

31-Oct-14 03-Nov-14 % Δ

New month starts on a bearish note as weakness persists..

ZSE Industrials	177.88	177.73	0.08
ZSE Mining	70.38	70.38	0.00
Volume Traded (mn)	0.96	2.59	169.29
Value Traded (US\$ mn)	0.16	0.82	404.33
Market Cap (US\$ mn)	5,153.2	5,090.5	1.22
Foreign Purchases(US\$mn)	0.051	0.787	1453.7
Foreign Sales (US\$ mn)	0.046	0.477	944.48

The Industrial Index lurched lower in the first session of the new month shedding -0.08% which is of similar magnitude to Friday's loss to close at 177.88 points. In the preceding month the index closed in the negative territory in 18 out of the total 23 sessions and shed a cumulative -8.9% which is a record year to date monthly decline in the first 10 months of the year. The unprecedented descent which has been without reprieve is attributable to selected factors both exogenous and endogenous. Led by market leaders, the listed companies have in the majority posted contracting bottom-lines emanating from withering turnover levels on an equally plummeting demand base. The economy in general has been without stimulus with all economic aggregates pointing in the negative direction and in turn dampening sentiment on the stock market.

**Market Cap is Inclusive of Econet Class A Shares

Top Risers

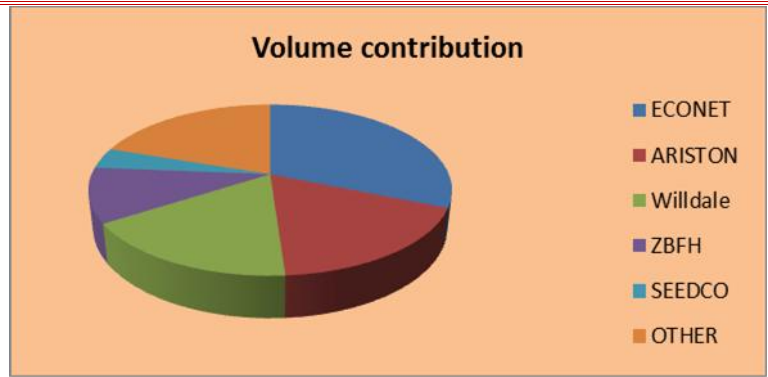
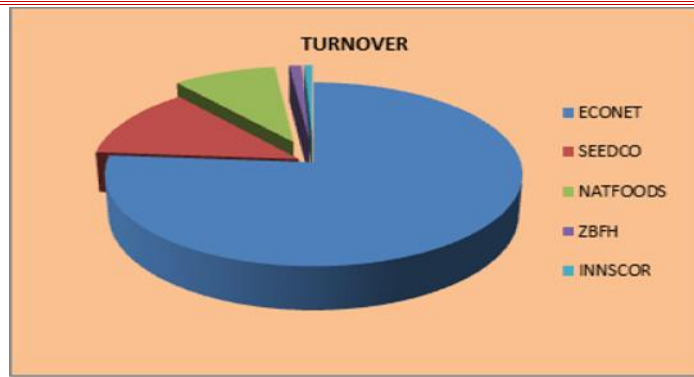
	Stock Name	Price	% Δ	YTD Δ %
1	ZBFH	3.00	10.7	72.97
2	NMBZ	4.30	7.50	33.85
3	NATFOODS	300.00	7.14	50.00
4	DAIRIBORD	9.00	1.12	40.00
5				

The interday losses were inspired by heavy cap declines though the traditional current bear market leaders were stable. Hippo and Innscor were on the downside shedding -4.76% and 1.52% to 60c and 65c respectively. The latter's price stability has been compromised since its annual earnings report. Delta and Econet were stable at 115c and 68c respectively with the former driving volumes above its daily average as 904 185 shares exchanged hands which is 204% up on the year to date daily average. This may be an indicator of a resurgence in demand in the counter at current levels from a technical perspective following its recent slump. The Mining Index was stable at 70.38 points with all resource counters quotes remaining unchanged while no trades materialised in any of the stocks. Bindura's offers found no takers at 7c as bids were stark at 6c. Natfoods was the only heavy cap gainer reclaiming the 300c price after a gain of 7.14% on the prior session. Overall 4 counters went either way resulting in no market breadth from a total 14 active stocks 4 of which were heavy caps.

Top Fallers

	Stock Name	Price	% Δ	YTD Δ %
1	Willdale	0.11	45.0	33.35
2	FIRST MUTUAL	4.00	20.0	50.00
3	HIPPO	60.00	4.76	33.35
4	INNSCOR	65.00	1.52	18.75
5				

Willdale was the day's worst performer softening -45% to 0.11c while FML came off -20% to 4c. ZBFH was the top riser as it gained 10.7% to 3c year to date the counter is down -72.9%. Another banking stock NMBZ tailed on a 7.5% surge to 4.3c while DZLH capped the risers on a 1.12% gain to 9c. Value traded went up 404% to \$0.82m while volume traded recovered 169% to 2.59m shares. Econet was the top traded counter by value as it generated 75% of the overall value. Seedco and Natfoods followed with respective contributions of 12.4% and 9% in that order. Demand in the top 3 value contributors was foreign driven inspiring a surge in foreign inflows to \$0.79m while outflows likewise went up to \$0.47m. Foreign inflows contribution to turnover rose to 96.1% from 31% in the previous callover.



DIVIDEND MONITOR

Company	Dividend Type	Div Amount	Record date	Payment Date
OLD MUTUAL	Interim	2.45p	26.09.14	31.10.14

UPCOMING EVENTS

COMPANY	EVENT	VENUE	DATE
AFDIS	AGM	Lomagundi Road, Stapleford Harare	05.11.14
NATFOODS	AGM		04.11.14
DELTA	INTERIMS	MANDEL TRAINING CENTRE	12.11.14
RADAR	AGM	7 th Floor, Charter House, Bulawayo	20.11.14
INNSCOR	AGM	Royal Harare Golf Club	21.11.14

CAUTIONARIES

Company	Issue Date	Subject
AFRICAN SUN	6 th DEC 2013	Discussions on mandatory offer to minorities by Lengrah Investments
Nicoz & ZHL	11 th Apr 2014	Negotiations over acquisitions and disposal respectively, of a business
FALGOLD	21 st MAY 2014	Negotiations that may have material effect on the company's stocks price
HUNYANI	22 nd MAY 2014	Negotiations that may have material effect on the company's stocks price
BINDURA	13 th JUNE 2014	H2 Profit expected to substantially higher than H1 outturn
TAH	24 th JUNE 2014	Negotiations that may have material effect on the company's stocks price
COTTOCO	24 th JUNE 2014	Negotiations that may have material effect on the company's stocks price

This document has been prepared by EFE Securities (Private) Limited (EFE), for the information of its clients. Although the statements of fact in this report have been obtained from sources that the company believes to be reliable, we do not guarantee their accuracy, and any such information may be incomplete or condensed. All opinions and estimates included in this report constitute the company's judgment as of the date of this report and are subject to change without notice. The securities discussed and mentioned in this report may not be suitable for all investors. Investors must make their own investment decisions based on their specific investment objectives and financial position and using such independent advisors they believe necessary. This report is for informational purposes only and is not intended as an offer or solicitation with respect to the purchase or sale of any security. EFE and any of the individuals preparing this report may at any time have a long and/or short position in any securities of companies in this report. In addition EFE may from time to time perform investment banking or other services for, or solicit investment banking or other business from any entity mentioned in this report. EFE may at times buy and sell shares on an agency or principal basis to its clients. Shares may rise or fall and investors may end up with a reduced amount from their initial capital invested. Additional information on EFE's recommended securities is available on request.