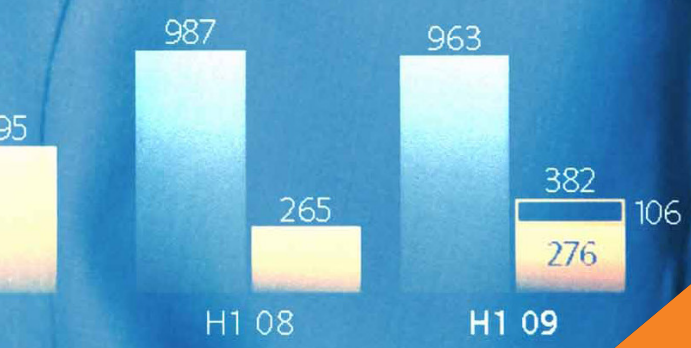




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NBFIRA

Non-Bank Financial
Institutions Regulatory
Authority



Annual Statistical Bulletin 2015

Second Edition: Volume 1

FOREWORD

The annual statistical bulletin of the Non- Bank Financial Institutions Regulatory Authority (NBFIRA) aims to disseminate information on the financial performance of regulated non-bank financial sector entities for use by the wider public, in particular, the regulated entities. The published data is based primarily on audited financial information as submitted to *the Regulatory Authority* by regulated entities. In addition, other information on the financial sector and / or the global macro-economic statistics deemed to be relevant is also included.

The information disclosure is done in accordance with the provisions of Section 38 of the NBFIRA Act, CAP 46:08 which *inter alia*, provides that NBFIRA may:

- (i) Disclose a summary or collection of information that is prepared so that information relating to any particular person cannot be found from it;
- (ii) The disclosure is authorized by a financial services law;
- (iii) The disclosure was required by another law; and
- (iv) The disclosure was authorized by regulations made for the purpose of this section.

Volume 1 of The **2015 Annual Statistical Bulletin** is a second edition following the inaugural document for the year 2014. The Bulletin presents audited information submitted during the preceding calendar year. The 2015 Annual Statistical Bulletin will be **final hard copy print** but the document will continue to be produced and posted to *the Regulatory Authority's* website under the Research Department publications.

The Regulatory Authority welcomes comments on the content of the publication from all stakeholders in order to better service their information needs. The Board, Management and Staff of NBFIRA conveys their gratitude and appreciation to all stakeholders for their support and co-operation during the data collection, compilation and printing processes. These includes regulated NBFIs, Government Departments and other institutions.

Finally, appreciation also goes to all NBFIRA staff for their contribution in the successful production of this document.

Sriram Gade
Acting Deputy CEO – Regulatory

Disclaimer

While all care has been taken in the preparation of this Statistical Bulletin, the Non-Bank Financial Institutions Regulatory Authority (NBFIRA) does not, in any way whatsoever, warrant expressly the accuracy and completeness of the contents of this Statistical Bulletin and shall not be liable for any loss or damage (including, without limitation, damages for loss of business or loss of profits) arising in contract, tort or otherwise suffered by any person/entity relying on the information contained in this Statistical Bulletin or arising from any shortcoming, defect or inaccuracy, through inadvertence or otherwise.

The contents of this Statistical Bulletin are meant for information purposes only. The statistics collected through Statutory Returns and Submissions have been prepared as a general overview. The Non-Bank Financial Institutions Regulatory Authority is in no way whatsoever providing financial or other professional advice through this Statistical Bulletin and none of its contents should be interpreted or relied on as such.

Any discrepancy may be brought to the notice of the Regulatory Authority at: tkwapa@nbfira.org.bw

The Non-Bank Financial Institutions Regulatory Authority reserves the right to revise / amend any information published in this Statistical Bulletin.

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1

INTRODUCTION

1. Introduction

1.1 About the NBFIRA Annual Statistical Bulletin

1.1.1 Sources of data

The NBFIRA Statistical Bulletin presents information sourced from Audited Financial Statements and other statutory returns submitted to **the Regulatory Authority**. Where feasible, the document will include results of thematic surveys conducted by **the Regulatory Authority**.

1.1.2 Reporting Period

The 2015 NBFIRA Annual Statistical Bulletin presents data submitted during the five year period ending December 31, 2014.

1.1.3 Reporting Currency

All figures are in the Botswana Pula (BWP). As at December 31, 2014 1BWP = 0.1051 USD or 1 USD = 8.72 BWP.

1.1.3 Breakdown of Financial Summaries

Breakdown of financial position and statement of comprehensive income figures in Appendix 1 to Appendix 20 may deviate from actual figures due to varying disclosures made in audited financial statements of the NBFIs under the same category.

1.2 Selected Economic Indicators

1.2.1 During the year 2014, the global economy expanded moderately by 3.4 percent, compared to 3.3 percent in 2013. The modest growth reflects mixed performance between regions and countries as affected differently by falling commodity prices. The modest world economic growth, together with the falling commodity prices, resulted in a relatively low inflation environment, with the inflation rate easing to 3.2 percent in 2014 from 3.6 percent in 2013. Consistent with the easing global inflation, monetary policy implementation around the world was largely accommodative, with low interest rates also supporting liquidity in the financial sector

1.2.2 Domestically, GDP growth during the same period, slowed down to 4.4 percent from 9.3 percent in 2013 (revised up from 5.9 percent) and was undermined by low demand of diamond exports. Similarly, inflation continued a downward trend ending the year 2014 at 4.4 percent, from 5.9 percent in 2013. The monetary policy stance remained accommodative with the Bank rate remaining unchanged at 7.5 percent throughout the year 2014.

Table 1: Global Economic Growth (Real GDP and inflation - % annual growth)

Region	2010	2011	2012	2013	2014
Real GDP					
Euro Area	2.0	1.6	-0.8	-0.3	0.9
Emerging Markets	7.5	6.3	5.2	5.0	4.6
Sub Saharan Africa	6.6	5.0	4.3	5.2	5.0
Developing Asia, of which:	7.8	6.4	6.3	6.8	6.6
China	10.6	9.5	7.7	7.7	7.3
India	10.3	6.6	5.1	6.9	7.3
World Output	5.4	4.2	3.4	3.3	3.4
Inflation					
Euro Area	2.2	2.7	2.2	0.8	-0.2
Emerging Markets	6.8	6.8	6.0	5.4	5.1
Sub Saharan Africa	7.7	10.2	8.3	6.1	6.3
Developing Asia	6.1	5.5	4.6	4.5	3.1
World Inflation	4.5	4.7	4.1	3.6	3.2

Source: IMF world economic outlook report

1.3 Selected Economic Indicators for Botswana

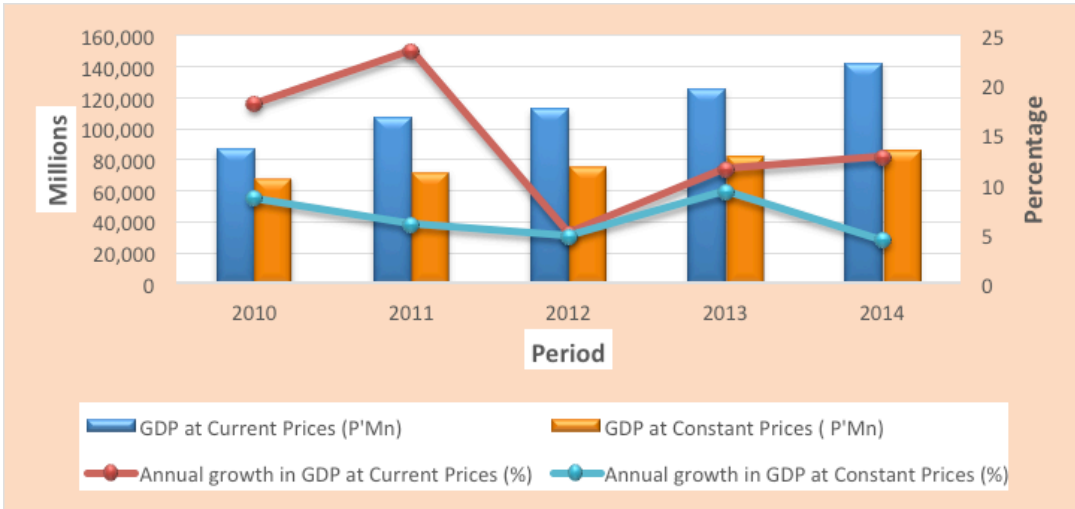
Table 2: Selected Economic Indicators for Botswana

S/N	ECONOMIC INDICATORS	Reporting Period:				
		2010	2011	2012	2013	2014
	Gross Domestic Product					
1	GDP at Current Prices (Millions)	86,867	107,243	112,705	125,810	141,942
2	Annual growth at current price (%)	18.2	23.5	5.1	11.6	12.8
3	GDP at Constant Prices (Millions)	68,170	72,293	75,786	82,851	86,514
4	Annual Growth at constant price (%)	8.6	6.0	4.8	9.3	4.4
	GDP Per Capita					
5	GDP Per Capita at Current Prices (Millions)	43,706	52,962	54,632	59,860	66,290
6	Annual Growth at current price (%)	16.1	21.2	3.2	9.6	10.7
7	GDP Per Capita at Constant Prices (Millions)	34,299	35,702	36,737	39,420	40,404
8	Annual Growth at constant price (%)	6.6	4.1	2.9	7.3	2.5
	GDP by End Use at constant price (% GDP)					
9	Government Final Consumption	19.8	18.1	18.8	18.6	16.5
10	Household Final Consumption	49.1	45.3	52.6	52.4	48.5
11	Changes in Inventories	7.8	6.4	2.6	-0.1	1.1
12	Gross Fixed Capital Formation	31.2	33.0	35.8	30.5	33.7
13	Gross Domestic Expenditure	108	106.5	108.9	101.2	103.5
14	Total Exports (Goods and Services)	34.7	41.7	41.4	49.3	47.5
15	Total Imports (Goods and Services)	(41.2)	(46.3)	(56.8)	(52.8)	(47.6)
	Foreign Currency Per 1 Pula (end of period)					

		2010	2011	2012	2013	2014
16	USD	0.1553	0.1329	0.1286	0.1147	0.1051
17	GBP	0.1004	0.0862	0.0796	0.0696	0.0675
18	EURO	0.1162	0.1027	0.0975	0.0832	0.0865
19	JPY	12.64	10.31	11.07	12.02	12.58
20	ZAR	1.0265	1.0589	1.0901	1.1963	1.2169
21	Aggregate Inflation (%) (end of period)	6.9	8.5	7.5	5.9	4.4
	Interest Rates (end of period)					
22	Bank Rate	9.5	9.5	9.5	7.5	7.5
23	Prime Lending Rate	11.0	11.0	11.0	9.0	9.0
	Public Finance / Government Budget					
24	General Government Revenue (Millions)	30,023.1	31,909.4	38,486	41,657.8	48,951.3
25	General Government Revenue (% of GDP)	39.3	34.8	35.1	36.4	37.5
26	General Government Expenditure (Millions)	39,489.2		38,667.5	40,736.1	41,729.7
27	General Government Expenditure (% of GDP)	51.6	41.9	35.2	35.6	32.0
28	General Government Deficit/Surplus (Millions)	(9,466.1)	(6,508)	(181.4)	921.7	7,221.6
29	General Government Deficit/Surplus (% of GDP)	(8.5)	(0.2)	0.8	6.3	0.2
30	General Government Debt & Guarantees (Millions)	16,991.4	24,616	29,402.6	29,254.6	29,677.8
31	General Government Debt & Guarantees (% of GDP)	22.1	25.5	27.4	26.0	23.1
	Trade and Balance of Payments					
32	Current Account Balance	(2,268)	2,857	(7,037)	13,309	33,619
33	Current Account Balance (% of GDP) (33= 32/1*100)	(2.6)	2.7	(6.2)	10.6	23.7
34	Merchandise Exports (Millions)	31,237	44,043	45,887	66,551	76,436
35	Merchandise Exports growth (% change)	31	41	4	45	15
36	Merchandise Imports (Millions)	38,036	48,822	61,074	69,385	71,713
37	Merchandise Imports (% change)	14	28	25	14	3
38	Merchandise Trade (Millions)	(6,826)	(5,152)	(21,870)	(60)	15,516
39	Trade Balance (% of GDP)	(7.3)	(4.8)	(13.3)	1.6	
	Labor Markets	361,267	378,877	387,665	399,530	n/a
40	Government (Central & Local excluding Ipelegeng)	162,146	175,965	183,650	190,798	n/a
41	Parastatals	15,696	16,947	17,484	18,838	n/a
42	Private Sector	183,425	186,865	188,531	189,894	n/a

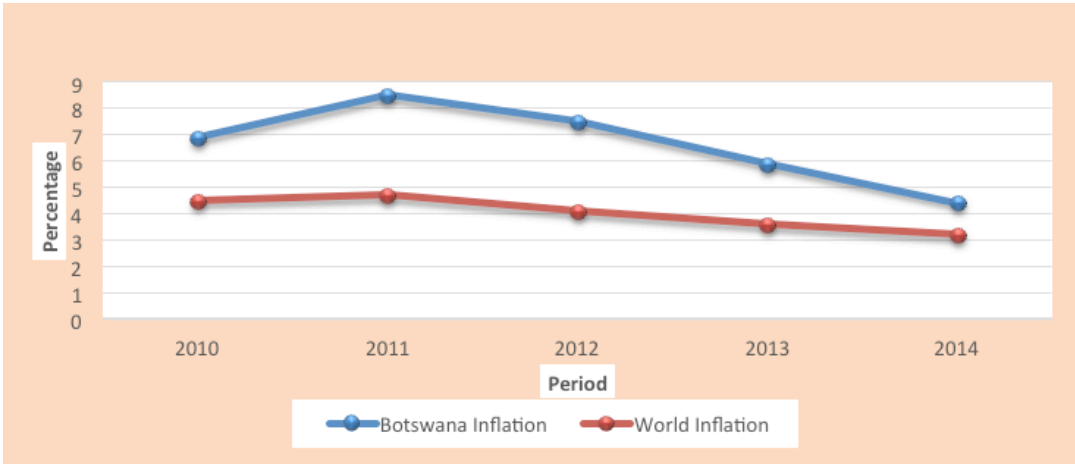
Source: Statistics Botswana, Bank of Botswana Financial Statistics and annual reports

Figure 1: Botswana's Nominal and Real GDP Growth



Source: Bank of Botswana Financial Statistics, Feb 2015, Bank of Botswana annual reports 2010-2014

Figure 2: Botswana's Average Inflation Trend (%)



Source: Bank of Botswana Financial Statistics, Feb 2015, IMF WEO, October 2015

1.4 Types of Regulated Non-Bank Financial Institutions (NBFIs)

Table 3: Non-Bank Financial Institutions (NBFIs) Regulated under the Provisions of the NBFIRA Act, Cap 46:08

Serial No	REGULATED NBFIs / ACTIVITIES	Section 49(2)
INSURANCE		
1	An Insurer	(f)
2	Insurance Agent	(m)
3	Insurance Broker	(n)
4	International Insurance Firm	(o)
PENSIONS		
5	A pension or provident fund	(g)
6	trustee of a pension or provident fund	(j)
7	Pension fund administrator	(k)
CAPITAL MARKETS		
8	A person operating a central securities depository	(b)
9	A Securities Dealer/Broker	(h)
10	The Operator of a securities exchange	(i)
11	International Financial Services Accredited Companies	
INVESTMENT INSTITUTIONS		
12	A trustee of a collective investment undertaking	(j)
13	A collective investment undertaking that is an investment company with variable capital	(c)
14	A person operating a collective investment undertaking other than one described in (c) above	(d)
15	A Custodian	(e)
16	Management Company for a collective investment undertaking	(q)
17	An Asset Manager	(a)
18	Investment Advisor	(p)
NON - BANK LENDING COMPANIES		
19	Micro Lenders	(r)
20	Finance or Leasing company	(l)

Source: NBFIRA

Note: Notwithstanding the provisions of Section 49(2), the Regulatory Authority is empowered through promulgation of regulations to declare other entities as regulated NBFIs, for example IFSC Accredited Global Businesses.

1.5 An Overview of Regulated Non-Bank Financial Institutions (NBFIs) Sector

Table 4: Number Of Active NBFIs During The year- ending December 31

NBFIS BY CATEGORIES	Reporting Period				
	2010	2011	2012	2013	2014
Insurance:	2,643	2,845	3,141	2,786	2,877
Reinsurance Companies	2	2	2	2	3
Short Term Insurance Companies	11	12	12	11	12
Long Term Insurance Companies	7	7	8	9	9
Medical Aids Funds (MAFs)	0	0	0	9	9
Insurance Brokers	42	42	40	45	46
Insurance Corporate Agents	386	197	204	187	191
Insurance Agents and Sub-Agents	2,195	2,585	2,875	2,523	2,607
Retirement Funds:	90	104	96	93	91
Stand Alone Funds	84	99	90	87	86
Umbrella Funds	6	5	6	6	5
Capital Markets:	33	25	17	20	14
Stock Exchange	1	1	1	1	1
Commodities Exchange	1	1	0	0	0
Central Securities Depository	1	1	1	1	1
Stockbrokers/Securities Dealers	4	4	4	4	4
IFSC Accredited Global Businesses	26	18	11	14	8
Investment Institutions	41	40	66	151	137
Asset Managers	13	12	12	12	12
Management Companies for CIUs	5	5	6	5	4
CIUs/Funds	18	18	25	25	16
Externally Licensed Funds	-	-	-	80	75
Investment company with Variable Capital	-	-	-	0	1
Trustees for CIUs	2	2	2	2	2
Custodians	3	3	3	3	3
Investment Advisers	-	-	18	22	22
Private Equity	-	-	-	2	2
Lending Activities:	361	245	258	280	275
Micro-lenders	361	218	228	243	229
Pawn shops	-	27	29	33	42
Finance and Leasing Companies	-	-	1	4	10

Source: NBFIRA

Note: 1) Umbrella funds includes sub-funds, and Stand Alone Funds includes external, closed and inactive funds.

Retirement Funds:	2010	2011	2012	2013	2014
External Funds	3	3	3	3	0
Closed Funds	1	1	1	1	0
Inactive Funds	4	4	4	4	3
Sub-Funds	124	144	168	214	225

2) IFSC Accredited Global Businesses include Management Companies for CIU, Fund Management Companies, Risk Management, Reinsurance and Financial Services.

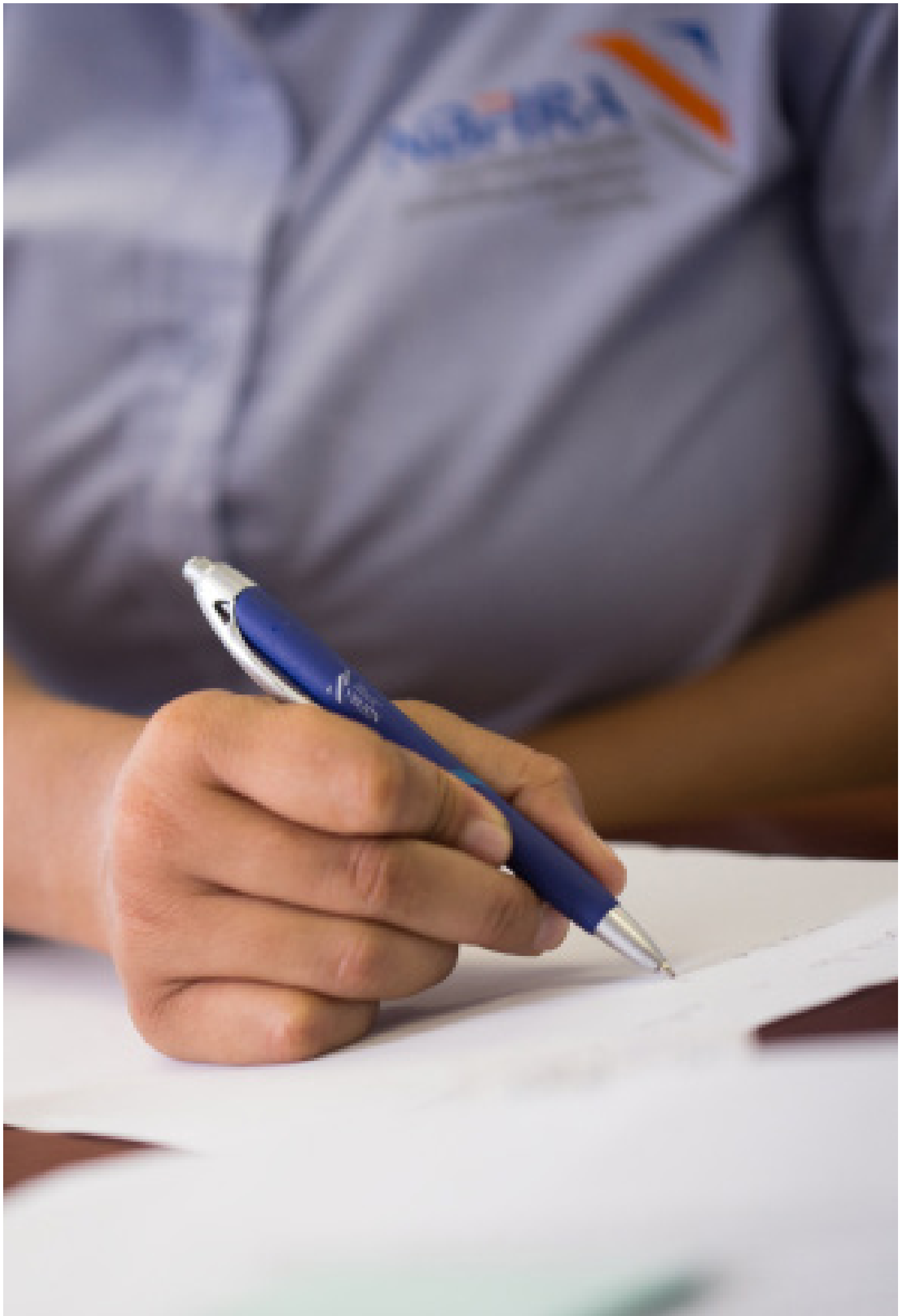
1.6 NBFIs Reporting for Year ending December 31

Table 5 below presents active NBFIs by industry and the number of those submitting the regulatory returns during the year ending December 31, 2013.

Table 5: NBFIs Submitting Regulatory Returns/ Reports during Year Ending December 31

NBFIS BY CATEGORIES	Number of Active NBFIs		Number of NBFIs Submitting Reports	
	2013	2014	2013	2014
Insurance	2,786	2,877	60	65
Reinsurance Companies	2	3	2	3
Short Term Insurance Companies	11	12	11	12
Long Term Insurance Companies	9	9	9	9
Insurance Brokers	45	46	38	41
Insurance Corporate Agents	187	191	-	-
Insurance Agents and Sub-Agents	2,523	2,607	-	-
Medical Aid Funds	9	9	-	-
Retirement Funds:	95	96	99	91
Stand Alone Funds	90	91	93	86
Umbrella Funds	5	5	6	5
Capital Markets:	20	14	20	14
Stock Exchange	1	1	1	1
Commodities Exchange	0	0	-	0
Central Securities Depository	1	1	1	1
Stockbrokers/Securities Dealers	4	4	4	4
IFSC Accredited Global Businesses	14	8	14	8
Investment Institutions:	133	120	129	115
Asset Managers	12	12	12	12
Management Companies for CIUs	5	4	5	4
CIUs/Funds	25	16	25	16
Externally Licensed Funds	80	75	80	75
Investment Company with Variable Capital	0	1	0	1
Trustees for CIUs	2	2	2	2
Custodians	3	3	3	3
Investment Advisers	4	5	-	-
Private Equity	2	2	2	2
Lending Activities:	280		20	20
Micro-lenders	243	229	20	20
Pawn shops	33	42	-	-
Finance or Leasing Companies	4	10	-	-

Note: Top 20 micro lenders by portfolio value were prioritized for compilation and evaluation of annual financial reports in the review period. Pawnshops, finance or leasing companies operate on the basis of exemption letters pending promulgation of relevant regulations and are required to submit annual reports.



A close-up photograph of a person's hand holding a blue pen, poised to write on a document. The document features a logo with the letters 'NBFI' and a stylized orange and blue graphic. In the background, a calculator and a smartphone are visible on a wooden desk. The overall scene suggests a professional or financial setting.

2

Financial Performance of the NBFIs

2. Financial Performance Overview

2.1. Overview of Financial Performance of the regulated NBFIs during the year ended December 31, 2014

2.1.1 Table 6 (a) and 6 (b) presents the key balance sheet and income statement items of the regulated non-bank financial services sector (*own company assets*) as end of December 2014 compared to the prior year, whereas Table 7 shows assets under management (AUM) by the NBFIs sector relative to GDP. The total assets of the NBFIs sector (*own and AUM*) increased by 5 percent to P 95 billion (without Medical Aid Funds) in 2014 from P 91 billion in 2013; these assets includes own company balance sheet items and assets under management of management companies. In 2014, the NBFIs sector assets were 66.2 percent when expressed as a percent of GDP at market prices, compared to 73.5 percent in 2013 and continued to underscore the importance of the non - bank sector in the economy of Botswana.

a) Overview of the NBFIs sector Balance Sheet (Excluding Pension Funds)

2.1.2 **Total assets in the balance sheet** of the companies in the NBFIs sector increased to P 33.7 billion in 2014, from P 30.5 billion in the previous year, representing an 10 percent annual growth rate. During the year ended December 2014, all the NBFIs sector companies registered a positive growth in as sets, except for the insurance brokers and Management Companies for CIUs whose assets declined by 27 percent and 18 percent, respectively. The general re-insurance sector continued to grow significantly, registering a 286 percent increase in 2014. Another strong assets growth of 88 percent was reported for the Central Securities Depository Botswana (CSDB).

2.1.3 The NBFIs sector registered a strong annual **capital growth** of 49 percent to P 6.1 billion in 2014, from P 4.1 billion in 2013. Growth in capital was underpinned by strong growth in the insurance industry and capital market sectors, which grew by 57 percent and 49 percent, respectively. In the insurance sector, the re-insurance and the Life insurance companies registered 288 percent and 41 percent capital growth, respectively. While, the Stockbrokers and the CSD companies registered 69 percent and 50 percent annual capital growth rates, respectively.

2.1.4 **Liabilities** of the NBFIs sector were well managed, registering a modest overall growth rate of 5 percent during the year. All NBFIs registered a decrease in liabilities, except for the insurance sector and the investment institutions, who registered a 6 percent and 4 percent growth in liabilities, respectively.

b) Overview of the NBFIs sector Income Statement (Excluding Pension Funds)

2.1.5 During the year ended December 31, 2014, the **gross income** of the companies in the NBFIs sector was P 7.1 billion, which represented an 7 percent decrease over the prior year. All NBFIs recorded an increase in gross income, but this was more than offset by the declines registered by Investment Institutions and Lending sectors, who registered declines of 27 percent and 18 percent, respectively.

2.1.6 **Net income before tax** of the NBFIs sector increased by 26 percent buoyed by a significant decline in overall expenses by 24 percent. The Lending sector registered a decrease in profits of 22 percent, despite a significant decline in expenses of 14 percent. The aggregate profits for the NBFIs

sector increased to P 1.9 billion in 2014, from P 1.5 billion in 2013. The highest profits were registered by Insurance companies followed by Investment Institutions; viz., P 1 billion and P 0.5 billion, respectively. However, in terms of growth rates, the Investment Institutions led the pack by registering 268 percent, followed by Capital markets sector who registered a 92 percent increase in profits before tax over the corresponding period.

c) Performance of Assets under Management (AUM) during 2014

- 2.1.7 As at December 31, 2014, overall Assets under Management (AUM) increased by 2 percent to P61.5 billion in 2014, from P60.1 billion recorded in 2013. The proportion of Retirement / Pension funds to the overall AUM decreased moderately to 96.6 percent in 2014, compared to the revised 97.2 percent in the prior year.
- 2.1.8 Overall AUM relative to GDP at Market prices recorded a decrease to 43 percent in 2014, from the revised 48 percent in 2013, representing a 9 percent decline. Retirement funds under management registered a modest 1.6 percent annual growth to P 59.4 billion in 2014, from P 58.4 billion in 2013.
- 2.1.9 Non - Collective Investment Undertakings, as a percent of GDP, declined by 8 percent on a year-on-year basis from 44.3 percent in 2013. CIU Assets relative to GDP also registered an even bigger decrease of 26 percent during the review period, albeit from a lower base.

Table 6a: Financial Performance of the NBFIs in for the Year-ending December 31: Balance Sheet

NBFIs BY CATEGORIES	Total Assets in Pula (Millions)		Percent Change (%)	Capital & Re-serves (Millions)	Percent Change (%)	Liabilities (Millions)		Percent Change (%)
	2013	2014				2013	2014	
Insurance Industry	20,120	22,775	13	2,749	57	17,372	18,442	6
Reinsurance Companies	50	193	286	25	288	25	96	284
General Insurance Companies	1,711	1,711	0	648	8	1,063	1,014	(5)
Life Insurance Companies	17,848	19,658	10	1,936	41	15,912	16,926	6
Insurance Brokers	511	375	(27)	140	11	372	220	(41)
Medical Aid Funds	..	838	..	..	..	..	186	..
Capital Markets:	97	115	19	50	46	46	42	(9)
Stock Exchange	35	41	17	29	28	5	4	(20)
Central Securities Depository	8	15	88	7	100	0.5	0.4	(20)
Stockbrokers/Securities Dealers	54	59	9	14	57	40	38	(5)
Investment Institutions	7,600	7,907	4	293	(2)	7,307	7,620	4
Asset Managers	7,529	7,849	4	258	(3)	7,271	7,600	5
Management Companies for CIUs	71	58	(18)	35	9	36	20	(44)
Lending Activities:	2,687	2,892	8	997	38	1,688	1,516	(10)
Micro-lenders	2,687	2,892	8	997	38	1,688	1,516	(10)
Pawn shops	..	..	..	..	..	..	..	..
Finance or Leasing Companies	..	..	..	..	..	..	..	..
Sub Total	30,504	33,689	10	4,089	49	26,413	27,620	5
Overall AUM (CIUs + Non CIUs)	60,061	61,511	2	..	..	..	..	..
GRAND TOTAL	90,565	95,200	5	4,089	49	26,413	27,620	5

Note: The number of NBFIs reporting for periods ending December 2013 and December 2014 may differ due to companies no longer operating, while other were new entities and have not yet submitted their audited annual financial statements. Some NBFIs such as Insurance Agents are not required to submit financial statements. Source: NBFIRA

Represents information derived from financial statements of the top 20 micro lenders, by portfolio value. The 2013 figures were revised on account of the decision made in 2014 to report micro lenders information by groups based on common ownership structures. Pawnshops, finance or leasing companies operate on the basis of exemption letters pending promulgation of relevant regulations and are required to submit annual reports.

Table 6b: Financial Performance of the NBFIs in for the Year-ending December 31: Income Statement

NBFIs BY CATEGORIES	Gross Income in Pula (Millions)		Percent Change (%)	Total Expenditure (Millions)		Percentage Change (%)	Profit / Loss Before Tax (Millions)		Percent Change (%)
	2013	2014		2013	2014		2013	2014	
Insurance Industry	4,118	4,408	7	5,080	4,281	(16)	829	985	19
Reinsurance Companies	36	102	183	24	70	192	2	7	250
General Insurance Companies	1,176	1,199	2	659	669	2	174	126	(28)
Life Insurance Companies	2,565	2,761	8	4,150	3,315	(20)	557	733	32
Insurance Brokers	341	346	1	247	227	(8)	94	119	27
Capital Markets	63	68	8	40	48	20	13	26	100
Stock Exchange	26	27	4	15	17	13	10	11	10
Central Securities Depository	10	13	30	5	6	20	4	7	75
Stockbrokers/Securities Dealers	27	28	4	20	25	25	(1)	8	700
Investment Institutions	2,477	1,448	(42)	2,348	1,327	(43)	129	122	(5)
Asset Managers	2,387	1,394	(42)	2,271	1,284	(43)	116	110	(5)
Management Companies for CIUs	90	54	(40)	77	43	(44)	13	12	(8)
Lending Activities	970	791	(18)	432	372	(14)	538	418	(22)
Micro Lenders	970	791	(18)	432	372	(14)	538	418	(22)
Pawnshops	-	-	-	-	-	-	-	-	-
Finance or Leasing Companies	-	-	-	-	-	-	-	-	-
Sub Total	7,628	6,715	(12)	7,900	6,028	(24)	1,509	1,551	3
Pension Funds	-	-	-	-	-	-	-	-	-
GRAND TOTAL	7,628	6,715	(12)	7,900	6,028	(24)	1,509	1,551	3

Note: The number of NBFIs reporting for periods ending December 2013 and December 2014 may differ due to companies no longer operating, while other were new entities and have not yet submitted their audited annual financial statements. Some NBFIs such as Insurance Agents are not required to submit financial statements.
Source: NBFIRA

2.2 NBFi Sector relative to Gross Domestic Product at Market Prices (2009 -2013)

Table 7 below shows Assets Under Management (“AUM”) relative to the Nominal Gross Domestic Product. AUM is the market value of assets that are managed on behalf of investors by professionals like Asset Managers and Management Companies.

Table 7: Assets Under Management relative to Gross Domestic Product at Market Prices

INDICATORS	2013	2014	Percent Change
	In Pula Millions	In Pula Millions	
Gross Domestic Product at Market Prices in Pula (Millions)	125,810	141,942	12.8
Collective Investment Undertakings (“CIUs”)	4,368	3,748	(14.2)
Non Collective Investment Undertakings (“Non CIUs”)	55,693	57,763	3.7
Overall AUM (CIUs and Non CIUs) of which;	60,061	61,511	2.4
Retirement or Pension Fund Assets	58,443	59,393	1.6
As a percentage of GDP	(Percentage)	(Percentage)	
CIU Assets / GDP	3.5	2.6	(25.7)
Non CIU Assets / GDP	44.3	40.7	(8.1)
Overall AUM / GDP	47.7	43.3	(9.2)
of which;			
Pension Fund Assets / GDP	46.5	41.8	(10.1)

Source: NBFIRA



3

Sectorial Overview

3. SECTORIAL OVERVIEW

3.1 Insurance

3.1.1 Insurers and Reinsurers

3.1.1.1 Performance of Life Insurance Business

Table 8: Financial Performance of Life / Long term Insurance Business: Income statement and Balance sheet

	2013	2014	Annual Change (%) To 2014
	('000)	('000)	
Gross Premiums Written	2,564,995.0	2,761,025.6	7.6
Net Premiums Written	2,490,784.9	2,649,266.6	6.4
Net Premiums Earned	1,040,579.4	1,938,820.9	86.3
Net Claims Paid	1,232,197.2	1,391,358.9	12.9
Underwriting Expenses	4,149,862.8	3,315,260.1	(20.1)
Total Underwriting Income	3,109,283.5	1,376,439.2	(55.7)
Net Profit Before Tax	557,475.9	733,119.1	31.5
Total Assets	17,848,006	19,658,446.1	10.1
Liabilities	15,912,516	16,925,788.7	6.4
Total Capital	1,935,490	2,732,659.5	41.2
Total Liabilities (includes Capital)	17,848,006	19,658,448.1	10.1

Source: NBFIRA Annual Reports and Audited financial statements of insurers

NOTE: Some adjustments made to ensure consistency of presentation.

Table 9: Financial Performance of General /Short term Insurance Business: Income Statement and Balance Sheet

	2013 ('000)	2014 ('000)	Annual Change (%) To 2014
Gross Premiums Written	1,176,176.5	1,198,856.1	1.9
Net Premiums Written	725,280.6	690,024.8	(4.9)
Net Premiums Earned	728,442.7	718,123.2	(1.4)
Incurred Claims	381,102.3	399,332.9	4.8
Underwriting Expenses	658,923.0	669,344.4	1.6
Total Underwriting Income	69,519.8	48,778.8	(29.8)
Net Profit Before Tax	173,578.0	126,145.6	(27.3)
Total Assets	1,710,945.2	1,710,924.2	(0.0)
Total Liabilities	1,062,740.2	1,013,718.6	(4.6)
Total Capital	648,205.0	697,205.6	7.6
Total Liabilities (Includes capital)	1,710,945.2	1,710,924.2	(0.0)

Source: NBFIRA Annual Reports and Audited financial statements of insurers

NOTE: Some adjustments made to ensure consistency of presentation.

Table10: Financial Performance of Re-Insurance Business: Income Statement and Balance Sheet

	2013 ('000)	2014 ('000)	Annual Change (%) To 2014
Gross Premiums Written	35,864.1	102,340.0	185.4
Net Premiums Written	25,292.5	75,785.4	199.6
Net Premiums Earned	23,364.9	69,658.0	198
Net Acquisition Cost	6,711	22,504.3	235.3
Underwriting Expenses	24,185.8	70,115.8	190.0
Total Underwriting Income(Loss)	(820.9)	(457.8)	44.2
Net Profit Before Tax	2,287.0	7,469.8	226.6
Total Assets	49,663.7	192,795.4	288
Liabilities	24,576.4	96,211.7	291.5
Capital and Reserves	25,087.3	96,583.7	285.0
Total Liabilities (includes Capital)	49,663.7	192,795.4	288

Source: NBFIRA Annual Reports and Audited financial statements of insurers

NOTE: Some adjustments made to ensure consistency of presentation.

3.1.1.2 Policies in Force and Premiums Breakdown

Table 11: Life Insurers' 'Business Policies and Premium Breakdown

	2013	2014
No. of Policies:	784,497	866,194
Micro-insurance only	49,987	47,292
Disability	-	-
Fund	-	37
Life	291,223	383,582
Group Life	277,510	264,789
Linked	164,548	169,383
Non-Linked	1,229	1,111
Sinking Fund	-	-
Value of Gross Premiums ('000):	1,722,134.70	2,185,740,016
Micro-insurance only	825	-
Disability	-	-
Fund	-	13,961
Life	1,154,739.70	1,350,549,982
Group Life	108,945.80	518,871,312
Linked	457,051.30	456,472,347
Non-Linked	572.8	525,154
Sinking Fund	-	-

Source: Various regulated insurance entities

NOTE: Some adjustments made to ensure consistency of presentation.

- Information presented in this table is not statutory requirement by the Authority. It was however requested from individual entities, but only six out of eight entities responded. This makes the annual changes not applicable, hence n/a.

Table 12: General Insurer's Business and Premiums Breakdown

	2013 (‘000)	2014 (‘000)
No. of Policies:	21,951	582
Property	2,401	195
Transportation	94	0
Motor	2,519	236
Accident	1,112	51
Health	7,176	5
Guarantee	-	0
Liability	214	66

Source: Various regulated insurance entities

Engineering	844	7
Miscellaneous	7,591	22
Micro-insurance	-	-
Value of Gross Premiums ('000):	1,010,559	911,548
Property	409,466	367,389
Transportation	18,987	6,764
Motor	364,637	279,042
Accident	57,712	35,673
Health	7,868	6,948
Guarantee	11,361	499
Liability	35,708	91,255
Engineering	45,156	35,929
Miscellaneous	59,664	87,447
Micro-insurance	-	-

Source: NBFIRA

- NOTES:
1. Figures for policy numbers of three entities have not submitted
 2. Some entities issue multi-cover policies, hence the summation across classes of business is invalid as a policy may contain more than one cover (class of business) leading to double counting
 3. The General Insurance Business figures for numbers of policies are representative of only 5 companies, as the rest are multi-policies often embedded in one product
- Information presented in this table is not statutory requirement by the Authority. It was however requested from individual entities, but only ten out of twelve entities responded. This makes the annual changes not applicable,

3.1.1.3 Claims Breakdown

Table 13: Insurers' Claims Breakdown - Life Insurance Business

	2013 (‘000)	2014 (‘000)
Life Insurance Business	134,224	66,673
Micro-insurance only	-	-
Disability	1,854	235
Fund	-	1,363,689
Life:	77,257	69,055,364
a. Death Claims	26,058	14,631,700
b. Maturity Claims	51,199	59,470,934
Group Life:	56,967	23,006,239
a. Death Claims	56,967	46,547,800
b. Maturity Claims	-	-
Linked	617	714,070
Non-Linked	181	204,149
Sinking Fund	-	-

Source: NBFIRA

- Information presented in this table is not statutory requirement by the Authority. It was however requested from individual entities, but only six out of eight entities responded

Table 14: Insurers' Claims Breakdown - General Insurance Business

	2013 (‘000)	2014 (‘000)
General Insurance Business	549,847	284,785
Property	121,909	51,024
Transportation	9,062	59
Motor	214,831	174,683
Accident	37,182	12,323
Health	3,108	2,774
Guarantee	2,605	3
Liability	16,780	5,431
Engineering	35,667	8,010
Miscellaneous	108,702	19,982
Micro-insurance	-	-

Source: NBFIRA

- Information presented in this table is not statutory requirement by the Authority. It was however requested from individual entities, but only ten out of twelve entities responded

3.1.2 Financial Performance of Insurance Brokers

Table 15: Financial Performance of Insurance Brokers: Income Statement

	2013 ('000)	2014 ('000)	Annual Change (%) To 2014
Commission Earned	237,568.5	220,741.7	(7.1)
Other Revenue	103,670.0	124,986.0	20.6
Investment Revenue	-	-	-
Total Revenue	341,238.5	345,728.1	1.3
Operating expenses	170,129.3	210,003.8	23.4
Other Expenses	53,157.3	15,997.8	-69.9
Related party expenses	23,565.5	631.1	-97.3
Total Expenses	246,852.1	226,632.7	(8.2)
Net Income Before tax	94,386.4	119,095.3	26.2
Tax	20,780.4	22,770.9	9.6
Net Income After Tax	73,606.1	96,324.5	30.9

Source: NBFIRA Annual Reports and Audited financial statements of brokers

NOTE: Some adjustments made to ensure consistency of presentation.

Table 16: Financial Performance of Insurance Brokers: Balance Sheet

Reporting period	2013 ('000)	2014 ('000)	Annual Change (%) To 2014
Current Assets	447,208.0	301,421.7	(32.7)
Related Party Loans and assets	4,433.1	21,119.5	376.4
Non- Current Assets	59,454.8	52,274.4	(12.2)
Total Assets	511,096.0	374,815.6	(26.7)
Trade & Other Payables	319,950.4	181,177.2	(43.4)
Shareholders Loans / Related party payables	16,332.0	8,124.7	(51.2)
Current Liabilities	35,226.7	30,328.1	(18.1)
Liabilities	371,509.1	219,630.0	(40.9)
Stated Capital	26,325.0	28,898.4	9.7
Reserves and Retained Earnings	113,261.9	126,287.1	11.6
Capital & Reserves	139,586.9	155,185.5	11.2
Total Liabilities (includes capital)	511,096.0	374,815.6	(26.7)

Source: NBFIRA Annual Reports and Audited financial statements of brokers

NOTE: Some adjustments made to ensure consistency of presentation

3.1.3 Medical Aid Funds and Medical Aid Fund Administrators

3.1.3.1 Overview of Medical Aid Funds

In terms of Section 2 of the NBFIRA Act CAP 46:08, Medical Aid Funds (“MAFs”) are subsumed under the definition of an insurer. As a result, MAFs are regulated NBFIs in accordance with the provisions of Section 49(2) of the NBFIRA Act. A consultancy tasked with the development of draft MAF regulations was concluded in January 2016 and the draft is under discussion with the Ministry of Finance and Development Planning (MFDP) whereas other stakeholders will be consulted subsequently.

In the interim, MAFs are required to seek letters of exemption from licensing from the Regulatory Authority in order to conduct health insurance business in accordance with the statutes. The letters of exemptions are issued subject to fulfillment of minimum regulatory requirements including, inter alia, passing the fit and proper tests for key personnel, disclosure of involvement in any financial crime investigations over the past 10 years (domestic or international), compliance to selected prudential rules for insurance companies and the submission of audited financial statements within four months following the end of the financial year.

3. 2 Retirement Funds

3.2.1 Summary of Financial Performance of Retirement Funds

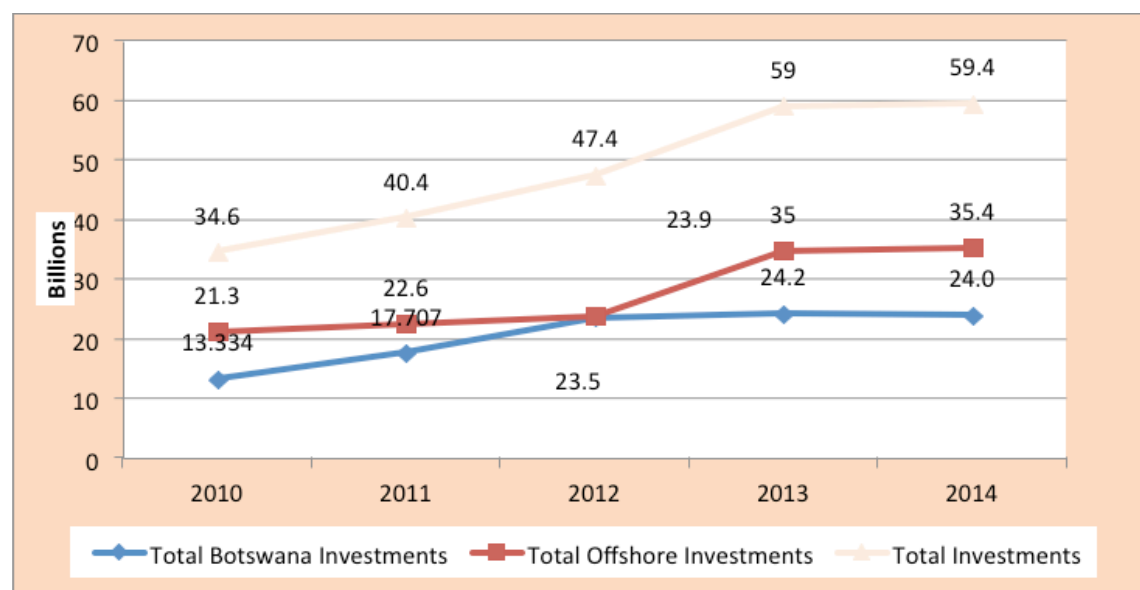
Table 17: Financial Performance of Retirements Funds

	2013	2014	Annual Change (%) To 2014
No. of Retirement Funds	103	91	(12)
Defined Benefits (DB) Only	2	2	0
Defined Contributions (DC) Only	93	81	13
Mixed DC and DB	8	8	0
No. of Active Members	156,824	206,209	31
No. of Deferred Members	13,312	17,432	31
Pensioners	10,733	10,858	1
Value of Funds under Management (BWP) ('000)	58, 985, 000	59,392,000	1
Member Contributions	748, 870	999,200	33
Employer Contributions	1, 691, 495	2,134,300	26
Investment Income	3, 819, 589	6,345,300	66
Income from life insurance	4, 930	7,6000	54
Other Income	577,420	998,900	73
Total Income	6, 842, 304	10,485,500	53
Expenditure			
Benefit payments	2,835, 769	3,203,900	13
Insurance Premiums	17, 977	10,900	(39)
Administration, Management Expenses and Fees	425, 733	718,200	69
Other expenses	-		
Total Expenditure	3, 279, 479	3,933,000	20
Retirement Funds Investment Assets Botswana Equities	11, 990, 000	12,833,000	7
Exchange Traded Funds	119, 000	403,000	239
Pula Bonds	8, 417, 000	7,847,000	(7)
Pula Cash/ Near Cash	3, 470, 000	2,639,000	(24)
Botswana Property	245, 000	322,000	31
Total Botswana Investments	24, 241, 000	24,044,000	(1)
Offshore Equities	29, 742, 000	27,322,000	(8)
Offshore Bonds	4, 159, 000	6,015,000	45
Offshore Cash/Near Cash	843, 000	2,012,000	139
Total Offshore Investments	34, 744, 000	35,349,000	2
Total Investments	58, 443, 000	59,392,000	1

Source: NBFIRA Audited Financial Statements and Annual Reports

NOTE: Some adjustments made to ensure consistency of presentation.

Figure 3: Pension Fund Asset Allocation and Growth During 2010 To 2014



Source: NBFIRA

3.3 Capital Markets

3.3.1 Summary of Financial Performance of the Botswana Stock Exchange (BSE)

Table 18: Financial Performance of the BSE

Reporting period	2013 ('000)	2014 ('000)	Percentage change (%)
Total Revenue	25,651.4	27,346.7	6.6
Total Expenses	15,239.4	16,823.8	10.4
Profit Before Tax	10,412.1	10,522.8	1.1
Tax	0.0	0.0	0
Profit after tax	10,412.1	10,522.8	1.1
Total Assets	34,506.8	41,402.7	20.0
Capital and Reserves	29,288.1	37,399.5	27.7
Other Liabilities	5,218.7	4,003.2	(23.3)
Total liabilities (Includes capital)	34,506.8	41,402.7	20.0

Source: NBFIRA

3.3.2 Summary of Financial Performance of Central Securities Depository (CSD)

Table 19: Financial Performance of Central Securities Depository

Reporting period	2013 ('000)	2014 ('000)	Percentage change (%)
Total Revenue	9,577.8	12,556.5	31.1
Total Expenses	5,125.1	5,522.8	7.8
profit before tax	4,452.8	7,033.7	58.0
Tax	0	0.0	0
Profit after tax	4,452.8	7,033.7	58.0
Total Assets	7,546.1	14,520.0	92.4
Equity/Capital	7,062.6	14,096.3	99.6
Total Liabilities	483.5	423.8	(12.4)
Total Liabilities (Includes capital)	7,546.1	14,520.1	92

3.3.3 Summary of Financial Performance of Securities Brokers/Dealers

Table 20: Financial Performance of Securities Brokers/ Dealers

Reporting period	2013 ('000)	2014 ('000)	Percentage change (%)
Total Revenue	26,909.9	28,337.7	5.3
Total Expenses	19,539.0	25,171.6	28.8
Profit Before Tax	7,370.9	8,051.7	9.2
Tax	1,701.0	916.1	(46.1)
Profit after tax	5,434.6	8,139.8	49.8
Total Assets	54,429.5	59,412.6	11.8
Capital and Reserves	14,090.1	21,737.5	62.0
Other Liabilities	40,339.4	37,675.1	(6.6)
Total Liabilities (Includes Capital)	54,429.5	59,412.6	

Source: NBFIRA

3.4 Investment Institutions

3.4.1 Summary of Financial Performance of Asset Managers

Table 21: Financial Performance of Asset Managers

Reporting period	2013 ('000)	2014 ('000)	Percentage change (%)
Total Revenue	2,386,382.1	1,393,936.4	(41.6)
Total Expenses	2,270,817.0	1,284,247.0	(43.4)
Profit Before Tax	116,015.1	109,689.3	(5.5)
Tax	23,823.7	24,575.1	3.2
Profit after Tax	92,191.4	85,114.2	(7.7)
Total Assets	7,528,887.0	7,849,124.6	4.3
Capital	257,727.0	248,920.8	(3.4)
Total Liabilities	7,271,160.0	7,600,203.8	4.5
Total Liabilities (Includes Capital)	7,528,887.0	7,849,124.6	4.3

Source: NBFIRA

3.4.2 Summary of Financial Performance of Management Companies (Mancos) for CIUs

Table 22: Financial Performance of Management Companies for Collective Investment Undertakings

Reporting Period	2013 ('000)	2014 ('000)	Percentage Change (%)
Total Revenue	89,938	54,374	(39.5)
Total Expenses	76,887	42,709.6	(44.5)
Profit Before Tax	13,051	11,664	(10.6)
Tax	4,235	3,237.0	(23.6)
Profit After Tax	8,816	8,427	(4.4)
Total Assets	71,667	58,378.1	(18.5)
Capital and Reserves	35,165	38,479.6	9.4
Other Liabilities	36,501	19,898.5	(45.5)
Total Liabilities (Includes Capital)	71,666	58,378.1	(18.5)

Source: NBFIRA

3.5 Lending Activities

3.5.1 Summary of Financial Performance of Micro Lenders

Table 23: Financial Performance of Selected Micro Lenders in 2014

SELECT MICRO LENDERS FINANCIALS	Reporting period		Percentage change (%)
	2013 ('000)	2014 ('000)	
Interest Income	924,625.5	768,688.0	(16.9)
other Income	45,810.8	22,423.2	51.1
Total Income	970,436.3	791,111.2	(18.5)
Interest Expenses	189,574.6	118,494.5	(37.5)
other Expenses	242,707.8	253,967.6	4.6
Total Expense	432,282.4	372,462.1	(13.8)
Net Income Before Tax	538,153.9	418,649.2	(22.2)
Tax	117,189.6	101,066.7	(13.8)
Net Income After Tax	420,964.3	317,582.4	(24.6)
Loan Book Values	2,207,218.7	2,654,689.6	20.3
Other Assets	479,672	237,721.4	(50.4)
Total Assets	2,686,891	2,892,411.1	7.6
Capital & Reserves	997,912.4	1,376,254.6	37.9
Other Liabilities	1,688,978.6	1,516,156.5	(10.2)
Total Liabilities	2,686,891	2,892,411.1	7.6

Source: NBFIRA



4

Five Year Statistics for the NBFI Sector (2010 – 2014)

4. FIVE YEAR PERIOD NBFBI SECTOR OVERVIEW (2010 – 2014)

4.1. Insurance 4.1.1 Insurers and Reinsurers 4.1.1.1 Performance of Life Insurance Business

Table 24: Financial Performance of Life Insurance Business: Five years Income Statements

	Reporting period				
	2010 ('000)	2011 ('000)	2012 ('000)	2013 ('000)	2014 ('000)
Gross Premium Written	1,900,958.0	2,136,736.9	2,534,011.7	2,564,995.0	2,761,025.6
Premiums Ceded	30,399.0	29,919.1	65,191.2	74,210.1	111,759.0
Net Premiums Written	1,870,559.0	2,106,817.8	2,468,820.5	2,490,784.9	2,649,266.6
Change in UPR	(390,248.0)	616,987.3	(939,151.7)	(1,450,205.5)	710,445.7
Adjusted Net Premiums	1,480,311.0	1,413,264.5	1,270,742.3	1,040,579.4	1,938,820.9
Incurred Claims	856,856.0	1,055,008.7	1,056,606.6	1,255,323.7	1,425,463.7
Reinsurance Recoveries	31,835.0	32,614.9	24,988.2	23,126.5	29,059.2
Net Claims Paid	825,021.0	1,022,393.7	1,031,618.4	1,232,197.2	1,391,358.9
Acquisition Costs	346,827.0	334,992.4	376,836.1	412,301.6	368,486.5
Operating Expenses	252,791.0	278,006.1	1,684,621.8	2,505,364.0	1,590,320.3
Underwriting Expenses	599,618.0	612,998.4	2,061,457.9	4,149,862.8	3,315,260.1
Total Underwriting Income	55,672.0	800,266.1	(790,715.6)	(3,109,283.5)	(1,376,439.2)
Investments Income	413,582.0	384,150.7	1,960,348.5	3,569,180.4	1,813,583.7
Other Income	(86,663.0)	176,264.2	285,798.2	97,579.0	300,678.5
Retraction	-	-	-	-	-
Net Profit Before Tax	382,591.0	412,262.9	423,812.7	557,475.9	733,119.1
Tax	64,416.0	50,570.5	88,720.9	104,150.9	133,715.5
Net Income After Tax	318,175.0	372,748.5	335,091.8	453,325.0	564,156.4

Source: NBFIRA Annual Reports and Audited financial statements of insurers
NOTE: Some adjustments made to ensure consistency of presentation.

Table 25: Financial Performance of Life Insurance Business: Five years Balance Sheet

	Reporting period				
	2010 ('000)	2011 ('000)	2012 ('000)	2013 ('000)	2014 ('000)
Non-current assets	267,099.0	400,844.3	11,077.3	41,560.0	40,042.9
Cash and Investments	1,051,042.0	595,248.7	546,280.0	516,238.2	504,975.5
Financial Assets	13,108,560.0	13,376,549.5	16,553,085.8	15,710,056.6	17,093,290.1
Tax Related Assets	11,236.0	8,481.2	26,239.1	32,987.8	4,868.9
Trade & Other Receivables	680,409.0	233,158.0	104,214.1	315,461.4	316,002.5
Other investments	-	-	609,394.2	446,004.3	452,751.7
Reinsurance Liabilities	67,110.0	113,812.2	11,212.5	64,828.5	68,001.9
Other	102,145.0	759,107.9	893,416.0	720,867.0	1,305,758.2
Total Assets	15,287,601.0	15,487,201.9	18,754,919.0	17,848,003.8	19,658,446.8
Insurance Liabilities	13,511,738.0	13,541,096.2	6,673,125.4	15,355,230.0	16,388,669.4
Trade & Other Payables	348,936.0	413,820.3	9,964,276.1	490,573.5	519,384.5
Related Party Payables	88,869.0	22,200.1	99,343.3	24,031.2	47,999.6
Tax related Liability	29,928.0	20,837.2	18,568.2	23,440.6	52,341.5
Other Liabilities	-	26,590.0	378,193.7	19,239.7	8,335.6
Liabilities (excluding capital)	13,979,471.0	14,024,543.8	17,133,506.6	15,912,514.9	16,925,788.4
Share Capital	170,916.0	251,131.2	258,607.2	261,607.2	261,607.2
Reserves	469,866.0	612,049.9	712,707.4	802,365.2	1,138,767.6
Retained Earnings	667,217.0	599,476.0	650,061.2	871,519.5	1,367,338.6
Capital and Reserves	1,307,999.0	1,462,657.0	1,621,375.7	1,935,491.9	2,732,659.3

Source: NBFIRA Annual Reports and Audited financial statements of insurers
NOTE: Some adjustments made to ensure consistency of presentation.

4.1.1.2 Performance of General Insurance Business

Table 26: Financial Performance of General Insurance Business: Five years Income Statements

	Reporting period				
	2010 ('000)	2011 ('000)	2012 ('000)	2013 ('000)	2014 ('000)
Gross Premium Written	850,431.0	901,723.0	1,149,673.4	1,176,176.5	1,198,856.1
Premiums Ceded	285,501.0	261,140.0	439,920.6	450,895.9	508,831.3
Net Premiums Written	564,930.0	640,583.0	709,752.8	725,280.6	690,024.8
Change in UPR	30,051.0	52,388.0	-5,565.2	(3,162.2)	(28,098.4)
Net Premiums Earned	534,879.0	588,195.0	715,318.1	728,442.7	718,123.2
Incurred Claims	304,943.0	177,806.0	435,988.0	381,102.3	399,333.0
Net Acquisition Costs	74,064.0	79,689.0	101,842.0	98,160.3	79,390.7
Operating Expenses	90,746.0	102,646.0	164,125.3	179,660.4	190,620.8
Underwriting Expenses	469,753.0	360,141.0	701,955.3	658,923.0	669,344.4
Total Underwriting Income	65,126.0	228,054.0	13,362.8	69,519.8	48,778.8
Investments Income	65,567.0	47,706.0	59,633.9	65,359.2	50,328.1
Other Income	9,923.0	19,538.0	30,586.3	38,699.0	27,038.7
Reinsurance Recoveries	-	-128,087.0	60,616.3	-	93,176.6
Net Profit Before Tax	140,616.0	167,211.0	164,199.4	173,578.0	126,145.6
Tax	20,132.0	24,083.0	32,180.6	31,889.5	21,978.3
Net Income After Tax	120,484.0	143,128.0	132,018.8	141,688.5	104,167.3

Source: NBFIRA Annual Reports and Audited financial statements of insurers

NOTE: Some adjustments made to ensure consistency of presentation.

**Table 27: Financial Performance of General Insurance Business: Five Years
Balance Sheet**

	Reporting period				
	2010 ('000)	2011 ('000)	2012 ('000)	2013 ('000)	2014 ('000)
Cash and Investments	780,889.0	817,984.5	633,758.4	465,993.1	476,040.1
Non-current assets	33,772.0	80,638.8	96,920.1	274,752.1	79,902.3
Other Current Assets	356,816.0	401,863.2	882,946.7	970,200.0	1,154,981.8
Total Assets	1,171,477.0	1,300,486.4	1,613,625.3	1,710,945.2	1,710,924.2
Insurance Liabilities	577,801.0	609,850.1	682,053.5	693,887,831	754,330.9
Long-term Liabilities	19,306.0	16,636.4	25,045.8	12,774.7	8,159.9
Other Current Liabilities	118,595.0	179,108.5	316,038.5	356,077.7	251,227.8
Liabilities (excluding capital)	715,702.0	805,595.0	1,023,137.8	1,062,740.2	1,013,718.6
Share Capital	134,630.0	151,840.1	162,234.3	172,282.1	200,782.1
Reserves	148,325.0	185,863.6	219,376.9	251,809.5	281,802.6
Retained Earnings	172,819.0	157,187.8	208,876.3	224,113.5	214,620.9
Capital and Reserves	455,774.0	494,891.4	590,487.5	648,205.0	697,205.6
Total Liabilities (Including Capital)	1,171,476	1,300,486.4	1,613,625.3	1,710,945.2	1,710,924.2

Source: NBFIRA Annual Reports and Audited financial statements of insurers

NOTE: Some adjustments made to ensure consistency of presentation.

4.1.1.3 Performance of Reinsurance Business

Table 28: Financial Performance of Re-Insurance Business: Five Years Income Statement

	Reporting period				
	2010 ('000)	2011 ('000)	2012 ('000)	2013 ('000)	2014 ('000)
Gross Premium Written	3,992.7	16,366.7	22,551.0	35,864.1	102,340.0
Premiums Ceded	798.9	4,049.7	3,507.4	10,571.7	26,554.6
Net Premiums Written	3,193.8	12,317.0	19,043.6	25,292.5	75,785.4
Change in UPR	1,512.6	3,432.0	(695.3)	1,927.6	6,127.4
Net Premiums Earned	1,681.2	8,885.0	19,738.9	23,364.9	69,658.0
Incurred Claims	442.0	2,270.0	3,789.5	6,956.6	27,586.7
Net Acquisition Costs	633.3	1,909.0	6,655.0	6,711.0	22,504.3
Operating Expenses	4,586.4	5,395.0	10,319.5	10,518.2	20,024.8
Underwriting Expenses	5,661.7	9,574.0	20,764.1	24,185.8	70,115.8
Total Underwriting Income	(3,980.5)	(689.0)	(1,025.1)	820.9	(457.8)
Investments Income	524.7	388.2	372.1	781.6	845.8
Other income (loss)	(183.3)	(656.2)	1,531.5	1,252.2	7,081.8
Retrocessions Recoveries	-	114.8	-	135.9	-
Net Profit Before Taxes	(3,639.1)	(842.2)	878.4	2,287.0	7,469.8
Tax	(366.0)	8.8	113.4	253.7	2,220.6
Net Income After Tax	(3,273.1)	(851.1)	765.0	2,033.3	5,249.2

Table 29: Financial Performance of Re-Insurance Business: Five Year Balance Sheet

	Reporting period				
	2010 ('000)	2011 ('000)	2012 ('000)	2013 ('000)	2014 ('000)
Cash and Equivalents	5,780.9	6,365.0	26,018.5	29,812.5	99,562.6
Non-current assets	1,175.1	948.5	984.0	720.2	5,641.2
Other Assets	3,016.4	9,221.5	11,790.7	19,131.0	87,591.7
Total Assets	9,972.3	16,534.9	38,793.2	49,663.7	192,795.4
Insurance Liabilities	2,377.5	7,841.0	8,234.9	14,851.7	55,726.5
Long-term Liabilities	25.3	5.9	5.0	5.6	303.1
Other Liabilities	2,342.6	4,312.2	7,499.2	9,719.1	40,182.1
Liabilities (excluding capital)	4,745.5	12,159.1	15,739.2	24,576.4	96,211.7
Share Capital	8,500.0	8,500.0	26,413.2	26,413.2	91,863.8
Reserves	60.6	542.7	1,643.7	3,025.8	(457.8)
Retained Earnings	(3,333.7)	(4,666.9)	(5,002.9)	(4,351.7)	(1,523.8)
Capital and Reserves	5,226.9	4,375.8	23,054.0	25,087.3	96,583.7
Total Liabilities (Including Capital)	9,972.4	16,534.9	38,793.2	49,663.7	192,795.4

Source: NBFIRA Annual Reports and Audited financial statements of insurers

NOTE: Some adjustments made to ensure consistency of presentation.

4.1.1.4 Policies in Force and Premiums Breakdown

Table 30: Life Insurers' Business Policies and Premium Breakdown - Five year Period

	Reporting period				
	2010 ('000)	2011 ('000)	2012 ('000)	2013 ('000)	2014 ('000)
No. of Policies:	632.7	699.0	790.3	784.5	606.3
Micro-insurance only	21.0	34.3	38.9	50.0	47.3
Disability	-	-	-	-	0
Fund	-	-	-	-	0
Life	149.8	178.9	253.4	291.2	123.8
Group Life	277.1	308.1	323.4	277.5	264.6
Linked	181.8	175.8	173.1	164.5	169.4
Non-Linked	3.0	1.9	1.6	1.2	1.1
Sinking Fund	-	-	-	-	0
Value of Gross Premiums:	1,781,160.4	1,978,281.9	2,228,872.4	1,722,134.7	1,976,747.3
Micro-insurance only	1,793.4	2,928.8	3,885.3	-	-
Disability	-	-	-	825.0	-
Fund	-	-	-	-	-
Life	788,607.5	990,267.6	1,275,247.4	1,154,739.7	1,035,750.8
Group Life	558,243.4	510,173.4	513,681.8	108,945.8	484,011.5
Linked	431,163.0	473,767.6	435,096.1	457,051.3	456,472.3
Non-Linked	1,353.2	1,144.5	961.8	572.8	512.7
Sinking Fund	-	-	-	-	-

Table 31: General Insurers' Policies and Premiums Breakdown - Five year Period

	Reporting period				
	2010 ('000)	2011 ('000)	2012 ('000)	2013 ('000)	2014 ('000)
No. of Policies:	13,003	18,261	24,965	21,951	582
Property	1,114	1,325	1,733	2,401	195
Transportation	32	11	47	94	0
Motor	928	1,173	1,260	2,519	236
Accident	505	707	768	1,112	51
Health	4,977	7,235	10,202	7,176	5
Guarantee	-	-	-	-	0
Liability	2	5	49	214	66
Engineering	466	568	702	844	7
Miscellaneous	4,979	7,237	10,204	7,591	22
Micro-insurance	-	-	-	-	-
Value of Gross Premiums ('000):	905,017.2	961,665.1	1,092,313.3	1,010,559.1	688,780.4
Property	257,875.0	313,289.7	416,542.8	409,466.0	291,095.6
Transportation	23,474.5	17,039.4	19,738.3	18,987.2	6,811.3
Motor	387,221.7	378,418.4	387,207.9	364,637.2	216,287.0
Accident	48,446.8	56,413.8	55,641.3	57,712.0	24,532.1
Health	7,619.5	9,678.3	10,889.3	7,867.8	6,949.9
Guarantee	8,519.1	12,839.3	14,488.1	11,361.1	88.3
Liability	81,799.7	37,611.0	41,027.1	35,707.5	64,575.7
Engineering	55,190.3	46,597.6	47,164.0	45,156.3	28,906.9
Miscellaneous	34,870.6	89,777.6	99,614.6	59,664.0	49,153.1
Micro-insurance	-	-	-	-	-

Source: NBFIRA

NOTES:

1. Figures for policy numbers of three entities have not submitted
2. Some entities issue multi-cover policies, hence the summation across classes of business is invalid as a policy may contain more than one cover (class of business) leading to double counting
3. The General Insurance Business figures for numbers of policies are representative of only 5 companies, as the rest are multi-policies often embedded in one product

4.1.1.5 Claims Breakdown

Table 32: Insurers' Claims Breakdown

LIFE INSURANCE BUSINESSES	Reporting period				
	2010 ('000)	2011 ('000)	2012 ('000)	2013 ('000)	2014 ('000)
Consolidated	13,003	18,261	24,965	21,951	582
Micro-insurance only	44,660.9	56,209.4	83,688.8	134,224.4	12715.229
Disability	87.5	148.2	4,465.9	1,8544	0.2
Fund	-	-	-	-	-
Life:	24,165.1	33,726.6	50,122.1	77,257.3	179.9
a. Death Claims	10,555.2	16,262.4	25,725.7	26,058.0	5,070.1
b. Maturity Claims	13,609.9	17,464.3	24,396.4	51,199.3	142.0
Group Life:	20,495.8	22,482.7	33,566.7	56,967.1	76.3
a. Death Claims	20,458.9	22,159.4	33,282.2	56,967.1	6,584.8
b. Maturity Claims	36.9	323.3	284.5	-	-
Linked	428.7	611.8	546.6	616.5	714.1
Non-Linked	67.6	93.5	118.8	180.7	204.1
Sinking Fund	-	-	-	-	-
GENERAL INSURANCE BUSINESS	2010	2011	2012	2013	2014
Consolidated:	356,117.3	565,026.6	561,930.5	549,846.5	219297.45
Property	64,194.8	105,477.6	119,835.2	121,908.5	45,956.39
Transportation	1,515.6	4,499.3	4,574.3	9,062.4	58.97
Motor	137,751.7	266,940.8	215,745.9	214,831.3	136,479.20
Accident	33,514.6	33,575.7	38,728.9	37,182.1	9,631.98
Health	2,389.2	2,974.8	3,407.9	3,108.3	2,774.36
Guarantee	1,827.0	1,724.5	2,450.0	2,605.0	2.97
Liability	7,883.7	18,973.3	21,505.8	16,780.2	3,550.84
Engineering	25,754.0	36,965.4	49,735.8	35,666.7	7,783.79
Miscellaneous	81,286.6	93,895.2	105,946.8	108,702.0	3,462.45
Micro-insurance	-	-	-	-	-

4.1.2 Financial Performance of Insurance Brokers

Table 33: Financial Performance of Insurance Brokers- Five Years Income Statement

	Reporting period				
	2010 ('000)	2011 ('000)	2012 ('000)	2013 ('000)	2014 ('000)
Commission Earned	111,121.5	88,165.6	180,248.7	237,568.5	220,741.7
Other Revenue	21,413.7	34,374.0	81,888.7	103,670.0	116,869.0
Investment Revenue	-	-	-	-	332,241.6
Total Revenue	132,535.2	122,539.7	262,137.4	341,238.5	345,728.1
Operating expenses	80,615.7	67,675.2	156,352.9	170,129.3	210,003.8
Other Expenses	625.7	13,166.0	7,450.5	53,157.3	631.1
Related party expenses	8,104.2	6,100.7	19,933.6	23,565.5	213,043.4
Total Expenses	89,345.6	86,941.9	183,737.0	246,852.1	226,632.7
Net Income	43,189.6	35,815.3	78,400.5	94,386.4	119,095.3
Tax	6,326.4	8,224.2	17,214.5	20,780.4	22,770.9
Net Income After Tax	36,863.2	27,591.2	61,186.0	73,606.1	96,324.5

Source: NBFIRA Annual Reports and Audited financial statements of brokers

Table 34: Financial Performance of Insurance Brokers-Five Years Balance Sheet

	Reporting period				
	2010 ('000)	2011 ('000)	2012 ('000)	2013 ('000)	2014 ('000)
Current Assets	144,874.5	110,501.0	266.2	447,208.0	301,421.7
Related Party Loans and assets	4,375.8	11,470.9	17,584.7	4,433.1	21,119.5
Non- Current Assets	28,648.3	31,929.1	39,369.0	59,454.8	52,274.4
Total Assets	177,898.5	153,901.0	323,200.0	511,096.0	374,815.6
Trade & Other Payables	83,374.9	3,525.3	7,678.8	319,950.4	181,177.2
Shareholders Loans / Related party payables	1,114.8	42,749.9	22,390.5	16,332.0	8,124.7
Other Current Liabilities	5,780.9	19,139.0	147,138.5	35,226.7	30,328.1
Liabilities (excluding capital)	90,270.6	65,414.2	177,207.7	371,509.1	219,630.0
Stated Capital	5,935.6	3,689.6	17,677.6	26,325.0	28,898.4
Reserves and Retained Earnings	84,772.9	84,797.2	128,314.6	113,261.9	126,287.1
Capital and reserves	90,708.5	88,486.7	145,992.2	139,586.9	155,185.5
Total Liabilities (Including Capital)	180,979.1	153,901	323,200.0	511,096	374,877.1

Source: NBFIRA Annual Reports and Audited financial statements of brokers

4. 2 Retirement Funds

4.2.1 Summary of Financial Performance of Retirement Funds

Table 35: Financial Performance of Retirement Funds - Five year Period

	Reporting period				
	2010	2011	2012	2013	2014
No. of Retirement Funds	112	105	103	103	91
Defined Benefits (DB) Only	6	3	2	2	2
Defined Contributions (DC) Only	102	95	93	93	81
Mixed DC and DB	4	7	8	8	8
No. of Active Members	131,844	141,469	152,348	156,824	206,709
No. of Deferred Members	13,826	5,809	11,897	13,312	17,432
Pensioners	8,117	9,196	10,097	10,733	10,858
Member Contributions ('000)	730,358.0	713,122.0	715,235.0	748,870.0	999,200.0
Employer Contributions ('000)	1,312,000.0	1,203,167.0	1,620,131.0	1,691,495.0	2,134,300.0
Investment Income ('000)	4,240,339.0	2,677,693.0	3,582,678,000	3,819,589,000	6,345,300.0
Income from life insurance ('000)	905,000	6,544,000	5,264.0	4,930.0	7,600.0
Other Income ('000)	1,923,010.0	277,488.0	507,985.0	577,420.0	998,900.0
Total Income ('000)	8,206,612.0	4,878,014.0	6,431,293.0	6,842,304.0	10,485,500.0
Expenditure					
Benefit payments	1,719,382.0	1,722,089.0	2,470,559.0	2,835.8	3,203,900.0
Insurance Premiums	8,226.0	30,619.0	12,439.0	17,977.0	10,900.0
Administration, Management Expenses and Fees	292,169.0	312,593.0	340,286.0	425,733.0	718,200.0
Other expenses	200.0	-	-	-	-
Total Expenditure	2,019,977.0	2,065,301.0	2,823,284.0	3,279,479.0	3,933,000.0

Retirement Funds Investment Assets	6,099,000.0	7,388,000.0	12,506,000.0	11,990,000.0	12,833,000.0
Botswana Equities ('000)					
Exchange Traded Funds ('000)		-	96,000.0	119,000.0	403,000.0
Pula Bonds ('000)	4,587,000.0	6,496,000.0	6,531,000.0	8,417,000.0	7,847,000.0
Pula Cash/ Near Cash ('000)	2,358,000.0	3,456,000.0	4,038,000.0	3,470,000.0	2,639,000.0
Botswana Property ('000)	290,000.0	367,000.0	362,000.0	245,000.0	322,000.0
Total Botswana Investments ('000)	13,334,000.0	17,707,000.0	23,533,000.0	24,241,000.0	24,044,000.0
Offshore Equities ('000)	17,906,000.0	17,151,000.0	19,110,000.0	29,742,000.0	27,322,000.0
Offshore Bonds ('000)	2,628,000.0	2,913,000.0	3,605,000.0	4,159,000.0	6,015,000.0
Offshore Cash/Near Cash ('000)	770,000.0	2,583,000.0	1,160,000.0	843,000.0	2,012,000.0
Total Offshore Investments ('000)	21,304,000.0	22,647,000.0	23,875,000.0	34,744,000.0	35,349,000.0
Total Investments ('000)	34,638,000.0	40,354,000.0	47,408,000.0	58,985,000.0	59,392,000.0

Source: NBFIRA Annual Reports and Audited financial statements of Retirement Funds

NOTE: Some adjustments made to ensure consistency of presentation.

4.3. SECURITIES MARKETS

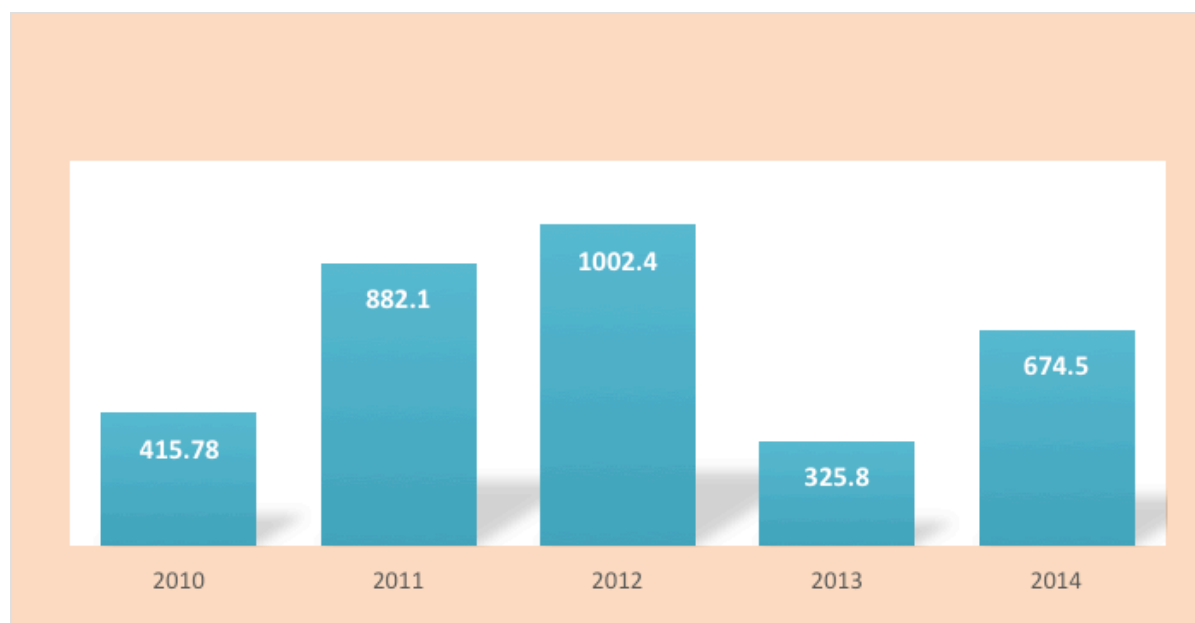
4.3.1 Primary Market Activities

Table 36: Capital Raised through the Equity Market

	2008	2009	2010	2011	2012	2013	2014
Rights Issues	64.9	2.25	137.2		621.9		278.6
Issues for Cash	55.5		3.06	130.2	10	10.5	38.2
Share Incentive Scheme		175.5	204.5	40.1	20.5	206.1	332.5
IPO's	36		71.02	711.7	350		
Private placement						103.3	
Share Purchase Plan						1.9	
Acquisition						4	25.2
Resource Mobilised (P'Mn)	156.4	177.75	415.78	882.1	1002.4	325.8	674.5

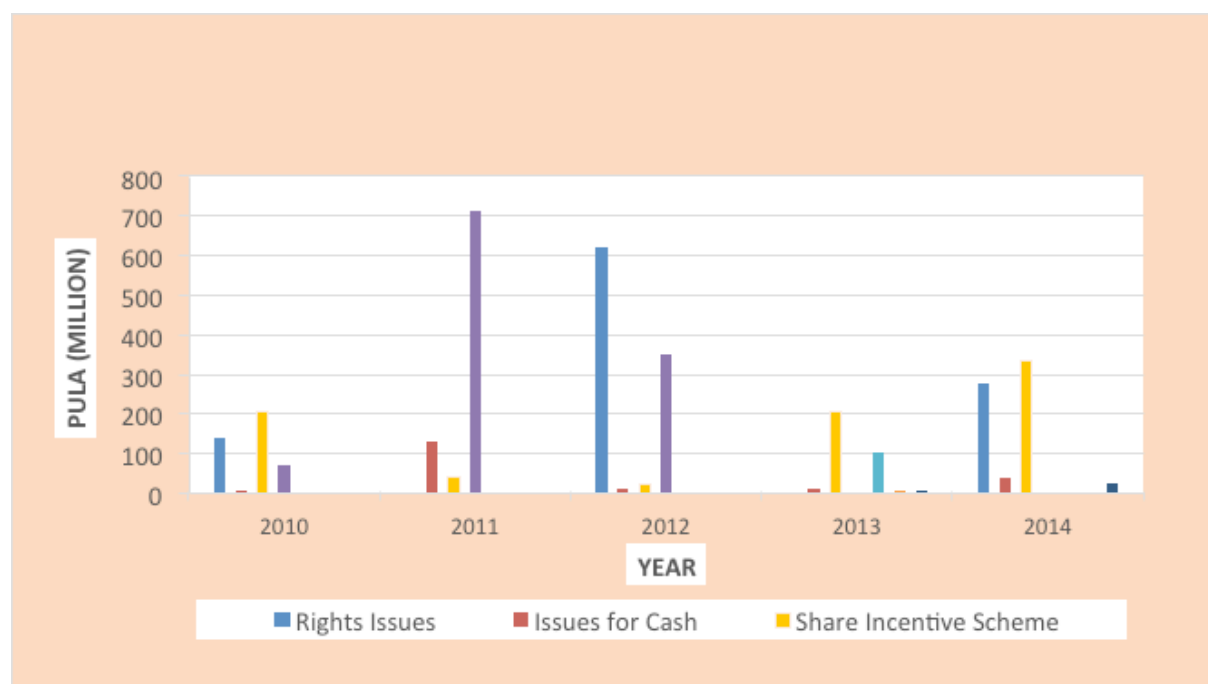
Source: Botswana Stock Exchange database

Figure 4: Capital Raised Through Equity Market (P'Mn): 2010 to 2014



Source: Botswana Stock Exchange database, Botswana stock Exchange annual reports, 2010 to 2014

Figure 5: Capital Raised Through Equity Market By Issue Type: 2010 to 2014



Source: Botswana Stock Exchange database, Botswana stock Exchange annual reports, 2010 to 2014

Table 37: Number of Companies Listed

LISTING STATUS	2010	2011	2012	2013	2014
No. of New Listings	2	6	3	1	1
No. of De-listings	3	1	1	3	1
Foreign Listings	9	12	13	12	12
Domestic Listings	21	23	24	23	23
Total Listings	30	35	37	35	35

Source: Botswana Stock Exchange database

4.3.2 Secondary Market Activities

Table 38: BSE Market Capitalization as at year ended December 31

	2010	2011	2012	2013	2014
Domestic Market Capitalisation (P'Mn)	26,245.7	30,694.3	35,530.8	43,457.6	46,209.87
% Change in Domestic Market Capitalisation	-8.0	16.9	15.8	22.3	6.3
Foreign Market Capitalisation (P'Mn)	408,380.3	380,909.5	37,6818.2	373,132.8	371,946.8
% Change in Foreign Market Capitalisation	18.0	-6.7	-1.1	-1.0	-0.3
Total Market Capitalisation (P'Mn)	434,626	411,603.8	412,349	416,590.41	418,156.7
% Change in total Equity Market Capitalisation	16.0	-5.3	0.2	1.0	0.4
Total Equity Market Capitalisation/GDP (%)	500.3	383.8	365.9	331.1	294.6
Domestic Equity Market Capitalisation/GDP (%)	33.1	28.8	30.16	33.6	34.6
Total Equity Turnover/ Domestic Equity Market Capitalisation (%)	3.5	3.5	2.7	5.9	4.9
Total Equity Turnover/Total Equity Market Capitalisation (%)	0.2	0.2	0.2	0.6	0.5

Source: Botswana Stock Exchange

Table 39: Market Capitalization by sector as at year ended December 31

	2010	2011	2012	2013	2014
Banking	12,953.8	16,116.8	16,674.8	19,815.1	17,815.3
Financial Services & Insurance	21,353.5	21,574.8	24,560.7	25,958.9	9,146.4
Retailing & Wholesaling	2,617.5	3,098.3	6,099.8	8,884.8	11,859.5
Property & Property Trust	1,083.7	2,788.2	3,180.4	3,603.8	4,022.4
Mining & Materials	393,608.9	365,238.4	359,135.9	355,342.4	354,005.3
Security Services	263	480	465.6	246.4	299.2
Information Technology	7.6	7.9	11	0	0.0
Funeral Services	224.4	175.2	157.1	297.4	285.3
Energy	1,022.2	881.7	983.9	1,296.9	1,517.4
Tourism	1,491.5	1,242.6	1,079.9	1,144.8	1,264.5

Source: Botswana Stock Exchange

Table 40: Equity Trading Statistics

EQUITY TRADING	Reporting period				
	2010	2011	2012	2013	2014
Volume Traded (Mn)	308.7	458.7	409.91	710.45	591.6
Value Traded (P'Mn)	962.8	1,007.9	894.7	2,315.43	2,177.4
No. of Deals	4,971	5,022	6,488	12,029	11,139
Liquidity Ratio	3.5	3.5	2.7	5.9	4.9

Source: Botswana Stock Exchange

Table 41: BSE Indices as at year ended December 31

LISTING STATUS	Reporting period				
	2010	2011	2012	2013	2014
DCI	6,412.9	6,970.9	7,510.2	9,053.4	9,501.6
FCI	1,673.9	1,703.9	1,599.5	1,583.5	1,577.6
LASI	776.2	795.3	752.7	760.8	779.8
DFSI	771.9	862.5	911.8	1,067.1	1,077.6
FRSI	776.3	790.1	731.9	720.3	732.0
DCFFI	2,014.6	1,904.7	2,143.7	2,643.7	3,070.0
DFSFFI	3,034.1	2,825.0	3,199.1	3,901.3	4,294.0
LASFFI	1,760.5	1,677.5	1,892.1	2,315.3	2,732.8

Source: Botswana Stock Exchange

Table 42: Equity Turnover Activity at the BSE

EQUITY TURNOVER ACTIVITY	Reporting period					
	2009	2010	2011	2012	2013	2014
Value of Domestic shares traded (P' Mn)	462.92	564.20	517.05	522.50	1,592.99	2,155.2
Value of Foreign shares traded (P'Mn)	301.74	398.60	490.85	371.30	722.41	22.3
Total Value Shares Traded (PMn)	763.9	962.8	1007.9	894.7	2315.4	2,177.5
Percentage Domestic Turnover (%)	60.6	58.6	51.3	58.5	68.8	98
Percentage Foreign Turnover (%)	39.4	41.4	48.7	41.5	31.2	02
Total percentage Domestic Turnover (%)	100	100	100	100	100	100
Domestic Equity Turnover	2009	2010	2011	2012	2013	2014
Domestic Companies Turnover (P'Mn)	417.85	495.84	457.59	427.67	1,391.56	1,016.9
Domestic Individuals Turnover (P'Mn)	45.07	68.36	59.47	94.84	201.44	80.6
Percentage Domestic Companies Turnover (%)	54.7	51.5	45.4	47.8	60.1	46.79
Percentage Domestic Individuals Turnover (%)	5.9	7.1	5.9	10.6	8.7	3.71
Foreign Equity Turnover	2009	2010	2011	2012	2013	2014
Foreign Companies Turnover (P'Mn)	288.75	376.45	465.65	348.93	671.47	1,043.0
Foreign Individuals Turnover (P'Mn)	12.99	22.14	25.20	22.37	40.93	32.7
Percentage Foreign Companies Turnover (%)	37.8	39.1	46.2	39	29.0	47.9
Percentage Foreign Individuals Turnover (%)	1.7	2.3	2.5	2.5	2.2	1.5

Source: Botswana Stock Exchange

Table 43: Statistics on Shares issued at the BSE

	Reporting period				
	2010	2011	2012	2013	2014
Domestic shares issued (Mn)	7,863.46	9,521.32	12,934.77	11,331.69	11,377.2
Foreign shares issued (Mn)	4.4	26.55	27.91	199.42	14,117.2
Total shares issued (Mn)	7,867.86	9,547.87	12,962.68	11,531.11	25,494.4
Percentage Domestic shares issued (%)	99.94	99.72	99.78	98.27	44.6
Percentage foreign shares issued (%)	0.06	0.28	0.22	1.73	55.4
Total percentage shares issued	100	100	100	100	100.0
Shares Traded					
Domestic shares traded (Mn)	302.88	452.54	406.83	708.37	576.8
Foreign shares traded (Mn)	5.78	6.18	3.1	2.13	14.8
Total shares traded (Mn)	308.66	458.72	409.93	710.5	591.6
Domestic share traded over domestic shares issued (%)	3.85	4.75	3.15	6.25	5.07
Foreign share traded over foreign shares issued (%)	131.36	23.28	11.11	1.07	0.1
overall percentage shares traded/shares issued	3.9	4.8	4.3	6.3	2.4
Average Daily Equity Turnover (P' Mn)	3.9	4.1	3.6	9.3	8.8
Total Equity Turnover / Market Cap	0.2	0.2	0.2	0.6	0.5
	2010	2011	2012	2013	2014
Price/Earnings Ratio (P/E)	10.8	10.2	9.2	11.5	13.2
Dividend Yield	4.9	5.2	4.9	4.1	2.2
Price/Book Value	3.9	2.8	2.5	2.7	1.9
Earnings/Price (E/P) or Earnings yield	1.21	1.28	1.41	1.13	0.82

Source: Botswana Stock Exchange

Table 44: Secondary Market Bond Trades at the BSE

ISSUER-TYPE	Amounts (P'Mn)	Reporting period				
		2010	2011	2012	2013	2014
Government	Turnover	747.1	283.7	314.2	94.7	323.5
	Outstanding amount	3,437	5,329	5,329	6,045	6,691
Quasi	Turnover	0	0.3	0	0	0
	Outstanding amount	635	635	635	410	410
Parastatal	Turnover	0.2	3.4	8	0	0
	Outstanding amount	1,724	1,524	1,524	1,524	1524
Corporate	Turnover	10.4	37.7	10	0	0
	Outstanding amount	920	870	997.26	1,272.2	1493.5

Source: Botswana Stock Exchange

Table 45: Bond Market Indicators - Selected Ratios

	2010	2011	2012	2013	2014
Total Debt Turnover (P'Mn)	757.08	325.09	332.16	94.7	323.5
Total debt Market Capitalisation (P'Mn)	6,716	8,358	8,485.26	9,251.26	10,118.5
Total debt Turnover/debt Market Capitalisation (%)	11.3	3.9	3.9	1.0	3.2
Debt Turnover /GDP (%)	0.8	0.3	0.3	0.1	0.2
Debt Market Capitalisation/GDP (%)	7.2	8.0	7.7	7.4	0.71

Source: Botswana Stock Exchange

4.4. INVESTMENT INSTITUTIONS

4.4.1 Assets Under Management (“AUM”) In Botswana

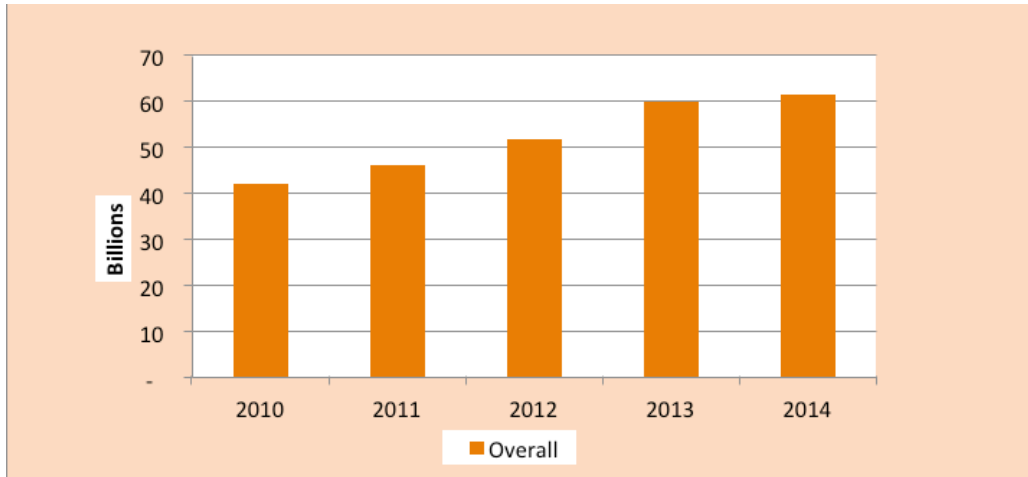
4.4.1.1 Overall CIU and Non-CIU Assets Under Management

Table 46: Total Assets Under Management By Structure

ASSETS UNDER MANAGEMENT	Reporting period				
	2010 ('000)	2011 ('000)	2012 ('000)	2013 ('000)	2014 ('000)
Collective Investment Undertakings (CIU)	3,978,479.5	4,322,673.3	3,838,532.5	4,368,172.6	3,747,933.3
% market share (CIU)	9.5	9.4	7.4	7.3	6.1
Non-Collective Investment Undertaking (Non-CIU)	38,119,000.1	41,841,396.6	47,987,930.7	55,692,512.9	57,763,178.3
% market share (Non-CIU)	90.5	90.6	92.6	92.7	93.9
Overall AUM	42,097,479.6	46,164,069.9	51,826,463.2	60,060,685.5	61,511,111.6
Total AUM growth (% change from previous year)	9.7	9.7	12.3	15.9	2.4

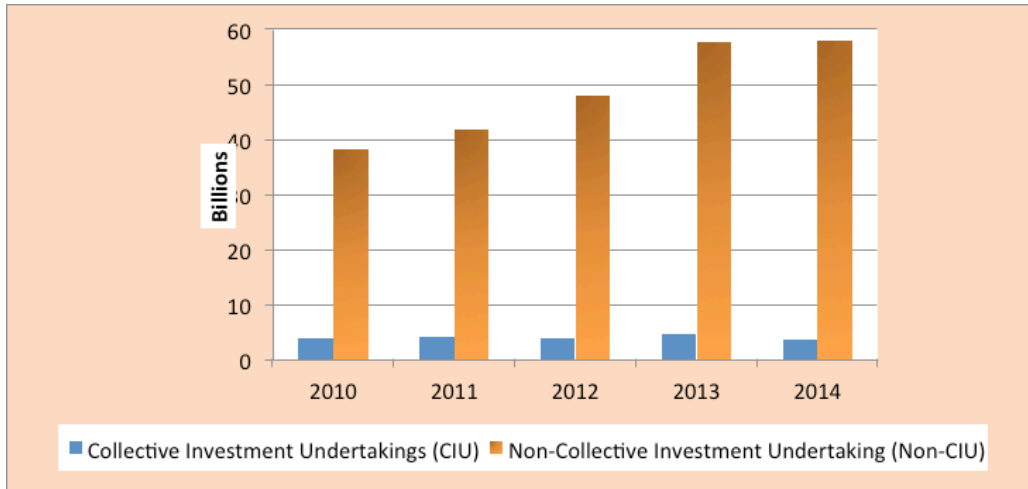
Note: CIU- Collective Investment undertaking, assets are managed on a pooled basis

Figure 6: Overall AUM Of CIU And Non-CIU For The Last 5 Years



Source: NBFIRA

Figure 7: Total AUM By Structure (BWP Billions)



Source: NBFIRA

4.4.1.2 Breakdown of Non-CIU Assets Under Management by Type of Client

Table 47: Non CIU Assets Breakdown by Type of Client

NON-CIU CLIENT TYPE	Reporting period				
	2010 ('000)	2011 ('000)	2012 ('000)	2013 ('000)	2014 ('000)
Institutional- Pension	34,599,559.0	38,177,217.8	43,567,873.9	53,066,337.4	37,078,837.3
Market share Institutional- Pension (%)	90.8	91.2	90.8	92.1	64.2
Institutional- Insurance	2,294,731.3	2,287,274.4	2,7193,85.2	3,240,140.9	3,504,278.3
Market share Institutional- Insurance (%)	6.0	5.5	5.7	5.6	6.1
Institutional – Other	1,070,961.0	1,145,971.9	1,455,543.5	1,052,386.6	16,904,888.1
Market share Institutional - Other (%)	2.8	2.7	3.0	1.8	29.3
Individual Private Clients	153,749.0	230,932.5	245,128.2	273,636.3	275,174.6
Market share Individuals / Private Clients (%)	0.4	0.6	0.5	0.5	0.48

Source: NBFIRA

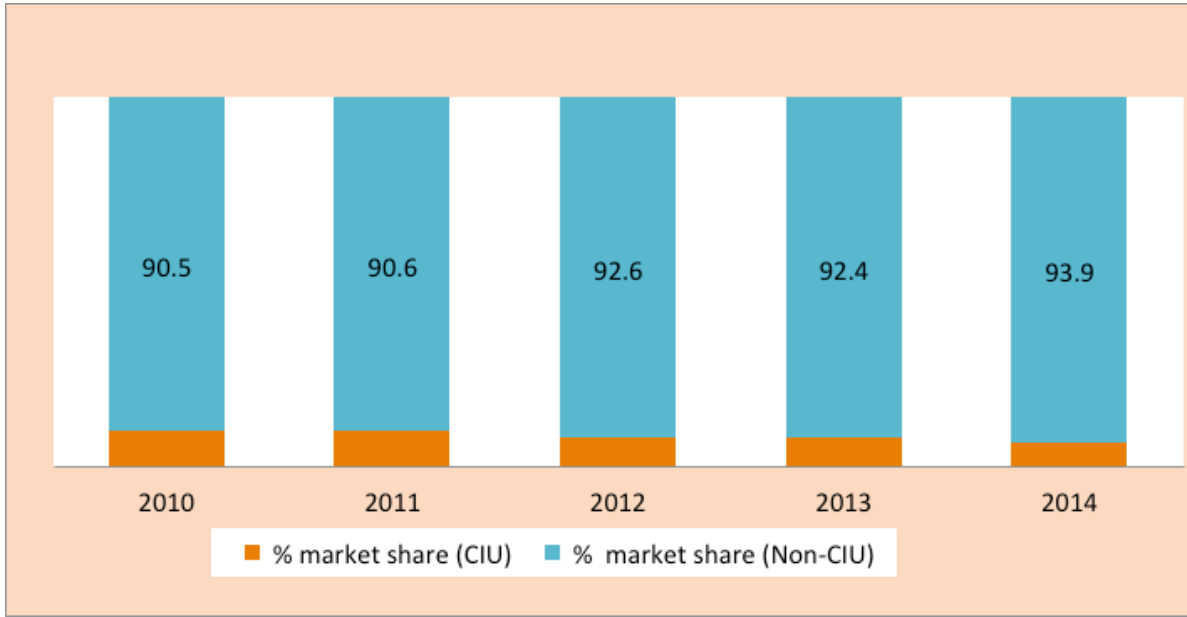
4.4.3 Breakdown of CIU Assets Under Management

Table 48: CIU Assets breakdown by Type of Clients

CIU Client Type	2010 ('000)	2011 ('000)	2012 ('000)	2013 ('000)	2014 ('000)
Institutional- Pension	59,330.6	11,599.1	358,462.1	1,225,272.4	1,345,034.8
Market share Institutional- Pension (%)	1.5	0.3	9.3	25.9	35.9
Institutional- Insurance	0	0	0	0	0
Market share Institutional- Insurance (%)	0	0	0	0	0
Institutional – Other	1,025,406.7	2,536,380.5	2,895,009.9	2,701,337.0	1,729,988.7
Market share Institutional - Other (%)	25.8	58.7	75.4	57.1	46.2
Individual Private Clients	2,893,742.2	1,774,693.6	585,060.6	804,585.7	672,909.8
Market share Individuals / Private Clients (%)	72.7	41.1	15.2	17.0	17.9

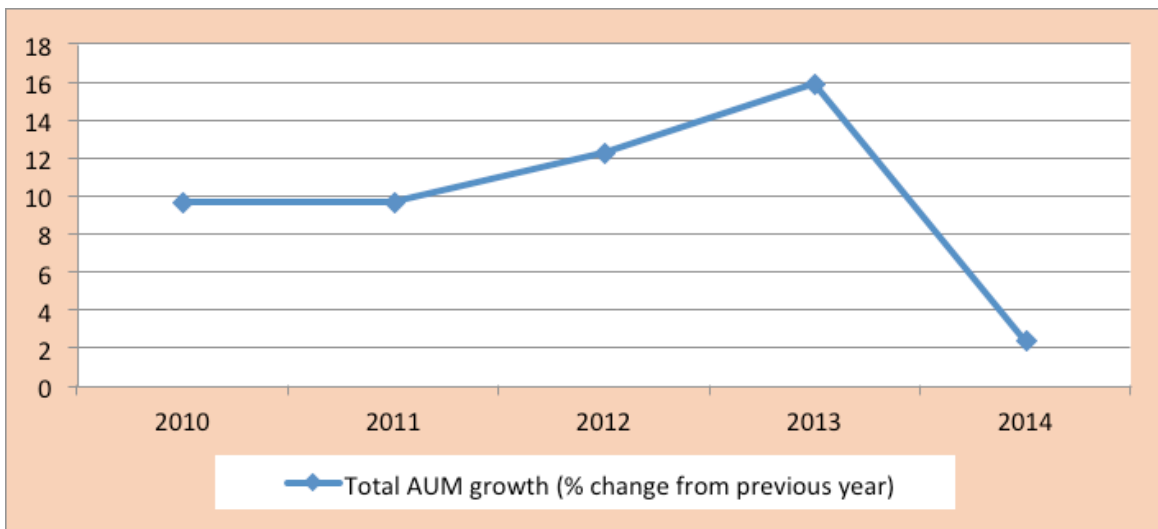
Source: NBFIRA

Figure 8: Overall AUM Market Share By Structure (%)



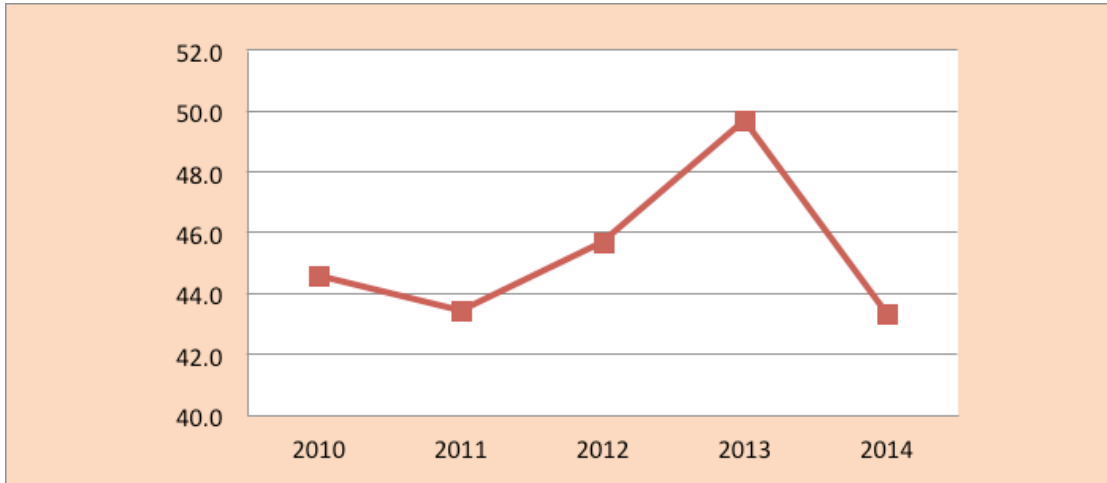
Source: NBFIRA

Figure 9: Overall AUM Growth (%)



Source: NBFIRA

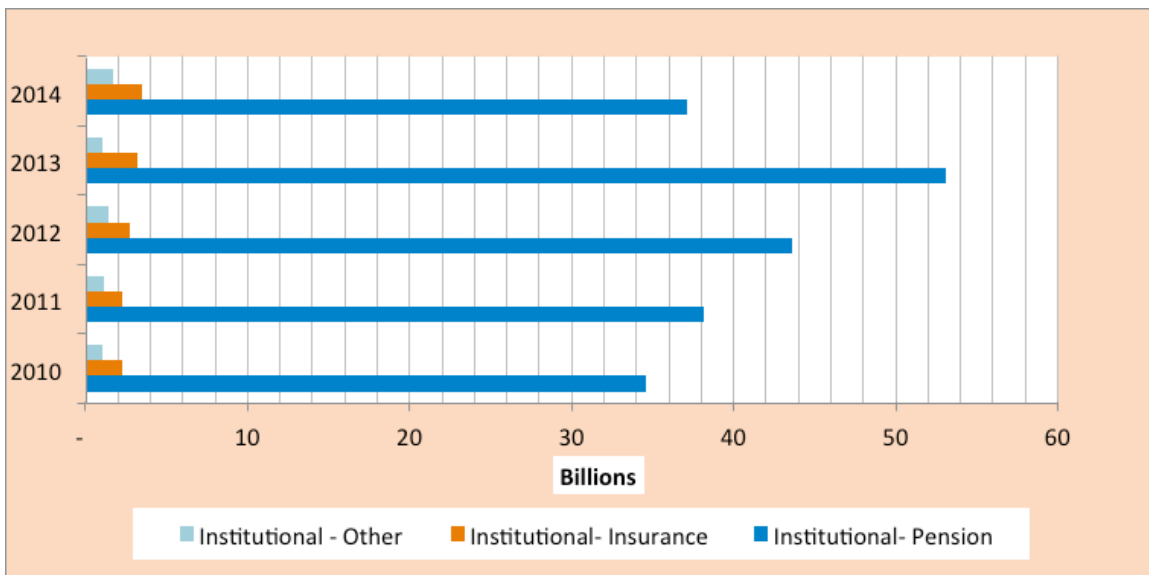
Figure 10: Overall AUM as Percentage of Nominal GDP (%)



Source: NBFIRA

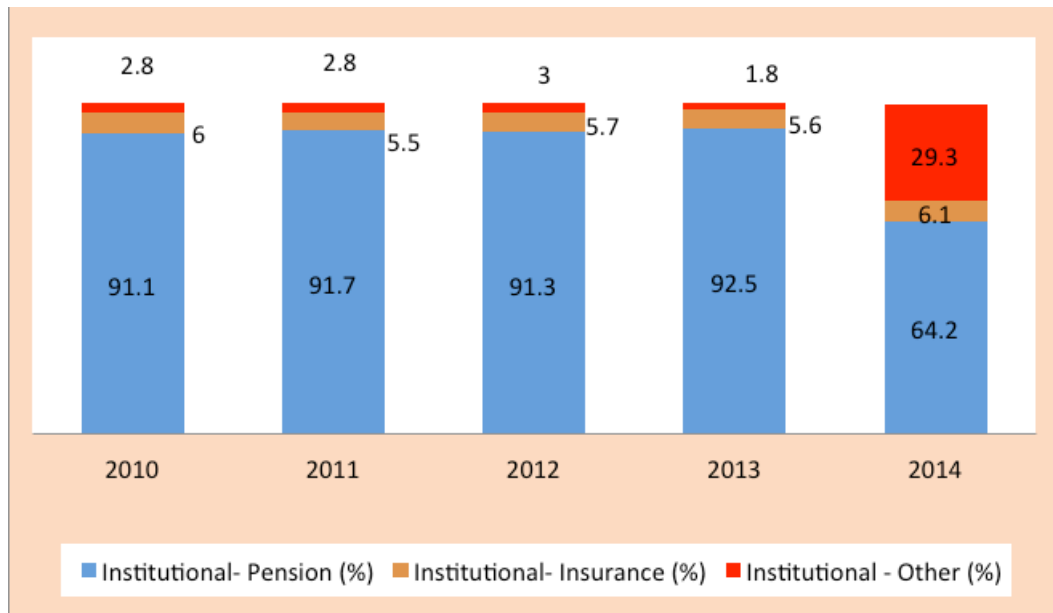
4.4.4. Graphical Presentation of Non-CIU Institutional Assets Under Management

Figure 11: Non CIU AUM by Institutional Clients



Note: Other Institutional clients' means corporate clients apart from Insurance Funds and Pension Funds.
Source: NBFIRA

Figure 12: Non CIU AUM Market Share By Institutional Clients



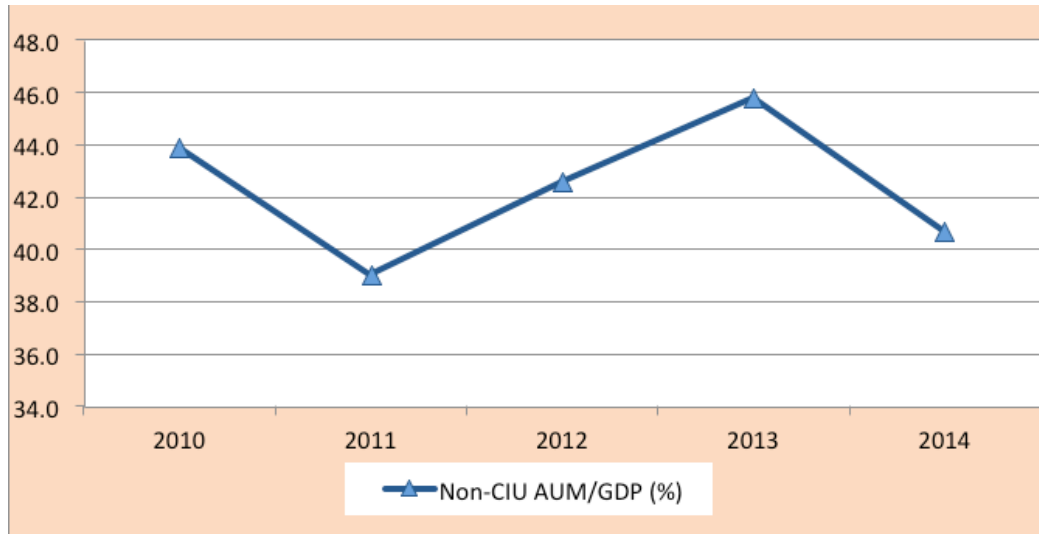
Note: Other Institutional clients' means corporate clients apart from Insurance Funds and Pension Funds.
 Source: NBFIRA

Figure 13: Non CIU AUM By Individuals / Private Clients



Source: NBFIRA

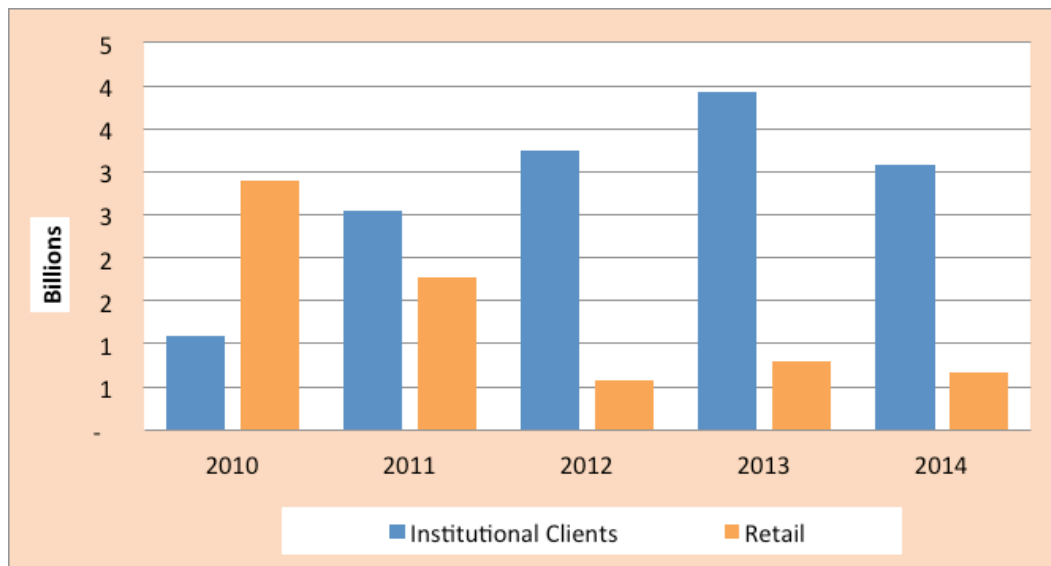
Figure 14: Non CIU AUM as Percentage of Nominal GDP



Source: NBFIRA

4.4.5 Breakdown of CIU Assets Under Management

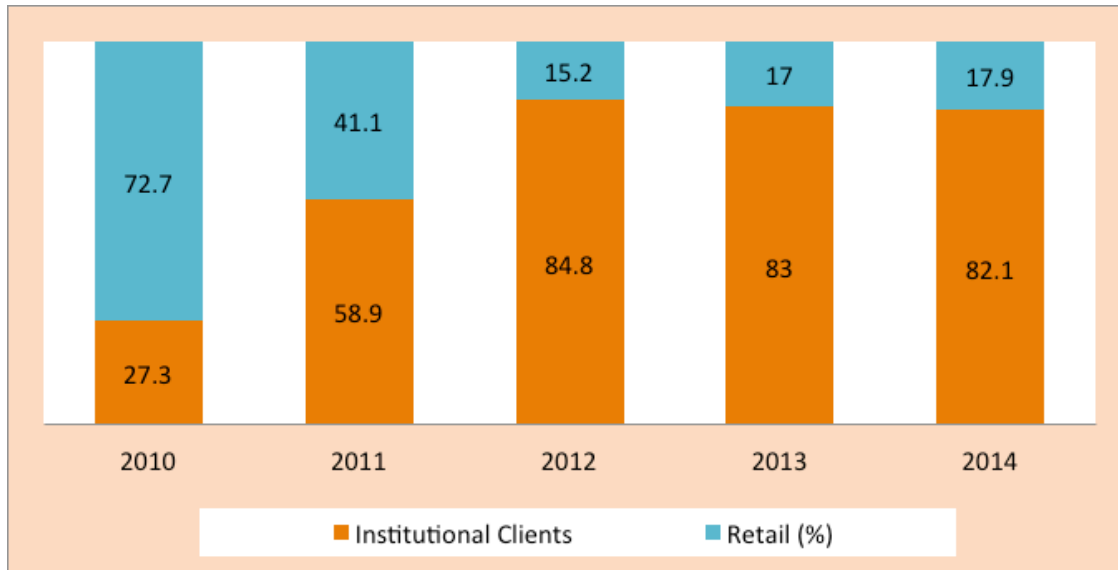
Figure 15: CIU AUM Market Share By Type Of Client



NOTE: Retail means individual/ public investors.

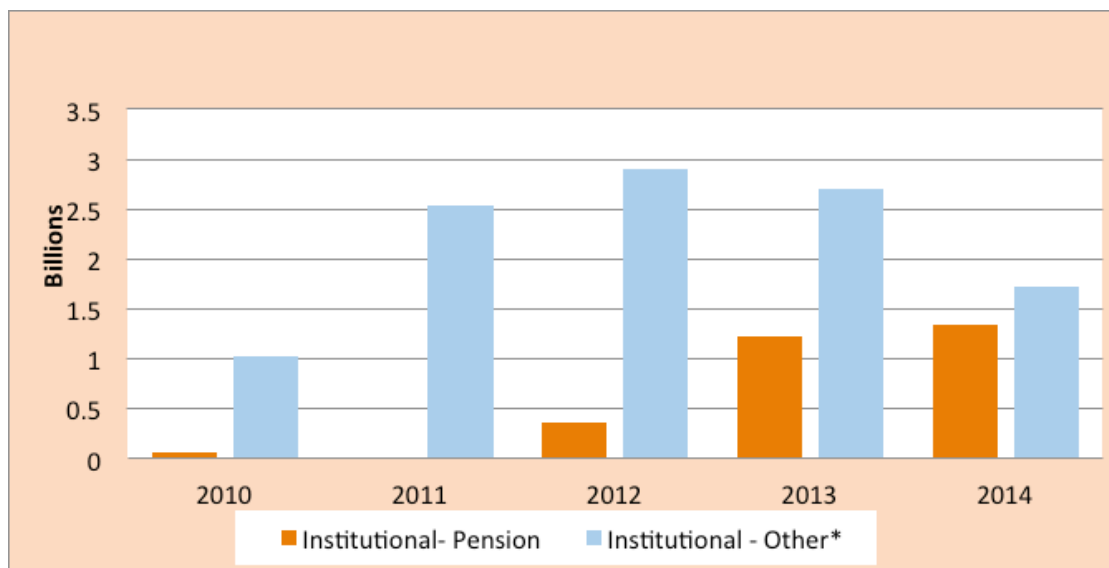
Source: NBFIRA

Figure 16: CIU AUM Market Share By Type Of Client



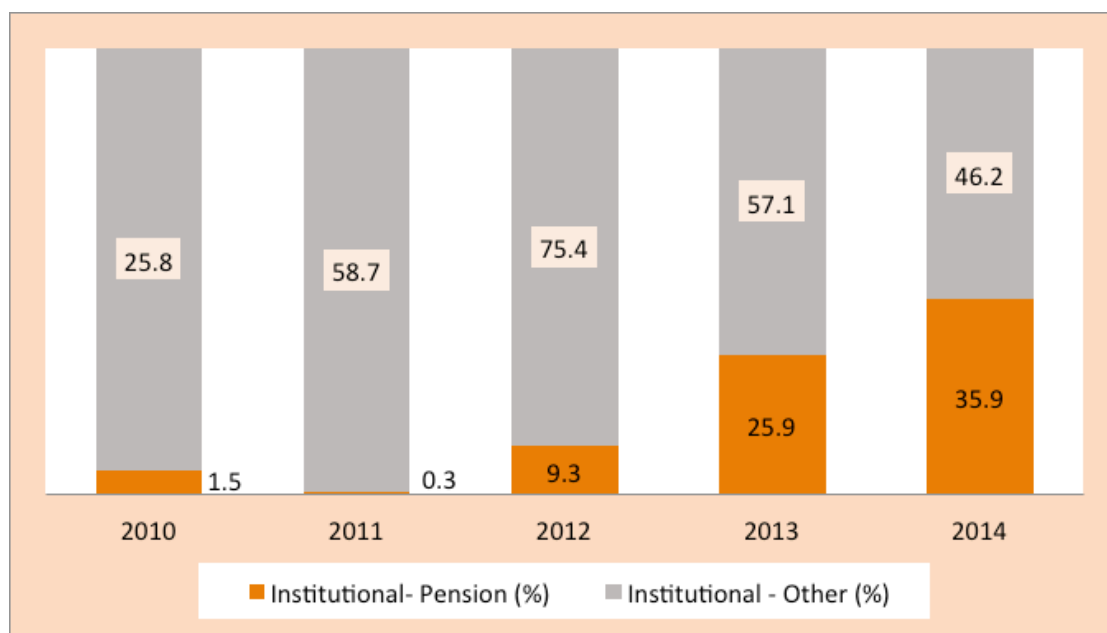
Note: Retail means individual/ public investors.
 Source: NBFIRA

Figure 17: Breakdown of CIU AUM by Institutional Clients (BWP Billions)



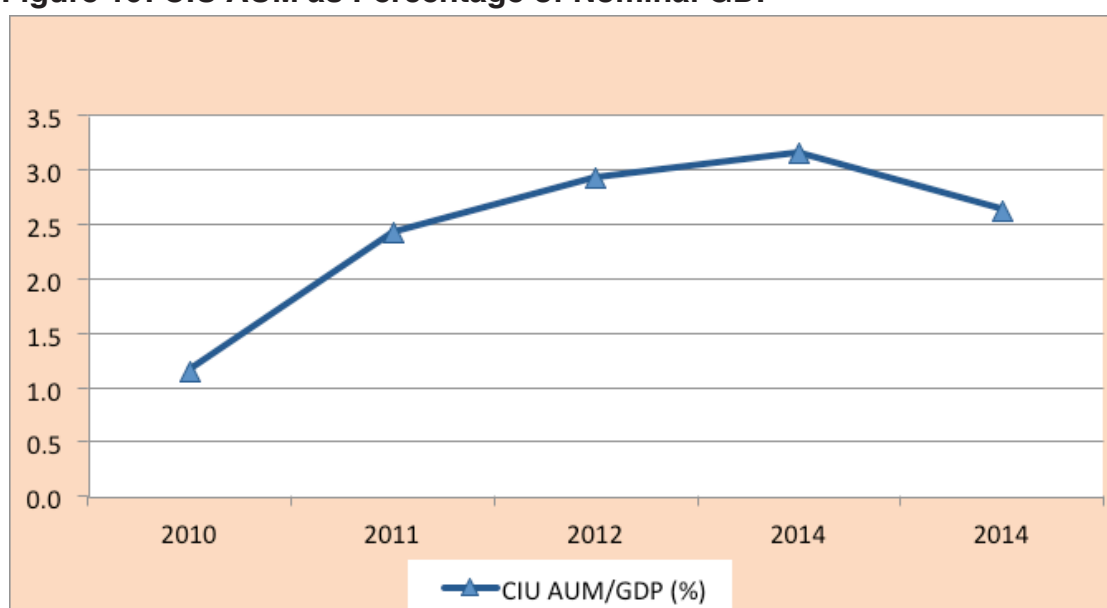
Note: Other Institutional clients' means corporate clients apart from Insurance Funds and Pension Funds.
 Source: NBFIRA

Figure 18: CIU AUM Market Share By Institutional Clients



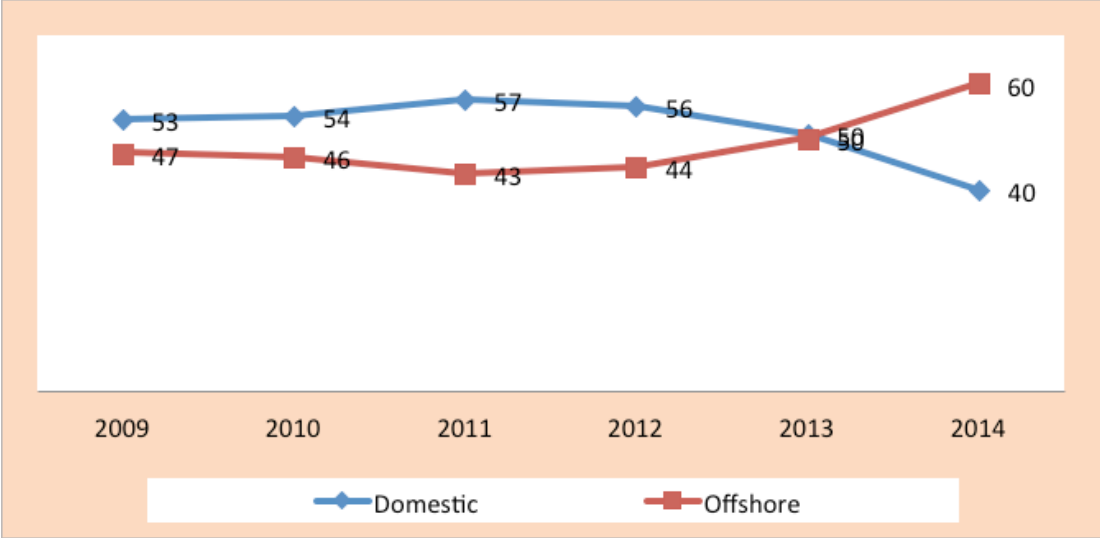
Note: Other Institutional clients' means corporate clients apart from Insurance Funds and Pension Funds.
 Source: NBFIRA

Figure 19: CIU AUM as Percentage of Nominal GDP



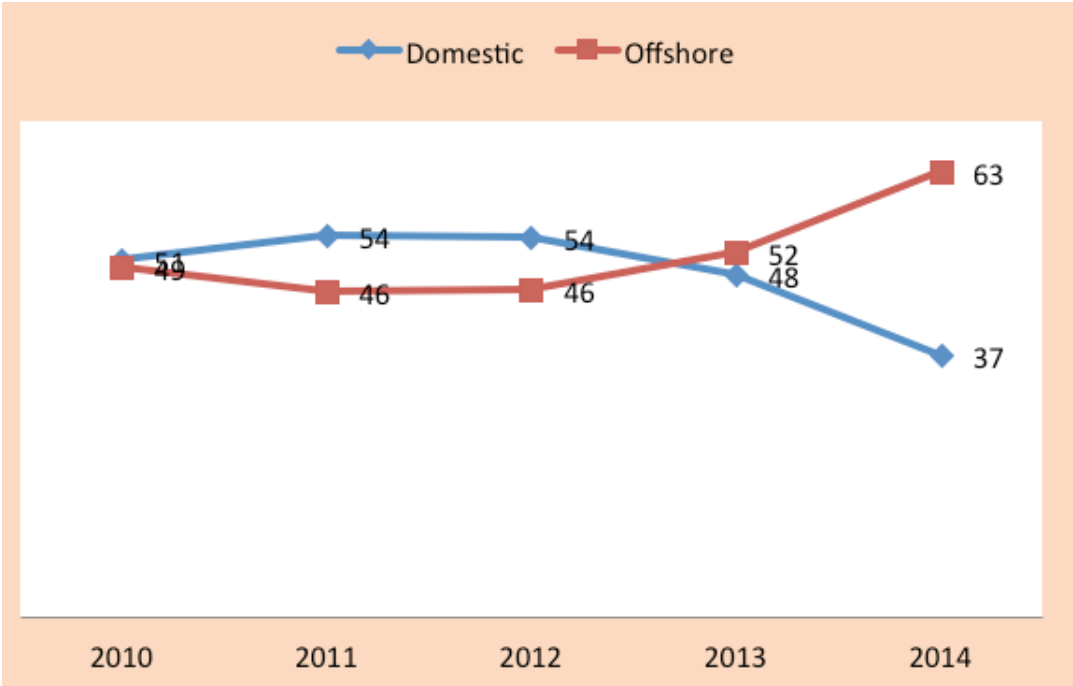
Source: NBFIRA

Figure 20: Overall CIU And Non CIU Asset Allocation By Region (%)



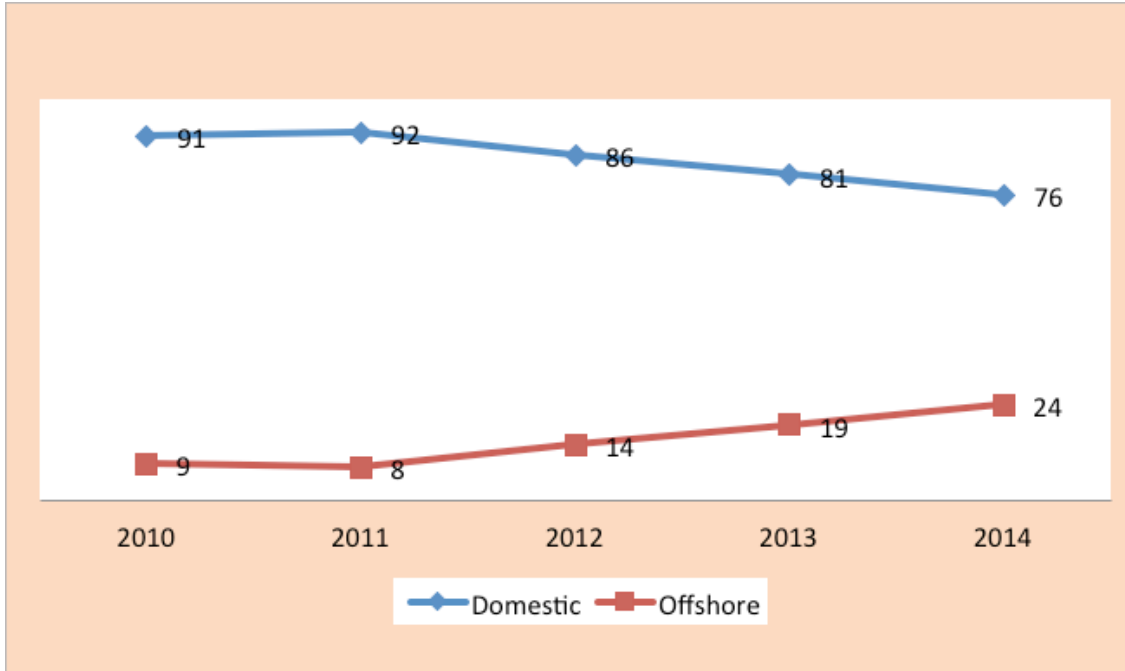
Source: NBFIRA

Figure 21: Non CIU Asset Allocation By Region (%)



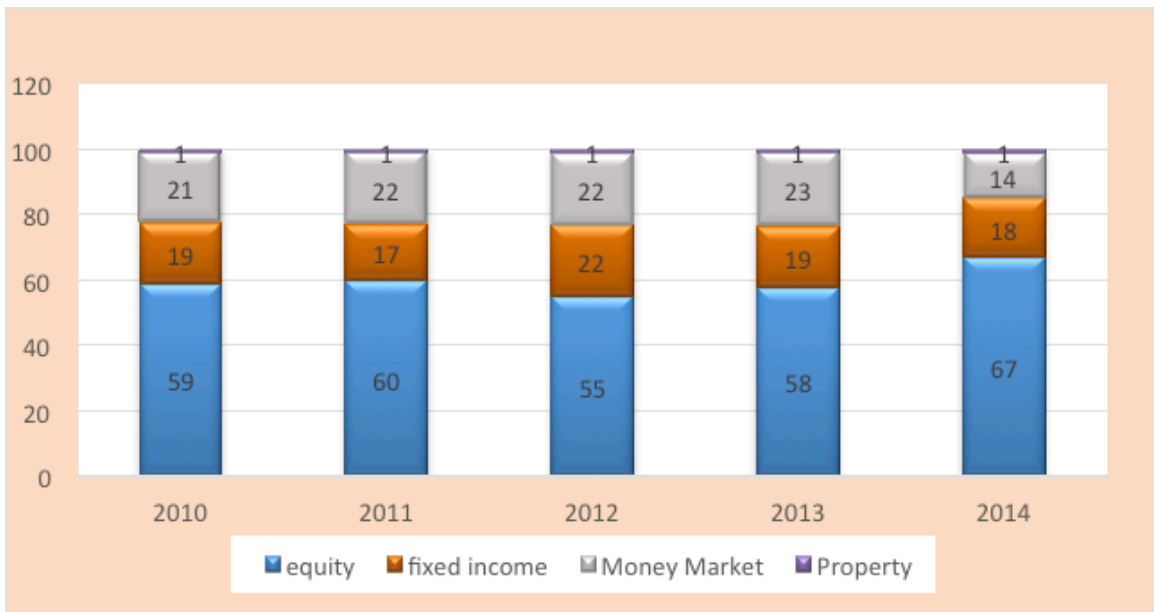
Source: NBFIRA

Figure 22: CIU Asset Allocation By Region (%)



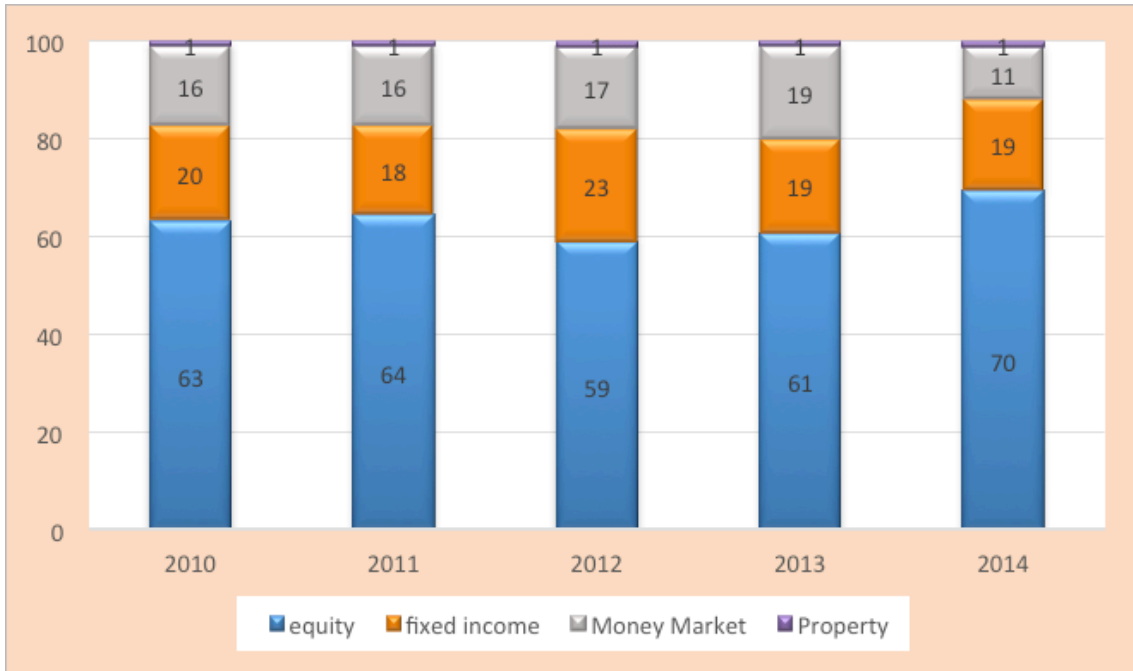
Source: NBFIRA

Figure 23: Overall CIU and Non CIU asset allocation by class/instruments (%)



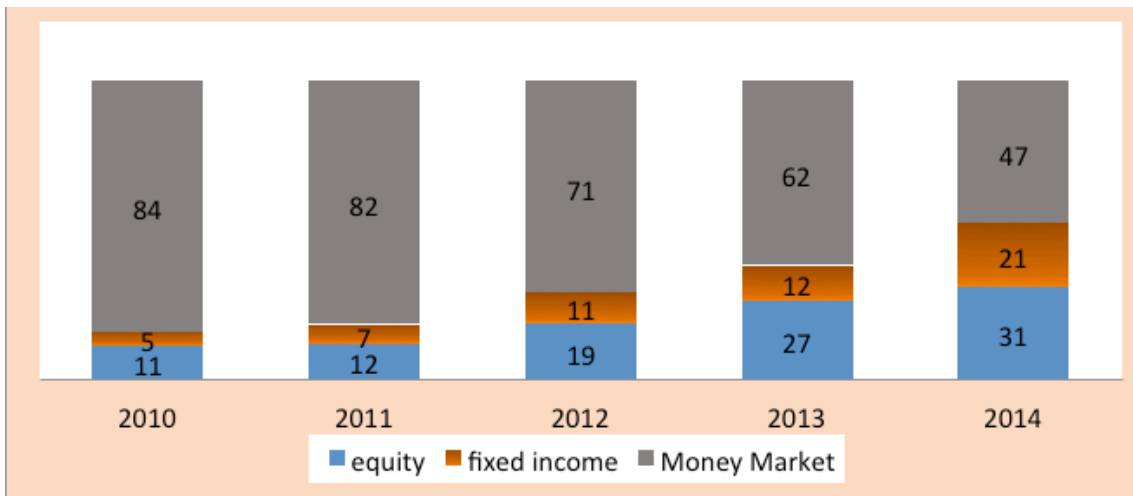
Source: NBFIRA

Figure 24: Non CIU Asset Allocation By Class/Instruments (%)



Source: NBFIRA

Figure 25: CIU Asset Allocation By Class/Instruments (%)



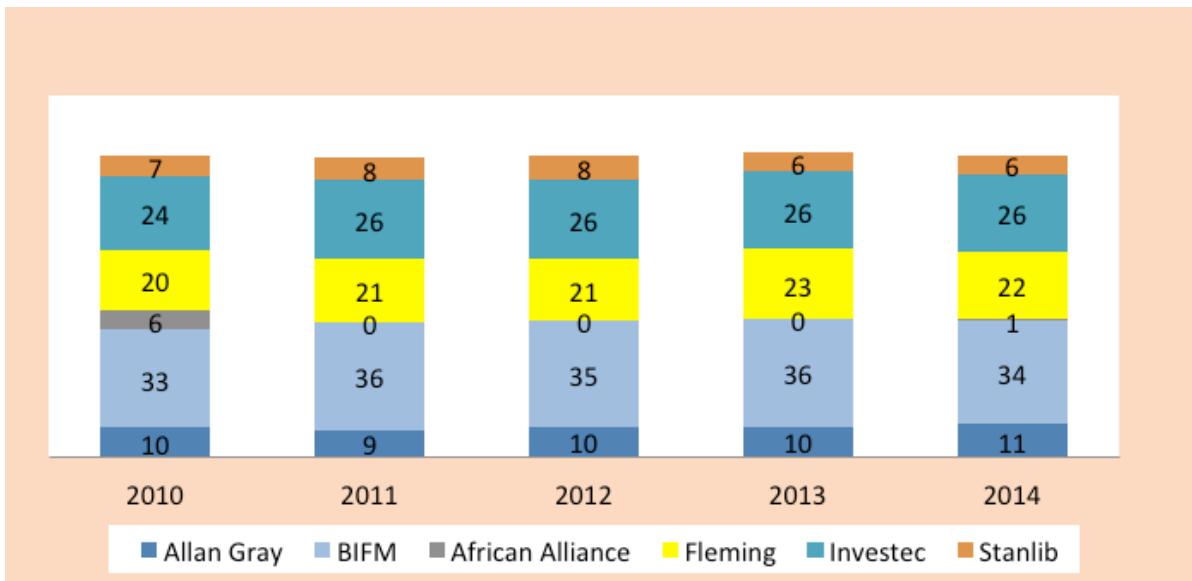
Source: NBFIRA

Figure 26: AUM concentration of top 6 Asset Managers for Non CIU (%)



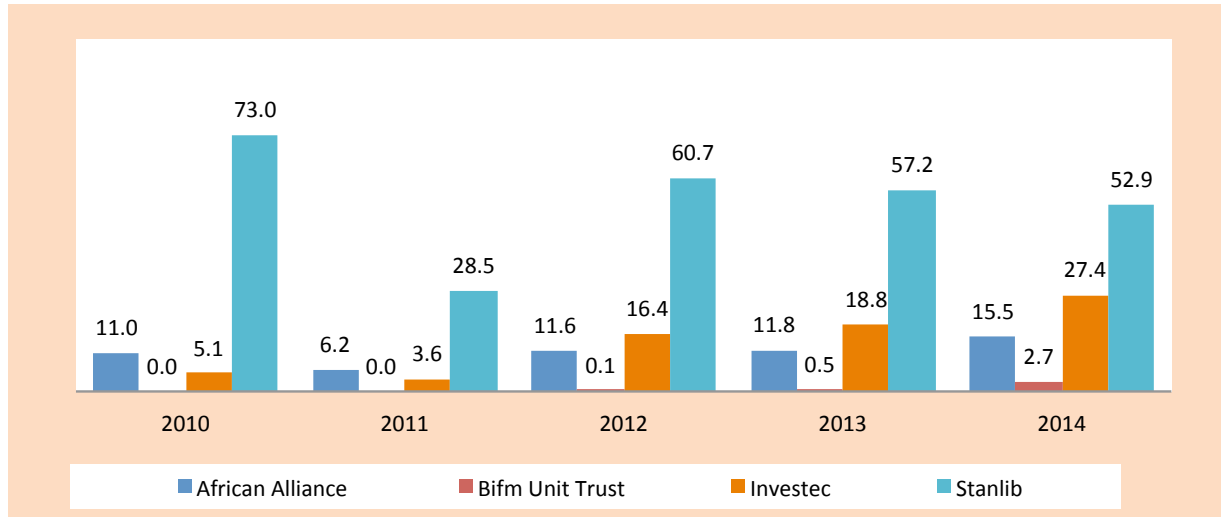
Note: Top 6 asset managers includes Allan Gray, Bifm, African Alliance, Fleming, Investec and Stanlib.
 Source: NBFIRA

Figure 27: AUM Composition of top 6 Asset Managers for Non CIU (%)



Note: Top 6 asset managers includes; Allan Gray, Bifm, African Alliance, Fleming, Investec and Stanlib.
 Source: NBFIRA

Figure 28: AUM Market Share Of Management Companies For CIUs (%)



Source: NBFIRA

Table 49: Overall CIU and Non CIU asset allocation by Region ('000)

NON CIU ASSETS	Domestic	Offshore	TOTAL
2010	19,849,102.5	19,376,816.2	39,225,918.6
2011	24,188,390.3	20,606,782.4	44,795,172.7
2012	27,525,598.2	23,686,405.1	51,212,003.3
2013	28,856,517.4	30,843,621.6	59,700,139.0
2014	22,325,365.4	37,402,879.4	59,728,244.8
CIU ASSETS	Domestic	Offshore	TOTAL
2010	3,402,211.5	342,680.7	3,744,892.2
2011	3,946,871.8	352,970.5	4,299,842.3
2012	3,295,448.5	533,303.0	3,828,751.6
2013	3,296,996.4	761,948.6	4,058,945.0
2014	2,840,814.0	879,680.4	3,720,494.3
OVERALL ASSETS	Domestic	Offshore	TOTAL
2010	23,251,314.0	19,719,496.9	42,97,0810.9
2011	28,135,262.1	20,959,752.9	49,095,015.0
2012	30,821,046.7	24,219,708.1	55,040,754.8
2013	32,153,513.8	31,605,570.2	63,759,084.0
2014	25,125,834.0	38,282,358.8	63,408,192.8

Table 50: Overall CIU and Non CIU asset allocation by class/instrument (%)

NON CIU ASSETS	AT MARKET VALUES				
	Equity	fixed income	Money Market	Property	TOTAL
2010	25,295,093.9	7,212,188.7	6,281,447.3	437,188.7	39,225,918.6
2011	26,418,125.5	10,411,648.3	7,414,974.1	550,424.7	44,795,172.7
2012	31,116,445.3	9,857,560.9	9,703,383.1	534,614.0	51,212,003.3
2013	41,510,058.2	11,066,687.4	6,393,712.1	729,681.4	59,700,139.0
2014	42,874,162.3	13,062,546.9	2,983,504.5	808,030.2	59,728,243.8
CIU ASSETS	Equity	fixed income	Money Market	Property	TOTAL
2010	419,984.4	179,605.3	3,145,302.5	0	3,744,892.2
2011	506,665.7	284,201.5	3,508,975.1	0	4,299,842.3
2012	716,189.1	403,534.3	2,709,028.2	0	3,828,751.6
2013	1,079,375.2	475,392.3	2,504,177.5	0	4,058,945.0
2014	1,166,733.8	788,981.6	1,764,808.9	0	3,720,494.3
OVERALL ASSETS	Equity	fixed income	Money Market	Property	TOTAL
2010	25,715,078.3	7,391,794.1	9,426,749.8	437,188.7	42,970,810.9
2011	26,924,791.2	10,695,849.8	10,923,949.3	550,424.7	49,095,015.0
2012	31,832,634.3	10,261,095.2	12,412,411.2	534,614.0	55,040,754.8
2013	42,589,433.4	11,542,079.7	8,897,889.6	729,681.4	63,759,084.0
2014	44,040,896.1	13,851,528.8	4,748,313.4	808,030.2	63,408,392.8

Source: NBFIRA

4.5. LENDING ACTIVITIES

4.5.1 Overview

Table 51: Geographical spread of NBFIRA registered Micro Lenders (243) as at December 2014

LOCATION	NO. OF MICRO LENDERS		y-o-y Change Percent	LOCATION	NO. OF MICRO LENDERS		y-o-y Change Percent
	2013	2014			2013	2014	
Gaborone	94	102	8.5	Selebi Phikwe	14	15	7.1
Francistown	39	43	10.2				
Maun	12	13	8.3	Jwaneng	12	12	0
Letlhakane/Orapa	15	15	0	Ramotswa	1	1	0
Gabane	1	1	0	Masunga	3	3	0
Bobonong	1	1	0				
Tamasane	0	0	-	Molepolole	2	2	0
Mmadinare	3	3	0	Kanye	6	6	0
Manyana	1	1	0	Tutume	1	1	0
Kasane	2	2	0	Sebina	0	0	-
Ghanzi	2	2	0				
Serowe	3	3	0	Mafenyatlala	0	0	-
Moshupa	2	2	0	Shakawe	1	1	0
Palapye	11	12	9.1	Lobatse	3	4	33.3
Ntlhantlhe	0	0	-	Mahalapye	4	4	0
Rakops/Mopipi	1	1	0	Mochudi	6	6	0
Lerala	1	1	0	Maunatlala	1	1	100

Source: NBFIRA

Table 52: Location Type of NBFIRA registered Micro Lenders as at December 31

Type of Location	2013	2014
Urban	166	191
Semi – Urban	45	51
Rural Areas	12	9
Remote Areas	6	7

Source: NBFIRA

Table 53: Geographical Spread of Pawnshops (33) as at December 31

Localtion	No. of Pawn Shops		y-o-y % Change	Localtion		No. of Pawn Shops	y-o-y % Change
	2013	2014			2013	2014	
Gaborone	18	19	(5.55)	Selebi Phikwe	2	2	(0)
Seleka	1	1	(0)	Palapye	2	3	(50)
Francistown	6	7	(16.6)	Letlhakane	1	1	0
Lobatse	1	1	0	Serowe	2	2	-
Maun		1	--	Kasane		1	-

Source: NBFIRA

Table 54: Location Type of NBFIRA registered Pawnshops as at December 31

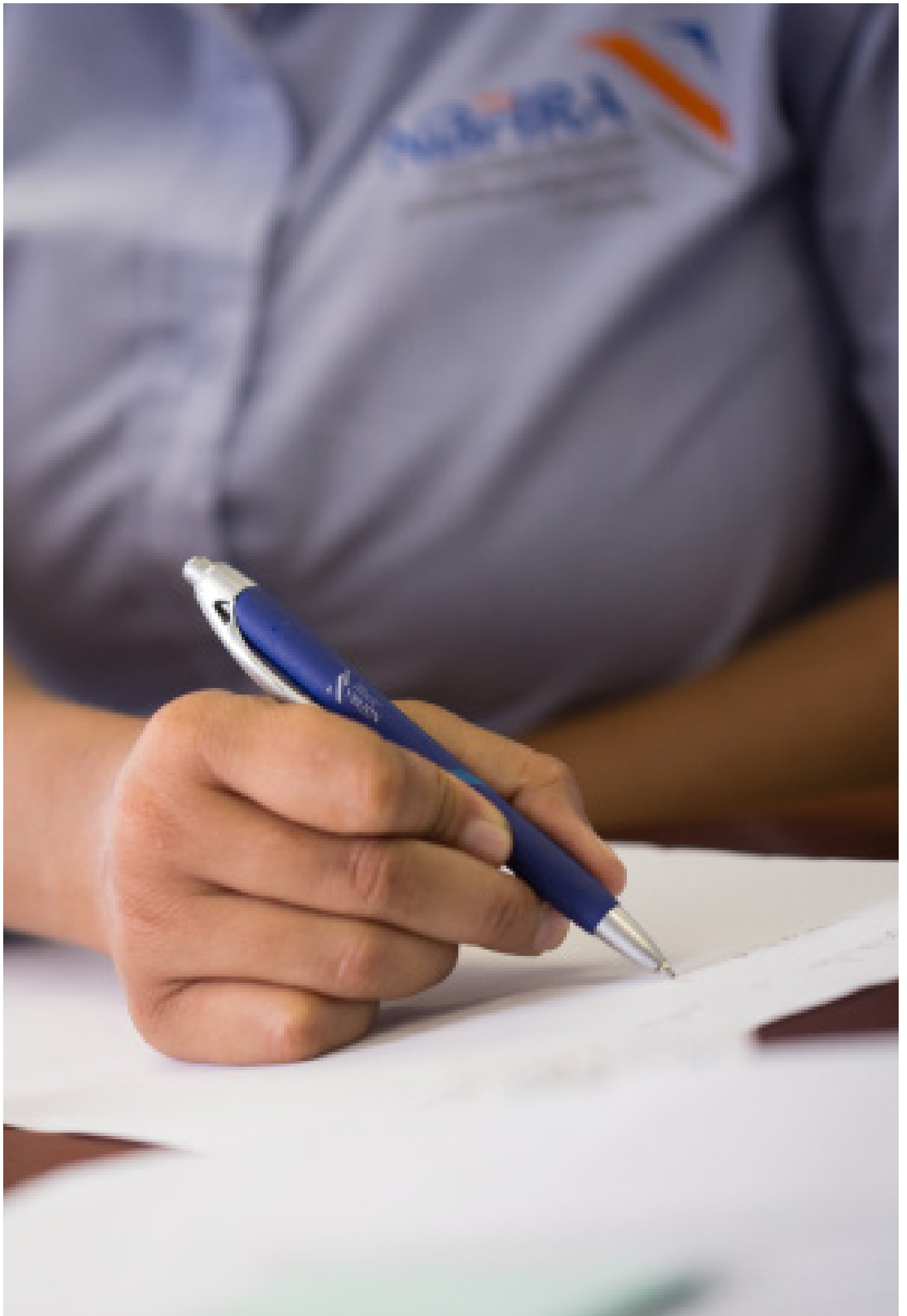
Type of Location	2013	2014
Urban	27	30
Semi – Urban	4	6
Rural Areas	1	0
Remote Areas	1	2

Source: NBFIRA

Table 55: Registered Micro Lenders by Citizenship

	Number of Registered Micro Lenders	
	2013	2014
Citizens	170	183
Non- Citizen	73	75
Totals	243	258

Source: NBFIRA



5. APPENDICES

Appendix 1 - Financial Performance of Insurance Companies Appendix 1A: Consolidated Life Insurance Income Statements during year ending December 31

	2012	2013	2014
Gross Premium Written	2,534,011,730	2,564,995,001	2,705,074,088
Premiums Ceded	65,191,190	74,210,092	97,862,205
Net Premiums Written	2,468,820,540	2,490,784,909	2,607,211,883
Change in UPR	(939,151,730)	1,450,205,540	705,854,318
Net Premiums Earned	1,270,742,316	1,040,579,369	1,901,357,565
Gross incurred claims	1,056,606,606	1,255,323,719	1,420,418,104
Reinsurance share of claims	24,988,174	23,126,543	29,059,226
Net incurred claims	1,031,618,432	1,232,197,176	1,391,358,878
Gross Acquisition Costs	376,836,084	412,639,612	347,597,240
Reinsurance commission	-	337,964	1,227,056
Net acquisition costs	376,836,084	412,301,648	346,370,184
Operating Expenses	1,684,621,790	2,503,364,022	1,577,531,019
Underwriting Expenses	2,061,457,874	4,149,862,846	3,315,260,081
Total Underwriting Income	(1,822,333,990)	(3,109,283,477)	(1,413,902,516)
Investments Income	1,960,348,514	3,569,180,386	1,809,319,288
Other Income	285,798,217	97,579,000	261,847,000
Net Profit Before Taxes	423,812,741	557,475,909	557,263,772
Tax	88,720,898	(97,674,890)	133,214,181
Net Income After Tax	335,091,843	459,801,019	562,441,591

Source: NBFIRA Annual Reports and Audited financial statements of Insurers

NOTE: Some adjustments made to ensure consistency of presentation.

- Company newly formed, hence no financial statements during year under review.

**Appendix 1B: Consolidated Life Insurance Balance Sheet during year ending
December 31**

COMPANY:	2012	2013	2014
Non-Current Assets	11,077,289	41,562,034	40,042,942
Cash and Investments	546,280,026	516,238,175	504,975,458
Financial Assets	16,553,085,754	8,738,274,640	17,093,290,134
Tax Related Assets	26,239,100	32,987,819	4,868,900
Trade & Other Receivables	104,214,059	315,461,429	316,002,504
Other investments	609,394,246	7,420,313,833	452,751,747
Reinsurance Assets	11,212,517	64,828,479	68,001,879
Other	893,415,970	718,339,428	1,305,758,208
Total Assets	18,754,918,961	17,848,005,837	19,785,691,772
Insurance Liabilities	6,673,125,375	15,355,229,961	16,388,669,363
Trade & Other Payables	9,964,276,055	490,573,527	519,384,488
Related Party Payables	99,343,347	24,031,176	47,999,628
Tax related Liability	18,568,177	23,440,604	52,341,480
Other Liabilities	378,193,655	19,239,657	8,335,592
Total Liabilities	17,133,506,609	15,912,515,925	17,017,979,449
Share Capital	258,607,163	261,607,164	261,607,164
Reserves	712,707,350	802,365,213	1,138,767,559
Retained Earnings	650,061,173	871,518,535	1,367,338,600
Total Capital	1,621,375,688	1,935,489,912	2,767,712,323
Total Liabilities (Including capital)	18,754,882,297	17,848,005,837	19,785,691,772

Source: NBFIRA Annual Reports and Audited financial statements of Insurers

Appendix 1C: Consolidated General Insurance Income Statement 2014 (Pula)

Company:	2012	2013	2014
Gross Premium Written	1,149,673,446	1,176,176,488	1,198,856,098
Premiums Ceded	439,920,622	450,895,924	508,831,254
Net Premiums Written	709,752,825	725,280,564	690,024,844
Change in UPR	(5,565,236)	(3,162,180)	(28,098,390)
Net Premiums Earned	715,318,060	728,442,744	718,123,234
Incurred Claims	435,987,973	446,407,538	399,332,909
Net Acquisition Costs	101,841,994	64,644,657	79,390,721
Operating Expenses	164,125,286	381,102,269	190,620,780
Underwriting Expenses	701,955,253	658,922,958	669,344,410
Total Underwriting Income	13,362,807	70,034,626	48,778,824
Investments Income	59,633,641	98,160,311	50,328,104
Other Income	30,586,334	179,660,378	27,038,665
Reinsurance Recoveries	60,616,285	658,922,958	-
Net Profit Before Taxes	164,199,367	69,519,786	126,145,593
Tax	32,180,552	65,359,196	21,978,297
Net Income After Tax	132,018,815	141,688,483	104,167,296

Source: NBFIRA Annual Reports and Audited financial statements of Insurers

Appendix 1D: Consolidated General Insurance Balance Sheet 2014 (Pula)

Company:	2012	2013	2014
Cash and Equivalents	633,758,405	465,993,079	476,040,073
Non-current assets	96,920,148	274,887,345	79,902,328
Other Current Assets	882,946,728	970,064,758	1,154,981,817
Total Assets	1,613,625,281	1,710,945,182	1,710,924,218
Insurance Liabilities	687,186,551	693,887,831	754,330,880
Long-term Liabilities	25,045,787	12,774,670	8,159,935
Other Current Liabilities	36,038,493	356,077,673	251,227,830
Total Liabilities	1,023,137,753	1,062,740,174	1,013,718,645
Share Capital	162,234,324	172,282,065	200,782,065
Reserves	219,376,871	251,809,477	281,802,559
Retained Earnings	208,876,333	224,113,466	214,620,949
Total Capital	590,487,528	648,205,008	697,205,573
Total Liabilities & Equity	1,613,625,281	1,710,945,182	1,710,924,218

Source: NBFIRA Annual Reports and Audited financial statements of Insurers

NOTE: Some adjustments made to ensure consistency of presentation.

- Company newly formed, hence no financial statements during year under review

Appendix 1 E: Consolidated Reinsurance Companies Income Statement during year end Dec 31

Company:	2012	2013	2014
Gross Premium Written	22,550,962	35,864,144	102,339,976
Premiums Ceded	3,507,392	10,571,650	26,554,575
Net Premiums Written	19,043,570	25,292,494	75,785,401
Change in UPR	(695,346)	1,927,584	6,127,352
Net Premiums Earned	19,738,916	23,364,910	69,658,049
Incurred Claims	3,789,495	6,956,590	27,586,736
Net Acquisition Costs	6,655,033	5,363,900	22,504,280
Operating Expenses	10,319,533	10,518,245	20,024,824
Underwriting Expenses	20,764,061	24,185,811	70,115,840
Total Underwriting Income	(1,025,145)	253,175	(457,791)
Investments Income	372,057	781,619	845,839
Other Income	1,531,473	1,252,212	7,081,750
Reinsurance Recoveries	-	-	-
Net Profit Before Taxes	878,385	2,287,006	7,469,798
Tax	113,381	253,730	2,220,568
Net Income After Tax	765,004	2,033,276	5,249,230

Source: NBFIRA Annual Reports and Audited financial statements of Reinsurers

NOTE: Some adjustments made to ensure consistency of presentation.

* Company newly formed, hence no financial statements during year under review.

Appendix 1 F: Consolidated Re- Insurance Balance Sheet during year end Dec 31

Description	2012	2013	2014
Cash and Equivalents	26,018,503	29,812,527	99,562,572
Non-current assets	983,998	720,230	5,641,216
Other Current Assets	11,790,688	19,130,978	87,591,660
Total Assets	38,793,189	49,663,735	192,795,448
Insurance Liabilities	8,234,946	14,851,704	55,726,468
Long-term Liabilities	5,014	5,623	303,142
Other Current Liabilities	7,499,193	9,719,096	40,182,119
Total Liabilities	15,739,153	24,576,423	96,211,729
Share Capital	26,413,227	26,413,227	91,863,796
Reserves	1,643,677	3,025,811	6,243,751
Retained Earnings	(5,002,868)	-4,351,726	(1,523,828)
Total Capital	23,054,036	25,087,312	96,583,719
Total Liabilities& Equity	38,793,189	49,663,735	192,795,448

Source: NBFIRA Annual Reports and Audited financial statements of Reinsurers

NOTE: Some adjustments made to ensure consistency of presentation.

* Company newly formed, hence no financial statements during year under review.

Appendix 1 G - Consolidated Insurance Brokers Income Statement during year end Dec 31

	2013	2014
Gross Premium	1,570,953,320	1,493,323,781
Commissions	237,459,208	215,372,568
Other Revenue	103,669,968	116,868,998
Total Revenue	341,129,176	332,241,566
Operating Expenses	170,023,712	196,416,398
Other Expenses	53,157,265	15,995,915
Related Party Expenses	23,565,493	631,136
Total Expenses	246,746,470	226,632,763
Income Before Tax	94,382,706	119,198,117
Tax	20,779,509	22,605,935
Income After Tax	73,603,197	96,592,182

Source: NBFIRA Annual Reports and Audited financial statements of Insurance Brokers

Appendix 1H: - Consolidated Insurance Brokers Balance Sheet during year end Dec 31

	2013 ('000)	2014 ('000)
Current Assets	447,208.0	301,483.2
Related Party Loans and assets	4,433.1	21,119.5
Non- Current Assets	59,454.8	52,274.4
Total Assets	511,096.0	374,877.1
Trade & Other Payables	319,950.4	181,177.2
Shareholders Loans / Related party payables	16,332.0	8,124.7
Other Current Liabilities	35,226.7	30,328.1
Liabilities (excluding capital)	371,509.1	219,630.0
Stated Capital	26,325.0	28,898.4
Reserves and Retained Earnings	113,261.9	126,348.8
Capital and reserves	139,586.9	155,247.1
Total Liabilities (Including Capital)	511,096	374,877.1

Source: NBFIRA Annual Reports and Audited financial statements of Insurance Brokers

Appendix 2 - Financial Performance of Retirement Funds (Years 20010- 2014)

	Reporting period				
	2010	2011	2012	2013	2014
Opening Balances	30,996,665,814	30,243,317,419	32,771,204,342	33,211,703,146	46,566,575.7
Income: Member Contributions	730,397,384	704,478,542	718,751,522	757,571,473	999,200.0
Income: Member Contributions (arrears)	539,601	8,642,975	5,424,332	10,099,659	7,367.3
Income: Employer Contributions	1,312,038,777	1,206,384,937	1,610,954,446	1,703,796,641	2,134,300.0
Income: Employer Contributions (arrears)	6,402,508	158,813	21,985,841	433,057.00	31,873.3
Income: Transfer In	238,784,683	50,767,322	124,213,531	99,694,691	396,382.5
Income: Life Insurance Policy	904,640	6,543,910	4,970,124	4,053,449	7,600.0
Income: Investment	4,240,427,753	2,657,985,295.29	3,609,069,940.	3,845,355,268	6,345,300.0
Income: Transfer from reserves	7,870,057	21,671,236	26,704,526	40,665,184	4,826.5
Income: Other	1,923,010,210	277,487,648	509,036,932	687,531,944	998,900.0
Expenditure: Retirement payment (periodic)	298,118,192	412,799,156	459,859,550	457,397,858	569,983.9
Expenditure: Annuity Purchase	121,170,537	37,631,869	68,983,889	74,438,539	67,502.2
Expenditure: Retirement Lump Sum	919,128,807	968,277,531	1,900,690,774	1,927,213,229	1,998,016.4
Expenditure: Death Lump Sum	181,640,350	134,620,431	159,940,739	160,078,565	197,603.8
Expenditure: Resignation Lump Sum	199,337,759	170,915,786	212,815,590	230,326,444	207,089.2
Expenditure: Transfers Out	53,311,891	47,929,391	143,187,802	90,673,453	1,001,591.1
Expenditure: Insurance Premiums	8,225,849	12,644,944	13,949,603	17,052,362	10,900.0
Expenditure: Ins. (PHI)	223,062	225,276	270,202	350,846	642.7
Expenditure: Actuarial Fee	1,620,041	2,058,492	1,674,850	2,573,960	3,391.9
Expenditure: Audit Fee	4,031,391	4,243,841	5,003,143	5,287,437	7,325.5
Expenditure: Allocation Fee	18,335,386	19,741,250	4,818,802	4,089,512	0
Expenditure: Sales tax/VAT	-	1,261.44	317,847	418,047	485.2
Expenditure: Invest Manager	197,140,999	227,748,376.51	231,347,075	239,417,900	415,888.3

Expenditure-Investment written down	19,053,994	131,501,297	11,924,554	11,919,724	0
Transfer to reserve	124,765,355	386,647,056	1,085,917,033	1,124,800,827	197,108.9
Expenditure: Admin (other) fee	71,040,765	59,649,342	67,597,676	191,031,114	102,771.9
Closing Balance (Calculated)	37,239,897,049	32,530,148,822	34,976,094,630	35,761,641,709	52,712,024.2
Closing Balance (As per Return)	37,237,147,620	32,069,519,257	34,518,005,949	35,255,121,423	52,888,737.8
Difference	136	460,429,565	458,088,658	506,520,291	176,713.6
Annual Returns	2010	2011	2012	2013	2014
Fund Assets	35,840,119,761	34,416,912,650	39,018,173,719	40,115,393,402	17,321,850.9
Sundry Debtors: Contributions	752,979,750	12,177,042	23,723,085	26,838,198	19,148.3
Sundry Debtors: Other	23,009,956	1,378,844,589	1,326,661,810	1,327,548,934	594,300.3
Cash at the Bank	714,128,629	253,773,922	412,362,111	347,970,879	1,355,124.3
GLA Refund Premium	7,425	13,766	8,026	124,285,505	0
Assets Outside Botswana		2,009,369,857	1,224,956,832	956,137,155	42,602,831.5
Total Fund Assets	38,991,210,398	38,004,756,206	42,005,885,583	42,773,008,533	61,893,255.3
Funds and Reserves	47,860,858	-	-	2,010,533	
Members Funds	36,280,827,426	35,973,836,853	39,172,499,925	40,054,283,290	52,608,547.0
Reserves	1,502,381,012	430,101,893	748,167,548	801,135,216	1,326,539.6
Total Equity	37,783,208,438	36,403,938,746	39,920,667,473	40,733,802,610	53,935,086.6
Liabilities					
Benefits Payable	1,180,207,450	499,256,498	944,432,030	971,175,056	1,619,633.1
Accounts Payable	19,984,791	10,994,259	36,954,603	41,829,197	298,900.1
Others	7,855,969	1,089,825,771	1,103,475,693	1,160,276,260	6,040,626.4
Total Liabilities	1,207,955,713	1,540,624,287	1,989,968,095	2,014,092,480	7,957,177.5
Total Liabilities & Equity	38,991,201,389	38,004,756,206	42,005,885,583	42,773,008,533	61,893,255.3

Source: NBFIRA Annual Reports and Audited financial statements of Retirement Funds

NOTE: Some adjustments made to ensure consistency of presentation.

Appendix 3: Asset Under Management of Management Companies Appendix 3 A: Allocation by Region during the Years 2010-2014

Non - CIU AUM		As a Percentage of Total Investments (%)			
Period	Domestic	Offshore	Total	Domestic	Offshore
2010	19,849,102,459	19,376,816,165	39,225,918,624	50.6	49.4
2011	24,188,390,312	20,606,782,398	44,795,172,710	54.0	46.0
2012	27,525,598,176	23,686,405,097	51,212,003,272	53.7	46.3
2013	28,856,517,408	30,843,621,616	59,700,139,023	48.3	51.7
2014	22,325,365,375	37,402,879,450	59,728,243,825	37.4	62.6

CIU AUM		As a Percentage of Total Investments (%)			
Period	Domestic	Offshore	Total	Domestic	Offshore
2010	3,402,211,517	342,680,729	3,744,892,246	90.8	9.2
2011	3,946,871,751	352,970,521	4,299,842,273	91.8	8.2
2012	3,295,448,526	533,303,044	3,828,751,571	86.1	13.9
2013	3,296,996,354	761,948,628	4,058,944,982	81.2	18.8
2014	2,800,468,952	879,680,356	3,680,149,309	76.1	23.9

Overall AUM		As a Percentage of Total Investments (%)			
Period	Domestic	Offshore	Total	Domestic	Offshore
2010	23,251,313,976	19,719,496,895	42,970,810,870	54.1	45.9
2011	28,135,262,063	20,959,752,920	49,095,014,983	57.3	42.7
2012	30,821,046,701	24,219,708,141	55,040,754,843	56.0	44.0
2013	32,153,513,762	31,605,570,244	63,759,084,005	50.4	49.6
2014	25,125,834,028	38,282,358,806	63,408,392,834	39.6	60.4

Source: NBFIRA records

	2010		2011		2012		2012		2013		2014	
	Domestic	Offshore	Domestic	Offshore	Domestic	Offshore	Domestic	Offshore	Domestic	Offshore	Domestic	Offshore
Non-CIU												
Equity	8,213,085,348	17,082,008,531	9,279,125,922	17,138,999,584	11,649,344,028	19,467,101,252	13,925,392,193	27,584,665,971	11,320,146,254	31,554,016,010		
Fixed Income	5,847,812,978	1,364,375,752	7,871,913,051	2,539,735,280	7,674,808,475	2,182,752,421	8,457,307,801	2,609,379,593	7,534,614,224	5,527,932,704		
Money												
market/cash	5,351,015,398	93,043,882.5	6,489,508,218	925,465,908.6	7,670,163,939	2,033,219,118	5,792,548,281	601,163,830	2,776,162,626	207,341,854		
Property	437,188,734	0	547,843,121	2,581,626	531,281,734	3,332,304	681,269,132	48,412,221	694,442,271	113,587,882		
Total	19,849,102,459	19,376,816,165	24,188,390,312	20,606,782,398	27,525,598,176	23,686,405,097	28,856,517,408	30,843,621,616	22,325,365,375	37,402,848,449		

CIU	2010		2011		2012		2012		2013		2014	
	Domestic	Offshore	Domestic	Offshore	Domestic	Offshore	Domestic	Offshore	Domestic	Offshore	Domestic	Offshore
Equity	77,303,684	342,680,729	153,695,151	352,970,517	218,343,507	497,845,556	349,100,017	730,275,216	373,354,516	793,378,984		
Fixed Income	179,605,327	0	284,201,476	0	374,530,681	29,003,648	449,013,609	26,378,651	745,587,612	43,393,988		
Money market/cash	3,145,302,505	0	3,508,975,123	4-21	2,702,574,337	6,453,840	2,498,882,727	5,294,760	1,761,102,801	3,706,099		
Property	0	0	0	0	0	0	0	0	0	0		
Total	3,402,211,517	342,680,729	3,946,871,751	352,970,521	3,295,448,526	533,303,044	3,296,996,354	761,948,628	2,880,044,929	840,479,071		

Source: NBFIRA records



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