

Local

COMPANY ANNOUNCEMENTS



**BBS Granted Commercial Banking Licence and Lifting of Cautionary Statement and Closed Period**

- BBS Bank Granted Commercial Banking Licence
  - BBS announced that it has been granted a commercial banking licence by the Bank of Botswana, effective 6 Oct 22.
- Lifting of Cautionary Statement and Closed Period
  - Following the receipt of its banking license, BBS lifted its cautionary and closed period announcements.
- P0.46 (YTD: -41.77%) PE: N/A PB: 0.5 D/Y: 0.00% Mkt Cap: P224.2mn



**Redemption And Delisting at Maturity of FNBB006 Unsecured Senior Note and Notice of Annual General Meeting (AGM)**

- Redemption And Delisting at Maturity of FNBB006 Unsecured Senior Notes
  - FNBB announced the redemption and subsequent delisting of the FNBB006 Unsecured Senior Note on its maturity date of 11 Nov 22.
  - Noteholders are advised to submit their certificates to the Transfer Secretaries by 21 Oct 22.
- Notice of AGM
  - FNBB will physically hold its AGM at Avani Gaborone Resort at 1.00pm on 3 Nov 22. Shareholders will vote on:
    - Approving 30 Jun 22 financial statements and the directors' and auditor's reports thereon.
    - Approving the interim and final dividend of 10t/share and 16t/share respectively declared for the 30 Jun 22 year end.
    - Approving the re-election of B Bonyongo, J Khethe, W Ward and N Lahri as Independent Non-Executive Directors.
    - Approving the appointment of L Woodford and F Jordaan as Directors.
    - Approving the remuneration of Non-Executive Directors for the year ended 30 Jun 23.
    - Approving the auditor remuneration paid to Deloitte & Touche, for the year ended 30 Jun 22.
    - Approving the re-appointment of Deloitte & Touche as auditors for the ensuing year.
- P3.19 (YTD: +27.60%) PE: 8.8 PB: 2.4 D/Y: 8.15% Mkt Cap: P8,114.4mn



**Renewal of Cautionary**

- Chobe advised shareholders to exercise caution as it is still in negotiations to conduct a significant transaction.
- P7.70 (YTD: +5.48%) PE: N/A PB: 2.6 D/Y: 0.00% Mkt Cap: P688.7mn



**Listing Of Additional Shares – Settlement of Options Exercised**

- CA&S announced that it issued 876,117 new ordinary shares in settlement of options exercised on 28 Sept 22 by participants of the CA Sales Holdings Share Incentive Trust.
- Following the issuance, CA&S' total issued share capital consists of 473,337,178 ordinary shares.
- P4.20 (YTD: +15.07%) PE: 7.9 PB: 1.4 D/Y: 2.20% Mkt Cap: P1,988.0mn



## Second Notice of Scrip Distribution

- FAR issued a second notice and circular concerning the offer to unitholders to receive scrip in lieu of a cash distribution of 18.40t/linked unit. If a unitholder elects to receive scrip it will be at a cash distribution conversion price of P2.40/linked unit.
- P2.40 (YTD: -2.04%) PE: 9.5 PB: 1.1 D/Y: 7.67% Mkt Cap: P1,104.8mn



## National Development Plan 12 (NDP12) Deferral

- The implementation of the NDP12, which was expected to start on 1 Apr 23 has been deferred to the 2025/26 financial year.

## STANBIC HY22 RESULTS – NON-INTEREST INCOME DRIVES PROFITS UP

Income Statement P'Mn	HY 22	HY 21	% Δ
Interest Income	593	521	14%
Interest expense	(233)	(162)	43%
<b>Net Interest</b>	<b>360</b>	<b>359</b>	<b>0%</b>
Fee & Commission income	180	157	15%
Fee & Commission expenses	(45)	(33)	39%
Net trading income	121	89	35%
Other income	11	16	(34%)
<b>Operating income</b>	<b>627</b>	<b>589</b>	<b>6%</b>
Credit impairment charges	(40)	(83)	(52%)
Staff Expenses	(167)	(143)	17%
Other operating expenses	(215)	(189)	14%
<b>Profit before indirect tax</b>	<b>205</b>	<b>174</b>	<b>18%</b>
Indirect tax	(14)	(10)	48%
<b>Profit before direct tax</b>	<b>191</b>	<b>165</b>	<b>16%</b>
Tax	(44)	(35)	25%
<b>Profit for the period (PAT)</b>	<b>147</b>	<b>129</b>	<b>14%</b>
Balance Sheet extract P'Mn	HY 22	HY 21	% Δ
Cash and cash equivalents	567	197	189%
Loans to banks	6,185	3,545	74%
Loans to customers	13,236	12,253	8%
Deposits from banks	1,743	1,594	9%
Deposits from customers	17,827	14,454	23%
Equity	1,856	1,633	14%

- Net Interest Income remained flat as the +14% interest income growth, driven by +8% loan book growth, was eroded by high interest expense, caused by +23% deposit growth.
- Fee & commission income +15% and Net Trading Income +35% on improved business activity.
- Credit impairment charges -52% driven by improvements in Business and Commercial Clients space.
- PAT +14% due to the increase in fee & commission income and Net Trading Income.
- Loan book growth was driven by Business and Commercial Clients and Corporate and Investment Banking divisions.

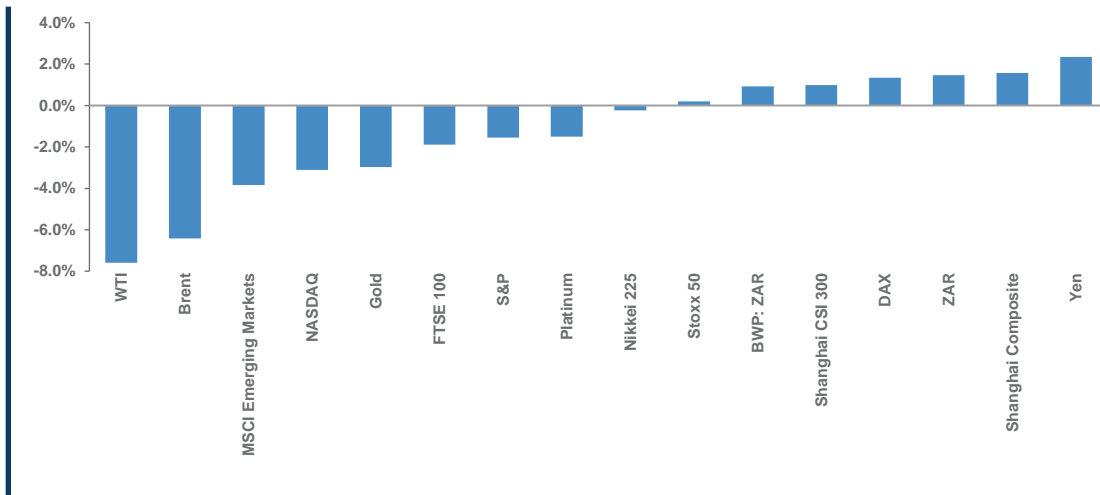
## Regional SOUTH AFRICA

- Aug22 Manufacturing Production m/m 2.1% v 0.6% (e) v -0.1% (Jul22)
- Aug22 Mining Production m/m 0.0% v 0.6% (e) v 3.1% (Jul22)
- Sep22 Business Confidence 110.9 v 110.3 (Aug22)
- During the week Eskom implemented Stage loadshedding due to breakdowns at various power stations.

### ZAR PERFORMANCE

- The South African rand weakened this week after data showed continued elevated US inflation, raising further bets that the US Fed would deliver another large rate hike next month.
- ZAR 18.36 (WTD: +1.46%) v 18.10 (30 Sep 22)

## INTERNATIONAL SNAPSHOT – 14 OCT 22 WEEKLY PERFORMANCE



- Aug22 Core Machine Orders m/m -5.8% v -2.8% (e) v 5.3% (Jul22)
- Sep22 PPI y/y 9.7% v 8.9% (e) v 9.0% (Aug22)
- Aug22 Trade Balance -¥2,490.6bn v -¥2,428.3bn (e) v -¥1,212.2bn (Jul22)
- Japanese equities fell for the week amid worries about the US Fed's aggressive rate-hike path, following the release of continued elevated US inflation data.
- Nikkei 225: 27,091 (WTD: -0.23%), Yen: 149.67 (WTD: +2.35%)



- Eurozone Aug22 Industrial Production m/m 1.5% v 0.7% (e) v -2.3% (Jul22)
- France Sep22 Final CPI y/y 5.6% v 5.6% (e) v 5.9% (Aug22)
- Germany Sep22 Final CPI y/y 10.0% v 10.0% (e) v 7.9% (Aug22)
- UK Aug22 Industrial Production m/m -1.8% v -0.1% (e) v -1.1% (Jul22)
- European markets ended the week mixed as reports emerged of a potential fiscal policy U-turn from the British government on the one hand and elevated inflation data on the other, which fueled fears that more interest rate hikes could herald a recession.
- DAX: 12,438 (WTD: +1.34%), Stoxx50: 3,382 (WTD: +0.19%), FTSE100: 6,859 (WTD: -1.89%)



- Sep22 CPI y/y 2.8% v 2.9% (e) v 2.5% (Aug22)
- Sep22 PPI y/y 0.9% v 1.0% (e) v 2.3% (Aug22)
- Chinese stocks closed higher following the release of cooled inflation data.
- SHSZ300: 3,842 (WTD: +0.99%), SHCOMP: 3,072 (WTD: +1.57%)



- 8 Oct 22 Initial Jobless Claims 228k v 225k (e) v 219k (1 Oct 22)
- Sep22 Retail Sales Advance m/m 0.0% v 0.2% (e) v 0.4% (Aug22)
- Sep22 CPI y/y 8.2% v 8.1% (e) v 8.3% (Aug22)
- Oct22 Preliminary UoM Sentiment 59.8 v 58.8 (e) v 58.6 (Sep22)
- US equities ended lower after the release of continued elevated US inflation data, which fueled expectations for more aggressive monetary tightening by the Fed and increased recession fears.
- NASDAQ: 10,321 (WTD: -3.11%), S&P 500: 3,583 (WTD: -1.55%)

## COMMODITIES

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- ΔUS Crude Inventories 9,879k bbl. (7 Oct 22) v 1,068k bbl. (e) v -1,356k bbl. (30 Sep 22)
- ΔUS Oil Rigs +7; 769 (14 Oct 22) v 762 (7 Oct 22)
- ΔNorth American Oil Rigs +8; 985 (14 Oct 22) v 977 (7 Oct 22)
- Oil prices closed lower as investors worried about the possibility of an economic recession later this year, which may depress energy demand.
  - WTI: \$85.61 (WTD: -7.59%)
  - Brent Crude: \$91.63 (WTD: -6.42%)



- Precious metals declined for the week due to a stronger USD.
  - Gold: \$1,644 (WTD: -2.97%)
  - Platinum: \$903 (WTD: -1.50%)



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