

Local

COMPANY ANNOUNCEMENTS



Passing of Group Deputy CEO

- Absa announced that on 7 Mar 21, the Group Deputy CEO, Mr Peter Matlare, passed on due to COVID-19 related complications.
- P4.52 (YTD: -15.99%) PE: 12.3 PB: 1.8 D/Y: 5.53% Mkt Cap: P3,8518mn



Voting Results of Extraordinary General Meeting (EGM)

- Afinitas announced the results of its EGM held on 5 Mar 21. All resolutions were passed by 97.87% votes in favour.
- P0.89 (YTD: 0.00%) PE: N/A PB: 4.6 D/Y: 0.00% Mkt Cap: P190.4mn



Resignation from the Board of Directors

- Primetime announced the resignation of Mr Sifelani Thapelo from the board of directors. Mr Thapelo had served on the board since 2011.
- P2.67 (YTD: -2.91%) PE: N/A PB: 0.9 D/Y: 5.59% Mkt Cap: P653.2mn

Trading Statement



- Choppies informed shareholders that its Profit After Tax including discontinued operations (PAT) for the interim period ended 31 Dec 20 would be P163.6mn-P191.4mn (117%-137%) higher than the PAT loss of P139.1mn recorded for the interim period ended 31 Dec 19.
- Choppies further stated that profit before tax for continuing operations (PBT) for the interim period ended 31 Dec 20 will be P0.9mn-P9.4mn (1%-10%) lower than the PBT reported for the interim period ended 31 Dec 19.
- Full Details will be given when Choppies releases results on or about 18 Mar 21.
- P0.60 (YTD: 0.00%) PE: N/A PB: N/A D/Y: 0.00% Mkt Cap: P782.2mn

Cautionary Announcement



- Minergy informed shareholders that its loss before tax (LBT) for the interim period ended 31 Dec 20 would be P11.4mn-P22.7mn (20%-40%) higher than the LBT reported for the interim period ended 31 Dec 19.
- The increased LBT is as a result of continued pressure on gross margins and increased finance costs as a result of additional debt to fund the operational ramp-up and further mine development.
- P0.80 (YTD: 0.00%) PE: N/A PB: 8.7 D/Y: 0.00% Mkt Cap: P376.0mn



Botswana Receives COVID-19 Vaccine from India

- Botswana received a donation of 30,000 COVISHIELD vaccines from India on 9 Mar 21.
- COVISHIELD is the Oxford-AstraZeneca vaccine manufactured in India under the Serum Institute of India (SII).

FAR PROPERTY HY21 RESULTS – LOAN REPAYMENTS AND FX IMPROVE PROFITABILITY

Income Statement P Mn	HY 21	HY 20	% Δ
Rental revenue	67	76	(11%)
Other income	10	11	(8%)
Operating expenses	(15)	(17)	(10%)
Profit on property disposal	0	0	0%
Profit before FV adjustment	63	70	(11%)
FV Adjustment	-	-	-
Profit from operations	63	70	(11%)
FX	7	-	100%
Net finance costs	(15)	(22)	(32%)
Profit before tax	55	48	15%
Tax	0	0	(237%)
Profit for the period	55	48	14%
Balance Sheet extract P'Mn	HY 21	HY 20	% Δ
Cash and cash equivalents	25	18	38%
Investment properties	1,384	1,492	(7%)
Borrowings	391	547	(29%)
Deferred taxation	63	75	(16%)
Equity	1,000	949	5%

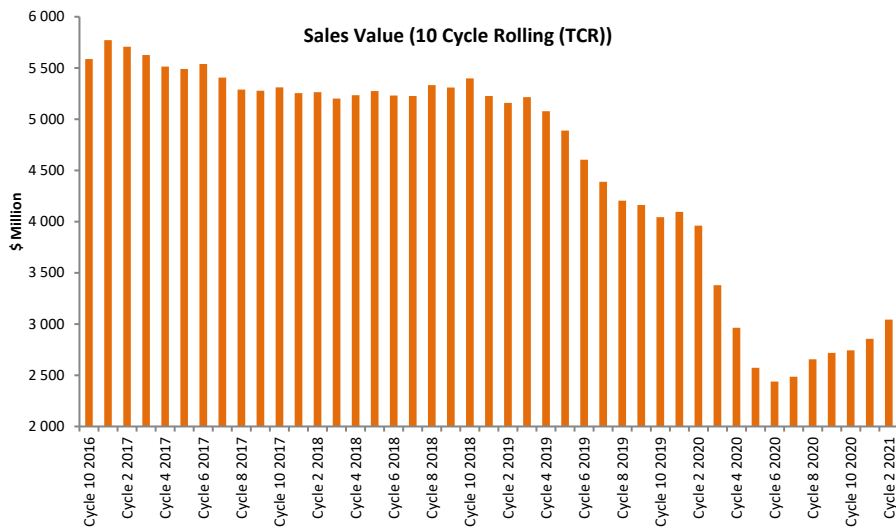
- Rental revenue -11% due to the disposal of the Durban property in FY20.
- Operating expenses -10% due to disposal of the Durban property.
- FX +100% due to devaluation of inter-company loan given to FAR's subsidiary in South Africa.
- Net finance cost -32% due to proceeds from sale of Durban property being applied to borrowings.
- PAT +14% due to positive FX and reduced finance costs.
- P2.45 (YTD: -0.81%)
PE: 7.2
PB: 1.2
D/Y: 6.86%
Mkt Cap: P1,096.90mn

BIHL FY20 RESULTS – LOW CLAIMS EXPERIENCE IMPROVES PROFITS

Income Statement P'Mn	FY 20	FY 19	% Δ
Net insurance premium	2,880	2,598	11%
Investment income	370	1,138	(68%)
Total Revenue	3,249	3,736	(13%)
Net insurance, investment benefits & claims	(2,059)	(2,622)	(21%)
Sales remuneration	(424)	(397)	7%
Admin expenses	(349)	(321)	9%
Finance cost on leases & impairment	(9)	(1)	672%
Operating Profit	409	395	4%
Associate earnings	257	142	81%
Tax	(129)	(99)	30%
Profit for the period	538	438	23%
Balance Sheet extract P'Mn	FY 20	FY 19	% Δ
Cash and cash equivalents	240	162	48%
Associates & JVs	1,714	1,665	3%
Financial assets FVTPL	14,489	13,956	4%
Policy liabilities	10,848	10,444	4%
Equity	3,010	2,963	2%

- Net Insurance premium +11% as all income lines posted growth of at least 6% and above.
- Investment income -68% due to a P437mn net loss on financial asset.
- Net claims -21% due to lower losses recorded on changes in liabilities under investment contracts.
- Admin expenses +9% due to the implementation of COVID-19 health and safety measures.
- Associate earnings +81% due to non-recurrence of P106mn impairment on Letshego investment in FY19.
- Profit +23% due to non-recurrence of impairment on associates.
- Dividend of 65t/share declared, payable on 23 Apr 21.
- P17.50 (YTD: 0.00%)
PE: 9.2
PB: 1.6
D/Y: 6.97%
Mkt Cap: P4,941.5mn

DE BEERS' (DB) CYCLE 2 SALES 2021 – CAUTIOUS OUTLOOK DESPITE SALES UPSURGE



- DB Cycle 2 2021 Sales \$550mn v \$663mn (Cycle 1 2021) v \$362mn (Cycle 2 2020)
- DB Cycle 2 2021 Sales TCR \$3,044mn v \$3,961mn (Cycle 2 2020)
- DB continued to implement a flexible approach to rough diamond sales.
- DB experienced better than anticipated retail sales over Christmas, Chinese New Year and Valentine's day.
- The industry is set to enter a period of lower seasonal demand coupled with near-term uncertainty with regards to the shape and pace of recovery.

Regional

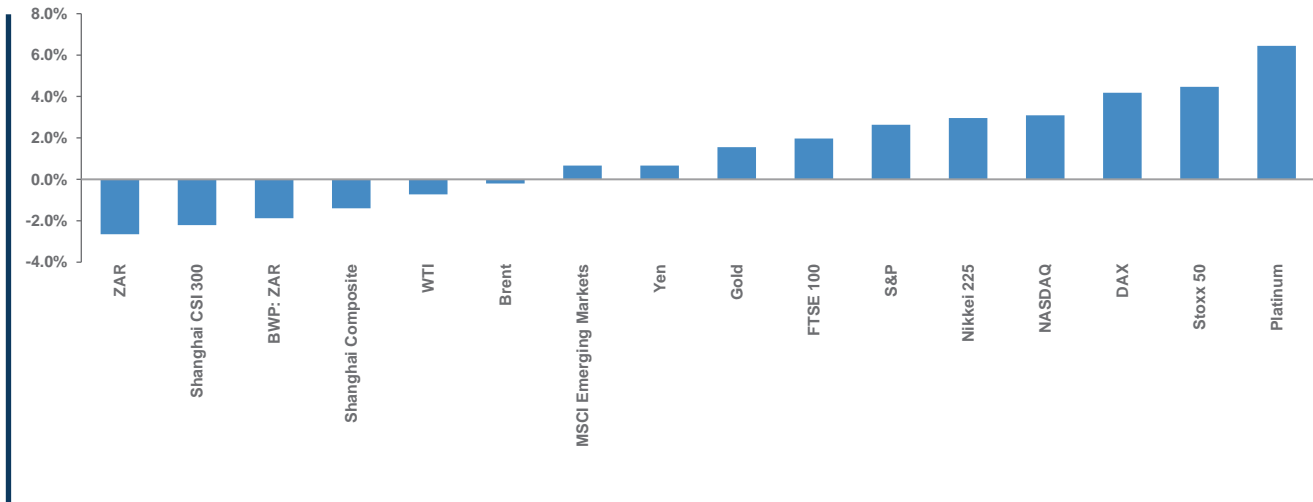
SOUTH AFRICA

- 4Q20 GDP Annualised q/q 6.3% v 5.6% (e) v 66.1% (3Q20)
- Jan21 Manufacturing Production m/m 0.5% v -0.7% (e) v 0.6% (Dec20)
- Eskom implemented Stage 2 load shedding during the week due to ~12 000MW of unplanned capacity outages caused by breakdowns at its Kusile, Duvha, Tutuka, Mujuba, Matimba, Kriel, Medupi and Kendal power stations.

ZAR PERFORMANCE

- The ZAR strengthened for the week due to an increase in risk appetite driven by the stabilisation in US treasury yields which drove investors into riskier assets.
- ZAR 14.95 (WTD: -2.65%) v 15.36 (5 Mar 21)

INTERNATIONAL SNAPSHOT – 12 MAR 21 WEEKLY PERFORMANCE



- 4Q20 Final GDP q/q 2.8% v 3.0% (e) v 5.3% (3Q20)
- Feb21 PPI y/y -0.7% v -0.7% (e) v -1.6% (Jan21)
- Japanese equities closed higher for the week driven by optimism for global growth following the signing of US's \$1.9tn fiscal stimulus.
- Nikkei 225: 29,718 (WTD: +2.96%), Yen: 109.03 (WTD: +0.66%)



- Germany Jan21 Industrial Production m/m -2.5% v -0.4% (e) v 1.9% (Dec20)
- France Jan21 Industrial Production m/m 3.3% v 0.5% (e) v -0.7% (Dec20)
- The European Central Bank Governing Council (GC) met during the week and decided the following:
 - Maintained the envelope of its pandemic emergency purchase program at €1.85tn until at least Mar22.
 - Maintained monthly purchases under its asset purchase program at €20bn.
 - Maintained the interest rates on main refinancing operations, the marginal lending facility and the deposit facility at 0.00%, 0.25% and -0.50% respectively.
- European equities closed in the green for the week driven by increased investor optimism surrounding the global recovery, the retreat in US treasury yields and the signing of the \$1.9tn stimulus package in the US.
- DAX: 14,502 (WTD: +4.18%), Stoxx50: 3,883 (WTD: +4.46%), FTSE100: 6,761 (WTD: +1.97%)



- Feb21 CPI y/y -0.2% v -0.3% (e) v -0.3% (Jan21)
- Feb21 PPI y/y 1.7% v 1.5% (e) v 0.3% (Jan21)
- Chinese equities closed in the red for the week due to investor expectations of a tightening in Chinese monetary conditions.
- SHSZ300: 5,146 (WTD: -2.21%), SHCOMP: 3,453 (WTD: -1.40%)



- 6 Mar 21 Initial Jobless Claims 712k v 725k (e) v 754k (27 Feb 21)
- Feb21 CPI m/m 0.4% v 0.4% (e) v 0.3% (Jan21)
- Mar21 Preliminary UoM Sentiment 83.0 v 78.5 (e) v 76.8 (Feb21)
- President Joe Biden signed the \$1.9tn American Rescue Plan stimulus bill which is expected to support the US's economic recovery.
- US equities closed in the green for the week driven increased investor bullishness following the signing of the stimulus bill.
- NASDAQ: 13,320 (WTD: +3.09%), S&P 3,943 (WTD: +2.64%)

COMMODITIES



- Δ US Crude Inventories +13,798k bbl. (5 Mar 21) v +333k bbl. (e) v 21,563k bbl. (26 Feb 21)
- Δ US Oil Rigs -1; 402 (12 Mar 21) v 403 (5 Mar 21)
- Δ North American Oil Rigs -26; 518 (12 Mar 21) v 544 (5 Mar 21)
- Oil prices fell for the week due to a significantly larger than expected rise in US crude inventories.
 - WTI: \$65.61 (WTD: -0.73%)
 - Brent Crude: \$69.22 (WTD -0.20%)



- Precious metals closed in the green for the week driven by falling US treasury yields and a weaker USD.
 - Gold: \$1,727 (WTD: +1.56%)
 - Platinum: \$1,206 (WTD: +6.45%)



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