IJG Namibia Monthly
August 2017

Research Analysts:

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

Dylan van Wyk
dylan@ijg.net
+264 61 383 521

Cecil Goliath
cecil@ijg.net
+264 61 383 529

Contents

Economic Highlights

	Level	m/m %	y/y %	52Wk High	52Wk Low
NSX Overall	1,165.52	5.32	16.00	1,168.45	982.44
NSX Local	575.63	1.11	5.20	575.63	547.04
International Markets					
JSE ALSI	56,522.11	2.38	7.19	56,896.89	48,935.90
JSE Top40	49,997.27	2.30	8.08	50,418.72	42,420.94
JSE INDI	76,137.67	1.74	6.67	77,249.41	61,213.77
JSE FINI	15,699.36	2.93	7.02	15,979.12	13,938.29
JSE RESI	35,773.84	3.87	15.03	36,701.12	28,869.09
JSE GOLD	1,434.81	8.26	-38.42	2,447.82	1,166.75
JSE BANKS	8,050.39	3.84	20.61	8,257.16	6,541.08
International Markets					
Dow Jones	21,948.10	0.26	19.28	22,179.11	17,883.56
S&P 500	2,471.65	0.05	13.85	2,490.87	2,083.79
NASDAQ	6,428.66	1.27	23.31	6,460.84	5,034.41
US Bond	2.73	-5.99	22.14	3.07	2.23
FTSE 100	7,430.62	0.80	9.57	7,598.99	6,654.48
DAX	12,055.84	-0.52	13.81	12,951.54	10,174.92
Hang Seng	27,970.30	2.37	21.73	28,127.90	21,488.82
Nikkei	19,646.24	-1.40	16.34	20,318.11	16,111.81
Currencies					
N$/US$	13.00	-1.39	-11.73	14.68	12.31
N$/£	16.82	-3.47	-13.09	19.49	15.45
N$/€	15.49	-0.81	-5.76	16.44	13.38
N$/AU$	10.34	-2.31	-6.67	11.07	9.39
N$/CAD$	10.42	-1.64	-7.30	11.22	9.23
€/US$	1.19	0.57	6.74	1.21	1.03
US$/¥	109.98	-0.25	6.33	118.66	100.09
Commodities					
Brent Crude - US$/barrel	52.86	-0.02	4.18	60.08	45.19
Gold - US/Troy oz.	1,321.40	4.09	0.95	1,352.80	1,121.03
Platinum - US/Troy oz.	999.04	6.21	-5.04	1,106.45	889.10
Copper - US/lb.	309.85	6.39	46.88	313.55	211.10
Silver - US/Troy oz.	17.58	4.47	-5.77	20.14	15.19
Uranium - US/lb.	20.13	0.25	-20.28	25.25	18.75
Namibia Fixed Interest					
IJG ALBI	165.98	1.34	11.99	156.00	140.05
IJG Money Market Index	176.16	0.69	8.30	176.16	162.66
Namibia rates					
Bank	6.75	-25bp	-25bp	7.00	6.75
Prime	10.50	-25bp	-25bp	10.75	10.50
South Africa rates					
Bank	6.75	0bp	-25bp	7.00	6.75
Prime	10.25	0bp	-25bp	10.50	10.25

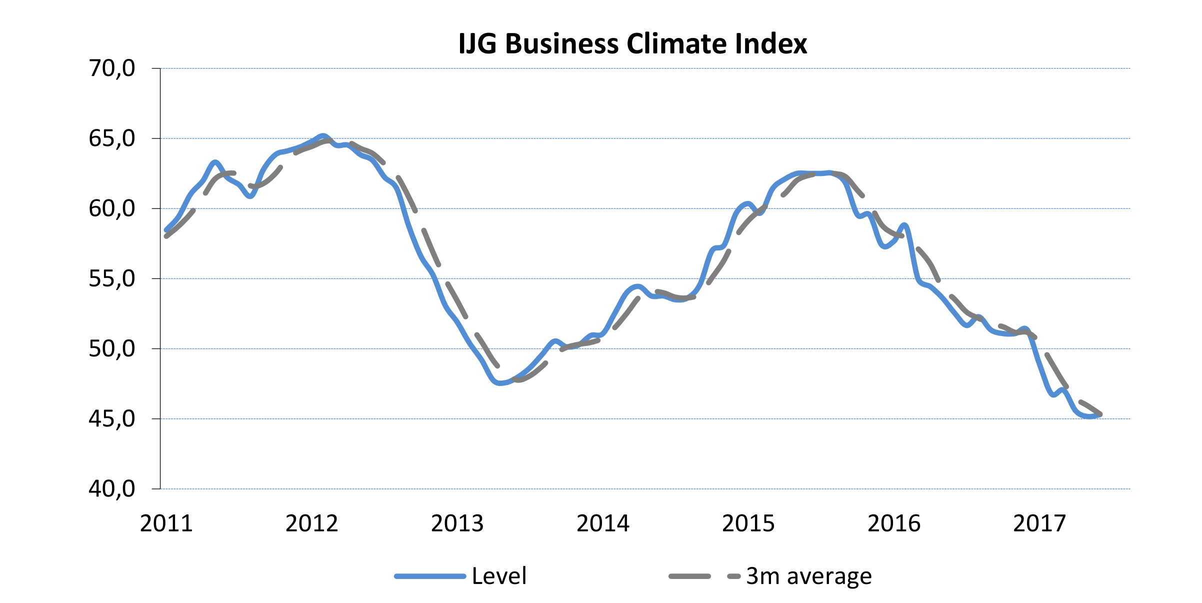
Source: IJG, NSX, Bloomberg

IJG/IPPR Business Climate Index

The IJG Business Climate Monitor fell by 0.13 points in June 2017, after an identical 0.13 fall in May. The index now stands at a level of 45.30 points, its lowest since December 2003. This is the sixth consecutive month that the index is below the 50-point level that indicates economics contraction. The leading indicator has recovered slightly, reaching the same level recorded in March this year, but remains well below the 50-point level for the ninth consecutive month. The slight drop in the BCM, coupled with the recovery in the leading indicator, suggests that the economic downturn is moderating.

Of the 31 indicators measured by the index, 15 expanded in June, one remained unchanged and 15 contracted. The preliminary trade statistics are a cause for concern. While the value of imports fell slightly, the value of exports fell by 40% from May to June, to their lowest level since June 2015. This poses a danger for international reserve levels, and requires continued capital inflows in order to maintain macro-stability and the currency peg over the long term. Vehicle sales were up slightly in June, but still below the level seen for the same period last year. On a positive note, agriculture growth is improving after the end of the drought, with the highest number of livestock marketed on record being seen in June. Similarly, despite sales volume, beef and lamb prices are at their highest levels to dat. Diamond production has also increased – up by 31% compared to May. The Uranium price remains weak, and a strong rand does not bode well for the sector over the coming months.

IJG Business Climate Index



Source: IJG, IPPR

Public Debt Securities

Effective yields (EY) for treasury bills (TB's) decreased during August, the 91-day TB yield declined to 7.93% the 182-day TB yield decreased to 7.90%, the 273-day TB yield declined to 8.01%, and the 365-day TB yield fell to 8.03%. A total of N$16.2bn or 37.06% of the Government's domestic maturity profile is in TB's as at 31 August 2017, with 6.78% in 91-day TB's, 20.03% in 182-day TB's, 31.44% in 273-day TB's and 41.74% in 365-day TB's.

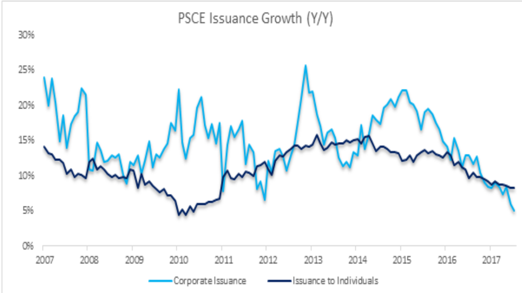
The IJG All Bond Index (including Corporate Bonds) rose 1.34% m/m in August after gaining 2.11% m/m in July. Namibian bond premiums relative to SA yields declined in August. The GC17 premium unchanged at 143bps ; the GC18 premium unchanged at 100bps ; the GC20 premium decreasing by 34bps to 144bps; the GC21 premium unchanged at 117bps ; the GC22 premium decreasing by 12bps to 160bps; the GC24 premium unchanged at 130bps ; the GC25 premium decreasing by 14bps to 149bps; the GC27 premium decreasing by 4bps to 187bps; the GC30 premium increasing by 2bps to 178bps; the GC32 premium unchanged at 203bps ; the GC35 premium increasing by 5bps to 199bps; the GC37 premium decreasing by 2bps to 206bps; the GC40 premium unchanged at 199bps ; the GC45 premium unchanged at 231bps .

Private Sector Credit Extension

Total credit extended to the private sector increased by N$387.7 million or 0.44% m/m in July, bringing the cumulative credit outstanding to N$87.9 billion. On a year on year basis, credit extended grew by 6.82% in July, compared to a revised 7.21% recorded in June. Growth in total private sector credit extension continues to fall in 2017, on a rolling 12-month basis N$5.6 billion worth of credit was extended. N$1.71 billion in credit has been extended to corporates and N$3.97 billion to individuals on a 12-month cumulative basis, while the non-resident private sector has decreased their borrowings by N$31.15 million.

PSCE – June 2017

	N$ millions	Change in N$ millions		% Change	
	Outstanding	One Month	One Year	m/m	y/y
Corporate	**35 883,4**	**144,5**	**1 717,0**	**0,40%**	**5,03%**
Individual	**51 617,0**	**274,4**	**3 975,8**	**0,53%**	**8,35%**
Mortgage loans	45 914,4	540,0	3 510,1	1,19%	8,28%
Other Loans & Advances	9 551,9	40,9	694,7	0,43%	7,84%
Overdraft	11 681,8	(237,8)	1 757,6	-1,99%	17,71%
Instalment Credit	12 158,7	58,8	(178,8)	0,49%	-1,45%
Total PSCE	**87 905,1**	**387,7**	**5 609,1**	**0,44%**	**6,82%**

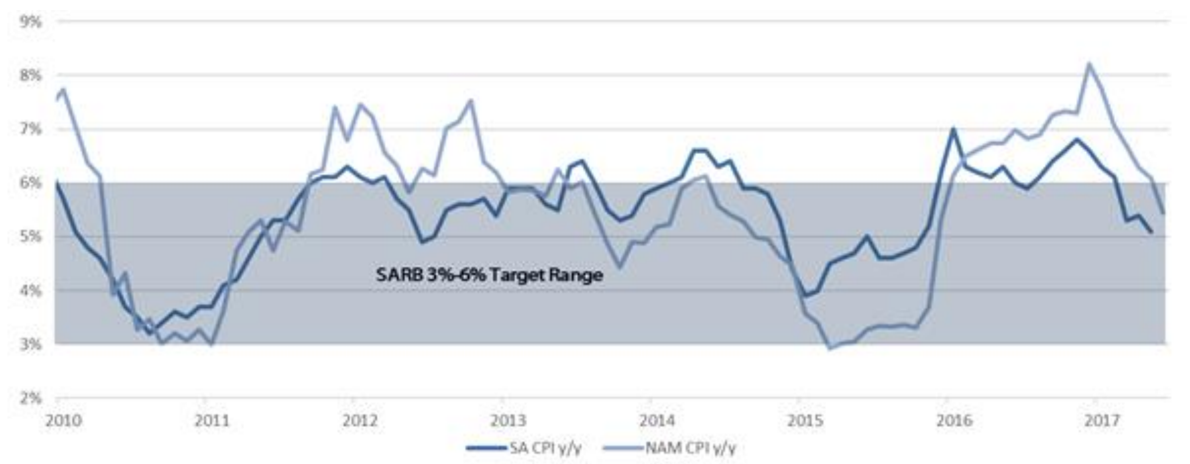


Source: BoN, IJG

Namibia CPI

Annual inflation continues to descend further since the start of the year, falling to 5.4 % y/y in July, 0.7% lower than in June. On a month-on-month basis prices remained flat. The slowdown in annual inflation was largely due to a decline in transport prices. Overall, prices in two basket categories rose at a faster annual rate than during the preceding month, eight at a slower rate and two grew at a steady pace. Prices for goods rose by 3.5% y/y while prices for services rose by 8.1% y/y.

Namibia CPI – June 2017



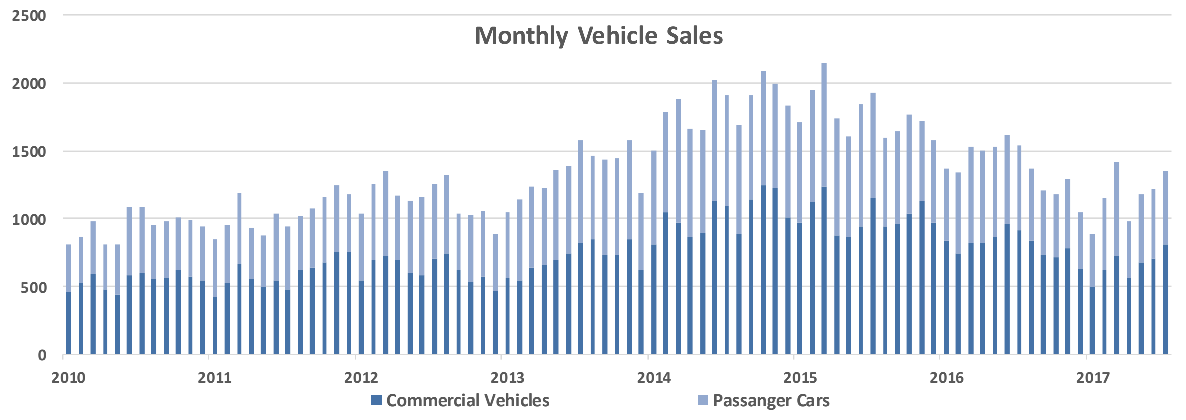
Source: NSA, StatsSA, IJG

New Vehicle Sales

Vehicle sales of 1,346 units was recorded in July, with overall sales falling by 12.8% from the 1,544 new vehicles sold in July 2016, and a 10.3% m/m increase on the 1,220 vehicles sold in June. Year to date, 8,178 vehicles have been sold, 22% less than the corresponding period in 2016. Of the 8,178 vehicles sold this year, 3,578 were passenger vehicles, 4,198 were light commercial vehicles, and 402 were medium or heavy commercial vehicles.

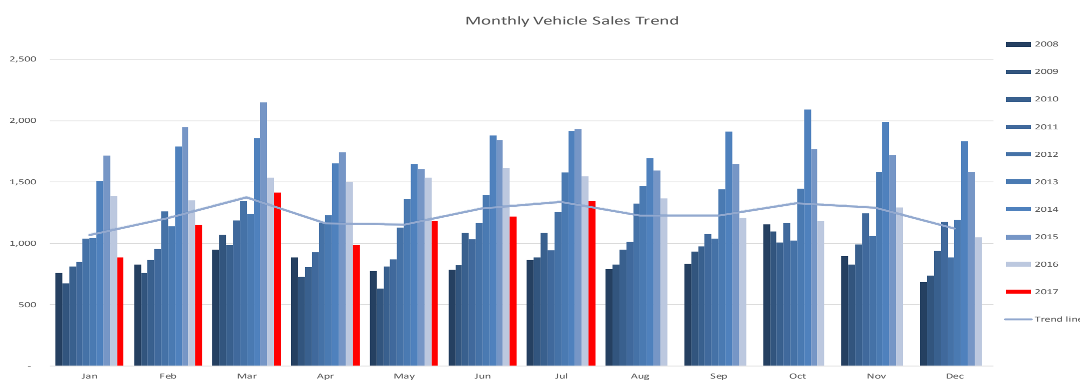
July New Vehicle Sales

Vehicle sales	Units	2017 YTD	Jun-17 (y/y %)	Jul-17 (y/y %)	Sentiment
Passenger	533	3 578	-20,8	-15,7	✓
Light Commercial	771	4 198	-32,9	-8,1	✓
Medium Commercial	12	126	-4,2	0,0	✓
Heavy Commercial	30	276	66,0	-50,8	×
Total	**1 346**	**8 178**	**-24,5**	**-12,8**	✓



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

Motor Vehicle Sales Trend

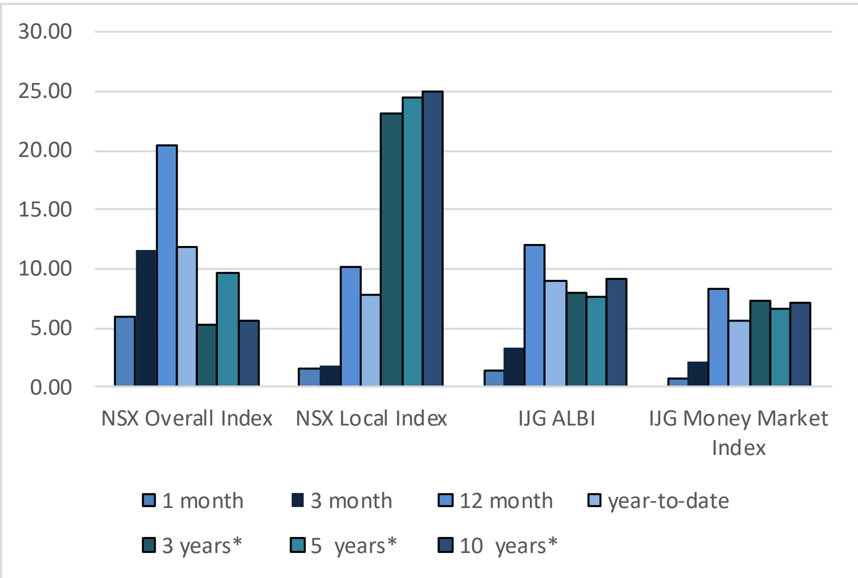


Source: Naamsa, IJG

Namibian Asset Performance

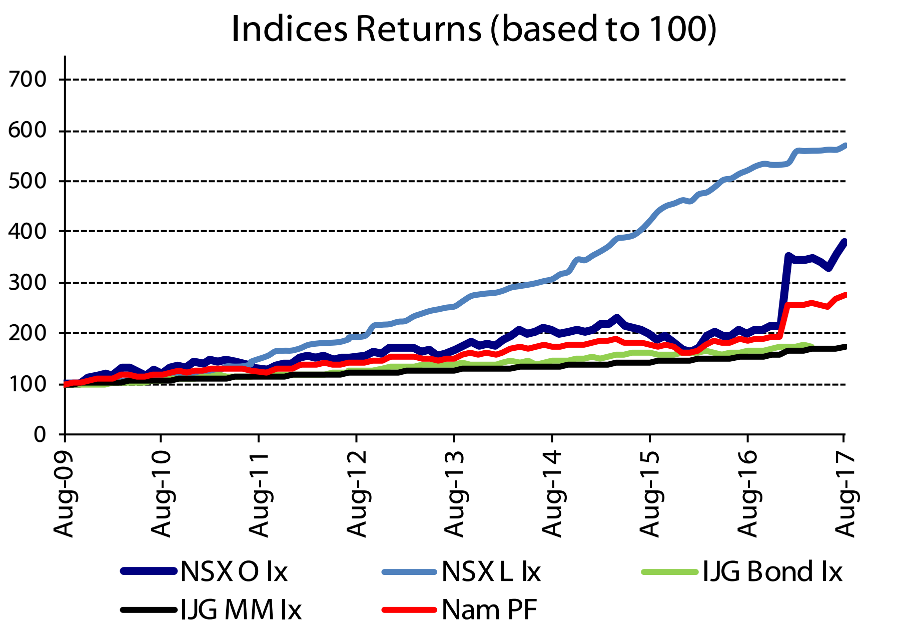
The NSX Overall Index closed at 1165.52 points in August up from 1106.67 points in July gaining 5.9% on a total return basis in August compared to a 9.2% m/m increase in July. The NSX Local Index increased 1.5% m/m compared to a 0.0% m/m increase in July. Over the last 12 months the NSX Overall Index returned 20.4% against 10.1% for the Local Index. The best performing share on the NSX in August was Afrox at 19.4%, while Deep Yellow Limited was the worst performer at -15.2%

Performance by Asset Class



Source: IJG

Indices Returns (based to 100)



Source: IJG

Namibian Returns by Asset Class [N$,%] - August 2017	1 month	3 month	6 month	12 month	ear-to-dat	3 years*	5 years*
NSX Overall Index	5.92	11.67	10.33	20.43	11.78	5.31	9.57
NSX Local Index	1.49	1.81	2.16	10.13	7.86	23.20	24.44
IJG ALBI	1.34	3.40	6.96	11.99	8.97	7.92	7.62
IJG GOVI	1.37	3.47	7.09	11.98	9.04	7.86	7.65
IJG OTHI	1.05	2.83	5.95	12.23	8.55	8.54	7.66
IJG Money Market Index	0.69	2.08	4.18	8.30	5.53	7.24	6.55
** annualised*							

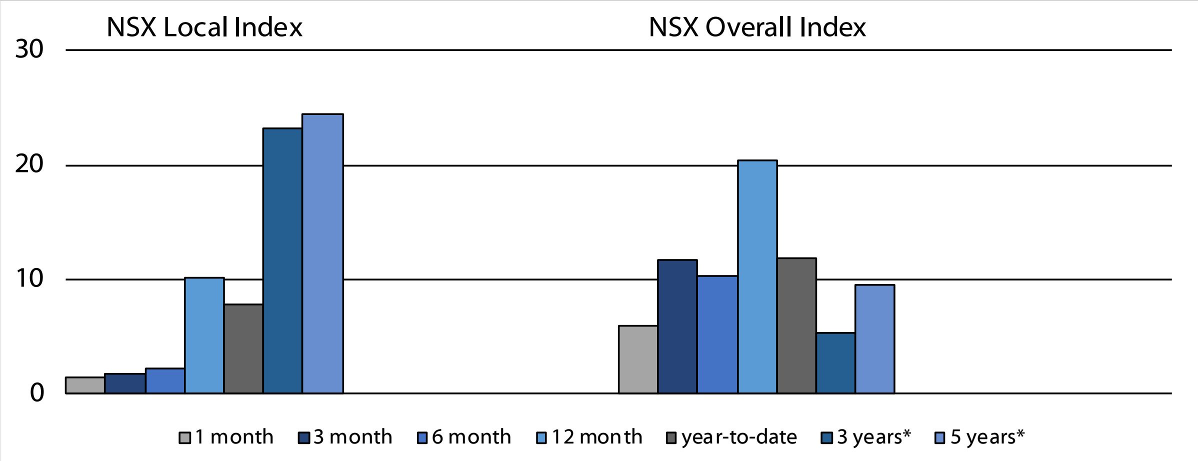
Source: IJG

Namibian Returns by Asset Class [US$,%] - August 2017	1 month	3 month	6 month	12 month	ear-to-dat	3 years*	5 years*
US$ Strength/(Weakness)	1.41	0.88	0.96	24.75	5.67	-6.38	-8.37
NSX Overall Index	7.41	12.65	11.39	50.23	18.11	-1.40	0.40
NSX Local Index	2.91	2.71	3.14	37.38	13.98	15.34	14.03
IJG ALBI	2.76	4.31	7.99	39.71	15.15	1.03	-1.38
IJG GOVI	2.80	4.38	8.12	39.70	15.22	0.98	-1.36
IJG OTHI	2.47	3.73	6.97	40.00	14.70	1.62	-1.35
IJG Money Market Index	2.11	2.98	5.18	20.76	25.47	0.40	-2.37
** annualised*							

Source: IJG

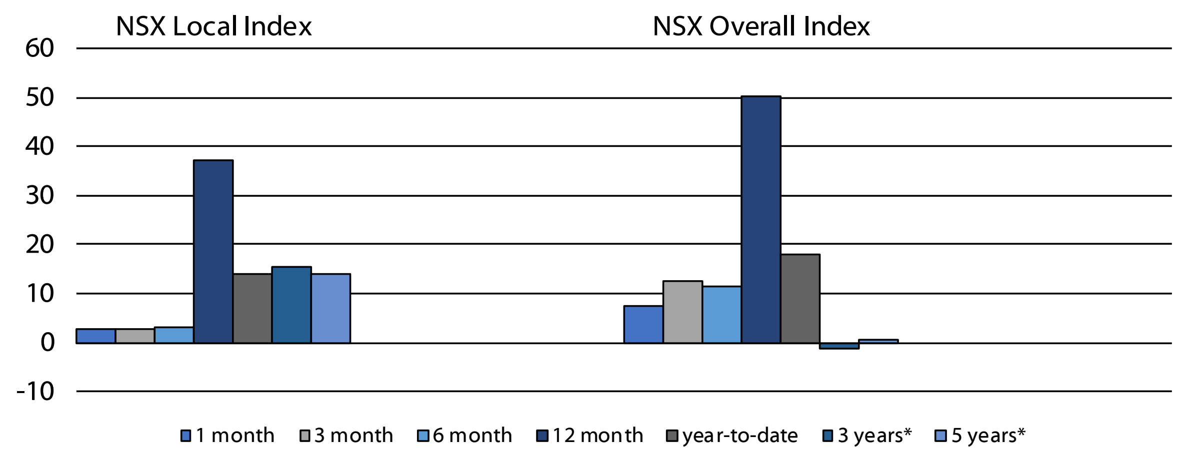
Equities

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$, %] - August 2017	Code	1 month	3 month	6 month	12 month	YTD	3 years*	5 years*
NSX Local Index	N099	1.49	1.81	2.16	10.13	7.86	23.20	24.44
NSX Overall Index	N098	5.92	11.67	10.33	20.43	11.78	5.31	9.57

** annualised*



Index Total Returns [US$, %] - August 2017	Code	1 month	3 month	6 month	12 month	YTD	3 years*	5 years*
US$ Strength		1.41	0.88	0.96	24.75	5.67	-6.38	-8.37
NSX Local Index	N099	2.91	2.71	3.14	37.38	13.98	15.34	14.03
NSX Overall Index	N098	7.41	12.65	11.39	50.23	18.11	-1.40	0.40

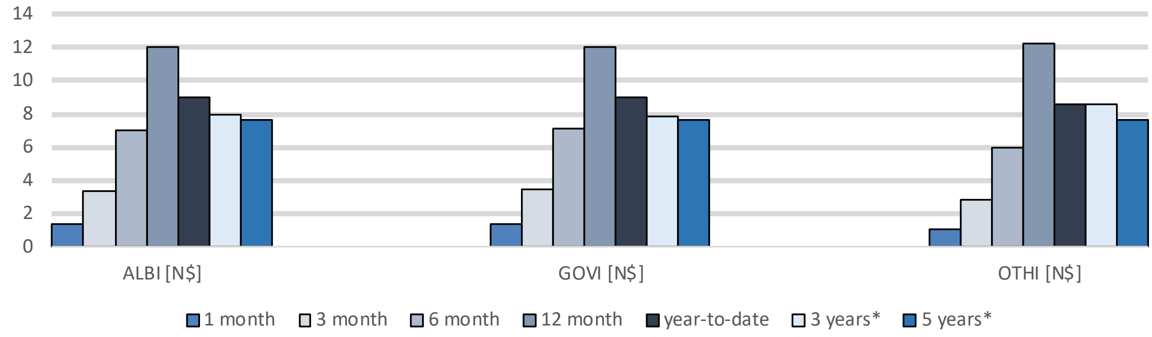
** annualised*

Individual Equity Total Returns [N$,%] August 2017

	Month end price (c)	NSX FF Market Cap Weight	1 month	3 month	6 month	12 month	year-to-date
FINANCIALS			3.90	7.11	10.05	18.46	8.78
banks			3.99	8.63	14.79	27.62	8.84
CGP	1,810	0.14%	2.66	5.29	6.66	7.70	7.39
FST	5,553	13.56%	7.08	9.35	14.43	29.60	7.01
FNB*	4,675	0.23%	-0.06	-0.95	-1.37	1.77	-0.36
NBK	21,987	3.54%	0.37	-0.11	-7.74	10.53	-5.07
SNB	16,743	16.20%	2.26	10.11	20.32	30.23	13.55
insurance			6.85	3.73	9.19	26.96	13.16
SNM	25,900	0.73%	6.85	3.73	9.19	26.96	13.16
life assurance			4.24	6.04	3.48	4.84	8.13
MIM	2,081	1.62%	0.77	-5.06	-13.13	-1.43	-9.41
OLM	3,475	12.80%	1.82	8.46	0.55	-3.70	2.50
SLA	7,180	9.23%	8.21	4.62	10.45	17.79	19.01
investment companies			0.00	0.00	0.00	8.49	-4.00
NAM*	72	0.01%	0.00	0.00	0.00	8.49	-4.00
real estate			-2.51	3.03	4.41	16.49	4.79
ORY*	2,065	0.12%	0.24	-0.43	1.84	5.03	1.22
VKN	1,875	1.00%	-2.85	3.46	4.73	17.91	5.24
specialist finance			1.54	-0.38	11.09	22.41	14.78
IVD	9,907	2.10%	0.53	-1.75	9.92	21.54	11.68
KFS	890	0.26%	3.49	8.54	20.02	29.33	21.97
TUC*	449	0.12%	14.54	4.18	12.25	22.68	52.20
HEALTH CARE			-0.39	-5.51	6.81	-34.47	-1.14
health care providers			-0.39	-5.51	6.81	-34.47	-1.14
MEP	12,774	3.60%	-0.39	-5.51	6.81	-34.47	-1.14
RESOURCES			11.02	35.62	17.25	58.00	22.75
mining			10.93	35.87	17.20	58.49	22.76
ANM	23,506	20.10%	11.65	37.52	18.86	61.88	24.04
PDN	43	0.04%	0.00	0.00	0.00	0.00	0.00
FSY	133	0.01%	6.40	5.56	-22.67	60.24	31.68
DYL	251	0.03%	-15.20	2.87	-26.18	213.75	-26.18
BMN	33	0.01%	13.79	-13.16	-46.77	13.79	17.86
MEY	113	0.00%	-8.87	-11.02	-43.22	-30.67	-17.52
B2G	3,428	1.01%	-2.25	6.26	-12.68	-10.21	-0.46
chemicals			19.35	13.61	21.73	14.62	21.41
AOX	2,245	0.24%	19.35	13.61	21.73	14.62	21.41
INDUSTRIAL			10.15	8.60	12.83	23.63	22.36
GENERAL INDUSTRIALS							
diversified industrials			8.36	11.56	12.15	59.34	12.44
BWL	12,850	2.07%	8.36	11.56	12.15	59.34	12.44
Suppport Services			-4.06	-3.98	-14.96	-14.59	-15.77
BVN	787	0.03%	0.00	1.16	-12.11	-23.22	-21.99
CLN	1,595	0.17%	-4.78	-4.89	-15.46	-13.06	-14.66
NON-CYCLICAL CONSUMER GOODS							
beverages			2.99	2.99	3.96	28.49	25.25
NBS*	3,450	0.27%	2.99	2.99	3.96	28.49	25.25
food producers & processors			-0.87	-1.46	-13.76	-15.95	-18.75
OCG	9,368	0.26%	-0.87	-1.46	-13.76	-15.95	-18.75
CYCLICAL SERVICES							
general retailers			9.82	10.92	-1.70	15.37	7.56
NHL	200	0.00%	0.00	6.00	6.00	6.00	6.00
TRW	8,303	2.72%	9.83	10.93	-1.71	15.38	7.56
NON-CYCLICAL SERVICES							
food & drug retailers			11.76	7.84	20.14	19.10	32.61
SRH	22,539	7.66%	11.76	7.84	20.14	19.10	32.61

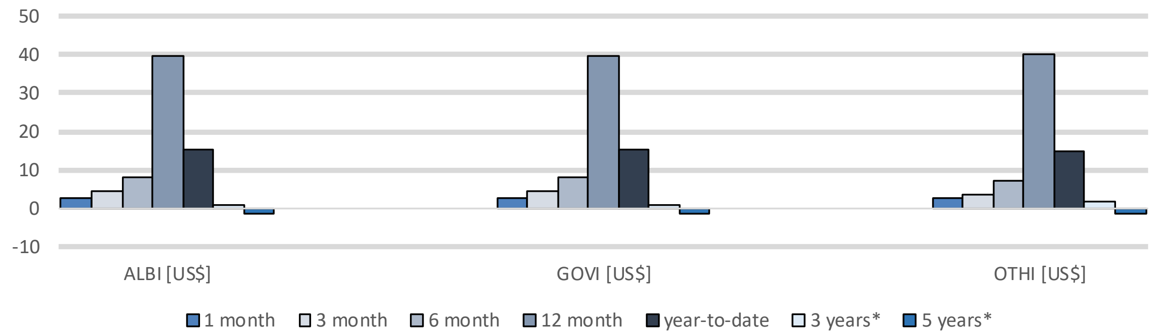
Source: IJG, NSX, JSE, Bloomberg

Bonds



Bond Performance Index Total Returns (%) - as at August 2017	1 month	3 month	6 month	12 month	YTD	3 years*	5 years*
ALBI [N$]	1.34	3.40	6.96	11.99	8.97	7.92	7.62
GOVI [N$]	1.37	3.47	7.09	11.98	9.04	7.86	7.65
OTHI [N$]	1.05	2.83	5.95	12.23	8.55	8.54	7.66

Source: IJG



Bond Performance, Index Total Returns (US$- terms),(%) - as at August 2017	1 month	3 month	6 month	12 month	YTD	3 years*	5 years*
ALBI [US$]	2.76	4.31	7.99	39.71	15.15	1.03	-1.38
GOVI [US$]	2.80	4.38	8.12	39.70	15.22	0.98	-1.36
OTHI [US$]	2.47	3.73	6.97	40.00	14.70	1.62	-1.35
N$/US$	1.41	0.88	0.96	24.75	5.67	-6.38	-8.37

Source: IJG

Bond Maturity Profile

	Benchmark	Maturity Date	Coupon Rate	Modified Duration
GC17	R203	15/10/2017	8.00%	0.12
GC18	R204	15/07/2018	9.50%	0.82
GC20	R207	15/04/2020	8.25%	2.24
GC21	R208	15/10/2021	7.75%	3.35
GC22	R2023	15/01/2022	8.75%	3.51
GC24	R186	15/10/2024	10.50%	4.80
GC25	R186	15/04/2025	8.50%	5.22
GC27	R186	15/01/2027	8.00%	6.14
GC30	R213	15/01/2030	8.00%	7.07
GC32	R213	15/04/2032	9.00%	7.13
GC35	R213	15/07/2035	9.50%	7.65
GC37	R2037	15/07/2037	9.50%	7.78
GC40	R214	15/10/2040	9.80%	7.78
GC45	R2044	15/07/2045	9.85%	7.96

Source: IJG

IJG Namibia ALBI - as at August 2017

	this month	1 month ago	3 months ago	6 months ago	12 months ago
ALBI	165.98	163.79	160.53	155.18	148.21
GOVI	165.93	163.68	160.37	154.95	148.17
OTHI	167.61	165.87	163.01	158.20	149.35
Modified Duratio	4.43	4.52	4.64	4.04	3.69
Modified Duratio	4.68	4.76	4.89	4.17	3.77
Modified Duratio	2.30	2.52	2.63	2.81	2.98
weight GOVI [%]	89.57	89.24	88.78	90.31	90.21
weight OTHI [%]	10.43	10.76	11.22	9.69	9.79

Source: IJG

IJG Namibia ALBI -Rate Duration (years) as at August 2017				
this month	1 month ago	3 months ago	6 months ago	12 months ago
GC20 2.24	GC20 2.32	GC20 2.47	GC18 1.26	GC25 5.64
GC21 3.35	GC21 3.43	GC21 3.59	GC21 3.67	GC18 1.67
GC24 4.80	GC24 4.87	GC24 5.03	GC24 5.01	GC21 3.97
GC25 5.22	GC25 5.28	GC25 5.42	GC25 5.39	GC24 5.21
GC27 6.14	GC27 6.21	GC27 6.08		
GC30 7.07	GC30 7.14	GC30 6.96		
BW25 2.52	BW25 2.48	BW25 2.64	BW25 2.87	BW25 3.19
BWFh19 1.78	BWFh19 1.78	BWFh19 1.94	BWFh19 2.18	BWFh19 2.55
NMP19N 1.89	NMP19N 1.97	NMP19N 2.13	NMP19N 2.27	NMP19N 2.62
NMP20 2.49	NMP20 2.56	NMP20 2.61	NMP19N 2.27	NMP19N 2.62
IFC21 2.89	IFC21 2.97	IFC21 3.13		
FNBX19 #N/A	NWC22 3.64	NWC22 3.80		

Source: IJG

IJG Namibia ALBI -Weights [%] as at August 2017				
this month	1 month ago	3 months ago	6 months ago	12 months ago
GC20	GC20	GC20	GC18	GC25
16.89	15.15	13.73	26.24	14.46
GC21	GC21	GC21	GC21	GC18
9.74	10.55	10.64	9.41	34.17
GC24	GC24	GC24	GC24	GC21
24.14	26.14	26.45	23.59	12.00
GC25	GC25	GC25	GC25	GC24
16.52	16.43	16.20	12.90	29.58
GC27	GC27	GC27		
11.67	11.23	11.61		
GC30	GC30	GC30		
10.60	9.74	10.15		
BW25	BW25	BW25	BW25	BW25
1.32	1.43	1.51	1.28	1.64
BWFh19	BWFh19	BWFh19	BWFh19	BWFh19
0.80	0.86	0.91	0.78	1.00
NMP19N	NMP19N	NMP19N	NMP19N	NMP19N
1.92	2.08	2.09	1.88	2.45
NMP20	NMP20	NMP20	NMP19N	NMP19N
3.74	4.05	4.28	3.65	4.70
IFC21	IFC21	IFC21		
1.37	1.48	1.57		
FNBX19	NWC22	NWC22		
1.29	0.85	0.86		

Source: IJG

IJG Namibia GOVI -Weights [%] as at August 2017				
this month	1 month ago	3 months ago	6 months ago	12 months ago
GC20	GC20	GC20	GC18	GC25
18.86	16.98	15.46	29.05	16.03
GC21	GC21	GC21	GC21	GC18
10.87	11.82	11.99	10.41	37.87
GC24	GC24	GC24	GC24	GC21
26.96	29.30	29.80	26.12	13.30
GC25	GC25	GC25	GC25	GC24
18.45	18.41	18.25	14.29	32.79
GC27	GC27	GC27		
13.03	12.58	13.08		
GC30	GC30	GC30		
11.83	10.92	11.43		

Source: IJG

IJG Namibia OTHI -Weights [%] as at August 2017				
this month	1 month ago	3 months ago	6 months ago	12 months ago
BW25	BW25	BW25	BW25	BW25
12.62	13.26	13.44	13.23	16.79
BWFh19	BWFh19	BWFh19	BWFh19	BWFh19
7.65	8.04	8.13	8.04	10.25
NMP19N	NMP19N	NMP19N	NMP19N	NMP19N
18.41	19.34	18.67	19.44	24.98
NMP20	NMP20	NMP20	NMP19N	NMP19N
35.83	37.67	38.12	37.66	47.98
IFC21	IFC21	IFC21		
13.13	13.80	14.00		
FNBX19	NWC22	NWC22		
12.36	7.89	7.63		

Source: IJG

IJG Namibia ALBI -Yields-[%] as at August 2017

this month	1 month ago	3 months ago	6 months ago	12 months ago
GC20	GC20	GC20	GC18	GC25
8.70	9.16	9.67	8.55	10.27
GC21	GC21	GC21	GC21	GC18
8.61	8.70	8.78	9.12	8.89
GC24	GC24	GC24	GC24	GC21
9.87	9.91	9.88	10.09	9.56
GC25	GC25	GC25	GC25	GC24
10.06	10.24	10.44	10.68	10.16
GC27	GC27	GC27		
10.44	10.52	10.57		
GC30	GC30	GC30		
10.90	10.92	10.91		
BW25	BW25	BW25	BW25	BW25
9.44	9.53	9.61	9.95	10.46
BWFh19	BWFh19	BWFh19	BWFh19	BWFh19
8.51	8.62	8.74	9.04	9.53
NMP19N	NMP19N	NMP19N	NMP19N	NMP19N
8.10	8.26	8.55	8.68	9.02
NMP20	NMP20	NMP20	NMP19N	NMP19N
8.16	8.27	8.39	8.68	9.02
IFC21	IFC21	IFC21		
8.53	8.62	8.70		
FNBX19	NWC22	NWC22		
8.97	9.80	9.83		

Source: IJG

IJG Namibia ALBI -Premiums- [bp] as at August 2017				
this month	1 month ago	3 months ago	6 months ago	12 months ago
GC20	GC20	GC20	GC18	GC25
144	179	218	101	125
GC21	GC21	GC21	GC21	GC18
117	117	117	117	88
GC24	GC24	GC24	GC24	GC21
130	130	130	130	110
GC25	GC25	GC25	GC25	GC24
149	163	186	189	114
GC27	GC27	GC27		
187	191	199		
GC30	GC30	GC30		
178	176	185		
BW25	BW25	BW25	BW25	BW25
200	200	200	200	200
BWFh19	BWFh19	BWFh19	BWFh19	BWFh19
125	125	125	125	125
NMP19N	NMP19N	NMP19N	NMP19N	NMP19N
13	13	13	13	13
NMP20	NMP20	NMP20	NMP19N	NMP19N
90	90	90	13	13
IFC21	IFC21	IFC21		
109	109	109		
FNBX19	NWC22	NWC22		
27	185	185		

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 [single returns] -as at August 2017	this month	1 month ago	3 months ago	6 months ago	12 months ago
Money Market Index	175.79	174.69	172.34	168.78	162.10
Call Index	157.31	156.57	155.09	152.89	148.71
3-month NCD Index	170.45	169.42	167.28	164.08	157.92
6-month NCD Index	175.81	174.69	172.34	168.82	162.10
12-month NCD Index	181.37	180.15	177.54	173.62	166.23
NCD Index including call	175.77	174.67	172.31	168.77	162.08
3-month TB Index	175.88	174.74	172.35	168.73	161.97
6-month TB Index	179.03	177.89	175.35	171.52	164.36
12-month TB Index	179.43	178.27	175.76	171.93	164.81
TB Index including call	176.47	175.25	172.87	169.36	162.93

Source: IJG

IJG Money Market Index [average returns] -as at August 2017	this month	1 month ago	3 months ago	6 months ago	12 months ago
Money Market Index	176.16	174.95	172.58	169.09	162.66
Call Index	157.31	156.57	155.09	152.89	148.71
3-month NCD Index	171.13	170.04	167.88	164.66	158.56
6-month NCD Index	176.60	175.39	173.01	169.48	162.91
12-month NCD Index	181.41	180.06	177.45	173.64	166.65
NCD Index including call	175.83	174.63	172.27	168.80	162.38
3-month TB Index	176.48	175.26	172.81	169.19	162.57
6-month TB Index	179.86	178.55	175.95	172.12	165.24
12-month TB Index	180.48	179.18	176.64	172.93	166.08
TBIndex including call	176.47	175.25	172.87	169.36	162.93

Source: IJG

IJG Money Market Index Performance [single returns, %] -as at August 2017	1 month	3 months	6 months	12 months	year-to-date	3* years	5* years
Money Market Index	0.63	2.00	4.15	8.45	5.56	7.57	6.76
Call Index	0.47	1.43	2.89	5.78	3.84	5.29	5.01
3-month NCD Index	0.61	1.89	3.88	7.93	5.18	2.36	3.58
6-month NCD Index	0.64	2.01	4.14	8.46	5.53	2.56	3.86
12-month NCDIndex	0.67	2.15	4.46	9.10	5.97	2.75	4.11
NCD Index including call	0.63	2.01	4.15	8.45	5.55	2.57	3.86
3-month TB Index	0.65	2.05	4.24	8.59	5.67	7.42	6.71
6-month TB Index	0.64	2.10	4.38	8.93	5.87	7.88	7.05
12-month TB Index	0.65	2.09	4.36	8.87	5.85	7.91	7.02
TB Index including call	0.69	2.08	4.20	8.31	5.55	7.22	6.52

** annualised*

IJG Money Market Index Performance [average returns, %] -as at August 2017	this month	3 months	6 months	12 months	year-to-date	3* years	5* years
Money Market Index	0.69	2.08	4.18	8.30	5.53	7.24	6.55
Call Index	0.47	1.43	2.89	5.78	3.84	5.29	5.01
3-month NCD Index	0.64	1.94	3.93	7.93	5.22	2.34	3.86
6-month NCD Index	0.69	2.08	4.21	8.41	5.59	2.71	3.92
12-month NCDIndex	0.74	2.23	4.47	8.86	5.91	2.82	4.11
NCDIndex including call	0.69	2.07	4.17	8.28	5.52	2.22	3.57
3-month TB Index	0.70	2.12	4.31	8.56	5.73	7.33	6.65
6-month TB Index	0.73	2.22	4.49	8.84	5.93	7.69	6.91
12-month TB Index	0.73	2.17	4.37	8.67	5.78	7.48	6.71
TBIndex including call	0.69	2.08	4.20	8.31	5.55	7.22	6.52

** annualised*

IJG Money Market Index Weights (%) - as at August 2017	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	7.01	7.01	7.14	7.54	4.43
6-month NCD Index	3.34	3.34	3.40	3.59	4.78
12-month NCD Index	33.22	33.22	33.82	35.72	38.13
3-month TB Index	4.37	4.37	3.50	3.41	4.16
6-month TB Index	12.16	12.16	12.35	11.47	10.28
12-month TB Index	24.89	24.89	24.79	23.27	23.23

Source: IJG

Average Days to Maturity - as at August 2017	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	3.23	3.23	3.23	3.23	3.23
6-month NCD Index	3.04	3.04	3.04	3.04	3.04
12-month NCD Index	60.19	60.19	60.19	60.19	60.19
3-month TB Index	2.01	2.01	2.01	2.01	2.01
6-month TB Index	11.07	11.07	11.07	11.07	11.07
12-month TB Index	45.10	45.10	45.10	45.10	45.10
Composite Index	124.78	124.78	124.78	124.78	124.78

Source: IJG

Money Market (Excluding NCD's)

IJG Money Market Index [average returns] - August 2017					
	this month	1 month ago	3 months ago	6 months ago	12 months ago
Money Market Index	410,69	407,94	402,37	394,16	378,93
Call Index	330,12	328,67	325,65	321,83	314,30
3-month TB Index	401,36	398,84	393,54	385,17	369,78
6-month TB Index	419,09	416,21	410,30	401,29	384,91
12-month TB Index	439,59	436,42	430,13	420,89	403,72

Source: IJG

IJG Money Market Index Weights [%] - August 2017					
	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	8,63	8,63	8,78	6,89	7,79
6-month TB Index	25,48	25,48	24,46	26,13	25,54
12-month TB Index	50,89	50,89	51,76	51,98	51,67

Source: IJG

IJG Money Market Index [single-month returns] - August 2017					
	this month	1 month ago	3 months ago	6 months ago	ago
Money Market Index	406,57	404,08	398,94	390,57	374,80
Call Index	330,12	328,67	325,65	321,83	314,30
3-month TB Index	399,99	397,46	392,51	384,15	368,54
6-month TB Index	415,38	412,77	407,45	398,55	381,55
12-month TB Index	433,02	430,25	424,45	414,88	397,00

Source: IJG

IJG Money Market Index Performance [average returns, %] - August 2017							
	1 month	3 months	6 months	12 months	year-to-date	3 years *	5 year *
Money Market Index	0,68	2,07	4,19	8,38	5,61	7,29	6,57
Call Index	0,44	1,37	2,58	5,03	3,39	4,90	4,77
3-month TB Index	0,63	1,99	4,20	8,54	5,68	7,35	6,65
6-month TB Index	0,69	2,14	4,44	8,88	5,95	7,73	6,93
12-month TB Index	0,73	2,20	4,44	8,88	5,93	7,63	6,81

* annualised

IJG Money Market Index Performance [single-month returns, %] - August 2017						
	1 month	3 months	6 months	12 months	year-to-date	3 years *
Money Market Index	0,62	1,91	4,10	8,48	5,57	7,54
Call Index	0,44	1,37	2,58	5,03	3,39	4,90
3-month TB Index	0,64	1,91	4,13	8,54	5,61	7,40
6-month TB Index	0,63	1,95	4,22	8,87	5,78	7,85
12-month TB Index	0,64	2,02	4,37	9,07	5,96	8,03

* annualised

Exchange Traded Funds (ETF's)

Ticker	Price (c)	mtd %	ytd %	52Wk High	52Wk Low
ENXPLD	12074	3.93	32.35	12183	8193
NGNGLD	16182	1.77	6.71	18396	14763
NGNPLD	12059	3.80	32.30	12161	8195
NGNPLT	12734	4.80	3.19	15230	11590

Source: IJG

Namibian News

General News

Lawyers representing the Roads Contractor Company yesterday warned that government cannot apply to court to shut down the entity based on its inability to pay its debts. Shikongo Law Chambers stated that should the entity be shut down, government will be liable for all the debts pertaining to the RCC within 12 months of launching the court process. – The Namibian

Despite a recent relaxation of the ban on chicken imports from South Africa, fast-food franchises such as KFC are still experiencing shortages. After an outbreak of bird flu (H5N8) in South Africa, Namibia suspended imports of live poultry, birds, poultry products, ostriches and ostrich products from South Africa. Nearly a month later, the agriculture ministry amended the ban to allow some poultry products to be imported under strict control. However, KFC and other franchises are still experiencing shortages of chicken. Franchise regulations require all foodstuffs sold in their outlets to be imported from the franchise via South Africa. – Namibian Sun

The Namibian Airports Company (NAC) has threated to ban Air Namibia from operating from its airports and to drag the airline to court over an unpaid N$200 million in airport fees. NAC chairperson Rodgers Kauta wrote to public enterprises minister Leon Jooste two weeks ago, explaining Air Namibia has been playing hide-and-seek over its airport debts. – The Namibian

The minister of works and transport, Alpheus !Naruseb, this week introduced the new Roads Authority and Namibia Ports Authority board members. That followed a month-long consultative process, he said. !Naruseb said he would make himself available at all times to the board members to ensure that they were in a position to adequately perform their board duties. "I trust in your competencies and I believe that myself and all other functionaries are only a call away. Don't decide for yourself that the minister is busy, we want to make a success of our responsibilities," !Naruseb told the board members. -Namibian Sun

Pick n Pay Namibia says it has no current plans of firing any of its workers following the recent massive retrenchment of 3,500 employees at Pick n Pay South Africa. However, the local retail giant cautioned that it would always do what is "necessary" to ensure long-term sustainability of the business. – New Era

Paratus launched its revved-up cloud services this week which it believes will offer additional resilience solutions to prospective and continuing clients. Explaining the concept behind cloud, Paratus managing director John D'Alton pointed to the term as all-encompassing, consisting of various services. "It is clear that the key drivers towards cloud services stems from initial capital investment, ongoing operational and maintenance costs as well as requiring dedicated resources to manage information communication technology efficiently," said D'Alton. -Namibian Sun

After much debate in all quarters of society about the National Equitable Economic Empowerment (NEEEF) Bill, Prime Minister Saara Kuugongelwa-Amadhila last week said the government is eager to work with all stakeholders to finalise the bill. Some objectives of the bill include ensuring the equitable and sustainable sharing of national resources, creating vehicles for empowerment, and removing barriers of socio-economic advancement to enable previously disadvantaged persons to access productive assets and opportunities of empowerment. – New Era

The Development Bank of Namibia (DBN) and the Development Bank of Southern Africa (DBSA) have signed an agreement that has potential far-reaching impact for development finance in Namibia. In terms of the agreement, the two banks will establish means to cooperate on and co-finance projects that are of mutual interest. According to DBN CEO Martin Inkumbi, the substance of the agreement will give both parties the ability to contribute to regional development and prosperity through opportunities in Namibia. – Namibian Sun

Despite the government having built 521 schools since independence in 1990, there is still a lack of resources to accommodate learners and meet the demand for education. Talking about the state of education, arts and culture on Friday, line minister Katrina Hanse-Himarwa noted the challenges on the ground. She said some schools operate with inadequate classrooms, dilapidated and makeshift hostels and lack of access to clean water and sanitation facilities, which adversely affect the attendance of learners. Currently 483,685 learners are enrolled in the primary phase at 1,614 primary and combined schools, which is likely to increase. – New Era

The ministry of Finance decided not to bail out the Roads Contractor Company with N$7 million for the parastatal to pay the salaries of around 400 workers for July. The RCC, a state-owned company, asked the works ministry last week to rescue them by providing them with the millions to pay their workers. But it looks like that plan has failed, feeding into speculation that several ministers are using their portfolios to choke the roads entity. – The Namibian

Minister of public enterprises Leon Jooste says it will become necessary to change Air Namibia's business model. According to him, there are no indications that the national airline will be making any profit soon and it is necessary to curb the losses it is making. He made the comments following news that German airline Lufthansa may in due course resume flights between Windhoek and Frankfurt. "The chances of Air Namibia making a profit are very limited. What we are [also] saying is that the cost of running Air Namibia must be a lot less. "We are looking at all underperforming public entities. We are looking at all restructuring options. We should be less sensitive and less guarded about these things," said Jooste, who was speaking at a University of Namibia lecture series on Monday evening. – Namibian Sun

Despite the government having built 521 schools since independence in 1990, there is still a lack of resources to accommodate learners and meet the demand for education. Talking about the state of education, arts and culture on Friday, line minister Katrina Hanse-Himarwa noted the challenges on the ground. She said some schools operate with inadequate classrooms, dilapidated and makeshift hostels and lack of access to clean water and sanitation facilities, which adversely affect the attendance of learners. Currently 483,685 learners are enrolled in the primary phase at 1,614 primary and combined schools, which is likely to increase. – New Era

PowerCom is to hold consultative meetings in various regions of the country to talk to people on whose land its infrastructure is installed, CEO Alisa Amupolo said this week. According to her, the visit is necessitated by the wide network of close to 300 PowerCom towers. As part of the visit, PowerCom will talk to land owners to explain the purpose of PowerCom and why it has to install towers on their land to improve the communication network. "PowerCom has a vast ecosystem behind each of the 300 towers under our portfolio. There are ordinary men and women deep down at grassroots level adding value in a form of land lease to construct our towers and at the same time protecting the assets. – Namibian Sun

The Namibia Non-Governmental Organisations Forum (Nangof) has requested President Hage Geingob to postpone the second national land conference scheduled for next month. Uhuru Dempers of Nangof claims that the land reform ministry is not ready for a conference of such magnitude. He says there is too much at stake and the conference is being organised without the involvement of all the stakeholders. In an interview with Namibian Sun, Dempers expressed concern over the ministry's state of readiness. – Namibian Sun

The president of the Namibia Council of Architects and Quantity Surveyors, Kevin McNamara, has defended a decision to grant 29 Zimbabwean architects and quantity surveyors exemption from professional competence examinations. McNamara said there was nothing untoward about the exemption of the foreign professionals, who will not be required to register with the professional body immediately. Works and transport minister Alpheus !Naruseb recently wrote to the Namibia Council of Architects and Quantity Surveyors, requesting that the registration process be expedited. This follows an agreement signed with Zimbabwe in 2012. Currently, the professional body requires that prospective and active architects and quantity surveyors sit for yearly assessment of professional competence exams. It also appears that the skills transfer programme is only being utilised now despite being agreed to five years ago, Namibian Sun understands. – Namibian Sun

Statistician general Alex Shimuafeni, businessman Tobie Aupindi and a dealer linked to the French military jointly own a company that wants to facilitate, monitor, possibly spy and control incoming and outgoing international telecommunications of Namibia. *The Namibian* reported last week that senior government officials had accused information minister Tjekero Tweya of pushing for a French technology company to have an exclusive mandate to control telecommunications in and out of the country. – The Namibian

The Namibia Media Trust (NMT) has asked government to block plans by the information ministry to give a private company exclusive rights to facilitate, monitor, perhaps spy and control international communications in Namibia. NMT, an advocacy and policy organisation which promotes media freedom, free expression and access to information, is led by the former editor of The Namibian Gwen Lister as executive chairperson. – The Namibian

The long-awaited Namibia Revenue Agency Bill has been passed with amendments in the National Council this week. The bill provides for an establishment of a revenue agency that will be responsible for the assessment and collection of taxes and duties on behalf of the state. When he tabled the bill in the National Assembly in June this year, finance minister Calle Schlettwein, emphasised that the agency is important to ensure the fair and broad collection of public revenue. – Namibian Sun

The issue of scaping free education and reviving compulsory school fees was reportedly debated amongst senior Swapo officials during a central committee meeting on Saturday. The subject was debated because government has become deeply concerned that voluntary parental contributions have slumped, despite difficult economic times that have led to education budget cuts. - Namibian Sun

The education ministry yesterday confirmed that primary and secondary education at state schools will remain free, but again urged parents and communities to help where they can to ensure the education needs of their children are met, since the ministry faces severe budget constraints. The education ministry yesterday underlined that universal primary and secondary education, implemented in 2013 and 2016 respectively, that led to the abolition of compulsory fees towards the school development fund, was based on the constitutional rights of Namibians to obtain an education. "The objective is to ensure that every Namibian child receives quality education, for free, as mandated by Article 20 of the Namibian constitution. -Namibian Sun

The cabinet committee on treasury meets today to discuss the financial health of state owned enterprises, including bailout proposals. People with knowledge of the agenda of the meeting said the Cabinet committee would decide whether to bail out the Roads Contractor Company (RCC). A document seen by the Namibian shows that the committee will discuss the "financial status" of parastatals, included the proposed N$ 19 billion business plan of TransNamib. – The Namibian

Luxury retailer Stuttafords is suing the Namibian Government for N$ 3.8 million over what they claim has been a wrong tax assessment in 2004, amid reports that the retailer faces bankruptcy in South Africa. In June, South Africa media reported that Stattafords, a high-end retailer of branded fashion, apparel, footwear, accessories and cosmetics, had been placed in a business rescue wind down after 61% of independent creditors who are owed a total of N$836 million, voted in favour of this process over liquidation. – The Namibian

The Namibia Employers Federation (NEF) predicts that more Namibians will become unemployed in the next few months. This is despite the president's claims that the economy is looking up and gradually moving out of recession. According to NEF secretary-general Tim Parkhouse, his office has been inundated with calls from employers seeking guidance on how to lay off workers. He noted that while some companies are opting to reduce working hours and salaries, many see no future and simply decide to close shop. The Labour Act provides for the reduction of salaries and working hours during economic hardship. -Namibian Sun

Only two written objections were received in response to a call for objections to the extension of the new minimum wages for security guards to the entire sector. "The ministry is considering all the responses to the objections. Once the ministry is satisfied, the minister will extend the collective agreement to the entire security industry," labour ministry spokesperson Maria Hedimbi said. Hedimbi said the collective agreement, which was negotiated and signed by the Security Association of Namibia (SAN) and union representatives in December last year, was already "fully binding" for all SAN members, but not for the industry as a whole. – Namibian Sun

NamPort handled about 25,000 tonnes of bulk salt destined for the United States of America recently. The operational method used to load the salt into the vessel makes it the first of its kind for the Port of Walvis Bay, according to NamPort corporate communications manager Taná Pesat. – The Namibian

The establishment of Ohorongo Cement's Ondangwa depot will boost the economies for the town and Oshana region, governor Clemens Kashuupulwa said last week. He was speaking at the official opening of the depot at Ondangwa. "This development is in line with Namibia's fifth National Development Plan and the Harambee Prosperity Plan's aim to build sustainable infrastructure in all corners of the country, and particular developing Ondangwa as a logistics hub in the north". – The Namibian

The Namibia Airports Company is considering awarding the contract for extensive upgrades to the Hosea Kutako International Airport to an international company through a public private partnership (PPP). A PPP allows private companies to invest in state projects, and jointly manage entities created through such partnerships. A source close to some NAC board members told *The Namibian* last week that the parastatal was pushing for an arrangement in which an international company would build the airport at its own cost. The airport deal is the same N$7 billion contract which was dubiously awarded to a Chinese company, but cancelled by a Supreme Court order earlier this year. – The Namibian

Air Namibia this week announced that it will add Lagos and Accra to its route network effective 25 March next year. This was according to its spokesperson Paul Nakawa who said the legs to West Africa are geared towards growing its business on the continent. The routing for the two new destinations will be Windhoek-Lagos-Accra, and the return will be Accra-Lagos-Windhoek, four times per week, using the Airbus A319-100 aircraft. Apart from providing a direct connection from Namibia to West Africa, the operation will further transport passengers and cargo on the Lagos-Accra-Lagos route, using the fifth freedom traffic rights granted by the Ghanaian and Nigerian governments, as contained in the existing Bilateral Air Service Agreements. Days of operation departing from Windhoek will be Sundays, Mondays, Wednesdays and Fridays. – Namibian Sun

President Hage Geingob says that government saved about N$3 billion through budget cuts over the past several months. He said yesterday when he officially opened the 6th Swapo Party Youth League congress at Katima Mulilo in the Zambezi region. "Severe headwinds have buffled our economy. It has wobbled but is now steadying. Commodity price depreciations, exchange rate fluctuations and disappointing Sacu revenue receipts have all contributed to these adverse conditions, but it has been said in the middle of difficulty lies opportunity. – The Namibian

The Financial Intelligence Centre (FIC) says around N$5.7 billion that was circulated in Namibia between 2009 to 2016 was suspected to be linked to criminals. However, the centre only blocked N$54 million of the N$5.7 billion between 2010 and 2016. This is according to figures found in a presentation by FIC, and its 2016 annual report published in July this year. – The Namibian

The Japanese government has followed in the footsteps of the Trump administration by imposing sanctions against companies and individuals that support North Korea. The sanctions have been imposed against the Chinese construction company, Qingdao Construction for its links with North Korea. This follows after Qingdao Construction took over four Namibian government construction projects from Mansudae Overseas Group of Companies, after the North Korean company was told to leave the country. Sanctions were also brought against Kim Tong-Chol who is listed as the managing director of Mansudae Overseas Projects and the deputy managing director of Qingdao Construction (Namibia). Mansuade Overseas Projects Architectural and Technical Services, the Namibian-based company of Mansuade, has also been sanctioned. Although Japan did not name any companies or individuals, it said it will impose fresh sanctions on North Korea by freezing the assets of Chinese and Namibian firms doing business with the nuclear-armed state. It is targeting six companies, four from China and two from Namibia, as well as one Chinese national and one North Korean. – Namibian Sun

President Hage Geingob has directed information minister Tjekero Tweya to reinstate businesswoman Ally Angula as a director of Namibia Post and Telecommunications Holdings (NPTH), the company that holds government's shares in telecommunications giant MTC. Tweya fired Angula as director of the NPTH board on 16 August 2017, saying her actions, which he did not reveal, led to distrust between the two. "As appointing authority, I view such behaviour as unacceptable" Tweya said in a letter two weeks ago. – The Namibian

A plan by Namibia, among the world's most economically unequal nations, to better distribute wealth among its citizens may end up the way neighboring South Africa's has -- benefiting an elite minority. The nation is working on a law that will require all businesses to be at least a quarter owned by "racially disadvantaged people." While only about 6 percent of Namibia's 2.5 million citizens are white, they own most enterprises. This is a legacy of white-minority rule that South Africa imposed when it controlled Namibia from World War I to 1990, with black people being disenfranchised and displaced. Critics of South Africa's policy, including the biggest labor-union federation, say it has failed to redress the inequalities because it focuses on increasing black ownership of companies rather than raising education standards to match a skills shortage, and has benefited a small number of wealthy individuals. Proposals by Namibia, the world's biggest marine-diamond producer, are similar, which could hamper investment and growth in an economy that's contracted every quarter since March last year. – Bloomberg

Finance minister Calle Schlettwein says the ministry this week finally paid the last N$230 million of the N$3 billion it owed contractor across all sectors. If the words of the finance minister are to be believed, the government will not owe a cent to contractors by the end of this week for work already done. – The Namibian

Namibia has found herself inadvertently embroiled in the escalating tension over North Korea's missile tests and nuclear armaments programme., with the united nations unable to confirm as yet whether the agreement last year to terminate commercial relations between Namibia and North Korea have been fully **implemented. – New Era**

The state owned Agro-Marketing and Trade Agency has been paying over N$140 000 per month since 2015 for renting a property in Oshikango which it does not use. The government created Amta in 2015 as an agency responsible for marketing and selling agricultural products on behalf of the state, while the agency also operates fresh produce stores in Windhoek, Ongwediva and Rundu. – The Namibian

Economy

President Hage Geingob believes that the economy is showing signs of recovery. He was speaking at an information-sharing session held at State House yesterday. According to the president, despite the technical recession that Namibia entered in the last quarter of 2016, developments locally and in the Sub-Saharan African region hold the potential to stimulate economic growth. He said the economy was now in a better position than last year. "While there is a lot of discourse on the state of the economy, the actual state of our economy is better than currently portrayed in the public domain. As a matter of fact, the underpinning fundamentals of the economy are stronger than they were a year ago," said Geingob. – Namibian Sun

Government's pledge to fully settle outstanding invoices of state contractors totalling more than N$3 billion by the end of August is expected to provide much-needed momentum to the ongoing economic recovery. President Hage Geingob on Monday said the government deeply regrets the accumulation of unsettled invoices that resulted mainly from weak revenue collection – and emphasized the government understands the serious impact the outstanding invoices had on business operations, particularly for small and medium sized enterprises. – New Era

Persistently weak economic growth, rising unemployment and weak household disposable income growth have begun to weaken property prices in Namibia. This is according to the latest Housing Price Index (HPI) released by FNB Namibia. "For the month of April, the average annual rate of growth has fallen to 7% in nominal terms, despite the very strong prices growth in the coastal and southern region." – The Namibian

Annual inflation continues to descend further since the start of the year, falling to 5.4% y/y in July, 0.6% y/y lower than in June. On a month-on-month basis prices remained flat. The slowdown in annual inflation was largely caused by moderation in the price levels of food and non-alcoholic beverages, transport and alcoholic beverages and tobacco. Of the twelve basket items, only two saw a higher annual inflation rates than the previous month, two remained unchanged, while eight categories recorded a slowdown in price levels. Prices for goods rose by 3.5% y/y while prices for services rose by 8.1% y/y. – IJG

President Hage Geingob said Moody's Investor Services should not have based its latest rating on the forthcoming Swapo elective congress and the national elections scheduled for 2019. In a statement released midnight on Friday, finance minister Calle Schlettwein also accused Moody's of using the issue of the outstanding invoices to downgrade Namibia's credit ratings. Schlettwein said Moody's latest downgrade accords Namibia's international debt issuances junk status. – The Namibian

The announcement of Namibia's junk status last Friday has cast gloom over the country and attracted criticism from both government and local economic commentators, who all appear eager to shift the spotlight away from the negatives and highlight the positives on the Namibian economic landscape. Moody's Investors Service on Friday downgraded Namibia's long-term senior unsecured bond and issuer rating to junk status, while maintaining a negative outlook for the country's economy. – The Namibian

With the release of the final National Accounts on Thursday, it transpired that the preliminary estimated GDP growth for 2016, released in March this year, was considerably more pessimistic than the picture emerging this week. Statistician General, Mr Alex Shimuafeni said in the statement accompanying the release of the accounts, that economic growth for 2016 was 0.9 percentage points higher than earlier estimates. It is now clear that the economy did not contract during 2016 but grew by 1.1% compared to 2015. While this indicates an economic performance vastly inferior to output potential, it at least shows the economy has not shrunk, only the rate at which it grows year on year has stalled. As comparable growth benchmarks, Shimuafeni quoted the 2015 growth rate of 6% and the 2014 rate of 6.4%. More support for the notion that the economy's growth potential is far higher than reflected by official statistics come from the fact that preliminary quarterly figures indicate contractions during both the third and the fourth quarters of 2016. For the full year to register a small growth, the first two quarters had to post higher growth rates. – Namibian Economist

Namibia's population growth has surpassed the projections of the 2011 census, while economic growth has slowed, leading to an average decline of around N$400 in individual earnings last year. It was particularly in 2016 when the chickens came home to roost, as research shows that the country's population growth reached 1.9% – above the projected estimate of 1.4%. – New Era

A total of 1 025 workers have been retrenched by local companies over the last three months, the labour ministry said yesterday. Labour commissioner Henri Kassen said the figure is almost twice as much as the 645 workers who were retrenched during the same period last year, representing a 37% increase. Metal and Allied Namibian Workers Union (Manwu) General Secretary Justina Jonas believes the figure is definitely a true reflection of what is happening on the ground, adding more workers have paid the price of the country's ailing economy. "The picture looks bad, in the construction industry people are retrenched daily but the worse is that even the suppliers of building materials are now affected and forced to cut cost by retrenching workers," she said. "In May, the construction industry said 2017 was turning out to be another gloomy year. The Construction Industries Federation (CIF) at the time said unless new tenders were issued by June, up to 63% of its members faced closure. – Namibian Sun

In stark contrast to the message government has been attempting to get across recently, the latest IJG Business Climate Monitor of the Institution for Public Policy Research indicates the Namibian economy continues to contract, but at slower pace. The latest IPPR BCM for June this year, was released this week and shows that on almost all indicators monitored by the BCM, the economy is still in decline. And while the decline shows signs of slowing, there is scant evidence of a recovery, as claimed by government recently. – The Namibian

President Hage Geingob yesterday insisted that government is not to blame for the current economic downturn that has led to Namibia's credit rating to be downgraded to sub prime status. The subdued economy resulted in Namibia's unsecured bonds being downgraded by international ratings agency Moody's and there have been significant job losses in the private sector, particularly construction. He said although the country face san economic slowdown, Namibia will not seek International Monetary Fund (IMF) bailouts, nor will it accept so-called "structural reform packages" from external parties. – New Era

Financial

Loans awarded by the recently liquidated SME Bank could be recalled, but taxpayers' money invested in the financial institution is unlikely to be recovered. Speaking at a panel discussion on the closure of the SME Bank and its impact on small and medium enterprises (SMEs) on Tuesday, Eileen Rakow of the ombudsman's office explained that the liquidation process would proceed with money owed to the bank being recovered. "That money is gone and will have to be made up from somewhere else, and that is the biggest impact on the citizens and the man on the street, because they will have to recover that money," Rakow said. She added that the legal procedures would take long and would require a lot of patience from Namibians. Rakow was speaking at a public lecture hosted by the Konrad Adenauer Stiftung on Tuesday evening. – Namibian Sun

The Benchmark Retirement Fund announced its 2016 results at its annual members' meeting held on 3 August 2017. Principal officer Kai Friedrich said investments held by the fund's members grew by N$164 million during 2016. The fund had assets of N$2.1 billion under management for 8,778 members. Of the 8,778, Friedrich said, 657 were individual members and the remaining 8,121 were members under participating employer groups. The fund also provides umbrella fund Alex van Wyk solutions to employer groups who are not large enough to warrant, or prefer not to incur the expense of, private fund administration and the associated governance obligations. The fund has 216 pensioners who received about N$22.5 million in pensions during the year. – Namibian Sun

The Anti-Corruption Commission (ACC) yesterday said it suspected money-laundering in the SME Bank's unaccounted N$200 million investment, with director general Paulus Noa saying those responsible would not escape the long arm of the law. Speaking in Omuthiya yesterday, Noa said progress had been made in investigations into the dealings of the bank, which invested large amounts with little-known South Africa investment firms. – New Era

For a cash-strapped country which has now crossed the threshold to junk status – albeit challenged – Namibia is prepared to pay exorbitant amounts for expatriate skills. According to documents seen by Namibian Sun, the Ministry of Works and Transport is paying N$697,130 per month to 86 Zimbabwean professionals. The annual expense amounts to more than N$8.4 million. The total cost to the country of the Zimbabweans is more than N$55.7 million per year. That includes a monthly transport expenditure of N$10 million, while the expats already receive travel allowances as part of their packages. Compared to this, the total cost of 36 Namibian graduates employed by the works ministry is N$10.2 million, of which transport expenditure amounts to N$258,336. – Namibian Sun

Commercial banks will now marginally reduce their interest rates on loans after the Bank of Namibia (BoN) yesterday announced a reduction of 25 basis points on the repo rate to 6.75%. The central bank's Monetary Policy Committee (MPC) took the decision to support domestic economic growth, as the reduced repo rate should lead to increased spending resulting from a relief on disposable incomes of indebted households. – New Era

The minister of finance, Mr. Calle Schlettwein, yesterday announced to the Namibia Chamber of Commerce and Industry (NCCI) that an increase in taxes will not be part of the midyear budget review to be tabled in October. The current taxation system has been analysed and processes have been identified to plug loopholes, Schlettwien said. – Rebuplikein

Finance minister Calle Schlettwein says preliminary data indicates that the revised budget for 2016/17 was fully implemented with budget execution at about 100 percent while revenue came in at 99.6 percent. Schlettwein told members of the public and the business community attending his 2017 state of the economy and mid-year budget review in Walvis Bay last week that the budget deficit was estimated at the revised level of 6.3 percent. He said this was better than the 8.3 percent recorded for the previous year. Total debt stood at 41.9 percent which is generally in line with the median of upper income countries with similar characteristics than that of Namibia. During the past four months of the financial year, budget revenue performed better with about 40 percent of targets collected against the historical average of 34 percent. The minister stressed the fact that the loan facility from the AfDB was not an additional loan on top of the budget but rather a budget deficit financing mechanism to complement the domestic market and that it was realised at better competitive rates.

The National Petroleum Corporation of Namibia has rebranded its image as part of its strategic plan to become a N$5 billion revenue generating entity by 2020. Namcor managing director Immanuel Mulunga on Wednesday said during their official brand launch that this is the beginning of a new era where Namcor will have access to storage facilities at Walvis Bay. And new depots in several towns such as Gobabis, Ondangwa and Windhoek. – The Namibian

With the imminent launch of the 081Every1 project by Mobile Telecommunications Limited (MTC), close to a hundred companies attended a tender information session held on Thursday at MTC's head office in Windhoek. The session gave prospective bidders a chance to ask questions about the tendering process. The 081Every1 project was launched late last month. MTC plans to set up 524 network sites in order to achieve 100% network coverage. MTC's transmission manager, Ludwig Tjitandi, said: "We look forward to partnering with competent Namibian companies in line with MTC's specifications to supply services such as ground clearing services, tower supply and design, yard building, civil work, antenna mounting, solar and grid battery power supply." – Namibian Sun

Trade and Tourism

Trade and industrialisation minister Immanuel Ngatjizeko on Friday said Namibia has been under-marketing itself in terms of business, and this should be seriously addressed. He was speaking at State House where and American business delegation paid a courtesy call on President Hage Geingob to brief him on their investment interests. This comes after the delegation, who are mostly interested in renewable energy, had already met various relevant ministers on Thursday. – The Namibian

Water and Electricity

The Development Bank of Namibia has announced details of its involvement in financing Ombepo wind farm near Luderitz. Bank finance of develop the N$118 million was extended was extended to develop the N$180 million wind farm, which is now nearing completion. -New Era

Ark industries Namibia will invest some N$300 million in the establishment of a wastewater treatment plant at Ondangwa in the Oshana region. Through a public-private-partnership (PPP), the company's managing director Iyaloo Nangolo and Ondangwa Town CEO Ismael Namgongo on Thursday signed an agreement here on the project's implementation. It will aim to purify and treat sewage for further economic use in agriculture, or to produce potable grade water. – New Era

Gold producer B2Gold has appointed Caterpillar and Cat dealer Barloworld to supply a 7 MW solar power plant at the Otjikoto mine, in Namibia. The full system, including Cat photovoltaic (PV) solar modules and the Cat microgrid master controller (MMC), will be used to reduce reliance on a heavy fuel oil power plant currently used to power the mining facility. Barloworld is supplying engineering, procurement and construction services for the project. Installation of the system is under way, with the completion of the project expected in early 2018. – Engineering News

NamPower is constructing a direct transmission line from the Ruacana hydropower station into the northern regions. Despite the regions' proximity to the hydropower station, they are currently getting power through Omaruru and Tsumeb. To shorten the transmission line, a new substation is planned south of Ruacana. A 400kV power line will be built from the new Kunene substation to the existing Omatando substation to substantially increase the power supply capacity to Oshakati, Ondangwa and surrounding areas. This line will form part of a bigger future project to create a 400kV northern ring. This will ensure redundant power supply to the northern regions and will cater for the integration of the future Baynes hydropower station. – Namibian Sun

Property and Construction

The Roads Authority has to date spent N$400 million to upgrading to a dual carriageway of the Windhoek – Okahandja road. The RA commenced with the construction of section 3(a) of the massive project, covering the road from Brakwater to Dobra River, in January 2014, which was completed in 2016. The total cost of the project is approximately N$1.3 billion and the RA will announce the cost of section 4 (b) once a contractor has been appointed. – New Era

A ground-breaking ceremony was held in Walvis Bay over the weekend to herald the start of construction at Fishcor's new canning factory. Fisheries and marine resources minister Bernard Esau says the National Fishing Corporation of Namibia (Fishcor) should be regarded as a partner of the private sector in fishing and not a competitor. "We are just complementing and are partners of progress. We have more horse mackerel to process than our total installed capacity, hence we need investors starting with government. "Fishcor exists to fulfil specific governmental objectives of developing the fisheries sector and was established to undertake fishing, fish processing, capacity building of Namibians venturing into fishing or fish processing, assisting government with research and financing of government projects in the fishing sector.

The construction Industry Federation (CIF) says government's pledge to pay outstanding invoices by the end of August means the construction industry will be able to meet their financial obligations, which will keep many businesses from going under. However, while the payment will bring much needed relief to the industry, some businesses have had to close down while waiting for the payment. "Payments of outstanding debts by government will mean that our industry in turn can meet their financial obligations, which for many businesses is critical to securing continued operation. – New Era

Italian contractor Salini SpA is set to resume construction of the Neckartal Dam after government last week paid an outstanding N$129 million for work completed. The company, which was awarded the N$2.4 billion tender to construct the Neckartal Dam near Keetmanshoop, last Tuesday suspended operations at the construction site for the second time this year because of delayed payments. The company had in a circular dated 19 August informed its employees that "normal activities" were to resume yesterday. However, an employee told *The Namibian* that operations have not resumed as all workers who were sent on leave due to the suspended operations had not reported for duty yesterday. – The Namibian

Finance minister Calle Schlettwein says preliminary data indicates that the revised budget for 2016/17 was fully implemented with budget execution at about 100 percent while revenue came in at 99.6 percent. Schlettwein told members of the public and the business community attending his 2017 state of the economy and mid-year budget review in Walvis Bay last week that the budget deficit was estimated at the revised level of 6.3 percent. He said this was better than the 8.3 percent recorded for the previous year. Total debt stood at 41.9 percent which is generally in line with the median of upper income countries with similar characteristics than that of Namibia. During the past four months of the financial year, budget revenue performed better with about 40 percent of targets collected against the historical average of 34 percent. The minister stressed the fact that the loan facility from the AfDB was not an additional loan on top of the budget but rather a budget deficit financing mechanism to complement the domestic market and that it was realised at better competitive rates.

Gobabis deputy mayor Cornelius Tjizoo has called on local business people to consider investing in the town to uplift residents living standards. He said the town has modern communications facilities, roads and other infrastructure which allow for smooth business activities and pose great potential for development. The deputy mayor was speaking on Tuesday during the ground-breaking ceremony of a new shopping mall in the town. The mall, aptly titled 'Gobabis Shopping Mall', will be 9,300 square metres big, and is expected to be fully operational towards the end of this year. – The Namibian

The visit to Namibia by Zhang Gaoli, China's first deputy premier, concluded on Monday with a meeting at State House, where he had a closed-door meeting with President Hage Geingob, which culminated in Namibia and China signing several bilateral agreements related to the construction of airports and schools. – New Era

Workers at Namdeb are concerned about their future after management reportedly hinted that it intended to outsource some of its operations. Namdeb executives last week held meetings with staff at Oranjemund, where they were reportedly informed that the company would gradually cease operations at its three land-based mines, with the latest set to wind down as early as 2019. – Namibian Sun

National Housing Enterprise (NHE) chief executive officer Gisbertus Mukulu says as long as private developers service land and build houses, property prices will remain high. Talking to Namibian Sun at the Ongwediva Annual Trade Fair, Mukulu said developers would only be able to build affordable houses if councils gave them serviced land to build on. Mukulu was responding to a question as to whether public-private partnership (PPP) agreements between local authorities and developers are a good solution for low-cost housing. "I do not think that after a developer has serviced the land and constructed the houses, the house will be affordable and people will buy," Mukulu said. – Namibian Sun

Agriculture and Fisheries

The forestry department of the agriculture ministry confirmed yesterday that trucks belonging to Chinese outfit New Force Logistics carrying possibly illegally harvested wood had been stopped at Katima Mulilo. The head of the forestry department, Joseph Hailwa, said "some containers loaded" with timber had been stopped "until we can sort out the problem". Investigative reporter John Grobler posted on his Facebook page that the trucks were on their way to Walvis Bay from Katima Mulilo and urged traffic police at Divundu and Kongola to be on the lookout for the trucks, which he claimed were loaded with trees illegally felled in the Katima Mulilo area. -Namibian Sun

Compared to 2016, the total number of cattle marketed between January and May this year have decreased by 0.9%, reducing from 145,900 to 144,620. But Namibian weaner producers have been laughing all the way to the bank since the beginning of the year. Due to high weaner prices as a consequence of low cost of grain (maize) prices in South Africa, notable live exports increased with 12.4% year-on-year compared to the corresponding time last year. – New Era

The increase in the consumption of beef both locally and internationally is creating more opportunities for the Namibian meat industry. This growth allows for Meatco to continue investing in newly realised markets such as Hong Kong and the United States of America while sharing a market space with big suppliers such as Brazil and Argentina. According to Meatco the increase in beef consumed in both developing and developed countries is ascribed to an increase in the size of the middle-class market globally. "This means that more people are consuming beef at home and in restaurants as their income increases." According to Meatco cattle numbers slaughtered has also increased to approximately 80,000 annually, while Namibia's expanding middle income class is a contributing factor to this increase. However, because of different affordability trends and population dynamics, beef consumed in Namibia remains less than that consumed elsewhere, the company said. – Namibian Sun

The Namibia Agronomic Board (NAB) will dip into its reserves that have been built up over more than a decade to grant a N$26 million bailout to the government agency responsible for buying crops from farmers. The loss-making Agro Marketing and Trading Agency (AMTA) had by the beginning of this month depleted it funds for this year and halted all crop purchases from farmers. Urgent meetings were held last week between the Ministry of Agriculture, Water and Forestry, AMTA and the Namibian Agronomic Board (NAB) in an effort to solve this crisis. It was decided that N$26 million from the Agronomic Board's reserve funds would be allocated to AMTA. – Namibian Sun

The Ministry of Agriculture, Water and Forestry has announced the two operators that will take over the government-owned abattoirs in the Northern Communal Area (NCA) after Meatco announced it will not renew its contract with government. Zambezi Meat Corporation (Zamco) will be taking over operations at the Katima Mulilo abattoir, while Kiat Investments will be taking over at Oshakati abattoir. The lease agreement signed with the ministry is for 25 years and may be extended. They will make N$14 million available for the rehabilitation of the Oshakati and Katima Mulilo abattoirs. The money will be sourced from the N$110 million allocation to the Directorate of Veterinary Services from the European Development Fund. – Namibian Sun

Members of the public and other interested parties have until the end of August to highlight their concerns and questions on the controversial plans by a Chinese company to construct and operate a mixed donkey and cattle abattoir at Outjo. Issues already raised by numerous members of the public in Outjo and elsewhere include groundwater and soil contamination, and a business model that has been described as unsustainable as it is based on slaughtering around 70 donkeys every second day in a country that has, according to recent studies, no more than 160,000 of these animals. "There simply aren't enough donkeys in Namibia to sustain the abattoir more than two-and-a-half to five years, and when it fails, as it will, the Outjo ratepayer will have to foot the bill for environmental clean-up, if it can be cleaned up at all. In the short term, if the donkey supply comes to an end, poaching, which is already threatening many farming existences, will undoubtedly increase," a member of the public pointed out this week.

Namibia is still in the dark about when beef exports to China would start after the earlier negotiations were stopped due to Lumpy Skin Disease outbreak in areas south of the Veterinary Cordon Fence. Ministry of Agriculture, Water and Forestry Permanent Secretary, Percy Misika, told the Windhoek Observer this week that they do not know when exports to China will start as they wait for the 12-month disease free period to lapse before they can restart negotiations. – Windhoek Observer

Farmers have been urged to submit concerns on the controversial plans by a Chinese company to construct and operate a mixed donkey and cattle abattoir at Outjo. The farmers have also been asked to indicate whether they would be interested in breeding donkeys for commercial purposes. Quivertree Consulting, the company that was hired by Fu Hair Trading Enterprise to conduct an environmental impact assessment (EIA) on the impact of the abattoir, has approached the Namibian Agricultural Union (NAU) for input. According to Quivertree Consulting, the Chinese market values donkey hides and hooves for medicinal purposes as well as its meat for human consumption. "Approximately 70% of Namibia's 150,000 donkeys live in the northern communal areas while the rest are scattered throughout other parts of the country, on both communal and commercial farms," the company said.

The Uukumwe Youth Seal Processing Factory was inaugurated in Lüderitz last Friday where the new firm will provide 25 jobs in the first year of operations. The factory comes at a cost of N$17 million. Minister of Fisheries and Marine Resources, Bernard Esau, during the official opening at Nautilus Industrial Area, applauded the efforts made by the Uukumwe Youth Empowerment Consortium, a 100% Namibian entity initiated by young entrepreneurs. – New Era

The Embassy of the People's Republic of China will request a Chinese team of technical experts to visit Namibia with the sole intent to renegotiate the agreement on the export of Namibian beef to China. At his debut media briefing since being accredited as Chinese Ambassador to Namibia, Zhang Yiming yesterday said Namibian beef exports to his country were suspended in 2016, as stipulated in the beef export agreement, following the outbreak of lumpy skin disease. – New Era

The Ministry of Agriculture, Water and Forestry says Namibia does not allow African buffalo outside proclaimed national parks, and therefore buffalo can only be sold for export purposes. According to agriculture permanent secretary Percy Misika this is in line with the Animal Health Act 1 of 2011. The agricultural ministry recently denied a request by Erindi Private Game Reserve to introduce buffalo and become the first ever big five reserve in Namibia. Currently, there is overpopulation of buffalo at the Waterberg National Park and grazing is under pressure due to drought. There are currently about 1 000 buffaloes in the park while there is only capacity for 400 and therefore the environment ministry needs to sell some of the animals. – Namibian Sun

Mining and Resources

President Hage Geingob has instructed Public enterprises minister Leon Jooste to investigate allegations of wrongdoing at Namdia and other state-owned enterprises. Namdia is a state-owned firm established in August last year to sell diamonds worth about N$2 billion per year. The president has been criticised for being too quiet on the Namdia question after The Namibian newspaper reported that a senior government official had alleged under-pricing of diamonds sold abroad could be costing government about N$1 billion or more per year. – New Era

History was made when the Namport staff started unloading a consignment of one thousand tonnes of ammonium nitrate, destined for Swakop Uranium's Husab Mine about 90 kilometres away from the harbour. Namport said ammonium nitrate is used by the mining industry to manufacture explosives. Namport has never before handled a cargo of this nature. "Although ammonium nitrate in itself is not an explosive, it is regulated by the Namibian Explosives Regulations and therefore must be treated as an explosive" the Ports Authority stated. – Namibia Economist

A planned closure of the acid plant at Skorpion Zinc is proving to be costly, production-wise, for Vendanta Resources in the second quarter ended June this year. Vedanta said in its latest quarterly report, Skorpion delivered 14,000 tonnes of refined zinc in the three months under review, about 36% less than the previous quarter. Compared with the same quarter in 2016, production fell by 10,000 tonnes or 42%. Vedanta, the sole owner of Skorpion, attributed the tumbling in production to a scheduled closure of the acid plant at the mine and that lower recoveries also played a role. – Republikein

Local Companies

Bidvest Namibia is anticipating a big drop in profit for its recently concluded financial year. The company gave a trade update in anticipation of its financial results for the year ended 30 June 2017 which are expected to be published in due course. "Bidvest Namibia anticipates basic earnings per share (EPS) and headline earnings per share (HEPS) for the year ended June 30 2017 to be down between 70% and 75% on the previous corresponding period," said Bidvest. According to them, the decline in profit was because of a reduction in fishing quotas, particularly for horse mackerel. "The decline in EPS and HEPS is resulting from lower profits in all trading divisions. Bidvest Namibia's fishing division continues facing severe adverse external market factors and environmental conditions, as well as a shortage of own quota allocations. All the other divisions experienced pressure on revenue due to the recession in Namibia," Bidvest said. -. – Namibian Sun

Eos Capital this week announced that it has acquired the majority of the ordinary share capital of Panel to Panel Insulated Panel manufacturers (Pty) Ltd, pending Namibia Competition Commission approval, in support of the industrialisation drive in the country, and to participate in the growth expected for the company through the widening product offering, establishing export markets operations and develop additional business lines. – Namibian

Rio Tinto , the world's second largest miner, gave its shareholders an early Christmas present Wednesday as it declared its biggest interim dividend in the company's 144-year history, thanks to climbing commodity prices that made first-half profit jump an impressive 93%. The Anglo-Australian company also said it will increase its share buy-back program this year, as net profit for the first six months of the year came in at US$4.14 billion, more than double the US$2.13 billion it logged in 2016, yet slightly short of market expectations. Rio will return a total of US$3 billion to shareholders: US$2 billion on the dividend side and US$1 billion of share buybacks. – Mining.com

Standard Bank Namibia says the Chinese business community has contributed to the socio-economic development of the country, making them a worthwhile ally. Cognisant of this fact, the Bank has worked closely with various Chinese captains of industry, and recently held a gala dinner in their honour, drawing them closer into the fold. In February 2015, the Industrial and Commercial Bank of China Limited acquired shares in Standard bank's London-based Global Markets business. The marriage of ICBC and Standard Bank creates a platform to serve the growing demands of Chinese clients for global commodities, fixed income, currency and equities products while continuing as a distribution platform for African risk. – New Era

Letshego will be offering its shares for sale to Namibians through a planned initial public offering (IPO). This comes on the back of its chairman Enos Banda's recent visit to Namibia. Letshego's purpose is to provide simple, appropriate and accessible solutions to the financially under-served and excluded in a sustainable manner, including, but not limited to, government employees. The move, its CEO says, will bode well for the country's financial inclusiveness agenda. "We believe that to be totally financially inclusive, we should offer Namibians the opportunity to be part of our growth. – Namibian Sun

The intended listing by Letshego Holdings Namibia (LHN) towards the end of next month is expected to increase the overall market capitalisation of the Namibian Stock Exchange (NSX) by N$2.35 billion and free float by N$470 million. Letshego's initial private offering (IPO) is expected to be 470 cents per share. – New Era

Capricorn Investment Group have released their results for the year ended 30 June 2017. The results reflect the difficult operating conditions prevalent in Namibia characterized by low liquidity, higher cost of funding, slowing GDP growth and slower private sector credit extension. However, the results were also below our, admittedly optimistic, expectations. Profit after tax grew by 1.4% from N$905.0 million to N$917.6 million, and by 2.7% on a normalized basis. Headline earnings per share increased by 0.2% to 181.6 cps and dividends increased by 3.0% to 68 cps. – IJG

After a quiet four years, investors can now look forward to new and fresh opportunities on the local index of the Namibian Stock Exchange (NSX) when Letshego Holdings Namibia (LHN) lists on 28 September this year. Prior to this, the most recent new listing on the local index was on 20 June 2013 when Bank Windhoek Holdings – now known as the Capricorn Investment Group Limited listed. The initial public offering (IPO) of Letshego Holdings Namibia opened on Friday of last week and the existing shareholders are now willing to offer 20% or N$470 million of the company as issued shares. The shares total 100 million and are available at N$4.70 apiece. – Republikein

Bidvest Namibia delivered disappointing results for the 2017 financial year, which reflect the ongoing difficulties in the fishing division and was exacerbated by a weak economic environment. The downturn in consumer spending was quite negative given the cyclical nature of the business. EPS decreased 72.5% to 23.9 cents per share, while HEPS fell 74.0% to 22.4 cents per share. At N$3.776 billion, revenue declined 2.1% from last year, however trading profit declined by 68.6% to N$92.5 million. A final cash dividend of 6 cents per share was declared, taking the total dividend for the year to 10 cents per share, thus the company cut dividends by 73.7%, in line with the decrease in EPS. – IJG

NSX Round – Up

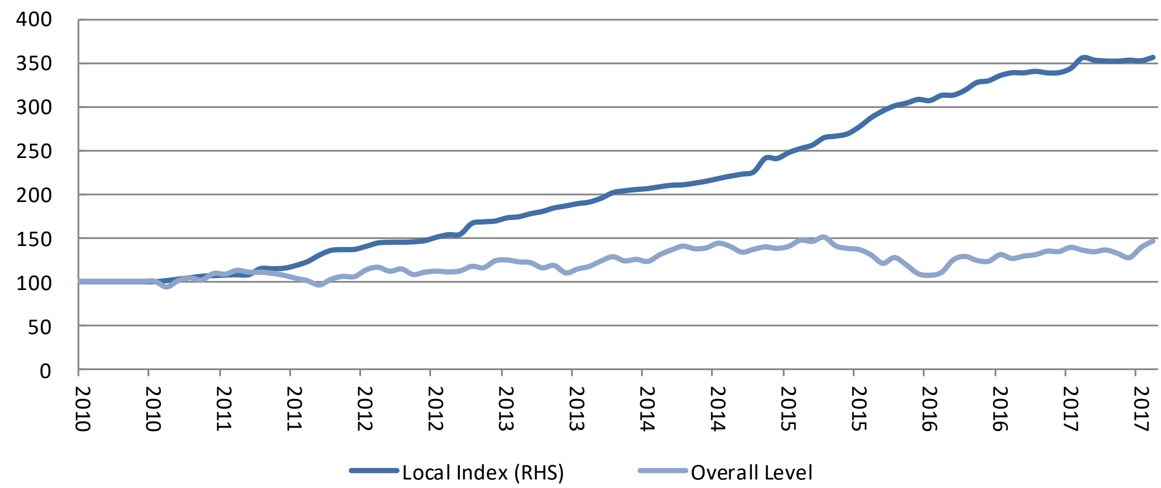
Company	Code	Share (c)	Mkt Cap (N$m)	P/E (A)	P/E (F)	HEPS (A)	HEPS (F)	Rec
Capricorn Investment Group	CGP	1 810	9 355	9,9	8,0	182	225	HOLD
FNB Namibia	FNB	4 675	12 510	10,7	10,3	436	455	HOLD
Namibia Asset Management	NAM	72	144	7,1	6,9	10,1	10,4	BUY
Oryx Properties	ORY	2 065	1 608	13,0	12,3	158,6	167,8	SELL
Namibia Breweries	NBS	3 450	7 125	18,6	17,3	185	199	SELL
Bidvest Namibia	BVN	787	1 668	35,1	31,0	22,4	25,4	SELL
Paladin Energy Limited[3]	PDN	43	608					
CMB International Ltd[4]	CMB	130	450					
Tadvest Limited NM[4]	TAD	1 173	605					
Trevo Capital Limited[4]	TRVP	1 300	4 114					
B2Gold Corporation[2]	B2G	3 428	13 189					

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

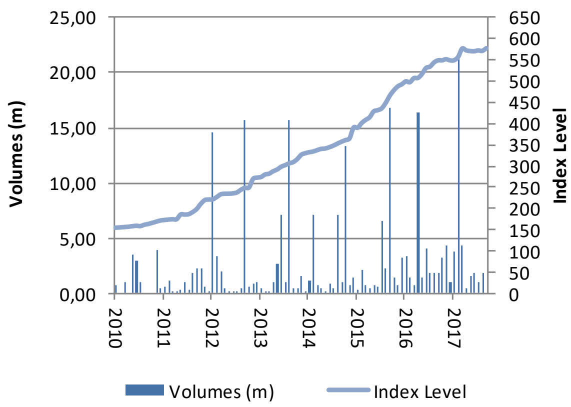
Deep Yellow, Bannerman Resources, Eco (Atlantic) Oil & Gas and Forsys Metals have their primary listing on the Australian (ASX) or Toronto Stock Exchange (TSX) and listed on the Development Board of the NSX (DevX).
Unless otherwise stated, the price information provided is the latest trading price on 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

NSX Indices

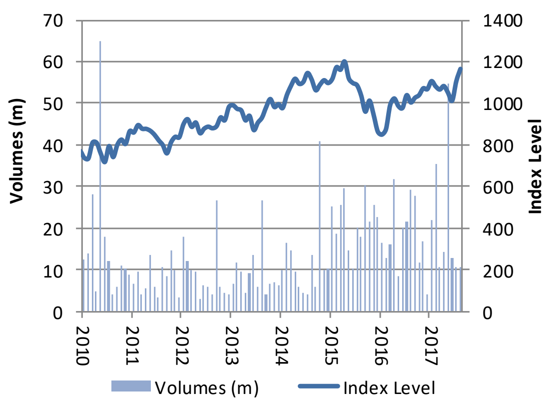
NSX Overall and Local Index (based to 100)



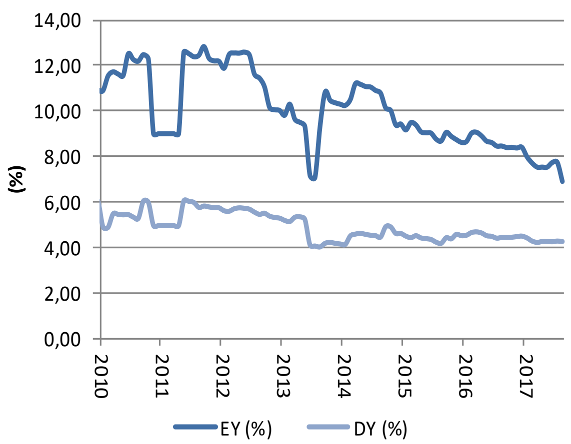
Volumes and Absolute Levels for Local Index



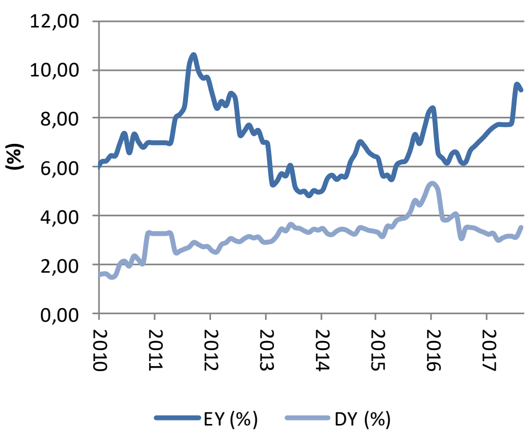
Volumes and Absolute Levels for Overall Index



EY and DY for Local Index



EY and DY for Overall Index



Source: Bloomberg, IJG, JSE

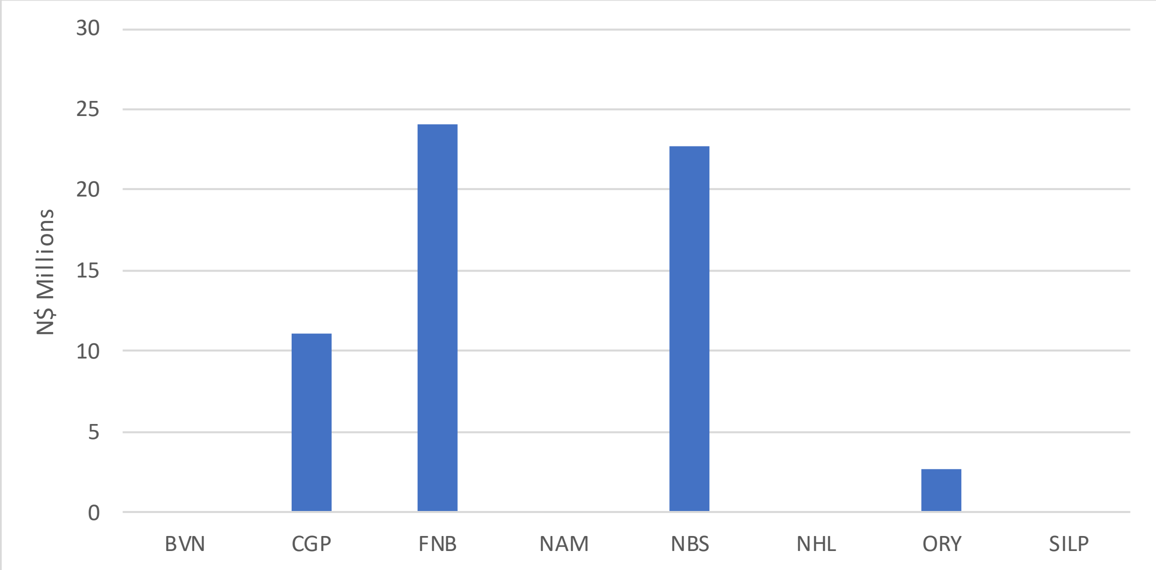
NSX Overall Index

	31-Aug-2017	NSX Overall Index N098					
CODE	Share Price	Shares in Issue	Market Cap N$	Weight %	free-float %	ff MCap N$	ff weight %
FINANCIALS		21 600 470 348	1 172 392 688 280	63,60%	68,9%	808 235 081 477	61,79%
banks		8 510 280 437	713 816 782 380	38,72%	61,7%	440 273 968 106	33,66%
CGP	18,10	516 878 336	9 355 497 882	0,51%	20%	1 880 455 074	0,14%
FST	55,53	5 609 488 001	311 494 868 696	16,90%	57%	177 240 580 288	13,55%
FNB	46,75	267 593 250	12 509 984 438	0,68%	24%	3 002 396 265	0,23%
SNB	167,43	1 618 211 936	270 937 224 444	14,70%	78%	211 845 815 793	16,19%
NBK	219,87	498 108 914	109 519 206 921	5,94%	42%	46 304 720 686	3,54%
general insurance		115 131 417	29 819 037 003	1,62%	32,2%	9 595 766 108	0,73%
SNM	259,00	115 131 417	29 819 037 003	1,62%	32%	9 595 766 108	0,73%
life assurance		8 671 737 778	359 649 993 377	19,51%	86,0%	309 119 820 871	23,63%
MIM	20,81	1 575 371 221	32 783 475 109	1,78%	64%	21 132 228 055	1,62%
OLM	34,75	4 929 894 751	171 313 842 597	9,29%	98%	167 356 492 833	12,79%
SLA	71,80	2 166 471 806	155 552 675 671	8,44%	78%	120 631 099 983	9,22%
investment companies		1 724 658 507	14 724 421 735	0,80%	37,4%	5 501 130 756	0,42%
NAM	0,72	200 000 000	144 000 000	0,01%	52%	74 880 000	0,01%
SILP	121,29	4 650 786	564 093 834	0,03%	100%	564 093 834	0,04%
ARO	11,60	126 809 944	1 470 995 350	0,08%	100%	1 470 995 350	0,11%
TAD	11,73	51 544 995	604 622 791	0,03%	0%	0	0,00%
KFS	8,90	1 341 652 782	11 940 709 760	0,65%	28%	3 391 161 572	0,26%
real estate		835 901 266	15 821 082 340	0,86%	92,5%	14 632 852 328	1,12%
ORY	20,65	77 859 791	1 607 804 684	0,09%	100%	1 607 804 684	0,12%
VKN	18,75	758 041 475	14 213 277 656	0,77%	92%	13 025 047 644	1,00%
specialist finance		1 742 760 943	38 561 371 444	2,09%	75,5%	29 111 543 308	2,23%
IVD	99,07	308 172 606	30 530 660 076	1,66%	90%	27 477 594 069	2,10%
TUC	4,49	772 142 090	3 466 917 984	0,19%	47%	1 629 451 453	0,12%
CMB	1,30	345 983 575	449 778 648	0,02%	1%	4 497 786	0,00%
TRVP	13,00	316 462 672	4 114 014 736	0,22%	0%	0	0,00%
RESOURCES		3 889 545 966	345 338 623 744	18,73%	80,3%	277 392 226 202	21,21%
mining		3 889 545 966	345 338 623 744	18,73%	80,3%	277 392 226 202	21,21%
ANM	235,06	1 405 467 840	330 369 270 470	17,92%	80%	262 753 921 818	20,09%
PDN	0,43	1 414 090 510	608 058 919	0,03%	85%	516 910 887	0,04%
B2G	34,28	384 738 307	13 188 829 164	0,72%	100%	13 188 829 164	1,01%
DYL	2,51	358 248 696	899 204 226	0,05%	75%	674 403 170	0,05%
BMN	0,33	152 523 238	50 332 669	0,00%	70%	35 232 868	0,00%
FSY	1,33	128 844 311	171 362 934	0,01%	100%	171 362 934	0,01%
MEY	1,13	45 633 063	51 565 362	0,00%	100%	51 565 362	0,00%
BASIC INDUSTRIES		342 852 910	7 697 047 830	0,42%	40%	3 078 819 132	0,24%
chemicals		342 852 910	7 697 047 830	0,42%	40%	3 078 819 132	0,24%
AOX	22,45	342 852 910	7 697 047 830	0,42%	40%	3 078 819 132	0,24%
GENERAL INDUSTRIALS		424 645 585	28 999 067 041	1,57%	95%	27 458 023 777	2,10%
diversified industrials		212 692 583	27 330 996 916	1,48%	99%	27 057 686 946	2,07%
BWL	128,50	212 692 583	27 330 996 916	1,48%	99%	27 057 686 946	2,07%
suppport services		211 953 002	1 668 070 126	0,09%	24%	400 336 830	0,03%
BVN	7,87	211 953 002	1 668 070 126	0,09%	24%	400 336 830	0,03%
NON-CYCLICAL CONSUMER GOODS		1 732 022 000	117 040 688 952	6,35%	48%	56 296 482 082	4,30%
beverages		668 416 672	7 125 250 500	0,39%	50%	3 562 625 250	0,27%
NBS	34,50	206 529 000	7 125 250 500	0,39%	50%	3 562 625 250	0,27%
food producers & processors		326 361 518	15 739 914 163	0,85%	36%	5 646 094 687	0,43%
OCG	93,68	135 526 154	12 696 090 107	0,69%	27%	3 393 664 886	0,26%
CLN	15,95	190 835 364	3 043 824 056	0,17%	74%	2 252 429 801	0,17%
health care		737 243 810	94 175 524 289	5,11%	50%	47 087 762 145	3,60%
MEP	127,74	737 243 810	94 175 524 289	5,11%	50%	47 087 762 145	3,60%
CYCLICAL SERVICES		495 502 939	36 811 082 220	2,00%	97%	35 580 079 171	2,72%
general retailers		495 502 939	36 811 082 220	2,00%	97%	35 580 079 171	2,72%
NHL	2,00	53 443 500	106 887 000	0,01%	30%	32 066 100	0,00%
TRW	83,03	442 059 439	36 704 195 220	1,99%	97%	35 548 013 071	2,72%
NON-CYCLICAL SERVICES		600 021 829	135 238 920 038	7,34%	74%	100 090 324 720	7,65%
food & drug retailers		600 021 829	135 238 920 038	7,34%	74%	100 090 324 720	7,65%
SRH	225,39	600 021 829	135 238 920 038	7,34%	74%	100 090 324 720	7,65%
N098	1165,52	29 085 061 577	1 843 518 118 105	100%	71%	1 308 131 036 561	70,96%

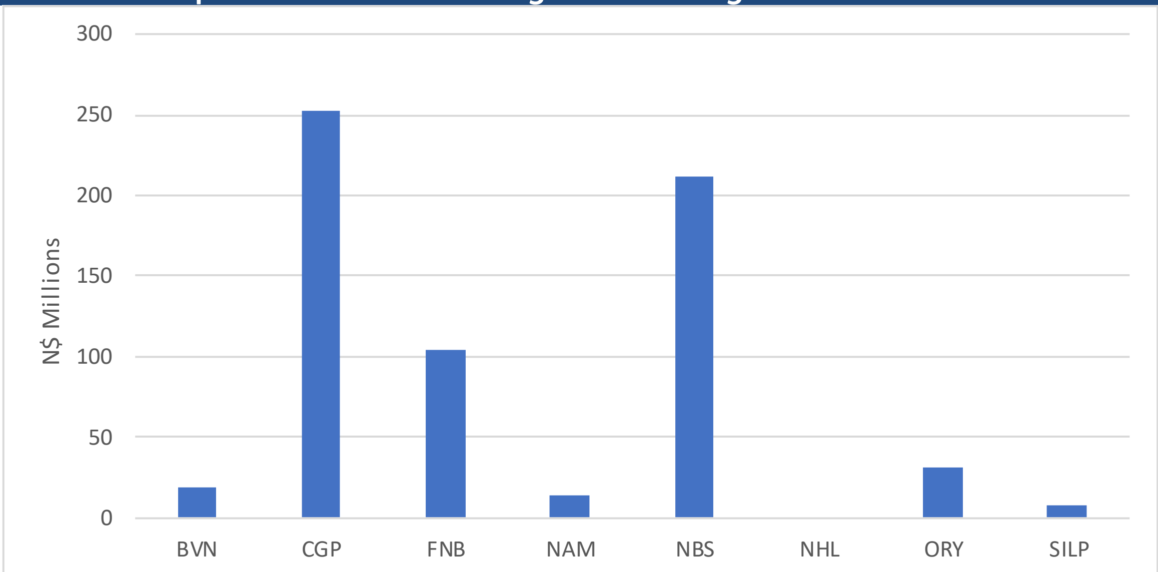
Source: Bloomberg, IJG, NSX

NSX Trading Update Local Companies

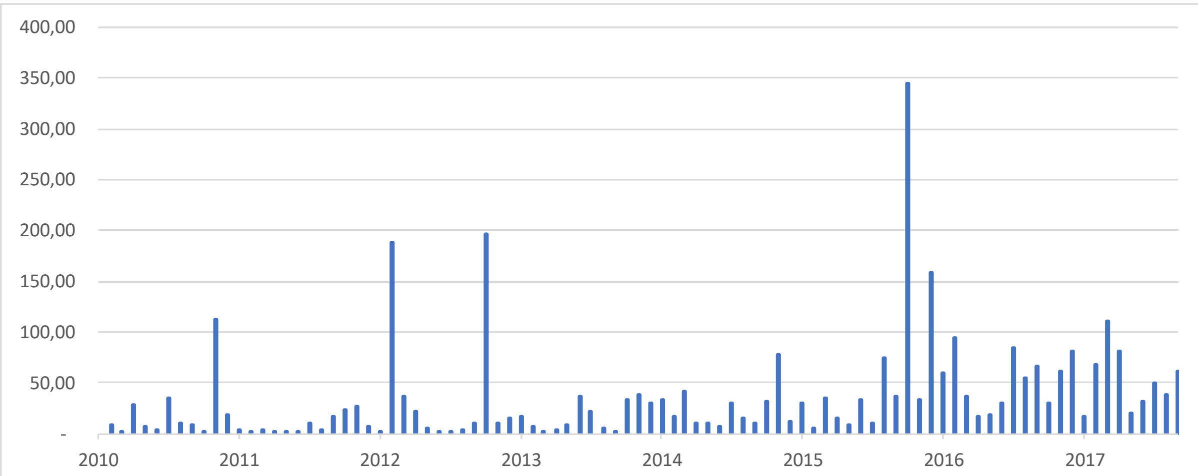
NSX Local Companies: Value Traded August 2017



NSX Local Companies: Value Traded August 2016– August 2017



NSX Local Companies: Value Traded January 2010 – August 2017



Source: IJG

NSX Monthly Trade Volume (number of shares)

COMPANY NAME	SHARE	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17
Local Companies									
Capricorn Investment Group	CGP	1 147 941	261 649	3 858 954	62 482	1 012 175	773 107	138 825	617 136
FNB Namibia	FNB	246 491	121 597	76 360	281 832	99 611	154 311	424 498	514 894
Bidvest Namibia	BVN	200 000	854 206	147 024	9 748	152 161	162 428	18 000	-
Nam Asset Management	NAM	1 000 000	17 702 066	-	-	-	-	-	5 000
Nambrew	NBS	821 903	2 174 350	135 766	115 588	181 347	727 213	361 124	659 143
Nictus	NHL	-	-	-	-	-	-	-	-
Oryx	ORY	329 729	183 032	106 257	38 564	104 262	58 391	134 096	131 619
Stimulus Investments	SILP	15 000	45 000	13 600	-	-	-	-	-
Local Company Trading		3 761 064	21 341 900	4 337 961	508 214	1 549 556	1 875 450	1 076 543	1 927 792
Development Capital Board									
Deep Yellow	DYL	8 606 378	-	-	-	-	-	-	-
Bannerman Resources	BMN		-	-	-	-	-	-	-
Forsys Metals	FSY		-	-	-	-	-	-	-
Xemplar Energy	XEM		-	-	-	-	-	-	-
Minemakers	MMS		-	-	-	-	-	-	-
Marenica	MEY		-	-	-	-	-	-	-
Eco (Atlantic) Oil & Gas	EOG		-	-	-	-	-	-	-
			-	-	-	-	-	-	-
DevX Trading		8 606 378	-	-	-	-	-	-	-
Dual Listed Companies									
B2Gold Corporation	B2G	-	-	-	-	-	5 000	-	-
FirstRand	FST	3 572 067	2 456 788	297 062	2 885 457	9 152 953	1 438 976	2 748 401	455 227
Investec Group	IVD	610 335	413 014	481 260	956 914	2 779 334	435 710	535 313	318 096
MMI Holdings	MIM	586 033	568 252	240 453	352 230	4 838 281	784 912	43 130	84 160
Old Mutual	OLM	5 478 448	2 505 443	1 849 297	1 743 792	8 333 972	4 842 357	2 509 035	1 174 750
Sanlam	SLA	954 153	1 058 040	819 250	1 605 825	3 573 887	503 025	1 171 068	2 007 246
Santam	SNM	11 069	34 918	35 150	33 459	41 444	13 193	13 900	13 979
Standard Bank	SNB	1 036 582	1 566 443	135 902	560 266	956 194	596 212	378 278	273 399
Oceana	OCG	118 600	-	69 687	334 960	818 891	169 055	33	65 930
Afrox	AOX	177 530	417 601	271 866	3 220	571 822	12 648	36 320	-
Barloworld	BWL	1 131 673	745 194	355 280	363 151	851 876	1 868	239 250	282 865
Anglo American	ANM	1 253 740	682 531	347 567	482 951	2 151 182	622 297	421 951	206 885
Truworths	TRW	672 472	516 652	441 554	1 414 568	3 258 604	411 434	567 936	90 667
Shoprite	SRH	790 339	213 452	349 291	473 076	1 408 765	490 292	236 937	107 719
Nedbank Group	NBK	228 434	757 876	24 764	497 357	2 749 005	106 763	219 325	382 981
Vukile	VKN	865 637	1 891 897	437 732	1 288 942	9 201 705	96 070	289 244	3 375 141
Paladin Energy	PDN	-	-	-	-	-	-	-	-
Trustco	TUC	11 999	-	-	2 000	4 000	500	7 200	-
PSG Konsult	KFS	-	39 170	6 578	-	-	-	106 000	-
Clover Industries limited	CLN	133 032	24 403	100	9 376	441 619	-	2 251	11 590
Mediclinic International	MEP	748 787	278 478	380 280	909 848	1 978 007	527 086	77 811	71 086
Dual Listed Trading		18 380 930	14 170 152	6 543 073	13 917 392	53 111 541	11 057 398	9 603 383	8 921 721
Total Trading (Including DevX)		30 733 372	35 512 052	10 881 034	14 425 606	54 661 097	12 932 848	10 679 926	10 849 513

Source: NSX, IJG

Important Company Dates

Company	Share code	Fin year	Interims	Finals
Letshego Holdings Namibia Initial Public Offering – 22 September 2017	LHN			
Bank Windhoek Holdings	CGP	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	TUC	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	NHL	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
Oryx FY17 Initial Impression	Company	31-Aug-17
Bidvest Namibia FY17 Initial Impression	Company	28-Aug-17
Letshego Holdings Namibia Initial Public Offering	Company	25-Aug-17
IJG Economic Outlook 2016 – Mid-Year Revision	Economy	21-Aug-17
CGP FY17 Initial Impression	Company	18-Aug-17
Moody's Downgrades Namibia to Sub-Investment Grade	Economy	11-Aug-17
Bidvest Namibia Limited – Trading Update (via SENS)	Company	28-Jul-17
Increased Competition for Namibia Breweries in South Africa	Company	27-Jul-17
Oryx Properties Limited – Appointment of CFO	Company	27-Jun-17
ORY 1H17 Results Review	Company	09-May-17
Bidvest Namibia – 1H17 Results Review	Company	09-May-17
Namibia Breweries 1H17 Results Review	Company	08-May-17
FNB Namibia 1H17 Results Review	Company	27-Apr-17
Capricorn Group 1H17 Results Review	Company	24-Apr-17
FNB Namibia: Acquisition of Pointbreak and EBank Approved	Company	27-Mar-17
CGP– GIPF To Become Substantial Shareholder In Capricorn Group	Company	24-Mar-17
Namibia Breweries 1H17 Initial Impression	Company	17-Mar-17
IJG Budget Review, 2017	Economy	09-Mar-17
Namibia Breweries: Trading Update	Company	08-Mar-17
Oryx 1H17 Initial Impression	Company	07-Mar-17
Bidvest Namibia 1H17 Initial Impression	Company	28-Feb-17
CGP 1H17 Initial Impression	Company	24-Feb-17
Bidvest Namibia: Changes to the Board	Company	20-Feb-17
GCR assignes national scale rating to FNB Namibia	Company	17-Feb-17
Capricorn Investment Group – Changes to the board of directors	Company	16-Feb-17
FNB 1H17 Initial Impression	Company	16-Feb-17
IJG Economic Outlook 2017	Economy	15-Feb-17
FNB NAMIBIA HOLDINGS LIMITED – Renewal of cautionary announcement	Company	10-Feb-17
Oryx Properties Limited – Trading Update	Company	10-Feb-17
Trading Update – Bidvest Namibia	Company	24-Jan-17

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

TEAM NAMIBIA MEMBER

IJG Holdings

Group Chairman
Mathews Hamutenya
Tel: +264 (61) 256 699
mathews@millennium-invest.com

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

Group Financial Manager
Helena Shikongo
Tel: +264 (61) 383 528
helena@ijg.net

IJG Securities

Managing Director
Lyndon Sauls
Tel: +264 (61) 383 514
lyndon@ijg.net

Equity & Fixed Income Dealing
Leon Maloney
Tel: +264 (61) 383 512
leon@ijg.net

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

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

Dylan van Wyk
Tel: +264 (61) 383 521
dylan@ijg.net

Cecil Goliath
Tel: +264 (61) 383 529
cecil@ijg.net

IJG Wealth Management

Managing Director
René Olivier
Tel: +264 (61) 383 522
rene@ijg.net

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

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

IJG Capital

Managing Director
Herbert Maier
Tel: +264 (61) 383 522
herbert@ijg.net

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

Business Analyst
Mirko Maier
Tel: +264 (61) 383 500
mirko@ijg.net

IJG Advisory

Director
Jolyon Irwin
Tel: +264 (61) 383 500
jolyon@ijg.net

Business Analyst
Jason Hailonga
Tel: +264 (61) 383 529
jason@ijg.net