



Weekly Financial Markets Highlights

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1.0 Domestic Indices complete a week of gains...

The BSE domestic indices enjoyed gains in the week, driven by BTCL, whose rally beginning last week spilled over into the new one. The stock is quickly wiping away its negative year to date loss, which now stand at negative 17.9%. By Friday's end, the price had stalled at P0.78/share [this being an 8 thebe gain for the week], with bids to buy in the market strong at this price while offers very little and a few Thebes above this price. This indicates a misbalance of market dynamics, which may prompt the price to rise further in the trading days to come. Further supporting the indices was Sefalana trading 5 thebe up, to close at P9.34/share. This is a 12 month high price for the stock, which increased its year to date gain by 0.5% to 4.1%.

The domestic indices rise was capped by the single loss noted in the week. Banc ABC's price shed its third thebe of the year to close at P1.99/share. The stock closed the session dragging a year to date loss of negative 1.5%. Despite this being one of the lowest year to date losses in the entire domestic equity market, the reason behind this owing to the stock's low liquidity levels.

As a result of the gains in BTCL and Sefalana, the Domestic Company Index (DCI) was up 0.25% for the week, with a year to date of negative 8.40%. The Domestic Company Total Returns Index (DCTRI), on the other hand, gained 0.41%, having found further support from Turnstar going ex-dividend in the week, thus reducing its year to date loss to negative 3.84%.

On the Foreign Company Board, Lucara lost 2 thebe in the week, closing at a 12 month low of P5.10/share. This value drop in the diamond

company's price comes a few weeks after the company recovered a 998 carat diamond in one of their mine's in Botswana. This was the stock's first price drop for the year, which puts its year to date at negative 0.4%.

Market Summary – Week ending 27 November, 2020

No. of Shares Trading	3,736,222
Turnover (BWP)	12,749,575
Turnover (USD)*	1,156,386
No. of stocks trading#	14
No. of stocks advancing#	2
No. of stocks declining#	1
No. of stocks unchanged#	20

Source: Motswedi Securities, BSE *US\$/BWP = 0.0907
= Domestic Main Board

COUNTER	27 Nov (t)	20 Nov (t)	Change (%)	YTD (%)
SEFALANA ↑	934	929	+0.5	+4.1
BTCL ↑	78	70	+11.4	-17.9
ABC ↓	199	200	-0.5	-1.5
LUC ↓	510	512	-0.4	-0.4

Source: Motswedi Securities, BSE

BSE Indices – Week ending 27 November, 2020

DCI Close	6,864.92
Weekly Change (%)	+0.25
YTD Change (%)	-8.40
FCI Close	1,547.31
Weekly Change (%)	-0.00
YTD Change (%)	-0.97
DCTRI Close	1,661.23
Weekly Change (%)	+0.41
YTD Change (%)	-3.84

Source: Motswedi Securities, BSE

2.0 Company Announcements and Financial Results

Primetime is required to publish its audited consolidated financial statements for the year ended 31 August 2020 on or before 30 November 2020. The observation of COVID-19 protocols has disrupted some workflows and performance in concluding the audit. In the final week of the process these have had a domino effect resulting in the rescheduling of both the Audit Committee and Board Meetings required to approve the year end results for publication. The Board therefore informs unitholders that the audited consolidated financial statements for the year ended 31 August 2020 are now expected to be published on or before 14 December 2020.

Olympia's Rights Offer made by the Company to its shareholders closed on 20 November 2020. 35,749,985 ordinary shares were offered to the 351 shareholders in the Company ("the Offer Shares"). Pursuant to the Offer, 6 shareholders accepted the Offer made to each of them; of the Offer Shares, 3,256,403 shares were subscribed for, pursuant to acceptances of the Offer, representing 9.11% of the shares on offer. The Company will allot and issue shares to each of the shareholders which accepted the offer, to the full extent of their rights. The remaining 32,493,582 Offer Shares will be subscribed for by the Underwriter, Olympia Capital Holdings Limited which will, as stated in the Circular pertaining to the Rights Offer, set off the subscription monies due in respect of such shares, against the loan indebtedness of the Company to Olympia Capital Holdings Limited. As a result of the Rights Offer and the allotment and issue of 35,749,985 Offer Shares the number of ordinary shares of the Company in issue will increase from 28,600,000 to 64,349,985 ordinary shares. Olympia Capital

Holdings Limited will hold 39,047,650 shares representing 60.6% of the issued shares in the Company. The Company will make application to the Botswana Stock Exchange for listing of the 35,749,985 ordinary shares. It is anticipated that such shares will be listed on the Botswana Stock Exchange on Monday 7 December 2020 as opposed to 30 November 2020, indicated in the Circular to shareholders in respect of the Rights Offer.

StanChart gives notice of the redemption at maturity of the SCBB 003 Fixed Rate Senior Unsecured Notes, having an aggregate nominal amount of BWP 50 000 000 maturing on 20 December 2020. Redemption at maturity will occur on 20th December 2020, as per the provisions contained in the Restated Programme Memorandum, 2012 issued in respect of the Notes (the "Programme Memorandum"). The Issuer hereby notifies the holders of the Notes of the redemption at maturity, within the specified timeframe set by the Programme Memorandum, of not less than 30 days nor more than 60 days prior. Botswana Stock Exchange was notified of the redemption at maturity of the Notes on the 20th November 2020. Holders of the Notes are advised that a list of the serial number of the notes to be redeemed shall be published not less than 15 days prior to the date of redemption (i.e. by no later than 30th November 2020). The Holders of the Notes shall be required, at least fifteen (15) days prior to the Payment Date, to surrender such Notes at the Offices of the Transfer Agent. All Notes which are redeemed shall forthwith be cancelled and cannot be re-issued nor re-sold.

Minergy notified shareholders that the Extraordinary General Meeting ("EGM") scheduled for Tuesday 8 December 2020, is postponed. This postponement is necessitated by business matters under

consideration that arose after issuing the notice of EGM on 5 November 2020, and which may require additional shareholder approvals. To ensure efficiency, all required shareholder approvals will be sought at a single EGM. It is expected that the EGM will take place by the end of January 2021. A new circular will be issued in due course detailing the approvals being sought, and the new date for the EGM.

RDCP published an announcement noting the dealings in linked units by directors and management of the company. Mr G.R. Giachetti, on behalf of Aspera Holdings Ltd purchased 32,667 linked units at P2.15 for a total of P70,234.05. Mr G.R. Giachetti, on behalf of Realestate Financiere SA further purchased 169,891 linked units at P2.15 for a total of P365,265.65, and 18,092 linked units at P2.20 for a total of P39,802.40. He is an Executive Director of RDCP and these transactions are of direct benefit to him.

Letlole advised all shareholders that the Company is still in negotiations to acquire a significant shareholding in a group which carries on the business of property investment. The successful conclusion of the negotiations may have a material impact on the value of the Company's shares. The Directors therefore advise shareholders to exercise caution in the trading of their LLR securities.

3.0 South Africa's CPI jumps to 3.3% y/y in October...

Headline inflation in South Africa increased to 3.3% y/y, from 3.0% y/y in the prior month. This inflation reading was well in line within the South African Reserve Bank (SARB) target range of 3 – 6%. This small rise in inflation, though welcome, was seemingly not enough to ease concerns surrounding

further monetary policy easing by the SARB, which somewhat worked to cap any rand gains in the week. At this level of inflation, the monetary policy committee may not necessarily result in any further rate cuts, but however, it hints that the low interest rate environment, and in overall the expanded monetary policy conditions may be in force for longer than anyone would like.

The rand also brushed off the credit ratings downgrades from both Fitch and Moody's last week, as the unit edged higher against the safe haven US dollar. On the 20th November 2020, Moody's cut South Africa's nation's foreign and local-currency ratings to Ba2, from Ba1 with the outlook kept at negative. This new rating puts the country's credit rating two levels below investment grade. Fitch slashed the nation's foreign and local-currency ratings to BB-, from BB, with a negative outlook. This is three levels below investment grade.

With all things taken into account, the rand in the week is expected to gain against its trading counterparts, more specifically the dollar. In the last week, we have seen the dollar on the weak end as more pharmaceutical companies confirm high effective rates for their COVID-19 vaccines as well as investors watching how the transition of power in US politics will pan out. This in overall improved sentiment for a number of the emerging market currencies, with traders jumping into higher risk investments.

The local unit traded mixed in the week, gaining against a number of its trading partners while losing against the rand, this being mainly on the back of a weakened US dollar.

Domestic Exchange rates

Currency	27 Nov	20 Nov	Change (%)	YTD (%)
US\$/BWP ↑ 	0.0907	0.0901	0.67	-3.61
ZAR/BWP ↓ 	1.3782	1.3888	-0.76	3.66
EUR/BWP ↑ 	0.0761	0.0758	0.40	-9.40
GBP/BWP 	0.0678	0.0678	0.00	-5.57
JPY/BW ↑ 	9.43	9.35	0.86	-7.82
CNH/BWP ↑ 	0.5963	0.5917	0.78	-9.20

Source: Bank of Botswana

4.0 Oil posts gains...

Oil was in line to close the fourth consecutive week of gains as traders became more hopeful for the recovery of oil demand. In this week, we have noted more than two other companies who have made strides towards an effective COVID-19 vaccine. The US now has three drug companies that are making headway in this plane, while in China, one drug maker is pushing to get its vaccine approved by the relevant authorities. Also propping up the price of oil, are expectations that the Organisation of Petroleum Exporting Countries and its allies will hold off a scheduled output increase at its next meeting at the end of November 2020.

Oil prices climbed almost 6.9%, touching levels last seen in early March of this year, this being just before oil prices crashed after an OPEC-driven production agreement collapsed. The collapse of the pact led to a brief price war between Saudi Arabia and Russia which resulted in the price being slashed by over half.

Gold was in line for weekly decline, as sentiment improved for riskier investments amid the possibility of a COVID-19 vaccine coming into the market. The commodity lost about 3% in the week, to close at around US\$1,809.58/oz.

Silver was down about 3.2% in the week by the time of writing, while platinum was up 0.8% in the week.

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