



# Weekly Financial Markets Highlights

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## 1.0 Local Equity...

The Domestic Company Index (DCI) recovered its losses from the prior week, up 0.26% supported by value gains noted in Sechaba, Turnstar and Chobe. The DCI closed the week sitting pretty at a 13-month high, with a year to date growth of 1.13%. The Domestic Company Total Returns Index (DCTRI) on the other hand, closed its ninth straight week of gains. The DCTRI, closed Friday trading at a 35-month high, and on a year to date basis has grown 10.14%.

Letshego's investors came to the market to liquidate some of their investments after successfully qualifying for the Company's 7.30 thebe (gross) interim dividend last week (03 November 2021), as well as benefitting from the stock's price gain over the last few months. At Letshego's current market price of P1.30/share, this is a 26-month high for the stock. Meanwhile on a year to date basis, the stock has grown 80.6% and strong demand may see this grow further in the short term. For the week, Letshego was the most liquid stock, trading between investors over 20mn shares at its prevailing market price of P1.30/share.

Sechaba appears to be getting some shine from investors in the last few weeks, as the share price ticked up 5 thebe to close the week valued at P16.70/share. There is expectation that Sechaba's operational performance will increase as consumer uptake from both its subsidiaries increase in preparation of the festive season.

Chobe reversed the losses noted in the prior week, to close valued at P7.35/share. Optimism remains that the tourism industry will recover in due course as the vaccine rollout is expedited in the country, resulting in lower newly reported COVID-19 cases.

This sentiment is bolstered by the removal of Botswana from the UK travel ban list a few weeks ago. At 7.35/share, Chobe share price for the year has dropped by 22.1%.

### BSE Indices – Week ending 12 November 2021

<b>DCI Close</b>	<b>6,956.77</b>
Weekly Change (%)	+0.26
YTD Change (%)	+1.13
<b>FCI Close</b>	<b>1,549.62</b>
Weekly Change (%)	0.00
YTD Change (%)	+0.15
<b>DCTRI Close</b>	<b>1,833.47</b>
Weekly Change (%)	+0.26
YTD Change (%)	+10.14

Source: Motswedi Securities, BSE

### Market Summary – Week ending 12 November 2021

No. of Shares Trading	<b>22,456,776</b>
Turnover (BWP)	<b>37,039,524</b>
Turnover (USD)*	<b>3,229,847</b>
No. of stocks trading#	<b>15</b>
No. of stocks advancing#	<b>3</b>
No. of stocks declining#	<b>0</b>
No. of stocks unchanged#	<b>18</b>

Source: Motswedi Securities, BSE \*US\$/BWP = 0.0872  
# = Domestic Main Board

### BSE Weekly Price Movements

COUNTER	12 Nov (t)	05 Nov (t)	Change (%)	YTD (%)
TURNSTAR ↑	190	180	+5.6	-24.0
CHOBE ↑	735	700	+5.0	-22.1
SECHABA ↑	1,670	1665	+0.3	-19.1
NEWFUNDS* ↑	5,898	5804	+1.6	+12.7
BAMIB50* ↓	570	645	-11.6	-5.0

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

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

**Letlole La Rona's** Directors wish to advise Unitholders that further to the Cautionary Announcement that was published on 05 October 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 Company communicates the outcome of the negotiations.

**The Far Property Company** announced the results of the offer of scrip in lieu of cash distribution. In response to the offer by the Company of scrip in lieu of 100% of the distribution (of dividend and interest) on linked units, declared in respect of the year ending 30 June 2021, which offer closed on Friday 5 November 2021 are as follows:

- i. Unitholders holding 124,881,852 linked units, representing 27.89% of the linked units in issue elected to receive linked units (in lieu of cash) of 100% of the distribution (of dividend and interest).
- ii. Unitholders holding 128,430,515 linked units, representing 28.69 % of linked unit in issue elected to receive linked units (in lieu of cash) of 50% of the distribution (of dividend and interest).
- iii. Unitholders holding 194,398,471 linked units representing 43.42% of the issued linked units did not elect to receive linked units (scrip) in lieu of 100% of the distribution payable to them, and will receive the cash distribution net of withholding tax,

where applicable. Payment of the distribution will be made on or before 12 November 2021.

As a result, after calculation of withholding tax payable on the distribution due to each such unitholder (in respect of the dividend on a share and interest on a debenture comprising a linked unit) which is liable to such tax 12,625,368 new linked units shall be issued. and the number of issued linked units shall increase from 447,710,838 to 460,336,206. Application has been made to the Botswana Stock Exchange to approve the listing of the 12,625,368 new linked units. It is anticipated the new linked units will be listed on the BSE on the 22 November 2021. Any amendments to the dates set out hereinbefore will be advised, by way of notice on X News and in the press.

**The Far Property Company** published its Integrated 2021 Annual Report. Find it [here](#).

**Turnstar** announces the retirement of Ms Mokgadi Nteta, from its Board of Directors, with effect from 26th November 2021. Ms Nteta has served on the Turnstar Board since November 2012. Turnstar appreciates the valuable contribution made by Ms Nteta during her tenure and wishes her well in her future endeavours.

**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 05 November 2021.

**Anglo American Plc** announces that it has purchased 425,512 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 08 November 2021.

**Anglo American Plc** announces that it has purchased 14,929 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 09 November 2021.

**Anglo American Plc** announces that it has purchased 572,082 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 10 November 2021.

**Shumba Energy Limited's** Board of Directors is pleased to inform all its shareholders that Shumba's renewable energy subsidiary, Shumba Renewables (Pty) Ltd ("ShuRen") has secured commitments for equity funding amounting to USD 950,000. This follows the Company's recent announcement that further to an extensive review of the Company's operations, the Company's primary focus in the immediate term going forward will be on delivery of renewable energy projects. The funds raised shall be used to advance ShuRen's projects in the region with focus on taking the Tati Solar Project to financial close. The Tati Solar Project is a world-class 100 MW solar project near the city of Francistown and is currently in the late stages of development. The

Project was recently issued and Environmental Authorisation and awarded a Generation License.

**Anglo American Plc** announces transactions in its Ordinary Shares by a Person Discharging Managerial Responsibilities ("PDMR") in respect of the Company's Sharesave Plan, a UK HM Revenue & Customs ("HMRC") approved all-employee Save As You Earn ("SAYE") share option plan under which employees are able to save from their monthly salary funds to exercise share options at the end of the savings period at a fixed discounted option price. In accordance with Article 19 of the UK Market Abuse Regulation, the relevant FCA notifications are set out [here](#).

**The International Finance Corporation** (the Issuer) posted a notice to meeting to its noteholders. Pursuant to Condition 13 (Notices) of the Terms and Conditions of the Notes (the Terms and Conditions), the Issuer hereby gives notice that a meeting of holders (the Noteholders) of BWP260,000,000 floating rate amortizing notes due 20 September 2024 (BSE Code: IFC001 with ISIN BW 000 000 1882) (the Notes) issued under the Issuer's Pan-African Domestic Medium Term Note Programme (the Programme) listed on the Botswana Stock Exchange (BSE), will be held on Friday, 03 December 2021 at 10h00 by electronic communication as set out in paragraph 8 below (the Noteholders Meeting) at which Extraordinary Resolution and Ordinary Resolution set out below will be considered and, if deemed fit, passed with or without modification. Find the full announcement [here](#).

**Newfunds ILBI** finalised a distribution to holders of NewFunds ILBI ETF securities recorded as such in the register on Friday, 19 November 2021, for the

month ended 31 October 2021. Find the schedule [here](#).

**Shumba Energy Limited** further noted that pursuant to the announcement released on 28 September 2021 whereby the Company announced that it intends to redomicile to Botswana wishes to inform the investors that the company has revised the timetable for the redomiciling. Find the revised timetable [here](#).

**Tlou Energy Limited** is focussed on delivering secure, sustainable, and clean power solutions in Botswana and sub-Saharan Africa. At the Lesedi Power Project (“Lesedi”) Tlou and hydrogen technology partner Synergen Met are working on combining large, established natural gas reserves with abundant solar energy to produce green hydrogen, thus providing a complementary range of cleaner and greener power generation options. The Company has secured a 10MW Power Purchase Agreement (PPA) with Botswana Power Corporation and power dispatch under this PPA will help displace existing carbon-intensive power. The construction of transmission lines to connect Lesedi to the existing power grid is expected to be completed in 2023. The prototype hydrogen production unit is being designed, built and tested in Brisbane prior to transportation to Lesedi in 1H22, when production trials will commence. The successful production of hydrogen and solid carbon products could allow the Company to achieve early-stage revenue ahead of gas-to-power revenue under the 10MW PPA. Read the full announcement [here](#).

### 3.0 Foreign Exchange...

The US dollar was down on Friday but in line to close its third consecutive week of gains. The greenback climbed to a 16-month high midweek against a

number its peers, following the release of the highest inflation data published in over three decades. The annual US consumer price data increased to 6.2%, in its largest rise in four months. For September 2021, US inflation data was at 5.4%. The strong readings increased market expectations that the US Federal Reserve will be raising interest rates next year, as early as July.

The dollar’s rally was, however, capped by a survey conducted by the University of Michigan that showed a large drop in US consumer sentiment in the first few weeks of November 2021 to its lowest level in 10 years as a result of the surging consumer prices disrupting the living standards of households’.

The euro fell to a 16-month low against the US dollar, as investors took on bearish position on the outlook of currency. This position firmed further as it appeared that the European Central Bank seemed unlikely to switch on its very dovish monetary policy stance in the short term given the Eurozone’s slowing economy.

#### Domestic Exchange rates

Currency	12 Nov	05 Nov	Change (%)	YTD (%)
US\$/BWP ↓ 	0.0872	0.0876	-0.46	-7.33
ZAR/BWP ↓ 	1.3333	1.3338	-0.04	0.29
EUR/BWP ↑ 	0.0762	0.0758	0.53	-9.29
GBP/BWP ↑ 	0.0652	0.0649	0.46	-9.19
JPY/BWP ↑ 	9.9600	9.9500	0.10	-2.64
CNH/BWP ↓ 	0.5567	0.5604	-0.66	-15.23

Source: Bank of Botswana

The local unit was mixed in the week, weakening against the Chinese Yuan and the US Dollar the most in the week, while making a play for the Euro and Pound.

#### 4.0 Commodities...

**Oil prices** were down for the third straight week, pressured by concerns that the US Federal Reserve may accelerate its intentions to hike interest rates in a bid to control the surging inflation. Putting further pressure on oil prices were worries that the spiking inflation numbers may prompt the US to release further strategic crude stockpiles in order to drive prices down. The published inflation data was recorded at 6.2% for October 2021, from 5.4% in September 2021, with the rise primarily driven by higher energy prices. The benchmark oil price was down 0.64% for the week at the time writing, and was priced at US\$82.21/barrel.

The price of gold was up 2.77% to US\$1,865.70/oz. Meanwhile, silver and platinum closed the week up 4.81% and 4.57% respectively with silver priced at US\$25.28/oz., and platinum priced at US\$1,075/oz.

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