



Weekly Financial Markets Highlights

Research
Garry Juma
Salome Makgatlhe

Sales
Tshepo Setlhare
Keyshia Tebogo

motswedisecurities



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Plot 113, Unit 30,
Kgale Mews,
Gaborone

P/Bag 00223,
Gaborone
Botswana.

Tel: 267-3188627
Cell: (+267) 72108088
Fax: 267-3188629

Email: motswedi@motswedi.co.bw
Website: www.motswedi.co.bw

1.0 Local Equity...

The BSE equity market continued on its growth track, as the Domestic Company Index (DCI) clocked its sixth consecutive week of gains. The DCI was up 0.12% for the week supported by a market entirely in the green, with no value losses noted at all. At 0.12%, this is the DCI's smallest weekly climb in six, propelling the index's growth for the year to 0.71%. The Domestic Company Total Returns Index (DCTRI) was up marginally higher than the DCI, at 0.16%, supported by both the gainers in the week as well as G4S going ex-dividend on Friday. On a year to date basis, the DCTRI has grown 8.97%.

BTCL was on the list of gainers for the third week in a row, closing Friday trading valued at P0.73/share. The stock's dynamics have clearly shifted in favour of the sellers in the market, as the stock's low valuation increased investor appetite. This gain was a 2.8% gain for BTCL, which resulted in a marginal reduction of the stock's year to date loss, to negative 11%.

Letshego's rally continued for another week, with the stock gaining a single thebe to close at P1.23/share. The stock has been gaining since the Company published its 2021 interim financial results in the last week of August 2021. This week's gain makes it the ninth in a row for the stock. Support for the stock stemmed from the good set of financial results they published in for their interim period and the healthy dividend declared with them. Also lending a hand to Letshego, was its current low market valuation. We expect the stock to continue receiving some support from investors, especially as the Company's interim dividend remains outstanding. The last day to trade to qualify for the 7.3-thebe (gross) dividend is noted as 2 November 2021, with the ex-dividend date set at 3 November 2021.

BSE Indices – Week ending 22 October 2021

DCI Close	6,928.18
Weekly Change (%)	+0.12
YTD Change (%)	+0.71
FCI Close	1,548.83
Weekly Change (%)	0.00
YTD Change (%)	+0.10
DCTRI Close	1,814.03
Weekly Change (%)	+0.16
YTD Change (%)	+8.97

Source: Motswedi Securities, BSE

Market Summary – Week ending 22 October 2021

No. of Shares Trading	3,348,032
Turnover (BWP)	9,480,312
Turnover (USD)*	848,488
No. of stocks trading#	16
No. of stocks advancing#	2
No. of stocks declining#	0
No. of stocks unchanged#	21

Source: Motswedi Securities, BSE *US\$/BWP = 0.0895
= Domestic Main Board

BSE Weekly Price Movements

COUNTER	22 Oct (t)	15 Oct (t)	Change (%)	YTD (%)
BTCL ↑	73	71	+2.8	-11.0
LETSHEGO ↑	123	122	+0.8	+70.8
BAMIB50* ↑	645	610	+5.7	+7.5

Source: Motswedi Securities, BSE * = Exchange Traded Fund

The Foreign Company Index (FCI) was unchanged in the week, as there were no price movements registered on the relevant board. The FCI thus, maintained its growth of 0.1% for the year.

2.0 Company Announcements (on BSE X-News)

FNB Botswana gave notice that the Annual General Meeting (AGM) of shareholders of the Company will be held virtually (meeting link will be provided in due course), at 13h00 on Wednesday, 3 November 2021, for the purpose of transacting and considering the resolutions [here](#). The proxy form can be found [here](#).

Tlou Energy Limited is pleased to announce that a 10MW Power Purchase Agreement (PPA) [was] signed [on 18 October 2021] between the Company and Botswana Power Corporation (BPC). Under the terms of the PPA, BPC will purchase up to 10MW of power generated at Tlou's Lesedi power project. The PPA is for an initial five-year term with the 10MW project being the first phase of Tlou's planned power project expansion. The Company would like to thank to all those involved in this process and the Government of Botswana for their support of the industry. Tlou is contributing to a cleaner, sustainable and more secure energy future for Botswana and beyond. Find Tlou's Hydrogen Strategy [here](#).

Anglo American plc announced that it has purchased 117,163 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 15 October 2021.

Anglo American plc announced that it has purchased 14,964 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 18 October 2021.

Anglo American plc announces the value of rough diamond sales (Global Sightholder Sales and Auctions) for De Beers' eighth sales cycle of 2021, amounting to \$490 million. Owing to the restrictions on the movement of people and products in various jurisdictions around the globe, De Beers Group has continued to implement a more flexible approach to rough diamond sales during the eighth sales cycle of 2021, with the Sight event extended beyond its normal week-long duration. As a result, the provisional rough diamond sales figure quoted for Cycle 8 represents the expected sales value for the period 4 October to 19 October and remains subject to adjustment based on final completed sales. The full announcement is [here](#).

Anglo American plc announces that it has purchased 15,000 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 19 October 2021.

Anglo American plc announces that Ian Tyler will join the Board as a non-executive director and a member of the Audit and Remuneration committees, with effect from 1 January 2022. Ian Tyler has served as Chairman of Vistry Group PLC since 2013. He has also served as a non-executive director of BAE Systems plc since 2013 and will step down from that role in May 2022. Anne Stevens and Dr Byron Grote, non-executive directors of Anglo American, will step down from the Board at Anglo American's next Annual General Meeting (AGM) in April 2022, having both served for nine years. Ian

Tyler will succeed Anne Stevens as Chair of the Remuneration Committee, and Hilary Maxson, non-executive director and member of the Audit Committee since June 2021, will succeed Byron Grote as Chair of the Audit Committee. Both committee appointments will take effect from Anglo American's AGM in April 2022.

Anglo American plc announces that it has purchased 14,818 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 21 October 2021.

Anglo American plc published its Production Report for the third quarter ended 30 September 2021. The full announcement is [here](#).

NewGold Issuer published its unaudited financial statements for the period ended 30 September 2021. Find the full announcement [here](#).

3.0 Foreign Exchange...

The Bank of Botswana's Monetary Policy Committee (MPC) decided to maintain its accommodative monetary policy stance and kept the Bank Rate at 3.75%. In coming to this decision, the MPC considered the expectation of inflation to revert within objective range in the second quarter of 2022 (as the impact of the recent upward adjustment in value added tax and administered prices dissipates), with the September 2021 annual inflation clocking in at 8.4%. Inflation in August 2021 was at 8.8%. Other considerations included a continued spike in commodity prices; continued supply chain disruptions; COVID-19 related travel restrictions;

and, expected increases in administered prices. Dampening the inflation concerns was the expectation of weak domestic and global economic activity, with productivity impacted by periodic lockdowns and other forms of restrictions in response to the emergence of new COVID-19 variants. The pace of the COVID-19 vaccination rollout may also hinder the progress of economic activity. The Ministry of Finance and Economic Development (MFED) also expects economic growth in Botswana to rebound in 2021. The MFED has projected a growth rate of 9.7% in 2021, and a growth of 4.3% in 2022. These projections were also echoed by the IMF, who have projected an economic growth for Botswana of 9.2% in 2021 and 4.7% in 2022.

In maintaining the bank rate, the MPC noted that the developments in the economy are short term and occur in a "growth-enhancing environment". However, the Bank does stand ready to respond appropriately as conditions warrant.

Domestic Exchange rates

Currency	22 Oct	15 Oct	Change (%)	YTD (%)
US\$/BWP = 	0.0895	0.089	0.56	-4.89
ZAR/BWP ↓ 	1.309	1.3150	-0.46	-1.54
EUR/BWP ↑ 	0.0769	0.0767	0.26	-8.45
GBP/BWP = 	0.0648	0.0651	-0.46	-9.75
JPY/BW ↑ 	10.2	10.1500	0.49	-0.29
CNH/BWP ↑ 	0.5717	0.5726	-0.16	-12.94

Source: Bank of Botswana

4.0 Commodities...

Oil prices hovered near multi-year highs during Friday mid-afternoon trading, on track to post gains for the seventh consecutive week. Brent prices were trading at around US\$84.78/barrel, at the time of writing, taking a step back from the three-year high

of US\$86.10/barrel it reached on Thursday. On the other hand, US WTI crude oil was in line for its ninth week in a row of gains. US WTI was trading at around US\$82.64/barrel at the time of writing, hovering around its seven-year high. Supporting oil prices were concerns of a global shortage in crude supplies and high demand for gasoline. Further boosting prices, are worries about the ongoing shortages in coal and gas in China, India and Europe, prompting a shift to fuel oil and diesel for power producers.

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