PARKER REVIEW

A weekly news summary for SA business professionals: 17 May 2024

DPA

Retail & Business

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- RFG Holdings expecting interim earnings for six months to end March to rise as much as 23%. (10 May; iol.co.za; RFG)
- Sibanye-Stillwater: Adjusted Ebitda fell from R7.76 billion to R2.14 billion in quarter under review. (10 May; Sibanye-Stillwater)
- Bob Group: Amazon will face difficulties in grappling with the intricacies of the SA eCommerce market. (12 May; dailyinvestor.com; bob.co.za)
- Vodacom results for year to end March: Overall, HEPS decreased by 10.8%; SA service revenue grew by 2.6% due to new services, consumer contract segment and prepaid mobile data. Planning fibre partnerships to accelerate rollout. (13 May; businesstech.co.za; dailyinvestor.com; Vodacom)
- WeBuyCars: R69.5 million loss for six months to end March. Related: Has signed lease agreements in prime locations in East London, Cape Town, and North West. (13 May; dailyinvestor.com; businesstech.co.za; WeBuyCars)
- Trenery has opened flagship store at V&A Waterfront. (13 May; bizcommunity.com; V&A)
- Astron Energy has signed 10-year partnership extension agreement with FreshStop. (13 May; bizcommunity.com; astronenergy.co.za)
- Raubex: HEPS increased 21.3% for year to end February. (13 May; Raubex)
- Calgro M3 financial statements for year to end February: Gross profit margin increased to 27.25%; 1 794 units handed over in current year. Also: New 'city' near Sandton in pipeline for development. (13 May; businesstech.co.za; Calgro M3)
- Novus Holdings to buy Bytefuse. (13 May; iol.co.za; novus.holdings)
- Takealot expanding its on-demand, 60-minute delivery service to more areas in Cape Town. (13 May; mybroadband.co.za; takealot.com)

- Redefine has acquired Pan Africa Shopping Centre in Alexandra. (14 May; propertywheel.co.za; panafrica.co.za)

- Anglo American has rejected BHP's improved takeover bid. Also: Anglo to exit diamond, platinum and coal mining in bid to fend off BHP. (14 May; ewn.co.za; moneyweb.co.za; businesstech.co.za; Anglo American; Anglo American)

- Octodec Investments: 6.4% decline in distributable earnings per share for six months to end February. (14 May; Octodec)

- MTN Group has reported 18.8% decline in Q1 service revenue. Grew subscribers by 3 million. (14 May; techcentral.co.za; it-online.co.za; MTN)

- Equites Property Fund audited financial statements for year to end February: SA property valuation increased by 4.2%, UK portfolio valuations increased by 2.1% (in sterling); portfolio vacancy rate of 0%. (14 May; propertywheel.co.za; Equites)

- Dipula Income Fund results for six months to end February: Revenue of R755.0 million (vs R691.5 million in 2023). (14 May; Dipula)

- Delta Property Fund expecting distributable EPS for year to end February to be between 49% and 68% higher than in 2023. (14 May; Delta; Delta)

- Canal+ increases interest in MultiChoice to 45.2%. (14 May; techcentral.co.za; multichoice.com)

- bpSA celebrates 100 years in SA. Planning big expansion in the country. (14 May; engineeringnews.co.za; businesstech.co.za; bp.com)

- Amazon: Success in SA will be its focus on customers rather than the competition. (14 May; mybroadband.co.za; amazon.co.za)

- Transaction Capital expects to report narrowing of 32% - 22% in its headline loss per share for six months to end March. (14 May; businesslive.co.za; Transaction Capital)

- Qatar Airways to invest in airline in Southern Africa. (15 May; engineeringnews.co.za; qatarairways.com)

- Stellantis to start construction shortly on its R3 billion manufacturing site at the Coega SEZ in Gqeberha. (15 May; businesstech.co.za)
- Tribunal has conditionally approved Sea Harvest's acquisition of Terrasan businesses. Related: Sea Harvest investing R48 million to improve Saldanha Bay. (15 May; engineeringnews.co.za; fin24.com; Sea Harvest)
- Stats SA: Retail trade sales increased from decline of 0.7% in February to expansion of 2.3% in March. (15 May; businesstech.co.za; Stats SA)
- Alterra-led consortium to acquire majority stake in Chill Beverages. (15 May; engineeringnews.co.za; chillbev.co.za)
- Financial Times' list of fastest-growing companies in Africa: 41 out of top 125 on the continent are SA companies. (15 May; businesstech.co.za; Financial Times)
- Karooooo Q4 results for period to end February: Subscription revenue grew by 18% to R953 million; subscribers increased by 15%. (16 May; mybroadband.co.za; Karooooo Ltd)
- Afrimat results for year ended February: Group revenue up 23.9% to R6.1 billion. (16 May; Afrimat)
- Barloworld expecting group basic HEPS to fall by 24% - 26.8% in six months to end March. (16 May; businesslive.co.za; Barloworld)
- R370 million Riverstone Mall in Meyerton (Joburg) set to open in early 2025. (16 May; businesstech.co.za; engineeringnews.co.za; alleyroads.co.za)
- Roberto Cavalli has opened first flagship boutique in Africa – in Oceans Mall, Umhlanga. (16 May; moneyweb.co.za; Instagram)
- BusinessTech grocery basket comparison: Makro remains most affordable grocery retailer in SA. (16 May; businesstech.co.za)
- Fabricio Bloisi will be new CEO of Naspers and Prosus. (17 May; businesstech.co.za; Naspers)
- Rolex shutting down SA office. (17 May; mybroadband.co.za; rolex.com)

Financial & Other

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- Ctrack Transport and Freight Index increased to index level of 119.7 in March (1.1% increase compared with February). (10 May; engineeringnews.co.za; ctrack.com)

- Deloitte's latest SA Economic Outlook: SA managed to avoid technical recession in 2023, with real GDP growth at 0.6%. (10 May; engineeringnews.co.za; deloitte.com)

- Lightstone: Affordable residential property market's value has risen over past few years, but volumes have dropped. (11 May; businesstech.co.za; lightstoneproperty.co.za)

- Specialist financial services provider, Fedgroup, has extended c.R1 billion in financing to the Alleyroads Group. (13 May; propertywheel.co.za; fedgroup.co.za)

- Post Office wants monopoly over online shopping deliveries in SA. (13 May; mybroadband.co.za; postoffice.co.za)

- Latest Pam Golding Properties Residential Property Index: National house price inflation in SA rose to +3.1% in March. (13 May; everythingproperty.co.za; Pam Golding)

- Investec's Annabel Bishop: 'Private sector continues to drive capital investment in SA, contributing over 70% to growth in fixed investment.' Also: South Africans are getting poorer as their take-home pay cannot keep up with inflation. (13 May; businesstech.co.za; dailyinvestor.com; investec.com)

- Discovery Invest has launched Bitcoin fund. (13 May; dailyinvestor.com; discovery.co.za)

- FNB Residential Property Barometer (Q1 2024 and May 2024): Affordability remains a challenge, with overall uncertainty dampening housing market activity. FNB has revised its interest rate and GDP expectations downwards, resulting in delayed housing market recovery in SA. (14 May; businesstech.co.za; everythingproperty.co.za; fnb.co.za)

- Stats SA: SA's unemployment rate up from 32.1% in Q4 2023 to 32.9% in Q1 2024. (14 May; dailymaverick.co.za; Stats SA)

- Stats SA: Mining production in SA declined by 1.7% on quarter-on-quarter and y/y basis in Q1 2024 (compared to Q4 2023). (15 May; iol.co.za; Stats SA)

- Ramaphosa has signed contentious NHI Bill into law. According to Ramaphosa, existing funds that have been earmarked for healthcare would be redirected. Health Minister Phaahla: NHI to be implemented in two phases. Opposition mounting against Bill. (15 May; ewn.co.za; ewn.co.za; fin24.com; ewn.co.za; bizcommunity.com; dailyinvestor.com; busa.org.za)

- Nedbank has launched R10 million Indalo Fund. (15 May; engineeringnews.co.za; nedbank.co.za)

- Absa partnering with IFC to help East African coffee farmers. (15 May; engineeringnews.co.za; absa.co.za)

- Old Mutual Property gets R2.98 billion IFC backing for offshore logistics foray. (15 May; moneyweb.co.za; oldmutual.co.za)

- BMI Research: SA's PGM sectors will likely remain muted in terms of productivity and earnings for rest of this year. (16 May; iol.co.za; bmi.co.za)

- RMB providing bespoke $100 million funding package to Powerfleet. (16 May; engineeringnews.co.za; rmb.co.za)

- National Assembly has given two-pot retirement system final stamp of approval. (16 May; ewn.co.za; parliament.gov.za)

- Sanlam operational update for three months to end March: Net operational earnings increased by 16%. (16 May; Sanlam)

- Stats SA: Motor trade sales for March 2024 decreased by 10.4% y/y. (16 May; businesstech.co.za; Stats SA)

- SA likely achieved primary budget surplus for first time in 15 years. (17 May; fin24.com; treasury.gov.za)

- New logo for Africanbank. (17 May; iol.co.za; africanbank.co.za)

- Sacci's latest Trade Activity Index improved to 45 in April. (17 May; iol.co.za; TAI)

- Eskom / energy-related news: (11 - 17 May)
  - Ramokgopa: SA on verge of experiencing another power crisis due to crumbling municipal infrastructure. (businesstech.co.za)
  - Chris Yelland: Eskom's UCLF dropped from 30.56% to 25.56% over the last week – caused EAF to rise from 58.60% to 62.08%. Also: Eskom has only completed three of the five transmission line expansion projects it had planned for 2023/24 financial year. (mybroadband.co.za; mybroadband.co.za; Chris Yelland; eebi.co.za)
  - Ramaphosa: 'Energy Action Plan' is working. Also: Load shedding respite no political ploy. (techcentral.co.za; businesstech.co.za)
  - Eskom has rejected City of Cape Town's request to take over supply. (ewn.co.za; eskom.co.za)
  - Ramokgopa: Eskom EAF tops 70%. Winter with no load shedding within reach. (techcentral.co.za; ewn.co.za)
  - Eskom and Nersa denying that power utility used diesel excessively to ensure uninterrupted power supply in SA. (moneyweb.co.za; nersa.org.za)
  - Eskom kissing full code red goodbye. (mybroadband.co.za; eskom.co.za)
  - According to Eskom, its Key Revision Number rollover project is 'progressing well' and is on track. (businesstech.co.za; eskom.co.za)
  - NCOP approves Electricity Regulation Amendment Bill. (engineeringnews.co.za; ewn.co.za; parliament.gov.za)

- *Articles of the Week:*
  - *Unlocking winter profits: How SA retailers can capitalize on the cold season. (14 May; retailbriefafrica.co.za)*
  - *Amazon hasn't 'really' launched in SA yet. (15 May; moneyweb.co.za)*
  - *3 reasons Shell is leaving SA. (16 May; topauto.co.za)*
  - *Massmart, Walmart partner to secure better prices. (16 May; bizcommunity.com)*
  - *Massive tax increases to fund NHI – destroying SA's economy. (17 May; dailyinvestor.com)*
  - *SAPOA Valuation Report: Neighbourhood shopping centres' cap rates worst affected. (17 May; propertywheel.co.za)*

- ZAR vs USD – as at 11.00 on 17 May (moneyweb.co.za)

USD/ZAR today	18.23	Previous close	18.18

Contact Details

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Douglas Parker Associates

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