

Members of the Zimbabwe Stock Exchange

Market Comment 24.05.2016

| Index | Previous | Today | Move pts | Change % |
|------------|----------|--------|----------|----------|
| Industrial | 105.10 | 105.24 | 0.14 | 0.13 |
| Mining | 25.19 | 25.54 | 0.35 | 1.39 |

SOURCE: ZSE

ZSE rises ahead of Africa Day Holiday...

The ZSE was in buoyant mood ahead of the Africa Day holiday with the Industrial Index rebounding 0.13% to close at 105.24 points lifted by gains in two counters while the Mining Index advanced 1.39% to 25.54pts driven by RIOZIM. Driving the market gains was telecoms giant Econet that led on a 3.7% charge to \$0.2242 with RioZim following on a 2.88% push to \$0.1610. SeedCo completed the gainers of the day on a 0.25% advance that took it to \$0.5714. The market gains were held back by losses in five stocks led by Colcom that came off 3.13% and ended the day at \$0.1550 with insurance group Fidelity following on a 0.96% retreat to \$0.1030. National Foods slipped 0.95% to \$2.0800 as Old Mutual Succumbed 0.23% to \$2.1825 where demand could be established. Beverages group Delta completed the top shakers for the day shedding 0.11% and settling at \$0.7175.

After a dull start to the trading session activity spiked in the final moments of the call to see the market spend sail 19.35% past the previous session and closed at \$364,879. SeedCO, Fidelity and Econet drove the values claiming respective contributions of 53.34%, 29.61% and 14.74% in that order. Despite the growth in values, volumes of the day were subdued and fell 71.30% shot of yesterday's outturn owing to the skew of the trades to higher value stocks. Fidelity anchored the aggregate accounting for 63.92% of the volumes exchanged across the board. Foreign inflows at \$0.084m were a mere 26.9% of turnover while disposals at \$0.239m represented 65.67% of the sales and resulted in a net funds outflow position of \$0.155m.

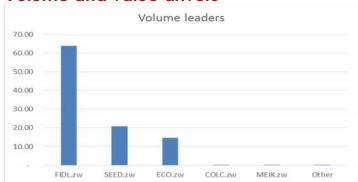
| Market Snapshot | Today | Previous | Change |
|--------------------|---------------|---------------|--------|
| Market Cap US\$ | 2,896,034,573 | 2,891,423,920 | 0.16 |
| Turnover US\$ | 364,879 | 305,726 | 19.35 |
| Foreign buys US\$ | 84,274 | 72,645 | 16.01 |
| Foreign sales US\$ | 239,619 | 31,574 | 658.91 |
| No. of trades | 25 | 46 | 45.65 |
| Volume | 1,640,851 | 5,717,214 | 71.30 |

| Gainers | Price | Change | % Change |
|---------|-------|--------|----------|
| ECO.zw | 22.42 | 0.80 | 3.70 |
| RIOZ.zw | 16.10 | 0.45 | 2.88 |
| SEED.zw | 57.14 | 0.14 | 0.25 |
| | | | |

| Losers | Price | Change | %Change |
|---------|--------|--------|---------|
| COLC.zw | 15.50 | 0.50 | 3.13 |
| FIDL.zw | 10.30 | 0.10 | 0.96 |
| NTFD.zw | 208.00 | 2.00 | 0.95 |
| OML.zw | 218.25 | 0.50 | 0.23 |
| DLTA.zw | 71.75 | 0.08 | 0.11 |



Volume and value drivers





Dividend Monitor

| <u>Counter</u> | <u>LDR</u> | <u>Rate</u> | Payment Date |
|-----------------------------|------------|-------------|--------------|
| BAT | 13.05.16 | 0.44c | 27.05.16 |
| Delta Special Dividend | 27.05.16 | 0.95c | 31.05.16 |
| Delta Final Dividend | 10.06.16 | 2.35c | 14.06.16 |
| ZPI | 03.06.16 | 1.2c | 07.06.16 |

Upcoming Events

| Company | <u>Event</u> | <u>Venue</u> | <u>Time</u> | <u>Date</u> |
|-------------|--------------|---------------------------------------|-------------|-------------|
| FML | AGM | Royal Harare Golf Club | 14.30hrs | 9.06.16 |
| ZB | AGM | 21 Natal Road, Avondale Harare | 10:30hrs | 27.05.16 |
| Pearl | AGM | Royal Harare, Golf Club, Harare | 14.30hrs | 31.05.16 |
| Zimplow | AGM | 36 Birmingham Road, Harare | 10.00hrs | 02.06.16 |
| Proplastics | AGM | Mirabelle Room, Meikles Hotel, Harare | 10.00hrs | 26.05.16 |
| Masimba | AGM | 44 Tibury Road, Willovale, Harare | 3.00PM | 24.05.16 |

Cautionaries

| Company | Issue Date | <u>Subject</u> |
|----------------|-------------------|---|
| Innscor | 22.01.16 | Approved the unbundling and separate listing of the company's Specialty Retail and |
| | | Distribution Business. Discussions may have material effect on the company's stocks |
| | | price. |
| Nicoz | 28.04.16 | Discussions that may lead to transactions which may have an impact on the share price |
| Ariston | 05.01.15 | Discussions that may have material effect on the company's stocks price |
| Hwange | 07.03.15 | Discussions that may lead to transactions which may have an impact on the share price |

This document has been prepared by EFE Securities (Private) Limited (EFE), for the information of its clients. Although the statements of fact in this report have been obtained from sources that the company believes to be reliable, we do not guarantee their accuracy, and any such information may be incomplete or condensed. All opinions and estimates included in this report constitute the company's judgment as of the date of this report and are subject to change without notice. The securities discussed and mentioned in this report may not be suitable for all investors. Investors must make their own investment decisions based on their specific investment objectives and financial position and using such independent advisors they believe necessary. This report is for informational purposes only and is not intended as an offer or solicitation with respect to the purchase or sale of any security. EFE and any of the individuals preparing this report may at any time have a long and/ or short position in any securities of companies in this report. In addition EFE may from time to time perform investment banking or other services for, or solicit investment banking or other services for, or solicit investment banking or other business from any entity mentioned in this report. EFE may at times buy and sell shares on an agency or principal basis to its clients. Shares may rise or fall and investors may end up with a reduced amount from their initial capital invested. Additional information on EFE's recommended securities is available on request.