



# FIRST (1<sup>ST</sup>) QUARTER REVIEW JANUARY - MARCH 2019

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## LISTED EQUITY COMPANIES

There are currently 7 listed companies on the ESE Main Board namely:

- RSSC Limited (37.03%) - Sugar and ethanol products
- SBC Limited (21.46%) – Holding Company
- Eswatini Empowerment Limited (17.36%) – Holding Company
- Greystone Partners (11.92%) – Private Equity
- Nedbank (7.22%) – Banking
- SWAPROP (3.86%) – Real Estate
- Royal Swazispa Holdings (1.15%) – Hospitality

There were no new equity listings in the period under review, however the ESE continues to engage stakeholders in a bid to get more listings (both domestic and foreign).

**TABLE 1: LISTED EQUITY COMPANIES**

	Jan 2019	Feb 2019	Mar 2019
Total companies listed	7	7	7
New entrants/listings	0	0	0
Domestic Companies	7	7	7
Foreign Companies	0	0	0

Source: ESE Trading Statistics, 2019

**TABLE 2: QUARTERLY PERFORMANCE**

EQUITIES	ISIN CODE	RULING PRICE DEC '18	RULING PRICE MAR '19	(%) CAPITAL GAINS YIELD	MKT CAP DEC '18	MKT CAP % DEC '18	MKT CAP MAR '19	MKT CAP % MAR '19
Nedbank	SZ0005797904	1100	1120	1,82%	262 917 919	7,21%	267 698 245	7,34%
Royal Swazi Sugar (RSSC)	SZ0005797920	1400	1400	0,00%	1 348 851 280	36,98%	1 348 851 280	36,98%
Swd Empowerment (SEL)	SZE000331015	3418	3418	0,00%	632 330 000	17,34%	632 330 000	17,34%
Swaprop	SZ0005797946	605	605	0,00%	140 714 833	3,86%	140 714 833	3,86%
Swazispa Holdings	SZ0005797938	600	600	0,00%	41 966 964	1,15%	41 966 964	1,15%
Greystone Partners	SZE000331023	306	306	0,00%	434 019 571	11,90%	434 019 571	11,90%
SBC Limited	SZE000331031	810	810	0,00%	781 569 000	21,43%	781 569 000	21,43%
					3 642 369 567	99,87%	3 647 149 892	100,00%

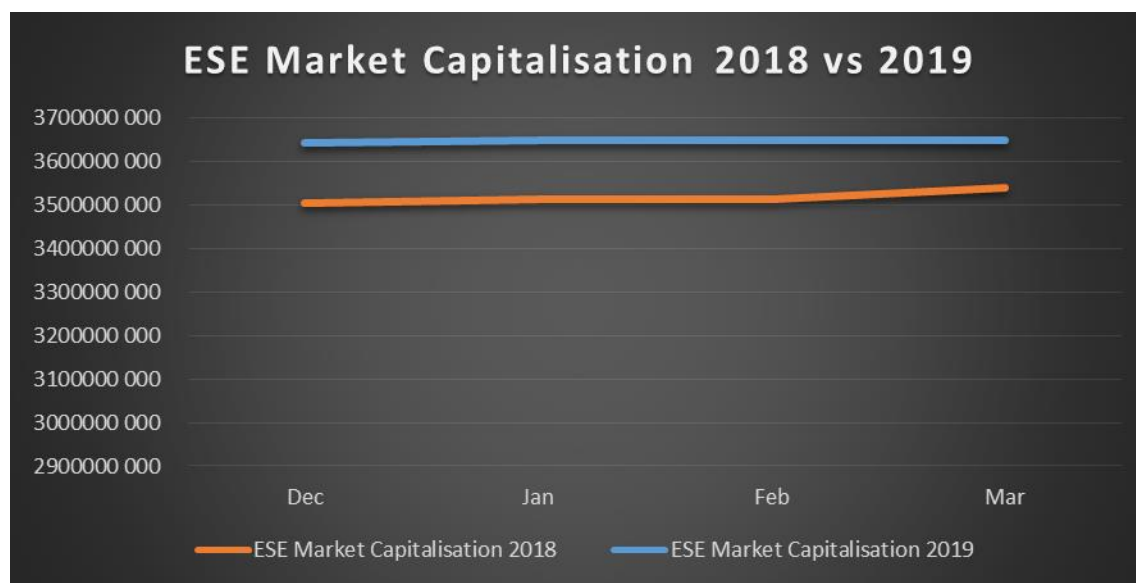
Source: ESE Trading Statistics, 2019

## MARKET CAPITALISATION

ESE Market Capitalisation ended the 1<sup>st</sup> quarter with a value of E3.647 billion, reflecting an increase of 0.14% from the previous quarter's close of E3.642. The stagnancy in the market capitalisation was due to only trades from one company Nedbank in the quarter that had an effect on the share price. Year-on-year, the Market Capitalisation realised a

3.08% gain from E3.567 billion in the 1<sup>st</sup> quarter of 2018 to E3.647 billion at the end of the 1<sup>st</sup> quarter in 2019.

**GRAPH 1: ESE MARKET CAPITALISATION '18 vs '19**



Source: ESE Trading Statistics 2019

## MARKET INDICATORS

Name of Index	Dec 2018	Jan 2019	Feb 2019	Mar 2019
ESE All Share Price Index	422.42	422.97	422.97	422.97

## COMPARISON OF INDEX PERFORMANCES IN 1<sup>st</sup> QUARTER OF 2018 AND 2019

Name of Index	Mar 2018	Mar 2019	% Change
ESE All Share Price Index	413.66	422.97	0.13 ▲

## MARKET CAPITALISATION IN 1<sup>st</sup> QUARTER 2019

	Dec 2018	Jan 2019	Feb 2019	Mar 2019
Market Capitalisation	3 642 369 566	3 632 696 446	3 633 859 379	3 647 149 892

## COMPARISON OF MARKET CAPITALISATION IN 1<sup>st</sup> Quarter 2018 AND 2019

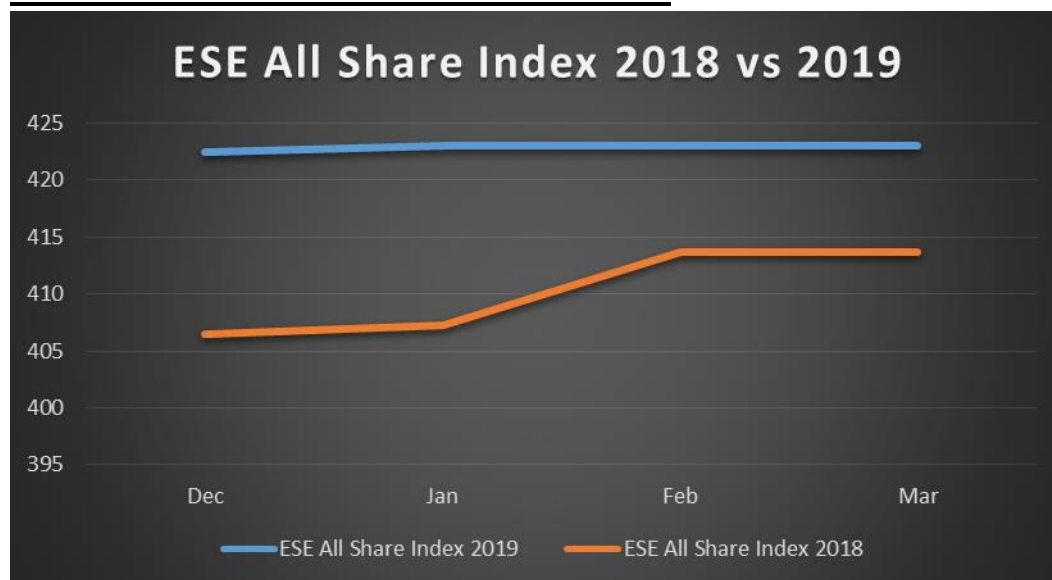
	Mar '18	Mar '19	% Change
Market Capitalisation	3 538 161 651	3 647 149 892	3.08▲

Source: ESE Trading Statistics 2019

## ESE ALL SHARE INDEX TREND

The ESE All Share Index increased to 422.97, representing a 0.13%▲ increase from the previous quarter's close of 422.42. Trading during the 1<sup>st</sup> quarter remained rather subdued, as evidenced by the few trades that were brought on to the market. Furthermore, the few trades did not translate into significant increases in the All Share Index, as it remained flat throughout the quarter. Year-on-year, the All Share Index realised a gain of 2.25%▲.

**GRAPH 2: ESE ALL SHARE INDEX '18 vs '19**



Source: ESE Trading Statistics 2019

## CAPITAL GAINS COMPARISON ON EQUITY PRICES

Below are the listed companies and their respective share prices (cents per share), compared on an end of quarter basis:

**TABLE 3: SHARE PRICE QUARTER COMPARISON AS AT 31 MARCH 2019**

COMPANY NAME	SHARE PRICE DEC 18	SHARE PRICE MAR 19	(%) GAINS	MKT CAP (SZL)
Nedbank Limited	1100	1120	1.82%	267 698 245
RSSC	1400	1400	0%	1 348 851 280
SEL	3418	3418	0%	632 330 000
Swaprop	605	605	0%	140 714 833
Swazispa Holdings	600	600	0%	41 966 964
Greystone Partners	306	306	0%	434 019 571
SBC Limited	810	810	0%	781 569 000
<b>TOTAL</b>				

Source: ESE Trading Statistics, 2019

## EQUITY TURNOVER

A total turnover of E465, 119.80 was recorded from a sale of 97,594 shares over a total of eight (8) trades concluded over the 1<sup>st</sup> quarter of 2019. In comparison to the 4<sup>th</sup> quarter of 2018, turnover decreased by 82%, down from E2 597, 570.80 in the previous quarter. Trades conducted in the 1<sup>st</sup> quarter were as follows: SBC Ltd (3 Trades), Nedbank (2 Trade) and Greystone Partners Ltd (3 Trades).

**TABLE 4: VALUE TRADED SUMMARY 1<sup>st</sup> QUARTER 2019**

Company	Number of Shares	Share price (cps)	Emalangeneni	Date
Greystone Partners	5 000	306	15,300.00	07/01/19
Nedbank Limited	3 364	1120	37,676.80	31/01/19
SBC Limited	1 580	810	12,798.00	31/01/19
Greystone Partners	10 838	306	33,164.28	06/02/19
SBC Limited	7 000	810	56,700.00	25/02/19
SBC Limited	4 812	306	14,724.72	25/02/19
Greystone Partners	54 600	306	167,076.00	12/03/19
Nedbank	11 400	1120	127,680.00	01/03/19
<b>TOTAL</b>			<b>465,119.80</b>	

Source: ESE Trading Statistics, 2019

## CORPORATE BONDS

The 1<sup>st</sup> quarter of 2019 realised 2 new note issuances, these being FINCORP's FIN102 and SELECT's SML304 worth SZL30.00 million and SZL40.00 million respectively. On the other hand, 2 bonds matured during the quarter being FINCORP's FIN210 worth E30.00 million and SELECT's SML700 worth E42.81 million. This saw the cumulative corporate bonds outstanding as of March 31, 2019 increase to E1.21 Billion, from the previous quarter's outstanding amount of E1.17. This marked a 3.67%▲ change in total bonds outstanding. Year-on-year, total corporate bonds outstanding increased by 2.63%▲.

The Table below shows the listed bonds as at March 31, 2019. (See Corporate Events below for new corporate bond issuances in the period under review).

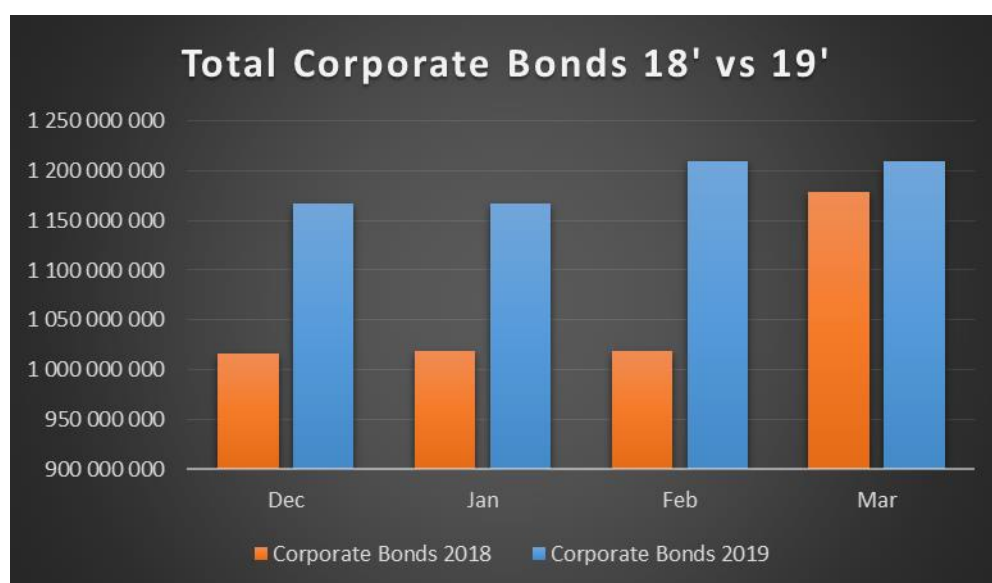
**TABLE 5: CORPORATE BONDS AS AT 31 MARCH 2019**

Name	ISIN Code	Coupon	Maturity Date	Nominal Value (SZL)
Select Limited SML300	SZD000551432	9,75	19 November 2019	50 000 000,00
Select Limited SML402	SZD000551662	10,79	04 May 2019	44 000 000,00
Select Limited SML403	SZD000551694	13,50	13 May 2019	5 000 000,00
Select Limited SML404	SZD000551747	14,00	30 August 2019	15 000 000,00
Select Limited SML405	SZD000551770	14,00	28 October 2019	15 000 000,00
Select Limited SML406	SZD000551812	13,00	07 April 2020	20 000 000,00

Select Limited SML407	SZD000551861	12,25	29 June 2019	6 000 000,00
Select Limited SML408	SZD000551886	13,33	04 July 2020	10 000 000,00
Select Limited SML500	SZD000551787	14,50	11 January 2020	50 000 000,00
Select Limited SML501	SZD000551804	12,50	24 February 2022	8 859 200,00
Select Limited SML502	SZD000551837	13,50	16 April 2020	30 500 000,00
Select Limited SML503	SZD000551845	14,00	09 June 2020	50 000 000,00
Select Limited SML504	SZD000551894	13,25	04 July 2020	10 000 000,00
Select Limited SML505	SZD000551919	13,50	28 July 2020	26 000 000,00
Select Limited SML506	SZD000551950	13,50	28 October 2020	17 000 000,00
Select Limited SML507	SZD000551992	13,50	17 November 2020	2 000 000,00
Select Limited SML508	SZD000552159	12,00	06 August 2021	1 130 000,00
Select Limited SML600	SZD000551968	13,50	28 October 2020	9 000 000,00
Select Limited SML601	SZD000551976	13,50	17 November 2020	9 000 000,00
Select Limited SML602	SZD000551984	13,25	10 November 2019	30 000 000,00
Select Limited SML603	SZD000552018	13,00	20 December 2020	20 100 000,00
Select Limited SML604	SZD000552026	13,00	20 December 2020	10 000 000,00
Select Limited SML605	SZD000552042	13,25	10 April 2021	21 920 000,00
Select Limited SML606	SZD000552026	11,75	04 May 2020	24 200 000,00
Select Limited SML607	SZD000552076	12,50	06 June 2021	5 000 000,00
Select Limited SML608	SZD000552167	10,75	28 July 2019	5 910 643,84
Select Limited SML609	SZD000552100	13,75	03 August 2023	30 000 000,00
Select Limited SML610	SZD000552118	13,50	06 August 2023	17 540 627,04
Select Limited SML611	SZD000552126	13,00	30 October 2023	31 500 050,00
Select Limited SML612	SZD0004552134	12,00	13 December 2020	48 257 103,29
Select Limited SML700	SZD000552226	Floating	19 February 2021	42 809 000,00
FINCORP FIN107	SZD000551686	10,79	04 May 2019	35 000 000,00
FINCORP FIN108	SZD000551721	12,50	08 July 2019	21 676 003,80
FINCORP FIN110	SZD000551796	13,00	24 January 2020	7 743 750,00
FINCORP FIN111	SZD000551820	13,00	06 April 2020	20 000 000,00
FINCORP FIN112	SZD000551845	13,75	09 June 2020	50 000 000,00
FINCORP FIN201	SZD000552000	13,75	09 May 2020	10 000 000,00
FINCORP FIN202	SZD000552034	14,00	30 March 2023	48 000 000,00
FINCORP FIN203	SZD000552040	11,75	04 May 2020	24 200 000,00
FINCORP FIN204	SZD000552084	12,50	06 June 2021	5 000 000,00
FINCORP FIN205	SZD000552091	11,85	06 July 2020	6 338 938,32
FINCORP FIN206	SZD000552175	12,00	07 October 2019	70 000 000,00
FINCORP FIN207	SZD000552183	12,00	17 October 2021	6 000 000,00
FINCORP FIN208	SZD000552191	12,00	08 November 2021	9 000 000,00
FINCORP FIN209	SZD000552200	12,00	23 November 2021	11 001 972,00
FINCORP FIN210	SZD000552218	12,00	16 January 2024	30 000 000,00
INYATSI ICL 207	SZD000551943	10,75	11 October 2019	150 000 000,00
<b>TOTAL</b>				<b>E1,209,687,288.00</b>

Source: ESE Trading Statistics, 2019

### **GRAPH 3: CORPORATE BONDS 1<sup>st</sup> QUARTER 2019**



Source: ESE Trading Statistics, 2019

### **MATURED/REDEEMED CORPORATE BONDS**

**TABLE 6: MATURED/REDEEMED CORPORATE BONDS**

Bond Name	ISIN Code	Coupon	Maturity Date	Nominal Value (E)
FIN102	SZD000551564	11.5%	01- Oct – 19	30 000 000.00
SML304	SZD000551541	Floating	05- Oct – 19	40 000 000.00
<b>TOTAL</b>				<b>70 000 000.00</b>

Source: ESE Trading Statistics, 2019


### **NEW CORPORATE BOND ISSUANCES**

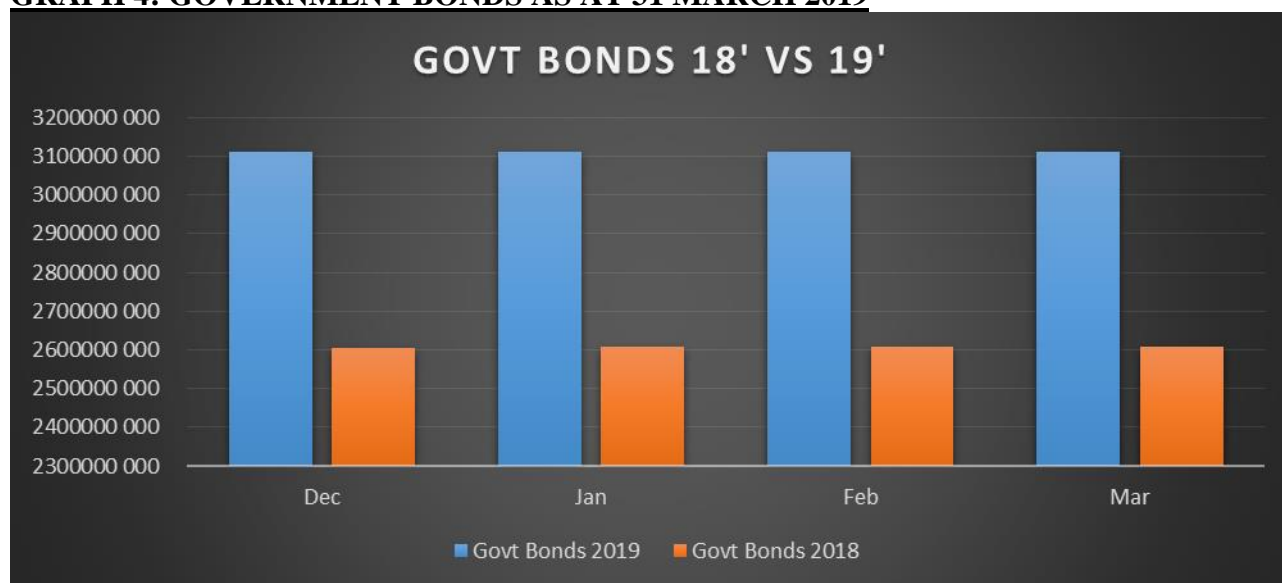
**TABLE 7: NEW CORPORATE BONDS**

Bond Name	ISIN Code	Coupon	Maturity Date	Nominal Value (E)
FIN210	SZD000552218	12.50%	16- Jan – 24	30 000 000.00
SML700	SZD000552226	13% > 13.5%	19- Feb – 21	42 809 000.00
<b>TOTAL</b>				<b>72 809 000.00</b>

Source: ESE Trading Statistics, 2019

### **GOVERNMENT DEBT**

During the period under review, Government through the Central Bank of Eswatini (CBE) maintained 22 bonds with different maturities, ranging from 3, 5, 7, 8, 9, and 10 years. Total outstanding bonds as at March 31, 2018 stood at E3.11 billion, reflecting a 0% change due to no new bonds commencing and no bonds maturing during the period under review. Year-on-year, total government bonds outstanding increased by 19.37% . The total outstanding bonds as at March 31, 2019 were as outlined below:-

**GRAPH 4: GOVERNMENT BONDS AS AT 31 MARCH 2019**

Source: ESE Trading Statistics, 2019

**TABLE 8: ESWATINI GOVERNMENT BONDS AS AT MARCH 31, 2019**

Name	ISIN Code	Coupon	Maturity Date	Nominal Value (SZL)
Eswatini Government SG017	SZG000441157	8,50	31 October 2020	250 000 000,00
Eswatini Government SG018	SZG000441162	9,25	31 January 2024	200 000 000,00
Eswatini Government SG020	SZG000441181	8,25	20 October 2019	82 000 000,00
Eswatini Government SG022	SZG000441207	Floating	25 September 2022	150 000 000,00
Eswatini Government SG023	SZG000441215	8,75	30 November 2020	250 000 000,00
Eswatini Government SG024	SZG000441223	9,50	31 May 2019	200 000 000,00
Eswatini Government SG025	SZG000441231	10,00	20 June 2021	150 000 000,00
Eswatini Government SG026	SZG000441248	Floating	31 August 2023	150 000 000,00
Eswatini Government SG027	SZG000441256	10,75	31 October 2026	150 000 000,00
Eswatini Government SG029	SZG000441272	10,50	28 February 2022	150 000 000,00
Eswatini Government SG030	SZG000441280	10,25	30 June 2024	150 000 000,00
Eswatini Government SG031	SZG000441322	10,00	31 January 2025	150 000 000,00
Eswatini Government SG033	SZG000441355	9,25	29 June 2023	40 000 000,00
Eswatini Government SG034	SZG000441363	9,75	29 June 2025	40 000 000,00
Eswatini Government SG035	SZG000441371	10,25	29 June 2028	70 000 000,00
Eswatini Government SG036	SZG000441389	9,00	31 August 2021	30 000 000,00
Eswatini Government SGIFB001	SZG000441297	9,75	31 July 2022	150 000 000,00
Eswatini Government SGIFB002	SZG000441306	10,00	31 October 2025	150 000 000,00
Eswatini Government SGIFB003	SZG000441314	10,25	29 December 2026	150 000 000,00
Eswatini Government SGIFB004	SZG000441348	10,00	29 March 2028	150 000 000,00
Eswatini Government SGIFB005	SZG000441356	9,75	31 May 2026	150 000 000,00
Eswatini Government SGIFB006	SZG000441397	9,50	28 September 2024	150 000 000,00
<b>TOTAL</b>				<b><u>E3,112,000,000.00</u></b>



## **MATURED/REDEEMED GOVERNMENT BONDS**

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**There was no government bond that matured during the quarter under review.**

## **NEW GOVERNMENT BOND ISSUANCES**

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**There was one government bond that commenced trading during the quarter under review.**

## **ESE MEMBERS**

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**In the period under review ESE had the following Members:**

### **Stockbroking Firms**

**Swaziland Stockbrokers Limited  
African Alliance Eswatini Securities Limited**

### **Exempt Dealers**

**Nedbank Swaziland  
Swaziland Development and Savings Bank  
First National Bank Swaziland  
Standard Bank Swaziland**

### **Debt Sponsors**

**Central Bank of Eswatini**

## **TABLE 9: ESE MEMBERS**

	Jan 2019	Feb 2019	Mar 2019
<b>No. of Stockbroking Firms</b>	<b>2</b>	<b>2</b>	<b>2</b>
<b>No. of Exempt Dealers</b>	<b>4</b>	<b>4</b>	<b>4</b>
<b>No. of Debt Sponsors</b>	<b>1</b>	<b>1</b>	<b>1</b>

Source: SSX Trading Statistics, 2019

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## **CORPORATE EVENTS ON THE ESE**

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- 1. FINCORP corporate bond (FIN102) with nominal value SZL30.00 million matured in the month of January (16/01/2019).**
  - 2. FINCORP corporate bond (FIN210) with nominal value SZL30.00 million**
-

commenced trading in the month of January (22/01/2019).

3. SELECT corporate bond (SML304) with nominal value SZL40,000,000.00 million matured in the month of February (19/02/2019).
4. SELECT corporate bond (SML700) with nominal value SZL42,809,000.00 million commenced trading in the month of January (25/02/2019).

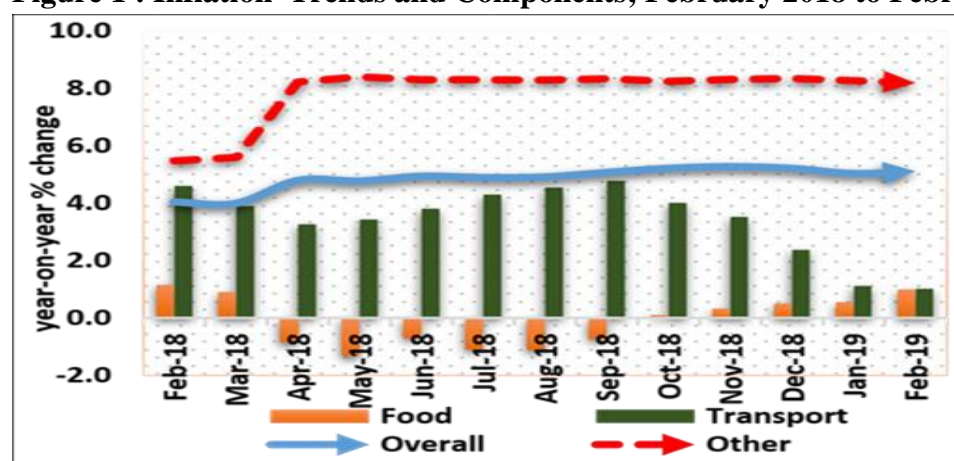
## ECONOMIC BRIEF

### INFLATION

Inflationary pressures remained modest in the opening months of 2019. Headline consumer inflation rose slightly to 5.1 per cent in February 2019 from 5.0 per cent in January 2019. The increases mainly resulted from gradual uptick in food prices. Food inflation rose slightly to 1.0 per cent in February 2019 from 0.5 per cent the previous month, mainly attributable to an increase in the prices of 'meat', 'fruits' and 'coffee and tea and cocoa' products.

The above increases were partially offset by decreases in the price indices for 'restaurants and hotels' and 'miscellaneous goods and services'. The index for 'restaurants and hotels' grew at a slower rate of 0.6 per cent in February 2019 compared to 1.4 per cent the previous month, benefitting from a slowdown in prices for catering services. On the other hand, the index for 'miscellaneous goods and services' slowed to 0.2 per cent in February 2019 from 0.7 per cent the previous month.

Figure 1 : Inflation Trends and Components; February 2018 to February 2019



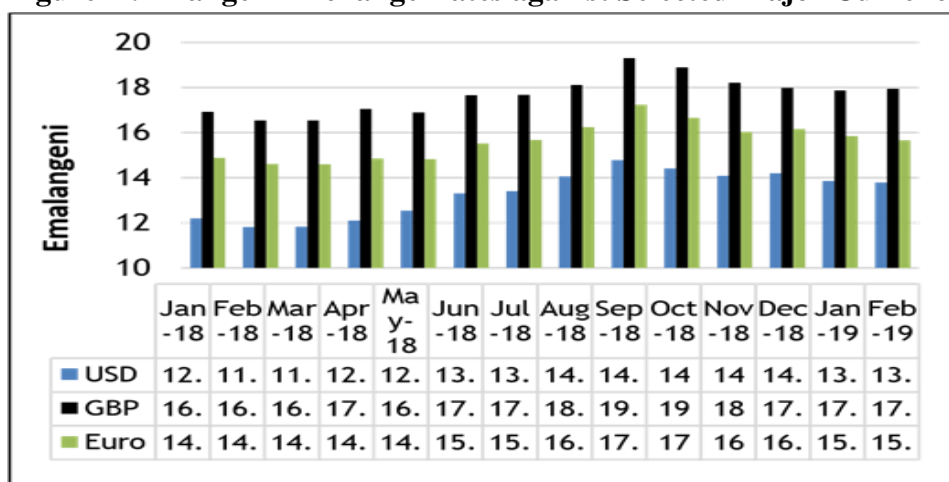
Source: Central Statistical Office 2019 - CPI Report

## EXCHANGE RATES

Since January 2019, the local currency strengthened against the major trading currencies. It strengthened by 2.9 per cent against the US Dollar, 0.2 per cent against the Pound Sterling and 3.1 per cent against the Euro. The appreciation in the Lilangeni along with the Rand continued to be driven by internal (in South Africa) and external developments which had an impact on investor sentiments.

Although the Rand showed some degree of depreciation in December 2018 owing mainly to renewed trade tensions between China and the US, it has performed better in the first two months of 2019. From a regional perspective, the local unit strengthened as markets reacted to the better than feared presentation of the National Budget by South Africa, but was somewhat offset by ESKOM's power cuts which worked against the performance of the Rand. The Rand did not react much to the South African Reserve Bank's decision to keep the repo rate unchanged at 6.75 per cent in January 2019; a decision that was expected by the markets. At the end of February 2019, the Lilangeni was stronger at an average of E13.96 to the US Dollar, E18.57 to the Pound Sterling and E15.88 to the Euro after closing the month of December 2018 at an average of E14.38 to the US Dollar, E18.24 to the Pound Sterling and E16.44 to the Euro.

Figure 2 : Lilangeni Exchange Rates against Selected Major Currencies



Source: Central Bank of Eswatini - March 2019

## OTHER ACTIVITIES

Eswatini –Taiwanese Trade Mission (24 January 2018)

ESWATINI STOCK EXCHANGE AUTOMATED TRADING SYSTEM, NEW LOGO, NEW NAME LAUNCH,

The Swaziland Stock Exchange changed its name to Eswatini Stock Exchange. This was in line with King Mswati III announcement of the country going back to the original name of Eswatini in April 2018. The official name change of the stock exchange was combined with the unveiling of the new logo and the introduction of the Automated Trading System. The event was held at Royal Villas and the Prime Minister with other high ranking government officials were in attendance.

**55<sup>TH</sup> COMMITTEE OF SADC STOCK EXCHANGES MEETING AT THE ROYAL SWAZI SUN, 14<sup>TH</sup> MARCH 2019:**

**3<sup>rd</sup> ANNUAL CAPITAL MARKETS INDABA AT ROYAL VILLAS:**

**1<sup>ST</sup> INAUGURAL ESWATINI STOCK EXCHANGE LISTING CONFERENCE AT THE ROYAL SWAZI SUN, 15<sup>TH</sup> MARCH 2019:**

**GLOBAL MONEY WEEK (FROM 25<sup>TH</sup> MARCH TO 29<sup>TH</sup> MARCH 2019)**

The ESE participated in the annual global money week which aims at increasing the level financial inclusion and financial literacy in Eswatini. This event in hosted in coordination with the Centre for Financial Inclusion, Central Bank of Eswatini and the Financial Services Regulatory Authority. Students from all Junior Achievement participating schools visited the CBE and ESE to be exposed at the mandates and operations of this financial institutions

===== END OF REPORT =====