

International News

US FOMC slashed interest rates by 50 basis points to a range of 1.0-1.25%.

Eurozone PPI rose 0.4% m/m, but fell 0.5% y/y in January, as per Eurostat.

Eurozone CPI rose 0.2% m/m and 1.2% y/y in January, as per Eurostat.

Eurozone Unemployment Rate remained unchanged at 7.4% in January, as per Eurostat.

UK Construction PMI rose 4.2 points to 52.6 in February, above market, as per Markit.

Japan Services PMI was revised up 0.1 point to 46.8 in February, as per Markit.

China Services PMI fell 25.3 points to 26.5 in February, below market, as per Markit.

Local News

Spy agency frustrates tender board. The head of the Central Procurement Board of Namibia (CPBN), Patrick Swartz, says they remain understaffed due to the National Intelligence Service's strict vetting process, which potential employees have to subject themselves to. Before anyone can start working for the board, they need to be subjected to a vetting process by the intelligence agency, which can last as long as three months, Swartz said. "The Central Procurement Board of Namibia is understaffed at the moment," said Swartz, when asked whether the board had a sufficient number of persons working for it to vet and issue tenders. He, however, said this would soon be addressed as the board had approved an organisational structure meant to streamline its work activities. -The Namibian Sun

FAO ramps up armyworm battle. The Food and Agriculture Organisation (FAO) of the United Nations has advanced global action to control the spread and damage of a crop-eating pest affecting millions of livelihoods. In Namibia, an outbreak of fall armyworm was confirmed in the Zambezi Region on 6 January in areas such as Sibbinda, Kongola, Ngoma, Bukalo, Itomba, Nsundwa, Kasheshe and Musanga. According to a statement issued by the FAO, tools are available to wrestle fall armyworm, a voracious invasive species that is ravaging crops in Africa, Asia and the Near East. It said it is therefore imperative to intensify coordination to curb the insect's spread. "We will need to step up the alliance among key partners from all relevant sectors at the global level," FAO director-general Qu Dongyu said at the opening of the first meeting of the steering committee of the Global Action for Fall Armyworm Control. -The Namibian Sun

Dubai firm eyed to run N\$4.2bn port terminal. Transport executive director Willem Goeiemann wants to give control of the newly constructed N\$4.2 billion Walvis Bay container terminal to a Dubai state-owned company for 30 to 50 years. Documents seen by *The Namibian* show that Goeiemann favours a company called DP World, previously known as Dubai Ports Authority. The same emirates company had partnered with real estate dealer Titus Nakuumba in another questionable state land transaction. The Namibian Ports Authority (NamPort) rejected Goeiemann's recommendation, warning that it lacked procurement transparency and could impact Namport's future. -The Namibian

SA Economic News

South Africa's economy slumped into its second recession in consecutive years as power cuts weighed on output and business confidence dropped, adding to pressure on the central bank to cut interest rates. Gross domestic product shrank an annualized 1.4% in the last quarter of 2019, compared with a revised 0.8% decline in the three months through September, Statistics South Africa said on Tuesday. The median estimate of 12 economists in a Bloomberg survey was for a 0.2% drop in output. The economy contracted 0.5% from a year earlier, the first time in almost four years that GDP has shrunk from the same period a year earlier. The contraction means Africa's most-industrialized economy has had two recessions since President Cyril Ramaphosa came to power at the start of 2018. For the full year, economic growth was 0.2%, the lowest since the global financial crisis, and half of what the Reserve Bank estimated in January, when it cut its key interest rate.

SA companies plan 10,000 job cuts. South African companies have announced plans to cut more than 10,000 jobs less than three months into 2020 as faltering economic growth adds strain in a country where a third of the workforce is unemployed. Electronics company Ellies is the latest to start the process of reducing its headcount due to ongoing financial losses. Jobs are also at risk at companies including **Telkom**, the country's largest fixed-line operator, and Walmart's local unit, **Massmart**, after slumps in earnings. -MoneyWeb

Company News

Waterfall City developer **Attacq** beats dividend forecast. JSE-listed real estate investment trust (Reit) Attacq reported a sector-topping performance on Tuesday for its half-year to the end of December 2019, with dividend per share (DPS) growth of 11.1%. While the double-digit growth comes off a low base, the fact that it also beat its dividend guidance for the interim period saw Attacq's share price surge more than 6% by the JSE's close. The group declared a dividend of 45 cents per share for the period. Attacq, which is the master developer driving the multi-billion-rand Waterfall City precinct in Gauteng and a majority shareholder in Mall of Africa, had forecast DPS growth of between 8% and 10% for its half-year. Now the group is forecasting full-year dividend growth at the upper end of its target. Attacq CEO Melt Hamman sounded confident at the group's results presentation that it will deliver double-digit growth of 10% for its 2020 financial year to June. -MoneyWeb

Letshego Holdings (Namibia) Ltd (LHN) released **unaudited** results for the full year ended 31 December 2019 (FY19). Earnings and headline earnings per share decreased by 4.3% y/y from 94cps to 90 cps, and profit after tax fell by 3.8% y/y to N\$451.1 million. The lower profit has resulted in LHN's ROE falling from 20% to 16% and ROA declining from 15% to 13% in FY19.

Nedbank's profit drops as economy worsens, pushing up defaults. Nedbank Group on Tuesday reported a near 7% drop in full-year profit and revised a key profitability target as the worsening South African economy pushed up defaults and cut demand for credit. Nedbank, one of South Africa's four largest lenders, said the tough conditions meant it had to lower its medium-term target for return on equity to greater than 17% within two to three years, from an earlier goal for a ratio greater than 18% by 2020. The bank's impairment charges surged by 66.2% to R6.1 billion, with rising defaults in the retail bank as well as in corporate and investment banking, in a sign that the deteriorating economy is starting to hurt consumers and businesses. -MoneyWeb

R5.3bn starch unit sale will slash **Tongaats** debt by 40%. Embattled agri-processing and land development group Tongaat Hulett is on track to cut its debt by R8.1 billion by March 2021 after it announced the R5.3 billion cash sale on Friday of its profitable starch unit to a Barloworld subsidiary. The move seemed to be well received by the market on Monday, with Tongaat's share price recovering more than 9% following the announcement just before the JSE closed on Friday. Tongaat's debt stands at just over R13 billion after the group was rocked by an accounting scandal last year, which has seen almost 90% of the value of its stock being wiped out. It currently has a market cap of just R437 million, compared to over R4 billion last year. -MoneyWeb

New Woolies boss bags R54m in shares. New Woolworths Holdings CEO Roy Bagattini, who took the top job on February 17, has been granted over 1.4 million shares under the group's retention share plan (RSP). The shares were granted at a weighted average price of R37.8699 per share, with a total transaction value of R54.25 million. The group says the vesting of these shares "is conditional upon the achievement of Mr Bagattini's individual performance measures (IPM) and will vest over a three to five-year period". This means he is already heavily incentivised to turn around the retailer which has two struggling operations: its core Woolworths clothing business and its Australian department store chain David Jones. -MoneyWeb

SADC

Zambia signed an US\$825 million contract with a China Railway Construction Corp. unit to upgrade tracks in the south of the country, the company said. The project will last eight years and will cover nearly 650 kilometers of lines, China Railway said a statement, without saying how it will be financed. If the government is planning on funding the rehabilitation project through borrowing, it could raise questions about the credibility of measures Zambia announced last month to cut foreign debt.

Overall Index

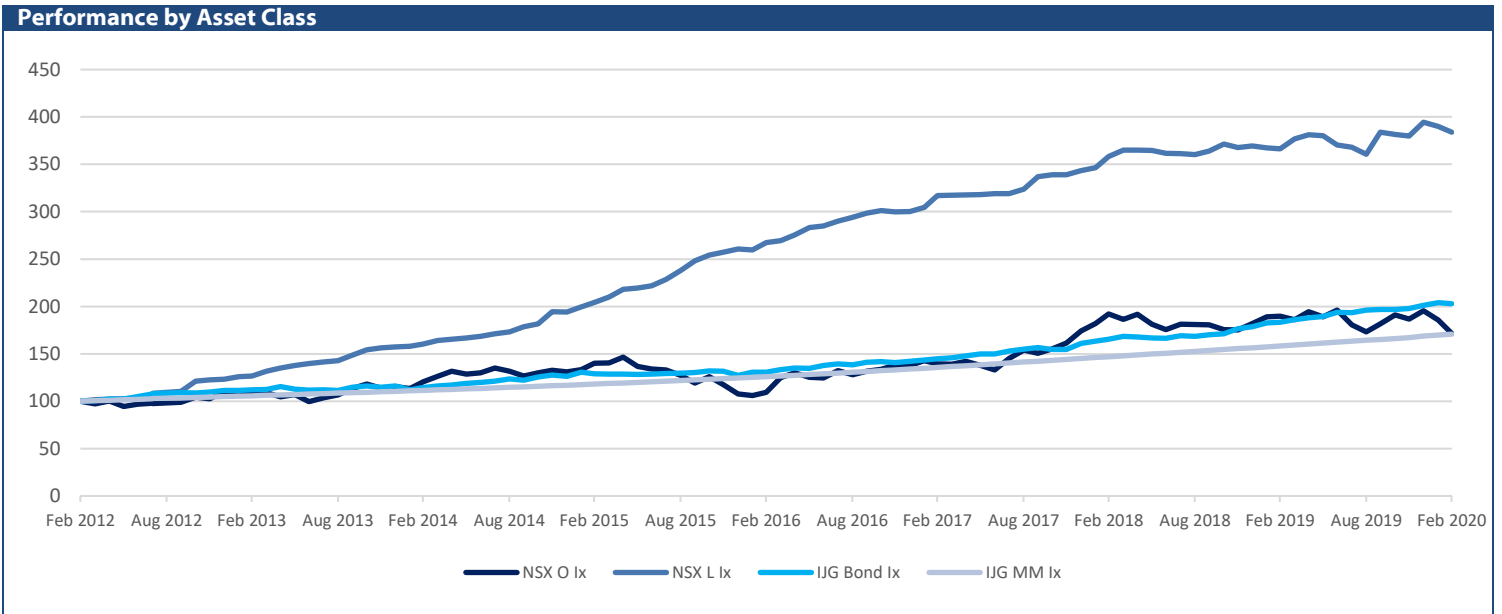
Ticker	Shares Traded	Current Price (c)	Net Change	d/d %	mtd %	ytd %	52Wk High	52Wk Low
ANM	5,671	38,066	1,539.0	4.21	7.73	(4.56)	42,529	31,100
AOX		1,924	74.0	4.00	1.26	(10.55)	2,553	1,850
B2G		6,153	(60.0)	(0.97)	(7.19)	14.56	7,208	3,547
CGP		1,528	-	-	-	0.20	1,607	1,515
BWL		8,066	-	-	(0.48)	(26.85)	13,392	8,066
FNB		3,333	-	-	(0.18)	(0.24)	3,995	3,081
FST	15,550	5,500	12.0	0.22	(0.22)	(12.42)	7,140	5,488
IVD		7,977	237.0	3.06	0.89	(3.85)	9,460	7,371
KFS		795	4.0	0.51	0.63	(16.32)	1,060	756
LHN		249	-	-	-	(24.32)	385	249
MEP	75,000	7,085	231.0	3.37	4.84	(8.19)	7,780	5,348
MIM	6,106	1,832	46.0	2.58	2.92	(16.12)	2,235	1,537
NAM		65	-	-	-	18.18	65	55
NBK		17,101	(399.0)	(2.28)	(3.17)	(20.20)	28,380	17,101
NBS	78,647	4,700	(46.0)	(0.97)	(0.97)	(2.63)	4,899	4,533
NHL		160	-	-	-	-	180	160
OCS		5,500	80.0	1.48	0.55	(10.64)	8,200	5,420
OMM	12,500	1,627	32.0	2.01	3.90	(17.24)	2,403	1,562
ORY		1,848	-	-	-	(8.70)	2,060	1,848
PNH		1,019	-	-	(0.78)	(0.97)	1,100	1,019
SILP		12,791	-	-	-	0.01	12,791	12,129
SLA	52,977	6,590	190.0	2.97	1.42	(16.69)	8,408	6,400
SNB	63,817	15,050	64.0	0.43	1.35	(10.59)	20,677	14,827
SNO		890	-	-	-	(3.26)	980	875
SNM		26,400	949.0	3.73	5.60	(9.01)	33,975	25,000
SRH	86,636	12,315	483.0	4.08	9.84	(2.20)	18,360	10,154
TRW	1,011,088	4,559	51.0	1.13	1.47	(7.34)	7,901	4,213
TTO		319	(1.0)	(0.31)	(0.31)	(47.70)	1,135	319
VKN		1,483	25.0	1.71	1.16	(23.56)	2,121	1,458

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

ETF's

Ticker	Volume Traded	Current Price (c)	Net Change	d/d %	mtd %	ytd %	52Wk High	52Wk Low
ENXPLD		37,528	-1701.00	-4.34	-6.53	42.51	41,450	18,023
NFNAMA		1,406	-10.00	-0.71	-0.85	0.93	1,428	1,375
NGNGLD		23,480	-110.00	-0.47	-1.07	16.80	24,053	16,770
NGNPLD	171,626	37,427	-1782.00	-4.54	-7.25	42.08	41,805	17,658
NGNPLT		13,033	-128.00	-0.97	-1.00	-1.48	14,655	11,165
SXNEMG		4,329	35.00	0.82	3.79	2.17	4,503	3,789
SXNWDM		4,619	87.00	1.92	4.36	4.38	4,928	3,951
SXNNDQ		7,707	176.00	2.34	6.66	12.10	8,246	5,707
SXN500		4,767	115.00	2.47	5.53	5.79	5,087	3,931

Indices Returns



*Based to 100

Namibian Bonds

Government Bonds	YTM	Benchmark	Benchmark YTM	Premium Last Trade	All-In-Price	Clean Price	Modified Duration
GC20	7.048	GT364/26Apr19	7.104	-6	103.268	100.103	0.113
GC21	6.952	R2023	6.245	71	104.154	101.181	1.459
GC22	7.195	R2023	6.245	95	103.812	102.662	1.687
GC23	7.625	R2023	6.245	138	107.180	103.786	2.971
GC24	8.495	R186	8.025	47	111.525	107.498	3.525
GC25	8.490	R186	8.025	47	103.276	100.016	3.955
GC27	9.075	R186	8.025	105	95.631	94.579	5.080
GC30	10.090	R2030	9.070	102	88.164	87.112	6.376
GC32	10.850	R213	9.295	155	91.110	87.658	6.659
GC35	11.380	R209	9.960	142	87.722	86.473	7.338
GC37	11.425	R2037	10.090	134	86.825	85.575	7.631
GC40	11.771	R214	10.150	162	88.562	84.803	7.581
GC43	12.207	R2044	10.275	193	84.344	83.029	7.756
GC45	12.337	R2044	10.275	206	82.079	80.783	7.791
GC50	12.348	R2048	10.265	208	84.778	83.430	7.875
GI22	4.400				123.114	121.426	2.434
GI25	4.600				119.958	119.339	4.762
GI29	5.975				99.428	98.778	7.056
GI33	6.700				87.648	85.819	9.138
GI36	6.990				80.600	79.959	10.373
Eurobond	2.765	10YUSBond	0.999	177	106.271	104.407	1.562
Eurobond 2	4.348	10YUSBond	0.999	335	106.310	104.472	4.792
NAM01	7.385	R2023	6.245	114	104.542	102.093	2.331
NAM02	6.600	R2023	6.040	56	102.663	100.851	0.301
NAM03	7.845	R2023	6.245	160	107.436	106.484	2.839
NAM04	9.805	R186	8.025	178	104.259	103.276	4.573
Corporate Bonds – Fixed							
NWC20	6.860	R2023	6.245	62	103.513	100.265	0.137
BW25	7.310	R2023	6.245	127	101.481	101.080	0.443
NMP20	6.190	R2023	6.245	-6	102.197	101.198	0.381
IFC21	6.402	R2023	6.245	16	105.535	103.524	0.991
FNBX21	7.745	GC22	7.195	55	107.747	104.208	1.465
BWRj21	7.857	GC21	6.952	91	102.791	99.819	1.451
FBNX27	7.895	GC22	7.195	70	109.055	104.627	1.774
NWC22	8.095	R2023	6.245	185	106.254	102.820	1.853
BWFH22	7.745	R2023	6.245	150	104.225	103.860	2.166
BWFK22	7.785	R2023	6.245	154	108.084	105.268	2.303
BWFi23	7.545	R2023	6.245	130	103.010	103.631	2.934
DBN23	6.895	R2023	6.245	65	105.384	85.551	3.121
NEDNAM01	9.415	GC24	8.495	92	105.885	104.966	3.454
NEDX2030	8.605	GC25	8.490	12	106.476	106.392	3.895
Corporate Bonds – Floating							
BWJi20	8.308	3 month JIBAR	6.508	180	99.660	100.013	0.040
BWJd21	8.358	3 month JIBAR	6.508	185	100.988	99.997	0.126
BWJL21G	8.008	3 month JIBAR	6.508	150	99.934	100.002	0.008
BWJh22	8.328	3 month JIBAR	6.508	182	100.358	100.031	0.200
BWJK22	8.378	3 month JIBAR	6.508	187	100.256	100.003	0.208
BWJi24	8.008	3 month JIBAR	6.508	150	99.389	100.026	0.074
BWJ1e27	8.658	3 month JIBAR	6.508	215	100.315	100.005	0.203
BWJ2e27	6.508	3 month JIBAR	6.508	0	100.241	100.007	0.205
DBN20	8.408	3 month JIBAR	6.508	190	100.068	99.999	0.233
FNBj21	8.508	3 month JIBAR	6.508	200	100.725	99.998	0.155
FBNJ27	9.008	3 month JIBAR	6.508	250	101.666	100.010	0.068
ORYJ22	8.708	3 month JIBAR	6.508	220	100.291	100.004	0.205
SBNA21	8.108	3 month JIBAR	6.508	160	101.173	100.022	0.108
SBKN20	8.258	3 month JIBAR	6.508	175	100.862	99.997	0.139
SBNA22	8.558	3 month JIBAR	6.508	205	100.192	100.004	0.216
NEDNAM02	9.258	3 month JIBAR	6.508	275	100.787	99.996	0.155
NEDJ2028	9.258	3 month JIBAR	6.508	275	100.099	99.998	0.226

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

Dylan van Wyk
Tel: +264 (61) 383 529
dylan@ijg.net

Financial Accountant

Tashiya Josua
Tel: +264 (61) 383 511
tashiya@ijg.net

Financial Accountant

Gift Kafula
Tel: +264 (61) 383 536
gift@ijg.net

Danie van Wyk
Tel: +264 (61) 383 534
danie@ijg.net

Settlements & Administration

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

IJG Wealth Management

Managing Director

René Olivier
Tel: +264 (61) 383 520
rene@ijg.net

Portfolio Manager

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

Money Market & Administration

Emilia Uupindi
Tel: +264 (61) 383 513
emilia@ijg.net

Wealth Manager

Andri Ntema
Tel: +264 (61) 383 518
andri@ijg.net

Wealth Administration

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

Wealth Administration

Madeline Olivier
Tel: +264 (61) 383 533
madeline@ijg.net

Wealth Manager

Wim Boshoff
Tel: +264 (61) 383 537
wim@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) 383 531
mirko@ijg.net

Business Analyst

Lavinia Thomas
Tel: +264 (61) 383 532
lavinia@ijg.net

Business Analyst

Fares Amunkete
Tel: +264 (61) 383 527
fares@ijg.net

IJG Advisory

Director

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

Business Associate

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

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4th Floor, 1@Steps, C/O Grove and Chasie Street, Kleine Kuppe, Windhoek

P O Box 186, Windhoek, Namibia

Tel: +264 (61) 383 500 www.ijg.net

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