

04 Apr.2014

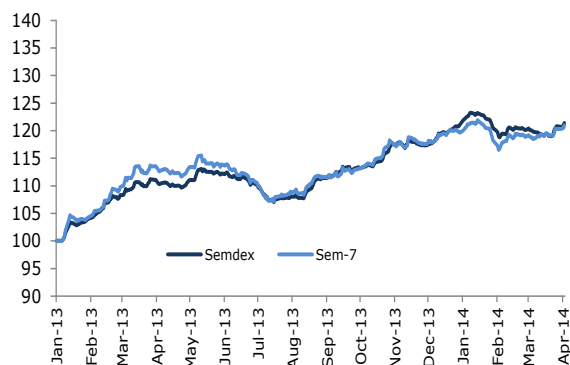
MARKET HIGHLIGHTS

INDICES	LATEST	W-O-W % CHANGE	YTD % CHANGE
LOCAL (Friday's closing)			
SEMDEX	2,102.08	1.9	0.3
SEM-7	408.08	1.5	1.1
DEMEX	177.69	(0.7)	2.3
REGIONAL (Thursday's closing)			
FTSE/JSE (SOUTH AFRICA)	48,231.39	1.8	4.3
NGSE (NIGERIA)	38,469.33	0.7	(6.9)
EGX 30 (EGYPT)	7,930.07	(3.9)	16.9
NSEASI (KENYA)	143.77	(0.5)	5.2
BGSMDC (BOTSWANA)	8,974.95	0.3	(0.9)
GGSECI (GHANA)	2,385.32	(0.2)	11.2
INTERNATIONAL (Thursday's closing)			
DOW JONES	16,573.00	1.9	(0.0)
CAC 40	4,449.33	1.6	3.6
SENSEX	22,509.07	1.3	6.3
DAX	9,628.82	1.9	0.8
NIKKEI	15,071.88	3.1	(7.5)
FTSE 100	6,649.14	0.9	(1.5)

	%
GDP growth (2014F) by CSO	3.7
UNEMPLOYMENT RATE	8.3
CPI HEADLINE INFLATION	3.9
BUDGET DEFICIT (% of GDP) - 2013	3.7
REPO RATE	4.65
BANK RATE	2.99
91 DAY T-BILLS	N/A
182 DAY T-BILLS	N/A
273 DAY T-BILLS	N/A
364 DAY T-BILLS	3.07
5-YEAR GOVT BONDS	5.83
10-YEAR GOVT BONDS	7.07

FOREX	LATEST	W-O-W % CHANGE	YTD % CHANGE
MUR/US\$	30.26	0.3	-0.8
MUR/GBP	50.19	0.1	1.8
MUR/INR	0.49	-1.0	-11.7
MUR/JPY	28.91	-1.4	-18.4
MUR/ZAR	2.83	0.0	-20.9
MUR/EURO	41.49	0.0	2.8

Rebased Indices Evolution

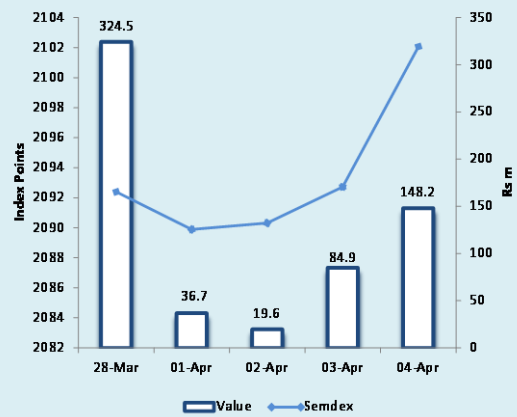


- ▶ Listing of MCB Group on the official market
- ▶ **Banks: SBM** Unch.; **Bramer** -3.5%
- ▶ **Hotels: NMH** +3.0%; **Lux Island** +2.4%; **Sun Resorts** Unch.
- ▶ **Company Announcements** – Atlantic Leaf, MCB Group, Bayport Management
- ▶ **Shumba Coal** dually listed on DEM
- ▶ **Financials** – Pg 4 & 5

Anglo-Mauritius Stockbrokers (Research)

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	Wk/ending 28.03.2014	Wk/ending 04.04.2014
SECTORAL INDICES		
BANKING INDEX	3,335.47	3,329.47
HOTEL INDEX	329.35	336.33
FOREIGN TRANSACTIONS (Rsm)		
TOTAL FOREIGN PURCHASES	14.76	173.91
TOTAL FOREIGN SALES	37.90	203.17
NET FOREIGN INFLOW/(OUTFLOW)	(23.14)	(29.26)
MARKET CAPITALISATION (Rsbn)		
OFFICIAL & DEM	268.17	269.22
DIVIDEND YIELD (%)		
OFFICIAL MARKET	2.90	2.88
PER(x)		
OFFICIAL MARKET	10.79	10.78



News

Atlantic Leaf – has successfully raised an aggregate amount of GBP 3,293,583 through the SA private placement. Moreover as a result of proposed private placement of 10,000,000 new Atlantic Leaf shares which will be issued through the company's Mauritius share register, one of the investors participating in the private placement is expected to hold 65.38% of voting shares of the company after the issue of new shares, resulting in effectively controlling Atlantic Leaf. Following implementation of the Private Placement, Rule 33(2) of the Mauritian Securities (Takeover) Rules 2010 will be triggered and the Controlling Shareholder will be required to make a mandatory offer in accordance with these Rules, on all voting shares of the company held by the minority shareholders. However, the company has made an application to the Financial Services Commission in Mauritius under Rule 42 of the Securities (Takeover) Rules 2010, for an exemption from Rule 33(2) in the case of the above Private Placement on the basis that since Atlantic Leaf has been recently incorporated and is still in its initial capital raising phase.

MCB Group – following the offering of 416,046 options to employees under the Group Employee Scheme Option Scheme, a total of 17,014 options were exercised during the first window of this new scheme, for a total consideration of Rs3.66m. The balance of 399,032 options will lapse around 15th Oct.2014. The 17,014 new shares have been issued on 4th Apr. 2014 by MCB Group limited for listing on the SEM, hence number of shares in issue now stands at 237,977,261.

Bayport Management Limited - listing Executive Committed of SEM has approved the listing of 205,508 additional ordinary shares of par value USD0.001

Go life International PCC, Colina Holdings Ltd, Novare Africa Fund PCC and Forges Tardieu – delay in publication of results

Official Market

Main highlights over the short week were the listing of the **MCB Group** (MCBG) on the 03rd of April 2014 and foreign cross of 2.0m shares on **Atlantic Leaf** exchanged today at GBP 1.00. **MCBG** witnessed several crosses on its first trading session which resulted to a total volume of 327.6k shares at Rs215.00 and maintained that price level today as well on 48.1k shares.

As for the **indices**, they pursued their ascension with the **Semdex** and **SEM-7** index gaining 1.9% and 1.5% to reach 2,102.40 points and 408.8 points respectively. **Total market turnover** amounted to Rs289.4m (US\$ 9.6m), geared towards MCBG and Atlantic Leaf. **Foreign investors** were net sellers yet again to the tune of Rs29.2m

With regards to the other banking stocks, **State Bank** finished unchanged at Rs1.06 on significant volume of 21.9m shares, whilst **Bramer Banking** lost 3.5% to Rs7.24 on 38.0k shares traded. Among the insurance companies, **MUA** rose by 1.1% to Rs134.50 on 35.8k shares and **MEI** grew by 0.9% to Rs112.25 on merely 300 shares. Notable volume of 696.6k shares was exchanged on **CFS** which gained 0.3% to Rs8.00.

Innodis reached another record high of Rs56.00 (+0.4% w-o-w) with 66.4k shares traded, out of which 65k shares were crossed on Friday. On the other hand, **Harel Mallac** (-0.8%) and **IBL** (-0.9%) were on the downside.

Construction company **Gamma Civic** shed off part of last's week gain to close lower at Rs46.00 (-2.1%) on 30.0k shares traded. **Moroil** as well decreased by 0.9% to Rs27.50 on 3.5k shares traded. Only gainer across the industrials **UBP** which grew by 0.3% to Rs88.50 on 410 shares.

Main gainer on the market was **Terra** which increased by 4.8% to Rs39.30 with 92.7k shares traded, followed by **PAD** (+4.2%). **Ciel Limited** went up by 1.4% to Rs7.00 on notable volume of 1.2m shares traded. Other gainers **BMH** (+2.0%), **Fincorp** (+1.6%), **United Docks** (+1.4%), **MDIT** (+0.3%) and **Rogers** (+0.2%). Only loser on the investment counter was **Caudan** which fell by 1.8% to Rs1.10.

ASL dropped by 5.7% to Rs112.25 on 2.4k shares traded. The largest hotel group **NMH** gained further 3.0% to close higher at Rs86.00 on 135.4k shares traded and **Lux Island Resorts** increased by 2.4% to Rs40.00 on 406.0k shares. **Sun Resorts** traded at the price level Rs40.00 over the week but closed today's session at Rs41.00 (Unch.) during the last 5 minutes of trading. National airline company Air Mauritius, dropped by 1.4% to Rs17.00 on 8.3k shares exchanged.

Property companies ended the week on the upside with **Bluelife** and Le **Meritt** closing at Rs9.20 (+7.0%) and Rs5.82 (+2.1%) respectively.

The sugar company **Omnican**, lost 0.6% to Rs87.50 with 7.4k shares traded.

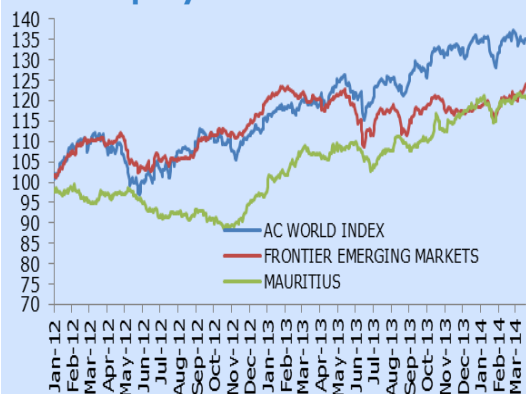
DEM Market

Shumba coal, a company domiciled in Mauritius with an exploration licence for coal in Botswana was today dually listed on the DEM, whereby 1,000 shares on offer were traded at USD 0.12. As for the **Demex**, it shed off 0.7% to finish at 177.69 points. **Medine Ordinary** went up by 2.2% to Rs69.50 with 23.5k shares traded. However main gainer on the market was **FIDES** (+9.2%) which finished at Rs95.00 after reaching a week high of Rs105.00 on Tuesday and total volume of 1.4k shares exchanged over the week. On the other hand, **ENL Investment** gave up 2.2% to Rs47.90 on 5.0k shares and **Ciel Textile** fell by 1.0% to Rs29.70 on total volume of 185.4k shares. Weakest performer was **Hotelst** which tumbled by 5.0%, followed by **Medical & Surgical Centre** (-4.8%). Overall **market turnover** was Rs10.9m.

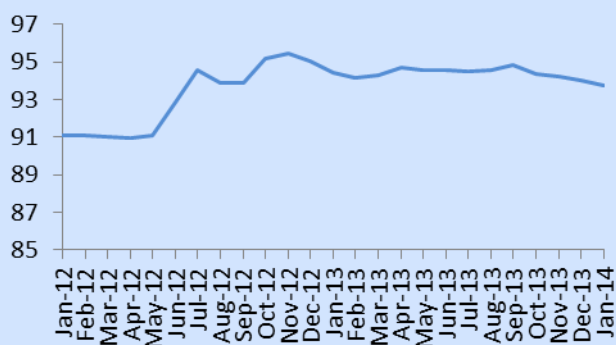
Dividend

Company	Financial Year	Amount Rs	Last cum date	Payment date
OFFICIAL				
State Bank	31-Dec-2013	0.02	10-Apr-2014	02-May-2014
State Bank	31-Dec-2014	0.011	10-Jun-2014	27-Jun-2014
Sanlam	31-Dec-2013	USD 0.1337	10-Apr-2014	23-Apr-2014
Air Mauritius	31-Mar-2014	0.50	11-Apr-2014	30-Apr-2014
CIM Financial Services	30-Sep-2014	0.10	14-Apr-2014	9-May-2014
New Mauritius Hotels	30-Sep-2014	1.00	14-Apr-2014	13-May-2014
Gamma Civic	31-Dec-2013	0.72	28-May-2014	30-Jun-2014
Morning Light	31-Dec-2013	0.20	9-Apr-2014	30-Apr-2014

World Equity – MSCI



Mauritius Exchange Rate



Forex

USD



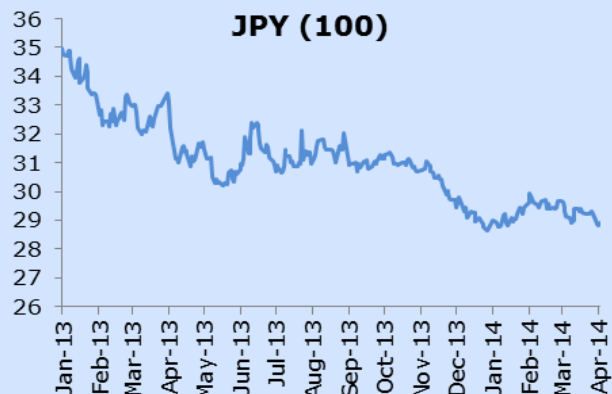
GBP



EUR



JPY (100)



Financials

Official Market	Earnings % change	EPS (FY 2013)	EPS (FY 2012)	Latest NAV	Remarks
Banks, Insurance & Other Finance					
Bramer Banking	400.0%	0.10	0.02	1.40	FY 2013 results are not comparable with FY 2012 as the latter represented results for a period of 8 months ending Dec. 2012. For FY 2013, Net interest income was Rs475.6m, net fee and commission amounted to Rs53.6m, total expenses was Rs455m. Hence PAT was Rs90.0m. To note for Q4 2013, significant surge in PAT was noted attributable to Net interest income.
MUA	11.3%	12.95	11.64	85.95	Gross Premiums went up by 6.6% and Operating Profit grew by 11%, where Life Insurance results catapulted to Rs100.2m compared to 1.3m in 2012.
State Bank (Calendar Year)- cents	1.9%	11.85	11.63	74.78	Growth of 10.8% in Net interest income whilst Net fee and commission dropped by 8.9%. Non interest income (+12.7%) rose on the back of other income where higher dividend and gain on sale of equity investment were accounted. Non interest expense grew by 18.3% mostly due to increased costs of IT and higher impairment allowances was noted. Excluding exceptional item EPS grew by 7.8%.
Swan	21.9%	27.13	22.26	199.40	Operating Profit grew by 39%, where results of associate & JV improved by 47% to Rs14.2m. Underwriting surplus increased by 13%, mainly on the back of Casualty.
Commerce					
CMPL	Loss to Profit	0.15	(0.02)	54.84	Revenue dropped by 5%, but Operating Profit significantly improved to Rs701k from Rs251k last year. Finance costs increased by 47% to Rs528k. We noted an increase of 35% in long term liabilities. A tax credit of Rs156k was recognised and hence PAT generated was Rs329k compared to Rs54k loss in 2012.
Harel Mallac*	-12.3%	(2.99)	(3.41)	149.42	The Group managed to improve profit before finance costs by 35% to Rs 50.8m. However results were dented by high finance costs (+79%) and exceptional losses incurred during the year.
Vivo Energy	20.3%	7.59	6.31	16.30	Sales grew by 4% in 2013. Operating Profit increased by 9%, whereby the regulated retail & commercial segment results made up for the loss generated from the Marine segment. However finance costs augmented to reach Rs21.8m compared to Rs12.4m in 2012.
Industry					
Gamma Civic (Calendar year)	70.9%	2.68	1.57	18.62	On a 12 months basis, revenue went up by 6.0% and operating profit grew by 4.5%. Share of associates rose by 6.5%.
MCFI*	61.8%	0.55	0.34	34.48	Reduced operating losses of Rs5.1m in 2013 (v/s Rs9.0m in 2012) due to marginal increase in sales volume of fertilizers on local front and higher margins from exports. Other income amounted to Rs34.7m compared to Rs40.0m. Significant reduction in losses from associates from Rs18.3m to Rs7.7m in 2013 was noted.
Investments					
Belle Mare Holding	-71.6%	10.36	36.46	427.78	2012's Operating Profit includes Rs123.8m of profits realised on investment. Excluding this item, adjusted O.P stood at Rs31.9m. In 2013, O.P of Rs39.3m was realised. Share of results of associated companies increased by 89% to Rs5.5m.
POLICY	18.2%	0.52	0.44	5.75	Income grew by 15% to Rs134m, contributing to 19% increase in Operating Profit.
Terra	-27.3%	1.60	2.20	72.35	Sugar operations suffered from lower sugar prices as well as lower special sugar premiums. The activity was also dented by exceptional cost relating to cane fires and machinery breakdowns. The energy cluster witnessed reduced profitability due to lower tariffs applicable to post-debt period.
Leisure & Hotels					
Automatic Systems	76.6%	11.60	6.57	11.23	Higher profits mainly attributable to two additional horse racing meetings and to better results from football fixed odd betting
Sun Resorts	Profit to loss	(0.34)	0.17	57.33	Mauritian results were dented by Ambre which posted a loss of Rs 32m for the year while operations from Maldives reported a drop of 5% in profits.
Property Development					
Bluelife	897.0%	4.27	0.43	8.83	Results are not comparable due to change in FY from June to Dec. For the 6months ending Dec. 2013, a gain of Rs23.8m was booked on bargain purchase and fair value of Rs584.7m arising on business combination.
Sugar					
OMNICANE	6.5%	6.24	5.86	134.62	Operating Profit increased by 5.9%, mainly on the back of higher production from sugar refinery, partly offsetting drop in O.P from Energy operations due to higher maintenance costs. Exceptional items of Rs312m were realised again in 2013 (Rs356m in 2012), pertaining to sale of plots at Highlands.

*EPS from continuing operations

DEM	Earnings % change	EPS (FY 2013)	EPS (FY 2012)	Latest NAV	Remarks
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Banks, Insurance & Other Finance

Anglo Mauritius	-	-	-	-	Net Premiums grew by 9%. Investment and Other Income increased by 22%. Share of Profit of Associates generated income of value of Rs13.3m against losses of Rs117k in 2012.
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Commerce

Chemco	-30.0%	1.26	1.80	16.07	Subjected to increased competition, turnover dropped by 5.5% and operating margins fell from 5% to 3% in FY 2013.
Compagnie Immobiliere	Loss to Profit	25.50	(23.60)	1,056.19	Revenue dropped by 2%, but Other Income which catapulted by 93% made up for the reduction and Operating Profit increased by 1%. 2012 results was impacted by fair value loss on investment property of value of Rs13.1m.

Industry

Bychemex	-12.9%	0.27	0.31	6.60	Lower production capacity and increased competition on the local market led to a 6.6% drop in revenue which impacted negatively on results.
Mauritius Cosmetics	1515.7%	21.65	1.34	237.68	Profit from operations improved significantly by 501% to Rs 114.3m.
Margarine Industries	-14.0%	78.74	91.53	615.85	Higher expenses offset the increase of 6% in revenue, hence leading to reduction in operating profit by 12%.
Paper Converting	Loss to profit	13.97	(0.66)	175.07	The Company reported a turnaround in profit from losses of 1.0m to profit of 20.9m.
Quality Beverages	-19.4%	(4.97)	(6.17)	46.54	Group's turnover decreased by 0.7% following disinvestment in non profitable business segments at subsidiary level. However, reduction in operating loss was noted (2013: -Rs28.5m v/s 2012: -Rs38.1m), hence contributing to lower losses for the year.
SAIL	-46.8%	0.71	1.34	58.55	Revenue grew by 14.4% and an operating profit of Rs18.5m was booked compared to an operating loss of Rs7.5m. Excluding gain on disposal of investment booked in FY 2012, the group reported a loss of Rs16.4m as opposed to a profit of Rs2.9m in FY 2013.
Vital Water Bottling	Loss to Profit	4.08	(5.52)	22.36	Turnover dropped by 4% due to removal of levy on water, but Operating margins shot up to 11% from a meager 1% in 2012.

Leisure & Hotels

Constance Hotels Services	-74.4%	(0.79)	(3.09)	44.65	Results are not comparable due to the acquisition of remaining 65% Constance Halaveli Resort in 2013. Lower losses due to a surplus Rs 176m on remeasurement of associate to subsidiary.
Morning Light (Calendar Year)	-37.3%	0.38	0.61	23.50	On a 12mths comparative basis, revenue and operating profit dropped by 5.6% and 21.8% respectively as well higher finance costs was noted. Hence, leading to drop in profitability.
Southern Cross Tourist	-25.0%	0.27	0.36	3.17	The Group reported stable gross profit but net profit fell mainly due to pre-opening expenses relating to the newly acquired Blue Horizon Hotel amounting to Rs 9m.

Others

Hotelest	-73.3%	(0.84)	(3.15)	44.45	See Constance Hotel Services
Mauritius Freeport Development	357.1%	0.32	0.07	6.46	Revenue went up by 20.3% and Operating Profit increased by 40.9%. A net exchange gain of Rs6.9m was realised against a loss of Rs13.1m in 2012.

Sugar

Constance La Gaie	Profit to loss	(0.17)	2.94	131.25	Higher operating loss of Rs26.4m compared to Rs20.1m in 2012 and lower profit from associated companies (-50%) dented results.
Union Sugar Estate*	36.7%	2.01	1.47	63.37	Taking only profit from continuing operations into consideration, the Company's results were boosted by exceptional items of Rs 21m relating to disposal of land

* EPS for continuing operations only

