PARKER REVIEW

A weekly news summary for SA business professionals: 14 June 2024

Retail & Business

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- Woolworths won four awards at annual PLMA International Salute to Excellence Awards. (7 June; retailbriefafrica.co.za; plmasalute.com)
- SAPOA Industrial Property Trends Report (H1 2024): Industrial real estate was top-performing sector during H1 2024, with total return of 11.2%. (7 June; propertywheel.co.za; sapoamember.co.za)
- TFG financial statements for year to end March: Revenue up 8.9% to R60.1 billion. Bash expected to break even ahead of schedule. (7 June; dailyinvestor.com; moneyweb.co.za; TFG)
- Novus Holdings' trading statement for full year to end March: HEPS set to improve at least 1 000% from last year's loss. (7 June; Novus)
- Clothing items bought from international e-commerce retailers (e.g. Temu and Shein) and packaged in small quantities will from next month be taxed at same rate as large quantities. (9 June; mybroadband.co.za; Business Times)
- Oceana Group's revenue from continuing operations up 12.1% to R5 billion for six months to end March. Woolworths customers warming to Lucky Star. (10 June; businesslive.co.za; businesslive.co.za; Oceana)
- Omnia: 6% decline in HEPS for year ended March. (10 June; Omnia Holdings)
- V&A has marked World Environment Day at its first totally recycled commercial building. (10 June; africanretail.com; waterfront.co.za)
- iStore now offering deliveries in 60 minutes. (10 June; techcentral.co.za; istore.co.za)
- Avalon Group – owner of CineCentre cinema chain – confident in industry's future in SA. (10 June; mybroadband.co.za; cinecentre.co.za)
- PIC has lifted stake in Raubex above 25%. (10 June; Raubex)

- **Premier Group results for year to end March: 18.6% y/y increase in Ebitda to R2.1 billion. (11 June; engineeringnews.co.za; Premier Group)**

- **Accelerate Property Fund to sell Cherry Lane Shopping Centre for R57 million. (11 June; businesstech.co.za; acceleratepf.co.za)**

- **Naspers expecting core HEPS from continuing operations to more than double (107% - 113%) for year to end March. (11 June; fin24.com; Naspers)**

- **RCL Foods: All conditions for unbundling and unlisting of Rainbow Chickens on JSE have now been fulfilled. (11 June; iol.co.za; RCL)**

- **Spar Group has reported 7.6% decline in half-year earnings. Major spike in Spar2U delivery service sales volumes. Has signed terms for Poland disposal. (12 June; timeslive.co.za; businesstech.co.za; mybroadband.co.za; Spar; Spar)**

- **Cell C selling its stores. (12 June; mybroadband.co.za; cellc.co.za)**

- **L2D operational update: Portfolio trading densities of R54 693 per sqm (6.7%) y/y for its retail assets with strong demand for space during Q1 2024. (12 June; propertywheel.co.za; liberty2degrees.co.za)**

- **MultiChoice results for year to end March: 5% net decline in group revenue to R56 billion; 9% decline in active subscribers. Revenue of R1 billion for Showmax. (12 June; mybroadband.co.za; mybroadband.co.za; MultiChoice)**

- **Telkom expecting BEPS and HEPS to rise by over 100% in 2024 financial year. (12 June; dailyinvestor.com; Telkom)**

- **Panasonic has all but vanished from the local market. (12 June; mybroadband.co.za)**

- **PPC trading statement for year to end March: Expected EPS and HEPS to differ by at least 20% from previous corresponding period. (12 June; PPC)**

- **Motus expecting annual earnings for year to end June to decline by as much as 35%. (12 June; Motus)**

- **Takealot reporting 'overwhelmingly positive' response to TakealotMore. (12 June; mybroadband.co.za; takealot.com)**

- Sasfin: Shoprite set to remain clear winner among SA's JSE-listed food retailers for years to come. (12 June; dailyinvestor.com; sasfin.com)

- MSCI SA Quarterly Retail Trading Index: Shopping mall vacancies declined to 4% during Q1 2024. (12 June; propertywheel.co.za; sapoamember.co.za)

- Mr Price Group results for year ended 30 March; Revenue increased by 15.5% to R37.9 billion. Nearly 90% of sales were conducted in cash. (13 June; businesstech.co.za; dailyinvestor.com; Mr Price)

- Fourways Mall has announced new taxi holding area. (13 June; dailyinvestor.com; fourwaysmall.com)

- Moritiwa Crossing centre in Limpopo recently expanded to 26 000sqm. (13 June; propertywheel.co.za; moritiwacrossing.co.za)

- Pick n Pay's bitcoin payments system hits R1 million a month. (13 June; businesslive.co.za; pnp.co.za)

- Competition Commission has given green light to AWIC's proposed R1.07 billion purchase of remaining 20% of Mall of Africa. (13 June; businesstech.co.za; compcom.co.za)

- 700 Mercedes jobs at risk at its East London manufacturing plant. (13 June; businesstech.co.za; mercedes-benz.co.za)

- Eastern Cape's first standalone Checkers Outdoor store has opened at Moffett on Main Lifestyle Centre in Gqeberha. (13 June; retailbriefafrica.co.za; Shoprite Holdings)

- Volkswagen news: (11 – 13 June)
  - Warning load shedding is hindering SA expansion. (techcentral.co.za; vw.co.za)
  - Volkswagen and Isuzu slamming government's electric vehicles plan. (dailyinvestor.com; vw.co.za)
  - Volkswagen and others in talks to revive key railway. (dailyinvestor.com; vw.co.za)

- West Pack Lifestyle has entered voluntary business rescue proceedings. (14 June; dailyinvestor.com; westpacklifestyle.co.za)

- Port of Cape Town ranked at bottom of latest Container Port Performance Index. (7 June; moneyweb.co.za; spglobal.com)

- Transnet fine-tuning plans in order to open its doors to private sector train companies. (9 June; dailymaverick.co.za; transnet.net)

- NAMC's latest Farm-to-Retail Price Spread report: Consumers paid more to buy chicken between February and April this year, but farmers were paid less for this commodity. (10 June; iol.co.za; namc.co.za)

- Alexforbes: 12% increase in operating income to R3.9 billion for 12 months to end March. (10 June; businesslive.co.za; Alexforbes)

- Putin has confirmed that BRICS' independent payment system is in the pipeline. (10 June; bizcommunity.com; infobrics.org)

- FNB/BER BCI increased from 27 in Q1 2024 to 35 in Q2 2024. (10 June; businesstech.co.za; BER)

- Nedbank CIB has concluded R1 billion funding facility for the IDC. (10 June; engineeringnews.co.za; nedbank.co.za)

- Dawie Roodt: SA government's true debt-to-GDP ratio is +-90% (much higher than official 74%). Also: Economy needs less State interference and more privatization. (10 June; engineeringnews.co.za; dailyinvestor.com; dawieroodt.co.za)

- Allan Gray research note: Balanced fund heavily invested in 'self-help' SA companies that can withstand periods of volatility and economic hardship, e.g. Standard Bank, Remgro, Woolworths and Tiger Brands. (10 June; dailyinvestor.com; allangray.co.za)

- Afrimat Construction Index declined to 103.7 in Q1 2024 (down from 117.3 in Q4 2023). (11 June; engineeringnews.co.za; ACI)

- Stats SA: SA's manufacturing production increased by 5.3% y/y in April. (11 June; engineeringnews.co.za; Stats SA)

- Sacci Business Confidence Index dropped from 108.9 in April to 107.8 in May. (11 June; engineeringnews.co.za; BCI)

- Cities Economic Outlook 2023: Cape Town, Tshwane and eThekwini were top performers in formal job growth from 2014 to 2022. (11 June; businesstech.co.za; SeadSA)

- SA will have to spend R1 trillion to repair and upgrade its collapsing water infrastructure. (12 June; dailyinvestor.com)

- Q2 Absa Manufacturing Survey: Business confidence rose 7 points to 28. (12 June; it-online.co.za; absa.co.za)

- BankservAfrica Economic Transactions Index recovered further to 136.2 in May. (12 June; it-online.co.za; BETI)

- Ctrack Transport and Freight Index reached 123.4 in April (increase of 2.8% compared with March). (12 June; engineeringnews.co.za; ctrack.com)

- African Rainbow Capital Investments: TymeBank expected to achieve profitability this month. Seeking JSE and New York listings. (13 June; iol.co.za; fin24.com; businesstech.co.za; ARC)

- Latest Eighty20 Credit Stress Report: Middle-class workers have over R77 billion in overdue bills. (13 June; businesstech.co.za; eighty20.co.za)

- Ramaphosa has signed amended National Land Transport Act into law. (13 June; mybroadband.co.za; thepresidency.gov.za)

- Standard Bank news: (12 – 13 June)
  - Has seen 121% spike in number of offshore accounts opened since June 2023. (moneyweb.co.za; standardbank.co.za)
  - Collaborating with MTN for new MVNO. (engineeringnews.co.za; connect.standardbank.co.za)
  - Set to help fund $5 billion African oil pipeline. (moneyweb.co.za; standardbank.co.za)

- SA basic income grant more likely than ever. (14 June; dailyinvestor.com)

- Mining production rose 0.7% y/y in April. (14 June; iol.co.za; Stats SA)

- ANC has reached ‘breakthrough’ with political parties to form GNU. (14 June; iol.co.za)

- Eskom / energy-related news: (8 – 14 June)
  - Rapport: Eskom's power station generating capacity recovery has been significant enough that SA might only experience two weeks of load shedding in 2024. (mybroadband.co.za; Rapport)
  - AfriForum challenging Nersa's approval of municipal electricity tariffs. (moneyweb.co.za; afriforum.co.za)
  - Eskom wants to change the way SA pays for electricity. (mybroadband.co.za; eskom.co.za)
  - Discovery Green research paper: Businesses warned against 'over-investing' in solar – could lead to much higher costs in long run. (businesstech.co.za; discoverygreen.co.za)
  - Tshwane doubling down on plans to revive decommissioned power stations. (businesstech.co.za; tshwane.gov.za)
  - Solar installations slowing in SA after load shedding eases. (dailyinvestor.com)
  - Industry experts: Eskom's plans to reserve parts of power grid for government projects will undo progress in ending monopoly on power generation. (moneyweb.co.za)
  - Solar PV panels rolled out at 150 Engen fuel stations in Southern Africa. (engineeringnews.co.za; engen.co.za)
  - SA preparing to pilot independent transmission projects to bolster grid's renewables capacity. (engineeringnews.co.za; treasury.gov.za)
  - Ramokgopa defending move to continue using coal-fired power stations. (ewn.co.za)

- *Articles of the Week:*
  - *The real cost of the NHI. (11 June; dailyinvestor.com)*
  - *SA's hidden R750 billion economy attracting JSE-listed companies. (11 June; dailyinvestor.com)*
  - *Insights into SA's fast food trends. (11 June; retailbriefafrica.co.za)*
  - *Billions expected through private sector investment in SA railway system. (11 June; propertywheel.co.za)*
  - *Big office landlords are cutting rent by up to 47% to keep tenants. (12 June; moneyweb.co.za)*
  - *What big business wants to see from SA's new government – and the thing they fear most. (13 June; businesstech.co.za)*
  - *A closer look at the brands SA loves. (13 June; businesslive.co.za)*
  - *Inside PnP's plan for its 21 Hypermarkets. (14 June; moneyweb.co.za)*

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