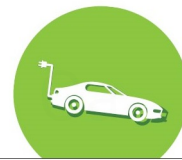




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DIAMONDS & DOGS BY JAMIE CARR



TFG

Growing in spite of turmoil



DIAMOND

Change has been a constant in the retail industry, from the markets of Babylonian

antiquity to the first permanent retail shopfront in Trajan's Forum in Rome.

Markets continued to dominate until permanent shops supplanted them in the 17th century, and by the late 18th century the arrival of the grand arcades established shopping as a social activity.

The 19th century gave us department stores and the arrival of mail-order catalogues, while the opening of the first mall outside Detroit in 1954 set the scene for one of the major trends of the 20th century.

However, it is no stretch to argue that the biggest revolution the industry has seen is taking place online in the current era. Traditional retailers are struggling to survive the combination of rising rents and wages while fighting the threat of the likes of Amazon with its giant automated warehouses.

Under the circumstances, TFG's results shine out as a rare beam of light in an ever more gloomy sector, with turnover growing strongly across its three major territories.

The group's online turnover is relatively small at 8.8% of the total, but it grew by 57.2% and TFG is committed to investing to ensure that trend continues. It is allocating R500m to its digital transformation initiatives, with a view to improving the management of its inventory, increasing stock availability online, and enhancing customer experience. The company is not expecting trading conditions to pick up in the short term, but it is counting on its ability to execute its strategy and to grow even when the times are tough. **x**

TFG's results shine out as a rare beam of light in an ever more gloomy sector

Tesla

Musk falling out of favour



DOG

Pretoria Boys High School has an eclectic list of alumni, with a couple of Nobel prize

winners and a boatload of quality sportsmen to boast of, alongside Oscar Pistorius and Duduzane Zuma, who head the "Unlikely to be invited back to present the prizes at sports day" column.

Elon Musk has the highest profile of all of them, but his memories of his time there are such that when the school attempted to tap his wallet he sent them a cheque for R1m on the basis that they never get in contact again.

Musk remains CEO of Tesla despite increasingly erratic behaviour in recent years. The company has had a brutal year, with the share price down 40% as investors have fallen out of love with the growth story. Musk raised \$2.7bn on the basis that this was a contingency fund that wouldn't need to be spent. Then on May 16, he e-mailed employees to announce a hardcore cost-cutting programme because the company was burning cash so fast that the \$2.7bn would last only 10 months.

Two large slabs of debt are falling due shortly, and sales are dropping after the US government halved the subsidy given to buyers of electric cars. Trade hostilities with China are a concern, and the mainstream carmakers are piling into the electric vehicle market.

Musk has been attempting to pull rabbits out of hats with his vision of Teslas generating revenue for their owners as autonomous robo-taxis, but this is an awfully long way from happening and investors are demanding progress rather than promises. **x**