

STOCK MARKET REVIEW 2020



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Stock Market Review 2020



*Mr. Pretesh Prasad
Acting CEO,
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Greetings and well-wishes from SPX!

Traditionally, we welcome the new year with an optimistic eye to the future, however, this sense of hope for a better future might be more acute in 2021 as the COVID-19 pandemic continues to rage around the world while global health authorities are tirelessly involved in containing its spread through a safe and effective vaccine. Foremost, we think of all the individuals and families who are experiencing hardships due to COVID-19 and also those who have lost livelihoods consequent to the devastating impact from TC Yasa in the Northern division. Whilst Fiji and much of the region has been spared the worst of the health consequences of the pandemic, we are hardly unscathed, since COVID-19 fundamentally has disrupted economies and their business plans both domestically and internationally.

Through this Stock Market Review, we reflect on our experiences of 2020 to update our followers, investors, various stakeholders and the general investment community on stock market activity and key performance indicators.

Overall, while the aggregate market capitalisation recorded a drop, the average total stock market return in 2020 remained competitive and in the positive territory for the 10th successive year averaging at 9.07%.

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2020 Macro Overview

- ✕ 2020 will be remembered as a year of uncertainty as the COVID-19 pandemic unexpectedly took the whole world by storm, unleashing unprecedented health pressures globally, triggering the most rapid economic downturn in memory for a wide cross section of countries. The advent of the COVID-19 pandemic reversed the growth prospects and placed the world economy firmly on the trail of a severe recession, laid-off workers around the globe and disrupted our livelihoods and movements in an unprecedented manner.
- ✕ The announcement of COVID-19 vaccine rollout in November 2020 led to tentative signs of a market recovery as the International Monetary Fund projects the global economy to rebound by 5.2% in 2021 after an estimated contraction of 4.4% in 2020. However, an economic rebound depends on the containment of the virus in some form, maintenance of stimulus measures and equitable access to the COVID-19 vaccine by all countries.
- ✕ Fiji stands high on the list of vulnerable countries to have faced the fallout from COVID-19 due to its heavily dependent tourism industry which culminated in a spike in unemployment as many hotels, resorts and interlinked businesses have scaled back or shutdown operations. According to the statistics provided by the Reserve Bank of Fiji (RBF), the Fijian economy is expected to contract sharply by 19% in 2020 due to the economic challenges in the face of COVID-19 and its knock-on effects throughout the economy's associated business segments and supply chains as well as imprecise business and consumer confidence.
- ✕ On the local equities front, Fiji's Stock Market was not left unscathed amidst the economic turmoil as various listed entities witnessed a challenging year in terms of their operations and the unfavourable circumstances also resulted in listed entities reassessing their financial projections amid the rapidly shifting landscape of the global economy resulting in decisions by some entities to delay or suspend dividend announcements or to decrease dividend payments in comparison to the previous financial year. Other listed entities continued to pay the same level of dividend as previous years with some entities deciding towards the end of their financial year and declaring a dividend payment for their shareholders. From the perspective of market activity, investors were seen to realign their saving, investment and consumption priorities and paying attention to their cash flows more than ever before, however, investors with surplus cash were seen to take advantage of the lower prices and extended their investment portfolios maintaining a long-term focus for greater returns from their investments in shares of SPX listed entities.
- ✕ Given the above sentiments, the overall capitalisation of the market, which is the total dollar value of all the SPX listed entities, recorded a fall of 15.77% concluding the year at a value of \$3.47 billion. Heading into 2021, there are expectations of share price volatility and mixed investor sentiment to continue in the short-term as the uncertainties surrounding the pandemic are gradually offset with hopes of economic recovery bringing in investor optimism.



Market Activity Review

Market Sentiments

- ✕ The year 2020 started on a strong footing with the aggregate market capitalisation reaching an all-time high of \$4.21 billion during the month of January. Correspondingly, the SPX market capitalisation weighted indices clicked their maximum values during the same period as well.
- ✕ However, this positive streak in market capitalisation and the rally of market capitalisation weighted indices was rather short lived as market anxiety for listed entities as well as institutional and retail investors gradually sank-in soon afterwards amidst the rapid spread of the COVID-19 pandemic around the globe. A slow pattern of trading became obvious following the emergence of the first COVID-19 case in Fiji in March and the subsequent lockdown of the main business centres during April. A downward pressure started in share prices of various listed entities as sell orders started to accumulate. It also became apparent that investors have begun considering the impact of COVID-19 on their financial well-being, re-aligning their investment and consumption priorities which ultimately started having a negative impact on new investors entering the market as well.
- ✕ As a means to ease the burden on listed entities in fulfilling their ongoing listing requirements due to the unprecedented impact arising out of COVID-19, SPX also announced regulatory relief measures for listed entities which offered them additional time to publish their audited financial statements and annual reports.
- ✕ Amidst the global pandemic, SPX maintained an active presence on investor awareness front in partnership with its licensed stockbroking firms informing existing as well as potential investors that investing in shares of listed entities for the long term provides a good possibility for returns greater than other investments, if one is comfortable taking some market risk. As for the investors who remained uncertain, they were recommended to consider a long-term approach to investing and to keep in mind the wise financial advice to buy low and sell high, a pathway which can help the investors be the winner over the long term. This advice seemed to have been considered by investors who realised growth opportunities available in listed entity shares over the long term and were simultaneously seen to take advantage of price falls and also participated in corporate actions such as Dividend Reinvestment Plans and Rights Issues offered by certain listed entities during 2020. The largest entity on SPX by way of market share, Amalgamated Telecom Holdings Limited (ATH) managed to raise \$51,614,088 through a Rights Issue, which was a notable sum given the existing economic climate.
- ✕ Overall, the year 2020 recorded a lot of volatility in share prices mainly due to waves of concentrated selling. During this period, SPX as the front-line regulator of the stock market maintained a close look at the daily trading activities and movements in market indices. As per SPX market surveillance guidelines, any movements exceeding +/- 5% in SPX Equal Weighted Price Index in a trading day would trigger a temporary trading halt, however, no such instances were recorded during the year under review.

Overall Trading Pattern

- ✕ After starting the year on a positive note, key market statistics and trading activities were soon overshadowed by the impact of COVID-19 resulting in a descending and a volatile phase during the major part of 2020.
- ✕ Collectively, while considering all ordinary trades as well as the one-off transactions for the year 2020, the number of trades, volume and value traded decreased in comparison to the 2019 market statistics. The number of trades was lower by 783 trades (-22.05%) and the volume and value of trades were lower by 18,848,863 shares (-67.53%) and \$36,384,708 (-65.40%). Lower trading statistics were also recorded after excluding the one-off transactions for both comparable periods.
- ✕ The year 2019 market statistics is high in comparison to year 2020 figures due to higher volume of one-off transactions recorded in the previous year as well as the year 2019 witnessing the official listing of Port Denarau Marina Limited (PDM) on SPX subsequent to which, the market had witnessed a general spike in trading activities in terms of volume and value traded as well as number of transactions.

The key market indicators including and excluding one-off transactions recorded in 2020 in comparison to 2019 period is tabulated below:

	Includes One-Off Transactions			Excludes One-Off Transactions		
Particulars	2020	2019	% Change	2020	2019	% Change
Number of Trades	2,768	3,551	-22.05%	2,755	3,544	-22.26%
Volume Traded	9,062,912	27,911,775	-67.53%	4,788,097	14,197,346	-66.27%
Value Traded (\$)	19,252,678	55,637,386	-65.40%	9,684,444	22,267,762	-56.51%

New Order Flows

- ✕ The average weekly new order flow for 2020 stood at \$666,393, a decrease of 28.00% in comparison to 2019. This was headed mainly by selling interests which averaged at 67.22% of the total new order flow consideration on a year-to-date basis.
- ✕ The average buy to sell ratio concluded at 1:36 in comparison to an average bid to offer ratio of 1:9 in 2019, indicating a strong presence of supply-side investors, however, it must be noted that high volume sell orders exist for certain listed entities only, namely; ATH, FBL, FMF, KFL, KGF, RBG and FHL.



Monthly Trading Trend

Jan

A hype of activities mainly in Fijian Holdings Limited (FHL) shares were recorded as the remaining dividend reinvestment orders from 2019 were fully executed. The month also noted a special crossing transaction in Kontiki Finance Limited (KFL) and given various positive share price movements, the overall market capitalisation reached an all-time high value of \$4.21 billion during the mid of the month, however, in comparison to the prior month, settled 1.98% lower at the end of the month.

Feb

A special crossing transaction in BSP Convertible Notes Limited (BCN) was recorded resulting in increased trading statistics. A downward pressure on share prices and ultimately on the overall market value continued.

Mar

Trading activities slowed during March as the health crisis arising from COVID-19 moved beyond China's borders and the strain of the global pandemic started sending ripples through the international stock markets, businesses and the world economy.

Apr

Overall market activity dampened further as the first case of COVID-19 was recorded in Fiji and the two main cities were put into lockdown. During this period, there was very little trading activity recorded, however, upon lifting of the lockdown towards mid of the month, FHL shares recorded the execution of the first set of its market-based dividend reinvestment orders creating some activity for the month.

May

The effects of COVID-19 pandemic continued to rip across the world paralysing economies with people understandably prioritising their personal health and that of their loved ones with many also feeling the pressure of financial stress due to reduced income and job uncertainties. Trading activities, however, remained steady due to the continuing execution of FHL's dividend reinvestment orders as well as the execution of some high-volume transactions for entities such as; FijiCare Insurance Limited (FIL), Paradise Beverages (Fiji) Limited (PBF) and Port Denarau Marina Limited (PDM). The buyer for transactions in all three listed entities was a single institutional investor.

Jun

Special crossing transactions were noted in Amalgamated Telecom Holdings Limited (ATH), FijiCare Insurance Limited (FIL), Fiji Television Limited (FTV) and RB Patel Group Limited (RBG). Additionally, full execution of FHL's dividend reinvestment trades which essentially led to an overall increase in the total number of transactions were also noted while a high-volume private transfer transaction was also executed in FHL. June was also the month with the highest volume and value of trades in 2020.

Jul

25,807,044 additional shares were quoted for ATH after the completion of the Rights Issue offer whereby ATH managed to raise \$51,614,088. This was a notable sum raised through the SPX platform given the general uncertainty in light of the economic disruptions caused by COVID-19. Negative impact on share prices eased resulting in the overall market value to record a monthly increase of 1.50%.

Aug

Market activities remained slow while the downward pressure on share prices for majority of the listed entities were noted which resulted in the overall fall in market value. 9 out of 13 securities recording trades saw a negative movement in share price.

Sept

Special crossing transactions in PDM and KFL added positively to market activities, however, a downward trend in market capitalisation continued.

Oct

Market activities remained slow, however, some listed entities managed to gain positive traction in their share prices hence the overall market value fell by a lower percentage in comparison to other months.

Nov

Partial execution of FHL's dividend reinvestment trades were recorded which originated from the second interim dividend declared in October 2020. This led to a hike in the number of trades for the month.

Dec

After continuous fall in market capitalisation, an increase of 5.18% (highest and only one of the two months in 2020 to record an increase) was witnessed. Trading activity improved mainly due to the continuing execution of FHL's dividend reinvestment orders as well as a special crossing transaction recorded in BCN and certain high-volume orders noted for RBG and VIL.

The trading pattern excluding the one-off transactions over the past 12-months is portrayed below for information:



Trade by Security

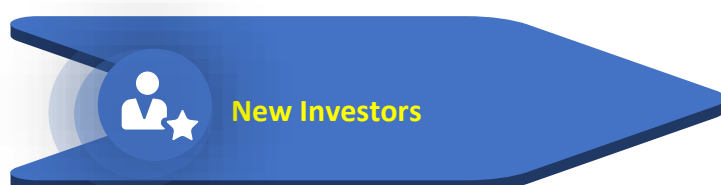
- ✕ Considering the overall market statistics generated by each listed entity in 2020, shows that KFL shares dominated the aggregate volume traded by 32.05% while RBG shares dominated the aggregate value traded by 20.42%.
- ✕ The dominance in volume traded for KFL shares is consequent to the five special crossing transactions and the execution of additional high-volume orders during the year while the dominance in value traded for RBG shares is consequent to a special crossing transaction recorded in 2020 between related institutional investors.
- ✕ As per historic trends, FHL stood as the most active stock in terms of number of trades as it accounted for 56.36% of the total number of trades in 2020. FHL's dominance in number of

transactions arise from the execution of market-based dividend reinvestment transactions which in 2020 was approximately 8 times higher than the security witnessing the second highest number of trades.

- ✕ Communications (Fiji) Limited (CFL) and Pacific Green Industries (Fiji) Limited (PGI) were the two securities that did not record any market activity in 2020.

The trade analysis by each security for 2020 is tabulated below:

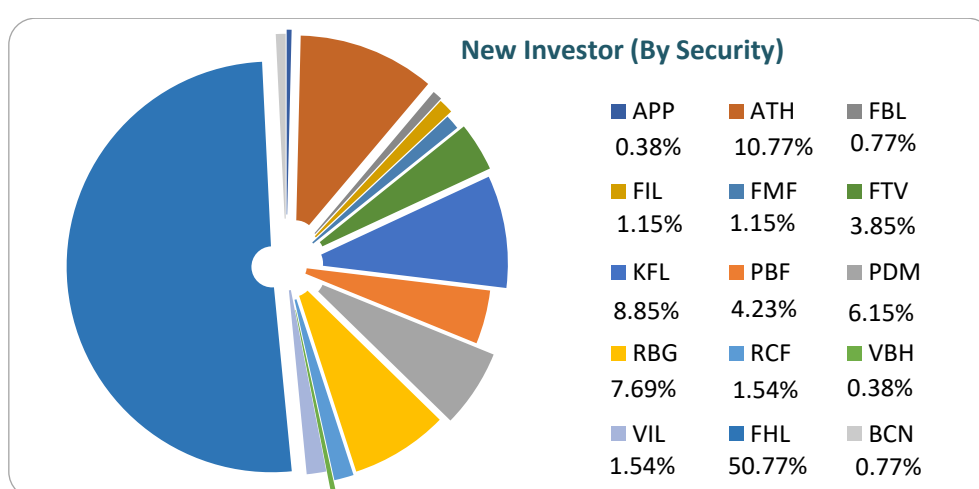
	Security Price as at 31/12/20 (\$)	Number of Trades	Volume Traded	Value Traded (\$)	Issued Securities	Volume Traded to Issued Securities Ratio	Market Capitalisation (\$)
APP	1.70	24	66,713	110,774	8,000,000	0.83%	13,600,000
ATH	1.84	169	1,162,087	2,308,960	447,911,912	0.26%	824,157,918
CFL	6.22	NO TRADES			3,558,000	0.00%	22,130,760
FBL	3.20	11	3,945	12,362	2,000,000	0.20%	6,400,000
FIL	5.80	42	256,236	1,001,985	8,607,742	2.98%	49,924,904
FMF	2.11	18	14,409	30,372	150,000,000	0.01%	316,500,000
FTV	4.65	67	296,261	1,228,069	10,300,000	2.88%	47,895,000
KFL	1.07	175	2,904,975	2,471,285	92,274,194	3.15%	98,733,388
KGF	1.12	5	3,501	3,799	3,821,210	0.09%	4,279,755
PBF	21.94	134	80,062	1,685,416	10,408,125	0.77%	228,354,263
PBP	2.85	5	37,020	98,877	6,762,579	0.55%	19,273,350
PDM	2.15	161	245,736	594,167	40,000,000	0.61%	86,000,000
PGI	1.08	NO TRADES			7,619,234	0.00%	8,228,773
RBG	3.53	196	1,085,736	3,930,627	150,000,000	0.72%	529,500,000
RCF	11.30	76	38,573	366,915	6,000,000	0.64%	67,800,000
TTS	18.00	12	702	10,444	14,032,202	0.01%	252,579,636
VBH	6.00	8	13,479	83,694	2,137,403	0.63%	12,824,418
VIL	4.68	64	63,036	249,075	103,769,425	0.06%	485,640,909
FHL	1.02	1,560	2,721,760	3,301,532	304,646,500	0.89%	310,739,430
BCN	27.69	41	68,681	1,764,325	3,064,968	2.24%	84,868,964
TOTAL		2,768	9,062,912	19,252,678	1,374,913,494	0.66%	3,469,431,467



- ✕ A total of 260 new investors entered the Fijian stock market in 2020. In comparison to the same period last year, the total number of new investors stands lower by 72.49%. Together with mixed investor sentiment given the general economic climate in 2020 arising out of COVID-19 pandemic, the key reasons for a decline noted in 2020 is attributed to no new listings and/or corporate actions such as Share Split being recorded during the year, which historically has been the two key factors contributing positively to the new investor statistics.

- ✕ However, the new investor statistics in 2020 stood higher in comparison to the new investor trends recorded in the 2017 and 2018 financial years, essentially indicating that investors while being cautious, do value and realise the long-term potential of share investments to outperform other investments and that a greater proportion of potential investors consider share investing as part of their long-term plan.
- ✕ In terms of new investor preference, it was noted that majority of the new investors were recorded for Fijian Holdings Limited (FHL) followed by Amalgamated Telecom Holdings Limited (ATH), Kontiki Finance Limited (KFL) and RB Patel Group Limited (RBG).

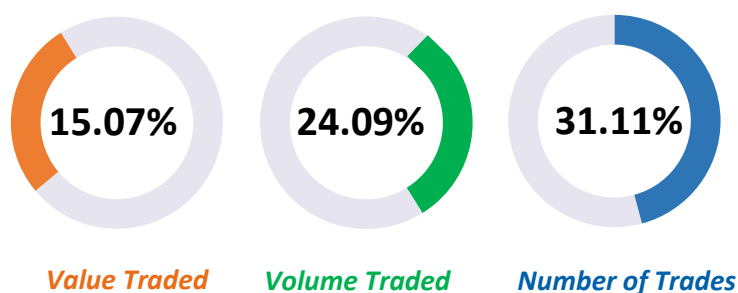
The number of new investors (expressed as a percentage of total number of new investors) recorded per listed entity is illustrated below:



- ✕ Overall, these new investors yielded 861 transactions and contributed 2,183,056 shares in volume traded and garnered \$2,902,177 in value traded.

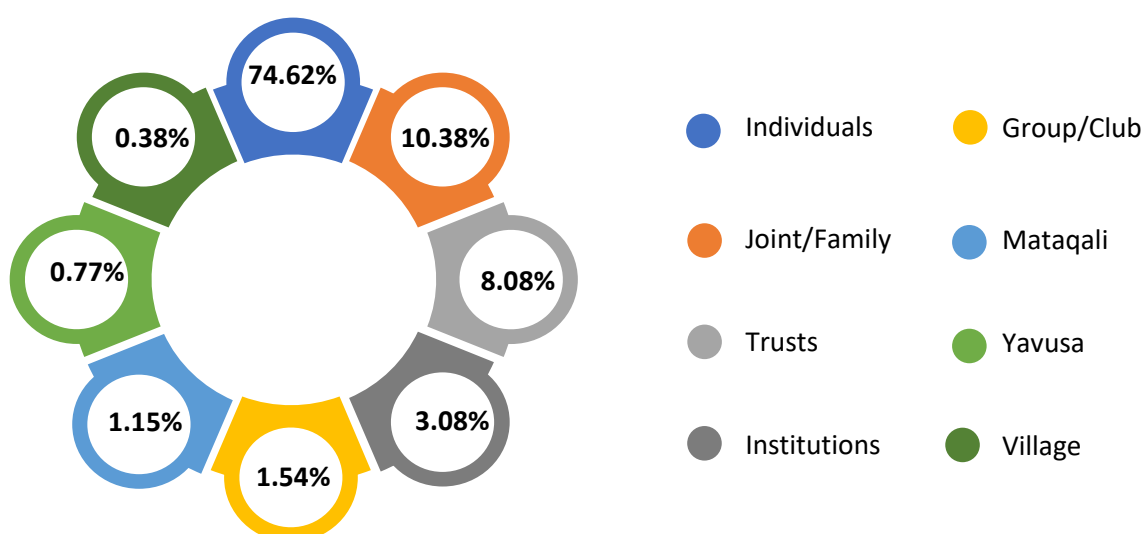
Key statistics contributed by the new investors as a percentage of overall trading statistics in 2020 is illustrated below:

- ✕ As a percentage of the aggregate trading statistics for 2020, the new investors accounted for 31.11% of the overall number of trades, 24.09% of the overall volume traded and 15.07% of the overall value traded.



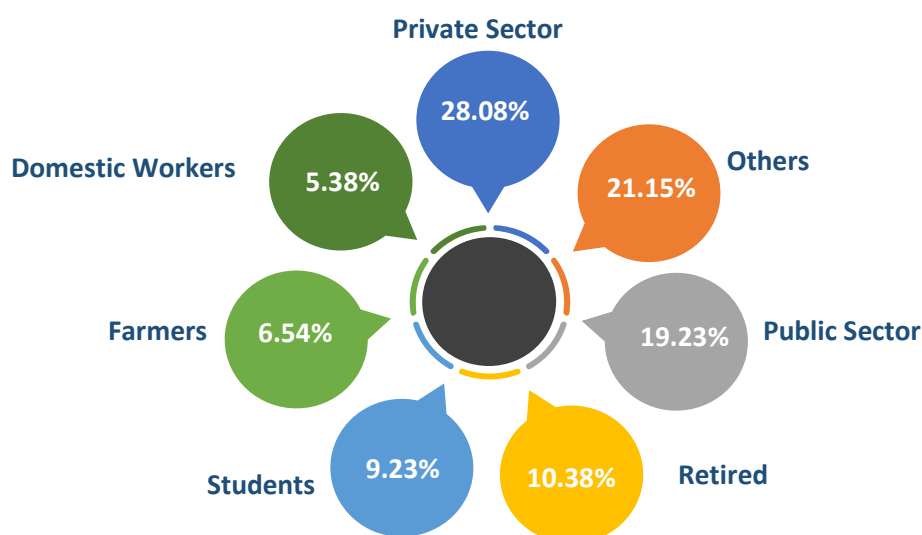
- ✕ Majority of the new shareholders that invested in the listed entities during 2020 were individuals and represented 74.62% of the overall new investment by investor type.

A detailed illustration of new investors by type is portrayed below:



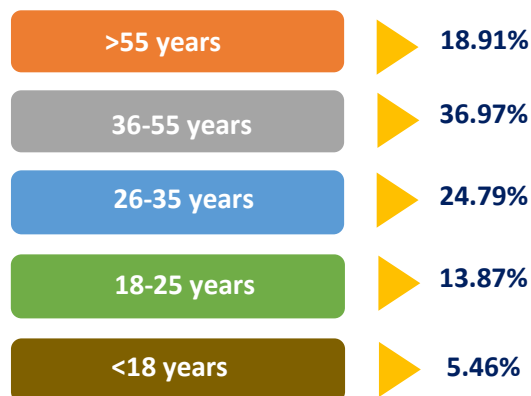
- ✕ A study of the new investors by type of employment indicated that majority of the new investors recorded during 2020 were those employed in the private sector. This is followed by those represented by Others (includes a mixture of investors who are minors, institutions and self-employed amongst others). Closely followed and ranked third are the investors employed in the public sector.

A detailed illustration of new investors by type of employment is portrayed below:



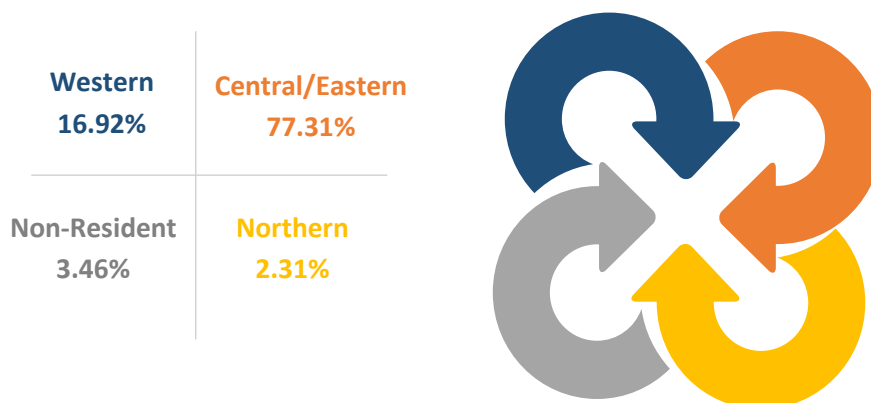
- ✕ An analysis of new investors entering the market in 2020 by age classification showed that majority of the new investors fall between the age range of 36 years to 55 years which is followed by investors in the age range of 26 years to 35 years.
- ✕ A motivating trend noted is that 44.12% of the new investors recorded were below the age of 35 years. Additionally, over the past year, it was apparent that new investors below the age of 18 years now occupy a notable portion of the new investor statistics which historically has been below 1%.

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



- ✕ As for the new investors by geographical location, it was witnessed that majority of the new investors in 2020 were residents and were largely from the Central/Eastern division. However, it is commendable to note new investors emerging from the Western and Northern divisions as well. New non-resident investors were also recorded in 2020.
- ✕ SPX with the three licensed stockbroking firms is located in Suva which helps investors from the Central division to access our services with more convenience, however, SPX continues to disseminate all relevant information about investing through other mediums such as SPX website, social media platforms, television and newspaper articles.
- ✕ To all those investors who are located outside of Suva, you are urged to communicate your investment interests to the SPX via telephone, email or Facebook messages and our team will surely assist you in getting started with your investment journey.

A detailed illustration of new investors by geographical location is portrayed below:

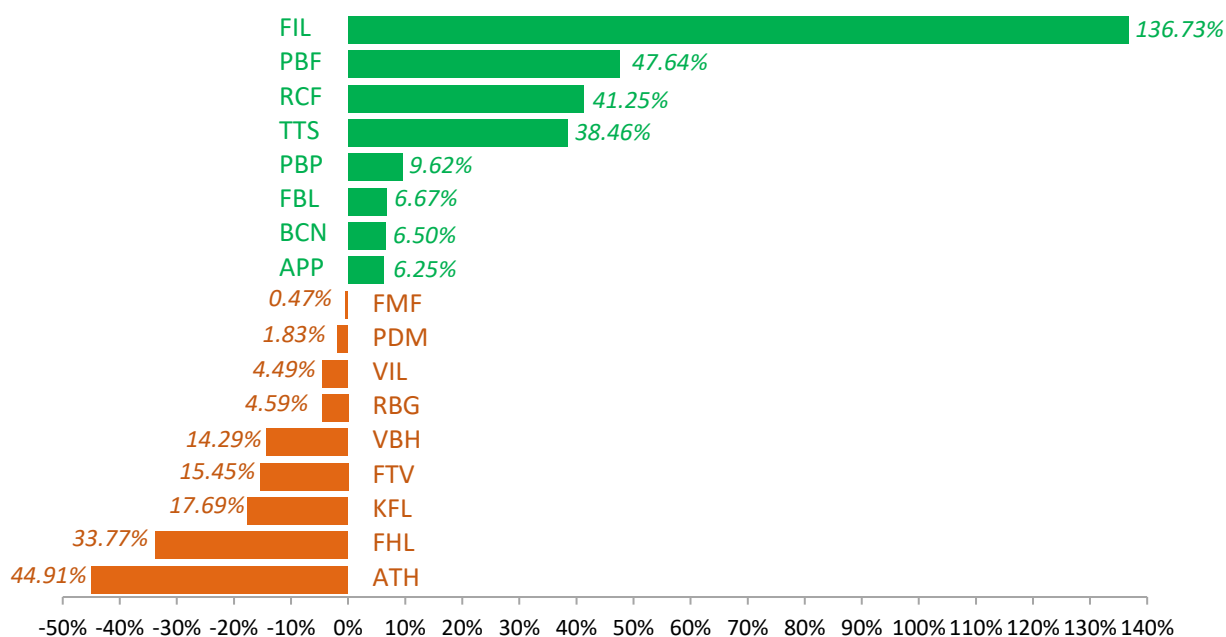




Price Gainers/Losers

- ✕ The SPX e-trading platform concluded the year 2020 with 8 out of the 20 listed securities recording increased share prices while 9 listed stocks recorded a decrease in their share prices. Additionally, the share prices remained invariable for 3 securities during the period under review¹.
- ✕ Given that 45% of the listed entities (9/20) ended in a negative territory in terms of share price returns, the overall average capital growth for 2020 while noting a significant fall from 40.92% (tax-free) in 2019, remained in the positive territory for the 10th consecutive year, well within the long-term average return and concluded at 7.78% (tax-free) in 2020.
- ✕ Despite the mixed pattern of returns, 30% of the listed entities (6/20) ended the year at their all-time high share prices where few yielded strong capital gains for its shareholders.

Share price movements recorded during 2020 is illustrated below:



Dividend Yield

- ✕ In 2020, the average tax-free income yield for the market stood at 1.29% in comparison to an average income yield of 2.11% recorded in 2019.
- ✕ The year 2020 saw COVID-19 pandemic forcing listed entities to reassess their financial projections amid the rapidly evolving business landscape. In response, there has been a rapid uptick in the

¹ Share prices for three listed stocks, namely; CFL, KGF and PGI remained constant during the 2020 period.

number of listed entities undertaking a decision to delay or suspend dividend payments to preserve assets and capital.

- ✕ Considering each of the listed stocks on an individual basis, for 2020 it was noted that while 7 listed entities maintained similar levels of dividend payments from the previous year and 6 entities declared a lower dividend, the remaining 7 listed entities did not declare any dividends during 2020 (including 5 listed entities who have historically declared dividends each year in the past).
- ✕ Overall, during 2020 a lower amount of \$32.58 million was paid out in dividends in comparison to a total of \$62.26 million paid out in 2019.

Total Market Return

- ✕ The total market return to investors in listed entities encompasses the capital gain and the dividend yield from listed stocks. As such and owing to the investor sentiments and the economic challenges discussed above and aggregating the average capital gain of 7.78% and the average dividend yield of 1.29% resulted in a **9.07% (tax-free) average total market return for 2020.**

Average Total Stock Market Return for 2020



Details of price movements and dividend returns per listed entity as at 31st December 2020 is tabulated below:

	Security Price		Capital Growth	Income Yield	Total Market Return
	2020	2019			
APP	1.70	1.60	6.25%	3.24%	9.49%
ATH	1.84	3.34	-44.91%	0.00%	-44.91%
CFL	6.22	6.22	0.00%	0.00%	0.00%
FBL	3.20	3.00	6.67%	0.00%	6.67%
FIL	5.80	2.45	136.73%	1.38%	138.11%
FMF	2.11	2.12	-0.47%	0.95%	0.48%
FTV	4.65	5.50	-15.45%	0.00%	-15.45%
KFL	1.07	1.30	-17.69%	4.21%	-13.49%
KGF	1.12	1.12	0.00%	0.00%	0.00%
PBF	21.94	14.86	47.64%	2.28%	49.92%
PBP	2.85	2.60	9.62%	1.40%	11.02%
PDM	2.15	2.19	-1.83%	0.00%	-1.83%
PGI	1.08	1.08	0.00%	0.00%	0.00%
RBG	3.53	3.70	-4.59%	0.76%	-3.83%
RCF	11.30	8.00	41.25%	3.10%	44.35%
TTS	18.00	13.00	38.46%	1.11%	39.57%
VBH	6.00	7.00	-14.29%	2.33%	-11.95%
VIL	4.68	4.90	-4.49%	0.43%	-4.06%
FHL	1.02	1.54	-33.77%	1.62%	-32.15%
BCN	27.69	26.00	6.50%	2.95%	9.45%
AVERAGE:			7.78%	1.29%	9.07%

Market Capitalisation

- ✕ Given the uneven composition of SPX listed entities towards the aggregate market capitalisation, where the largest company by way of market share occupies more than 20% while the smallest company by way of market share occupies less than 1% only, movements in share prices of heavyweight stocks renders larger changes in the aggregate market value.
- ✕ As such, negative share price returns noted by the top 5 SPX listed stocks by way of market share in 2020 resulted in the overall market value to note a decrease of \$649,758,057 (-15.77%) and conclude at a value of \$3,469,431,467 (\$3.47 billion).
- ✕ Together with other price movements, the delisting of Future Forests (Fiji) Limited (FFF)² earlier in 2020 also attributed to the fall in market value.
- ✕ The top five listed securities in terms of market capitalisation represented 71.09% of the overall market value as at 31st December 2020.

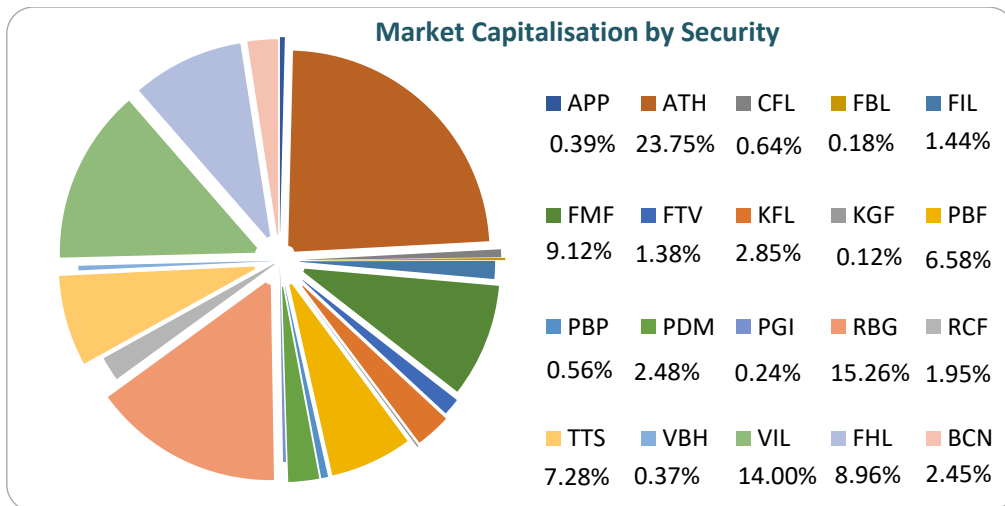
The top five listed stocks in terms of market capitalisation is illustrated below:

- 1 Amalgamated Telecom Holdings Limited (ATH)
23.75%
- 2 RB Patel Group Limited (RBG)
15.26%
- 3 Vision Investments Limited (VIL)
14.00%
- 4 FMF Foods Limited (FMF)
9.12%
- 5 Fijian Holdings Limited (FHL)
8.96%



Details of contribution of each listed entity towards the overall market capitalisation as at end of 2020 is illustrated on the following page.

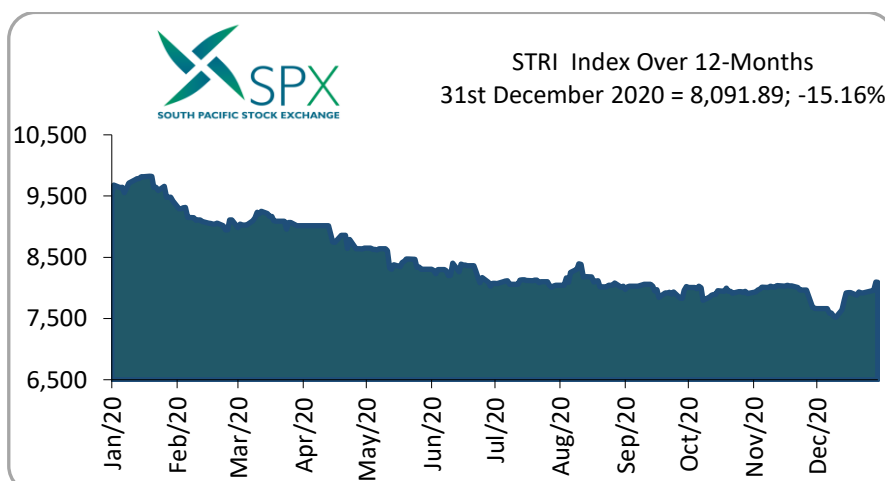
² The delisting of FFF reduced the SPX market capitalisation by \$23,942,912.



SPX Total Return Index (STRI)

- ✕ STRI is a market capitalisation weighted total return index, which means it accounts for both price as well as dividend returns and is dependent on the market capitalisation weighting of each entity towards the aggregate market value.
- ✕ As such, with the top 5 listed stocks in by way of market share recording negative share price returns, the overall STRI value for the year 2020 fell by 15.16% (-1,445.80 points) and concluded at a value of 8,091.89.
- ✕ However, given the achievement of an all-time high market capitalisation value in January 2020, correspondingly, STRI had also reached a maximum value of 9,824.04 during the same period. Later this behaviour in STRI movement became synonymous to the descending overall market capitalisation.

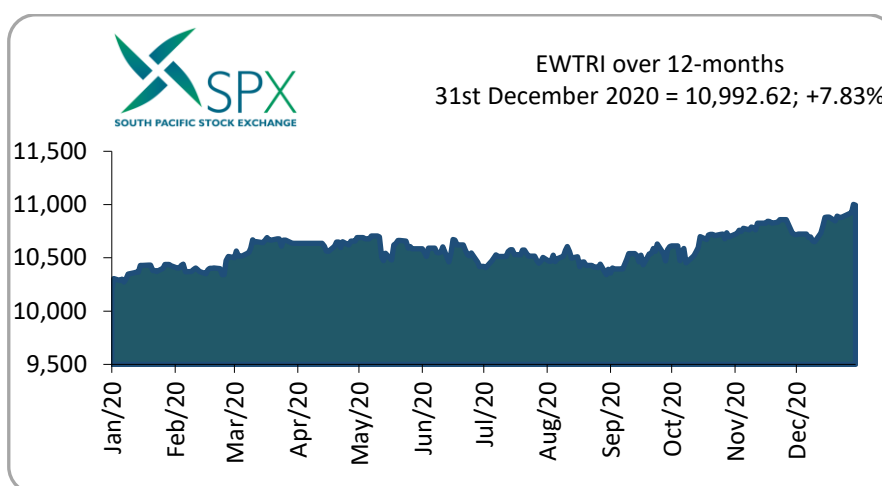
The 12-month performance for STRI is illustrated below:



Equal Weighted Total Return Index (EWTRI)

- ✕ The Equal Weighted Total Return Index weighs all the listed stocks equally without being skewed by the heavyweights. As such, given the nature of this index where the impact of share price movements is identical irrespective of the composition of the listed entity towards the overall market value, EWTRI ended the year in a positive territory for the 10th sequential year gaining 7.83% (798.03 points) and concluded the year at a value of 10,992.62.
- ✕ The increase in EWTRI is in line with the average total market return for 2020 which remains positive and reflects the pertinence of stock market returns over the long term.

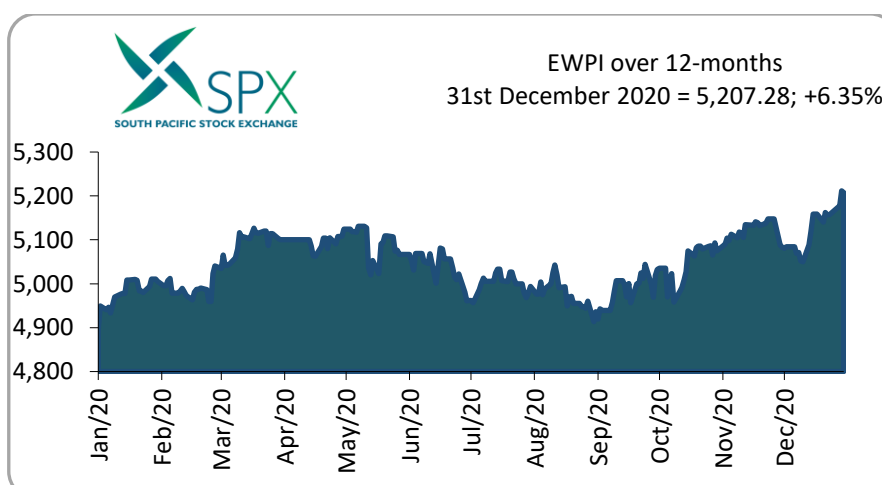
The 12-month performance for EWTRI is illustrated below:



Equal Weighted Price Index (EWPI)

- ✕ In order to maintain investor confidence given the economic challenges posed by the COVID-19 pandemic, SPX maintained a proactive stance in monitoring daily market movements and closely followed the daily movements in the Equal Weighted Price Index during 2020.
- ✕ Any movements exceeding +/- 5% in EWPI in a trading day would trigger a temporary trading halt, however, no such instances were recorded during the year under review. Overall, unlike the market capitalisation weighted indices, the EWPI value for the year 2020 rose by 6.35% (310.81 points) concluding at a value of 5,207.28.

The 12-month performance for EWPI is illustrated below:



2021 Outlook

- ✕ Uncertainty associated with the COVID-19 pandemic still dominates the global economy heading into 2021, albeit the rollout of the vaccine in several countries to combat the pandemic. Generally, the Fijian economy like every other impacted economy faces the unprecedented challenge of managing the consequences of the COVID-19 pandemic considering the efforts required towards a long ascent back to pre-pandemic levels of economic activity.



- ✕ In spite of the present challenging environment, SPX, as the front-line regulator of the stock market will continue to innovate and strive to improve its services and position the SPX group as a service-driven and operationally excellent organisation. The SPX intends to maintain its engagement with its listed entities, stockbrokers and the investors to ensure timely and balanced disclosures as well as dissemination of pertinent information to assist investors in making informed investment decisions while also providing access to capital raising and trading/investment platform for the investors and businesses with an aim to ensure efficiency of capital allocation while supporting a broader financial stability.
- ✕ On the business evolution front, SPX aims to continue promoting the incentives in existence for companies to consider listing on the SPX and we also expect to advance into launching a market for the issuance of Wholesale Corporate Bonds through the SPX platform within the first half of the year. This new development will certainly increase the multiplicity of listed investible products on SPX and will offer a new platform for businesses wishing to raise capital and also offer investors considering fixed income securities an opportunity to participate in the capital market.
- ✕ On the investor awareness front, SPX continues to maintain an active presence through its online and social media platforms and intends to further leverage its marketing strategies through digital advertising in a bid to attract potential investors and convert their interests into actual investments. This strategy has so far assisted SPX in increasing its profile amongst its intended audience and has allowed SPX to undertake different forms of investor awareness campaigns to achieve its objectives. SPX's digital transformation was further boosted in 2020 with the launch of a newly designed and high-end fully-responsive website, which is optimised for smart devices as well. The launch of the revamped online presence now ensures that SPX remains at the forefront of digital transformation and building on this success, SPX intends to undertake further strides in the digital space to embrace operational business opportunities and enhance the experience of investors in Fiji's stock market.
- ✕ SPX's wholly owned subsidiary, Central Share Registry Pte Limited (CSRL) will also continue to promote its services aiming to further extend its client base while at the same time attention will

be diverted to ensure CSRL employs processes to maintain and further improve its operational efficiency.

- ✕ With ongoing support from the investment community, listed entities, licensed stockbrokers, investment advisers, Reserve Bank of Fiji (RBF) and the Government of Fiji, SPX anticipates a rebounding year as we get through the current unprecedented crisis.

DISCLAIMER:

The information presented above is for information purposes only and should not be construed as investment advice. All investments are subject to some degree of risk. The SPX does not guarantee investment performance or return of capital invested. It is recommended that you seek professional investment advice before proceeding with any investment.