



**KGORI CAPITAL**  
INVEST WITH PRIDE

19 July 2023

## COMPANY ANNOUNCEMENTS

### Cautionary Announcement



- Sefalana announced that its Profit Before Tax (PBT) for the 53 week period ended 30 Apr 23 would be P60mn-P70mn (18%-21%) higher than the P334mn PBT reported for the 52 week period ended 24 Apr 22.
- Results will be released by 31 Jul 22.
- P9.85 (YTD: +1.97%) PE: 9.0 PB: 1.1 D/Y: 5.28% Mkt Cap: P2,469.7mn

### Acquisition Announcement and Withdrawal of Cautionary Announcement



- Choppies announced the conclusion of the acquisition of a 76% controlling stake in the issued shares of Kamoso Group on June 9, 2023, and subsequently withdrew caution.
- P0.64 (YTD: -1.54%) PE: 10.8 PB: N/A D/Y: 0.00% Mkt Cap: P1,167.7mn

### Board Appointment



- BIHL announced the appointment of Dr K Jefferis as its Non-Executive Director and Chairperson effective 11 Jul 23.
- P19.25 (YTD: +8.70%) PE: 8.8 PB: 1.5 D/Y: 13.25% Mkt Cap: P5,435.6mn

### Notice of Annual General Meeting (AGM)



- Shumba will host its 2023 AGM at the Grand Baie Business Quarter, Grand Bay in Mauritius, on 4 Aug 23 at 9am (Mauritius time). Shareholders will vote on:
  - Approving appointment of T Bolokwe, P Beeharry and J Goordiah as Directors.
  - Approving the re-elections of M Phumaphi, T Mokhathi, A Clegg, T Bolokwe, P Beeharry and J Goordiah as Directors until next AGM.
  - Approving the 30 Jun 21 and 30 Jun 22 financial statements together with the Directors and Independent External Auditors' reports thereon.
  - Approving the remuneration paid to Directors for year end 30 Jun 23.
  - Approving re-appointment of Grant Thornton as Auditors until next AGM.
  - Approving authorisation by directors to fix remuneration for Grant Thornton for year ending 30 Jun 23.
- P0.90 (YTD: 0.00%) PE: N/A PB: 2.6 D/Y: 0.00% Mkt Cap: P264.5mn

### Results of Annual General Meeting (AGM)



- Letshego announced the results of its 2023 AGM where all resolutions were passed by 99.36% or more votes in favour, except the following resolution:
  - Approving the remuneration of Directors with 52.32% voted for, while 47.14% voted against.
- P0.99 (YTD: -20.80%) PE: 4.6 PB: 0.4 D/Y: 15.66% Mkt Cap: P2,153.3mn

### Closed Period Announcement



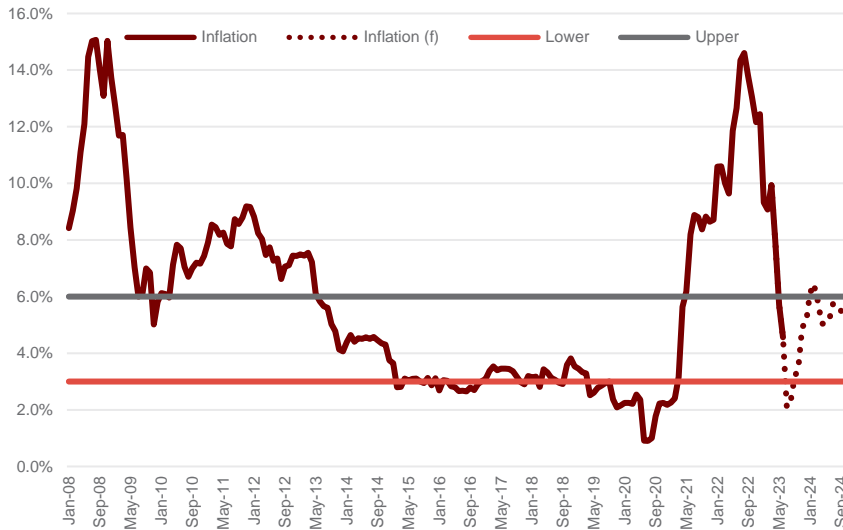
- Engen announced that it has begun preparing results for the 30 Jun 23 interim period and has declared a closed period from 1 Jul 23 until results are published on or about 28 Sep 23.
- P12.77 (YTD: +12.02%) PE: 7.7 PB: 2.4 D/Y: 6.22% Mkt Cap: P2,039.7mn



## Closed Period Announcement

- Sechaba announced that it has begun preparing results for the 30 Jun 23 interim period and has declared a closed period from 1 Jul 23 until results are published.
- P20.10 (YTD: +1.41%) PE: 9.9 PB: 2.3 D/Y: 7.86% Mkt Cap: P2,223.4mn

## JUN23 INFLATION – INFLATION COOLS DOWN



- Jun23 Inflation was 4.6% v 4.7% (Kgori) v 5.7% (May23).
  - The main drivers of inflation were Restaurants & Hotels, Clothing & Footwear and Food & Non-Alcoholic beverages inflation which rose by 0.6%/m/m, 0.5% m/m and 0.5% m/m respectively.
- Inflation expected to fall beyond the 3% lower bound in Jul23 due to a combination of favourable base effects and last month's fuel price reduction.
- We do not expect any changes to the MoPR in 2023 as inflation remains low.

## REGIONAL

### SOUTH AFRICA

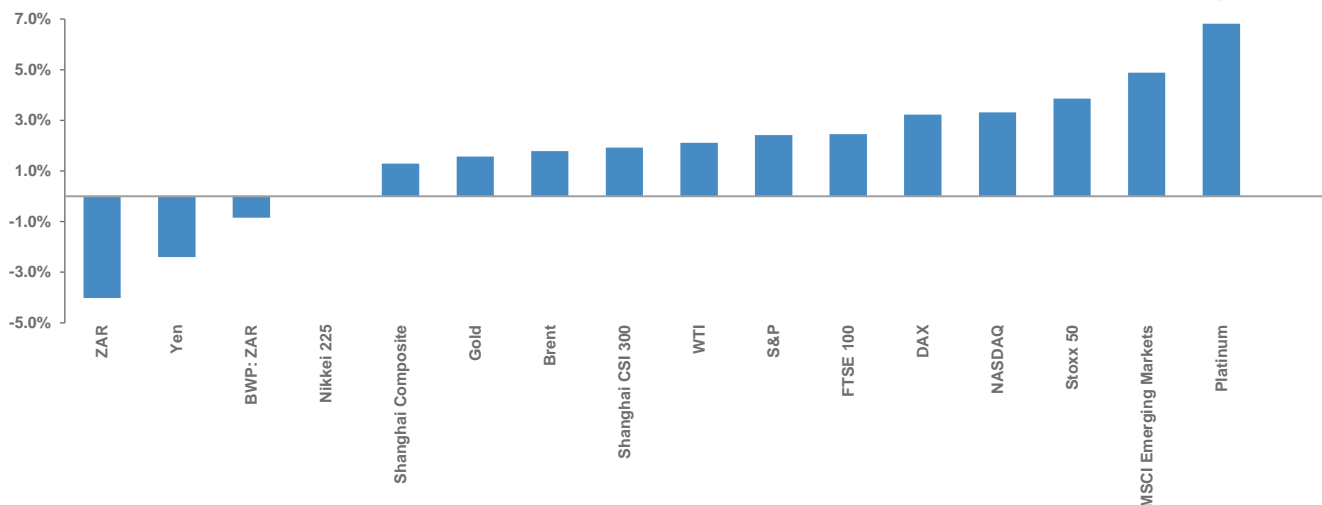
- **May23 Manufacturing Production m/m -1.3% v 0.2% (e) v 0.7% (Apr23)**
- **May23 Mining Production m/m -3.8% v 0.0% (e) v 1.5% (Apr23)**
- **During the week, Eskom implemented stage 6 power cuts due to increased electricity demand following the recent cold front.**

### ZAR PERFORMANCE

- The ZAR strengthened against the USD as cooling inflation numbers from the US lowered likelihood of further US rate hike.
- ZAR 18.11 (WTD: -4.02%) v 18.87 (07 Jul 23)

# Rand reverses course and strengthens against the US Dollar.

## INTERNATIONAL SNAPSHOT– 14 JUL 23 WEEKLY PERFORMANCE



- May23 Final Industrial Production m/m -2.2% v -1.6% (Apr23)
- May23 Core Machine Orders m/m -7.6% v 1.0% (e) v 5.5% (May23)
- Jun23 PPI y/y 4.1% v 4.4% (e) v 5.1% (May23)
- Japanese equities closed in the green following lower than expected US inflation data, signalling lower probability of a more hawkish Fed for rest of the year.
- Nikkei 225: 32,391 (WTD: +0.01%) Yen: 138.80 (WTD: -2.40%)



- Eurozone May23 Industrial Production m/m 0.2% v 0.3% (e) v 1.0% (Apr23)
- France Jun23 Final CPI y/y 4.5% v 4.5% (e) v 5.1% (May23)
- Germany Jun23 Final CPI y/y 6.4% v 6.4% (e) v 6.1% (May23)
- UK May23 Industrial Production -0.6% v -0.4% (e) v -0.2% (Apr23)
- European markets closed in the green as investors continued to cheer lower than expected US inflation data.
- DAX: 16,105 (WTD: +3.22%) Stoxx50: 4,400 (WTD: +3.86%) FTSE100: 7,435 (WTD: +2.45%)



- Jun23 CPI y/y 0.0% v 0.2% (e) v 0.2% (May23)
- Jun23 PPI y/y -5.4% v -5.0% (e) v -4.6% (May23)
- Chinese stocks ended the week in the green as investor sentiment was buoyed by a positive US inflation report that reduced likelihood of multiple rate hikes this year.
- SHSZ300: 3,899 (WTD: +0.91%) SHCOMP: 3,238 (WTD: +1.24%)



- 8 Jul 23 Initial Jobless Claims 237k v 250k (e) v 249k (1 Jul 23)
- Jul23 Preliminary UoM Sentiment 65.5 v 72.6 (e) v 64.4 (Jun23)
- Jun23 CPI y/y 3.0% v 3.1% (e) v 4.0% (May23)
- US equities ended the week in the green following the release of cooler than expected June inflation and stronger than expected corporate earnings from the US big banks.
- NASDAQ: 14,114 (WTD: +3.32%) S&P 500: 4,505 (WTD: +2.42%)



- $\Delta$ US Crude Inventories +5,946k bbl. (7 Jul 23) v -108k bbl. (e) v -1,508k bbl. (30 Jun 23)
- $\Delta$ US Oil Rigs -5; 675 (14 Jul 23) v 680 (7 Jul 23)
- $\Delta$ North American Oil Rigs +7; 862 (14 Jul 23) v 855 (7 Jul 23)
- Oil prices increased during the week boosted by China's pledge to support economic growth and tighter supply from Russia.
  - WTI: \$75.42 (WTD: +2.11%)
  - Brent Crude: \$79.87 (WTD: +1.78%)



- Precious metals closed higher over the week as cooling US inflation led to a weaker dollar.
  - Gold: \$1,955 (WTD: +1.57%)
  - Platinum: \$976 (WTD: +6.82%)

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# Oil prices rise on the back of continued supply disruptions.

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