



11-Apr-14 14-April-14 % Δ

## Industrial index comes off as low sentiment persists on the ZSE board..

The ZSE started the week on a low note dropping 0.76% to 171.28pts despite trades remaining firm above the psychological \$1m mark. On accruing today's losses the industrials downturn now spans 4 consecutive sessions unchallenged. Heavies weighed on the index which included Econet, OK, Innscor and Seedco. Retail giants OK made it to the top fallers on a 5.3% decline to 18c while sitting on a loss of 10% year to date. Since the HY'14 earnings presentation which showed a slowdown in revenue growth to 5.4% and a flat outturn in the bottom line while at the same time forecasting a constrained outlook, the stock has failed to hold its own.

Econet came off 0.81% to 62c amidst reports that rival Telecel have counter responded to the former's tariff cut on prepaid lines in a bid to maximize on prepaid clients' contribution to voice revenue. Innscor swayed back to losses receding 0.8% to 62c while Seedco declined 2.6% to 75c. Another top cap stock Hippo shrunk 6% to 61c to make it to 5 the number of top cap stocks which tumbled in today's call. CFI was bids only at 2.2c after reports that the group has signed a MoU with banks providing a framework to be used in a land for debt swap deal in a bid to reduce debt, and unlock value from its land banks.

Insurer FMLH performed the worst on a decline of 12.5% to 7c tailed by prior week top performer Mashhold which went down 8.7% to 2.1c effectively shedding gains accrued in the previous week. Fidelity trimmed 6.7% to 7c to wrap the fallers set. ABC was the top performer going up 63% to 70c. Several lower bids have been spurned in a couple of previous sessions pursuant to a likely offer to minorities priced at 82c by acquirer Atlas Mara while today's trades at a 15% discount may factor the time lag between now and compensation period. Dawn and Edgars completed the risers on gains of 8% and 4.8% to 0.81c and 13.1c respectively.

Value of trades went up 46% to \$1.78m buoyed by exchanges in Delta which accounted for 75% of the aggregate value traded. Volumes came off 96% to 6.33m. Foreign inflows stood at \$1.48m which is 214% up on prior outturn and an equivalent 82% of the turnover. Delta was the most preferred stock by foreigners accounting for 91% of the total foreign buys. Foreign portfolio divestment went up to \$1.55m resulting in a net foreign portfolio divestment of -\$0.086m. Elsewhere the mining index was unchanged at 28.82pts with no movements among the stocks in the cluster.

	11-Apr-14	14-April-14	% Δ
ZSE Industrials	172.59	171.28	0.76
ZSE Mining	28.82	28.82	0.00
Volume Traded (mn)	163.61	6.33	96.13
Value Traded (US\$ mn)	1.22	1.78	46.33
Market Cap (US\$ mn)	4,598.70	4,598.70	0.00
Foreign Purchases (US\$ mn)	0.467	1.468	214.41
Foreign Sales (US\$ mn)	0.058	1.555	2564.93

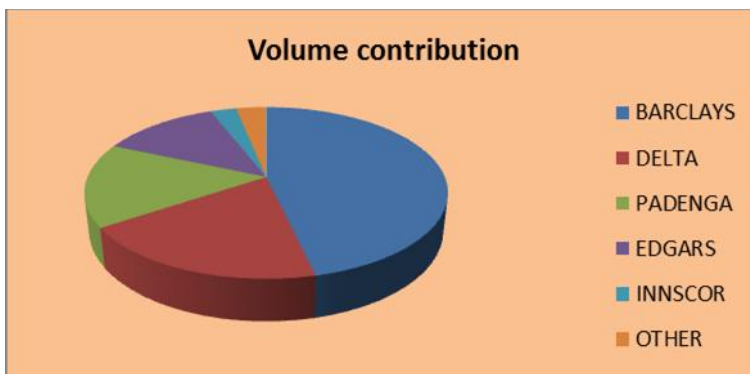
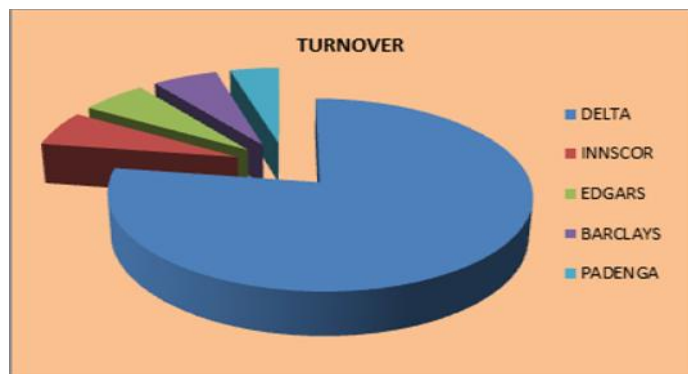
\*\*\*Market Cap is Inclusive of Econet Class A Shares

### Top Risers

	Stock Name	Price	% Δ	YTD Δ %
1	ABCH	70.00	62.79	18.64
2	DAWN	0.81	8.00	19.00
3	EDGARS	13.10	4.80	8.18
4				
5				

### Top Fallers

	Stock Name	Price	% Δ	YTD Δ %
1	FIRST MUTUAL	7.00	12.50	12.50
2	MASHHOLD	2.10	8.70	35.38
3	FIDELITY	7.00	6.67	46.20
4	HIPPO	61.00	6.15	32.24
5	OK	18.00	5.26	10.00



#### DIVIDEND MONITOR

Company	Dividend Type	Div Amount	Record date	Payment Date
OLD MUTUAL	Final	8.1p	16.04.14	30.04.14
INNSCOR	Interim	0.6 c	31.03.14	04.04.14
COLCOM	Interim	0.4c	21.03.14	04.04.14
ZPI	Final	0.024c	25.04.14	07.05.14
NATFOODS	Interim	3c	21.03.14	04.04.14
FBC	Final	0.149c	04.04.14	22.04.14
CBZ	Final	0.184c	04.04.14	15.04.14
FIDELITY	Final	0.18c	06.03.14	30.04.14

#### UPCOMING EVENTS

Company	Event	Venue	Date & Time
Willdale	AGM	Admin Block, Tenerife Factory, Mt Hampden	06.05.14
Zimplot	AGM		05.05.14

#### CAUTIONARIES

	ISSUE DATE	
TSL	29 <sup>th</sup> Jan 2014	Discussions with Chemco on a conversion of debt to equity on amt owed
AFRICAN SUN	6 <sup>th</sup> Dec 2013	Discussions on mandatory offer to minorities by Lengrah Investments
PGI	4 <sup>th</sup> Dec 2013	Negotiations that may have material effect on the future of the company
DAWN PROPERTIES	23 <sup>rd</sup> Mar 2014	Negotiations are underway over disposal of one of its hotel properties
WILLDALE		To approve rights issue

#### Disclaimer:

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. 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 recommended securities is available on request.