



21-May-14 22-May-14 % Δ

ZSE ends in gains despite foreign investors flight...

| | 21-May-14 | 22-May-14 | % Δ |
|-----------------------------|-----------|-----------|--------|
| ZSE Industrials | 170.54 | 171.65 | 0.65 |
| ZSE Mining | 28.42 | 28.69 | 0.95 |
| Volume Traded (mn) | 24.94 | 5.17 | 79.26 |
| Value Traded (US\$ mn) | 5.14 | 0.29 | 94.38 |
| Market Cap (US\$ mn) | 4,513.94 | 4,952.94 | 9.73 |
| Foreign Purchases (US\$ mn) | 4.820 | 0.000 | 100.00 |
| Foreign Sales (US\$ mn) | 4.058 | 0.000 | 99.99 |

The industrial index snapped a 3 day slide to post a 0.65% gain to 171.65pts. Today's gains margin of 0.65% perfectly substituted yesterday's loss which was of similar magnitude. Demand in momentum stocks Econet and Delta helped push prices up with the former adding 1.8% to 115c while the later firmed 0.02% to 64.01c. Both stocks were among prior session losers as sideways trading persists. Meanwhile Econet's banking subsidiary Steward Bank has attracted international partners WolrdRemit to offer services to the latter's clients through the bank's branch network across Zimbabwe.

The mining index likewise was on a rise sustaining a momentum drawn from Bindura's upsurge. The nickel miner whose turnaround strategy has started reaping returns added 2.2% to 1.38c and is up 5.3% week to date. Falgold traded stable at 3c after issuing a cautionary statement advising shareholders that the company is engaged in discussions the outcome of which may have a material impact on the share price. However the sector remains under starved of the vital capitalization as the economy struggles to attract foreign direct investment.

Pelhams was the top performer souring 100% to 0.02c tailed by Hunyani which went up 10% to 2.2c after issuing a cautionary statement. Heavies BAT advanced 2.5% to 1025c while Inncor gained 1.47% to 69.01c. Overall 4 heavies featured among the 9 risers which compared to only 2 fallers. Mash was the worst performer declining 4% to 2.3c followed by Meikles which capped the set on a 2.8% loss to 17c.

Value trades came down 94% to paltry \$0.29m which was driven by hotelier African Sun which contributed 42%. Volumes however soured 79% to 5.17m shares in direct contrast to the former. Likewise African sun was the most traded stock by volume with an 85% contribution. Foreign participation touched its lowest level since 2012. Foreigners were not participants on the buy side while a meager \$727 was realised by foreigners on the sell side. The decline in foreign participation comes amid mixed rhetoric and lack of policy cohesion by the government with regards to the indigenisation and empowerment policy.

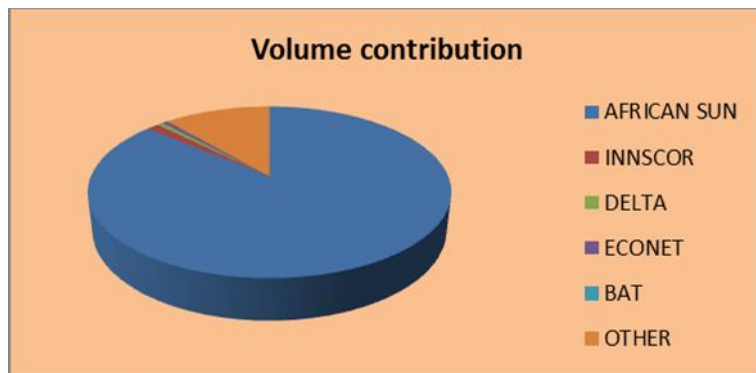
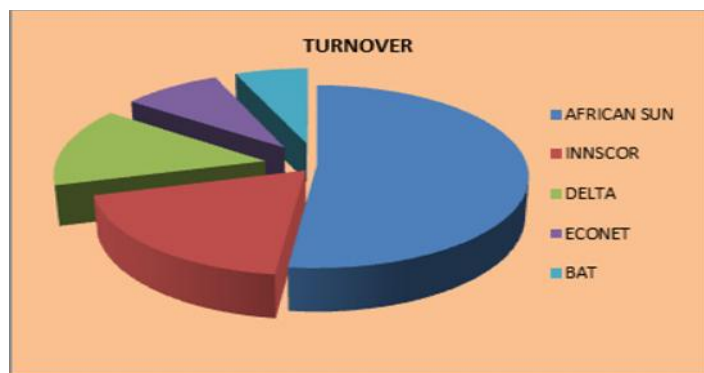
***Market Cap is Inclusive of Econet Class A Shares

Top Risers

| | Stock Name | Price | % Δ | YTD Δ % |
|---|------------|---------|--------|---------|
| 1 | PELHAMS | 0.02 | 100.00 | 80.00 |
| 2 | HUNYANI | 2.20 | 10.00 | 10.00 |
| 3 | BAT | 1025.00 | 2.50 | 14.58 |
| 4 | BINDURA | 1.38 | 2.22 | 31.00 |
| 5 | DELTA | 115.00 | 1.77 | 17.92 |

Top Fallers

| | Stock Name | Price | % Δ | YTD Δ % |
|---|------------|-------|------|---------|
| 1 | MASHHOLD | 2.30 | 4.17 | 29.23 |
| 2 | MEIKLES | 17.00 | 2.86 | 10.53 |
| 3 | | | | |
| 4 | | | | |
| 5 | | | | |



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 |
| TURNALL | AGM | Rainbow Towers Hotel | 27.05.14 |
| RTG | AGM | Rainbow Towers Hotel | 11.06.14 |
| BANCABC | AGM | Fairground Office Park Gaborone | 03.06.14 |
| LAFARGE | AGM | Manressa Club Arcturus | 06.06.14 |
| NICOZ DIAMOND | AGM | Nicoz Diamond Auditorium | 29.05.14 |

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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