



20-May-14 21-May-14 % Δ

ZSE in gradual death as fundamentals remain weak...

ZSE Industrials	171.66	170.54	0.65
ZSE Mining	28.06	28.42	1.28
Volume Traded (mn)	12.23	24.94	103.95
Value Traded (US\$ mn)	1.21	5.14	323.00
Market Cap (US\$ mn)	4,516.98	4,513.94	0.07
Foreign Purchases (US\$ mn)	0.367	4.820	1213.56
Foreign Sales (US\$ mn)	0.311	4.058	1203.25

The Industrial index drifted further southwards as the market lurches without support. Another round of corporate action has failed to stimulate fortunes on the bourse which is now -1.8% down month to date having lost 0.65% in today's session to 170.54pts. Year to date the mainstream index has shed 15.62% on losses in 45 of the 62 active stocks on the ZSE. Seven of the top ten most capitalised stocks are among those stocks trailing their year opening prices. The 2 most capitalised stocks Delta and Econet released their full year earnings recently which failed to set a firmer undertone for a sustainable market recovery. Both giants reported shaky topline as overall demand in the economy dissipates.

In the session the heavies Delta and Econet fared lower despite driving sizeable volumes. Delta came off 1.74% to 113c while Econet pared 1% to 64c in normal trades. However the telecoms stock traded at a premium of 1.6% in a special deal that was the highlight of the day's trades, valued at \$4.06m. Overall bears dominated bulls on a reduced margin of -1 stock to erase a positive market breadth of +2 stocks which prevailed yesterday. Zimpapers was the worst performer coming off 27% to 0.8c which is a discount price for the 12m parcel that exchanged hands relating to 2% of the outstanding shares of the tabloid. Meikles lost 2.8% to 17.5c following reports that its premium Greatermans store in Harare will soon be converted to a retail Pick and Pay outlet.

Masimba emerged as the top riser adding 10% to 1.1c followed by Mashhold which went up 9% to 2.4c. Yesterday's top riser PPC featured again on a 1.5% rise to 204c while Colcom capped the risers set after adding 1.4% to 22.3c. The Mining Index added 1.28% to 28.42pts after sole performer Bindura firmed 3% to 1.35c. The other resources stocks remained without spread on bids only similar to yesterday. On the back of the special bargain in Econet value traded soured 323% to \$5.14m. The trade accounted for 91% of the aggregate value with the rest of the market sharing the remainder. Volumes likewise went up 104% to 24.94m shares against the Zimpapers parcel which accounted for 48% of the total volume traded. Foreign inflows stood at \$4.82m while outflows surged to \$4.06m resulting in a net foreign inflow of \$0.76m. Trades in Econet which had foreign counterparties on either side propped up both values to the highest levels in 18 sessions.

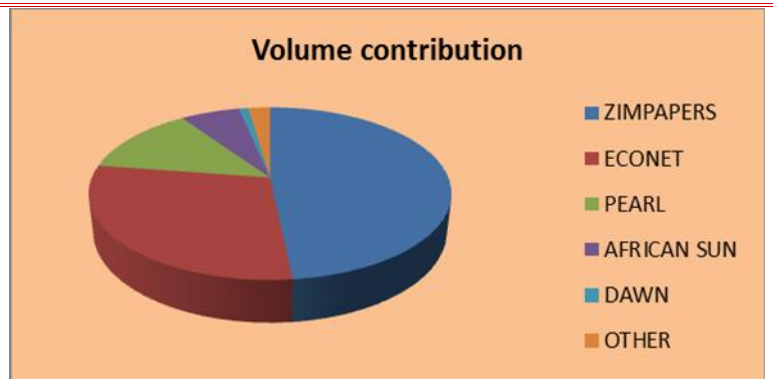
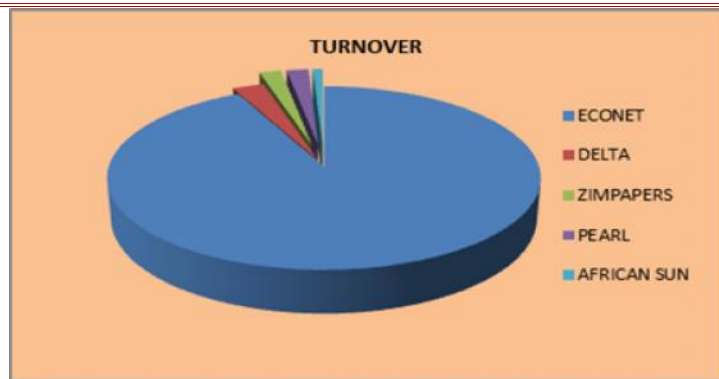
***Market Cap is Inclusive of Econet Class A Shares

Top Risers

	Stock Name	Price	% Δ	YTD Δ %
1	MASIMBA	1.10	10.00	83.08
2	MASHHOLD	2.40	9.09	26.15
3	BINDURA	1.35	3.05	32.50
4	PPC	204.00	1.49	15.00
5	COLCOM	22.30	1.36	1.36

Top Fallers

	Stock Name	Price	% Δ	YTD Δ %
1	ZIMPAPERS	0.80	27.27	0.00
2	ZHL	0.80	11.11	44.83
3	ZPI	0.75	6.25	42.31
4	COTTOCO	0.80	5.88	86.67
5	MEIKLES	17.50	2.78	7.89



DIVIDEND MONITOR

Company	Dividend Type	Div Amount	Record date	Payment Date
ECONET	Final	1.29c	18.04.14	25.07.14

UPCOMING EVENTS

Company	Event	Venue	Date & Time
BAT	AGM	BAT Head Office	27.05.14
RIO ZIM	AGM	1 Kenilworth Road Highlands Harare	28.05.14
PEARL	AGM	FML Park 100 Borrowdale Road	07.06.14
EDGARS	AGM	Edgars Training Auditorium	29.05.14
FML	AGM	FML Park 100 Borrowdale Road	03.06.14

CAUTIONARIES

ISSUE DATE

AFRICAN SUN	6 th Dec 2013	Discussions on mandatory offer to minorities by Lengrah Investments
PGI	4 th Dec 2013	Negotiations that may have material effect on the future of the company
DAWN PROPERTIES	23 rd Mar 2014	Negotiations are underway over disposal of one of its hotel properties
WILLDALE	6 th May 2014	To approve rights issue
NICOZ & ZHL	11 th Apr 2014	Negotiations over disposal and acquisitions respectively, of a business
FALGOLD	21 st May 2014	Negotiations that may have material effect on the company's stocks price

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