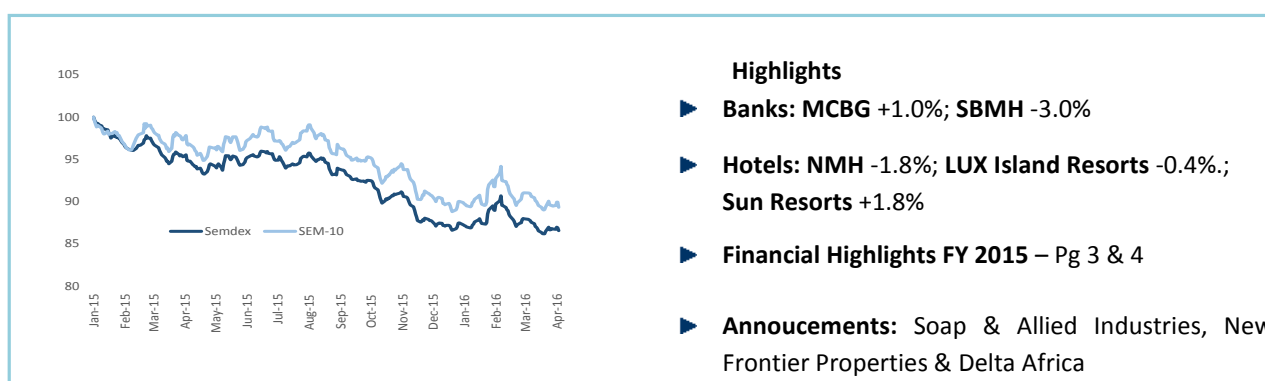


Market Highlights

INDICES	LATEST	W-O-W % CHANGE	YTD % CHANGE
LOCAL (Thursday's closing)			
SEMDEX	1,791.76	(0.2)	(1.1)
SEM-10	343.61	(0.2)	(0.8)
DEMEX	198.71	0.4	(0.3)
REGIONAL (Wednesday's closing)			
FTSE/JSE (SOUTH AFRICA)	51,184.32	(2.0)	0.4
NGSE (NIGERIA)	25,464.94	0.2	(4.9)
EGX 30 (EGYPT)	7,459.84	(0.3)	6.9
NSEASI (KENYA)	146.73	0.1	1.9
BGSMDC (BOTSWANA)	10,210.68	0.1	(3.7)
GGSECI (GHANA)	1,909.08	(0.2)	(4.0)
INTERNATIONAL (Wednesday's closing)			
DOW JONES	17,603.32	(0.6)	(0.7)
CAC 40	4,284.64	(2.3)	(8.9)
SENSEX	24,900.63	(1.7)	(4.1)
DAX	9,624.51	(3.4)	(11.4)
NIKKEI	15,715.36	(6.2)	(17.2)
FTSE 100	6,161.63	(0.2)	(2.4)

	%
GDP GROWTH (2016) by Statistics Mauritius	3.9
UNEMPLOYMENT RATE (2015)	7.9
CPI HEADLINE INFLATION	0.9
BUDGET DEFICIT (% of GDP) - 2014	3.2
REPO RATE	4.40
91 DAY T-BILLS	2.71
182 DAY T-BILLS	2.78
364 DAY T-BILLS	2.93
5-YEAR GOVT BONDS	4.53
10-YEAR GOVT BONDS	5.75

FOREX	LATEST	W-O-W % CHANGE	YTD % CHANGE
MUR/US\$	35.36	-0.5	-2.1
MUR/GBP	49.91	-2.0	-6.7
MUR/INR	0.53	0.0	-1.9
MUR/JPY	32.17	2.5	8.0
MUR/ZAR	2.33	-2.5	0.9
MUR/EURO	40.31	-0.3	2.2



Research Desk

Email: securities.research@swanforlife.com

Swan Securities Ltd

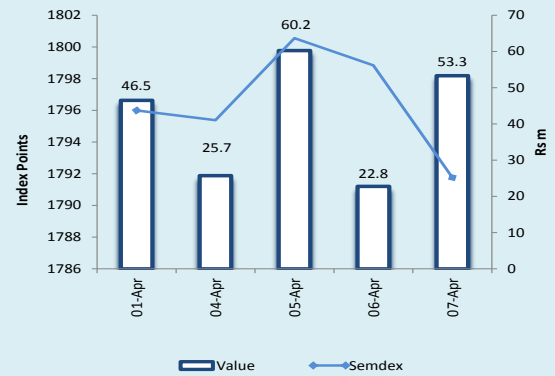
Swan Centre
10 Intendance Street
Port Louis, Mauritius

T (230) 208 7010
F (230) 212 9867
W swanforlife.com

BRN C06007932

This document may not be reproduced, copied, distributed for any purpose without the prior consent of Swan Securities Ltd. The information and opinions contained in this document have been completed or arrived at by Swan Securities Ltd from sources believed to be reliable and in good faith, but no representation or warranty express or implied is made as to their accuracy completeness or correctness. The information contained in this document is published for the assistance of recipients but is not to be relied upon as being authoritative or taken as substitution for the exercise of judgments by any recipient. Swan Securities Ltd accepts no liability whatsoever for any direct or consequential loss arising from any use of this document and its contents.

	Wk/ending 01.04.2016	Wk/ending 07.04.2016
SECTORAL INDICES		
BANKING INDEX	2,783.77	2,776.72
HOTEL INDEX	284.09	282.18
FOREIGN TRANSACTIONS (Rsm)		
TOTAL FOREIGN PURCHASES	59.57	86.09
TOTAL FOREIGN SALES	57.62	54.78
NET FOREIGN INFLOW/(OUTFLOW)	1.95	31.31
MARKET CAPITALISATION (Rsbn)		
OFFICIAL & DEM	248.23	247.93
DIVIDEND YIELD (%)		
OFFICIAL MARKET	4.0	4.0
PER(x)		
OFFICIAL MARKET	12.77	12.74



News

Soap & Allied Industries (SAIL) – the Listing Executive Committee of SEM has approved the admission of up to 393,708 new ordinary shares of the company to be issued as consideration for the proposed Takeover of SAIL International Ltd by SAIL.

New Frontier Properties – has appointed Mr Nigel Gurkin appointed as the Finance Director and Mr John Needham has been appointed as an independent non-executive director, both with effect from 4 April 2016.

Delta Africa Property Holdings – the Listing Executive Committee of the SEM has given its approval to the listing of up to 165,831,354 additional ordinary shares on the Official Market of the SEM, 4,738,220 additional ordinary shares of no par value at an issue price of USD 1.70 per share were successfully placed. The issue price is at a premium of US\$8.2 cents to the last published NAV of US\$1.6178. Proceeds will be used to reduce debt facilities relating to the acquisition of assets announced to the market.

Official Market

Indices ended the short week on a negative note. Both the **Semdex** and **SEM-10 index** lost 0.2% to reach 1,791.76 points and 343.61 points respectively. The SEM-10 constituents were altered with the inclusion of Terra at the expense of PBL. **Overall market turnover** amounted to Rs162.0m, geared towards MCBG, PBL and Alteo which altogether contributed 58.0% to weekly turnover. **Foreign investors** were net buyers to the tune of Rs34.9m.

MCBG maintained an upward trend to reach Rs210.00 on Wednesday before losing some steam the next day to finish at Rs208.50 (VWAP: Rs208.5248). On a w-o-w basis, the stock gained 1.0% and overall volume traded amounted to 217.1k shares traded. Foreign investors were net buyers of amount Rs21.1m. **SBMH** which traded on a VWAP of Rs0.6527 finished the week at Rs0.65, losing 3.0% on an overall volume of 26.9m shares exchanged. Financial company **CFS** gave up 3.1% to Rs7.54 (VWAP: Rs7.6560) on 178.2k shares. Only mover on the insurance counter was **MUA** which went up by 2.9% to Rs63.00 on merely 200 shares.

On the commerce counter, movers were **Innodis** and **Vivo Energy** whereby the former rose by 2.2% to Rs41.20 on 5.1k shares and the latter edged up by 0.3% to Rs88.25 on 3.0k shares exchanged.

At the level of industrials, construction companies **Gamma Civic** and **UBP** moved up by 2.1% and 0.6% to Rs24.00 and Rs79.00 on 900 shares and 10.6k shares respectively. **PBL** saw a significant volume of 73.6k shares exchanged and the stock finished unchanged at Rs358.00.

On the investment counter, **NIT** was the weakest performer down by 8.2% to Rs33.50 on 508.2k shares, out of which 500.0k shares were crossed. On the other hand, **Alteo** climbed up by 1.3% to Rs27.00 on 824.8k shares, mainly on foreign purchase. **BMH** closed the week higher at Rs26.00 (+2.0%) on 259.4k shares. Other movers were **Ciel** Rs6.26 (-0.3%), **MDIT** Rs4.05 (-3.1%), **PAD** Rs92.00 (-4.7%), **POLICY** (-6.9%), **ENL LAND (O)** Rs45.30 (+0.3%) and **Terra** Rs32.00 (-0.2%).

ASL was the top performer of the week surging by 36.8% to Rs61.75 on 4.3k shares exchanged. Both **NMH (P)** and **SUN** edged up by 1.8% to Rs11.20 and Rs34.50 on 68.9k shares and 54.8k shares respectively. On the other hand, **NMH** gave up 1.8% to Rs22.00 on 255.3k shares. **LUX** dropped by 0.4% to Rs58.00 on 6.1k shares. **Lottotech** contracted by 7.1% to Rs3.42 on 56.0k shares.

DEM

On the DEM counter, the **Demex** gained 0.4% w-o-w to 198.71 points. **Total weekly turnover** stood at Rs60.7m, geared mainly towards **Hotelest**. The latter witnessed a cross of 1.5m shares at Rs26.80 on the crossing board. On the normal board, 1.2k Hotelest shares were traded over the week and the stock finished at Rs33.50 (-1.5%). The top performers were **Swan Life**, hiking by 14.9% to Rs1,100.00 on just 100 shares, followed by **SIT Land Options** jumping to Rs14,000.00 (+12.0%) with 2 options exchanged. **Ciel Textile** rose by 1.5% to Rs40.25 on 287.5k shares. Other gainers were **Medical & Surgical** (+3.1%) and **The Bee Equity Partners** (+1.7%). Weakest performers for the week were: **UTIN** (-4.3%), **Constance La Gaiete** (-3.9%), **Constance Hotels** (-2.9%), **Les Gaz Industriels** (-2.6%), **Medine** (-0.8%) and **Livestock Feed (O)** (-0.4%).

Financial Highlights

Official Market	Earnings % change	Year EPS 2015	Year EPS 2014	Latest NAV	Remarks
Banks, Insurance & Other Finance					
MUA	59.8%	5.88	3.68	49.27	Remarkable increase in profit (+106.4%) as a result of full year consolidation of Phoenix transafrica holdings ltd which was acquired in May 2014.
SBM Holdings (cents)	-14.0%	6.23	7.24	0.73	Results were impacted by substantial increase in credit impairment charges which amounted to Rs1.9bn (2014: Rs0.6bn) due to BAI and segment B. FY 2014 results were restated to reflect part of expenditures incurred relating to Group's technology project and costs relating to Business Transformation initiatives.
Swan	6.4%	31.11	29.25	282.41	Both gross premiums and net earned premiums went up by 10.1% with improved performances noted across the life, casualty and property clusters. Underwriting surplus grew by 1.7%. Lower performance was recorded at casualty level while property cluster posted improved results. Share of profit of associated company and JV went up considerably from Rs5.9m to Rs14.5m.
Commerce					
CMPL	29.3%	(38.77)	(29.98)	11.92	Growth of 35.5% in revenue. However, cost of expansion impacted negatively on results.
Harel Mallac (EPS continuing operations)	P to L	(0.26)	10.12	150.68	Adverse performance of the retail business and difficulties faced by Zambian as well as Tanzanian operations which suffered from unfavourable currency movements impacted negatively on results.
Vivo Energy	83.3%	9.64	5.26	24.73	Sales Revenue dropped by 20.69% to Rs 10,139 m as a result of lower oil prices on international market which does not affect margin on regulated products. However, the main driver of the gross margin comes from non-regulated businesses. Profit for the year increased to Rs282.6m (+83.1%) as a result of contained distribution and administrative expenses.
Industry					
Gamma Civic	137.8%	1.07	0.45	18.86	Results have been adversely impacted by exceptional and non-recurring cost items in Contracting and Lottery businesses, amounting to Rs121m in total. Gamma Construction Ltd has suffered significant losses for FY2015, amounting to Rs115m. Rs93m of these relate to restructuring costs and exceptional cost items. Lottotech Ltd reported a profit of Rs43M for the year ended 31 December 2015 despite exceptional cost items relating to an inventory write-off of scratch cards and restructuring costs, amounting to Rs33m.
Go Life International (USD)	-103.4%	0.001	(0.04)	0.01	Profit of USD 122.3k as compared to a loss of USD 3.5m last year mainly contributed by a higher share of profit from associate amounting to USD 28.4k (2014: loss of USD 717.6k) and payables written back amounting to USD 239.5k.
MCFI	-91.8%	0.11	1.34	32.56	Increase in impairment of trade receivables, decrease of sales and margins across the group's fertilizer business as well as the depreciation of the Zambian Kwacha led to reduced profitability.
Investments					
Belle Mare Holding	-57.0%	0.80	1.86	40.90	Net Profit stood at Rs48.1m (2014:Rs 112.7m, including a non-recurring item) mainly after accounting for the share of results of associates of Rs13.6m (2014:Rs17.3m) and taxation of Rs0.3m (2014:Rs 0.5m)
POLICY	-68.5%	0.17	0.54	5.34	Reduction in revenue and operating profit due to lower disposal of investments.
Terra	88.5%	2.62	1.39	74.07	Turnover went up by 9.7% and significant improvement noted in PAT (+68.1%) attributable to the sugar cluster. Sales of sugar grew by 9.1% and considerable reduction in segment loss from Rs270.2m to Rs8.9m in FY 2015. This was mainly on account of favourable standing crop valuation, better sugar price and refund of the SIFB premium in respect of 2014 crop. The group's associate Sucrivoire contributed Rs254.1m to segment's results including a final reversal of impairment amounting to Rs166m.
Funds					
Automatic Systems	64.5%	6.76	4.11	17.11	Lower expenses contributed to results.
Lottotech	-75.5%	0.12	0.49	0.42	Achieved a PAT of Rs40m (2014: Rs167m) after incurring one-off costs of Rs26m, net of incentive fees and tax, relating to the employee severance and the write-off of the Quick Win inventory.
Property Development					
Bluelife	-15.4%	(0.98)	(1.15)	6.75	Increase in loss due to higher finance cost, loss on disposal of associate and share of loss of Rs1.8m from associate as compared to a share of profit of Rs7.8m last year.
Sugar					
OMNICANE	7.8%	3.45	3.20	131.87	Operating profit went up by 28.9% with improved performances noted across all sectors. Share of results of associates reported a profit of Rs173.3m, due to profit realised by Real Good food Plc on the disposal of Napier Brown division.
Funds					
Sanlam (Class A shares) USD	-207.3%	(0.30)	0.28	5.80	Deteriorating economic conditions across the region, including local currency depreciation and a significant rise in country specific interest rates, have continued to impact the Company's investments. The sustained slump in commodity markets, falling growth expectations and concerning sovereign debt burdens have also contributed to weaker local trading conditions.

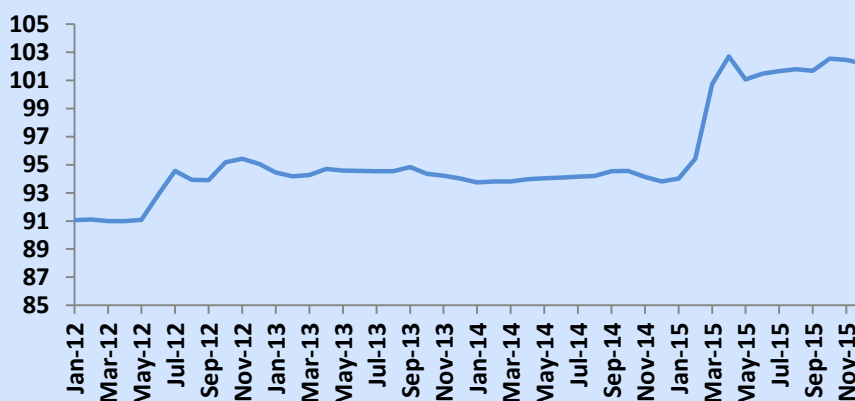
* From continuing operations

DEM	Earnings % change	Year EPS 2015	Year EPS 2014	Latest NAV	Remarks
Banks, Insurance & Other Finance					
Swan Life	47.4%	62.91	42.67	-	Net premiums rose to Rs3.2bn in FY2015 (+11.0%). Surplus jumped to Rs 2.3bn, an increase of 7.9% over the previous year. Increase may be partly due to more clients approaching the company following the BAI scandal of last year.
Commerce					
Chemco	-53.2%	0.66	1.41	15.42	Lower profitability due to increase in interests payable and impairment of trade receivables.
Compagnie Immobiliere	13.0%	31.63	27.98	1,077.11	Profit increased from Rs7.4m to Rs8.5m as a result of improving accessibility to the Arcades by a new lift and inclusion of a food court which helped to increase the number of visitors.
Industry					
Bychemex	-91.7%	0.01	0.12	5.86	An operating loss of Rs138k in 2015 as opposed to an operating profit of Rs625k in 2014 led to reduced profitability.
Forges Tardieu	-161.1%	26.66	(43.60)	L to P	Turnaround in profits mainly attributed to higher operating profit of Rs44.2m (vs 2014: loss of Rs34.7m), higher share of results of associates, higher net foreign exchange gains and lower loss from exception items.
Mauritius Cosmetics	-15.0%	0.34	0.40	212.06	Operating profit margin went up from 8.1% to 10.8%. However, results were impacted by higher finance costs.
Margarine Industries	-16.7%	61.95	74.39	535.29	Decrease in profitability as a result of increased competition and removal of import duty from COMESA & SADC member states.
Paper Converting	11.8%	3.12	2.79	157.93	Operating profit margin dropped from 7.8% to 7.5%. Higher interest in joint venture and share of profit/(loss) in associate contributed to increased profitability.
Quality Beverages	137.1%	0.86	0.36	11.91	FY2014 results have been restated to include Vital. EPS for both years have been re-calculated with regard to total number of shares of QBL and converted shares of Vital into QBL (total stands at 22,483,340 shares). Company revenue grew by 13% in 2015 compared to prior year. Group turnover increased by 12% in 2015 compared to 2014. Group profit after tax increased by 57% from Rs 8.1M in 2014 to Rs19.3M in 2015 mainly due to improved performance at subsidiary level.
SAIL	-51.1%	0.50	1.02	54.28	Revenue went up by 7.2%. However, operating profit dropped by 14.0% which led to lower profitability.
Leisure & Hotels					
Constance Hotels Services	12.4%	1.90	1.69	41.76	Reduced finance costs and tax expenses contributed to increased profitability
Morning Light	-55.9%	(0.63)	(1.43)	21.99	Loss for FY 2015 was lower than last year due to the hotel re-opening in November 2014 and higher Euro-Rupee exchange rate. However, we note a higher depreciation and finance costs as a result of the renovation.
Southern Cross Tourist	-62.5%	(0.06)	(0.16)	2.92	Increase in turnover by 34.8% to reach Rs541.1m (2014: Rs401.4m) due to improved occupancy rate. Significant improvement was noted in operating results before finance costs which amounted to Rs27.9m (2014: loss of Rs23.2m). However, a higher finance costs of Rs35.2m (2014: Rs 6.3m) was booked arising from interest expense and a net foreign exchange loss on retranslation of borrowings.
Others					
Hotelest	20.8%	1.86	1.54	41.74	Combined occupancy of all hotels owned and managed by CHSL attained 78% compared to 72 % in 2014, yielding satisfactory progression in the RevPAR and bottom line profits.
MFD Group	-34.3%	0.23	0.35	7.40	Higher operating margin of 27.9% in 2015 compared to 24.9% in 2014. Finance charges went up considerably from Rs112.9m to Rs165.5m in 2015 as the latter figure included a net exchange loss of Rs79.5m arising from fluctuation of the US dollar exchange rate.
Sugar					
Constance La Gaiete	L to P	1.86	(3.22)	109.22	Revenue went up by 12% to Rs290.0m. Profit for the year stood at Rs8.9m (vs 2014: loss of Rs15.4m) mainly attributable to controlled operating expenses , lower finance costs and a higher share of profit from associates.
Union Sugar Estate	-750.0%	(1.69)	0.26	93.90	Despite an improvement in operating results (operating losses of Rs3.475m in 2015 v.s Rs83.376m in 2014), net results were however affected by lower income from exceptional items (from Rs 85m in 2014 to Rs 9m in 2015 mainly due to lower income derived from sale of land) and higher net finance costs (Rs55.11m in 2015 v.s Rs27.062m in 2014).

Dividend Announcements

Company	Financial Year	Amount Rs	Last cum date	Payment date
OFFICIAL				
Vivo Energy Mauritius	31-Dec-15	1.90	07-Apr-16	06-May-16
Sanlam	31-Dec-15	USD 0.1714	12-Apr-16	22-Apr-16
Cim Financial Services	30-Sep-16	0.12	14-Apr-16	4-May-16
DEM				
Quality Beverages	31-Dec-15	0.30	07-Apr-16	22-Apr-16
Constance Hotels Services Ltd	31-Dec-16	0.50	15-Apr-16	17-May-16
Hotelest Ltd	31-Dec-16	0.48	15-Apr-16	18-May-16

Mauritius Exchange Rate Index



Forex

