



KGORI CAPITAL
INVEST WITH PRIDE

21 August 2023

COMPANY ANNOUNCEMENTS



Trading Statement

- FNB announced that its profit before tax (PBT) for the 30 Jun 23 year end will be P180mn-P250mn (15%-20%) higher than the P1.2bn PBT reported for 30 Jun 22 year end.
- Results will be published 13 Sep 23.
- P3.86 (YTD: +10.29%) PE: 9.7 PB: 2.8 D/Y: 7.25% Mkt Cap: 9,818.7mn



Leadership Change

- Lucara announced the appointment of W Lamb as its President and Chief Executive Officer (CEO) and Director.
- Mr Lamb has over 25 years' experience in mining project development and operations and also served as CEO of Lucara Diamond Corp. from May11 to Feb18.
- P5.00 (YTD: -23.08%) PE: 2.6 PB: 0.6 D/Y: 0.00% Mkt Cap: P2,272.9mn



Resignation of Board Member

- BIHL announced the resignation of M Mpungwa from its Board of Directors, effective 17 Aug 23
- P19.59 (YTD: +10.62%) PE: 9.0 PB: 1.6 D/Y: 13.02% Mkt Cap: P5,531.6mn



Results of Extraordinary General Meeting (EGM) and Issuance And Listing Of Notes Under Letshego's Existing P2.5bn Medium Term Note Programme

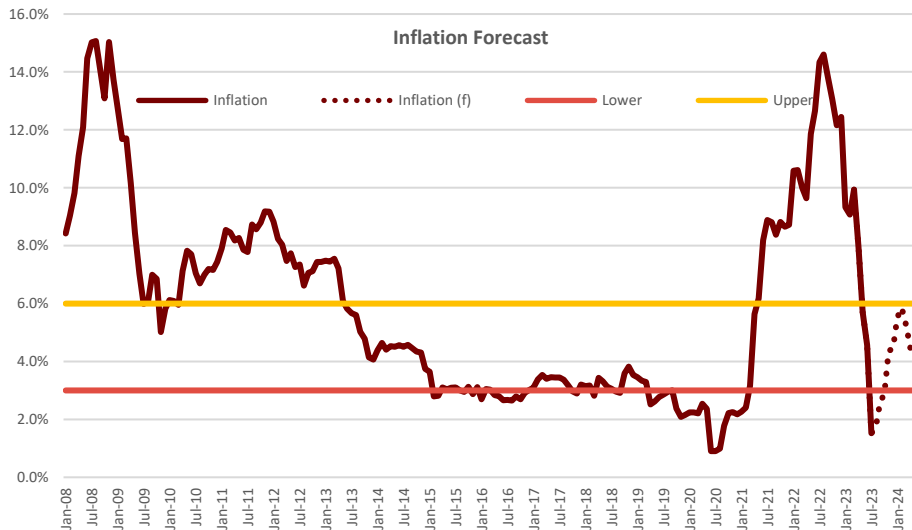
- Results of EGM
 - Letshego announced the results of its 2023 EGM where all resolutions were passed by 96.17% or more votes in favour except:
 - Special resolution 2: To receive and adopt amendment to the Company Constitution: 85.19% voted in favour while 13.92% voted against and 0.73% abstained.
- Issuance And Listing of Notes Under Letshego's Existing P2.5bn Medium Term Note Programme
 - Letshego has recently added two P12mn Fixed Rate Senior Unsecured Notes to its existing P2.5bn Medium Term Note Programme.
 - These new notes have a combined nominal value of P24mn and were issued at a rate of 9.75% each.
- P1.22 (YTD: -2.40%) PE: 5.7 PB: 0.5 D/Y: 12.70% Mkt Cap: P2,653.5mn



Issuance of Amended and Restated Pricing Supplement

- Stanbic issued Amended and Restated Pricing Supplements of SBBL 068 and SBBL 071 Floating Rate Notes detailing the following adjusted rates based on the new Monetary Policy Rate (MoPR):
- SBBL 068: 6.76% (1.65% + 2.50% + 2.61%), which will apply on 28 May 22.
- SBBL 071: 6.76% (2.15% + 2.00% + 2.61%), which will apply on 9 Jul 22.
- Stanbic reported delays in reappointing specific third parties, causing a setback in issuing the notice, yet measures have been adopted to minimize potential adverse effects on Noteholders, with payments aligned to the adjusted margin set on the Reset Date.

JUL23 INFLATION – INFLATION DROPS BELOW BoB OBJECTIVE RANGE



- Jul23 Inflation was 1.5% v 2.0% (Kgori) v 4.6% (Jun23).
- Although rising, inflation is projected to remain below the BoB's 3% lower bound for the rest of 3Q23.
- On a month on month basis, CPI declined by 0.7%.
 - Driven mainly by Transport, Health and Housing, Water & Electricity inflation which contracted by 3.0% m/m, 0.5% m/m and 0.1% m/m respectively.
- We do not expect any changes to the MoPR in the short term as the BoB continues to monitor lower inflation levels.

REGIONAL

SOUTH AFRICA

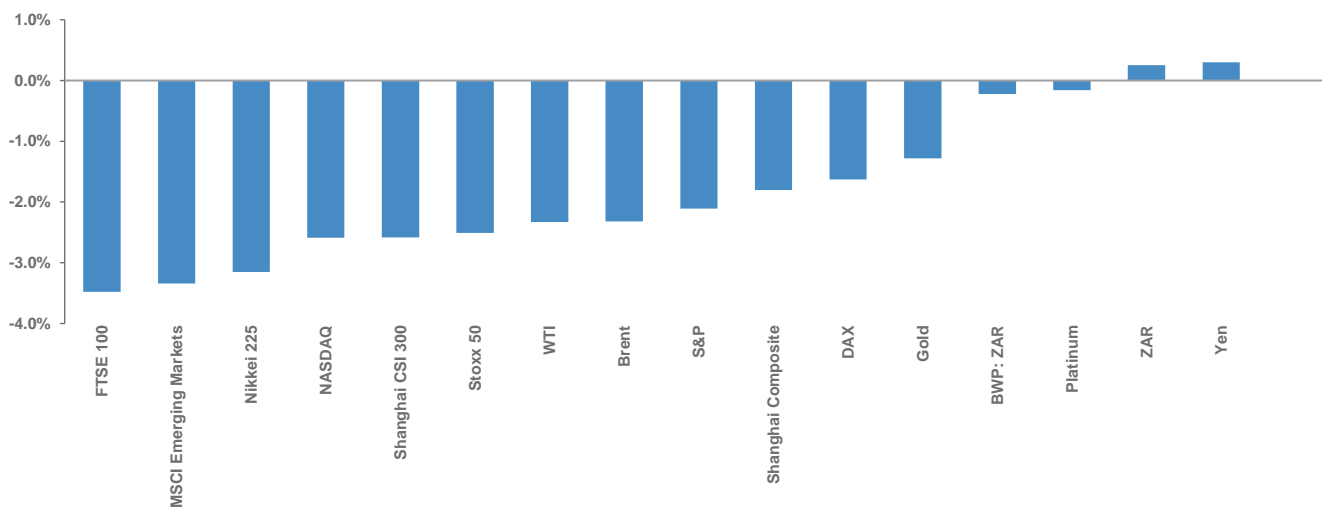
- Jun23 Retail Sales m/m 0.2% v 0.6% (e) v -0.9% (May23)
- Jul23 Business Confidence 107.3 (e) v 108.8 (Jun23)
- During the week, Eskom kept load shedding intensity at Stage 1 during daytime and Stage 3 in the evening.

ZAR PERFORMANCE

- The ZAR weakened against the USD on weak China economic data.
- ZAR 19.00 (WTD: +0.25%) v 18.95 (11 Aug 23)

Rand weakens against the US Dollar on weak China data.

INTERNATIONAL SNAPSHOT – 18 AUG 23 WEEKLY PERFORMANCE



- Jun23 Final Industrial Production m/m 2.4% v 2.0% (May23)
- Jul23 National CPI y/y 3.3% v 3.3% (e) v 3.3% (Jun23)
- 2Q23 Preliminary GDP q/q 1.5% v 0.8% (e) v 0.9% (1Q23)
- Japanese equities closed in the red following expectations that the Fed will keep interest rates elevated longer, as well as over concerns of China's economic growth outlook.
- Nikkei 225: 31,451 (WTD: -3.15%), Yen: 145.39 (WTD: +0.30%)



- Eurozone 2Q23 Preliminary GDP q/q 0.3% v 0.3% (e) v 0.0% (1Q23)
- UK Jul23 CPI y/y 6.8% v 6.7% (e) v 7.9% (Jun23)
- European markets ended the week with losses on the back of hawkish Fed minutes and risk-off sentiment amid the ongoing economic challenges in China.
- DAX: 15,574 (WTD: -1.63%) Stoxx50: 4,213 (WTD: -2.51%) FTSE100: 7,262 (WTD: -3.48%)



- Jul23 Industrial Production y/y 3.7% v 4.3% (e) v 4.4% (Jun23)
- Jul23 Retail Sales y/y 2.5% v 4.0% (e) v 3.1% (Jun23)
- The Peoples Bank of China reduced its 1-yr medium term lending facility rate by 15bps to 2.50%.
- Chinese stocks ended the week in the red, following the release of weaker-than-expected economic data.
- SHSZ300: 3,784 (WTD: -2.58%), SHCOMP: 3,132 (WTD: -1.80%)



- 12 Aug 23 Initial Jobless Claims 239k v 240k (e) v 250k (5 Aug 23)
- Jul23 Industrial Production m/m 1.0% v 0.3% (e) v -0.8% (Jun23)
- Jul23 Retail Sales Advance m/m 0.7% v 0.4% (e) v 0.3% (Jun23)
- US equities ended the week lower driven by expectations that the Fed will sustain elevated interest rates for an extended period, as well as China's economic woes.
- NASDAQ: 13,291 (WTD: -2.59%), S&P 500: 4,370 (WTD: -2.11%)

COMMODITIES



- Δ US Crude Inventories -5,960 bbl. (11 Aug 23) v -2,400k bbl. (e) v -5,851k bbl. (4 Aug 23)
- Δ US Oil Rigs -12; 642 (18 Aug 23) v 654 (11 Aug 23)
- Δ North American Oil Rigs -13; 831 (18 Aug 23) v 844 (11 Aug 23)
 - Oil prices declined on fears of a slowdown in economic growth in China.
 - WTI: \$81.25 (WTD: -2.33%)
 - Brent Crude: \$54.801 (WTD: -2.32%)



- Precious metals closed the week in the red due to a stronger dollar.
 - Gold: \$1,889 (WTD: -1.28%)
 - Platinum: \$915 (WTD: -0.16%)

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