



# Weekly Financial Markets Highlights

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## 1.0 Local Equity...

The domestic indices were up another week, as the market gainers outweighed the losses once more. The Domestic Company Index (DCI) has been on the road to recovery since the beginning of Q2 2022, with this week being its third consecutive week of gains, after a short stall. At the current levels, the DCI is valued just below its 13 month high. For the week, the DCI was up 0.24%, while on a year to date basis, the DCI was up 1.68%. The Domestic Company Total Returns Index (DCTRI), which accounts for both price movements and dividend declarations, was up for its eleventh week in a row, at 0.38% — as a result of Turnstar going ex-dividend on Friday. On a year to date basis, the DCTRI was up at 10.86%.

Leading liquidity for the second week in a row, was Letshego, crossing between investors shares valued at P7.99mn, while the price up-ticked to P1.36/share. This was a 3.0% value gain for the stock in the week, extending its growth for the year to 88.9%. The stock is the highest gainer on the local equity market so far for the year, and is highly likely to be the best gainer for the year, if the strong demand continues to spur the price.

A new COVID-19 strain recently emerged, and has been reported to be the most dangerous variant of the entire saga. Although, the variant was reported to have only been detected in a handful of people, some countries (including those in the Eurozone), have decided to re-impose a travel ban on a number of Southern African countries, including Botswana. The timing of the ban will likely put a dent in the recovery of some sectors in Botswana, particularly, the tourism industry, which somewhat relies on international travellers. This may in-turn affect the

performance of companies such as Chobe and Cresta.

### BSE Indices – Week ending 26 November 2021

<b>DCI Close</b>	<b>6,992.48</b>
Weekly Change (%)	+0.24
YTD Change (%)	+1.64
<b>FCI Close</b>	<b>1,549.62</b>
Weekly Change (%)	0.00
YTD Change (%)	+0.15
<b>DCTRI Close</b>	<b>1,845.48</b>
Weekly Change (%)	+0.38
YTD Change (%)	+10.86

Source: Motswedi Securities, BSE

### Market Summary – Week ending 26 November 2021

No. of Shares Trading	<b>13,003,032</b>
Turnover (BWP)	<b>46,658,066</b>
Turnover (USD)*	<b>3,942,607</b>
No. of stocks trading#	<b>21</b>
No. of stocks advancing#	<b>5</b>
No. of stocks declining#	<b>6</b>
No. of stocks unchanged#	<b>12</b>

Source: Motswedi Securities, BSE \*US\$/BWP = 0.0845  
# = Domestic Main Board

### BSE Weekly Price Movements

COUNTER	26 Nov (t)	19 Nov (t)	Change (%)	YTD (%)
BOD ↑	12	11	+9.1	0.0
LETSHEGO ↑	136	132	+3.0	+88.9
LETLOLE ↑	251	245	+2.4	+9.6
STANCHART ↑	195	192	+1.6	+34.5
ENGEN ↑	1036	1035	+0.1	+0.8
CHOBE ↑	736	735	+0.1	-22.0
MINERGY ↓	49	50	-2.0	-38.8
CRESTA ↓	107	109	-1.8	-17.7

PRIMETIME ↓	229	230	-0.4	-16.7
G4S ↓	299	300	-0.3	-12.1
NAP ↓	325	326	-0.3	+1.2
ABSA ↓	464	465	-0.2	-13.8
NEWGOLD* ↑	19340	18600	+4.0	+0.8
NEWPLAT* ↓	11150	11300	-1.3	+15.7

Source: Motswedi Securities, BSE

\* = Exchange Traded Fund

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

The board of **Access Bank Botswana Limited** (formerly African Banking Corporation of Botswana Limited [T/A BancABC]) wished to inform its shareholders that all the regulatory formalities for the change of name have been completed. The bank has accordingly been issued with a new certificate of incorporation by the Companies and Intellectual Property Authority (CIPA) and consequently with a Banking license by the Bank of Botswana effective November 8, 2021. The bank will therefore start trading on the Botswana Stock Exchange as Access Bank Botswana Limited, under the BSE Code “Access” effective November 29, 2021.

The **Botswana Telecommunications Corporation Limited** (BTC) Board is pleased to announce the appointment of Mr Thato Kewakae to the Board. Mr Kewakae joins the BTCL Board as an Independent Non-Executive Director.

**Choppies** announced that a director, Ramachandran Ottapathu, has purchased 250,308 of its ordinary shares at P0.60 per share. This purchase was dated 23 November 2021.

**The Far Property Company** made reference to the announcement made on 8 November 2021, in respect of the results of the offer of scrip in lieu of cash distribution made by the Company. Unitholders

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are advised that the Botswana Stock Exchange Limited has approved the listing of 12,625,368 new linked units in the Company, for trading on the Botswana Stock Exchange, on and with effect from the 22 November 2021. In addition, the number of issued linked units shall increase from 447,710,838 to 460,336,206.

**Minergy Limited** announced that an Annual General Meeting (“AGM”) was held on 24 November 2021 and all resolutions were passed by the required majority. Proxy votes were received from Shareholders holding approximately 73.23% of the issued ordinary share capital of Minergy Limited, and all Shareholders were entitled to vote.

**PrimeTime** advised linked unitholders that it has agreed terms for the disposal of two retail shopping centres and all conditions precedent in the Sale Agreement have now been met. The retail shopping centres located at Lot 29 Ghanzi Township and Tribal Lot 3273 Ramotswa, known as Ghanzi Shopping Centre and Ramotswa Shopping Centre respectively. These disposals are part of the execution of PrimeTime’s strategy to create long-term value for the Disposal linked unitholders by funding new assets to maintain a balanced portfolio. Bids were sought and after deliberation, it was decided to proceed with the offer from New African Properties Limited, a strong counterparty in the transaction who were able to demonstrate the ability to fulfil their obligations in terms of the transaction. The sum of P45 million gross of agent’s commission and other transaction costs is payable in cash on transfer. Equivalent to 7.83% of the Company’s market capitalisation.

**RDC Properties** referred unitholders to the circular issued on 14 July 2021 (“the Circular”) and the

update in respect of finalisation of the Rights Offer of 25 October 2021. Terms defined in the Circular when used herein, have the meaning ascribed to them in the Circular. Unitholders are advised that:

1. At the general meeting of shareholders of Tower Property Fund on 24 November 2021, called to consider and, if deemed fit, pass the resolutions to authorise and approve the Scheme Offer and delisting, all resolutions were passed on a poll by the requisite majorities.
2. Assuming no Court approval or review of the Scheme, finalisation of the Scheme is expected to take place on or about 9 December 2021.
3. Following such finalisation, the anticipated timetable in respect of the finalisation of the Rights Offer and delisting of Tower can be found [here](#).

Please note the dates set out above are subject to change. Any change shall be notified by further update published on X-News.

**Seed Co International Limited** announced that the Group's profit before tax from continuing operations for the half year ended 30 September 2021 will be approximately 10% to 15% (between US\$0.3m and US\$0.5m) lower than the profit before tax from continuing operations amounting to US\$3.0m for the corresponding period ended 30 September 2020. This was mainly due to the non-recurrence of once-off non-core income recorded last year.

**Turnstar** announced that associates of the Group Managing Director, Mr G H Abdoola, purchased a total of 9,018 ordinary shares at P2.00 per linked-unit. These purchases were dated 24 November 2021.

**Anglo American plc** announces the value of rough diamond sales (Global Sightholder Sales and Auctions) for De Beers' ninth sales cycle of 2021, amounting to \$430 million.

**Anglo American Plc** announced that it has purchased 250,000 of its ordinary shares at 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 November 2021.

**Anglo American Plc** announced that it has purchased 199,771 of its ordinary shares at 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 November 2021.

**Anglo American Plc** announced that it has purchased 10,000 of its ordinary shares at 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 23 November 2021.

**Anglo American Plc** announced that it has purchased 255,000 of its ordinary shares at 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 24 November 2021.

**Anglo American plc** announced the receipt of the TR-1: Standard form for notification of major holdings, found [here](#)

**Investec plc and Investec Limited** (together “Investec”) notify both the London and Johannesburg Stock Exchanges of matters which are required to be disclosed under the Disclosure Guidance and Transparency Rules and the Listing Rules of the Financial Conduct Authority (the “FCA”) and/or the JSE Listings Requirements. Accordingly, they advised the receipt of the TR-1 notifications found [here](#) and [here](#).

**Lucara Diamond Corp.** announced its operating guidance for 2022. Find it [here](#).

**The NewGold Issuer (RF) Limited** (“NewGold”) Board of Directors is pleased to announce that the Botswana Stock Exchange (the “BSE”) has approved the secondary listing of NewGold’s Palladium exchange traded fund. The secondary listing will be effective from Wednesday, 24 November 2021, whereby investors with access to the Botswana Stock Exchange can acquire NewGold Palladium exchange traded fund securities. Copies of the Listing Prospectus for the NewGold Palladium exchange traded fund are available on the Absa Index and Structured Solutions website, <https://aiss.absa.africa/>.

**Tlou Energy** is a power generation company developing clean energy solutions for Botswana and the sub-Saharan region. The Company’s Annual General Meeting was held on 24 November 2021, and all resolutions were duly passed.

### 3.0 Foreign Exchange...

Safe haven demand for the US dollar supported the unit in the week, as it remained trading near a 16-month high against some of its peers. In the week, the dollar was supported by concerns around the

rising COVID-19 cases in Europe, solidified by Austria re-imposing a full lockdown in the country as well as chatter that other countries in the region may be considering taking the same steps. The greenback gained further supported from the US Federal Reserve’s hawkish stance, in increasing the pace to which stimulus tapering will be implemented - more especially if the inflation numbers remain high.

### Domestic Exchange rates

Currency	26 Nov	19 Nov	Change (%)	YTD (%)
US\$/BWP ↓ 	0.0845	0.0863	-2.09	-10.20
ZAR/BWP ↑ 	1.3689	1.3448	1.79	2.96
EUR/BWP ↓ 	0.0753	0.0760	-0.92	-10.36
GBP/BWP ↓ 	0.0636	0.0640	-0.62	-11.42
JPY/BW ↓ 	9.6800	9.8700	-1.93	-5.38
CNH/BWP ↓ 	0.5405	0.5510	-1.91	-17.69

Source: Bank of Botswana

### 4.0 Commodities...

**Gold prices** hovered near a 3-week low on Friday, closing the week trading at around US\$1,806.03/oz. The yellow metal was pressured by strong US economic data, which in turn lifted the dollar as well as US Treasury yields. Further pressuring gold prices were affirmations that the current US Federal Reserve Chairperson has been re-nominated for a second term, driving expectations that the Fed will likely hike interest rates in the coming year. A stronger dollar makes purchasing gold more expensive for non-dollar buyers of the commodity while higher interest rates lead to an increase in the opportunity costs for holding non-yielding assets, such as gold.

**Oil prices** were in line to close their fifth straight week of losses. Brent slumped to below US\$80 per barrel during Friday mid-afternoon trading with

investors concerned that the new COVID-19 variant would stall demand for the commodity. This supported the notion that global supply of oil would go into surplus, more especially after the release of oil reserves by the US and its allies. If the initiative goes according to plan, then between 70 million and 80 million barrels of strategic oil reserves will be released by the US, China, India, South Korea, Japan, as well as Britain, in an attempt to cool down oil prices. Investor focus has now shifted to how the OPEC+ allies will react to the strategic oil reserve release at their meeting on 02 December 2021. At the time of writing Brent crude was trading at around US\$77.33 per barrel, while US WTI crude was trading at around US\$72.67 per barrel.

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