

JULY-END REPORT

2018



JULY 2018

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LISTED EQUITY COMPANIES

There were no new listings in the period under review. Listed companies remained at 7 (seven) on the SSX Main Board and none on the Alternative Board.

TABLE 1: LISTED EQUITY COMPANIES

	Feb 2018	Mar 2018	Apr 2018	May 2018	Jun 2018
Total companies listed	7	7	7	7	7
New entrants/listings	0	0	0	0	0
Domestic Companies	7	7	7	7	7
Foreign Companies	0	0	0	0	0
No. of Stockbroking Firms	2	2	2	2	2
No. of Exempt Dealers	4	4	4	4	4
No. of Debt Sponsors	1	1	1	1	1

Source: SSX Trading Statistics, 2018

EQUITY TURNOVER

The month of July 2018 was just as slow as the previous month with only one trade. This was the sale of 2301 Nedbank Limited shares which recorded E25 311. Despite the slow movement in the market there was a 4.81% increase in trade values in comparison to last month.

TABLE 2: VALUE TRADED OVER THE MONTH IN EQUITY COMPANIES

<i>Company</i>	<i>Number of Shares</i>	<i>Share Price</i>	<i>Emalangenzi</i>	<i>Date</i>
Nedbank Limited	2301	1100	25,311.00	20/07/2018
Total	2301		25 311.00	

Source: SSX Trading Statistics, 2018

CAPITAL GAINS COMPARISON ON EQUITY PRICES

Below are the listed companies and their respective share prices (cents per share), compared on a yearly basis:

TABLE 3: SHARE PRICE YEARLY COMPARISON AS AT 31 JULY 2018

Company	July 31, 2017	July 31, 2018	Capital Gains Yield
NEDBANK LTD	1020	1100	8%
RSSC LTD	1370	1400	2.1%

SEL LTD	3100	3255	5%
SWAPROP LTD	545	600	10.1%
Swazi Spa Holdings LTD	600	600	0%
Greystone Partners LTD	235	295	25.5%
SBC LTD	735	800	8.8%

Source: SSX Trading Statistics, 2018

SSX ALL SHARE INDEX TREND

The SSX All-Share Price Index between June and July slightly increased to 415.85, reflecting a 0.13% due to the trade that took place on Nedbank shares. Year-on-year, the all share index increased by 6.64% from 389.97.



Source: SSX Trading Statistics, 2018

MARKET CAPITALISATION

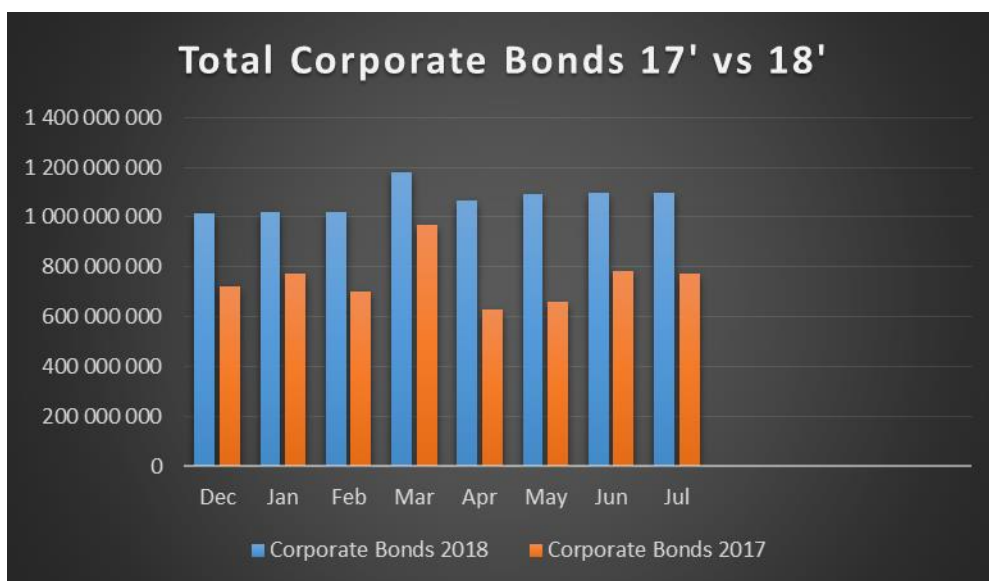
We see above that there was a slight change in the All-Share Price Index and as expected this will lead to slight change in the Market Capitalisation as well. We saw the Market Capitalisation increase to E3.586 billion. Year-on-year, the market capitalisation increased by 6.64%.



Source: SSX Trading Statistics, 2018

CORPORATE BONDS

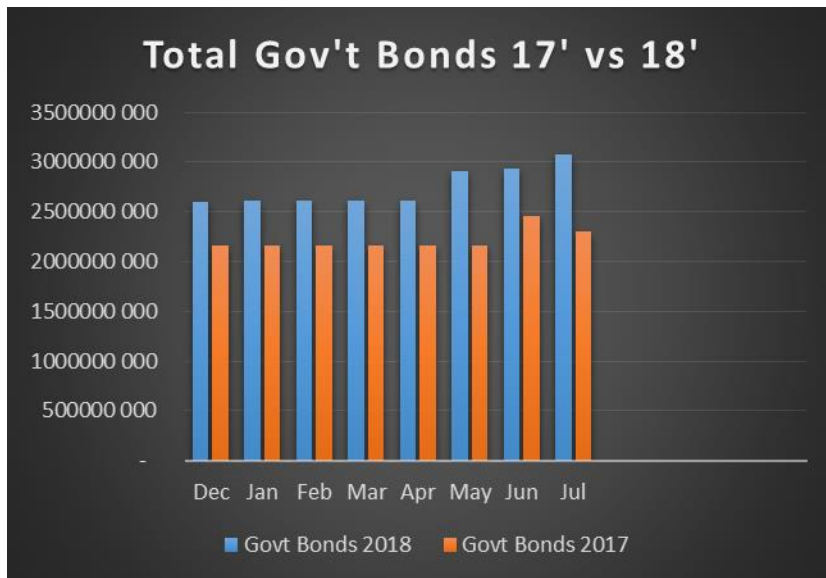
As at July 31, 2018 total Corporate Bonds were valued at E1.102 billion. This marked a 0.37% increase in total Corporate Bonds outstanding between June and July. This was due to one bond maturing in the month, Select Ltd's SML409, whose nominal value was E2,309,824. FINCORP issued FIN205 with a E6,338,938.32 nominal value. Year-on-year, this marked a 42.60% increase in the overall total corporate bonds trading on the SSX from E772.549 million.



Source: SSX Trading Statistics, 2018

GOVERNMENT BONDS

Total Government Bonds outstanding for the month of July increased to SZL3.082 billion as at July 31, 2018. This increase was due to the commencement of three government bonds: SG033, SG034 and SG035 worth SZL40 million, SZL40 million, SZL70 million, respectively. This caused a 5.12% increase in comparison with last month, June 2018. Year-on-year, this marked a 33.81% increase in the overall total government bonds trading on the SSX, which stood at E2.303 billion.



Source: SSX Trading Statistics, 2018

CORPORATE NEWS

1. Corporate bond SML409 worth E2,309,824 matured during the month of July 2018.
2. Corporate bond FIN205 worth E6,338,938.32 commenced trading on the SSX during the month of July 2018.
3. Government bond SG033, SG034 worth E40 million each and and SG035 worth E70 million commenced trading in the month of July 2018.

OTHER ACTIVITIES

ROYAL SWAZI SPA ANNUAL FINANCIAL AWARENESS DAYS – JULY 3-4, 2018

The SSX staff was invited to participate in a financial wellness seminar at the Royal Swazi Spa which the Hotel Management had organised for its staff to get financial awareness on opportunities for saving and investing locally. The SSX attended this two day event and presented on investing in listed companies and options of listing on the SSX as means of raising capital for business operations.

MEETING ON NEW LISTING OF ENTREPRENEURS SD LIMITED (ESD) ON THE SSX – JULY 5, 2018

SSX Staff had a meeting with JM BUSHA Investment Group to discuss its intent and readiness to list its first equity security on the Main Board of the Swaziland Stock Exchange (SSX) in 2018. This new company's Summary Information is as follows:

Company Name : Entrepreneurs SD Limited
Nature of Business : Investment holding company
Short Code : ESD
Ticker : ESD
Market Capitalization : E182 209 972.78

A full prospectus will be provided soon to engage with Swaziland Stock Exchange (SSX) and the Financial Services Regulatory Authority (FSRA) on dates and other matters.

This delighted the SSX staff as it will strengthen the depth of the SSX as it will increase the number of shares available for trading and thus, improve trading activity and liquidity on the Exchange. The SSX assured the Sponsor of its support to develop the eSwatini capital markets.

SIGNING OF INTFONGA YEMASWATI SHAREHOLDERS' AGREEMENT, ROYAL VILLAS, EZULWINI – JULY 5, 2018

The SSX as a potential collaborating partner to the signing of Intfonga YeMaswati Shareholders' Agreement was invited to this event which was graced by the Honourable Minister of Commerce, Industry and Trade, Mr Jabulani Mabuza. This all-important initiative to empower indigenous emaSwati was organised by the Swaziland Investment Promotion Authority (SIPA) to forge joint ventures to boost the economy through increased domestic and export trade and job creation. SIPA

mobilised domestic investors to form an investment company, Intfonga YeMaswati that serves as a catalyst in forging business linkages with Foreign Direct Investors.

SSX MEETING WITH NHLANGANO BUSINESS COMMUNITY – JULY 12, 2018

The SSX staff was invited to a meeting with an identified group of business people in Nhlango, who had an interest in knowing about the operations of the Exchange and options of growing their businesses through the SSX. The SSX team was pleased to present before this group, and answer all the questions the members had, especially about Listing options for SMEs, Investment options as retail Investors, as well as raising of capital through listing of Bonds.

WATERFORD KAMHLABA CAREER FAIR, MAVUSO TRADE CENTRE, MANZINI – JULY 25, 2018

The SSX was invited to the Waterford kaMhlaba Career Fair where over 30 schools participated and the SSX was able to engage students on career paths to pursue in Finance and Accounting as well as career opportunities available from a Stock Exchange perspective.

SCHOOLS EDUCATIONAL TOURS

SSX personnel co-presented with the Central Bank staff, on different dates, to Commercial Students from Hlutse High, Utech High, LaMdladla High and Sbovu High who were accompanied by their teachers. The purpose of these tours are primarily to provide career guidance to high school students from Grade 10-12. However, for the SSX this served as an opportunity to educate them about the operations of the SSX, extend financial education on capital markets and SSX brand awareness and inform them about the desired knowledge, skills and attributes from prospective employees looking to join the SSX.

They also got to be guided on the Undergraduate degrees to pursue post high school and the career paths to take in the Finance and Accounting fields in terms of Academic and Professional qualifications to pursue after their undergraduate degrees to open doors to the myriad of job opportunities in these fields. The SSX managed to reach out to an estimated 80 students on scheduled days.

ANNUAL ACCOUNTING UPDATE SEMINAR

The Swaziland Institute of Accountants (SIA) held its annual International Financial Reporting Standards (IFRS) Update, which was facilitated by Mr Raymond Chamboko CA(SA), where he incorporated practical case studies which allowed participants to immediately test their understanding of the principles learnt. The Manager SSX attended this Seminar as a Registered Accountant, RA(SD) and as expected in her line of duty to be abreast with changes happening around listed companies' reporting of their Financial Statements, especially IFRS 9 on Financial Instruments which replaced IAS 39 Financial Instruments: Recognition and Measurement and was effective from January 1, 2018.

IFRS 15 Revenue from contracts with customers

Revenue recognition is arguably one of the most important and controversial topics in financial reporting. Revenue is often a key performance indicator and drives the recognition of expenses and profits and valuation of an entity.

The course covered answers to the following questions:

- When should contracts be combined?
- How to identify the deliverable(s) promised to be transferred to the customer?
- When will revenue be recognised?
- What amount of revenue can be recognised?
- What disclosures are required?
- What are the transition options available?

IFRS 16 Leases

IFRS 16 has updated the guidance on the definition of a lease, and now requires lessees to recognise a lease liability reflecting future lease payments and a 'right-of-use asset' for virtually all lease contracts.

IFRS 16 is effective for years starting on or after 1 January 2019.

The course covered answers to the following questions:

- Does an arrangement meet the definition of a lease?
- Are there any exemptions available to a lessee?
- How do I value the lease obligation and right-of-use asset?
- What disclosures are required?
- What are the transition options available?

IFRS 9 Financial instruments

IFRS 9 Financial Instruments was effective from 1 January 2018, and replaces IAS 39 Financial Instruments: Recognition and Measurement.

The course covered answers to the following questions:

- How should I classify financial instruments under IFRS 9?**
- What are the different measurement principles under IFRS 9?**
- How do I measure the expected credit loss?**
- What are the transition options available?**

IFRIC 22 Foreign Currency Transactions and Advance Consideration

IAS 21 The Effects of Changes in Foreign Exchange Rates outlines how an entity is to account for foreign currency transactions and operations, and what is exchange rate is to be used. IFRIC 22 provides additional guidance for foreign currency transactions where an entity recognises a non-monetary asset (for example a prepayment) or non-monetary liability (for example deferred income) arising from the payment or receipt of consideration before the entity recognises the related asset, expense or income. IFRIC 22 was effective for annual reporting periods beginning on or after 1 January 2018.

The course covered answers to the following questions:

- What exchange rate should I use to translate a transaction with multiple payment dates?**

FSDIP CAPITAL MARKETS WORKING GROUP MEETING – JULY 31, 2018

This meeting was held at the Central Bank where progress was reported and an Action Plan was mapped. Next meeting is on August 28, 2018.

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