



## SECOND (2<sup>ND</sup>) QUARTER REVIEW April - June 2022

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## CREATING VISIBILITY FOR YOUR COMPANY

Our listings requirements are simple, straight forward and aimed at ensuring that a wide range of companies obtain access to public funds.



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Passion



Respect



Integrity



Discipline



Execution

**ESE** provides an opportunity to companies by offering a platform where companies can raise significant long term capital for their normal operations and for implementation of long term projects. Raising capital through the ESE gives your company access to the multitude of investors looking for investment instruments.

## VISION

We strive to be the most functional stock exchange in Africa by providing an attractive investment environment.

## MISSION

We enable companies to list and investors to trade in securities thus, enabling an effective mobilisation of capital in order to promote economic development in Eswatini.

## CORE VALUES

### Passion

Creativity and innovation - Personal learning, growth, development and coaching others.

### Respect

Teamwork and collaboration - Knowledge sharing, communication, Customer orientation.

### Integrity

Corporate and personal ethics - Credibility, transparency, accountability and Risk management.

### Discipline

Committed to realising value and converting value to competitive advantage - Committed to continuous improvement.

### Execution

Achievement driven - Excellence and Results focused.

## LISTED EQUITY COMPANIES

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.

There are currently 7 listed companies on the ESE Main Board namely:

Company	SECTOR	Market Cap %	Market Cap
Nedbank	Banking	6.92%	298,770,363
Royal Eswatini Sugar Corporation (RES)	Sugar & Ethanol	33.94%	1,464,467,104
Swd Empowerment (SEL)	Holding Company	15.86%	684,500,000
SWAPROP	Real Estate	4.26%	183,743,335
Greystone Partners Limited	Private Equity	16.78%	724 252 942
SBC Limited	Holding Company	19.90%	858,761,000
Inala Capital Limited	Emerging Markets	2.34%	100,791,600
		100.00%	4,315,286,344

Source: ESE Trading Statistics, 2022

There was no new listing in the period under review, the ESE will continue to engage stakeholders in a bid to get more listings (both domestic and foreign).

**TABLE 1: LISTED EQUITY COMPANIES**

	Apr 2022	May 2022	Jun 2022
Total companies listed	7	7	7
New entrants/listings	0	0	0
Domestic Companies	7	7	7
Foreign Companies	0	0	0

Source: ESE Trading Statistics, 2022

## MARKET CAPITALISATION

The ESE market capitalisation value increased from SZL4,293,186,644 (E4.293 billion) at the end of the 1<sup>st</sup> Quarter to SZL4,315,286,344 (E4.315 billion) at the end of the 2<sup>nd</sup> Quarter, reflecting a 0.51% increase from the previous quarter's close of SZL4.293 billion. There were two share price changes in all the trades for the period under review which is why the market capitalisation increased to SZL4.315 billion. Year-on-year, the market capitalisation increased by 0.34% from SZL4,300,665,373 (SZL4.301 billion) in June 2021 to SZL4,315,286,344 (SZL4.315 billion) in June 2022 due to the share price increase from Swazi Empowerment Limited and Inala Capital.

## **GRAPH 1 : ESE MARKET CAPITALISATION Q2 2021 vs Q2 2022**

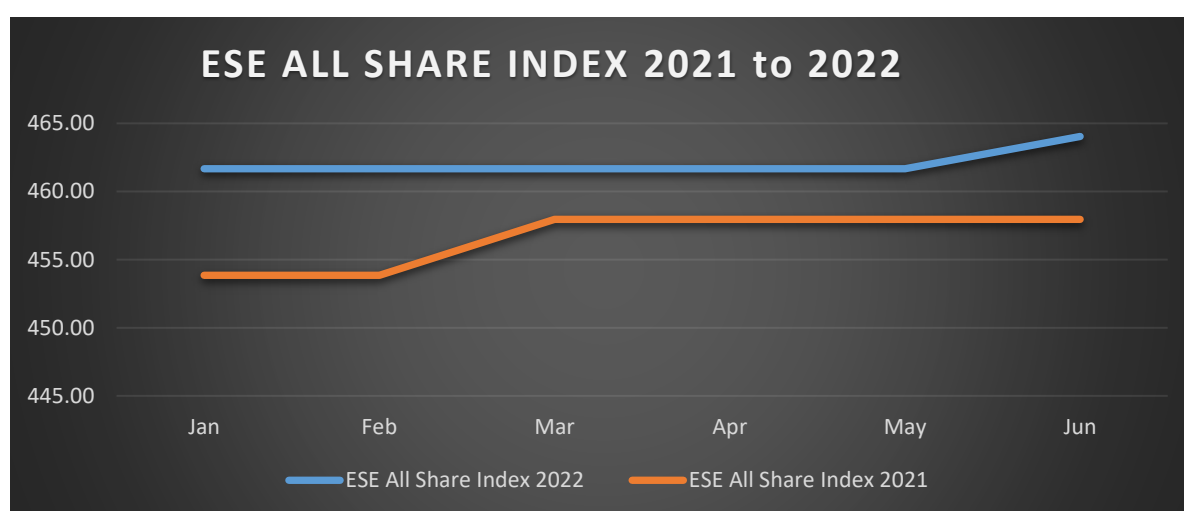


Source: ESE Trading Statistics 2022

## **ESE ALL SHARE INDEX TREND**

The ESE All Share Index increased from 461.67 at the end of the 1<sup>st</sup> Quarter 2022 to 464.04 at the end of the 2<sup>nd</sup> Quarter 2022, representing a 0.54% increase from the previous quarter's close of 461.67. Trading during the 2<sup>nd</sup> Quarter caused the all-share index to increase as there were two trades that saw an increase in share prices namely, SEL and Inala. The other five (5) listed companies share prices remained unchanged over the period under review. Year-on-year, the All-Share Index increased from 457.96 to 464.04 reflecting a 1.33% increase.

## **GRAPH 2: ESE ALL SHARE INDEX TREND 2021 vs 2022**



Source: ESE Trading Statistics 2022

## **CAPITAL GAINS COMPARISON ON EQUITY PRICES**

Below are the listed companies and their respective share prices (cents per share),

compared on an end of quarter basis:

**TABLE 2: SHARE PRICE QUARTERLY COMPARISON AS AT 30<sup>th</sup> JUNE 2022**

COMPANY	31 Mar 2022	30 Jun 2022	GAIN	MARKET CAP (E)
Nedbank	1250	1250	0.00%	298 770 363
Royal Eswatini Sugar Corporation (RES)	1520	1520	0.00%	1 464 467 104
Swd Empowerment (SEL)	3600	3700	2.78%	684 500 000
Swaprop	790	790	0.00%	183 743 335
Greystone Partners	315	315	0.00%	724 252 942
SBC Limited	890	890	0.00%	858 761 000
Inala Capital Limited	135	140	3.70%	100 791 600
				SZL 4 315 286 344

Source: ESE Trading Statistics, 2022

There were two (2) price movements from the listed equities (SEL and Inala) in the period under review.

**TABLE 3: YEARLY PERFORMANCE**

EQUITIES	PRICE	PRICE	(%)	MKT CAP	MKT CAP3	MKT CAP
	June 2021	June 2022	GAINS YIELD	June 2021	June 2022	GAINS YIELD
Nedbank	1250	1250	0.00%	298,770,363	298,770,363	0.00%
Royal Eswatini Sugar Corporation (RES)	1520	1520	0.00%	1,464,467,104	1,464,467,104	0.00%
Swd Empowerment Limited (SEL)	3600	3700	2.78%	666,000,000	684,500,000	2.78%
SWAPROP	790	790	0.00%	183,743,335	183,743,335	0.00%
** Swazispa	600	N/A	N/A	41 966 964	N/A	N/A
Greystone Partners	300	315	5.00%	689,764,707	724 252 942	5.00%
SBC Limited	890	890	0.00%	858,761,000	858,761,000	0.00%
Inala Capital	135	140	3.70%	97,191,900	100,791,600	3.70%
				<b>4,300,665,373</b>	<b>4,315,286,344</b>	<b>0.34%</b>

Source: ESE Trading Statistics, 2022

\*\*Swazispa Holdings delisted on 29 August 2021

The biggest price movement on a yearly basis was from Greystone Partners Ltd, followed by Inala Capital and Swazi Empowerment Limited. The other four (4) listed companies did not have price movements. In terms of yearly market capitalisation, Greystone increased by 5%, Inala increased by 3.70% and SEL increased by 2.78% because of the share price increases and the other listed companies did not have any changes in terms of market capitalisation. On a year-to-year comparison, the market capitalisation realised a 0.34% increase in market capitalisation due to share price increases from SEL, Greystone and Inala.

## EQUITY TURNOVER

A total turnover of SZL843,701.40 was recorded from a sale of 224,938 shares over a total of ten (10) trades concluded over the 2<sup>nd</sup> Quarter 2022. In comparison to the close of the 1<sup>st</sup> Quarter 2022, turnover increased by 489.12% from SZL143,215.00 to SZL843,701.40. Trades conducted in the 2<sup>nd</sup> Quarter were as follows:

**TABLE 4: VALUE TRADED SUMMARY 2<sup>nd</sup> QUARTER 2022**

COMPANY	NUMBER OF SHARES	SHARE PRICE (CPS)	TRADE VALUE (SZL)	DATE
Greystone Partners	47,131	315	148,462.65	07/04/2022
Inala Capital	5,000	135	6,750	04/05/2022
Greystone Partners	2,000	315	6,300	09/05/2022
SBC Limited	5,000	890	44,500	18/05/2022
Greystone Partners	15,000	315	47,250	20/05/2022
Greystone Partners	2,425	315	7,638.75	08/06/2022
Nedbank	1,882	1250	23,525	08/06/2022
Inala Capital	36,500	135	49,275	14/06/2022
Inala Capital	100,000	140	140,000	21/06/2022
SEL	10,000	3700	370,000	22/06/2022
<b>Total</b>	<b>224,938</b>		<b>SZL 843,701.40</b>	

Source: ESE Trading Statistics, 2022

## CORPORATE BONDS

The 2<sup>nd</sup> Quarter realised nine (9) new note issuances and no reopening. The bonds that commenced trading were SML900, SML901, SML902, SML903, SML904, SML905, FIN402, FIN403 and FIN404 in the quarter under review. There were six (6) bonds that matured, SML613, SML702, SML703, SML804, FIN211 and FIN34. This saw the cumulative corporate bonds outstanding as of 30<sup>th</sup> June 2022 increase to SZL1,425,686,092 (SZL1.426 billion), from the previous quarter's outstanding amount of SZL1,365,619,092 (SZL1.366 billion). This marked a 4.40% increase in total corporate bonds outstanding. Year-on-year, total corporate bonds outstanding increased by 13.89% from SZL1,251,765,403 in March 2021 to SZL1,425,686,092 in March 2022.

## NEW CORPORATE BOND ISSUANCES

**TABLE 5: NEW CORPORATE BONDS**

NAME	ISIN CODE	COUPON	TRADING DATE	NOMINAL VALUE SZL
SML900	SZD000552893	11.00	05/04/2022	55,400,000.00
SML901	SZD000552901	11.00	18/04/2022	30,000,000.00
SML902	SZD000552919	10.50	11/05/2022	37,067,893.00

SML903	SZD000552927	11.50	11/05/2022	84,070,892.00
FIN402	SZD000552935	10.50	11/05/2022	37,067,893.00
FIN403	SZD000552943	11.50	11/05/2022	66,874,573.00
SML904	SZD000552950	11.00	18/05/2022	12,500,000.00
SML905	SZD000552968	11.00	07/06/2022	50,030,137.00
FIN404	SZD000552976	FLOAT	17/06/2022	50,000,000.00
				<b>SZL 423 011 388.00</b>

Source: ESE Trading Statistics, 2022

## MATURED/REDEEMED CORPORATE BONDS

There were six (6) bonds that matured in the 2<sup>nd</sup> Quarter. Please see below table.

**TABLE 6: MATURED/REDEEMED CORPORATE BONDS**

NAME	ISIN CODE	COUPON	TRADING DATE	NOMINAL VALUE SZL
SML613	SZD000552141	FLOAT	08/04/2022	30,000,000.00
SML804	SZD000552455	10.75	04/05/2022	30,221,111.00
FIN201	SZD000552265	12.00	04/05/2022	47,600,000.00
FIN304	SZD000552463	10.75	04/05/2022	30,221,111.00
SML702	SZD000552240	12.00	06/05/2022	59,840,000.00
SML703	SZD000552273	12.30	08/05/2022	9,000,000.00
<b>SZL</b>				<b>206,882,222.00</b>

Source: ESE Trading Statistics, 2022

## GRAPH 3: CORPORATE BONDS 2<sup>nd</sup> QUARTER



Source: ESE Trading Statistics, 2022

## GOVERNMENT DEBT

During the period under review, Government through the Central Bank of Eswatini (CBE) maintained 30 bonds with different maturities, ranging from 3, 5, 7, 8, 9 and 10 years. Total outstanding bonds value in the end of the 1<sup>st</sup> Quarter was SZL5,691,273,000 (SZL5.691 billion). There was a 1.25% increase from the previous quarter's close of SZL5,621,287,000 (SZL5.621 billion). This was due to the higher value of re-openings while there were no maturities in the period under review. Year-on-year there was a 6.70% increase in value of bonds trading.

**TABLE 7: NEW GOVERNMENT BONDS AS OF 30<sup>th</sup> JUNE 2022**

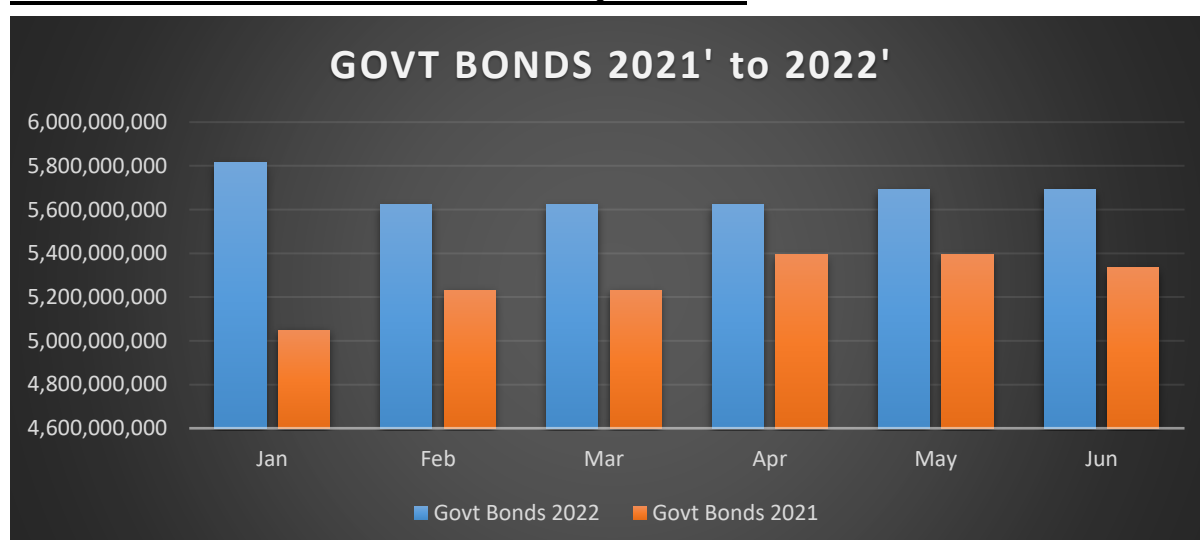
NAME	ISIN CODE	COUPON	TRADE DATE	NOMINAL VALUE SZL
SG054 Reopening 3	SZG000441587	8,75	31/05/2022	E63,200,000
SG055 Reopening 3	SZG000441595	9,00	31/05/2022	E4,650,000
SG056 Reopening 3	SZG000441603	9,5	31/05/2022	E200,000
SG057 Reopening 3	SZG000441611	10,25	31/05/2022	E1,936,000
<b>TOTAL</b>				<b>E69,986,000</b>

Source: ESE Trading Statistics 2022

**TABLE 7: NEW GOVERNMENT BONDS AS OF 30<sup>th</sup> JUNE 2022**

There were no government bonds that matured in the period under review.

**GRAPH 4: GOVERNMENT BONDS 2<sup>ND</sup> QUARTER**



Source: ESE Trading Statistics 2022

## ESE MEMBERS

In the period under review ESE had the following Members:



### **Stockbroking Firms**

- Swaziland Stockbrokers Limited
- African Alliance Eswatini Securities Limited
- ESW 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 7: ESE MEMBERS**

	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022
<b>No. of Stockbroking Firms</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
<b>No. of Exempt Dealers</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>
<b>No. of Debt Sponsors</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>

Source: ESE Trading Statistics, 2022

## **CORPORATE NEWS**

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### **ANNUAL GENERAL MEETINGS ANNOUNCEMENTS**

1. Nedbank Eswatini hosted its 47<sup>th</sup> Annual General Meeting at the Hilton Garden Inn on the 24<sup>th</sup> May 2022 at 14H00. All protocols were observed during the AGM.
2. A General Meeting of Shareholders of Greystone Partners Limited was held virtually on Wednesday, 1<sup>st</sup> June 2022, via Microsoft Teams at 10H00.
3. A General Meeting of Shareholders of SBC Limited was held virtually on Wednesday, 1<sup>st</sup> June 2022, via Microsoft Teams at 11H00.
4. A General Meeting of Shareholders of Inala Capital Limited was held virtually on Wednesday, 1<sup>st</sup> June 2022, via Microsoft Teams at 12H00.

### **DIVIDEND DECLARATION ANNOUNCEMENTS**

1. Swazi Empowerment Limited (SEL) declared an interim dividend of E38,295,000.00 comprising 207 cents per share, to ordinary shareholders registered as such in the Company's share register at the close of business on or before 20 May 2022.

Payment of dividend was on 25 May 2022. Normal and withholding tax was deducted from dividends paid to local shareholders and non-resident shareholder respectively, where applicable.

2. RES Corporation declared an interim dividend of E65 million to ordinary shareholders registered as such in the company's share register at the close of business on or before 6 May 2022. Payment of dividend was posted on or about 17 June 2022.
3. Nedbank Eswatini Limited declared a final dividend of E106 million to ordinary shareholders registered as such in the company's share register at the close of business on 10 June 2022. Payment of dividend is expected to be made on or about 30 June 2022.

### **GOVERNANCE MATTERS**

In the current quarter, the ESE Board underwent training on how to strategically position the ESE for financial independence and eventual de-linkage from the FSRA. The training was facilitated by the current Namibian Stock Exchange CEO who also participated in the draft of the Namibian corporate governance code, the NAMCODE. The ESE Board in its June 2022 meeting approved the ESE's Internal Audit Charter.

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