



14- Jan -13 17-Jan-14 % Δ

Industrials in marginal gains on heavies recovery...

	14- Jan -13	17-Jan-14	% Δ
ZSE Industrials	188.99	189.20	0.21
ZSE Mining	33.61	33.61	0.00
Volume Traded (mn)	3.71	1.64	55.68
Value Traded (US\$ mn)	0.44	0.56	27.74
Market Cap (US\$ mn)	5,305.40	5,277.81	0.52
Foreign Purchases (US\$ mn)	0.219	0.143	34.45
Foreign Sales (US\$ mn)	0.046	0.395	751.04

The mainstream index added 0.2% to 189.20pts on the back of gains in heavies Delta and CBZ which added 0.8% and 0.07% to 124c and 15.01c respectively. Though the session emerged a risers market, generally trades were largely mixed as 8 stocks swayed in to the red among them being dually listed Old Mutual that retreated 2.5% to 242c. The market has been trading sideways for a couple of sessions now and the trend is likely to persist as we expect the demand to remain volatile. The Mining Index remained unchanged at 33.61pts on 5 sessions running on minimal exchanges in the cluster. Today, the only active counter Bindura was stable at 1.3c while Rio Zim's bid remained at 22c.

Telecoms group Econet was stable at 62c exchanging a respectable volume relative to overall volumes traded. The telecoms giant has been engaged in a massive overdrive to maintain thrust on the voice retail through promotions as competition bites into their territory. Meikles was bid and offers only at 19c and 21c after reporting constrained retail demand. The group reported that trading in their supermarkets has been subdued in the first 9 months of the year. The group decries sales and operating margins which are currently under pressure due to lack of spending power. Turnover for the departmental stores was 32% below last year. Ariston sellers previously at quoted at 0.7c disappeared closing buyers only at 0.4c. The agro focused group reported a 16% increase in revenue to \$17.1m in the first quarter while income of \$2.4m was achieved after accounting for an increase in consumables and biological assets of 1000% to \$8.2m over the comparable period.

Atop the fallers was CAFCA which weakened 13.3% to 26c while ZPI tailed on a 5% slump to 0.95c. Other top losers were FML and African Sun which tumbled 5% and 4% to 10c and 2.5c respectively. Cottco was bid and offers only at 0.5c and 1.5c in that order on their maiden session. Value traded surged 28% to \$0.56m while volumes were down 56% to 1.64m shares on the previous close. Foreign inflows were 34% softer at \$0.14m while outflows were up 751% to \$0.4m resulting in a net foreign outflow of \$0.25m. Despite today's meagre gain the market remains generally weak. We therefore foresee a continued decline in prices on selloffs which should make the market attractive as valuations become cheap and thus create buying opportunities. Some stocks may see a prolonged downward revision if the tapering of quantitative easing in developed nations extends, given foreigners have predominantly been value drivers on the local market.

***Market Cap is Inclusive of Econet Class A

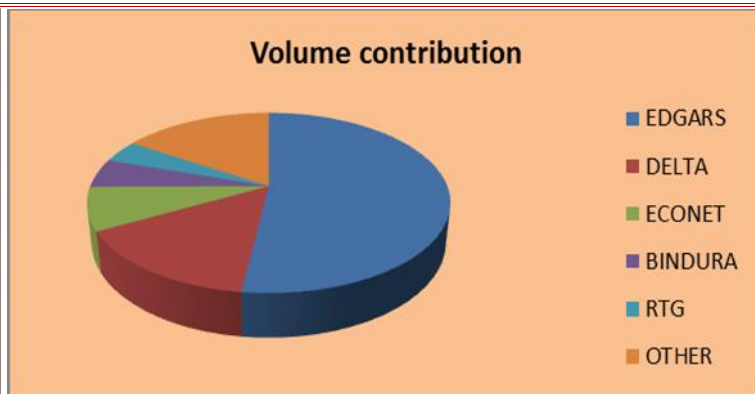
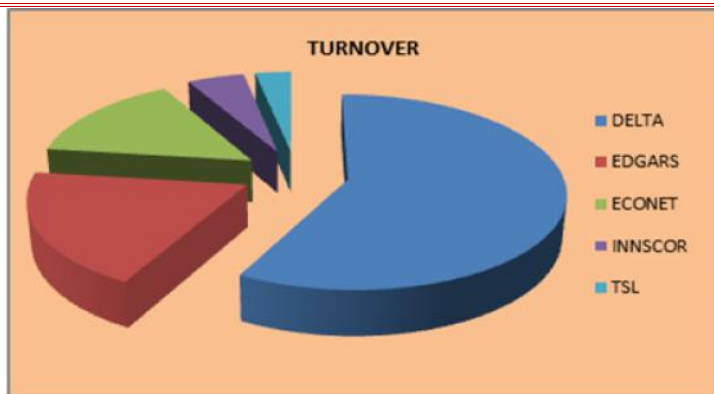
Shares

Top Risers

	Stock Name	Price	% Δ	YTD Δ %
1	DELTA	124.00	0.80	11.49
2	CBZ	15.01	0.07	0.07
3				
4				
5				

Top Fallers

	Stock Name	Price	% Δ	YTD Δ %
1	CAFCA	26.00	13.33	7.14
2	ZPI	0.95	5.00	26.92
3	FIRST MUTUAL	10.00	4.76	25.00
4	African Sun	2.50	3.85	7.41
	OLDMUTUAL	242.00	0.04	4.35



DIVIDEND MONITOR

Company	Dividend Type	Div Amount	Record date	Payment Date
TSL	Final	0.3c	14.02.14	14.03.14

UPCOMING EVENTS

Company	Event	Venue	Date & Time
CAFCA	AGM	54, Lytton Road, Workington Harare	20.02.14 12.00Hrs
CBZ	FY13 Results Presentation	Steward Room, Meikles Hotel	26.02.14 15.00Hrs
MASHHOLD	AGM	ZB life towers	27.02.14 12.00Hrs
ART	AGM	202 Seke Road, Graniteside Harare	28.02.14 11.00Hrs

CAUTIONARIES

ISSUE DATE

NMB	7 th Feb 2014	Profit warning, impairment on loans to result in a net loss position
AFRICAN SUN	6 th Dec 2013	Discussions on mandatory offer to minorities by Lengrah Investments
TSL	29 th Jan 2014	discussions with Chemco on a conversion of debt to equity on amt owed
PGI	4 th Dec 2013	Negotiations that may have material effect on the future of the company

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