PARKER REVIEW

A weekly news summary for SA business professionals: 10 May 2024

Retail & Business **Retail & Business**

- **Woolworths has launched Farming for the Future campaign to combat climate change. (3 May; retailbriefafrica.co.za; woolworths.co.za)**
- **Netcare expecting revenue growth of up to 4.4% for six months to end March. (3 May; Netcare)**
- **Hilton Sandton to be rebranded. (3 May; moneyweb.co.za; hilton.com)**
- **Q4 2023 SME Confidence Index: Many SA small businesses concerned that risk of economic turbulence and protest action during election season could impact their operations. (5 May; dailyinvestor.com; Business Partners)**
- **Newly launched Dube Tradezone 2 has attracted R1.8 billion in early investment. (6 May; propertywheel.co.za; dubetradeport.co.za)**
- **Joint owners of Fourways Mall have obtained important high court rulings in attempt to claim more than R1 billion from insurance companies for business interruption linked to Covid-19 pandemic. (6 May; moneyweb.co.za; Accelerate Property Fund)**
- **Food Lover's has entered R9.6 billion pet food market partnership with VetsMart. (6 May; bizcommunity.com; foodloversmarket.co.za)**
- **Latest NIQ Consumer Outlook Report: 59% of South Africans shop where they can use loyalty and rewards programmes. (6 May; bizcommunity.com; nielseniq.com)**
- ***Food & Wine* magazine: Cape Town named one of World's Best Cities for Coffee in 2024. (6 May; bizcommunity.com; Food & Wine)**
- **Redefine Properties increased distributable income in first half by 6.1% to R1.7 billion. (6 May; businesslive.co.za; Redefine)**
- **Calgro M3: Full-year earnings to rise as much as 27.7%. (6 May; Calgro M3)**

- Ster-Kinekor slashing jobs and closing cinemas in SA because of country's struggling economy. (6 May; mybroadband.co.za; sterkinekor.com)
- Shell has confirmed plans to exit SA downstream operations. (6 May; fin24.com; dailymaverick.co.za; shell.co.za)
- Tongaat Hulett's BRPs preparing to implement business rescue plan. (6 May; iol.co.za; tongaat.com)
- SAPOA Operating Costs Report (ended December 2023): Total operating costs (as percentage of gross income) rose by 60 basis points to 43.10% by yearend. (6 May; propertywheel.co.za; sapoamember.co.za)
- Amazon has officially launched its online Marketplace in SA. (7 May; businesstech.co.za; amazon.co.za)
- Massmart's new strategy may see more Game stores closing. (7 May; mybroadband.co.za; massmart.co.za)
- Sheraton Textiles has commissioned multimillion-rand production facility in Diep River, Cape Town. (7 May; iol.co.za; sheratontextiles.co.za)
- Stats SA: International tourist arrivals totaled 2.4 million in Q1 2024. (7 May; bizcommunity.com; Stats SA)
- Naamsa: Export value of vehicles and automotive components increased by R43.5bn to R270.8bn last year. (7 May; businesslive.co.za; naamsa.net)
- Attacq Waterfall Investment Company has acquired remaining 20% stake in Mall of Africa. (7 May; propertywheel.co.za; Attacq)
- Rode's Report on SA Property Market for Q1 2024: Renting more affordable than buying. (7 May; dailyinvestor.com; Rode)
- Combined Motor Holdings' results for year to end February: Revenue up 3%, operating profit up 1%. (7 May; Combined Motor Holdings)
- KLA Quarterly Buzz results for Q1 2024: Top five performing brands across all sectors were Woolworths, Takealot, FNB, Checkers and Pick n Pay. (7 May; bizcommunity.com; kla.co.za)

Retail & Business

- Shoprite, Usave and Checkers' private label products won top spot in four categories at SA Dairy Awards. (7 May; retailbriefafrica.co.za; Shoprite)
- Spar to list on A2X. (8 May; businesstech.co.za; A2X)
- Canal+ has raised holding in MultiChoice to 43.54%. (8 May; mybroadband.co.za; multichoice.com)
- BMW 7 Series is 2024 SA Car of the Year. (8 May; news24.com)
- SAB has reported double-digit top-and-bottom-line growth with EBITDA margin expansion for Q1 2024. (8 May; iol.co.za; AB InBev)
- World Wide Worx's Online Retail in SA 2024 report: SA's e-commerce sector reached R71 billion in sales value in 2023 (29% growth from R55 billion in 2022). Online retail now represents 6% of total retail sector. Many shoppers still prefer experience of physical shopping. (8 May; techcentral.co.za; dailyinvestor.com; businesslive.co.za; worldwideworx.com)
- Equites Property Fund wheeling renewable energy from its Parow DC onto Cape Town's grid. (9 May; propertywheel.co.za; equites.co.za)
- Lesaka Technologies: Revenue of R2.6 billion in quarter to end March (up from R2.4 billion a year ago). Related: To buy payments platform Adumo in R1.6 billion cash-and-shares deal. (9 May; techcentral.co.za; businesslive.co.za; Lesaka; Lesaka)
- Accenture report: 95% of SA leaders think that e-commerce is growing faster than they can adapt. (9 May; it-online.co.za; accenture.com)
- Takealot has launched Amazon Prime-style subscription model for its customers. (9 May; techcentral.co.za; TakealotMORE)
- Sappi: 10% y/y increase in Ebitda to $183 million for quarter to end March. (9 May; engineeringnews.co.za; Sappi)
- KAL Group: 7% rise in headline earnings for first half. (9 May; KAL)
- Tiger Brands has invested R300 million in new Black Cat factory in Krugersdorp. (9 May; engineeringnews.co.za; tigerbrands.com)

- FinScope Consumer SA 2023 survey: SA's formal economy cannot absorb the amount of unemployed people in SA, informal economy thus crucial for job creation. (4 May; dailyinvestor.com; FinMark Trust)
- Transnet welcoming government reforms to allow more private sector participation at SA's ports and rails. (5 May; dailyinvestor.com; transnet.net)
- New investment by Medigrow in Coega Special Economic Zone to give boost to medicinal cannabis economy in Eastern Cape. (5 May; dailymaverick.co.za; medigrow.co.za)
- Ramaphosa: Investors love SA. (6 May; businesstech.co.za)
- BNP Paribas has wound down its corporate and investment banking services in SA. (6 May; businesstech.co.za; group.bnpparibas)
- FNB has launched Nvidia exchange-traded note. (6 May; mybroadband.co.za; fnb.co.za)
- SA market to start using new Zaronia interest rate soon. (6 May; fin24.com; SARB)
- April S&P Global SA PMI rose to 50.3 (up from 48.4 in March). (6 May; iol.co.za; spglobal.com)
- Deloitte's latest ConsumerSignals report (Q1 2024): Middle-class consumers are scaling back on buying everyday items, savings, and spending on healthcare and education to cope with rising cost of living. (6 May; businesstech.co.za; deloitte.com)
- Competition Commission's Essential Food Pricing Monitoring Report: Consumers adjusting food expenditure in response to rising cost of living and effects of load shedding, turning to alternatives like canned pilchards. (6 May; dailyinvestor.com; Competition Commission)
- Standard Bank has launched rapid payments platform enabling Payshap. (7 May; it-online.co.za; standardbank.co.za)
- Payfast has rebranded as Network International. (7 May; techcentral.co.za; payfast.io)

- Latest DebtBusters Debt Index for Q1 2024: Debt levels for South Africans earning more than R20k a month reaching record levels. (7 May; businesstech.co.za; DebtBusters)
- FNB named Strongest Brand in SA by Brand Finance. (7 May; businesslive.co.za; fnb.co.za)
- Transunion's 2024 State of Omnichannel Fraud Report: In 2023, across industries, 4.1% of all transactions where consumer was in SA were flagged as suspected digital fraud. (7 May; bizcommunity.com; Transunion)
- TPN's latest Tenant Survey: More SA women than men are renting because they can't afford homeownership. (7 May; propertywheel.co.za; mrisoftware.tpn.co.za)
- Absa has opened non-banking subsidiary in China. (8 May; dailyinvestor.com; absa.co.za)
- DTI: Six successive shocks over past three years (including pandemic, severe flooding and load shedding) have cost SA's economy as much as R850 billion. (8 May; businesstech.co.za; thedtic.gov.za)
- Stellantis SA CEO: SA one of key destinations for investment. (8 May; iol.co.za; fcasouthafrica.co.za)
- BankservAfrica Economic Transactions Index reached index level of 134.2 in April (0.6% improvement on monthly basis). (8 May; bizcommunity.com; BETI)
- Post Office going ahead with job cuts. (9 May; mybroadband.co.za; postoffice.co.za)
- PayJustNow partnering with Merchant Capital. (9 May; it-online.co.za; payjustnow.com)
- Stats SA: Manufacturing production decreased 6.4% in March 2024 compared to March 2023. (9 May; businesstech.co.za; businesslive.co.za; Stats SA)

- **Eskom / energy-related news: (4 - 10 May)**
  - **Eskom: Massive turn in unplanned outages (plant breakdowns) to thank for sustained suspension of load shedding in SA; has markedly improved its UCLF. (businesstech.co.za; mybroadband.co.za; eskom.co.za)**
  - **EDF Renewables building 1.2GW of power generation capacity in SA. (iol.co.za; edf-re.co.za)**
  - **Eskom suing Joburg over R1.1 billion City Power debt. Joburg has hit back at Eskom – wants R3.4 billion in overcharges. (techcentral.co.za; businesstech.co.za; eskom.co.za)**
  - **Eskom: Life extension at Koeberg Nuclear Power Plant on track. (businesstech.co.za; eskom.co.za)**
  - **Ramokgopa: Load shedding not being 'stage managed' ahead of elections. (engineeringnews.co.za)**
  - **Oberholzer's Mulilo investing more than R55 billion in solar and wind generation as well as battery storage. (moneyweb.co.za; mulilo.com)**
  - **DMRE: SA has 63 independently owned solar power stations that are operational, under construction, or still awaiting financial close, totaling more than 4 400MW. (mybroadband.co.za; DMRE)**
  - **Eskom phasing out use of copper cables due to high levels of theft of the item. (businesstech.co.za; eskom.co.za)**
  - **SA to provide new timeline for shutdown of coal-fired power plants in bid to secure +-$2.5 billion in climate finance. (mybroadband.co.za)**
  - **City of Cape Town unveils new electricity meter allowing residents to sell solar power back to metro. (ewn.co.za; capetown.gov.za)**

- ***Articles of the Week:***
  - ***Pick n Pay CEO describes the supermarket of the future. (5 May; dailyinvestor.com)***
  - ***Beauty survey results from South African Gen Zs – get it now! (6 May; bizcommunity.com)***
  - ***Is Sixty60 threat behind Massmart's 'mini Makro in malls' plan? (8 May; moneyweb.co.za)***
  - ***Retailers warned – innovate or lose investment opportunities. (8 May; bizcommunity.com)***
  - ***Groundbreaking SA consumer insights dataset to be showcased to a global audience. (9 May; retailbriefafrica.co.za)***
  - ***How business has helped pull SA back from the brink. (10 May; moneyweb.co.za)***

Contact Details

Douglas Parker Associates

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