



Local

COMPANY ANNOUNCEMENTS

Notice of Annual General Meeting (AGM)

- Shumba announced their AGM will be held on 31 Dec 20 at 8am, at 4th Floor, Ebene Skies, Rue de l'Institut, Ebene 80817, Mauritius. The agenda for the AGM includes:
 - The approval of minutes for the previous AGM held on 27 Dec 19.
 - The ratification of the appointment of Mr Mahube Mpugwa as Director and the re-election of Mr Lerang Selolwane, Ms Jihane Muhamodsaroar and Ms Yannick Pascal Lam Yee Man as non-executive directors.
 - The approval of the remuneration of directors for the 30 Jun 21 yearend.
 - The adoption of the audited financial statements and auditor's report for the 30 Jun 20 yearend.
 - The re-appointment of Grant Thornton as Auditors of the Company for the ensuing year and to allow directors to adjust the remuneration of Grant Thornton for the 30 Jun 21 yearend.
 - The agreement of shareholders to waive their pre-emptive rights on the issuance of new shares between 1 Jan 21 and 31 Dec 21.
- P0.95 (YTD: -13.64%) PE: N/A PB: 5.8 D/Y: 0.00% Mkt Cap: P278.2mn



Announcement of Results of Rights Offer

- Olympia released the results of its rights offer. 35.8mn ordinary shares were offered to its 351 shareholders.
- 6 shareholders, holding 9.11% of issued shares, participated in the rights issue, amounting to 3.3mn shares. The remaining 32.5mn shares will be taken up by Olympia Capital Holdings Limited (OCHL). The subscription amount due for the shares will be set off against the loan indebtedness of Olympia to OCHL.
- Following the subscription, OCHL will have acquired in excess of 50% of issued shares and has accordingly sought the approval of the Competition and Consumer Authority. It is anticipated that approval will be given by 21 Dec 20 and the additional shares listed on 23 Dec 20 as opposed to 30 Nov 20 as indicated in a previous circular.
- P0.24 (YTD: +50.00%) PE: 3.6 PB: 0.2 D/Y: 0.00% Mkt Cap: P6.8mn



Announcement of Extraordinary General Meeting (EGM)

- Seed Co International Limited (SCIL) will hold a virtual EGM at 10am on 31 Dec 20. The Agenda for the EGM includes:
 - Approval of increase in authorised shares of SCIL and to place unissued shares under the control of directors.
 - Approval of the proposed acquisition by SCIL of the entire issued ordinary shares of Seed Co Limited to be settled through the issuance and allotment of new SCIL shares.
 - Approve directors' authority to settle the proposed acquisition using SCIL unissued shares under their control.
 - Approve the amendment of the 2018 SCIL Share Appreciation Rights Scheme (SARS) to accommodate the new SARS migrating from the 2017 SCIL SARS to the 2018 SARS.
 - To approve directors' authority to give effect to the above resolutions.
- P1.84 (YTD: -38.67%) PE: 10.1 PB: 0.9 D/Y: 0.00% Mkt Cap: P701.9mn



Trading Update and Announcement of 31 Aug 20 Audited Financial Results Release Date

- PrimeTime announced it expects to release its 31 Aug 20 audited financial results by 14 Dec 20.
- PrimeTime expects profits before tax (PBT) for the 31 Aug 20 yearend to be P52mn (84%) lower than the P61mn PBT earned for the 31 Aug 19 yearend.
- P2.75 (YTD: -6.14%) PE: 11.4 PB: 0.8 D/Y: 6.13% Mkt Cap: P672.8mn



Dec20 Monetary Policy Report



- The Bank of Botswana (BoB) released its Dec20 Monetary Policy Report.
- BoB expects positive 3Q20 economic growth, both in mining and non-mining activity, due to relaxation in Covid-19 restrictions and the significant increase in Debswana production during the quarter.
- BoB maintained its expectation that inflation will revert to within its 3%-6% objective range in 2Q21, however it noted that its inflation projections are higher than its Oct20 estimates due to accommodative monetary policy, expected VAT increases, rise in private school fees and upward revisions in international food prices.
- The BoB expects the ZAR to strengthen over the next 4 quarters due to increased global risk appetite and improvement in South Africa's key sectors.

BBS FY19 RESULTS – RISING INTEREST EXPENSE INCREASES LOSSES

Income Statement P'Mn	FY 19	FY 18	% Δ
Interest income	319	220	45%
Interest expense	-206	-129	60%
Net-interest income	113	91	23%
Fee and commission income	20	16	28%
Fee and commission expense	-1	-1	30%
Other operating income	7	4	109%
Operating Profit	139	110	26%
Staff expenses	-75	-56	35%
Operating lease expenses	0	-2	-100%
Depreciation & Amort	-17	-11	51%
Other expenses	-60	-52	15%
Impairment loss	-22	-15	55%
Loss for the period	-36	-26	38%
Balance Sheet extract P'Mn	FY 19	FY 18	% Δ
Cash and cash equivalents	52	80	-35%
Advances to customers	3,401	3,198	6%
Customer savings and deposits	2,468	1,764	40%
Borrowings	933	1,127	-17%
Equity	534	569	-6%

- BBS released unaudited preliminary FY19 results.
- Revenue +45% due to 6% increase in loan book and the fact that FY18 only covered 9 months.
- Interest expense +60% due to some instruments which were previously classified as equity now being classified as liabilities and earning interest as opposed to receiving equity distributions from BBS.
- Staff expenses +35% as BBS capacitates itself as it transitions to becoming a commercial bank.
- Loss for the period +38% due to increase in staff and interest expenses.
- Following the completion of the FY19 audit BBS will re-apply for a commercial banking license in Dec20.
- P1.09 (YTD: -0.91%)
PE: N/A
PB: 1.0
D/Y: 0.00%

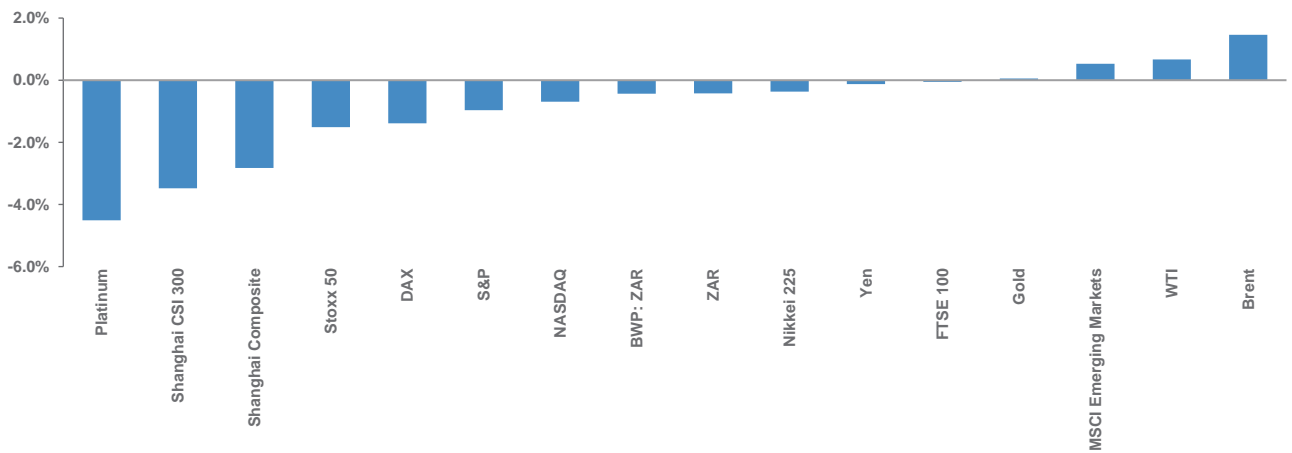
Regional SOUTH AFRICA

- Nov20 CPI y/y 3.2% v 3.2% (e) v 3.3% (Oct20)
- 3Q20 GDP y/y -6.0% v -7.5% (e) v -17.1% (2Q20)

ZAR PERFORMANCE

- The ZAR strengthened for the week driven by better-than-expected GDP growth and continued investor optimism following the approval of Covid-19 vaccines in the US.
- ZAR 15.14 (WTD: -0.43%) v 15.24 (4 Dec20)

INTERNATIONAL SNAPSHOT – 11 DEC 20 WEEKLY PERFORMANCE



- 3Q20 Final GDP Annualized SA q/q 5.3% v 5.0% (e) v -8.3% (2Q20)
- Nov20 PPI y/y -2.2% v -2.2% (e) v -2.1% (Oct20)
- Japanese equities declined for the week as a Brexit impasse, US stimulus delay, and decline in some heavily weighted components of the indices reduced market optimism.
- Nikkei 225: 26,653 (WTD: -0.37%), Yen: 104.04 (WTD: -0.12%)



- France Oct20 Industrial Production m/m 1.6% v 0.4% (e) v 1.6% (Sep20)
- Germany Dec20 ZEW Survey Current Situation 55.0 v 46.0 (e) v 39.0 (Nov20)
- The ECB Governing Council (GC) met and announced further monetary easing measures:
 - The main refinancing operations rate, marginal lending rate and deposit facility rate remain unchanged at 0.00%, 0.25% and -0.50% respectively.
 - The pandemic emergency purchase programme (PEPP) envelope was increased by €500bn to €1,850bn and the horizon for net purchases under PEPP was extended to at least the end of Mar22.
 - The conditions of the third targeted longer-term refinancing operations (TLTRO III) were adjusted by extending the period over which considerably more favourable terms apply by 12 months to Jun22.
 - The duration of collateral easing measures adopted in 7 and 22 Apr 20 was extended to Jun22.
 - Four additional pandemic emergency longer-term refinancing operations (PELTRO) will be conducted in 2021 to provide an effective liquidity backstop.
 - Net purchases under the asset purchase programme will continue unchanged at €20bn per month.
 - The Eurosystem repo facility (EUREP) and all temporary swap and repo lines with non-euro area central banks will be extended to Mar22.
- European equities slipped this week, despite the ECB passing a historic stimulus bill, due to the Brexit impasse, a resurgent virus, stalled US stimulus talks, and the ECB projecting a slower rebound for 2021.
- DAX: 13,114 (WTD: -1.39%), Stoxx50: 3,486 (WTD: -1.51%), FTSE100: 6,547 (WTD: -0.05%)



- Nov20 CPI y/y -0.5% v 0.0% (e) v 0.5% (Oct20)
- Nov20 PPI y/y -1.5% v -1.8% (e) v -2.1% (Oct20)
- Chinese equities ended the week lower as concerns over the Covid-19 virus, delisting of Chinese companies on US exchanges, and a drop in Chinese CPI for the first time in over a decade dampened market sentiment.
- SHSZ300: 4,890 (WTD: -3.84%), SHCOMP: 3,347 (WTD: -2.83%)



- 5 Dec 20 Initial Jobless Claims 853k v 725k (e) v 712k (27 Nov 20)
- Nov20 CPI y/y 1.2% v 1.1% (e) v 1.2% (Oct20)
- Nov20 Final PPI Demand m/m 0.1% v 0.1% (e) v 0.3% (Oct20)
- US Markets ended the week on a low, despite the Food and Drug Administration's advisory panel recommending the emergency approval of Pfizer and BioNTech's Covid-19 vaccines. The negative sentiment was driven by the increase in unemployment claims for the first time since 19 Sep 20, and continued uncertainty over Congress passing the stimulus bill.
- NASDAQ: 12,378 (WTD: -0.69%), S&P 3,663 (WTD: -0.96%)

COMMODITIES



- Δ US Crude Inventories 15,189k bbl. (4 Dec 20) v -849k bbl. (e) v +769k bbl. (27 Nov 20)
- Δ US Oil Rigs +15; 338 (11 Dec 20) v 323 (4 Dec 20)
- Δ North American Oil Rigs +25; 449 (11 Dec 20) v 425 (4 Dec 20)
- Global oil prices gained for the week driven by investor optimism surrounding the approval of Covid-19 vaccines in UK and US.
 - WTI: \$46.57 (WTD: +0.67%)
 - Brent Crude: \$49.97 (WTD: +1.46%)



- Gold gained this past week as stimulus impasse spooked equity investors, while platinum prices followed weak signals in Chinese demand following negative CPI data.
 - Gold: \$1,840 (WTD: +0.05%)
 - Platinum: \$1,013 (WTD: -4.51%)



KGORI CAPITAL

INVEST WITH PRIDE

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