



Weekly Financial Markets Highlights

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July 09, 2021

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1.0 Local Equity...

Half the companies on the Botswana Stock Exchange went on closed period on 1 July 2021. This means that Board members, staff members and their immediate family members of the respective companies on closed period are prohibited from trading in its shares as it could be deemed that they may be aware of unpublished price sensitive information. This state will hold steady until the financial results are published on or before 30 September 2021. This applies to 15 of the 23 stocks listed on the domestic board of the BSE.

Notwithstanding the above, the week-on-week equity market liquidity was at its lowest levels since the year began. With shares worth P1.24mn going through the market, this was a drop of over 50% drop in comparison to the week before, wherein shares worth P3.49mn traded. Despite the decline in liquidity, the Domestic Company Index (DCI) wiped out the previous week's losses and rose about 0.06% by the end of trading on Friday. This recovery was courtesy of the market recording mostly gains in the week. This slight recovery was the same for the Domestic Company Total Returns Index (DCTRI), as the market did not note any Companies going ex-dividend. Whereas the Foreign Company Index was unchanged for the week.

BTCL's share price climbed to P0.71/share in the week – giving the stock some much-needed breathing room as its year to date loss shrank to negative 13.4%. This was the stock's first positive movement since the middle of May 2021.

Letlole's share price climbed to P2.35/linked unit, marginally growing its gain for the year to 2.6%. Letlole was the most traded stock in the week, with investors vying to buy into the company to qualify for

the distribution of 9.46 thebe per linked unit (gross). The last day to settle is penned for 15 July 2021, with a payment date of 26 July 2021.

StanChart was back at it, resuming its rise for the year. The stock was the best gainer in the week, climbing 1.7% supported by growing demand, closing valued at P1.83/share. At a growth of 26.2% for the year so far, StanChart is the second best gainer on the domestic equity board and fourth in the entire equity market (both domestic and foreign boards).

BSE Indices – Week ending 09 July 2021

DCI Close	6,626.12
Weekly Change (%)	+0.06
YTD Change (%)	-3.68
FCI Close	1,550.85
Weekly Change (%)	0.00
YTD Change (%)	+0.23
DCTRI Close	1,655.77
Weekly Change (%)	+0.06
YTD Change (%)	-0.54

Source: Motswedi Securities, BSE

Market Summary – Week ending 09 July 2021

No. of Shares Trading	596,944
Turnover (BWP)	1,238,093
Turnover (USD)*	113,038
No. of stocks trading#	12
No. of stocks advancing#	3
No. of stocks declining#	1
No. of stocks unchanged#	17

Source: Motswedi Securities, BSE *US\$/BWP = 0.0913
= Domestic Main Board

COUNTER	09 Jul (t)	02 Jul (t)	Change (%)	YTD (%)
BTCL ↑	71	70	+1.4	-13.4
LETLOLE ↑	235	232	+1.3	+2.6
STANCHART ↑	183	180	+1.7	+26.2
ABSA ↓	441	442	-0.2	-18.0

Source: Motswedi Securities, BSE

2.0 Company Announcements (on BSE X-News)

BIHL published the results of its 29th Annual General Meeting of the shareholders held on 25 June 2021. Eighty-eight (88) shareholders were represented, either in person or by proxy, who held in total 273,079,929 ordinary shares, which represented 96.71% of the securities of the Company. All resolutions on the agenda passed in the meeting.

BIHL announced that the Preparation for the June 2021 half year results has started and it is expected to continue until August 31, 2021 where after the results will be published. In line with good corporate governance and in compliance with the Botswana Stock Exchange rules, BIHL declares a closed period from July 01, 2021 to August 31, 2021. During this period, members of the BIHL Board and staff of BIHL are expected to refrain from carrying out any transaction related to the BIHL shares as it could be implied that they are aware of unpublished price sensitive information. Unpublished price sensitive information is information affecting the company, which if released, is likely to materially affect the company's share price. Members of the BIHL Board and BIHL staff are therefore expected to have finalised their trading in BIHL shares by June 30, 2021. It is anticipated that the results will be published on or before September 01, 2021. Any changes will be communicated in writing.

G4S announced that the preparation of the Company's financial results for the period ending 30 June 2021 has commenced and is expected to continue until 31 August 2021, when the results are expected to be published. In line with good corporate governance and compliance with Botswana Stock Exchange rules, G4S declares a closed period from 01 July 2021 to the date when the financial results are published. During this closed period, the Company's directors, management and staff are prohibited from carrying out any transaction related to the company's shares as it could be implied that they were aware of sensitive information not available to the public. Non-public sensitive information is defined as information affecting a company, which if released is likely to materially affect the company's share price.

Investec plc announced an invitation to holders of its £400,000,000 4.500 per cent Notes due 2022 (ISIN: XS1227242630) to tender such Notes for purchase by the Company for cash. The Offer is being made on the terms and subject to the conditions contained in a tender offer Memorandum dated 6 July 2021 prepared by the Company, and is subject to the offer restrictions fully described in the Tender Offer Memorandum. The purpose of the Offer and the proposed issue of Sterling-denominated Callable Fixed Rate Resettable Senior Notes (the "New Notes") is to improve the Company's debt profile and optimise its future interest expense. The net proceeds from the issue of the New Notes will be used for the general corporate purposes of the Group, including (without limitation) to fund the repurchase of the Notes pursuant to the Offer.

Investec plc announced and published its Base Prospectus in respect of the Investec plc

£2,000,000,000 Euro Medium Term Note Programme, of which was approved on 6 July 2021 by the United Kingdom Financial Conduct Authority and is available for viewing. Copies of the Base Prospectus are available at:

- i. the registered office of the Issuer, Investec plc, at 30 Gresham Street, London EC2V 7QP; and
- ii. the office of Deutsche Bank AG London Branch at Winchester House, 1 Great Winchester House, London EC2N 2DB, as Paying Agent in respect of the Investec plc £2,000,000,000 Euro Medium Term Note Programme.

Alternately, please click on the link below to see the Base Prospectus:

http://www.rns-pdf.londonstockexchange.com/rns/3392E_1-2021-7-6.pdf.

Letlole La Rona Limited informs its Unitholders that it has changed its Transfer Secretary Office to Central Securities Depository Botswana (CSDB) with effect from 23 June 2021.

Letshego Holdings Limited published the results of its 22nd Annual General Meeting held on 30 June 2021. The purpose of the meeting was to consider and pass a number of resolutions of which the details are available on <https://www.letshego.com/>. All resolutions were passed without amendment.

Lucara Diamond Corp. published a short form prospectus that qualifies the distribution of an aggregate 29,400,000 common shares in the capital of the Company at a price of C\$0.75 per Offered Share in each of the provinces of British Columbia, Alberta, Manitoba, Ontario and Québec. The Offered Shares will be sold pursuant to an underwriting

agreement dated June 30, 2021 among the Company and BMO Nesbitt Burns Inc. (the “Lead Underwriter”) on behalf of a syndicate composed of the Lead Underwriter and Scotia Capital Inc. (the “Underwriters”). The Offering Price was determined by arm’s length negotiation between the Underwriters and the Company, with reference to the prevailing market price of the common shares of the Company (the “Shares”) on the Toronto Stock Exchange (the “TSX”). See the full details of the prospectus [here](#).

Olympia Capital Corporation Limited published the results of its 2021 Annual General Meeting, which was held virtually on 30 June 2021. Five (5) shareholders were represented, either in person or by proxy, who held in total 46,745,108 ordinary shares, which represented 72.64% of the securities of the Company. At the 2021 Annual General Meeting, the requisite majority of votes approved all the resolutions proposed.

Sechaba Breweries Holdings Limited announced that its Annual General Meeting was held on 29 June 2021 and all resolutions were passed by the required majority. A total of 88 (eighty-eight) proxy votes were received representing 100,690,880 or about 91.03% of the issued shares. The AGM was held virtually via Microsoft Teams and thus no in person representation at the meeting.

Sechaba Breweries Holdings Limited has began the preparation of its financial results for the 6-month period ended 30 June 2021 and is expected to continue until 30 September 2021 or thereabout when the results are expected to be published. In line with good corporate governance and in compliance with Botswana Stock Exchange Listing Rules, the Company hereby declares a closed

period from 1 July 2021 to the date when the financial year results are published. During this closed period, the Company's directors, management and staff are prohibited from dealing in the Company's shares as it could be implied that they were aware of non-public price sensitive information.

Sefalana published a cautionary announcement in relation to the results for the year ended 30 April 2021. The Board of Sefalana announced that Sefalana's Group profit before tax for the year ended 30 April 2021 will be between 10% and 12% (approximately P26 million to P31 million) higher than that reported for the comparative year ended 30 April 2020 which amounted to P259 million. Sefalana will be publishing its consolidated financial results of the Group for the year ended 30 April 2021 by the end of July 2021. This will include commentary on the drivers for the enhanced performance. Accordingly, Shareholders and investors are advised to exercise caution when dealing in the Company's securities until further updates are published.

Shumba Energy notified its shareholders and the public that Shumba Energy, through its subsidiary, has been granted authorization by the Botswana Energy Regulatory Authority ("BERA") to construct the 100MW Tati Solar Project near Francistown. As previously announced Shumba Energy owns a world class 100 MW solar project near the city of Francistown and is currently in the late stage of developing Phase 1, a 50 MW Solar farm (the "Project") on a project site of 300 hectares. The Project is part of a two-phase program to develop the full 100 MW solar capacity of the site as a key strategic initiative in the region.

Stanbic Bank Botswana Limited published its 2020 integrated annual report. Find it [here](#).

Standard Chartered Bank Botswana published a management change announcement. Dr. Mbako Mbo has been appointed CFO, Personal, Business Banking & Digital, Standard Chartered Bank. This is a Global Finance role within the Group's Consumer, Private and Business Banking segment. Mbako will be based in Singapore. Mbako joined Standard Chartered Botswana in June 2018 and has been part of the leadership team that steered the Business during the turnaround and transformation phases of our strategy to the positive trajectory we are now at. Leading the Finance Division, he has partnered with Segment Heads as well as the CEO's office in driving the strategic agenda. Tapiwa Butale has been appointed Acting CFO. Tapiwa joined the Bank in 2006 as a statutory reporting manager, thereafter, holding a variety of other roles within the Finance Function that include Operational Risk Manager, Business Finance Manager and Head of Risk & Controls. She was promoted to the role of Financial Controller in 2015 and has previously acted as Acting CFO. Prior to joining the Bank, Tapiwa was an External Auditor at BDO. She is a Chartered Accountant with the Association of Chartered Certified Accountants (ACCA) qualification. The changes are effective from 1 August 2021.

Standard Chartered Bank of Botswana Limited ("SCBB") has commenced the preparation of the half year Financial Statements for the period ended 30 June 2021, and the process will continue for a period that will not extend beyond 30 September 2021, by which date the final results will have been published. In compliance with Botswana Stock Exchange Listing rules, and as a matter of good corporate governance, SCBB hereby declares a closed period

effective 1 July 2021 to the date the results are published. During the closed period SCBB Directors, management and staff are prohibited from dealing in SCBB securities as they could be or deemed to have been aware of unpublished price sensitive information.

Turnstar announced the appointment of Mr. Butler Phirie, to the Board of Directors, with effect from 1 July 2021. Mr. Phirie is a fellow member of the Botswana Institute of Chartered Accountants and the Association of Chartered Certified Accountants (UK). He brings with him a wealth experience, having served at Pricewaterhouse Coopers for 27 years, including 13 years at the Managing Partner. He has also served the Botswana Development Corporation as General Manager Finance for 9 years.

Turnstar Holdings Limited gave notice to its investors of its 2021 Annual General Meeting to be held virtually at 11:30 on Wednesday, 28 July 2021. Investors should refer to the Company's 2021 Annual Report to see the details of the meeting's agenda, which will include all resolutions to be voted upon. Find the Annual Report [here](#).

3.0 Foreign Exchange...

The dollar pulled back from a three month high against a basket of its peers in early Friday trading, following the publishing of US jobs data that showed that unemployment claims by Americans increased in the week ended 2 July 2021, highlighting that the labour market recovery after COVID-19 remains quite choppy. Also putting some slight pressure on the dollar was the decline in US 10-year benchmark Treasury yields, which dropped to its lowest levels since February 2021 pressured by concerns surrounding the rise in inflation and the anticipated

gradual removal of the US Federal Reserve stimulus. The decline in the yields reduced the opportunity cost of holding non-interest bearing gold.

Domestic Exchange rates

Currency	09 Jul	02 Jul	Change (%)	YTD (%)
US\$/BWP 	0.0913	0.0909	0.44	-2.98
ZAR/BWP 	1.3089	1.3168	-0.60	-1.55
EUR/BWP 	0.0772	0.0768	0.52	-8.10
GBP/BWP 	0.0663	0.0661	0.30	-7.66
JPY/BW 	10.05	10.1500	-0.99	-1.76
CNH/BWP 	0.5932	0.5896	0.61	-9.67

Source: Bank of Botswana

The local unit traded mixed in the week, guided by the events and news affecting the major currencies. The unit gained against the US Dollar, Euro, Pound, and the Yuan, while losing ground against the Rand and the Yen.

4.0 Commodities...

Oil prices were trading mixed on Friday afternoon, but were headed towards a weekly decline of about 3% on investor worries that the OPEC+ stalemate could inadvertently cause a pile up in global crude supplies. It came out in the week that the Organization of the Petroleum Exporting Countries and other non-member allies (collectively OPEC+), apparently abandoned the discussions, as they were unable to come to an agreement on whether or not to increase oil supply in order to meet the rising global demand. The OPEC+ agreed over a year ago to restrict the supply of oil in the market, in a bid to support the decline in oil demand during the coronavirus pandemic. A rescheduled date for the resumption of the talks is yet to be set. The losses were capped by a drawback in the US stockpiles according to the US Energy Information

Administration (EIA), which supported inclinations that demand for oil has risen in line with the reopening of the US economy. Crude inventories were reported to have declined by 6.9mn barrels last week to about 445.5mn barrels – the lowest levels since February 2020. This decline exceeded the anticipated 4mn barrels that was estimated by a Reuters poll earlier in the week. Brent oil was trading at around US\$74.59 per barrel, while US Crude was valued at around US\$73.52 per barrel at the time of writing.

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