PMA	111	4%	134%
01-Sep-00	Negative	Listed company	TBS	166	J357	Industrials	3 474			5%	
25-Aug-00	Positive	Listed company	AGL	408	J177	Resources	8 142			5%	
25-Aug-00	Positive	Listed company	DBR	400	J177	Resources	611				
18-Aug-00	Positive	Listed groups	AGL	408	J177	Resources	8 142			5%	
18-Aug-00	Positive	Listed groups	BIL	2 294	J177	Resources	8 142			28%	
18-Aug-00	Positive	Listed groups	ANG	107	J177	Resources	2 487	HAR	96	4%	111%
18-Aug-00	Positive	Listed groups	HAR	96	J177	Resources	2 487	ANG	107	4%	90%
04-Aug-00	Positive	Listed groups	SAP	239	J173	Resources	239				
04-Aug-00	Positive	Listed groups	AGL	408	J177	Resources	8 142			5%	
04-Aug-00	Positive	Listed groups	SAB	775	J353	Industrials	1 294				
04-Aug-00	Positive	Listed groups	SOL	664	J007	Resources	1 463			45%	
04-Aug-00	Positive	Listed groups	ISC	258	J175	Industrials	356				
30-Jun-00	Very-positive	Listed company	DDT	1 182	J953	Services	10 685			11%	
02-Jun-00	Neutral	Listed company	ODM		J177	Resources					
21-Apr-00	Very-negative	Listed company	DTC	129	J953	Services	10 685			1%	
11-Feb-00	Very-positive	Listed company	JNC	162	J555	Services	4 264			4%	
04-Feb-00	Very-positive	Listed company	MPC	214	J537	Retailing	10 333	PEP	221	2%	97%

Cover story date	Nature of story	Category	Featured share Ticker	Featured share Market Cap (R)	Sector codes	Aggregated sector	Sector Market Cap (R)	Comparable Ticker	Comparable Market Cap (R)	Inclusion in sector sample (%)	Inclusion in ISM sample (%)
21-Jan-00	Positive	Listed company	SIS	1 175	J575	Services	4 913			24%	
03-Dec-99	Positive	Listed company	AGL	408	J177	Resources	8 142			5%	
12-Nov-99	Positive	Listed groups	PIK	495	J533	Retailing	10 329	SHP	528	5%	94%
12-Nov-99	Positive	Listed groups	JDG	111	J537	Retailing	10 329			1%	
12-Nov-99	Positive	Listed groups	ECO	57	J537	Retailing	10 329			1%	
12-Nov-99	Positive	Listed groups	TRU	451	J537	Retailing	10 329	WHL	880	4%	51%
08-Oct-99	Positive	Listed company	NED	237	J835	Financials	12 794			2%	
08-Oct-99	Negative	Listed company	SBK	1 374	J835	Financials	12 794			11%	
03-Sep-99	Very-positive	Listed company	RMT	522	J272	Industrials	1 953			27%	
02-Apr-99	Negative	Listed company	PMA	119	J555	Services	3 428	NPN	128	3%	93%
05-Mar-99	Neutral	Listed company	SAB		J353	Industrials					
12-Feb-99	Positive	Listed company	LGL	270	J857	Financials	7 685			4%	

9.6 Primary Cover Story Data Base

Table A-4: Cover story primary database showing titles, classification and synopsis

Cover story date	Cover story title	Broad topic classification	Nos. of companies featured	Included in sample	Nature of story	Listed share name (s)	Cover story synopsis
26-Sep-08	Demise of a president	Political / Government					
19-Sep-08	On the edge, as markets plunge, Julian Roberts takes Old Mutual's hot seat. Is he the right man to gain the investor's confidence	Listed company	1	Yes	Very-negative	Old Mutual	Loss making acquisitions overseas offset by profitable SA operations. A new CEO appointed to steady the ship in wake of financial crises. Share price dropped from R24 to R13 in a year.
12-Sep-08	Bending the rules: how dodgy furniture retail practices could wreck the industry	Industry macro environment					
05-Sep-08	Property tycoons R25bn coup and how he did it	Unlisted company					
29-Aug-08	What my MBA did for me	MBA / education					
22-Aug-08	Trevor Manuel on the economy: recession unlikely	Country economics					
15-Aug-08	Old Mutual vs. Sanlam. Which is the better bet for investors?	Listed company	2	Yes	Positive Neutral	Sanlam Old Mutual	Almost ten years ago, Sanlam and Old Mutual demutualisation occurred where Old Mutual was stronger due to bigger reserves. Sanlam however gave the better returns at almost double that of Old Mutual. Positive story for Sanlam, whilst neutral for Old

Cover story date	Cover story title	Broad topic classification	Nos. of companies featured	Included in sample	Nature of story	Listed share name (s)	Cover story synopsis
							Mutual.
08-Aug-08	2010 soccer world cup: on track, but SA cautioned not to miss any more deadlines	Sport					
01-Aug-08	How Multichoice has tightened its grip on Pay-TV	Unlisted company					
25-Jul-08	ANC: inside the party's brutal battle for power	Political / Government					
18-Jul-08	In the money: analysis of SA top executive packages	Industry macro environment					
11-Jul-08	Transnet after Ramos: what she has achieved and what still needs to be done	Political / Government					
04-Jul-08	The national credit act: a year on	Political / Government					
27-Jun-08	Crisis. Airlines around the world are collapsing. How SA carriers are coping	Industry macro environment					
20-Jun-08	Bank charges. How the competition commission report will break the bank's grip on customers	Industry macro environment					
13-Jun-08	The revolution sweeping SA telecoms	Industry macro environment					
06-Jun-08	How the SA economy can survive the global oil crisis	Country economics					
30-May-08	Under the whip: Is Investec's aggressive approach coming back to bite	Listed company	1	Yes	Very-negative	Investec	Drop in share price in terms of ill-timed acquisition of Kensington.
23-May-08	A tragic end. How Mbeki destroyed his presidency	Political / Government					
16-May-08	How to weather the housing crisis	Country economics					
09-May-08	A lethal dose. How Government is killing private health-care sector	Political / Government					
02-May-08	Eskom. How the lights went out	Political / Government					
25-Apr-08	Licence to profiteer. How monopolies are fuelling prices	Industry macro environment					
18-Apr-08	Has Mboweni lost the plot	Political / Government					
11-Apr-08	SA's hidden economic force. Companies look to low-end market amid consumer slowdown	Industry macro environment					
04-Apr-08	Whither affirmative action	Country economics					
28-Mar-08	Fortune hunter. How Phuthuma Nhleko built MTN	Listed company	1	Yes	Very-positive	MTN	Success story of the MTN CEO's role in driving MTN share and subscriber growth through global acquisitions.
21-Mar-08	Going down. Why the commodities boom means more pain than gain for SA	Country economics					
14-Mar-08	Master Mariners: How Grindrod became a global shipping giant	Listed company	1	Yes	Very-positive	Grindrod	Share price has grown from R6 to R24 from 2004 to 2008, providing a return at nearly twice the return of the ALSI based to 100 at start of 2004. Turnover has grown from R3bn to R17bn, with attributable earnings growing from R500m to R1, 2bn. Positive

Cover story date	Cover story title	Broad topic classification	Nos. of companies featured	Included in sample	Nature of story	Listed share name (s)	Cover story synopsis
							opportunities for future growth.
07-Mar-08	Credit squeeze. Consumers face toughest challenge in a decade	Country economics					
29-Feb-08	Risky business. Can bankers make good furniture salesman (African Bank)	Listed company	1	Yes	Positive	Abil	Bought out Ellerines and looking to entrench the business by reducing cost of loans.
22-Feb-08	I want a pact with business. Zuma talks with FM	Political / Government					
15-Feb-08	Big brew. How SABMiller conquered the world	Listed company	1	Yes	Positive	SAB	Biggest brewer in world and looking to acquire and imprint the SAB way.
08-Feb-08	When I'm 64. How safe is your future income	Investment & general equity comment					
01-Feb-08	Shutdown, what next? And what investors should do	Industry macro environment					
25-Jan-08	Goodbye 6%. Counting the cost of the power crisis	Country economics					
18-Jan-08	Cowboy capitalist: How HCI's Johnny Copelyn picked one battle too many	Listed company	1	Yes	Very-negative	HCI	Ethical and corporate governance issues and influence of unions, BEE credentials and ongoing battles.
11-Jan-08	Hot Stocks: The best buys on JSE for 2008	Listed groups	13	Yes	Positive	As per synopsis	Investec, Old Mutual, Bidvest, SABMiller, Grindrod, Aspen, Telkom, Naspers, Redefine, BHP Billiton, City Lodge, Mr Price, Barloworld
04-Jan-08	No publication						
28-Dec-07	No publication						
21-Dec-07	The business of Gold	Industry macro environment					
14-Dec-07	World beaters. S African's who have made it big abroad	Other topics					
07-Dec-07	Heaven or hell? Is your dream holiday home a financial nightmare	Investment & general equity comment					
30-Nov-07	Be afraid. The problem with a Jacob Zuma presidency	Political / Government					
23-Nov-07	Telkom's turmoil. How its unravelling will change telecoms in SA	Listed company	1	Yes	Very-negative	Telkom	Telkom's fixed line business model is shrinking and is becoming outdated, and there are new competitors. Another effect is of convergence. Threat of new legislation and increased bandwidth of undersea cable capacity.
16-Nov-07	BEE. A year after the empowerment codes, box-ticking rules over principle for SA companies	Country economics					
09-Nov-07	Jo'burg makeover. The city launches a multibillion-rand overhaul.	Political / Government					
02-Nov-07	Zim's giant step. How Lazarus Zim aims to build a world class mining operation that goes beyond BEE	Unlisted company					
26-Oct-07	Answers to SA's job crisis	Country economics					
19-Oct-07	Boulevard of broken dreams. Why SA companies fail in the US	Other topics					
12-Oct-07	Dangerous game of sports sponsorships	Other topics					
05-Oct-07	Skeletons in your closet. SARS gets tough on old tax dodges	Political / Government					

Cover story date	Cover story title	Broad topic classification	Nos. of companies featured	Included in sample	Nature of story	Listed share name (s)	Cover story synopsis
28-Sep-07	Comrade's shareholders. The wealth and conflicts of union investment companies	General organisational issues					
21-Sep-07	Running dry. We don't have enough electricity. Soon we won't have enough fuel either	Country economics					
14-Sep-07	MBA. Why it's becoming harder to chose the right school	MBAs / education					
07-Sep-07	Toothless. Why big business tramples competitors	Industry macro environment					
31-Aug-07	How Harmony lost its way. Motsepe counts on Briggs to turn it around	Listed company	1	Yes	Very-negative	Harmony	Share price dropped by 36%, exacerbated by high costs and an inadequate HR remuneration system. Turnaround suggested but unlikely.
24-Aug-07	Out of reach. Problem with rising house prices	Country economics					
17-Aug-07	Discovery under siege. Has Adrian Gore picked one battle too many	Listed company	1	Yes	Neutral	Discovery	Discovery's battle is on all fronts as well as against its members and state doctors. Also making offshore forays.
10-Aug-07	Bears are back. How to invest in troubled markets	Industry macro environment					
03-Aug-07	Social welfare. Assessing the unintended consequences	Country economics					
27-Jul-07	Paralysis at the DTI. Vehicle and textiles sectors in limbo as industrial policy flounders	Political / Government					
20-Jul-07	Codes of convenience. Is Mervyn King the right man for King 3	Country economics					
13-Jul-07	A nation adrift	Country economics					
06-Jul-07	Black middle class. The myth and the reality. Economics, politics, society	Country economics					
29-Jun-07	Small business. Why government's helping hand is hurting	Political / Government					
22-Jun-07	Rocketing Uranium. It's hot and Neal Froneman saw it coming. Now he's leading SA's newest mining boom	Listed company	1	Yes	Positive	Uranium One	The story covers Uranium One's acquisitions of global uranium projects and resources.
15-Jun-07	The booming business of business schools	MBAs / education					
08-Jun-07	Setting the example. Two years on, Steve Booysen's Absa is a model acquisition for Barclays - almost	Listed company	1	Yes	Very-positive	ABSA	Positive integration aspects of acquisition evidence in share growth and financial metrics achieved.
01-Jun-07	No left turn: Economic policy after Mbeki	Political / Government					
25-May-07	Rock solid. Why SA will defy global housing price meltdown	Country economics					
18-May-07	Dogs of the bull run. Is now the time to buy them	Listed groups	9	Yes	Negative	As per synopsis	DRDGold, Purple Capital, Trans Hex, Palamin, Tradehold, Harmony, GijimaAST, Sappi, Oceana.
11-May-07	What companies can do about the skills crisis	Country economics					
04-May-07	How Neotel plans to take on Telkom	Listed company	1	Yes	Negative	Telkom	Impact on Telkom in terms of reduced fixed line market share by 10%.
27-Apr-07	Soweto Rising. Billions flood into Jo'burg's historic township	Political / Government					
20-Apr-07	Consumer revolution. How new laws will swing	Country economics					

Cover story date	Cover story title	Broad topic classification	Nos. of companies featured	Included in sample	Nature of story	Listed share name (s)	Cover story synopsis
	the balance of power away from retailers						
13-Apr-07	Going green. Woolworths CE Simon Susman is worried about global warming. He is an exception in SA business	Listed company	1	Yes	Positive	Woolworths	Focus on Woolworth's green status and using this as a differentiator to gain market share.
06-Apr-07	Crime. A law and order revolution is being born. Politicians need to take notice	Political / Government					
30-Mar-07	Power dorpie. Why Stellenbosch has thrived as a home to SA's Afrikaner business elite	Other topics					
23-Mar-07	Alt-X. It boosted Bernie Krone's company. His is not the only one whose shareholders are prospering	Investment & general equity comment					
16-Mar-07	Food price spiral. What it will do to your pocket and your business	Country economics					
09-Mar-07	Just say no. Alec Irwin puts brakes on privatisation	Political / Government					
02-Mar-07	Made to save. Winners and loser in government's welfare plans	Political / Government					
23-Feb-07	Dream team. They presided over a decade of economic growth. What does the future hold?	Political / Government					
16-Feb-07	Immigration what it's doing to SA	Country economics					
09-Feb-07	Warning: Explosive taxi confrontation ahead	Other topics					
02-Feb-07	Who's next? First, it was Sasol, then Barloworld. Who is next in PIC's sights	Political / Government					
26-Jan-07	Investment strike. SA No publication out on global mining boom because of government's hardened attitude to mineral rights. It is costing the country billions	Country economics					
19-Jan-07	The dealership. How senior officials are ruining the party with dubious funding and business deals	Political / Government					
12-Jan-07	Hot Stocks: The best buys on JSE for 2007	Listed groups	14	Yes	Positive	As per synopsis	Afgri, Investec, Astrapak, Group five, Gold Reef Resorts, Sanlam, Netcare, Johnnic, Redefine, Enviroserv, Simmer & Jack, Mr price, Bytes Technology Group, Cargo Carriers
F05-Jan-07	No publication						
29-Dec-06	No publication						
22-Dec-06	Power couples. How SAs political and business couples influence each other's careers	Other topics					
15-Dec-06	Newsmaker of the year: JSE	Listed company	1	Yes	Very-positive	JSE	JSE listed as a public company and its share price jumped from R19, 75 to current R45 in six months - driven largely by increased listings and strongest bull run of equity markets.
08-Dec-06	Hung out to dry. Vuyani fallen out with pensions industry and government	Political / Government					
01-Dec-06	Reds play Ball. Mr Price ventures into sports and furniture after cashing in on cheap clothing	Listed company	1	Yes	Very-positive	Mr Price	Mr Price has grown from a humble factory store concept in Durban to 500 stores. Together with Miladys and Sheet Street, the group totals 800 stores. Market cap R5, 6 bn year listed 1989. Turnover- R5, 3 bn. They rely largely on cash and reduced

Cover story date	Cover story title	Broad topic classification	Nos. of companies featured	Included in sample	Nature of story	Listed share name (s)	Cover story synopsis
							impact of interest rates.
24-Nov-06	When crime takes over the state	Country economics					
17-Nov-06	The drug lord. Stephen Saad is getting rich by cutting the cost of pharmaceuticals (Aspen)	Listed company	1	Yes	Very-positive	Aspen	Generic production in SA driven by reduced AIDS drugs (almost a third of the price). Stephen Saad was a millionaire by 29 years. He sold a pharmaceutical group to Adcock for R20m then setup and sold Varsity College to Leisure for R75m net. He then started Aspen with R50m and currently is worth R12bn of which R2bn is his.
10-Nov-06	World's biggest private equity firms are here	Investment & general equity comment					
03-Nov-06	The changing face of Anglo. Why Cynthia Caroll will not be running a SA company	Listed company	1	Yes	Neutral	Anglo	Appointment of Cythia, an outsider from Alcan, was something of a change in mould, particularly considering she was only responsible for 18,000 and managed Alcan which had a market cap 4 times smaller.
27-Oct-06	Mission impossible. Land reforms rural blacks and white are furious	Country economics					
20-Oct-06	On a wing and a prayer. Khaya wants to list SAA by 2010	Unlisted company					
13-Oct-06	Ranking the MBAs	MBAs / education					
06-Oct-06	SA's next tech revolutionary. Goodbye SMS. Hello Mxit	Industry macro environment					
29-Sep-06	10 ways to turn your staff on and 5 ways to lose them	General organisational issues					
22-Sep-06	The house wins. Tsogo Sun Mabuza cashed in on SA's booming gambling industry.	Unlisted company					
15-Sep-06	Burnout why CEs are quitting younger and where are the black successors	General organisational issues					
08-Sep-06	A generation betrayed. Why so many teachers are bad and why they won't get better in a hurry	MBAs / education					
01-Sep-06	Man of steel - SA biggest unlisted company	Unlisted company					
25-Aug-06	World Cup 2010, what's in it for business	Sport					
18-Aug-06	What's wrong with SAPPI	Listed company	1	Yes	Very-negative	SAPPI	Jonathan Leslie, appointed only in 2003, resigned in 2006. Van As, chairman, steps in as acting CEO. The relative trend of the share price to the ALSI is trending down and viewed as a laggard in resources sector.
11-Aug-06	Property Crunch: how to survive it	Country economics					
04-Aug-06	Back to colonies. Gareth Penny steers De Beers from London to Africa	Unlisted company					
28-Jul-06	Johannesburg. Gauteng's bold plan to compete with world's new super cities	Political / Government					
21-Jul-06	Emerging markets. Money for the brave.	Other countries					
14-Jul-06	What makes a great chairman	General organisational issues					
07-Jul-06	Crime. Can this man crack it?	Political / Government					
30-Jun-06	The Branson sizzle. British Mogul out to rattle SA business	Unlisted company					
23-Jun-06	The perfect fit. Manufacturers and retailers join	Industry macro					

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	forces to boost SA clothing industry	environment					
16-Jun-06	The knives are out. ICASA implodes	Political / Government					
09-Jun-06	Out of the woods. But Boardman still has work to do at Nedbank	Listed company	1	Yes	Positive	Nedbank	In two and half years, share price has risen in stark contrast to 2003. Earnings have risen as well from R19m in 2003 to R483m in 2004 and R797m in 2005.Nedbank has cut costs, cleaned up their balance sheet, recapitalised the bank, restructured ops and improved staff morale starting with changing management and designing a new strategy.
02-Jun-06	A tough call. Reserve bank in tight corner on interest rates	Country economics					
26-May-06	Rebels without a cause. Unions lash out in search of a role	Country economics					
19-May-06	Business speaks. Jacob Zuma	Political / Government					
12-May-06	Fighting for their lives. Its adapt or die for life assurers	Listed groups	5	Yes	Negative	Old Mutual Metropolitan Liberty Sanlam Discovery	Old mutual, Metropolitan, Liberty Life, Sanlam, Discovery and Momentum featured. The world of generous upfront premiums is ending. What is next for life industry? Life insurance index has underperformed the JSE all share over the period 2000 to 2006. There is a requirement for more innovation, as the game is a volume one with lower margins. and the need to sell more products.
05-May-06	How land reform broke the economy. Zimbabwe	Other countries					
28-Apr-06	Spying in the cyber age. Do SA's new surveillance laws threaten our civil liberties	Political / Government					
21-Apr-06	Hot rocks. How to make money from commodities boom	Industry macro environment					
14-Apr-06	Is there a doctor in the house	Political / Government					
07-Apr-06	Kebble. The big lie. Unravelling SA's biggest corporate fraud	Listed company	1	Yes	Very-negative	Rand Gold	R2bn disappeared from Kebble's paper empire - Rand gold & Exploration and Rand Gold Resource
31-Mar-06	Return of King Coal. Energy crunch at home and abroad boosts demand. But can we deliver	Country economics					
24-Mar-06	Hellen Zille's balancing act	Political / Government					
17-Mar-06	Leading the pack. How Hendrik du Toit has taken Investec unit trusts to the top	Listed company	1	Yes	Very-positive	Investec	Investec handpicked a fiercely independent man after sitting across the table as an analyst. King of the unit trusts and their positive impact on overall group performance.
10-Mar-06	Anointing a crown prince. Who's lined up to succeed these CEOs.	Listed groups	5	Yes	Neutral	Std Bank, Barloworld, Anglos, SABMiller, Massmart	Various potential heirs discussed with a mixture of youth and experience and success underpinning each candidate. No comment made on impact on per company performance
03-Mar-06	Driving Imperial. How Bill Lynch built an empire	Listed company	1	Yes	Very-positive	Imperial	After 32 years, there is no heir apparent to take over from Lynch. From 1996 to 2005 the figures are spectacular with turnover growing from R6,4bn to R42,5 bn. Assets from R4bn to R29bn, PBT from R364 to R3,5bn and EPS from 170c to 1046c.
24-Feb-06	Windfall tax. Super profits under attack	Country economics					
17-Feb-06	Boom time. Confidence in SA soaring	Country economics					
10-Feb-06	What Manuel should have in his bag	Political /					

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		Government					
03-Feb-06	Breaking new ground. Muslim family in SA largest property development	Unlisted company					
27-Jan-06	Hero or Villain. SARS commissioner Pravin Gordhan	Political / Government					
20-Jan-06	TV meets the future. How television will change your life	Other topics					
13-Jan-06	2006: Stock Market outlook, best buys for 2006	Listed groups	13	Yes	Positive	As per synopsis	Woolworths, Afgri, Simmer &Jack, Sun International, Johnnic, Standard Bank, Netcare, Telkom, Group 5,Iinvicta, Imperials, Bowler Metcalf, ApexHi-B
06-Jan-06	No publication						
30-Dec-05	No publication						
23-Dec-05	The reluctant hero Vuyani	Political / Government					
16-Dec-05	Nasper's Beyond the laager	Listed company	1	Yes	Positive	Naspers	The company's success is due to CEO Koos Bekker. Looking to growth strategy based on electronic media and global expansion. Only blot is lack of black transformation at upper echelons of Naspers (still white Afrikaner). Nasper share comparison against other media competitors shows Naspers lagging Johnnic and Caxton though.
09-Dec-05	Trevor Manuel's recipe for growth	Political / Government					
02-Dec-05	Gold charges back	Industry macro environment					
25-Nov-05	Raymond's recipe for riches. Investors cash in on Pick 'n Pays long bull run	Listed company	1	Yes	Very-positive	Pick N Pay	Share price performance of Pick n Pay against other long-term shares, from 1974 to now, shows Pick n Pay had almost 3-4 times better return in the long run. Australian venture seems not be doing well but offset against the opportunity to grow corporate and franchise stores in SA. They may also look at diversifying into non food ala Massmart, with hypermarkets providing a format to do this.
18-Nov-05	Premier food's unlikely saviour, Fabcos president Sam Buthelezi	Unlisted company					
11-Nov-05	Why Whitey is milking it? Are SA CEOs paid too much. Shoprite.	Listed company	1	Yes	Neutral	Shoprite	Whitey paid a R51m bonus opposed by PIC a 10% shareholder, Focus of article on JSE CEO salary pay
04-Nov-05	Land reform. Time to mend fences	Political / Government					
28-Oct-05	The big switch. What the coming software revolution means for SA business	Industry macro environment					
21-Oct-05	Its a ward zone	Political / Government					
14-Oct-05	Lift-off at last. Will the A400m rescue aerospace industry	Industry macro environment					
07-Oct-05	Tax. The squeeze on the middle class	Political / Government					
30-Sep-05	They like their jobs. What makes companies they work for special	General organisational issues					
23-Sep-05	He's got Telkom's number. But the second network operator is unlikely to bring down prices	Unlisted company					

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16-Sep-05	The right stuff. Are MBA schools producing the graduates business needs	MBAs / education					
09-Sep-05	The stench of corruption	Political / Government					
02-Sep-05	Oil. Why we should be paying less for petrol	Country economics					
26-Aug-05	Grandmaster. The CEO with all the right moves. Standard Bank	Listed company	1	Yes	Very-positive	Standard Bank	Standard Bank has shown continued sterling performance since 1999, the date of the Nedcor takeover attempt. They have shown steady growth in EPS of 18% from 1999 and increased share price beyond banking index.
19-Aug-05	Nailed ... The vision ends in tears	Listed company	1	Yes	Very-negative	Nail	The chronology of Nail entree as leader into BEE space finally ended. Share price indexed to 100 in 1994 at listing, grew to 550 in 1998, but on a steady decline since then. The original directors are investing in other vehicles, most notably Cyril in Shanduka that has a stake in Standard bank and Saki in Safika.
12-Aug-05	The rot in SA rugby. Bad management is dragging down the game	Sport					
05-Aug-05	The nigger who caused all the trouble. Pension Funds adjudicator Vuyani	Political / Government					
29-Jul-05	6% growth, How to get there	Country economics					
22-Jul-05	The giant stirs. Jo'burgs CBD revival gathers pace	Political / Government					
15-Jul-05	Pill pushers: How Aspen Pharmacare captured SA's drug market	Listed company	1	Yes	Very-positive	Aspen	Reading of the generic market has put Aspen ahead of the rest. Share price has rocketed more than 2500% since listing in 1998.They claim credit for reducing cost of AIDS drugs to less than 2% of what they pay. Distribution and marketing network help blow away competitors, but they are dependent on govt contract to supply drugs into Africa and in SA. Share price currently R25 from R5 in mid 2000.
08-Jul-05	The Chinese challenge	Country economics					
01-Jul-05	It's not going to happen: Labour market reform	Country economics					
24-Jun-05	What makes a great SA company	Industry macro environment					
17-Jun-05	Can he keep the party going? MTN must find new markets to sustain growth	Listed company	1	Yes	Very-positive	MTN	Failed bid of acquiring Celtel, shows how difficult it will be for MTN to maintain its stellar earning growth. They announced another stellar performance with subscriber number leaping and Ebitda surging 33% and PAT jumping 47%.
10-Jun-05	Master & commander. Mbeki has played a clever hand. Now he's free to choose his successor	Political / Government					
03-Jun-05	Gunning for Gates, Shuttleworth on a new mission	Unlisted company					
27-May-05	Frontier Capitalist: Wiphold CEO Gloria Serobe is blazing a trail for women in business	Unlisted company					
20-May-05	Analyst: best of the bunch	Investment & general equity comment					
13-May-05	The eagle is back. Absa and Barclays merging culture issue	Listed company	1	Yes	Positive	ABSA	The article shows Barclay's first play into Africa, with Egypt and Nigeria to follow. Cultural integration is key and maintenance of the homegrown ABSA brand. Absa is Barclays' largest foreign acquisition made and hence they have to be very sure
06-May-05	Juggernaut from south	General organisational issues					
29-Apr-05	Prisons for profit	General					

Cover story date	Cover story title	Broad topic classification	Nos. of companies featured	Included in sample	Nature of story	Listed share name (s)	Cover story synopsis
		organisational issues					
22-Apr-05	Big Greens big deal	Listed company	1	Yes	Positive	Old Mutual	How Old Mutual hopes to devalue through empowerment. Value estimated at R7, 2bn and eclipses the standard Liberty R5, 6bn. Existing shareholders will have to take a knock upfront in terms of dilution, but in the long-run access to govt and parastatal markets can be seen as positive and will be beneficial. Includes Wiphold and Brimstone in the consortiums - who have track record in financial services and can deliver value immediately
15-Apr-05	Cracking the BEE codes	Political / Government					
08-Apr-05	Facing up to Jobs crisis	Country economics					
01-Apr-05	Is Sasol victim or villain	Listed company	1	Yes	Neutral	Sasol	It is neither a positive nor a negative story. Both positions are detailed.
25-Mar-05	The Indian Invasion: Ratan Tata is leading the charge	Unlisted company					
18-Mar-05	Zimbabwe after Mugabe	Other countries					
11-Mar-05	Sweat sells. Why a million SA are going to Gym	Sport					
04-Mar-05	The revolution in cars	Country economics					
25-Feb-05	Man of the match: Trevor Manuel	Political / Government					
18-Feb-05	The big steel: Is Mittal's ownership of Iscor good for SA	Listed company	1	Yes	Neutral	Iscor	The article highlights both positives and negatives and presents neither side too strongly
11-Feb-05	Gridlock city: Joburg R8bn plan	Political / Government					
04-Feb-05	Sizing up the president	Political / Government					
28-Jan-05	Can the elephant dance? Old Mutual SA lost its edge. CEO Roddy Sparks is trying to get it back	Listed company	1	Yes	Negative	Old Mutual	Need for development of new products that resonate with, in particular, the emerging black middle class and increasing agency force to distribute the products. There is also the transformation challenge and need for BEE
21-Jan-05	Ramos hangs tough, Transnet CE unfazed	Political / Government					
14-Jan-05	Hot stocks: FM experts pick the best buys for 2005	Listed groups	14	Yes	Positive	As per synopsis	JD group, Apexhi B, Gold Fields, Standard Bank, Argent Industrial, Sanlam, Sun international, SABMiller, Dimension Data, Naspers, Super Group, Reunert, Bowler Metcalf, Aspen Pharmacare
07-Jan-05	No publication						
31-Dec-04	No publication						
24-Dec-04	SA's 20 most Powerful Business Leaders	Industry macro environment					
17-Dec-04	Easy riders: Top Executives burn rubber	Industry macro environment					
10-Dec-04	Molelefe's R400 billion punch	Political / Government					
03-Dec-04	Lift-off South Africa Economy blasts through Growth barrier	Country economics					
26-Nov-04	Bacon's Gamble Heads for Kerzner in the UK. Can he win?	Listed company	1	Yes	Very-positive	Sun International	With its expansion in SA complete, Peter Bacon is now taking listed Sun International to new markets. He will be head butting with Sol's expansion plans in SA.

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19-Nov-04	The case for breaking up Telkom	Unlisted company					
12-Nov-04	Hot consumer stocks Shares to watch as Black spending grows	Listed groups	7	Yes	Positive	As per synopsis	Ellerines, Edcon, Pick n Pay, Cashbuild, First rand, Liberty, Primedia
05-Nov-04	Inside the war room: Cockerell marshalling Goldfields against Harmony's hostile bid	Listed company	2	Yes	Neutral	Goldfields, Harmony	Cockerell engages with Goldman Sachs and JP Morgan to assess the benefits, but keeping a defensive strategy in play.
29-Oct-04	South Africa's poverty trap	Country economics					
22-Oct-04	High Stakes for Harmony. Needs more than Chutzpah to secure Goldfields	Listed company	2	Yes	Positive	Harmony, Goldfields	Cheeky is what the hostile bid by Harmony is of its bigger rival Gold Fields. Share price of Gold Fields is better than Harmony. Gold field s market cap is 60% higher than Harmony. However, the bid appears too low and will have to be more attractive. It is debatable whether shareholders will swap theirs for a diluted harmony.
15-Oct-04	Stormin Norman, Adami has beaten Miller into shape. Can he build market share.	Listed company	1	Yes	Very-positive	SAB	SAB Miller is success at dispatching SA ops-head to America to reverse the rot that has been realised. Share price is also improving, from R50 in mid 2002 to R87. They need now to focus on market share erosion from dominant player.
08-Oct-04	Black Middle Class Breakthrough	Country economics					
01-Oct-04	50 Top Companies to work for	Industry macro environment					
24-Sep-04	THE ACCIDENTAL CEO How Adrian Gore turned what was just an idea into an empire	Listed company	1	Yes	Very-positive	Discovery	In 12 years, he revolutionised the medical health industry, with share price in the last year growing from R7 to R14.Potential pitfall is Discovery's move into life assurance and retirement annuity - a space where First Rand subsidiary Momentum is playing in They are now competitors.
17-Sep-04	Kirsh cleans up. Primedia rakes in the cash by getting back to basics	Listed company	1	Yes	Very-positive	Primedia	Primedia is cash generating media machine however, not quite the growth stock compared to first listing in 1994 .Share price currently at R10 from its peak in 1998 at R47. This is evidenced by a four-year turnaround of 20% plus for three years at PBIT level and 66% in last year at cash flow level.
10-Sep-04	Ranking the MBAs master class	MBAs / education					
03-Sep-04	CEO salaries Rich Rewards	Industry macro environment					
F27-Aug-04	Behind Transnet drama	Political / Government					
20-Aug-04	Soweto's retail space rush	Industry macro environment					
13-Aug-04	Can Old Mutual turn the tide	Listed company	1	Yes	Negative	Old Mutual	Despite a healthy peer benchmarked ROE of 19% internationally and SA ROE of 26%, Old Mutual is still better than others locally. Share price still dropping from R20 in mid 2000 to R12 currently. They seem to track the trajectory of Nedcor. Offshore venture into UK needs more weight. They have to look for another acquisition, otherwise focus on SA and US only.
06-Aug-04	SA's Migrating miners Gold producers chase foreign profits as local industry shrinks	Industry macro environment					
30-Jul-04	What Saki got to offer? Macozoma is a capitalist with a social conscience	Unlisted company					
23-Jul-04	The Tiger on SA's doorstep Botswana is small but smart. The economist lessons for SA	Country economics					
16-Jul-04	Mugged by the rand. These men are hurting the most.	Listed groups	6	Yes	Negative	As per synopsis	Most exporters and rand hedge stocks are on the back foot, call for depreciation. Goldfields, Barloworld, Harmony, Sasol, Aveng, AngloPlat.
09-Jul-04	Battle of the Bakkies How GM plans to take	Unlisted company					

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	Toyota's scalp in SA						
02-Jul-04	Home is where the money is - unlock value in the property market	Country economics					
25-Jun-04	Back in action Can new CEO Mike Bosman restore the magic to ad agency TBWA/HUNT/Lascaris	Unlisted company					
18-Jun-04	Africa's Wal-Mart? Lamberti has built Massmart into SA's largest retailer by profit.	Listed company	1	Yes	Very-positive	Massmart	Positive story for share price movement and increasing turnover with definite expansion plans into Africa
11-Jun-04	Lords of the ring: Cash-rich Telkom and Vodacom join forces in African ventures	Listed company	1	Yes	Very-positive	Telkom	Great results show positive impact on share price. Details Vodacom's African journey despite the Nigeria debacle
04-Jun-04	The Petrol rip-off. Why are we paying too much for our fuel	Country economics					
28-May-04	A shift in gear. SA needs stronger growth and more jobs	Country economics					
21-May-04	2010 World cup: Bring in the suits. Safa needs business to pull it off	Sport					
14-May-04	Mackay gets a bloody nose. Can SABMiller recover from its Chinese blunder?	Listed company	1	Yes	Negative	SAB	Anhauser Busch a threat to SABMiller in brewing wars. Downward pressure on share price, however a recovery suggested.
07-May-04	How DG did it. Liberty's founder reflects on his two empires and half a century in business	Listed company	1	Yes	Neutral	Liberty	The story of Donald Gibson is the focus of the article with Liberty providing the context.
30-Apr-04	SA's 20 most Powerful women in Business	Other topics					
23-Apr-04	The future at Anglo. It has been a good honeymoon for new deputy CE Lazarus Zim	Listed company	1	Yes	Neutral	Anglo	The story is based on Lazarus Zim and deputy CEO.
16-Apr-04	Mbeki's second Cabinet.. What needs to be fixed	Political / Government					
09-Apr-04	Mvelapanda geared for lift-off: Sexwale wants to grow his empire by listing Mvela Holdings. Can he make it work?	Listed company	1	Yes	Positive	Mvela Resources	The ultimate holding company of Mvela resources and Mvela Holdings is considering listing. Look at deriving benefit from mining assets and increasing shareholder value
02-Apr-04	Queen BEE Mlambo Ncuka has done more for empowerment that any other minister	Political / Government					
26-Mar-04	The Big Easy How David Sussman shaped JD into the furniture industry top dog	Listed company	1	Yes	Very-positive	JD Group	He has made furniture-retailing look easy. The Ellerine and JD group share prices reflect this improvement from 30 (base 100 in Jan) to 80 currently. He owns 10 brands locally – Bradlows, Joshua Doors, Russells, Hifi Corp etc.
19-Mar-04	Mr Fixit- State IT Agency	Political / Government					
12-Mar-04	Battle hots up Sanlam and Liberty go head to head	Listed company	2	Yes	Neutral	Sanlam & Liberty	Both struggle for new business with the life assurance index lagging the banks index. Focus more on life assurance index and not on both listed companies.
05-Mar-04	Ramos picks up steam	Political / Government					
27-Feb-04	Barloworld. Tony's touch in five years under Phillips	Listed company	1	Yes	Very-positive	Barloworld	In five years, under Phillips, the share price has soared by 203%. The profit has risen by 97% and dividends are up by 106%.He is also a leader with a social conscience.
20-Feb-04	Nedcor: Deep in the mire. Boardman's first set of results will be a shocker	Listed company	1	Yes	Very-negative	Nedbank	The share price is under pressure at R60 a share .The acquisition synergies with BoE still to be realised. Accounting practices under Laubscher brought to book as well.
13-Feb-04	Acid test for financial charter	Political /					

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		Government					
06-Feb-04	PC Mania Strong sales point to a robust recovery in IT spend	Industry macro environment					
30-Jan-04	Venters take Flyers. R1bn spending spree carries high risk	Listed company	2	Yes	Very-positive	Altron and Altech	Robbie Venter will inject $70m into the business in order to continue his father's dynasty. They have decided on a joint venture with Econet Wireless into Africa. In addition, they have acquired smartcard Namitech. This will affect Altron and Altech shares as well as Bytes technology group.
23-Jan-04	Fixed drug prices: Bitter pill to swallow for New Clicks	Unlisted company					
16-Jan-04	In the Black. Murray & Roberts is on the road to recovery.	Listed company	1	Yes	Very-positive	Murray & Roberts	Brian Bruce will add to the successful turnaround strategy. Share price grown from R3 to current R13. Organic growth alone may not be enough. He is also looking at acquisitions.
09-Jan-04	Hot Stocks 2004. FM Experts pick the best shares to buy	Listed groups	8	Yes	Positive	As per detail	Anglo American, Sanlam, Telkom, Standard bank, Afrox, Kagiso Media, MTN, Datatec,
02-Jan-04	No publication						
26-Dec-03	No publication						
19-Dec-03	SA's 20 most Powerful Business Leaders	Other topics					
12-Dec-03	Sasol exclusive behind Mbeki's attack	Listed company	1	Yes	Negative	Sasol	This article details government's response to Sasol's BEE comment to the securities exchange.
05-Dec-03	Striving against the odds. Strive Masiyiwa has beaten barriers to business across Africa	Political / Government					
28-Nov-03	Back from the dead How Didata plans to get back on top	Listed company	1	Yes	Negative	Dimension data	Despite the better long term prospects, the short term has seen the share move from R4 to R1,80 in the year.
21-Nov-03	Motsepe's ARM target global growth - the world at his feet	Listed company	1	Yes	Positive	Harmony	Consolidation of local gold producing business with ARM eventually becoming the 5th largest gold producer worldwide.
14-Nov-03	The runaway rand five ways to stop it	Country economics					
07-Nov-03	Rags to riches How CEO Steve Ross put Edcon back in fashion	Listed company	1	Yes	Very-positive	Edcon	Steve Ross focus on going back to basics and restoring retailer to industry flagship status. Share price increase from R25 in 200 to R100 share currently. Acquisitions in other sectors were the demographic of market was similar e.g. CNA .
31-Oct-03	A dying breed: The hunt for the new style of director	General organisational issues					
24-Oct-03	Mother of all charters. Financial services charter	Political / Government					
17-Oct-03	SANLAM stops sinking	Listed company	1	Yes	Very-positive	Sanlam	Increase share price since Johan van Zyl's appointment as CEO 6 months ago from 580c to 840c and deals being struck with Absa - cost cutting and rationalisation of business undertaken, still 20% discount to value.
10-Oct-03	Why strong rand is good for growth	Country economics					
03-Oct-03	The Bulls are back. Equities gain favour over bonds	Investment & general equity comment					
26-Sep-03	Corporate Kingpin Tiso's Fani Titi - The BEE power broker behind Nail, Kumba and Investec	Unlisted company					
19-Sep-03	Reality check. Laubser's exit: Nedcor's first step out of a deep hole	Listed company	1	Yes	Very-negative	Nedbank	After tenor for nearly ten years Richard Laubscher resigned with a number of successes and failures eventually falling on his sword.
12-Sep-03	System failure: Pupils don't have the skills	Country economics					

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	business needs						
05-Sep-03	Full Speed ahead. Can new CEO Dolly Mokgatle put Spoornet on back on track?	Political / Government					
29-Aug-03	Executive Packages: How much do SA's fat cats earn? Are they worth it?	General organisational issues					
22-Aug-03	The Enthovens (Family empire - unlisted Hollard and into other investments including Nandos and fish monger, Spier)	Unlisted company					
15-Aug-03	Khumalo cuts it fine. Is flamboyant businessman Mzi Khumalo brilliant or bad?	Listed company	1	Yes	Negative	JCI	Despite the JCI debacle Mzi Khumalo has been acquiring other investments through Metallon and Mawenzi vehicles.
08-Aug-03	Family recipe: The Oppenheimers believe tax breaks will boost transformation and growth	Listed company	1	Yes	Neutral	Anglo	Entering into BEE debate and impact of transformation.
01-Aug-03	The pressure is on. Nedcor CEO Richard Laubscher	Listed company	1	Yes	Negative	Nedbank	Many of CEO strategies have not come to fruition. further Didata share performance seems to be leading Nedcor. Correlation between share price - currently sitting at R90 from peak of 170 in 2000.
25-Jul-03	The African way. Khoza plans to change SA's leadership style	Country economics					
18-Jul-03	Joffe's growth platform. Bidvest bets its future on empowerment	Listed company	1	Yes	Positive	Bidvest	Joffe suggests that empowerment is critical in strategy for growth. Over the last few years the share price in the R40 share range. An innovative structure called Dinatla will be set up where existing shareholders 15% will sit. If the share price does not grow to R60 then deal fall off and dividends locked up. Insight give the state tender nature of most of the business.
11-Jul-03	Ashanti attraction: AngloGold's Godsell and Ashanti's Sam Jonah have an African mining mission, can they pull it off	Listed company	1	Yes	Positive	AngloGold	Suggested talks of a merger between the two gold producer to create the world largest gold producer - Ghanian government approval and veto right permitting.
04-Jul-03	Busted. How Ngcuka's empire is rattling the crime bosses	Political / Government					
27-Jun-03	Kumba doesn't need them	Listed company	1	Yes	Positive	Kumba	Kumba can't afford to antagonise Anglo and IDC but it does not need them to expand. Only interested in a partner to fund the Hope Down expansion in western Australia. With Iscor's previous investment in $10m in China port they have guaranteed use of this for 9 years and hence would want to take advantage of this.
20-Jun-03	Skills collapse. Dramatic fall in artisan numbers threatens business	Country economics					
13-Jun-03	A sinking ship. Price and Hills: their role in the MGX disaster	Unlisted company					
06-Jun-03	Retirement: Time to panic. The value of pensions has plummeted	Investment & general equity comment					
30-May-03	State's secret hand: how govt is using state pension fund to finance empowerment	Political / Government					
23-May-03	Why SA must cut the cost of regulation	Country economics					
16-May-03	Top Dog. Deutsche analysts lead the pack. What behind Murray Winckler's winning team	Investment & general equity comment					
09-May-03	Harmony and ARMgold. Gold pioneers-innovative deal a model for things to come	Listed company	2	Yes	Negative	Arm, Harmony	Despite a drop in ARMs share price from R90 in Jan to current R60 and Harmony drop as well fromR170 to R80, show the beleaguered industry how to create value from adversity. They merged their businesses.

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02-May-03	Back to basics. Black firms lined up to buy into streamlined McCarthy	Unlisted company					
25-Apr-03	Blackout. Governemnt policies put future power supplies at risk	Political / Government					
18-Apr-03	Sage on the brink	Listed company	1	Yes	Negative	Sage	Managed to secure a rescue package of R350m and sold Bermuda business to Old Mutual, announced to journalist that they were technically insolvent. Appointment of new CEO as well to take over from Louis Shill the founder and chairman who championed the ill-fated offshore expansion.
11-Apr-03	Tax & Foreign exchange amnesty. Forex dodgers tell their stories	Country economics					
04-Apr-03	White man's burden. Corporate SA says it has paid enough guilt money	Political / Government					
28-Mar-03	Reboot or bust Business has lost trust in IT.	Listed groups	3	Yes	Very-negative	Datatec, Comparex Didata	After dot.com It bust, IT companies lost credibility and need to be build trust with business. Dimension data whose share price peaked at R74 is trading at R2. Datatec moved from R146 to R4. Businesses are looking to ensure ROI before any IT spend and resting the budget away from techies.
21-Mar-03	The spying game. Corpcapital, Tigon and Durban Roodepoort Deep	Unlisted company					
14-Mar-03	Cradle of crime. To bit crime SA has to start caring for its children	Country economics					
07-Mar-03	Why? Lack of leadership and they all to blame: Captain, Coach, President and CEO	Political / Government					
28-Feb-03	Corporate vultures. The lawless world of liquidators	General organisational issues					
21-Feb-03	What's wrong with Nedcor	Listed company	1	Yes	Negative	Nedbank	Write-off of Dimension data to R1bn below the R1,5bn invested and its peak of R5,3 bn. If not for BoE merger earnings would be even worse. Need to leverage merger synergies with BoE whilst not losing sight of operating efficiencies as integration is expected to hold sway.
14-Feb-03	Sappi's Gamble. Rio Tinto man beats in-house contenders to top post	Listed company	1	Yes	Positive	SAPPI	Johnathan Leslie an outsider appointed to lead Sappi. After Van As led Sappi for 24 years when share price was R2 to current R106 having peaked last year at R162, it is difficult to follow - particular someone with no industry experience.
07-Feb-03	Great push North. Why SA companies thrive or fail in Africa	General organisational issues					
31-Jan-03	Gold rush: Harmony leads drive to boost SA's falling output	Listed company	1	Yes	Positive	Harmony	Harmony to plough R1,5bn into two projects in South Reef section of Doornfontein and Tshepong mine. 3 more organic projects are also to be considered in the next few months.
24-Jan-03	Is Trevor tight fisted?	Political / Government					
17-Jan-03	Khaya squares up to Anglo	Listed company	1	Yes	Positive	Anglo	IDC chief wants Anglo to come clean on the Northern Cape development R700m expansion within Kumba
10-Jan-03	A messy divorce. Clash of cultures as Gilbertson exits BHP Billiton	Listed company	1	Yes	Very-negative	BHP Billiton	It is suggested that the Aussies got rid of Gilbertson as there was a clash of cultures. Chip Goodyear a lot younger and US and would emphasis maximising existing asset base, from his CFO days and younger age.
03-Jan-03	No publication						
27-Dec-02	No publication						

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20-Dec-02	Our selection of the top 10 wines, restaurants. Movies. Gadgets. SA products. Books. Cars. Shops	Other topics					
13-Dec-02	Bellville blues sanlam in strategic quandary	Listed company	1	Yes	Negative	Sanlam	Talk of underperformance since listing in 1998, relationship with ABSA also strained. Sanlam standing alone in the bancassurance with no significant merger with Banks - Nedcor and Old Mutual, Liberty and bancassurance agreements with std bank and momentum and first national subsumed in to FirstRand - losing value with no clear way forward - need for leadership.
06-Dec-02	SA cities Hotspots and dead beats	Other topics					
29-Nov-02	He 's back! Sol and Butch to splurge R10bn on luxury hotels	Unlisted company					
22-Nov-02	The new Charterists. From freedom charter to empowerment. Corporate titans take ANC by storm	Political / Government					
15-Nov-02	End of an Era? Law closes in on Roger Kebble	Unlisted company					
08-Nov-02	Capitalism's soul. Behind corporate SA's multibillion rand social spend	Country economics					
01-Nov-02	SA's best Employers: Funky dress days, music concerts, creches - how companies keep their staff happy	General organisational issues					
25-Oct-02	African roots. Profits, not patriotism, determine AngloAmerican's global strategy	Listed company	1	Yes	Positive	Anglo	Generally, Anglo American move to London suggest a move away from Africa - chronology of events and positive performance.
18-Oct-02	Feast and Famine Food prices soar as SA opts for poverty pricing	Country economics					
11-Oct-02	seeds of change. Pressure mount on state and farmers to tackle land reform	Political / Government					
04-Oct-02	The long march. Mining group Kumba leads SA resource companies to china	Listed company	1	Yes	Positive	Kumba	Looking at engaging with China as next power house.
27-Sep-02	Bargain hunters: private equity dealers stalk corporate trophies	Investment & general equity comment					
20-Sep-02	Silicon safaris - SA profits from medical tourism	Industry macro environment					
13-Sep-02	Well refined: Sasol reaps rich rewards from global reach	Listed company	1	Yes	Very-positive	Sasol	Backed by research and technology, Sasol emerged as world leader in petro-chemicals. Number of GTL projects globally in the pipeline with JVs with nations in Nigeria, Qatar, China
06-Sep-02	Blue blooded business. Bafokeng build empire on white gold	Unlisted company					
30-Aug-02	Troubled empire Problems for Sage as US operations falter	Listed company	1	Yes	Very-negative	Sage	Impact of US problems has resulted in the share reducing by 51% since a year ago and with a market cap f R627m compared to Sage internal valuation of R1,7bn.
23-Aug-02	Off the rails. Spoornet's woes hit SA industry	Political / Government					
16-Aug-02	Corporate greed: how to curb the abuse of stock options	Industry macro environment					
09-Aug-02	Economic Power: Mbeki's big push	Political / Government					

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02-Aug-02	Brainpower. Ranking SA's MBAs	MBAs / education					
26-Jul-02	Myburgh commission what waste	Other topics					
19-Jul-02	Telecoms Don't hang up. There is still hope for SA. But investors needs new rules	Industry macro environment					
12-Jul-02	Mackay beats his castle and could lose his shirt. SABMILLER	Listed company	1	Yes	Negative	SAB	Somehow SAB needs to make Miller more appealing to US youth. Miller lites market share has been maintained at 20% and looking under threat from Anhuaser Busch aims to grow to 60% from current 49%. Whilst successful in emerging markets of SA and china, breaking into US may be the make or break of SAB.
05-Jul-02	Stay cool. Winning strategies for a bear market	Investment & general equity comment					
28-Jun-02	The big squeeze Taxman gears up for fresh assault	Political / Government					
21-Jun-02	SA property investors get burned in London	Industry macro environment					
14-Jun-02	Power play. Manuel's mission for single regulator	Political / Government					
07-Jun-02	Revolution. SA cars braek thorugh global barriers	Other topics					
31-May-02	JSE elite corps. Rating the analysts	Investment & general equity comment					
24-May-02	Polo rush. Plett becomes a playground for the world's elite	Other topics					
17-May-02	Banks come up trumps	Listed groups	5	Yes	Positive	As per synopsis	Consolidation looks good for investors and safer for depositors, after the fall of Unifer, Saambou and BOE. Investec, Standard, Nedbank, FNB and Absa all quoted as enjoying the benefits of this consolidation
10-May-02	Kebble meets his match	Unlisted company					
03-May-02	The dearest continent. Why it cost so much to do business in Africa	Other countries					
26-Apr-02	Drug wars: Pick n Pay throw down the gauntlet	Listed company	1	Yes	Positive	Pick N Pay	Independent pharmacist going to court to stop retailers from selling drugs. DoH rationale is that big retailers would negotiate better price to benefit of end user.
19-Apr-02	New deal: black business to join the premier league	Listed groups	4	Yes	Positive	Harmony Anglo Mvela Billiton	Harmony and African Rainbow Minerals (ARM) 50-50 JV bought four free state mines from Anglogold for R2,2bn and made ARM the world 9th largest gold producer. Motsepe's Arm looking to list in May. Also Anglo plat JV with Mvela over the Northam Plat resources. Anglo and BHP Billiton combined various assets and sold it to Eyesizwe Mining making it the 4th largest producer in SA.
12-Apr-02	Fuel fear. SA braced for oil shock	Country economics					
05-Apr-02	Tito's tight rope	Political / Government					
29-Mar-02	Saapi Van AS Crowns a quarter century	Listed company	1	Yes	Very-positive	Sappi	Van as can bask in a blazing share price as he nears retirement. Steered group through giant investments - Ngodwane pulp mill ad acquisition of Warren and overseeing latest purchase Ptlach Corp in US at R5,7bn cash.
22-Mar-02	UNIT trusts Who scored & Who ranked. Standard and Poor's investment fund awards	Investment & general equity comment					
15-Mar-02	Exposed: Share scam that netted defence bosses millions	Political / Government					

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08-Mar-02	Kopke's car wars	Other topics					
01-Mar-02	Can Mbeki hold ANC together over aids	Political / Government					
22-Feb-02	Beyond the bad times Absa needs a new lease of life	Listed company	1	Yes	very-negative	ABSA	Unifer debacle continued. Why was it not picked up - led to investigation of Absa executive and impact on share price back to 1999 levels.
15-Feb-02	Why the reserve bank let Saambou ...	Listed company	1	Yes	Very-negative	Saambou	Fall of Saambou.
08-Feb-02	Langa's long walk	Other topics					
01-Feb-02	Spar brings home the bacon	Unlisted company					
25-Jan-02	The world's worst business plan. UNIFER: Absa should have known	Listed company	1	Yes	Very-negative	ABSA	Disastrous business plan with no risk mitigation was glaringly obvious to fail. ABSA should have been able to see the writing was on the wall before extending a R1bn credit line to advance microloans. Governance and insider trading, fraud etc though a forensic audit is being carried out.
18-Jan-02	War over Airport Security	General organisational issues					
11-Jan-02	All you need to know (Treasuries Maria Ramos answers questions about the rand)	Political / Government					
04-Jan-02	Time to buy	Other topics					
28-Dec-01	No publication						
21-Dec-01	No publication						
14-Dec-01	Where Africa shops	Other countries					
07-Dec-01	Safe Havens. Where in the world to put your money	Other countries					
30-Nov-01	More than a game	Sport					
23-Nov-01	Godsell goes for gold	Listed company	1	Yes	Positive	AngloGold	AngloGold CEO - Looking to reconsider the bid for Normandy mining in Aus to counter Newmont from pole position. This way keep at the top gold producer globally.
16-Nov-01	Cheers SAB ranked the best employer	Listed company	1	Yes	Neutral	SAB	Best employee to work - positive story.
09-Nov-01	Gore's gamble	Listed company	1	Yes	Neutral	Discovery	Battle between discovery an medical schemes regulator. DH is doing something right with membership growing and single biggest scheme. Entrepreneur started with nothing and made it into a R1bn company within a year. DH implicated in abusing reinsurance. DH likely to win.
02-Nov-01	Tokyo's rising sun Mvelaphanda	Listed company	1	Yes	Positive	Mvelo Resources	Big deals dawn for Mvela. Positive sentiment with Northam Platinum deal in place and other lined up.
26-Oct-01	Time to do the right thing. Business gets a wake up call on ethics	General organisational issues					
19-Oct-01	Damage control. Lessons in disaster recovery	Industry macro environment					
12-Oct-01	Democratic Alliance. Things fall apart	Political / Government					
05-Oct-01	Leisure Net feels the heat	Unlisted company					
28-Sep-01	The markets must be crazy	Investment & general equity comment					
21-Sep-01	Winners and losers in a war economy	Other countries					

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14-Sep-01	War, Twin towers attack	Other countries					
07-Sep-01	Who tries wins Boks	Sport					
31-Aug-01	Nedcor's battle for credibility	Listed company	1	Yes	Negative	Nedbank	Market has punished Nedcor's mistakes, but now it has a chance to restore it image through its retail ventures and technology contracts (IT play) seen as opportunities however share price on a roller coaster since their announcement of bid for Stanbic 2 years ago
24-Aug-01	What's making Woolworths work	Listed company	1	yes	Very-positive	Woolworths	Board and holing company wooltru shook up management last year after losing it way ion textile and retailing market. After dropping to R2,80 lat year retuned to R4 levels seen t2-3 years before. They are also leading the JSE retail sector. Went back to basic of quality and value for money in buying department it s marketing and stores
17-Aug-01	The axe man. Capital gains tax. You can run but you cannot hide	Political / Government					
10-Aug-01	Wits business school. Wits MBA ranked the best	MBAs / education					
03-Aug-01	May Day. SAA can this Airline survive	Political / Government					
27-Jul-01	Media Mogul in the making Macozoma	Listed company	1	Yes	Positive	Nail	Saki appointed CEO of media group NAIL.
20-Jul-01	Fedsure after Investec's scorched earth policy	Listed company	2	Yes	Positive Negative	Investec Fedsure	In 1987 Fedsure listed at R2,30 it peaks in 1998 at R85 and then tanked to below R2 where Investec swooped and acquired the business. It then proceeded to strip sell-off and absorb those parts that made sense to keep. Fedsure no longer exists.
13-Jul-01	Erwin takes on big guns over trade	Political / Government					
06-Jul-01	Is he the next Coleman Andrews	Unlisted company					
29-Jun-01	SOS Health Care in crisis	Country economics					
22-Jun-01	What went wrong SAA Who must pay	Political / Government					
15-Jun-01	Richemont Johan Rupert's seduction of the super-rich	Listed company	1	Yes	Very-positive	Richemont	Evolution of luxury good business Richemont from listing at R10 in 1997 to current R211 . With move into becoming an exclusive luxury goods
08-Jun-01	SA tortured triangle. Business and labour break the mould	Country economics					
01-Jun-01	Competition policy: When big is better. Dominant isn't a dirty word. Steel giant could be the test	Country economics					
25-May-01	Not so royal. Anatomy of a private bank	Unlisted company					
18-May-01	Anglo vs Anaconda	Listed company	1	Yes	Neutral	Anglo	Battle over who can mine nickel better & who has ownership of the rights.
11-May-01	Rating the JSE's top researchers	Investment & general equity comment					
04-May-01	MK inc: from the trenches to the boadroom	Political / Government					
27-Apr-01	Molope: Cyril's Millstone	Listed company	1	Yes	Very-negative	LS Molope holdings	Molope share suspended after suspicion of fraud and theft and groups ultimate holding shareholder LS Molope Holdings owed banks R170m. Rebhold bought business for r300m and Cyril moved to the Rebserve chair. IDC one such bank owed and looking for restitution of the R54m.
20-Apr-01	Business of beauty. Cosmetics companies strikes gold in black male markets	Industry macro environment					
13-Apr-01	It is better than you think: Economic outlook	Country economics					

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06-Apr-01	Unit Trusts: Good Bad & Ugly. Standard & Poor's investment fund awards	Investment & general equity comment					
30-Mar-01	This man plans a revolution in mining- Brian Gilbertson	Listed company	1	Yes	Very-positive	BHP Billiton	$28bn dollar merger of BHP Billiton. World's dominant multi-commodity mining house anchored in Aus and SA
23-Mar-01	Privatisation: Radebe's Rubicon. Can he cross it?	Political / Government					
16-Mar-01	Kunene brothers count the costs	Unlisted company					
09-Mar-01	Mbeki dumbs dompas culture	Political / Government					
02-Mar-01	Grab: For your pension surplus goes soon	Investment & general equity comment					
23-Feb-01	Platinum dawn: White metal has replaced gold as SA's top earner. Can it last	Listed company	2	Yes	Positive	Angloplat, Impala	Angloplat upbeat. Impala platinum also stand to benefit. Lonplat providing additional supply also in play.
16-Feb-01	SA film action: Anant singh taking us international	Industry macro environment					
09-Feb-01	The king of diamonds plays an age. Nicky Oppenheimer of De beers	Listed company	2	Yes	Positive	De Beers and anglo	Looking at delisting debeers and anglo and debeers restructuring ownership of debeers. Sharehodler are unhappy as they would not see the rewards fo such a shre move.
02-Feb-01	Gambling boom takes off. The punters pour in. But can we afford the social costs?	Country economics					
26-Jan-01	High risk high reward. MTN in Nigeria	Listed company	1	Yes	Very-positive	MTN	Funding and operating in Africa and Nigeria unknown, however licence in Nigeria and investment their is a long-term play
19-Jan-01	Is he losing his way? Transport Minister Dullah Omar	Political / Government					
12-Jan-01	The Share rip-off. The gurus sold you Hi-tech growth. IT went bust. Beware their new pitch	Industry macro environment					
05-Jan-01	Investment tips for 2001. FM writers on what to buy and what to avoid	Listed groups	21	Yes	Positive	As per synopsis	Gold fields, Northam plat, Billiton Investec, Stanbic, Saambou; Old mutual, Cleintele life, African life; City lodge, Sail, Tourvest, Spur corp; Tiger brands, ABI; Didata, Idion, Intervid; Naspers, Sasol, Mr Price
29-Dec-00	No publication						
22-Dec-00	No publication						
15-Dec-00	Liqours lament: No laughing matter: Rembrandt and UDV	Unlisted company					
08-Dec-00	Eskom's incredible Pebble	Political / Government					
01-Dec-00	Golf in South Africa. The winds of change	Sport					
24-Nov-00	We rank SA's best internet business	Industry macro environment					
17-Nov-00	Iscor. Revealed: the high stakes bid to recast	Listed company	1	Yes	Negative	Iscor	IDC to facilitate breaking up Iscor into separate mining and steel producing companies - need to introduce a strategic equity partner into the steel producer. They would bring new technology and new markets and enable an exit for IDC
10-Nov-00	Techni-colour. Can Leon catch the black vote	Political / Government					
03-Nov-00	Meltdown: Big names may crash as medical aid	Industry macro					

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	schemes dissolve	environment					
27-Oct-00	Waiting for delivery. The long hard slog to turn public Education around	MBAs / education					
20-Oct-00	Health & Racquet: Did Peter Flack make the right call? Leisure Net Crisis	Unlisted company					
13-Oct-00	Why your unit trusts can make you poor. It's the manager, dummy, not the market	Investment & general equity comment					
06-Oct-00	The drama of being a believer Naspers' Koos Bekker	Listed company	1	Yes	Very-positive	Nasper	MNet and MTN were founded and built up by Bekker and his team and eye for the J-curve. Needs to now implement this with internet investments and other new technology investments. From R8 in 1998 to current share price of R38 after peaking at R83in April
29-Sep-00	The trouble with black empowerment: Can Cyril Ramaphosa deliver one more time?	Political / Government					
22-Sep-00	Oil vs the new Economy. Who will survive the economy's first real crisis?	Country economics					
15-Sep-00	Honey they shrunk the JSE. A stock market fights to survive as Capital turns its back and looks abroad	Investment & general equity comment					
08-Sep-00	Liberalising Telecoms: Wired to succeed in the internet economy	Political / Government					
01-Sep-00	Can he make tiger roar again? MD Nick Dennis. Tiger Brands	Listed company	1	Yes	Negative	Tiger Brands	Tiger lost ground. Negative story with opportunities suggested. Globally food shares are also down, Eps declining and margins under pressure.
25-Aug-00	Harry Oppenheimer (1908 - 2000)	Listed company	2	Yes	Positive	Anglo, De Beers	Opus to Harry O and his contributions to anglo and de beers
18-Aug-00	Going for gold and other minerals in Australia. Billiton's Gilbertson, Anglogold's Godsell and Anglo American Campbell and Harmony's Swanepoel	Listed groups	4	Yes	Positive	Anglo, Billiton, AngloGold, Harmony	Positive opportunities for all business in developing new mining resources and Australia stands to benefit from learning new skills and mining techniques, however not in national interests only in the interests of multinationals
11-Aug-00	Dave King: Can he pull it off again? Even if he does, he will find it hard to win institutions over	Unlisted company					
04-Aug-00	Who really rules the web? These old guys will: Sappi Anglo SAB Sasol Iscor	Listed groups	5	yes	Positive	Sappi Anglo SAB Sasol Iscor	embracing the electronic web b2B market space. However very early stage concept development - no real impact on share price I would imagine - story is neutral, despite suggesting increased market share as result of increased access to consumer market space.
28-Jul-00	Tsogo sun: Mabuza's gamble pays off	Unlisted company					
21-Jul-00	South Africa's best MBAs	MBAs / education					
14-Jul-00	Sugar: The sweet smell of free enterprise. How black farmers are teaching big business a lesson	Industry macro environment					
07-Jul-00	Why companies fail. The power of adding value	General organisational issues					
30-Jun-00	Why Didata wins	Listed company	1	Yes	Very-positive	Dimension data	A local success story whose market cap has increased from R30m to R50bn in 13 years and is looking to list in London
23-Jun-00	Jeff Libesman. Buries the past under Corpgro's high velocity charge	Unlisted company					
16-Jun-00	Mbeki's first year: Now the fight for focus	Political /					

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		Government					
09-Jun-00	Big oil's nasty secret: New research may radically upset conventional wisdom on SA fuel prices	Country economics					
02-Jun-00	Rupert vs Wiese: A gem of a scrap. How Christo Wiese and Johan Rupert fought for ODM	Listed company	1	yes	Neutral	Ocean diamond holding	Ocean diamond holding share price increase from Jan 1990 at 170 to 700c now. Share price difficult to value as investor expectations of earnings value rose and fell. Various interest and legal rebukes by both parties.
26-May-00	Masters of the markets: the FM ranks SA's top stock market analysts	Investment & general equity comment					
19-May-00	The Sting: R80bn of SA pension fund surplus is up for grabs. Who really owns it?	Country economics					
12-May-00	New Deal: President Mbeki	Political / Government					
05-May-00	Why some companies are winning the war for talent	General organisational issues					
28-Apr-00	Whirling around the equity vortex	Investment & general equity comment					
21-Apr-00	HI-tech hero's Hard times. Why Datatec took a R4bn dive	Listed company	1	Yes	Very-negative	Datatec	Datatec, share price / market cap had plummeted by 32% and lost nearly R4bn in value.
14-Apr-00	Why values matter: Hansie Cronje's disgrace may help save a sick country	Other topics					
07-Apr-00	Jislaaik: How Afrikaners are thriving in a black South Africa	Other topics					
31-Mar-00	Why Cell C won	Unlisted company					
24-Mar-00	Thabo Mbeki: There is no room for balance. Mbeki has to take the labour knocks	Political / Government					
17-Mar-00	South Africa's super cool young companies	Unlisted company					
10-Mar-00	Mozambique A river ran through it. How the weather stopped an economic miracle in its tracks	Other countries					
03-Mar-00	Fund Management: Foolish way to fortune - damn capital gains tax	Investment & general equity comment					
25-Feb-00	War the web: SA internet start ups rush to net auction addicts	Industry macro environment					
18-Feb-00	What happens when telkom's monopoly expires?	Unlisted company					
11-Feb-00	News to beat the blues: Can the market keep pace with new CE Paul Edwards? Johnnic	Listed company	1	Yes	Very-positive	Johnnic	Johnnic upward share price move in 1999 driven by performance of MTN etc. Opportunities in MTNs and possible second fixed line licence
04-Feb-00	The right stuff. How specialty store MD Alastair Mcarthur puts the profit into Mr Price	Listed company	1	Yes	Very-positive	Mr Price	Speciality stores, Mr Price's listed parent, talks of separate listings for Mr Price away from other chains. Upward trend of Speciality stores , however split may result in biggest earner being spun off
28-Jan-00	Don't move or this man might buy you: Kempston boss Cotterell is building a quite empire in transport	Unlisted company					Unlisted personal wealth in terms of investments. Story more of a man and his journey at acquring business and listed equity investments.
21-Jan-00	Casinos. How the chips are falling	Listed company	1	Yes	Positive	Sun	Sun international SA (SISA), Global resorts and Tsogo sun's monte casino all touted

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						International	new casino investment and raking in gambling revenue
14-Jan-00	Private Schools. Reaching out to a new generation	MBAs / education					
07-Jan-00	Looking good for the new year. But still a long way to go: Dow Jones vs JSE all share	Investment & general equity comment					
31-Dec-99	No publication						
24-Dec-99	No publication						
17-Dec-99	The computer's revenge it 's running productivity	Industry macro environment					
10-Dec-99	Nedcor vs Stanbic: Titio get tough and the banking establishment get put into place	Listed company		No as per 8 Oct 99		Nedbank standard	Mboweni gently admonishes both Standard and Nedcor with due process having to be followed
03-Dec-99	Anglo returns to Zambia:: Copper's painful reverse	Listed company	1	Yes	Positive	Anglo	Anglo regains copper interests in Zambia after neing nationalised 28 years ago. Viewed as saviour and stepping to other resources in region.
26-Nov-99	The economy: it is true we have never had it so good	Country economics					
19-Nov-99	Nedcor vs Stanbic: Laubscher fits his bayonet and launches SA's biggest hostile takeover bid	Listed company		No as per 8 Oct 99		Nedbank, Standard	Nedcor offered 1 share for 5,5 shares, standard want 4,75 before they would consider the deal. Nedcor have 30,7% letter of commitment from the start - suggest that after merger the ROE would improve from 23% and 20% to 30% in line with international banks. More about Laubscher
12-Nov-99	Shopping soaring shares	Listed groups	4	Yes	Positive	As per synopsis	All retailers: Pick n pay, JD group, Edgars and Truworths show upward movement in share price in the year..
05-Nov-99	Banking's cursed millenium: Did Stanbic make the right call?	Listed company		No as per 8 Oct 99		Nedbank Standard	Standard board slammed door on merger talk and suggest that revenue will be down. Focus rather on current emerging market strategy and cost cutting tempered by growing revenue.
29-Oct-99	Third Cellular Licence: The Hardest call. SA cannot afford a R4bn black empowerment debacle	Political / Government					
22-Oct-99	Durban: Rising, not setting. A cash city goes hunting for thrills	Political / Government					
15-Oct-99	Finally, some respect. Why investors are falling in love with Hedge Funds	Investment & general equity comment					
08-Oct-99	Nedcor V Stanbic: How big should banks be?	Listed company	2	Yes	Positive Negative	Nedbank Standard	"Friendly" unsolicited approach to institutional shareholder whilst execs out of country. Nedcor better cost to income ratio to Standard. Nedbank needs to get access to standards growth prospects as its own prospects are not good. Differences in offshore strategy - stanbic aggressive into Africa and other emerging market operations, Nedcor rely on virtual alliances and partnerships.
01-Oct-99	Wanted: Help.tv: e.tv isn't making budget and its owners are at war	Other topics					
24-Sep-99	Retail.com: Pushing the internet to the limit. Mark Lamberti-Massmart	Unlisted company					
17-Sep-99	The good guys: If they are tough as they look, we've got a chance. If they falter be afraid	General organisational issues					
10-Sep-99	Wishing they were here: Tourism might save the economy, but it is nowhere near yet	Country economics					
03-Sep-99	Rembrandt: Where there is smoke… Johann	Listed company	1	Yes	Very-	Rembrandt	Various options for unlocking shareholder value - unbundling, substantial buy-back of

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	Rupert is taking a hard look at his SA assets.				positive		share or sell-off of non core assets all possible - however Rupert cagey - suggests that still committed to Rembrandt and not only overseas Richemont. IRR return on Rembrandt outperform all share index and median rate of retrun strong balance sheet with cash generation ensuring continued dividend flow.
27-Aug-99	Investing and commodities: How the muck got back in the money	Investment & general equity comment					
20-Aug-99	Just what is black empowerment	Political / Government					
13-Aug-99	Bonfire of the vanities: IT sector	Industry macro environment					
06-Aug-99	The fight for a perfect Monopoly. Telkom cools its war with internet foes	Unlisted company					
30-Jul-99	How companies succeed	General organisational issues					
23-Jul-99	South Africa's Economy: The future hits the fan	Country economics					
16-Jul-99	Thanks a lot Mr Blair	Other countries					
09-Jul-99	Banking: Big & Small strike uneasy pact	Industry macro environment					
02-Jul-99	The aliens saving SA Inc	Country economics					
25-Jun-99	Membathisi Mudladlana: the excruciating dilemma of an honourable comrade	Political / Government					
18-Jun-99	Does Mbeki needs the Rand	Political / Government					
11-Jun-99	Misery in the market: heart break	Investment & general equity comment					
04-Jun-99	Mbeki Wins as…….Empowerment Fails	Political / Government					
28-May-99	Billy Rautenbach: From Hyundai to Laurent Kabila's cobalt, an empire takes shape	Unlisted company					
21-May-99	The ANC after June 2:Back to the future, Could Mbeki's hope lie with an older order?	Political / Government					
14-May-99	Frontiers of science: Automating the Atom; how nanotechnology will revolutionise machines	Industry macro environment					
07-May-99	Put this Bantu back in his place (Parliament)	Political / Government					
30-Apr-99	The new National party: Has he got a future?	Political / Government					
23-Apr-99	Investment strategy bond: An intelligent guide to alternative wealth	Investment & general equity comment					
16-Apr-99	Targeting the white vote: is it the right thing to do?	Political / Government					
09-Apr-99	Stock Market investors: Waving not drowning	Investment & general equity comment					
02-Apr-99	When the media magic dies: why the market	Listed company	1	Yes	Negative	Primedia	Change in interest rates meant less add spend and less movie going. With Ster

Cover story date	Cover story title	Broad topic classification	Nos. of companies featured	Included in sample	Nature of story	Listed share name (s)	Cover story synopsis
	don't like Premedia and what William Kirsh can do about it						kinekor being the largest asset, earnings under pressure and reflected in the share price. Number of structural, financial and HR changes need to be done and will take time to embed.
26-Mar-99	The Brat pack: they are under 35. They have no respect. They are taking the JSE by storm	Unlisted company					
19-Mar-99	Saving: Science in South Africa (despite pressures, local research is thriving)	MBAs / education					
12-Mar-99	Eastern Cape June 2: Decay, grime and Bantu Holomisa challenge ANC domination of heartland	Political / Government					
05-Mar-99	Cold war in Africa: Has SAB finally run foul of a serious competitor?	Listed company	1	Yes	Neutral	SAB	Neither positive or negative
26-Feb-99	The great race debate: Saki Macozoma and Tony Leon go head to head on the role of race in the new SA	Political / Government					
19-Feb-99	Y2K say your prayers: what the millennium bug will do to economic growth next year	Country economics					
12-Feb-99	Liberty, at last: how Roy Andersen can prosper when Donald Gordon goes	Listed company	1	Yes	Positive	Liberty	Despite Donald Gordon building two world class financial groups Liberty Life Here and Liberty international abroad, his conservative nature and use of pyramid structure dampened the price. Talk of a simpler structure - share price is thought to increase.
05-Feb-99	The fight for a real election	Political / Government					
29-Jan-99	How to play at M&A without getting egg on your face	Investment & general equity comment					
22-Jan-99	Crisis? what crisis? Does Brazil's collapse matters?	Other countries					
15-Jan-99	Oh the Horror! The perils of doing business in Africa	Country economics					
08-Jan-99	Master of the Megacity: can new city boss Ketso Gordhan save Joburg?	Political / Government					
01-Jan-99	No publication						
25-Dec-98	No publication						
18-Dec-98	How good would he be? What Mbeki's SA might be like in 2002	Political / Government					
11-Dec-98	Insider Trading: Making the bastards bleed	Investment & general equity comment					
04-Dec-98	The trouble in Toy Town: Political leaders prepare for a very nasty 1999 election campaign	Political / Government					
27-Nov-98	Use it or Lose it: The ANC targets mining's untapped riches	Political / Government					
20-Nov-98	An Icon fails. Robert Mugabe and Zimbabwe's nightmare	Other countries					
13-Nov-98	The monster in the markets. He will be back soon	Other topics					

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06-Nov-98	Trevor Manuel: Bolts the budgets door. Minister of the bloody obvious	Political / Government					
30-Oct-98	Go directly to Jail: The Scandal that may swamp SA fund managers and brokers	Investment & general equity comment					
23-Oct-98	Why speculators are precious	Investment & general equity comment					
16-Oct-98	The Cabinet Hall of Shame: It is time to let bad ministers go	Political / Government					
09-Oct-98	The pay bomb in equity. Business may have been outwitted on employment equity as tough wage differential regime looms	Political / Government					
02-Oct-98	Burning the neighbours: Why SA was right to move on Lesotho	Country economics					
25-Sep-98	Capitalisms new midwife: Nomsa Canca Wiphold	Unlisted company					
18-Sep-98	Dangers abound:	Investment & general equity comment					
11-Sep-98	Commercial radio: How to build audiences	Industry macro-environment					
04-Sep-98	World Markets Crash: Special	Other countries					