IJG Namibia Monthly
December 2015

Research Analysts:

Rowland Brown
rowland@ijg.net
+264 61 383 513

Jan-Hendrik Conradie
janhendrik@ijg.net
+264 61 383 523

Eric van Zyl
eric@ijg.net
+264 61 383 530

Contents

Economic Highlights

	Level	m/m %	y/y %	52Wk High	52Wk Low
NSX Overall	865.49	-8.38	-17.83	1,214.49	773.62
NSX Local	497.91	1.39	34.27	497.91	389.02
International Markets					
JSE ALSI	50,693.76	-1.77	1.85	55,355.12	46,530.87
JSE Top40	45,797.30	-1.15	4.16	49,228.75	41,037.50
JSE INDI	71,755.07	-0.13	15.08	74,089.84	59,306.06
JSE FINI	15,235.33	-6.28	-2.60	17,991.28	13,235.88
JSE RESI	25,394.35	-1.91	-39.44	47,447.07	22,913.01
JSE GOLD	1,057.31	18.62	-7.65	1,634.25	740.81
JSE BANKS	6,107.21	-10.79	-16.34	8,574.71	5,057.18
International Markets					
Dow Jones	17,425.03	-1.66	-2.23	18,351.36	15,370.33
S&P 500	2,043.94	-1.75	-0.73	2,134.72	1,867.01
NASDAQ	5,007.41	-1.98	5.73	5,231.94	4,292.14
US Bond	3.02	1.46	9.59	3.12	2.22
FTSE 100	6,242.32	-1.79	-4.93	7,122.74	5,768.22
DAX	10,743.01	-5.62	9.56	12,390.75	9,325.05
Hang Seng	21,914.40	-0.37	-7.16	28,588.52	20,368.12
Nikkei	19,033.71	-3.61	9.07	20,952.71	16,592.57
Currencies					
N$/US$	15.47	7.06	33.69	16.05	11.26
N$/£	22.80	4.83	26.51	24.38	17.04
N$/€	16.82	10.17	20.15	17.63	12.67
N$/AU$	11.27	7.93	19.22	11.55	8.77
N$/CAD$	11.18	3.44	12.33	11.71	9.06
€/US$	1.09	2.81	-10.22	1.20	1.05
US$/¥	120.22	-2.35	0.37	125.86	115.86
Commodities					
Brent Crude - US$/barrel	37.28	-17.60	-44.12	72.86	35.98
Gold - US/Troy oz.	1,061.42	-0.31	-10.42	1,307.98	1,046.43
Platinum - US/Troy oz.	893.10	7.42	-26.07	1,289.80	824.45
Copper - US/lb.	213.50	4.22	-24.60	294.25	200.20
Silver - US/Troy oz.	13.85	-1.68	-11.86	18.49	13.65
Uranium - US/lb.	34.50	-4.64	-2.82	39.38	34.50
Namibia Fixed Interest					
IJG ALBI	136.37	-3.16	1.11	141.83	133.23
IJG Money Market Index	155.10	0.56	6.47	155.10	145.68
Namibia rates					
Bank	6.25	0bp	75bp	6.50	5.75
Prime	10.00	0bp	100bp	10.25	9.25
South Africa rates					
Bank	6.25	0bp	75bp	6.25	5.50
Prime	9.75	0bp	75bp	9.75	9.00

Source: IJG, NSX

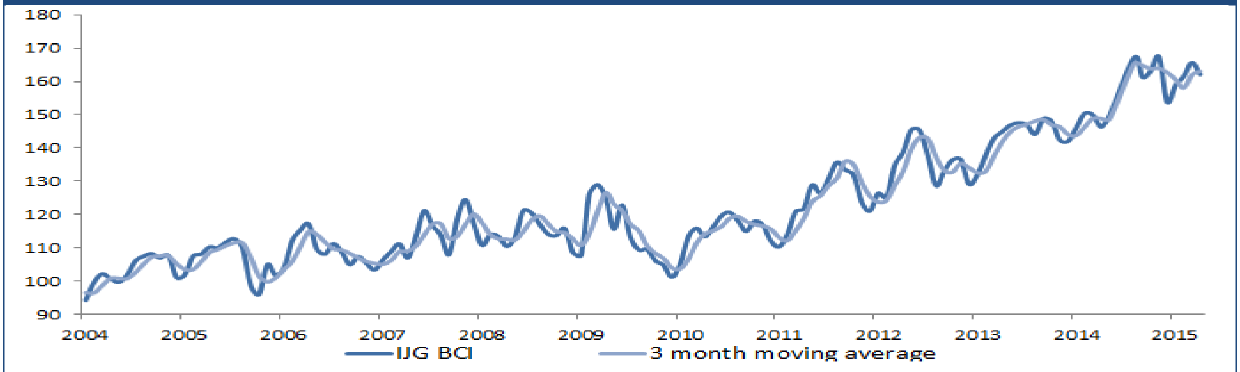
IJG/IPPR Business Climate Index

The IJG Business Climate Index climbed 2.1 points in September, taking the index back to the third highest level yet seen in 2015. Following the slight recovery, the index now stands at a level of 164.1 points, up from 162.0 points in August. The recovery was driven, primarily, by the continued slump in oil prices, as Brent Crude Oil closed the month at its lowest level in over six years, at U$49.05 per barrel. While the major slide in the oil price seen over the last 18 months has lost much of its momentum, the commodity continues to slowly de-value in hard currency terms on account of both speculative and fundamental factors.

	Oct-15	Sep-15	Oct-14
Business Climate Index	**170.3**	164.0	**163.1**
3-month moving average	**165.4**	163.9	**153.0**
Investment Index	**279.7**	266.8	**265.2**
Consumption Index	**124.0**	121.5	**126.6**
Export Index	**144.7**	146.2	**139.6**

Source: IJG, IPPR

IJG Business Climate Index



Source: IJG, IPPR

Public Debt Securities

Effective yields (EY) for treasury bills (TB's) increased during December, with the 91-day TB yield increasing to 7.351%, the 182-day TB yield increasing to 8.03%, the 273-day TB yield increasing to 8.53%, and the 365-day TB yield increasing to 8.44%. A total of N$12.83bn or 45.56% of the Government's domestic maturity profile is in TB's as at 31 December 2015, with 6.87% in 91-day TB's, 20.80% in 182-day TB's, 30.48% in 273-day TB's and 41.86% in 365-day TB's.

Namibian bond premiums relative to SA yields in December generally strengthened with the GC17 premium unchanged at 64bp; the GC18 premium unchanged at 85bp; the GC20 premium strengthening by 9bp to 113bp; the GC21 unchanged at 110bp; the GC22 premium strengthening by 18bp to 100bp; the GC24 premium strengthening by 2bp to 110bp; the GC25 strengthening by 10bp to 122bp; the GC27 premium weakening by 2bp to 125bp; the GC30 premium strengthening by 12bp to 114bp; the GC32 premium weakening by 7bp to 142bp; the GC35 premium strengthening by 15bp to 115bp; the GC37 weakening by 2bp to 139bp; the GC40 premium strengthening by 8bp to 131bp; and the GC45 weakening by 0.4bp to 132bp.

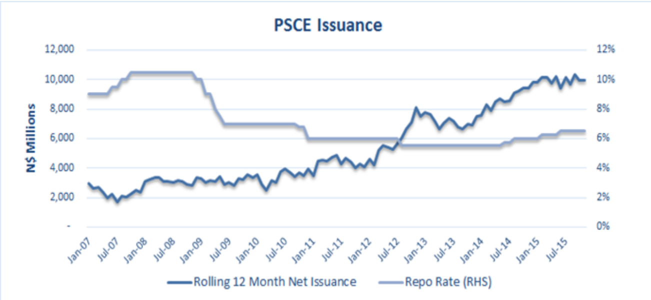
Private Sector Credit Extension

Total credit extended to the private sector increased by N$1.486 billion, or 1.9%, in November 2015, taking total credit outstanding to N$78.2 billion. On an annual basis PSCE growth slowed slightly from 14.9% in October to 14.5% in November. A total of N$10 billion worth of credit has been approved over the last 12 months with N$8.8 billion worth of credit being approved in 2015 thus far. Of this N$10 billion worth of credit issued during the last 12 months, approximately N$5.2 billion was taken up by businesses, while N$4.7 billion was taken up by individuals.

PSCE – November 2015

Corporate versus individual growth (y/y)

	N$ m	Change in N$ m		% Change	
	Nov-15	One month	One year	Nov-15 m/m	Nov-15 y/y
Corporate	**32 611.4**	**837.4**	**4 658.1**	**2.64%**	**16.66%**
Individuals	**45 196.4**	**617.8**	**5 175.7**	**1.39%**	**12.93%**
Mortgage Loans	40 128.0	554.5	5 513.8	1.40%	15.93%
Other Loans & Advances	8 269.2	225.5	1 291.9	2.80%	18.52%
Overdraft	10 118.5	433.8	779.5	4.48%	8.35%
Instalment Credit	11 881.4	151.0	1 539.3	1.29%	14.88%
Total PSCE	**78 233.3**	**1 485.5**	**9 930.5**	**1.94%**	**14.54%**

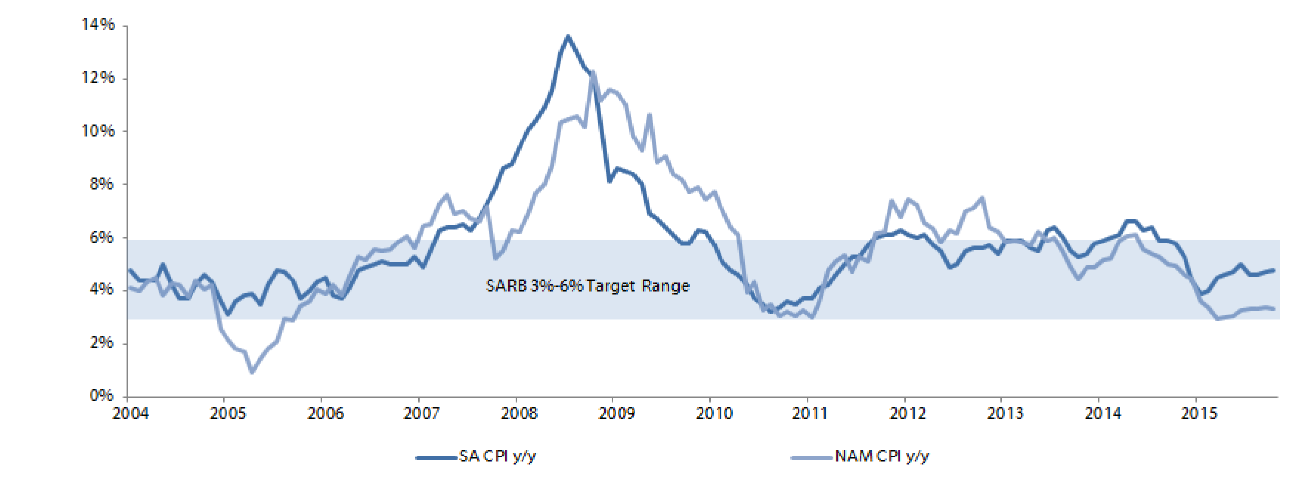


Source: BoN, IJG

Namibia CPI

The Namibian annual inflation rate decreased slightly to 3.3% in November, down from 3.4% in October. On a month on month basis prices rose by 0.2% again compared to October. On a year on year basis, the basket categories food and non-alcoholic beverages, health and communication grew at a faster rate in November than in October while the other categories slowed somewhat dragging down overall inflation, with transport and clothing prices contracting. Year on year inflation is again well below average, largely due to a drop in the price of oil over the past year, and the knock on effects this has on prices. 12 month average inflation reached a new low of 3.5%, and has been coming down steadily since November 2014.

Namibia CPI – November 2015



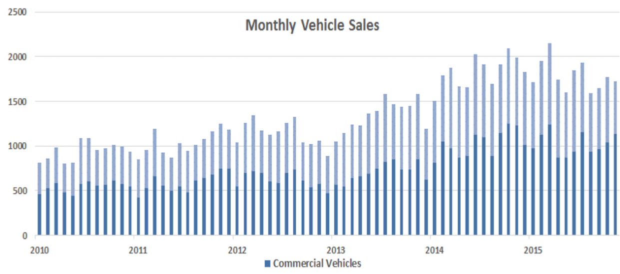
Source: NSA, StatsSA, IJG

New Vehicle Sales

A total of 1,721 new vehicles were sold in Namibia during November. New vehicle sales decreased by 13.6% year on year and decreased 2.6% month on month. At this point of the year, 19,663 vehicles have been sold so far in 2015, down 2.3% on the comparable period of 2014. Thus Namibia is no longer on track for a record year of new vehicle sales, the declining rate of growth of new vehicle sales suggests that we may see a contraction. The 12-month cumulative measure of new vehicles sold decreased further to 21,494 in November from a high of 22,664 in April, largely due to an elevated base and strong vehicle sales in 2014.

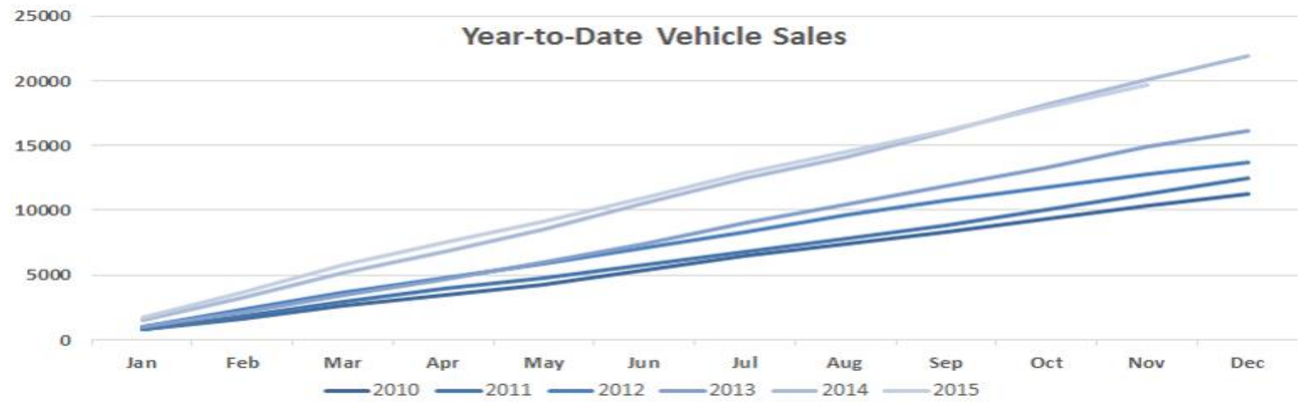
November New Vehicle Sales

Vehicle sales	Units	2015 YTD	Oct 15 y/y %	Nov 15 y/y %	Sentiment*
Passenger	588	8,421	-13.8	-23.0	×
Light Commercial	1,045	10,117	-18.9	-6.7	✓
Medium Commercial	24	367	95.5	-38.5	×
Heavy Commercial	64	758	-16.5	-7.2	✓
Total	**1,721**	**19,663**	**-15.5**	**-13.6**	✓



Source: Naamsa, IJG
**Sentiment describes the y/y movement*

YTD vehicle sales



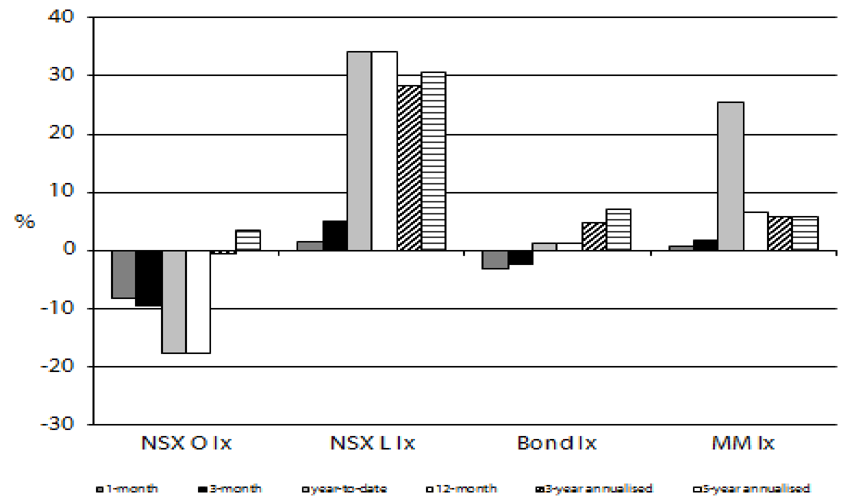
Source: Naamsa, IJG

Namibian Asset Performance

The NSX Overall Index closed at 865.49 points in December down from 945.52 points in November losing 8.38% on a total return basis in December compared to a 6.70% m/m decrease in November. The NSX Local Index increased 1.39% m/m compared to a 1.11% m/m increase in November. For 2016 the NSX Overall Index returned -17.83% against +34.27% for the Local Index. The best performing share on the Overall Index in December was B2Gold at +7.85%, while Anglo American was the worst performer at -20.87%.

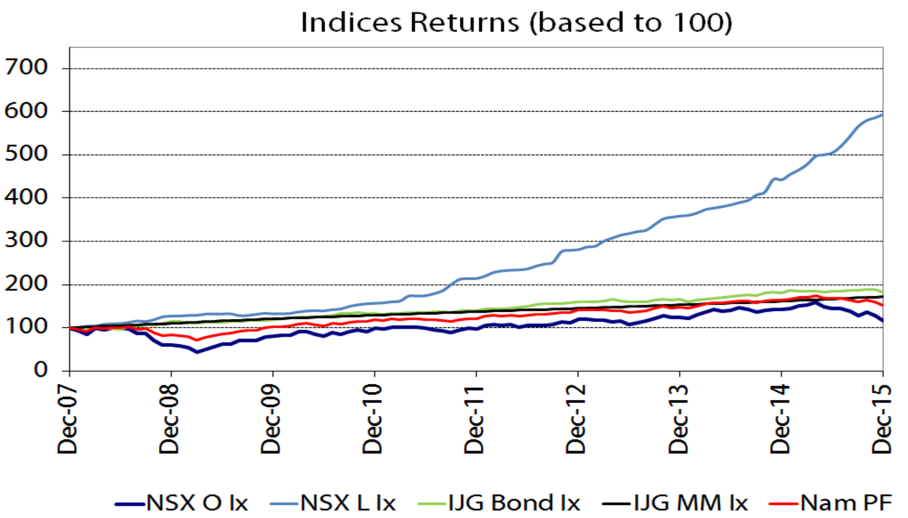
The IJG All Bond Index (including Corporate Bonds) fell 3.16% m/m in December after losing 0.45% m/m in November. The IJG Money Market Index (including NCD's) increased by 0.56% m/m in December after rising 0.54% m/m in November.

Performance by Asset Class



Source: IJG

Indices Returns (based to 100)



Source: IJG

Namibian Returns by Asset Class [N$,%] - December 2015	1 month	3 month	6 month	12 month	year-to-date	3 years*	5 years*
NSX Overall Index	-8.38	-9.51	-19.69	-17.83	-17.83	-0.66	3.38
NSX Local Index	1.39	5.02	17.59	34.27	34.27	28.40	30.59
IJG ALBI	-3.16	-2.29	-0.84	1.11	1.11	4.76	7.19
IJG GOVI	-3.20	-2.35	-0.94	1.01	1.01	4.82	7.14
IJG OTHI	-2.81	-1.71	0.08	2.23	2.23	4.65	7.72
IJG Money Market Index	0.56	1.66	3.29	6.47	6.47	5.90	5.90

** annualised*

Source: IJG

Namibian Returns by Asset Class [US$,%] - December 2015	1 month	3 month	6 month	12 month	year-to-date	3 years*	5 years*
US$ Strength/(Weakness)	-7.13	-10.96	-21.79	-25.64	-25.64	-18.32	-15.71
NSX Overall Index	-14.92	-19.42	-37.19	-38.90	-38.90	-18.86	-12.86
NSX Local Index	-5.84	-6.49	-8.03	-0.16	-0.16	4.88	10.07
IJG ALBI	-10.07	-13.00	-22.45	-24.82	-24.82	-14.43	-9.65
IJG GOVI	-10.10	-13.05	-22.52	-24.89	-24.89	-14.38	-9.69
IJG OTHI	-9.74	-12.48	-21.72	-23.99	-23.99	-14.52	-9.21
IJG Money Market Index	-6.01	-8.90	-18.69	-20.32	-44.29	-13.32	-10.62

** annualised*

Source: IJG

Equities

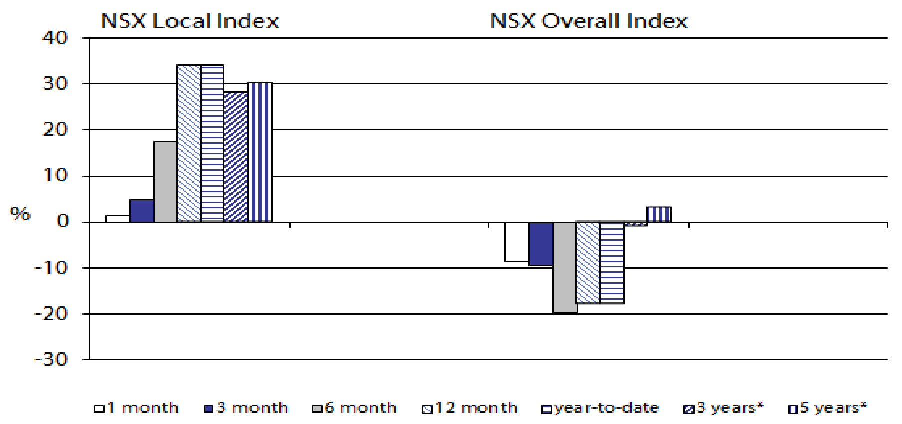
Please note that we have changed the calculation methodology for returns for the NSX Overall and the NSX Local Indices effective 1 February 2010. The new methodology calculates the returns based on the FTSE/JSE total return indices.

Index Total Returns [N$, %] - December 2015

	Code	1 month	3 month	6 month	12 month	ytd	3 years*	5 years*
NSX Local Index	N099	1.39	5.02	17.59	34.27	34.27	28.40	30.59
NSX Overall Index	N098	-8.38	-9.51	-19.69	-17.83	-17.83	-0.66	3.38

Source: IJG, JSE

Index Total Returns [N$] – December 2015



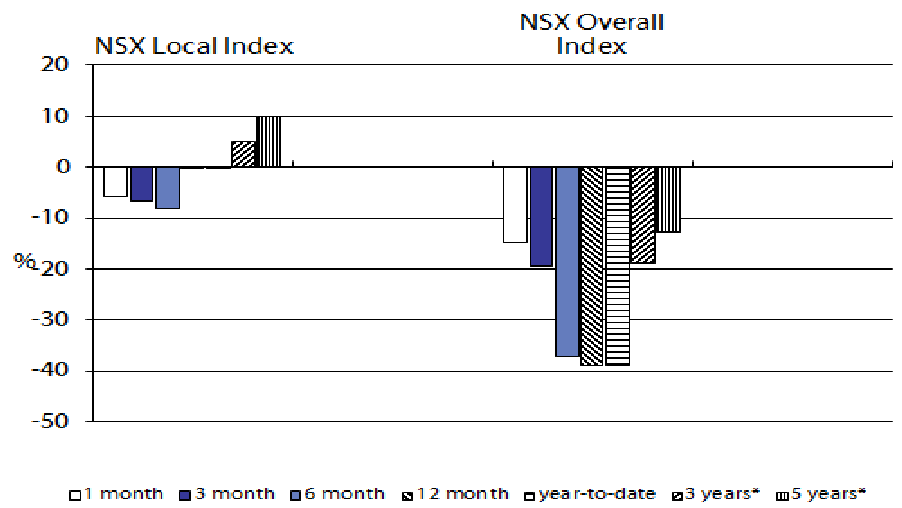
**annualised*
Source: IJG

Index Total Returns [US$, %] - December 2015

	Code	1 month	3 month	6 month	12 month	ytd	3 years*	5 years*
US$ /N$ Strength (Weakness)		-7.13	-10.96	-21.79	-25.64	-25.64	-18.32	-15.71
NSX Local Index	N099	-5.84	-6.49	-8.03	-0.16	-0.16	4.88	10.07
NSX Overall Index	N098	-14.92	-19.42	-37.19	-38.90	-38.90	-18.86	-12.86

Source: IJG, JSE

Index Total Returns [US$] – December 2015



** annualised*
Source: IJG

Individual Equity Total Returns [N$,%] December 2015

	Month end price (c)	NSX FF Market Cap Weight	1 month	3 month	6 month	12 month	year-to-date
FINANCIALS			-8.01	-4.44	-9.60	-1.42	-1.39
banks			-10.62	-13.47	-22.45	-14.72	-14.72
BWH	1 700	0.19%	5.88	8.42	10.95	33.06	33.06
FST	4 237	13.28%	-9.44	-12.75	-18.70	-12.37	-12.37
FNB*	4 355	0.29%	0.47	7.24	35.69	71.14	71.14
NBK	18 861	3.76%	-10.23	-13.09	-20.25	-21.02	-21.02
SNB	11 350	14.25%	-12.26	-14.95	-28.15	-17.62	-17.62
insurance			-10.03	-15.43	-10.55	-8.92	-8.92
SNM	18 950	0.65%	-10.03	-15.43	-10.55	-8.92	-8.92
life assurance			-5.37	3.70	1.52	9.56	9.56
MMI	2 200	2.33%	-6.54	-6.09	-25.05	-22.75	-22.75
OLM	4 145	20.28%	-7.40	5.58	9.15	24.17	24.17
SLA	6 054	10.99%	-1.39	2.29	-6.94	-10.55	-10.55
investment companies			1.39	2.35	28.50	20.04	20.04
NAM*	73	0.01%	1.39	2.35	28.50	20.04	20.04
real estate			-6.63	-5.82	-1.03	1.57	1.57
ORY*	2 060	0.11%	1.63	5.02	9.59	20.66	20.66
VKN	1 690	1.04%	-7.47	-6.92	-2.11	-0.38	-0.38
specialist finance			-8.65	3.17	-0.37	15.69	16.51
IVD	10 950	2.84%	-9.31	4.13	1.21	15.99	15.99
KFS	780	0.27%	-1.39	-1.45	-11.13	0.00	9.82
TUC	381	0.12%	-9.18	-9.36	-13.80	43.98	43.98
HEALTH CARE			3.54	7.98	16.29	0.00	18.23
health care providers			3.54	7.98	16.29	0.00	18.23
MDC	11 900	6.03%	3.54	7.98	16.29	0.00	18.23
RESOURCES			-17.91	-29.34	-52.88	-59.23	-59.23
mining			-18.01	-29.59	-53.67	-59.90	-59.90
ANM	6 899	9.43%	-20.87	-39.00	-59.76	-66.24	-66.24
PDN	334	0.42%	3.41	108.75	12.46	1.52	1.52
FSY	151	0.02%	-2.58	8.63	-12.72	-20.11	-20.11
DYL	11	0.01%	10.00	10.00	22.22	-15.38	-15.38
BMN	42	0.01%	-4.55	40.00	-8.70	-37.31	-37.31
MEY	4	0.00%	0.00	0.00	0.00	0.00	0.00
B2G	1 635	0.65%	7.85	13.31	-14.22	-11.29	-11.29
EOG	190	0.01%	14.46	68.14	108.94	19.50	19.50
chemicals			-11.30	-13.32	-4.27	-17.29	-17.29
AOX	1 300	0.18%	-11.30	-13.32	-4.27	-17.29	-17.29
INDUSTRIAL			-2.39	-0.66	-8.54	24.92	24.92
GENERAL INDUSTRIALS							
diversified industrials			-18.63	0.91	-34.32	-32.88	-32.88
BWL	6 197	1.41%	-18.63	-16.89	-34.32	-32.88	-32.88
Suppport Services			-0.16	0.05	-0.36	-3.02	-3.23
BVN*	1 049	0.06%	0.25	1.24	-1.95	-16.28	-16.28
CLN	1 700	0.24%	-8.96	-7.92	0.00	0.00	-9.09
NON-CYCLICAL CONSUMER GOODS							
beverages			0.77	2.93	11.74	25.63	25.63
NBS*	2 247	0.24%	0.77	2.93	11.74	25.63	25.63
food producers & processors			3.86	22.51	22.89	15.38	15.38
OCG	11 700	0.41%	3.86	22.51	22.89	15.38	15.38
CYCLICAL SERVICES							
general retailers			-3.21	8.42	8.75	107.42	107.42
NHL*	240	0.00%	0.00	0.00	-4.35	n/a	-8.33
TRW	9 115	4.01%	-3.21	8.43	8.76	107.52	107.52
NON-CYCLICAL SERVICES							
food & drug retailers			1.13	-8.26	-16.46	-12.84	-12.84
SRH	14 326	6.45%	1.13	-8.26	-16.46	-12.84	-12.84

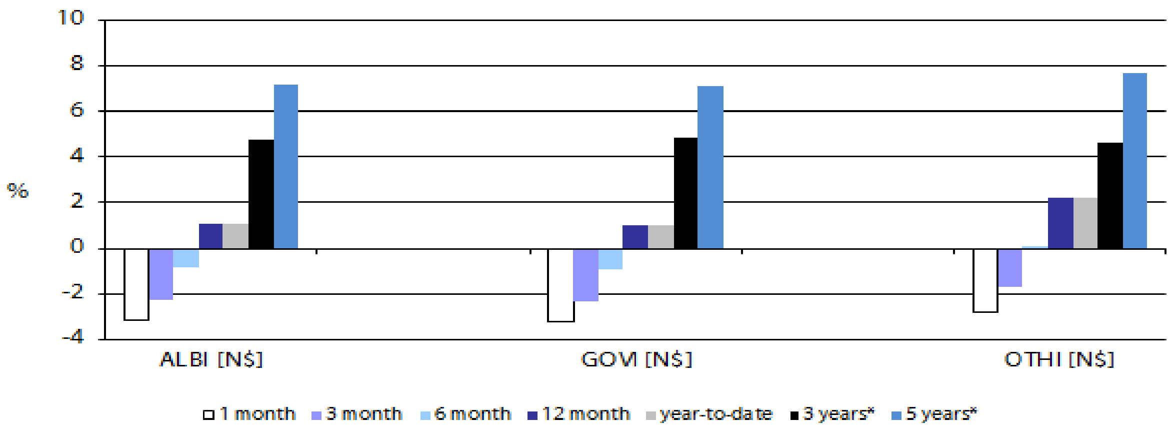
Source: IJG, NSX, JSE, Bloomberg

Bonds

Bond Performance Index Total Returns (%) - as at December 2015	1 month	3 month	6 month	y/y	ytd	3 years*	5 years*
ALBI [N$]	-3.16	-2.29	-0.84	1.11	1.11	4.76	7.19
GOVI [N$]	-3.20	-2.35	-0.94	1.01	1.01	4.82	7.14
OTHI [N$]	-2.81	-1.71	0.08	2.23	2.23	4.65	7.72

** annualised*
Source: IJG

Bond Performance, Index Total Return (%)- as at December 2015

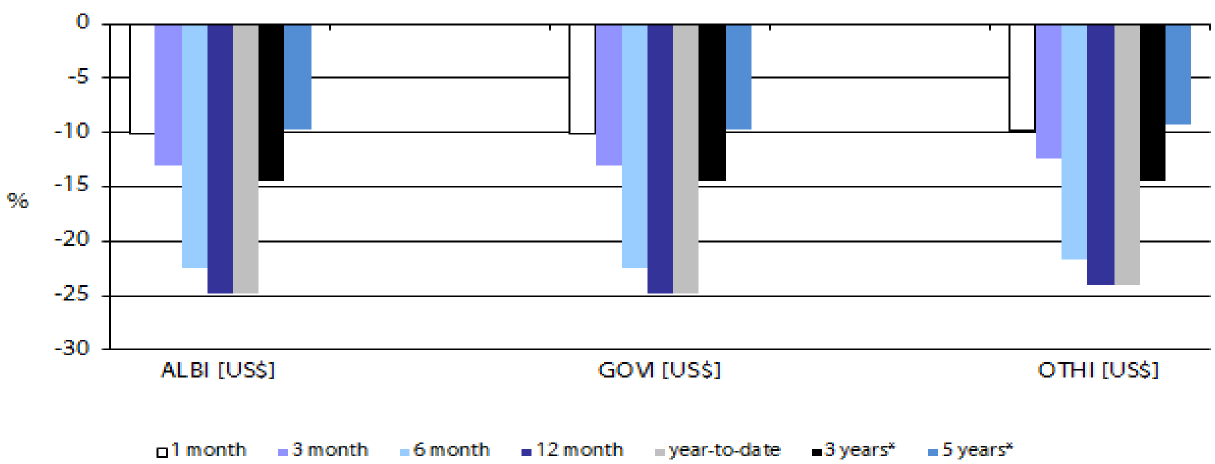


** annualised*
Source: IJG

Bond Performance, Index Total Returns (US$- terms), (%) - as at December 2015	1 month	3 month	6 month	12 month	year-to-date	3 years*	5 years*
ALBI [US$]	-10.07	-13.00	-22.45	-24.82	-24.82	-14.43	-9.65
GOVI [US$]	-10.10	-13.05	-22.52	-24.89	-24.89	-14.38	-9.69
OTHI [US$]	-9.74	-12.48	-21.72	-23.99	-23.99	-14.52	-9.21
N$/US$	-7.13	-10.96	-21.79	-25.64	-25.64	-18.32	-15.71

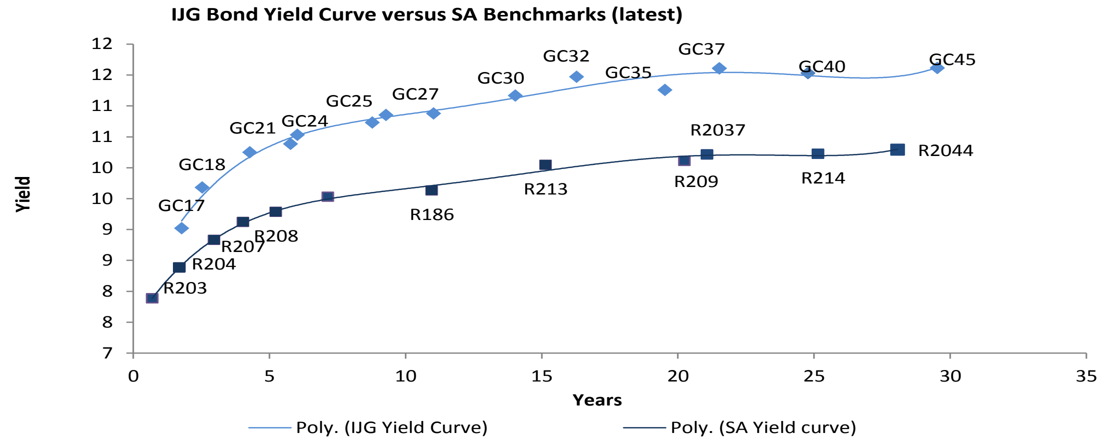
** annualised*
Source: IJG

Bond Performance, Index Total Return (US$ - terms) (%)- as at December 2015

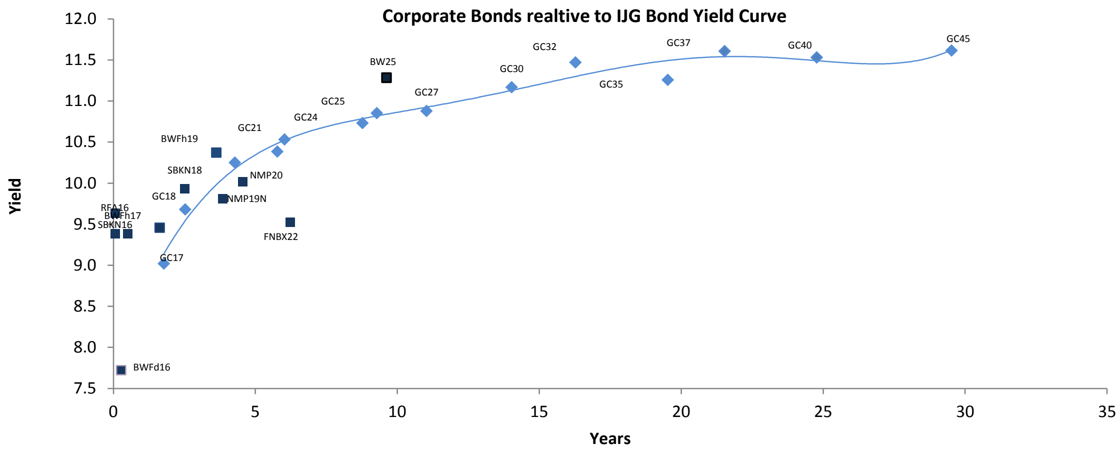


** annualised*
Source: IJG

Namibian vs. South African Yield Curve



IJG Bond Yield Curve



Source: IJG

Bond Maturity Profile

	Benchmark	Maturity Date	Coupon Rate	Modified Duration
GC17	R203	15/10/2017	8.00%	1.59
GC18	R204	15/07/2018	9.50%	2.11
GC20	R207	15/04/2020	8.25%	3.42
GC21	R208	15/10/2021	7.75%	4.38
GC22	R2023	15/01/2022	8.75%	4.32
GC24	R186	15/10/2024	10.50%	5.48
GC25	R186	15/04/2025	8.50%	5.91
GC27	R186	15/01/2027	8.00%	6.43
GC30	R213	15/01/2030	8.00%	7.12
GC32	R213	15/04/2032	9.00%	7.43
GC35	R213	15/07/2035	9.50%	7.62
GC37	R2037	15/07/2037	9.50%	7.63
GC40	R214	15/10/2040	9.80%	8.04
GC45	R2044	15/07/2045	9.85%	7.93

Source: IJG, BoN

IJG Namibia ALBI - as at December 2015	this month	1 month ago	3 months ago	6 months ago	12 months ago
ALBI	136.37	140.82	139.56	137.53	134.87
GOVI	136.38	140.89	139.67	137.68	135.02
OTHI	136.94	140.89	139.32	136.82	133.95
Modified Duration IJG ALBI	3.26	3.41	3.46	3.69	3.96
Modified Duration IJG GOVI	3.30	3.45	3.50	3.73	4.10
Modified Duration IJG OTHI	2.84	2.96	3.09	3.23	3.02
weight GOVI [%]	90.42	90.59	90.50	90.48	87.39
weight OTHI [%]	9.58	9.41	9.50	9.52	12.61

Source: IJG

IJG Namibia ALBI -Rate Duration (years) as at December 2015

this month	1 month ago	3 months ago	6 months ago	12 months ago
GC17 1.60	GC17 1.69	GC17 1.79	GC17 2.03	GC17 2.43
GC18 2.12	GC18 2.21	GC18 2.37	GC18 2.50	GC18 2.87
GC21 4.38	GC21 4.53	GC21 4.52	GC21 4.77	GC21 5.09
GC24 5.49	GC24 5.70	GC24 5.60	GC24 5.88	GC24 6.15
FNBX22 1.13	FNBX22 1.22	FNBX22 1.38	FNBX22 1.56	FNBX22 1.96
BWFh17 1.46	BWFh17 1.55	BWFh17 1.71	BWFh17 1.88	RFA16 0.98
NMP19N 3.10	NMP19N 3.21	NMP19N 3.23	NMP19N 3.47	NMP19N 3.80
NMP20 3.48	NMP20 3.60	NMP20 3.77	NMP20 3.84	NMP20 4.15

Source: IJG

IJG Namibia ALBI -Weights [%] as at December 2015

this month	1 month ago	3 months ago	6 months ago	12 months ago
GC17	GC17	GC17	GC17	GC17
20.01	19.33	19.31	19.47	19.52
GC18	GC18	GC18	GC18	GC18
31.77	32.39	32.33	31.35	29.40
GC21	GC21	GC21	GC21	GC21
11.46	11.49	11.60	11.75	9.32
GC24	GC24	GC24	GC24	GC24
27.18	27.38	27.26	27.90	29.15
FNBX22	FNBX22	FNBX22	FNBX22	FNBX22
1.05	1.01	1.01	1.02	1.13
BWFh17	BWFh17	BWFh17	BWFh17	RFA16
1.37	1.33	1.32	1.33	3.43
NMP19N	NMP19N	NMP19N	NMP19N	NMP19N
2.39	2.35	2.46	2.39	2.69
NMP20	NMP20	NMP20	NMP20	NMP20
4.76	4.72	4.71	4.78	5.35

Source: IJG

IJG Namibia OTHI -Weights [%] as at December 2015

this month	1 month ago	3 months ago	6 months ago	12 months ago
FNBX22	FNBX22	FNBX22	FNBX22	FNBX22
10.96	10.72	10.58	10.68	8.95
BWFh17	BWFh17	BWFh17	BWFh17	RFA16
14.35	14.09	13.92	13.99	27.20
NMP19N	NMP19N	NMP19N	NMP19N	NMP19N
24.96	25.02	25.94	25.10	21.38
NMP20	NMP20	NMP20	NMP20	NMP20
49.74	50.17	49.56	50.23	42.47

Source: IJG

IJG Namibia GOVI -Weights [%] as at December 2015

this month	1 month ago	3 months ago	6 months ago	12 months ago
GC17	GC17	GC17	GC17	GC17
22.13	21.34	21.33	21.52	22.34
GC18	GC18	GC18	GC18	GC18
35.14	35.76	35.73	34.65	33.64
GC21	GC21	GC21	GC21	GC21
12.67	12.68	12.82	12.99	10.67
GC24	GC24	GC24	GC24	GC24
30.06	30.22	30.12	30.84	33.35

Source: IJG

IJG Namibia ALBI -Yields[%] as at December 2015

this month	1 month ago	3 months ago	6 months ago	12 months ago
GC17	GC17	GC17	GC17	GC17
9.18	8.00	7.87	7.85	7.50
GC18	GC18	GC18	GC18	GC18
9.83	8.60	8.47	8.41	7.87
GC21	GC21	GC21	GC21	GC21
10.53	9.24	8.90	8.76	8.25
GC24	GC24	GC24	GC24	GC24
10.86	9.71	9.60	9.29	8.71
FNBX22	FNBX22	FNBX22	FNBX22	FNBX22
9.68	8.50	8.37	8.35	8.00
BWFh17	BWFh17	BWFh17	BWFh17	RFA16
9.61	8.44	8.30	8.29	8.11
NMP19N	NMP19N	NMP19N	NMP19N	NMP19N
9.96	8.73	8.60	8.54	8.00
NMP20	NMP20	NMP20	NMP20	NMP20
10.16	8.89	8.82	8.70	8.32

Source: IJG

IJG Namibia ALBI - Premiums [bp] as at December 2015

this month	1 month ago	3 months ago	6 months ago	12 months ago
GC17	GC17	GC17	GC17	GC17
64	64	64	64	61
GC18	GC18	GC18	GC18	GC18
85	85	85	85	70
GC21	GC21	GC21	GC21	GC21
110	110	83	83	69
GC24	GC24	GC24	GC24	GC24
110	112	115	101	75
FNBX22	FNBX22	FNBX22	FNBX22	FNBX22
50	50	50	50	50
BWFh17	BWFh17	BWFh17	BWFh17	RFA16
107	107	107	107	150
NMP19N	NMP19N	NMP19N	NMP19N	NMP19N
13	13	13	13	13
NMP20	NMP20	NMP20	NMP20	NMP20
90	90	90	90	90

Source: IJG

Money Market (Including NCD's)

Effective April 2010 we have changed the methodology to calculate Money Market returns to include NCDs. For more information please refer to BBN IJG Money Market Index – **Extending Local Performance Measures**.

IJG Money Market Index [average returns] - as at December 2015

	this month	1 month ago	3 months ago	6 months ago	12 months ago
Money Market Index	155.10	154.24	152.57	150.16	145.68
Call Index	143.63	143.02	141.87	140.18	136.91
3-month NCD Index	151.49	150.70	149.19	146.96	142.75
6-month NCD Index	155.22	154.34	152.65	150.13	145.45
12-month NCD Index	158.48	157.54	155.72	153.08	148.28
NCD Index *including call*	154.83	153.95	152.27	149.85	145.38
3-month TB Index	154.74	153.87	152.25	149.91	145.54
6-month TB Index	157.01	156.10	154.37	151.84	147.05
12-month TB Index	158.16	157.27	155.54	153.03	148.30
TB Index *including call*	155.37	154.52	152.89	150.50	146.01

Source: IJG

IJG Money Market Index [single returns] - as at December 2015

	this month	1 month ago	3 months ago	6 months ago	12 months ago
Money Market Index	153.98	153.04	151.33	148.86	144.26
Call Index	143.63	143.02	141.87	140.18	136.91
3-month NCD Index	150.72	149.89	148.35	146.14	141.91
6-month NCD Index	154.08	153.17	151.46	148.96	144.21
12-month NCD Index	157.30	156.29	154.39	151.63	146.60
NCD Index *including call*	153.94	153.01	151.27	148.78	144.15
3-month TB Index	154.03	153.12	151.43	149.08	144.70
6-month TB Index	155.83	154.85	153.04	150.49	145.70
12-month TB Index	156.01	154.98	153.24	150.63	145.87
TB Index *including call*	155.37	154.52	152.89	150.50	146.01

Source: IJG

IJG Money Market Index Performance [average returns, %] - as at December 2015							
	this month	3 months	6 months	y/y	ytd	3* years	5* years
Money Market Index	0.56	1.66	3.29	6.47	6.47	5.90	5.90
Call Index	0.43	1.24	2.46	4.90	4.90	4.73	4.77
3-month NCD Index	0.53	1.55	3.08	6.13	6.13	2.36	4.17
6-month NCD Index	0.57	1.69	3.39	6.72	6.72	2.72	4.29
12-month NCD Index	0.60	1.77	3.53	6.88	6.88	2.84	4.50
NCD Index including call	0.57	1.68	3.32	6.50	6.50	2.27	4.06
3-month TB Index	0.57	1.63	3.22	6.32	6.32	5.92	5.83
6-month TB Index	0.58	1.71	3.41	6.77	6.77	6.17	6.06
12-month TB Index	0.57	1.68	3.36	6.65	6.65	5.98	6.03
TB Index including call	0.55	1.62	3.23	6.41	6.41	5.85	5.84

Source: IJG

IJG Money Market Index Performance [single returns, %] - as at December 2015							
	1 month	3 months	6 months	y/y	ytd	3* years	5* years
Money Market Index	0.61	1.75	3.44	6.74	6.74	6.10	5.95
Call Index	0.43	1.24	2.46	4.90	4.90	4.73	4.77
3-month NCD Index	0.55	1.60	3.14	6.21	6.21	2.39	3.94
6-month NCD Index	0.60	1.73	3.44	6.85	6.85	2.59	4.23
12-month NCD Index	0.65	1.89	3.74	7.30	7.30	2.73	4.46
NCD Index including call	0.61	1.77	3.46	6.79	6.79	2.58	4.22
3-month TB Index	0.59	1.72	3.32	6.45	6.45	5.99	5.86
6-month TB Index	0.64	1.83	3.55	6.96	6.96	6.33	6.12
12-month TB Index	0.66	1.81	3.57	6.95	6.95	6.25	6.07
TB Index including call	0.55	1.62	3.23	6.41	6.41	5.85	5.84

Source: IJG

IJG Money Market Index Weights (%) - as at December 2015	this month	1 month ago	3 months ago	6 months ago	12 months ago
Call Index	15.00	15.00	15.00	15.00	15.00
3-month NCD Index	4.08	4.08	11.75	13.85	4.49
6-month NCD Index	4.96	4.96	7.48	7.43	2.63
12-month NCD Index	47.45	47.45	40.98	40.05	47.96
3-month TB Index	3.01	3.01	2.33	2.16	3.30
6-month TB Index	8.49	8.49	7.19	7.39	8.72
12-month TB Index	17.00	17.00	15.27	14.12	17.90

Source: IJG

Average Days to Maturity - as at December 2015	this month	1 month ago	3 months ago	6 months ago	12 months ago
Call Index	0.15	0.15	0.15	0.15	0.15
3-month NCD Index	1.88	1.88	5.41	6.37	2.06
6-month NCD Index	4.51	4.51	6.80	6.76	2.39
12-month NCD Index	85.97	85.97	74.25	72.56	86.89
3-month TB Index	1.39	1.39	1.07	1.00	1.52
6-month TB Index	7.73	7.73	6.54	6.72	7.94
12-month TB Index	30.79	30.79	27.66	25.57	32.44
Composite Index	132.42	132.42	125.88	125.88	109.53

Source: IJG

Money Market (Excluding NCD's)

IJG Money Market Index [average returns] - December 2015

	this month	1 month ago	3 months ago	6 months ago	12 months ago
Money Market Index	361.13	359.14	355.29	349.76	339.16
Call Index	304.55	303.35	300.97	297.43	290.48
3-month TB Index	351.95	349.95	346.21	340.92	330.86
6-month TB Index	365.60	363.48	359.41	353.55	342.31
12-month TB Index	383.96	381.76	377.49	371.39	359.77

** annualised*
Source: IJG

IJG Money Market Index Performance [average returns, %] - December 2015

	1 month	3 months	6 months	y/y	ytd	3 years *	5 year *
Money Market Index	0.56	1.65	3.25	6.48	6.48	5.89	5.87
Call Index	0.39	1.19	2.39	4.84	4.84	4.68	4.73
3-month TB Index	0.57	1.66	3.24	6.38	6.38	5.94	5.84
6-month TB Index	0.58	1.72	3.41	6.80	6.80	6.20	6.06
12-month TB Index	0.58	1.71	3.38	6.73	6.73	6.03	6.03

** annualised*
Source: IJG

IJG Money Market Index Weights [%] - December 2015

	this month	1 month ago	3 months ago	6 months ago	12 months ago
Call Index	15.00	15.00	15.00	15.00	15.00
3-month TB Index	7.92	7.92	9.18	8.20	9.46
6-month TB Index	25.76	25.76	25.10	24.70	25.29
12-month TB Index	51.32	51.32	50.72	52.10	50.25

** annualised*
Source: IJG

IJG Money Market Index [single-month returns] - December 2015	this month	1 month ago	3 months ago	6 months ago	12 months ago
Money Market Index	356.13	353.98	349.85	344.27	333.60
Call Index	304.55	303.35	300.97	297.43	290.48
3-month TB Index	350.56	348.53	344.62	339.33	329.27
6-month TB Index	361.88	359.60	355.31	349.45	338.25
12-month TB Index	375.79	373.36	368.68	362.49	350.71

** annualised*

Source: IJG

IJG Money Market Index Performance [single-month returns, %] - December 2015	1 month	3 months	6 months	y/y	ytd	3 years *	5 years *
Money Market Index	0.61	1.80	3.45	6.75	6.75	6.09	5.92
Call Index	0.39	1.19	2.39	4.84	4.84	4.68	4.73
3-month TB Index	0.58	1.72	3.31	6.47	6.47	5.99	5.86
6-month TB Index	0.63	1.85	3.56	6.99	6.99	6.35	6.12
12-month TB Index	0.65	1.93	3.67	7.15	7.15	6.33	6.10

** annualised*

Source: IJG

Exchange Traded Funds (ETF's)

Ticker	Current Price (c)	mtd %	ytd %	52Wk High	52Wk Low
ENXPLD	8479	9.65	-8.45	9985	6920
NGNGLD	15850	8.59	19.26	16300	9015
NGNPLD	8460	9.40	-8.42	9879	6900
NGNPLT	13429	13.93	-3.39	14680	11700

Source: IJG

Namibian News

General News

Good news for motorists on the eve of the Christmas holiday exodus is that prices of petrol and diesel will be unchanged in December. The Ministry of Mines and Energy has announced fuel prices will remain unchanged this month. –The Republikein

Between 60% and 80% of Namibians told the non-governmental organization, Transparency International, that they believe corruption has risen over the last 12 months. Transparency International partnered Afrobarometer to gauge the opinions of 43,143 respondents across 28 countries in sub-Saharan Africa between March 2014 and September 2015 about their experiences and perceptions of corruption in their countries. –The Namibian

The water crisis in Windhoek is reaching a crisis point this month with the Swakoppoort and Von Bach dams only able to supply the capital for a few more months before the remaining 15% dries up. Meanwhile Windhoek residents continue to use more and more water. Various concerned business persons, experts and residents attended ThinkNamibia and the Hans Seidel Foundation's public dialogue on the water crisis, in Windhoek yesterday. –The Republikein

President Hage Geingob yesterday unleashed a new plan that he said will address national problems between 2016 and 2021 and expressed hope that this will eradicate poverty in Namibia by 2025. Geingob announced the 'Harambe towards prosperity' master plan which includes introducing a revamped basic income grant, commuter trains, apartments for civil servants, water and energy projects and infrastructure development projects that will cost billions of dollars. –The Namibian

Namibia needs to invest in education in order to better the link between work and development. At this point, Namibia is rated 126th out of 188 countries in the world in terms of human development. This was revealed on Tuesday during the official launch of the United Nations (UN) Human Development Report in Windhoek. Human development is about enlarging human choices and focusing on the richness of human lives rather than simply the richness of economies. –The Namibian

Economy

The IJG Business Climate Index climbed 6.3 points in October, taking it to a record high of 170.3 points, from 164 points in the preceding month. The monthly move was primarily driven by building plans and vehicles sales. Building plans approved increased in value by 85.8% month-on-month, from N$133.7 million to N$248.4 million, while building plans completed increased by 130.0% month-on-month, from N$21.0 million to N$48.2 million. Passenger vehicle sales increased 6.4% month-on-month, while commercial vehicle sales expanded by 8.0% month-on-month. In total 9,420 new passenger vehicles have been sold in Namibia over the past 12 months, while 12,345 new commercial vehicles have been sold. Despite the month-on-month increase in sales, on a year-on-year basis, both commercial and passenger vehicle sales are notably lower.

Total credit extended to the private sector increased by N$809 million, or 1.07%, in October 2015, taking total credit outstanding to N$76.7 billion. On an annual basis PSCE growth slowed slightly from 15.7% in September to 14.9% in October. A total of N$10 billion worth of credit has been approved over the last 12 months with N$7.4 billion worth of credit being approved in 2015 thus far. Of this N$10 billion worth of credit issued during the last 12 months, approximately N$5.5 billion was taken up by businesses, while N$4.4 billion was taken up by individuals.

IJG Securities is concerned that the hard currency raised via the Eurobond will be converted into Namibia dollars in order to fund government operations as was done with the first Eurobond. In October the government issued a US$750 million 10-year Eurobond. This was the country's second Eurobond after the US$500 million issued in 2011. Based on its calculations, IJG said the first Eurobond has become relatively more expensive than debt raised locally due to the depreciation of the rand versus the dollar. "There is a risk that history will repeat itself if the money raised via the second Eurobond is converted to Namibia dollars and used to fund consumptive spending in government," the firm said. The rand has experienced a 24% decline versus the US dollar so far this year. –The Namibian

SACU to rescue Namibia again. A massive injection of almost N$10 billion from the SACU income pool as well as the recently issued Eurobond has increased Namibia's foreign reserves by more than 76%. At the end of October the reserve level stood at N$22.7 billion versus the September figure of N$12.8 billion. It is unknown what portion of this increase was due to SACU revenue and what was due to Eurobond inflows. –The Republikein

A total of 218 building plans valued at N$332.9 million were approved by the City of Windhoek in November 2015, with one project classified as an addition to be built in Rocky Crest, valued at N$180.0 million. On a year to date basis, 2,394 plans were approved with a value of N$2.124 billion, versus 2,710 plans valued at N$2.054 billion for the same period last year. This represents a 3.4% increase in the value of plans approved on a year to date basis, posting growth for the first time in eleven months, largely due to the Rocky Crest property approved in November this year and a commercial property to be built in Lafrenz, valued at N$102.0 million approved in October. The below chart illustrates the value of plans approved on a year to date basis compared to previous years.

The central bank has kept the repo rate unchanged at 6.50% saying that the decision was underpinned by the downward trend in the growth of instalment credit extended to households and the need to continue supporting the domestic economy.

A total of 1,721 new vehicles were sold in Namibia during November. New vehicle sales decreased by 13.6% year on year and decreased 2.6% month on month. At this point of the year, 19,663 vehicles have been sold so far in 2015, down 2.3% on the comparable period of 2014. Thus Namibia is no longer on track for a record year of new vehicle sales, and the declining rate of growth of new vehicle sales suggests that we may see a contraction. The 12-month cumulative measure of new vehicles sold decreased further to 21,494 in November from a high of 22,664 in April, largely due to an elevated base and strong vehicle sales in 2014.

The Namibian annual inflation rate decreased slightly to 3.3% in November, down from 3.4% in October. On a month on month basis prices rose by 0.2% again when compared to October. On a year on year basis, the basket categories food and non-alcoholic beverages, health and communication grew at a faster rate in November than in October while the other categories slowed somewhat dragging down overall inflation, with transport and clothing prices contracting. Year on year inflation is again well below average, largely due to a drop in the price of oil over the past year, and the knock on effects this has on prices. 12 month average inflation reached a new low of 3.5%, and has been coming down steadily since November 2014.

The youth unemployment rates for 2012 and 2013 are almost 2% lower than the first results that were released by the Namibia Statistics Agency last month. The first results, which the NSA retracted a few hours after they had announced them showed that the youth unemployment rate was at 39.2 % and 43.4% in 2012 and 2013 respectively. –The Namibian

Financial

The Bank of Namibia (BoN) and Banco Nacional de Angola (BNA) have temporarily suspended the Currency Conversion Agreement (CCA) as from 2 December 2015. The suspension will run for the next 19 days to allow the two banks to prepare mechanisms for a new CCA, BoN Governor Ipumbu Shiimi said during a media briefing on Monday. Shiimi explained the temporary suspension of the CCA was driven by challenges, including the exchange of currencies outside the scope of the agreement. "The new mechanism entails that the BoN will issue the Namibian Dollars to BNA as start-up capital," Shiimi said. He further noted that the BNA will then facilitate currency exchange at commercial banks and bureau de change in Santa Clara. –The Namibian

Small and medium enterprises across the country are feeling the effects of government's liquidity crisis with government owing millions of dollars to some companies for services rendered. So bad is the situation that small entities are facing closure and have looked to the Namibia Chamber of Commerce and Industry (NCCI) to address their concerns with government. The Namibian has also learnt that NCCI's Tarah Shaanika has written to the ministries of finance, works and other government agencies to address the issue of delayed payments which is killing small businesses. –The Namibian

Total banking assets accounted for 59% of GDP at the end of December 2014, according to the PSG Namibia Banking Review released this week. Banking sector assets comprise mainly of loans and advances. Gross advances represented approximately 77% of the total assets at December 2014. Mortgages constitute 32% of total assets or 48% of total advances. Deposits account for approximately 90% of total banking liabilities. –The Namibian

The Angolan central bank, Banco Nacional de Angola, has to pay US$390 million to Namibia because the Bank of Namibia has 32 billion Kwanza in its vaults. This comes barely six months after the Bank of Namibia and the Banco Nacional de Angola entered into a currency conversion agreement which enabled the residents of Oshikango and Santa Clara border towns to exchange their respective national currencies for payment of goods and services. –The Namibian (online)

First National Bank of Namibia has been implicated in a money laundering investigation involving N$74 million that was channelled in and out of the country. Authorities are investigating an elaborate scheme where a non-existent person used a fake passport to register two businesses (close corporations) and several bank accounts that were then used to move the money. –The Namibia

Angolan, Namibian currency conversion to resume. The Bank of Namibia and the Banko Nacional de Angola are confident that the new currency conversion agreement will resume as planned on Monday next week, Emma Haiyambo, the deputy director of communications and financial sector development at the Bank of Namibia said. The two banks entered into a currency conversion agreement on 22 September 2014, which was implemented on 18 June this year. This agreement enabled the residents of the border towns of Oshikango and Santa Clara to exchange their respective national currencies to facilitate the payment of goods and services. –The Namibian

A debt management system, foreign asset investments, a hard currency sinking fund as well as "natural hedging" are all measures to ensure that foreign debt obligations remain sustainable, says the Bank of Namibia (BoN). To further protect Namibia from the increasing financial burden of its foreign debt, BoN is exploring additional measures to supplement those in place at present. Exactly what these options are BoN was unwilling to say except that it would be made public in due course. –The Republikein

Property and Construction

Road construction dealer Elmo Kaiyamo and his Italian partners have won the race for one of the most chased-after road tenders in the country this year after they reportedly scooped the N$1.1 billion tender to construct the second part of the highway between Windhoek and Okahandja. Besides awarding the Windhoek-Okahandja tender to Kaiyamo, RA gave China Railway Seventh Group and Onamagongwa Trading Enterprise the Windhoek to Hosea Kutako International Airport tender while the Swakopmund, Henties Bay and Kamanjab road went to Zhong Mei Engineering Group and the Roads Contractor Company. –The Namibian

The Namibia Airports Company has awarded a tender to construct a new international airport worth close to N$7 billion to a Chinese state-owned company. This deal is not only about the contract signed in a questionable manner at a time when the state is struggling financially, but the agreement also means that well known broker Knowledge Katti might allegedly rake in more than N$100 million for being the middleman in this deal. The tender was last week awarded to Chinese government-owned firm Anhui Foreign Economic Construction Corporation for N$6.8 billion, Namibia Airports Company spokesperson Dan Kamati confirmed yesterday. Kamati said the government will "fully fund" the project worth N$6.8 billion (U$478 million). This amount is an increase from the N$5 billion quoted by the same company last year. – The Namibian

Road contractors suspect corruption is taking place in the render process for the second phase of the Windhoek to Okahandja road that was recently awarded, as well as for the road between Windhoek and the Hosea Kutako International Airport. These industry role-players are asking questions about the awarding of tenders to more expensive tenderers at a time when the country is experiencing monetary problems. Roads Authority last week announced the tender for the remaining 27.6km stretch of road between Windhoek and Okahandja was awarded to a joint venture between a young Namibian company, Otesa Group, and Italian owned C.M.C. d'Ravenna and would cost N$1.08 billion to complete. –The Republikein

A N$755 million tender scooped by the troubled Roads Contractor Company from the Roads Authority was unadvertised. The RA's chief executive officer, Conrad Lutombi, confirmed to The Namibian yesterday that there was no advertising of the tender. Lutombi said the RA allocated the tender to the RCC to help with their turnaround strategy and that the company had the right, like any other company awarded a tender, to subcontract. *The Namibian* understands that the RCC has subcontracted part of the tender to a Chinese company, Zhong Mei Engineering Group, to complete a part of the Swakopmund-Kamanjab road, on which construction will start in January 2016. –The Namibian

The Namibia Airports Company (NAC) awarded a N$7 billion tender for the construction of a new international airport without the blessing of the Office of the Attorney General, which is supposed to approve the agreement before it is signed. The NAC confirmed last week that the tender was awarded two weeks ago to Chinese-owned firm Anhui Foreign Economic Construction Corporation for about N$7 billion. –The Namibian

Resources

French company InnoVent is planning to set up a 150 to 500 megawatt (MW) wind farm in Tsau //Khaeb (Sperrgebiet) National Park. The Sperrgebiet is a diamond mining area in south-western Namibia, north of Lüderitz. InnoVent subsidiary InnoSun and the Ministry of Environment and Tourism (MET) will sign a Memorandum of Understanding (MoU) tomorrow at a side event during the climate change conference in France. Speaking to Nampa about this development on Tuesday, environmental commissioner Theofilus Nghitila commended the move, saying it is a signal to the world that Namibia has the potential for renewable energy. –The Namibian

The installation of a 50MW solar plant in Windhoek will be advantageous in terms of lower cost electricity for the capital. This installation will provide approximately 30% of the municipality's daily electricity needs. A premises on which to build the power plant still needs to be identified by city officials. A cooperation agreement between the city council and SATEC Solar Namibia (Pty) Ltd expired on 22 October this year. –The Republikein

De Beers and the government have signed heads of agreement, but are still in the process of finalising the full details of the sales agreement, it was announced yesterday. "This process is ongoing and unfortunately we are unable to specify a timeline for it. However, we know that both shareholders are focused on concluding the final details of the agreement as soon possible," Helena Mootseng, manager of public and corporate affairs at the Namibia Diamond Trading Company, informed this week. Mootseng said while the process of finalising the sales agreement continues, NDTC has extended existing sightholders' contracts until 30 March 2016. – The Namibian

Anti-corruption NGO Sherpa has filed a case against French nuclear power multinational Areva, alleging corruption related to a mining deal involving assets in South Africa, Namibia and the Central African Republic. The allegations centre on the 1.8 billion euro purchase of three uranium mines in 2007. "We have a strong suspicion of bribery," relating to foreign government officials, Sherpa executive director Laetitia Liebert told RFI. "We are trying to understand how these suspicious operations could escape the attention of the compliance and audit committees of the group." –The Namibian

Diamond cutting and polishing companies want the government to save them from total collapse by cutting the price of rough diamonds the state supplies to them. The global diamond industry is beset by problems that have seen prices fall and production cut in most countries, including the Namibian market. But locally, owners of factories say the government can solve the crisis by providing cheaper rough diamonds that would ensure the survival of factories. "Time is running out. The industry is about to collapse," said Burhan Seber, managing director of a Windhoek-based factory, Hardstone Processing, in an interview. Seber is also a former president of the Diamond Manufacturers' Association of Namibia. –The Namibian

The Namibian national power utility, NamPower, has signed an agreement with a German development bank, KfW, to finance renewable power generation and other projects to the value of N$377.2 million. The projects will include the upgrading of the three older turbines at Ruacana as well as the building of transmission lines in the North of the country. –The Republikein

A week of rain in the central parts of Namibia has not helped to raise the levels of dams supplying water to the Windhoek area. With the three dams supplying water to Windhoek - Swakoppoort, Von Bach and Omatako - currently holding only 14.7% of their capacity, the central part of Namibia will be approaching a new year with its dams remaining at perilously low levels, the Namibia Water Corporation's weekly dam level update indicates. A year ago, the three dams held a combined 32.4% of their capacity. – The Namibian

The company chosen for a multibillion-dollar contract to fix Namibia's looming electricity crisis failed to meet basic set requirements. The Namibian has seen evaluation documents suggesting that the state energy company, NamPower (Namibia Power Corporation), overlooked its own criteria to allow Xaris several opportunities to fine-tune its bid. Among crucial requirements that Xaris failed to provide at the first hurdle of the tender are the power plant's generation capacity, financial information, and an approved environmental impact assessment. Xaris chairman Boni Paulino, however, denied the claims, saying they had met the criteria. –The Namibian

Agriculture

Due to the ongoing drought Namibia's dry-land maize harvest was nearly completely wiped out, with total production of 6,100 tonnes at a yield of 0.5 tonnes per hectare. The harvest from irrigated fields was close to 32,000 tonnes at a yield of 8 tonnes per hectare. "The shortfall had to be imported mainly from South Africa and some small volumes from Zambia," said Ian Collard, CEO of Namib Mills. –The New Era

Witvlei Meat board chairman Sidney Martin on Friday threatened to sue the Agricultural Bank of Namibia by January next year for the rejection of guarantees meant for the transfer of Witvlei Abattoir. Martin was speaking at a press conference held at Diaz Fishing company in Windhoek. His threat comes after Agribank's chief executive officer Leonard Iipumbu last week stated that he will not entertain Witvlei Meat's antics anymore as they had missed their chance to have the ownership of Witvlei Abattoir transferred to them. He said Witlvei Meat was given a deadline of 21 days through an agreement entered into in June as per court order, that they provide guarantees for the transfer of ownership within that period, something which they failed to do. According to Iipumbu, both guarantees were unacceptable and risky. The guarantees given were the Sidney Martin Trust and another through The Namibian Procurement Fund. – The Namibian

Meat producer Meatco says that following numerous consultations between Namibian meat industry stakeholders and representatives from the Johannesburg Stock Exchange (JSE), local producers may benefit from the beef carcass and feeder calve contracts that will be concluded soon. The company announced this week that after a recent workshop held by the Johannesburg Stock Exchange in South Africa, Raphael Karuaihe: manager - commodity derivatives (JSE), said the event was part of ongoing consultations with players in the beef industry. "We have since continued to engage industry participants in smaller groups or in one-on-one consultations, and the more we discussed this, the more we got reservations on the proposal to move from carcass contracts to quarters contracts," said Karuaihe. – The Namibian

President Hage Geingob has announced that 1,007 previously disadvantaged Namibians have acquired 5.9 million hectares of land and created or maintained 6,000 jobs. Speaking during the inauguration of the renovated Agribank head office in Windhoek last Wednesday, Geingob urged the bank to continue playing a significant role in the equitable distribution of land through funding land purchases by previously disadvantaged Namibians. –The Namibian

Vast farmlands that Government acquired under the land reform programme to resettle previously disadvantaged Namibians still lie unoccupied after the beneficiaries failed to move onto the land. Some 52 farming units on 45 farms countrywide have been unoccupied, with some allocated as far back as 2001. –The Namibian

Witvlei's new Norwegian quota revives job hopes. Amid a bitter feud between Witvlei Meat and Agribank about the ownership of the Witvlei abattoir, government has reserved an allocation of 225 tonnes of export beef destined for the lucrative Norwegian market to the closed plant, thus rekindling hopes for jobs at the forlorn village. When the abattoir closed earlier this year some 800 workers were left jobless. –The New Era

Fisheries

Twelve Walvis Bay and Lüderitz fishing companies have submitted an urgent application with the high court to ban the strike that almost 900 seafaring workers have been participating in since 26 October. Court documents warn that the illegal strike could bring the industry to its knees should it continue. – The Republikein

A strike by seagoing workers in the fishing industry, which started at the end of October, has forced the fishing industry to operate at two thirds of its capacity, according to the chairman of the Confederation of Namibian Fishing Associations, Matti Amukwa. He said the strike by over 800 workers was having a negative impact on the industry and the country's economy, while also putting a dent in the pockets of the workers, their families and the economies of Walvis Bay and Lüderitz. "We are in a very good situation when it comes to the current exchange rate when one compares the strong foreign currencies to the Namibia dollar. This is very good for export revenue, but the strike is causing the industry not to be able to take full advantage of this," said Amukwa. He explained that the impact can be broken down from the industry as a whole to the different sectors, the different companies and then the workers themselves.

Local Companies

O&L subsidiaries stand out as leaders in employment equity. Pick n Pay (PnP) Namibia and Namibia Breweries Limited (NBL) – both subsidiaries of the O&L Group - were recognised as leaders in the promotion of employment equity in Namibia and awarded the second place in the best performers category (PnP) and overall top performer in the workplace category (NBL) at the annual Employment Equity Commission awards ceremony recently. –The Republikein

Agra's gross company turnover increased by 10.75% to N$2.1 billion in the financial year ended 31 July 2015. While the company's net turnover increased by 10.4% from N$1.12 billion to N$1.24 billion in 2015. Net turnover for the group increased by 7.4% to N$1.34 billion. Operating expenses increased by 18.4% from 2014 to N$253.3 million in 2015. Finance cost increased from N$3.3 million in 2014 to N$12.1 million in 2015. This resulted in the company posting a net profit after tax of N$48.9million, compared to last year's N$40.5 million, an improvement of N$8.4 million or 21%. – New Era

NSX Round – Up

Company	Code	Mkt Cap (N$m)	Share price (c)	P/E (A)	P/E (F)	HEPS (A)	HEPS (F)	Rec
Bank Windhoek Holdings	BWH	8,590	1,700	11.3	9.6	150.0	178.0	BUY
FNB Namibia	FNB	11,654	4,355	11.5	9.9	377.6	442.0	BUY
Namibia Asset Management	NAM	146	73	9.7	8.2	7.5	8.9	BUY
Oryx	ORY	1,604	2,060	12.9	12.5	160.0	165.0	HOLD
Namibia Breweries	NBS	4,641	2,247	12.0	11.4	187.0	197.0	HOLD
Bidvest Namibia	BVN	2,223	1,049	10.2	10.1	103.2	103.6	SELL
Paladin Energy[3]	PDN	4,713	334					
B2Gold[2]	B2G	6,290	1635					
Eco (Atlantic) Oil & Gas[2]	EOG	146	190					
Deep Yellow[3]	DYL	187	11					
Bannerman Resources[3]	BMN	115	42					
Forsys Metal Corporation[2]	FSY	146	151					

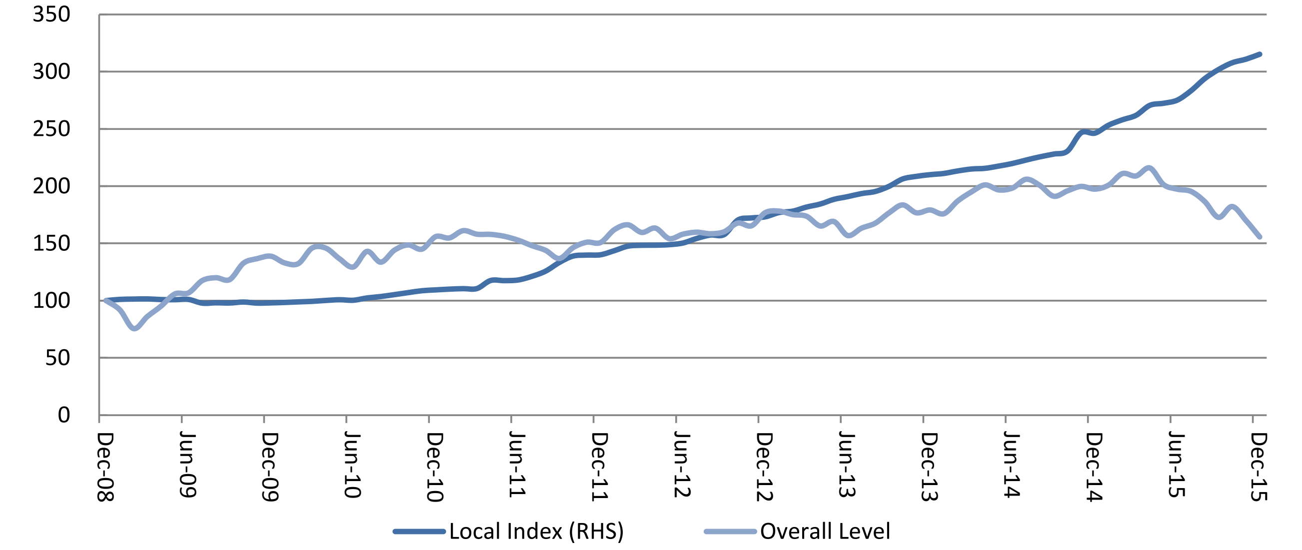
[1]Dual-listed on JSE
[2]Dual-listed on the TSX
[3]Dual-listed on the ASX

Deep Yellow, Bannerman Resources, Eco (Atlantic) Oil & Gas and Forsys Metals have their primary listing on the Australian (ASX) or Toronto Stock Exchange (TSX) and listed on the Development Board of the NSX (DevX).

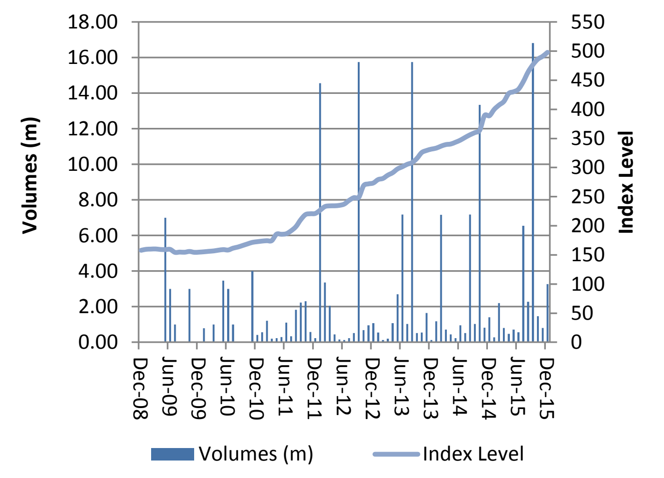
Unless otherwise stated, the price information provided is the latest trading price on the NSX, or on the Johannesburg Securities Exchange (JSE), ASX and the TSX if the share is dual listed. Companies are grouped according to the sector in which the company is listed on the NSX: financial, fishing, industrial, mining, and retail.

NSX Indices

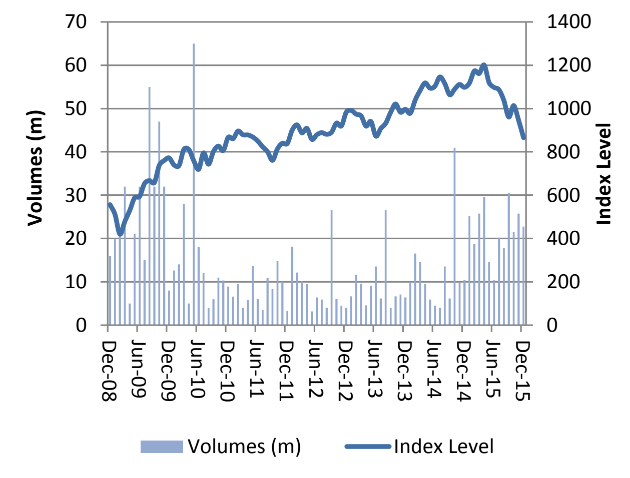
NSX Overall and Local Index (based to 100)



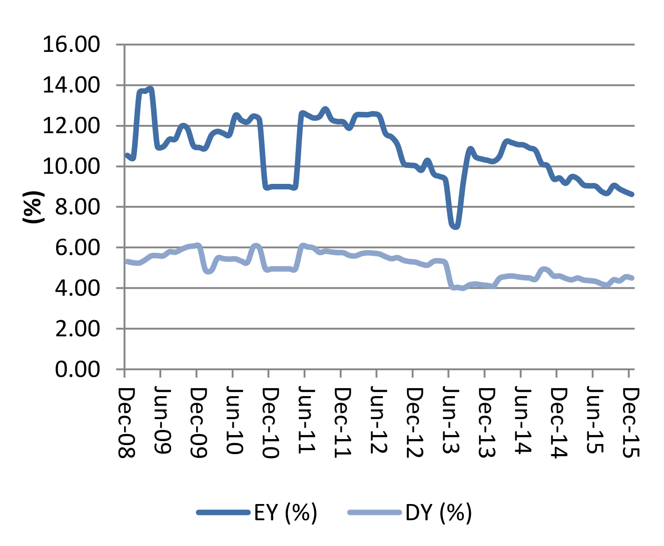
Volumes and Absolute Levels for Local Index



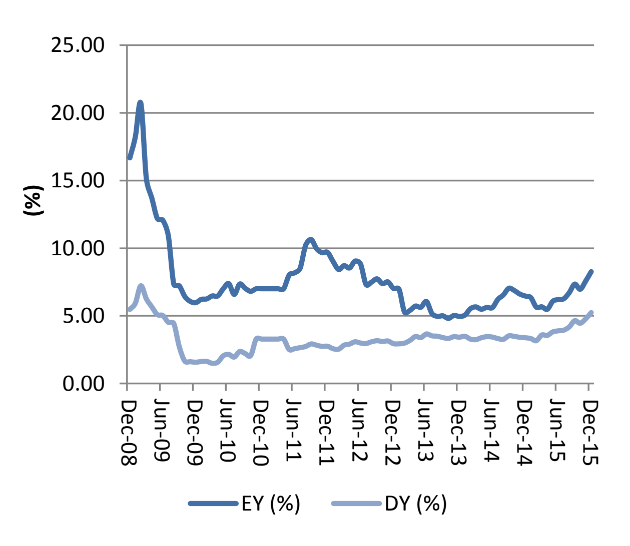
Volumes and Absolute Levels for Overall Index



EY and DY for Local Index



EY and DY for Overall Index



Source: Bloomberg, IJG, JSE

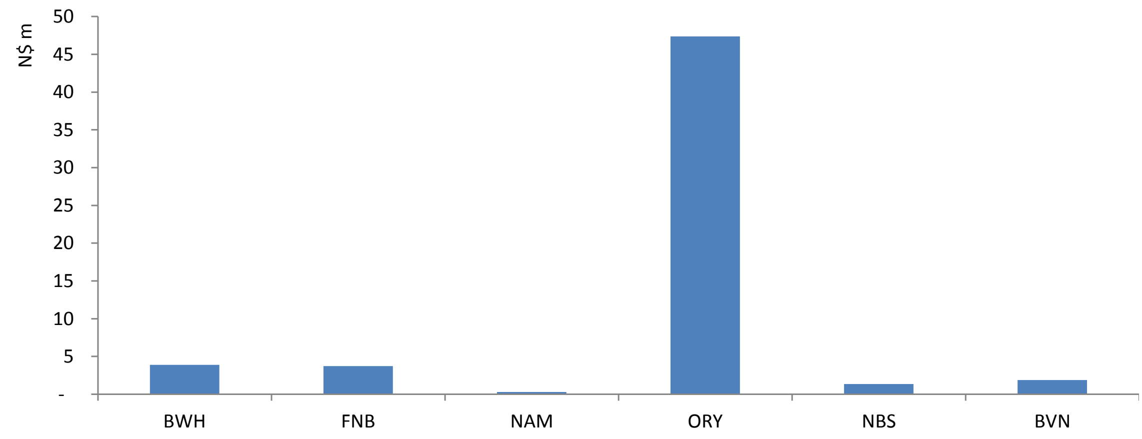
NSX Overall Index

31-Dec-2015		NSX Overall Index N098					
CODE	Share Price (c)	Shares in Issue	Market Cap N$	Weight %	free-float %	ff MCap N$	ff weight %
FINANCIALS		20,659,869,356	9,827,732,778	71.59%	69.2%	6,796,981,229	70.50%
banks		7,989,745,389	5,262,503,543	38.33%	58.0%	3,052,624,704	31.66%
BWH	17.00	505,280,000	85,897,600	0.63%	21%	18,038,496	0.19%
FST	42.37	5,609,488,001	2,376,740,066	17.31%	54%	1,283,439,636	13.31%
FNB	43.55	267,593,250	116,536,860	0.85%	24%	27,968,846	0.29%
SNB	113.50	1,618,252,182	1,836,716,227	13.38%	75%	1,377,537,170	14.29%
NBK	188.61	494,411,956	932,510,390	6.79%	39%	363,679,052	3.77%
general insurance		115,131,417	218,174,035	1.59%	29.0%	63,270,470	0.66%
SNM	189.50	115,131,417	218,174,035	1.59%	29%	63,270,470	0.66%
life assurance		8,667,987,575	3,700,522,880	26.96%	87.8%	3,248,489,939	33.70%
MIM	22.00	1,572,943,126	346,047,488	2.52%	65%	224,930,867	2.33%
OLM	41.45	4,928,572,643	2,042,893,361	14.88%	96%	1,961,177,626	20.34%
SLA	60.54	2,166,471,806	1,311,582,031	9.55%	81%	1,062,381,445	11.02%
investment companies		1,482,873,721	105,780,025	0.77%	29.5%	31,248,204	0.32%
NAM	0.73	200,000,000	1,460,000	0.01%	52%	759,200	0.01%
SILP	121.29	3,750,000	4,548,375	0.03%	100%	4,548,375	0.05%
KFS	7.80	1,279,123,721	99,771,650	0.73%	26%	25,940,629	0.27%
real estate		725,527,078	125,494,888	0.91%	93.9%	117,832,984	1.22%
ORY	20.60	77,859,791	16,039,117	0.12%	100%	16,039,117	0.17%
VKN	16.90	647,667,287	109,455,772	0.80%	93%	101,793,867	1.06%
specialist finance		1,678,604,176	415,257,406	3.02%	68.3%	283,514,928	2.94%
IVD	109.50	291,363,706	319,043,258	2.32%	86%	274,377,202	2.85%
TUC	3.81	772,142,090	29,418,614	0.21%	31%	9,119,770	0.09%
CMB	1.56	115,098,380	1,795,535	0.01%	1%	17,955	0.00%
TRVP	13.00	500,000,000	65,000,000	0.47%	0%	0	0.00%
RESOURCES		5,391,811,260	1,086,051,529	7.91%	93.9%	1,019,829,259	10.58%
mining		5,391,811,260	1,086,051,529	7.91%	93.9%	1,019,829,259	10.58%
ANM	68.99	1,405,467,840	969,632,263	7.06%	94%	911,454,327	9.45%
PDN	3.34	1,411,008,120	47,127,671	0.34%	86%	40,529,797	0.42%
B2G	16.35	384,738,307	62,904,713	0.46%	100%	62,904,713	0.65%
DYL	0.10	1,696,073,566	1,696,074	0.01%	75%	1,272,055	0.01%
BMN	0.44	287,769,894	1,266,188	0.01%	70%	886,331	0.01%
FSY	1.55	96,875,422	1,501,569	0.01%	100%	1,501,569	0.02%
EOG	1.66	76,853,153	1,275,762	0.01%	75%	956,822	0.01%
MEY	1.96	16,512,479	323,645	0.00%	100%	323,645	0.00%
BASIC INDUSTRIES		342,852,910	44,570,878	0.32%	40%	17,828,351	0.18%
chemicals		342,852,910	44,570,878	0.32%	40%	17,828,351	0.18%
AOX	13.00	342,852,910	44,570,878	0.32%	40%	17,828,351	0.18%
GENERAL INDUSTRIALS		424,645,585	154,039,464	1.12%	80%	123,961,163	1.29%
diversified industrials		212,692,583	131,805,594	0.96%	90%	118,625,034	1.23%
BWL	61.97	212,692,583	131,805,594	0.96%	90%	118,625,034	1.23%
suppport services		211,953,002	22,233,870	0.16%	24%	5,336,129	0.06%
BVN	10.49	211,953,002	22,233,870	0.16%	24%	5,336,129	0.06%
NON-CYCLICAL CONSUMER GOODS		1,969,072,826	1,402,100,344	10.21%	48%	670,699,281	6.96%
beverages		666,029,772	46,407,066	0.34%	50%	23,203,533	0.24%
NBS	22.47	206,529,000	46,407,066	0.34%	50%	23,203,533	0.24%
food producers & processors		323,974,618	190,601,839	1.39%	34%	64,950,029	0.67%
OCG	117.00	135,526,154	158,565,600	1.16%	25%	39,641,400	0.41%
CLN	17.00	188,448,464	32,036,239	0.23%	79%	25,308,629	0.26%
health care		979,068,436	1,165,091,439	8.49%	50%	582,545,719	6.04%
MCI	119.00	979,068,436	1,165,091,439	8.49%	50%	582,545,719	6.04%
CYCLICAL SERVICES		483,094,843	392,802,956	2.86%	99%	387,710,927	4.02%
general retailers		483,094,843	392,802,956	2.86%	99%	387,710,927	4.02%
NHL	2.20	53,443,500	1,175,757	0.01%	30%	352,727	0.00%
TRW	91.15	429,651,343	391,627,199	2.85%	99%	387,710,927	4.02%
NON-CYCLICAL SERVICES		572,871,960	820,696,370	5.98%	76%	623,729,241	6.47%
food & drug retailers		572,871,960	820,696,370	5.98%	76%	623,729,241	6.47%
SRH	143.26	572,871,960	820,696,370	5.98%	76%	623,729,241	6.47%
N098	865	29,844,218,740	13,727,994,319	100%	70%	9,640,739,452	70.23%

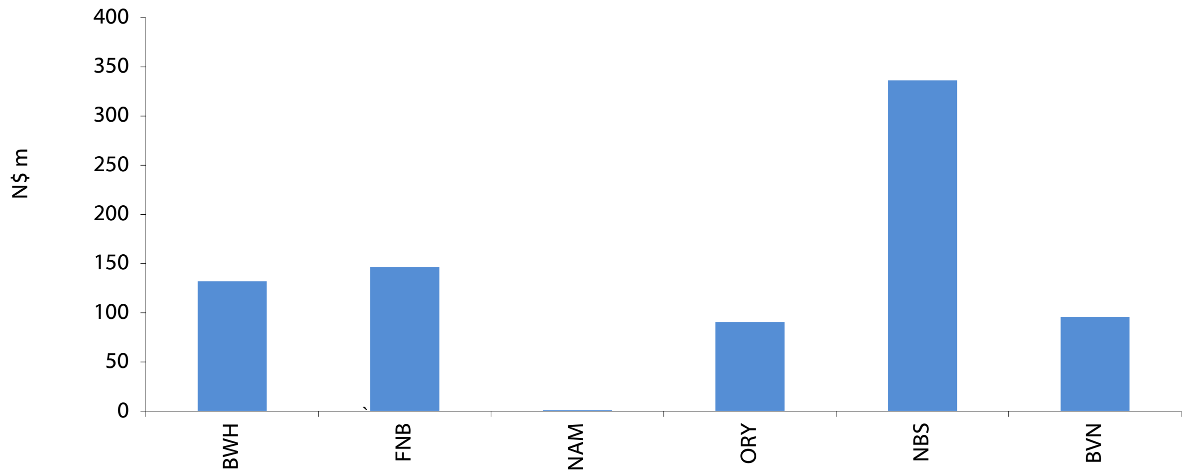
Source: Bloomberg, IJG, NSX

NSX Trading Update Local Companies

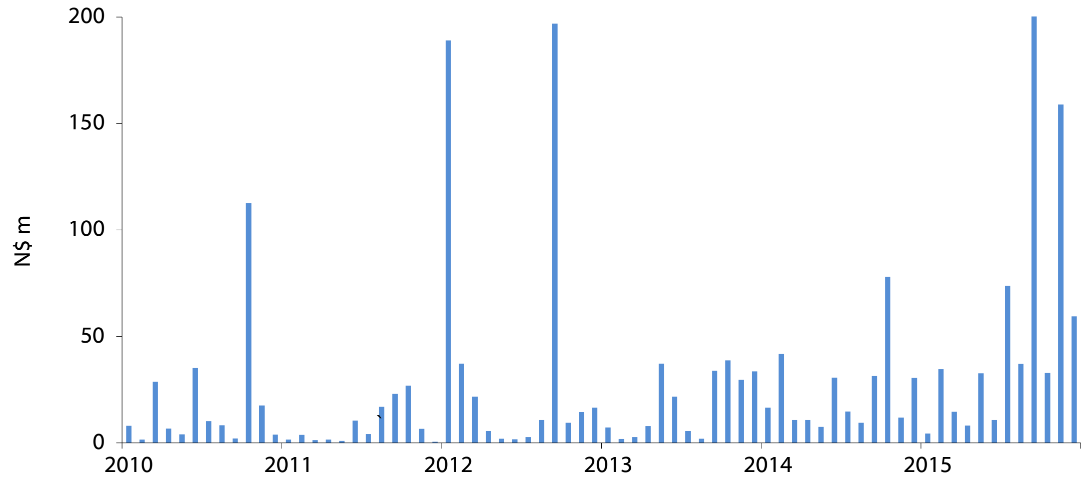
NSX Local Companies: Value Traded December 2015



NSX Local Companies: Value Traded January 2015 – December 2015



NSX Local Companies: Value Traded January 2010 – December 2015



Source: IJG

NSX Monthly Trade Volume (number of shares)

COMPANY NAME	SHARE	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15
Local Companies							
Bank Windhoek Holdings	BWH	291 596	94 616	437 174	714 879	3 987 550	239 597
FNB Namibia	FNB	246 741	30 205	436 313	180 561	1 992 824	85 711
Bidvest Namibia	BVN	5 343 011	929 036	904 856	20 722	119 930	180 120
Nambrew	NBS	120 758	278 076	14 303 774	194 900	186 792	60 263
Nictus	NHL	-	6 000	-	-	10 000	-
Oryx	ORY	31 204	941 038	129 500	287 448	68 574	2 300 097
Stimulus Investments	SILP	6 000	3 000	-	27 000	16 000	7 500
Namibia Asset Management	NAM	505 500	-	605 200	40 000	174 700	401 500
Local Company Trading		6 544 810	2 281 971	16 816 817	1 465 510	6 556 370	3 274 788
Development Capital Board							
Deep Yellow	DYL	-	-	-	589 370	574 000	-
Bannerman Resources	BMN	-	-	-	-	-	-
Forsys Metals	FSY	-	-	-	-	-	-
Xemplar Energy	XEM	-	-	-	-	-	-
Minemakers	MMS	-	-	-	-	-	-
Marenica	MEY	-	-	-	-	-	-
Eco (Atlantic) Oil & Gas	EOG	-	-	-	-	-	-
DevX Trading		-	-	-	589 370	574 000	-
Dual Listed Companies							
B2Gold Corporation	B2G	7 500	2 500	1 256	1 278	5 000	-
FirstRand	FST	719 887	3 147 110	1 543 110	4 221 907	3 547 013	4 066 444
Investec Group	IVD	658 716	254 661	487 360	969 038	530 989	592 910
MMI Holdings	MMI	1 705 894	977 270	3 093 140	1 279 370	1 570 092	479 323
Old Mutual	OLM	800 975	5 079 175	1 815 990	3 059 320	3 651 724	3 640 994
Sanlam	SLA	511 285	2 398 911	1 825 101	1 537 073	2 264 335	2 590 366
Santam	SNM	53 278	77 016	103 282	81 777	111 768	76 846
Standard Bank	SNB	1 131 434	932 253	149 059	1 360 531	634 562	3 404 353
Oceana	OCG	118 555	-	30 182	52 000	82 711	29 000
Afrox	AOX	2 048 070	303 602	348 044	130 479	23 956	27 269
Barloworld	BWL	401 517	393 489	788 488	1 133 695	1 372 995	420 601
Anglo American	ANM	868 639	234 438	385 648	2 648 261	2 179 711	1 233 676
Truworths	TRW	302 506	189 736	246 573	569 233	529 896	239 119
Shoprite	SRH	248 931	536 506	629 286	871 376	1 159 566	501 230
Nedbank Group	NBK	480 983	295 865	128 860	334 276	259 160	852 106
Vukile	VKN	2 669 906	276 070	452 717	704 935	242 592	60 986
Paladin Energy	PDN	-	-	-	-	-	-
Trustco	TUC	2 000	-	8 000	-	1 500	-
PSG Konsult	KFS	-	-	-	-	426 372	-
Clover Industries limited	CLN	793 360	396 270	-	-	4 970	-
Mediclinic International	MCI	138 530	51 463	1 585 886	1 146 849	1 484 998	1 275 494
Dual Listed Trading		13 661 966	15 546 335	13 621 982	20 101 398	20 083 910	19 490 717
Total Trading (Including DevX)		20 206 776	17 828 306	30 438 799	22 156 278	27 214 280	22 765 505

Source: NSX, IJG

NSX Trading News

Global Credit Ratings has assigned national scale ratings to Bank Windhoek Holdings Limited of AA and A1 in the long term and short term respectively; with the outlook recorded as stable. The agency said the ratings reflect Bank Windhoek Holdings' strong position in the Namibian banking industry market. The group's dominant operating subsidiary, Bank Windhoek is the second largest commercial bank in Namibia. –The Namibian

The Ohlthaver & List (O&L) Group, the majority shareholder of Namibia Breweries Limited, announced this week that it had paid N$565m to Diageo for the equity and debt positions it acquired in Sedibeng Brewery and DHN Drinks in South Africa. The deal was first announced in August. Heineken now indirectly holds a 29.9% stake in Namibia Breweries as part of the deal. The O&L Group retains its 30.1% indirect stake with the balance being held by local minority shareholders. –The Namibian

Koos Brandt, the chairman of the board of directors of Bank Windhoek Holdings Limited, has announced executive leadership changes approved by Bank Windhoek Holdings Limited (BWH) board effective as of 1 January 2016. "The leadership changes are designed to ensure sustainability and continuity in the implementation of the growth strategy of the group and are in line with approved executive leadership succession plans", said Koos Brandt. On 1 January 2016, the combined roles of managing director of BWH and Bank Windhoek held by Mr Christo de Vries will become two separate roles in the executive structures of the publicly listed entity BWH.

Important Company Dates

Company	Share code	Fin year	Interims	Finals
Bank Windhoek Holdings	BWH	30-Jun	28-Feb	30-Sep
FNB Namibia	FNB	30-Jun	28-Feb	30-Sep
Namibia Asset Management	NAM	30-Sep	30-Jun	30-Nov
Trustco Group Holdings	TTO	31-Mar	31-Dec	30-Jun
Oryx Properties	ORY	30-Jun	28-Feb	16-Oct
Bidvest	BVN	30-Jun	31-Mar	30-Sep
Namibia Breweries	NBS	30-Jun	31-Mar	30-Sep
Nictus	NCT	31-Mar	31-Dec	30-Jun
Paladin Energy	PDN	30-Jun	31-Dec	30-Sep
B2Gold	B2G	31-Mar	30-Sep	28-May
Eco (Atlantic) Oil & Gas	EOG	31-Mar	31-Dec	30-Jun
Deep Yellow	DYL	30-Jun	31-Dec	30-Sep
Bannerman	BMN	30-Jun	31-Dec	30-Sep
Forsys Metal Corporation	FSY	31-Jan	30-Sep	30-Apr
Marenica	MEY	30-Jun	31-Dec	30-Sep

Source: NSX, Company reports

The above table shows the financial year-ends of all NSX local companies, the NSX share code, and the dates that interim and final results are due to be, or were last released.

Recent IJG Research

Title	Product	Date of publication
IJG Namibia Monthly	Country Report	Early following month
Namibian Asset Performance	Quantitative	Early following month
IJG Yield Curves	Quantitative	Mondays
IJG Equity Capped Index	Quantitative	Daily
IJG Recommended Portfolio	Quantitative	Daily
IJG Daily Bulletin	BBN	Daily
IJG Elephant Book	Economy	Quarterly
IJG Business Climate Monitor	Economy	Monthly
IJG Data Bulletin Windhoek Building Plans	Economy	Monthly
IJG Data Bulletin NCPI	Economy	Monthly
IJG Data Bulletin PSCE	Economy	Monthly
IJG Data Bulletin New Vehicle Sales	Economy	Monthly
Namibian public debt - up, up, and away.	Economy	14-Dec-15
Oryx Rights Issue Results	Company	27-Oct-15
Namibia Breweries FY15 Results Review	Company	27-Oct-15
Oryx FY15 Results Review	Company	27-Oct-15
FNB Namibia FY15 Results Review	Company	26-Oct-15
Bank Windhoek Holdings FY15 Results Review	Company	26-Oct-15
Bidvest Namibia FY15 Results Review	Company	26-Oct-15
Namibia launches US$750million 10-year Eurobond at a yield of 5.375%	Team Commentary	22-Oct-15
Banking sector liquidity crisis exacerbated by Kwanza agreement	Economy	22-Oct-15
IMF Article IV Note on Namibia 24 Sept 2015	Economy	24-Sep-15
Opinion Piece: Namibian Economy to Slow	Economy	23-Sep-15
Namibia Breweries FY15 Initial Impression	Company	21-Sep-15
Bank Windhoek: Withdrawal of Cautionary Announcement	Company	16-Sep-15
Final National Accounts, 2014	Economy	11-Sep-15
FNB FY15 Initial Impression	Company	07-Sep-15
Namibia Breweries - Trading Update	Company	31-Aug-15
ORY FY15 Initial Impression	Company	24-Aug-15
Bidvest Namibia FY15 Initial Impression	Company	24-Aug-15
Oryx Properties Limited Trading Statement - FY15	Company	17-Aug-15
BWH FY15 Initial Impression	Company	13-Aug-15
Bidvest Namibia Trading Statement	Company	11-Aug-15
FNB Namibia Trading Statement	Company	11-Aug-15
Bidvest Namibia acquires entire stake in Novel Motors for N$231.8 million	Company	31-Jul-15
Namibia Breweries Deal Dynamics	Company	29-Jul-15
Diageo Dissolves Heineken Venture to Go Solo in South Africa	Company	28-Jul-15
Bank Windhoek Trading Statement - FY15	Company	24-Jul-15
The Namibian Macroeconomic Environment: July 2015	Economy	20-Jul-15
ORYX PROPERTIES LIMITED - Notice of general meeting of unitholders	Company	10-Jul-15
Trustco FY15 Initial Impression	Company	30-Jun-15
BON MPC Expectations - 17/06/2015	Team Commentary	17-Jun-15
Bank Windhoek, Cautionary Announcement (05/06/2015)	Company	05-Jun-15
Namibia Breweries, Cautionary Announcement (04/06/2015)	Company	05-Jun-15
FNB 1H15 Results Review	Company	20-Apr-15
Namibia Breweries 1H15 Results Review	Company	20-Apr-15
Bank Windhoek Holdings 1H15 Results Review	Company	16-Apr-15

Source: IJG

The above table lists all IJG research products published and distributed during the last quarter, including the IJG "Elephant Book", Macroeconomic Overview, Fixed Income Research, Breakfast Briefing Notes (BBN), Company Reports and Sector Reports. Available at www.ijg-research.net

Managing Director
Romé Mostert
Tel: +264 (61) 383 520
rome@ijg.net

Sales and Research
Rowland Brown
Tel: +264 (61) 383513
rowland@ijg.net

Jan-Hendrik Conradie
Tel: +264 (61) 383 523
janhendrik@ijg.net

Eric van Zyl
Tel: +264 (61) 383 530
eric@ijg.net

Money Market & Administration
Leon Maloney
Tel:+264 (61) 383 521
leon@ijg.net

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

Director
Mark Späth
Tel: +264 (61) 383 510
mark@ijg.net

Financial Manager
Jakob de Klerk
Tel: +264 (61) 383 517
jakob@ijg.net

IJG Direct
Naïke Burger
Tel: +264 (61) 383 515
naike@ijg.net

Equity & Fixed Income Dealing
Nigel Mubita
Tel: +264 (61) 383 514
nigel@ijg.net

Stuart Main
Tel: +264 (61) 383 512
stuart@ijg.net