



# IJG Namibia Monthly June 2020

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0.0005	4.85%
0.0003	13.04%
0.0002	50.00%
0.0003	14.29%
0.0005	12.50%

## Economic Highlights

	Level	m/m %	y/y %	52Wk High	52Wk Low
<b>NSX Overall</b>	1,054.97	5.24	-23.36	1,376.50	900.32
<b>NSX Local</b>	515.07	-4.06	-15.69	620.65	515.07
<b>South African Market</b>					
<b>JSE ALSI</b>	54,362.36	7.68	-6.60	59,104.61	37,177.92
<b>JSE Top 40</b>	50,174.95	7.80	-3.88	52,979.46	33,407.74
<b>JSE INDI</b>	75,481.17	8.23	5.21	77,871.83	53,105.60
<b>JSE FINI</b>	10,033.83	3.13	-40.95	17,285.55	7,733.47
<b>JSE RESI</b>	51,292.46	8.62	6.96	52,181.98	27,027.36
<b>JSE GOLD</b>	4,961.72	19.96	146.84	5,119.44	1,869.81
<b>JSE BANKS</b>	5,133.47	0.59	-47.19	9,922.37	4,279.81
<b>International Markets</b>					
<b>Dow Jones</b>	25,812.88	1.69	-2.96	29,568.57	18,213.65
<b>S&amp;P 500</b>	3,100.29	1.84	5.39	3,393.52	2,191.86
<b>NASDAQ</b>	10,058.77	5.99	25.64	10,221.85	6,631.42
<b>US Bond (10 Yr Bond)</b>	149.41	-0.27	8.57	153.48	136.08
<b>FTSE 100</b>	6,169.74	1.53	-16.91	7,727.49	4,898.79
<b>DAX</b>	12,310.93	6.25	-0.71	13,795.24	8,255.65
<b>Hang Seng</b>	24,427.19	6.38	-14.42	29,174.92	21,139.26
<b>Nikkei</b>	22,288.14	1.88	4.76	24,115.95	16,358.19
<b>Currencies</b>					
<b>N\$/US\$</b>	17.35	-1.11	23.17	19.35	13.81
<b>N\$/£</b>	21.52	-0.70	20.35	23.71	17.16
<b>N\$/€</b>	19.49	0.09	21.66	20.92	15.42
<b>N\$/AU\$</b>	11.98	2.35	21.16	12.25	9.56
<b>N\$/CAD\$</b>	12.78	0.35	18.82	13.63	10.54
<b>€/US\$</b>	1.12	1.20	-1.22	1.15	1.06
<b>US\$/¥</b>	107.93	0.09	0.07	112.23	101.19
<b>Commodities</b>					
<b>Brent Crude - US\$/barrel</b>	41.27	8.12	-33.42	67.32	24.41
<b>Gold - US/Troy oz.</b>	1,780.96	2.93	26.35	1,789.28	1,381.90
<b>Platinum - US/Troy oz.</b>	829.39	-1.02	-0.64	1,041.71	564.00
<b>Copper - US/lb.</b>	272.85	11.92	-0.80	290.00	199.00
<b>Silver - US/Troy oz.</b>	18.21	1.91	18.88	19.65	11.64
<b>Uranium - US/lb.</b>	31.40	-7.51	27.64	33.95	23.85
<b>Namibia Fixed Interest</b>					
<b>IJG ALBI</b>	225.86	0.49	8.77	229.10	190.04
<b>IJG Money Market Index</b>	216.38	0.48	7.01	216.38	202.19
<b>Namibia Rates</b>					
<b>Bank</b>	4.25	0bp	-250bp	6.75	4.25
<b>Prime</b>	8.00	0bp	-250bp	10.50	8.00
<b>South Africa Rates</b>					
<b>Bank</b>	3.75	-50bp	-300bp	6.50	3.75
<b>Prime</b>	7.25	-50bp	-300bp	10.00	7.25

Source: IJG, NSX, Bloomberg

## Public Debt Securities

N\$ [m]	Treasury Bills		Bonds		Total	
	June-20	May-20	June-20	May-20	June-20	May-20
Issued	3,620.00	3,462.00	465.00	455.00	4,085.00	3,917.00
Funds Raised	650.00	752.00	465.00	455.00	1,115.00	1,207.00
Redemptions	2,970.00	2,710.00	-	-	2,970.00	2,710.00
Interest Payments	-	-	-	-	-	-
Outstanding	25,952.00	25,302.00	40,286.60	39,821.60	66,238.60	65,123.60

Source: BoN, IJG

**Effective yields (EY) for treasury bills (TB's)** on average decreased during June. The 91-day TB yield decreased to 4.44%, the 182-day TB decreased to 4.60%, the 273-day TB yield decreased to 4.60%, and the 365-day TB yield decreased to 4.59%. A total of N\$25.95bn or 38.2% of the Government's domestic maturity profile was in TB's as at 30 June 2020, with 9.10% in 91-day TB's, 16.65% in 182-day TB's, 30.98% in 273-day TB's and 43.27% in 365-day TB's.

**Namibian bond premiums** relative to SA yields generally decreased in June. The GC21 premium was unchanged at 10bps; the GC22 premium decreased by 5bps to 90bps; the GC23 premium decreased by 7bps to 88bps; the GC24 premium was unchanged at 40bps; the GC25 premium decreased by 3bps to 38bps; the GC27 premium decreased by 14bps to 40bps; the GC30 premium decreased by 27bps to 58bps; the GC32 premium decreased by 31bps to 74bps; the GC35 premium decreased by 37bps to 100bps; the GC37 premium decreased by 23bps to 111bps; the GC40 premium decreased by 12bps to 158bps; the GC43 premium decreased by 8bps to 175bps; the GC45 premium decreased by 7bps to 197bps; and the GC50 premium decreased by 5bps to 205bps.

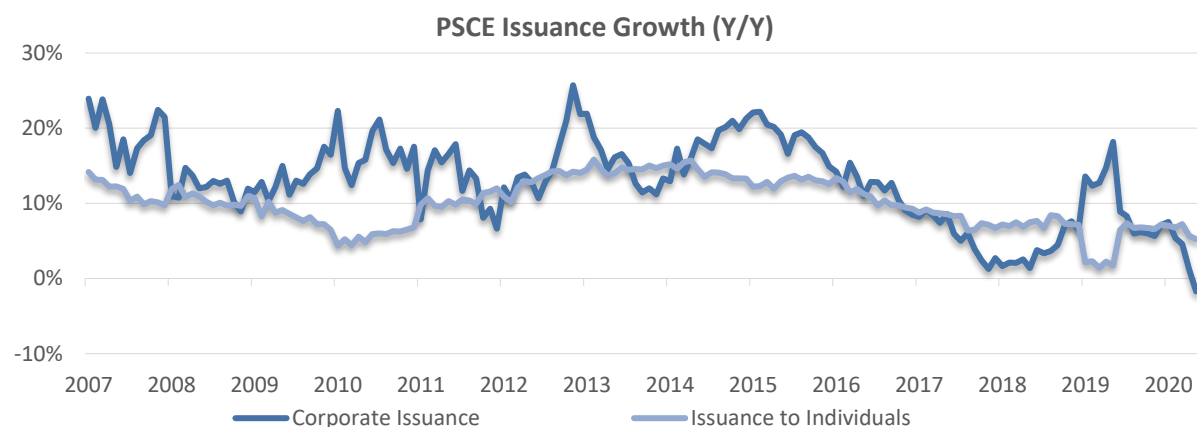
0.0005	4.85%
0.0003	13.04%
0.0004	50.00%
0.0003	14.29%
0.0005	12.50%

## Private Sector Credit Extension - May

	N\$ millions	Change in N\$ millions		% Change	
	Outstanding	One Month	One Year	m/m	y/y
<b>Corporate</b>	<b>42,776.7</b>	<b>(144.9)</b>	<b>(748.1)</b>	<b>-0.34%</b>	<b>-1.72%</b>
<b>Individual</b>	<b>58,775.2</b>	<b>42.4</b>	<b>2,922.2</b>	<b>0.07%</b>	<b>5.23%</b>
Mortgage loans	53,213.0	153.7	1,441.2	0.29%	2.78%
Other Loans & Advances	16,313.7	82.2	1,984.2	0.51%	13.85%
Overdraft	12,195.9	(116.6)	(644.9)	-0.95%	-5.02%
Instalment Credit	9,849.1	(92.9)	(826.2)	-0.93%	-7.74%
<b>Total PSCE</b>	<b>102,285.7</b>	<b>(129.9)</b>	<b>1,831.9</b>	<b>-0.13%</b>	<b>1.82%</b>

Source: BoN, IJG

Total credit extended to the private sector (PSCE) declined by N\$129.9 million or 0.13% m/m in May, bringing the cumulative credit outstanding to N\$102.29 billion. On a year-on-year basis private sector credit increased by 1.8% in May, compared to 3.4% in April. This is the lowest annual growth rate on our records dating back to 2002. On a rolling 12-month basis N\$1.83 billion worth of credit was extended to the private sector. Of this cumulative issuance, individuals took up N\$2.92 billion, while corporates decreased their borrowings by N\$748.1 million, and the non-resident private sector paid back N\$342.3 million of their borrowings.



Source: BoN, IJG

Private sector credit extension remained depressed at the end of May, increasing by only 1.8%, with annualised growth slowing for a fourth consecutive month. Cumulative 12-month private sector credit issuance is down 75.5% from the N\$7.46 billion figure as at May 2019. Rolling 12-month issuance of N\$1.83 billion is now at levels last seen in 2005.

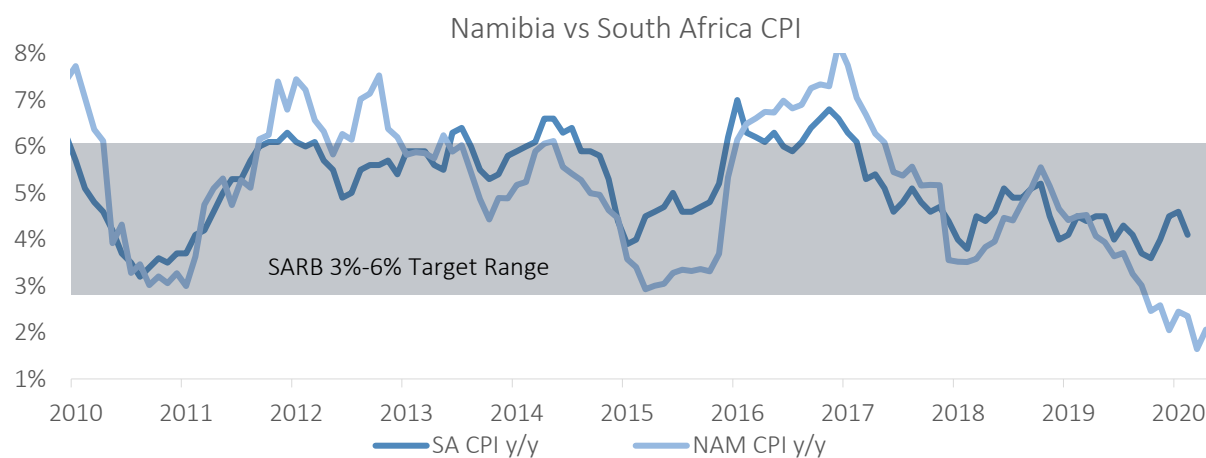
Despite Namibian interest rates now being at their lowest levels yet, we do not expect either consumers or corporates to rush to commercial banks to take up large sums of debt any time soon. Economic activity remains very low and a lack of demand means that growth opportunities for businesses remain extremely slim. Businesses that do make use of credit will likely mostly do so to keep their doors open, instead of investing in capital projects. Banks will furthermore remain cautious in extending loans as their risk appetite will be low given the current economic environment.

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

## Namibia CPI - May

Category	Weight	May-20 m/m %	Apr-20 y/y %	May-20 y/y %	Direction
Food	16.4%	0.1%	4.2%	4.7%	↗
Alcoholic B&T	12.6%	0.5%	0.4%	2.2%	↗
Clothing	3.0%	0.2%	-1.7%	-1.3%	↗
Housing utilities	28.4%	0.0%	-0.5%	-0.6%	↘
Furniture	5.5%	1.5%	2.2%	3.7%	↗
Health	2.0%	0.3%	2.9%	3.0%	↗
Transport	14.3%	0.8%	-0.1%	-0.1%	→
Communications	3.8%	0.4%	1.5%	1.8%	↗
Recreation	3.6%	1.7%	5.0%	5.9%	↗
Education	3.6%	0.0%	7.0%	7.0%	→
Hotels	1.4%	-0.6%	1.7%	0.8%	↘
Miscellaneous	5.4%	0.0%	6.0%	6.1%	↗
<b>All Items</b>	<b>100%</b>	<b>0.4%</b>	<b>1.6%</b>	<b>2.1%</b>	<b>↗</b>

The Namibian annual inflation rate ticked up slightly to 2.1% in May, following the 1.6% y/y increase in prices recorded in April. Prices in the overall NCPI basket increased by 0.4% m/m. Namibian inflation thus remained at historically low levels in May. On a year-on-year basis, overall prices in eight of the twelve basket categories rose at a quicker rate in May than in April, with two categories recording slower rates of inflation and two categories recording increases consistent with the prior month. Prices for goods increased by 2.3% y/y while prices for services rose by 1.7% y/y.



Source: NSA, StatsSA, IJG

Despite a slight uptick in the inflation rate in May to 2.1% y/y, inflationary pressure remains extremely subdued. Despite the lockdown restrictions being lifted for most industries and regions, many businesses and consumers remain under severe financial pressure and are simply not able to afford higher prices for goods and services.

The low inflationary pressure does at least provide the Bank of Namibia (BoN) some leeway to follow the SARB by cutting interest rates at its June MPC meeting in an attempt to resuscitate economic growth. While this should bring some further relief to heavily indebted businesses and consumers, it is unlikely that commercial banks will be spurred on to grow their loan books as risks remain. Monetary policy alone will thus not be enough to drive meaningful economic growth, and as a result inflation is expected to remain low in the short- to medium term. IJG's inflation model forecasts an average inflation rate of 1.9% y/y in 2020 and 3.7% y/y in 2021.



## New Vehicle Sales - May

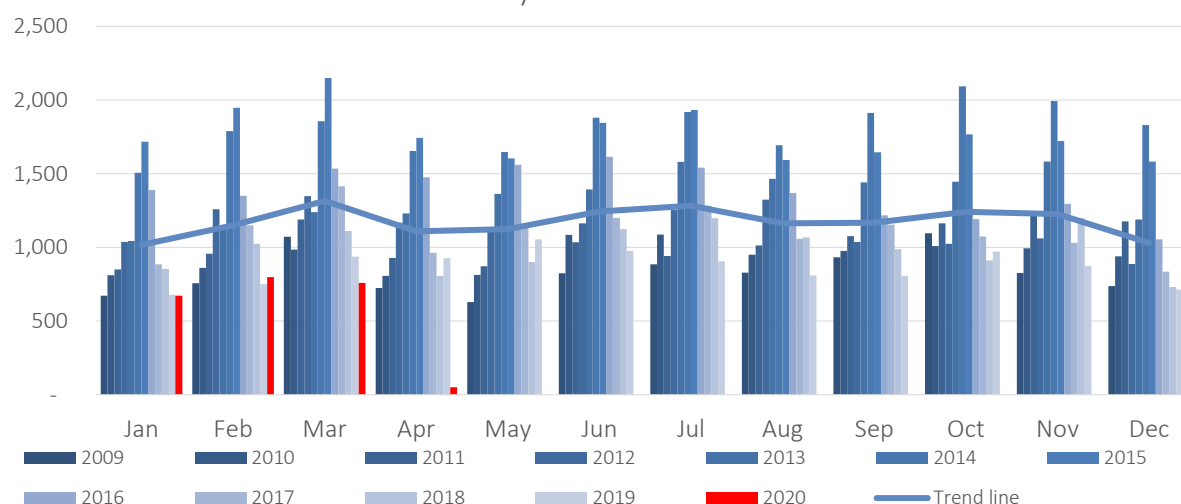
Vehicle Sales	Units	2020 YTD	Mar-20 (y/y %)	Apr-20 (y/y %)	Sentiment
Passenger	9	965	-24.6	-98.1	✘
Light Commercial	39	1 149	-19.5	-90.4	✘
Medium Commercial	2	60	53.3	-87.5	✘
Heavy Commercial	-	105	81.3	-100.0	✘
<b>Total</b>	<b>50</b>	<b>2 279</b>	<b>-18.9</b>	<b>-94.6</b>	<b>✘</b>

Source: Naamsa, IJG

\*Sentiment describes the rate of y/y change

A total of 470 new vehicles were sold in May, an 840.0% m/m increase from the 50 vehicles sold in April, but a 55.5% y/y decrease from the 1,055 vehicles sold in May 2019. Year-to-date 2,749 vehicles have been sold, of which 1,184 were passenger vehicles, 1,380 were light commercial vehicles, and 185 were medium and heavy commercial vehicles. On a twelve-month cumulative basis, new vehicle sales continued to decline with a total of 8,804 new vehicles sold as at May 2020, down 23.8% from the 11,559 sold over the comparable period a year ago.

Monthly Vehicle Sales Trend



Source: Naamsa, IJG

### The Bottom Line

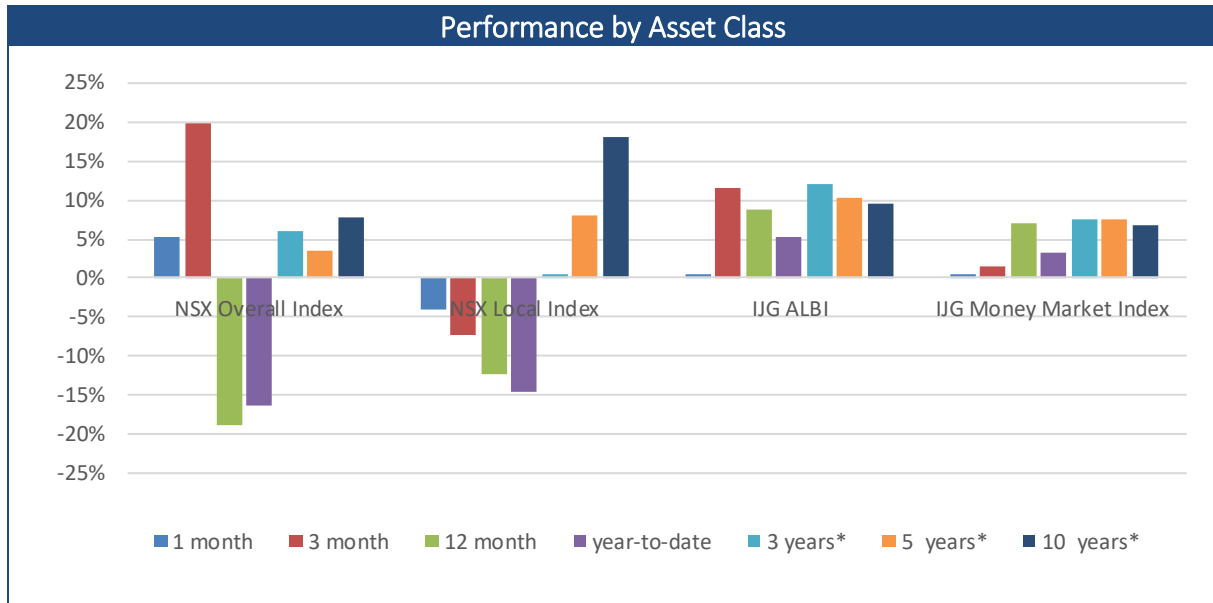
While May's vehicle sales figure of 470 is considerably higher than that of April's 50 vehicles, the number of new vehicles sold fell to roughly half of the number sold a year ago or a quarter of what was sold five years ago. It remains unlikely that new vehicle sales will return to the levels seen in recent months and years as economic conditions are expected to remain dire. The fact that the Erongo region was placed under a further lockdown will continue to weigh down on vehicle sales in June. Furthermore, the revenues of most businesses in the country will be depressed due to the government imposed lockdowns and as a result will not be able to expand/replace their existing vehicle fleets. The tourism sector continues to be affected by the lockdown of the country's borders is currently sitting with an oversupply of vehicles and will thus not be needing new vehicles in the short- to medium term. During the month the government too announced that they will not be renewing their vehicle fleet for the next five years. For the most part we expect consumers who haven't lost their jobs or been forced to take a pay cut, and who can still afford to buy vehicles, to either be more prudent with their finances and defer vehicle purchases or to opt for second-hand models while the current economic uncertainty remains.



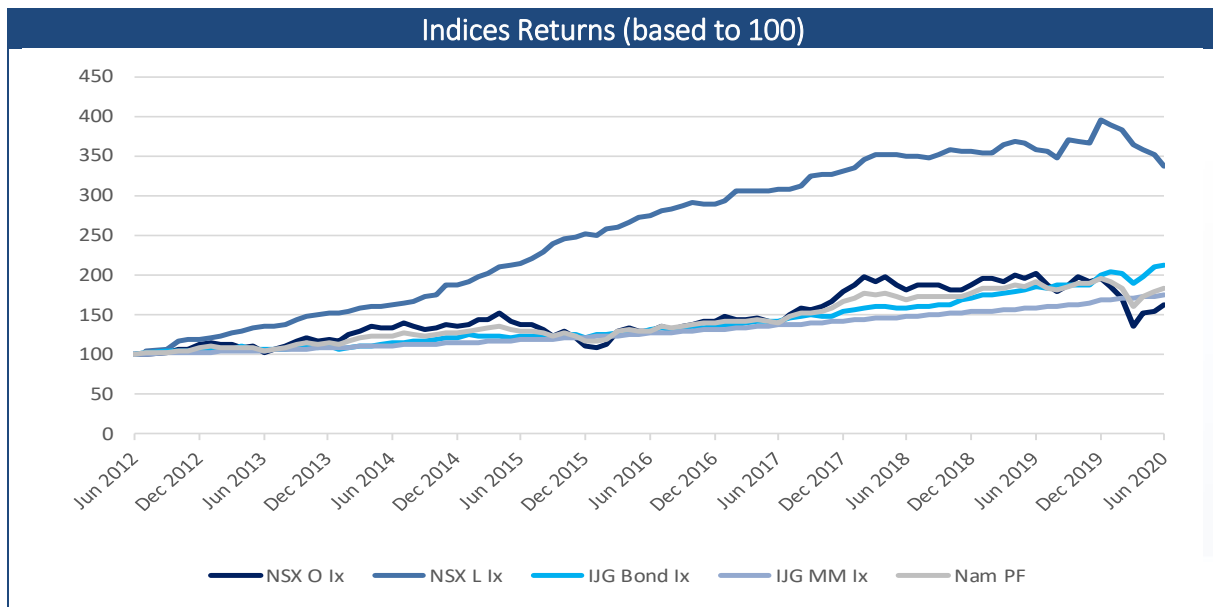
## Namibian Asset Performance

The NSX Overall Index closed at 1054.97 points at the end of June, up from 1002.40 points in May, gaining 5.3% m/m on a total return basis in June compared to a 1.5% m/m increase in May. The NSX Local Index decreased 4.0% m/m compared to a 1.6% m/m increase in May. Over the last 12 months the NSX Overall Index returned -19.0% against -12.3% for the Local Index. The best performing share on the NSX in June was Trustco Group Holdings, gaining 35.6%, while Bravura Holdings was the worst performer, dropping -30.9%.

The IJG All Bond Index (including Corporate Bonds) rose 0.49% m/m in June after a 6.07% m/m decrease in May. The IJG Money Market Index (including NCD's) increased 0.48% m/m in June after rising by 0.52% m/m in May.



Source: IJG



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**Namibian Returns by Asset Class [N\$, %] - June 2020**

	1 month	3 month	6 month	12 month	ytd	3 years*	5 years*
NSX Overall Index	5.27	19.85	-16.47	-18.98	-16.47	6.12	3.45
NSX Local Index	-4.02	-7.32	-14.53	-12.31	-14.53	0.59	7.93
IIG ALBI	0.49	11.69	5.34	8.77	5.34	12.08	10.43
IIG GOVI	0.48	11.97	5.25	8.61	5.25	12.23	10.46
IIG OTHI	0.95	4.93	6.85	12.14	6.85	11.39	10.56
IIG Money Market Index	0.48	1.54	3.27	7.01	3.27	7.59	7.58

\* annualised

Source: IIG

**Namibian Returns by Asset Class [US\$, %] - June 2020**

	1 month	3 month	6 month	12 month	ytd	3 years*	5 years*
US\$ Strength/(Weakness)	1.13	2.80	-19.31	-18.81	-19.31	-9.00	-6.85
NSX Overall Index	6.46	23.21	-32.60	-34.23	-32.60	-3.43	-3.63
NSX Local Index	-2.94	-4.72	-31.04	-28.80	-31.04	-8.46	0.54
IIG ALBI	1.62	14.83	-15.00	-11.70	-15.00	1.99	2.87
IIG GOVI	1.61	15.11	-15.08	-11.82	-15.08	2.12	2.90
IIG OTHI	2.08	7.87	-13.79	-8.96	-13.79	1.36	2.99
IIG Money Market Index	1.61	4.39	-16.67	-13.12	-16.67	-2.10	0.21

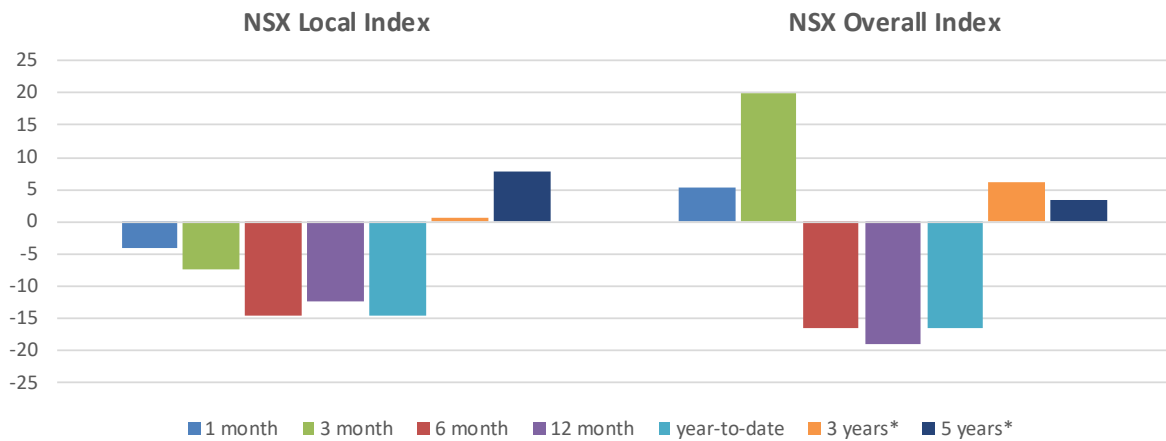
\* annualised

Source: IIG

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## Equities

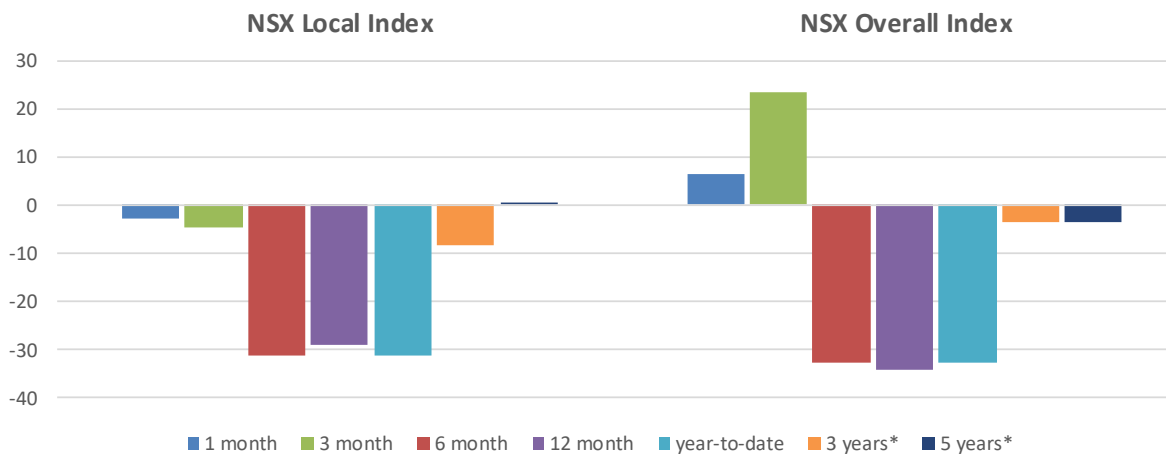
Please note that we have changed the calculation methodology for returns for the NSX Overall and the NSX Local Indices effective 1 February 2010. The new methodology calculates the returns based on the FTSE/JSE total return indices.



### Index Total Returns [N\$, %] - June 2020

	Code	1 month	3 month	6 month	12 month	YTD	3 years*	5 years*
NSX Local Index	N099	-4.02	-7.32	-14.53	-12.31	-14.53	0.59	7.93
NSX Overall Index	N098	5.27	19.85	-16.47	-18.98	-16.47	6.12	3.45

\* annualised



### Index Total Returns [US\$, %] - June 2020

	Code	1 month	3 month	6 month	12 month	YTD	3 years*	5 years*
US\$ Strength (Weakness)		1.13	2.80	-19.31	-18.81	-19.31	-9.00	-6.85
NSX Local Index	N099	-2.94	-4.72	-31.04	-28.80	-31.04	-8.46	0.54
NSX Overall Index	N098	6.46	23.21	-32.60	-34.23	-32.60	-3.43	-3.63

\* annualised



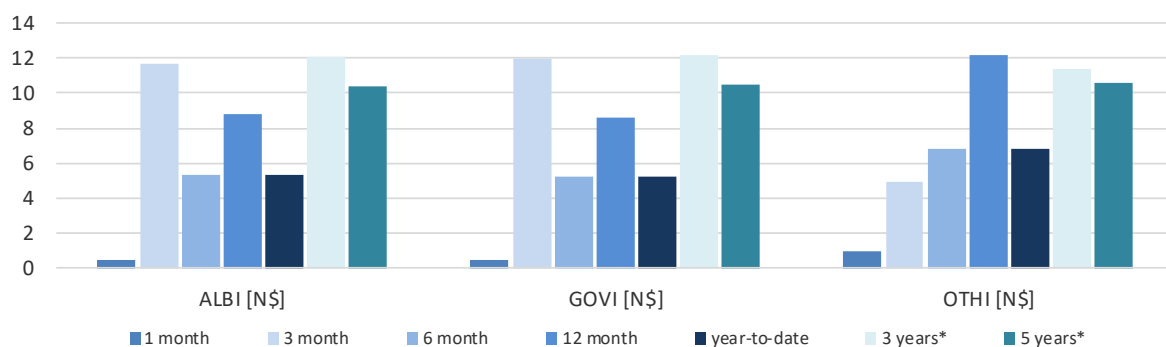
## Individual Equity Total Returns [N\$, %] June 2020

	Month end price (c )	NSX FF Market Cap Weight	NSX FF				
			1 month	3 month	6 month	12 month	year-to-date
<b>FINANCIALS</b>			<b>2.29</b>	<b>10.47</b>	<b>-32.44</b>	<b>-35.91</b>	<b>-32.44</b>
<i>banks</i>			-0.38	7.06	-36.99	-42.98	-36.99
CGP	1,399	0.16%	-0.07	-8.44	-6.48	-8.86	-6.48
FST	3,806	10.48%	-5.16	-1.98	-37.15	-41.01	-37.15
FNB*	3,178	0.18%	-2.22	-4.79	-1.92	3.89	-1.92
LHN	274	0.03%	-8.36	24.28	-10.47	-20.39	-10.47
NBK	10,222	3.56%	3.48	32.25	-48.99	-55.47	-48.99
SNO	749	0.05%	-10.94	-8.48	-15.94		-15.94
SNB	10,450	11.60%	2.84	7.93	-34.29	-42.36	-34.29
<i>insurance</i>			-0.74	0.00	-4.87	-6.81	-4.87
SNM	26,800	0.96%	-0.74	0.00	-4.87	-6.81	-4.87
<i>life assurance</i>			4.96	17.08	-25.11	-24.41	-25.11
MMT	1,761	1.52%	2.15	12.96	-19.37	-7.17	-19.37
OMM	1,204	4.80%	7.21	8.41	-34.65	-38.04	-34.65
SLA	5,894	8.48%	4.19	22.73	-20.73	-19.78	-20.73
<i>investment companies</i>			-6.15	-6.15	10.91	9.18	10.91
NAM*	61	0.01%	-6.15	-6.15	10.91	9.18	10.91
<i>real estate</i>			20.11	6.05	-51.77	-48.88	-51.77
ORY*	1,749	0.13%	0.00	-5.36	-13.59	-7.22	-13.59
VKN	769	0.59%	24.64	8.62	-60.36	-58.25	-60.36
<i>specialist finance</i>			15.80	13.78	-34.53	-39.31	-34.53
CMB	121	0.01%	-30.86	-32.02	8.04	-14.18	8.04
IVD	3,453	0.90%	13.55	1.59	-41.41	-44.17	-41.41
KFS	749	0.26%	7.00	9.56	-19.50	-22.19	-19.50
PNH	1,100	0.04%	11.00	9.14	7.87	5.01	7.87
SILP	12,780	0.05%	2.45	2.45	2.46	8.04	2.46
TAD	1,578	0.00%	0.06	-1.56	23.67	23.76	23.67
TUC*	366	0.26%	35.56	62.67	-40.00	-56.12	-40.00
<b>HEALTH CARE</b>			<b>-3.02</b>	<b>-0.09</b>	<b>-25.83</b>	<b>6.00</b>	<b>-25.83</b>
<i>health care providers</i>			-3.02	-0.09	-25.83	6.00	-25.83
MEP	5,724	1.85%	-3.02	-0.09	-25.83	6.00	-25.83
<b>RESOURCES</b>			<b>9.31</b>	<b>34.74</b>	<b>8.35</b>	<b>13.43</b>	<b>8.35</b>
<i>mining</i>			9.32	34.88	8.46	13.57	8.46
ANM	40,132	42.76%	9.79	31.90	3.48	5.61	3.48
PDN	119	0.16%	-11.19	116.36	36.78	-4.03	36.78
CER	17	0.01%	13.33	54.55	21.43	-41.38	21.43
FSY	202	0.02%	5.76	22.42	50.75	13.48	50.75
DYL	249	0.04%	-11.07	6.41	-9.78	-21.45	-9.78
BMN	40	0.02%	-6.98	48.15	0.00	-11.11	0.00
MEY	63	0.01%	-13.70	-4.55	-26.74	-29.21	-26.74
B2G	9,428	3.06%	4.29	72.64	76.59	126.58	76.59
<i>chemicals</i>			7.96	3.80	-16.51	-19.03	-16.51
AOX	1,749	0.20%	7.96	3.80	-16.51	-19.03	-16.51
<b>INDUSTRIAL</b>			<b>3.84</b>	<b>-0.20</b>	<b>-18.14</b>	<b>-32.55</b>	<b>-18.14</b>
<i>GENERAL INDUSTRIALS</i>			2.27	7.81	-34.86	-42.63	-34.86
<i>diversified industrials</i>			2.27	7.81	-34.86	-42.63	-34.86
BWL	6,981	1.21%	2.27	7.81	-34.86	-42.63	-34.86
<i>NON-CYCLICAL CONSUMER GOODS</i>			-8.88	-12.53	-26.55	-24.17	-26.55
<i>beverages</i>			-8.88	-12.53	-26.55	-24.17	-26.55
NBS*	3,499	0.31%	-8.88	-12.53	-26.55	-24.17	-26.55
<i>food producers &amp; processors</i>			22.95	29.65	15.86	7.41	15.86
OCG	7,131	0.46%	22.95	29.65	15.86	7.41	15.86
<i>CYCLICAL SERVICES</i>			4.25	36.09	-26.74	-47.19	-26.74
<i>general retailers</i>			4.25	36.09	-26.74	-47.19	-26.74
NHL	160	0.00%	0.00	0.00	0.00	7.50	0.00
TRW	3,401	1.26%	4.26	36.15	-26.79	-47.29	-26.79
<i>NON-CYCLICAL SERVICES</i>			3.07	-14.68	-14.15	-30.44	-14.15
<i>food &amp; drug retailers</i>			3.07	-14.68	-14.15	-30.44	-14.15
SRH	10,665	4.53%	3.07	-14.68	-14.15	-30.44	-14.15

Source: IJG, NSX, JSE, Bloomberg



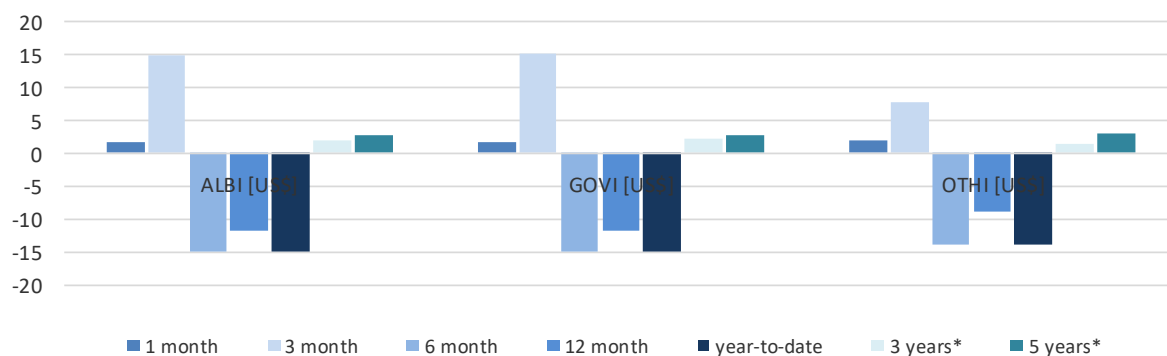
## Bonds



## Bond Performance Index Total Returns (%) - as at June 2020

	1 month	3 month	6 month	12 month	YTD	3 years*	5 years*
<b>ALBI [N\$]</b>	0.49	11.69	5.34	8.77	5.34	12.08	10.43
<b>GOVI [N\$]</b>	0.48	11.97	5.25	8.61	5.25	12.23	10.46
<b>OTHI [N\$]</b>	0.95	4.93	6.85	12.14	6.85	11.39	10.56

\* annualised



## Bond Performance, Index Total Returns (US\$- terms), (%) - as at June 2020

	1 month	3 month	6 month	12 month	YTD	3 years*	5 years*
<b>ALBI [US\$]</b>	1.62	14.83	-15.00	-11.70	-15.00	1.99	2.87
<b>GOVI [US\$]</b>	1.61	15.11	-15.08	-11.82	-15.08	2.12	2.90
<b>OTHI [US\$]</b>	2.08	7.87	-13.79	-8.96	-13.79	1.36	2.99
<b>N\$/US\$</b>	1.13	2.80	-19.31	-18.81	-19.31	-9.00	-6.85

\* annualised



## 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 IJG's Namibian Asset Performance.

IJG Money Market Index Performance [single returns, %] -as at June 2020							
	1 month	3 months	6 months	12 months	YTD	3* years	5* years
Money Market Index	0.35	1.18	2.85	6.34	2.85	7.21	7.51
Call Index	0.24	0.90	2.28	5.19	2.28	5.57	5.52
3-month NCD Index	0.34	1.16	2.81	6.34	2.81	7.00	7.13
6-month NCD Index	0.35	1.23	2.97	6.60	2.97	7.35	7.57
12-month NCDIndex	0.37	1.31	3.13	7.01	3.13	7.82	8.13
NCD Index including call	0.35	1.23	2.97	6.66	2.97	7.38	7.62
3-month TB Index	0.37	1.34	3.24	7.04	3.24	7.62	7.73
6-month TB Index	0.38	1.37	3.26	7.11	3.26	7.79	8.01
12-month TB Index	0.35	1.06	2.57	5.73	2.57	7.03	7.58
TB Index including call	0.46	1.49	3.17	6.80	3.17	7.48	7.50

\* annualised

IJG Money Market Index Performance [average returns, %] -as at June 2020							
	this month	3 months	6 months	12 months	YTD	3* years	5* years
Money Market Index	0.48	1.54	3.27	7.01	3.27	7.59	7.58
Call Index	0.24	0.90	2.28	5.19	2.28	5.57	5.52
3-month NCD Index	0.41	1.42	3.10	6.70	3.10	7.15	8.19
6-month NCD Index	0.50	1.62	3.37	7.16	3.37	8.71	8.10
12-month NCDIndex	0.57	1.79	3.72	7.86	3.72	9.21	8.60
NCDIndex including call	0.50	1.62	3.43	7.32	3.43	6.65	7.20
3-month TB Index	0.48	1.67	3.54	7.38	3.54	7.78	7.76
6-month TB Index	0.55	1.76	3.62	7.60	3.62	8.06	8.05
12-month TB Index	0.46	1.47	3.11	6.73	3.11	7.64	7.71
TB Index including call	0.46	1.49	3.17	6.80	3.17	7.48	7.50

\* annualised

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

## Money Market (Excluding NCD's)

IJG Money Market Index Performance [average returns, %] - June 2020							
	1 month	3 months	6 months	12 months	YTD	3 years *	5 year *
<b>Money Market Index</b>	0.50	1.60	3.44	7.31	3.44	7.78	7.72
<b>Call Index</b>	0.24	0.80	2.15	4.99	2.15	5.47	5.23
<b>3-month TB Index</b>	0.40	1.44	3.34	7.11	3.34	7.64	7.71
<b>6-month TB Index</b>	0.52	1.67	3.54	7.43	3.54	7.92	8.00
<b>12-month TB Index</b>	0.56	1.76	3.69	7.78	3.69	8.24	8.15

\* annualised

IJG Money Market Index Performance [single-month returns, %] - June 2020							
	1 month	3 months	6 months	12 months	YTD	3 years *	5 years *
<b>Money Market Index</b>	0.36	1.19	3.01	6.71	3.01	7.48	7.68
<b>Call Index</b>	0.24	0.80	2.15	4.99	2.15	5.47	5.23
<b>3-month TB Index</b>	0.36	1.20	3.09	6.86	3.09	7.54	7.68
<b>6-month TB Index</b>	0.37	1.25	3.13	6.92	3.13	7.69	7.95
<b>12-month TB Index</b>	0.37	1.25	3.12	6.96	3.12	7.81	8.12

\* annualised

## Exchange Traded Funds (ETF's)

Ticker	Price (c)	mtd %	ytd %	52Wk High	52Wk Low
<b>ENXPLD</b>	32511	-0.33	23.46	42103	20383
<b>NGNGLD</b>	29047	2.91	44.49	31080	18473
<b>NGNPLD</b>	32521	-1.63	23.46	41805	20059
<b>NGNPLT</b>	13961	-0.81	5.53	14833	9841
<b>SXNEMG</b>	4681	6.02	10.48	4759	3547
<b>SXNWDM</b>	5139	1.78	16.14	5235	3854
<b>SXNNDQ</b>	9816	5.25	42.78	9925	6110
<b>SXN500</b>	5328	0.21	18.24	5550	3980

Source: Bloomberg



## Namibian News

### General News

**The Namibia Employers Federation (NEF) on Friday said President Hage Geingob had no business replacing the existing labour law with a proclamation which prohibits retrenchments due to the coronavirus impact.** The president, health and labour ministries and attorney-general's office were represented by Jean Marais and Sisa Namandje. The employers have dragged government to court over regulations that include a ban on retrenchments until at least 28 days after the national coronavirus lockdown ends. Arguing on behalf of the employers, Raymond Heathcote said the labour law gives workers who felt they were unfairly dismissed the opportunity to approach the court on an urgent basis. "People can go to court, the High Court, if they were fired in bunches. The laws remain, the president does not have free power to do as he pleases. Of course, he can regulate, but he cannot suspend laws," he said. - Namibian Sun

**The airport in the Namibian harbour town of Walvis Bay has closed after two residents tested positive for the coronavirus and the economic hub went into lockdown.** The airport would be closed for seven days, manager Chrizelda George told media on Sunday. A third Walvis Bay resident, a colleague of one of the patients, has since tested positive, bringing the total infections nationwide to just 24 with no deaths. Other airports in the country will still allow domestic flights as scheduled and for emergency evacuations. Namibia's flag carrier, Air Namibia, has also suspended all flights in and out of Walvis Bay until 8 June. Most of the desert nation in southwest Africa, which has received international praise after recording so few cases, will ease restrictions from Tuesday. – Reuters

**With Namibia entering Stage 3 of the lockdown on Monday, there will not be much change for sport, with the exception of gyms and exercise centres.** According to the guidelines for Stage 3 which were issued last Thursday, gyms and exercise centres are permitted to reopen, 'subject to adherence to the operational guidelines as provided by the ministry of industrialization and trade stipulating the number of persons permitted inside an establishment per square metre. 'The guidelines also stipulate that gyms and exercise centres need to adhere to strict hygiene measures, including cleaning and disinfecting equipment after every use. According to the guidelines for gyms and health studios, the manager of the business must ensure that all people are sanitised when entering the facility, while temperature checks have to be implemented upon all entrants. Furthermore, a client register is mandatory upon entry as well as at various sub-sections of the facility, for instance at the spinning studio or aerobic studios. -The Namibian

**More than 1 000 Angolan children attending school in Namibia along the Oshikango border will not return when schools reopen tomorrow.** The education authorities in the Ohangwena region are highly concerned about the situation. The borders between the two countries have been closed since the state of emergency was declared and only pupils with Namibian citizenship are allowed to enter Namibia. Isack Hamatwi, education director in the Ohangwena region told The Namibian yesterday the situation is worrisome as some of these pupils are in their final school years and commute between Angola and Namibia every day to attend school. "It is a very worrying situation and we truly pity them, but there is nothing we can do to assist them at the moment. In the meantime we have requested schools to provide us with information detailing their particulars in order to see how many exactly are affected and how we can possibly help them," he said. There are around 20 combined schools close to the Oshikango border post. – The Namibian

**President Hage Geingob will deliver his State of the Nation Address today during what many have described as the gravest time for post-democratic Namibia.** If any introspection has in fact happened since the rude awakening Geingob received at the polls last year, an honest assessment would be that confidence in his leadership is not at an all-time high. Geingob faces intra-party and external forces that would paint him in unflattering tones. Often there is a perception that he does not deal with criticism or being challenged very well. With the coronavirus crisis, economic depression, unemployment, poverty and food insecurity are expected to deepen. There are many reasons for the majority of Namibians to feel aggrieved. Even before Covid-19, there was dismay and hopelessness in the air. The pandemic has simply hastened the continued economic decline and its accompanying pains for citizens. -Namibian Sun

**President Hage Geingob yesterday inaugurated an intensive care and isolation ward at the Windhoek Central Hospital, which will be used as part of the country's response to the Covid-19 pandemic.** According to Geingob, the two facilities are part of an emergency budget of N\$727 million that the government has allocated to the health sector as support during the coronavirus pandemic. "If we fail to plan, we plan to fail," said health ministry executive director Ben Nangombe. He explained that the casualty ward has been converted into an intensive care unit with 15 beds for Covid-19 patients. The isolation ward, built from scratch, can accommodate 10 patients. The construction and renovation work began on 16 March. "Further facilities of this kind will follow in Gobabis, Oshakati and Opuwo on various scales," said Nangombe. There will also be additions to existing facilities at Katima Mulilo. -Namibian Sun

**The Namibian University of Science and Technology (Nust) says students will not be able to return to campus before 3 August.** Under stage three of the coronavirus emergency regulations, face-to-face instruction may resume in June, but it must follow strict health guidelines. For example, no more than 50 students are allowed in class and there must be a distance of at least 1.5 metres between persons. The wearing of masks is mandatory. "Considering the work that still needs to be done and precautions we have to put in place, we estimate that the earliest we could begin to see some students returning to campus will be around 3 August 2020," the university said in a statement. - Namibian Sun

**Two journalists yesterday filed an assault charge against the police VIP Protection Directorate following an incident in which officers manhandled them at the opening of an isolation facility at Windhoek Central Hospital.** The Namibian and Namibian Sun journalists Charmaine Ngatjiheue and Jemima Beukes entered the venue where the event was held after they and other members of the media fraternity were turned away. The journalists, who were invited to cover the event by the office of State House's press secretary on Tuesday, were informed they were barred from the event upon arrival. "Upon arriving at the facility this morning, we were blocked from entering the venue because we were not on the list. Prior to that, I had spoken to Sharonice from State House, who said in case I'm denied access, she'll send a statement and pictures," Ngatjiheue explained. – The Namibian



**The second phase of Operation Namib Desert was launched last week by the deputy inspector-general for operations of the Namibian Police, Major-General Oscar Peter Embubulu.** Embubulu said the maintenance of law and order remains an important national obligation to ensure the safety and security of people through joint crime-prevention operations. Phase two started on 3 June and will run until 28 August, with intervals of 28 days. It will have the same format as the previous police-led joint crime prevention operations code-named Hornkranz, Kalahari Desert and Namib Desert phase one. -Namibian Sun

**The Bokamoso Entrepreneurial Centre, also known as the incubation centre in Katutura yesterday received hygiene and PPE kits from StartUp Namibia and the ministry of trade, funded by the German government.** The kit comprises of handwash, hand sanitiser and disinfectant along with five face masks, aimed at assisting the entrepreneurs as they get ready to resume operation following strict lockdown regulations. At the handover yesterday, the deputy executive director in the Ministry of industrialisation and trade, Michael Hamavindu acknowledged that small businesses are facing an unprecedented economic disruption due to the Coronavirus outbreak. "We know your struggle and we are ready to help wherever we can." He added that more small businesses are encouraged to apply for the hygiene and PPE kits and as such, the deadline for the online application has been extended until 12 June to ensure that more SME's receive assistance. -Namibian Sun

**The Namibia Oncology Centre (NOC) says it has been forced to stop the treatment of some of their patients as they await stock from South Africa amid border restrictions.** The private healthcare centre is the biggest facility in Namibia specialising in the treatment of cancer patients. NOC general manager Anthea van Wyk last week confirmed the centre is facing challenges due to the delay of some chronic medication. "Unfortunately, we have been experiencing a severe shortage of certain medicines since the lockdown was implemented in South Africa," Van Wyk said. She said half of the oncology centre's patients are affected by the delay, and urged the government to prioritise the importation of chronic medication in both the public and private sector. – The Namibian

**The Namibia Transport and Taxi Union (NTTU) has called for the 15% hike in transport fares to be made permanent.** The union leader Werner Januarie wrote to the works ministry on Thursday requesting that the increment to be made permanent, adding that they have conducted their own study which had informed their decision. "We conducted a quick test and an unofficial study that informs us that customers are not having a problem with the N\$14 taxi fare as they initially had before at inception and since that time they have now become accustomed to and accepted it," he said. Januarie further said customers also negotiate with taxi drivers when they do not have the required fare and taxi drivers ferry them on reduced prices depending on the circumstances. The works ministry in May authorised a taxi and bus fare increase of 15% to cushion against the losses incurred by the sector due to the Covid-19 pandemic. Works ministry spokesperson Julius Ngweda told The Namibian that they are not considering making the hike permanent as it was only meant to be a temporary solution. -Namibian

**Urgent work by private and government parties is underway to address an import crisis that has led to depletion or severe scarcities of a wide range of chronic and specialist medicine in Namibia.** Following the coronavirus outbreak, export regulation amendments were introduced in neighbouring South Africa, where the medicine is sourced, in March. "We are experiencing a shortage of medicine in the country which I, in my more than 20 years of practice, have never experienced before," Ulrich Ritter, vice president of the Pharmaceutical Society of Namibia, said. Just last week, South African authorities rejected more than 100 permits for exports of medicine into Namibia, he said. At one point, he said, of more than 60 products ordered by his pharmacy, only eight were received. -Namibian Sun

**The ruling Swapo Party intends to amend its constitution to ban members from contesting national elections as independent candidates.** To this end the party's central committee meeting held last week resolved to call an extraordinary congress before the regional and local authority councils elections scheduled for November this year are held. Swapo secretary for information Hilma Nicanor made this announcement yesterday at a media event held in Windhoek. Nicanor said the proposed amendments were part of a broader self-examination process the party intends to undertake to realign its operations and priorities to ensure that it remains relevant before the regional elections. She said another reason for holding the extraordinary congress was to review the party's campaign tactics and in particular deliberate on issues that affected its performance in last year's presidential and National Assembly elections. – The Namibian

**The Namibia Financial Institutions Supervisory Authority (Namfisa) has invited public to provide input in the consumer credit policy which would ultimately guide the development of a consumer credit bill in the country.** In a statement released by the watchdog, Namfisa said the financial sector in Namibia has legislative limitations on the regulatory and supervisory framework governing agreements on consumer credit. The current legislation lacks robust provisions on effective consumer protection against unfair market practices. This is because the only credit extended under the scope of market conduct supervision, although not broad-based in consumer protection principles, is that extended by the banks and microlenders, Namfisa said. "Credit extended by retailers for example, is not supervised against unfair market conduct, although such loans are also financial products. As a result, there is a fragmentation in the regulation and oversight of credit, with limited impact on indebtedness of households and desired market conduct in general," the statement read. According to Namfisa, there is a need to identify the ideal way of reforming a fragmented market conduct oversight function on credit, currently falling under the mandate of different legislation and institutions. - Namibian Sun

**Private pediatricians say they have run out of vaccines for early childhood immunisation injections for 9-18 months and 5-10 year-olds.** Private patients are now being referred to state hospitals for immunisations, including polio drops. The shortages at private facilities have affected young children of all ages. Some of the vaccines for Namibian children under one year of age include pneumococcal, rotavirus and hepatitis B vaccines, as part of the routine immunisation package. Others also include a combination of measles, mumps and rubella. The Namibian visited various pharmacies in Windhoek's central business district, where most said they are faced with severe shortages in vaccines for small children, but could not reveal the exact vaccinations that are in short supply. The severe shortages are as a result of the Covid-19 imposed lockdown affecting logistics, that has led to countries such as South Africa, Namibia's net importer, changing its import regulations on essential products such as medication. -The Namibian

**The Presidency announced on Sunday afternoon president Hage Geingob would update the nation on Covid-19 but did not invite established news organisations for coverage.** The invite read: "Public Information Alert: President Hage G. Geingob will provide a Covid-19 update to the





nation tomorrow, 22 June 2020 at 14h00. Follow the update live on the media channels of The Presidency.” This information or invite was not extended to any media house including state media, the New Era and the National Broadcasting Corporation. Media professionals described this as the sidelining of independent media while calling for the government, particularly the Presidency to sit down with media to map the way forward. Speaking to The Namibian, the Editor's Forum of Namibia secretary Ronelle Rademeyer said the trend by the Presidency is now worrisome, and one can see a clear rift between the Presidency and media. She said the EFN and presidential press secretary Alfredo Hengari had an informal meeting to discuss these challenges and the way forward has been set up in a Standard Operating Procedure document, which will be disseminated, to stakeholders in due course. -The Namibian

**Walvis Bay, which has become the epicentre of the Covid-19 pandemic in Namibia, is short of 600 beds for quarantine purposes.** The coastal town's Covid-19 response team is in dire need of beds for contact isolation. The beds are part of a list of requirements sent to Walvis Bay Urban constituency councillor Knowledge Ipinge's office on 18 June. In email correspondence seen by The Namibian yesterday, the acting senior medical officer at Walvis Bay State Hospital, Dr Martha Ntinda, said the hospital also requires accommodation facilities for medical staff, six cellphones, 100 boxes of copy paper, 1,000 personal protective equipment (masks, face shields, goggles and overalls) five vehicles and two 14-seater minibuses. The hospital also requested for catering services. “The team is seriously hindered by logistical challenges and urgently needs the assistance of the stakeholders to effectively respond to the Covid-19 outbreak in Walvis Bay district,” said Ntinda. Ntinda did not respond to The Namibian's questions regarding the emailed letter yesterday. However, Ipinge confirmed the correspondence. -The Namibian

**Fears are mounting over widespread Covid-19 retrenchments after the High Court declared regulations by the labour ministry, aimed at banning dismissals, salary cuts and forced leave during the lockdown period unconstitutional and invalid.** Ministry executive director Bro-Matthew Shingudja yesterday said it is too early to tell whether they will appeal the decision. “We must read it through to see what the court has taken into account. We are used to these kinds of judgments. We have to study the judgement to see whether we will go to the Supreme Court,” he said. The Namibia Employers Federation, the Namibia Employers' Association and five private companies in the safari, aviation, transport and printing industry on 29 May brought the urgent application before court. They also questioned President Hage Geingob's powers during an emergency under Article 26 (5) of the Namibia Constitution. -Namibian Sun

**Namibia has moved up eight places on the Global Peace Index for 2020, making it one of the ten most peaceful countries in sub-Saharan Africa.** The index measures the peacefulness of 163 countries with a range of measures, including the level of violent crimes and homicide rate, military spending, deaths from conflict and terrorism, as well as an estimated economic cost of violence. The results revealed that peace has deteriorated in 80 countries while improving in 81. Namibia was ranked 53rd globally with an overall score of 1.861. The country moved up eight places from last year. Among sub-Saharan countries Namibia was ranked eighth. -The Namibian Sun

**President Hage Geingob is considering appointing a new batch of deputy ministers, but this will depend on the workload of his current crop of 19 ministers.** Presidential press secretary Alfredo Hengari said this week the president's decision will be made based on a number of criteria. “As we have indicated before, the president will make a determination on the basis of the ongoing workload at ministries, and based on that, appointments might be made or they may not be made,” he said. Geingob appointed 15 deputy ministers earlier this year, compared to 32 in 2015. -The Namibian Sun

**The Namibia Chamber of Commerce and Industry (NCCI) has welcomed and applauded the decision by the government as announced by president Hage Geingob that the country will move to Stage 4 on 30 June 2020.** NCCI president Sven Thieme says, “it is with great relief that we can welcome the start of our society's reopening, in the wake of this unprecedented economic lockdown.” “As we take our first steps along the road to economic recovery, we should be immensely grateful for the efforts by government and particularly of all those who continue to work so hard to minimise the impact of this disease on our society”, he added. “Getting the balance right between supporting the economy and livelihoods, while also protecting public health, is no easy task. The responsibility of government in making these decisions is an unenviable one”, he says. According to Thieme, due to continued restrictions over the past months, the economy of our country was getting weak day by day, which was not viable for a small economy like Namibia. -Namibian Sun

**Namibia needs to upscale its local food production, minister of industrialization and trade Lucia Iipumbu said Thursday.** Iipumbu made these remarks at the Namibia Chamber of Commerce and Industry (NCCI) business meeting, which aimed to bring business owners together to find ways to better the business industry during the Covid-19 pandemic. The minister said upscaling of the local food production will help to ensure that money is kept in the communities, especially during hard times such as the Covid-19 pandemic. She added that the pandemic has proved that Namibians can produce products. “During the Covid-19 pandemic, many Namibians have tapped into the entrepreneurship sector by producing their own products. Lately Namibia has seen a growth in the establishment of various local businesses such as fruit and vegetable gardens, fabric face masks, hand sanitizers, online music shows, online boutiques, food deliveries, amongst others,” said Iipumbu. To help upscale the local food production, the ministry has recently started an initiative giving training to vendors and building SMEs. -Namibian Sun

## Economy

**Andrew Rowles, CFO for Ashburton Namibia: “We expect that the Namibian recession will deepen even further, with the short- to medium-term outlook remaining very challenging.”** Namibian private equity firm Stimulus Investments is in a “battle to survive”, according to Andrew Rowles, chief financial officer for Ashburton Investments Namibia. Ashburton Investments provides private equity investment management through its portfolio known as Stimulus Investments Limited (SIL), recognised as a forerunner in private equity space in Namibia. “Stimulus has grown from being the first Namibian private equity fund to one of the largest due to the combination of patient capital and an experienced, longstanding management team,” says Rowles. He explains that the tough economic environment is reflected through no portfolio growth in terms of independent valuations. Stimulus assets under management were reduced by -2,7% over the period until the end of February 2020. The previous year saw a -0,9% drop. The internal rate of return of 7.48% for preference shareholders as at 29 February 2020, was down from 7.56% the previous year, and dividends per preference share dropped by 7.6% to N\$3.24 from N\$3.51 at the end of the 2019 financial year. -Namibian Sun

**About 120 people lost their jobs yesterday after a fallout between Chinese-born business magnate Stina Wu and a subcontractor that labour inspectors found to have underpaid his workers.** The workers were employed by Northernland Civil Engineering, a subcontractor whose



contract to Wu's Helmsman Group for a housing project was terminated yesterday after a blame game ensued in front of police and labour inspectors. Northernland was found to have failed to provide protective gear to its workers, whom it also underpaid. The company then alleged that it was underpaying its workers because Wu's Helmsman Group owed it money. Allegations of the use of inferior sand in the building process also surfaced as houses are being constructed with loam soil, something that building inspectors say compromises the quality of the house. -Namibian Sun

**Business owners in the Erongo region has issued a distress call saying their businesses would not survive the latest lockdown imposed on the region.** Those leading these concerns are businesses operating in the hospitality and culinary industries. They said more retrenchments could be on the cards as businesses would struggle to cushion the impact of the latest measures. President Hage Geingob yesterday announced a stage 1 lockdown for the entire Erongo region until 22 June. The lockdown came into effect yesterday. Geingob said residents failed to adhere to state of emergency regulations – hence the extension of the recently imposed stage 1 lockdown on the region. Speaking at State House yesterday, the president said the extension was prompted by the potential for community transmissions. Business owners who spoke to The Namibian said their coffers are running dry. – The Namibian

**The outlook for property prices looks bleak from a market perspective as widespread job losses and income uncertainty induced by Covid-19 do not bode well for demand.** The flurry of trading activity in the small and medium-housing segments is becoming a new normal in the Namibian residential property market. This could be ascribed to affordability issues and inherent high levels of income inequality that are compounded by a smaller population, says the market research manager at FNB Namibia, Frans Uusiku. Uusiku adds that “whether property investment is still regarded as safe haven in the context of current economic conditions is becoming a recurring theme”. The FNB House Price Index posted a contraction of 5.9% year-on-year at the end of March 2020 compared to a contraction of 1.5% recorded over the same period of 2019. This brought the average national house price to a 5-year record low of N\$1,038,577 as at March 2020, he pointed out. - Namibian Sun

**Namibia's economy grew by -0.8% in the first quarter of 2020, a better performance than the -3.3% recorded in the same three months last year.** The first quarter, which ended on 31 March, only includes a few days of the lockdown and therefore doesn't reflect the impact of the lockdown and the first two phases of the state of emergency. Figures released by the Namibia Statistics Agency (NSA) this morning shows wholesale and retail, the heavyweight of the economy, grew by -0.5% in the past quarter. Other sectors performed as follow: Agriculture and forestry (-13%), mining (-3.3%) and manufacturing (-8.3%). Construction grew by 19.8% compared to the first quarter of 2019. - Namibian Sun

**A total of 470 new vehicles were sold in May, an 840.0% m/m increase from the 50 vehicles sold in April, but a 55.5% y/y decrease from the 1,055 vehicles sold in May 2019.** Year-to-date 2,749 vehicles have been sold, of which 1,184 were passenger vehicles, 1,380 were light commercial vehicles, and 185 were medium and heavy commercial vehicles. On a twelve-month cumulative basis, new vehicle sales continued to decline with a total of 8,804 new vehicles sold as at May 2020, down 23.8% from the 11,559 sold over the comparable period a year ago.

**The deputy governor of the Bank of Namibia (BoN), Ebson Uanguta, has announced that the repo rate of the central bank will decrease by another 25 basis points to 4.0% - the lowest in the history of Namibia.** Uanguta stood in for the new governor of the BoN, Johannes IGawaxab, who started at the beginning of June. The Monetary Policy Committee (MPC) of the BoN believes that “at this level the rate is appropriate to continue supporting domestic economic activity while at the same time safeguarding the one-to-one link between the Namibia dollar and the South Africa rand”, Uanguta said. Domestic economic activity declined during the first four months of the year, compared to the same period in 2019, he said. “The contraction was widespread among sectors, including the mining, manufacturing wholesale and retail trade, transport and tourism sectors,” Uanguta said. He said the economy is projected to further contract in 2020. - Namibian Sun

**Fitch Ratings has downgraded Namibia's Long-Term Foreign-Currency Issuer Default Rating (IDR) to 'BB' from 'BB+'. The Outlook is Stable.** The downgrade of Namibia's ratings reflects the mutually-reinforcing deterioration in economic growth and fiscal metrics. The macroeconomic environment has worsened further and Fitch has lowered its assessment of Namibia's growth potential. Subdued economic prospects amid exceptionally elevated inequality and high unemployment will raise significant challenges for the government's plan to stabilise its debt by cutting back spending, particularly on high payroll costs. Fitch now expects the economy to contract by 1.2% in 2019, marking the third consecutive year of recession, against our earlier expectation of 0.7% growth given the 2.7% year-on-year fall in GDP in 1H19. The downward revision reflects broad-based economic weakness as fiscal consolidation continues to depress domestic demand amid tepid regional economic activity in Southern Africa. Drawn-out economic weakness has been compounded by transitory factors, including severe drought and maintenance of key equipment in the diamond sector. GDP will merely stagnate over 2016-2021 in our forecasts, and Namibia will achieve the third-weakest economic performance among all Fitch-rated sovereigns during that period. -Fitch

**The construction industry has suffered an immense blow and its contribution to the country's economy has dropped from 7.2% in 2015 to a mere 2.9% by the end of 2019.** This was said yesterday by the Construction Industry Federation's (CIF) Barbel Kirchner during the daily Covid-19 briefing. According to her this dramatic reduction has seen large-scale retrenchments with about half of the 60,000 workers employed in the formal and informal construction industry sent home. She added that the industry saw a light at the end of the tunnel at the beginning of the year but Covid-19 and lockdown measures have had devastating effects on the industry. “Before lockdown we interviewed our members and the feedback was that 68% of those companies, at the end of the last financial year, had made a loss and operated at a loss. Financing is only through debt and it makes these companies extremely vulnerable,” she said. -Namibian Sun

**Diversification and restructuring of the economy are of critical importance to ensure Namibia survives the Covid-19 pandemic crisis, as well as ensure robust and positive economic growth.** Speaking at an online budget discussion hosted by Bank Windhoek and EY on Wednesday, finance minister Iipumbu Shiimi pointed out the highlights of the recently tabled 2020/21 national budget. The minister highlighted possible plan of actions necessary going forward to mitigate the effects of Covid-19 and ensure that Namibia transform and recover from this crisis. Shiimi noted that the world is in unprecedented times, with global gross domestic product (GDP) and revenue expected to decline significantly this year. This implies that the output which will be produced this year will be much less compared to the output produced in the previous periods. Regionally, all Southern African Customs Union (SACU) member countries are also projected to register negative growth rates and this equally applies to Namibia. Shiimi said the crisis requires a collective effort from all Namibians, including individuals



and corporate companies. He however, appreciates the respond of Namibians in fighting the pandemic to ensure the country moves forward as a nation. -Namibian Sun

**The economic downswing is set to deteriorate dramatically in the second quarter due to a sudden stop in domestic economic activity and international trade and travel caused by the Covid-19 pandemic.** Gross domestic product (GDP) declined by 0.8% year-on-year in the first quarter of 2020. “We continue to forecast a 7.8% contraction in real GDP for this year compared to the government's slightly more optimistic expectation of -6.6%,” says the head of research at PSG Namibia, Eloise du Plessis, in their recent quarterly economic update report. The budget deficit is forecast to widen from an estimated 4.7% of GDP in the 2019/20 fiscal year to a gaping 12.5% of GDP in the 2020/21 fiscal year. Fiscal slippages are also expected in the medium term, given the challenging and uncertain road to economic recovery, the tepid pace of fiscal reforms and probable pushback against efforts to reduce the bloated public wage bill. -Namibian Sun

## Financial

**Private sector credit (PSCE) declined by N\$1.23 billion or 1.19% m/m in April, bringing the cumulative credit outstanding to N\$102.42 billion.** On a year-on-year basis, private sector credit increased by 3.4% in April, compared to 5.8% in March. While this is still positive growth, it is the lowest annual growth rate on our records dating back to 2002. On a rolling 12-month basis, N\$3.32 billion worth of credit was extended to the private sector. Of this cumulative issuance, individuals took up the lion's share of credit, amassing N\$3.15 billion worth of debt while N\$485 million was extended to businesses. The non-resident private sector decreased their borrowings by N\$312 million.

**Bernardus Swartbooi, leader of the Landless People's Movement, says the government must introduce a temporary basic income grant to mitigate the negative impact of the Covid-19 pandemic on ordinary citizens.** He says this grant should be pegged at N\$750 a month and operate for at least two years. This should act as the government's effort to minimise the negative impact of the new coronavirus on people who have lost jobs due to the pandemic. Swartbooi made these remarks on Tuesday in the National Assembly, responding to the N\$72 billion national budget tabled by minister of finance Ipumbu Shiimi last week. While Swartbooi welcomed the government's once-off emergency income grant for unemployed people, he said this was not enough and would not achieve the goal of “saving lives, livelihoods, and generating demand in the total economy” as per the national budget statement. “The reality is . . . the no income and low-income brackets of our people have suffered significantly more from loss of income, livelihoods and self-sustenance tools,” he said. – The Namibian

**President Hage Geingob says Swapo will not borrow money from any financial institution to finance the ongoing construction of its multimillion-dollar headquarters in Windhoek.** This was revealed in response to questions from Popular Democratic Movement leader McHenry Venaani in the National Assembly last week during Geingob's state of the nation address. The ruling party has been secretive about how it is financing the N\$730 million project, which was awarded to Chinese firm Unik Construction Engineering. Unik Construction is the company that won the N\$1 billion tender to build the road between Walvis Bay and Swakopmund. The construction of the Swapo headquarters, which kicked off last year, was initially valued at N\$400 million. The eight-story building, situated opposite the Katutura Intermediate Hospital, will include a basement and a shopping mall on land measuring 14,000 square meters. It also includes a 170-car parking lot and will house the office of founding president Sam Nujoma, the current president, and the office of the party's veterans affairs department, among others. It is not clear how the project escalated to N\$730 million in the space of two years when it was first announced by secretary general Sophia Shaningwa in 2018. -The Namibian

**President Hage Geingob says the government had rejected an offer by the German government to pay Namibia €10 million (about N\$180 million) as reparation for the 1904 to 1908 genocide.** The Nama/Herero genocide perpetrated by the German settlers in Namibia resulted in the deaths of more than 60,000 Herero and over 10,000 Nama people. The president said the committee negotiating on behalf of the Namibian government with the German government, led by the vice president, rejected the offer as an insult. “First they offered €10 million (euros) ... honestly it is an insult. We said that's an insult,” Geingob said. He said this in the National Assembly last week responding to questions from opposition parties on the progress made in the genocide negotiations. – The Namibian

**The ruling Swapo party will get about N\$60 million from the national budget as its allocation this year.** The ruling party's seats in the National Assembly were reduced from 77 it won in 2015 to 63 – a reduction of 14 seats. Swapo has been the biggest beneficiary of the funds allocated to political parties by the government since independence due to its overwhelming majority in parliament. From 2015, the ruling party has been receiving more than N\$78 million from treasury annually. This year, the government will allocate a total of N\$103 million to the eleven political parties that won seats in the National Assembly during last year's elections. The allocation is based on the number of seats political parties occupy in parliament. – The Namibian

**The Ministry of Finance has extended the due date for the submission of individual annual tax returns to the end of September 2020.** Every year, the due date is at the end of June, unless extended. Tonateni Shidhudhu, the ministry's spokesperson, said the extension is necessary to allow all employers to submit their employee taxes reconciliation documents, whose submission was interrupted by Covid-19. The government expects to earn N\$9.5 billion from individuals during the 2020/21 financial year and estimates are the 2019/20 raked in N\$13.6 billion as income tax from individuals. – The Namibian

**Namibia Post Ltd (NamPost) has secured a concessional loan of N\$250 million from Agence Française de Développement (AFD).** The entire amount will be transferred to PostFin, a subsidiary of NamPost, for micro finance to pensioners, as well as low-income earners. The deal supports PostFin's strategy of targeting more vulnerable and underbanked segments of the Namibian population and reach a market share within pensioners of about 20 to 30% over the next five years. A significant part of the country's population, including more than 150,000 pensioners, remain a largely excluded segment and is often overlooked by banks and microfinance institutions. - Namibian Sun

**The government has allocated more money to funding political parties than the Anti-Corruption Commission in this year's national budget, forcing the ACC to shelve key investigations involving as much as N\$8.3 billion.** When he unveiled the budget, minister of finance Ipumbu



Shiimi announced more than N\$100 million will go to funding political parties. Around N\$60 million of that will go to the ruling Swapo party. Party funding is based on the number of MPs a party has. The ACC will receive N\$61 million despite the multiple heavyweight investigations on its books, including the multibillion-dollar Fishrot case. ACC director general Paulus Noa said it would have to park 17 high-profile cases as, once running expenses are taken into account, it will be left with N\$2 million for investigations. Budget documents show that more than N\$50 million of its budget goes to salaries and benefits, and N\$6 million to rent, water and electricity, leaving N\$2 million for forensic investigations. Noa said the N\$2 million would be consumed by the Fishrot case. -The Namibian

**Feedback on local commercial banks' willingness to grant debt repayment holidays to businesses and individuals crippled by the Covid-19 pandemic has been "a mix bag of responses so far", the Bank of Namibia (BoN) said yesterday.** BoN deputy governor Ebson Uanguta, standing in for new governor Johannes IGawaxab at the monetary policy announcement, said the central bank first needs "tangible data" to assess whether it is satisfied with the extent of relief granted by commercial banks. The BoN needs data of "at least three months to know and understand the full extent" of the relief granted, Uanguta said. At the end of March the BoN announced a number of relief measures to mitigate the impact of the lockdown and the global Covid-19 pandemic. These included debt holidays for businesses and households of between 6 and 24 months granted on merit by commercial banks. These holidays apply to the principal amount and interest and are granted at commercial banks' discretion. Since then, banks have implemented "some or a number of measures", Uanguta said yesterday. Banks are busy compiling data on their relief measures as requested by the BoN, he added. -Namibian Sun

**Namibia has revealed plans to establish a sovereign wealth fund for the country.** In a statement released by the Cabinet on Saturday, information minister Peya Mushelenga said the sovereign wealth fund (SWF) will be set up by the country's minister of finance to secure savings for the country's future. Meanwhile, Cabinet has also assigned the finance ministry a task to research and find an appropriate model and plan for the setting up of the (SWF). Mushelenga noted that the SWF will see Namibia setting aside funds as savings that will be used in times of challenges. On a different note, government has also ratified the International Labour Organisation report on the decent work for decent pay programme for domestic workers. This means that the minister of labour has been given a green light to table the bill on the decent work conditions in parliament for discussions. -The Namibian

## Trade and Tourism

**Namibia's exports plummeted to only about N\$5.15 billion during lockdown in April, nearly N\$3.9 billion or 43% less than the previous month.** Compared to April 2019, Namibia's lost nearly 48% in export earnings. This fact is but one in a heap of reports released yesterday which show to which extent the economy went into free fall following lockdown. As such, news by the Namibia Statistics Agency (NSA) that the economy grew by -0.3% in the first quarter compared to -3.3% a year ago offered little comfort. Khomas and Erongo went into lockdown on 27 March. In the middle of April, the entire Namibia was placed under lockdown until 4 May. The first quarter's gross domestic product (GDP) figures are therefore virtually no reflection of the impact of the lockdown on the economy. However, the NSA yesterday also released a number of sectoral reports for April, the start of the second quarter. -Namibian Sun

**The Namibian tourism industry, adversely affected by COVID-19 pandemic, is looking at the domestic market to revive.** Tourism activities came to a halt after the Namibian president declared a state of emergency and subsequent lockdown while the national parks closed between April 17 and May 5 as a result. The Namibian government reopened parks and other leisure business activities in stages two and three of the country's state of emergency. Romeo Muyunda, public relations officer in the Ministry of Environment, Forestry and Tourism, said the move is geared towards promoting domestic tourism. "During the lockdown period, clientele and business declined. We are now encouraging locals to support the tourism sector," he said Tuesday. Meanwhile, tourism and hospitality establishments are offering incentives to locals. Namibia Wildlife Resorts is running special to draw more locals to visit diverse establishments and nature parks, according to Mufaro Nesongano, its manager for corporate communications and online media. -CGTN Africa

**Government has set into motion a plan to open the country's borders during stage five of the Covid-19 lockdown in Namibia, which is expected to take effect from 18 September.** "We have added an additional stage five, estimated from 18 September, to address exclusively the opening of points of entry and the resumption of air travel," President Hage Geingob said during a State House media conference. Geingob said government, in collaboration with the tourism and hospitality sector, will also conduct a targeted international tourism revival initiative between 15 July and 15 August. "This initiative will look to accommodate a limited number of tourists, who will be determined in consultation with the private sector, from a carefully selected low-risk market that has potential to contribute towards our tourism sector that employs over 100,000 Namibians. "Modalities for this initiative will be announced in the coming weeks and this trial will inform and strengthen public sector preparations for the imminent reopening of points of entry under stage five," Geingob said. This comes after a report was submitted to the government in April that the Namibian economy was at huge risk, while one in four Namibians could lose their jobs if strict lockdown measures continued. - Namibian Sun

**Namibia will be the first country in the southern African region to open up its borders to international tourists after the outbreak of the global Covid-19 pandemic.** This is to avert continued job losses in the tourism sector – albeit under strict conditions. This was announced by president Hage Geingob yesterday, while revealing that a ministerial task force, led by the Ministry of Environment, Forestry and Tourism, would commence an assessment of opening up to international tourism from countries with a lower Covid-19 risk. Pohamba Shifeta, minister of environment, forestry and tourism recently said the tourism industry stands to bleed N\$20 billion at the current rate of zero tourist arrivals. The president yesterday announced Namibia will move to stage 4 of the lockdown exit strategy early next month, balancing economic operations with the health of Namibians. Geingob said Namibia would allow foreign tourists with Covid-19-free certificates into the country. These tourists would have to be tested for Covid-19 upon entry, and undergo a mandatory two-week quarantine period at their own cost. -The Namibian

**The Namibian Ports Authority (Namport) handled over one million tonnes of cargo along the trans-national corridors during the last financial year, which was a 30% increase from 2018/2019.** Corridor-volumes recorded in the past financial year ending 31 March show cargo volumes



along the Walvis Bay-Ndola-Lubumbashi Development Corridor increased by 4% from 718,086 tonnes (2018/2019) to 743,646 (2019/2020). The Trans-Kalahari Corridor saw a 42% jump from 35,375 tonnes (2018/19) to 50,368 tonnes (2019/20); while a decrease of 24% was recorded on cargo moved through the Trans-Cunene Corridor from 31,410 tonnes (2018/19) to 23,762 tonnes (2019/2020). More cargo was handled through the Trans-Oranje Corridor which recorded an increase of 205,835 tonnes from 1,785 tonnes in 2018/19 to 207,620 tonnes in 2019/20. The total cargo through all the corridors led to an average increase of 30% from 2018/19 to 2019/20. -The Namibian

## Water and Electricity

**The Northern Regional Electricity Distributor (Nored) has halted all new electrical connections until further notice due to the unavailability and inadequate supply of materials.** The company says it is experiencing difficulties with acquiring key electrical equipment and materials used for consumer electricity connections, due to the effects of the Covid-19 pandemic. Nored spokesperson Simon Lukas in an interview with The Namibian said there are currently challenges in the manufacturing, supply and delivery of electrical goods from suppliers as many of them had to abide by Covid-19 measures implemented in their respective countries. "We do not have all the required equipment to carry out new connections. The equipment that we currently have in stock will be reserved for maintenance purposes only. We apologise for the inconvenience caused as a result," he said. Lukas further noted that Covid-19 has affected Nored's ability to carry out new customers' electricity connections and subsequently the company's efforts to carry out its mandate overall. - The Namibian

**The Windhoek municipality has approved a proposal to raise tariffs on electricity consumption for this year to buy operational vehicles and equipment, among other things.** The proposed increase of 2% on average consumption is in conflict with the 0% increase on bulk tariffs for NamPower set by the Electricity Control Board (ECB). The current tariff for the bulk electricity purchases set by the ECB is 1.5% for the financial year 2020/21 until 2021/22. This means the average rate at which the municipality buys electricity from NamPower will not change for the next two years. All electricity distributors, including regional electricity distributors, local authorities and regional councils are obliged to apply for any tariff changes to the ECB before new tariffs are implemented. Council documents seen by The Namibian, however, show that the municipality has submitted a proposal to increase the tariffs by an average of 2% in addition to the existing tariff of 1.5%. The council documents state that the municipality intends to generate funds for the operating budget of its electricity department. The revenue generated from the proposed 2% tariff increase will be used to buy several cherry picker trucks and general operating vehicles for the municipality. - The Namibian

**Namibia has seen a drastic drop in its electricity producer price.** The drop is by 23.9% in the first quarter of 2020 compared to a 2.9% decline in the same period in 2019, according to the Namibia Statistics Agency (NSA). Statistician general Alex Shimuafeni this morning said the 23.9% deflation shows that the price of electricity drastically dropped to the benefit of consumers despite the country being a net importer of power from South Africa. Speaking at a press briefing in Windhoek, Shimuafeni further stated that the reduction comes amid the decreased demand for power locally. -The Namibian

**The inflow into the three dams supplying central Namibia exceeded all expectations during the past rainy season, reaching the third highest volume in the past 10 years.** Central Namibia is supplied by the Omatako, Von Bach and Swakoppoort dams, augmented with groundwater from Kombat, Berg Aukas and the Karst boreholes via the Eastern National Water Carrier. Currently, the three dams have enough water to last for two years. However, water supply to the central area, which includes Windhoek, remains stressed in the midst of slightly below average rain having been received in the past season. This is according to a joint statement issued by NamWater and the City of Windhoek after a meeting held last week. "This will remain the case until long-term supply augmentation options currently under investigation can be secured and all residents and consumers in the central area therefore need to remain vigilant in their consumption habits to ensure that water supply can be managed," the statement read. -Namibian Sun

## Agriculture and Fisheries

**Sea Flower Pelagic Processing is forging ahead with its planned commissioning of a canning factory at their land-based processing plant in Walvis Bay by the third and fourth quarter of this year.** To achieve this milestone on the road to become the largest onshore processing plant of especially horse mackerel in Sub-Saharan Africa, the company are now recruiting 450 workers for their cannery plant to be trained prior to commissioning. In a strained economy and in the shadow of labour lay-offs following the outbreak of Covid-19, this is good news for Namibia. True to the values and aims set out in the 5th National Development Plan (NDP5), these prospective employees will mostly be drawn from previously disadvantaged communities. The completion of the giant new Seaflower Pelagic Processing land-based fish factory in Walvis Bay at a cost of N\$530 million represents the single biggest investment in the Namibian fishing industry in recent history. - Namibian Sun

**Agricultural debt stood at N\$7.1 billion in June last year, while post-drought recovery is expected to take between three and five years, a new report states.** This is in comparison to the N\$6.3 billion farm debt in June 2018 and does not reflect the challenges that the sector now faces with the coronavirus pandemic and the uncertainty about the post-pandemic future, which could negatively influence investment in agriculture. The Namibia Agricultural Union (NAU) says in its quarterly review that the agricultural sector is working hard to maintain current employment and to provide the commodities and food needed by the market. The sector sustains about 70% of the Namibian population and supports a major part of the rural economy. "The uncertainty surrounding the coronavirus pandemic puts pressure on markets and the disruption of the global economy is likely to affect export commodities. -Namibian Sun

**Sectors that have the potential to create employment and boost overall output such as the agricultural sector got a share of 8% in the development budget for 2020/21, compared to 12% in the 2019/20 budget, a decrease of 4 percentage points.** Iipumbu Shiimi, the new finance minister tabled the national budget of N\$72.8 billion for the 2020/21 fiscal year in the National Assembly last Wednesday, the biggest budget in Namibian history. The 2019/20 financial year national budget stood at N\$66.6 billion, an increase of 9.3%. The transport



sector maintained its top spot, accounting for a share of 31% in the development budget, the same percentage share as in the previous financial year. The allocation is of no surprise as the sector intends on undertaking massive capital projects such as the upgrading and construction of railway lines, as well as the production and transportation of sleepers among other projects. This project is expected to cost N\$200 million. -Namibian Sun

**The money trail in the Fishrot saga was further unravelled yesterday when Anti-Corruption Commission (ACC) investigator Willem Olivier testified that money had been paid from the accounts of Fishcor to companies owned by former justice minister Sacky Shanghala, former Investec CEO James Hatuikulipi, Tamson Hatuikulipi and Pius Mwatelulo.** The revelations were made during the bail hearing of suspended Fishcor CEO Mike Nghipunya. During cross-examination by deputy prosecutor general Ed Marondedze, Olivier said N\$75.6 million had been paid over from Fishcor to companies owned by the accused. The money was generated by selling fishing quotas. The money was paid over to the companies through DHC Incorporated, Olivier further said. - Namibian Sun

**The National Fishing Corporation of Namibia's suspended chief executive officer, Mike Nghipunya, says he cannot understand why he has been charged in the case in which former fisheries minister Bernhard Esau and ex-minister of justice Sacky Shanghala are among his co-accused.** There is "no substance in the allegations" on which the charges of corruption, fraud and money laundering against him are based, Nghipunya says in an affidavit filed at the Windhoek Magistrate's Court as the foundation of an application by him to be granted bail. The hearing of Nghipunya's application started before deputy chief magistrate Ingrid Unengu yesterday. In a departure from the usual procedure in formal bail applications in Namibian courts, Nghipunya did not testify in person to motivate his request to be granted bail, and is instead relying on a sworn statement filed at the court. Nghipunya (35) has been held in custody since his arrest on 17 February this year. In his affidavit he says repeatedly he is denying guilt on the charges he is facing, he will be pleading not guilty when he goes on trial, and he will not flee or interfere with the investigation of his case if released on bail. – The Namibian

**Fisheries minister Albert Kawana says the government will start auctioning off its fishing quotas formerly allocated to Fishcor to generate revenue for the state. This is the first time the quota for governmental objectives will be auctioned.** Kawana told The Namibian last week the motive behind auctioning off the quota for governmental objectives was the need to fund social projects and rural economic development plans such as aquaculture. Kawana said the auction will ensure the government collects enough revenue and enhances transparency in the allocation of government quotas as opposed to the old approach. This quota – for governmental objectives – was introduced by former fisheries minister Bernhard Esau in 2014 under the guise of "sustaining employment and investments in the fishing sector". It has been largely executed by the National Fishing Corporation (Fishcor) with the blessing of the former minister (Esau), from 2014 to 2019. – The Namibian

**After below normal rainfall for the past 7 years, Namibia received good rains at the beginning of 2020, however, farmers entered the restocking phase with negative cash flows, with the country's agricultural debt standing at N\$7.1 billion in June 2019.** Considering the extent of debt farmers are in, it is anticipated that the country's post-drought recovery will take 3 to 5 years. Statistics by the Namibia Agricultural Union shows with livestock producers entering a herd rebuilding phase, the number of cattle and sheep marketed in during the first quarter of 2020 reduced with 31.4% and 59.2%, respectively. Bertha Ijambo, Agricultural Economist at the Namibia Agricultural Union stressed that the country's post-drought recovery challenge is now coupled with the coronavirus pandemic, and there exists uncertainties post-Covid-19 that could negatively influence investment into agriculture sector. Ijambo notes that classifying the agriculture sector as an essential service/industry during the lockdown was a good starting point, however, more can be done to ensure the sustainability of the sector beyond Covid-19. -Namibian Economist

**Tunacor fisheries limited has postponed the opening of its 4,000 square metre horse mackerel value-addition factory as the company struggles sourcing specialised equipment and specialised technicians to commission machinery.** The construction of the country's first solar-operated fishing processing factory started last year and was expected to be operational last month. Tunacor's general manager Peya Hitula said the initial plan was to have the factory completed by May, but this has now been postponed to August. "We have local and foreign technicians working on the project. The local technicians are currently busy. Those from outside are unable to come into the country as a result of travelling restrictions," he said. Hitula said the solar roof of the factory and the cold store are complete and have been commissioned. – The Namibian

**Latest statistics indicate that after three years of being in limbo (2015 to 2018) the marketing offtake of cattle in the Northern Communal Areas (NCAs) has increased by 40%.** This follows the resumption of the formal market in 2018. Overall, 5,191 cattle were marketed at auctions and for local slaughter in 2019, compared to 2,997 in 2018. This an increase of 42.27%, which is mainly attributed to the severe drought situation that affected the Namibian meat industry during 2019. The NCA livestock and meat industry has been experiencing serious marketing challenges, said the Meat Board's marketing officer in Oshana, John Utoni. This is due to a number of factors such as the separation of the NCAs from the World Organisation for Animal Health (OIE)-recognised foot and mouth disease (FMD)-free zone through the veterinary cordon fence (VCF). Another factor is the 2015 outbreak of FMD in the protection zone and the subsequent closure of the Oshakati and Katima Mulilo abattoirs in 2016. -Namibian Sun

**Minister of fisheries and marine resources Albert Kawana said around 20 fishing companies are in a predicament over reduced fishing quotas.** Kawana is finalising the process of awarding new fishing rights, but delays have caused uncertainty in one of Namibia's biggest economic sectors. Several companies have criticised the government for cutting their fishing quotas by as much as 50% this year. There are concerns that fishing companies could use this as a reason to cut jobs. "Yes, I am aware of some companies' position on the issue of fish quotas. These are companies which currently have operations both onshore and offshore. This issue is more apparent in the hake subsector," Kawana told The Namibian yesterday. "About 20 companies or so are affected. The confederation [the Confederation of Namibian Fishing Association] is made aware of this issue" the fisheries minister said, adding new applicants should also be considered. Kawana did not mention the names of the 20 companies affected, but said he needs legal advice from the attorney general's office. - The Namibian

**Swarms of red locusts were detected in parts of the Otjozondjupa Region last week.** The executive director in the agriculture ministry, Percy Misika, says the pest had been detected mainly in the Murarani and Grootfontein areas. Red locusts were also detected in the Zambezi Region in February this year. Since then the ministry has deployed spraying teams to the region to minimise damage to crops and grazing areas. Misika said the ministry managed to contain the spread of locusts in the Zambezi Region. "Unfortunately, since locusts can fly long distances there have been new swarms of locusts coming from neighbouring countries, causing the continued infestation of locusts in the



region.” He said the ministry would deploy a team of plant health and extension officials to assess the situation and start spraying the affected areas. The ministry will monitor the situation and make the necessary interventions to curb the further spread of the locusts. - Namibian Sun

**SEAFLOWER Pelagic Processing at Walvis Bay retrenched 600 fixed-term employees yesterday.** The company's chief executive officer, Adolf Burger, confirmed the retrenchment of the employees to The Namibian, and blamed it on the fishing quota cuts. Seaflower Pelagic Processing is a joint venture between Fishcor (40%) and African Selection Fishing Namibia, which is owned by the Angola-based African Selection Trust (AST) belonging to AJ Louw from Karasburg. Chaos erupted at the factory yesterday when workers were informed that their employment contracts will be terminated at the end of this month. The workers say they received text messages yesterday morning to go to the factory. They went to the factory thinking they were being called for a meeting, but were shocked when they were each served with termination letters. -The Namibian

## Mining and Resources

**The Mining Expo and Conference that was scheduled for 2-3 September 2020, after having been postponed from 22-23 April, has been cancelled.** The event is expected to take place early next year, provided the pandemic subsides enough to permit large public gatherings. At present, there are too many uncertainties about what restrictions could be in place for mass gatherings in September, says Veston Malango, the chief executive of the Chamber of Mines of Namibia. Malango said after the first cases of Covid-19 were confirmed in Namibia on 14 March 2020, the chamber postponed the Mining Expo and Conference to September. After an in-depth assessment, the chamber decided to call off the 2020 Mining Expo and Conference, Malango added. -Namibian Sun

## Infrastructure and Housing

**China has purportedly given the Namibian government a list of five state-owned companies that should bid to expand the Hosea Kutako International Airport at an estimated N\$3.5 billion.** The government cancelled the airport expansion tender five years ago after allegations of bribery in the then N\$7 billion deal. President Hage Geingob has said the government saved billions by cancelling that tender. “N\$4 billion that could have gone to corruption. N\$4 billion! That is action [against corruption],” Geingob said during his state of the nation address last week. Geingob’s administration has been hell-bent on carrying out the new airport expansion project. Namibia went back to China, seeking finance to fund the same project at a reduced cost. - The Namibian

**Namibia's new container terminal situated in the coastal town of Walvis Bay has placed the country in a more competitive position as it can now accommodate larger vessels, making it a preferred destination by many countries.** Built by the China Harbor Engineering Company (CHEC), the container terminal is bringing to life Namibia's goal to become a main logistics hub for the Southern African region, unlocking huge trading opportunities between the rest of the world and Africa. According to Namibian Port Authority (Namport) Acting Chief Executive Officer Kevin Harry, the container terminal has created opportunities that are navigating Namibia towards becoming the main gate for landlocked countries. “The completion of the new Walvis Bay container terminal has elevated Namibia's transport infrastructure to a well-functioning and high-quality standard. As a result, the road corridors that are linked to local and regional markets have experienced growth in cargo volumes,” Harry said. Just recently, Namibia made history when it received the largest vessel to ever dock in the Namibian waters, a 335 meter Maersk 'Sheerness', with a loading capacity of 9,000 containers. – Xinhua Net

**Long-awaited renovations to one of the oldest schools in the Kavango East Region - Linus Shashipapo Secondary School - have commenced, with the main contractor on the N\$102 million project confirmed as China Jiangxi International (Namibia).** The school has a rich history, with a number of ministers, politicians and well-known business personalities having been taught in its classrooms. The Chinese firm, a local subsidiary of China Jiangxi International, which, according to an internet search also has a similar operations in Kenya and South Sudan, among other countries, specialises in building, construction, transport, real estate development, mining, hotels, restaurants, exports and investments. The African Development Bank (AfDB) is funding the project. When contacted for comment, consulting general manager of the Construction Industry Federation (CIF), Bärbel Kirchner, said: “It is very sad that we still have foreign companies involved in the space where Namibian-owned companies should operate. “How can this be tolerated when local contractors, without any doubt, have the capacity and the experience, yet are being left by the wayside?” -The Namibian Sun

## Local Companies

**The Namibian, the country's largest newspaper, will carry out a retrenchment process and renegotiate benefits with employees in a bid to contain costs and streamline the business.** The newspaper's editor, Tangeni Amupadhi, announced to staff this morning that the process will include voluntary retirement for those above 55 and other staff members, as well as benefit cuts for the remaining staff members. “A lot has changed in news media and for Namibia it's worse as the economy has been in a recession for four years. Revenue down, reserves down, we have been living on overdrafts. If overdrafts were a drug, we would definitely overdose and kill ourselves,” he said. e added that the financial squeeze has also affected the paper's print run and circulation figures. Amupadhi said the newspaper pages have gone down 17,000 copies from 70,000 during lockdown. – The Namibian

**Life is slowly returning to normal as Namibians navigate the country's gradual reopening following an easing of trade restrictions which were necessitated to combat the spread of Covid-19.** There is no doubt that Covid-19 will have a lasting impact on society long after the current state of emergency and the risks associated with Covid-19 are over, says Marco Wenk, the managing director of Namibia Breweries Limited (NBL), a subsidiary of the Ohlthaver & List Group. Wenk says the Covid-19 pandemic has transformed the world. Like other companies, NBL has been subject to massive volatility since the end of March 2020. “Covid-19 has forced us to re-think and execute in a complete new and different way,” Wenk says “While our bottom-line performance has undeniably been significantly impacted, we are also clear that we had to take a collective responsibility to support the fight against the Covid-19 pandemic and ensure the health and wellbeing of our employees, consumers, customers, stakeholders, communities and country at large.”. -Namibian Sun



**Trustco has borrowed US\$20 million (N\$338.6 million) from Deutsche Investitions und Entwicklungsgesellschaft (DEG), a development finance institution associated with the KfW Group based in Germany.** The term loan facility has been approved to Trustco Finance, a subsidiary of Trustco Group Holdings Limited, according to the group. The information was provided to the Stock Exchange News Service administered by the Johannesburg Stock Exchange (JSE), by Trustco company secretary Komada Holdings. Trustco is listed on both the Namibian Stock Exchange and the JSE. Heleen Steyn, then acting company secretary, informed shareholders that the Trustco board of directors appointed Komada Holdings as company secretary with effect from 1 March 2020, on 24 February. Komada Holdings forms part of the Shared Services Segment within the Trustco group of companies and serves as company secretary to all of Trustco's subsidiaries, she elaborated then. Komada said Trustco's strategic response to the Covid-19 pandemic, in partnership with DEG, is to use the bulk of the facility to provide student financing, as offered by Trustco Finance, as well as to enhance the educational facilities offered by the Institute for Open Learning (IOL), another Trustco subsidiary. -Namibian Sun

**Namibia cannot afford to keep rescuing loss-making Air Namibia and the national carrier should be liquidated, president Hage Geingob said at his State of the Nation Address last week.** Speaking to lawmakers in parliament on Thursday, Geingob said since the airline was not making a profit, the country could not afford to keep bailing it out. "Air Namibia must be liquidated, we have a serious problem with Air Namibia. It must be restructured. It is not making any profits and it is just being bailed out. We must do something about it," Geingob said. In October 2019, the airline has been forced to cut its operating costs to the bone after the treasury refused a N\$2-billion bailout, and warned in November that it might be forced to shut down operations if it did not receive a rescue package. -Namibian Sun

**All employees of the Pupkewitz Group have been offered a voluntary separation package with a redundancy process to follow by the end of June, the company said in a statement today.** "With Namibia's economic decline driven by factors that are outside of the group's control and intensified dramatically by the global pandemic, our business has felt the effects in a very material way. The group finds itself in a position where more drastic action is required to restore some of our businesses to financial health," said the chairman of Pupkewitz Holdings, Mike Leeming. "The group has negotiated a number of optional re-skilling courses to be offered free of charge and to assist individuals in transitioning to new income-generating opportunities. Emotional and financial counselling will also be made available to the affected individuals," said Leeming. "Arriving at the decision to restructure has been very difficult given the responsibility the group feels towards its people, their families and the greater Namibian community. We believe that this decision will allow us to serve the greater good by securing the jobs of the vast majority of our 1,860 employees," he said. - Namibian Sun

**Locally-listed Oryx Properties will have an extraordinary general meeting of debenture holders later this month to seek, among others, that the interim and final distributions for 2020 be cancelled and that a moratorium be placed on distributions on the 2021 financial year.** In an announcement yesterday on the Namibian Stock Exchange (NSX), Oryx explained the adverse impact of Namibia's ongoing recession and the Covid-19 pandemic on its operations. The company said it has historically been paying out 100% of distributable income and on occasions payment of realised capital reserves. "This has not allowed the business to build up reserves as seen by many other businesses," Oryx said. "The decision of the board to only pay-out 90% of distributable income in the 2019 financial year has not been in place long enough to have a significant impact on cashflows," the group added. -Namibian Sun

**Beverage production at Namibia Breweries, Namibia Beverages and ABInBev Namibia tumbled in April when the lockdown banned alcohol.** A sectoral report released by the Namibia Statistics Agency (NSA) today shows Namibia produced 103,963 hectolitres of beverages in April – 197,863 hectolitres less than in March. Beverage production is an important component of the manufacturing sector in the country. NSA's economic growth figures also released today showed manufacturing grew by -8.3% in the first three months of 2020. -Namibian Sun

**Pick n Pay Namibia yesterday announced that it will retrench 500 of its 1,931 employees in an effort to make the business sustainable.** The company's managing director, Graeme Mouton, said the retrenchments were necessary because of the prolonged economic downturn and reduced consumer disposable income. "The company experienced marginal to negative turnover growth over the past five years. "Furthermore, while the recession has steadily eroded turnover, costs have increased annually above inflation on all fronts, resulting in a decline in profit, leading to losses over the last two years. "A restructuring exercise aimed at reversing losses and setting the business on the path to sustainability was therefore initiated," he said. According to him the company had gone to great lengths to cut costs and avoid retrenchments, such as offering employees voluntary separation packages and early retirement options. -Namibian Sun

**Locally-listed SBN Holdings – with Standard Bank Namibia as its flagship brand – expects its earnings per share (EPS) and headline earnings per share (HEPS) for the half-year ended 30 June 2020 to be substantially lower than those of the same six months in 2019.** Both EPS and HEPS are likely to be between 10% and 20% lower, SBN Holdings said today in a trading statement on the Namibian Stock Exchange (NSX). HEPS is an indication of the profitability of a company's core business. SBN Holdings listed on the Local Index of the NSX in November last year. At the time, the price per share was N\$9.20. SBN today closed at N\$8.30 per share. - Namibian Sun

**Namibia Dairies will look different in the near future as it will continue to leverage its strengths while incorporating change and innovation to enhance sustainability, according to the Technical Head of Namibia Dairies, Pieter van Wyk.** Van Wyk highlighted that no matter how bleak market conditions seem, Namibia Dairies is far from raising the white flag. He noted that since its infant industry protection was phased out over a decade ago, the local dairy industry has been vulnerable to dairy products imported from other countries, particularly South Africa. "Local industry players struggle to compete with these cheaper imports from markets with lower input costs and larger economies of scale. The local dairy industry is further disadvantaged by the value-added tax that must be paid on Ultra-High Temperature (UHT) milk sold in Namibia, as well as by unfavourable exchange rates when importing specialized supplies," van Wyk said. The good rains received this year may have provided minor relief for some extensive farmers with smaller outputs, but the same cannot be said for players in larger, intensive farming activities, such as at the !Aimab Superfarm where most of the Dairies' milk is sourced. "The exiting of farmers, and the overall reduction in milk production have resulted in the current shortage of UHT milk produced in the country, which is set to further decrease. Currently, Namibia Dairies has been receiving about 800,000 litres less of raw milk per month from its farms than it did two years ago," van Wyk added. - Namibia Economist

**The Edcon Group says its employees in Namibia are safe from retrenchment for the time being.** However, the boards of the non-South African Edcon subsidiaries will in due course discuss the viability of entities in light of the business rescue in SA. Edcon owns retailers Edgars, CNA and Jet. The group announced early in June it had sent out Section 189 retrenchment notices to 22,000 workers, which means not all jobs in





the group were secured, according to South African media. The South African retail group sent the retrenchment notices after failing to secure concrete offers from potential buyers. The group said the move to retrench is part of its business rescue plan (BRP) and, in line with that, the company has paid staff salaries in April and May, and is expected to make the June 2020 salary payments. -The Namibian

**Anirep acquires HopSol Power Generation.** THE capital-for-energy mobiliser, Alpha Namibia Industries Renewable Power Limited (Anirep) has acquired a majority shareholding in HopSol Power Generation, the company announced on the Namibian Stock Exchange on Tuesday. The deal was finalised last Friday with Anirep acquiring 70% shares in HopSol Power Generation (Pty) Ltd. This is in addition to the 80% shares the company acquired in HopSol Africa (Pty) Ltd in April. According to the statement, HopSol Power Generation has an arrangement to produce 10 MW as an independent power producer, from two 5MW solar PV grid connected utility plants commissioned in 2015 and 2016. The projects are underpinned by a 25-year power purchasing agreement. -The Namibian

**Nedbank Namibia has appointed Martha Murorua as its new managing director with effect from 13 July 2020.** Murorua, who held an executive position at First National Bank of Namibia and was previously also employed at Old Mutual Namibia, takes over from Lionel Matthews, who took early retirement at the end of March this year. Nedbank Namibia's retail and business banking executive, Richard Meeks, has been acting as the bank's managing director since 1 April. "I am really excited to join an institution which has a proud heritage of almost 50 years in our country. With an able leadership team and a committed legion of Nedbank employees, I look forward to the opportunity to grow both the Nedbank Namibia brand and its business influence to even greater heights," said Murorua. She said despite unexpected challenges as a result of Covid-19, she believed the bank had great prosperity in store. -The Namibian

**Synergy Foods, a joint venture between Vivo Energy and Baobab Khulisani, agreed to take over the management and operations of the KFC Namibia franchise, currently operated by Atlantic Chicken Company.** The venture plans to invest to grow the KFC business in Namibia and will both refresh and improve current KFC restaurants and look to open new ones, including adding restaurants at Shell branded service stations. The KFC Namibia portfolio consists of 21 restaurants, seven of which are in the Windhoek area alone, with others spread around the country. Edward Walugembe, Managing Director of Vivo Energy Namibia said partnering with Baobab in relation to KFC Namibia makes perfect sense for Vivo Energy. "We understand that customers at our Shell branded service stations want more than just a fill-up of fuel when they come to our sites. In recent years, we have invested heavily in growing and developing our convenience retail business; including the addition of quick service restaurants at our service stations. -Namibian Economist

## COVID-19 Cases

**The health minister yesterday confirmed Namibia's 25th case of Covid-19.** A 32-year-old female health worker tested positive for the coronavirus after returning from Cape Town, South Africa, on 29 May. She is in quarantine and her only symptom is a runny nose. Meanwhile, the Romanian couple who were the first confirmed Covid-19 cases in the country have finally recovered after 79 days. Health minister Kalumbi Shangula announced this at the regular Covid-19 briefing yesterday morning. "Today marks the last day of stage two of the country's state of emergency. The latest case is that of 32-year-old health practitioner who travelled to Cape Town towards the end of March by bus and returned on 29 May. She has since been put in quarantine after her positive results and signs of a runny nose," he said. "Case number 22 is still in the ICU on a ventilator but in a stable condition," he further said. Namibia now has 25 confirmed cases, which consist of nine active cases and 16 recoveries. A total of 3,970 antigen tests have been conducted and 619 people remain in quarantine facilities. -Namibian Sun

**Namibia yesterday recorded two more new positive cases of Covid-19, bringing the total confirmed number to 31.** The latest positive cases are travel-related and involved two women - a 27-year-old student and a 50-year-old woman who all travelled from India via South Africa on 24 May. According to health minister Dr Kalumbi Shangula, the two women departed South Africa on 25 May by bus, with other nine passengers, who were also returning to Namibia from India. The passengers were dropped off at the Nakop border post in South Africa. Shangula said on the same day, as pre-arranged, they were collected in two minibuses by Karasburg health district team and entered Namibia through Ariamsvlei border post. The two women were tested on 6 June and the results came out positive on 7 June. Their condition is said to be satisfactory. -New Era

**Police chief Inspector-General Sebastian Ndeitunga has confirmed that Covid-19 case number 33 is a South African passport holder who apparently crossed the Orange River in a canoe on Friday.** He was allegedly assisted by a police sergeant and the general manager of a company at Lüderitz. The two Namibians also secured a lift for him to Windhoek. The South African was quarantined in Windhoek two days after entering the country. Ndeitunga says the man was arrested at the quarantine facility yesterday after his true identity was revealed by intelligence sources. He is now in solitary confinement, as are the two Namibians who assisted him, who have also been arrested. Furthermore, over ten police officers who had been in contact with them were also quarantined, Ndeitunga said. - Namibian Sun

**Calm has been urged after a Mariental Secondary School pupil tested positive for Covid-19. Classes have been suspended and hostel boarders will be kept in quarantine until 6 July.** All classrooms will be disinfected and high-risk contact cases will also be quarantined. All staff, parents and learners have been urged to be cautious of flu-like symptoms and report this to the Covid-19 screening centre at the town. The education ministry also announced yesterday that parents are allowed to keep their children at home, while the promotion requirement for Grades 1 to 9 has been lowered from 40% to 35%. It has also been announced that there will be no end-of-term tests and end-of-year examinations for the primary phase and that continuous assessment marks will be used to promote grades 8 and 9. Grade 9, on the other hand, will write an end-of-year examination. The executive director of the ministry of education, arts and culture, Sanet Steenkamp, said this is applicable to all private and state schools. -Namibian Sun

**Concerns are mounting over the further reopening of schools today after yesterday's announcement that Namibia had recorded nine new coronavirus cases within 24 hours.** With phase two of the reopening of schools coming into effect today, about 300,000 learners are expected to return to class. The education ministry yesterday said it planned to stick with its phased programme of reopening schools, which was adopted in conjunction with the health ministry. "Of course, the situation will change all the time and as leaders we must understand there are dynamics to this situation and the dynamics will demand further consultation and a corresponding response," said the



ministry's deputy executive director, Edda Bonn. Bonn said if parents want to keep their children at home, it is their responsibility to ensure that the learners keep up with their schoolwork. Education minister Anna Nghipondoka said during a visit to several Kavango West schools last week that if the health minister feels that it is not safe anymore, "he will advise us accordingly". -Namibian Sun

**Namibia recorded four new cases of the novel coronavirus (Covid-19), all of which were travellers who recently entered the country, health minister Kalumbi Shangula announced yesterday.** This brings the country's total positive cases to 76. Case numbers 73, 74 and 75 are Indian nationals who travelled to Namibia on 17 June. Case number 73 is a 46-year old woman, case number 74 is a 30-year-old woman and case number 75 is a 19-year-old woman. "[They] travelled from India via South Africa," Shangula told The Namibian. He said the three women travelled from India through South Africa and fall in categories of those permitted in Namibia. The three are said to have shown no symptoms of the virus but were placed in quarantine, as per protocol, according to Shangula. All three are in satisfactory condition. -The Namibian

**With the country's Covid-19 cases reaching 150 yesterday morning, there were 105 confirmed cases in the Erongo Region, of which 100 are in Walvis Bay alone.** It was announced yesterday morning that all 14 new cases are from the harbour town. According to health ministry executive director Ben Nangombe there are at least 105 isolation beds in Erongo, of which 63 are in Walvis Bay. "Most of the cases who test positive do not require hospitalisation and what we have decided is that people who do not require hospitalisation will be isolated elsewhere, because they are not sick, so that we know that the beds are open for people who need hospitalisation," he said. He added that currently some of the positive cases are in fact isolated in a hospital set-up. Nangombe also said the ministry's scientists are working alongside WHO experts to determine a possible peak of infections countrywide. He said the information will be shared as soon as possible, but added that "it is still early to determine whether we have reached a peak yet". -Namibian Sun



## NSX Round-Up

Company	Code	Share		P/E (A)	P/E (F)	HEPS (A)	HEPS (F)	Rec
		Price (c)	Mkt Cap (N\$m)					
Capricorn Investment Group	CGP	1 399	7 263	7.7	7.7	182	182	SELL
FNB Namibia	FNB	3 178	8 504	7.8	7.7	410	415	SELL
Namibia Asset Management	NAM	61	122	6.0	5.9	10.1	10.4	
Oryx Properties	ORY	1 749	1 528	12.7	14.7	137.4	119.3	SELL
Namibia Breweries	NBS	3 499	7 226	12.1	12.2	288.6	286	HOLD
SBN Holdings	SNO	749	3 913	5.4	4.4	139	171	SELL
Letshego Holdings (Namibia)	LHN	274	1 370	3.6	3.3	76.2	83.2	BUY
Paladin Energy Limited <sub>2</sub>	PDN	119	1 803					
CMB International Ltd <sub>3</sub>	CMB	121	346					
Tadvest Limited NM <sub>3</sub>	TAD	1 578	52					
B2Gold Corporation <sub>1</sub>	B2G	9 428	385					

<sub>1</sub> Dual-listed on the TSX

<sub>2</sub> Dual-listed on the ASX

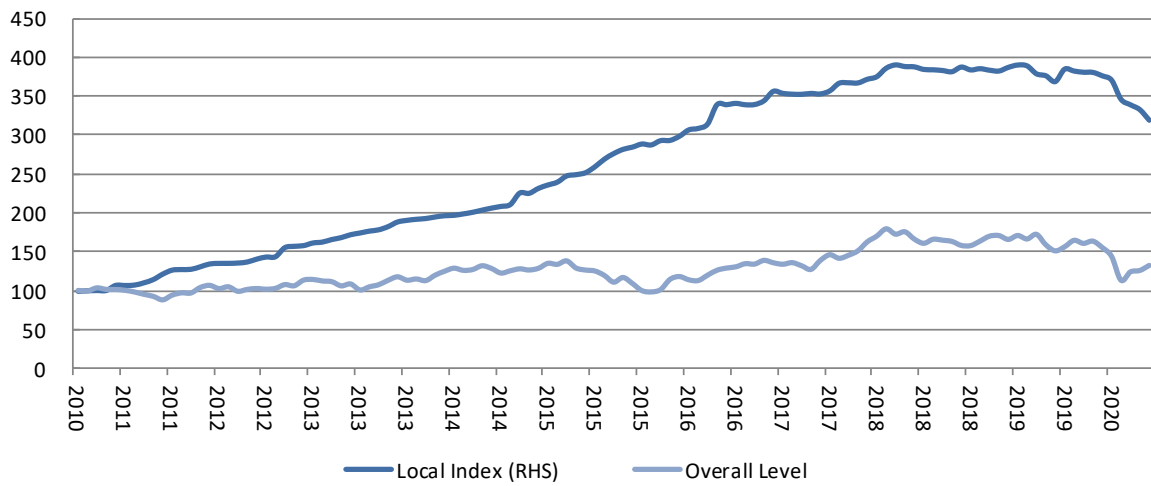
*Deep Yellow, Bannerman Resources, Eco (Atlantic) Oil & Gas and Forsys Metals have their primary listing on the Australian (ASX) or Toronto Stock Exchange (TSX) and listed on the Development Board of the NSX (DevX).*

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

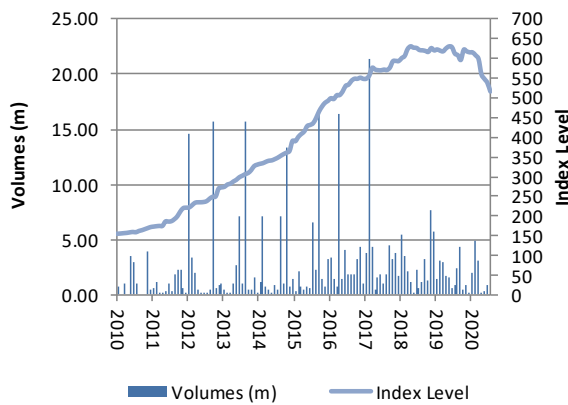
0.0005	4.85%
0.0003	13.04%
0.0003	50.00%
0.0003	14.29%
0.0005	12.50%

## NSX Indices

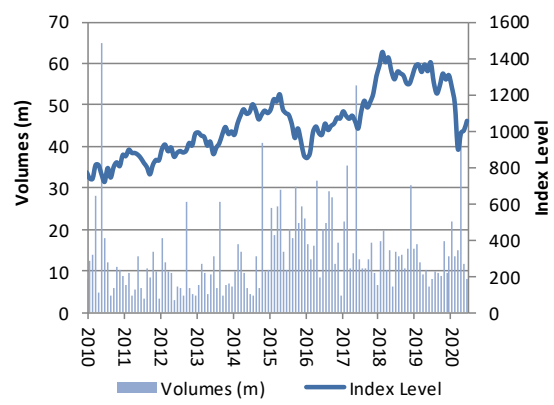
NSX Overall and Local Index (based to 100)



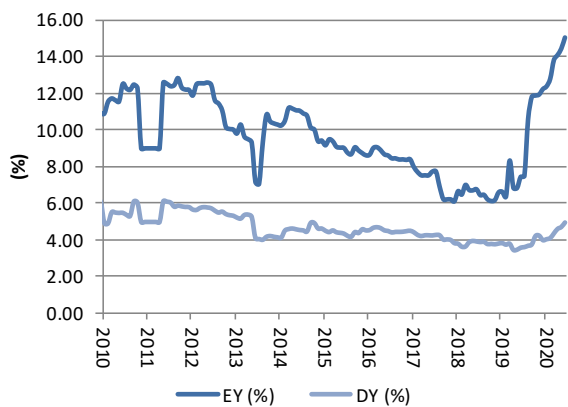
Volumes and Absolute Levels for Local Index



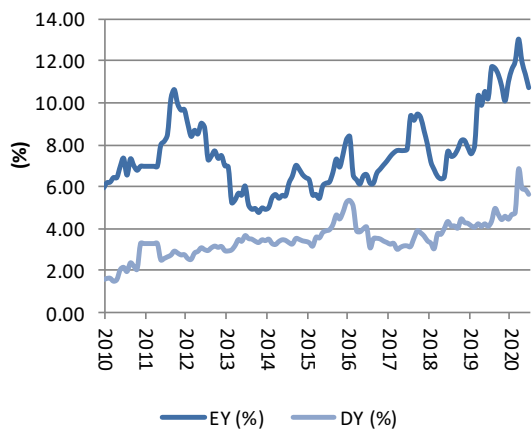
Volumes and Absolute Levels for Overall Index



EY and DY for Local Index



EY and DY for Overall Index



Source: Bloomberg, IJG, JSE



## NSX Overall Index

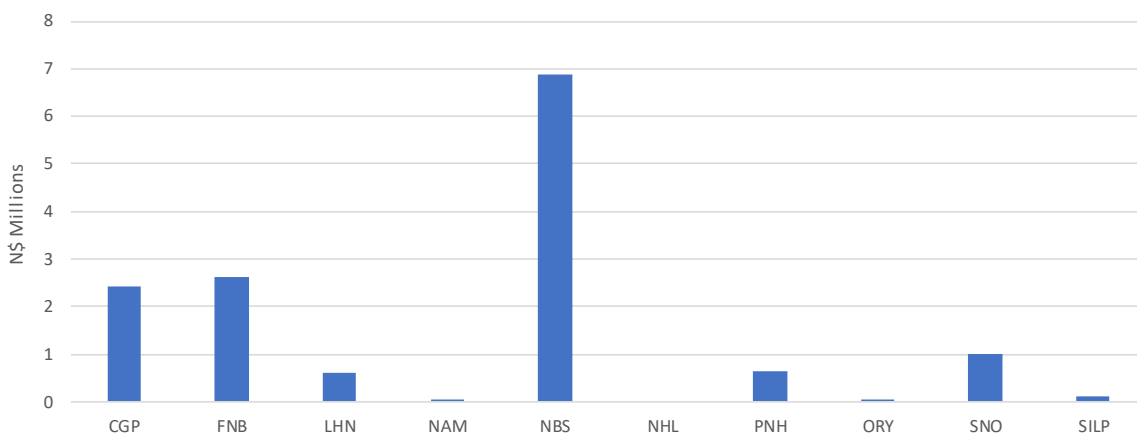
30-Jun-2020		NSX Overall Index N098					
CODE	Share Price	Shares in Issue	Market Cap N\$	Weight %	Free-Float %	FF MCap N\$	FF Weight %
<b>FINANCIALS</b>		<b>23 075 230 035</b>	<b>738 780 988 302</b>	<b>49.84%</b>	<b>68.8%</b>	<b>508 170 984 978</b>	<b>44.08%</b>
<b>banks</b>		<b>9 540 721 373</b>	<b>455 150 555 359</b>	<b>30.70%</b>	<b>66.0%</b>	<b>300 455 221 196</b>	<b>26.06%</b>
CGP	13.99	519 184 399	7 263 389 742	0.49%	26%	1 897 197 401	0.16%
FST	38.06	5 609 488 001	213 497 113 318	14.40%	57%	120 839 366 138	10.48%
FNB	31.78	267 593 250	8 504 113 485	0.57%	24%	2 040 987 236	0.18%
LHN	2.74	500 000 000	1 370 000 000	0.09%	22%	301 400 000	0.03%
SNB	104.50	1 619 929 317	169 282 613 627	11.42%	79%	133 733 264 765	11.60%
SNO	7.49	522 471 910	3 913 314 606	0.26%	15%	586 997 191	0.05%
NBK	102.22	502 054 496	51 320 010 581	3.46%	80%	41 056 008 465	3.56%
<b>general insurance</b>		<b>115 131 417</b>	<b>30 855 219 756</b>	<b>2.08%</b>	<b>35.9%</b>	<b>11 083 194 936</b>	<b>0.96%</b>
SNM	268.00	115 131 417	30 855 219 756	2.08%	36%	11 083 194 936	0.96%
<b>life assurance</b>		<b>8 433 003 413</b>	<b>214 319 398 561</b>	<b>14.46%</b>	<b>79.6%</b>	<b>170 622 074 119</b>	<b>14.80%</b>
MMT	17.61	1 497 475 356	26 370 541 019	1.78%	66%	17 483 668 696	1.52%
OMM	12.04	4 708 553 649	56 690 985 934	3.82%	98%	55 364 416 863	4.80%
SLA	58.94	2 226 974 408	131 257 871 608	8.85%	74%	97 773 988 560	8.48%
<b>investment companies</b>		<b>1 613 118 381</b>	<b>11 693 100 746</b>	<b>0.79%</b>	<b>31.0%</b>	<b>3 622 459 726</b>	<b>0.31%</b>
NAM	0.61	200 000 000	122 000 000	0.01%	52%	63 440 000	0.01%
SILP	127.80	4 650 786	594 370 451	0.04%	100%	594 370 451	0.05%
TAD	15.78	51 544 995	813 380 021	0.05%	0%	0	0.00%
KFS	7.49	1 356 922 600	10 163 350 274	0.69%	29%	2 964 649 275	0.26%
<b>real estate</b>		<b>1 043 605 463</b>	<b>8 881 638 593</b>	<b>0.60%</b>	<b>93.6%</b>	<b>8 316 898 797</b>	<b>0.72%</b>
ORY	17.49	87 378 835	1 528 255 824	0.10%	100%	1 528 255 824	0.13%
VKN	7.69	956 226 628	7 353 382 769	0.50%	92%	6 788 642 973	0.59%
<b>specialist finance</b>		<b>2 329 649 988</b>	<b>17 881 075 287</b>	<b>1.21%</b>	<b>78.7%</b>	<b>14 071 136 204</b>	<b>1.22%</b>
IVD	34.53	318 904 709	11 011 779 602	0.74%	94%	10 384 108 164	0.90%
TUC	3.66	1 616 038 581	5 914 701 206	0.40%	51%	3 030 692 898	0.26%
CMB	1.21	345 983 575	418 640 126	0.03%	36%	150 710 445	0.01%
PNH	11.00	48 723 123	535 954 353	0.04%	94%	505 624 696	0.04%
<b>RESOURCES</b>		<b>4 868 469 975</b>	<b>586 662 836 965</b>	<b>39.57%</b>	<b>90.5%</b>	<b>531 148 904 974</b>	<b>46.07%</b>
<b>mining</b>		<b>4 868 469 975</b>	<b>586 662 836 965</b>	<b>39.57%</b>	<b>90.5%</b>	<b>531 148 904 974</b>	<b>46.07%</b>
ANM	401.32	1 363 118 080	547 046 547 866	36.90%	90%	493 053 053 591	42.77%
PDN	1.19	1 803 078 372	2 145 663 263	0.14%	85%	1 824 028 340	0.16%
B2G	94.28	384 738 307	36 273 127 584	2.45%	97%	35 319 144 329	3.06%
DYL	2.49	229 938 728	572 547 433	0.04%	75%	429 410 575	0.04%
BMN	0.40	847 355 669	338 942 268	0.02%	70%	237 259 587	0.02%
FSY	2.02	96 875 422	195 688 352	0.01%	100%	195 688 352	0.02%
MEY	0.63	143 365 397	90 320 200	0.01%	100%	90 320 200	0.01%
<b>BASIC INDUSTRIES</b>		<b>342 852 910</b>	<b>5 996 497 396</b>	<b>0.40%</b>	<b>39%</b>	<b>2 327 240 639</b>	<b>0.20%</b>
<b>chemicals</b>		<b>342 852 910</b>	<b>5 996 497 396</b>	<b>0.40%</b>	<b>39%</b>	<b>2 327 240 639</b>	<b>0.20%</b>
AOX	17.49	342 852 910	5 996 497 396	0.40%	39%	2 327 240 639	0.20%
<b>GENERAL INDUSTRIALS</b>		<b>201 025 646</b>	<b>14 033 600 347</b>	<b>0.95%</b>	<b>100%</b>	<b>13 985 886 106</b>	<b>1.21%</b>
<b>diversified industrials</b>		<b>201 025 646</b>	<b>14 033 600 347</b>	<b>0.95%</b>	<b>100%</b>	<b>13 985 886 106</b>	<b>1.21%</b>
BWL	69.81	201 025 646	14 033 600 347	0.95%	100%	13 985 886 106	1.21%
<b>NON-CYCLICAL CONSUMER GOODS</b>		<b>1 335 068 222</b>	<b>58 727 377 338</b>	<b>3.96%</b>	<b>52%</b>	<b>30 323 839 655</b>	<b>2.63%</b>
<b>beverages</b>		<b>467 392 608</b>	<b>7 226 449 710</b>	<b>0.49%</b>	<b>50%</b>	<b>3 613 224 855</b>	<b>0.31%</b>
NBS	34.99	206 529 000	7 226 449 710	0.49%	50%	3 613 224 855	0.31%
<b>food producers &amp; processors</b>		<b>130 431 804</b>	<b>9 301 091 943</b>	<b>0.63%</b>	<b>58%</b>	<b>5 349 057 977</b>	<b>0.46%</b>
OCG	71.31	130 431 804	9 301 091 943	0.63%	58%	5 349 057 977	0.46%
<b>health care</b>		<b>737 243 810</b>	<b>42 199 835 684</b>	<b>2.85%</b>	<b>51%</b>	<b>21 361 556 823</b>	<b>1.85%</b>
MEP	57.24	737 243 810	42 199 835 684	2.85%	51%	21 361 556 823	1.85%
<b>CYCLICAL SERVICES</b>		<b>496 407 493</b>	<b>15 150 715 002</b>	<b>1.02%</b>	<b>96%</b>	<b>14 593 706 504</b>	<b>1.27%</b>
<b>general retailers</b>		<b>496 407 493</b>	<b>15 150 715 002</b>	<b>1.02%</b>	<b>96%</b>	<b>14 593 706 504</b>	<b>1.27%</b>
NHL	1.60	53 443 500	85 509 600	0.01%	30%	25 652 880	0.00%
TRW	34.01	442 963 993	15 065 205 402	1.02%	97%	14 568 053 624	1.26%
<b>NON-CYCLICAL SERVICES</b>		<b>591 338 502</b>	<b>63 066 251 238</b>	<b>4.25%</b>	<b>83%</b>	<b>52 281 922 277</b>	<b>4.54%</b>
<b>food &amp; drug retailers</b>		<b>591 338 502</b>	<b>63 066 251 238</b>	<b>4.25%</b>	<b>83%</b>	<b>52 281 922 277</b>	<b>4.54%</b>
SRH	106.65	591 338 502	63 066 251 238	4.25%	83%	52 281 922 277	4.54%
<b>N098</b>	<b>0.00</b>	<b>30 910 392 783</b>	<b>1 482 418 266 588</b>	<b>100%</b>	<b>78%</b>	<b>1 152 832 485 132</b>	<b>77.77%</b>

Source: Bloomberg, IIG, NSX

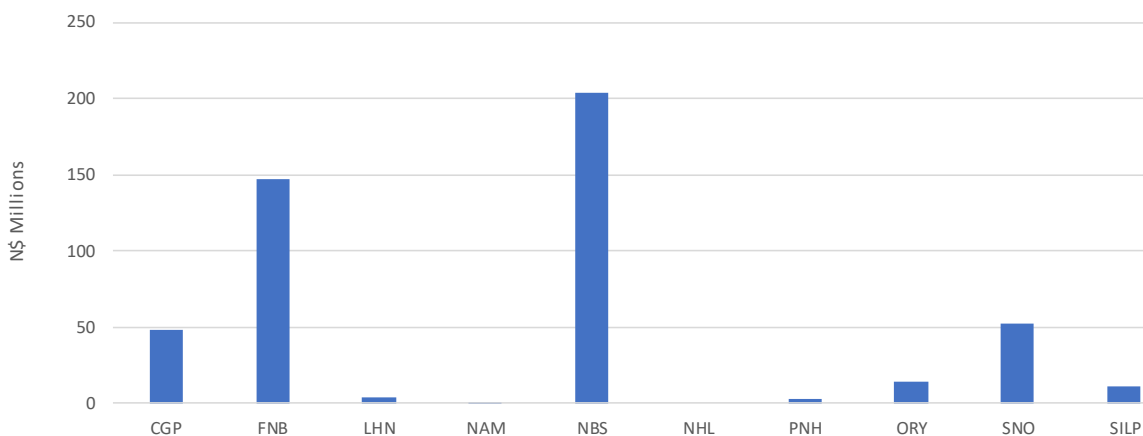
0.0005	4.85%
0.0003	13.04%
0.0001	50.00%
0.0003	14.29%
0.0005	12.50%

## NSX Trading Update Local Companies

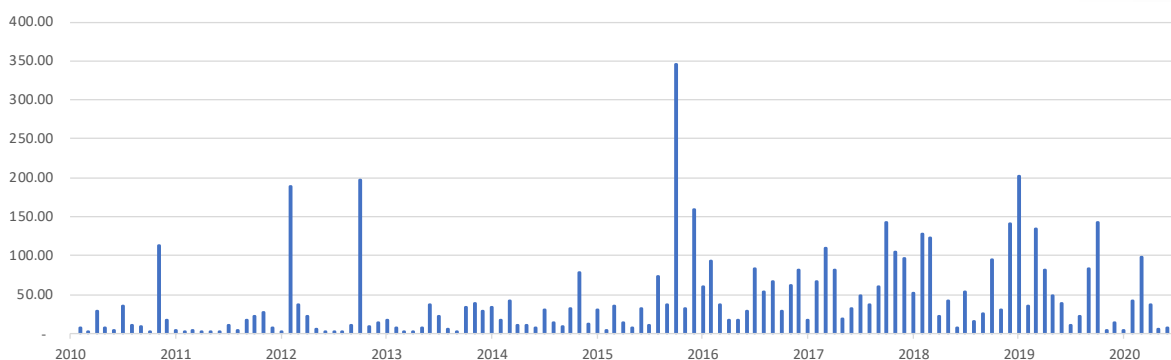
NSX Local Companies: Value Traded June 2020



NSX Local Companies: Value Traded June 2019 – June 2020



NSX Local Companies: Value Traded June 2010 – June 2020



Source: IJG



## NSX Monthly Trade Volume (number of shares)

	SHARE	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20
<b>Local Companies</b>							
Capricorn Investment Group	CGP	16 976	250 060	125 561	42 741	34 305	173 282
FNB Namibia	FNB	61 095	1 094 787	50 420	40 006	37 208	81 687
Letshego Holdings (Namibia)	LHN	561 079	68 714	11 848	35 226	52 875	211 771
Nam Asset Management	NAM	179 905	-	20 400	2 000	55 000	617
Nambrew	NBS	698 606	462 613	257 703	67 716	116 402	172 271
Nictus	NHL	-	-	-	-	-	-
Oryx	ORY	1 000	291 039	162	12 170	153	265
SBN Holdings	SNO	506 476	2 737 664	2 537 945	10 132	24 682	127 181
Stimulus Investments	SILP	-	45 800	-	-	-	1 000
Paratus Namibia Holdings	PNH	1 500	-	55 600	13 200	14 700	61 188
<b>Local Company Trading</b>		<b>2 026 637</b>	<b>4 950 677</b>	<b>3 059 639</b>	<b>223 191</b>	<b>335 325</b>	<b>829 262</b>
<b>Development Capital Board</b>							
Deep Yellow	DYL	-	-	-	-	-	-
Bannerman Resources	BMN	-	-	-	-	-	-
Forsys Metals	FSY	-	-	-	-	-	-
Xemplar Energy	XEM	-	-	-	-	-	-
Minemakers	MMS	-	-	-	-	-	-
Marenica	MEY	-	-	-	-	-	-
Eco (Atlantic) Oil & Gas	EOG	-	-	-	-	-	-
<b>DevX Trading</b>		-	-	-	-	-	-
<b>Dual Listed Companies</b>							
Astoria Investments	ARO	-	-	-	-	-	-
B2Gold Corporation	B2G	-	-	-	-	-	-
FirstRand	FST	989 565	479 504	2 066 941	2 846 152	1 223 550	769 864
Investec Group	IVD	493 895	831 688	1 949 591	927 341	70 248	162 716
Momentum Metropolitan Holdings	MMT	2 400 266	204 446	209 219	2 407 745	1 352 805	184 223
Old Mutual Ltd	OMM	7 526 278	1 285 947	2 907 458	18 074 852	449 064	1 364 654
Sanlam	SLA	1 097 642	230 376	403 531	3 203 575	1 893 318	1 092 046
Santam	SNM	121 718	53 217	48 150	96 924	38 258	22 160
Standard Bank	SNB	839 353	320 942	768 748	515 629	285 648	231 538
Oceana	OCG	251 161	144 406	50 706	231 947	135 564	615 785
Afrox	AOX	155 356	109 919	13 369	94 532	64 535	84 426
Barloworld	BWL	167 279	121 869	1 405	401 089	13 424	694 445
Anglo American	ANM	334 798	260 331	439 909	494 048	573 723	279 797
Truworths	TRW	668 893	762 877	1 015 721	960 795	838 840	208 340
Shoprite	SRH	535 099	241 662	611 009	2 143 736	647 107	236 836
Nedbank Group	NBK	489 101	95 654	700 280	3 601 327	218 012	344 557
Vukile	VKN	2 940 684	2 148 984	200 000	2 674 007	2 247 012	812 890
Paladin Energy	PDN	-	-	-	-	-	-
Trustco	TUC	-	3 230	-	-	-	1 000
PSG Konsult	KFS	382 367	1 010 190	271 380	513 532	-	10 193
Mediclinic International	MEP	468 291	189 845	467 872	1 685 537	1 525 205	122 098
Tadvest Limited NM	TAD	-	-	-	-	-	-
<b>Dual Listed Trading</b>		<b>19 861 746</b>	<b>8 495 087</b>	<b>12 125 289</b>	<b>40 872 768</b>	<b>11 576 313</b>	<b>7 237 568</b>
<b>Total Trading (Including DevX)</b>		<b>21 888 383</b>	<b>13 445 764</b>	<b>15 184 928</b>	<b>41 095 959</b>	<b>11 911 638</b>	<b>8 066 830</b>

Source: NSX, IJG



## 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
Namibia Breweries	NBS	30-Jun	31-Mar	30-Sep
Nictus	NHL	31-Mar	31-Dec	30-Jun
Paratus Namibia Holdings	PNH	28-Feb	30-Nov	31-May
SBN Holdings	SNO	31-Dec	30-Jun	31-Mar
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 IIG Research

Recent IIG Research		
Title	Product	Date of publication
IIG Namibia Monthly	Country Report	Early following month
Namibian Asset Performance	Quantitative	Early following month
IIG Yield Curves	Quantitative	Mondays
IIG Daily Bulletin	Daily Update	Daily
IIG Business Climate Monitor	Economy	Monthly
IIG Data Bulletin Windhoek Building Plans	Economy	Monthly
IIG Data Bulletin NCPI	Economy	Monthly
IIG Data Bulletin PSCE	Economy	Monthly
IIG Data Bulletin New Vehicle Sales	Economy	Monthly
Oryx Operating Update and Extraordinary General Meeting	Company	26-Jun-20
IIG Budget Review, 2020	Economy	28-May-20
Namibia Banking Review: Impact of COVID-19	Company	05-May-20
Oryx 1H20 Results Review	Company	28-Apr-20
Namibia Capital Market Fixed Income Analysis 1Q20	Economy	03-Apr-20
NBS 1H20 Initial Impression	Company	16-Mar-20
CGP 1H20 Results Review	Company	16-Mar-20
SBN Holdings FY19 Initial Impression	Company	13-Mar-20
FirstRand Namibia 1H20 Initial Impression	Company	10-Mar-20
IIG Economic Outlook 2020	Economy	09-Mar-20
Letshego Holdings Namibia FY19 Initial Impression	Company	03-Mar-20
Oryx 1H20 Initial Impression	Company	02-Mar-20
CGP 1H20 Initial Impression	Company	21-Feb-20
Trade Wars	Economy	22-Jan-20
NBS FY19 Results Review	Company	20-Jan-20
Brexit: 2019 Recap and 2020 Expectations	Economy	14-Jan-20
Namibia: Credit Rating Downgrade	Economy	19-Dec-19
SBN Holdings Initiation Report	Company	15-Nov-19
IIG Mid-Year Budget Review, 2019	Economy	23-Oct-19
Oryx FY19 Results Review	Company	16-Oct-19
CGP FY19 Results Review	Company	14-Oct-19
Letshego Holdings Namibia 1H19 Results Review	Company	08-Oct-19
FNB FY19 Results Review	Company	20-Sep-19
NBS FY19 Initial Impression	Company	15-Sep-19
FNB Namibia FY19 Initial Impression	Company	05-Sep-19
Letshego Holdings Namibia 1H19 Initial Impression	Company	02-Sep-19
Oryx FY19 Initial Impression	Company	30-Aug-19
CGP FY19 Initial Impression	Company	22-Aug-19
FNB Update	Company	13-Aug-19
Oryx 1H19 Results Review	Company	16-Jul-19
Letshego Holdings Namibia FY18 Results Review	Company	05-Jul-19
Namibia Capital Market Fixed Income Analysis 2Q19	Economy	03-Jul-19

Source: IIG

The above table lists all IIG research products published and distributed during the last 12 months, including the Macroeconomic Overview, Fixed Income Research, Company Reports and Sector Reports. Available at [www.ijg.net/research](http://www.ijg.net/research)



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