

ZSE bullish as it closes April in the black...

The ZSE saw a rising month of April with the two main indicators closing in the black as a bullish sentiment swept across the board. Shoring up the activity on the market were the corporate actions along with the momentum from the reporting season, for the December reported date, which had some surprisingly better numbers despite the economic woes. The Econet rights and debenture issue was the major highlight on the corporate scene with its surrogate instruments, letters of allocation, having driven notable trades for the prior month while in April, the wait for the listing of new shares weighed. The much awaited tobacco selling season opened in April with the anticipated improved output expected to spur foreign inflows into the country and ease the remittance challenges that were being faced in making international payments. A bumper maize harvest following good rains received across the country was plus for the economy as this is expected to cut the government's spending on food imports thus ease the demand for remittances. The outlook however remains mired in uncertainty as political noise continues to rise ahead of the 2018 general elections.

	Previous	Current	Change	%Change	YTD %
Industrial	138.96	143.20	4.2400	3.05	0.92
Mining	58.56	66.33	7.7700	13.27	13.37

The benchmark Industrial Index garnered 3.05% in monthly gains and closed pegged at 143.20pts as it narrowed its year to date loss to 0.92%. Similarly the mining index was in ascendancy putting on 13.27% for the month to touch 58.56% and closing with a positive year to date return of 13.37%.

Risers

Symbol	Previous	Current	Change	%Change
WILD.ZW	0.0025	0.0035	0.0010	40.00
RIOZ.ZW	0.4000	0.5000	0.1000	25.00
BARC.ZW	0.0300	0.0360	0.0060	20.00
ARIS.ZW	0.0050	0.0060	0.0010	20.00
FBC.ZW	0.0802	0.0960	0.0158	19.70
ZBFH.ZW	0.1100	0.1305	0.0205	18.64
HIPO.ZW	0.3900	0.4600	0.0700	17.95
ECO.ZW	0.1605	0.1804	0.0199	12.40
FIDL.ZW	0.1000	0.1100	0.0100	10.00
PHL.ZW	0.1825	0.2000	0.0175	9.59

The market breadth was heavily skewed towards the gainers which numbered twenty seven against a mere seven fallers as the aforementioned bullish sentiment prevailed. Driving the appetite for equities has been the growing bank balances amidst a cash crisis in the economy prompting fears of loss of value on the bank balances. Consequently, locals have been eluding bank balances in lieu of assets with a potential to preserve and grow value in the face of emergent inflationary pressures. Leading the market charge was penny stock –

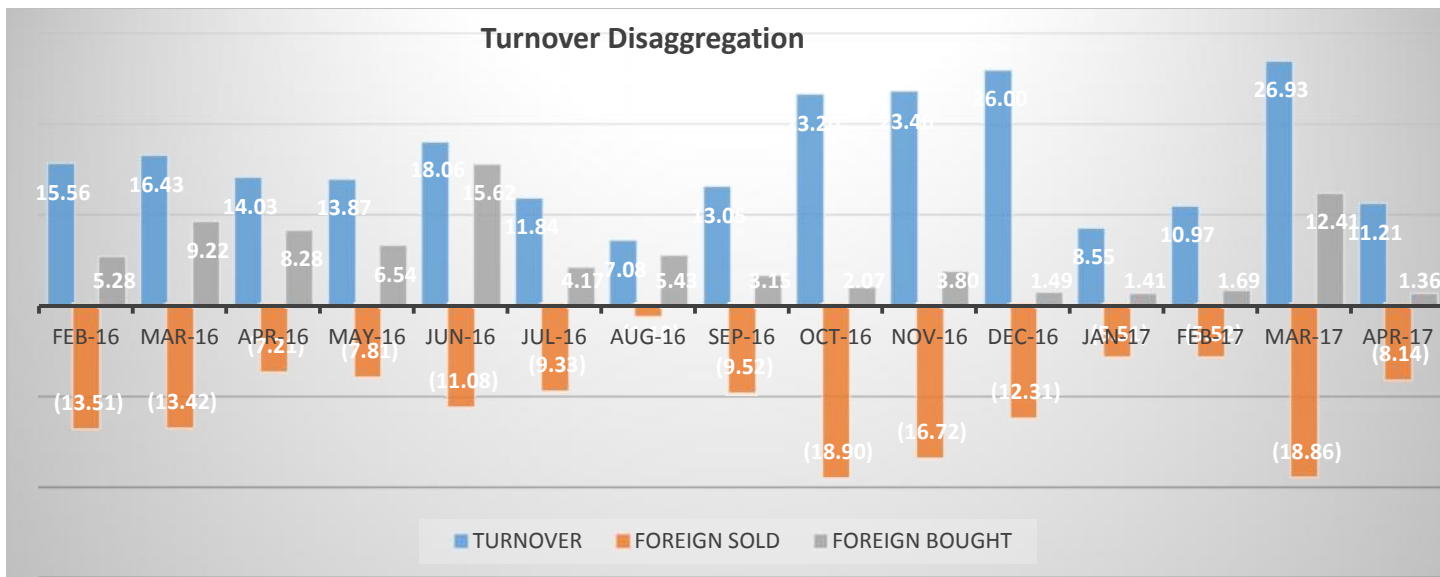
Monthly Review - April

Willdale which surged 40% and ended the month pegged at \$0.0035. Post the close of the month the brick manufacturers announced a proposal to dispose excess land banks with the proceeds earmarked to clear long outstanding debts. Diversified mining house, RioZim, followed after charging 25% and closed the month at \$0.5000. Banking group Barclays gained 20% and ended at \$0.0360 amidst reports of ongoing negotiations that could lead to a change in major shareholders. Ariston was up by a similar 20% margin to \$0.0060 while, banking group FBCH put on 19.7% and ended the month at \$0.0960. Financial service group ZBFH sustained a post results rising momentum with an 18.64% charge to \$0.1305. Agricultural concern Hippo put on 17.95% and closed at \$0.4600 as Econet shrugged off the pre-rights issue pressures to put on 12.4% and end the month pegged at \$0.1804. Completing the top risers set were Fidelity and Padenga with the formers adding 10% to \$0.1100, while the latter ended the month at a high of \$0.2000 as demand remained firm in the crocodile skin processor.

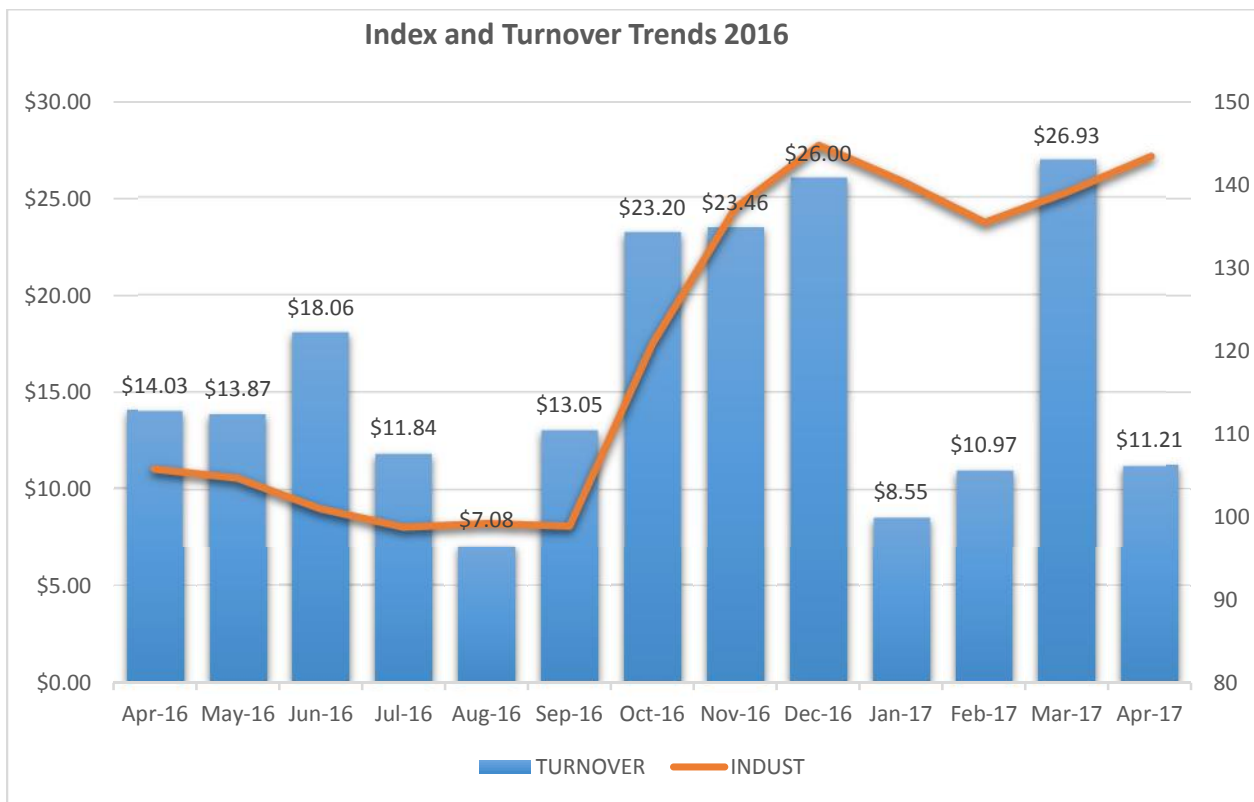
Fallers

Symbol	Previous	Current	Change	%Change
ZIMR.ZW	0.0165	0.0140	0.0025	15.15
SACL.ZW	0.0112	0.0100	0.0012	10.71
LACZ.ZW	0.4800	0.4475	0.0325	6.77
COLC.ZW	0.3725	0.3700	0.0025	0.67
NMB.ZW	0.0332	0.0330	0.0002	0.60
CBZ.ZW	0.0999	0.0996	0.0003	0.30
SEED.ZW	0.9500	0.9475	0.0025	0.26

A mere seven counters closed the month softer to underline the bullish sentiment that prevailed on the bourse. Amongst the shakers, insurance group ZHL led with a 15.15% decline that left it at \$0.0140 while, the market punished the perennial strugglers Star Africa which closed the month at \$0.0100. Cement manufacturers Lafarge suffered from weak demand with the company shedding 6.77% and ending at \$0.4475 albeit exchanging thin volumes. Meat processing and packaging group Colcom were down 0.67% at \$0.3700, as banking group NMB succumbed to a marginal 0.60% decline that left it at \$0.0330. CBZ, seemingly shaken by shareholder pressures on issues related to its financial performance, let go 0.30% and settled at \$0.0996, while SeedCo ended the month down 0.26% at \$0.9475.

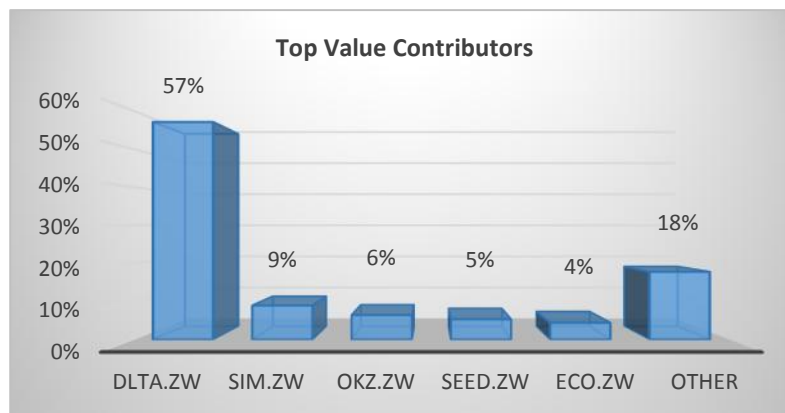


Market activity slumped back to its recent depressed outcomes after last month’s breakout performance. The value of trades fell 58.4% and ended the month at \$11.21m on the back of yet another depressed performance on the foreign buying front. Capital flight continued to haunt the market as inflows from foreign investors amounted to \$1.36m against portfolio disposals of \$8.14m leaving a deficit flow of funds from the bourse.





Volumes traded for the month declined 69% to 75.9m shares as top contributors to the aggregate emerged to be ZPI, accounting for 15% and the duo of OKZIM and Barclays that attained 12% each. Simbisa and delta also drove notable volumes at 10% and 9% each.



Values of the month were lopsided towards the market's top capitalized stock in Delta Corporation which accounted for a mammoth 57% of the aggregate as other notable trades were seen in Simbisa, OKZIM and SeedCO which made respective contributions to the aggregate of 9%, 6% and 5%.



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