



# OCTOBER 2020 MONTH-END REPORT

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## **OVERVIEW**

The Eswatini Stock Exchange aims to enable companies to list and investors to trade in securities. Our vision is striving to be the most functional Stock Exchange in Africa. To achieve our vision, we seek to adhere to our core values: Passion, respect, integrity discipline and execution.

This October 2020 report gives a synopsis of the following:

- ❖ Listed Companies
- ❖ Market Capitalisation
- ❖ All Share Index
- ❖ Capital Gains
- ❖ Equity Turnover
- ❖ Corporate Bonds and Government Bonds
- ❖ ESE Members
- ❖ Corporate News

## **LISTED EQUITY COMPANIES**

There are currently 8 listed companies on the ESE Main Board namely:

COMPANY	SECTOR	MARKET CAP %	MARKET CAP (E)
Nedbank	Banking	7,64%	298 770 363
Royal Swazi Sugar (RSSC)	Sugar & Ethanol P	37,47%	1 464 467 104
Swd Empowerment (SEL)	Holding Company	16,57%	647 500 000
Swaprop	Real Estate	4,70%	183 743 335
Swazispa Holdings	Hospitality	1,07%	41 966 964
Greystone Partners	Private Equity	10,89%	425 509 383
SBC Limited	Holding Company	19,26%	752 622 000
Inala Capital	Emerging Markets	2,39%	93 592 200
		100,00%	3 908 171 349

There was no new listing 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**

	Aug 2020	Sep 2020	Oct 2020
Total companies listed	8	8	8
New entrants/listings	0	0	0
Domestic Companies	8	8	8
Foreign Companies	0	0	0

Source: ESE Trading Statistics, 2020

## MARKET CAPITALISATION

The local equity market's values reflected a 0% change in the market capitalisation remaining at SZL3,908,171,349 (SZL3.908 billion) in September and October 2020. Year-on-year (October 2019 versus October 2020), the market capitalisation realised a 2.94% gain from SZL3.796 billion to SZL3.908 billion.

**GRAPH 1: ESE MARKET CAPITALISATION 2019 vs 2020**



Source: ESE Trading Statistics, 2020

**GRAPH 2: ESE MARKET CAPITALISATION BY COMPANY 2019 vs 2020**

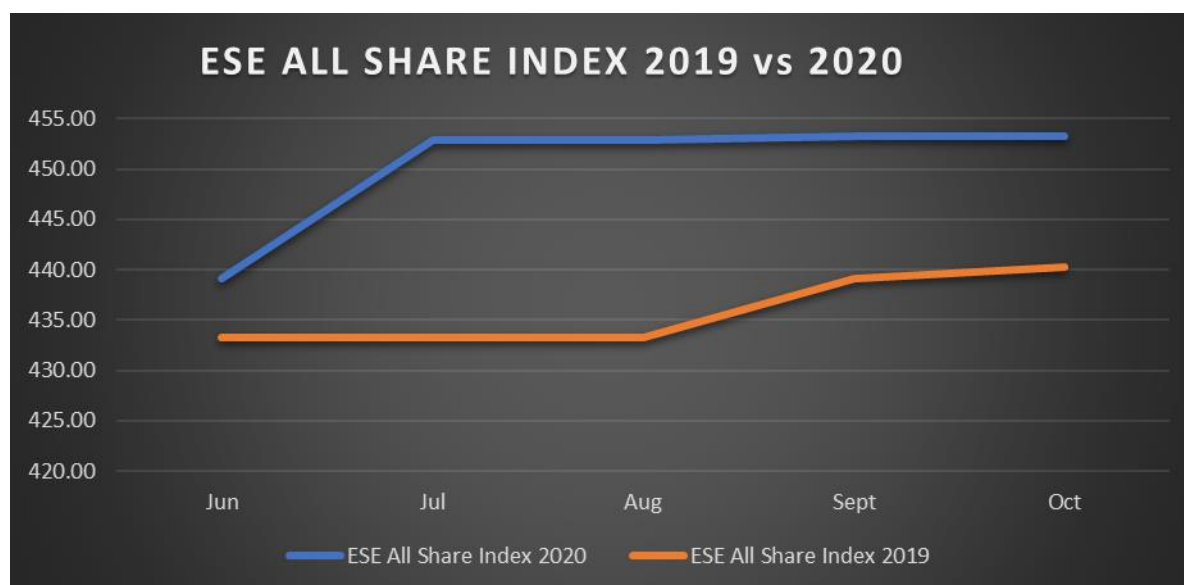


Source: ESE Trading Statistics, 2020

## ESE ALL SHARE INDEX TREND

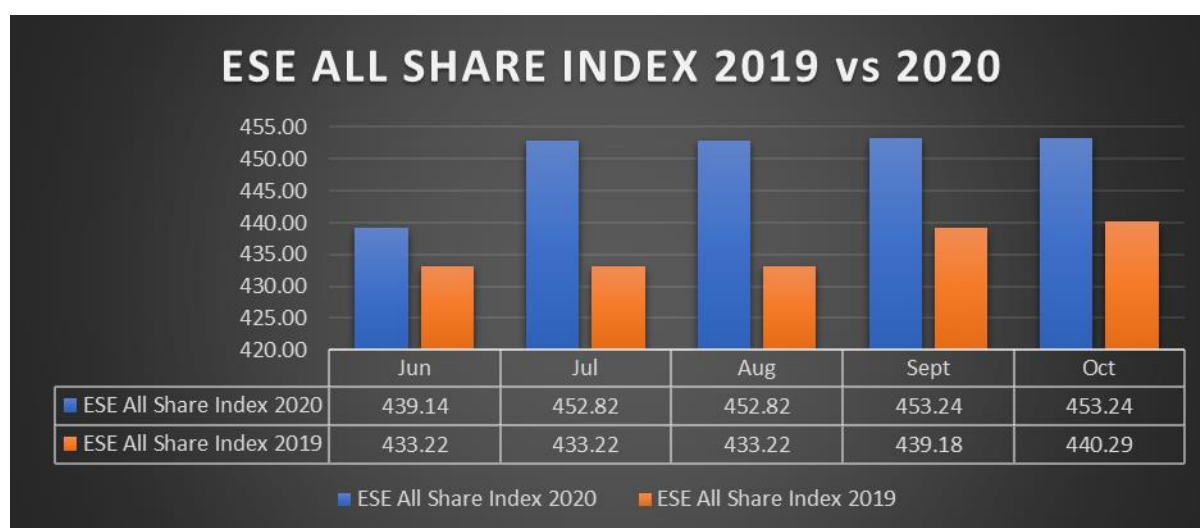
The ESE All Share Index between September 2020 and October 2020 remained at 453.24 reflecting a 0% change. Year-on-year, all share index increased by 2.94% from 440.29 to 453.24.

**GRAPH 3: ESE ALL SHARE INDEX TREND 2019 vs 2020**



Source: ESE Trading Statistics, 2020

**GRAPH 4: ESE MARKET CAPITALISATION 2019 vs 2020**



Source: ESE Trading Statistics, 2020

## 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 2: SHARE PRICE YEARLY COMPARISON AS AT 31<sup>st</sup> OCTOBER 2020**

Company	OCTOBER 31, 2019	OCTOBER 31, 2020	Capital Gains Yield
NEDBANK LTD	1180	1250	5.93%
RES LTD	1400	1520	8.57%
SEL LTD	3418	3500	2.40%
SWAPROP LTD	790	790	0.00%
SWAZI SPA HOLDINGS LTD	600	600	0.00%
GREYSTONE PARTNERS LTD	315	300	-4.76%
SBC LTD	810	780	-3.70%
INALA CAPITAL	110	130	18.18%

Source: ESE Trading Statistics, 2020

Inala Capital was the trailblazer followed by RES, Nedbank and SEL, respectively while Greystone Partners Limited and SBC Limited witnessed a drop in share prices.

## EQUITY TURNOVER

The month of October 2020 had two (2) trades which were from the sale of Inala Capital and Nedbank Limited shares, which collectively recorded a total value of SZL43,280.00 which was a 93% decrease in equity turnover from September's turnover of SZL611,886.00. Year-on-Year (October 2019 versus October 2020) value traded decreased exponentially by 96% from SZL1,111,998.00 to SZL43,280.00 in 2020.

**GRAPH 5: ESE VALUE TRADED 2019 vs 2020**

Source: ESE Trading Statistics, 2020

**TABLE 3: VALUE TRADED OVER THE MONTH IN EQUITY COMPANIES**

<u>Company</u>	<u>Number of Shares</u>	<u>Share Price(cps)</u>	<u>Emalangen</u>	<u>Date</u>
Inala Capital	6 600	130	8 580.00	2020/10/06
Nedbank Limited	2 776	1250	34 700.00	2020/10/12
<b>Total</b>	<b>9 376</b>		<b>43 280.00</b>	

Source: ESE Trading Statistics, 2020

CPS – Cents per share

## CORPORATE BONDS

As of 31<sup>st</sup> October 2020, total Corporate Bonds value stood at SZL1.253 billion. There was one (1) bond that commenced trading in the period under review. There were two (2) bonds that matured in the month of October 2020. Year-on-year, Corporate bond activity marked a 19.21% increase in the overall total trading on the ESE, from SZL1.051 billion in October 2019 to SZL1.253 billion in October 2020.

**TABLE 4: CORPORATE BONDS COMMENCED IN OCTOBER 2020**

<b>NAME</b>	<b>ISIN CODE</b>	<b>COUPON</b>	<b>COMMENCEMENT DATE</b>	<b>NOMINAL VALUE SZL</b>
Select Limited SML807	SZD000552521	11.50	14-10-2020	40 000 000,00
				<b>40 000 000,00</b>

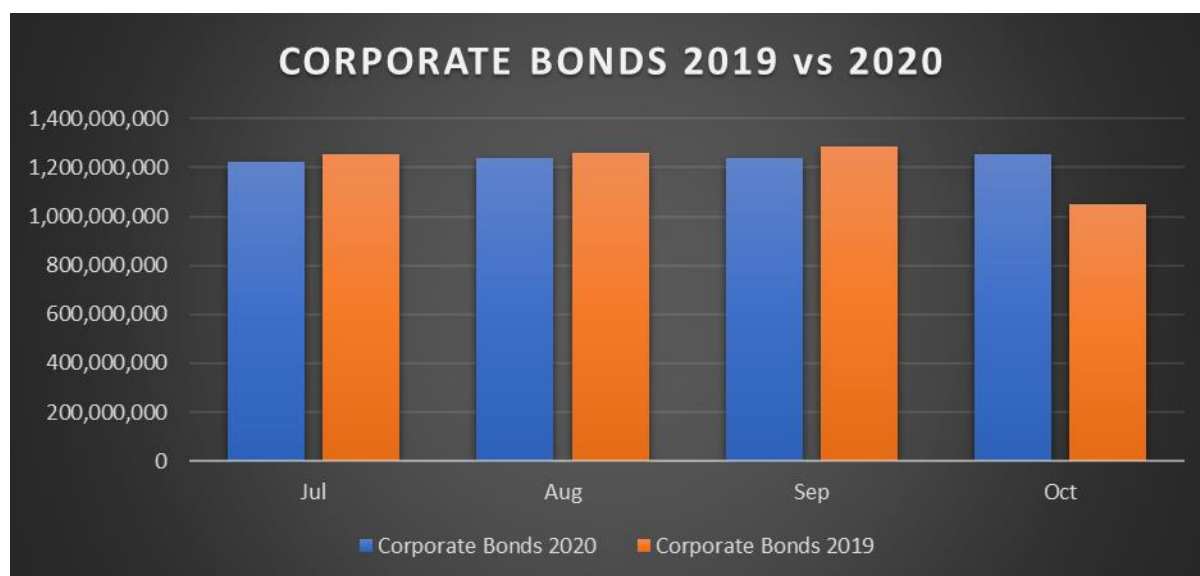
Source: ESE Trading Statistics 2020

**TABLE 5: CORPORATE BONDS MATURED IN OCTOBER 2020**

<b>NAME</b>	<b>ISIN CODE</b>	<b>COUPON</b>	<b>MATURITY DATE</b>	<b>NOMINAL VALUE SZL</b>
Select Limited SML506	SZD000551952	13.50	28-10-2020	17 000 000,00
Select Limited SML600	SZD000551960	13.50	28-10-2020	9 000 000,00
				<b>26 000 000,00</b>

Source: ESE Trading Statistics 2020

## **GRAPH 6: CORPORATE BONDS 2019 vs 2020**



Source: ESE Trading Statistics, 2020

## **GOVERNMENT BONDS**

Total Government Bonds decreased to SZL5.311 billion in October 2020 from SZL5.332 in September 2020. Year-on-year, Government marked a 68.61% increase in the total value of government bonds trading on the ESE, from SZL3.150 billion in October 2019 to SZL5.311 billion in October 2020.

The decrease in Total Government Bonds was due to one (1) bond (SG017) maturing with a higher value than the three (3) re-openings as shown on the tables below.

**TABLE 6: GOVERNMENT BONDS REOPENINGS AS OF 31<sup>st</sup> OCTOBER 2020**

NAME	ISIN CODE	COUPON	REOPEN DATE	NOMINAL VALUE SZL
Swaziland Government SG035	SZG000441371	10,25	30-10-2020	80 580 000,00
Swaziland Government SG040	SZG000441439	9,40	30-10-2020	23 024 000,00
Swaziland Government SG047	SZG000441520	10,50	30-10-2020	86 590 000,00
				<b>190 194 000,00</b>

Source: ESE Trading Statistics 2020

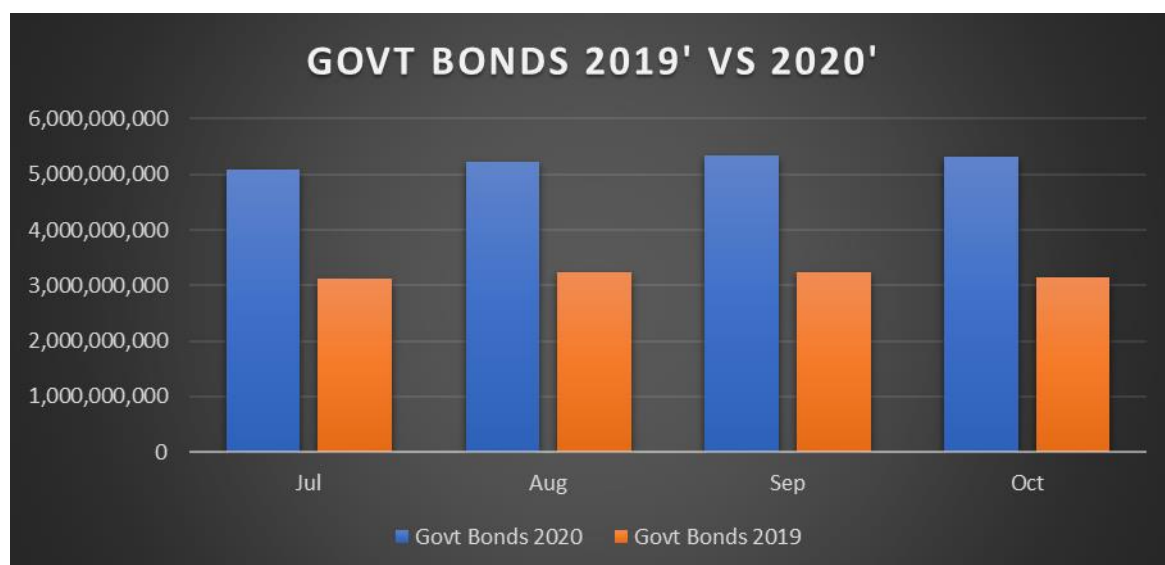
The month of October 2020 saw Government Bond SG017 mature as detailed below.

**TABLE 7: GOVERNMENT BONDS MATURED AS OF 31<sup>st</sup> OCTOBER 2020**

NAME	ISIN CODE	COUPON	MATURITY DATE	NOMINAL VALUE SZL
Swaziland Government SG017	SZG000441157	8.50	30-10-2020	251 100 000,00
				<b>251 100 000,00</b>

Source: ESE Trading Statistics 2020

## **GRAPH 7: GOVERNMENT BONDS 2019 vs 2020**



Source: ESE Trading Statistics, 2020

## **ESE MEMBERS**

In the period under review ESE had the following Members:

### **Stockbroking Firms**

Swaziland Stockbrokers Limited  
African Alliance Eswatini Securities Limited

### **Exempt Dealers**

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

### **Debt Sponsors**

Central Bank of Eswatini

**TABLE 8: ESE MEMBERS**

	Jun 2020	Jul 2020	Aug 2020	Sep 2020	Oct 2020
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: ESE Trading Statistics, 2020



## **CORPORATE NEWS**

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- 1. Corporate bond SML807 worth SZL 40 million commenced trading in the month of October 2020.**
- 2. Government bonds SG035 worth SZL 80 million, SG040 SZL 23 million and SG047 worth SZL 86 million commenced trading in the month of October 2020.**
- 3. Corporate bond SML506 worth SZL 17 million and SML600 worth SZL 9 million matured trading in the month of October 2020.**
- 4. Government bond SG017 worth SZL 251 million matured trading in the month of October 2020.**

## **OTHER ACTIVITIES**

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### **INALA CAPITAL LIMITED AGM – HAPPY VALLEY HOTEL 28 OCTOBER 2020**

**The first Annual General Meeting of Inala Capital Limited (“the Company” or “Inala”) will be held on Wednesday, 28 October 2020 at Happy Valley Hotel, Ezulwini, Eswatini at 10h00, to consider and, if approved, to pass the following ordinary and special resolutions:-**

**WELCOME AND DECLARE THE MEETING DULY CONSTITUTED**

**PRESENTATION OF DIRECTORS’ REPORT AND GENERAL REVIEW**

**RESOLUTION 1 (ORDINARY RESOLUTION): ADOPTION OF AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2019**

**TO RESOLVE THAT the audited financial statements of the Company (as approved by the Board of Directors of the Company) together with the reports of the Directors and Auditors therein for the year ended 30 September 2019, be and are hereby accepted and adopted.**

**RESOLUTION 2 (ORDINARY RESOLUTION): AUDITORS’ RE-APPOINTMENT AND REMUNERATION**

**TO RESOLVE THAT PricewaterhouseCoopers (“PWC”) be and are hereby re-appointed as auditors of the Company to hold office until the conclusion of the next Annual General Meeting; and**

**THAT the directors be and are hereby authorized to fix the remuneration of the**

auditors for the past year.

### **RESOLUTION 3 (ORDINARY RESOLUTION): RE-ELECTION OF DIRECTORS**

**RESOLUTION 3.1: TO RESOLVE THAT Ms. Nelisiwe K Mabuza, a director retiring by rotation in terms of the Company’s Articles of Association, be and is hereby re-elected to the Company’s board of directors.**

**RESOLUTION 3.2: TO RESOLVE THAT Dr. Tony M Dlamini, a director retiring by rotation in terms of the Company’s Articles of Association, be and is hereby re-elected to the Company’s board of directors.**

**RESOLUTION 3.3: TO RESOLVE THAT Mr. Antonio Manuel Baptista de Castro, a director retiring by rotation in terms of the Company’s Articles of Association, be and is hereby re-elected to the Company’s board of directors.**

### **DECLARATION OF DIVIDEND**

**To note that no dividend was recommended by the directors to be declared to shareholders for the financial period ended 30 September 2019.**

### **RESOLUTION 4 (ORDINARY RESOLUTION): CONTROL OF UNISSUED SHARES**

**TO RESOLVE AS AN ORDINARY RESOLUTION THAT until the conclusion of the next Annual General Meeting of the Company, the unissued ordinary shares of the Company be and are hereby placed under the control of the directors, to allot and issue to such person or persons on such terms and conditions and at such times as the directors in their discretion may determine, subject to the provisions of the Companies Act and Listings Requirements.**

### **RESOLUTION 5 (SPECIAL RESOLUTION): LOANS TO RELATED OR INTER-RELATED COMPANIES**

**RESOLVED, as a special resolution, THAT in terms of section 35(1) and (3) of the Companies Act of 2009 (Act 8 of 2009), that the board of directors of the Company be and is hereby authorised to approve that the Company may employ its funds, directly or indirectly in loans, guarantee of a loan or other obligation or the securing of a debt or other obligation to / of any company which is the Company’s holding company or which is a subsidiary of the holding company or its subsidiary (“a related or inter-related company”), on the terms and conditions and for amounts that the board of the Company may determine and deem fit, provided that the aforementioned approval shall be valid until the date of the next Annual General Meeting of the Company.**

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