



# Weekly Financial Markets Highlights

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## 1.0 Local Equity...

The Domestic Company Index (DCI) closed its seventh straight week of gains, supported by the continued recovery of a number of stocks on the local equity market. The DCI was up 0.17% in the week, extending its growth for the year to 0.88%. The same movement was noted by the Domestic Company Total Returns Index (DCTRI), gaining momentum as well, closing the week 0.17% up, pushing its year to date growth to 9.16%. There were no stocks going ex-dividend in the week; as such driving the DCTRI was only the price movements on the Domestic Equity Board. The Foreign Company Index (FCI) was unchanged in the week, having noted no price movements on the relevant board. Thus, maintaining its small growth for the year at 0.1%.

BTCL and Letshego made an appearance on the list of gainers, as both their rallies stretched on for another week. BTCL was up 1 thebe, to close at P0.74/share, getting support from a mismatch in the buy and sell side of the stock. This is the stock's fourth consecutive week of gains, closing Friday with a marginally reduced year to date decline of negative 9.8%. BTCL is currently trading at a discount to market, with a trailing twelve month P/Bv of about 0.3x. However, we are moving into the festive season and given that, BTCL's investor base is mainly retail, the stock may feel some selling pressure as investors free up cash for other obligations.

Letshego recorded another week of gains as investor demand remained strong for the stock. At P1.25/share, the stock is trading at a twenty-six month high and is currently leading the gainers on the Exchange with a year to date growth of 73.6%. The Company still has an outstanding gross

dividend of 7.3 thebe, which investors have until 1 November 2021 to trade, in order to qualify.

StanChart was another in the gainer's pool, closing the week 1 thebe higher to P1.92/share, its price growing to 32.4%. StanChart is currently the highest gainer in the banking sector of the BSE, having gained tremendous support from investors in Q2 2021.

NAP gained some support in the week, climbing a single thebe to P3.26/linked-unit. For the year, the stock has grown 1.6% and is one of two property stocks on the BSE to post gains on a year to date basis – second to Letlole La Rona's gain of 7.0% for the year so far.

BBS made its first move since Q1 of 2021, dropping 20% to end the week valued at P0.80/share. The stock has immense selling pressure coming from investors, with demand levels staying relatively muted. This mismatch in the demand and supply of BBS was the reason behind the decline in the week. The stock for the year has lost 26.6% of its value thus far.

### BSE Indices – Week ending 29 October 2021

<b>DCI Close</b>	<b>6,940.16</b>
Weekly Change (%)	+0.17
YTD Change (%)	+0.88
<b>FCI Close</b>	<b>1,548.83</b>
Weekly Change (%)	0.00
YTD Change (%)	+0.10
<b>DCTRI Close</b>	<b>1,817.17</b>
Weekly Change (%)	+0.17
YTD Change (%)	+9.16

Source: Motswedi Securities, BSE

### Market Summary – Week ending 29 October 2021

No. of Shares Trading	<b>3,618,747</b>
Turnover (BWP)	<b>9,941,384</b>
Turnover (USD)*	<b>875,836</b>
No. of stocks trading#	<b>16</b>
No. of stocks advancing#	<b>4</b>
No. of stocks declining#	<b>0</b>
No. of stocks unchanged#	<b>17</b>

Source: Motswedi Securities, BSE \*US\$/BWP = 0.0881  
# = Domestic Main Board

### BSE Weekly Price Movements

COUNTER	29 Oct (t)	22 Oct (t)	Change (%)	YTD (%)
LETSHEGO ↑	125	123	+1.6	+73.6
BTCL ↑	74	73	+1.4	-9.8
STANCHART ↑	192	191	+0.5	+32.4
NAP ↑	326	325	+0.3	+1.6
BBS ↓	80	100	-20.0	-26.6

Source: Motswedi Securities, BSE \* = Exchange Traded Fund

## 2.0 Company Announcements (on BSE X-News)

**Absa Bank Botswana** refers to the earlier announcement made by its majority shareholder, being Absa Group, on the appointment of Sello Moloko as an independent non-executive director and Chairman designate of the Absa Group Board. The Absa Group Board today announced the appointment of Sello Moloko as independent non-executive director and Chairman-designate with effect from 1 December 2021. Sello will take over from Wendy Lucas-Bull who will step down on 31 March 2022, which marks the end of the nine-year period during which Wendy would have served as an independent director and as Chairman of the Absa Group Board. Absa Group advised of the Chairman's impending retirement in October 2020.

**Banc ABC's** Board of Directors inform its shareholders that Mrs. Beatrice Hamza Bassey has resigned from the Board of Directors of the Bank with effect from 8th October 2021. Mrs. Hamza Bassey has served on the BancABC Board since November 2016, and was the Chairperson of the Risk & Compliance Committee, at the time of her retirement. The Board and Management of the Bank wish to thank Mrs. Hamza Bassey for her significant contribution to the Bank over the years.

**Chobe Holdings Limited** announced that the Group's loss before tax for the half-year ended 31 August 2021 will likely be between 33 - 38% (approximately P 14.4 million to P 16.6 million) less than that reported for the comparative period ended 31 August 2020 which amounted to a loss of P 43.7 million. The Group will be publishing its unaudited consolidated financial results of the Group for the half-year ended 31 August 2021 before 5 November 2021. This will include commentary on the drivers for the improved performance. Accordingly, Shareholders and investors are advised to exercise caution when dealing in the Company's securities until the results are formally published.

**Minergy** published its 2021 integrated annual report in the week. Find it [here](#). Minergy further published its King IV summary for 2021, [here](#).

**NAP** published its audited abridged financial results for the year ended 31 July 2021. Find them [here](#). The independent auditors report can be found [here](#).

**RDCP** referred unitholders to the Circular issued on 14 July 2021 ("the Circular") and the withdrawal of the cautionary dated 7 October 2021. Capitalised words and phrases used herein have the meanings

assigned to them in the Circular. Unitholders are advised that:

(1) a combined offer circular containing, inter alia, details of the Scheme Offer and General Offer was posted by Tower Property Fund to shareholders of Tower on 25 October 2021;

(2) the meeting of Tower Property Fund shareholders to consider the Scheme Offer and the alternate General Offer is scheduled to take place on Wednesday 24 November 2021;

(3) the results of the said meeting will be published on the JSE SENS on or about Thursday 25 November 2021;

(4) if the Scheme Offer is approved by shareholders of Tower Property Fund at the general meeting, there is a period for dissenting shareholders to approach a court to review the Scheme Offer; presuming that no approval or review of the Scheme Offer is required then the Scheme Offer will become final on 9 December 2021;

(5) if the Scheme Offer is not approved then the General Offer which runs concurrently with the Scheme Offer will be implemented.

Reference is made to the timetable in respect of the Rights Offer as contained in the Circular. Changes to anticipated dates on the timetable can be found [here](#).

**Turnstar** gave notice that a virtual Extraordinary General Meeting will be held on Thursday, 09 December 2021 at 1030hours for transacting the business found on the agenda [here](#).

**Turnstar** published its interim financial results for the period ended 31 July 2021. Find them [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 22 October 2021.

**Anglo American Plc** announces that it has purchased 375,000 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 26 October 2021.

**Anglo American Plc** announces that it has purchased 347,801 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 27 October 2021.

**Tlou Energy** published its operational report for the quarter ending 30 September 2021. Find it [here](#).

**Botswana Housing Corporation** published its audited abridged financial results for the year ended 31 July 2021. Find them [here](#). The independent auditors report can be found [here](#).

**Water Utilities Corporation** published its audited abridged financial results for the year ended 31 July 2021. Find them [here](#), including the independent auditors report.

### 3.0 Foreign Exchange...

The US dollar was up on Friday, supported by increased expectations of interest rate hikes, following a rise in consumer prices. The decision on whether or not interest rates will rise is expected in the coming week following the conclusion of the US Federal Reserve's two-day meeting on Wednesday. The tapering of the Fed's bond buy back is also expected to be discussed at the Fed's meeting. The dollar closed over a two week high it hit on Friday against a number of its trading partners.

#### Domestic Exchange rates

Currency	29 Oct	22 Oct	Change (%)	YTD (%)
US\$/BWP ↓ 	0.0881	0.0895	-1.56	-6.38
ZAR/BWP ↑ 	1.335	1.3090	1.99	0.41
EUR/BWP ↓ 	0.0755	0.0769	-1.82	-10.12
GBP/BWP ↓ 	0.0639	0.0648	-1.39	-11.00
JPY/BW ↓ 	10	10.2000	-1.96	-2.25
CNH/BWP ↓ 	0.5624	0.5717	-1.63	-14.36

Source: Bank of Botswana

As the dollar closed the week with gains, the local unit weakened against most of its trading partners, while gaining against the rand. Only against the rand does the local unit have gains for the year so far.

### 4.0 Commodities...

**Brent crude oil** seemed in line to close its first weekly decline in almost two months, trading at around US\$84.44 per barrel in mid-afternoon trading on Friday. Putting slight pressure on Brent are easing concerns of the recent spike in prices of natural gas and coal, which seemed to encourage a switch to oil by power generators. Further affecting prices in the week were improved oil supply, more so in the US, where crude stocks noted an increase of 4.3 million barrels last week – much higher than

the 1.9 million barrel rise that was expected by the market.

Talks between Iran and the world leaders with respect to their nuclear programme are reported to resume by the end of November. If an amicable agreement is reached between the parties, which would mean that Iranian oil is one-step closer to returning to the market. Iranian oil exports are currently under US Sanctions.

The price of Brent Crude Oil for the year has risen 63%.

**Gold** prices were trading at around US\$1,795.51/oz. at the time writing. Meanwhile, silver, platinum and palladium were trading at around US\$24.02/oz., US\$1,024.51/oz., and US\$1,997.09/oz. respectively.

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