

MAY-END REPORT

2018



MAY 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

	Jan 2018	Feb 2018	Mar 2018	Apr 2018	May 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 May 2018 was just as slow as the previous month with only one (1) trade taking place. This was the sale of 10,000 Greystone Partners Limited shares which recorded a turnover of SZL29,500 with a 3.51% share price increase. Despite the slow movement in the market there was an increase in revenue of 56.5% in comparison to last month. This was due to the volume of the shares traded during the single transaction being more than the volume of the previous months two trades combined.

TABLE 2: VALUE TRADED OVER THE MONTH IN EQUITY COMPANIES

<i>Company</i>	<i>Number of Shares</i>	<i>Share Price</i>	<i>Emalangeni</i>	<i>Date</i>
Greystone Partners Ltd	10,000	295	29,500.00	16/05/2018
Total			29,500.00	

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 30 APRIL 2018

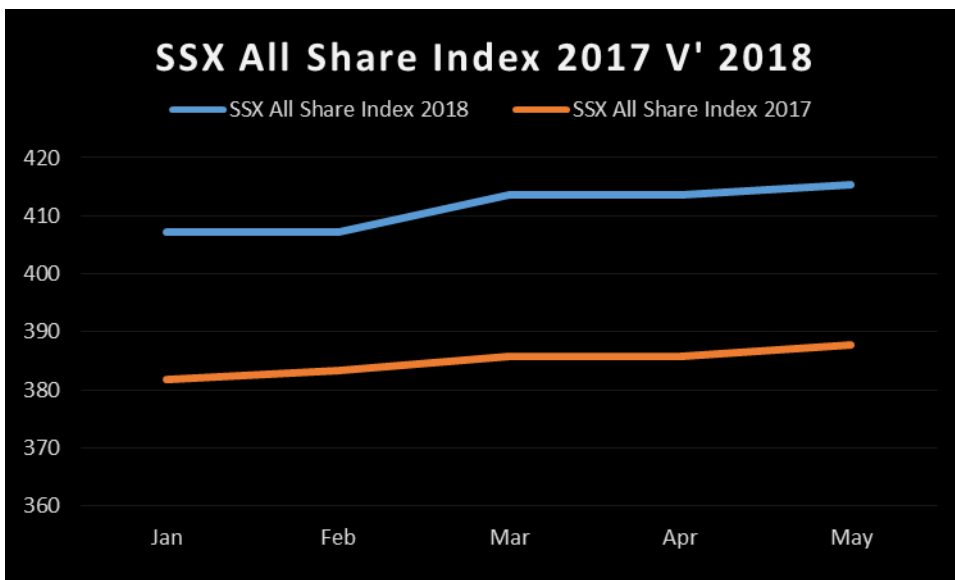
Company	May 31, 2017	May 31, 2018	Capital Gains Yield
NEDBANK LTD	1000	1080	8.0%

RSSC LTD	1370	1400	2.2%
SEL LTD	3100	3255	5.0%
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

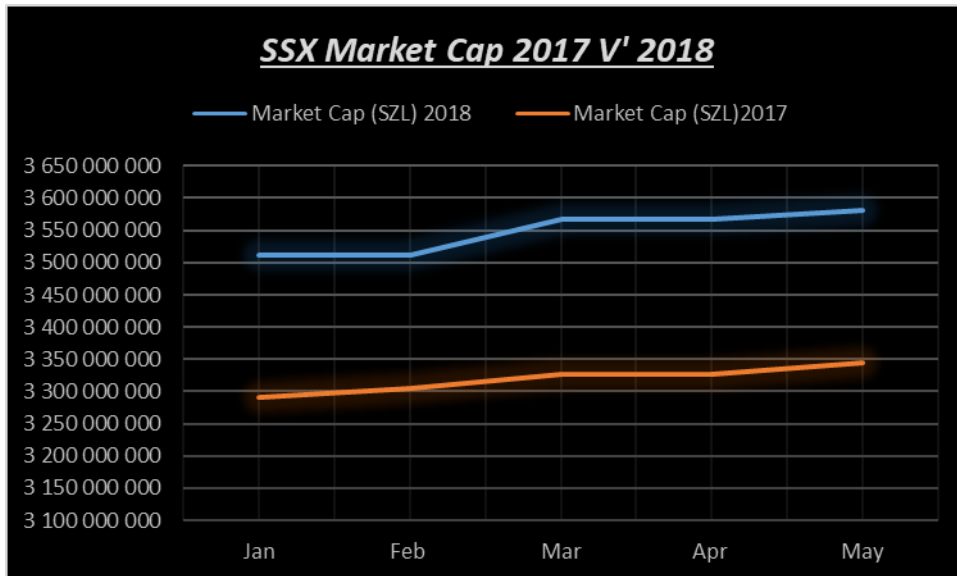
The SSX All-Share Price Index between April and May increased from 413.66 to 415.30, reflecting a 0.4% increase of 0.4%. Year-on-year, the all share index increased by 7.56%.



Source: SSX Trading Statistics, 2018

MARKET CAPITALISATION

We see above that there is an increase in the All-Share Price Index and as expected this will lead to an increase in the Market Capitalisation as well. We saw the Market Capitalisation increase by 0.4%, from SZL3.567 billion to SZL3.581 billion. Year-on-year, the market capitalisation increased by 7.56%.



Source: SSX Trading Statistics, 2018

CORPORATE BONDS

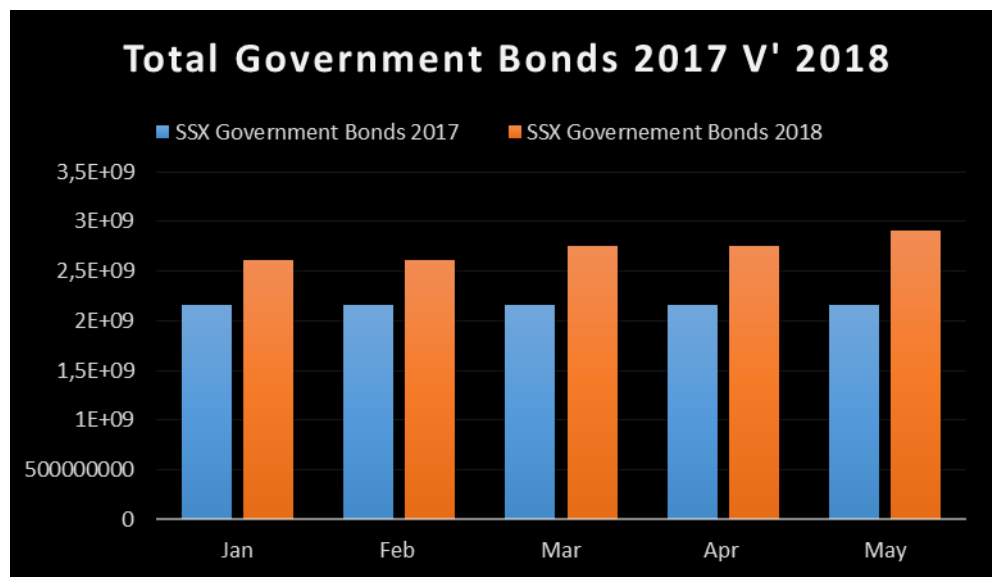
As at May 31, 2018 total Corporate Bonds were valued at SZL1.073 billion. This marked a 0.79% decrease in total Corporate Bonds outstanding between March and April. This was due to the maturity of two bonds, Select SML401 and FINCORP FIN106, whose nominal values were 20 million each. This period also saw the commencement of the trading of two new bonds, being Select SML606 and FINCORP FIN203, whose nominal values were 24.2 million each. Year-on-year, this marked a 62.32% increase in the overall total corporate bonds trading on the SSX.



Source: SSX Trading Statistics, 2018

GOVERNMENT BONDS

Total Government Bonds outstanding for the month of May increased from SZL 2.757 billion as at April 30, 2018 to SZL 2.907 billion as at May 31, 2018. This was due to the commencement of trading of SGIFB004 whose nominal value is 150 million.



Source: SSX Trading Statistics, 2018

CORPORATE NEWS

1. Corporate bonds SML401 and FIN106 matured during the month of May 2018.
2. FIN203 and SML606 worth SZL24.2 million each, commenced trading in the month of May 2018.
3. The SSX Staff was invited to attend the Royal Swazi Spa Annual General Meeting which was held at the Royal Swazi Convention Centre on the May 24, 2018.

OTHER ACTIVITIES

JOB EVALUATION, GRADING AND PERFORMANCE MANAGEMENT WORKSHOP

The FSRA commissioned Deloitte Advisory Services to do a Job Evaluation, Grading and Performance Management exercise using the Paterson Job Evaluation Methodology. Take aways from the workshop which was facilitated by Ms. Debbie Hayter on May 2, 2018 were:

- Job Descriptions or Job Profiles should be detailed, but not too detailed to look like a standard operating procedure.

- On Experience and Qualifications, it is all about what is required for the relevant job. Separate people from the job information, it is purely about the job.

- On Job Evaluation or Job Grading, she mentioned that this does not equate to pay. Jobs of the same complexity should have the same pay. More complex jobs should get a higher pay than less complex jobs. Volume does not equate to higher pay, so long as the complexity is the same. But if they do more with an additional complexity, then there should be a higher pay.

- Job Evaluation should not change just because a job has changed. It is not a negotiation forum.

- It is not a hold-all for-all remuneration decision. A Job grade cannot solve a salary issue.

Job Evaluation is not a means to reward performance, but Pay/Salary rewards performance.

- Separate Pay against Grading. Do not grade a job based on salary. A job grade cannot resolve a salary issue.

- On Fairness, staff should be satisfied that the job descriptions have been done competently and fairly. As Consultants, they grade Job Content, not Job Titles. She emphasised that Job Titles are problematic, as sometimes you give a person a Title just to please them and some are given lower titles than what they are supposed to be. Thus, Job Title Standardisation is needed.

- Job Description is an approach to align remuneration.

- Job Evaluation fails by not communicating job descriptions with staff.

- Manager SSX and Ombudsman of Financial Services will be graded independently of the FSRA.

A Job Evaluation Committee was set up whose role is to interpret the Paterson Job Evaluation Methodology which has 6 decision bands and 6 sub-grading. It was trained on all these. Difficulty emanates from not knowing in which band a job sits, looking at the Organisational Design helps.

FSRA INDUSTRY DAY AT NEW MALL PARKING, MBABANE

The SSX staff in partnership with all FSRA-regulated entities participated in an Industry Day in Mbabane on May 12, 2018. This saw the SSX team educate the people of Hhohho district about the services and products offered by the SSX.

SSX JOB EVALUATION INTERVIEWS

Deloitte Job Architecture Specialist, Ms Candice Karam-Collins conducted interviews of all SSX staff Job Descriptions so as to get a clear understand of the job contents, tasks, role allocations, reporting structure, etc. to enable her to craft proper job descriptions of all positions.

LISTING PROSPECTING BY PAVILLION COURIERS

On May 16, 2018 the owners of Pavillion Couriers Mr Sandile Simelane and his wife Ms Thuli Dlamini-Simelane visited the SSX offices to learn about the different options of listing on the SSX, the pros and cons between equities and debt instruments and the Advisory Team needed when bringing a listing on the Exchange. They want to diversify their portfolio by venturing into property development.

SCHOOLS ON EDUCATIONAL TOURS

SSX personnel co-presented with the Central Bank staff to Commercial Students from Baha'i High School who were accompanied by their teachers. The purpose of the event was 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 50 students on this day.

CAPITAL MARKETS WORKING GROUP MEETING

The SSX staff together with the FSRA, Central Bank of Swaziland, Ministry of Finance and the private sector have selected individuals within the respective offices who will represent them in the implementation of a 3-year strategy plan which runs until 2020. This initiative is supported by the World Bank Group in a bid to grow the Swaziland Economy and increase the speed of the financial sector development. The four pillars of focus are financial stability, inclusion, diversity and modernisation. The Meeting of the working group was held at the Central Bank of Swaziland on May 22, 2018.

FSRA FIRST BI-ANNUAL 2018 CAPITAL MARKETS MEETING

On May 23, 2018 the SSX Staff attended the first Bi-Annual Breakfast meeting of all companies regulated by the FSRA Capital Markets Development Division. The CEO, Mr. Sandile Dlamini touched on a number of key issues pertaining to capital markets in the country. He emphasised the importance and the need for more Public-Private Partnerships, highlighting the need for industry innovation in the different sectors like manufacturing and agricultural products diversity.

On the 50% Local Asset requirement, he mentioned that the Investment Schedule Amendment will be passed by Parliament before it dissolves. It will be staggered over 24 months, with 40% after one year and 10% in the next year.

He also reported about the shift to Risk-based Supervision of the industry by the FSRA, where they will focus more on high risk areas in an entity and thrive to mitigate all inherent risks.

The 2018 High School Essay Competition will be launched this month and he urged all market participants to join in on the efforts of the FSRA with regards to educating the public on the Capital Markets Development Division and the Financial Markets as a whole. The tentative areas of focus during the competition will be on how we can use technology to grow the economy, and the important role that must be played by the Capital Markets Development Division to grow the economy and that the expected GDP growth of at least 5% is what we should all be focused on achieving.

There was also the announcement of the launch of BSA Version 4 whose training of industry participants has been conducted over the past two weeks and the BSA V4.0 deployment closure meeting is tomorrow, June 8, 2018 at Mountain Inn starting at 9:00 AM.

The CEO also highlighted on progress made on the SSX automation project and that the official launch is expected before Parliament dissolves.

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