



	30-Oct-14	31-Oct-14	% Δ
ZSE Industrials	178.02	177.88	0.08
ZSE Mining	72.18	70.38	2.49
Volume Traded (mn)	5.94	0.96	83.77
Value Traded (US\$ mn)	0.14	0.16	19.91
Market Cap (US\$ mn)	5,189.0	5,153.2	0.69
Foreign Purchases(US\$mn)	0.022	0.051	129.53
Foreign Sales (US\$ mn)	0.016	0.046	179.17

## ZSE sinks deeper in week closing session as Delta weakens further...

The Industrial Index continued to sink in uncharted waters as it touched a five months low at 177.88 points. At a negative variance of -12% from the year opening levels and a pricey -9% has been wiped off the ZSE within the month of October alone. There seems to be no end in sight for the bear market as heavy caps tumble. We however believe stability will only prevail when market leasers Econet and Delta establish new resistance levels. We also believe the greater share of their declines has already been realised with minimal downside predictable as investors recalibrate following below expectations earnings results by the three top capitalised on the ZSE. Also of influence will be political as well as policy dynamics in the country.

Meanwhile Delta was the major casualty in the session shedding -4.17% to 115c while widening its year to date loss to -17.92% which is an underperformance of -42% compared to the overall industrial index. The beverages maker has announced that they have stopped production of Standard Chibuku at 6 breweries across the country. In total the company has 15 breweries across Zimbabwe and the rationalisation was necessitated by the emergence of Chibuku Super as a volumes driver. Another heavy BAT which has been less active lately weakened -3.1% to 1250c. Econet was stable at 68c though the bid price dropped to 65c from 68c yesterday. Old Mutual closed with bids only at 250c after the group CEO said the company will focus on growth of the African and emerging markets business.

The Mining Index came off -2.49% to 70.38 points dragged by Bindura which was the only active resources stock for the third session running. Bindura shaved -3.2% to 6c while Rio Zim's bid was raised to 15c though there was no supply in the market. Cottco eased -40% to 0.3c while Edgars softened -16.7% to 7.5c. Pearl came off -7.4% to 2.5c while Star Africa was stable at 1.9c after announcing that it will pay scheme creditors before year end as part payment to over \$50 mln it owes creditors and lenders. RTG led the risers as it soared +14.3% to 1.6c while Barclays went up 3.2% to 3.2c. CAFCA maintained rising form as it gained 3.24% to 32c while Afdis notched 0.26% to 35.1c. Innsco was the sole heavy cap risers as it added +1.5% to close at 66c.

Value traded went up 19% to \$0.16m while volumes weakened by 84% to \$0.96m. Afdis was the top traded stock by value as it accounted for 32% of turnover and was followed by Seedco. Ariston was the top volume contributor as 461,929 shares were crossed in the counter. Foreign inflows at \$0.05m contributed 31.2% to overall purchases and were 130% up on yesterday. foreign outflows eased 179% to \$0.047m to close with a net foreign inflow of \$0.001m

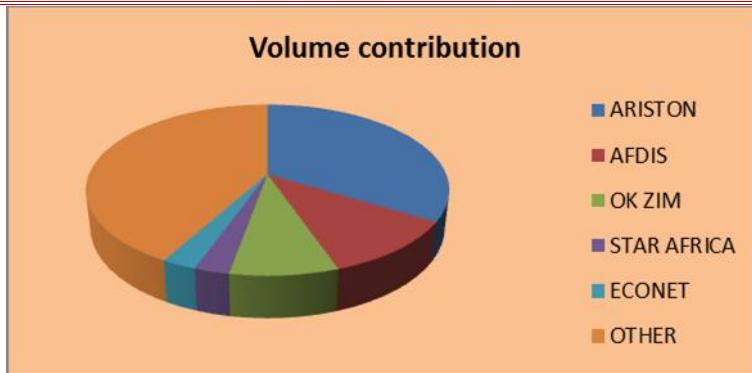
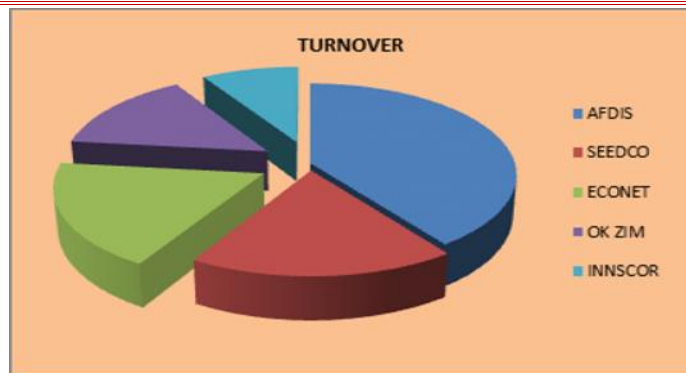
\*\*Market Cap is Inclusive of Econet Class A Shares

### Top Risers

	Stock Name	Price	% Δ	YTD Δ %
1	RTG	1.60	14.3	0.00
2	BARCLAYS	3.20	3.23	27.27
3	CAFCA	32.00	3.23	14.29
4	INNSCOR	66.00	1.54	17.50
5	AFDIS	35.10	0.26	17.00

### Top Fallers

	Stock Name	Price	% Δ	YTD Δ %
1	COTTOCO	0.30	40.0	3.85
2	EDGARS	7.50	16.7	38.07
3	PEARL	2.50	7.41	3.85
4	DELTA	115.00	4.17	17.92
5	BINDURA	6.00	3.23	200.0



#### DIVIDEND MONITOR

Company	Dividend Type	Div Amount	Record date	Payment Date
OLD MUTUAL	Interim	2.45p	26.09.14	31.10.14

#### UPCOMING EVENTS

COMPANY	EVENT	VENUE	DATE
AFDIS	AGM	Lomagundi Road, Stapleford Harare	05.11.14
NATFOODS	AGM		04.11.14
RADAR	AGM	7 <sup>th</sup> Floor, Charter House, Bulawayo	20.11.14
INNSCOR	AGM	Royal Harare Golf Club	21.11.14

#### CAUTIONARIES

Company	Issue Date	Subject
AFRICAN SUN	6 <sup>th</sup> DEC 2013	Discussions on mandatory offer to minorities by Lengrah Investments
Nicoz & ZHL	11 <sup>th</sup> Apr 2014	Negotiations over acquisitions and disposal respectively, of a business
FALGOLD	21 <sup>st</sup> MAY 2014	Negotiations that may have material effect on the company's stocks price
HUNYANI	22 <sup>nd</sup> MAY 2014	Negotiations that may have material effect on the company's stocks price
BINDURA	13 <sup>th</sup> JUNE 2014	H2 Profit expected to substantially higher than H1 outturn
TAH	24 <sup>th</sup> JUNE 2014	Negotiations that may have material effect on the company's stocks price
COTTOCO	24 <sup>th</sup> JUNE 2014	Negotiations that may have material effect on the company's stocks price

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