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THE BRIEF
News Worth Knowing

Lightstruck weighs nationwide expansion after success in Windhoek, Rehoboth

FRIDAY 16 AUGUST 2024

MAIN STORY

Lightstruck weighs nationwide expansion after success in Windhoek, Rehoboth

Lightstruck is considering expanding its operations nationwide, building on the positive outcomes of its recent ventures in Windhoek and Rehoboth.

Eos Capital Chief Investment Officer, Frederico Van Wyk, said several factors will influence the pace of this potential rollout.

"Key considerations include the availability of backhaul dark fibre and the growth in network usage revenue over the next 36 months. These factors will play a significant role in shaping the timeline for achieving broader national coverage," said

Crucial Dates

- Bank of Namibia Monetary Policy announcement date:
  23 October 2024
  4 December 2024

- Namibia Oil & Gas Conference 2024
  20-22 August 2024
  Mercure Hotel , Windhoek

- Global African Hydrogen Summit (GAh2S)
  Windhoek, Namibia from 03 – 05 September 2024

Van Wyk.

Regarding target areas for expansion, Van Wyk remained tight-lipped on the matter, highlighting that the main focus lies in overlooked areas with poor fibre connection.

"Given the sensitive nature of a rollout plan and the need to avoid overbuilds, we do not want to share much detail. It attracts competition, and we do not wish to duplicate infrastructure builds. Our focus is on areas overlooked for fibre connection," he said.

This comes as the physical work began in February 2024, with an initial capital expenditure (capex) of N$500 million.

The company plans further investments upon completing the initial phase. Lightstruck prioritises towns with potential industry growth and infrastructure needs.

Lightstruck operates an open-access Layer 2 infrastructure.

"This means ISPs can plug into our network at designated data centres to provide fibre-based internet services," he explained.

He said the cost recovery of infrastructure spending results in transparent pricing for all ISPs, benefitting consumers in the long term. Meanwhile, Cobus Visagie from Africa Merchant Capital mentioned that Lightstruck is focusing on the northwestern side of Windhoek, including Khomasdal, Rocky Crest, and Dorado Park.

"Our deployment is also focused on multi-storey flats and complexes where owners and tenants are keen to benefit from better connectivity," he added.

Visagie noted that Rehoboth is the first town outside Windhoek to benefit, with work commencing this month.

"We will cover almost the entire town with a world-class fibre optic network in two stages. Residents covered in the first phase will be able to get live fibre service from their ISPs next month," he said.

Lightstruck Holdings was founded as a joint venture between Lightstruck South Africa and Africa Merchant Capital Holdings.

The Namibia Infrastructure Development and Investment Fund (NIDIF), managed by Eos Capital, has invested in acquiring a significant minority stake in Lightstruck Holdings.

The company aims to deliver long-term fibre optic networks for the economic and social benefit of Namibian communities.

Earlier this year, Lightstruck signed an agreement with the City of Windhoek's City Link initiative to advance the city's fibre network commercialisation efforts.

Standard Bank records N$505.6m profit in six months

Standard Bank Namibia's profit after tax saw a substantial rise of 38 % to N$505.7 million during the half year.

Non-interest income during the period increased by 13.3% to N$765 million, while N$1 billion was generated from lending activities for the half year ended 30 June 2024, representing an 18.3% increase compared to the same period in the previous year.

The bank's financial report indicates that the increase was driven by higher loan volumes and effective interest rate management.

"Net interest income increased by 18.3% to N$1.0 billion. This increase is attributable to the growth in loans and advances to customers of 5.0% and the realisation of funding optimisation strategies, which improved the net interest margin to 6.0% (31 December 2023: 5.2%)," the bank said in a statement accompanying financials.

Standard Bank said despite increased operating expenses of 9.5% to N$982 million, primarily due to IT investments and inflationary pressures, the bank managed to improve its cost-to-income ratio to 54.9%, down from 58.2% in the previous year. This reflects enhanced operational efficiency.

"Continued investments to enhance customer experience: automation initiatives to achieve operational excellence and improve efficiencies, investments to reinforce our risk and compliance enablement and enhance our digital capabilities," the bank said.

The company reported that growth in transaction volumes and client activities had resulted in a 13.3% increase in non-interest revenue, reaching N$765 million during the period under review.

It added that trading revenue had grown by 37.7% to N$122.4 million, driven by increased transaction volumes and currency market volatility.

Other gains and losses on financial instruments had increased by 88.8% to N$75 million, primarily due to higher returns on excess liquidity invested in unit trusts and money market funds.

The bank's credit impairment charges decreased by 29.3% to N$92 million largely attributed to the regularisation of group scheme home loan accounts previously classified as impaired due to technical arrears.

"Excluding these exposures. impairment charges increased by 7% period-on-period. The credit loss ratio (CLR) decreased period-on-period to 0.7%. Normalising credit impairments for the aforementioned group scheme exposures result in a CLR increase of 0.1% from 0.6% in 2023," the report read.

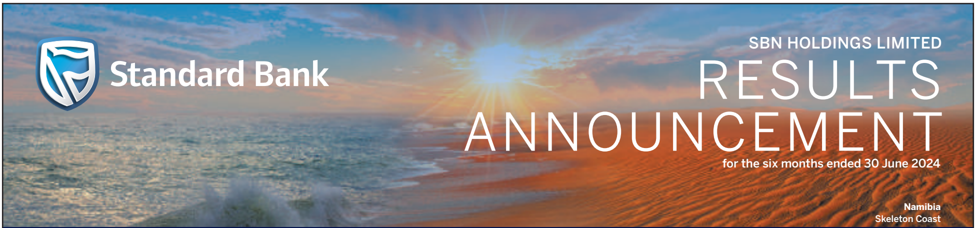
The company reported that staff costs increased by 6.9% attributed to annual salary adjustments, an increase in the number of employees due to filling vacant positions, and variable remuneration linked to the group's performance.

Additionally, other operating costs, excluding IT and staff costs, increased by 5.8% compared to the previous period.

"The group continues to focus on cost management to drive the attainment of a CTI ratio that is within industry and our targets," the report indicated.

Furthermore, Standard Bank Namibia's profitability, as measured by return on equity, increased to 18.6% during the half year to June 30, 2024 compared to 15.6% recorded in December 2023.

The bank declared an interim dividend of 68 cents per share, a significant increase from the 42 cents paid in the previous year.



Profit after tax	Growth in profit after tax	Cost to income ratio	Total capital adequacy ratio	Return on equity	Interim dividend per ordinary share
N$506m	**38.0%**	**54.9%**	**18.9%**	**18.6%**	**68 cents**
1H23: N$366m	1H23: 53.7%	1H23: 58.2%	1H23: 18.9%	1H23: 15.3%	1H23: 42 cents

"With a strong foundation, a steadfast commitment to our values and a clear vision and strategy, I am confident that the group is well-positioned to embrace the opportunities of tomorrow and continue making a positive impact in our community and beyond as we aim to drive the growth of our home, Namibia."

Erwin Tjipuka, Chief Executive

Income statement

	Change %	1H24 Unreviewed N$'000	1H23 Unreviewed N$'000
Net interest income	18.3	**1 021 757**	863 798
Non-interest revenue	13.3	**765 123**	675 031
Total income	16.1	**1 786 880**	1 538 829
Credit impairment charges	(29.3)	**(91 884)**	(130 027)
Net income before operating expenses	20.3	**1 694 996**	1 408 802
Operating expenses	9.5	**(981 705)**	(896 302)
Profit before tax	39.2	**713 291**	512 500
Taxation (indirect and direct)	42.2	**(207 628)**	(146 050)
Profit after tax	38.0	**505 663**	366 450

Statement of financial position

	Change %	1H24 Unreviewed N$'000	1H23 Unreviewed N$'000
Cash, financial investments and other assets	4.9	**12 846 180**	12 244 075
Loans and advances to customers	4.9	**21 922 841**	20 889 300
Loans and advances to banks	(30.6)	**3 638 139**	5 241 770
Total assets	0.1	**38 407 160**	38 375 145
Deposits and current accounts from customers	(1.5)	**28 714 876**	29 143 065
Deposits from banks	(34.0)	**453 935**	688 284
Other liabilities	8.5	**3 946 010**	3 638 503
Equity	7.9	**5 292 339**	4 905 293
Total equity and liabilities	0.1	**38 407 160**	38 375 145

Group results

Funding optimisation, higher trading and transactional volumes have contributed to the group's strong performance in the first half of 2024. Profit grew by 38.0% period-on-period to N$505.7 million. The cost-to-income ratio decreased to 54.9% from 58.2% in June 2023 and ROE improved from 15.6% in December 2023 to 18.6% in June 2024.

Net interest income increased by 18.3% to N$1.0 billion. This increase is attributable to the growth in loans and advances to customers of 5.0% and the realisation of funding optimisation strategies, which improved the net interest margin to 6.0% (31 December 2023: 5.2%).

Growth in transaction volumes and client activities resulted in a 13.3% increase in non-interest revenue to N$765 million. Trading revenue growth of 37.7% to N$122.4 million was driven by increased transaction volumes and volatility in the currency markets. Other gains and losses on financial instruments increased by 88.8% to N$75.0 million, mainly due to the higher returns on excess liquidity invested in unit trusts and money market funds.

Credit impairment charges decreased by 29.3% to N$92 million. The decrease is largely as a result of the regularisation of group scheme home loan accounts, which were previously impaired due to technical arrears. Excluding these exposures, impairment charges increased by 7% period-on-period. The credit loss ratio (CLR) decreased period-on-period to 0.7%. Normalising credit impairments for the aforementioned group scheme exposures results in a CLR increase of 0.1% from 0.6% in 2023.

Inflationary increases and continued investment in technology caused operating expenses to increase by 9.5% to N$982 million. The 23.3% increase in IT expenses was mainly driven by:

- continued investments to enhance customer experience;
- automation initiatives to achieve operational excellence and improve efficiencies;
- investments to reinforce our risk and compliance enablement and enhance our digital capabilities; as well as
- the impact of the depreciation of the Namibian dollar against major currencies on services provided by foreign denominated cross border vendors.

Staff costs increased by 6.9%, driven by annual increases, a higher headcount due to filling of vacant positions and variable remuneration that increased in line with the group's performance.

Other operating costs excluding IT and staff costs increased by 5.8% period-on-period.

Operating expenses growth was well below total income growth, which resulted in a positive JAWS ratio of 6.6% and a decline of the cost to income (CTI) ratio to 54.9% which is tracking closer to industry average of 53.1% (as at 31 March 2024). The group continues to focus on cost management to drive the attainment of a CTI ratio that is within industry and our targets.

Notwithstanding the relatively subdued credit demand, as evidenced by a Private Sector Credit Extension of 1.8% as at 30 June 2024, gross loans and advances to customers registered growth of 5.0% period-on-period to N$22.7 billion. The increase was mainly driven by the 35.3% increase in corporate lending and the 5.4% increase in vehicle and asset finance. Gross loans and advances to banks decreased by 29.3%, driven by customers' call deposit withdrawals, deployment of funds into Eurobonds as part of an endowment hedge and placement of additional funds to the operational account with the central bank. This decrease is aligned to the reduction in call deposits, an increase in financial investments and an increase in cash and balances with the central bank.

Deposits and current accounts from customers decreased marginally by 1.5% to N$28.7 billion for the six months ended 30 June 2024. This was driven by decreases in call deposits and negotiable certificates of deposit (NCDs, in line with our funding optimisation strategy). The decrease was offset by a significant increase of 33.1% in current accounts and an increase of 13.5% in cash management deposits. The group is focused on growing its funding base through different initiatives undertaken.

Financial investments increased by N$1.7 billion period-on-period, driven by additional government bond purchases in the banking book to meet Basel III high quality liquid asset requirements and endowment hedging, as well as additional placements in money market funds. The decrease in derivative assets of N$134.2 million is attributable to the maturity of foreign exchange forwards taken by clients to hedge their currency positions. These client transactions are hedged out in the market and caused the corresponding decrease in derivative liabilities of N$137.6 million.

The group maintained strong capital ratios, with a total capital adequacy ratio of 18.9% and a common equity tier 1 ratio of 16.9%. The group proactively manages its capital levels to support business growth and maintain depositors and creditors confidence. The capital management strategy ensures that regulatory requirements are always met and that value is created for shareholders.

Outlook

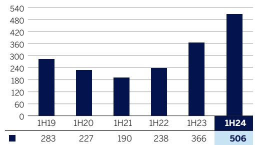
Looking ahead, we remain steadfast in fulfilling our purpose through our pursuit of innovation, excellence and customer satisfaction. We eagerly anticipate a future marked by shared success, sustainable growth and creation of enduring value.

Appreciation

We express our deepest gratitude to the dedicated employees, loyal customers, supportive board of directors, committed shareholders, regulators, and all other stakeholders for their unwavering support throughout the period. Their collective efforts have been instrumental in the continuing success of the group.

Profit after tax

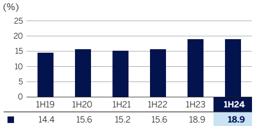
(N$'million)



*The group's profit grew by **38.0%** period-on-period to **N$505.7 million**.*

Total regulatory capital ratio

(%)



*The group maintained strong capital ratios, with a total capital adequacy ratio of **18.9%**.*

Dividends declared

On 6 August 2024, the Group declared an interim cash dividend for the six months ended 30 June 2024 of 68 cents per ordinary share, higher than the interim dividend for the six months ended 30 June 2023 of 42 cents per ordinary share.

Dividend payment details

Last day to trade cum dividend:	6 September 2024
First day to trade ex-dividend:	9 September 2024
Record date:	13 September 2024
Payment date:	27 September 2024

Postal address: PO Box 3327, Windhoek, Namibia
Registration number: 2006/306
Country of incorporation: Republic of Namibia

Directors: The directors of the company as at date of signing are as follows: Mr IH Tjombonde (Chairman)*, Mr E Tjipuka**#**, Ms S Hornung*, Mr STB Madonsela**, Mr AT Matenda***#, Mr JS Mwatotele*, Mr JG Riedel*, Mr P Schlebusch**, Ms NA Tjipitua*.

* Namibian ** South African *** Zimbabwean # Executive

Company secretary: Adv S Tjijorokisa

SBN Holdings Limited's full announcement containing the interim results announcement for the six months ended 30 June 2024 is available for viewing on the Standard Bank website. The directors of SBN Holdings Limited take full responsibility for the preparation of this announcement and ensuring that the financial information, where applicable, has been correctly extracted from the underlying condensed consolidated interim financial statements. This announcement has not been reviewed by our external auditors. The accounting policies applied in the preparation of the condensed consolidated financial statement from which the results have been derived are in terms of IFRS® Accounting Standards and are consistent with the accounting policies applied in the preparation of the group's previous consolidated annual financial statements.

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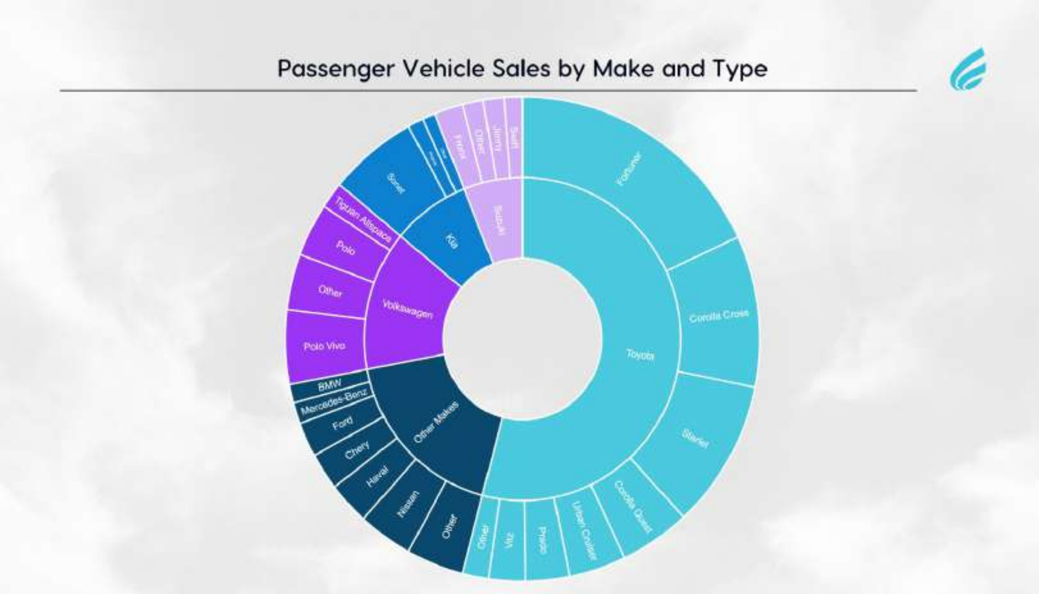


Toyota captures over 50% of July's vehicle sales, led by Hilux, Fortuner

Toyota dominated the new vehicle market in July, capturing over 50% of total sales with a total of 671 units sold, latest data reveals.

Simonis Storm data reveals that the sales include 365 light commercial vehicles, 305 passenger vehicles, and one medium commercial vehicle.

The firm's Researcher Halleluya Ndimulunde said regarding the popularity of Toyota models, the Toyota Hilux leads by a significant margin, with 323 units sold, making it the top choice among buyers.

"The Toyota Fortuner follows with 102 units, showcasing its strong appeal as a reliable SUV. The Toyota Corolla Cross and Toyota Starlet also performed well, with 57 and 56 units sold, respectively, indicating substantial interest in both the crossover and compact hatchback segments," she said.

She added that other models, such as the Toyota Corolla Quest, Land Cruiser PU, and Urban Cruiser, occupy the midrange in terms of popularity.

"In contrast, models like the Toyota Starlet Cross, RAV4, and Rumion are less popular, with fewer units sold compared to other models," she added.

This comes as a total of 1,172 new vehicles were sold in July, marking an 18% m/m increase. Despite this, sales were slightly lower compared to the same period last year.

Ndimulunde noted that new vehicle sales began the second half of 2024 on a strong note, with July 2024 seeing an increase primarily driven by the demand for passenger vehicles, particularly Toyota models.

"This figure represents the second-highest monthly vehicle sales for the year. Commercial vehicles once again dominated the market with 608 units sold, making up 51.9% of total sales, although this was a decrease from the previous month," she said.

Conversely, passenger vehicles saw an uptick, with 564 units sold, accounting for 48.1% of total sales an increase compared to June. In the light commercial vehicles category, sales surged from 510 units in June to 549 units in July 2024.

The firm also noted that the medium commercial vehicles category also saw a slight increase, with sales rising from 21 units to 22 units during the same period.

Sales of heavy commercial vehicles declined from 15 units in June 2024 to 9 units in July.

"Extra heavy vehicles category also experienced a decline, with sales falling from 45 units in June to 25 units in July 2024. The bus category also saw a decrease, with sales dropping from 6 units in June to 3 units in July 2024," said Ndimulunde.

She added that new vehicle sales by rental agencies saw a substantial increase in July 2024, rising to 141 units from 54 units in the previous month.

She said this, however, marks a decrease compared to the 159 units sold in July 2023.

"Among the vehicles purchased, 59 were light commercial vehicles, specifically Toyota Hilux models, while the remaining 82 were passenger vehicles, including 75 Toyota models and 7VW Polo Vivos," she added.

In addition, instalment and leasing credit uptake, which represents the smallest segment of corporate credit, grew by 27.3% y/y in June 2024.

The Bank of Namibia noted that although growth slowed slightly in June, this category remains strong, largely driven by the car rental industry, which is benefitting from increased tourism activity.

Namibia reopens borders to South African poultry, bans Brazilian imports

The Ministry of Agriculture, Water and Land Reform says it has lifted the ban on importing live poultry and birds from South Africa.

Simultaneously, the Ministry has suspended the import and in-transit movement of live poultry from Brazil.

The Ministry's Acting Chief Veterinary Officer, Johannes Shoopala, said importers can now resume bringing in live poultry and birds from South Africa, provided they meet specific conditions.

The conditions include that the poultry must originate from compartments approved by the South African Department of Agriculture, Land Reform and Rural Development and registered in terms of VPN 44.2012-01.

“Additionally, the poultry must be from a compartment listed for export to Namibia in the monthly list approved by Namibia's Director of Animal Health. Be from parent flocks that have not been vaccinated against Highly Pathogenic Avian Influenza,” he said.

He also added that the ban on imports from Brazil also includes birds, raw/uncooked poultry products, live ostriches, and raw ostrich products from the State of Rio Grande do Sul, Brazil.

This decision follows the outbreak of Newcastle Disease in the region.

“The disease was detected on 9th July 2024; therefore, the suspension is effective as of 18 June 2024 based on an incubation period of 21 days as set by the World Organisation for Animal Health,” he said.

He further explained that consignments from the State of Rio Grande do Sul containing poultry products packed in their final packaging on or after 18 June 2024, will be rejected and sent back to Brazil or destroyed at the importer's cost.

"Please note that a reefer container will be regarded as a consignment, and will be handled as an entity. We will not allow cartons (e.g., in case of chicken meat) to be sorted according to the date of production. All previously issued import and in transit permits issued to the State of Rio Grande Do Sul are hereby cancelled and recalled with immediate effect," he said.

Cooked poultry meat products for commercial purposes may still be imported into Namibia under a veterinary import permit.

Is NAMFISA taking Risk-Based Supervision of pension funds too far?

By Marthinuz Fabianus

"Excessive regulation can stifle innovation and growth within the pension industry.

Risk-based supervision (RBS) is a widely adopted approach among pension regulators worldwide, including members of the International Organisation of Pension Supervisors (IOPS). It aims to focus regulatory efforts on areas of greatest risk to ensure the stability and integrity of pension systems.

However, when applied excessively or without proper checks and balances, this approach can lead to unintended consequences, such as regulatory overreach, arbitrary decision-making, and a disregard for established legal principles and practices.

The negative impacts of overreaching regulatory supervision

Overreaching by a regulator creates legal uncertainty for pension funds.

The extend to which NAMFISA has been going over the past 3 years or so, since adopting the risk-based supervision approach to turn down applications for registration of pension fund rules and pension funds rule amendments has most at times bordered on acting ultra vires.

In South Africa and even other country's, courts have intervened when regulators have acted beyond their legal mandate or applied rules inconsistently.

In the case of Financial Services Board v. De Beer (2006) in South Africa, the court criticised the regulator for overstepping its authority by rejecting applications based on criteria not provided for in the legislation. Such actions undermine the predictability and stability that is crucial for our pension fund industry and the non-banking financial sector in general.

The disregard for administrative justice and procedural fairness is a serious concern. In Canada, the case of Canada (Attorney General) v. Mavi (2011) highlighted the importance of procedural fairness in administrative decisions.

When regulators ignore established practices without providing proper rationale or violate principles of natural justice, they not only act ultra vires but also erode trust in the regulatory framework.

This can obviously lead to undesirable but increased legal challenges and a lack of cooperation from industry participants.

Excessive regulation can stifle innovation and growth within the pension industry. Some basic research shows that in the United Kingdom, the introduction of overly stringent rules by that country's Financial Conduct Authority (FCA), in certain sectors led to a backlash from the industry, prompting a review and eventual relaxation of some measures.

If current practice by our regulator persists unabated, our pension funds and their service providers will find themselves unable to innovate or adapt to changing market conditions due to the regulator's heavy-handed approach.

There is no doubt that when a regulator acts in a manner which is clearly or perceived to be unjust or overly restrictive, it will diminish confidence in the regulatory environment.

As pension fund service providers, clients and prospective pension fund clients start to doubt if the problem lies with the service provider that rules and rule amendments take up to longer than 12 months with many backs and forth written submissions, just for an application to be turned down.

In Nigeria, the National Pension Commission (PenCom) faced criticism for its rigid enforcement of certain rules, which led to a decline in the registration of new pension funds and amendments to existing ones.

This not only hampers market participation but also risks driving certain pension fund service providers out of business.

What are some of the practical solutions to consider?

Engagement and dialogue with the Regulator are key. Whilst our Regulator to their credit has been willing to engage and listen to concerns raised, unfortunately, it remains just at that. It is as if, our Regulator is only prepared to meet to agree to disagree.

Where the regulator acts ultra vires, legal challenges may be necessary to protect the interests of service providers, pension funds and their beneficiaries.

However, experience has shown that this does not go down without major delays in resolving the matter, frustration, and subsequent resentments.

Ideally, our industry associations are probably better placed to mount strategic challenges as a check on regulatory overreach, but the set up of our industry body probably impedes this.

Unfortunately, some industry attempts that were aimed at seeing that some changes in FIMA are made to clarify the limits of the Regulator's powers were ignored and completely unsuccessful.

A genuine effort by Regulator and policymakers will be required to consider industry input on the relevant sections

that deal with the Regulator's excessive powers. We must also encourage our Regulator to undergo peer reviews or audits by international bodies to provide an external perspective and potentially curb overreach.

There may be exceptions, but most pension funds and their service providers have bolstered internal compliance and risk management frameworks to ensure they meet regulatory expectations without the need for excessive intervention. If funds and service providers can demonstrate robust internal controls and risk mitigation strategies, this should reduce the need for arbitrary rejection of applications by the regulator.

Conclusion

While risk-based supervision is essential for maintaining the integrity of our pension industry, it must be applied with care and within the bounds of the law. NAMFISA must balance the need for oversight with respect for established legal principles and industry practices.

Our Regulator should seriously adhere more closely to the IOPS standard which emphasises proportionality and the need for a risk-based approach that does not infringe on legal rights. By engaging constructively with the regulator, challenging overreach through legal means without fear or risk of stigma, all parties can ensure that the regulatory environment remains fair, predictable, and conducive to the growth of our pension funds sector.

Marthinuz Fabianus is Managing Director of RFS Fund Administrators.

He recently concluded his MBA thesis, which evaluated the sustainability of pension funds in Namibia

Houses sold in Q1 dip by 17.6% as prices rise by 0.3%

First National Bank's House Price Index indicates a continued slowdown in housing transaction volumes, but the pace of decline is easing.

The 12-month average contraction in the first quarter of 2024 was 17.6%, an improvement from 19.1% in the previous quarter.

While still below the steep 37.3% drop recorded in the first quarter of 2023, the latest figures suggest a potential stabilisation in the housing market.

The overall national house price stood at N$1,229,776 at the end of 2024's first quarter, slightly above the N$1,214,674 at the end of 2023's fourth quarter and N$1,226,064 recorded in the first quarter of 2023.

FNB Market Research Manager Mandisa Van Wyk said the average prices for the central, coastal, northern, and southern regions stand at N$1,581,000, N$1,397,000, N$854,000 and N$864,000, respectively.

Van Wyk noted that house prices and buying activity subdued with a 12-month average growth of 0.3% in Q1 2024, compared to a growth of 1.5% in Q4 2023, both lower than the 2.4% growth recorded in Q1 2023.

"The growth rates for the small, medium, large, and luxury segments stood at -1.1%,

-2.4%, 7.8%, and 4.3%, respectively. From a regional perspective, the central and northern regions remain in negative territory at -0.3% and -2.7%, respectively, while the coastal and southern regions recorded lower growth rates of 0.4% and 5.8%, respectively, from the previous quarter," she said.

Meanwhile, transaction volumes remain contractionary for the seventh consecutive quarter, at a 12-month average growth of -17.6% in Q1 2024, a slight improvement from a -19.1% at the end of Q4 2023 and significantly above the -37.3% recorded in Q1 2023.

"The contraction in volumes was again noted across all four regions, particularly the northern region volumes, which constitute 36.1% of the share of all transactions, which declined by -30.0% on a 12-month average basis," she said.

From a segment perspective, the contraction in growth was observed in almost all categories at -26.1%, -26.2%, and -16.7% for the small, medium, and large segments, respectively.

The luxury segment recorded muted growth at 0.0%.

"Therefore, subdued buying activity in the residential property market was still observed. The current elevated interest rate environment is hampering the buying activity of households as cash flow pressures persist," said Van Wyk.

She noted that this is demonstrated in the low private sector credit extended to households, which now stands at 2.7% (June 2024) after remaining stagnant at 2.2% for three consecutive months.

"More specifically, mortgage credit growth improved slightly to 1.9% in June 2024 from 1.5% in May 2024. However, consumers' disposable income remains strained, and this limits the ability to purchase mortgages and take up any other additional debt," she said.

Furthermore, inflation continues to ease, and FNB expects further declines. However, it said the repo rate remains at a high of 7.75% with the cutting cycle forecasted to commence in the latter half of 2024.

"Therefore, buying activity is again expected to remain constrained over the remainder of 2024 and the first half of 2025, as the cutting cycle will be too shallow to induce a significant rebound in the residential property market," she said.

The basics of growing tomatoes

By Hanks Saisai

Tomatoes are among the most popular crops cultivated across the globe and maximizing their potential requires farmers to essentially understand the basics of growing them successfully and profitably. Moreover, as the seasons transition from winter to spring, this presents conducive weather conditions for growing tomatoes.

The starting point is for a farmer to understand that tomatoes have varying types (cultivars) that can be produced. There are fresh market varieties that a farmer can grow for household and fast-food establishments such as restaurants. Furthermore, there are cultivars best suited for processing or canning purposes, and those used in cuisines and beverages such as cherry tomatoes. To this end, it is important to consider the type of tomato demanded by your target market before you venture into production.

Another essential point to note is the ideal sowing time for tomato seeds, which is conventionally around mid- August and transplanting can be done in early September. At the sowing stage, it is vital to sow tomato seeds in seed trays, at a depth of 1 cm. Once the seedlings commence growth in the seed trays, it is essential to prepare the soil in the garden where the tomatoes will be grown until they reach maturity. The soil must be cultivated to a depth of 20 – 30 cm and should incorporate NPK 2:3:4 (38) + 0.5% ZN at a ratio of about 100 grams per m2. Moreover, the soil must be prepared and irrigated daily. After 3 weeks, the seedlings in the trays can be transplanted into the garden and this must be done in the evening to avoid heat stress. At transplanting, it is essential to follow spacing recommendations of 40 cm between rows and 30 cm within rows when growing indeterminate varieties. On the other hand, determinate tomatoes can be grown at spacing recommendations of 70 to 140 cm between rows and 40 cm within rows.

Once transplanting is done, it is essential to follow a water requirement of about 500 mm throughout a 90 to 120 day growing cycle. Therefore, each plant needs about 5.56 mm per day if grown over a 90-day period, and about

4.17 mm per day over a 120-day period. Essentially, farmers must develop a fixed irrigation programme as uneven irrigation may cause fruit cankering (cracking). During the growing period, it is important to understand the beneficial effect of fertilizer application for the successful growth of tomatoes. To this end, during the first 3 weeks after transplanting, applying Nitrogen and Phosphorus based fertilizers to stimulate foliage (leafy) growth and a successful establishment of a robust root system, is essential. This can be maintained until the tomatoes start flowering, then Potassium based fertilizers such as KSO4 (Potassium Sulphate) to ensure fruit quality, must be applied.

Furthermore, it is vital to ensure that the plants are pruned to ensure that only the vines with flowers are left, to concentrate the supply of Potassium to fruit development. At flowering, it is essential to offer support to the tomato plants by staking. This is done by securing the plant with a stick to ensure it stays upright when bearing fruit. Essentially one must keep pests (red spider mites, cutworms, whiteflies & tomato rust mites) and fungal diseases (early and late blight) at bay by implementing a spraying and dusting plan. Moreover, farmers are encouraged to scout for pests and diseases daily to swiftly respond to outbreaks. Furthermore, after growing tomatoes, it is advisable to plant a different crop to minimize overutilization of nutrients.

Lastly, always remember that when the basics are done correctly from the start, it enables the plants to grow optimally and offers a farmer good yields, sales, and a sustainable income.

Hanks Saisai is Technical Advisor: Crops & Poultry at Agribank

Steve Makuchete joins Letshego Holdings Namibia as Head of Channels and Payments

Steve Makuchete has been appointed as the Head of Channels and Payments at Letshego Holdings Namibia.

With over 14 years of experience in the IT industry and seven years in the banking sector, Makuchete will lead the development and implementation of Letshego's channels and payments strategy, focused on enhancing the digital banking experience for its customers across Namibia.

"I am excited to join Letshego Namibia and apply my experience in digital transformation to further elevate our banking services," said Makuchete. "My goal is to leverage digital solutions to make banking more accessible and convenient for our customers while streamlining our internal processes."

Makuchete, who has extensive expertise in digital transformation, IT consultancy, and business analysis, holds a Bachelor of Science in Computer Information Systems and a postgraduate degree in Information Systems Audit from the Namibian University of Science and Technology.

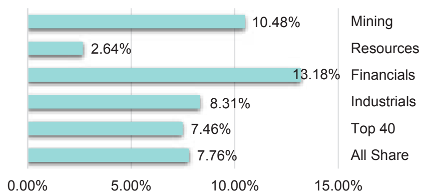
"As the new Head of Channels and Payments, Makuchete aims to strengthen Letshego's core banking systems, enhance customer experiences, and contribute to greater operational efficiency," the financial services company said.

Letshego Namibia is a leading financial services provider, offering a range of micro-lending and banking services through its network of 17 branches nationwide.

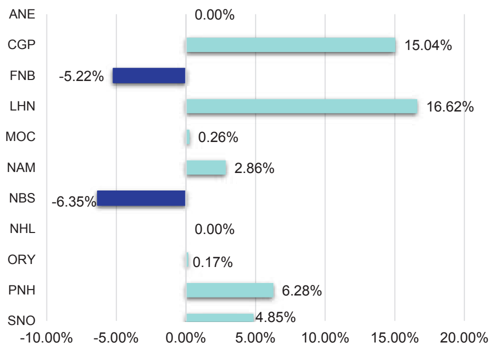
Commodities	
Spot Gold	2482.84
Platinum	953.62
Palladium	943.50
Silver	28.30
Uranium	81.50
Brent Crude	79.35
Iron Ore	95.20
Copper	9053.53
Natural Gas	2.15
Lithium	11.25

Currencies	
USD/ZAR	17.9141
EUR/ZAR	19.6830
GBP/ZAR	23.0815
USD/CNY	7.1665
EUR/USD	1.0988
GBP/USD	1.2886
USD/RUB	89.3126
CPI	4.60%
Repo Rate	7.50%
Prime Rate	11.25%

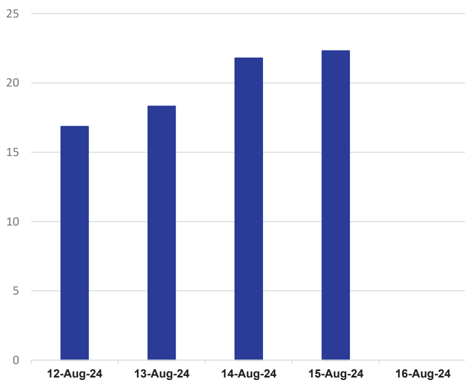
JSE Indices: Year to date movement %



NSX Local Stocks: Year to date price movement %



JSE ALL SHARE VALUE TRADED (ZAR BILLIONS)



Global Indices: Year to date movement %