



EQUITY MARKET SUMMARY

Choppies recorded a second day of heavy losses on the JSE today. The share price plummeted a very significant 72% to just 46 cents, after opening at R1.65, which was also the closing price on Friday. We believe the drop can be attributable a combination of factors; firstly - the failure by the company to provide timely financial reports, for a second successive reporting period. The second, which is outline in the same cautionary released on Friday, is a warning that the full year June 2018 profit after tax will be at least 20% lower than in the previous year, that is a drop of nearly P15million. Third and finally, is the extensive media coverage in Zimbabwe regarding serious disagreements involving the significant minority there (Nanavac Investments) which is threatening to go all the way to the courts. Locally, we have shares that were offered last week at P1.69, now being offered at its IPO price of P1.15. It is worth noting that all these matters are evolving and care should be taken before trading the stock.

MARKET STATISTICS

| | Today | Previous |
|-------------------------|---------|-----------|
| No. of Shares Trading | 230,281 | 1,592,925 |
| Turnover (BWP) | 209,310 | 2,816,299 |
| Turnover* (USD) | 19,654 | 263,887 |
| No. of stocks trading | 5 | 10 |
| No. of stocks advancing | 3 | 3 |
| No. of stocks declining | 0 | 0 |

MAJOR MARKET MOVERS

| Counter | Today (t) | Previous (t) | Change (%) | YTD (%) | Value (P) |
|---------|-----------|--------------|------------|---------|-----------|
| BTCL | 100 | 98 | 0.02 | (46.7) | 89,704 |
| LETLOLE | 168 | 165 | 0.02 | (23.3) | 10,080 |
| BBS | 114 | 112 | 0.02 | 13.0 | 100,328 |

STOCKS TRADING UNDER CAUTIONARY

| | | | | | |
|---------|--------|----------|----------|---------|-------|
| Sechaba | Cresta | Lettlole | Afinitas | Olympia | Engen |
| Minergy | | | | | |

DIVIDEND ANNOUNCEMENT

| Counter | Declared on | Dividend | Total | LDR | Payable |
|--------------|-------------|----------|--------------|-----------|-----------|
| Sechaba | 24-Aug-18 | Interim | 22.00 Thebe | 14-Sep-18 | 19-Sep-18 |
| Far Property | 19-Jun-18 | Final | 12.27 Thebe* | 24-Aug-18 | 28-Sep-18 |
| Letshego | 29-Aug-18 | Interim | 8.70 Thebe | 21-Sep-18 | 28-Sep-18 |
| BIHL | 15-Aug-18 | Interim | 60.00 Thebe | 28-Sep-18 | 12-Oct-18 |
| RDCP | 15-Aug-18 | Interim | 6.33 Thebe* | 14-Sep-18 | 26-Oct-18 |
| Barclays | 05-Sep-18 | Interim | 9.38 Thebe | 05-Oct-18 | 26-Oct-18 |

DOMESTIC

| EXCHANGE RATES | Today | Previous | Change (%) | YTD (%) |
|----------------|--------|----------|------------|---------|
| USD/BWP | 0.0939 | 0.0937 | 0.21 | -7.31 |
| ZAR/BWP | 1.3495 | 1.3517 | -0.16 | 7.42 |
| EURO/BWP | 0.0799 | 0.0799 | 0.00 | -5.78 |
| GBP/BWP | 0.0716 | 0.0717 | -0.14 | -3.93 |
| Yen/BWP | 10.6 | 10.55 | 0.47 | -7.18 |
| CNH/BWP | 0.6447 | 0.6441 | 0.09 | -2.39 |

Source: Bank of Botswana

Comment

The US Federal Reserve is expected to hike their interest rates on Wednesday by 0.25%, which would push the benchmark rate to 2.25%. The increase has however already been factored into the pricing of the dollar, and investors will be looking to try and gauge the sentiment around the decision by the Fed. If investors feel the

METAL PRICES

| | Today | Previous | Change (%) | YTD |
|---------------------|-----------|-----------|------------|------|
| Gold (US\$/oz) | 1,202.18 | 1,200.29 | 0.16 | -8% |
| Silver (US\$/oz) | 14.35 | 14.35 | 0.00 | -15% |
| Platinum (US\$/oz) | 834.00 | 832.00 | 0.24 | -11% |
| Copper* (US\$/t) | 6,320.00 | 6,203.00 | 1.89 | -12% |
| Nickel* (US\$/t) | 12,980.00 | 12,955.00 | 0.19 | 6% |
| Crude Oil (US\$/bl) | 81.91 | 80.73 | 1.46 | 23% |

Source: The Bullion Desk; LME; Bloomberg; Reuters

* 1 day delay

Comment

Oil's rally continued on Tuesday, breaching its 4 year high once more, since the Organisation of Petroleum Exporting Countries decided to reduce its oil supply. The increase was backed by the reluctance of the OPEC members to increase their output to offset the losses that will come as a result of the US sanctions on Iran. Iran is the third largest oil producer in the OPEC clan and the sanctions will effectively be removing approximately 3.8 million barrels per day from the market.

MACRO INDICATORS

| | Latest | Previous | Dec 17 |
|-----------------|-----------|-----------|--------|
| BW CPI (y/y) | 3.0%(Aug) | 3.1%(Jul) | 3 |
| SA CPI (y/y) | 4.9%(Aug) | 5.1%(Jul) | 6.6 |
| Bank Rate (%) | 5 | 5.5 | 5 |
| Prime Rate (%) | 6.5 | 7 | 6.5 |
| 14-day BoBC (%) | 1.52 | 1.47 | 1.45 |
| 91-day BoBC (%) | 1.52 | 1.46 | 1.26 |

| COUNTER | Buy (t) | Sell (t) | Last Traded Price (P) | Daily Volume | Daily Move (t) | Move (%) | 52 Week | | Net Div (thebe) | Net Div Yield (%) | 29 Dec 17 (thebe) | YTD (%) | 12 Mnth High (thebe) | 12 Mnth Low (thebe) | Mkt Cap. (BWP) |
|---|------------------|------------------|-----------------------|----------------|---|----------|--------------|---------|-----------------|-------------------|-------------------|---------|----------------------|------------------------|------------------------|
| | | | | | | | Trailing P/E | Net Div | | | | | | | |
| Domestic | | | | | | | | | | | | | | | |
| BARCLAYS CD | 535 | 545 | 540 | 0 | 0 | 0.0 | 10.5 | 28.2 | 5.2 | 610 | (11.5) | 612 | 452 | 4,601,670,761 | |
| BIHL CD | 1,750 | - | 1,750 | 0 | 0 | 0.0 | 13.2 | 149.9 | 8.6 | 1854 | (5.6) | 1,885 | 1,560 | 4,941,486,410 | |
| BTCL | 102 | 105 | 100 | 89,363 | 2 | 2.0 | 4.8 | 12.4 | 12.4 | 184 | (45.7) | 185 | 94 | 1,050,000,000 | |
| CHOBE | 1,029 | - | 1,029 | 0 | 0 | 0.0 | 12.9 | 50.0 | 4.9 | 917 | 12.2 | 1,028 | 756 | 920,333,916 | |
| CHOPPIES | - | 115 | 169 | 0 | 0 | 0.0 | 22.6 | 2.6 | 1.5 | 242 | (30.2) | 256 | 169 | 2,203,131,896 | |
| CRESTA CA | 126 | 129 | 130 | 0 | 0 | 0.0 | 11.1 | 7.4 | 5.7 | 113 | 15.0 | 131 | 107 | 240,025,427 | |
| ENGEN CA | 1,035 | 1,040 | 1,040 | 0 | 0 | 0.0 | 11.3 | 42.6 | 4.1 | 1060 | (1.9) | 1,060 | 1,001 | 1,661,111,088 | |
| FNBB CD | 229 | 231 | 229 | 0 | 0 | 0.0 | 9.0 | 13.0 | 5.7 | 233 | (1.7) | 296 | 219 | 5,825,073,000 | |
| FPC XD | - | 250 | 250 | 0 | 0 | 0.0 | 12.5 | 11.3 | 4.5 | 250 | 0.0 | 259 | 245 | 998,461,595 | |
| FURNMART CA | 54 | - | 54 | 0 | 0 | 0.0 | 3.2 | 5.3 | 9.7 | 55 | (1.8) | 60 | 53 | 327,480,883 | |
| G4S | - | 363 | 364 | 0 | 0 | 0.0 | 9.6 | 22.3 | 6.1 | 399 | (8.8) | 410 | 362 | 291,200,000 | |
| LETLOLE CA | 168 | - | 168 | 6,000 | 3 | 1.8 | 5.1 | 12.5 | 7.4 | 215 | (21.9) | 232 | 164 | 470,400,000 | |
| LETSHEGO XD | 184 | - | 184 | 0 | 0 | 0.0 | 6.1 | 20.2 | 11.0 | 188 | (2.1) | 190 | 183 | 3,945,043,122 | |
| MINERGY | 100 | 105 | 103 | 0 | 0 | 0.0 | - | - | 0.0 | 105 | (1.9) | 105 | 85 | 418,152,257 | |
| NAP | 323 | 324 | 324 | 0 | 0 | 0.0 | 10.2 | 22.7 | 7.0 | 321 | 0.9 | 324 | 271 | 1,958,246,682 | |
| OLYMPIA CA | 12 | 15 | 12 | 0 | 0 | 0.0 | 1.9 | 0.0 | 0.0 | 20 | (40.0) | 20 | 12 | 3,432,000 | |
| PRIMETIME | 309 | 311 | 311 | 0 | 0 | 0.0 | 20.1 | 16.1 | 5.2 | 315 | (1.3) | 316 | 260 | 760,863,627 | |
| RDCP XD | 222 | 224 | 225 | 0 | 0 | 0.0 | 6.3 | 10.3 | 4.6 | 235 | (4.3) | 275 | 225 | 781,981,250 | |
| SECHABA CA | - | 1,940 | 1,939 | 0 | 0 | 0.0 | 24.7 | 50.0 | 2.6 | 1947 | (0.4) | 2,000 | 1,938 | 2,579,158,426 | |
| SEFALANA | - | 891 | 891 | 0 | 0 | 0.0 | 12.7 | 30.5 | 3.4 | 975 | (8.6) | 1,400 | 892 | 2,233,974,977 | |
| STANCHART | 395 | 397 | 400 | 0 | 0 | 0.0 | -10.9 | 15.4 | 3.9 | 514 | (22.2) | 800 | 400 | 1,193,402,444 | |
| TURNSTAR | 303 | 305 | 305 | 731 | 0 | 0.0 | 23.8 | 16.7 | 5.5 | 329 | (7.3) | 330 | 303 | 1,745,068,489 | |
| WIL | 611 | 615 | 611 | 0 | 0 | 0.0 | 18.9 | 15.3 | 2.5 | 550 | 11.1 | 611 | 525 | 1,451,503,918 | |
| AFINITAS* | - | - | 105 | 0 | 0 | 0.0 | -166.7 | 0.0 | 0.0 | 105 | 0.0 | 105 | 85 | 224,643,563 | |
| BBS** | 114 | - | 114 | 88,007 | 14 | 14.0 | 20.7 | 5.6 | 4.9 | 100 | 14.0 | 111 | 100 | 555,195,962 | |
| Totals & Weighted Averages | | | | 184,101 | | | 11.1 | | 5.8 | 0 | | | | 40,825,845,731 | |
| Foreign | | | | | | | | | | | | | | | |
| ANGLO | 23,588 | 25,417 | 21,800 | 0 | 0 | 0.0 | 6.0 | 0.0 | 0.0 | 21,800 | 0.0 | 21,800 | 21,800 | 306,391,442,376 | |
| CA Sales | - | - | 375 | 0 | 0 | 0.0 | 0.0 | | | 351 | 6.8 | 375 | 345 | 1,574,600,828 | |
| INVESTEC | - | - | 5,315 | 0 | 0 | 0.0 | 3.5 | 132.9 | 2.3 | 5,315 | 0.0 | 5,315 | 5,315 | 16,379,374,009 | |
| TLOU | - | - | 156 | 0 | | | | | | 156 | | 156 | 156 | | |
| A-CAP RESOURCES* | 39 | - | 39 | 0 | 0 | 0.0 | 0.0 | 0.0 | 0.0 | 35 | 11.4 | 39 | 27 | 340,035,098 | |
| BOD | - | - | 15 | 46,180 | (1) | (6.3) | 0.0 | 0.0 | 0.0 | 22 | (31.8) | 40 | 12 | 68,857,081 | |
| LUC | 1,706 | 1,739 | 1,642 | 0 | 0 | 0.0 | 0.0 | 385.5 | 23.5 | 1,900 | (13.6) | 3,478 | 1,132 | 6,282,609,464 | |
| RAVEN H | - | - | 5 | 0 | 0 | 0.0 | 0.0 | 0.0 | 0.0 | 5 | 0.0 | 5 | 4 | 42,518,785 | |
| SHUMBA CA | - | 115 | 115 | 0 | 0 | 0.0 | 0.0 | 0.0 | 0.0 | 116 | (0.9) | 117 | 109 | 304,294,886 | |
| | | | | 46,180 | | | | | | | | | | 331,036,918,856 | |
| ALL COMPANIES TOTALS & WEIGHTED AVERAGES | | | | 230,281 | | | | | | | | | | | 371,862,764,587 |
| EXCHANGE TRADED FUNDS | | | | | | | | | | | | | | | |
| NEWFUNDS | 4,868 | 4,988 | - | 0 | 0 | | | | | - | - | - | - | 100000# | |
| NEWGOLD | 11,950 | 12,180 | 12,200 | 0 | 0 | 0 | | | | 11,720 | 4.1 | 13,193 | 10,450 | 2950000# | |
| NEWPLAT | 8,520 | 8,750 | 8,790 | 0 | 0 | 0 | | | | 10,490 | (16.2) | 10,740 | 8,980 | 2600000# | |
| BSE INDICES | | | | | | | | | | | | | | | |
| | 25-Sep-18 | 24-Sep-18 | Change (%) | YTD (%) | Disclaimer: The views expressed in this research note reflect the views of Motswedi Securities (Proprietary) Limited based on the information available at its disposal at the time of writing and may change without notice, and is provided for information purposes only. While Motswedi Securities (Proprietary) Limited has taken all reasonable steps in carefully preparing the document, it does not take any responsibility for any action that may be taken on the basis of the information contained herein. Each recipient of it is advised to undertake its own analysis and evaluation of the terms and contents hereof, and obtain independent advice as appropriate, before acting in any way upon the information contained herein. Accordingly, this document is not intended, and no part of this document should be read, as constituting, in any way, an offer or other solicitation for the purpose of the purchase or sale of any of the securities referred to herein. | | | | | | | | | | |
| DCI | 8,148.25 | 8,142.38 | 0.07 | (8.03) | | | | | | | | | | | |
| FCI | 1,570.95 | 1,570.97 | (0.00) | (0.25) | | | | | | | | | | | |