



Weekly Financial Markets Highlights

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1.0 Local Equity...

It was a good week for the local equities market. The Domestic Company Index (DCI) was up 0.15% - clocking its fourth consecutive week of gains. The DCI has been on a steady recovery for the last 6 months, and in the previous week managed to clear out all losses and post a YTD gain for the first time since February 2020. The week's gain accelerated the DCI's growth for the year to 0.46%. The Domestic Company Total Returns Index (DCTRI) recovered at a faster pace than the DCI, having turned its corner into the gainers territory by the close of July 2021. The DCTRI gained 0.20% in the week, further benefitting from Sechaba going ex-dividend in the week, extending the index's growth for the year to 8.12%.

In its entirety, the equity market traded shares worth P8.12mn., with market liquidity led by Letshego, claiming about 42% of the total turnover. Amidst these trades, Letshego's share price upticked to P1.20/share from the week opening price of P1.18/share. This value rise in Letshego in the week extended the stock's lead of the gainers on the equity market to 66.7%. The stock remains relatively undervalued in the market, and investors are taking the opportunity to buy the shares at a low level, as well as benefit from the Company's outstanding interim dividend (of which, the last day to trade to qualify is 02 November 2021). We are also seeing shareholders offering the shares for sale at above market price, which provides a hint to the direction the price will move next – which would be in line with the stock's current price trend.

The tables turned for the better for BTCL, as the market shifted in favour of the sellers. The stock gained a thebe in the week, to close at

P0.69/share, just above the stock's 10-month low price of P0.68/share. Given this climb in the week, BTCL's share price was marginally recovered, at a YTD loss of negative 15.9%.

On the ETF Board, Cloud Atlas's BAMIB50 ETF made its debut trade in the week, with 101 units moving across the board, worth P6.26 each. This was 4.3% higher than the ETF's listing price of P6.00/unit. The BAMIB50 ETF is a Pan Africa ex-SA equity fund which offers investors access to equities in 14 different countries, across 15 sectors. The ETF listed on 08 September 2021 on the BSE, alongside Cloud Atlas's S&P Africa Sovereign Bond Fixed Income, which offers investors access to a basket of quality credit-rated, high yielding, and long dated debt issued by African Sovereign countries.

BSE Indices – Week ending 08 October 2021

DCI Close	6,910.92
Weekly Change (%)	+0.15
YTD Change (%)	+0.46
FCI Close	1,548.83
Weekly Change (%)	0.00
YTD Change (%)	+0.10
DCTRI Close	1,799.88
Weekly Change (%)	+0.20
YTD Change (%)	+8.12

Source: Motswedi Securities, BSE

BSE Weekly Price Movements

COUNTER	08 Oct (t)	29 Sep (t)	Change (%)	YTD (%)
BTCL ↑	69	68	+1.5	-15.9
LETSHEGO ↑	120	118	+1.7	+66.7

Source: Motswedi Securities, BSE

* = Exchange Traded Fund

Market Summary – Week ending 08 October 2021

No. of Shares Trading	4,772,238
Turnover (BWP)	8,120,131
Turnover (USD)*	718,632
No. of stocks trading#	10
No. of stocks advancing#	2
No. of stocks declining#	0
No. of stocks unchanged#	21

Source: Motswedi Securities, BSE *US\$/BWP = 0.0885
= Domestic Main Board

2.0 Company Announcements (on BSE X-News)

Absa Bank Botswana Limited’s Board of Directors are pleased to announce the appointment of Sethunya Makepe-Garebatho as an Independent Non-Executive Director of the Bank, with effect from 15 September 2021. The appointment is subject to conclusion of the voting of shareholders at the Bank’s Annual General Meeting in June 2022.

Botswana Housing Corporation (BHC) noteholders and market participants were informed by the BHC of the failure to publish its audited financial statements for the year ended 31 March 2021, which were due on 30 September 2021. BHC noteholders and market participants are therefore cautioned of the threat of suspension of BHC securities and possible termination of the listing of the same. This notice is made in compliance with section 3.24 of the BSE Listings Requirements. Should you require further clarity, contact the Listings and Trading Department at listings@bse.co.bw or +267 3674400.

BTCL published its closed period announcement in the week. The preparation of BTC’s interim financial results for the half year ended 30

September 2021 has started and the interim results are expected to be published on or before 31 December 2021. This is in line with good corporate governance and in compliance with the Botswana Stock Exchange Equity Listings Requirements, BTC has declared a closed period from 01 October 2021 to the date of publication of the results, which is envisaged to be on or before 31 December 2021. Any changes to the publication will be communicated in writing. During this period, members of the BTC Board, staff of BTC and their immediate family members are prohibited from dealing in BTC shares as it could be deemed that they may be aware of unpublished price sensitive information. Unpublished price sensitive information is information affecting a company, which if released is likely to materially affect the company’s share price. All concerned are requested to take note of this announcement to ensure compliance.

CA Sales published an announcement relating to a number of Executives exercising share options in terms of the CA&S share incentive trust. Read the full announcement [here](#) for full details of the transactions.

FPC published a circular to unitholders in the week, relating to the offer of units to unitholders holding linked units registered in the records of the Company on the electronic platform of Central Securities Depository of Botswana (“CSDB”) at the close of business on 28 October 2021 (“the Record Date”) at a price of P2.40 per linked unit (“Scrip Distribution Option”) in lieu of the cash distribution of 17.80 thebe per linked unit in respect of the Company’s trading to 30 June 2021.

FPC posted a second notice of scrip dividend election. The Board of Directors offers unitholders the chance to reinvest the cash distribution and receive the distribution in respect of linked units for the period ending 30 June 2021 in new linked units instead of in cash. The Board has declared a distribution of 17.80 thebe (comprising a dividend of 0.16 thebe on each issued share and interest of 17.64 thebe on each issued debenture comprising a linked unit) per linked unit for the twelve months of trading ending 30 June 2021 ("the Distribution") and approved the issue of up to 30 550 889 new linked units, to be funded out of distributable profits, to unitholders who hold linked units in the Company as at the Record Date, who elect to receive the distribution in units instead of cash.

The Company will deduct and pay withholding tax of 7.5% on the dividend on shares comprising linked units payable to holders of linked units which are resident and non-resident and 10% on the interest payable on each debenture held by a holder of a linked unit resident for tax purposes in Botswana, and 15% on the interest payable on each debenture held by holder of a linked unit non-resident for tax purposes in Botswana (or such lesser percentage as may be provided in a Double Taxation Agreement (if there be one) between Botswana and the country of tax residence of the non-resident tax payer) but shall not deduct and pay any withholding tax on interest payable on debentures held by an entity which is exempt from income tax in Botswana. The resulting distribution, after deduction of withholding tax as set out above, is hereinafter referred to as "the Net Distribution".

Unitholders registered as such on the Record Date are offered such number of linked units, at a value

of P2.40 per linked unit, equal to the cash value of the Net Distribution payable to such holders. The value of a linked unit is based on the weighted average traded price of the linked units, on the Botswana Stock Exchange, over the three weeks preceding 30 June 2021.

Effectively the offer represents an offer of 0.068 new linked units, for every single linked unit currently held by a unitholder.

G4S (Botswana) Limited published a dividend announcement in the week, further to the interim financial results published on 26 September 2021. Shareholders are informed that on 28 September 2021, the Company's Board of Directors declared an interim dividend of 19.625 thebe per share, amounting to a total dividend to BWP15.7million (Fifteen Million Seven Hundred Thousand Pula). The dividend will be payable on 2 November 2021, to those shareholders registered at the close of business on 26 October 2021, being the last date of shareholder registration, with an ex-dividend date of 22 October 2021.

Letlole's Board of Directors wishes to advise Unitholders that further to the Cautionary Announcement that was published on the 6th of September 2021, the negotiations with the two parties on the potential transactions are still in progress. The successful conclusion of these negotiations may have a material impact on the price of the Company's shares. Unitholders and investors are therefore advised to continue exercising caution when dealing in the Company's securities until such a time that the outcome of the negotiations is communicated by the Company.

Sefalana published a notice regarding the passing of a Board Member. It is with a heavy heart that we announce that our Board member Mr Moatlhodi Sebabole passed away on 3 October 2021. Moatlhodi joined the Board of Sefalana on 1 October 2020 as an Independent Non-Executive Director. He also served as a member of the Audit & Risk Committee; Nominations Committee; and the Corporate Social Responsibility Committee. We would like to pass our condolences to the Sebabole family. May Moatlhodi rest in eternal peace.

Water Utilities Corporation (WUC) noteholders and market participants were informed by the WUC of the failure to publish its audited financial statements for the year ended 31 March 2021, which were due on 30 September 2021. WUC noteholders and market participants are therefore cautioned of the threat of suspension of WUC securities and possible termination of the listing of the same. This notice is made in compliance with section 3.24 of the BSE Listings Requirements. Should you require further clarity, contact the Listings and Trading Department at listings@bse.co.bw or +267 3674400.

Anglo American plc announces a number of senior leadership changes. Seamus French has decided to leave Anglo American at the end of 2021 after 14 years with the company and will be replaced as CEO of Bulk Commodities by Themba Mkhwanazi, currently CEO of Kumba Iron Ore ("Kumba"). Mpumi Zikalala, currently Managing Director of De Beers Managed Operations, has been appointed as CEO of Kumba. Both appointments will take effect on 1 January 2022. Mpumi's successor at De Beers Managed Operations will be confirmed in due course.

Anglo American plc announces that it has purchased 498,379 of its ordinary shares of US\$0.54945 each on Exchange (as defined in the Rules of the London Stock Exchange) from Goldman Sachs International as part of its buyback programme announced on 29 July 2021. This purchase was dated 29 September 2021.

Anglo American plc announces that it has purchased 40,000 of its ordinary shares of US\$0.54945 each on Exchange (as defined in the Rules of the London Stock Exchange) from Goldman Sachs International as part of its buyback programme announced on 29 July 2021. This purchase was dated 30 September 2021.

Anglo American plc announces that it has purchased 39,922 of its ordinary shares of US\$0.54945 each on Exchange (as defined in the Rules of the London Stock Exchange) from Goldman Sachs International as part of its buyback programme announced on 29 July 2021. This purchase was dated 01 October 2021.

Anglo American plc announces that it has purchased 20,000 of its ordinary shares of US\$0.54945 each on Exchange (as defined in the Rules of the London Stock Exchange) from Goldman Sachs International as part of its buyback programme announced on 29 July 2021. This purchase was dated 04 October 2021.

Anglo American plc announces that it has purchased 9,810 of its ordinary shares of US\$0.54945 each on Exchange (as defined in the Rules of the London Stock Exchange) from Goldman Sachs International as part of its buyback

programme announced on 29 July 2021. This purchase was dated 05 October 2021.

Anglo American plc announces that it has purchased 459,127 of its ordinary shares of US\$0.54945 each on Exchange (as defined in the Rules of the London Stock Exchange) from Goldman Sachs International as part of its buyback programme announced on 29 July 2021. This purchase was dated 06 October 2021.

Anglo American plc announces that it has purchased 162,735 of its ordinary shares of US\$0.54945 each on Exchange (as defined in the Rules of the London Stock Exchange) from Goldman Sachs International as part of its buyback programme announced on 29 July 2021. This purchase was dated 07 October 2021.

Anglo American plc made a notification in accordance with the UK Financial Conduct Authority's Disclosure Guidance and Transparency Rule 5.6. As at 6pm on 30 September 2021, the issued share capital of the Company was 1,353,443,207 ordinary shares of US\$0.54945 each. No shares are held in Treasury, therefore the total number of voting rights in the Company is 1,353,443,207. This information may be used by shareholders (and others with notification obligations) as the denominator for the calculations by which they will determine whether they are required to notify their interest in, or a change to their interest in, the Company under the FCA's Disclosure Guidance and Transparency Rules.

Anglo American plc made a notification relating to a transaction by Directors and PDMRs. The Company received notification on 6 October 2021

of an acquisition of American Depositary Shares (ADS) by a Non-Executive Director in respect of the reinvestment of the 2021 Interim Dividend and Special Dividend. One ADS represents 0.5 Ordinary Shares. Find the full notification [here](#).

Investec Bank Limited notified stakeholders of transactions by a PDMR in Investec Limited ordinary shares and a director of a major subsidiary in Investec Limited ordinary shares. Find the notice [here](#).

NewFunds Collective Investment Scheme in Securities announced changes to its Board of Directors. In compliance with paragraph 3.59 of the Listings Requirements of JSE Limited, NewFunds hereby notifies its securities holders of the following changes to the board of directors of the company of NewFunds with effect from 1 October 2021. Ms Yvonne Matsoarelo Maitin, has resigned as an independent non-executive director and member of the Audit, Risk and Compliance Committee of the NewFunds. The Board thanks Ms Maitin for her contribution and service to the success of the Manager and NewFunds and wishes her well in her future endeavours. A further announcement will be made as soon as a replacement has been appointed.

3.0 Foreign Exchange...

The US dollar edged lower, against a basket of other currencies, following the publication of a less than expected increase in US employment data. The jobs report noted an increase of 194,000 in September 2021, in comparison to the 488,000 jobs that was anticipated by an economist poll run by Reuters earlier in the week. September's jobs report is the last available report before the US

Federal Reserve policy meeting, slated for November 2 – 3. It is from this meeting that speculators will be looking for clues on the timing of the tapering of the economic stimulus. Large expectation is that the Federal Reserve will begin tapering asset purchases this year, and possibly, as soon as next month.

In the early week, the US dollar hovered near its one-year high against a number of its trading partners, this was ahead of the publication of the jobs report. Also supporting the US dollar was the jump in energy prices, which could potentially lead to a jump in inflation levels and hike in interest rates.

Domestic Exchange rates

Currency	08 Oct	29 Sep	Change (%)	YTD (%)
US\$/BWP = 	0.0885	0.0885	0.00	-5.95
ZAR/BWP ↓ 	1.3245	1.3316	-0.53	-0.38
EUR/BWP ↑ 	0.0766	0.0758	1.06	-8.81
GBP/BWP ↓ 	0.0651	0.0653	-0.31	-9.33
JPY/BW ↑ 	9.9	9.8600	0.41	-3.23
CNH/BWP ↓ 	0.571	0.5725	-0.26	-13.05

Source: Bank of Botswana

4.0 Commodities...

Oil prices were in line to post gains in the week, even reaching a multi-year high after surpassing US\$83 a barrel. The commodity gained support from the OPEC+ community's decision to maintain the steady production increase, despite global supply concerns. In July 2021, OPEC+ agreed to increase output by 400,000 barrels per day (bpd) every month until at least April 2022. This would be an attempt by the oil collective to gradually phase out the 5.8mn bpd of production cuts existing in the market. Capping gains, however, was the release

of a report by the US Energy Information Administration showing an unexpected rise of 2.3mn barrels in US crude last week, versus the expected decline of 418,000 barrels. US crude output appears to have returned to its pre-storm levels. Oil was up about 4.78% during mid-afternoon trading, having risen about 60% for the year so far.

Gold prices traded flat in the week, marginally down at US\$1,757.13/oz. pressured by improved US jobs data. The weekly initial jobless claims dropped by the most in three months, suggesting the US labour market is back on the path to recovery after a recent slowdown. Gold is trailing for the year with a year to date decline of about negative 7%.

Silver was up for the week trading at US\$22.68/oz, while platinum was trading at about US\$1,028.59/oz.

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