

IJG Daily Bulletin

Monday, 28 May 2018

Local Indices							
	Level	Net Change	d/d %	mtd %	ytd %	52Wk High	52Wk Low
NSX Overall	1334	13.74	1.04	-4.90	2.68	1461	988
NSX Local	614.92	0.00	0.00	-1.76	2.55	631.35	568.26
JSE ALSI	56917	217.77	0.38	-2.27	-4.35	61777	50750
JSE Top40	50542	196.49	0.39	-1.67	-3.79	55192	44382
JSE INDI	74103	417.33	0.57	-2.37	-6.30	87494	68359
JSE FINI	16857	286.81	1.73	-5.48	-5.69	19042	14144
JSE RESI	38963	-467.21	-1.18	2.86	7.36	41665	28869
JSE Gold	978	-15.03	-1.51	-11.46	-24.98	1495	972
JSE Banks	9278	205.20	2.26	-6.12	-3.54	10848	6922

Global Indices							
	Level	Net Change	d/d %	mtd %	ytd %	52Wk High	52Wk Low
Dow Jones	24753	-58.67	-0.24	2.44	0.14	26617	20943
S&P 500	2721	-6.43	-0.24	2.77	1.78	2873	2404
NASDAQ	7434	9.43	0.13	5.20	7.68	7637	6082
US 30yr Bond	3.09	-0.03	-1.05	-1.01	12.85	3.26	2.63
FTSE100	7730	13.54	0.18	2.94	0.55	7904	6867
DAX	12938	82.92	0.65	2.58	0.16	13597	11727
Hang Seng	30588	-172.37	-0.56	-0.14	2.82	33484	25200
Nikkei	22451	13.78	0.06	0.02	-1.28	24129	19240

Currencies							
	Level	Net Change	d/d %	mtd %	ytd %	52Wk High	52Wk Low
N\$/US\$	12.50	0.08	0.64	0.05	-0.58	14.57	11.51
N\$/£	16.63	0.01	0.08	3.29	0.65	19.15	16.06
N\$/€	14.56	0.01	0.04	3.03	1.72	17.07	14.13
N\$/AU\$	9.44	0.03	0.34	-0.57	2.40	11.13	8.95
N\$/CAD\$	9.64	0.00	-0.04	1.15	2.58	11.47	9.02
US\$/€	1.17	-0.01	-0.59	-2.91	-2.32	1.26	1.11
US\$/¥	109.41	0.15	0.14	-0.08	2.98	114.73	104.56

Commodities							
	Level	Net Change	d/d %	mtd %	ytd %	52Wk High	52Wk Low
Brent Crude	76.44	-2.35	-2.98	0.54	14.68	80.50	47.17
Gold	1301.70	-2.91	-0.22	-1.28	-0.35	1366.18	1204.68
Platinum	901.50	-8.87	-0.97	-0.11	-2.93	1029.15	873.15
Copper	307.75	-1.85	-0.60	0.31	-7.35	334.20	259.85
Silver	16.51	-0.16	-0.93	0.97	-2.64	18.22	15.19
Uranium	22.75	-0.15	-0.66	8.85	-4.81	26.40	19.15
Palladium	974.70	-1.00	-0.10	1.98	-6.80	1093.90	889.80

NSX Local and DevX							
	Level	Last Change	Last %	mtd %	ytd %	52Wk High	52Wk Low
NBS	4300	0.00	0.00	-4.42	10.20	4501	3330
BVN	779	0.00	0.00	-0.13	-0.64	787	778
NHL	180	0.00	0.00	0.00	-4.76	200	50
CGP	1747	0.00	0.00	0.00	-2.94	1819	1690
FNB	4611	0.00	0.00	-0.07	-1.12	4720	4610
ORY	2036	0.00	0.00	0.00	-1.12	2080	2020
NAM	64	0.00	0.00	-4.48	-11.11	72	64
SILP	12129	0.00	0.00	0.00	0.00	12129	12129
LHN	398	0.00	0.00	0.25	4.74	405	380
DYL	278	-5.00	-1.77	17.30	-8.55	346	210
FSY	101	-6.00	-5.61	6.32	-39.52	196	81
MEY	127	-1.00	-0.78	36.56	19.81	164	92

SA versus Namibian Bonds							
SA Bonds	YTM	Current Price	Chg [bp]	NA Bonds	YTM	Premium	Chg [bp]
R204	6.72	100.70	1.50	GC18	7.36	64	1.50
R207	7.27	99.99	4.00	GC20	8.36	109	4.00
R208	7.51	98.07	4.00	GC21	8.37	86	4.00
R2023	7.85	99.60	2.00	GC22	9.04	119	2.00
R186	8.45	112.32	1.50	GC24	9.76	131	1.50
R2030	8.88	93.72	1.50	GC25	10.16	171	1.50
R213	8.97	85.21	1.50	GC27	10.25	180	1.50
R209	9.16	74.64	0.50	GC30	10.32	144	1.50
R2037	9.24	93.52	0.50	GC32	10.76	179	1.50
R214	8.97	85.21	1.50	GC35	10.74	158	0.50
R2044	9.36	94.15	0.50	GC37	11.01	177	0.50
				GC40	11.54	223	0.50
				GC45	11.59	224	0.50

The Day Ahead

Economic News

Japan Services PPI (Apr)

NSX Market Wrap

N\$1.8m traded on the NSX on Friday with N\$1.7m worth of Standard Bank and N\$41,538 worth of Shoprite exchanging hands. There was no local bourse trading. No ETF trades were recorded.

JSE Market Wrap

The FTSE/JSE Africa All Share Index rose 0.4% to 56,916.97 as 91 stocks gained, 68 fell, and 6 were unchanged. Dis-Chem rose 7.3%, Balwin Properties rose 5.9% and Clicks rose 5.9. Arcelor Mittal fell 7.7%, Sibanye Gold Ltd dropped 5.1% and Lonmin fell 5.7%.

International Market Wrap

US equity futures followed Asian shares lower as investors weighed the North Korean response to President Donald Trump's decision to cancel a summit with Kim Jong-Un. The dollar gained with US Treasuries, while crude oil extended a decline. The Stoxx Europe 600 Index pared gains, with Spain's benchmark gauge underperforming as the prospect of a snap election in that country increased. The MSCI Emerging Market Index increased 0.1%.

	2016	2017	2018
GDP (y/y)	1.1%	-1.3%*	0.9%*
Inflation (y/y)	6.7%	6.2%*	4.5%*
PSCE (y/y)	8.8%	4.5%	
M2 (y/y)	4.9%		
IJG BCI	51.34	49.37	

*forecast **nowcast

IJG Indices and Interest Rates (%)						
	Level	Net Change	d/d %	mtd %	ytd %	BoN
IJG Money Market	186.548	0.155	0.083	0.585	3.152	14 Feb
IJG Bond Index	178.793	-0.086	-0.048	-0.414	3.759	11 Apr
WIBAR Overnight	6.084	0.0bp	-	-	-	13 Jun
WIBAR 3m	7.606	0.0bp	-	-	-	15 Aug
SA Repo Rate	6.50					24 Oct
SA Prime Rate	10.00					05 Dec
NAM Bank Rate	6.75					
NAM Prime Rate	10.50					

MPC Meeting Calendar for 2018

	SARB	FOMC
	18 Jan	31 Jan
	28 Mar	21 Mar
	24 May	02 May
	19 Jul	13 Jun
	20 Sep	01 Aug
	22 Nov	26 Sep
		08 Nov
		19 Dec

*Prices quoted in Australian cents * Prices quoted in Canadian cents Commodities are quoted in US\$
Source: Bloomberg, NSX, IJG, JSE

International News

US Durable goods orders fell 1.7% m/m in April, while core capex orders rose 1.0% m/m, as per the Commerce Department.

US University of Michigan consumer sentiment revised was down 0.8 points to 98.0 in May.

UK GDP expanded at an unrevised 0.1% q/q, and 1.2% y/y in Q1, as per the Office for National Statistics.

German IFO Business Climate Index was unchanged at 102.2 points in May, as per the Institute for Economic Research.

Japan Tokyo CPI printed flat m/m in May, and rose 0.4% y/y, as per the Ministry of Internal Affairs.

China Industrial profits rose 21.9% y/y in April (15.0% y/y ytd), as per the National Bureau of Statistics of China.

Local News

AIM-Listed tin development company AfriTin Mining hopes to raise £5.5 million (N\$91.48 million) in an accelerated book build to fast-track the work programme at its flagship Uis mine in Namibia. The fundraising follows a successful six months since AfriTin's admission to AIM in November, and the company generating support from new and existing shareholders. The work programme at Uis includes an exploration drilling programme and geoscientific work with the goal of declaring a joint ore reserves committee-compliant resource. – The Namibian

The local informal sector comprises roughly 70% women and only 31% men, the Namibia Informal Economy case study report launched on Wednesday by the labour ministry shows. It showed that the Erongo region has the highest informal sector workers recorded at 90.1%, followed by Khomas with roughly 89%, and then the Oshana region with roughly 85%. The report said roughly 17% of informal sector workers fell under the 30-34 age group, and 18.4% under the 35-39 age group. – The Namibian

ASX-Listed Celsius Resources, developer of the Opuwo cobalt project in Namibia, has received double the cash it was seeking in its share purchase plan, which closed on 18 May 2018. The company received applications of more than US\$6 million from shareholders. Given that valid applications received prior to the close of the share purchase plan (SPP) exceeded the targeted US\$ 3 million, Celsius Resources says it will scale back valid applications equally on a pro rata basis in accordance with the terms of the SPP offer. – The Namibian

The minister of environment and tourism, Pohamba Shifeta, officially launched the Sustainable Utilisation of Natural Resources and Energy Financing programme (SUNREF Namibia) at a Windhoek hotel on Thursday. The three-year SUNREF programme, developed by the Agence Française de Développement (AFD), will mobilise private Namibian banks to finance private-sector investments in green technologies in the sustainable agriculture, sustainable tourism, renewable energy efficiency market segments. – Market Watch

SA Economic News

None.

Company News

Fear that representatives from Viceroy Research would arrive to ask questions at **Capitec's** annual general meeting on Friday proved unfounded, as again the meeting ended without input from shareholders or analysts. But shareholders expressed their strong support for management by overwhelmingly supporting all resolutions. The only resolution that received less than 90% backing was the re-election of long-serving non-executive director Chris Otto, which garnered support from 86% of shareholders. Concern about executive remuneration and reappointment of auditors — evident in voting in previous years — seems to have been resolved. – Business Day

Grand Parade Investments (GPI), which owns the master franchise agreement for Burger King in SA, is mulling over selling down its stake in restaurant franchisor **Spur Corporation**. GPI, which trades at an enormous discount to its 650c a share net asset value, has been facing calls from shareholders to unlock value. The company has also experienced an exodus of top executives in the past year, including the CEO and finance director in recent weeks. Speaking to Business Day on Friday, GPI acting CEO Hassen Adams said consideration was being given to selling off a portion of its 18.5% stake in Spur to raise proceeds that could be reinvested in growing the footprint of fast-food brand Burger King and Dunkin' Donuts. – Business Day

The independent board of directors of **Murray & Roberts (M&R)** says it will consider **Aton's** increased offer for the group, but that the new R17 a share offer is below its fair value range of R20 to R22. The increased offer for the JSE-listed engineering group and news that German family-owned investment business Aton now held 44% of M&R had dimmed prospects for a recently announced proposed tie-up with Aveng. Aveng's share price slumped 10.4% on Friday. M&R's independent directors released the statement in response to Aton's announcement on Friday that it had increased its offer by 13% from R15 per share to R17 a share. Aton had also announced that it had lifted its holding in M&R to 44% from 39.8% following the acquisition of 18.2-million shares on Wednesday. – Business Day

Cash-flush **Naspers** has invested US\$89m (R1.1bn) in a Berlin-headquartered online used-car marketplace. It said last week the venture capital arm of its OLX classifieds business had participated in the C series funding round of Frontier Car Group (FCG). FCG, which operates in six countries, would use the funds and OLX Group's global footprint "to fuel its expansion into new territories and enhance its instant cash services for users", Naspers said. FCG's brands include VendeTuAuto in Mexico, BeliMobilGue in Indonesia, and CarFirst in Pakistan. It was expected to facilitate car deals worth about US\$250m in 2018, Naspers said. – Business Day

A number of questions have been raised about a R19 million cash bonus paid to **Santam** chief executive Lizé Lambrechts in 2017. The bonus was paid under the group's Outperformance Plan (OPP), one of its five long-term incentive plans. Because of this payment, Lambrechts was the second best-paid executive among listed insurance companies – and the best-paid South African-based one – with remuneration totalling R36.077 million last year, if one includes the value of long-term incentives which vested in the year* (read: Best-paid listed insurance execs). Shareholder activist Theo Botha is urging investors to vote against the insurer's remuneration policy and implementation report at Wednesday's annual general meeting. – Moneyweb

Sygnia plans to join the class action to be instituted by Deminor Recovery Services against Steinhoff, after it lost R316m on the stock's collapse. Sygnia is the third South African-based asset manager to announce legal action against Steinhoff. The Public Investment Corporation and Coronation, which lost about R17bn and R14bn, respectively, on the retailer's collapse will also pursue lawsuits against the group. – Business Day

Telkom SOC reported revenue for the full year of R32.2 billion. FY EBITDA was R10.5 billion. Net income for the year came to R3.2 billion. A final dividend per share of R2.3697 was declared. FY headline EPS was R5.97. Over the next three years to FY2021, capital investment will be 16% to 20% of revenue focusing on key revenue growth areas such as mobile and fibre.

SADC

Mozambican lawmakers approved constitutional changes that give political parties more power in the provinces, a step that may support a peace deal cast into doubt by the death of the main opposition leader. President Filipe Nyusi signed an open-ended truce in 2016 with the Mozambican National Resistance, or Renamo, whose leader, Afonso Dhlakama, died on 3 May. Renamo's armed wing fought the government in a 16-year civil war that claimed as many as 1 million lives and ended in 1992. Fighting flared again in 2013 and continued until 2016.

Overall Index

Ticker	Shares Traded	Current Price (c)	Net Change	d/d %	mtd %	ytd %	52Wk High	52Wk Low
ANM		29748	-252.00	-0.84	0.44	16.38	32630	15878
AOX		2890	-64.00	-2.17	-5.09	3.21	3206	1850
BZG		3389	67.00	2.02	-3.36	-9.12	4006	3155
BVN		779	0.00	0.00	-0.13	-0.64	787	778
CGP		1747	0.00	0.00	0.00	-2.94	1819	1690
BWL		14005	-96.00	-0.68	-17.20	-12.23	18588	10595
CLN		1823	51.00	2.88	-5.05	39.16	1920	1165
FNB		4611	0.00	0.00	-0.07	-1.12	4720	4610
FST		6150	139.00	2.31	-8.15	-8.55	7632	4671
IVD		9800	239.00	2.50	-0.48	9.23	10500	8500
KFS		960	43.00	4.69	5.73	9.84	9531	800
LHN		398	0.00	0.00	0.25	4.74	405	380
MEP		10536	177.00	1.71	-8.95	-0.96	13600	9082
MIM		1887	-31.00	-1.62	-15.19	-10.14	2406	1723
NAM		64	0.00	0.00	-4.48	-11.11	72	64
NBK		28345	176.00	0.62	-4.71	10.68	31300	20000
NBS		4300	0.00	0.00	-4.42	10.20	4501	3330
NHL		180	0.00	0.00	0.00	-4.76	200	50
OCS		8500	51.00	0.60	3.03	0.00	9800	7700
OLM		4110	14.00	0.34	-5.30	8.16	4400	3177
ORY		2036	0.00	0.00	0.00	-1.12	2080	2020
SILP		12129	0.00	0.00	0.00	0.00	12129	12129
SLA		7674	197.00	2.63	-3.12	-11.79	9620	6407
SNB	8,500	20684	371.00	1.83	-3.49	5.71	22796	13776
SNM		30554	327.00	1.08	-4.52	14.42	33000	23800
SRH	181	23097	396.00	1.74	-7.24	4.42	27550	19402
TRW		8425	225.00	2.74	-17.80	-10.82	11320	6830
TTO		800	-4.00	-0.50	-5.88	-10.11	1035	369
VKN		2160	-2.00	-0.09	-4.00	4.10	2250	1830

¹ Prices quoted in Australian cents. ² Prices quotes in Canadian Dollars. Source: Bloomberg, NSX, IIG

ETF's

Ticker	Volume Traded	Current Price (c)	Net Change	d/d %	mtd %	ytd %	52Wk High	52Wk Low
ENXPLD		11931	-69	-0.58	0.90	-7.40	14255	9900
NGNGLD		15405	19	0.12	-0.61	1.66	17597	14557
NGNPLD		11909	-86	-0.72	1.31	-7.57	14242	10257
NGNPLT		11006	-121	-1.09	-0.90	-1.96	13327	126.8

Namibian Bonds

Government Bonds	YTM	Benchmark	Benchmark YTM	Premium Last Trade	All-In-Price	Clean Price	Modified Duration
GC18	7.355	R204	6.715	64	103.684	100.301	0.136
GC20	8.360	R207	7.265	109	100.699	99.795	1.704
GC21	8.373	R208	7.51	86	99.028	98.179	2.897
GC22	9.038	R2023	7.845	119	102.246	99.129	2.964
GC24	9.758	R186	8.45	131	104.594	103.443	4.569
GC25	10.159	R186	8.450	171	92.831	91.900	4.975
GC27	10.255	R186	8.45	180	90.131	87.282	5.731
GC30	10.315	R2030	8.875	144	87.369	84.520	6.821
GC32	10.755	R213	8.965	179	88.454	87.467	7.313
GC35	10.741	R209	9.160	158	93.757	90.374	7.658
GC37	11.005	R2037	9.235	177	91.470	88.086	7.824
GC40	11.536	R214	9.305	223	87.221	86.147	8.056
GC45	11.594	R2044	9.355	224	89.177	85.668	8.038
GI22	4.450				113.170	112.715	3.993
GI25	4.770				111.670	110.088	6.057
GI29	4.950				101.336	99.677	8.182
Eurobond	4.821	10YUSBond	2.931	189	102.529	102.116	3.088
Eurobond 2	5.914	10YUSBond	2.931	298	96.507	96.055	6.008
NAM01	9.495	R2023	7.845	165	95.826	95.579	3.626
NAM02	8.910	R208	7.510	140	105.268	101.272	1.783
NAM03	9.445	R2023	7.845	160	105.725	102.472	3.861
NAM04	10.250	R186	8.450	180	104.812	101.415	5.245
Corporate Bonds – Fixed							
SBKN18	7.605	GC18	7.355	25	102.967	100.048	0.125
BWFJ18	8.192	GC18	7.355	84	101.297	100.512	0.402
BWFd19	8.355	R204	6.715	164	101.686	100.912	0.860
BWFh19	8.515	R207	7.265	125	102.628	100.395	1.135
FNBX19	8.630	GC20	8.360	27	102.564	101.901	1.308
SBKN24	8.355	GC18	7.355	100	101.617	100.828	1.295
NMP19N	7.485	GC18	7.355	13	103.817	103.406	1.340
NWC20	9.060	R208	7.510	155	100.735	99.967	1.712
BW25	9.510	R208	7.510	200	103.057	100.466	1.920
NMP20	8.165	R207	7.265	90	105.414	102.314	1.879
IFC21	8.602	R208	7.510	109	107.247	103.015	2.435
FNBX21	9.588	GC22	9.038	55	103.287	102.597	2.824
BWRJ21	9.278	GC21	8.373	91	96.473	95.624	2.879
FBNX27	9.738	GC22	9.038	70	103.534	101.917	3.077
NWC22	9.695	R2023	7.845	185	100.395	99.583	3.176
Corporate Bonds – Floating							
BWJe18	8.250	3 month JIBAR	6.900	135	99.910	100.003	0.011
BWJj19	8.650	3 month JIBAR	6.900	175	100.701	99.990	0.162
BWJi20	8.700	3 month JIBAR	6.900	180	99.431	100.018	0.063
BWJh22	8.850	3 month JIBAR	6.900	195	100.166	99.997	0.225
BWJd21	8.750	3 month JIBAR	6.900	185	100.828	99.989	0.148
BWJ1e27	9.050	3 month JIBAR	6.900	215	100.146	99.997	0.227
BWJ2e27	6.900	3 month JIBAR	6.900	0	100.112	99.998	0.230
DBN20	8.800	3 month JIBAR	6.900	190	99.759	100.007	0.026
FNBj19	8.700	3 month JIBAR	6.900	180	100.563	99.991	0.180
FNBj21	8.900	3 month JIBAR	6.900	200	100.576	99.990	0.180
FBNJ27	9.400	3 month JIBAR	6.900	250	101.447	99.984	0.092
ORY18	8.600	3 month JIBAR	6.900	170	100.115	99.998	0.230
SBNA18	8.550	3 month JIBAR	6.900	165	100.973	99.989	0.130
SBKN20	8.650	3 month JIBAR	6.900	175	100.701	99.990	0.162
SBNA22	8.950	3 month JIBAR	6.900	205	100.024	99.999	0.241
SBNA23	8.750	3 month JIBAR	6.900	185	100.023	99.999	0.241



IJG Holdings

Group Chairman
Mathews Hamutenya
Tel: +264 (61) 256 699

Group Managing Director
Mark Späth
Tel: +264 (61) 383 510
mark@ijg.net

Group Financial Manager
Helena Shikongo
Tel: +264 (61) 383 528
helena@ijg.net

IJG Securities

Managing Director
Lyndon Sauls
Tel: +264 (61) 383 514
lyndon@ijg.net

Equity & Fixed Income Dealing
Leon Maloney
Tel: +264 (61) 383 512
leon@ijg.net

Sales and Research
Eric van Zyl
Tel: +264 (61) 383 530
eric@ijg.net

Danie van Wyk
Tel: +264 (61) 383 531
danie@ijg.net

Settlements & Administration
Annetjie Diergaardt
Tel: +264 (61) 383 515
anne@ijg.net

Cecil Goliath
Tel: +264 (61) 383 529
cecil@ijg.net

IJG Wealth Management

Managing Director
René Olivier
Tel: +264 (61) 383 522
rene@ijg.net

Portfolio Manager
Ross Rudd
Tel: +264 (61) 383 523
ross@ijg.net

Money Market & Administration
Tashiya Shekutamba
Tel: +264 (61) 383 511
tashiya@ijg.net

Money Market & Administration
Salmi Shikongo
Tel: +264 (61) 383 513
salmi@ijg.net

Wealth Manager
Alexa Reilly
Tel: +264 (61) 383 533
alexa@ijg.net

Wealth Administration
Lorein Kazombaruru
Tel: +264 (61) 383 521
Lorein@ijg.net

IJG Capital

Managing Director
Herbert Maier
Tel: +264 (61) 383 522
herbert@ijg.net

Portfolio Manager
Jakob de Klerk
Tel: +264 (61) 383 517
jakob@ijg.net

Business Analyst
Mirko Maier
Tel: +264 (61) 383 500
mirko@ijg.net

Business Analyst
Ilona Shikongo
Tel: +264 61 383 532
Ilona@ijg.net

IJG Advisory

Director
Jolyon Irwin
Tel: +264 (61) 383 500
jolyon@ijg.net

Business Analyst
Jason Hailonga
Tel: +264 (61) 383 529
jason@ijg.net

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