

International News

US MBA Mortgage Applications fell 10.1% w/w in the week of 20 September, as per the Mortgage Bankers Association.

US New Home Sales rose 7.1% m/m in August, above market, as per the US Census Bureau.

Local News

Namibia introduces visa on arrival. Tourists from 47 countries no longer have to apply for visas in advance before leaving their home countries for tourism, visiting, or transiting through Namibia. This was announced yesterday by home affairs minister Frans Kapofi at the launch of the 'Visa on Arrival' pilot project held at Hosea Kutako International Airport (HKIA). This project aims to improve Namibia's global competitive ratings and progress towards liberalising Namibia's visa policy framework for all Africans. – The Namibian

Consumers do not understand financial contracts. Some consumers of financial products such as insurance services, short-term loans, pension and retirement benefits do not always understand the agreements they sign, and sometimes service providers do not bother to explain such to them. This was revealed by the Namibia Financial Institutions Supervisory Authority in their 2018 annual report, saying information asymmetry between the clients and institutions has caused recurring complaints, which are largely because consumers do not understand the details of the contracts. Namfisa said they received 1,072 complaints during the 2019 financial year, lodged against non-banking financial institutions, an 8.2% increase from the 990 recorded in 2018. – The Namibian

46,000 jobs through Agribank. Agribank has created or maintained 46,816 direct jobs in the agriculture sector during the 2018/19 financial year compared to 45,232 jobs during the previous financial year. "By creating about a third of all jobs in the agricultural sector, the bank plays a very important role in income generation and poverty alleviation" Agribank CEO Sakaria Nghikembua said. Nghikembua said yesterday the bank recently announced a solid set of results for the year ending 31 March 2019, following its annual general meeting (AGM). – Namibian Sun

Schlettwein rebuts FIM Bill concerns. Finance minister Calle Schlettwein has diffused concerns around the adequacy of the stakeholder consultation process in the formulation of the Financial Institutions and Markets (FIM) Bill, revealing that considerable consultations, spanning a period of about ten years, had been undertaken. Re-tabling the Bill in Parliament last week, Schlettwein also highlighted that some of the latest drafting inputs which are inconsistent with the draft Bill and policy rationale will be considered for floor amendments during the discussion stage of the Bill. The FIM Bill modernises the regulatory framework of the non-banking financial sector and consolidated the various standalone laws under the purview of the Namibia Financial Institutions Supervisory Authority (Namfisa). – Confidante

Local banks reassure on looming SA strike. Local banks have assured Namibians that the impending strike at banks in South Africa slated for tomorrow will not impact operations in Namibia. The banks, in different statements, notices and messages to their clients, stressed that their services in Namibia will not be affected should the South African Labour Court give the go-ahead to more than 30,000 bank workers to go on strike. Several messages circulated on social media yesterday, urging Namibians to ensure they have enough cash on hand and to pay crucial bills before Friday in light of intended industrial action in the neighbouring country. – The Namibian

SA Economic News

South Africa's economy remains stuck in its longest downward cycle since 1945, adding to pressure on the government to implement reforms to lift business confidence and boost growth. The economy entered the 70th month of a weakening cycle in September, according to the Reserve Bank's Quarterly Bulletin released Wednesday in the capital, Pretoria. That's as economic growth and business confidence languish at multi-year lows while an index gauging sentiment in the manufacturing sector shows contraction.

Company News

Struggling health and wellness company **Ascendis Health** said on Wednesday it will delay the release of its results for the year to June until 4 October. The debt-laden company did not give reasons for the delay. The results were scheduled to be released on Wednesday. "The board and management apologise for the inconvenience caused by the delay in the release of the results and the investor presentation," it said. The debt-laden company said in September that former Truworths International CFO Mark Sardi would take over as CEO with effect from 14 October, to replace Thomas Thomsen whose contract was terminated in May. Ascendis's debt stood at R5.3bn as at 31 December. – Business Day

Consortium **Milco's** R4.8bn acquisition of listed foods and beverages group **Clover Industries** has been given the go-ahead by the Competition Tribunal. The tribunal has put a three-year moratorium on retrenching 516 workers, it said on Wednesday, noting that that number had also been subsequently lowered to 277 planned job losses. The deal, announced in February, will see the consortium, led by Tel Aviv-based Central Bottling Company, acquire the entire issued share capital of Clover for R25 per share. – Business Day

Africa's largest diversified packaging manufacturer **Nampak** said on Wednesday that it had seen an expansion in canned beverage sales for the 11 months to end-August, despite new competition in the market. Trading conditions in SA continue to be tough, the group said in a voluntary trading update. The company did not provide an earnings estimate, and said it was also facing accelerating inflation in Zimbabwe and challenging economic conditions in Angola. Average GDP growth in SA is expected to be less than 1% in 2019, reflecting ongoing difficult trading conditions for the majority of retailers and consumer goods companies, Nampak said. – Business Day

Retailer **Pick n Pay** said on Wednesday its total debt had increased to R17bn from R1.6bn for the 53 weeks ended 3 March, as a result of accounting changes. The company now had R15.4bn in theoretical lease liabilities, following the adoption of the International Financial Reporting Standards (IFRS) 16 standards. One of the changes in that accounting standard is that companies must bring all their leases on to their balance sheets. Group CEO Richard Brasher said in a web presentation on Wednesday that the company had to go over about 1,600 leases, and had pursued a slightly harder version of the standards than other retailers were likely to adopt. – Business Day

Outsurance, the 89%-held subsidiary of **Rand Merchant Investment Holdings (RMI)**, has agreed to sell its New Zealand insurance business Youi for up to NZ\$13m (R122m). Outsurance has not had an easy ride in New Zealand where it has previously run into trouble with regulators and, in 2016, was fined NZ\$100,000 for poor sales conduct. In a statement on Wednesday, RMI said the sale provides an opportunity for Youi to unlock value on favourable terms and will allow the Youi Group to focus on its Australian business where the greater scale and diversity of the market offers more growth opportunities for the brand. – Business Day

SADC

Zimbabwean Energy Minister Fortune Chasi said that an agreement to import 100 megawatts of power was reached after a payment of US\$10m was made to reduce its debt to Mozambique.



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