Namibia: Genocide reparations negotiations will be concluded later this year. This was said at the concluding press conference of the German parliamentary committee for economic cooperation and development’s three-day trip to Namibia in Windhoek on Thursday. The group visited several projects in the agriculture and communal land reform sector funded by their government. The group, led by Dagmar Wolfr, comprised Johannes Selle of the Christian Democratic Union (CDU)/Christian Social Union (CSU), Niema Movassat of The Left party and Horst Seehofer, the Chairman of the Social Democratic Party (SPD), along with interpreter Caroline Frick and Egon Juttner. On the genocide negotiations, Wolfr said the talks which the committee held with several Herero and Damar tribes, as well as with special genocide envoy Dr. Helmut, have made them realize the seriousness of these negotiations.

Namibia Rare Earths, which is developing an open-cut mine and processing plant at Lobdla in the Erongo Region, will require about 1 million cubic meters of water per annum, according to the company’s reports released this week. The mine is expected to produce a concentrate of rare earths. The most suitable water supply option is a water pipeline from the bulk supply pipeline to Khorixas or from a source east of Khorixas, according to the documents. It is anticipated that power will be sourced from NamPower. However, contingency plans have been made to consider on-site generation power from a photo-voltaic (PV) solar power plant. The bank has appointed Sandler O’Neill International Consulting to manage the Environmental Impact Assessment (EIA) process for the project. SOD has completed the EIA scoping phase after various specialists investigations were conducted. The company has produced three EIA reports, which are available at the Khomas Regional office, Fountains settlement office and the Windhoek National library. Public feedback sessions will be held at Khomas and Fountains next week, and written comments on the EIA reports must be submitted by 21 June.

South Africa: The rand was a touch firmer against the dollar on Wednesday, but was unlikely to post significant gains during the week as investors fretted about Friday’s credit rating review from Standard & Poor’s. Rates were up to open softer, with the 64% securities exchange flat. Top 30 Kosmos index down 0.6% from Tuesday’s close. The Kosmos 10 and Kosmos 100 were trading at R30 480,00 and 2% from when they opened New York trade overnight. Traders said on Tuesday, showing a tradable surplus for the second month in a row, had provided a minor boost for the rand, although the cumulative balance for the year in deficit. Another positive headline for the currency, the South African rand, was the conditional approval for Johannesburg South Africa to acquire SABMiller (SAEX.L), a deal which many will now flow into South Africa if it gets the green light from London. But, overall investors are wary of the policy moves towards the South African assets ahead of Friday’s sovereign rating review by S&P which could result in a downgrading into sub-investment grade. South Africa “is slowly going to be a fascist state,” according to Contemporary Afrokultur intro of the Journal of Contemporary Afrokultur. He described this as “just another state”, but without the “troops”. His comments follow revelations at the weekend that a senior lawyer (S/L JLL) who said he was a Russian citizen has been held in custody by police before the Manashan massacre in 2012 at a state security agent. But two years ago, he said if fascist state may be coming, unless we are careful, he said.

Africa: Mozambique’s debt crisis and lower oil prices will not affect Sasol’s US$1,4 billion gas project because costs will be covered by the South African energy company and recovered through gas sales, the company said this week. Mozambique missed a loan repayment deadline this month, piling up one of the world’s poorest countries into a debt crisis. Growing growth and delays in the start of offshore gas production have added to Mozambique’s cash flow problems, with ratings agency Fitch downgrading the war-wracked nation’s credit rating last week, warning that default was likely. Despite the country’s cash crunch, Sasol will continue with oil and gas developments because the Mozambican government’s financial obligation will come from the proceeds of gas sales, “we don’t see any impact on us as the debt crisis,” John Schirkg, head of exploration and production said. “We see in Mozambique for the long haul. We will ride the waves, the downturns and the upturns.” Sasol owns 70% of the project, the Mozambican government holds 25% through its national company CMH and the International Finance Corporation owns 5%.

European zone manufacturing activity growth remained lackluster last month; a survey showed on Wednesday, supporting the view that strong economic growth in the first quarter did not carry through to the second. Market’s manufacturing purchasing managers’ index (PMI) for the euro zone dipped to a three-month low of 55.1 from April’s 55.3, unchanged from an earlier flash reading. Manufacturing in the euro area remained stuck in a state of near-stagnation in May, failing to break out of the slow growth phase that has plagued producers since February,” said Chris Williamson, chief economist at survey compiler Markit. “The disappointing performance of manufacturing is down to the weak performances of the core euro area economies. It’s obvious we are seeing core eurozone for the long haul. We will ride the waves, the downturns and the upturns.” Sasol owns 70% of the project, the Mozambican government holds 25% through its national company CMH and the International Finance Corporation owns 5%.

Namibian Prime Rate 11.75% SA Prime 10.50% Source: Namibian Bank of Namibia

North America: Mexico’s unexpected move to boost its credit line from the International Monetary Fund suggests the nation isn’t taking lightly the prospect of a Donald Trump presidency or Britain’s exit from the European Union. On Friday, the country increased the slowly by another 2.5 billion and extended it by two years. The decision surprised market watchers because the previous US$2 billion agreement wasn’t set to expire until November. To Grupo Financiero Banorte SAB (Mexico’s biggest publicly traded bank) and the government are seeking to bolster its ability to withstand overseas shocks in the event of a socialized Brexit and a victory by Trump, who has vowed to implement policies that may hurt Latin America’s second-biggest economy. Mexico is already contending with increased volatility in financial markets. The peso tumbled 3 percent in May alone, prompting foreign investors to slash holdings of the nation’s bonds.

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Asia: Japanese Prime Minister Shinzo Abe announced on Wednesday a delay in a sales tax increase by 3-4 years, putting plans for fiscal reform on the backburner amid weaknesses in the economy. Abe made the surprise announcement at a regularly televised news conference.

India’s worst-booking economic growth accelerated more than estimated at the start of 2016, easing pressure on central bank Governor Raghuram Rajan to lower borrowing costs when he reviews policy next week. Gross domestic product grew 7.9 percent in January-March from a year earlier, the Statistics Ministry said in a statement in New Delhi on Tuesday. That was faster than the 7.5 percent median estimate in a Bloomberg survey of 28 economists and 7.2 percent in the previous quarter. For the financial year through March, the economy expanded 7.4 percent in line with official forecasts, up from 7.2 percent in the previous 12 months. "We don’t expect any cuts in the policy rate, nor do the markets," said Praveen Shroff, economist at BofA Securities India Pvt. "These numbers should not impact decision-making."

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The world’s largest fertilizer producer confirmed that a US$1.4 billion gas project in Mozambique would continue despite concerns about the nation’s debt crisis and lower oil prices. Anfang said he was confident the project’s repayment deadline this month, plunging one of the world’s poorest countries into a debt crisis. Growing growth and delays in the start of offshore gas production have added to Mozambique’s cash flow problems, with ratings agency Fitch downgrading the war-wracked nation’s credit rating last week, warning that default was likely. Despite the country’s cash crunch, Sasol will continue with oil and gas developments because the Mozambican government’s financial obligation will come from the proceeds of gas sales, “we don’t see any impact on us as the debt crisis,” John Schirkg, head of exploration and production said. “We see in Mozambique for the long haul. We will ride the waves, the downturns and the upturns.” Sasol owns 70% of the project, the Mozambican government holds 25% through its national company CMH and the International Finance Corporation owns 5%.