

| | 14-Mar-14 | 17-Mar-14 | %Δ |
|-----------------------------|-----------|-----------|--------|
| ZSE Industrials | 186.22 | 185.85 | 0.20 |
| ZSE Mining | 33.16 | 33.16 | 0.00 |
| Volume Traded (mn) | 3.15 | 3.45 | 9.56 |
| Value Traded (US\$ mn) | 0.52 | 0.43 | 17.17 |
| Market Cap (US\$ mn) | 5,231.85 | 5,230.99 | 0.02 |
| Foreign Purchases (US\$ mn) | 0.000 | 0.000 | 0.00 |
| Foreign Sales (US\$ mn) | 0.072 | 0.299 | 312.89 |

Industrials slip further in week opener on weak economic data ...

The Industrial Index remained mired in losses easing a further 0.2% to 185.85pts amid subdued earnings which have failed to inspire a positive trajectory. Exacerbating the losses is fresh economic data showing worsening government borrowings amid shrinking national revenues. Loans and advances to government increased by 103% to \$176m in December 2013 relative to the prior year. Private sector credit declined 2.3% to \$3.56b with 84% of it being channeled towards loans and advances. Macroeconomic woes remain prevalent and the effects of such have dented corporates' performances in the current reporting season. The Mining Index on the other hand was stable at 33.16pts.

Dragging the Industrial Index were heavies Econet, Inncor and Delta among other stocks. Delta shed 0.81% to 121c while Econet and Inncor were down 0.03% and 0.69% to 64.97c and 71.5c respectively. Dairibord shrunk 0.85% to 12.89c ahead of their year-end results presentation on Wednesday while Afdis lost 3% to 32c. Only BAT among the heavy caps was on the top side adding 1.67% to 1220c. Star Africa rose 5% to 1c while Dawn went up 4% to 0.75c. ZPI was the top performer on an 11% upsurge to 1c while Zimplow tailed the list on a marginal gain of 0.4% to 2.31c. Pioneer remained bids only at 5c after announcing that it finally received approval for its Unifreight transaction which will result in issuance of 51.49m Pioneer shares to Unifreight. Management anticipates the transaction to result in a 100% increase in the group's revenues once incorporated into the accounts.

Elsewhere value traded declined 17% to \$0.43m from a volume of 3.45m shares. The aggregate volume level was up 10% on the previous outturn. Delta was the top contributor to value traded at 67% followed by Inncor at a distant 7%. Foreign inflows remained at the lowest level following Friday's nil outturn while in an inverse route outflows surged 312% to \$0.29m. In 2013 foreign inflows touched a low of zero in only 2 sessions evenly spread in the last quarter of the year. The drastic decline in foreign spend may be cyclical and typical when investors digest a round of corporate results. However we expect foreigners to continue to drive value on the ZSE, while we expect a marginal decline in foreign spend in 2014, we envisage foreign money to keep propping up the bourse as the ZSE base and valuations remains low in comparative terms.

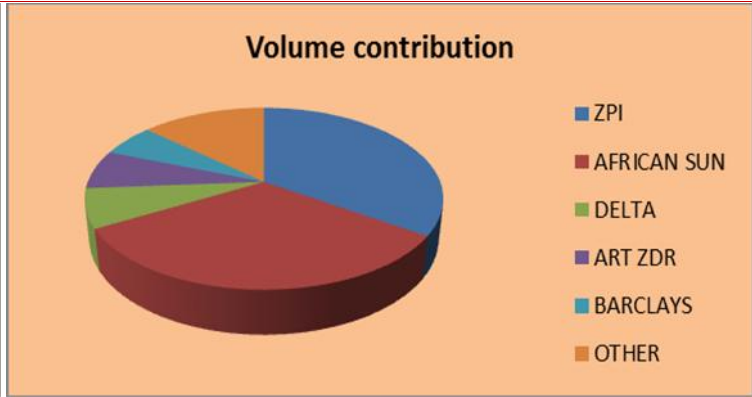
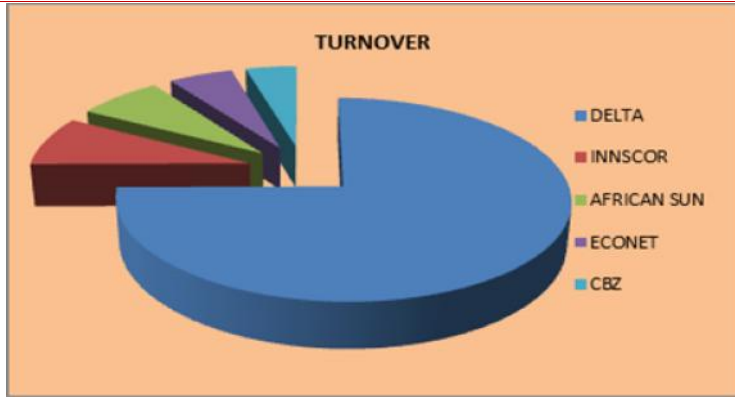
***Market Cap is Inclusive of Econet Class A Shares

Top Risers

| | Stock Name | Price | % Δ | YTD Δ % |
|---|-------------|---------|-------|---------|
| 1 | ZPI | 1.00 | 11.11 | 23.08 |
| 2 | STAR AFRICA | 1.00 | 5.26 | 0.00 |
| 3 | DAWN | 0.75 | 4.17 | 25.00 |
| 4 | BAT | 1220.00 | 1.67 | 1.67 |
| 5 | ZIMFLOW | 2.31 | 0.43 | 34.00 |

Top Fallers

| | Stock Name | Price | % Δ | YTD Δ % |
|---|------------|--------|------|---------|
| 1 | AFDIS | 32.00 | 3.03 | 6.67 |
| 2 | DAIRIBORD | 12.89 | 0.85 | 14.07 |
| 3 | DELTA | 121.00 | 0.81 | 13.63 |
| 4 | INNSCOR | 71.50 | 0.69 | 10.63 |
| 5 | ECONET | 64.97 | 0.03 | 8.28 |



DIVIDEND MONITOR

| Company | Dividend Type | Div Amount | Record date | Payment Date |
|------------|---------------|------------|-------------|--------------|
| BAT | Final | 18c | 21.03.14 | 28.03.14 |
| 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 |

UPCOMING EVENTS

| Company | Event | Venue | Date & Time |
|-------------|-------|---|-----------------------|
| FALGOLD | AGM | KPMG Building Cnr 14th Ave/J Tongogara St Byo | 21 March 2014 1000Hrs |
| AFRICAN SUN | AGM | Ophir Room, 1st Floor Crown Plaza Hotel | 21 March 2014 1100Hrs |

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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