



	20-Mar-14	21-Mar-14	%Δ
ZSE Industrials	182.29	181.10	0.65
ZSE Mining	32.87	32.54	1.00
Volume Traded (mn)	6.74	2.76	59.01
Value Traded (US\$ mn)	0.65	0.50	22.11
Market Cap (US\$ mn)	4,885.25	4,853.39	0.65
Foreign Purchases (US\$ mn)	0.166	0.220	32.53
Foreign Sales (US\$ mn)	0.232	0.112	51.62

### Mainstream index tumbles deeper into the red...

The week ending session was without solace as losses deepened on the local bourse. The industrials gave up 0.65% to 181.1pts while cumulatively shedding 3% in the week. The current index level is a 52 week low. In turn the index is 22% below the highest level of 232.87pts reached on the 30<sup>th</sup> of July 2013. Year to date the index is down 10.4%. Heavies continue to weigh on the index as demand weakens further. Overall of the 62 counters trading on the exchange 40 are trading in the red on a year to date basis with 5 of these being heavy caps. These include the most heavily capitalized stock on the ZSE Delta which is down 16% while 2013 top performer BAT is currently hanging on the thin line at 1200c which is same as year opening price. In the session Delta lost 0.85% to 117.99c while BAT was stable at 1200c having started the week at 1220c.

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

#### Top Risers

	Stock Name	Price	% Δ	YTD Δ %
1	CBZ	16.02	0.12	6.80
2				
3				
4				
5				

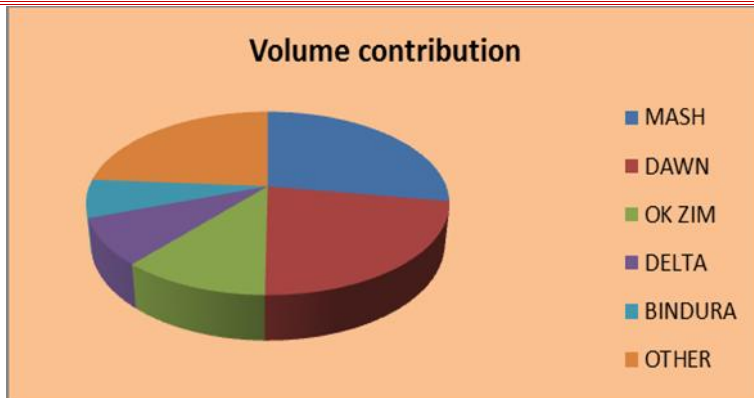
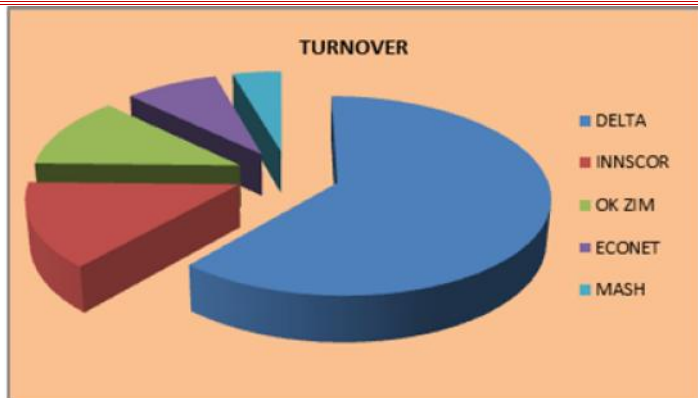
#### Top Fallers

	Stock Name	Price	% Δ	YTD Δ %
1	ASTRA	3.50	12.50	30.00
2	ZBFH	8.50	5.56	23.42
3	FIRST MUTUAL	10.00	4.76	25.00
4	HWANGE	5.10	3.95	43.33
5	MEIKLES	16.00	3.03	15.79

The Minings Index somersaulted into losses at 1% decline to reverse prior session gains as Hwange faltered 3.95% to 5.1c. This follows a reportedly 10 day ultimatum given by shareholder Mr Nick Van Hoogstraten to the company to respond to his \$50m loan offer or face withdrawal. Zimbabwe's government is the single largest shareholder of the company. Meanwhile a symptomatic negative working capital position of \$20m accrued in the 2013 interim period points to inadequate capitalization of operations at the coal maker. Other stocks within the minings segment were stable at previous closing prices.

The breadth of the market as measured in bulls against bears remained tilted in favour of the latter as 9 fallers dominated 1 riser. CBZ which is closing in on its 52 week high of 16.5c was the sole riser adding 0.12% to 16.02c. Astra topped the fallers on a 12.5% decline to 3.5c while ZB shed 5.6% to 8.5c ahead of their results briefing next week. Heavies Econet and Innscor fell 1.59% and 1.45% to 62c and 68c respectively. Innscor's price is a 52 week low having scaled a top price of 115c in July last year.

We envisage the freefall to reign at least in the short run as liquidity tightens coupled with weak earnings and a decline in foreign spend. However we believe that despite the lack of support the Industrial Index may form a resistance level around 165pts which is 10% up on prior year opening index level. Elsewhere values and volumes receded 22% and 59% to \$0.5m and 2.76m shares respectively. Foreign buys were 78% lower at \$0.2m while outflows of \$0.1m sufficed to a net foreign inflow of \$0.11m



#### 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 1000Hr
AFRICAN SUN	AGM	Ophir Room, 1st Floor Crown Plaza Hotel	21 March 2014 1100Hrs

#### CAUTIONARIES

#### ISSUE DATE

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

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