



South Pacific
Stock Exchange

MONTHLY STOCK MARKET TRADING REPORT

JANUARY 2019

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1.0 SPSE Market Highlights

1.1 January 2018 Market Sentiments

- ▶ The year 2019 started on an optimistic note as an active pattern of trading was recorded during the month of January. Amongst the securities recording market activities, Fijian Holdings Limited (FHL) was the most active stock in terms of number of transactions, volume traded as well as value traded. FHL occupied 77.88% of the overall trades, 95.82% of the aggregate volume traded and 80.80% of the aggregate value traded for the month.
- ▶ Contributing significantly to the hype in trading of FHL shares was the completion of the Share Split process in FHL that was approved by the shareholders at the FHL Annual General Meeting held on 27th November, 2018. FHL shares were split into a ratio of 1:10 effective from 9th January 2019 whereby the last trade price was adjusted to \$0.85¹.
- ▶ Following the Share Split in FHL shares, a surge in the number of trades was recorded which resulted in an entry of 96 new investors just for FHL shares during the month. FHL shares also saw an appreciation in its share price during January ending the month at \$1.00, posting a capital gain of \$0.15 per share. As at the date of this report (7th February 2019), FHL shares have further appreciated and currently stand at \$1.20.
- ▶ Overall, SPSE as the frontline regulator of the stock market would like to encourage other listed companies to consider undertaking similar corporate actions in order to create more liquidity in its shares.

1.2 Overall Trading Statistics

- ▶ The month of January 2019 recorded a total of 217 trades with an aggregate volume of 1,275,185 shares exchanging hands totaling to \$1,217,999 in value traded.
- ▶ Detailed statistics of the January 2019 trading data in comparison to the December 2018 trading data as well as the year-to-date statistics over the two years is tabulated below for information:

Particulars	Jan-19	Dec-18	Year to Date		% of Variance
			Jan-19	Jan-18	
Volume traded in securities	1,275,185	131,568	1,275,185	659,902	93%
Value traded in securities (\$)	1,217,999	711,710	1,217,999	2,751,220	-56%
Total number of trades	217	109	217	93	133%
Average new order flow consideration/week (\$)	554,606	605,768	554,606	471,770	18%
SPSE Total Return Index (STRI)	7299.22	7147.01	7299.22	4814.46	52%
SPSE Equal Weighted Total Return Index	7376.15	7267.13	7376.15	5258.40	40%
Bid to Offer ratio	1:3	1:4	1:3	1:3	0%
Market Capitalisation (F\$ Billion)	3.14	3.07	3.14	1.93	63%
GDP (F\$ Billion)*	9.06	9.06	9.06	8.41	8%
Market Capitalisation to GDP (%)	34.6%	33.9%	34.6%	22.9%	51%

*Source: RBF Quarterly Review September 2018

¹ Share Split is a process whereby the last traded price of a company is divided by the share split ratio while the issued shares are multiplied by the share split ratio. Effectively, the aggregate market value of the listed stock remains unchanged. In the case of FHL, the last traded price of \$8.50 was divided by the share split ratio of 1:10 to adjust the last traded price to \$0.85 while the existing issued shares of 30,464,650 was multiplied by the share split ratio of 1:10 to adjust the issued shares to 304,646,500. The aggregate market capitalisation of FHL remained same (before and after the Share Split process) at \$258,949,525.

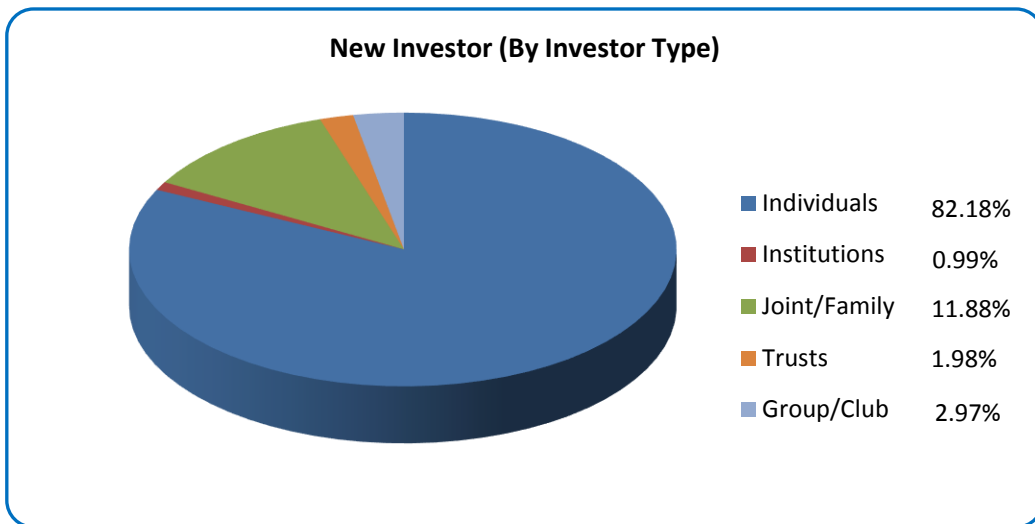
1.3 New Investors

▶ By Month

- During the month of January, 101 new/first time investors entered the stock market. FHL shares contributed significantly to this new investor statistics solely recording 96 investors in January.

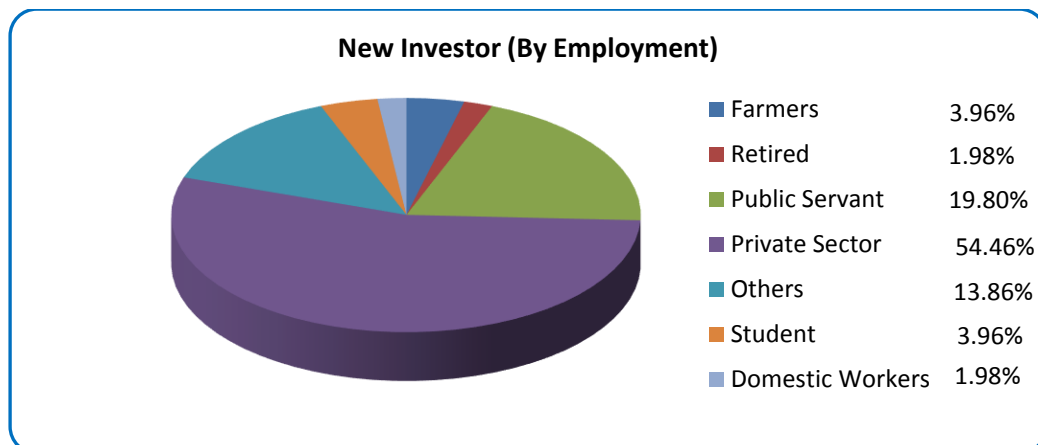
▶ By Investor Type

- Overall, individual investors account for the major portion of investors by investor type with 82.18% occupancy. These individual investors include private and public sector employees, farmers, students, retirees and investors who are self-employed. Second in queue is the Joint/Family type of investors standing at 11.88% which is then followed by Group/Club investors tallying at 2.97% during the first month of the 2019.
- The above is illustrated below for information:



▶ By Employment

- A review of the new investors by type of employment indicates that 54.46% of the new investors entering the stock market are those employed in the private sector. Public Sector is ranked second with 19.80% occupancy which is then followed by others with 13.86% occupancy. The investor trend by type of employment is illustrated below:

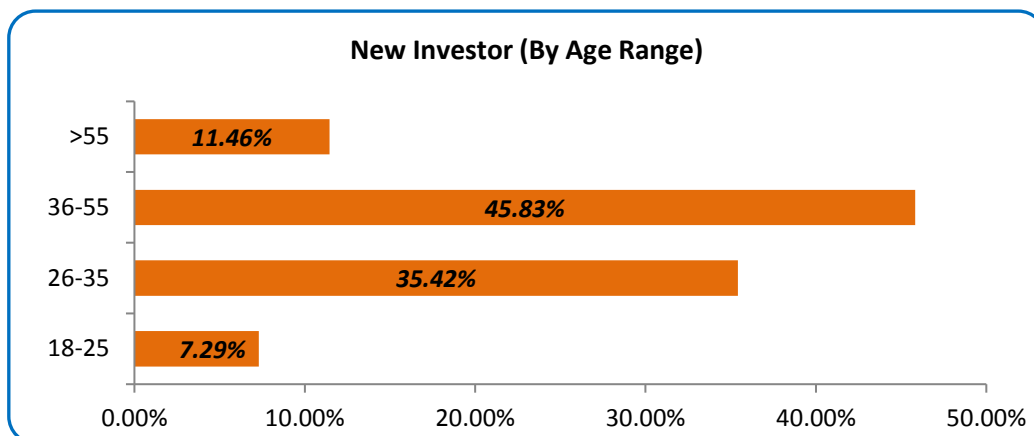


▶ By Age Range

- A breakdown of new investors seeking investment in the stock market shows that majority of the new investors fall between the age range of 36 years to 35 years. This is closely followed by those

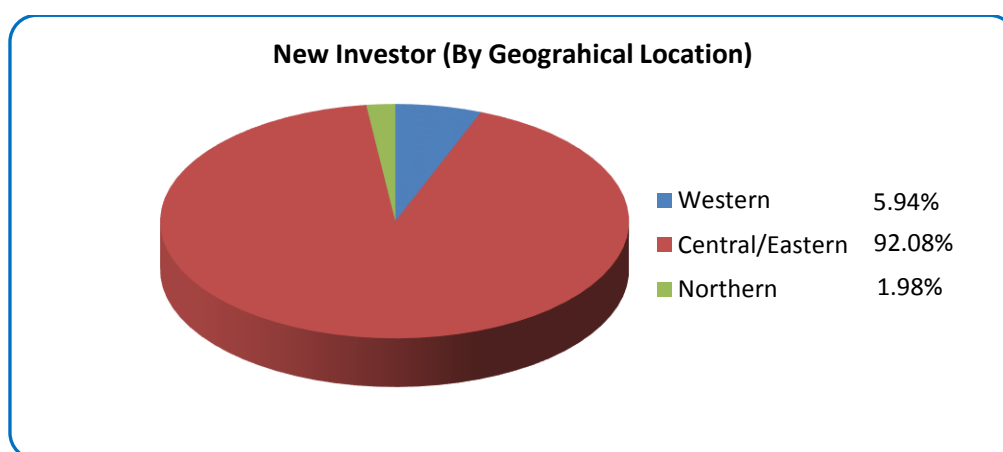
between the ages of 26 years to 55 years. Overall it can be witnessed that 81.25% of new investors fall between the age ranges of 26-55 years collectively. It is encouraging to note that 42.71% of new investors for the month of January are those between 18 – 35 years, which is an indication that our young population is transforming to become investment savvy and considering share investments as a means to develop a pathway to achieve their future financial goals.

- A detailed illustration of the new investors by age range is portrayed below:



► By Geographical Location

- Overall, it can be noted that majority of the new investors are from the Central/Eastern division. However, it is encouraging to record new investors from the Western as well as Northern divisions. SPSE with the three licensed stockbroking firms are located in Suva which helps investors from the Central division access our services with more convenience, however, SPSE continues to disseminate all relevant information about investing through other mediums such as website, social media, radio, television and newspaper advertisements to ensure the entire population get access to all relevant information about investing. SPSE office can be contacted by any individual who has been contemplating investing in shares and wishes to seek additional information about SPSE listed companies to start their investment journey.
- The investor trend by geographical location is illustrated below:



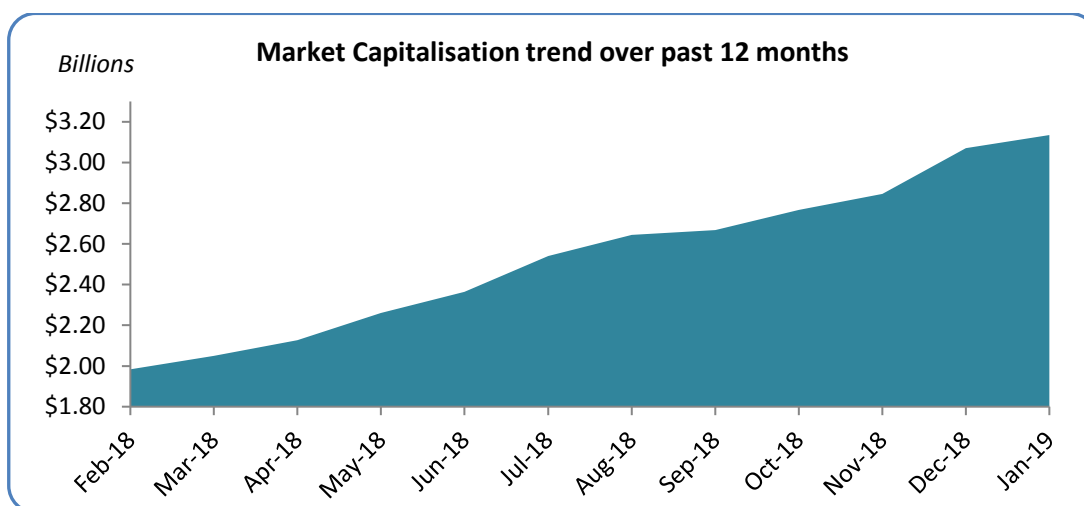
2.0 Key Stock Market Indicators

2.1 Market Capitalisation

- **Monthly Growth:** The overall market value recorded a growth of 2.12% (\$65,017,372) over the month of January and concluded at an all-time high value of \$3,135,046,269. The increase in the market value

is subsequent to 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 62.63% over the January 2018 to January 2019 period. Also the monthly trend depicts a 4.16% average monthly growth in market value over the preceding 12 month period.

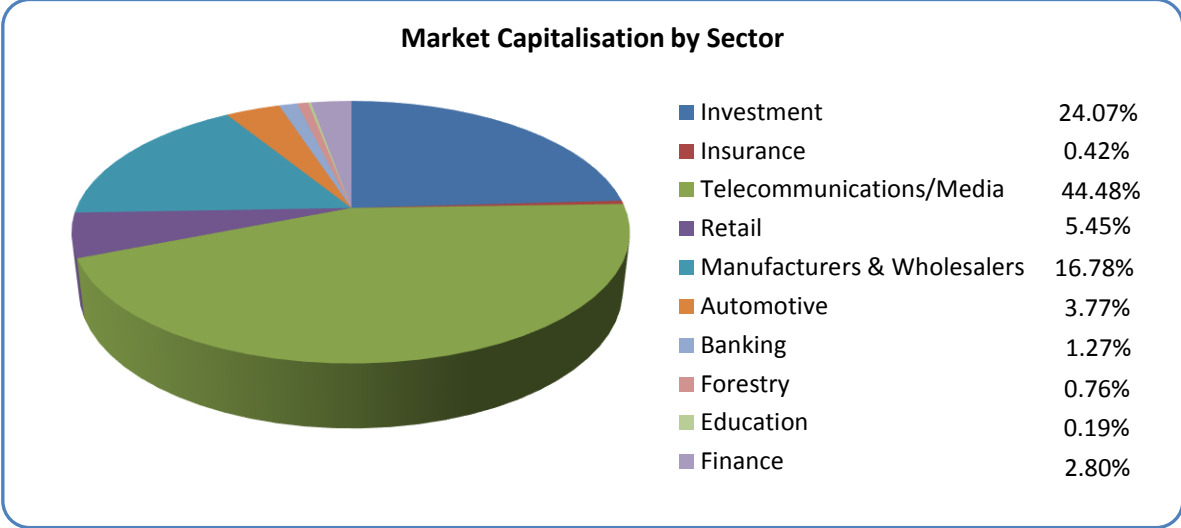
▶ Graph below illustrates the market capitalisation trend over the past 12 months.



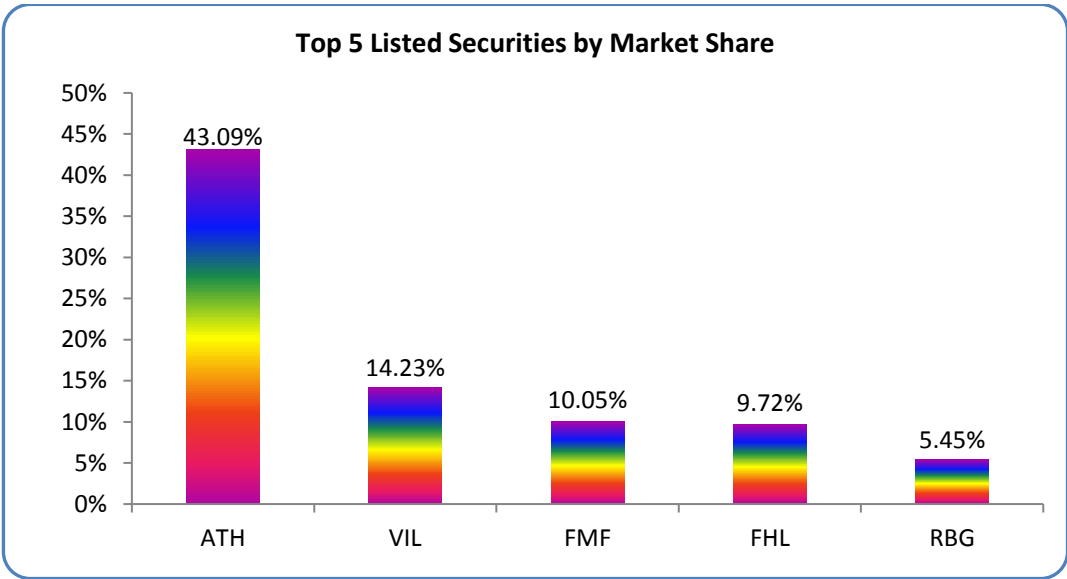
▶ **Market Capitalisation by Sector:**

- The Telecommunications and Media sector represented 44.48% of the aggregate market value at the end of January.
- The Investment sector is the second largest contributor to market capitalisation with 24.07% occupancy.
- The third largest contributor to market capitalisation represented by the Manufacturers & Wholesalers sector tallied at 16.78% while the Retail sector, denoted by RB Patel Group Limited (RBG) shares stood at 5.45%.
- The Automotive sector represented by Toyota Tsusho (South Sea) Limited (TTS) and VB Holdings Limited (VBH) shares stood as the fifth largest contributor to market capitalisation with 3.77% occupancy at the end of January.
- The Finance sector stood at 2.80% at the end of January while the Banking sector concluded with 1.27% occupancy. The Forestry sector had a 0.76% composition at the end of January.
- The Insurance sector represented entirely by FijiCare Insurance Limited (FIL) shares accounted for 0.42% of the overall market value while the Education sector represented by Free Bird Institute Limited (FBL) shares saw its contribution standing at 0.19% at the end of January.

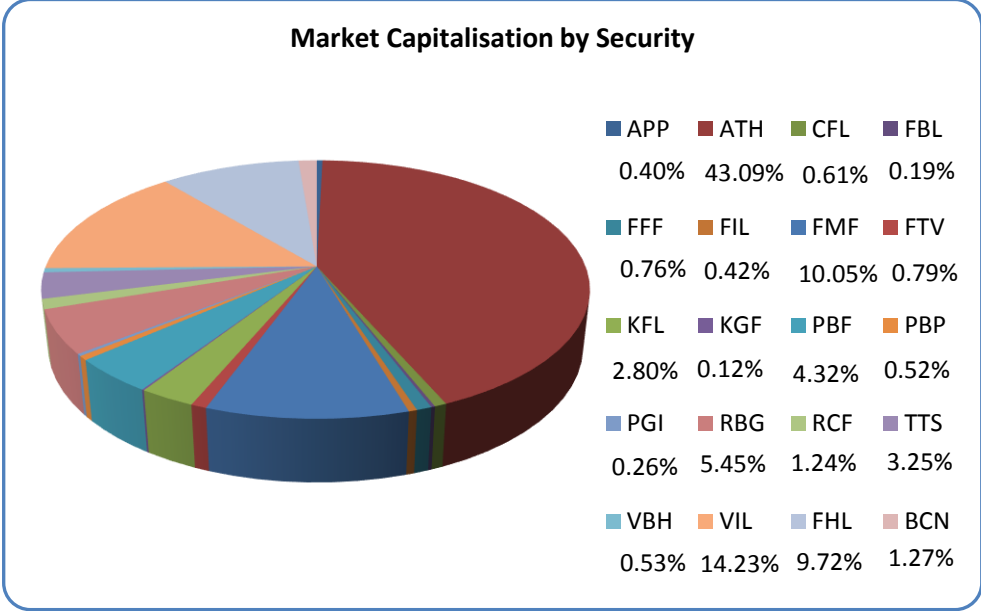
▶ A further breakdown of market capitalisation by each sector as at January 2019 is illustrated on the following page:



► **Top 5 listed companies:** The top five listed stocks occupied 82.54% of the overall market. This is illustrated below for information:

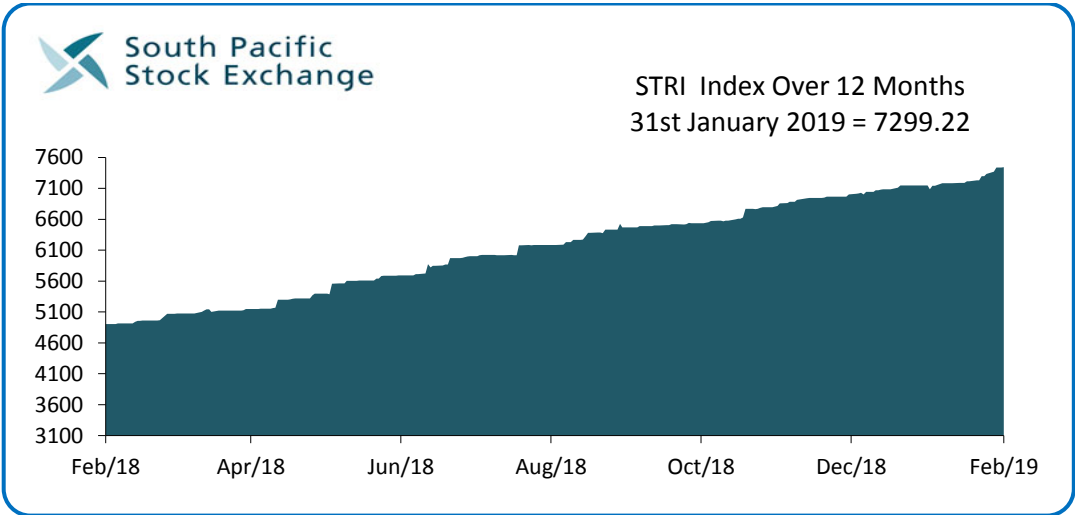


► **Market Capitalisation by Security** Details of each listed security's market capitalisation contribution as at January 2019 is portrayed on the following page:

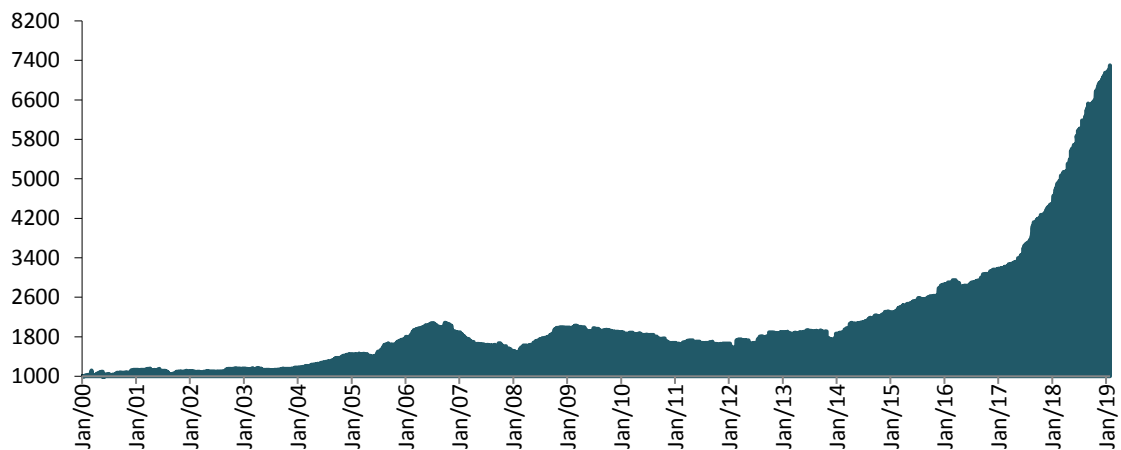


2.2 SPSE Total Return Index (STRI)

- ▶ **Monthly Growth:** The SPSE Total Return Index rose by 2.13% (152.21 points) and concluded the month at an all-time high value of 7299.22. The increase in the accumulation index is consequent to various share price movements (as explained later in this report under the Trading Summary report) and also subsequent to dividend return of 1.85% generated by Communications (Fiji) Limited (CFL) shares during the month of January.
- ▶ 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 January 2019 and reflects the continuation of the bullish market sentiments over the recent past years continuing in 2019. This movement in STRI over the recent years has been driven primarily by demand-driven capital growth.



2.3 Outstanding Buy/Sell Order

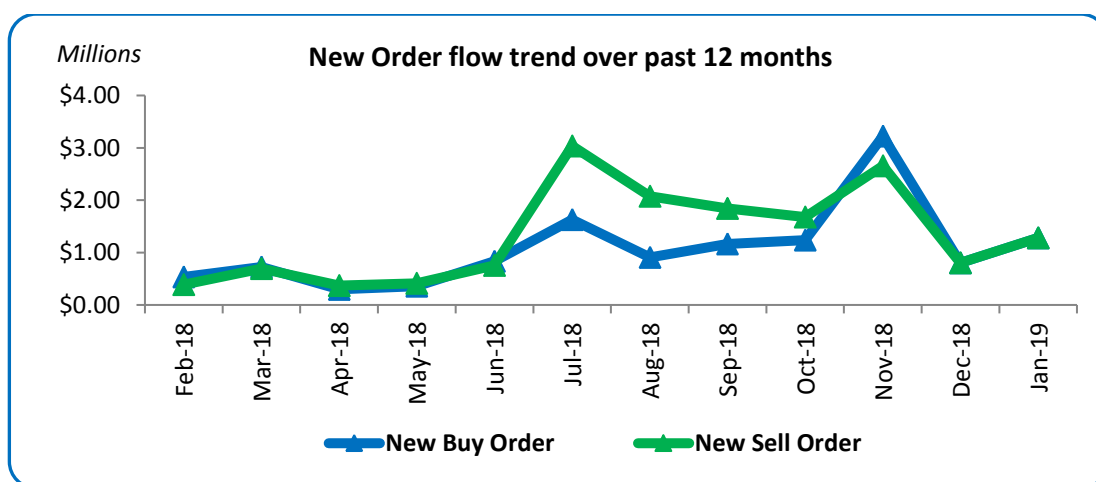
- ▶ As at the end of January 2019, the total shares on bid rose by 0.26% while the total shares on offer fell by 25.81%. Contributing to the substantial decrease in the total shares on offer is partly due to the withdrawal of certain sell order parcels for Kontiki Finance Limited (KFL). Additionally, there were partial execution of certain existing sell orders for companies such as; Atlantic & Pacific Packaging Company Limited (APP), Free Bird Institute Limited (FBL) Paradise Beverages (Fiji) Limited (PBF) and the full execution of sell orders for VB Holdings Limited (VBH).
- ▶ The quantity of bids and offers that remained unexecuted at close of market as at 31st January 2019 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 (Jan 19)	Total Shares on Bid (Dec 18)	% Δ	Total Shares on Offer (Jan 19)	Total Shares on Offer (Dec 18)	% Δ
APP	0	0		1,818	3,428	-47.0%
ATH	1,951	3,620	-46.1%	935	0	100.0%
CFL	7,407	7,407		0	0	
FBL	8,800	8,800		74,775	75,100	-0.4%
FFF	0	0		0	0	
FIL	45,000	45,000		24,990	24,000	4.1%
FMF	15,895	16,895	-5.9%	47,117	47,117	
FTV	0	0		40,063	39,893	0.4%
KFL	25,501	25,501		549,260	864,446	-36.5%
KGF	129,187	129,335	-0.1%	0	0	
PBF	0	0		29,142	29,205	-0.2%
PBP	5,501	5,501		0	0	
PGI	2,000	2,000		81,500	81,500	
RBG	1,636	1,636		0	0	
RCF	425	0	100.0%	0	0	
TTS	8,399	9,396	-10.6%	0	0	
VBH	0	300	-100.0%	0	4,500	-100.0%

VIL	2,095	54,204	-96.1%	0	0	
FHL	62,306	0	100.0%	17,860	0	100.0%
BCN	5,621	11,282	-50.2%	0	0	
TOTALS	321,724	320,877	0.3%	867,460	1,169,189	-25.8%

2.4 New Order Flow

- ▶ The average weekly value of new orders in the market for the month of January 2019 stood at 554,606.
- ▶ The new order flow trend over the preceding 12 months is illustrated below for information:



2.5 Trading Summary

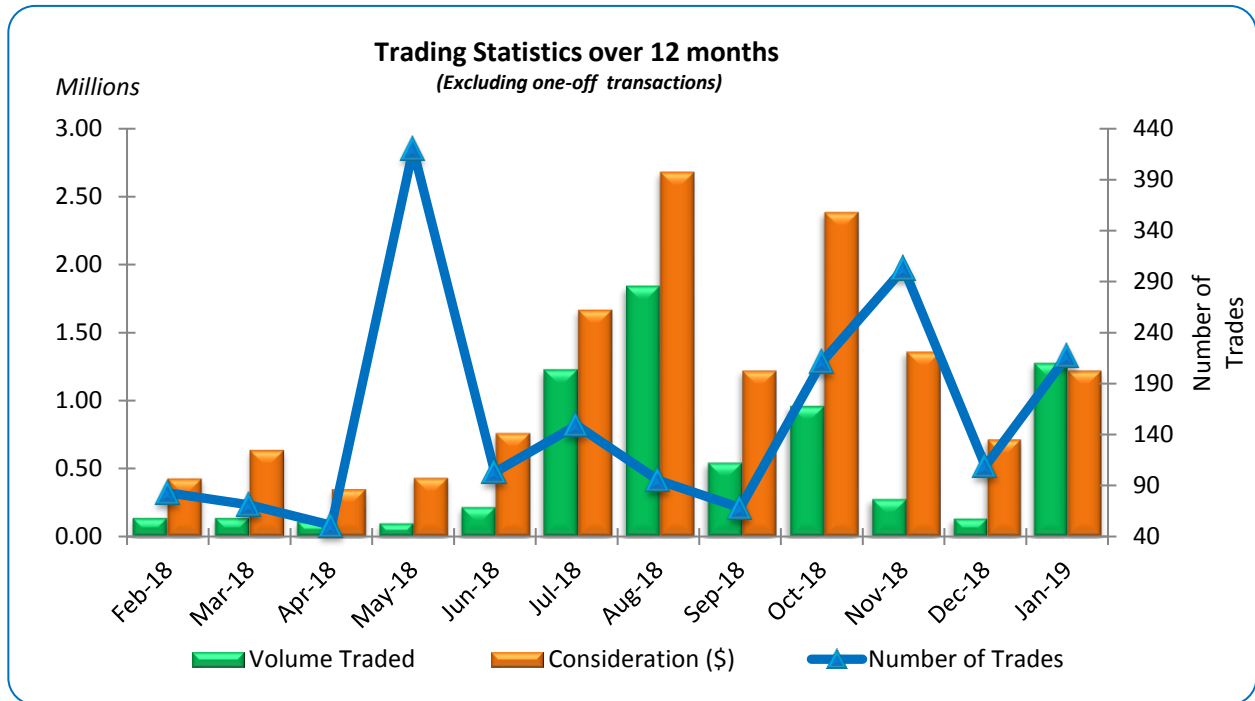
- ▶ Throughout the month of January, 6 out of 20 of the listed companies recorded share price movements. Thirteen of the listed companies concluded the month at an all-time high share price yielding capital gains for its shareholders.
- ▶ The trading summary per security for the month of January 2019 is tabulated below for information.

Security	Jan-19	Dec-18	% Change	No. of Trades	Volume Traded	Value Traded (\$)
APP	1.55	1.50	3.33%	2	1,610	2,496
ATH	3.20	3.20	0.00%	16	12,320	39,474
CFL	5.40	5.40	0.00%		NO TRADES	
FBL	2.98	3.05	-2.30%	1	325	969
FFF	0.79	0.79	0.00%		NO TRADES	
FIL	1.55	1.55	0.00%	2	210	326
FMF	2.10	2.10	0.00%		NO TRADES	
FTV	2.39	2.39	0.00%		NO TRADES	
KFL	0.98	0.97	1.03%	2	506	496
KGF	1.02	1.02	0.00%		NO TRADES	
PBF	13.00	13.00	0.00%	2	263	3,419
PBP	2.45	2.45	0.00%		NO TRADES	
PGI	1.08	1.08	0.00%		NO TRADES	
RBG	5.70	5.70	0.00%		NO TRADES	
RCF	6.50	6.50	0.00%		NO TRADES	
TTS	7.25	7.25	0.00%		NO TRADES	
VBH	7.75	7.75	0.00%		NO TRADES	
VIL	4.30	4.14	3.86%	9	35,478	152,555

FHL	1.00	0.85	17.65%	169	1,221,850	984,148
BCN	13.01	12.50	4.08%	14	2,623	34,117
TOTALS				217	1,275,185	1,217,999

2.6 Trading Patterns

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



3.0 Listed Company Market Announcements

- ▶ A total of 23 announcements related to the listed companies was received and released by the Exchange during January. Announcements were related to dividend declarations, half yearly financial statements, movement of key personnel in the company, update on the operations of the listed companies and ongoing corporate action plans

4.0 SPSE Business Development Activities

- ▶ The following business development activities were carried out for the month of January 2019:
 - SPSE and the Colombo Stock Exchange (CSE) announced the signing of a Memorandum of Understanding (MoU) to establish a collaborative relationship between the two exchanges seeking mutual development opportunities in the Fijian and the Sri Lankan capital market.
 - Additionally, starting from the first quarter of 2019, SPSE has undertaken a massive media campaign to promote investment options in Fiji's stock market. SPSE has now engaged in radio, television, newspaper as well as other digital advertising platforms to make investing in the stock market as much accessible as possible.
 - Snapshot from the MoU signing is illustrated on the following page.



SPSE and CSE Chief Executive Officer's signing the Memorandum of Understanding (MoU)

HAVE QUERIES?

If you have any queries related to this report or wish to obtain further details either about investing and/or listing on SPSE, feel free to contact SPSE on 3304 130 or email on info@spse.com.fj for more information.

The above is submitted for information
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