PARKER REVIEW

A weekly news summary for SA business professionals: 7 June 2024

Retail & Business

- Radisson Hotel Group set to double its presence in SA by 2030. (31 May; propertywheel.co.za; radissonhotels.com)
- Dis-Chem has paid R156 million for 50% of OneSpark's financial services business. (31 May; Dis-Chem)
- Euromonitor's Voice of the Consumer: Lifestyle Survey 2023: 1 in 3 consumers in Nigeria and SA prefer locally sourced goods. (31 May; retailbriefafrica.co.za; euromonitor.com)
- Marius de la Rey is new EOH interim CEO. (2 June; techcentral.co.za; EOH)
- Fairvest results for six months ended March: Like-for-like net property income growth of 7% (relative to 4.4% at year-end). (3 June; propertywheel.co.za; Fairvest)
- Lewis Group increased merchandise sales 4.7% t R4.7 billion in 12 months to March. (3 June; businesslive.co.za; Lewis Group)
- Brait portfolio performance update: To raise up to R1.5 billion in rights offer as part of recapitalization plan. Also: Virgin Active SA increased active membership base form 606 000 (as of end September 2023) to 627 000 as of end March 2024. (3 June; dailyinvestor.com; Brait)
- AYO Technology Solutions managed to cut losses by 62% to R98 million in six months to end February. (3 June; iol.co.za; AYO)
- New 25 000sqm Castle Gate Lifestyle Centre has opened in Waterkloof Ridge, Pretoria. (3 June; businesstech.co.za; Castle Gate)
- Organised business urging political leaders to accept 2024 election results. (3 June; engineeringnews.co.za)
- Sandton City awarded two honours at ICSC Global Marketing Awards. (3 June; retailbriefafrica.co.za; icsc.com)

Retail & Business

- Naamsa: New vehicle sales in May down 11.6% from previous year. Toyota remains top-selling vehicle in SA. (4 June; timeslive.co.za; naamsa.net)
- The Outlier: Companies listed on SA's JSE are at 30-year low, dropping 56% since 1998. (4 June; businesstech.co.za; The Outlier)
- Google trends data: Amazon's SA online marketplace has plummeted in popularity since launching +- a month ago. (4 June; mybroadband.co.za; Google)
- RCL Foods planning to list its Rainbow Chicken Limited on JSE in coming weeks. (4 June; businesstech.co.za; RCL Foods)
- BAT expects 1st half revenue and adjusted profit from operations to be down by low – single digits; expects better performance in 2nd half. (4 June; BAT)
- Shell SA pondering next move after dismissal of oil exploration appeal. (4 June; iol.co.za; shell.co.za)
- Liberty Holdings may close its health business. (4 June; moneyweb.co.za; libertyholdings.co.za)
- Daily Investor analysis: PnP and Checkers much cheaper than Woolworths for basket of ingredients for SA breakfast. (4 June; dailyinvestor.com)
- Nestlé has won multiple awards in 2023/24 Ask Afrika icon brands™ survey. (4 June; retailbriefafrica.co.za; Nestlé)
- Ford's Silverton plant recently produced its millionth Ranger bakkie. (4 June; techcentral.co.za; ford.co.za)
- Emira Property Fund building 'war chest' for further offshore expansion. (4 June; moneyweb.co.za; emira.co.za)
- Vukile Property Fund's results for year ended March: Most key financial and operating metrics were up, including NOI growth, rent reversions, property portfolio valuations and dividends. (5 June; moneyweb.co.za; Vukile)
- RMB / BER BCI increased by five points to 35% in Q2. (5 June; engineeringnews.co.za; RMB)

- Ster-Kinekor has concluded restructuring process. Only closed two cinemas. (5 June; iol.co.za; bizcommunity.com; sterkinekor.com)

- Q1 2024 SME Confidence Index: Small business confidence has maintained steady upward trajectory. (5 June; iol.co.za; businesspartners.co.za)

- Revo Property has launched its latest Nova development in Cape Town. (6 June; everythingproperty.co.za; revo.co.za)

- admyt expanding to office and mixed-use properties through its partnership with Growthpoint. (6 June; everythingproperty.co.za; admyt.com)

- La Colombe ranked 49th on World's 50 Best Restaurants list. Also received 'Best Restaurant in Africa' award. (6 June; eatout.co.za; theworlds50best.com)

- Zando Global surpassing Zando's growth expectations. (6 June; mybroadband.co.za; zando.co.za)

- Moody's: Credit quality for SA REITs 'will remain stable' in next 12-18 months. (6 June; iol.co.za; moodys.com)

- Savanna Premium Cider ranked the No.1 cider brand in the world by volume in IWSR Global Cider Report. (6 June; bizcommunity.com; theiwsr.com)

- Deal to sell MultiChoice moving ahead. Mandatory offer terms published. Related: MultiChoice Group expecting full-year profit to decline between 19% and 23% (compared to 2023 financial year). (6 June; mybroadband.co.za; techcentral.co.za; MultiChoice; MultiChoice)

- JSE: In Q1 2024, foreign investors sold net R36 billion in local equities, up 25% from previous year. Related: FTSE/JSE Capped SWIX Index up 0.9% month-on-month. (6 June; iol.co.za; dailyinvestor.com; jse.co.za)

- PwC's latest SA Telecommunications Sentiment Index: Local telecommunications industry facing significant challenges related to consumer sentiment. (6 June; engineeringnews.co.za; pwc.co.za)

- Stellantis considering producing new energy vehicles in SA. (7 June; moneyweb.co.za; stellantis.com)

- SA achieved trade balance surplus of R10.5 billion in April. (31 May; engineeringnews.co.za; SARS)

- Ramaphosa has signed new law overhauling SA's retirement regime. (2 June; businesslive.co.za; businesstech.co.za)

- FNB has announced price increases for 2024/25 financial year. (2 June; mybroadband.co.za; fnb.co.za)

- City of Cape Town has passed its Building for Jobs Budget 2024/2025 - includes SA's largest ever infrastructure investment by a metro with a 75% pro-poor spend. (3 June; propertywheel.co.za; capetown.gov.za)

- Capitec has its sights on the overseas market. Related: African Bank and Capitec stricter about giving out credit. (3 June; moneyweb.co.za; dailyinvestor.com; capitecbank.co.za; africanbank.co.za)

- Nedbank Group: Headline earnings grew by +- mid-single digits in four months to end April (compared to same time last year). (3 June; iol.co.za; Nedbank Group)

- PMBEJD May 2024 Household Affordability Index: Average cost of household food basket is currently R5 330.30 (R258.70 increase from a year ago). (3 June; businesstech.co.za; PMBEJD)

- Absa headline PMI sank to 43.8 points in May (down from 54 in April). (3 June; businesstech.co.za; BER)

- SA's illicit cigarette trade costs SA +-R24 billion in excise taxes every year (true impact likely much higher). (3 June; dailyinvestor.com; SARS)

- South Africans should prepare for upcoming change in how money can be transferred electronically between SA, Lesotho, Eswatini and Namibia. (3 June; dailyinvestor.com)

- Fitch forecasting low growth for Standard Bank and Absa until 2025. (4 June; iol.co.za; fitchratings.com)

- Standard Bank awarded Leading Sustainable Bank title by *African Banker Magazine*. (4 June; bizcommunity.com; africanbankerawards.com)

- Absa Homeowner Sentiment Index for Q1 2024: Overall, positive responses increased to 82% (4% higher than Q4 2023). (4 June; propertywheel.co.za; Absa)

- Stats SA: GDP decreased by 0.1% in Q1 2024. (4 June; businesstech.co.za; Stats SA)

- RMB offering SA's first US treasury bond custodial certificates. (4 June; businesslive.co.za; rmb.co.za)

- Momentum Metropolitan Holdings' operational update for nine months to end March: Present value of new business premiums up 20% to R60.27 billion. (4 June; Momentum)

- S&P Global SA PMI rose to 50.4 in May (up from 50.3 in April). (5 June; engineeringnews.co.za; spglobal.com)

- Ninety One's results for year through March: Net revenue fell by 6%, while after-tax profit remained flat. (5 June; dailyinvestor.com; Ninety One)

- Capital Appreciation results for year to end March: Revenue grew to R1.18 billion (up 19% from previous year). (5 June; dailyinvestor.com; Capital Appreciation)

- Sygnia's AuMA increased by 9.1% to R341.3 billion for six months to end March. (5 June; moneyweb.co.za; Sygnia)

- SA Canegrowers: 16 000 jobs lost due to sugar tax. (5 June; moneyweb.co.za; sacanegrowers.co.za)

- BMI: SA's mining woes to continue this year. (5 June; dailyinvestor.com; bmi.co.za)

- Absa is SA's first bank to launch climate-smart housing rebate. Related: Absa and Thungela to empower SMMEs through R200 million co-funding agreement. (6 June; propertywheel.co.za; iol.co.za; absa.co.za)

- SARB: Deficit on current account shrank to annualized 1.2% of GDP in Q1. Related: Latest FSR: Inability of SOEs to raise funds is growing risk to financial sector. (6 June; fin24.com; iol.co.za; SARB)

- SA has run out of money. (6 June; dailyinvestor.com; dawieroodt.co.za)

- PayProp's Q1 2024 Rental Index: Y/y rental growth in SA decreased to quarterly average of 3.8% (lowest since Q4 2022). (6 June; propertywheel.co.za; payprop.com)

- A few post-election headlines: (4 – 6 June)
  - Economists: New administration must apply steady hand in dealing with SA economic issues. (ewn.co.za)
  - Standard Bank CEO confident SA's institutions will deliver post-election stability. (engineeringnews.co.za; standardbank.co.za)
  - BDO: Coalition politics could be good for SA's SOEs. (businesstech.co.za; bdo.co.za)
  - Treasury: Coalition will not harm fiscal stance. (businesslive.co.za; treasury.gov.za)
  - ANC wants to form Government of National Unity. (businesstech.co.za)

- Eskom / energy-related news: (1 – 7 June)
  - Nersa has approved national free basic electricity rate for poor households. (iol.co.za; nersa.org.za)
  - Nersa: Surge in number of large private power facilities installed by businesses over past five years. (mybroadband.co.za; nersa.org.za)
  - Marokane: R285 million spent on diesel in May compared to R2.8 billion in May 2023. Also: Eskom to 'decouple' renewables roll-out from coal station closure plan. (engineeringnews.co.za; engineeringnews.co.za; eskom.co.za)
  - Forest Energy Solutions warning re load shedding in winter. (mybroadband.co.za; forestenergy.co.za)

- *Articles of the Week:*
  - *The rise of streaming and decline of cinemas in SA. (2 June; businesstech.co.za)*
  - *Power cuts have hit SA's labour market hard… (2 June; moneyweb.co.za)*
  - *Can Sean Summers plug the hole in PnP's basket? (2 June; dailymaverick.co.za)*
  - *How much money a petrol station makes in SA. (3 June; topauto.co.za)*
  - *NHI tax warning – where every taxpayer must pay an extra R27 000. (3 June; dailyinvestor.com)*

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