

## Local

### COMPANY ANNOUNCEMENTS

#### Trading Statement



- Turnstar announced that its Profit Before Tax (PBT) for the year ended 31 Jan 21, would be at least P12.27mn (13%) lower than the PBT of P94.13mn recorded for the year ended 31 Jan 20.
- The decline in profitability is due to a P12.27mn (5.95%) decline in rental revenue, resulting from rental concessions that were given to commercial clients that could not operate during the first lockdown as well as a net Forex loss of P2.6mn on a US dollar denominated inter-company loan.
- The results will be published before 30 Apr 21.
- P1.98 (YTD: -20.80%) PE: 7.9 PB: 0.7 D/Y: 5.05% Mkt Cap: P1,132.9mn

#### Change in Transfer Secretary



- Cresta announced that it has channelled responsibility of transfer secretarial services to Central Securities Depository Botswana (CSDB), effective 1 May 21.
- All shareholders are advised to direct queries related to their shareholding in the Company and unpaid dividends for the years 2017 and 2018 to the Transfer Secretary.
- Prior to the effective date of 1 May 21, shareholder queries should be directed to DPS Consulting Services (Pty) Limited.
- P1.25 (YTD: -3.85%) PE: N/A PB: 1.4 D/Y: 0.00% Mkt Cap: P230.8mn

#### Notice of Annual General Meeting (AGM)



- Lucara gave notice that it will hold its 2021 AGM on Tuesday, 11 May 21 at 10.30am (Pacific Standard Time). The AGM will be held at the office of Blake, Cassels & Graydon LLP, Suite 2600, 595 Burrard St., Vancouver, British Columbia V7X 1L3, for the following purpose:
  - To receive the audited consolidated financial statements for the year ended Dec 31 20 and auditors report thereon.
  - Reappointment of the auditor for the upcoming year and to authorize the directors to fix their remuneration.
  - Election of directors for the upcoming year
  - Adoption of an advisory resolution on executive compensation
  - To transact such further or other business as may properly come before the Meeting.
- P7.00 (YTD: +36.99%) PE: N/A PB: 1.2 D/Y: 0.00% Mkt Cap: P2,779.2mn

#### Tenders awarded for Transmission Line and Substation construction



- Tlou announced that tenders for the construction of the overhead lines and construction of substations at Lesedi and Serowe have been awarded to Zismo Engineering (Pty) Ltd and OptiPower respectively.
- P0.50 (YTD: +51.52%) PE: N/A PB: 0.7 D/Y: 0.00% Mkt Cap: P300.1mn

#### Appointment of Acting Managing Director and Securing of Court Order Against Axed Senior Management



- BBS announced the interim appointment of Mr James Kamyuka as acting Managing Director, effective 7 Apr 21.
- Mr Kamyuka's appointment follows BBS' decision to terminate Mr Pius Komane B Molefe's contract of employment on 6 Apr 21 as Managing Director.
- Mr Kamyuka has served as a non-executive director of BBS since 26 Apr 18 and is the former acting Managing Director of Botswana Development Corporation (BDC).

- Shareholders are advised that all public statements and/or press releases issued by or at the direction of Mr Molefe after his dismissal on 6 Apr 21 do not represent the views of the Company, its board of directors, its employees, or its stakeholders.
- Shareholders are further advised that normal operations have resumed and all disruptions arising from the dispute between Mr Molefe, and BBS have been resolved by the High Court of Botswana.
- Stakeholders are assured that the legal dispute involving BBS, Mr Molefe, and former Head of Marketing, Communication and Company Secretary Mr Siphon Hector Showa shall not affect the day-to-day operations of BBS.
- P1.00 (YTD: -8.26%) PE: N/A PB: 0.9 D/Y: 0.00% Mkt Cap: P487.5mn



#### **BBS Securities Trading Halt and Suspension Lifted**

- BSE lifted the suspension from trade it had imposed on BBS' shares and bonds following the boards publication of a statement to shareholders on the recent developments relating to BBS Board of Directors and Senior Management



#### **Revocation of Bureau De Change License**

- Bank of Botswana announced the revocation of Chelyn Bureau de Change's licence to transact foreign exchange, following the cessation of its operations.
- The public is advised not to transact foreign exchange business with any person purporting to trade in the name of Chelyn Bureau de Change



#### **Curfew Hours Extended**

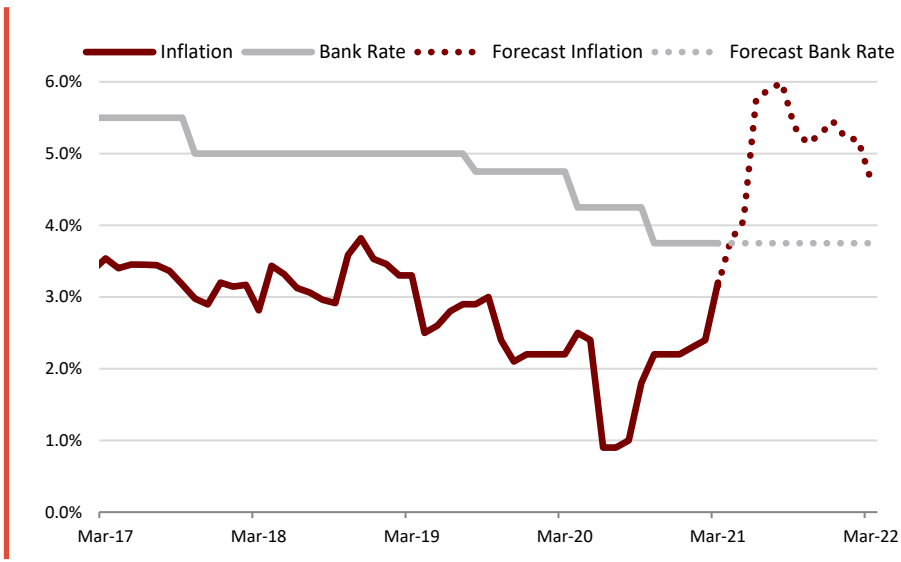
- The Government of Botswana revised curfew hours to 10:00pm to 4:00am



#### **Ban of Poultry Imports from South Africa Amid Flu Outbreak**

- The Ministry of Agriculture Development and Food Security banned all imports of poultry and poultry products from South Africa following an outbreak of highly pathogenic Avian Influenza (Bird flu) in the Gauteng Province.
- The public is advised to report any death of domestic poultry and wild birds to the nearest veterinary office.

## MAR21 INFLATION – RESTORED WITHIN MEDIUM TERM OBJECTIVE RANGE



- Mar21 CPI y/y 3.2% v 3.2% (Kgori) v 2.4% (Feb21)
- Inflation accelerated on account of Transport inflation which registered growth of 2.8% month-on-month due to the increase in petrol pump prices implemented in Mar21.
- We expect inflation to continue to accelerate in the next few months driven by further fuel price increments. Already a P1.00 (+11.7%) increment has been implemented in Apr21 as a result of the fuel levy increasing by P1.00. Under-recoveries are currently at ~P1.00/litre, hence another round of fuel increments equal to P1.00 is needed to balance the slate.

## Regional

### SOUTH AFRICA

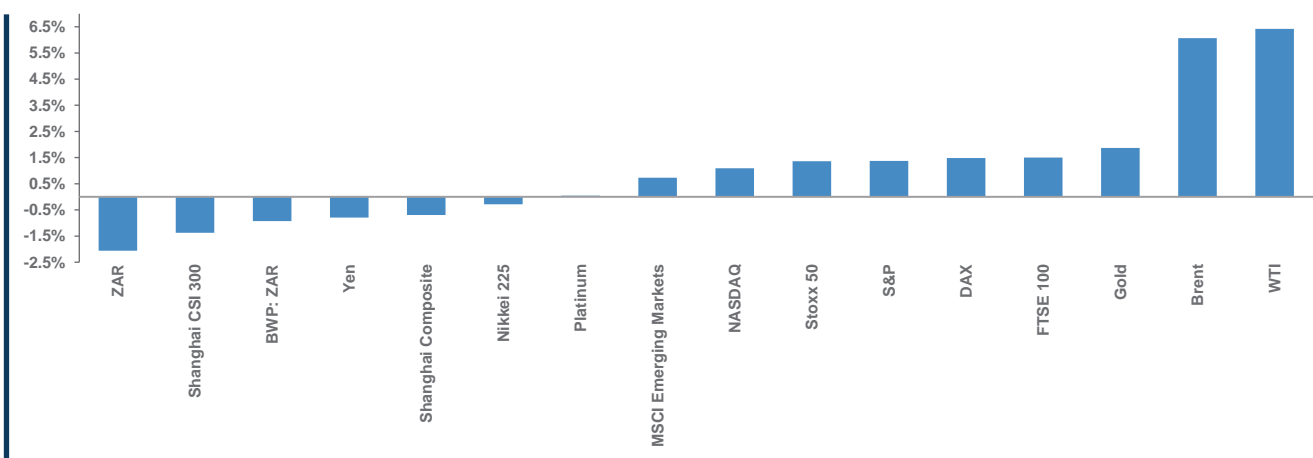
- The SARB expects the South African economy to grow by 4.8% in 2021, before falling back to 2.4% and 2.5% in 2022 and 2023 respectively. The growth in GDP is expected to be spurred on by low interest rates and mass vaccination programmes.
- The economy is only expected to reach pre-Covid levels in 2023.

#### ZAR PERFORMANCE

- The ZAR strengthened against the USD for the week, following the halt of the Johnson & Johnson vaccine in the US as well as the decline in Treasury yields, which drove investors to higher yielding assets.
- ZAR 14.31 (WTD: -2.06%) v 14.61 (9 Apr 21)

## International

### INTERNATIONAL SNAPSHOT – 16 APR 21 WEEKLY PERFORMANCE





- Mar21 PPI y/y 1.0% v 0.5% (e) v -0.6% (Feb21)
- Japanese equities closed lower for the week due to bearish investor sentiment over the recovery of the economy following the resurgence of Covid-19 cases and slow vaccine rollouts in Japan.
- Nikkei 225: 29,683 (WTD: -0.28%), Yen: 108.80 (WTD: -0.79%)



- Eurozone Mar21 Final CPI y/y 1.3% v 1.3% (e) v 0.9% (Feb21)
- France Mar21 Final CPI y/y 1.1% v 1.1% (e) v 1.1% (Feb21)
- Germany Mar21 Final CPI y/y 1.7% v 1.7% (e) v 1.7% (Feb21)
- European equities closed in green after strong US and China economic data spurred optimism about a speedy global recovery.
- DAX: 15,460 (WTD: +1.48%), Stoxx50: 4,033 (WTD: +1.36%), FTSE100: 7,020 (WTD: +1.50%)



- 1Q21 GDP y/y 18.3% v 18.5% (e) v 6.5% (4Q20)
- Mar21 Industrial Production YTD y/y 24.5% v 26.5% (e) v 35.1% (Feb21)
- Mar21 Trade Balance \$13.8bn v \$52.0bn (e) v \$37.8bn (Feb21)
- Chinese equities closed in red for the week due to persistent worries of policy tightening following upbeat GDP data.
- SHSZ300: 4,966 (WTD: -1.37%), SHCOMP: 3,427 (WTD: -0.70%)



- 10 Apr 21 Initial Jobless Claims 576k v 700k (e) v 769k (3 Apr 21)
- Mar21 CPI y/y 2.6% v 2.5% (e) v 1.7% (Feb21)
- US equities closed higher for the week following higher CPI data, drop in US Treasury yields as well as a decline of weekly jobless claims data, signaling an accelerating recovery of the US economy.
- NASDAQ: 14,052 (WTD: +1.09%), S&P 4,185 (WTD: +1.37%)

## COMMODITIES



- ΔUS Crude Inventories -5,890k bbl. (9 Apr 21) v -2,580k bbl. (e) v -3,522k bbl. (2 Apr 21)
- ΔUS Oil Rigs +7; 439 (16 Apr 21) v 432 (9 Apr 21)
- ΔNorth American Oil Rigs +5; 495 (16 Apr 21) v 490 (9 Apr 21)
- Oil prices closed higher due to stronger demand outlook and drop in US oil supplies.
  - WTI: \$63.13 (WTD: +6.42%)
  - Brent Crude: \$66.77 (WTD: +6.07%)



- Precious metals closed in the green for the week driven by falling US Treasury yields and a weaker USD.
  - Gold: \$1,777 (WTD: +1.87%)
  - Platinum: \$1,206 (WTD: +0.05%)



## KGORI CAPITAL

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Kgori Capital (Pty) Ltd is an authorised financial services provider.

