

The Day Ahead

Economic News

US PPI (May)
 US NFIB Small Business Optimism (May)
 UK ILO Unemployment Rate (Apr)
 Japan Machine Tool Orders (May P)
 Japan PPI (May)
 Japan Core Machine Orders (Apr)
 China CPI, PPI (Apr)

NSX Market Wrap

N\$2.2m traded on the NSX yesterday with N\$1.5m worth of Nedbank and N\$635,440 worth of Shoprite exchanging hands. On the local bourse N\$4,940 worth of Namibia Breweries traded at market and N\$3,760 worth of Capricorn Investment Group traded at market. No ETF trades were recorded.

JSE Market Wrap

The FTSE/JSE Africa All Share Index rose 0.7% to 58,481.05 as 93 stocks gained, 64 fell, and 7 were unchanged. Rebasis Property Fund rose 7.3%, Dis-Chem gained 5.7% and Woolworths climbed 4.8%. Royal Bafokeng Platinum fell 8.0%, Delta Property Fund dropped 7.0% and ArcelorMittal South Africa declined 5.9%.

International Market Wrap

Global stocks climbed after President Donald Trump suspended plans for tariffs on Mexico. Sovereign bonds fell, along with gold and the yen, as demand for havens ebbed. The S&P 500 index rose for a fifth straight session, led by chipmakers, retailers and auto companies, though ended off its highs of the day. Emerging-market shares jumped the most since January as Mexico's peso posted its best day in almost a year after the accord with the US late Friday. The dollar edged higher while the onshore yuan fell to its weakest level since November after China's central bank hinted it could fall further.

	2017	2018	2019
GDP (y/y)	-0.9%	-0.1%	0.9%*
Inflation (y/y)	6.2%	5.1%	4.3%*
PSCE (y/y)	5.2%	7.4%	6.0%*
M2 (y/y)			
IJG BCI	49.37		

*forecast **nowcast

MPC Meeting Calendar for 2019

	BoN	SARB	FOMC
	13 Feb	17 Jan	30 Jan
	10 Apr	28 Mar	20 Mar
	12 Jun	23 May	01 May
	14 Aug	18 Jul	19 Jun
	23 Oct	19 Sep	31 Jul
	04 Dec	21 Nov	18 Sep
			30 Oct
			11 Dec

Local Indices

	Level	Net Change	d/d %	mtd %	ytd %	52Wk High	52Wk Low
NSX Overall	1374	17.44	1.29	3.40	5.14	1410	1211
NSX Local	625.72	0.00	0.00	-0.25	0.68	636	611
JSE ALSI	58481	381.21	0.66	5.09	10.89	60299	50033
JSE Top40	52357	380.15	0.73	5.59	12.05	54158	43771
JSE INDI	73461	653.45	0.90	6.64	15.35	79078	59861
JSE FINI	17089	316.86	1.89	1.96	4.33	17623	14912
JSE RESI	46267	-298.57	-0.64	6.40	12.72	48866	36435
JSE Gold	1768	-69.16	-3.77	9.45	28.48	1867	911
JSE Banks	9763	195.69	2.05	0.98	6.56	10050	7948

Global Indices

	Level	Net Change	d/d %	mtd %	ytd %	52Wk High	52Wk Low
Dow Jones	26063	78.74	0.30	5.03	11.73	26952	21713
S&P 500	2887	13.39	0.47	4.89	15.15	2954	2347
NASDAQ	7823	81.07	1.05	4.96	17.90	8176	6190
US 30yr Bond	2.63	0.06	2.21	2.57	-12.60	3.46	2.52
FTSE100	7376	43.60	0.59	2.99	9.62	7793	6537
DAX	12045	0.00	0.00	2.72	14.08	13170	10279
Hang Seng	27579	613.36	2.27	3.30	7.52	31243	24541
Nikkei	21134	249.71	1.20	2.88	5.90	24448	18949

Currencies

	Level	Net Change	d/d %	mtd %	ytd %	52Wk High	52Wk Low
N\$/US\$	14.83	-0.13	-0.84	-1.41	-2.99	15.70	13.08
N\$/£	18.81	-0.24	-1.27	-1.76	-2.29	20.13	17.16
N\$/€	16.77	-0.18	-1.04	-2.67	-1.66	18.12	15.16
N\$/AU\$	10.32	-0.16	-1.49	-1.68	-1.54	11.22	9.58
N\$/CAD\$	11.17	-0.10	-0.92	-3.26	-5.58	11.89	10.01
US\$/€	1.13	0.00	-0.19	1.33	-1.31	1.19	1.11
US\$/¥	108.45	0.26	0.24	-0.29	0.99	114.55	104.87

Commodities

	Level	Net Change	d/d %	mtd %	ytd %	52Wk High	52Wk Low
Brent Crude	62.29	-1.00	-1.58	0.76	13.81	83.49	51.43
Gold	1327.95	-12.86	-0.96	1.77	3.59	1348.42	1160.27
Platinum	806.75	-0.26	-0.03	1.53	1.35	916.35	755.46
Copper	266.15	3.40	1.29	1.53	1.50	334.20	256.10
Silver	14.70	-0.32	-2.11	0.82	-5.04	17.32	13.90
Uranium	24.90	0.25	1.01	4.18	-12.63	29.15	22.65
Palladium	1372.90	-13.90	-1.00	3.11	17.78	1563.70	1127.30

NSX Local and DevX

	Level	Last Change	Last %	mtd %	ytd %	52Wk High	52Wk Low
NBS	4843	0.00	0.00	0.06	4.15	4900	2394
NHL	160	0.00	0.00	0.00	-11.11	180	160
CGP	1600	0.00	0.00	0.00	3.23	1729	1540
FNB	3870	0.00	0.00	-1.25	-10.91	4500	3870
ORY	2014	0.00	0.00	0.00	0.17	2021	2005
NAM	64	0.00	0.00	0.00	0.00	64	64
NUSP	1058	0.00	0.00	0.00	-3.82	1125	1050
SILP	12129	0.00	0.00	0.00	0.00	12129	12129
LHN	370	0.00	0.00	-0.80	-2.63	401	344
DYL	338	-3.00	-0.88	-1.17	-12.66	572	307
FSY	191	-1.00	-0.52	-5.45	-26.25	343	131
MEY	99	-1.00	-1.00	6.45	32.00	156	71

SA versus Namibian Bonds

SA Bonds	YTM	Current Price	Chg [bp]	NA Bonds	YTM	Premium	Chg [bp]
R207	6.36	100.52	0.00	GC20	8.19	183	0.00
R208	6.52	100.37	0.00	GC21	7.44	92	0.00
R2023	7.41	101.05	-5.50	GC22	8.34	93	-5.50
R186	8.41	111.51	-6.00	GC23	8.55	114	-5.50
R2030	9.19	92.07	-5.00	GC24	9.04	64	-6.00
R213	9.32	83.67	-5.00	GC25	9.02	62	-6.00
R209	9.70	71.66	-6.00	GC27	9.17	77	-6.00
R2037	9.84	88.93	-6.50	GC30	10.10	91	-5.00
R214	9.32	83.67	-5.00	GC32	10.24	92	-5.00
R2044	9.96	88.97	-4.50	GC35	10.61	91	-6.00
R2048	9.93	88.85	-4.50	GC37	10.85	101	-6.50
				GC40	11.19	127	-4.50
				GC45	11.62	166	-4.50
				GC50	11.86	194	-4.50

IJG Indices and Interest Rates (%)

	Level	Net Change	d/d %	mtd %	ytd %
IJG Money Market	201.429	0.040	0.02	0.200	3.292
IJG Bond Index	203.609	0.609	0.30	0.333	6.409
WIBAR Overnight	6.768	0.025	-	-	-
WIBAR 3m	7.399	-0.032	-	-	-
SA Repo Rate	6.75				
SA Prime Rate	10.25				
NAM Bank Rate	6.75				
NAM Prime Rate	10.50				

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

International News

US JOLTS Job Openings fell from a revised 7,474 to 7,449 in April, as per the Bureau of Labour Statistics.

UK Trade Deficit narrowed to £12,1 billion in April, from a revised £15.4 billion deficit in March, as per the Office for National Statistics.

UK Industrial Production fell 2.7% m/m and 1.0% y/y in April, as per the Office for National Statistics.

UK Manufacturing Production fell 3.9% m/m and 0.8% y/y in April, as per the Office for National Statistics.

Japan Money Stock M2 rose 2.7% y/y in May, as per the Bank of Japan.

Local News

The Chinese ambassador to Namibia, Zhang Yiming, has denied media reports that the Chinese government will provide funds for the construction of the new Swapo Party head office. A report in The Namibian cited unidentified sources as saying that the Chinese government would provide funds for the N\$730 million construction project, presumably because Swapo does not have enough money to start the project. Yiming last week said these allegations were "baseless". "The Chinese government will not give money for the Swapo Party head office. We have a clear-cut policy of non-interference," Yiming said when asked whether the funding of such a project could be construed as political interference or currying favour with the ruling party. -The Namibian Sun

City wants N\$1.2bn for housing backlog. The Windhoek Municipality has asked the central government for about N\$1.2 billion to upgrade informal settlements and address the housing backlog. According to documents submitted at last month's council meeting, the municipality stated that it requested the government, through the Ministry of Urban and Rural Development, to allocate N\$250 million per year to its annual budget for five years for upgrading 26 townships. -The Namibian

SACU concludes tariff talks with East Africa. The Southern African Customs Union and the East African Community have finalised bilateral tariff negotiations. This marks a huge step towards realising the benefits of the Tripartite Free Trade Area (TFTA). The Common Market for East and Southern Africa, East African Community (EAC) and Southern African Development Community's TFTA was launched on 10 June 2015. The aim of the TFTA was to establish a single market for 27 African countries with a combined population of 700 million, and a gross domestic product of over US\$ 1.4 trillion. -The Namibian

SA Economic News

The biggest foreign-investor sell-off on record barely budged South Africa's government bond yields, with locals picking up the slack as a lackluster economy increases chances of interest-rate cuts. Non-residents sold a net R9.6 billion (US\$654 million) of debt on Friday, according to JSE data, the most in a day since Bloomberg started compiling the records in 1996. Even so, yields on benchmark 2026 securities were little changed on Monday at 8.47% after falling one basis point on Friday. The yield is down 42 basis points this year.

South Africa is open to a private buyer for its stricken state-owned airline, on condition that it commits to growing jobs and the tourism industry, according to National Treasury Director General Dondo Mogajane. South African Airways has R12.7 billion (US\$852 million) in imminently maturing debt and needs government support to see it through to a planned break-even target in 2021, according a 29 May resignation letter by former Chief Executive Officer Vuyani Jarana. While an equity partner has been raised as a solution to SAA's funding crisis in previous years, none has ever come forward.

Company News

Township-focused **Exemplar** eyes acquisitions for growth. Township and rural focused shopping centre landlord Exemplar REITail, which was the only real estate investment trust (Reit) to list on the JSE last year, is now targeting acquisitions for growth beyond just new developments. That's the word from Exemplar CEO Jason McCormick, speaking to Moneyweb this week following the small cap's results announcement on Tuesday for the nine months to February 28, 2019. The property company declared a final dividend of 42.74 cents per share, which together with the interim dividend of 19.10 cents per share, equates to a total dividend of 61.84 cents per share for the nine-month period. The total dividend was slightly ahead of its forecast of 61.37 cents per share. From a total annualised return perspective, Exemplar delivered 14.2% for the period. -MoneyWeb

PIC forced **MTN** board shakeup in push for fewer disputes. MTN's biggest shareholder is pushing for changes at Africa's largest mobile-phone company to avoid the regulatory, legal and political disputes that have cut its share price by more than half over the past four years. The Public Investment Corp. built a 26% stake in Johannesburg-based MTN by late November and used that to call for the replacement of Chairman Phuthuma Nhleko, people familiar with the matter said. Africa's biggest fund manager, which is South African state owned, also sent a letter to MTN demanding a board reorganisation, said one of the people. That resulted in the appointment of more politically connected directors. Last month, the carrier obliged, announcing Nhleko's planned departure and replacement, along with other director changes and a new separate group of prominent advisers. -MoneyWeb

BEE deal, forex losses push **MultiChoice** into the red. MultiChoice will report a full-year headline loss per share of as much as R8, from earnings of R4.10 a year ago, as the result of foreign exchange losses and a decision to give additional equity to black investors at no cost. The maiden full-year results for the DStv parent as a JSE-listed company will show a headline loss per share of between R7.24 an R8, the broadcaster said on Monday. MultiChoice has blamed the loss on the impact of the allocation, at zero cost, of an additional 5% stake in MultiChoice South Africa Holdings to empowerment schemes Phuthuma Nathi Investment 1 and 2. This formed part of its unbundling from former controlling shareholder Naspers. -MoneyWeb

Tongaat suspends shares due to results delay. Shares in South African sugar producer Tongaat Hulett were suspended from trade on the Johannesburg and London stock exchanges on Monday at the company's request as it prepares to restate its financial results. Tongaat's shares have fallen 42% since it first said in April that it would restate its 2018 financial results. Last month it also delayed the release of its 2019 financial results, for the year ended March 2019, to October from May. "Owing to the Board's concern that there is insufficient information in the market to enable investors to make informed decisions, the Board has voluntarily approached the JSE with a request for a suspension of the listing of the Company's securities," Tongaat said in a statement on Monday. -MoneyWeb

SADC

Zimbabwe may consider withdrawing from the Convention on International Trade in Endangered Species because the organization won't allow it to sell its ivory stockpile. The southern African nation with the world second-largest population of elephants has a stockpile of tusks worth an estimated US\$300 million and needs the revenue, Fulton Mangwanya, director-general of the Zimbabwe Parks and Wildlife Management Authority, told lawmakers in the capital, Harare on Monday.

Overall Index

Ticker	Shares Traded	Current Price (c)	Net Change	d/d %	mtd %	ytd %	52Wk High	52Wk Low
ANM		37719	29.00	0.08	8.34	17.04	40800	27297
AOX		2142	13.00	0.61	-1.29	-22.11	3180	2070
B2G		4230	-145.00	-3.31	10.39	1.44	4625	3057
CGP	235	1600	0.00	0.00	0.00	3.23	1729	1540
BWL		13235	-26.00	-0.20	0.18	14.95	13692	10985
CLN		2020	8.00	0.40	1.25	11.36	2375	1370
FNB		3870	0.00	0.00	-1.25	-10.91	4500	3870
FST		6835	155.00	2.32	2.17	4.72	7123	5688
IVD		9024	24.00	0.27	5.31	14.23	10531	7690
KFS		1018	18.00	1.80	6.04	-4.86	1100	935
LHN		370	0.00	0.00	-0.80	7.56	401	344
MEP		5802	-140.00	-2.36	4.41	-3.51	9993	5394
MIM		1874	9.00	0.48	-0.05	9.40	1881	1537
NAM		64	0.00	0.00	0.00	0.00	64	64
NBK	5,850	26557	662.00	2.56	1.34	-3.33	29130	22561
NBS	102	4843	0.00	0.00	0.06	4.15	4900	2394
NHL		160	0.00	0.00	0.00	-11.11	180	160
NUSP		1058	0.00	0.00	0.00	-3.82	1125	1050
OCS		7100	40.00	0.57	-1.70	-3.90	8963	6700
OMM		2189	69.00	3.25	4.04	-2.28	2403	1896
ORY		2014	0.00	0.00	0.00	0.17	2021	2005
SILP		12129	0.00	0.00	0.00	0.00	12129	12129
SLA		7810	139.00	1.81	2.55	-2.13	8469	6717
SNB		19980	466.00	2.39	0.53	12.10	20850	15568
SNM		31000	350.00	1.14	2.31	2.99	33975	28542
SRH	3,760	16800	9.00	0.05	-2.33	-11.65	23720	15100
TRW		7452	238.00	3.30	4.01	-15.41	9200	6620
TTO		855	-20.00	-2.29	-3.39	-45.75	1600	600
VKN		2060	25.00	1.23	-0.48	5.37	2189	1896

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		20125	34.00	0.17	5.04	12.02	22623	6668
NGNGLD		18503	-383.00	-2.03	3.24	6.08	18918	15156
NGNPLD		20078	32.00	0.16	4.73	12.73	22541	11591
NGNPLT		11661	-111.00	-0.94	3.02	4.47	12623	10571

Namibian Bonds

Government Bonds	YTM	Benchmark	Benchmark YTM	Premium Last Trade	All-In-Price	Clean Price	Modified Duration
GC20	8.190	R207	6.36	183	101.293	100.027	0.795
GC21	7.440	R208	6.52	92	101.827	100.638	2.090
GC22	8.335	R2023	7.410	93	104.466	100.966	2.209
GC23	8.553	R2023	7.41	114	102.395	101.037	3.509
GC24	9.040	R186	8.405	64	107.666	106.055	4.020
GC25	9.022	R186	8.405	62	98.949	97.644	4.451
GC27	9.173	R186	8.405	77	96.893	93.693	5.334
GC30	10.099	R2030	9.185	91	89.747	86.547	6.488
GC32	10.239	R213	9.315	92	92.611	91.230	7.145
GC35	10.610	R209	9.7	91	95.332	91.532	7.496
GC37	10.848	R2073	9.835	101	93.226	89.426	7.720
GC40	11.185	R214	9.92	127	90.301	88.798	8.099
GC45	11.618	R2044	9.960	166	89.529	85.589	7.945
GC50	11.864	R2048	9.925	194	90.888	86.788	7.914
GI22	4.200				120.348	119.683	3.102
GI25	4.900				117.004	115.148	5.261
GI29	5.728				100.407	98.460	7.435
GI33	6.290				87.979	87.232	9.693
Eurobond	4.082	10YUSBond	2.148	193	103.791	103.195	2.218
Eurobond 2	5.430	10YUSBond	2.1484	328	99.660	99.033	5.323
NAM01	8.560	R2023	7.410	115	99.675	99.109	2.913
NAM02	7.560	R208	6.52	104	106.375	102.007	0.905
NAM03	9.010	R2023	7.410	160	107.206	103.566	3.231
NAM04	10.205	R186	8.405	180	105.326	101.525	4.777
Corporate Bonds - Fixed							
BWFh19	7.610	R207	6.360	125	102.864	100.243	0.194
FNBX19	8.460	GC20	8.190	27	101.647	100.543	0.375
SBKN24	7.265	R207	6.360	91	101.766	100.582	0.356
NMP19N	6.395	R207	6.360	4	102.259	101.409	0.403
NWC20	8.070	R208	6.520	155	101.954	100.789	0.817
BW25	8.520	R208	6.520	200	104.382	101.363	1.074
NMP20	7.260	R207	6.360	90	105.736	102.227	1.020
IFC21	7.612	R208	6.520	109	103.438	103.680	1.625
FNBX21	8.885	GC22	8.335	55	104.534	103.383	2.067
BWRj21	8.345	GC21	7.440	91	99.924	98.735	2.079
FBNX27	9.035	GC22	8.335	70	105.244	103.172	2.356
NWC22	9.260	R2023	7.410	185	101.975	100.742	2.438
BWFH22	8.910	R2023	7.410	150	104.523	101.607	2.636
BWFK22	8.950	R2023	7.410	154	103.529	102.982	2.864
DBN23	8.060	R2023	7.410	65	99.362	92.476	3.656
NEDNAM01	9.960	GC24	9.040	92	107.226	103.402	3.765
NEDX2030	9.137	GC25	9.022	12	107.492	104.639	4.198
Corporate Bonds - Floating							
BWJj19	8.808	3 month JIBAR	7.058	175	101.123	100.000	0.119
BWJj20	8.858	3 month JIBAR	7.058	180	99.806	100.002	0.021
BWJd21	8.908	3 month JIBAR	7.058	185	101.257	99.999	0.106
BWJL21G	8.558	3 month JIBAR	7.058	150	100.094	100.000	0.229
BWJh22	8.878	3 month JIBAR	7.058	182	100.607	100.033	0.183
BWJK22	8.928	3 month JIBAR	7.058	187	100.506	100.011	0.190
BWJ1e27	9.208	3 month JIBAR	7.058	215	100.570	100.009	0.185
BWJ2e27	7.058	3 month JIBAR	7.058	0	100.445	100.013	0.187
DBN20	8.958	3 month JIBAR	7.058	190	100.255	100.008	0.213
FNBJ19	8.858	3 month JIBAR	7.058	180	100.984	100.002	0.138
FNBJ21	9.058	3 month JIBAR	7.058	200	101.005	100.001	0.137
FNBJ27	9.558	3 month JIBAR	7.058	250	101.925	99.995	0.050
ORY19	8.758	3 month JIBAR	7.058	170	100.520	100.011	0.188
SBNA21	8.658	3 month JIBAR	7.058	160	101.390	99.998	0.087
SBKN20	8.808	3 month JIBAR	7.058	175	101.123	100.000	0.119
SBNA22	9.108	3 month JIBAR	7.058	205	100.435	100.007	0.198
NEDNAM02	9.808	3 month JIBAR	7.058	275	101.085	99.999	0.137
NEDJ2028	9.808	3 month JIBAR	7.058	275	100.359	100.007	0.208



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

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

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

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

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

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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