

The background features a series of overlapping squares in various shades of blue and white, creating a geometric pattern. In the top right corner, there is a rectangular inset showing a blue sky with white, fluffy clouds.

IJG Namibia Monthly October 2018

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Economic Highlights

	Level	m/m %	y/y %	52Wk High	52Wk Low
NSX Overall	1,261.65	-3.19	8.75	1,433.99	1,160.17
NSX Local	624.88	1.57	5.48	629.30	592.05
International Markets					
JSE ALSI	52,388.87	-5.96	-11.18	61,776.68	50,032.74
JSE Top40	46,141.22	-6.82	-12.23	55,192.15	43,771.04
JSE INDI	62,782.24	-8.56	-23.30	87,494.17	59,860.66
JSE FINI	15,824.90	-4.53	2.60	19,041.95	14,912.43
JSE RESI	41,373.26	-4.24	11.08	44,902.85	33,354.14
JSE GOLD	1,163.80	16.81	-15.48	1,494.72	911.06
JSE BANKS	8,539.50	-5.28	10.79	10,848.31	7,717.09
International Markets					
Dow Jones	25,115.76	-5.07	7.44	26,951.81	23,242.75
S&P 500	2,711.74	-6.94	5.30	2,940.91	2,532.69
NASDAQ	7,305.90	-9.20	8.59	8,133.30	6,630.67
US Bond	3.39	5.78	17.76	3.39	2.74
FTSE 100	7,128.10	-5.09	-4.87	7,903.50	6,851.59
DAX	11,447.51	-6.53	-13.47	13,596.89	11,051.04
Hang Seng	24,979.69	-10.11	-11.56	33,484.08	24,540.63
Nikkei	21,920.46	-9.12	-0.41	24,448.07	20,347.49
Currencies					
N\$/US\$	14.79	4.56	4.67	15.70	11.51
N\$/£	18.86	2.35	0.50	20.13	16.08
N\$/€	16.72	1.89	1.63	18.12	14.18
N\$/AU\$	10.45	2.26	-3.40	11.22	8.95
N\$/CAD\$	11.23	2.47	2.43	11.89	9.02
€/US\$	1.13	-2.52	-2.87	1.26	1.13
US\$/¥	112.94	-0.67	-0.62	114.73	104.56
Commodities					
Brent Crude - US\$/barrel	75.04	-8.75	28.78	86.27	58.76
Gold - US/Troy oz.	1,214.76	1.87	-4.43	1,366.18	1,160.27
Platinum - US/Troy oz.	836.97	2.44	-8.92	1,029.15	755.46
Copper - US/lb.	265.90	-5.20	-15.84	336.05	257.45
Silver - US/Troy oz.	14.25	-2.78	-14.77	17.70	13.94
Uranium - US/lb.	28.10	2.18	40.15	28.10	20.05
Namibia Fixed Interest					
IJG ALBI	183.32	0.62	10.63	183.32	163.93
IJG Money Market Index	192.58	0.63	7.88	192.58	178.51
Namibia rates					
Bank	6.75	0bp	0bp	6.75	6.75
Prime	10.50	0bp	0bp	10.50	10.50
South Africa rates					
Bank	6.50	0bp	-25bp	6.75	6.50
Prime	10.00	0bp	-25bp	10.25	10.00

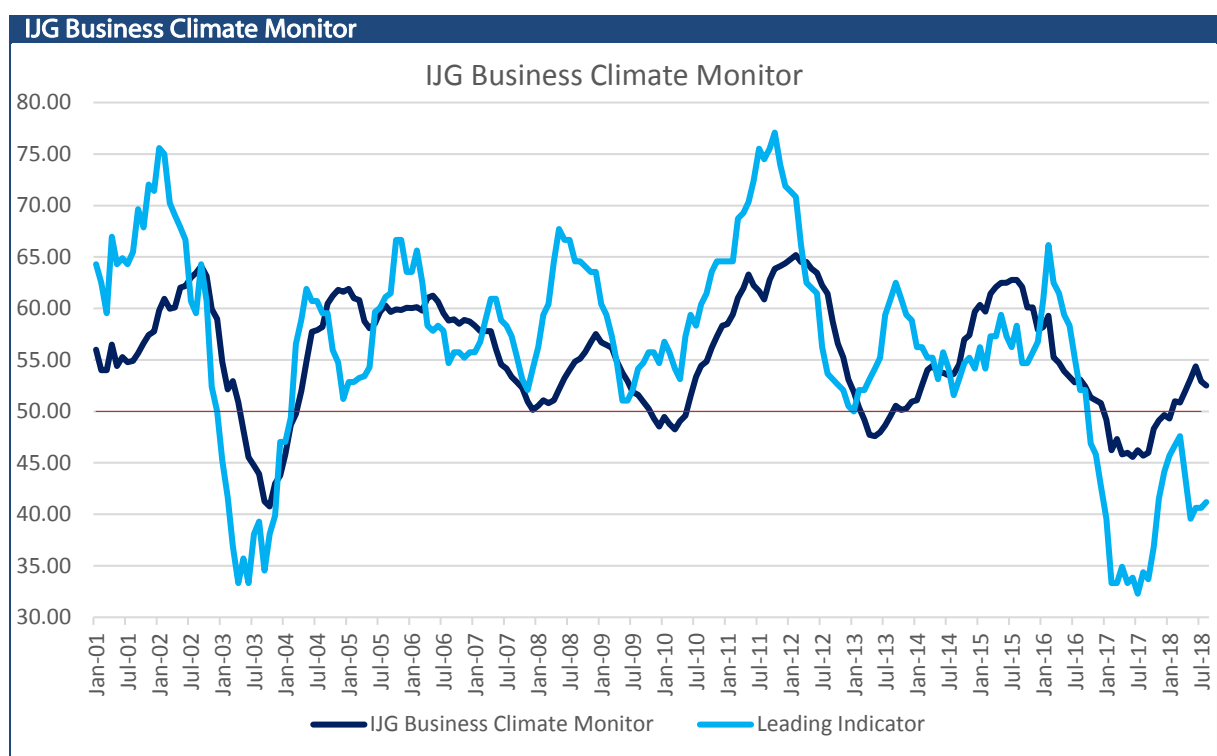
Source: IJG, NSX, Bloomberg

0.0005	4.85%
0.0003	13.04%
0.0001	50.00%
0.0003	14.29%
0.0005	12.50%

IJG/IPPR Business Climate Monitor

The IJG Business Climate Monitor stood at 52.5 points in August - continuing the downward trend that started in July 2018. However, the decline of the IJG BCM slowed down to 0.7 points compared to July when it lost 1.2 points. In contrast, the Leading Indicator (which predicts future trends) increased by 0.5 points to 41.2 points by the end of August. Although remaining under the 50 point mark and therefore still indicating an economic contraction, the slight upward trend, if continued, indicates that the economy is gaining some momentum again.

However, the 31 indicators sent mixed signals. 14 indicators improved including the number of livestock marketed and cattle prices, the value of building plans completed and approved, new commercial vehicle sales, and credit extended to businesses, as well as the value of exports and imports. In contrast, lamb prices dropped slightly, diamond production continued its downward trend (and remains below the production level a year ago); copper and gold prices slowed down, while diamond and uranium prices recovered slightly; arrivals at the international airport were also fewer than in the previous month but remained higher than in August 2017; passenger vehicle sales dropped as did credit extended to individuals. The number of companies registered rose sharply, but this has to be treated with some caution since it can be almost exclusively attributed to the deadline for applications for fishing rights. Overall, the trend of some indicators such as the drop in commodity prices and output, rising fuel costs, inflation and the depreciation of the Namibia dollar remain of concern since they squeeze profit margins.



Public Debt Securities

Effective yields (EY) for treasury bills (TB's) on average increased during October. The 91-day TB yield increased to 7.91%, the 182-day TB increased to 8.09%, the 273-day TB yield decreased to 8.25%, and the 365-day TB yield increased to 8.30%. A total of N\$21.1bn or 39.81% of the Government's domestic maturity profile is in TB's as at 31 October 2018, with 7.61% in 91-day TB's, 19.39% in 182-day TB's, 31.87% in 273-day TB's and 41.13% in 365-day TB's.

The IJG All Bond Index (including Corporate Bonds) rose 0.62% m/m in October after a 1.03% m/m increase in September. Namibian bond premiums relative to SA yields decreased in October. The GC20 premium increased by 73bps to 140bps; the GC21 premium was unchanged at 92bps; the GC22 premium was unchanged at 118bps; the GC23 premium decreased by 22bps to 78bps; the GC24 premium decreased by 45bps to 83bps; the GC25 premium decreased by 21bps to 103bps; the GC27 premium decreased by 16bps to 109bps; the GC30 premium increased by 3bps to 149bps; the GC32 premium decreased by 16bps to 155bps; the GC35 premium decreased by 7bps to 140bps; the GC37 premium decreased by 8bps to 182bps; the GC40 premium decreased by 13bps to 215bps; and the GC45 premium decreased by 4bps to 238bps.

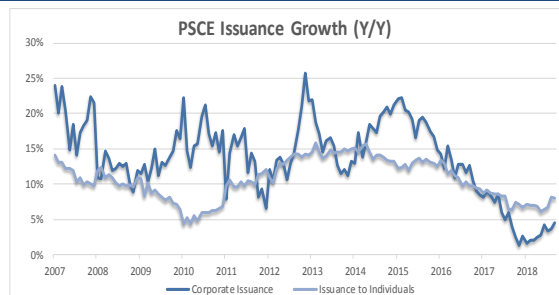
0.0005	4.85%
0.0003	13.04%
0.0001	50.00%
0.0003	14.29%
0.0005	12.50%

Private Sector Credit Extension

Private sector credit extension (PSCE) rose by N\$524.4 million or 0.6% m/m, compared to the N\$1.375 billion or 1.5% m/m increase recorded in August. PSCE growth ticked up marginally to 7.3% y/y in September from 7.1% y/y in August. Cumulative credit outstanding currently amounts to N\$95.3 billion. Similar to what transpired in August, the monthly increase in PSCE for September was driven by corporates rather than households. On an annual basis PSCE growth was largely driven by household demand for credit. Growth in credit extended to households however, did slow marginally to 8.0% y/y in September compared to 8.1% y/y in August. Credit extended to corporates increased by 4.5% y/y in September following a 3.6% y/y rise in August. On a rolling 12-month basis N\$6.49 billion worth of credit was extended to the private sector with N\$4.15 billion being taken up by households. Corporations took up N\$1.64 billion worth of credit while claims on non-residents totaled N\$705.8 million.

PSCE – September 2018

	N\$ millions	Change in N\$ millions		% Change	
	Outstanding	One Month	One Year	m/m	y/y
Corporate	38,286.8	308.0	1,637.0	0.81%	4.47%
Individual	55,819.7	279.9	4,149.6	0.50%	8.03%
Mortgage loans	49,686.5	284.6	3,335.9	0.58%	7.20%
Other Loans & Advances	11,926.4	188.0	1,997.6	1.60%	20.12%
Overdraft	12,065.0	192.1	335.1	1.62%	2.86%
Instalment Credit	11,314.2	(64.6)	(743.2)	-0.57%	-6.16%
Total PSCE	95,308.2	524.4	6,492.4	0.55%	7.31%

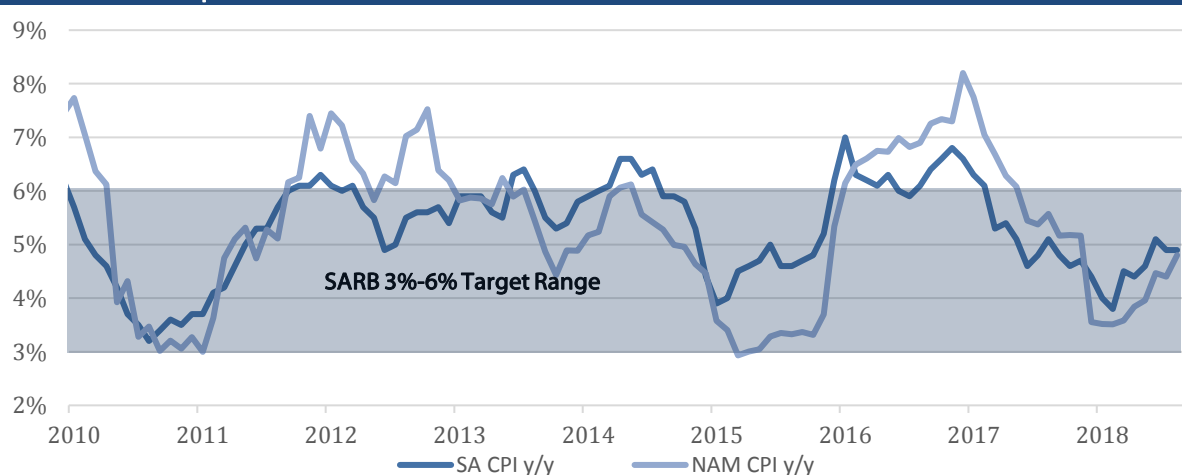


Source: BoN, IJG

Namibia CPI

The Namibian annual inflation rate accelerated to 4.8% y/y in September, after moderating to 4.4% y/y in August. Notably, prices in the overall NCPI basket increased by 0.8% m/m in September compared to August where there was no overall change in the price index. On an annual basis prices in five of the twelve basket categories rose at a quicker rate in September than in August. Three categories remained unchanged, while the rate of price increases in four categories slowed for the month of September. Prices for goods increased at a rate of 4.9% y/y in September, quicker than the 4.6% y/y increase in August. Prices for services increased at a rate of 4.7% y/y following a 4.1% y/y increase in August.

Namibia CPI – September 2018



Source: NSA, StatsSA, IJG

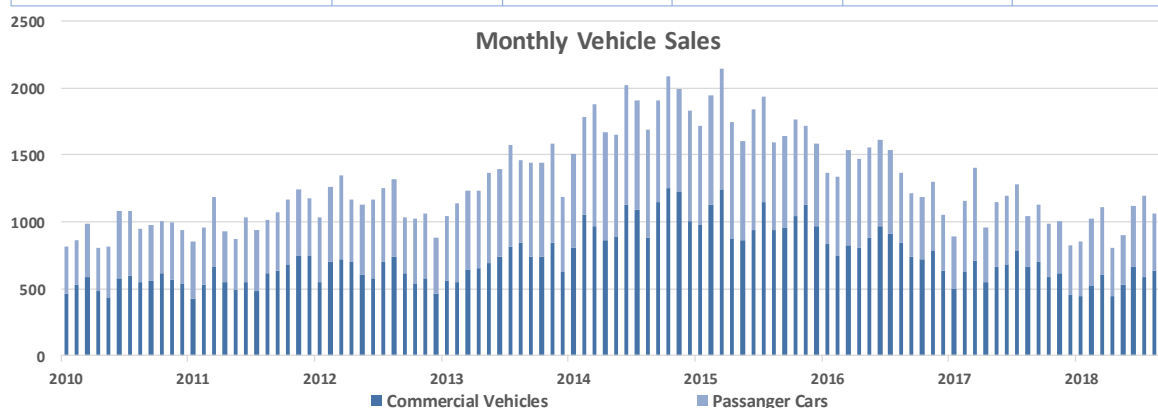
0.0005	4.85%
0.0003	13.04%
0.0001	50.00%
0.0003	14.29%
0.0005	12.50%

New Vehicle Sales

982 New vehicles were sold in September, which represents a 7.4% m/m decrease from the 1,061 vehicles sold in August, and a 13.4% y/y decrease from September 2017. Year-to-date 9,052 vehicles have been sold of which 3,962 were passenger vehicles, 4,607 light commercial vehicles, and 483 medium and heavy commercial vehicles. On a twelve-month cumulative basis, a total of 11,879 new vehicles were sold as at 30 September 2018, representing a contraction of 13.7% from the 13,765 sold over the comparable period a year ago.

September 2018 New Vehicle Sales

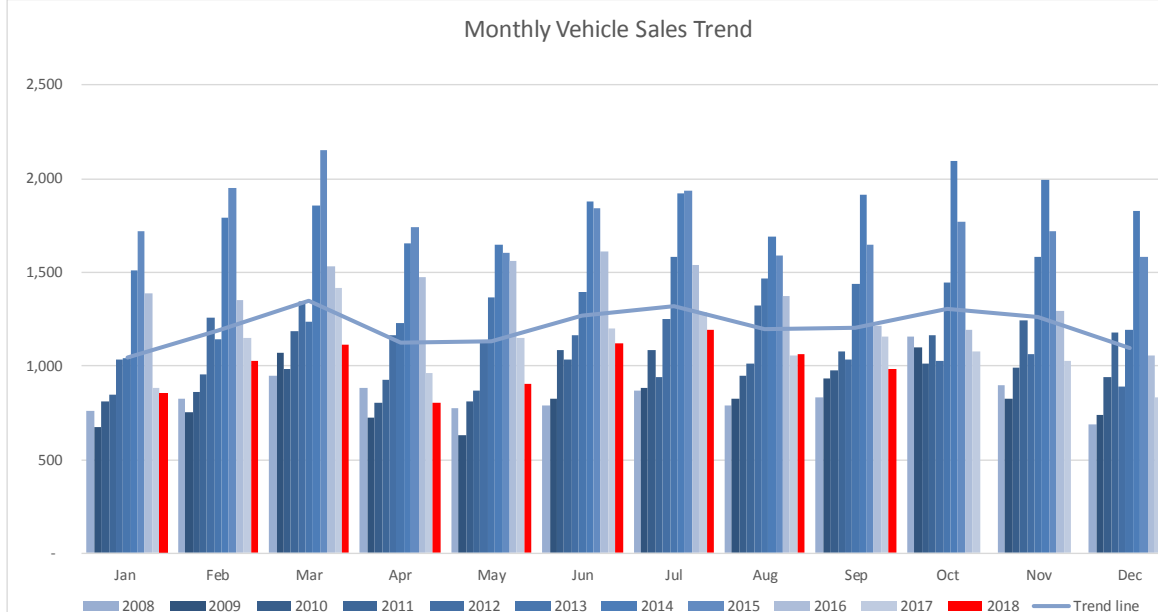
Vehicle sales	Units	2018 YTD	Aug-18 (y/y %)	Sep-18 (y/y %)	Sentiment
Passenger	333	3 962	10.2	-23.1	✖
Light Commercial	584	4 607	-10.2	-8.8	✓
Medium Commercial	28	192	41.7	0.0	✖
Heavy Commercial	37	291	108.8	12.1	✖
Total	982	9 052	1.7	-13.4	✖



Source: Naamsa, IJG

*Sentiment describes the rate of y/y change

Motor Vehicle Sales Trend



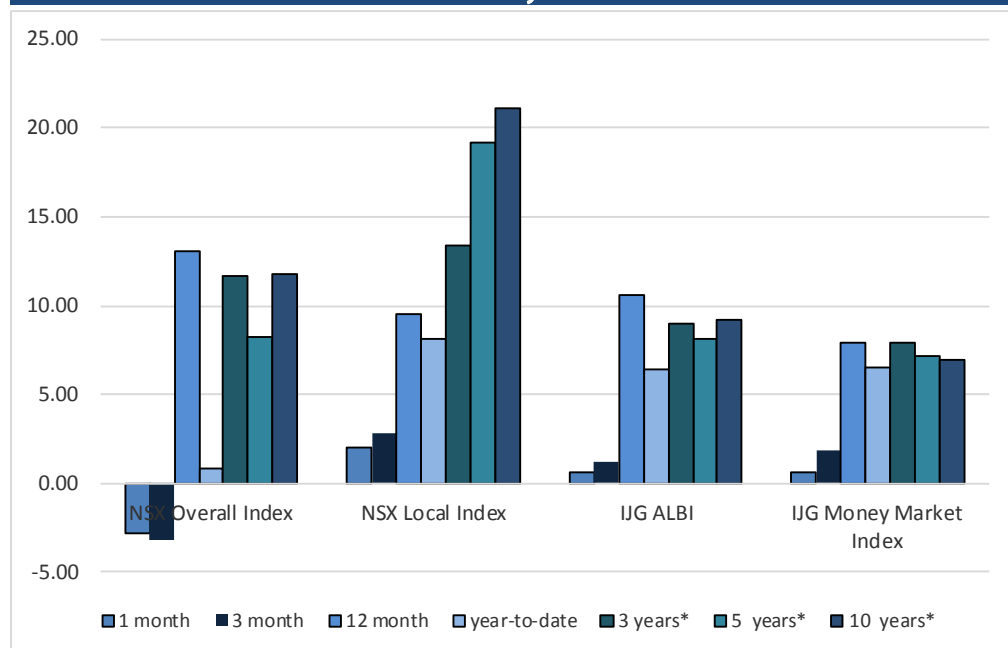
Source: Naamsa, IJG

0.0005	4.85%
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0.0005	12.50%

Namibian Asset Performance

The NSX Overall Index closed at 1261.65 points at the end of October, down from 1303.28 points in September, losing 2.9% m/m on a total return basis in October compared to a 0.2% m/m decrease in September. The NSX Local Index increased 2.0% m/m compared to a 1.0% m/m increase in September. Over the last 12 months the NSX Overall Index returned 13.1% against 9.5% for the Local Index. The best performing share on the NSX in October was B2Gold Corporation, gaining 25.4%, while Deep Yellow Limited was the worst performer, dropping -25.0%.

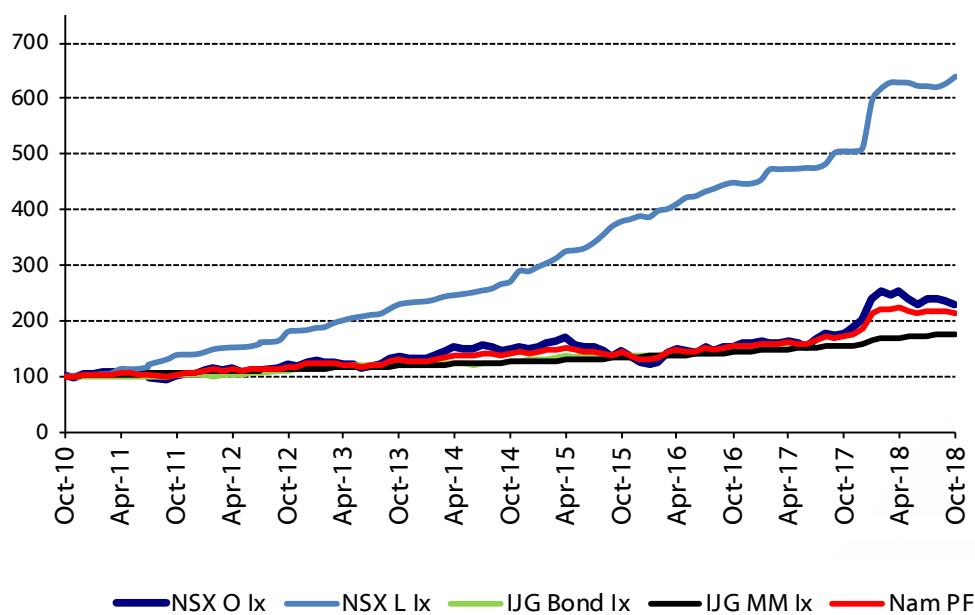
Performance by Asset Class



Source: IJG

Indices Returns (based to 100)

Indices Returns (based to 100)



Source: IJG

Namibian Returns by Asset Class [N\$, %] - October 2018

	1 month	3 month	6 month	12 month	ytd	3 years*	5 years*
NSX Overall Index	-2.86	-3.19	-8.40	13.07	0.84	11.69	8.25
NSX Local Index	2.01	2.79	1.71	9.51	8.12	13.44	19.19
IJG ALBI	0.62	1.17	2.11	10.63	6.39	9.03	8.18
IJG GOVI	0.55	1.05	1.92	10.77	6.40	9.05	8.21
IJG OTHI	1.46	2.56	4.20	10.52	7.57	9.54	8.46
IJG Money Market Index	0.63	1.88	3.84	7.88	6.49	7.88	7.14

* annualised

Source: IJG

Namibian Returns by Asset Class [US\$, %] - October 2018

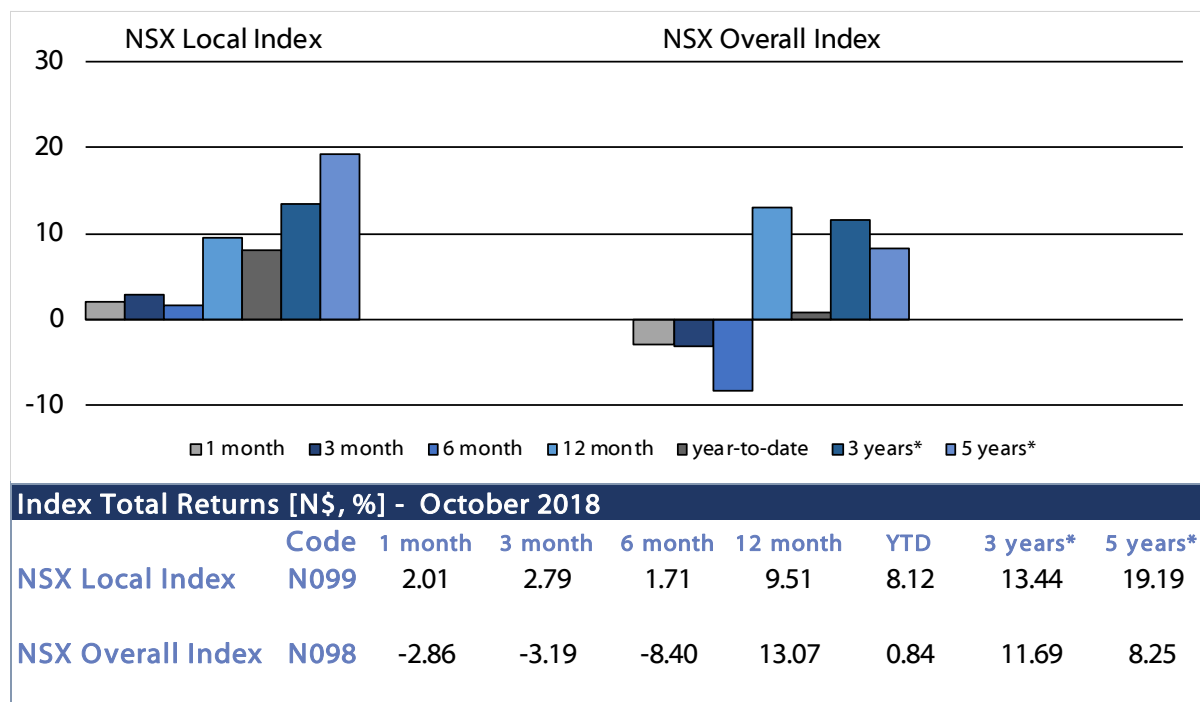
	1 month	3 month	6 month	12 month	ytd	3 years*	5 years*
US\$ Strength/(Weakness)	-4.36	-10.22	-15.73	-4.46	-16.49	-2.23	-7.43
NSX Overall Index	-7.09	-13.09	-22.81	8.03	-15.79	9.20	0.21
NSX Local Index	-2.44	-7.72	-14.29	4.63	-9.71	10.91	10.33
IJG ALBI	-3.77	-9.17	-13.95	5.70	-11.15	6.60	0.14
IJG GOVI	-3.84	-9.28	-14.11	5.84	-11.15	6.62	0.16
IJG OTHI	-2.96	-7.92	-12.19	5.59	-10.17	7.10	0.40
IJG Money Market Index	1.52	-8.53	-12.49	3.07	11.34	5.47	-0.82

* annualised

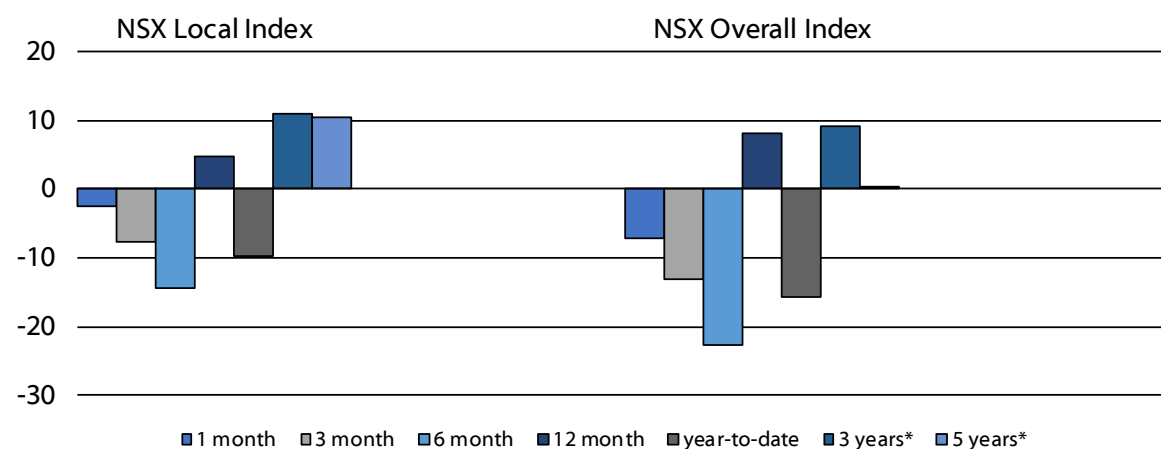
Source: IJG

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.



*annualised



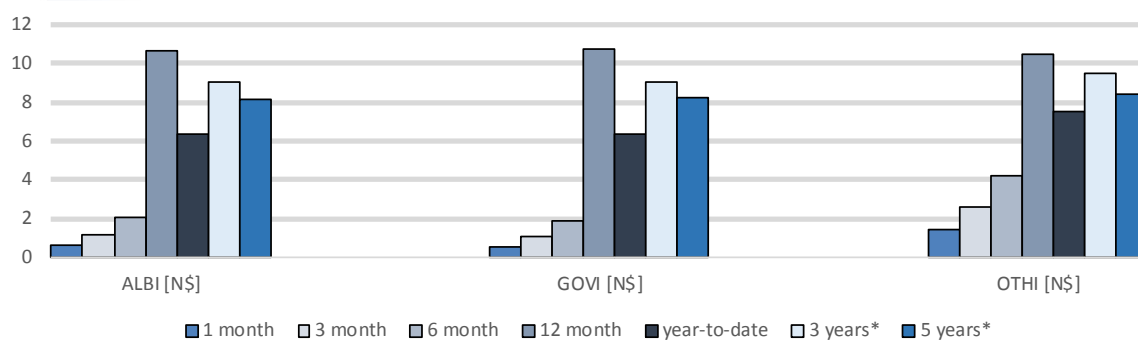
*annualised

Individual Equity Total Returns [N\$, %] October 2018

	Month end price (c)	NSX FF Market Cap Weight	NSX FF				
			1 month	3 month	6 month	12 month	year-to-date
FINANCIALS			-4.03	-5.96	-9.09	13.88	-4.85
<i>banks</i>			-4.95	-10.81	-12.06	18.38	-5.34
CGP	1,610	0.15%	-0.31	-4.17	-6.20	-8.11	-7.45
FST	6,431	18.04%	-3.05	-5.00	-1.73	30.90	-0.24
FNB*	4,365	0.25%	-0.23	-0.47	-2.99	-2.35	-2.14
LHN	394	0.04%	-1.01	-1.50	-0.76	3.25	3.51
NBK	24,892	4.76%	-5.94	-6.29	-14.04	26.30	2.27
SNB	16,333	18.37%	-6.67	-17.88	-21.90	4.56	-12.36
<i>insurance</i>			-5.62	4.00	-1.85	27.07	19.82
SNM	31,051	1.13%	-5.62	4.00	-1.85	27.07	19.82
<i>life assurance</i>			-2.02	2.08	-5.13	4.66	-7.69
MIM	1,785	1.62%	2.82	5.00	-19.78	-5.05	-15.00
OMM	2,269	7.13%	3.44	9.10			
SLA	7,426	11.40%	-6.13	-2.72	-6.25	8.96	-11.46
<i>investment companies</i>			0.00	0.00	-4.48	-1.85	-11.11
NAM*	64	0.01%	0.00	0.00	-4.48	-1.85	-11.11
<i>real estate</i>			0.59	3.90	-4.53	11.67	3.00
ORY*	2,020	0.14%	0.05	3.97	3.10	5.59	5.84
VKN	2,030	1.45%	0.64	3.89	-5.26	12.26	2.73
<i>specialist finance</i>			-6.86	-2.87	-1.76	10.25	5.36
ARO	1,332	0.14%	4.55	12.98	20.54	6.14	21.64
CMB	147	0.00%	3.52	12.21	299.39	251.24	302.64
IVD	9,177	2.44%	-7.80	-3.53	-4.49	-0.27	4.83
KFS	1,060	0.37%	6.70	7.24	19.01	22.80	23.64
NUSP	1,100	0.03%	0.00	-0.09	0.00	4.76	4.76
SILP	12,129	0.05%	0.00	0.00	4.44	9.21	4.44
TAD	1,322	0.00%	3.36	11.84	18.25	4.09	19.21
TUC*	800	0.35%	-16.23	-9.60	-5.88	70.21	-10.11
HEALTH CARE			-10.60	-19.69	-38.07	-33.86	-32.63
<i>health care providers</i>			-10.60	-19.69	-38.07	-33.86	-32.63
MEP	7,107	2.34%	-10.60	-19.69	-38.07	-33.86	-32.63
RESOURCES			0.64	9.10	9.19	23.36	26.58
<i>mining</i>			0.68	9.20	9.45	23.37	26.99
ANM	31,563	14.68%	-1.30	8.66	9.24	24.74	29.37
CER	109	0.06%	-18.05	-10.66	-42.63		
FSY	257	0.02%	-8.87	13.22	170.53	96.18	53.89
DYL	394	0.05%	-24.95	0.77	66.24	84.98	29.61
BMN	47	0.02%	-17.54	-28.79	27.03	27.03	-14.55
MEY	76	0.00%	-21.65	-35.04	-18.28	-30.28	-28.30
B2G	3,837	1.30%	25.43	17.74	9.41	6.32	2.90
<i>chemicals</i>			-1.42	4.39	-2.88	22.86	7.51
AOX	2,906	0.35%	-1.42	4.39	-2.88	22.86	7.51
INDUSTRIAL			-3.78	-8.61	-23.11	-1.85	-13.62
GENERAL INDUSTRIALS			-2.57	-5.36	-28.27	-7.50	-22.72
<i>diversified industrials</i>			-2.57	-5.36	-28.27	-7.50	-22.72
BWL	12,000	2.25%	-2.57	-5.36	-28.27	-7.50	-22.72
<i>Support Services</i>			10.88	3.30	-10.15	17.93	27.22
BVN	769	0.03%	0.24	0.24	-0.14	-0.78	-0.65
CLN	1,643	0.22%	12.52	3.77	-11.68	20.80	31.50
NON-CYCLICAL CONSUMER GOODS			5.21	7.55	7.57	30.38	25.30
<i>beverages</i>			5.21	7.55	7.57	30.38	25.30
NBS*	4,600	0.42%	5.21	7.55	7.57	30.38	25.30
<i>food producers & processors</i>			5.49	11.24	6.98	-2.15	3.83
OCG	8,700	0.28%	5.49	11.24	6.98	-2.15	3.83
CYCLICAL SERVICES			-3.09	0.82	-19.46	12.36	-10.35
<i>general retailers</i>			-3.09	0.82	-19.46	12.36	-10.35
NHL	180	0.00%	0.00	0.00	6.67	1.59	1.59
TRW	8,092	3.06%	-3.09	0.82	-19.48	12.37	-10.36
NON-CYCLICAL SERVICES			-5.92	-16.01	-26.57	-8.93	-16.68
<i>food & drug retailers</i>			-5.92	-16.01	-26.57	-8.93	-16.68
SRH	18,030	6.97%	-5.92	-16.01	-26.57	-8.93	-16.68

Source: IJG, NSX, JSE, Bloomberg

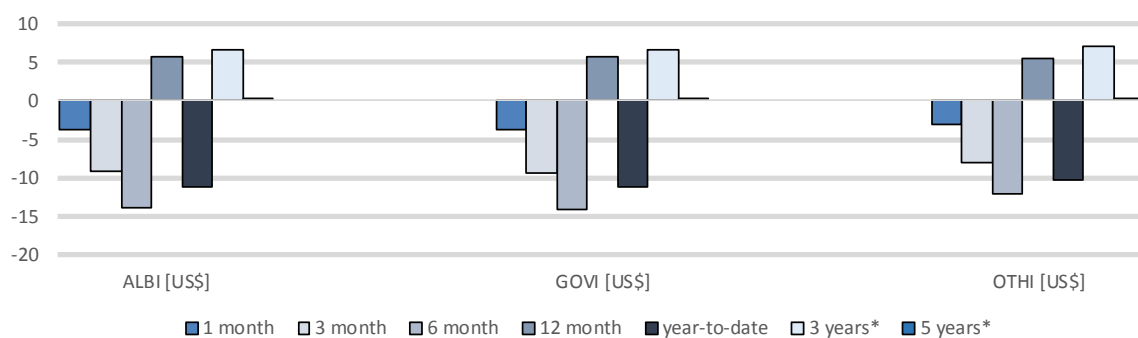
Bonds



Bond Performance Index Total Returns (%) - as at October 2018

	1 month	3 month	6 month	12 month	YTD	3 years*	5 years*
ALBI [N\$]	0.62	1.17	2.11	10.63	6.39	9.03	8.18
GOVI [N\$]	0.55	1.05	1.92	10.77	6.40	9.05	8.21
OTHI [N\$]	1.46	2.56	4.20	10.52	7.57	9.54	8.46

Source: IJG



Bond Performance, Index Total Returns (US\$- terms),(%) - as at October 2018

	1 month	3 month	6 month	12 month	YTD	3 years*	5 years*
ALBI [US\$]	-3.77	-9.17	-13.95	5.70	-11.15	6.60	0.14
GOVI [US\$]	-3.84	-9.28	-14.11	5.84	-11.15	6.62	0.16
OTHI [US\$]	-2.96	-7.92	-12.19	5.59	-10.17	7.10	0.40
N\$/US\$	-4.36	-10.22	-15.73	-4.46	-16.49	-2.23	-7.43

Source: IJG

0.0005	4.85%
0.0003	13.04%
0.0001	50.00%
0.0003	14.29%
0.0005	12.50%

Bond Maturity Profile				
	Benchmark	Maturity Date	Coupon Rate	Modified Duration
GC20	R207	15/04/2020	8.25%	1.34
GC21	R208	15/10/2021	7.75%	2.57
GC22	R2023	15/01/2022	8.75%	2.66
GC23	R2023	15/10/2023	8.85%	3.91
GC24	R186	15/10/2024	10.50%	4.34
GC25	R186	15/04/2025	8.50%	4.76
GC27	R186	15/01/2027	8.00%	5.55
GC30	R2030	15/01/2030	8.00%	6.54
GC32	R213	15/04/2032	9.00%	7.09
GC35	R209	15/07/2035	9.50%	7.39
GC37	R2037	15/07/2037	9.50%	7.44
GC40	R214	15/10/2040	9.80%	7.70
GC45	R2044	15/07/2045	9.85%	7.52

Source: IJG

IJG Namibia ALBI - as at October 2018					
	this month	1 month ago	3 months ago	6 months ago	12 months ago
ALBI	183.32	182.19	181.20	179.54	165.71
GOVI	183.54	182.54	181.63	180.08	165.69
OTHI	185.75	183.08	181.11	178.26	168.07
Modified Duration IJG ALBI	3.78	3.79	3.94	4.13	4.37
Modified Duration IJG GOVI	3.99	3.99	4.14	4.34	4.63
Modified Duration IJG OTHI	1.52	1.58	1.73	1.92	2.15
weight GOVI [%]	91.64	91.58	91.54	91.18	89.66
weight OTHI [%]	8.36	8.42	8.46	8.82	10.34

Source: IJG

IJG Namibia ALBI -Rate Duration (years) as at October 2018

this month	1 month ago	3 months ago	6 months ago	12 months ago
GC20 1.34	GC20 1.37	GC20 1.53	GC20 1.77	GC20 2.17
GC22 2.66	GC22 2.74	GC22 2.91	GC22 3.04	GC21 3.31
GC24 4.34	GC24 4.20	GC24 4.39	GC24 4.65	GC24 4.84
GC25 4.76	GC25 4.62	GC25 4.80	GC25 5.06	GC25 5.26
GC27 5.55	GC27 5.65	GC27 5.81	GC27 5.82	GC27 5.94
GC30 6.54	GC30 6.70	GC30 6.91	GC30 6.96	GC30 6.86
BW25 1.58	BW25 1.66	BW25 1.74	BW25 1.99	BW25 2.35
FNBX21 2.40	FNBX21 2.48	FNBX21 2.65	FNBX21 2.75	BWFh19 1.61
NMP19N 0.93	NMP19N 1.00	NMP19N 1.17	NMP19N 1.34	NMP19N 1.73
NMP20 1.55	NMP20 1.62	NMP20 1.78	NMP20 1.95	NMP20 2.32
IFC21 2.11	IFC21 2.09	IFC21 2.26	IFC21 2.50	IFC21 2.85
FNBX19 0.90	FNBX19 0.98	FNBX19 1.13	FNBX19 1.31	FNBX19 1.70

Source: IJG

IJG Namibia ALBI -Weights [%] as at October 2018

this month	1 month ago	3 months ago	6 months ago	12 months ago
GC20 16.79	GC20 16.69	GC20 16.93	GC20 16.48	GC20 17.74
GC22 15.86	GC22 16.01	GC22 16.17	GC22 16.28	GC21 9.35
GC24 19.60	GC24 19.56	GC24 19.59	GC24 19.86	GC24 22.61
GC25 16.31	GC25 16.07	GC25 16.55	GC25 15.61	GC25 16.72
GC27 12.85	GC27 12.85	GC27 12.06	GC27 11.97	GC27 12.07
GC30 10.23	GC30 10.40	GC30 10.24	GC30 10.99	GC30 11.17
BW25 1.04	BW25 1.04	BW25 1.04	BW25 1.10	BW25 1.31
FNBX21 0.80	FNBX21 0.85	FNBX21 0.86	FNBX21 0.86	BWFh19 0.80
NMP19N 1.52	NMP19N 1.51	NMP19N 1.52	NMP19N 1.59	NMP19N 1.92
NMP20 2.97	NMP20 2.93	NMP20 2.95	NMP20 3.10	NMP20 3.72
IFC21 1.07	IFC21 1.07	IFC21 1.08	IFC21 1.14	IFC21 1.36
FNBX19 0.97	FNBX19 1.02	FNBX19 1.02	FNBX19 1.02	FNBX19 1.24

Source: IJG

IJG Namibia GOVI -Weights [%] as at October 2018

this month	1 month ago	3 months ago	6 months ago	12 months ago
GC20 18.33	GC20 18.22	GC20 18.49	GC20 18.07	GC20 19.78
GC22 17.31	GC22 17.48	GC22 17.67	GC22 17.85	GC21 10.43
GC24 21.38	GC24 21.36	GC24 21.40	GC24 21.78	GC24 25.22
GC25 17.80	GC25 17.55	GC25 18.08	GC25 17.12	GC25 18.65
GC27 14.03	GC27 14.03	GC27 13.17	GC27 13.13	GC27 13.46
GC30 11.16	GC30 11.36	GC30 11.19	GC30 12.05	GC30 12.46

Source: IJG

IJG Namibia OTHI -Weights [%] as at October 2018

this month	1 month ago	3 months ago	6 months ago	12 months ago
BW25 12.40	BW25 12.32	BW25 12.31	BW25 12.44	BW25 12.67
FNBX21 9.57	FNBX21 10.09	FNBX21 10.12	FNBX21 9.80	BWFh19 7.71
NMP19N 18.16	NMP19N 17.95	NMP19N 17.96	NMP19N 18.08	NMP19N 18.53
NMP20 35.47	NMP20 34.81	NMP20 34.82	NMP20 35.16	NMP20 35.98
IFC21 12.78	IFC21 12.70	IFC21 12.72	IFC21 12.90	IFC21 13.14
FNBX19 11.62	FNBX19 12.12	FNBX19 12.08	FNBX19 11.61	FNBX19 11.97

Source: IJG

IJG Namibia ALBI -Yields-[%] as at October 2018

this month	1 month ago	3 months ago	6 months ago	12 months ago
GC20 7.95	GC20 8.29	GC20 8.36	GC20 8.19	GC20 8.76
GC22 9.83	GC22 9.55	GC22 9.23	GC22 8.82	GC21 8.91
GC24 10.19	GC24 10.27	GC24 9.85	GC24 9.49	GC24 10.40
GC25 10.39	GC25 10.54	GC25 10.10	GC25 9.92	GC25 10.55
GC27 10.45	GC27 10.27	GC27 10.30	GC27 10.02	GC27 10.73
GC30 11.30	GC30 10.89	GC30 10.61	GC30 9.97	GC30 11.12
BW25 9.78	BW25 9.89	BW25 9.67	BW25 9.28	BW25 10.05
FNBX21 10.38	FNBX21 10.10	FNBX21 9.78	FNBX21 9.37	BWFh19 9.05
NMP19N 6.58	NMP19N 7.59	NMP19N 7.41	NMP19N 7.53	NMP19N 8.66
NMP20 7.45	NMP20 8.46	NMP20 8.27	NMP20 7.98	NMP20 8.70
IFC21 8.87	IFC21 8.98	IFC21 8.76	IFC21 8.37	IFC21 9.14
FNBX19 8.22	FNBX19 8.56	FNBX19 8.63	FNBX19 8.46	FNBX19 9.03

Source: IJG

IJG Namibia ALBI -Premiums- [bp] as at October 2018

this month	1 month ago	3 months ago	6 months ago	12 months ago
GC20 140	GC20 74	GC20 99	GC20 111	GC20 96
GC22 118	GC22 118	GC22 118	GC22 120	GC21 86
GC24 83	GC24 128	GC24 128	GC24 131	GC24 131
GC25 103	GC25 155	GC25 153	GC25 174	GC25 146
GC27 109	GC27 128	GC27 172	GC27 184	GC27 164
GC30 149	GC30 150	GC30 164	GC30 139	GC30 152
BW25 200	BW25 200	BW25 200	BW25 200	BW25 200
FNBX21 55	FNBX21 55	FNBX21 55	FNBX21 55	BWFh19 125
NMP19N 4	NMP19N 4	NMP19N 4	NMP19N 13	NMP19N 13
NMP20 90	NMP20 90	NMP20 90	NMP20 90	NMP20 90
IFC21 109	IFC21 109	IFC21 109	IFC21 109	IFC21 109
FNBX19 27	FNBX19 27	FNBX19 27	FNBX19 27	FNBX19 27

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 October 2018					
	this month	1 month ago	3 months ago	6 months ago	12 months ago
Money Market Index	191.53	190.35	188.13	184.66	177.92
Call Index	167.85	167.04	165.48	163.14	158.71
3-month NCD Index	185.17	184.09	181.93	178.66	172.44
6-month NCD Index	191.82	190.65	188.33	184.79	177.96
12-month NCD Index	198.83	197.53	194.97	191.13	183.72
NCD Index including call	191.72	190.53	188.19	184.68	177.92
3-month TB Index	192.22	190.99	188.58	184.88	178.06
6-month TB Index	196.15	194.87	192.37	188.55	181.30
12-month TB Index	195.58	194.36	192.29	188.76	181.66
TB Index including call	192.84	191.65	189.30	185.74	178.82

Source: IJG

IJG Money Market Index [average returns] -as at October 2018					
	this month	1 month ago	3 months ago	6 months ago	12 months ago
Money Market Index	192.58	191.38	189.03	185.46	178.51
Call Index	167.85	167.04	165.48	163.14	158.71
3-month NCD Index	185.99	184.88	182.68	179.38	173.20
6-month NCD Index	192.97	191.76	189.35	185.75	178.95
12-month NCD Index	199.66	198.33	195.73	191.82	184.04
NCD Index including call	192.32	191.11	188.73	185.17	178.19
3-month TB Index	192.94	191.70	189.24	185.53	178.78
6-month TB Index	197.31	196.00	193.42	189.56	182.37
12-month TB Index	198.01	196.78	194.34	190.58	183.05
TB Index including call	192.84	191.65	189.30	185.74	178.82

Source: IJG

IJG Money Market Index Performance [single returns, %] -as at October 2018

	1 month	3 months	6 months	12 months	YTD	3* years	5* years
Money Market Index	0.62	1.81	3.72	7.65	6.32	7.96	7.30
Call Index	0.48	1.43	2.88	5.76	4.80	5.62	5.28
3-month NCD Index	0.59	1.78	3.65	7.38	6.14	2.22	3.41
6-month NCD Index	0.62	1.85	3.81	7.79	6.46	2.37	3.68
12-month NCDIndex	0.66	1.98	4.03	8.23	6.81	2.54	3.91
NCD Index including call	0.62	1.87	3.81	7.76	6.43	2.38	3.67
3-month TB Index	0.65	1.93	3.97	7.95	6.63	8.08	7.27
6-month TB Index	0.66	1.96	4.03	8.19	6.80	8.41	7.65
12-month TB Index	0.63	1.71	3.61	7.66	6.27	8.25	7.56
TB Index including call	0.62	1.87	3.82	7.84	6.45	7.85	7.11

* annualised

IJG Money Market Index Performance [average returns, %] -as at October 2018

	this month	3 months	6 months	12 months	YTD	3* years	5* years
Money Market Index	0.63	1.88	3.84	7.88	6.49	7.88	7.14
Call Index	0.48	1.43	2.88	5.76	4.80	5.62	5.28
3-month NCD Index	0.60	1.81	3.69	7.38	6.14	2.21	3.73
6-month NCD Index	0.63	1.91	3.89	7.84	6.48	2.60	3.77
12-month NCDIndex	0.67	2.01	4.09	8.49	6.96	2.71	3.98
NCDIndex including call	0.64	1.90	3.86	7.93	6.53	2.11	3.39
3-month TB Index	0.65	1.96	3.99	7.92	6.61	8.02	7.21
6-month TB Index	0.67	2.01	4.09	8.19	6.78	8.32	7.54
12-month TB Index	0.63	1.89	3.90	8.18	6.69	8.18	7.36
TBIndex including call	0.62	1.87	3.82	7.84	6.45	7.85	7.11

* annualised

IJG Money Market Index Weights (%) - as at October 2018

	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	6.00	6.09	6.09	6.21	6.89
6-month NCD Index	2.86	2.90	2.90	2.96	3.28
12-month NCD Index	28.41	28.83	28.83	29.41	32.62
3-month TB Index	5.95	5.57	5.57	5.13	4.18
6-month TB Index	13.57	12.93	12.93	12.73	12.33
12-month TB Index	28.21	28.67	28.67	28.56	25.70

*Source: IJG***Average Days to Maturity - as at October 2018**

	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	2.76	2.76	2.76	2.76	2.76
6-month NCD Index	2.60	2.60	2.60	2.60	2.60
12-month NCD Index	51.48	51.48	51.48	51.48	51.48
3-month TB Index	2.74	2.74	2.74	2.74	2.74
6-month TB Index	12.35	12.35	12.35	12.35	12.35
12-month TB Index	51.11	51.11	51.11	51.11	51.11
Composite Index	123.18	123.18	123.18	123.18	123.18

Source: IJG

0.0005	4.85%
0.0003	13.04%
0.0001	50.00%
0.0003	14.29%
0.0005	12.50%

Money Market (Excluding NCD's)

IJG Money Market Index [average returns] - October 2018					
	this month	1 month ago	3 months ago	6 months ago	12 months ago
Money Market Index	449.40	446.57	440.96	432.61	416.14
Call Index	352.05	350.41	347.16	342.35	333.03
3-month TB Index	438.70	435.97	430.53	422.14	406.42
6-month TB Index	459.21	456.24	450.32	441.43	424.62
12-month TB Index	483.47	480.27	473.99	464.70	445.91

Source: IJG

IJG Money Market Index Weights [%] - October 2018					
	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	9.49	10.62	10.62	9.34	8.35
6-month TB Index	24.19	23.34	23.34	23.50	24.10
12-month TB Index	51.31	51.04	51.04	52.17	52.56

Source: IJG

IJG Money Market Index [single-month returns] - October 2018					
	this month	1 month ago	3 months ago	6 months ago	12 months ago
Money Market Index	444.09	441.29	435.83	427.64	411.52
Call Index	352.05	350.41	347.16	342.35	333.03
3-month TB Index	437.20	434.44	429.08	420.82	404.97
6-month TB Index	454.98	452.05	446.35	437.63	420.58
12-month TB Index	474.82	471.68	465.57	456.51	438.54

Source: IJG

IJG Money Market Index Performance [average returns, %] - October 2018

	1 month	3 months	6 months	12 months	YTD	3 years *	5 year *
Money Market Index	0.63	1.91	3.88	7.99	6.60	7.96	7.19
Call Index	0.47	1.41	2.84	5.71	4.76	5.23	5.03
3-month TB Index	0.63	1.90	3.92	7.94	6.61	8.02	7.22
6-month TB Index	0.65	1.97	4.03	8.14	6.77	8.31	7.54
12-month TB Index	0.66	2.00	4.04	8.42	6.91	8.40	7.52

* annualised

IJG Money Market Index Performance [single-month returns, %] - October 2018

	1 month	3 months	6 months	12 months	YTD	3 years *
Money Market Index	0.63	1.90	3.85	7.91	6.54	8.07
Call Index	0.47	1.41	2.84	5.71	4.76	5.23
3-month TB Index	0.63	1.89	3.89	7.96	6.62	8.05
6-month TB Index	0.65	1.93	3.96	8.18	6.77	8.38
12-month TB Index	0.66	1.99	4.01	8.27	6.82	8.58

* annualised

Exchange Traded Funds (ETF's)

Ticker	Price (c)	mtd %	ytd %	52Wk High	52Wk Low
ENXPLD	15735	3.91	22.12	16060	6668
NGNGLD	17024	7.02	12.34	17597	14557
NGNPLD	15764	4.74	22.35	16270	10718
NGNPLT	12139	6.59	8.13	13327	10572

Source: Bloomberg

0.0005	4.85%
0.0003	13.04%
22	
0.0001	50.00%
0.0003	14.29%
0.0005	12.50%

Namibian News

General News

The Bank of Namibia (BoN) says there is no demand for Namibia dollars in Botswana or South Africa, which is why the currency is not available in those countries. The central bank was responding to a query after a recent trip to Botswana revealed that Namibia dollars were not exchangeable for the Botswana pula at Bureaux de Change or commercial banks in that country. As it is now, the Namibia dollar is not regarded as a tradeable currency anywhere outside of Namibia's borders. It is also not accepted as legal tender in South Africa. The BoN said it might be difficult to justify the cost of exchanging Namibia dollars in that country, as Botswana would have to repatriate these notes to Namibia. – Market Watch

An attempt by the Offshore Development Company to have the auditing firm Deloitte Namibia held liable for a loss of N\$65 million that the state-owned company claimed to have suffered through an investment swindle about 15 years ago, has failed in the Windhoek High Court. The ODC failed to prove that the money it claimed to have lost because in its view Deloitte Namibia did not properly carry out its responsibilities as auditors had belonged to it in the first place, acting judge Collins Parker found in a judgement in which he dismissed the state-owned company's lawsuit against the auditing firm last week. – The Namibian

The information ministry yesterday gave the Namibian Broadcasting Corporation N\$20 million to be used for the salary dispute settlement to enable the workers to resume their duties. The workers embarked on a work stoppage on Friday, ahead of the second national land conference which opened in Windhoek yesterday. Information minister Stanley Simataa and finance minister Calle Schlettwein confirmed the payment to the NBC yesterday. Simataa said the N\$20 million is not a bailout, but was part of the funding the broadcaster is supposed to receive from government. – The Namibian

Calls for the government to hold a land referendum grew louder yesterday when former presidents Hifikepunye Pohamba and Sam Nujoma both suggested that a public vote should be held to consider constitutional amendments. This would be with the view of giving the state more power to take away land from absentee landlords. Addressing participants at the second national land conference, which kicked off yesterday, the two statesmen were in agreement that foreign-owned land should be expropriated. Pohamba, though, believes fair compensation should be paid for infrastructure investment. "You can't sell land, as it is God-given. You can compensate for houses and not land," Pohamba said to thunderous applause. However, Nujoma wants expropriation without compensation. – Namibian Sun

The land conference must ensure that "whatever reforms" are adopted to address past inequalities do not diminish property rights, and must promote secure land tenure to maintain economic growth and development. These comments were made by the deputy governor of the Bank of Namibia, Ebson Uanguta, during his presentation on the economic impact of several proposals on land reform adopted by various regions before the second national land conference. The land conference, currently underway in Windhoek, is tasked with reviewing past resolutions regarding land reform, taken at the first national land conference in 1991, to find lasting solutions to the land question in the country. – The Namibian

Prime Minister Saara Kuugongelwa-Amadhila has assured delegates at the country's just-ended second land conference that resolutions taken at the gathering will be considered for implementation within the country's existing legal framework. Resolutions were made within five thematic areas and will now be considered by government for implementation. The willing-seller, willing-buyer policy will be scrapped and replaced with alternative methods of securing farmland. Furthermore, a national, uniform valuation model will be developed to harmonise prices and ensure realistic costs of land. Only one farm is permitted for each Namibian citizen and the size of land owned by a single individual must be regulated. – Namibian Sun

The just-ended land conference resolved to discontinue the willing-buyer, willing-seller approach and develop as well as implement an accelerated land delivery method or approach. Under the willing-buyer, willing-seller policy, the government bought farms at market prices, and had the "right of first refusal" for every farm that comes on the market. This approach, however, was costly for the government, and slowed down the pace of resettlement. Following numerous complaints, delegates to the five-day second national land conference which ended in Windhoek on Friday resolved to end this policy. – The Namibian

The government serviced slightly over 33,000 plots across the country during the past five years from 2013 to 2018. This was disclosed by urban development permanent secretary Nghidina Daniel during presentation on urban land delivery and housing at the second national land conference in Windhoek last week. He was responding to criticism and proposals by several regions and participants at the national land conference. Several regions, and civil society organisation like the Namibia Non-Governmental Organisations Forum (Nangof), urged the conference to pass resolutions to compelling local authorities to accelerate the delivery of serviced land for housing purposes. – The Namibian

The second National Land Conference has adopted 169 land reform resolutions to be implemented by Government, a dossier presented by Minister of Information and Communications, Stanley Simataa shows. The document was availed to the media at a media conference on Saturday, where Simataa said the conference was a "resounding success" and not a "gimmick" as alleged by its detractors. The 169 resolutions emanated from five thematic areas. Among them was the issue of ancestral land claims and restitution, whose existence on the conference's agenda was a bone of contention from the onset. – New Era

An investigation into who benefited from the government's resettlement programme will soon be conducted, president Hage Geingob announced last Friday. Geingob was addressing the closing ceremony of the week-long second national land conference, held in Windhoek. *The Namibian* reported on the recently released list of beneficiaries made up of advertisements, which only start listing names of beneficiaries from 2010 to date. Prior to the release of the lists, Ombudsman John Walters had threatened to sue the land reform ministry if it did not release the list. The list of resettled farmers, seen by *The Namibian*, comprised mostly government officials, among them former ministers, deputy ministers, permanent secretaries and directors. – The Namibian

Government will have to pump billions – compared to millions currently – into urban land reform if resolutions accepted at the second national land conference are realised. One of the 169 resolutions adopted at the conclusion of the second national land conference on Saturday states that "government expenditure should be increased from the current level of 0.1% to at least 10% of GDP [gross domestic product]". No further details were available. To put the figure into perspective: According to the latest budget documents, Namibia estimated GDP for the current fiscal year will be nearly N\$184.8 billion. Ten percent of this is nearly N\$18.5 billion, while 0.1% equals around N\$184.8 million. Ten percent of GDP is slightly more than the entire income Namibia expects from the Southern African Customs Union in 2018/19. – Market Watch

0.0005	4.85%
0.0003	13.04%
23	50.00%
0.0001	14.29%
0.0003	12.50%
0.0005	

A cabinet committee on aviation infrastructure held an urgent meeting on Monday to look at ways to avert the possible downgrade of the Hosea Kutako International Airport, while the airports' company has been trashed for complacency. The International Civil Aviation Organisation (ICAO)'s security audit scheduled to take place between 18 and 22 November, and could lead to a downgrade because the airport might not meet certain standards. If the international airport is downgraded, it would mean that an Airbus A330 cannot land or fly from there, which will then affect not just the reputation of the country, but also imports, exports and tourist arrivals, among others. – The Namibian

The Zimbabwean minority shareholders of the Small and Medium Enterprises bank accept that the bank was insolvent when a High Court judge ordered it winding-up near the end of November last year, one of their lawyers conceded in the Supreme Court yesterday. The key concession came from South African legal counsel Anthony Bishop, representing the minority shareholders of the SME bank, during the hearing of an appeal through which Metropolitan bank of Zimbabwe (Metbank) and the Zimbabwe-registered company World Eagle Investments are trying to have High Court judge Hannelie Prinsloo's order for the winding-up of the SME Bank overturned. – The Namibian

Public enterprises minister Leon Jooste tabled a proposed law which will give him powers to control over 18 profit-driven state companies with a combined value of N\$32 billion. Jooste tabled the public enterprises governance bill 2018 in the National Assembly last Wednesday. The proposed legislation will give the public enterprises minister powers, including creating parastatals, appointing parastatal board members, monitoring performance agreements, and approving special investigations at state-owned entities. Speaking during his presentation in parliament, Jooste said the proposed law would make the public enterprises ministry the direct shareholder in state-owned businesses on behalf of the state. – The Namibian

Finance minister Calle Schlettwein has approached the African Development Bank to immediately stop the multi-billion-dollar tender process for the rail and roads projects that would only benefit foreign contractors. Schlettwein told *The Namibian* yesterday that he reached out to the continental bank at the same time that he had sought a postponement from the works ministry. He said the tender requirements were disadvantaging Namibian companies. Schlettwein stressed that the bank has procurement regulations, but that they were not static, and could be changed. The tenders involved are for the upgrading of the Walvis Bay/Kranzberg railway line, and the construction of a dual carriageway from Windhoek to the Hosea Kutako International Airport. Both are partially funded by the AfDB loans secured last year. – The Namibian

Corruption is seen as one of the main drivers of illicit financial flows from Africa, as it tends to have a disproportionate impact on the continent. This was said by Jason Braganza, the deputy executive director at the Tax Justice Network Africa (TJNA), ahead of the 6th Pan-African Conference (PAC) on Illicit Financial Flows (IFFs) and Taxation which kicks off tomorrow. The conference will take place under the theme 'Corruption as a driver of IFFs from Africa' in Nairobi, Kenya, and will look at the issue from several dimensions by emphasising the main aspects such as internal challenges (to Africa) that enable corruption, and external factors (global) which facilitate proceeds from corruption to leave Africa and be stashed away in tax havens and high-secrecy jurisdictions. – The Namibian

Information minister Stanley Simataa says there is a need to establish a policy framework and provide financial support to inspire young people to fully exploit their entrepreneurial and innovative potential in the ICT sector. Simataa made these remarks on Monday during the official opening of the 5th national ICT summit that ends today in Windhoek. The summit is aimed at bringing together stakeholders in the telecommunications industry and the government to share information of the latest trends in ICT at local level, as well as regionally and globally. – The Namibian

Environment and Tourism Minister Pohamba Shifeta has warned Namibians to prepare for more eminent extreme weather conditions, including heat waves, drought, delayed rains and more dry days as the effects of global warming and rise in local temperatures hit the nation. The Minister did not mince his words, saying if Namibians do not act swiftly, agricultural food productions will be affected leading to a rise in hunger and malnutrition, as well as a total wipe out of the current already stressed water supply. According to Shifeta if this situation is not arrested it will lead to an unmanageable increase in urbanisation, as more people will abandon farming in rural areas in search of greener pastures due to the harsh climate conditions. – Confidante

The government wants the European Union to provide technical support to strengthen capacity in some ministries, as well as grant funding for young entrepreneurs to create job opportunities. This was revealed in a guiding document used during a dialogue between several EU diplomats and government officials held in Windhoek yesterday. The meeting was chaired by deputy international relations minister Christine //Hoëbes, and was a follow-up to a similar event that took place in July 2017. Its purpose was to strengthen political and economic relations between Namibia and the EU, and agree on future areas of cooperation between the two partners. – The Namibian

Public Enterprise Minister Leon Jooste has said the implementation of a "hybrid governance model" through the new Public Enterprise Governance Act is a matter of urgency that cannot be delayed. Addressing the National Assembly on Public Enterprises Governance Bill of 2018 that seeks to repeal the Public Enterprises Governance Act of 2006, Jooste remarked that the Ministry of Public Enterprises has spent countless hours analysing and diagnosing the core reasons for the failure of most public enterprises (the commercial public enterprises in particular) and found that the main reason is "the dual-governance" structure. He argued that implementing a centralised ownership model for public enterprises would be a visionary move. – Confidante

Land reform minister Utoni Nujoma has been flip-flopping on whether or not he was involved in the transaction involving four farms that the government recently leased to a Russian billionaire. The government recently leased four farms for 99 years to a company called Comsar Properties SA, owned by Russian billionaire Rashid Sardarov. The four farms, valued at N\$43 million and measuring 17,000 hectares, were paid for by the Russian and registered as state property by the land reform ministry. The transaction was done exactly two days before the second national land conference on 1 October 2018. – The Namibian

The government must spell out clearly and uniformly implement the resettlement programme criteria to avoid being perceived as biased, Ombudsman John Walters said in an interview yesterday. Walters was commenting on the recently released list of resettlement programme beneficiaries. He said the government must also clearly state the goals and objectives of the resettlement programme, "whether it is to combat poverty, or create a farming class, or transfer ownership". Walters said this was necessary because the list contained names of people who were resettled as "special cases", as well as that most resettlement farms were not being used for the intended purposes. – The Namibian

Although Namibia was the first African country to launch a 4G network and boasts a current penetration rate of 75% for its 3G and 4G networks, we are at the bottom of the list when it comes to cyber security. Syntex Technologies' Mr. Philip Hikumwah said this during the recent Information and Communication Summit held in the nation's capital. He said that up to 87% of businesses are concerned about the vulnerabilities in IoT (Internet of Things) devices, according to a local study. According to him, there is cause for concern. "Research indicates that 70% of the most commonly used devices have primary vulnerabilities when it comes to cyber-security. One of the biggest risks is outdated devices that can sometimes have dangerous "cyberbugs" or other vulnerabilities, which allow cyber-hackers access to organizations' data". – Republikein

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A briefing paper on public enterprise governance in Namibia published by the Institute for Public Policy Research (IPPR) reveals that Star Protection Services, its sister company Bricks Enterprises, and other companies such as August 26 and Windhoeker Maschinenfabrik have been sold and their ownership is unclear. These companies are listed in schedule 1 of the Public Enterprises governance Act of 2016, but they are not part of the hybrid governance model for Namibian public enterprises. The IPPR report states that the Ministry of Public Enterprises itself is inconsistent. The document introducing the hybrid governance model refers to 72 companies from schedule 1, seemingly ignoring the new, expanded definition under the amended Act, but only lists 67. – Namibian Sun

Prime minister Saara Kuugongelwa-Amadhila has called on the Namibian Standards Institute (NSI) to provide service that is responsive to local producers. Speaking at the National Quality Week commemoration here on Friday, Kuugongelwa-Amadhila said NSI should strike a balance between ensuring quality and safety of goods and allowing locally produced goods to find a place in the local market. "I visited some producers of local fresh produce in the country, they complained about challenges they faced in accessing the market provided by the government procurement system, due to the national quality standards they are not able to meet," she noted. – New Era

The integrity of Namibia's public procurement system is undercut by a widespread lack of transparency and accountability, leading to serious concerns that state tenders remain vulnerable to corruption. The third issue of the Procurement Tracker Namibia (PTN), an initiative of the Institute for Public Policy Research (IPPR), released yesterday, concluded that a survey of government websites found that "most government ministries do not appear to be making an effort to be transparent with contracting, as evidenced by what information is available through their websites," a direct flouting of the public procurement law. According to Act, public entities must produce and publicly share annual procurement plans online, and the finance ministry's procurement policy unit is tasked to duplicate those plans on the ministry's website. The PTN cautions that while the law "is heavy in spirit on transparency and accountability, in practice it is increasingly clear that these principles are not yet valued in the emergency procurement system". – Namibian Sun

The high Court Judge who last year ordered that the Small and Medium Enterprises bank should be wound up correctly concluded that the partly state-owned bank was insolvent, the Supreme Court found in an appeal judgement that was handed down yesterday. The finding by the country's top court was made in a judgement in which three judges of the Supreme Court threw out the appeal through which the Zimbabwean minority shareholders of the SME Bank were trying to stop its winding-up after embezzlement of nearly N\$200 million that the bank's former management supposedly invested in South Africa. – The Namibian

The African Development Bank has sympathised with Namibian companies that might not benefit from the multimillion-dollar tender deals, finance minister Calle Schlettwein said yesterday. This comes after it was found that some local companies do not meet pre-qualification requirements for tenders to upgrade the Walvis Bay/Kranzberg railway line and for the construction of a dual carriageway from Windhoek to Hosea Kutako International Airport as these were too high. Both projects are partially funded by the AfDB loans secured last year and their pre-qualification due dates were 10 and 12 October 2018, respectively. – The Namibian

The decision by the government to lease four farms to a Russian billionaire was "a better deal" they could get, finance minister Calle Schlettwein says. Schlettwein made these remarks in an interview with *The Namibian* yesterday when he was asked about his ministry's role in the deal that saw the government leasing four farms to a Russian billionaire, Rashid Sardarov, for 99 years. The finance minister said the land reform ministry approached them with an application to approve the lease of the four farms to Sardov. This application, he said, was accompanied by a legal opinion from attorney general Albert Kawan, and that treasury approval was granted. – the Namibian

The classification of Namibia as an upper-middle-income country does not take into consideration past injustices, and makes access to affordable debt financing and grants difficult, President Hage Geingob says. Speaking at the United Nations Conference on Trade and Development (UNCTAD) in Geneva, Switzerland on Tuesday, Geingob said the World bank formula takes Namibia's gross domestic product and divides it by its small population, thereby deriving a high per capita income. In his statement to the media, the head of state said with that formula, the World Bank makes the faulty conclusion that Namibia is an upper-middle-income country, which thus reduces access to more affordable debt financing and grants. – The Namibian

Although Namibia has moved up one position on the 2018 Ibrahim Index of African Governance (IIAG) and is now the country with the 4th best governance overall in Africa, it is showing diminishing performance in major sectors. Namibia's business regulatory environment, restrictions on foreign investment and unemployment cost the country dearly in the business environment sub-category of the latest IIAG. Last year, Namibia was ranked the 5th best country out of 54 on the continent as far as business environment was concerned. On the 2018 IIAG, it holds the 8th position. The country scored 57.7 out of a possible 100 points for its business environment on the latest IIAG, down from 66.4 in 2017. – Market Watch

Finland's minister of economic affairs, Mika Lintilä heads a 'Team Finland' visit to promote exports to Namibia from 28 to 30 October. The business delegation accompanying the minister roughly has 50 representatives from companies and institutions in the clean-tech, digitalisation, education and mining sectors. As Namibia offers a stable environment with well-developed infrastructure and services, several Finnish companies are interested in cooperation with local partners. Through investment in Namibia, Finnish companies also hope to increase their chances for expanding into other markets in Southern Africa. The amount of trade between Finland and Namibia has varied greatly over recent years. – The Namibian

Economy

Proposals to increase tax rates for individuals and businesses will harm the already struggling economy, analysts say. The new income tax draft bill, which is currently being circulated for consultation purposes, proposes tighter controls over the tax system. Furthermore, the draft bill seen by *The Namibian* proposes to close all loopholes in the tax system by phasing out the existing preferential treatment of certain businesses. The proposed law will also scrap certain exemptions, introduce withholding tax on dividends paid to Namibian citizens, and reduce tax rates for low-income-earners. – The Namibian

Private sector credit extension (PSCE) recorded its biggest monthly increase since November 2015, rising by N\$1.37 billion or 1.5% m/m in August. Cumulative credit outstanding currently amounts to N\$94.8 billion. PSCE growth accelerated to 7.1% y/y in August from 6.3% y/y in July. On an annual basis the growth in PSCE was driven largely by credit extended to households which increased at a quicker rate of 8.1% y/y in August compared to 6.7% y/y in July. Credit extended to corporates grew marginally quicker at 3.6% y/y in August versus the 3.4% y/y in July. On a rolling 12-month basis N\$6.3 billion worth of credit was extended to the private sector with N\$4.2 billion being taken up by individuals. Corporations took up only N\$1.3 billion worth of credit while claims on non-residents totalled N\$748 million.

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Namibia's latest fuel price hike, becoming effective tomorrow with an increase of 50c per litre, will mean petrol is 15.4% more expensive than the beginning of 2018, while diesel will cost 17.8% more. Compared to a year ago, the petrol price is 24.7% higher, while that of diesel rose by 29.5%, the Economic Association of Namibia (EAN) said in reaction to the latest price increase announcement yesterday. The new price increase comes barely a month after another price hike was announced for the previous month. The ministry of mines and energy quoted the rising global fuel prices as well as the depreciation of the Namibian dollar against the US dollar as the major factors that drove the hike. – Market Watch

President Hage Geingob says the country's manufacturing operations must be modernised, technologically focused, highly flexible, quality-driven and cost-competitive in order for the country to succeed in the 21st century. He said this in a speech read on his behalf by agriculture minister Alpheus Nauruseb at the official opening of the 2018 Windhoek show on Monday. "We are keen on making progress. In terms of industry, we want to increase the level of value-added manufacturing in our economy," the President said, adding that the Windhoek show is one of the most anticipated events on the annual calendar. – The Namibian

About 12% less new businesses registered in the country in the second quarter of this year compared to the same three months in 2017, the Bank of Namibia (BoN) says in its latest Quarterly Bulletin. This followed a year-on-year drop of 25.3% in new business registrations in the first quarter of 2018. The central bank says the decline is "in line with the current subdued economic activity and implies low business confidence, considering the fact that new business registrations in the first quarter of 2018. The central bank says the decline is "in line with the current subdued economic activity and implies low business confidence, considering the fact that new business registrations serves as a leading indicator of economic activity. – Market Watch

With fuel and food prices constantly on the rise, there seems to some relief for Namibians, with a slight drop in house construction costs over the past months. Windhoek still remains the most expensive place to build a house, closely followed by Swakopmund. The latest report by First Capital, which monitors house building cost trends in Namibia, collected the costs in Windhoek, Keetmanshoop, Swakopmund, Ondangwa, Rundu and Katima Mulilo. Using prices from August, it found that the construction of a standard three-bedroom house will cost on average N\$432,900 in Windhoek and N\$330,950 in Keetmanshoop, due to varying land prices. In Rundu it costs N\$330,950 to construct a house, Katima Mulilo and Ondangwa N\$340,000 and in Swakopmund N\$360,000. – Namibian Sun

The International Monetary Fund (IMF) has cut its economic growth forecast for Namibia for the three years to 2020. The IMF now expects Namibia's gross domestic product (GDP) to expand 1.1% this year, down from 1.2% in April. The growth projection for Namibia is way below the average 31% forecast for sub-Saharan Africa in 2018. Next year, The IMF anticipates growth of 3.1%, down from its previous 3.3% and lower than the regional estimated average of 3.8%. In its World Economic Outlook released yesterday, the IMF said Namibia economic growth in 2020 is now forecast at 3.4%, lower than the expected 3.5% in April. The average forecast for sub-Saharan Africa is 4.1% - Market Watch

A total of 153 building plans were approved by the City of Windhoek in September, decreasing by 43.1% m/m and 15.5% y/y. In value terms, approvals decreased by N\$276.2 million to N\$147.3 million, representing a 65.2% m/m decline, but a 26.0% y/y increase. The number of completions for the month of September stood at 240, valued at N\$138.6 million. The year-to-date value of approved building plans reached N\$1.6 billion, 13.8% lower than the corresponding period in 2017. On a twelve-month cumulative basis, 2,184 building plans were approved, an increase of 20.4% y/y, worth approximately N\$1.94 billion, a decrease of 13.6% in value terms over the prior 12-month period.

Namibia has dropped one place in the World Economic Forum's ranking of 140 countries in terms of competitiveness. In the forum's latest 'Global Competitiveness Report', which was released yesterday, Namibia is ranked 100th out of 140 countries surveyed – down one place from its ranking in 2017. While ranked the ninth most competitive country on the African continent, Namibia is ranked sixth most competitive economy in sub-Saharan Africa – behind Mauritius (49th in the world), South Africa (67), Seychelles (74), Botswana (90) and Kenya (93). The Global Competitiveness Index used to rank the countries surveyed focused on human capital, innovation, resilience and agility as factors at the forefront of the new industrial revolution. With this year's report, the World Economic Forum implemented a new approach that it says will help measure the readiness of countries for the fourth Industrial Revolution. – The Namibian

Finance minister, Calle Schlettwein has admitted that manufacturing incentives, which government offered as part of its Vision 2030, flopped. He last week said that 12 years before 2030, by which Namibia was envisaged to become an industrialised country, manufacturing has averaged at 11.7% not much different from 11.1% at the introduction of the manufacturing incentive regime in 1995. "This is especially so because the growth in manufacturing over the past years has largely been driven by mineral beneficiation. The overly generous incentive regime has an associated tax expenditure outlay of about N\$305 million. This is to be seen against the tax capacity of the beneficiary sector, for which the effective tax rate, once all exemptions, deductions and losses are carried forward are considered, amount to an effective rate of about 5%," he said. – Windhoek Observer

Chartered accountant and Nedbank group executive Mike Brown says a stable economy rests squarely on the foundations built by a stable government. Speaking at a business luncheon hosted by Nedbank Namibia last week, he gave an overview of the South African economic landscape, which largely impacts the Namibian economy as well. Brown stated that the political situation has impacted the South African economy. – The Namibian

All eyes will be fixed on finance minister Calle Schlettwein as Namibians wait for certainty regarding tax reforms. With government having painted itself into a fiscal corner and revenue probably falling short of projected targets, finance minister Calle Schlettwein is likely to reach for one of the very few remaining tools in his budget kit this afternoon: taxes. – Market Watch

The ministry of finance is positive that the new Namibia Revenue Agency (Namra) will become operational at the beginning of the next fiscal year. The revenue agency will be a semi-autonomous tax-collection agency. "There is a good progress towards the establishment of the Namibia Revenue Agency. As you may be aware, advertisements for expression of interest for board members and the position of commissioner for Namra were published in the local and international media," tax commissioner Justus Mwafonge told Namibian Sun in an interview recently. According to him, the Namra task team is continuing with its activities according to the schedule. "Both Inland Revenue and Customs and Excise officials across the country are continuously being updated on the progress," Mwafonge said. When finance minister Calle Schlettwein tabled the Namibia Revenue Agency Bill in the National Assembly, he said the revenue agency was expected to be operational by March 2019. – Namibian Sun

We must live within our means". This was a theme than finance minister Calle Schlettwein expressed early in the mid-year budget review speech that he delivered in the National Assembly yesterday. Seven months after tabling a budget providing for government spending totalling N\$65 billion during the 2018/19 financial year, Schlettwein proposed a rearrangement of spending figures with the budget, while telling fellow members of parliament that two years of economic recession in Namibia have left public finances with limited capacity to stimulate faster economic growth. Revenue projections will not allow the government to make significant increases in public expenditure, Schlettwein said. He cautioned: "taking on more debt is unsustainable. Aggressive domestic mobilisation through punitive tax increases is also not a viable option. Combined, these factors limit prospects for increased public spending in the short to medium-term". – The Namibian

Bank of Namibia governor lipumbu Shiimi said the government cannot be the only driver of economic growth, urging the private sector to get involved. Shiimi made these remarks yesterday when he announced that the rate at which commercial banks borrow from the central bank will remain at 6.75%. "The rate is appropriate to maintain the one to one link between the Namibian dollar and the rand, while supporting domestic economic growth. Domestic economic activity remained weak during the first eight months of 2018, Shiimi said, adding that "though some improvements were visible in the mining, transports and communications sectors, overall economic growth is expected to remain low in 2018". – The Namibian

Government will maintain a "more mellow" consolidation stance until 2022 to protect macro-economic stability rather than the approach of drastic spending cuts it has followed since 2015. This is to ensure that basic public services in especially the social sectors like education and health are not interrupted, finance minister Calle Schlettwein said yesterday. Speaking at a mid-year budget review breakfast hosted by PwC Namibia, Standard Bank, Liberty Namibia and Namibia Media Holdings (NMH), Schlettwein said the prolonged period of consolidation of recent years contributed to a decline in economic growth. Namibia has so far recorded nine consecutive quarters of negative growth. – Market Watch

The European Union has decided to remove Namibia from the list of 17 countries regarded as tax havens due to lax tax practices and regulations on tax governance. Namibia was blacklisted in December last year, and is currently one of six countries which are still blacklisted, while the other 11 have since been removed. The other territories on the EU blacklist are Trinidad, US Virgin Islands, Tobago, Guam and Samoa. Although both finance minister Calle Schlettwein and EU Ambassador to Namibia Jan Hybaskova could not comment on the delisting earlier this week. *The Namibian* was informed by a well-placed source at the finance ministry that the political dialogue has been fruitful after recommendations were made to have Namibia delisted. – The Namibian

Between October 2017 and March 2018, 1,616 employees were retrenched locally, the minister of labour, Erkki Nghimtina, has revealed. The layoffs were because of company closures, expired contracts and restructuring exercises, Nghimtina said in the National Assembly last week. He was responding to questions by PDM MP Jennifer Van den Heever. Van den Heever had queried issues around unfair retrenchments and asked if government had mechanisms in place to protect employees. "To what extent has your ministry made sure that procedures are followed when employees are retrenched?" she asked. Nghimtina said he viewed retrenchment as a last resort when all other means to preserve jobs had been exhausted. – Namibian Sun

The IJG Business Climate Monitor stood at 52.5 points in August - continuing the downward trend that started in July 2018. However, the decline of the IJG BCM slowed down to 0.7 points compared to July when it lost 1.2 points. In contrast, the Leading Indicator (which predicts future trends) increased by 0.5 points to 41.2 points by the end of August. Although remaining under the 50 point mark and therefore still indicating an economic contraction, the slight upward trend, if continued, indicates that the economy is gaining some momentum again.

Financial

Foreign direct investment into Africa dwindled over the past five years, from US\$74 billion (roughly N\$1 trillion at the current exchange rate) in 2013, slowly dropping to US\$41 billion (roughly N\$581.2 billion) in 2017. Moreover, global flows of foreign direct investment (FDI) also contracted over the last two years, dwindling by a sharp 23% in 2017. This information was outlined in the Africa-to-Africa Investment report for 2018 conducted by the African Development Bank, which added that the downward trend is a long-term concern for Africa as FDI investment is critical to accelerate industrialisation and sustainable development. In his foreword, Akinwumi Adesina, president of the African Development Bank group, said a very modest recovery is predicted for 2018. – The Namibian

Financial resources that are supposed to be channelled towards infrastructure development and job creation are being used to bail out underperforming State-Owned Enterprises (SOEs) on a monthly basis, Finance Minister Calle Schlettwein has lamented. Schlettwein said several public enterprises need to be turned back into departments under their respective ministries since they have failed to execute their mandate. Speaking to *Confidante*, the Minister said most public enterprises did not live within their means, resulting in them draining public funds through constant financial bailouts to cover their operational costs, including staff salaries. Schlettwein said there was need to review every public enterprise and look into their performances. – *Confidante*

The foreign currency reserves remained adequate to maintain the peg between the Namibia dollar and the rand, as they were 7.5 times higher than the currency in circulation during the second quarter of 2018. This was contained in the Bank of Namibia's quarterly report released last week, which outlined that on an annual basis, the import cover also rose to 4.8 months, compared to 4.6 months in June 2017. The bank said it is worth noting that the current import cover is above the international benchmark of three months. Moreover, the developments indicate that the foreign reserves rose both on an annual and quarterly basis during the review period, with figures showing that the reserves increased by 3.9% and 10.6% to N\$29.6 billion, year-on-year and quarter-on-quarter, respectively. – The Namibian

Loans in arrears at Agribank at the end of June 2018 totalled N\$618 million or nearly 22.1% of its entire loan book, well above the international benchmark of 15% for development finance institutions (DFIs). Agribank chief executive Sakaria Nghikembua released these figures during his presentation at the second national land conference on Tuesday. At the end of June, Agribank's total loan book was N\$2.8 billion. The bank's Affirmative Action Loan Scheme (AALS) arrears amounted to nearly N\$92.6 million or 26% of the total loan book. Arrears related to the Post Settlement Support Fund (PSSF) stood at N\$13.4 million, representing nearly 21.2% of the total loan book. – Market Watch

The Financial Intelligence Centre, a national agency tasked with investigating financial crimes in Namibia, says it has recovered more than N\$107 million proceeds of crime between 2009 and 2017. These details are contained in the centre's 2017 financial reports, which also covers concerns by its director, Loenie Dunn, about how the shortage of staff had forced the agency not to investigate the majority of financial crime alerts they had received. – The Namibian

Aggregate foreign direct investment inflows into Namibia are positively correlated to the country's economic growth, recorded at 0.15% against the country's gross domestic product from 1980 to 2017, according to the World Bank Group's Africa Pulse report for October 2018. The report is an analysis of issues shaping Africa's economic future, with special topics on 'Boosting productivity in sub-Saharan Africa' and 'International Financial flows to sub-Saharan Africa'. Sub-Saharan Africa encompasses 45 countries, where the analysis into foreign direct investment (FDI) inflows showed that inflows were positively correlated with economic activity for roughly 87% of the countries. "FDI inflows have a positive and significant impact in economic activities in sub-Saharan Africa and developing countries. Meanwhile, foreign aid inflows have a negative and significant impact on economic growth in sub-Saharan Africa and other developing countries. Consequently, FDI tends to be pro-cyclical, whereas foreign aid tends to be counter-cyclical." – The Namibian

The current account deficit narrowed significantly during the second quarter of this year, the Bank of Namibia's recently released quarterly bulleting shows. The current account deficit declined to N\$614 million in the second quarter (Q2) of 2018, compared to N\$2.4 billion during the same period last year. This was mainly attributable to an improved merchandise trade deficit, which was supported by increased exports and lower imports. The merchandise trade deficit narrowed to N\$2.8 billion during Q2 2018, compared to N\$5.9 billion during the same period last year. The value of goods' imports declined by 3.8% y/y to N\$16.4 billion in Q2. Lower imports of consumer goods (-3.2% y/y), mineral fuels, oils & distillation products (-19.8% y/y), machinery, mechanical & electrical appliances (-0.1% y/y) underpinned a lower import bill. – The Namibian

The local economy lost N\$8.4 billion in direct investment last year, representing a quarterly loss of N\$2.3 billion, which could have positively contributed to local economic growth. Direct investment net outflows are defined as the value of outward direct investments made by residents of the reporting economy to external economies. Finance minister Calle Schlettwein made these remarks during a consultative meeting with private sector yesterday. The meeting was aimed at mapping out strategies on how to improve the performance of the country's economy. He said the outflow of investments does not support the role of private sector as the engine of growth. The minister stressed that private sector investment in the real and services sectors of the economy remain low, and has declined over the past two years. – The Namibian

Finance minister Calle Schlettwein has asked the works ministry to suspend awarding two multibillion-dollar contracts to foreign contractors to allow Namibian companies to bid for the same contracts. The two tenders are the upgrading of the Walvis Bay/Kranzberg railway line, and construction of a dual carriageway from Windhoek to the Hosea Kutako International Airport. The closing dates for the two tenders were 10 and 12 October 2018, respectively, and are partially funded by the N\$10 billion African Development Bank loan secured last year. In a letter to works minister John Mutorwa on 9 October, Schlettwein said the reason for extending the deadline is to consider financial thresholds on turnover. – The Namibian

Retirement Fund Solutions (RFS) has expressed concern over the Financial Institutions and Markets (FIM) bill which will soon be tabled in parliament, labelling it an "onslaught on the pensions industry". RFS believes that the bill and related developments will have a serious negative impact on everyone who has been saving up for retirement in a pension fund. RFS board chairman Tilman Friedrich told Market Watch yesterday that the bill is a complex one and its complexity means it will be very expensive to manage. According to him, the bill, which will regulate insurance companies, medical aid funds, pension funds and other non-banking financial sectors, will require resources to be complied with and since it is costly, all [parties] involved will spend more money to meet the requirements. As a result, people who save up for their future in pension funds will have to carry the cost of that. – Market Watch

Minister of finance Calle Schlettwein will table the mid-year budget review for 2018 in the National Assembly towards the end of October. Schlettwein said this last Thursday during a private sector consultative meeting with the ministry on mapping out strategies on how to improve the Namibian economy. The mid-year review serves to reallocate resources to the best alternative uses based on the mid-year assessment of the budget implementation rate, and provide spending priorities to allow the public and legislature opportunity to make input in advance of the preparation and tabling of the main budget. Schlettwein said the mid-year budget review will concentrate on the state of the economy, the fiscal policy position and medium-term fiscal policy framework, and tax policy proposals. – The Namibian

It appears that the Namibian government is preparing an official pitch to obtain funding from the New Development Bank, more commonly known as the Brics Bank, for the construction of the Baynes hydropower project as well as the Trans-Kalahari Rail link (TKR), the Grootfontein – Rundu – Katima Mulilo rail link and the deepening of the Port of Lüderitz. The bank, founded and funded by Brazil, Russia, India, China and South Africa, is headquartered in Shanghai, China, with its first regional office in Johannesburg. The government's debt at the end of March 2018 stood at just over N\$78 billion, slightly more than a third of the country's gross domestic product, which is at N\$191 billion. In a brief presentation seen by Namibian Sun, the projects are listed as priority projects. Communications minister Stanley Simataa said in September that the government was eyeing the development of the projects in its quest to make Namibia a logistics hub for southern Africa. – Namibian Sun

The government collected about N\$350 million in land tax over the past 14 years, which is N\$178 million less than what the state wanted to collect during that period. These statistics were obtained from a presentation that deputy valuer general Protasius Thomas from the land reform ministry gave at the land conference earlier this month. The state introduced this tax to fund its resettlement programme, discourage multiple farm ownership, and to encourage the efficient use of agricultural land. Statistics show that the government did not collect the N\$528 million in land tax as planned. Thomas said the N\$350 million was collected over 14 years, despite legal challenges by farmers who questioned the constitutionality of the tax. – The Namibian

Namibia's tax loss was estimated at 12.9% as a result of profit shifting by multinationals operating in the country. This is according to the latest statistics provided by Charles Abugre, a non-executive board member of the Tax Justice Network, on Wednesday. Abugre was speaking at the 6th pan-African Conference themed 'Corruption as a driver of IFFs from Africa' taking place in Nairobi, Kenya this week. These tax losses could have been potential revenue for the country, seeing that the main sources of revenue for Namibia during the 2017 financial year were taxes, which accounted for 57.5% of total revenue recorded at N\$56.4 billion during that financial year. Abugre stressed that multinationals play a role in the illicit flow of funds, and that if these companies operated elsewhere, they would not conduct the same profit shifting ways, compared to what they do in Africa. – The Namibian

Falling Foreign Direct Invest (FDI) is in part why many African governments have resorted to international capital markets for the purpose of financing infrastructure and other development needs, President Hage Geingob said in Geneva yesterday. Speaking at the United Nations Conference on trade and Development (UNCTAD) World Investment Forum Global Leaders' Summit, taking place in Geneva, Switzerland Geingob called on more to be done to enhance debt-capacity building and technical support for debt sustainability. According to Geingob, policy space is critical for the management of developing economies and this, he said, is important for the implementation of the UN's Sustainability Development Goals (SDG's) as smaller economies strive to cope with globalisation. – New Era

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0.0001	50.00%
0.0003	14.29%
0.0005	12.50%

The Bank of Namibia (BoN) has decided to invest further in the Chinese yuan. This was revealed yesterday by BoN governor lipumbu Shiimi in response to a question at a press briefing in Windhoek, where he also announced the central bank's decision to keep the repo rate unchanged at 6.75%. According to Shiimi, despite the decision by the central bank to invest in the yuan, it has not been aggressive on this path and wants to do more. The fact that the yuan is now an International Monetary Fund (IMF) currency also makes the central bank want to go more in that direction, as it is beneficial in trade, he said. "It [yuan] is also now an IMF currency...as we pick up, we will invest more and more [in the yuan]," Shiimi said. – Market Watch

Finance minister Calle Schlettwein has assured parliamentarians that the government has paid all its dues, dismissing a claim that service providers are owed N\$1.2 billion. Popular Democratic Movement leader McHenry Venaani recently demanded an explanation from the minister of finance regarding penalties paid for capital projects that were abruptly stopped because of the country's economic problems. According to Schlettwein most of these projects were revised and refinanced. "When fiscal consolidation was introduced in financial year 2015/16 and reinforced in financial year 2016/17, projects with no tender awards were postponed and such postponement did not carry financial, but economic costs in terms of benefits foregone," Schlettwein said last week. – Namibian Sun

Africa has attracted 718 foreign domestic investment projects in 2017, up 6%, compared to the previous year. Meanwhile, South Africa shares the title of largest African foreign direct investment (FDI) hub with Morocco; while southern, west, east and north Africa all receive more or less equal FDI (measured in project numbers). The United States (US) remains the single-biggest country investing in Africa, while western Europe is by far the biggest regional investor. This was according to Ernst & Young (EY) Africa's latest Africa Attractiveness report, which added that FDI was up across the continent last year, although South Africa experienced a fall in project numbers on the back of continued weak domestic growth. – The Namibian

Government spent nearly N\$7.3 million or 25% less on vehicles in the past fiscal year than budgeted for. The mid-year budget review tabled by finance minister Calle Schlettwein last week shows government spent nearly N\$22.2 million on vehicles in 2017/18 compared to a revised budget of about N\$29.4 million. As part of government's severe fiscal consolidation, the budgets for vehicles have been cut drastically since Schlettwein took office in 2015. The latest documents show that vehicle expenditure from 2015/16 to 2017/18 totalled about N\$483.7 million, down from the whopping more than a billion spent in 2014/15. Schlettwein left his revised vehicle budget over the medium-term expenditure framework (MTEF) unchanged from the one in the main budget tabled in March this year. – Market Watch

Trade and Tourism

Although Namibia has made tremendous progress in developing and growing the tourism industry, the sector is still facing many challenges, including customer service delivery, a limited geographical spread of tourists, community beneficiation from the sector, and access to funding. This is according to remarks by tourism minister Pohamba Shifeta at the celebrations of World Tourism Day commemorated on 27 September. Shifeta said the recent incidences of crime against tourists are also of great concern to the sector. "Tourism has enormous significance to our economy and it is therefore essential that we value the presence of our visitors by according them the warmest hospitality we can give. We are committed to overcoming the challenges we face in the sector and making use of digital advancements to advance the competitiveness of destination Namibia." The theme of this year is 'Tourism and the Digital Transformation'. – Namibian Sun

The new Walvis Bay container terminal will significantly boost the African Development Bank's work in regional integration and improving the lives of Africans, the continental bank says. In a report published on its website last Friday, the bank said poverty alleviation in the Southern African Development Community (SADC) region would improve due to better port efficiency and larger volumes of cargo for more trade, which would create more job opportunities and capacity development. The new port will serve as the logistical backbone for several industries in the region, and is expected to lead to more and sustained trade between SADC and the rest of the world. – The Namibian

The Namibia Chamber of Commerce and Industry (NCCI) say rising fuel prices are eroding the competitiveness of local businesses as they are adding to the cost of doing business in an already depressed economy. According to the chamber, the transport industry has been the worst hit by fuel price increases. This comes after the Ministry of Mines and Energy (MME) announced a fuel price increase of 50 cents per litre with effect from Wednesday last week, the third time it has done so this year. The ministry attributed the increase to the depreciation of the Namibia dollar against the US dollar and rising global oil prices. – Windhoek Observer

Africa's intra-trade amounts to only 14%, whereas it is more comfortable to trade with foreign and international markets at a figure of 86% of total trade per year. These statistics were mentioned by the deputy minister of international relations and cooperation, Christine //Hoeibes, during the official opening of the Swakopmund International Trade Exposition (SWAITEX) last week. Some of the reasons for the low level investment include the poor coordination across the different trading blocs, diverse currencies and mistrust, among other factors. – Market Watch

Water and Electricity

Namibia will add an additional 220 MW to its power grid in three years' time, if plans announced by the Minister of Mines and Energy, Tom Alweendo last week come to fruition. The additional 220 MW planned to be installed in the next three years, is meant to ensure that NDP5 targets and other national targets are reached. "This capacity is exclusive of any embedded generation or rooftop installation done by REDs private companies and individuals," said Alweendo. He said the 220 MW allocation will be split with 150 MW allocated to NamPower and 70 MW allocated on a competitive bidding process as per current government procurement laws, to IPPs for implementation. The technology split for 70 MW is 20 MW Solar in 2020 and 50 MW Wind in 2022, he said. – Windhoek Observer

Construction work on the long-delayed N\$5.7 billion Neckartal Dam has been completed, the Minister of Agriculture, Water and Forestry, Alpheus! Naruseb, announced on Thursday. The Neckartal Dam, located some 40 kilometres north-west of the Keetmanshoop in the Fish River in the Snyfontein area, was built by Italian company, Salini Impregilo. The dam, believed to be Namibia's biggest, is said to be three times bigger than the Hardap Dam near Mariental in the Hardap Region. The project cost was initially estimated at N\$2.8 billion, but ballooned to N\$5.7 billion because of several delays, according to media reports. Project manager, Leopold Niipare, blamed the delays on financial problems and other challenges that were out of their control. – Windhoek Observer

The mines and energy ministry will launch the Southern African Development Community centre for renewable energy and energy efficiency this week. The centre will be launched by portfolio minister and senior government officials responsible for energy in SADC member states as well as representatives of power utilities, regulators as well as regional and international experts and international cooperation partners. In a statement, mines permanent secretary Simeon Negumbo said over 50% of the SADV population has no access to electricity, although the future and potential for renewable energy and energy efficiency is great. – The Namibian

0.0005	4.85%
0.0003	13.04%
29	
0.0001	50.00%
0.0003	14.29%
0.0005	12.50%

A total of six solar PV power plants by Independent Power Producers (IPPs) are currently under construction and will be commissioned by December, adding an additional capacity of 72 MW to the national power grid, Mines and Energy, Tom Alweendo has revealed. In total, all renewable energy projects that have been commissioned between April 2015 and September 2018 have added 67.5 MW of installed capacity, which equates to 15% of local generation capacity supplied by the IPPs. Government intends to increase this to 41% by 2020. – Confidentialé

Agriculture and Fisheries

According to the latest Meat Board statistics, both beef and sheep export abattoirs in Namibia have suffered marginal declines in comparison to 2017. The statistics reveal that a total of 73,000 cattle were slaughtered compared with 78,000 in the corresponding period of 2017. Similarly, only 198,000 sheep were slaughtered in Namibia versus 239,000 during the corresponding period of 2017. "(Some) 302,000 sheep, mostly 'too small and too lean' were exported to South Africa due to the drought in the south of Namibia," the Meat Board also said. – Confidentialé

Officials in the Ministry of Land Reform have been accused of inflating farm prices in cahoots with white farmers after statistics presented at the Second National Land Conference showed that government has on average spent double the amount offered by Agribank and other private buyers. Statistics show that government has forked out N\$1.9 billion in the last 27 years to acquire about 549 commercial farms or 3.2 million hectares under the willing buyer willing seller initiative, while Agribank has used about N\$800 million to buy about 3.4 million hectares. A presentation by Agribank Chief Executive Officer, Sakaria Nghikembua, also showed that since 2010, government has been paying more money per hectare compare to previous years. – Windhoek Observer

The agricultural industry wants policies governing the sector to provide security in addition to having a value addition chain that is internationally competitive. The sector also aims for better development, while seeking growth opportunities that can make it successful in creating jobs. This was said by the president of the Namibia Agricultural Union (NAU), Ryno van der Merwe, at the agricultural outlook conference 2018 that took place yesterday. He said by seeking new opportunities, it would be the industry's responsibility to contribute to the government's efforts to alleviate poverty. Van der Merwe reiterated that the sector needs a conducive environment to create jobs, and to make sure there are willing investors in the farming industry. – The Namibian

Namibia Farmworkers Union secretary general Rocco Nguvuva yesterday welcomed the resolution made to have generational farmworkers allocated land, or giving housing by farm owners. This resolution forms one of the five themes discussed at the second national land conference which ended last week. Over the years, the media has reported about increasing cases of evictions, which has left many farmworkers, some of whom are generational workers, homeless and seeking refuge in corridors. – The Namibian

The contribution of the agricultural sector to the country's economy has been declining over the past 11 years, Agribank's chief executive, Sakaria Nghikembua, says. The industry's contribution to the gross domestic product (GDP) was 5.3% in 2007, declining to 4% in 2008. Moreover, the industry's contribution continued to decline to 3.3% in 2015, and 3.4% in 2016, before increasing to 4.5% in 2017. Nghikembua said the sector has seen a marginal but clear reduction in the contribution of agriculture to the gross domestic product. "The lowest continuous contribution was in the period between 2013 and 2016 – due to a severe drought in some of those years. At what level of contribution do we start to act to create resilience as an industry? As an agricultural union – in collaboration with strategic stakeholders – the Namibia Agricultural Union (NAU) needs to act upon all of these challenges," he stated. – The Namibian

Infrastructure and Housing

With fuel and food prices constantly on the rise, there seems to some relief for Namibians, with a slight drop in house construction costs over the past months. Windhoek still remains the most expensive place to build a house, closely followed by Swakopmund. The latest report by First Capital, which monitors house building cost trends in Namibia, collected the costs in Windhoek, Keetmanshoop, Swakopmund, Ondangwa, Rundu and Katima Mulilo. Using prices from August, it found that the construction of a standard three-bedroom house will cost on average N\$432,900 in Windhoek and N\$330,950 in Keetmanshoop, due to varying land prices. In Rundu it costs N\$330,950 to construct a house, Katima Mulilo and Ondangwa N\$340,000 and in Swakopmund N\$360,000. – Namibian Sun

The Limkokwing University of Creative Technology, a private international university with campuses in Asia, Europe and Africa, plans to construct a campus near Okahandja. Anne Mutelo, Namibia's high commissioner to Malaysia, made the announcement at a press conference in Windhoek on Monday. She said plans for the institution are already at an advanced stage, and land has already been identified at the town. "It is up to the Namibian government to finalise the plans because the delay is actually on our side," Mutelo said, adding that construction had been scheduled to start in July this year, but expressed hope that it will start soon. Mutelo also said the Malaysians also had another huge investment in the railway sector in the pipeline. – The Namibian

The Government Institutions Pension Fund wants to invest about 45% of its total assets in the local infrastructure market by March 2019, the fund's chief executive officer, David Nuyoma said yesterday. In an interview with *The Namibian* on the sidelines of a media event held in Windhoek, Nuyoma said the fund has resolved to invest about 45% of its total assets in the local economy. The GIFP's total assets currently exceed N\$100 billion. The fund already has investments in local housing and solar energy generation, but the pension fund boss said they were looking at investing in as many local long-term infrastructure projects as possible to diversify their asset base. He said the investment "appetite" was within the renewable energy generation, port infrastructure as well as water infrastructure, such as pipelines or desalination plants. – The Namibian

Mining and Resources

The Namibian Ministry of Mines and Energy has officially denied Bannerman Resources its mining license application for its Etango uranium project. Bannerman Resources, the dual-listed uranium junior, revealed this in its latest annual report for the year ended 30 June 2018 stating the although having received correspondence from the MME stating that the Minister intended to decline the license, the refusal was communicated formally on 3 September 2018. Bannerman Resources also highlighted that the license which the company applied for in December 2009 was rejected due to low uranium prices. "The Honourable Minister's decision was not unexpected and Bannerman retains the right to re-apply for a mining license when the uranium market recovers," the company said in its report. – Confidentialé

0.0005	4.85%
0.0003	13.04%
30	
0.0001	50.00%
0.0003	14.29%
0.0005	12.50%

The Otjikoto gold mine, majority owned by B2Gold Corp, was the third biggest contributor to the Vancouver-based miner's total production for the first nine months of 2018. Production results released on the Namibian Stock Exchange (NSX) yesterday, show Otjikoto's year-to-date production of 122,580 ounces represented nearly 17% of B2Gold's total production of 721,817 ounces for the period under review. The Fekola mine in Mali was the biggest producer with 333,788 ounces, followed by Masbate in the Philippines with 164,943 ounces. Otjikoto's production for the year ended September was 4,027 ounces or 3% above budget. However, compared to the corresponding period in 2017 it dropped by 16,508 ounces or nearly 12%. – Market Watch

Mines and Energy Minister, Tom Alweendo, has scrapped the controversial additional conditions on exploration mining licences that had threatened Namibia's position as one of Africa's top mining investment destination. The additional conditions were introduced by Alweendo's predecessor, Obeth Kandjoze, in 2015 as a way of increasing local participation in mining projects. Alweendo wrote to the Chamber of Mines of Namibia last week informing its members that he had listened to their concerns and decided to scrap the conditions. According to the scrapped conditions, the management structure of a mining entity should consist of a minimum 20% representation of historically disadvantaged Namibians and that at least 5% of the company should be owned by Namibian persons or by a company wholly owned by Namibians. – Windhoek Observer

The Chamber of Mines has welcomed the decision of mines minister Tom Alweendo to scrap the policy that gave preferential consideration to companies owned by Namibians in the allocation of exploration and mining licences. The government introduced preferential conditions in 2015 to empower Namibians in the extractive sectors, such as in minerals exploration and mining – including that previously disadvantaged Namibians make up at least 20% of the management teams of exploration and mining companies. Another condition was that the government would give preferential treatment in the awarding of exploration licences to firms which were at least 5% owned by Namibians. – The Namibian

The underground Namib Tantalite Investment Mine near Warmbad in the //Karas region has re-employed 17 of the 91 workers it had recently retrenched due to losses blamed on water shortages and a lack of production. The re-employed staff will form part of a skeleton crew of close to 15 workers who had been retained to keep the mine operational. This transpired during a meeting minister of mines and energy Tom Alweendo had with the company management and regional political leadership at the mine on Thursday to address them on the retrenchment issue. The company's CEO, Larry Johnson, said a bold decision was taken to retrench the workers because "(mining) production could not sustain the salary base". – The Namibian

The requirement that 20% of the management of mining companies should be previously disadvantaged Namibians is still applicable, the Chamber of Mines has clarified. The government last week decided to drop that requirement for exploration companies only. Chamber of Mines economist Lauren Davidson told *Market Watch* yesterday that after their earlier submission to the ministry of energy requesting the government to scrap the conditions for exploration companies, it was finally granted. According to her, the 20% requirement in mining is doable but for companies in the exploration stage it is very difficult to adhere to. Another requirement that was scrapped was the gibing of preferential treatment in granting exploration licences if at least 5% of the owners of a company are Namibians. – Market Watch

Local Companies

Rail transport ground to a standstill after TransNamib drivers downed tools last week in protest over salary increases and benefits. The workers went on an illegal strike last Tuesday, leading to the suspensions of seven workers by the company's chief executive officer, Johnny Smith. He had warned against the strike, saying it defeats the purpose that they are trying to achieve, which is of a salary increase with benefits. In a memorandum issued yesterday, Smith urged workers to get back to work, or face suspension. He said most of the train drivers, assistants and shunters have not returned to work, and it has put a strain on the operations of the company. – The Namibian

With Namibians already paying a whopping 50 cents more for fuel, Namib Mills has also announced it will be hiking its product prices by the middle of the month. Over the past few months, unleaded 95 octane petrol increased by N\$1.75 per litre, while diesel 50ppm increased by N\$2.05. Fuel price increases have a knock-on effect on the economy - evidenced by Namib Mills' announcement that it will announce details of its product price hikes on 12 October. The price increases will be effective from 15 October. – Namibian Sun

Since March 2018, the Meat Corporation of Namibia (Meatco) has managed to pay producers well above the South Africa parity price across all grades, excluding fat equalisation and weight premiums, *Confidante* has established. This came at the backdrop of the financial difficulties experienced in the 2017/18 financial year, which hindered the corporation from paying producers above the SA parity price in line with the Meatco mandate of maximising best returns for producers. "Meatco is aware that the ratio between slaughter and weaner prices is not favourable towards the slaughter of ox production system. Taking into account the current downward trend of weaner prices together with the improvement in Meatco's slaughter prices, farmers should once again be motivated to move into slaughter cattle production," Meatco said last week. – *Confidante*

A well-crafted syndicate between officials in Letshego Namibia and the Ministry of Defence has been uncovered, and it could end up with at least 70 Defence employees losing their jobs after the government-backed micro-loan company lost close to N\$2 million. Although the intricate details of the case are yet to be made public, *The Patriot* has it on good authority that a case has been opened under CR79/07/2018. Sources say at least two Letshego officials are in hot water over the syndicate as they appear to have been the masterminds of the dubious transactions. It is alleged that Letshego was defrauded over N\$1.8 million through a scheme in which NDF employees allegedly apply for new loans before paying off their existing loans. This is done with the help of Letshego employees who allegedly delete the files of loan holders. – The Patriot

FirstRand Bank Namibia Holdings Limited and the Namibian Bank Workers Union (NBWU) have confirmed an increase of all employees' basic salaries in the bargaining unit for the 2018/2019 financial year, at an across the board raise of 7.4% per annum. The effective date for the implementation of salary increases shall be back-dated to 1 August 2018. "We have furthermore agreed to increase the housing qualifying loan amounts for staff members by an additional amount of N\$150,000 to encourage and support staff to become home owners. – New Era

Air Namibia has cancelled flights to Harare as an interim measure while a lawsuit in which a Zimbabwean family is suing the airline for US\$1 million is being addressed. The legal battle resulted in a leased aircraft of the airline being impounded in Zimbabwe last week Friday, and passengers stranded. Air Namibia has therefore resolved to divert its flights between Hosea Kutako International Airport and Victoria Falls to Livingstone in Zambia from 6 to 27 October. – Namibian Sun

0.0005	4.85%
0.0003	13.04%
31	
0.0001	50.00%
0.0003	14.29%
0.0005	12.50%

The Capricorn Group's taxes to government have decreased by N\$7 million in 2018, from N\$492.2 million in 2017 to N\$484.6 million in 2018. This is according to the group's annual integrated report for 2018 that was launched yesterday. During the period under review, profit after tax was recorded at N\$934 million, an increase of 1.8% in comparison to 2017, where the group realised a profit after tax of N\$918 million. The 2018 total comprehensive income stood at N\$986 million, a 5.9% increase, compared to the prior year. The Capricorn Group, in an attempt to diversify their revenue streams and reduce reliance on interest income, acquired a 30% stake in Nimbus Infrastructure Limited, who are listed on the Namibia Stock Exchange; a 55.5% shareholding in Entrepo Holdings, a group focused on micro-lending and credit protection products; as well as launched Capricorn Capital and the Capricorn Group South African. – The Namibian

Finance Minister Calle Schlettwein has urged Hollard Insurance Company Namibia to invest locally, as Namibia remains one of the most lucrative investment destination in the insurance sector. Hollard Namibia – which comprises two licensed companies, Hollard Insurance Company of Namibia since 2003, and Hollard Life Namibia since 2008, as part of the Hollard International profile, operating in 18 countries across four continents – celebrated 15 years of its existence in Namibia last week. At the launch, Schlettwein emphasised that owing to the prevailing peace and political stability in Namibia, Hollard was able to grow from a zero baser to a company worth about N\$1.2 billion, as reflected in the firm's financials the previous financial year. "The Africa Continental Free Trade Agreement, which Namibia is a signatory to, encourages inter-continental trade. With Return on Equity of about 20% in the overall insurance market; loss ratio of 55% in short-term insurance and loss ratio of 65% in long-term insurance, Namibia remains an attractive investment destination for insurance, in which you are most welcome to invest." – Confidante

As a quick fix measure to avoid a downgrade, the finance ministry has given the Namibia Airports Company (NAC) the green light not to advertise the N\$95 million tender to upgrade Hosea Kutako International Airport on the grounds of urgency. The NAC reportedly wrote to finance minister Calle Schlettwein on 25 September, asking that the parastatal be exempted from national tender regulations. Schlettwein responded to acting NAC chief executive Lot Haifidi's request on 11 October, authorising the parastatal to award the contract to fix shortcoming at Namibia's biggest airport. Schlettwein was unreachable for comment, while Haifidi asked for questions to be emailed to the NAC communications department. – The Namibian

Hundreds of employees among the 1,600-strong TransNamib workforce will lose their jobs while others will be redeployed once the roads freight department is shut down. This was confirmed by the parastatal's spokesperson, Ailly Hangula-Paulino, this week, saying the company will only concentrate on rail and passenger operation in the future. Although she said some of the 1,600 employees will be redeployed, she did not reveal what would become of the rest. The initial revelation on the closing of the road freight department was made at a panel discussion by chief executive officer (CEO) Johny Smith, as reported by weekly newspaper *The Patriot* last Friday. – The Namibian

Works minister John Mutorwa says the government will defend a case brought by a Belgian company that is threatening to take over Air Namibia and TransNamib properties because of a disputed N\$400 million payment. Belgium-based Challenge Air, which collapsed 20 years ago, has threatened to take over Air Namibia and TransNamib assets if the government fails to arrange the N\$400 million payment. Lawyer Sisa Namandje, who represented Challenge Air, wrote to Mutorwa on 11 October 2018, giving the government 10 days to negotiate, or face the consequences. – The Namibian

The Namibian Competition Commission (NaCC) yesterday launched an initiative that encourages corporate companies engaged in cartel activities to come forward and report themselves in exchange for leniency in prosecution. Dubbed the Corporate Leniency Programme (CLP), this initiative was launched at a media conference in Windhoek yesterday by the commission's CEO, Vitalis Ndalikokule, who explained the different types of cartels, which he said are usually conducted secretly. In cartels, companies come together and fix pricing, engage in bid-rigging, and divide markets amongst themselves – something prohibited under the Competition Act. – Market Watch

Meatco has realised annual savings of N\$40 million by reducing its staff from 989 to 704 through its just-ended early voluntary retirement and retrenchment exercise. Meatco says it adopted its turnaround strategy in June, and has been paying competitive prices for livestock since 5 March. It says it marketed a total of 484,921 cattle last year, which is an increase of 65% compared to 2016. In 2016 Meatco only marketed 293,250 cattle. According to the meat producer, of the total cattle marketed last year, 315,198 were live exports while 82,437 came from export abattoirs and 87,286 from local abattoirs. This information was shared during a special members' meeting held by the Meatco board last week. The aim of the meeting was to provide feedback on its turnaround strategy to members, as per the resolutions adopted at the Meatco AGM. Meatco acting CEO Jannie Breytenbach informed the members that globally there are about 1 billion cattle and Meatco contributes about 0.00023% to the global beef industry. – Namibian Sun

NSX Round – Up

Company	Code	Share Price (c)	Mkt Cap (N\$m)	P/E (A)	P/E (F)	HEPS (A)	HEPS (F)	Rec
Capricorn Investment Group	CGP	1,610	8,359	8.8	7.2	182	225	HOLD
FNB Namibia	FNB	4,365	11,680	10.5	9.2	415	474	HOLD
Namibia Asset Management	NAM	64	128	6.3	6.2	10.1	10.4	
Oryx Properties	ORY	2,020	1,573	12.7	15.3	158.6	131.6	SELL
Namibia Breweries	NBS	4,600	9,500	20.0	24.7	230	186	SELL
Bidvest Namibia	BVN	769	1,630	47.2	60.6	16.3	12.7	SELL
Letshego Holdings (Namibia)	LHN	394	1,970	5.5	4.9	71	81	BUY
Paladin Energy Limited ₂	PDN	46	653					
CMB International Ltd ₃	CMB	147	509					
Tadvest Limited NM ₃	TAD	1,322	681					
Trevo Capital Limited ₃	TRVP	1,300	4,114					
B2Gold Corporation ₁	B2G	3,837	14,762					

₁Dual-listed on the TSX

₂Dual-listed on the ASX

₃Dual-listed on the SEM

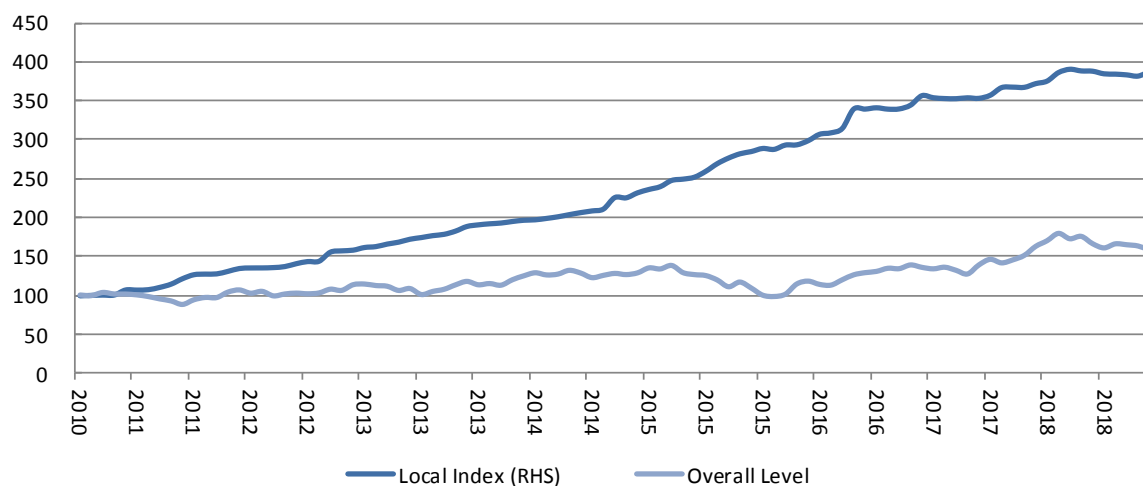
Deep Yellow, Bannerman Resources, Eco (Atlantic) Oil & Gas and Forsys Metals have their primary listing on the Australian (ASX) or Toronto Stock Exchange (TSX) and listed on the Development Board of the NSX (DevX).

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 on the NSX: financial, fishing, industrial, mining, and retail.

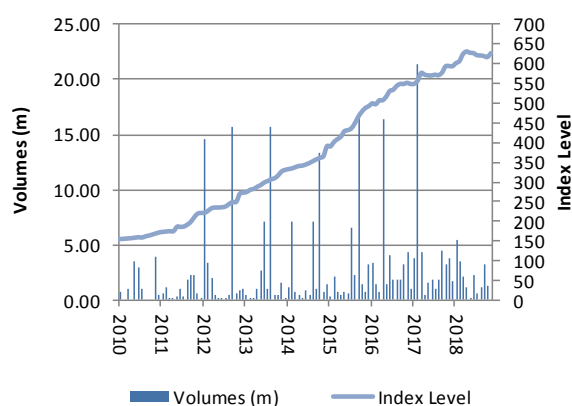
0.0005	4.85%
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NSX Indices

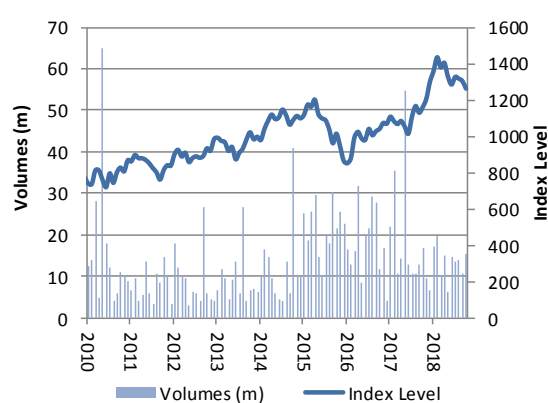
NSX Overall and Local Index (based to 100)



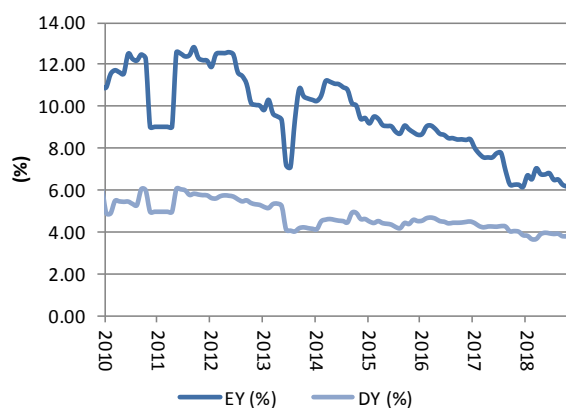
Volumes and Absolute Levels for Local Index



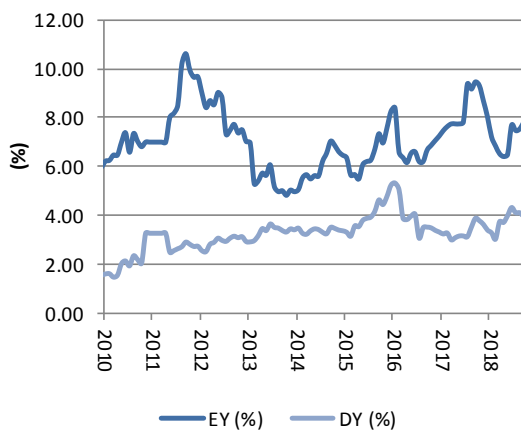
Volumes and Absolute Levels for Overall Index



EY and DY for Local Index



EY and DY for Overall Index



Source: Bloomberg, IJG, JSE

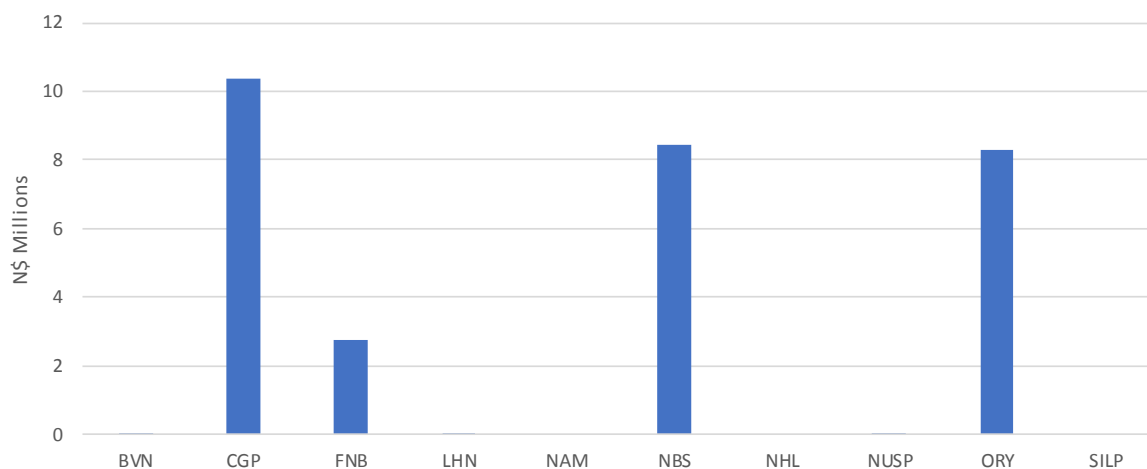
NSX Overall Index

31-Oct-2018		NSX Overall Index N098					
CODE	Share Price	Shares in Issue	Market Cap N\$	Weight %	free-float %	ff MCap N\$	ff weight %
FINANCIALS		22,515,460,907	1,191,300,021,381	62.38%	64.5%	768,186,480,940	67.84%
banks		9,014,441,822	771,532,683,647	40.40%	61.0%	470,898,214,605	41.58%
CGP	16.10	519,184,399	8,358,868,824	0.44%	20%	1,680,132,634	0.15%
FST	64.31	5,609,488,001	360,746,173,344	18.89%	57%	204,182,334,113	18.03%
FNB	43.65	267,593,250	11,680,445,363	0.61%	24%	2,803,306,887	0.25%
LHN	3.94	500,000,000	1,970,000,000	0.10%	22%	433,400,000	0.04%
SNB	163.33	1,617,936,869	264,257,628,814	13.84%	79%	207,944,328,114	18.36%
NBK	248.92	500,239,303	124,519,567,303	6.52%	43%	53,854,712,858	4.76%
general insurance		115,131,417	35,749,456,293	1.87%	35.9%	12,841,204,700	1.13%
SNM	310.51	115,131,417	35,749,456,293	1.87%	36%	12,841,204,700	1.13%
life assurance		8,704,325,666	305,198,229,318	15.98%	74.7%	228,127,330,649	20.15%
MIM	17.85	1,530,288,264	27,315,645,512	1.43%	67%	18,383,429,430	1.62%
OMM	22.69	4,942,048,355	112,135,077,175	5.87%	72%	80,726,042,058	7.13%
SLA	74.26	2,231,989,047	165,747,506,630	8.68%	78%	129,017,859,161	11.39%
investment companies		1,744,035,625	17,479,057,869	0.92%	37.1%	6,488,662,867	0.57%
NAM	0.64	200,000,000	128,000,000	0.01%	52%	66,560,000	0.01%
SILP	121.29	4,650,786	564,093,834	0.03%	100%	564,093,834	0.05%
ARO	13.32	122,954,726	1,637,756,950	0.09%	100%	1,637,756,950	0.14%
TAD	13.22	51,544,995	681,424,834	0.04%	0%	0	0.00%
KFS	10.60	1,364,885,118	14,467,782,251	0.76%	29%	4,220,252,083	0.37%
real estate		953,199,110	19,342,155,954	1.01%	92.7%	17,936,597,349	1.58%
ORY	20.20	77,859,791	1,572,767,778	0.08%	100%	1,572,767,778	0.14%
VKN	20.30	875,339,319	17,769,388,176	0.93%	92%	16,363,829,571	1.45%
specialist finance		1,984,327,267	41,998,438,300	2.20%	75.9%	31,894,470,769	2.82%
IVD	91.77	318,904,709	29,265,885,145	1.53%	94%	27,597,729,692	2.44%
TUC	8.00	974,265,619	7,794,124,952	0.41%	51%	3,993,709,625	0.35%
CMB	1.47	345,983,575	508,595,855	0.03%	1%	5,085,959	0.00%
NUSP	11.00	28,710,692	315,817,612	0.02%	94%	297,945,493	0.03%
TRVP	13.00	316,462,672	4,114,014,736	0.22%	0%	0	0.00%
RESOURCES		4,363,500,581	462,103,421,571	24.20%	39.8%	183,922,372,170	16.24%
mining		4,363,500,581	462,103,421,571	24.20%	39.8%	183,922,372,170	16.24%
ANM	315.63	1,405,467,840	443,607,814,339	23.23%	37%	166,131,126,470	14.67%
PDN	0.46	1,419,617,883	653,024,226	0.03%	85%	555,135,895	0.05%
B2G	38.37	384,738,307	14,762,408,840	0.77%	100%	14,762,408,840	1.30%
DYL	3.94	576,290,090	2,270,582,954	0.12%	75%	1,702,937,215	0.15%
BMN	0.47	275,372,066	129,424,871	0.01%	70%	90,597,410	0.01%
FSY	2.57	248,969,835	639,852,475	0.03%	100%	639,852,475	0.06%
MEY	0.76	53,044,561	40,313,866	0.00%	100%	40,313,866	0.00%
BASIC INDUSTRIES		342,852,910	9,963,305,565	0.52%	40%	3,938,494,690	0.35%
chemicals		342,852,910	9,963,305,565	0.52%	40%	3,938,494,690	0.35%
AOX	29.06	342,852,910	9,963,305,565	0.52%	40%	3,938,494,690	0.35%
GENERAL INDUSTRIALS		424,645,585	27,153,028,545	1.42%	95%	25,827,511,847	2.28%
diversified industrials		212,692,583	25,523,109,960	1.34%	100%	25,436,331,386	2.25%
BWL	120.00	212,692,583	25,523,109,960	1.34%	100%	25,436,331,386	2.25%
support services		211,953,002	1,629,918,585	0.09%	24%	391,180,460	0.03%
BVN	7.69	211,953,002	1,629,918,585	0.09%	24%	391,180,460	0.03%
NON-CYCLICAL CONSUMER GOODS		1,732,022,000	76,822,452,005	4.02%	48%	36,970,619,866	3.26%
beverages		668,416,672	9,500,334,000	0.50%	50%	4,750,167,000	0.42%
NBS	46.00	206,529,000	9,500,334,000	0.50%	50%	4,750,167,000	0.42%
food producers & processors		326,361,518	14,926,200,429	0.78%	38%	5,697,639,389	0.50%
OCG	87.00	135,526,154	11,790,775,398	0.62%	27%	3,151,674,264	0.28%
CLN	16.43	190,835,364	3,135,425,031	0.16%	81%	2,545,965,125	0.22%
health care		737,243,810	52,395,917,577	2.74%	51%	26,522,813,477	2.34%
MEP	71.07	737,243,810	52,395,917,577	2.74%	51%	26,522,813,477	2.34%
CYCLICAL SERVICES		496,033,186	35,910,555,691	1.88%	97%	34,661,343,087	3.06%
general retailers		496,033,186	35,910,555,691	1.88%	97%	34,661,343,087	3.06%
NHL	1.80	53,443,500	96,198,300	0.01%	30%	28,859,490	0.00%
TRW	80.92	442,589,686	35,814,357,391	1.88%	97%	34,632,483,597	3.06%
NON-CYCLICAL SERVICES		591,338,502	106,618,331,911	5.58%	74%	78,908,227,447	6.97%
food & drug retailers		591,338,502	106,618,331,911	5.58%	74%	78,908,227,447	6.97%
SRH	180.30	591,338,502	106,618,331,911	5.58%	74%	78,908,227,447	6.97%
N098	1261.65	30,465,853,671	1,909,871,116,668	100%	59%	1,132,415,050,047	59.29%

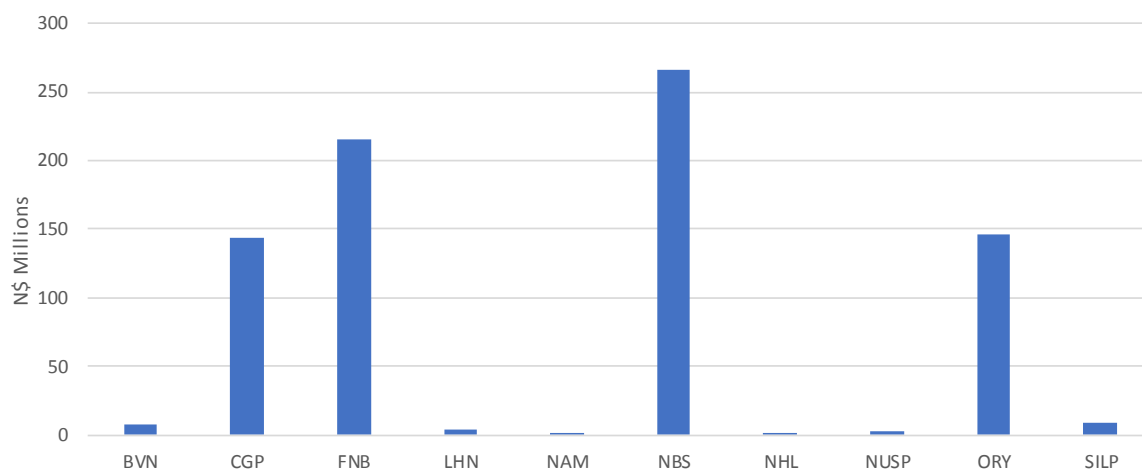
Source: Bloomberg, IJG, NSX

NSX Trading Update Local Companies

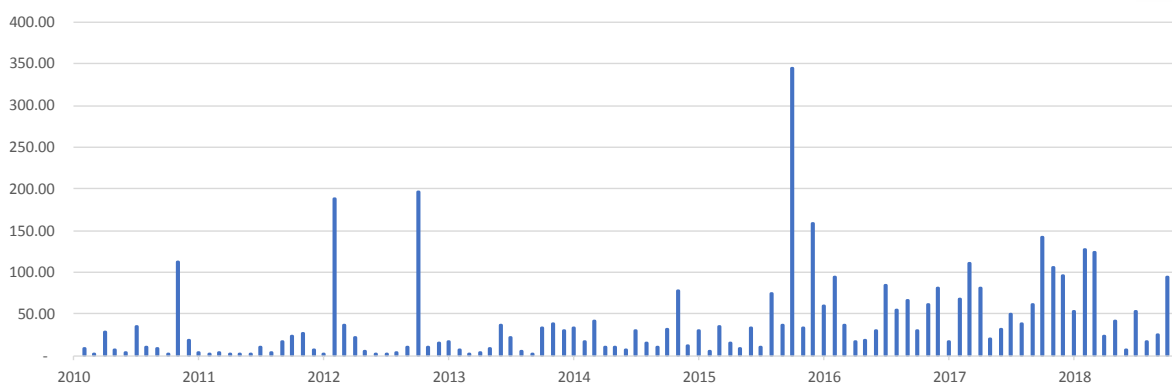
NSX Local Companies: Value Traded October 2018



NSX Local Companies: Value Traded October 2017 – October 2018



NSX Local Companies: Value Traded October 2010 – October 2018



Source: IJG

NSX Monthly Trade Volume (number of shares)

	SHARE	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18
Local Companies							
Capricorn Investment Group	CGP	85,046	128,708	119,737	441,144	1,637,786	643,107
FNB Namibia	FNB	64,303	587,926	127,987	156,543	826,551	63,285
Bidvest Namibia	BVN	200	128,456	1,782	37,201	-	1,418
Letshego Holdings (Namibia)	LHN	26,159	414,198	148,213	225,643	500	6,283
Nam Asset Management	NAM	6,300	-	-	-	-	-
Nambrew	NBS	59,983	18,648	144,241	138,140	689,395	183,816
Nictus	NHL	-	-	2,438	-	-	-
Oryx	ORY	-	1,048,900	67,434	88,209	40,673	411,998
Stimulus Investments	SILP	-	-	-	-	-	-
Nimbus	NUSP	500	34,000	14,100	134,897	2,000	500
Local Company Trading		242,491	2,360,836	625,932	1,221,777	3,196,905	1,310,407
Development Capital Board							
Deep Yellow	DYL	-	-	-	-	-	-
Bannerman Resources	BMN	-	-	-	-	-	-
Forsys Metals	FSY	-	-	-	-	-	-
Xemplar Energy	XEM	-	-	-	-	-	-
Minemakers	MMS	-	-	-	-	-	-
Marenica	MEY	-	-	-	-	-	-
Eco (Atlantic) Oil & Gas	EOG	-	-	-	-	-	-
DevX Trading		-	-	-	-	-	-
Dual Listed Companies							
B2Gold Corporation	B2G	-	-	-	-	-	-
FirstRand	FST	458,016	1,370,840	148,200	1,785,904	1,390,851	3,195,532
Investec Group	IVD	64,868	256,107	479,614	763,814	768,498	905,729
MMI Holdings	MIM	735,247	657,665	197,841	942,411	723,856	116,616
Old Mutual Plc	OLM	2,095,260	2,599,622	-	-	-	-
Old Mutual Ltd	OMM	-	2,442,229	6,808,525	1,761,183	1,841,844	3,109,465
Sanlam	SLA	366,115	705,312	263,172	524,696	363,252	412,198
Santam	SNM	15,253	25,648	175	8,513	9,596	19,705
Standard Bank	SNB	374,767	700,895	328,077	371,804	421,673	550,692
Oceana	OCG	74,401	59,110	116,323	4,814	49,593	208,582
Afrox	AOX	3,607	126,160	17,401	107,123	8,842	7,519
Barloworld	BWL	17,100	391,444	158,086	445,517	338,911	388,941
Anglo American	ANM	382,578	453,756	729,209	638,830	158,380	479,964
Truworths	TRW	77,350	960,653	117,122	521,698	342,314	1,021,167
Shoprite	SRH	97,996	316,650	107,572	376,117	88,736	977,121
Nedbank Group	NBK	91,285	242,155	323,035	548,955	200,731	676,230
Vukile	VKN	443,947	285,971	1,381,563	580,479	104,099	66,578
Paladin Energy	PDN	-	-	-	-	-	-
Trustco	TUC	-	-	-	1,500	17,500	-
PSG Konsult	KFS	59,683	72,453	1,093,250	345,294	149,000	911,096
Clover Industries limited	CLN	312,284	140,258	389,892	289,401	86,158	404,942
Mediclinic International	MEP	437,313	437,331	373,864	266,836	488,260	542,403
Tadvest Limited NM	TAD	-	-	-	2,352,456	-	-
Dual Listed Trading		6,107,070	12,244,259	13,032,921	12,637,345	7,552,094	13,994,480
Total Trading (Including DevX)		6,349,561	14,605,095	13,658,853	13,859,122	10,748,999	15,304,887

Source: NSX, IJG

0.0005	4.85%
0.0003	13.04%
0.0001	50.00%
0.0003	14.29%
0.0005	12.50%

Important Company Dates

Company	Share code	Fin year	Interims	Finals
Bank Windhoek Holdings	CGP	30-Jun	28-Feb	30-Sep
FNB Namibia	FNB	30-Jun	28-Feb	30-Sep
Letshego Holdings Namibia	LHN	31 Dec	31 Aug	31 Mar
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	31-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
Nimbus	NUSP	28-Feb	30-Nov	31-May
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 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 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
IJG Mid-Year Budget Review	Economy	25-Oct-18
NBS FY18 Initial Impression	Company	14-Sep-18
BVN FY18 Initial Impression	Company	12-Sep-18
Letshego Holdings Namibia 1H18 Initial Impression	Company	10-Sep-18
FNB FY18 Initial Impression	Company	10-Sep-18
Oryx FY18 Initial Impression	Company	05-Sep-18
CGP FY18 Initial Impression	Company	29-Aug-18
ORY acquisition of N\$200m worth of TPF International shares	Company	27-Jul-18
BVN Acquisition of Namsoy Shares, Disposal of BidFish	Company	24-Jul-18
Letshego Holdings Namibia FY17 Results Review	Company	16-Jul-18
Namibia Asset Management 1H18 Initial Impression	Company	27-Jun-18
Bidvest Namibia 1H18 Results Review	Company	24-May-18
FNB 1H18 Results Review	Company	24-May-18
Namibia Breweries 1H18 Results Review	Company	23-Apr-18
Oryx 1H18 Results Review	Company	16-Apr-18
Letshego Holdings Namibia Initial Impression	Company	19-Mar-18
BVN 1H18 Initial Impression	Company	15-Mar-18
CGP 1H18 Initial Impression	Company	14-Mar-18
NBS 1H18 Initial Impression	Company	09-Mar-18
IJG Budget Review, 2018	Economy	08-Mar-18
Oryx 1H18 Initial Impression	Company	07-Mar-18
IJG Economic Outlook 2018	Economy	22-Feb-18
Bidvest Namibia Limited – Trading Update	Company	16-Feb-18
FNB Namibia 1H18 Initial Impression	Company	15-Feb-18
Letshego Holdings Namibia Trading announcement – Year End Financial Results	Company	09-Feb-18
Oryx Properties – Appointment of CEO	Company	06-Feb-18

Source: IJG

The above table lists all IJG research products published and distributed during the last quarter, including the Macroeconomic Overview, Fixed Income Research, Company Reports and Sector Reports. Available at www.ijg-research.net

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