

africanexchanges

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Botswana Stock Exchange

1. OPENING BELL CEREMONY

Quarter 2 of 2020 started moderately slow for the Botswana Stock Exchange (BSE) due to the on-going global COVID-19 pandemic. In various stock exchanges, including the BSE, majority of activities were postponed as countries came under lockdown to curb the spread of the virus. The Government of Botswana announced a national lockdown that commenced in early April into the tail end of May 2020. Subsequently, all BSE public activities including the Opening Bell Ceremonies for April and May were cancelled and majority of staff commenced working from home while some worked in the office to ensure that the trading and settlement operations of the BSE and CSDB respectively, designated essential services providers, were uninterrupted. Following the lifting of the national lockdown in May, the BSE facilitated a virtual Opening Bell Ceremony on 5th June, 2020 under the theme 'Capital Raising in the Midst of COVID-19' and livestreamed the event on the BSE social media platforms. The objective of the discussion was to sensitise the business community about the numerous capital raising options that can be utilised at the BSE to access capital and promote solvency during and post COVID-19, and to shine the spotlight on the BSE approaches from a regulatory perspective during the pandemic. The BSE CEO, Mr. Thapelo Tsheole facilitated the discussions with the invited guests who were Morula Capital Partners Managing Partner, Mr. Boikanyo Mogami, Desai Law Group Managing Partner, Mr. Rizwan Desai and Imara Capital Securities CEO, Mr. Gregory Matsake.

Key takeaways from the discussions included;

- "The COVID-19 pandemic has ensured that there are quicker responses to issues that ordinarily in the past were not as quickly addressed, including the frequent engagements of the exchange with its customers regarding the various mechanisms for raising and preserving capital in this crisis and conducting corporate actions. Since the announcement of the COVID-19 pandemic, the BSE has responded rigorously by engaging with issuers on the various methods of raising capital and promoting solvency. In addition, we have considered certain elements of flexibility in terms of compliance taking into account the delays in submissions emanating from the pandemic", BSE CEO, Mr. Thapelo Tsheole
- "Businesses have been affected adversely by the on-going COVID-19 pandemic. Some sectors have been affected significantly while some have not been affected as much. As some of the companies have fixed expenses and debt obligations, they are now facing liquidity and insolvency challenges. These challenges can be better addressed by accessing funding from public markets", Morula Capital Partners Managing Partner, Mr. Boikanyo Mogami
- "Disaster or no disaster there are projects that need funding, so capital raising will persist amid COVID-19. There have been a few fairly tangible attempts at raising capital during this period. However, due to the investors not being physically accessible owing to restrictions around COVID-19, the main challenge has been the elevated risk aversion such that the investors consequently water down the fundamentals of the projects as they see these as far riskier than they otherwise would have been in the absence of the

- pandemic. This tends to deeply discounts the valuations, presents significant dilution, and ultimately demotivates the promoters, thus creating a mismatch between the expectations of promoters and those of the would-be investors”, Imara Capital Securities CEO, Mr. Gregory Matsake
- “As we pull out the pandemic, companies or corporates that want to list should use this time to ensure that they have clear documentation to tell their story and to gain a better understanding of listing rules in order to not start from scratch in terms of the listing process”, Desai Law Group Managing Partner, Mr. Rizwan Desai

Speakers of the June 2020 Virtual Opening Bell Ceremony:



BSE CEO, Mr. Thapelo Tsheole



Morula Capital Partners Managing Partner, Mr. Boikanyo Mogami



Imara Capital Securities CEO, Mr. Gregory Matsake



Desai Law Group Managing Partner, Mr. Rizwan Desai

2. BSE HOSTS THE FIRST VIRTUAL ANNUAL GENERAL MEETING

On 25th June, 2020, the BSE and hosted its first virtual Annual General Meeting (AGM) for both the BSE Group and its subsidiary, the Central Securities Depository of Botswana (CSDB). The BSE AGM was chaired by BSE Chairperson of the Board of Directors, Lieutenant General Tebogo Carter Masire, while the CSDB AGM was chaired by the CSDB Chairperson of the Board of Directors, Mr. Basimane Bogopa. Both AGMs were attended by shareholders.

In his opening remarks at the BSE AGM, Lieutenant General Tebogo Masire expressed his pleasure in presenting the first full annual report of the new BSE Group for the year ended December 2019 following the demutualization of the BSE in 2018. “I had to ensure that our stewardship as a Board sufficiently lives to the expectations of the new structure and ongoing strategy”, he remarked. During the AGM, the BSE Group undertook their second official election of the Board of Directors since demutualization where Lieutenant General Tebogo Masire was re-elected as Chairperson for a second term. The Chairperson thanked his colleagues in the Board for their dedication and commitment in various engagements and activities of the BSE and also thanked management and staff of the BSE for their tireless work in supporting the mission and vision of the Exchange.

This year’s CSD AGM was the first for Mr. Basimane Bogopa as Chairperson of the CSDB Board and he had this to say, “It is indeed a great privilege and I am honored by the trust and confidence in me from the Board and the BSE Group as the CSDB’s first Independent Chairman”. Mr Bogopa stated that the past year has been transitional for the CSDB with a search for new opportunities and that is echoed by the Company’s investment in the new world-class CSD system that will be launched this year, as well as the introduction of the Settlement Guarantee Fund.



Lt. Gen. Tebogo C. Masire
BSE Chairperson



Mr. Basimane Bogopa
CSDB Chairperson

3. BSE LAUNCHES NEW WEBSITE & MOBILE APPLICATION

On 26th June 2020, the BSE officially launched their newly designed website and mobile application. A new website was necessary to create a more user-friendly, browsing experience for current and prospective clients with respect to accessing market information. Some of the notable new features of this site include a stock market ticker displaying real-time price & indices movements, a watchlist function to monitor selected securities, an optimized search engine for easy navigation and integrated social media buttons, amongst others. To coincide with new website, the BSE also introduced a mobile application to suit the needs of clients-on-the-go in accessing market information and interacting with the Exchange. The mobile app carries most of the features that are part of the website and will act as an easier channel for users to buy customized data to meet their diverse requirements. The mobile app can be downloaded from the App Store & Google Play Store.

Given their modernized look and feel, as well as the interactive functionalities, the new website and the mobile app are expected to significantly increase the visibility of the BSE, including listed companies, products and services, the reach of market data and the vibrancy in the stock market.

4. BSE RELEASES ITS 10TH EDITION OF BSE NEWS

Titled ‘ROADMAP TO SME SUCCESS’ the 10th edition of the BSE News for the April – June 2020 quarter was released in March 2020. The focus of the publication was on how small and medium enterprises (SMEs) can utilise the stock exchange as a catalyst for growth by accessing equity or debt finance.

Introduced in 2017, BSE News is the official quarterly financial publication of the BSE. BSE News offers readers a glimpse into the operations of the Exchange and a unique insight into the world of capital markets. BSE News seeks to stimulate and inform its audience, offering an unrivalled combination of news, features and interviews providing in-depth coverage of all the key issues facing global and domestic financial markets.



10th Edition of BSE News: Roadmap to SME Success

5. BSE TEAM GRADUATES AT IFC-MILKEN INSTITUTE CAPITAL MARKETS PROGRAM, CLASS OF 2020

In 2019, BSE Head of Product Development, Kopano Bolokwe and BSE Head of Listings and Trading Tsametse Mmolai were admitted to the International Finance Corporation-Milken Institute Capital Markets Program (IFC-MI CMP) at the George Washington University School of Business, Class of 2020. Kopano and Tsametse were selected from a historic volume of applicants from emerging and frontier markets through a rigorous and competitive screening process conducted by the IFC and the Milken Institute. On the basis of the selection, the two were awarded scholarships covered by the IFC and the Milken Institute. The program commenced in August 2019 and the two virtually graduated in April 2020, during the lockdown in the US.

The IFC-MI CMP is a fully accredited Graduate Certificate in Capital Markets program that aims to build future leaders and role models for public service and financial market development. The program, which is for a duration of 8 months, comprised of a 4-month tailored course-work and training workshops at the George Washington University School of Business and a 4-month internship. Kopano and Tsametse interned at MarketAxess Corporation and Varde Partners respectively in Manhattan, New York.

The IFC-MI CMP is the best example of blending the academic and practical knowledge comprehensively as it merges the business, global and policy content and the partnership between the IFC and the Milken Institute brings expertise and insight that is not easy to readily access anywhere in the world. It provides unique opportunities especially for emerging economies with challenges that are different those of developed economies.



BSE's Head of Product Development, Kopano Bolokwe and Head of Listings and Trading Tsametse Mmolai with the 2019/ 2020 cohort of IFC-Milken Institute Capital Markets Program



Kopano Bolokwe
BSE Head of Product
Development

Reflecting on his experience as the Class of 2020 alumnus, Kopano comments:

"The quality of the subjects and also the method of delivery were incredible. I appreciated that some of the teachings were fairly new to me, were comprehensive and equipped me with ideas and thinking capacity that will serve me for years to come. Going in-depth with decision sciences was very powerful as data analytics really drive our day-to-day lives. Diving deep into capital markets, financial crises and global economy and being able to interrogate previous policy interventions in debt and financial crisis management in emerging markets was very phenomenal, even simulating the kind of negotiations that happen with the IMF in terms the financial stability assessment programs as well as the restructuring of the economy and its policies. The internship at MarketAxess Corporation exposed me to both the technical and softer skills which are vital to employee performance, cohesion, morale and maintaining an optimum organizational culture. These are experiences I can immediately apply in my work environment. My project at there deepened my appreciation of the importance of electronic trading in bond markets, and the various innovative solutions that have been developed to induce liquidity, efficiencies and transparency in global bond markets. With all my heart I am grateful to our CEO, Mr Tsheole and the BSE family for this opportunity, as well as our partners – the IFC and Milken Institute. It clear shows we are working for global leaders who believe in us and in our potential to champion the development of our markets."



Tsametse Mmolai
BSE Head of Listings &
Trading

Reflecting on his experience as the Class of 2020 alumnus, Tsametse comments:

"The Program gave me an opportunity to create beneficial professional relationships which will boost our efforts to make the BSE a global securities Exchange as I participated with the next generation of leaders across developing and emerging economies from Tajikistan, Pakistan, Georgia, Madagascar, Mauritania etc. For the second part of the program, I was sent to New York City to work as part of the Capital Markets team at Värde Partners, an alternative asset manager focusing on private credit investments and with \$14 billion assets under management. This is an unlisted fund management company with offices across 4 continents and 300 employees. At Värde, I experienced an amazing emersion into the US corporate working environment in a global firm. I am grateful to the BSE, the IFC and the Milken institute because I learnt a tremendous amount about business crisis management, the importance of functioning legal systems, fund construction, fund raising, reporting, investment and portfolio management, among others and most important of all, I learnt about professional linkages and relationships and the value that they drive in global business. Thank you Mr. Tsheole for the faith and unbelievable opportunity, thank you colleagues for your role in helping us get through the program and thank you BSE for granting us this exposure which we shall immediately put to use in achieving the firm's strategic objectives."



The Egyptian Exchange



EGX chairman and 3 Ministers ring the bell celebrating Women's International Day

9 March 2020

In collaboration with the International Finance Corporation (IFC), UN Women and the Egyptian Institute of Directors, The Egyptian Exchange (EGX) organized ringing the Bells for Gender Equality annual celebration, entitled "I am Generation Equality: Realizing Women's Rights". The annual event aims to celebrate International Women's Day and to encourage women's empowerment in Egypt.

Dr. Nabila Makram, Minister of Emigration, Dr. Hala Al-Said, Minister of Planning, Yasmine Fouad, Minister of Environment, and Dr. Basant Fahmy, member of the Egyptian parliament, participated in the celebration and opening of the trading session today, Monday 9 March 2020, in the presence of EGX's Executive Chairman Mohamed Farid Saleh, Walid Labadi, IFC's Country Director, Dr. Maya Morsi, President of the National Council of Women, representatives of related entities supporting and empowering women, and a number of women leaders of listed companies.

The event is part of the IFC Corporate Governance Program aiming to help local companies operate efficiently and improve access to capital, implemented in partnership with the Ministry of Finance of Japan. According to IFC, gender equality help drive business, stimulate economic growth, improves lives of families and communities, strengthen gender equality, and enhance resilience in confronting violence.

EGX takes measures allowing investors remote access to the market

18 March 2020
As part of The Egyptian Exchange (EGX) and The Egyptian Financial Regulatory Authority (FRA) efforts for the development of the Egyptian capital market, EGX’s proposal allowing brokerage firms to receive orders via e-mail or mobile text messages has been approved by FRA provided that the means of receiving orders are stated in the contract and client’s declaration of responsibility documents.

This is one of the measures taken by the Egyptian market in light of the global circumstances and the precautionary measures taken to reduce the spread of Covid-19.

FRA emphasized the importance of insuring the speed and efficiency of receiving orders, notification of receipt and implementation in accordance with the rules and regulations functional in this regard, without violating the legal requirements of the capital market law or its executive regulations.

FRA Grants EGX’s Proposal on circuit breakers

23 March 2020
The Egyptian Financial Regulatory Authority (FRA) approved a proposal submitted by The Egyptian Exchange (EGX) to cease applying circuit breaker upon EGX100 index +5% and continuing applying suspension of trade in case of EGX100 -5%. The proposal was a result of a study done by EGX on international markets and reviewing a report of the World Federation of Exchanges (WFE) studying markets responses to severe market fluctuations.

This comes as one of The Egyptian Exchange (EGX) and The Egyptian Financial Regulatory Authority (FRA) efforts for the development of the Egyptian capital market.

EGX Announces Trading Hours to be Applied during Egypt’s Night Curfew

- 24 March 2020
- In accordance to Egypt’s announcement of night curfew, The Egyptian Exchange (EGX) announced trading hours to be applied as of tomorrow Wednesday, 25 March 2020, as follows:
- Trading on main market and SMEs market; from 10:00 am to 1:30 pm, preceded by a discovery session at 9:30 am.
 - Recording orders of deals market from 9:15 am to 9:30 am.
 - Trading session for non-listed securities (Orders Market, OTC) on Monday and Wednesday only of each week from 11:30 am to 12:00 pm.
 - Trading session for non-listed securities (Deals Market, OTC) from 09:30 am to 1:30 pm.



EGID Develops an Electronic Voting System “E-Magles” to ensures Corporate Activities and support Government’s efforts related to Coronavirus pandemic (COVID-19)

29 March 2020
As a continuation of The Egyptian Exchanges’ precautionary measures to curb the spread of coronavirus pandemic (COVID-19), and in light of the Egyptian Prime Minister’s decision No. 606 for the year 2020 to temporarily suspend all events requiring gatherings and/or those requiring mobility between cities, Egypt for Information Dissemination Company (EGID), a subsidiary of EGX, developed a web-based E-voting solution enabling board members of a company to vote.

EGID “E-Magles” solution was approved by the Financial Regulatory Authority (FRA) and The General Authority for Investment and Free Zones (GAFI) to be used in the meetings of the boards of directors and meetings of general assemblies of companies. The new solution uses double authentication methods in order to ensure the voters identities and does not require any hardware to activate it.

Mohamed Farid Saleh, EGX’s Executive Chairman, stated that the E-voting system “E-Magles” will facilitate all listed companies corporate activities related to board meetings, general assemblies’ adding that this system also allowing board members to participate in discussions and comment on every item in the meeting Agenda.

Eng. Yasser Alaili, EGID’s Managing Director, said that “E-Magles” solution was developed using the best international security standards to protect clients’ information.

EGX implements remote systems to ease communication between market participants

30 March 2020
In line with the comprehensive strategy adopted by The Egyptian Exchange (EGX) to mitigate contagion risk of the pandemic Coronavirus (COVID-19), EGX launched remote electronic systems for its’ sectors; coding, membership and omnibus system, in addition to the remote trading system already activated, allowing market participants to act remotely and insuring business continuity. Earlier, EGX applied working from home for its employees using smart technology allowing remote business continuity for them without any need to attend the workplace.

Mohamed Farid Saleh, Executive Chairman of EGX, said that a crisis team was formed to follow-up on latest developments and deal with any crisis scenarios to ensure the continuity of work not only internally but also among market participants.

He added “This action is on pare with the Egyptian cabinet plan for a complete digital transformation” adding that all actions taken in this regard are being pursued as necessary measures to ensure the safety and stability of The Egyptian capital market.



The Egyptian Exchange launches a new “EGX 100 EWI” Index

10/05/2020

The Egyptian Exchange (EGX) launched its equally weighted index EGX100 EWI on 10 May 2020, as a mean to develop and diversify the Egyptian market indices and provide broader tools for investors to monitor the Egyptian market.

The Index tracks the performance of the top 100 companies in terms of Liquidity and activity which includes the constituents of EGX30 and the constituents of EGX70 EWI.

The index calculation started on 2nd of January 2006 with value of 1000 points. Every company in the EGX100 EWI have a weight of 1.00% at each quarterly review.

Mohamed Farid, EGX's chairman, said that the methodology for calculating the new index was adopted after studying international practices to reflecting the performance of the 100 companies of the index in the Egyptian market.

The new EGX100 EWI index increases the chance of developing financial products such as Exchange traded funds, as the index is a good tool for financial institutions to issue Exchange traded funds, or mutual funds that could track the index performance passively “Index Tracking”.

The index is in line with the requirements of the market participants, especially mutual fund managers who have the desire to have a benchmark index that use equal weight method. The index complies with the amended percentage mentioned in the executive regulations of the capital market law and this would contribute to the promotion of the of mutual funds' performance.

During the year 2019 and 2020, EGX Index Committee, an independent committee consisting of representatives from market participants, fund managers and banks, and chaired by EGX Chairman, responsible for overseeing the ongoing management of the current indices including development,

marketing and periodic review procedures, launched the EGX30 CAPPED Index in February 2019, EGX30 TR in August 2019 and EGX70 EWI in February 2020.

The launch of EGX100 EWI is a continuation of the comprehensive development plan implemented by EGX's Management to develop the market instruments and indicators, to meet the needs of the Egyptian capital market stakeholders. EGX is committed to the best international practice in managing its indices.

EGX Develops Electronic Platforms to Enhance Communication between Market Participants

12/05/2020

As a continuation of The Egyptian Exchange's (EGX) efforts to enhance communication between market stakeholders and resume its efforts to raise awareness of the role of The Egyptian capital market in the economy with the Corona “Covid 19” pandemic, EGX's management developed its electronic platforms by producing a variety of information videos to review the latest developments in the market.

Three products where developed to broadcasted remotely on EGX's social media platforms. The first product “EGX TALKS”, presents executives of the market presenting latest news and updates of their companies. This service aims to further disclose companies' activities, changes, their plans to manage their activities and how to maintain their competitive position and market shares. The first episode has been launched, hosting Fawry Financial Technology Company. The talk was about the company's latest developments and efforts to done in light of the recent changes.

The second product; “EGX COURSE”, a service that also includes educational videos to introduce the community to the role of stock exchanges in the economy and people's daily lives and introduce them to the basics of investment. First broadcast

hosts EGX's Chairman highlighting the basics of investment in the financial markets.

Third product, “IR Highlights”, broadcasts a series of recorded of periodic meetings of between listed companies IRs and research departments and investment managers, presenting latest developments in listed companies and their future plans. “IR Highlights” aims to stimulate trading and liquidity in the Egyptian Market.

Mohamed Farid Saleh, Executive chairman of EGX, said that EGX's management continues to carry out its work towards the development of the stock market by enhancing and raising the efficiency of the process of communication between market stakeholders.

EGX launches its Educational Program through its Social Media Platforms

17/05/2020

The Egyptian Exchange launched “EGX Educational” on its social platforms with the aim of raising general public financial awareness. The first episode hosted EGX's Executive Chairman who spoke about the role of capital markets and its effect on countries' economies. He highlighted the economy's relation with day to day life of the general public referring to the basics of investment and types of investors.

“EGX Educational” will publish a series of detailed educational videos in a simple and easy language that explains in more detail the basics of investing in the capital market and how it works.

EGX Launches Mohsen Adel's Prize for Financial Awareness

23/06/2020

The Egyptian Exchange's management took the decision of designating the name of the late Mohsen Adel on EGX's financial literacy program awards conducted on all its social media channels in honor of Mr. Adel's efforts and activities to raise financial awareness during his life time.

“Mohsen Adel Competition for Financial Culture”, in its first annual competition launched by EGX through its social media channels with the aim of raising awareness of basics of investment in the Egyptian capital market witnessed remarkable interaction from participants, resulting in EGX's decision to raise total number of awards to 22 instead of 7 awards. This step comes to honor the name of the late Mohsen Adel and the pioneering role he played in building and shaping economic and financial awareness in Egypt.

Mohamed Farid, Chairman of EGX, expressed his full appreciation for the contributions made by the late Mohsen Adel and his sincere effort and utmost integrity during his post as vice chairman of the Egyptian Exchange, and as CEO of the General Authority For Investment And Free Zones in addition to several positions held by the late Mohsen Adel within the Egyptian capital market, stressing that the late made many efforts with great dedication for the development of the Egyptian capital market.





Johannesburg Stock Exchange



2020/Q2 JSE Market Highlights

The JSE and London Stock Exchange partner to introduce enhanced Fixed Income Indices

On 06 April 2020, the Johannesburg Stock Exchange (JSE) and FTSE Russell (FTSE), a subsidiary of the London Stock Exchange (LSE), have combined forces to launch the FTSE/JSE Fixed Income Indices, which will offer investors enhanced exposure to South African listed debt.

The new benchmark index is an enhancement of the features and benefits of the previous JSE Fixed Income Indices (JSE ALBI and JSE CILI) that provided both local and international investors access to SA listed bonds.

The JSE Fixed Income Indices have been replaced by the new-generation FTSE/JSE Fixed Income Indices, which will offer in-depth data that will raise convenience for investors a notch higher. The new FTSE/JSE Fixed Income Indices datasets are delivered in a standardised format, which is automation friendly, and will save investors time when making investment decisions.

The JSE and LSE have a long-standing partnership, having jointly launched the FTSE/JSE All Share Index in 2002, it is currently made up of 158 of the largest companies, representing 99% of market capitalisation of the JSE.

Mark Randall, Director of Information Services at the JSE said the introduction of the FTSE/JSE Fixed Income Indices represents an extension of the existing equity index partnership between the JSE and London-based FTSE Russell. FTSE Russell is a global leader in the provision of financial indices and related data and analytics.

“The partnership combines the regional expertise of the JSE in Africa and FTSE Russell’s world-class fixed income index expertise and multi-asset capabilities. Our joint capabilities enables us to provide investors with an enhanced South African fixed income offering and broadens the JSE’s ability to offer multi-asset solutions,” said Randall.

The FTSE/JSE Fixed Income Indices are made up of two main indices, the FTSE/JSE All Bond Index (ALBI20) and FTSE/JSE Inflation-Linked Index (CIL15). These indices will help investors to accurately assess their hedging opportunities, benchmark performance, and passively track the indices.

The FTSE/JSE ALBI20 is made up of seven issuer class sub-indices and CIL15 consists of eight issuer class sub-indices, bringing to 15 the number of sub-indices in the FTSE/JSE Fixed Income Index range.

As part of the partnership, the JSE will float the index and handle its licensing while FTSE Russell will provide in-depth data that covers weightings, valuations, and information on contributors to Total Return, enabling investors to track performance across main indices and sub-indices.



The JSE to trade for Solidarity Fund

The Johannesburg Stock Exchange (JSE) donated fees, derived across all asset classes traded on Wednesday 15 April and Thursday 16 April 2020, as part of a brand-new campaign #Trade4Solidarity to the Solidarity Fund.

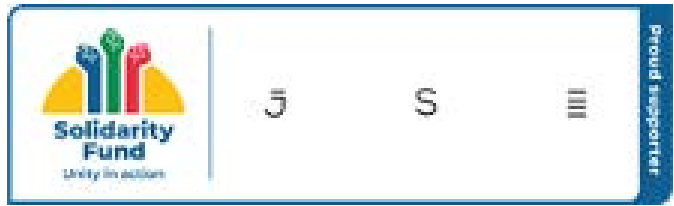
SA President Cyril Ramaphosa announced the Solidarity Fund on 23 March 2020, to unite the nation in action against the COVID-19 crisis. The Fund is a rapid response vehicle designed to fund impactful initiatives that will augment the national health response contributions to national humanitarian efforts. The third focus area of the fund aims to mobilize South Africans to flatten the curve and manage the pandemic and its impacts on households and communities.

Announcing the launch of #Trade4Solidarity campaign, JSE Group CEO Leila Fourie said, the “JSE staff and executive team had felt that this was a very tangible way in which they could answer the President’s call to #PlayYourPart. How we respond to this pandemic has been our greatest Thuma Mina moment, not just for us, but for the country.”

The #Trade4Solidarity initiative encouraged market participants to join the JSE by contributing a portion or percentage of their trading revenues to the fund. To mark the occasion, the chairperson of the Solidary Fund, Gloria Serobe and Leila Fourie hosted the JSE’s first virtual market open as the market began to #Trade4Solidarity on Wednesday 15 April.

Success as capital markets unite for greater good of SA

Solidarity Fund given R34.4 million impetus as traders open hearts and wallets #Trade4Solidarity



On 17 April 2020, the JSE declared its inaugural #Trade4Solidarity campaign a resounding success. Held over two days on 15 and 16 April 2020, all revenues that the bourse earned across all asset classes were donated to the Solidarity Fund as companies and brokers answered the JSE’s challenge to donate a portion of their fees over the two days in a unique act of unity in the war against COVID-19.

The COVID-19 crisis has highlighted the already high and mounting unemployment and inequality in South Africa - which drove the JSE’s conviction to unite the industry in launching its #Trade4Solidarity initiative.

JSE Group CEO, Leila Fourie announced that R34.4 million was pledged by the trading community to the Solidarity Fund

Gloria Serobe, chairperson of the Solidarity Fund, applauded the JSE and market participants saying, “As South Africans we are known for our resilience and I am so pleased and thankful to the JSE, financial market members, organisations and ordinary South Africans that have really rallied together in their support of South Africans in our time of need by donating to the Solidarity Fund.” 38 market participants, both large and small, stepped up to get behind the initiative by contributing a portion or a percentage of their trading revenues to the fund over the two days.

Andre Nortje, CEO of Strate who also participated said, “I am sure I speak for all the market participants when I say we are grateful for the opportunity to get involved and play our part. Knowing that all the money raised will make a real difference to the people who need it the most in the fight against this pandemic, is greatly comforting.”

In addition to the #Trade4Solidarity pledge, the JSE Board and Group CEO also pledged 30% of their salaries to the fund. “All donations from government, corporates and ordinary South Africans will be used to fight the greatest public health crisis this world has witnessed in our lifetime,” concluded Fourie.





JSE and BLSA partner to assist disadvantaged communities in fight against COVID-19

On 04 May 2020, the Johannesburg Stock Exchange (JSE) and Business Leadership South Africa (BLSA) partnered and each donated R1 million towards social outreach hygiene hampers and food parcels to assist disadvantaged communities in the Gauteng province, as the country battles the COVID-19 pandemic.

“In our joint fight as a country against the coronavirus, vulnerable communities are the hardest hit and require our assistance to meet some of the basic protocols to flatten the curve and limit the spread of COVID-19,” said JSE’s Director of Marketing and Corporate Affairs, Zanele Morrison.

She added, “these are unprecedented times, requiring us to heed the call as businesses and supply basic items such as food and hygiene hampers. Businesses all across South Africa, those that can, have really stepped up, collaborated for a common purpose through various initiatives. What is needed to support communities is luckily unambiguous and we took the opportunity to ensure direct assistance through our current NGO’s partners.”

The food parcels were distributed by the Gift of the Givers Foundation and the hygiene hampers distributed through Africa Tikkun, one of the JSE’s CSI beneficiaries to the identified communities. The hampers consisted of tissues, alcohol-based hand sanitisers, antibacterial soap, and an information leaflet illustrating the use of the products, in English, IsiZulu and Tswana.

“We all have a role to play in supporting the national efforts,” said BLSA’s CEO, Busisiwe Mavuso. “The impact, however, will only truly be felt when we bring our resources together, be they monetary, intellectual or logistical. When we bring forth our best attributes, we ensure that our contribution to this fight will outlive the current season.”

“Together we can certainly do more to benefit our country during this time. Social responsibility beckons organisations to find the need in our communities and meet it where we can. Provision of hygiene products and education is fully aligned with the national agenda at present,” Morrison concluded.



Johannesburg Stock Exchange announces relief measure for market participants

The relief measures are being offered to businesses that are affected by the pandemic and in financial distress. The JSE granted distressed companies extended payment terms of between three and six months, with no interest charged. The JSE will continue to engage with companies and review requests on a case-by-case basis.

“The JSE is extending a helping hand to our valued clients and suppliers that are affected by the pandemic. We value our relationships with our market partners and we will endeavour to play our part in making sure they remain sustainable” said JSE Group CEO Leila Fourie.

Another stark reality has been the harsh impact that COVID-19 and the lockdown is having on small business. “The JSE recognises the strained situation facing small business and is taking further steps to encourage investors to support and encourage trading in small, mid cap and BEE companies listed on the Exchange” said Fourie. The JSE announced a 50% fee reduction for trading, clearing, and settlement in all companies listed on the JSE AltX and BEE Boards for the remainder of 2020. “This measure is offered to help stimulate continued trading and liquidity in our AltX and BEE listed companies.”

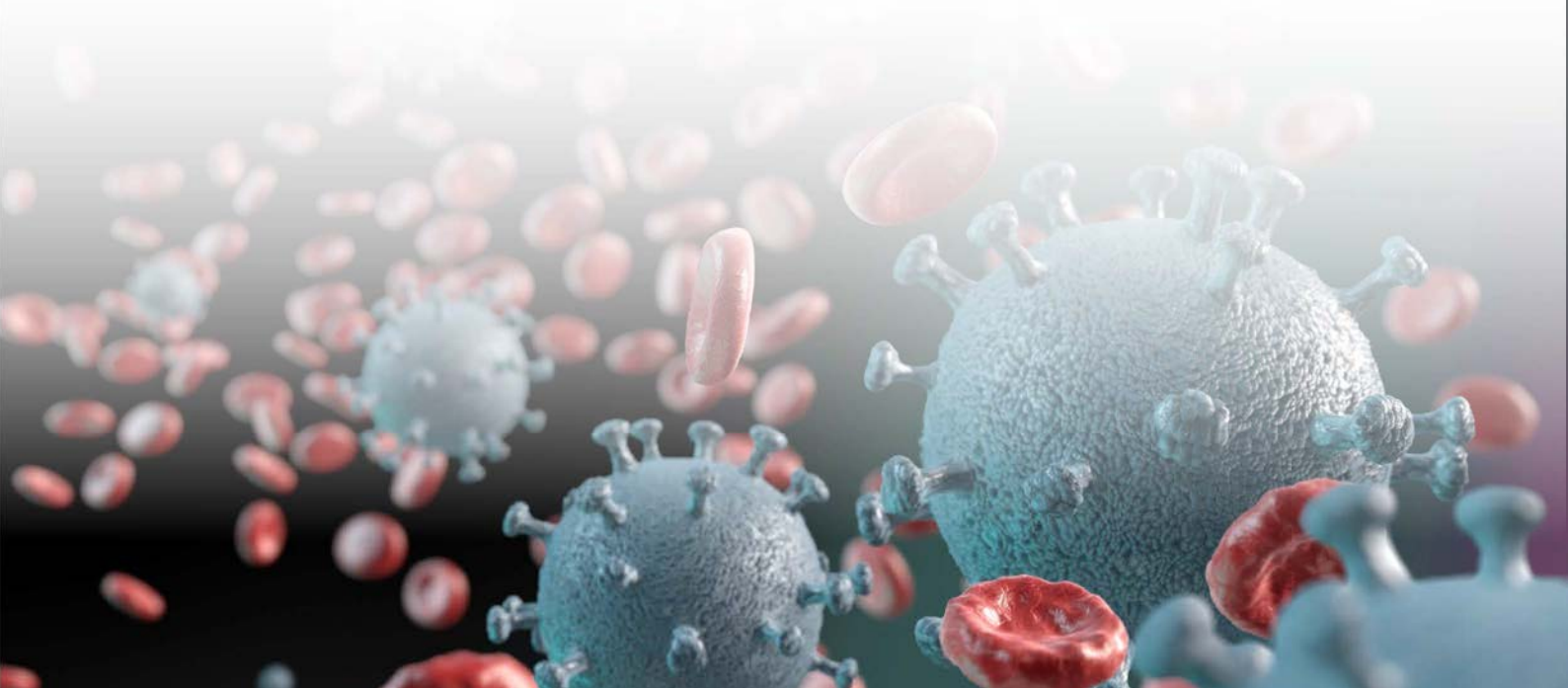
Fourie said, “the depth and liquidity of capital markets ensures that the financial sector can support the real economy during times of crisis. The exchange plays an essential role in enabling price transparency, trading out of positions and providing access to capital. The JSE is reducing listing fees by 25% for those small cap and AltX companies looking to tap the market to raise secondary capital.”

“The small cap counters are among the most vulnerable in strained markets. The discounts we are announcing for these market segments are aimed at stimulating liquidity and supporting this vital growth node of our economy,” Fourie explained.

Valdene Reddy, Director of Capital Markets at the JSE added, “In order to ensure that the impact of COVID-19 is minimised, the JSE will continue paying its small and medium suppliers and service provider’s monthly retainers for contracted suppliers. Non-contracted small and medium suppliers will be paid the average amounts those suppliers were billing the JSE prior to the national lockdown.”

The JSE will also be increasing the amount of cash disbursements given back to small and medium stockbrokers that are on the JSE’s Enterprise Development Programme. The cash disbursements in quarterly trading and connectivity fees will increase from 33% to 50% of the traded value by these stockbrokers. This temporary relief is applicable for the second quarter of 2020. The enterprise development programme was introduced by the JSE in 2016 to increase black participation in the exchange’s value chain and ecosystem.

“These brokers are 51% black-owned and we believe that this temporary relief will insulate them from the negative impact of COVID-19. The Black Stock Broker Programme is a key part of our transformation strategy and with this targeted relief, we are ensuring that black representation within the financial markets is sustained,” said Reddy.





JSE Welcomes the President’s stimulus plan

Johannesburg, 22 April 2020: As the country continues to battle the impact of COVID-19, the Johannesburg Stock Exchange (JSE) applauds President Cyril Ramaphosa’s fiscal stimulus to the economy. The JSE believes that the well- timed announcement balances South Africa’s fiscal challenges with the need for stimulation and growth in the economy.

The government’s R500 billion stimulus package, is a clear indication of government’s commitment to stimulating the economy whilst prioritising the fight against COVID-19. The JSE believes that the additional measures mentioned in the stimulus package will be constructive in enhancing both consumer and business confidence through economic and structural mechanisms, including tax reforms, increased grant funding to SME’s and loan facilities raised through a collaboration with major banks.

JSE Group CEO, Leila Fourie said, “The breadth of coverage of the fiscal stimulus across a multitude of sectors is practical for both building our economy and prioritising the human impact – it is comprehensive and drives medium term growth.”

The JSE is keenly aware that this stimulus comes on the back of a challenged fiscal deficit, compounded by the country’s recent ratings downgrade.

“This move will create a stronger base on which to foster growth and driving better ease of business. What will be crucial now is the administration and surety that funds will reach intended recipients and provide relief to our most vulnerable businesses and citizens of our country,” Fourie concluded.



Never before have the Sustainable Development Goals been more critical

We write this jointly in our capacity as alliance members of the GISD, from our homes in South Africa (SA), during a time of social distancing, while our planet fights one of the greatest wars in history. Sitting on the southern tip of Africa, we cannot help but reflect on how vulnerable our country is to the scourge that is COVID-19. More than 50% of SA’s population do not have access to piped (clean) water in their homes - never mind access to sanitation or energy – this is compounded by the lack of medical facilities and basics required to fight a contagion of this magnitude. The recent pandemic has highlighted the underlying and pre-existing inequality gaps in our society. And the pandemic has sparked a renewed consciousness and a willingness to respond by the public and private sector alike. Never has the 2030 Agenda for Sustainable Development been more relevant, more critical or more urgent to attain.

The Sustainable Development agenda sets out a vision for a prosperous future for the planet and its people as embodied by the United Nations (UN) Sustainable Development Goals (SDGs). It is an agenda that matters to all spheres of society

and is underpinned by inclusive and sustainable economic development. This is vital for our country, which has one of the highest Gini coefficients in the world, severe poverty and escalating unemployment. This inequality has been brought into sharp focus by the coronavirus lockdown where the health and livelihood challenges for a person living in the affluent suburb of Sandton are very different to those staying in the neighbouring and densely populated township of Alexandra.

SA needs a sustainable reset. One that takes into consideration the natural resources required to support an economy that must remain competitive, but also meets the short and long-term needs of society. Development must be economically, socially and environmentally sustainable while at the same time ensuring that we leave the planet healthier for future generations to thrive.

While vulnerable as an emerging market with severe economic challenges, SA is also uniquely positioned to tackle the practicalities of implementing a sustainability-focused strategy, in a way that respects the dynamics and population demographics of the continent. We have deep and liquid capital markets that serve the domestic economy and the wider continent as well as a strong and sophisticated financial services sector. The Johannesburg Stock Exchange (JSE) is the largest exchange in Africa with excellent systems and plays an important role in facilitating the functioning of the SA economy. Indeed, the financial services industry and the exchanges that facilitate trade on these markets have a vital role to play in directing financial flows to where they are needed most, particularly in a crisis.

Investec plays an important role in funding a sustainable economy that is sensitive to the world’s limited natural resources, promotes carbon reduction and contributes positively to economic growth and social upliftment. As members of SA’s business society we, as the JSE and Investec, are acutely aware of our societal obligations but acknowledge that a shift in mind-set is required. Our investment strategies and expectation of returns need to include sustainability-linked metrics. Investors not only want to see greater sophistication and flexibility from their investments to meet their specific return goals, but they also want those investments to have an impact on creating a better world. It is important for them that our actions and products align with our commitment to support the UN SDGs.

Creating SDG-linked products and services would not be possible without the support and broad vision of exchanges such as the JSE. The JSE has long championed sustainability. It was the first emerging market and the first stock exchange globally,

to introduce a sustainability index in 2004. This index measures companies on indicators related to environmental, social and governance practices. We have seen steadily increasing demand for financial products and initiatives that prioritise transparency, good governance and ultimately, action. To this end, the JSE has been driving a number of projects, which directly underpin responsible investment.

During times of crisis, such as we currently find ourselves, instruments such as social bonds, aimed at improving social outcomes and based on partnerships are playing a leading role in making the finances available to meet the many challenges arising from the COVID-19 pandemic.

We are getting there, but slowly. Sustainability has increasingly gained in importance however, it needs to move from a values based metric to an outcomes-based imperative. To achieve this, policy makers need to set up an enabling framework. Considering the pressing issues covered by the SDGs, creating an enabling environment for related investment will directly help achieve the 2030 goals. This is one of the reasons we chose to join the UN mandated group of global CEOs - The Global Investors for Sustainable Development (GISD) Alliance - tasked with the objective of catalysing capital and skills to urgently meet the challenge presented by the burning platform that is the SDG investment gap. Traditional financing models may not be suitable to meet the estimated \$2.5 trillion needed for investment in sustainability over the next 10 years.

It is both a huge responsibility as well as an honour for us to be part of this global group. As the Secretary General of the UN, António Guterres, likes to say: “to attack the biggest problems in the world, you need a level of collaboration across many stakeholders”. As part of the GISD alliance, we are working with leaders across the world to help unlock capital flows that will explicitly support sustainable development. The coronavirus pandemic has not only demonstrated that cooperation is possible on a previously unimagined scale but also highlighted the need for connection, even in a time of social distancing. The government in SA has limited fiscal space so the financial and corporate sector have rallied to assist in putting together an effective responsive economic package. The urgency of the crisis has shattered previous procedural impediments and opened the way for strong collaborative approaches, which give us hope for even greater partnerships post COVID-19.

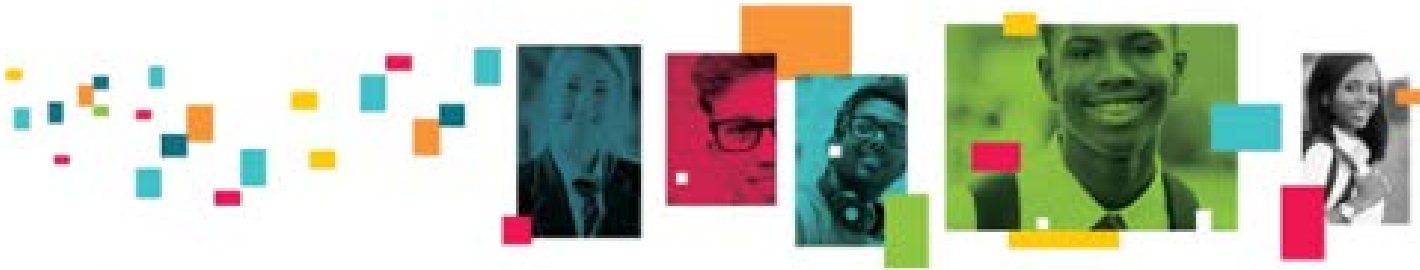
We commend the UN Secretary General’s bold and courageous proposals in response to COVID-19 ranging from global ceasefire to fiscal stimulus and debt relief measures. The reality

is that if the world had been implementing the SDGs with a higher level of commitment, then this pandemic's impact would not have been so severe. Investments in better health systems and reducing inequality would have helped tremendously in dealing effectively with the pandemic and its socioeconomic consequences. While we respond, we also need to ensure that recovery is lasting and resilient. That means major reorientation of investments and the global financial system to align with the SDGs. It has to be done at an accelerated pace to deliver during the Decade of Action.

As we navigate through these stormy waters, we acknowledge that this is the time for leaders to step up and take bold action. We are proud of the swift and decisive leadership shown by our SA president in responding to the COVID-19 health crisis. For this reason, we have both chosen to join the president in donating 30% of our salaries for three months to COVID-19

relief efforts. Both our companies, Investec and the JSE, have a long history of caring for the people of SA, supporting our communities and driving economic growth. As the CEOs of our respective companies - but more importantly as leaders, parents and grandparents - we are both personally committed to accelerating action on sustainable development and creating a better world for our grandchildren and their grandchildren. We hope the example of this collaborative approach will help citizens around the world to realise the need to live in society and not off society, with the understanding that if we do not invest in the world that we want, the one we get will be worth infinitely less.

Dr Leila Fourie, Group CEO of the Johannesburg Stock Exchange, and Fani Titi, CEO of Investec, are members of the United Nations Global Investors for Sustainable Development CEO Alliance.



Students and learners need to be agile to succeed in unprecedented times

Ralph Speirs, CSI Officer at the JSE

These are unprecedented times, and a great deal of agility is required for such times. The COVID-19 pandemic is happening to everyone, everywhere, which means all of us need to figure out a new way of living.

Various professionals, entrepreneurs and businesses have had to figure out quickly how to work efficiently from home. Learners and students are no different, schools and universities have had to use online communication tools to keep learning and development alive, and some parents have had to formulate routines which include home-schooling while working from home. Tools such as Zoom, MS Teams, WhatsApp and other online platforms have been at the forefront of keeping the economic and education wheel turning during these times.

This has been true for this year's JSE Investment Challenge participants as well. Never before, in the nearly five decades the challenge has existed, has it been presented with such an obstacle, or perhaps an opportunity disguised as an obstacle.

This year's participants are experiencing the challenge a little differently due to the restrictions implemented as a result of COVID-19 which include social distancing as part of the President's call to action for the nation to flatten the curve and reduce the spread of the virus. The opportunity in this is it allows all participants more time to better research their trading decisions.

The markets, as with everything else, are also going through unprecedented times, which provides participants with the opportunity to learn which sectors are best to invest in during this time.

There is no doubt though, that these young people, largely made up of the Generation Z (Gen Z) age group (born between 1995 and 2010) are up for the task. They have shown a number of qualities, including their use of technology, which ranks higher than any other generation. Over the course of the challenge,

participants have proven to be resilient, determined and creative, and this should only fuel such qualities in the group.

Everyone has had to use online communication at this time of social distancing, whether to communicate with loved ones, colleagues or peers, and herein lies a winning formula for participants who no longer have the leisure of face-to-face strategy sessions. Chatrooms, instant messaging platforms and phone calls will prove worthwhile devices for strategic and mentorship meetings.

While participants navigate these tools, mentors and the JSE Investment Challenge Team are also available online and ready to assist where needed. Mentors are attending training webinars so that they can better support participants remotely during the lockdown. Add to this, live social media Q&A sessions kicked off on Facebook in April 2020 where participants shared best practices and experiences with those who tuned in.

"Over the years, we have seen young people from humble backgrounds do amazing things, and to some degree, they believed that the investment challenge played a key role in their changing their financial future," said Ralph Speirs from the JSE.

Proud Sola, the firstborn of a family of nine, says the investment challenge has exposed him to new frontiers that he has hung-on to ever since he first overheard his friends talk about futures and warrants (derivative financial instruments whose value is derived from other underlying assets).

Sola said: "My friends are forex traders and they are the ones who introduced me to the world of trading. However, they went

beyond explaining forex trading and further told me about all these other financial investment vehicles."

Sola is an accounting graduate with a post-graduate diploma in tax and is currently in his second year working towards an LLB degree through Unisa.

"I plan to immerse myself into the world of trading financial instruments so much so that if I find myself doing well enough, I will quit what I am doing instantly and focus all my energies on trading," said Sola.

Sola was surprised that he went through an accountancy degree, one of the premier business qualifications in higher education institutions-and during the duration of his course, he was not exposed to trading and investment through the stock exchange. "In a way, it validates the need for the JSE investment challenge to continue," said Sola.

He believes in financial independence and his message to the youth would be to not only focus on their careers but also to find ways to make sure that the money they earn, works for them as well by becoming familiar with available legitimate investment options.

Speirs says it warms his heart to know that the investment challenge has been able to touch, challenge, and motivate young men like Sola. "We feel encouraged to continue with the Investment Challenge because of people like Sola because it says our work does have a real-life impact," Speirs concluded.





Leveraging ICT during and beyond COVID-19

By Hendrik Kotze, Chief Information Officer at the JSE

Charles Darwin once said “It is not the strongest of the species that survives, nor the most intelligent that survives. It is the one that is most adaptable to change.” An old adage that rings true in 2020 as the world agonises over the devastating effects of COVID-19 on business, finance and global markets.

Every sector of business has had to count the cost and gear towards adjusting their businesses model to weather the storm. The financial sector is no exception being one of the essential services and arguably forming part of the backbone of the economy. Dealing with market volatility and uncertainty over the global economy and how they filter into the capital markets, the Johannesburg Stock Exchange has had to activate business continuity plans.

In the midst of uncertainty about what is to come, one thing is clear: the future is digital. Leveraging technology during this pandemic is vital to the survival of any organisation. It is not only necessary but inevitable. In the age of quarantining and social distancing, technology provides the opportunity to differentiate your offering from the rest of the pack. Organisations that view these technologies as critical will be able to drive faster business transformation while also creating advantages for themselves during this time.

The JSE, in particular, is no stranger to technology. With over 125 years of trading history under our belt, we have evolved from a traditional floor-based equities trading market to a modern securities exchange providing fully electronic trading, clearing and settlement in equities, financial, interest rate and commodity derivatives and bonds, as well as FX products.

In line with this, the JSE recently hosted the first fully remote and web-based shareholder meeting of its kind in South Africa. This was in partnership with The Meeting Specialist (TMS) to launch

the first virtual AGMs in our country to ensure shareholder engagement through the lockdown. While virtual meetings will in due course become widely accepted, or at least become a routine adjunct to conventional meetings, the immediate availability of this service is particularly relevant in today’s volatile economic climate. It also serves as testament to the importance of swiftly adjusting or adapting to the environment we currently find ourselves in.

This new normal also includes remote working, which for us commenced in 2019, with a move to Office 365 and Microsoft Teams. Little did we know that in 2020, this move would be vastly beneficial - a process with many moving parts - when the entire organisation would be forced to move off-site for the lockdown period.

We provided employees with secure laptops and automated operational practices and procedures overnight through collaboration on Teams with traceable and auditable conversations to ensure appropriate governance and oversight were maintained. We also upgraded networks and access infrastructures on short notice, including data packages to minimise top-up disruptions. Volumes escalated beyond what was foreseen in the normal capacity forecasts and in certain cases, additional processing capability had to be sourced on short notice. Our employees responded positively to the changes and are to be commended for how they stepped up to ensure smooth and continued operation of South African Capital Markets. Accolades are also in order for JSE partners and suppliers that assisted in facilitating a smooth transitioning to the remote working model. This level of collaboration and swift action has helped the JSE achieve business continuity and ensure that Africa’s largest stock exchange remains a resounding success.

However, I believe that there is still room to leverage more digital tools and platforms to further ensure that the stock exchange runs seamlessly. The same applies for businesses in South Africa. Now is the time to tap into new and exciting technologies that can further unlock the digital economy and assist businesses in distress. We have seen a shining example in China’s use of the internet of things, 5G communications, artificial intelligence and big data to fight against the outbreak. This innovation assisted various sectors including healthcare, education and logistics and most importantly, saved lives.

Similarly, the use of digital infrastructure can empower the South African economy to integrate the digital world with the physical. Globally, we are already seeing that the digital economy has completely changed the traditional economic ecosystem that has existed for centuries. We can no longer be thinking of digital technologies as add-ons but rather as an integral part of our products and services. However, fully integrating

these technologies requires sufficient and widespread access to mobile technology. While this is not a reality yet, a recent Geopoll survey indicates that approximately 51% of South African adults have a smartphone and 40% have a basic feature phone. We are well on our way to using innovation to deliver healthcare and education services via phone – another business and employment opportunity that can be leveraged.

South Africa has the capacity to harness digital technologies to accelerate digital transformation. The way we do business has drastically changed and only the companies that adapt to these changes will succeed during COVID-19 and beyond. Indeed, by embracing digital transformation, businesses can maintain their ability to ensure essential functions during and after the pandemic. Dare I say it... it is time to adapt or be left behind for good.



Global business giants commit to mobilising resources to fast track recovery from COVID-19 as part UN’s Gisd pledge

In a meeting convened by United Nations Secretary-General António Guterres on 10 June 2020, leaders of prominent financial institutions and businesses pledged to scale-up sustainable investments globally, especially in countries that needed it most because of the COVID-19 pandemic.

The Global Investors for Sustainable Development (GISD) Alliance issued a statement committing to greater action to confront the global economic crisis driven by the COVID-19 pandemic and keep the Sustainable Development Goals on track. JSE Group CEO, Leila Fourie co-chairs the initiative, which aims to leverage finance and investment know-how in a bid to free up trillions of dollars from the private sector to finance the Sustainable Investment Goals.

“We, the Members of the Global Investors for Sustainable Development Alliance, met in these extraordinary circumstances to send a strong message of unity and commitment. We reinforce the UN Secretary-General’s calls for wide ranging actions that match the scale of the crisis,” the statement said.

The Secretary-General told the GISD Alliance that the pandemic’s toll of skyrocketing unemployment and the closing of businesses would hurt the poorest and most vulnerable and that rebuilding to pre-crisis levels of employment and output may take years.

“COVID-19 is having dramatic impacts on the way the world works – for example, by reducing energy usage and prompting

the adoption of technologies that can decouple the economy from its reliance on fossil fuels,” Guterres said. “These changes can be the beginning of the process of shaping our world for the better. But the global community must go further, taking active steps to align recovery with sustainable development.”

The GISD Alliance members agreed to accelerate efforts to align investment with sustainable development objectives and integrate the SDGs into their core business models. They also pledged to establish scalable innovative financing and investment vehicles to advance the SDGs, including through COVID-19 bonds, risk-sharing tools, joint investment and business networking platforms.

In addition, the group promised to promote regulations that facilitate investment in sustainable development and create more resilient economies. They also pledged to accelerate private and public sector collaboration to develop models that price-in carbon emissions and other ways to incentivise sustainable business practices.

Dr Leila Fourie, CEO of the JSE said, “There isn’t a country around the globe that has been spared from the economic ravages of COVID-19 – perhaps some more than others though. Here in South Africa we know that our rising unemployment rate has meant that the poorest and most vulnerable of our society have been most impacted by the pandemic. It has exacerbated inequalities which the SDG’s are addressing, as without this intervention decades worth of progress will be affected.”

Fourie added, “The goals are still in our sights but it will take the mobilisation of resources from both our public and private sectors that need to take accountability on a scale greater than

we have previously experienced.”

In an effort to drive sustainable investment and development, the JSE is expanding its Green Bond Segment into a Sustainability Segment and this will become active imminently. This expansion will build on the success of the Green Bonds’ “use of proceeds” model and will follow established frameworks for Sustainability Bonds and Social Bonds in addition to the current Green Bonds. These instruments will broaden the options available to our investors, and offer applicant issuers the ability to increase their participation in the broader impact and sustainability markets.

The JSE is the only stock exchange globally in the alliance and is joined by Investec. Investec CEO, Fani Titi, says “COVID-19 has made investment in the Sustainable Development Goals more urgent than ever. Investment in sustainable, innovative and resilient infrastructure is critical to pave the way for an inclusive post-COVID economic recovery.”

According to the Secretary-General, COVID-19 should be a wake-up call for the world. He has urged a green recovery from the pandemic, focused on delivering new jobs and businesses through a “clean green transition”, tied to sustainable growth and resilience. He has specifically called for an end to fossil fuel subsidies and said climate risks should be incorporated into financial systems.

“COVID-19 has derailed many plans; it has shifted the focus away from long-term planning to immediate needs. But this crisis underscores the need to think long term, build resilience and limit the impact of future crises,” the Secretary-General



concluded.

JSE announces new Sustainability Segment

Johannesburg, 24 June 2020 – The Johannesburg Stock Exchange (JSE) was proud to announce that the Green Bond Segment is being expanded to a fully-fledged Sustainability Segment and that, with effect from 23 July 2020, interested issuers can list social and sustainability bonds along with green bonds.

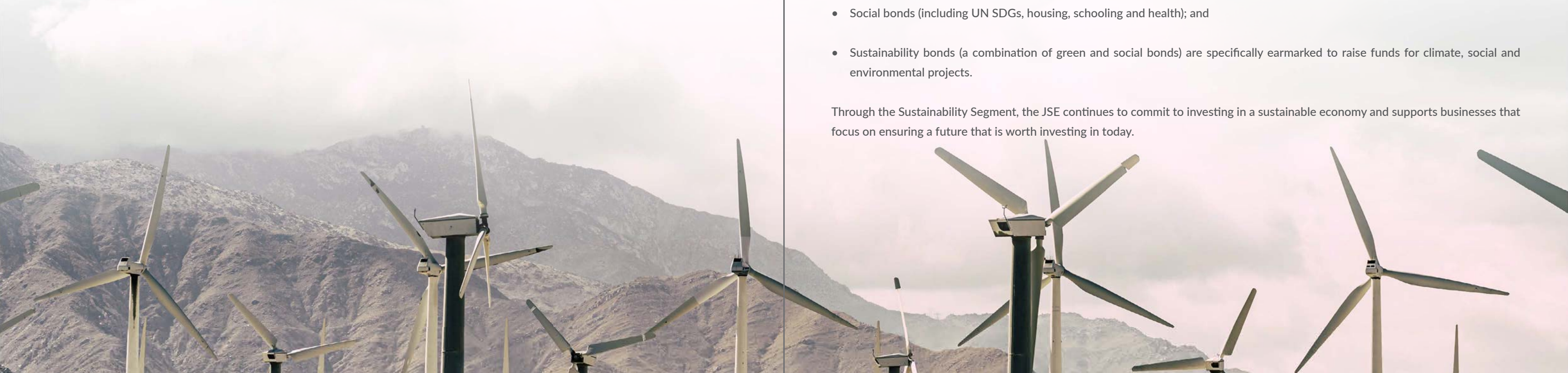
With the introduction of the Sustainability Segment, the JSE aims to provide a platform for companies to raise debt for green, social and sustainable initiatives on a trusted, global market place. The JSE’s Sustainability Segment will make it accessible and easier for companies to list and trade sustainability-related instruments to raise funds for activities directed at sustainable development.

“Earlier this year we engaged the market and put out for public comment the proposed amendments to our debt listing requirements for a new Sustainability Segment, and we are thrilled to bring it to fruition. In 2004 we introduced the first exchange-sponsored sustainability index globally, which was also the first sustainability index in emerging markets. We are also a signatory to the United Nations-backed Principles for Responsible Investment and a founding partner of the Sustainable Stock Exchanges Initiative. We believe the introduction of this segment is a further step in our commitment to the Sustainable Development Goals (SDG’s) and building a sustainable economy for today and future generations,” said Valdene Reddy, Director of Capital Markets.

The Sustainability Segment will be utilised for the listing of debt instruments that are used for raising capital for bonds where the proceeds are ring-fenced for activities directed at sustainable development. These include:

- Green bonds (including energy, water and waste);
- Social bonds (including UN SDGs, housing, schooling and health); and
- Sustainability bonds (a combination of green and social bonds) are specifically earmarked to raise funds for climate, social and environmental projects.

Through the Sustainability Segment, the JSE continues to commit to investing in a sustainable economy and supports businesses that focus on ensuring a future that is worth investing in today.





JSE 2020/Q2 Listings

JSE holds first virtual listing as it welcomes its first ETF listing of 2020

On 07 May 2020, the Johannesburg Stock Exchange (JSE) welcomed the Satrix SA Bond ETF to the main board of the JSE in its first virtual listing, and the first ETF listing in 2020.

The Exchange Traded Fund (ETF), will track the S&P South Africa Sovereign Bond 1+ year Index, which allows investors to automatically re-invest their coupons. The index is market value weighted and consists of bonds with maturities of one year or more.

Valdene Reddy, Director of Capital Markets at the JSE, said the ETF was perfectly suited for investors needing a more defensive asset class while chasing inflation-beating yields and capital growth.

“The ETF offers investors an opportunity to invest in a basket of Rand-denominated sovereign debt publicly listed by the government of South Africa. This offers investors alternatives and significant diversification to their investment portfolios,” said Reddy.

The Satrix SA Bond ETF is the sixth local Bond ETF to list on the JSE – thus opening up even wider choice for investors in search of debt exposure, in a single instrument.

The JSE's total ETF market cap is close to R95bn with current average daily value traded being R600m per day, almost three times the average daily value for 2019. The total year to date value traded has been in excess of R50bn, almost equal to the total value traded in 2019.

The evolution of South Africa's ETF landscape over the last 20 years has been remarkable with the JSE now offering 74 different types of ETFs, ranging from broad market equity exposure, local and global debt, equity and property exposure,

access to precious metals, Africa (ex-SA) equity ETFs and Smart Beta ETFs.

“In these significantly volatile environments, trading instruments such as ETFs, offer attractive and diverse opportunities for investment”, said Reddy.

Helena Conradie, Satrix CEO, said over the last few years, Satrix has spent considerable time making sure that its wide range of ETF products, offered a broad-range of alternatives to cater for all investors.

“We now offer ETFs covering most asset classes both locally and globally. Needless to say, COVID-19 has forced all businesses to completely rewrite their 2020 plan. Satrix is fortunate that we can still go ahead with most of our planned listings this year, despite the turmoil. This demonstrates our belief in the future of South Africa,” said Conradie.

With various economies around the world under economic lockdown in efforts to minimise the spread of COVID-19, Reddy noted that investors were nervous and cautious in such markets. The appeal of ETFs are further enhanced in an environment of uncertainty in the market, as well as the global growth towards passive investing.

“A basket solution helps to address those concerns and supports investors with the ability to invest in local assets or foreign assets, which are all available on the JSE,” said Reddy.

Satrix Head of Exchange Traded Products, Yusuf Wadee, encouraged investors to invest in SA government bonds to diversify their portfolios. “This ETF offers that diversification, along with attractive long-term yield prospects. And of course, the ETF structure allows for easy access in a single trade,” he concluded.



Cabo Verde Stock Exchange

News Update & Market Info 2nd quarter 2020

As stated on the outlook for 2019/2020, Cabo Verde Stock Exchange's (CVSE) mid-term Strategic Plan for 2017 - 2020 is primarily focused on secondary market development programs, including new market access channels, the listing of newly privatized companies and stimulation of the treasury securities market. We are also strategically targeting the private sector and local sector issue incentives and exploring opportunities in the green bond market. Along with all these, we stay committed to promoting investment education and financial literacy.

Steps towards establishing a market-making programme to promote liquidity in the secondary market, particularly for public debt, has been taking and been implemented.

With regards to market operations, at Q2 2020, there were 192 listed securities, being those: 177 Treasury Securities, 9 Corporate bonds, 2 Municipal bonds and 4 Common Shares, with the result that the market capitalization was of 823,037,312.00USD, which represent a positive variance of 4,11% from the previous year, corresponding to around 42% of the country's GDP.

it is expected that the effects of COVID-19 will negatively impact the country's economy, also affecting the dynamism of the Cape Verde Stock Exchange, something that, although with some timidity, is already noticeable in the operations carried out during the 1st Semester of 2020. In this 1st Semester, we can highlight that the number of listed securities had a reduction of 3.5% compared to the records of the 1st Semester of 2019, a situation explained by the lower number of new issues compared to the number of amortizations of previous securities. There was also a reduction in all operations carried out both in the Primary Market and in the Secondary Market, with negative variations of 8.97% and 52.6%, respectively, compared with the same period of 2019.

Nigeria Stock Exchange

NSE Continues to Assist Corporates and Government to Raise Capital amidst the Pandemic

The Nigerian Stock Exchange (NSE or The Exchange) continues to deliver on its commitment to provide a platform for issuers to raise capital even in the toughest of times. Since the activation of its Business Continuity Plan which saw the transition to remote trading and working from home on 24 March 2020, the NSE has attracted several new listings to the market, the most recent being LAPO Microfinance Bank's N6.2 Billion Bond on Monday, 29 June 2020. This listing came closely on the heels of the listing of Dangote Cement's N100 Billion Bond on Friday, 26 June 2020, which is the largest corporate bond issued in the Nigerian debt capital market.

During this period of remote trading, The Exchange has helped corporates and government raise capital to the tune of over N968 Billion as at 30 June 2020, ranging from new and supplementary bond listings to Rights Issues, private placements and Exchange Traded Funds (ETFs). These funds have been utilized to pay down financial obligations, support working capital, improve infrastructure development and facilitate business expansion.

In a recent interview, the Chief Executive Officer, NSE, Mr. Oscar N. Onyema, OON had said, "The NSE is resolute in its commitment to be a trusted business partner to all our Issuers in accessing right-sized capital and achieving their strategic business objectives. In our efforts to fulfil this mandate, we have achieved all-round increased efficiency in terms of competitive pricing structures, increased turnaround time, enhanced customer experience and improved time to market. We believe this has translated into the remarkable resilience we have displayed amidst this pandemic, as well as increased investors' confidence as reflected in stakeholders' participation in our market across various asset classes."

From 24 March to 30 June, the NSE has successfully listed: LAPO Microfinance Bank's N6.2 Billion Bond; 900,000 units of the NewGold ETF valued at N7 Billion; Dangote Cement Plc's N100 Billion Bond; UACN Property Development Plc's N16 Billion Rights Issue; FBNQuest Merchant Bank's Series-1 N5Bn Bond; Flour Mills' N12.5Bn and N7.5Bn Bonds; Primero BRT Securitisation SPV Plc bond worth N16.1Bn Bond; Golden Guinea Breweries Plc's N1.2 Billion Private Placement; and several Government Bonds worth over N797 Billion.

Other Highlights

1. The Exchange has fully transitioned its Closing Gong ceremony to a virtual event and has successfully hosted Management of companies such as Sterling Bank, FBNQuest Merchant Bank, Flour Mills of Nigeria, UACN Property Development Company, Dangote Cement Plc, Guinness Nigeria, Champion Breweries, Seplat Petroleum Development Company, amongst others.
2. To support the fight against COVID-19 in Nigeria, The Exchange made a commitment of N100 Million. N60Million out of this sum was dedicated to an Ambulance and cash donation to the Securities and Exchange Commission (SEC) led Capital Market Support Committee for COVID-19 (CMSCC). The balance N40Million was devoted to the “Masks For All Nigerians” campaign which saw NSE donate over 100,000 reusable face masks to states most affected by COVID-19. In addition, The Exchange is running an enlightenment program on the safe use of masks on traditional and social media.
3. As we continue to grapple with the health and economic impacts of COVID-19, The Exchange partnered with the Milken Institute to sound the call for significant shift and scale up of green finance and investment in Nigeria and West Africa at the first webinar in Sustainable Capital Markets Forum for West Africa series. The event was themed, “Fundamentals of Developing Green Bond Markets.”
4. On Wednesday, 10 June 2020, NSE hosted the Capital Markets in a Pandemic webinar headlined by Chief Executive Office, NSE, Mr. Oscar N. Onyema, OON; CEO, World Federation of Exchanges (WFE), Ms. Nandini Sukumar; CEO, London Stock Exchange (LSE), Mr. Nikhil Rath; and CEO, Luxembourg Stock Exchange (LuxSE), Robert Scharfe; and moderated by CNN Correspondent, Eleni Giokos. The speakers discussed topical issues such as the digitization of stock exchanges, emerging asset classes, market liquidity and the critical role of exchanges in supporting their economies, especially during a crisis.
5. Within Q2:2020, The Exchange has also launched the SentryGRC platform and upgraded its Data Portal (X-DataPortal).
 - a. SentryGRC is a platform that automates back-office functions like Governance, Risk Management and Compliance. Accessible via www.sentrygrc.com, it enables organisations to pursue a systematic and organised approach to managing GRC-related strategy and implementation, thereby creating an enabling environment for increasing efficiency and effectiveness alongside reducing costs.
 - b. The X-DataPortal is an online application that serves as a repository for real time, delayed, end of day and historical data for all financial instruments listed on the NSE. Accessible via <https://dataportal.nse.com.ng>, it provides a more efficient, user-friendly experience for subscribers. The new features include data products, subscription management, payment gateway integration and a lot more





Casablanca Stock Exchange

During the state of health emergency in Morocco due to the Covid-19 pandemic, Casablanca Stock Exchange adopted measures to preserve and maintain market activity.

This quarter was also marked by a change at the head of Casablanca Stock Exchange with the appointment of a new CEO and a Chairman of the Board of Directors.

New nominations at the Head of Casablanca Stock Exchange

Mr. Tarik Senhaji was appointed Chief Executive Officer on April 02, 2020 succeeding Mr. Karim Hajji who spent nearly 11 years at the head of Casablanca Stock Exchange. Mr. Senhaji has accumulated an experience of over 23 years in the financial sector on the Moroccan and international markets.

In addition, a new Chairman of the Board of Directors has been appointed on June 18, 2020. Mr. Kamal Mokdad will now occupy this function replacing Mr. Hamid Tawfiki.

Modification of the variation thresholds

This measure is an application of the decision of the Moroccan Capital Market Authority (market regulatory) in order to preserve market balance as well as the interests of investors and issuers.

Digital Events for Market Promotion

Casablanca Stock Exchange organized jointly with the Professional Association of Brokerage Companies (APSB) a cycle of webinars from June 9 to July 16, 2020. 7 webinars were organized with the main theme "The impact of Covid-19 on the stock market ". These events were hosted by professionals from the market.

Casablanca Stock Exchange also organized in July in partnership with the European Bank for Reconstruction and Development (EBRD) and la Confédération Générale des Entreprises du Maroc (CGEM -General Confederation of Moroccan Enterprises) a workshop on “The repositioning of Morocco in industrial value chains post Covid 19”.

Online Workshops in favor of Elite Morocco Companies

As part of the animation of the ELITE Morocco community, Casablanca Stock Exchange organized, in partnership with market professionals, three virtual workshops for companies that are part of the program. These workshops addressed topical issues in the context of the health crisis, namely, “Financial communication in times of crisis”, “How to face liquidity issues and gain resilience” and “What managerial strategy to adopt in the face of Covid-19 crisis”.

Online Training to extend the Stock Culture

The École de la Bourse organized a series of webinars, in partnership with higher education institutions and an international certifying training body.

These webinars aim to familiarize the general public, in particular students, with the stock market (its mechanisms, its products, its operation, etc.)





Tunis Stock Exchange

1-Renewal of Tunis Stock Exchange ISO 27001 Certification

The Tunis Stock Exchange announces the renewal of its ISO 27001 certification, an international standard for information security management.

Issued by AFNOR Certification for a second cycle of three years, this renewal confirms the performance and efficiency of the Information Security Management System of the Tunis Stock Exchange.

The Tunis Stock Exchange has made the choice, since obtaining its ISO 27001 certification in 2017, the first one in the Tunisian financial sector, to implement a continuous improvement approach of its information security, in order to strengthen the confidence of its customers, partners and suppliers.

Thanks to its business continuity plan, an integral part of its Information Security Management System, the Tunis Stock Exchange has maintained its activity during the COVID-19 pandemic, while preserving its human resources as well as those of its partners, customers and suppliers.

With this distinction, The Tunis Stock Exchange confirms its commitment to pursue an improvement process to ensure the continued satisfaction of its customers and partners as it aims to support the marketplace towards greater performance and resilience.

2- Webinar on Extra-Financial Reporting

At the heart of the financial ecosystem, a stock exchange arouses the interest of investors because it welcomes companies of all sizes and from all sectors who seek to finance themselves by Public Call for Savings. These companies benefit from the visibility offered by the Stock Exchange to strengthen their notoriety to raise funds in order to develop and expand their markets.

This unique and prestigious position of the Stock Exchange, which gives it a role of prescriber with the entrepreneurial ecosystem, is at the origin of the launch in 2009 of the SSE Initiative (Sustainable Stock Exchanges) by the United Nations, which aims to promote the stock market as a spearhead for the dissemination and widespread adoption of CSR practices.

The Tunis Stock Exchange joined on October 25, 2015, the initiative that now brings together nearly 90 stock exchanges around the world. Its mission is to strengthen collaboration between financial centers, investors, regulators and companies, with a view to sustainable development, by adopting best practices for managing environmental, social and governance (ESG) issues and by encouraging responsible and long-term funding.

The Tunis Stock Exchange integrated the CSR policy into its strategic orientations and decided to promote the adoption of CSR practices, and their dissemination on the Environmental, Social and Governance components, and in line with Tunisia's international commitments under the United Nations Global Compact (2000) and the achievement of the 17 Sustainable Development Goals (SDGs).

To this end, and with the support of the Konrad Adenauer Foundation, the Tunis Stock Exchange is launching the project to develop an ESG reporting guide based on the recommendations of the HSE Initiative and adapted to the Tunisian context.

The Tunis Stock Exchange aims to bring listed companies to integrate CSR into their business strategies, to deploy it operationally and to report to all stakeholders by developing a non-communication component. financial reporting.

To this end, the mission of producing an ESG Extra-Financial Reporting Guide for listed companies is assigned to the firm Key Consulting.

To further explain the why of the ESG Guide, its development methodology and implementation schedule, the Tunis Stock Exchange, the Konrad Adenauer Foundation and Key consulting organized a webinar.

3- Workshop on the process for the adoption of IFRS standards

The Central Bank of Tunisia and the Financial Market Council recently issued a circular and a press release, respectively, relating to the adoption of IFRS standards.

It is recalled that the General Assembly of the National Accounting Council of September 6, 2018 decided to call on listed companies, banks and FAPE financial institutions, insurance and reinsurance companies to prepare their consolidated financial statements according to international financial reporting standards (IFRS) from January 1, 2021.

The Tunis Stock Exchange organized for this purpose, with the support of the regulatory and supervisory authorities of the Place, a Workshop which focused on the process for the adoption of IFRS standards.





Rwanda Stock Exchange

Rwanda Stock Exchange reaches 10 listed Companies with 2 new listings this year, despite the Market's tough conditions due to COVID-19

RH Bophelo Lists on Rwanda Stock Exchange

On 1st June 2020, RH Bophelo Plc was listed by introduction on the Rwanda Stock Exchange Main Investment Market Segment (MIMS) hitting yet another milestone the company ventures outside South Africa for the first time having previously successfully listed on Johannesburg Stock Exchange (JSE) a few years ago. RH Bophelo joined a family of 8 other listed companies on RSE.



RH Bophelo listed on JSE as a special purpose acquisition company (SPAC) in July 2017 with R500 million in new capital raised ("JSE Listing").

RH Bophelo has made 9 acquisitions since its inception and JSE listing. RH Bophelo's hospital portfolio has a total of 665 owned hospital beds which excludes over 800 additional beds under management contract through Africa Healthcare Proprietary Limited (AHC) across 8 South African provinces.

CIMERWA PLC Lists on Rwanda Stock Exchange

CIMERWA Plc, or "CMR" by trading name, Rwanda's only integrated cement manufacturer was listed by introduction on the Rwanda Stock Exchange Main Investment Market Segment (MIMS) hitting yet another milestone reaching the benchmark of the 10th company listed on the local bourse,

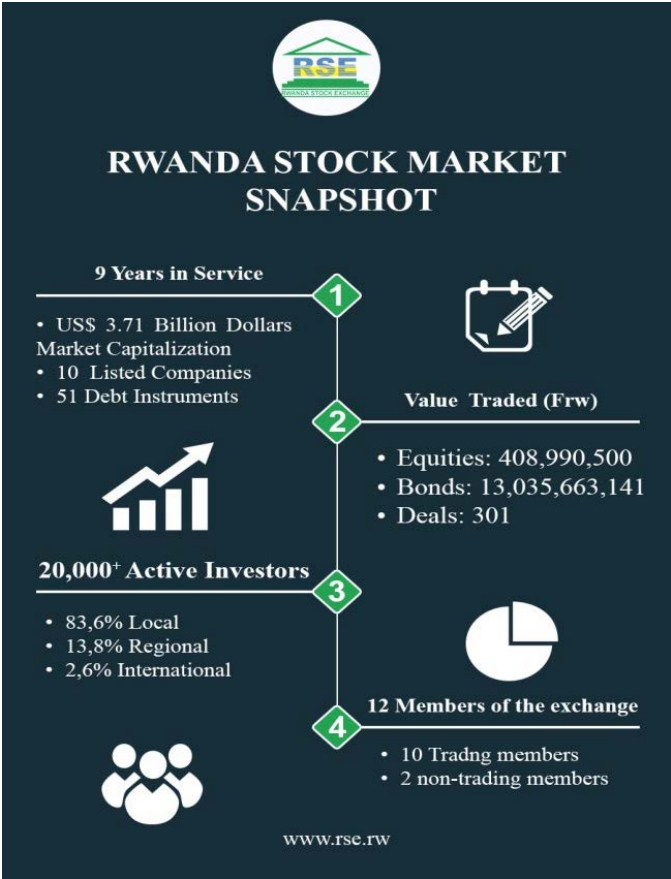
And the 5th local company to list on Rwanda Stock Exchange.



Established in 1982, CIMERWA has over three decades worth of experience as Rwanda's first and only integrated cement manufacturer.

CIMERWA is the only cement company in Rwanda which mines raw materials, produces clinker then Mills and packs Cement for general and civil construction use.

MARKET PERFORMANCE





Zimbabwe Stock Exchange

ZSE forges ahead with receivables trading platform

The Zimbabwe Receivables Marketplace (ZRM) (Pvt) Limited was incorporated in May 2020 as a joint venture between the Zimbabwe Stock Exchange Limited (ZSE) and Harare Receivables Exchange (HRE). ZRM exists to facilitate the reallocation of capital from institutional investors to corporations looking for working capital. This allows ZRM to provide:

- Working capital solutions for SMEs and established businesses
- An alternative investment class for institutions

ZRM is currently conducting tests on its receivables trading system and plans to officially launch before the end of Q3 2020.



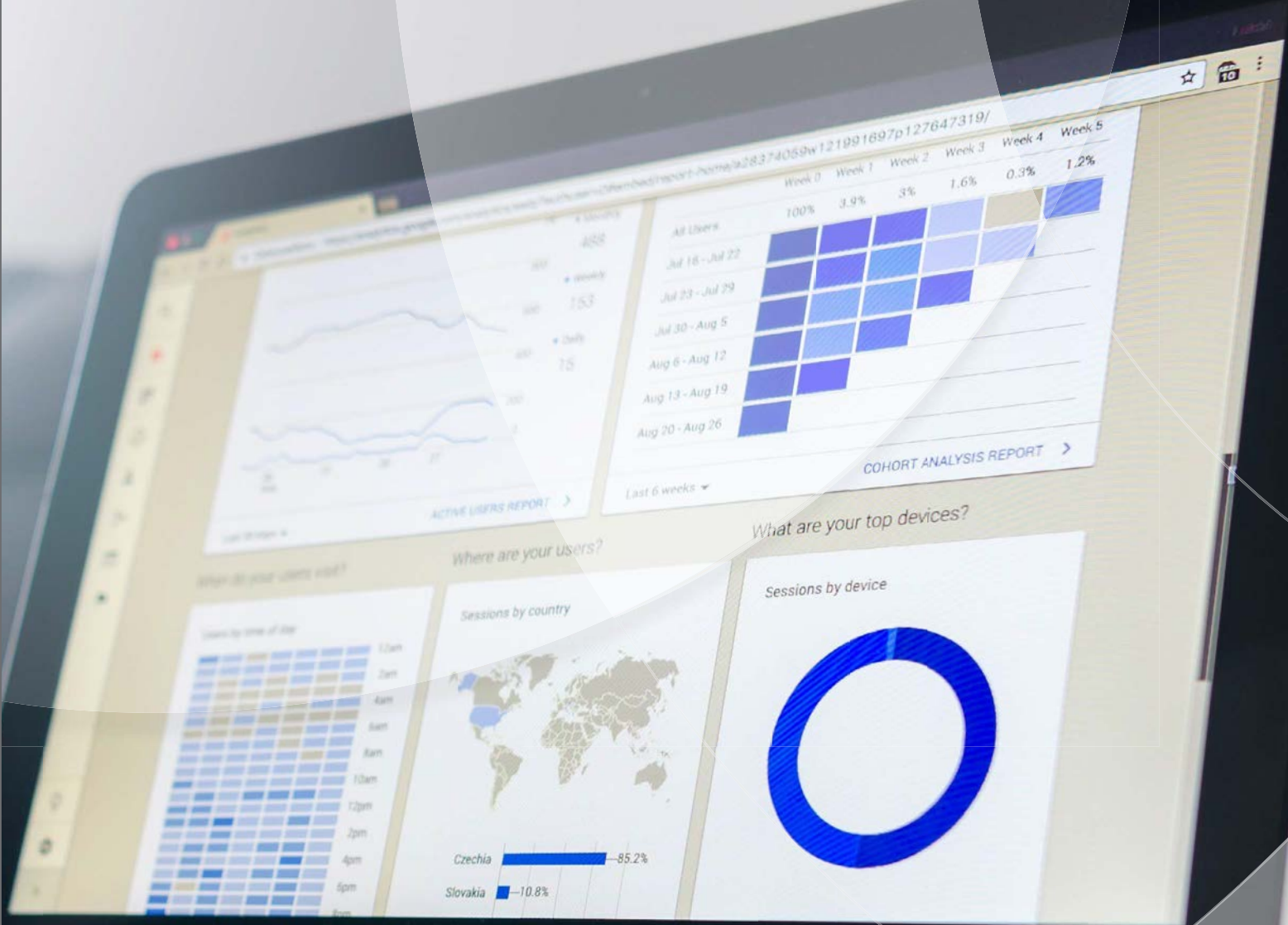
ZSE Head of Legal ,Compliance and Issuer Regulation Lyndon Nkomo, ZSE CEO, Justin Bgoni and HRE CEO Tinashe Tamba, during the signing of the joint venture agreement



Victoria Falls Securities Exchange (VFEX) coming soon

In line with its mission to provide long term capital and risk management solutions to businesses and Governments, the ZSE is also working on establishing a separate exchange in the Victoria Falls Special Economic Zone. The Victoria Falls Securities Exchange (“VFEX”) will target both foreign and domestic listings and will facilitate the trading and raising of capital in United States Dollars and other hard currencies.

The settlement and clearing of transactions consummated on VFEX will be according to international best practice including offshore. VFEX will also have competitive transaction costs and favourable tax incentives for both issuers and investors.





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