



KGORI CAPITAL
INVEST WITH PRIDE

KGORI CAPITAL MARKET WATCH

12 July 2021

Local

COMPANY ANNOUNCEMENTS



Results of 2020 Annual General Meeting (AGM)

- Olympia announced the results of its AGM, where all resolutions were passed by 100% votes in favour.
- P0.25 (YTD: +4.17%) PE: 6.2 PB: 0.3 D/Y: 0.00% Mkt Cap: P16.1mn



Cautionary Announcement

- Sefalana announced that its Profit Before Tax (PBT) for the year ended 30 Apr 21 would be ~P26mn-P31mn (10%-12%) higher than the P259mn PBT reported for the year ended 30 Apr 20.
- Full details will be given when Sefalana releases results before end of Jul21.
- P9.38 (YTD: +0.43%) PE: 10.5 PB: 1.3 D/Y: 4.00% Mkt Cap: P2,351.8mn



Closed Period Announcement

- G4S announced that the preparation of its half-year financial results has started and has therefore declared a closed period from 1 Jul 21 until financial results are published.
- P3.00 (YTD: -11.76%) PE: 23.0 PB: 2.1 D/Y: 0.00% Mkt Cap: P240.0mn



Change of Transfer Secretary and Potential Transactions

- Change of Transfer Secretary
 - LLR announced that it has appointed Central Securities Depository Company of Botswana as its transfer secretary, effective 23 Jun 21.
- Potential Transactions
 - LLR advised unitholders to exercise caution as it is in negotiations with two separate parties for the potential acquisition of their respective properties.
- P2.35 (YTD: +2.62%) PE:10.8 PB: 0.8 D/Y: 7.39% Mkt Cap: P658.0mn



Notice of 2021 Annual General Meeting (AGM)

- Turnstar will virtually hold its 2021 AGM at 11.30am on 28 Jul 21. Shareholders will vote on:
 - Approving 31 Jan 21 financial statements and auditor's report thereon.
 - Approving the distribution of dividend.
 - The re-election of P Bezuidenhout and the confirmation of V Tebele and B Phirie as directors.
 - Approving non-executive directors' remuneration for both the 31 Jan 21 and 31 Jan 22 yearends.
 - Approving auditor's remuneration paid to Ernst & Young for the 31 Jan 21 yearend.
 - Appointing auditors for the ensuing year and authorising directors to fix their remuneration.
 - Special Resolution: Ratification of donations made by Turnstar for the 31 Jan 21 yearend.
- P2.00 (YTD: -20.00%) PE:14.1 PB: 0.7 D/Y: 9.50% Mkt Cap: P1,144.3mn



Management Announcement and Closed Period Announcement

- Management Announcement
 - StanChart announced that its current Chief Financial Officer (CFO), Mbako Mbo has been appointed CFO of the Personal, Business Banking & Digital division in Singapore.
 - StanChart also announced the appointment of Tapiwa Butale, the current Financial Controller, as Acting CFO.
 - The changes are effective from 1 Aug 21.
- Closed Period Announcement
 - StanChart also announced that the preparation of its half-year financial results has started and has therefore declared a closed period from 1 Jul 21 to 30 Sep 21, whereafter the results will be published.
- P1.83 (YTD: +26.21%) PE: 11.0 PB: 0.5 D/Y: 8.74% Mkt Cap: P546.0mn



Closed Period Announcement

- Sechaba announced that the preparation of its half-year financial results has started and has therefore declared a closed period from 1 Jul 21 to 30 Sep 21, whereafter the results will be published.
- P16.60 (YTD: -19.61%) PE: 11.8 PB: 2.5 D/Y: 1.51% Mkt Cap: P1,836.2mn



Notice of 2021 Annual General Meeting (AGM)

- Chobe will virtually hold its 2021 AGM at 5.00pm on 5 Aug 21. Shareholders will vote on:
 - Approving 28 Feb 21 financial statements and auditor's report thereon.
 - Approving the non-distribution of a dividend for the 28 Feb 21 yearend.
 - The re-election of BD Flatt, JM Gibson, AM Whitehouse and the confirmation of L Odumetse and MT Sekgororoane as directors.
 - Approving directors' remuneration for 28 Feb 21 yearend.
 - Approving auditor's remuneration for the year ended 28 Feb 21.
 - Appointing PricewaterhouseCoopers as auditors for the ensuing year.
- P7.95 (YTD: -15.69%) PE:N/A PB: 2.3 D/Y: 0.00% Mkt Cap: P711.0mn



Fuel Prices Adjustments

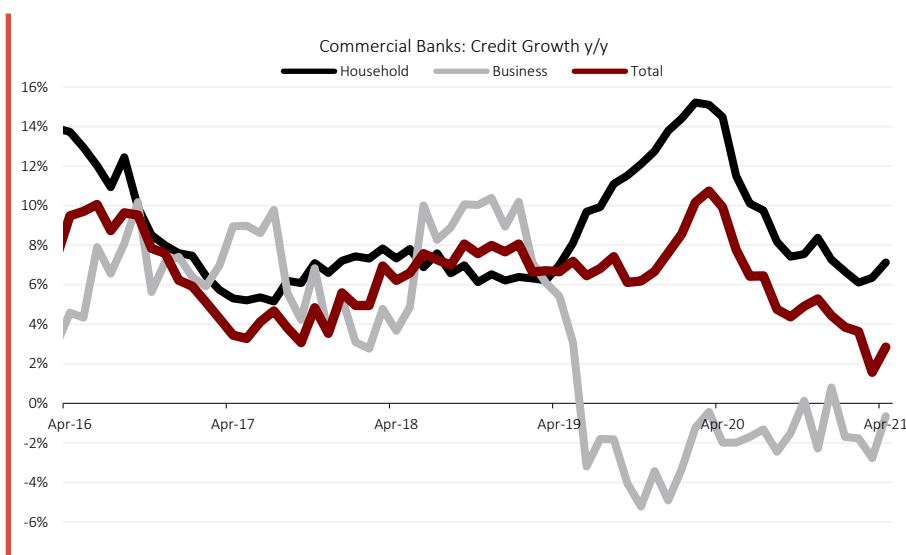
- BERA announced increases in pump prices for petrol, diesel and illuminating paraffin effective 10 Jul 21, as follows:
 - Unleaded Petrol 93 will increase by 61t/litre.
 - Unleaded Petrol 95 will increase by 63t/litre.
 - Diesel 50ppm will increase by 53t/litre.
 - Illuminating paraffin will increase by 92t/litre.



Restrictions on Importation of Maize Extruded Snacks

- The Ministry of Trade and Industry announced its restriction on the importation of maize extruded snacks.
- Import permits will be issued subject to purchasing 40% in monetary value of the required 100% maize extruded snacks from local producers.
- The purpose of the restriction is to stimulate investment, job creation and economic diversification within the sector.

APR21 CREDIT GROWTH – HOUSEHOLDS SUPPORT CREDIT GROWTH



- Apr21 CG y/y 2.8% v 1.6% (Mar21)
- Apr21 Household CG y/y 7.1% v 6.3% (Mar21)
Acceleration was broad based with all loan segments experiencing increases in growth.
- Apr21 Business CG y/y -0.7% v 2.8% (Mar21)
- Positive contributors: Finance (48.2% y/y), Business Services (17.6% y/y) and Other (0.9% y/y).
- Negative contributors: Mining (-37.7% y/y), Parastatals (-36.4% y/y) and Manufacturing (-31.6% y/y)

Regional

SOUTH AFRICA

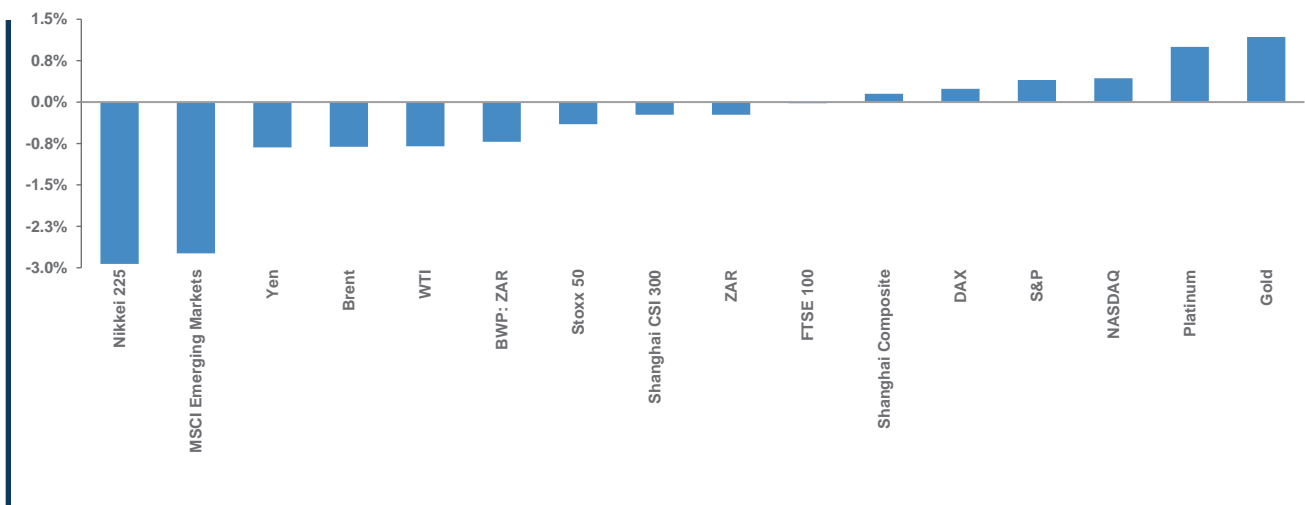
- Jun21 Standard Bank Manufacturing PMI 51.0 v 53.2 (May21)
- May21 Gross Reserves \$54.5bn v \$53.3bn (e) v \$54.1bn (Apr21)
- The Department of Energy announced 29c/litre-42c/litre increases in pump prices for petrol, diesel and illuminating paraffin effective 7 Jul 21.

ZAR PERFORMANCE

- The ZAR strengthened for the week on account of the US Federal Reserve indicating that it plans to maintain its low interest rate policies as well as the decline in US treasury yields.
- ZAR 14.22 (WTD: -0.23%) v 14.25 (2 Jul 21)

International

INTERNATIONAL SNAPSHOT – 9 JUL 21 WEEKLY PERFORMANCE



- May21 Trade Balance ¥2.0bn v ¥241.5bn (e) v ¥289.5bn (Apr21)
- May21 Labour Cash Earnings 1.9% v 2.1% (e) v 1.4% (Apr21)
- Japanese equities closed lower on the back of bearish investor sentiments, following the release of lower-than-expected trade balance figures and the declaration of the state of emergency in Tokyo.
- Nikkei 225: 27,940 (WTD: -2.93%), Yen: 110.14 (WTD: -0.82%)



- Eurozone Jul21 Sentix Investor Confidence 29.8 v 30.0 (e) v 28.1 (May21)
- France May21 Industrial Production m/m -0.3% v 0.8% v 0.1% (Apr21)
- Germany May21 Industrial Production m/m -0.3% v 0.5% v -0.3% (Apr21)
- The European Central Bank revised its medium-term target inflation rate to 2% from just below 2%, citing that price stability is best maintained by aiming for a 2% inflation target over the medium term.
- European equities closed the week mixed as the market weighed lower US treasury yields with investor concerns over a global economic recovery, following the release of worse than expected industrial production data and rising cases of Covid-19 Delta variant.
- DAX: 15,688 (WTD: +0.24%), Stoxx50: 4,068 (WTD: -0.40%), FTSE100: 7,122 (WTD: -0.02%)



- Jun21 CPI y/y 1.1% v 1.2% (e) v 1.3% (May21)
- Jun21 PPI y/y 8.8% v 8.8% (e) v 9.0% (May21)
- The People's Bank of China announced it will cut the Reserve Requirement Ratio for major commercial banks by 50bps, effective 15 Jul 21 with the aim of supporting small Chinese businesses with more credit.
- Chinese equities ended the week mixed after the release of an executive order by US President Joe Biden barring US investment in firms with alleged ties to China's military.
- SHSZ300: 5,069 (WTD: -0.23%), SHCOMP: 3,524 (WTD: +0.15%)



- 3 Jul 21 Initial Jobless Claims 373k v 350k (e) v 371k (26 Jun 21)
 - US equities traded stronger following the release of the minutes from the last Federal Reserve meeting, which indicated that Fed officials may not be ready to tighten the monetary policy.
 - NASDAQ: 14,702 (WTD: +0.43%), S&P: 4,370 (WTD: +0.40%)
-

COMMODITIES



- Δ US Crude Inventories -6,866k bbl. (2 Jul 21) v -4,479k bbl. (e) v -6,718k bbl. (25 Jun 21)
 - Δ US Oil Rigs +4; 479 (9 Jul 21) v 475 (2 Jul 21)
 - Δ North American Oil Rigs +5; 616 (9 Jul 21) v 611 (2 Jul 21)
 - Oil prices closed in the red as continued infighting within the OPEC+ alliance delays agreements on output levels.
 - WTI: \$74.56 (WTD: -0.80%)
 - Brent Crude: \$75.55 (WTD: -0.81%)
-



- Precious metals closed the week in the green for the week driven by falling US treasury yields and a weaker USD.
 - Gold: \$1,808 (WTD: +1.18%)
 - Platinum: \$1,094 (WTD: +1.00%)
-



KGORI CAPITAL

INVEST WITH PRIDE

General Disclaimer

All information, recommendations or opinions contained in this document are not intended to provide exhaustive treatment of any subject dealt with and must be weighed solely as one factor in any investment or other decision made by or on behalf of any user of the information contained herein. Such user should consult its own investment or financial or other advisors before making any decision. Whilst all care is taken by Kgori Capital in the preparation of the contents hereof, no warranty, express or implied, as to the accuracy, timeliness, completeness, merchantability or fitness for any particular purpose of any such recommendation or information is given or made by Kgori Capital in any form or manner whatsoever. The information in this document is not intended to and does not constitute financial, tax, legal, investment, consulting or other professional advice, and Kgori Capital does not purport to act in any way as a financial advisor. Kgori Capital shall not be responsible and disclaims all liability for any loss, liability, damage (whether direct or consequential) of any nature whatsoever which may be suffered as a result of or which may be attributable, directly or indirectly, to the use of any information, opinion, recommendation, or service contained in or provided through this document. All portfolio performance data is calculated by Kgori Capital. Performance is analysed and computed utilising true daily weighted methodology. Where this document contains statements or information which relate to projections, forecasts or hypothetical data, users should be advised that these are predictions and that actual performance may differ markedly. Users should also be aware that short term performance can be volatile and past performance is not necessarily a good indication or guideline of future performance. As the performance of financial markets fluctuates and is not guaranteed, an investor may not get back the full amount invested.

1st Floor Exponential,
Plot 54351, CBD, Gaborone

PO Box 1253 ABG,
Sebele, Gaborone

T +267 3915 990
F +267 3915 980

www.kgoricapital.com

Directors: KI Melamu, AM Ndzinge, S Noor, MS Sibanda
Reg No: BW00000988897

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

