

International News

US PPI rose 0.4% m/m, but fell 0.8% y/y in May, as per the Bureau of Labour Statistics.

US Initial Jobless Claims fell to 1.54 million in the week of 6 June, as per the Department of Labour.

US Bloomberg Consumer Comfort Index rose 1.7 points to 38.7 in the week of 7 June.

Japan Industrial Production growth was revised down to -9.8% m/m and 15.0% y/y in April, as per the Ministry of Economy, Trade and Industry.

Local News

A total of 470 new were sold in May, an 840.0% m/m increase from the 50 vehicles sold in April, but a 55.5% y/y decrease from the 1,055 vehicles sold in May 2019. Year-to-date 2,749 vehicles have been sold, of which 1,184 were passenger vehicles, 1,380 were light commercial vehicles, and 185 were medium and heavy commercial vehicles. On a twelve-month cumulative basis, new vehicle sales continued to decline with a total of 8,804 new vehicles sold as at May 2020, down 23.8% from the 11,559 sold over the comparable period a year ago.

Namibia's economy grew by -0.8% in the first quarter of 2020, a better performance than the -3.3% recorded in the same three months last year. The first quarter, which ended on 31 March, only includes a few days of the lockdown and therefore doesn't reflect the impact of the lockdown and the first two phases of the state of emergency. Figures released by the Namibia Statistics Agency (NSA) this morning shows wholesale and retail, the heavyweight of the economy, grew by -0.5% in the past quarter. Other sectors performed as follow: Agriculture and forestry (-13%), mining (-3.3%) and manufacturing (-8.3%). Construction grew by 19.8% compared to the first quarter of 2019. -Namibian Sun

The Namibia Transport and Taxi Union (NTTU) has called for the 15% hike in transport fares to be made permanent. The union leader Werner Januarie wrote to the works ministry on Thursday requesting that the increment to be made permanent, adding that they have conducted their own study which had informed their decision. "We conducted a quick test and an unofficial study that informs us that customers are not having a problem with the N\$14 taxi fare as they initially had before at inception and since that time they have now become accustomed to and accepted it," he said. Januarie further said customers also negotiate with taxi drivers when they do not have the required fare and taxi drivers ferry them on reduced prices depending on the circumstances. The works ministry in May authorised a taxi and bus fare increase of 15% to cushion against the losses incurred by the sector due to the Covid-19 pandemic. Works ministry spokesperson Julius Ngweda told The Namibian that they are not considering making the hike permanent as it was only meant to be a temporary solution. -Namibian

Latest statistics indicate that after three years of being in limbo (2015 to 2018) the marketing offtake of cattle in the Northern Communal Areas (NCAs) has increased by 40%. This follows the resumption of the formal market in 2018. Overall, 5 191 cattle were marketed at auctions and for local slaughter in 2019, compared to 2 997 in 2018. This an increase of 42.27%, which is mainly attributed to the severe drought situation that affected the Namibian meat industry during 2019. The NCA livestock and meat industry has been experiencing serious marketing challenges, said the Meat Board's marketing officer in Oshana, John Utoni. This is due to a number of factors such as the separation of the NCAs from the World Organisation for Animal Health (OIE)-recognised foot and mouth disease (FMD)-free zone through the veterinary cordon fence (VCF). Another factor is the 2015 outbreak of FMD in the protection zone and the subsequent closure of the Oshakati and Katima Mulilo abattoirs in 2016. -Namibian Sun

The Windhoek municipality has approved a proposal to raise tariffs on electricity consumption for this year to buy operational vehicles and equipment, among other things. The proposed increase of 2% on average consumption is in conflict with the 0% increase on bulk tariffs for NamPower set by the Electricity Control Board (ECB). The current tariff for the bulk electricity purchases set by the ECB is 1,5% for the financial year 2020/21 until 2021/22. This means the average rate at which the municipality buys electricity from NamPower will not change for the next two years. All electricity distributors, including regional electricity distributors, local authorities and regional councils are obliged to apply for any tariff changes to the ECB before new tariffs are implemented. Council documents seen by The Namibian, however, show that the municipality has submitted a proposal to increase the tariffs by an average of 2% in addition to the existing tariff of 1,5%. The council documents state that the municipality intends to generate funds for the operating budget of its electricity department. The revenue generated from the proposed 2% tariff increase will be used to buy several cherry picker trucks and general operating vehicles for the municipality. - The Namibian

SA Economic News

South Africa moved a step closer to creating a single state-owned petroleum company, with the cabinet approving the appointment of advisers to evaluate how best to combine its energy assets. The new entity will incorporate national oil company PetroSA, natural gas development agency iGas and the Strategic Fuel Fund, which oversees the nation's fuel stocks. The three entities currently operate as separate subsidiaries of the state-owned Central Energy Fund. The cabinet approved the appointment of a "professional restructuring company that specializes in mergers to investigate the most viable model" for a single entity, it said in a statement on Thursday.

Company News

Locally-listed **Oryx Properties** will have an extraordinary general meeting of debenture holders later this month to seek, among others, that the interim and final distributions for 2020 be cancelled and that a moratorium be placed on distributions on the 2021 financial year. In an announcement yesterday on the Namibian Stock Exchange (NSX), Oryx explained the adverse impact of Namibia's ongoing recession and the Covid-19 pandemic on its operations. The company said it has historically been paying out 100% of distributable income and on occasions payment of realised capital reserves. "This has not allowed the business to build up reserves as seen by many other businesses," Oryx said. "The decision of the board to only pay-out 90% of distributable income in the 2019 financial year has not been in place long enough to have a significant impact on cashflows," the group added. -Namibian Sun

Harmony Gold secured overwhelming support from its shareholders to raise \$200m (about R3.3bn) via equity to pay the cash portion of its purchase of **AngloGold Ashanti's** last operating assets in SA. With approvals comfortably topping 97% for a range of resolutions at SA's largest gold producer's extraordinary general meeting on Thursday, Harmony is now waiting for just the approval from the government for the transfer of mineral rights from AngloGold, to complete the deal, CEO Peter Steenkamp said. There was no communication from the department of mineral resources and energy that gave any indication of delays or requests for details, he said after the shareholder vote. The reason for any delay could stem from the lockdown of the economy since 27 March and the gradual easing of those conditions since the start of June as the economy reopened, he said, adding the deal should be concluded by the end of June. - Business Day

Beverage production at **Namibia Breweries**, Namibia Beverages and ABInBev Namibia tumbled in April when the lockdown banned alcohol. A sectoral report released by the Namibia Statistics Agency (NSA) today shows Namibia produced 103,963 hectolitres of beverages in April – 197,863 hectolitres less than in March. Beverage production is an important component of the manufacturing sector in the country. NSA's economic growth figures also released today showed manufacturing grew by -8.3% in the first three months of 2020. -Namibian Sun

Capitec Bank has been ranked SA's best bank for the second consecutive year in a survey conducted by media group Forbes, the bank said on Thursday. Forbes partnered with market research firm Statista to measure the best banks in nearly two dozen countries, surveying more than 40,000 customers. The banks were rated on overall recommendation and satisfaction while trust, terms and conditions, customer service, digital services, and financial advice were surveyed. Capitec said on Thursday that the award comes amid increasing use of digital banking, with the bank having more than 7.4-million active digital users. There was a significant increase in digital users between January and May 2020, when 470,000 new digital banking clients, were added — a 6.8% increase. -Business Day

The list of **Edcon's** secured creditors, published as part of the business rescue plan on Monday, reveals that a total of R3.7 billion is owed to more than 80 entities. The list of unsecured creditors is likely far larger (running to many more billions), but these businesses are either fourth or last in the queue, depending on their status. The business rescue practitioners have announced that they are pursuing an accelerated sales process of parts of the Edcon group after no buyers nor any investors were found for the entire business. Aside from the two operating divisions (Edgars and Jet), which are arguably less and more attractive respectively, the group's second-look credit book will no doubt find a buyer. It is unclear what value the Thank U rewards business would have by itself. They hope to conclude this by July with a completion of the transaction(s) as soon as practically possible. The practitioners have noted there are 15 interested parties. -Moneyweb

SADC

Angola's oil revenue fell 48% m/m to 225.3 billion kwanza in May from 432.5 billion kwanza in April, according to data published by the Ministry of Finance. The country's oil exports for May fell to 40.96 million barrels at an average price of US\$15.41 per barrel.

Overall Index

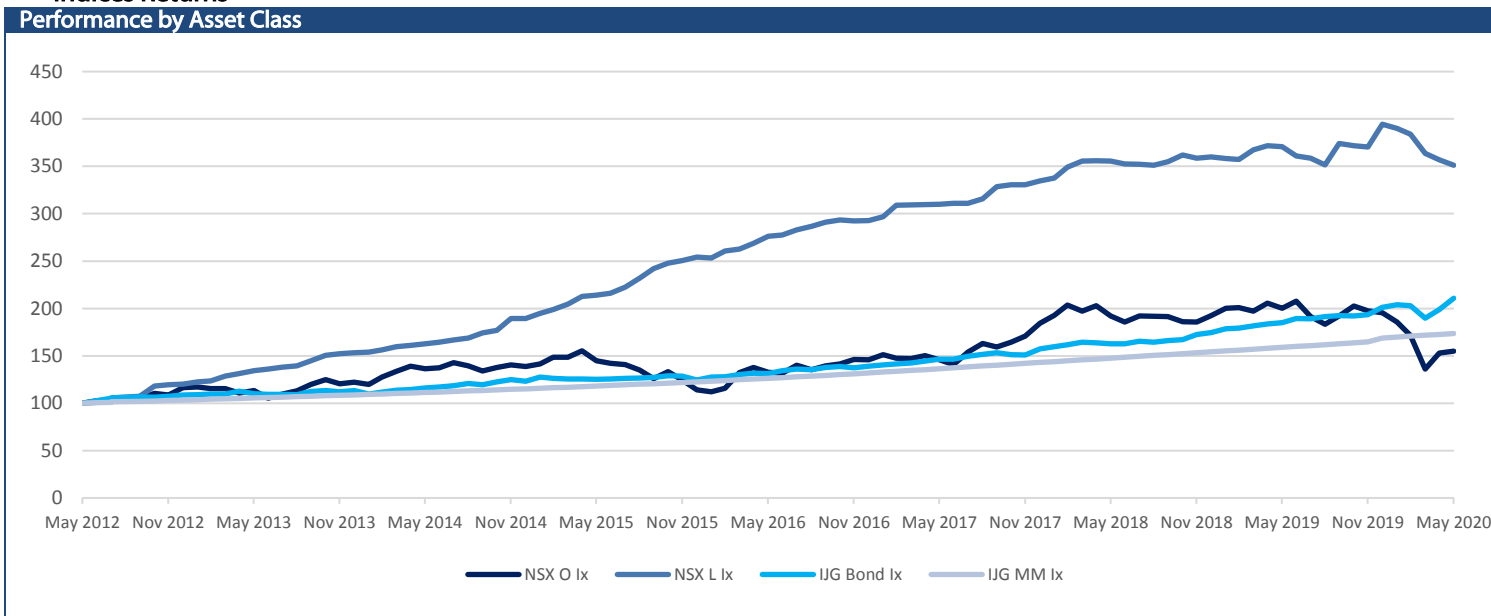
Ticker	Shares Traded	Current Price (c)	Net Change	d/d %	mtd %	ytd %	52Wk High	52Wk Low
ANM	3,192	38,265	(964.0)	(2.46)	4.68	(4.06)	42,529	21,095
AOX	30,000	1,799	46.0	2.62	11.05	(16.36)	2,314	1,505
B2G		90	(8,574.0)	(98.96)	(99.01)	(98.32)	10,526	71
CGP	2,791	1,399	-	-	(0.07)	(8.26)	1,604	1,300
BWL	178,393	7,882	(78.0)	(0.98)	15.47	(28.51)	12,915	5,530
FNB	6,119	3,248	-	-	(0.06)	(2.78)	3,581	3,081
FST	9,738	4,365	(68.0)	(1.53)	8.77	(30.49)	7,140	3,343
IVD	2,778	3,569	(148.0)	(3.98)	17.36	(39.44)	6,659	2,711
KFS		760	(30.0)	(3.80)	8.57	(20.00)	1,012	456
LHN		297	-	-	(0.67)	(9.73)	370	230
MEP	652	5,996	(242.0)	(3.88)	1.59	(22.30)	7,780	5,211
MIM	16,468	1,846	(38.0)	(2.02)	7.08	(15.48)	2,235	1,372
NAM		65	-	-	-	18.18	65	55
NBK	1,802	11,038	(448.0)	(3.90)	11.74	(48.49)	26,725	7,306
NBS	8,375	3,500	-	-	(8.85)	(27.49)	4,842	3,500
NHL		160	-	-	-	-	160	160
OCS	88,866	7,190	258.0	3.72	21.68	16.82	7,400	4,904
OMM	20,755	1,238	(2.0)	(0.16)	10.24	(37.03)	2,228	959
ORY		1,749	-	-	-	(13.59)	2,060	1,749
PNH	7,546	1,100	71.0	6.90	10.00	6.90	1,100	1,000
SILP		12,780	-	-	(0.09)	(0.08)	12,791	12,129
SLA	7,660	5,902	(72.0)	(1.21)	4.33	(25.39)	8,408	4,544
SNB	4,762	10,873	(186.0)	(1.68)	7.01	(35.40)	20,631	8,441
SNO	558	839	(1.0)	(0.12)	(0.24)	(8.80)	980	775
SNM	25	28,961	(21.0)	(0.07)	7.26	(0.18)	31,119	22,475
SRH	609	10,600	(237.0)	(2.19)	2.45	(15.82)	17,460	10,055
TRW	1,988	3,709	(71.0)	(1.88)	13.70	(24.61)	7,558	2,490
TTO		265	(5.0)	(1.85)	(1.85)	(56.56)	1,050	161
VKN		832	(8.0)	(0.95)	34.85	(57.11)	2,121	484

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		32,026	528.00	1.68	-1.82	21.62	42,103	20,059
NFNAMA		1,487	19.00	1.29	2.34	6.75	1,487	1,206
NGNGLD		27,914	1109.00	4.14	-1.11	38.85	31,080	18,439
NGNPLD		32,125	668.00	2.12	-2.83	21.95	41,805	20,059
NGNPLT		13,721	287.00	2.14	-2.52	3.72	14,833	9,841
SXNEMG		4,544	-11.00	-0.24	2.92	7.25	4,627	3,547
SXNWDM		5,065	-47.00	-0.92	0.32	14.46	5,200	3,854
SXNNDQ		9,468	87.00	0.93	1.52	37.72	9,925	6,072
SXN500		5,299	-27.00	-0.51	-0.34	17.60	5,550	3,980

Indices Returns



* Based to 100

Namibian Bonds

Government Bonds	YTM	Benchmark	Benchmark YTM	Premium Last Trade	All-In-Price	Clean Price	Modified Duration
GC21	5.205	R2023	5.110	10	104.460	103.249	1.257
GC22	6.050	R2023	5.110	94	107.591	104.043	1.431
GC23	5.973	R2023	5.110	86	109.970	108.588	2.864
GC24	7.995	R186	7.595	40	110.657	109.017	3.446
GC25	7.995	R186	7.595	40	103.302	101.974	3.875
GC27	8.040	R186	7.595	44	103.039	99.795	4.888
GC30	9.710	R2030	9.130	58	92.719	89.475	6.168
GC32	10.313	R213	9.570	74	92.514	91.109	6.840
GC35	11.650	R209	10.650	100	88.728	84.876	7.000
GC37	12.056	R2037	10.950	111	85.504	81.652	7.153
GC40	12.565	R214	10.985	158	81.333	79.803	7.429
GC43	12.958	R2044	11.205	175	82.470	78.416	7.156
GC45	13.176	R2044	11.205	197	79.765	75.771	7.129
GC50	13.216	R2048	11.170	205	82.177	78.021	7.156
GI22	4.490				123.203	122.510	2.208
GI25	4.490				123.143	121.216	4.497
GI29	5.975				101.939	99.917	6.789
GI33	6.700				87.596	86.845	9.124
GI36	6.990				82.859	80.867	10.108
Eurobond	5.342	10YUSBond	0.669	467	100.843	100.202	1.309
Eurobond 2	4.857	10YUSBond	0.669	419	102.503	101.832	4.619
NAM01	6.600	R2023	5.110	149	104.301	103.641	2.161
NAM02	5.410	R2023	3.580	183	104.611	100.105	0.030
NAM03	6.710	R2023	5.110	160	113.072	109.289	2.595
NAM04	9.375	R186	7.595	178	109.132	105.185	4.334
Corporate Bonds – Fixed							
BW25	6.175	R2023	5.110	260	103.700	100.628	0.179
NMP20	5.055	R2023	5.110	-6	104.055	100.495	0.115
IFC21	5.267	R2023	5.110	16	103.373	103.588	0.774
FNBX21	6.600	GC22	6.050	55	106.250	105.071	1.275
BWRj21	6.110	GC21	5.205	91	103.281	102.070	1.251
FBNX27	6.750	GC22	6.050	70	108.083	105.983	1.607
NWC22	6.960	R2023	5.110	185	105.740	104.482	1.681
BWFH22	6.610	R2023	5.110	150	108.753	105.786	1.915
BWFK22	6.650	R2023	5.110	154	107.957	107.383	2.154
BWFi23	6.410	R2023	5.110	130	108.509	106.741	2.815
DBN23	5.760	R2023	5.110	65	113.273	88.590	3.001
NEDNAM01	8.915	GC24	7.995	92	110.347	106.463	3.207
NEDX2030	8.110	GC25	7.995	12	110.925	108.044	3.653
Corporate Bonds – Floating							
BWJi20	5.742	3 month JIBAR	3.942	180	99.890	100.047	0.019
BWJd21	5.792	3 month JIBAR	3.942	185	100.983	100.064	0.104
BWJL21G	5.442	3 month JIBAR	3.942	150	100.078	100.003	0.230
BWJh22	5.762	3 month JIBAR	3.942	182	100.534	100.113	0.182
BWJK22	5.812	3 month JIBAR	3.942	187	100.407	100.055	0.190
BWJi24	5.442	3 month JIBAR	3.942	150	99.718	100.088	0.051
BWJ1e27	6.092	3 month JIBAR	3.942	215	100.494	100.081	0.184
BWJ2e27	3.942	3 month JIBAR	3.942	0	100.361	100.084	0.186
DBN20	5.842	3 month JIBAR	3.942	190	100.190	100.012	0.214
FNBj21	5.942	3 month JIBAR	3.942	200	100.820	100.082	0.136
FBNJ27	6.442	3 month JIBAR	3.942	250	101.737	100.080	0.048
ORYJ22	6.142	3 month JIBAR	3.942	220	100.472	100.076	0.187
SBNA21	5.542	3 month JIBAR	3.942	160	101.303	100.139	0.086
SBKN20	5.692	3 month JIBAR	3.942	175	100.889	100.072	0.118
SBNA22	5.992	3 month JIBAR	3.942	205	100.327	100.025	0.197
NEDNAM02	6.692	3 month JIBAR	3.942	275	100.903	100.080	0.136
NEDJ2028	6.692	3 month JIBAR	3.942	275	100.274	100.014	0.207



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