IJG Daily Bulletin

Local Indices

Wednesday, 20 September 2023



The Day Ahead

Economic News

South Africa CPI (Aug)
South Africa Retail Sales (Jul)
US Fed Rate Decision

US MBA Mortgage Applications (15 Sep) Eurozone Construction Output (Jul)

UK CPI, RPI, PPI (Aug) Germany PPI (Aug)

NSX Market Wrap

N\$57.4m traded on the NSX yesterday with N\$46.1m worth of Truworths International and N\$1.4m worth of Nedbank Group exchanging hands. On the local bourse N\$7.4m worth of SBN Holdings traded up 3c and N\$327,931 worth of Capricorn Group traded at market. N\$1.9m worth of ETFs traded.

JSE Market Wrap

The FTSE/JSE Africa All Share Index fell 0.1% to 73,806.42 as 69 stocks gained, 55 fell, and 2 were unchanged. The Foschini Group rose 8.3%, Pepkor Holdings gained 7.7% and MultiChoice Group climbed 6.7%. Harmony Gold Mining fell 4.6%, Metair Investments dropped 4.5% and Karooooo declined 4.2%.

International Market Wrap

US Treasury yields rose and stocks fell ahead of the Federal Reserve decision, with traders betting rates will be higher for longer to prevent an inflation flare-up. US five- and 10-year yields hit the highest levels since 2007. Most major groups in the S&P 500 dropped, but the gauge came well off session lows, led by gains in some megacaps like Apple and Tesla. Online grocery delivery business Instacart surged 12% in its Nasdag debut. The loonie climbed after hot inflation data in Canada. An Asian equity gauge slipped for a third day on Wednesday, with all sectors trading in negative territory. Meanwhile, oil fell as wider markets held a cautious tone ahead of the Fed's meeting. Still, with crude near a 10month high, global central banks' fight against inflation becomes more complicated.

	2021	2022	2023
GDP (y/y)	3.5%	4.6%	3.0%*
Inflation (y/y)	4.5%	6.9%	4.5%*
PSCE (y/y)	1.0%	3.9%	3.5%*

*forecast

IJG Indices and Interest R	JG Indices and Interest Rates (%)						MPC Meeting Calendar for 2023			
	Level	Net Change	d/d %	mtd %	ytd %	BoN	SARB	FOMC		
IJG Money Market Index	257.990	0.057	0.022	0.424	5.660	15 Feb	26 Jan	01 Feb		
IJG All Bond Index	310.953	0.350	0.113	-0.418	11.962	19 Apr	30 Mar	22 Mar		
WIBAR Overnight	7.402	0.002	0.027	0.244	16.347	14 Jun	25 May	03 May		
WIBAR 3m	7.576	-0.018	-0.237	-1.367	2.64	16 Aug	20 Jul	14 Jun		
SA Repo Rate	8.25					25 Oct	21 Sep	26 Jul		
SA Prime Rate	11.75					06 Dec	23 Nov	20 Sep		
NAM Bank Rate	7.75							01 Nov		
NAM Prime Rate	11.50							13 Dec		

Source: Bloomberg, NSX, JSE, Numerco, IJG Securities

International News

 ${f US}$ Housing Starts fell 11.3% m/m to 1.28 million in August, below market, as per the Census Bureau.

US Building Permits rose 6.9% m/m to 1.54 million in August, as per the Census Bureau.

Eurozone CPI was revised down to 0.5% m/m and 5.2% y/y in August, as per Eurostat.

Japan Trade Deficit widened from a revised ¥66.3 billion in July to ¥930.5 billion August, as per the Ministry of Finance.

Local News

N\$14bn power plant planned for Walvis Bay. Power Invest says the proposed Nathaniel Maxuilili Power Plant in Walvis Bay is projected to cost over N\$14 billion to develop and generate approximately 586 megawatts (MW) of electricity. The estimate includes the complete power plant development and GasPort construction at Walvis Bay. Power Invest anticipates the first phase of the project to be complete by 2024 with production beginning the same year. The company said the electricity to be generated by the power plant is targeted to feed the national grid and the region, with the main aim of addressing growing energy demands in the Southern Africa Power Pool (SAPP). – The Brief

Namibia targets US investment. The Namibia Investment Promotion and Development Board (NIPDB) is set to promote investment opportunities in Namibia on the margins of the United Nations General Assembly summit underway in the United States of America (USA) to boost the inflow of foreign direct investment (FDI). In 2022 Namibia received N\$1 billion in FDI — with oil and gas, financial services and manufacturing sectors being the main recipients of the investments. "As the largest source of FDI in the world, the USA is a key and untapped market for Namibia. However, Namibia currently receives only a small percentage of FDI from the USA," said NIDPB Chief Executive Officer Nangula Uaandja. — The Brief

Government under pressure to implement national minimum wage. Workers' unions have lashed out at the government over the slow implementation of a national minimum wage. Acting executive director of labour, industrial relations, and employment creation Lydia Indombo yesterday confirmed the ministry is yet to implement a minimum wage for workers. "However, an investigation into whether or not to introduce a national minimum wage was conducted and concluded last year by the wages commission on the national minimum wage. "A finding report was submitted to the minister of labour for consideration," she said. Indombo said no specific challenges or sectors are hindering the implementation of a national minimum wage. —The Namibian

Namibian consumers remain under financial pressure. A new TransUnion survey, presented at the inaugural Financial Services Summit in Namibia this week, has revealed a challenging financial outlook for Namibian consumers. While two in 10 (20%) said their income increased in the last three months, close to four in 10 (36%) reported a decrease, and 45% anticipate being unable to pay their current bills and loans in full. According to TransUnion's third quarter (3Q) Consumer Pulse Study, one of the significant factors contributing to the decrease in household income was job loss, with 27% of consumers reporting that someone in their household lost their job over the past month. Other factors impacting decreased income included wage or salary reductions (16%) and owning a small business that closed, or saw orders dry up. — Market Watch

SA Economic News

South Africa seeks 10-year extension to US trade deal: Ramaphosa. South African authorities are working with the US administration to make the case for extension of the African Growth and Opportunity Act for a further decade, President Cyril Ramaphosa said at the US-South Africa Trade and Investment Business Roundtable Dialogue in New York. South Africa wants the preferential access deal extended before it expires in 2025.

Company News

Aspen inks deal to begin SA's first production of human insulin. Africa's largest drug maker Aspen Pharmacare has signed an agreement with Danish healthcare firm Novo Nordisk to establish SA's first production of human insulin. Novo Nordisk's drugs currently reach more than 500,000 diabetes patients on the continent, but the agreement is aimed at ensuring more than 16 million vials will be manufactured at Aspen's sterile facility in Gqeberhaenough to cover the yearly needs of 1 million patients. The intention is then to ramp up production to cover over 4 million diabetes patients in 2026. Human insulin, which regulates blood sugar levels, is made synthetically in a lab using modified bacteria, in contrast to insulin taken from the pancreases of animals. — News 24

Mustek share price surges to six-week high as profit grows. Information and communications technology group Mustek aims to take advantage of businesses upgrading their systems and growing interest in artificial intelligence (AI) to spur its growth in the coming financial year. The group's share price surged on Tuesday morning to its highest level in more than six weeks after profit grew despite the cost of its borrowing more than doubling due to several interest rate hikes. — Business Day

Transaction Capital share price crashes 40% in a week. Transaction Capital shareholders have had a tough week, with the company's share price crashing 40% more in the past seven days, erasing at least R2.2bn off its market value. Its market cap is now down to R3bn, a tiny fraction of its lofty value of R40bn just 17 months ago when the share traded at R52.50, before it unravelled due to problems with its troubled taxi finance business. — Business Day

Zeder inks R550m deal to sell fruit business Capespan to Agrarius. Agribusiness-focused investment holding group Zeder said on Monday it has agreed to sell most of fruit farmer and marketer Capespan to agriculture-focused investment firm Agrarius. Capespan comprises two divisions, namely the sales and marketing division, with a global footprint in sourcing and marketing fruit, and the primary agriculture farming division, which is mainly SA and Namibia-based and consists of several primary production units. Capespan produces grapes, citrus and pome fruit as well as the Novo fruit packhouse operation situated in Paarl and the agreement excludes the pome farming unit - or apples and pears. Zeder holds about 93% of Capespan, and as of the end of February, Zeder's interest in Capespan, including the pome unit, was valued at about R1.05 billion. – News 24

SADC News

Angola is to reduce crude exports to 1.04m barrels per day in November from 1.18m barrels per day in October, according to a preliminary schedule seen by Bloomberg.

Equities

Overall Index

Ticker	Shares Traded	Current Price (c)	Net Change	d/d %	mtd %	ytd %	52Wk High	52Wk Low
ANE		899	0	0.00	0.00	-0.11	900	899
ANM	72	53115	-366	-0.68	4.77	-19.93	76882	47491
B2G		6084	-18	-0.30	4.09	-0.05	8050	5164
CGP	20,000	1640	0	0.00	4.46	25.86	1640	1070
FNB		4850	0	0.00	0.00	57.12	5140	2898
FST	9,083	6482	-202	-3.02	-11.69	4.35	7452	5728
IVD	4,957	10448	-134	-1.27	-5.74	-2.81	11758	6891
KFS	17	1333	6	0.45	-4.79	10.07	1450	1046
LHN		388	0	0.00	-1.77	29.33	396	267
MMT	120	1951	46	2.41	-3.08	13.43	2047	1502
MOC		713	0	0.00	0.28	1.28	750	701
NAM		69	0	0.00	-1.43	1.47	70	67
NBK	6,883	20222	114	0.57	-6.30	-4.87	23809	19587
NBS	3,255	3660	0	0.00	-3.68	72.13	3800	1964
NHL		220	0	0.00	0.00	25.71	230	175
OCE		7566	-73	-0.96	9.13	19.54	7649	5250
OMM	946	1210	3	0.25	-4.65	15.68	1333	947
ORY		1250	0	0.00	10.62	21.36	1250	1024
PNH		1274	0	0.00	-0.08	-3.48	1320	1274
SILP		12790	0	0.00	0.00	0.00	12790	12774
SLA	324	6772	60	0.89	-0.63	39.00	6888	4726
SNB	195	18072	435	2.47	-6.46	7.71	19865	14313
SNM	2,656	30757	-284	-0.91	3.00	19.93	31247	24100
SNO	976,937	755	3	0.40	4.86	71.20	845	420
SRH	68	24456	-44	-0.18	-7.30	8.21	26480	19440
TRW	612,513	7608	258	3.51	5.00	38.33	7608	4717
TTO		59	4	7.27	5.36	20.41	140	24
VKN		1326	-11	-0.82	-0.90	-0.08	1466	1185

Source: Bloomberg, NSX, IJG Securities

Local Companies: Dividends

Ticker	Last Declared Dividend (c)	Dividend Type	T12M DY (%)*	Last Day to Trade	Payment Date
ANE	-	-	0.00	-	-
CGP	61.00	Final	6.10	29 September 2023	20 October 2023
FNB	368.14	Final	11.79	06 October 2023	27 October 2023
LHN	34.29	Interim	20.35	13 October 2023	03 November 2023
MOC	46.45	Interim	12.41	16 June 2023	07 July 2023
NAM	6.00	Final	8.70	02 December 2022	15 December 2022
NBS	2635.00	Special	0.00	30 March 2023	14 April 2023
NHL	26.00	Final	11.82	21 October 2022	31 October 2022
ORY	101.00	Interim	8.68	15 September 2023	06 October 2023
PNH	10.00	Interim	1.57	14 April 2023	19 May 2023
SILP	76.00	Final	0.59	16 June 2023	07 July 2023
SNO	42.00	Interim	11.66	08 September 2023	29 September 2023

^{*} Calculated as the sum of the <u>ordinary</u> dividend per share amounts that have gone ex-dividend over the past 12 months, divided by the last closing price.

Local Companies: Important Dates

Ticker	Upcoming Event	Date	Additional Info
NBS	Earnings Release	22 September 2023	Basic EPS are expected to increase by more than 950% while, HEPS from continuing operations for the year ended 30 June 2023 are expected to decrease by between 28% and 33% compared to the comparative financial period.
PNH	Earnings Release	25 September 2023	Basic EPS and HEPS for the period are anticipated to be materially lower (between 10% and 30%) in relation to the 30 June 2022 comparative period.
FNB	Annual General Meeting	19 October 2023 (14:00)	Etosha Boardroom, FirstRand Namibia Ltd, 5th Floor, @Parkside, 130 Independence Avenue, c/o Fidel Castro, Windhoek and via Electronic Media.

Exchange Traded Funds

Ticker	Volume Traded	Current Price (c)	Net Change	d/d %	mtd %	ytd %	52Wk High	52Wk Low
ENXPLD		23028	433	1.92	3.72	-21.67	40079	21013
ENXGLD		35565	-6	-0.02	-0.31	18.30	37858	28611
ENXPLT		17351	154	0.90	-2.71	-0.46	20491	14883
SXNNAM		1960	0	0.00	-1.11	9.87	1995	1692
NGNGLD	2,865	34034	3	0.01	-0.35	18.24	36220	27442
NGNPLD		23030	401	1.77	3.32	-21.88	40093	21037
NGNPLT		17200	142	0.83	-2.71	-0.68	20328	14772
SXNEMG	16,680	5625	-40	-0.71	-1.09	15.55	5818	4593
SXNWDM		7921	-64	-0.80	-1.50	27.24	8157	6055
SXNNDQ		16235	-125	-0.76	-2.22	54.31	16893	10478
SXN500		8725	-68	-0.77	-2.05	29.41	9031	6690

DevX & OTC

Ticker	Shares Traded	Current Price (c)	Net Change	d/d %	mtd %	ytd %	52Wk High	52Wk Low
BMN		3095	-67	-2.1	30.2	49.5	3328	1518
CER		13	1	8.3	0.0	-27.8	32	10
DYL		1352	21	1.6	25.9	68.0	1352	587
FSY		875	-9	-1.0	34.8	50.3	894	404
EL8		587	7	1.2	7.5	38.1	641	346
AGR	45,562	311	0	0	0.00	20.5	311	252

Fixed Income

Treasury Bills

Next Auction Date: 21-Sep-23

Tenor	Weighted Avg. Yield* (%)	Last Change (bps)	Highest Yield Allocated* (%)	Bid-to-Offer
91-Day	8.297	-1.81	8.350	0.61
182-Day	8.494	-6.09	8.531	1.67
273-Day	8.579	-8.25	8.590	2.86
365-Day	8.571	-6.16	8.592	2.99

Source: Bank of Namibia

Government Bonds

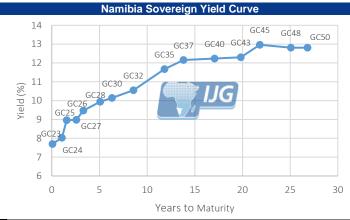
Government Bond Auctions
Next Auction Date: 20-Sep-23

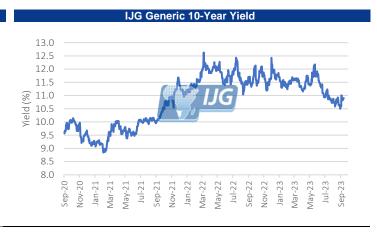
Commentary on Previous Auction:

The 6 September government bond auction again saw strong demand, with the BoN receiving N\$983.3m worth of bids for the N\$195.0m worth of bonds on offer. 77 of the 212 bids were successful. The GCs recorded a bid-to-offer of 5.62x, while the ILBs logged 2.82x. Competitive bidding resulted in the spreads of the vanilla bonds narrowing by an average of 19bps.

Bond	YTM	Benchmark	Benchmark YTM	Spread (bps)	All-In-Price	Coupon Rate	Next Coupon
GC23	7.699	GT364/20Oct23	7.699	0	99.455	8.85	15-Oct-23
GC24	8.025	R186	9.090	-107	101.763	10.50	15-Oct-23
GC25	8.965	R186	9.090	-13	98.744	8.50	15-Oct-23
GC26	8.980	R186	9.090	-11	98.331	8.50	15-Oct-23
GC27	9.475	R186	9.090	39	97.294	8.00	15-Jan-24
GC28	9.940	R2030	10.470	-53	93.784	8.50	15-Oct-23
GC30	10.140	R2030	10.470	-33	91.602	8.00	15-Jan-24
GC32	10.550	R213	11.020	-47	90.774	9.00	15-Oct-23
GC35	11.670	R209	12.170	-50	87.944	9.50	15-Jan-24
GC37	12.155	R2037	12.425	-27	84.105	9.50	15-Jan-24
GC40	12.230	R214	12.540	-31	82.077	9.80	15-Oct-23
GC43	12.305	R2044	12.710	-41	84.784	10.00	15-Jan-24
GC45	12.965	R2044	12.710	26	79.255	9.85	15-Jan-24
GC48	12.815	R2048	12.615	20	78.324	10.00	15-Oct-23
GC50	12.815	R2048	12.615	20	82.502	10.25	15-Jan-24
GI25	3.200				148.141	3.80	15-Jan-24
GI27	4.437				111.162	4.00	15-Oct-23
GI29	5.030				126.817	4.50	15-Jan-24
GI33	5.700				113.140	4.50	15-Oct-23
GI36	6.070				106.765	4.80	15-Jan-24
Eurobond 2	7.936	10YUSBond	4.359	358	96.946	5.25	29-Oct-23
NAM04	10.850	R186	9.090	176	100.640	10.51	01-Feb-24

Source: Bloomberg, Bank of Namibia, IJG Securities





Source: IJG Securities, BoN, Bloomberg

^{*}Nominal yields from the most recent government treasury bill auction.

Corporate Bonds

Fixed Coupon Bonds	YTM	Benchmark	Benchmark YTM	Spread (bps)	All-In-Price	Coupon Rate	Next Coupon
NEDNAM01	8.945	GC24	8.025	92	102.949	10.82	01-Feb-24
NEDX2030	9.080	GC25	8.965	12	102.021	10.21	29-Feb-24
BWFi23	7.878	GC23	7.699	42	99.785	8.72	29-Sep-23
BWFL23	7.930	GT364/08Dec23	8.187	-26	100.908	5.06	02-Dec-23

Floating Coupon Bonds	YTM	Benchmark	Benchmark YTM	Spread (bps)	All-In-Price	Coupon Rate	Next Coupon
BWJ1e27	10.483	3 month JIBAR	8.333	215	100.892	10.55	19-Nov-23
BWJ2e27	8.333	3 month JIBAR	8.333	0	100.715	8.40	19-Nov-23
DBN29	10.733	3 month JIBAR	8.333	240	100.553	10.76	30-Nov-23
NEDJ2028	11.083	3 month JIBAR	8.333	275	100.663	11.12	28-Nov-23
ORYJ25	10.833	3 month JIBAR	8.333	250	100.950	10.90	18-Nov-23
BWJi24	9.833	3 month JIBAR	8.333	150	99.705	10.00	30-Sep-23
SBKN23	9.213	3 month JIBAR	8.333	88	101.405	9.33	26-Oct-23
BWJL23	9.283	3 month JIBAR	8.333	95	100.430	9.31	02-Dec-23
BWJL25	9.493	3 month JIBAR	8.333	116	100.440	9.52	02-Dec-23
SBNA24	9.483	3 month JIBAR	8.333	115	100.673	9.52	24-Nov-23
SBNA26	9.703	3 month JIBAR	8.333	137	100.661	9.74	25-Nov-23
SBKN26	9.773	3 month JIBAR	8.333	144	101.851	9.94	13-Oct-23
SBNG25	9.723	3 month JIBAR	8.333	139	102.058	9.89	05-Oct-23
SBNG27	10.023	3 month JIBAR	8.333	169	102.120	10.19	05-Oct-23
BWJf26S	9.833	3 month JIBAR	8.333	150	100.455	9.86	02-Dec-23
LHN01	11.883	3 month JIBAR	8.333	355	101.073	11.96	17-Nov-23
LHN02	11.133	3 month JIBAR	8.333	280	99.696	11.29	29-Sep-23
PNJ24	11.333	3 month JIBAR	8.333	300	100.030	11.33	18-Dec-23
PNJ25	11.033	3 month JIBAR	8.333	270	100.088	11.03	16-Dec-23
PNJ26	11.583	3 month JIBAR	8.333	325	100.031	11.58	18-Dec-23
PNJ27	11.583	3 month JIBAR	8.333	325	100.093	11.58	16-Dec-23
FNBJ25S	9.783	3 month JIBAR	8.333	145	99.893	9.94	23-Sep-23
FNBJ27S	10.063	3 month JIBAR	8.333	173	99.890	10.22	23-Sep-23
GDW26	10.533	3 month JIBAR	8.333	220	100.464	10.69	03-Sep-23
GDW28	10.833	3 month JIBAR	8.333	250	100.477	10.99	03-Sep-23





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