

MONTHLY STOCK MARKET TRADING REPORT

JULY 2018

FIND US:



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The information presented in this publication is for information purposes only and should not be construed as investment advice. All investments are subject to some degree of risk. The SPSE does not guarantee investment performance or return of capital invested. You are entitled to seek professional investment advice before proceeding with any investment.

1.0 SPSE Market Highlights

1.1 Overall Trading Statistics

- **New Listing:** The month of July began on an optimistic note with the official listing of Kontiki Finance Limited (KFL). KFL now becomes the 20th company listed on SPSE also marks the extension of the stock market's and particularly the entire capital markets sectorial representation by including a company from the Finance sector. KFL listed 88,851,623 ordinary shares on the SPSE's Main Board on 4th July 2018. During its first trading day, a total of 551,327 shares at a price range of \$1.14 to \$1.20 were traded in a total of 50 trades between existing shareholders and retail investors. The security concluded its first trading day at a price of \$1.20 (+\$0.06 or +5.26%) and continued to yield further returns (capital gains plus an interim dividend) for its shareholders during the course of the month with the share price rising up to \$1.25 and then subsequently settling at \$1.22 at the end of the month.
- **General Overview:** Eleven listed stocks witnessed trading activities during July with a total of 149 trades executed during the month concluding with an aggregate volume of 1,229,280 shares totaling to \$1,667,010 in value traded.
- Detailed statistics of the July 2018 trading data in comparison to the June 2018 trading data as well as the year-to-date statistics over the two years is tabulated below for information:

Particulars	July-18	Jun-18	Year to Date	Year to Date	% of Variance
			July-18	July-17	
Volume traded in securities	1,229,280	1,657,844	10,172,739	789,877	1188%
Value traded in securities (\$)	1,667,010	3,469,755	16,491,211	1,959,118	742%
Total number of trades	149	106	980	761	29%
Avg new order flow consideration/week (\$)	1,165,558	317,305	398,789	148,969	168%
SPSE Total Return Index (STRI)	6179.47	5973.25	6179.47	3708.92	67%
SPSE Equal Weighted Total Return Index	6135.01	6055.93	6135.01	4413.31	39%
Bid to Offer ratio	1:8	1:3	1:8	1:0.6	6633%
Market Capitalisation (F\$ Billion)	2.54	2.36	2.54	1.51	68%
GDP (F\$ Billion)*	9.12	9.12	9.12	8.60	6%
Market Capitalisation to GDP (%)	27.9%	25.9%	27.9%	17.6%	59%

*Source: RBF Quarterly Review March 2018

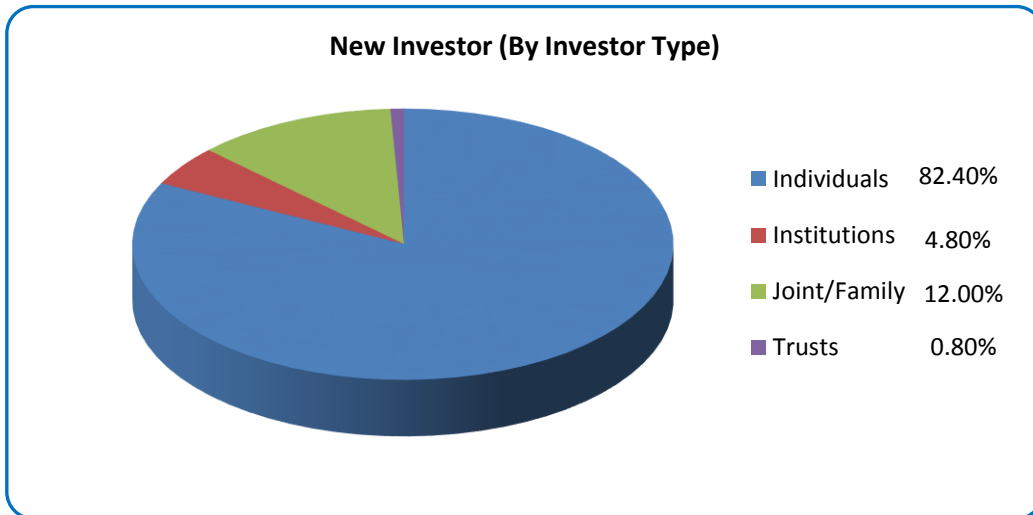
1.2 Price Movements

- 10 listed shares recorded share price movements during the month of July. These include:
 - Amalgamated Telecom Holdings Limited (ATH) – an increase of 5.61% (+\$0.16);
 - Communications (Fiji) Limited (CFL) – an increase of 1.04% (+\$0.05%);
 - FMF Foods Limited (FMF) – a decrease by 0.74% (-\$0.01)
 - Kontiki Finance Limited (KFL)¹ – an increase of 7.02% (+\$0.08);
 - Kinetic Growth Fund Limited (KGF) – an increase of 2.35% (+\$0.02);
 - RB Patel Group Limited (RBG) – an increase of 0.62% (+\$0.03);
 - VB Holdings Limited (VBH) – an increase of 0.15% (+\$0.01);
 - Vision Investments Limited (VIL) - an increase of 0.29% (+\$0.01);
 - Fijian Holdings Limited (FHL) – a decrease by 0.16% (-\$0.01); and
 - BSP Convertible Notes Limited (BCN) – an increase of 1.68% (+\$0.15)

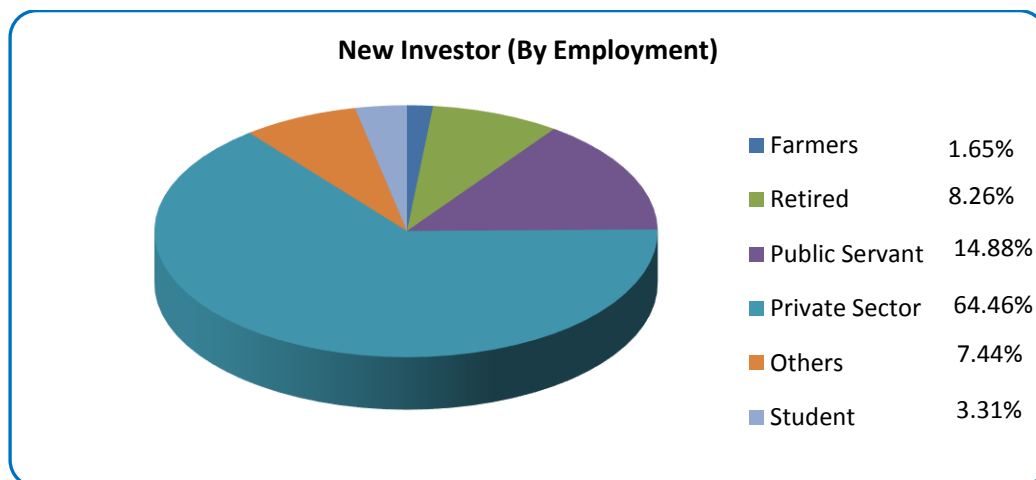
¹ KFL's share price return is calculated based on the closing share price of \$1.14 on the day of listing (4th July 2018)

1.3 New Investors

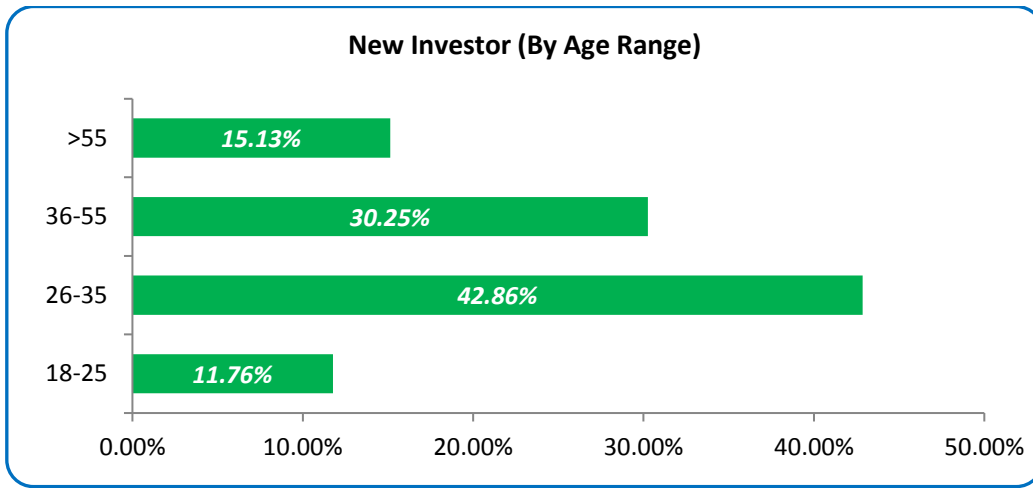
- By Month (July 2018) and Year-to-date basis:** Fifty-seven new/first time investors sought investment opportunities in the stock market during the month of July while four existing investors were seeing to be re-entering the market either increasing their existing shareholdings in listed companies and/or in some cases diversifying their investment portfolio by investing in additional companies. Out of this, 47 investors primarily chose to invest in KFL shares accounting for 82.46% of the new investors in July. On a year-to-date basis, a total of 125 new investors have now entered the stock market over the seven months of 2018.
- By Investor Type:** The month of July saw that 82.40% of the new investors were individuals. These individuals include private and public sector employees, farmers, students, retirees and investors who are self-employed. Overall and on a year-to-date basis, individual investors occupy the major portion of investors by investor type as illustrated below:



- By Employment:** A review of the new investors by type of employment indicates that majority of the new investors entering the stock market are those employed in the private sector. Those employed in the public sector rank second which is followed by retirees. The investor trend on a year-to-date basis by type of employment is illustrated below:



- By Age Range:** An analysis of new investors entering the market shows that majority of the new investors fall between the age range of 26 years to 35 years. This is followed by those between the ages of 36 years to 55 years. A detailed illustration of the new investors on a year-to-date basis by age range is portrayed on the following page:

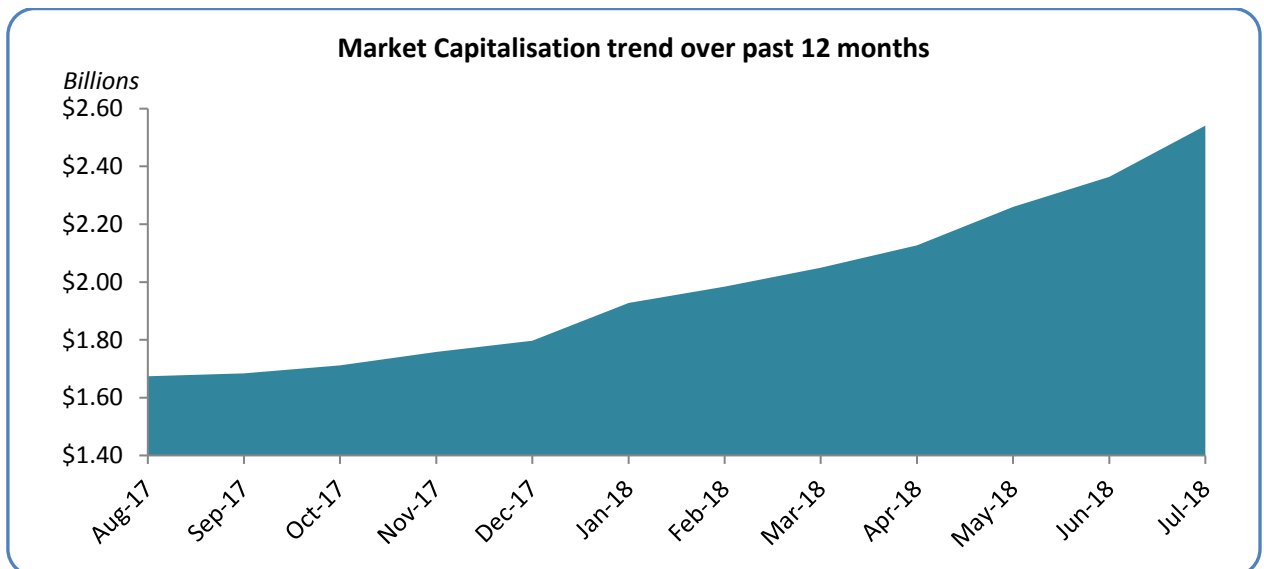


2.0 Key Stock Market Indicators

2.1 Market Capitalisation

➤ **Monthly Growth:** The overall market value recorded a growth of 7.49% (\$176,999,395) over the month of July and concluded at a maximum value of \$2,541,159,509². The increase in the market value is consequent to the listing of KFL shares and the capital gains recorded for various listed companies. Comparing the market capitalisation movement on a 12 monthly basis shows that the aggregate market value has grown by 68.22% over the July 2017 to July 2018 period. Also the monthly trend depicts a 4.47% average monthly growth in market value over the preceding 12 month period.

➤ Graph below illustrates the market capitalisation trend over the past 12 months.



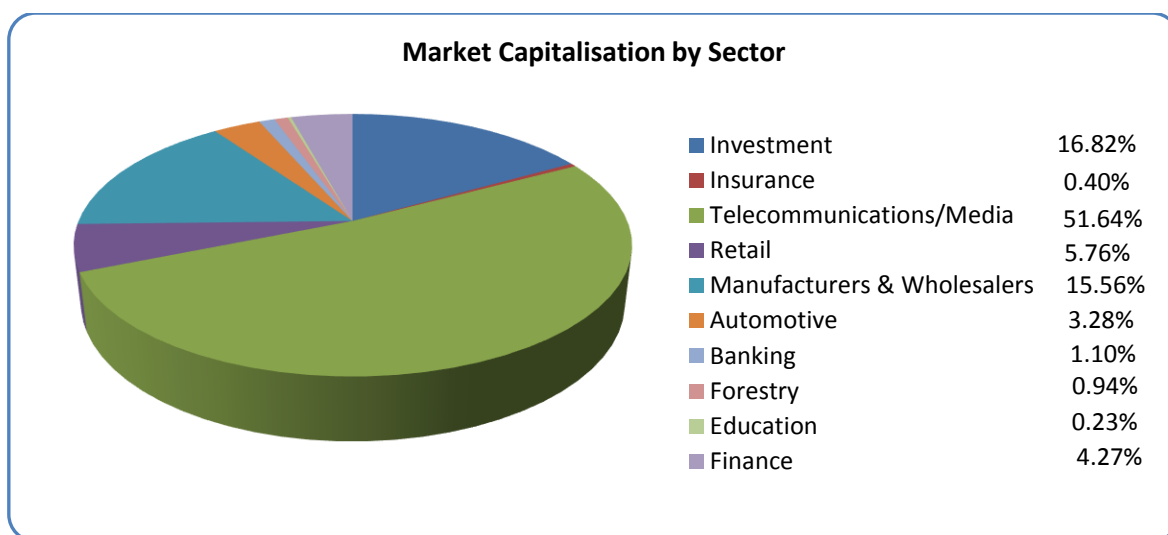
➤ Market Capitalisation by Sector:

- With the listing of KFL, 10 key sectors of Fiji's economy are now represented by the stock market. These are explained on the following page:
 - ✓ The Telecommunications and Media sector represented 51.64% of the aggregate market value at the end of July while the Investment sector had 16.82% occupancy.

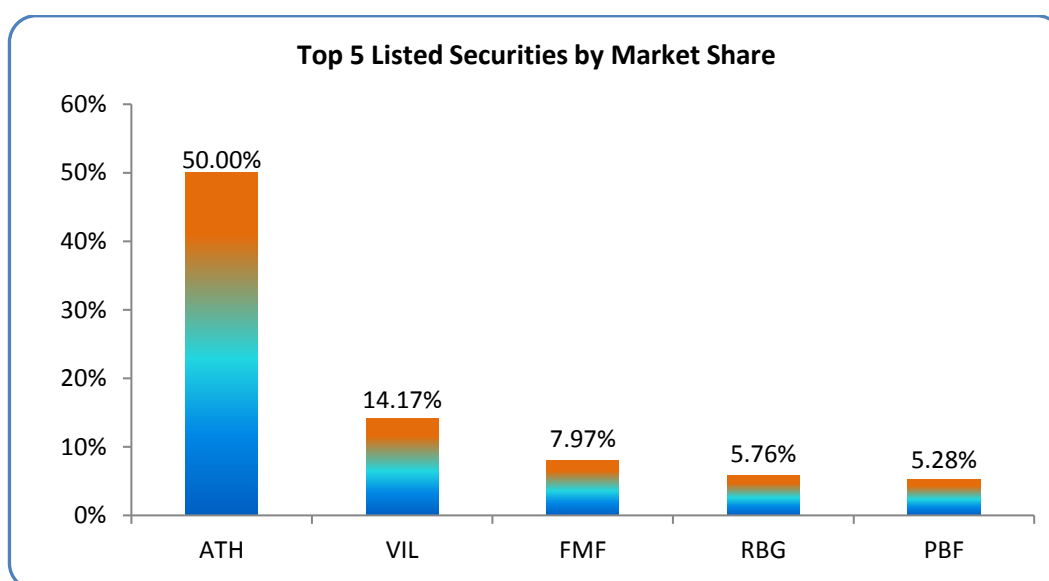
² Assuming KFL did not list on SPSE, the market capitalisation would have then grown by 2.90% (+\$68,600,415) and concluded at a value of \$2,432,760,529

- ✓ The third largest contributor to market capitalisation represented by the Manufacturers and Wholesalers sector tallied at 15.56% while the Retail sector stood at 5.76%.
- ✓ The listing of KFL extended our markets sectorial representation into Finance sector and as such the Finance sector now becomes the fifth largest contributor to market capitalisation and stands at 4.27%.
- ✓ The Automotive sector stood at 3.28% at the end of July. The Banking sector concluded with 1.10% occupancy while the Forestry sector had a 0.94% composition at the end of July. The Insurance sector represented by FIL shares accounted for 0.40% of the overall market value while the Education sector represented by FBL shares, saw its contribution standing at 0.23% at the end of July.

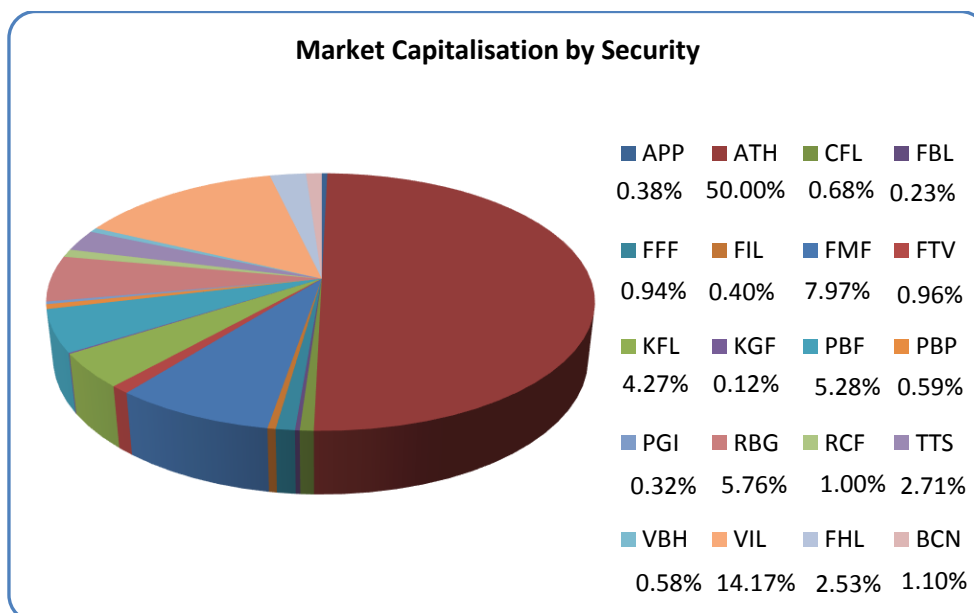
A further breakdown of market capitalisation by each sector as at July 2018 is illustrated below.



- ➔ **Top 5 listed companies:** The top five listed stocks occupied 83.18% of the overall market. This is illustrated below for information:

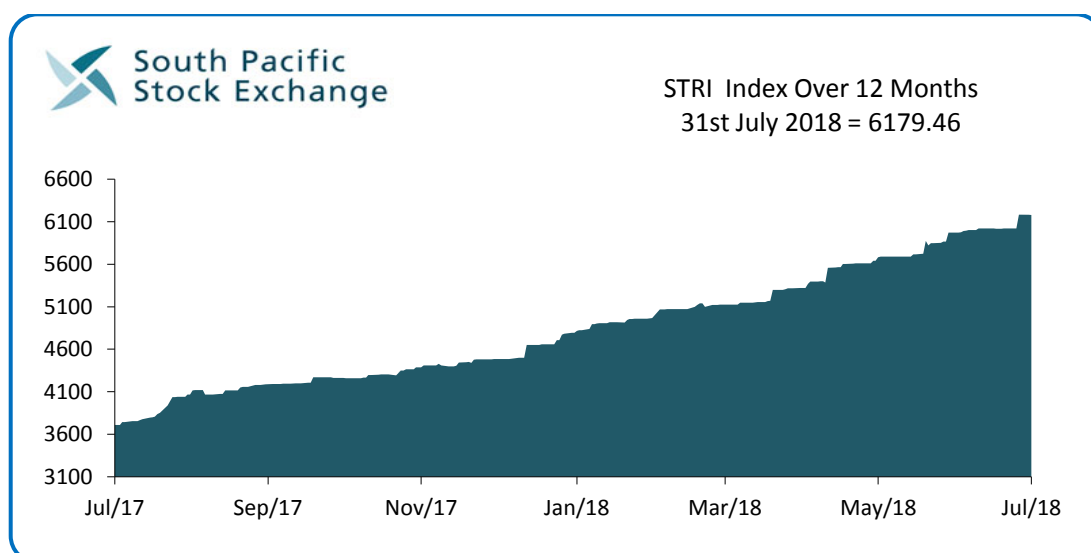


➤ **Market Capitalisation by Security:** Details of each listed security’s market capitalisation contribution as at July 2018 is portrayed below:

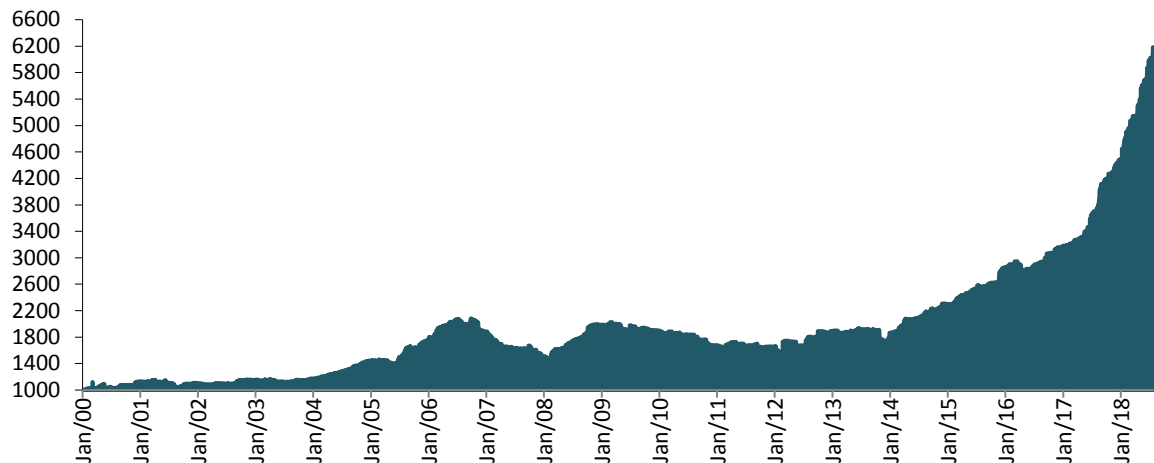


2.2 SPSE Total Return Index (STRI)

➤ **Monthly Growth:** The SPSE Total Return Index rose by 3.45% (206.21 points) and concluded the month at value of 6179.46 consequent to various share price movements as explained earlier in this report and also subsequent to dividend returns of 4.08% generated by Toyota Tsusho (South Sea) Limited (TTS), 1.73% generated by Vision Investments Limited (VIL) and 2.30% generated by Kinetic Growth Fund Limited (KGF). The graph portraying the STRI movement over the preceding 12 months period is presented below for information.



➤ **From Inception to Current:** The graph on the following page illustrates the STRI movement from inception (January, Year 2000) until end of July 2018 and reflects the continuation of the bullish market sentiments over the recent past years continuing in 2018. This movement in STRI over the recent years has been driven primarily by demand-driven capital growth.



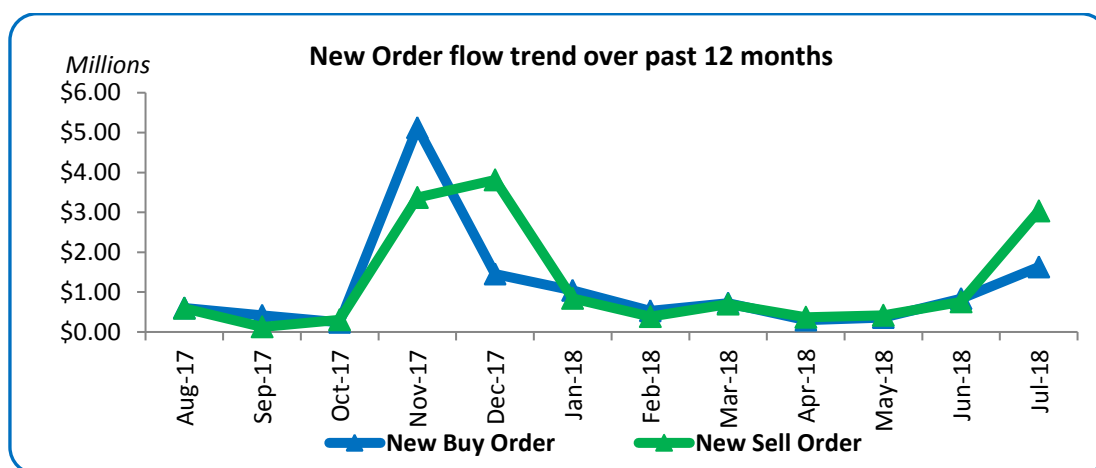
2.3 Outstanding Buy/Sell Order

- As at the end of July 2018, the total shares on bid fell by 4.57% and the total shares on offer recorded a rise of 159.74%. The reason for the high increase in the sell quantity is due to high orders placed for the newly listed company KFL.
- The quantity of bids and offers that remained unexecuted at close of market as at 31st July 2018 in comparison to the prior month by each security and the market as a whole is tabulated below for information:

Trading Code	Total Shares on Bid (July)	Total Shares on Bid (Jun)	% Δ	Total Shares on Offer (July)	Total Shares on Offer (Jun)	% Δ
APP	5,000	5,000		0	0	
ATH	12,587	10,977	14.7%	0	0	
CFL	12,000	12,100	-0.8%	0	0	
FBL	8,800	8,800		0	0	
FFF	0	0		0	0	
FIL	30,000	30,000		0	0	
FMF	15,321	20,535	-25.4%	30,350	35,350	-14.1%
FTV	0	0		486,569	492,769	-1.3%
KFL	0	N/A		1,047,750	N/A	
KGF	29,435	29,435		11,000	0	100.0%
PBF	75	0	100.0%	52,904	52,904	
PBP	5,501	5,750	-4.3%	2,000	0	100.0%
PGI	4,000	4,000		84,500	84,500	
RBG	6,057	5,858	3.4%	0	0	
RCF	6,000	6,000		0	0	
TTS	8,100	8,600	-5.8%	0	0	
VBH	7,413	12,518	-40.8%	3,125	3,125	
VIL	62,807	64,223	-2.2%	0	0	
FHL	0	0		18,548	0	100.0%
BCN	10,321	10,308	0.1%	0	0	
TOTALS	223,417	234,104	-4.6%	1,736,746	668,648	159.7%

2.4 New Order Flow

- The average weekly value of new orders in the market for the month of July 2018 stood at \$1,165,558. The average weekly value of new orders in the market on a year-to-date basis over the seven month of 2018 stands at \$398,789. The new order flow trend over the preceding 12 months is illustrated below for information.
- The spike in sell orders for July is reflective of the KFL unexecuted orders subsequent to its listing. This presents an opportunity for all those potential as well as existing investors who are seeking to invest in listed company shares to take advantage of the offer if it suits their investment objective. SPSE as the front line regulator of the stock market would like to recommend to potential investors who wish to become shareholders in KFL to seek professional investment advice and if they wish to proceed with investing in KFL shares, then they need to contact a licensed stockbroker and register their buy interest.



2.5 Trading Summary

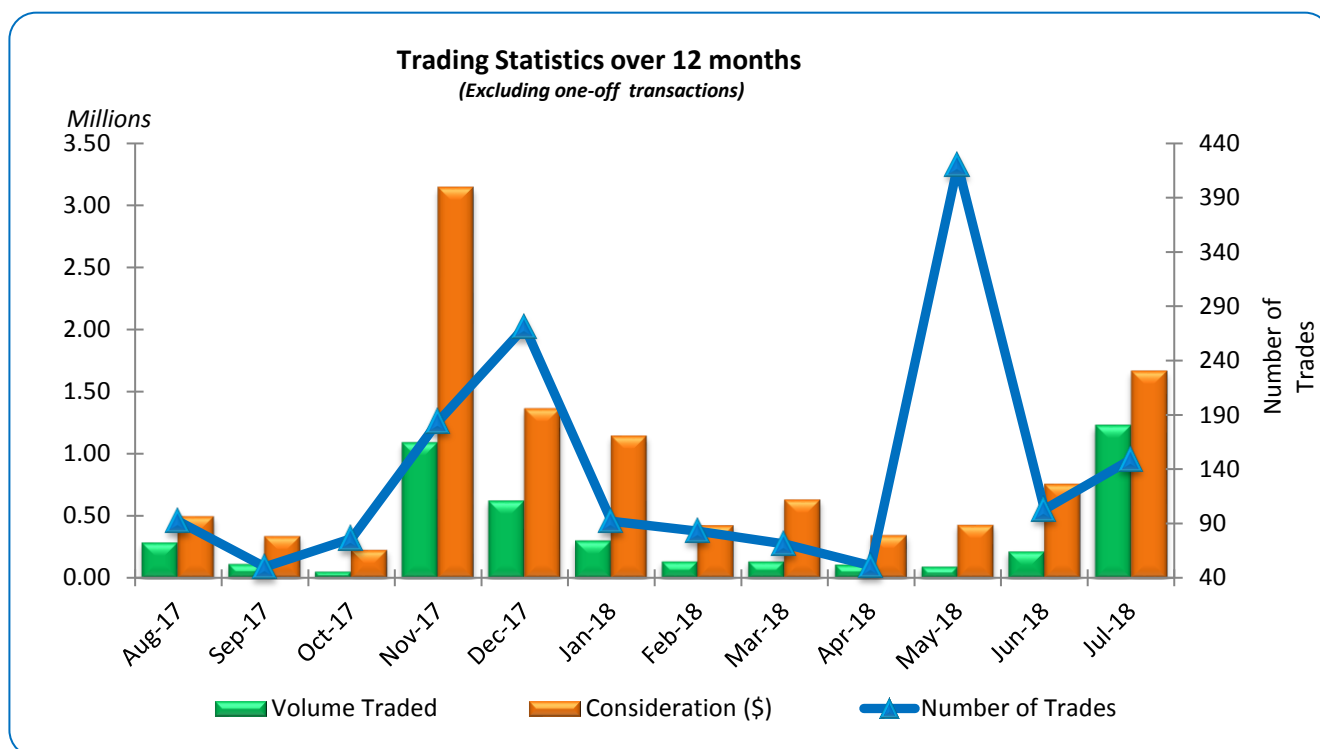
- The trading summary per security for the month of July 2018 is tabulated below for information.

Security	Jul-18	Jun-18	% Change	No. of Trades	Volume Traded	Value Traded (\$)
APP	1.22	1.22	0.00%		NO TRADES	
ATH	3.01	2.85	5.61%	2	2,410	7,029
CFL	4.87	4.82	1.04%	3	2,000	9,690
FBL	2.90	2.90	0.00%		NO TRADES	
FFF	0.79	0.79	0.00%		NO TRADES	
FIL	1.20	1.20	0.00%		NO TRADES	
FMF	1.35	1.36	-0.74%	2	104,950	142,682
FTV	2.38	2.38	0.00%	3	7,000	16,652
KFL*	1.22	1.14	7.02%	104	1,077,408	1,284,708
KGF	0.87	0.85	2.35%	1	4,500	3,915
PBF	12.90	12.90	0.00%		NO TRADES	
PBP	2.28	2.28	0.00%		NO TRADES	
PGI	1.08	1.08	0.00%		NO TRADES	
RBG	4.88	4.85	0.62%	2	1,534	7,446
RCF	4.25	4.25	0.00%		NO TRADES	
TTS	4.90	4.90	0.00%		NO TRADES	
VBH	6.86	6.85	0.15%	2	6,678	45,559
VIL	3.47	3.46	0.29%	13	7,224	25,073
FHL	6.14	6.15	-0.16%	12	5,829	35,811
BCN	9.10	8.95	1.68%	5	9,747	88,446
TOTALS				149	1,229,280	1,667,010

* Price return of 7.02% is calculated based on the closing share price of \$1.14 on the day of listing (4th July 2018)

2.6 Trading Patterns

- The trading statistics over the past 12 months is presented below for information. The graphical representation below excludes all one-off transactions executed during this period.



3.0 Listed Company Market Announcements

- A total of 20 announcements related to the listed companies was received and released by the Exchange during July. Announcements were related to half year financial statements, annual reports, dividend declarations, dividend reinvestment plans, movement of key personnel's in the company, update on the operations of the listed companies and notice of upcoming annual general meetings.

4.0 SPSE Updates

4.1 SPSE carried out various investor awareness activities and also undertook certain business development activities during the month of July. These are explained in detail below:

➤ New SPSE Listing

- ▶ SPSE this month welcomed Kontiki Finance Limited (KFL) as the newest listed company on its official list. KFL is the first company to represent the Finance sector on the stock market.

➤ Capital Markets Week

- ▶ As part of the Capital Markets week celebrations initiated by the Reserve Bank of Fiji (RBF), the SPSE took an opportunity to undertake as well as participate in various investor awareness activities. These included:
 - Participation of SPSE personnel through stationing an information desk at the FNPF Boulevard in a bid to provide general information about share investments;
 - Contributing towards the submission of various stock market related questions for consideration by the RBF and inclusion of the same in the first-ever Capital Markets Quiz;
 - Participation of the SPSE Chief Executive Officer as one of the Judges for the Capital Markets Quiz finals;

- Accommodating school excursion visit at the SPSE premises to explain the basics of the stock market operations in Fiji; and
- Participation by the SPSE Business Development Manager in the radio talkback show, “Speak Your Mind” on FBC’s Gold FM radio station with a delayed coverage broadcast on FBC TV. The interview is available online via YouTube and can be viewed by [clicking here](#).

➤ **Corporate Awareness Presentation, University Visits and Stakeholder Presentations**

- ▶ As part of SPSE’s ongoing investor awareness drive, SPSE Business Development Manager presented to the staff of Exams and Assessment Unit at the Ministry of Education and Fiji Broadcasting Corporation (FBC) on investment options in Fiji’s stock market;
- ▶ A guest lecture at the University of the South Pacific (USP) for students enrolled in Financial Management course and a second guest lecture at the Fiji National University (FNU) for students enrolled in Corporate Finance unit was also conducted in July; and
- ▶ Building on from SPSE’s visit at the Provincial Council meetings earlier this year, SPSE in partnership with FHL Stockbrokers Limited (FHS) carried out a presentation to all the attendees at the Roko Tui and Senior Assistant Roko Tui Quarterly meeting.

➤ **Radio Broadcast**

- ▶ SPSE in partnership with the licensed stockbrokers rolled out its new investor awareness initiative during the month of July. SPSE undertook three Radio Broadcasts during July covering the Central and the Western division. Overall, SPSE has received very positive feedback regarding this initiative and has managed to extend its reach and awareness amongst a greater populous in Fiji. We are expectant of some new investors going forward as a result of this initiative.

Here are some clicks from various business development initiatives undertaken in July:



Pic 1: SPSE Chairperson, Dr Nur Bano Ali handing over the listing certificate to the KFL Chairperson, Mr Daryl Tarte.
Pic 2: SPSE CEO participated as one of Judges during the first ever Capital Markets Quiz organised by the RBF.



Pic 3: SPSE hosted Dudley High School at its office as part of the school’s business excursion trip.
Pic 4: SPSE also presenting to the Examinations and Assessment Unit staff of the Ministry of Education.



Pic 5: SPSE presenting to the staff of Fiji Broadcasting Corporation (FBC) on investment options in Fiji's stock market.
Pic 6: SPSE conducting a guest lecture at the Fiji National University (FNU) for students enrolled in Corporate Finance Unit.

4.2 Annual Reports released during the month of July

- ▶ The following company's released their Annual Report's for the financial year ending 31st March 2018:
 - ATH – [Click here](#) to view the Annual Report;
 - VIL - [Click here](#) to view the Annual Report; and
 - TTS - [Click here](#) to view the Annual Report.

4.3 SPSE Investor Awareness Articles

- ▶ In order to keep our investors up to date with latest developments in the stock market and also to provide them with relevant information that can be used to make informed investment decisions, SPSE formulated and published two articles during the month of July. These are:
 - Listed Company Insight article on Vision Investments Limited (VIL) - [Click here](#); and
 - Central Share Registry Services – [Click here](#)

The above is submitted for information

SOUTH PACIFIC STOCK EXCHANGE

IMPORTANT INFORMATION:

If you have any queries related to this report or wish to have our team present to your staff/students/groups on investment options in Fiji's stock market, contact SPSE Business Development Manager, Mr Pretesh Prasad on 3304 130/9343 535 or email to pretesh@spse.com.fj for more information.