

Market losses extend as heavies weaken...

	Previous	Current	Change	%Change	YTD %
Industrial	141.14	140.44	0.7000	0.50	2.83
Mining	56.12	56.03	0.0900	0.16	4.24

Faltering heavies weighed on the ZSE for the second week running, leaving the benchmark industrial Index down 0.50% at 140.44pts. Profit taking continued to take its toll on the market amidst uncertainty ahead of the impending reporting season. A seemingly acrimonious relationship between the ZSE board and one of the top listed companies Econet, played out in the media as the latter forged ahead with its plans for a proposed rights offer to raise funds for extinguishing external debt. Elsewhere, news of improved revenue collections in January by Zimbabwe's revenue authorities spurred by rising Value Added Tax which came in 41% above target. Net revenue reportedly went 3% ahead of target at \$262.2m and 13% above last year's outcome. Meanwhile, weakness was also witnessed in the minings cluster resulting in the Mining Index succumbing 0.16% to 56.03pts while, the year to date loss closed at 4.24%.

Weekly Risers

RISERS	PRICE	% Change
PROL.ZW	0.0500	19.05
NPKZ.ZW	0.0270	11.57
AXIA.ZW	0.0700	2.64
RIOZ.ZW	0.3250	1.56
PHL.ZW	0.1673	1.39
HIPO.ZW	0.3675	0.68
NTFD.ZW	3.5078	0.22

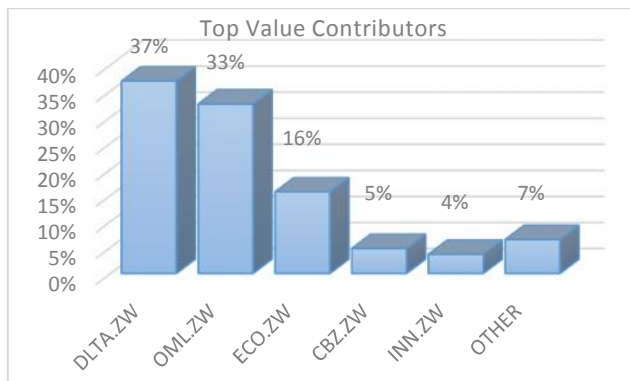
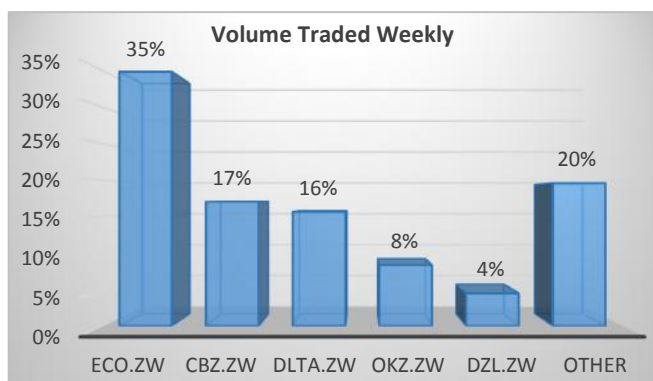
Thirteen counters changed prices over the week ending with seven risers against six fallers as the market set a positive breadth. Leading the risers of the week was Pro Plastics that surged 19.05% to \$0.0500 with NAMPAK following on an 11.57% climb to \$0.0270. Axia maintained its rising momentum edging 2.64% higher to \$0.0700 while, RioZim saw its price go up 1.56% and closed at \$0.3250. Padenga got a 1.39% lift to \$0.1675 trades remain thin in the name. Sugar producers Hippo had their shares trading at \$0.3675 after the group added 0.68% on firm demand. National Foods completed the risers of the week on a 0.22% charge as demand remained solid in the food processing and packaging group leaving it pegged at \$3.5078.

Weekly Fallers

FALLERS	PRICE	% Change
DLTA.ZW	0.8800	2.22
BIND.ZW	0.0344	1.71
PEAR.ZW	0.0346	1.14
OML.ZW	3.5000	0.28
ECO.ZW	0.1798	0.11
INN.ZW	0.4799	0.02

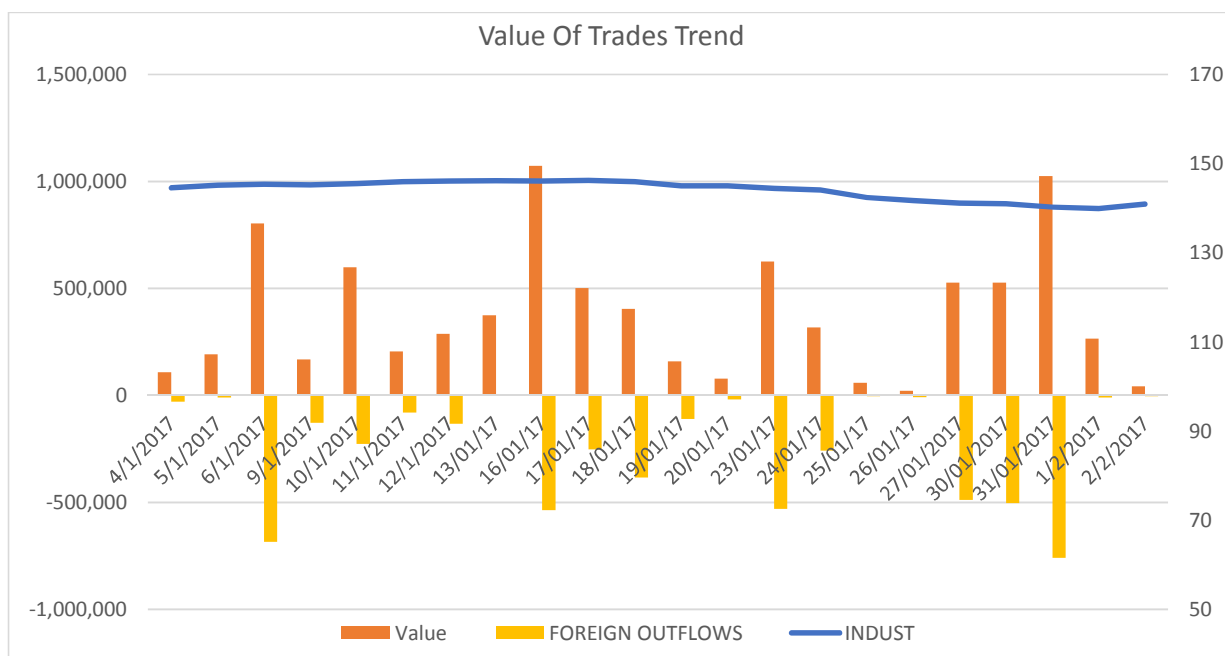
Six counters traded softer over the week dominated by market heavies that continued to succumb to selling pressure. Delta led the market declines with a 2.22% drop to \$0.8800 as profit taking in the wake of their Q3 trading update continued. Nickel miners Bindura followed on the downside, shedding 1.71% to \$0.0344 on subdued demand following the weakening of the commodity's price in global markets. Property concern Pearl traded 1.14% softer at \$0.0346 after failing to hold on to its high price of \$0.0350. Multi listed financial services group Old Mutual was down 0.28% softer at \$3.5000 as demand eased. Completing the fallers set for the week was Innscor that shed a marginal 0.02% and ended the week trading at \$0.4799.

Financial stocks lead aggregates...



	Previous	Current	Change	%Change
Values	1,550,760.88	2,235,572.69	684,811.81	44.16
Volumes	2,966,050.00	5,951,575.00	2,985,525	100.66

Trading aggregates recorded a marked improvement on prior week outcomes as the market spend went up 44.16% and closed at \$2.24m while, the volumes of the week more than doubled to 5.95m shares. Driving the volumes of the week were trades in Econet that accounted for 35% while, there were other notably traded stocks like CBZ and Delta that accounted for 17% and 16% of same. The value of trades was anchored by trades in Delta, Old Mutual and Econet that made for a combined 86% of the total trades for the week.



In the news:**ECONET RISK ZSE SANCTIONS**

Econet Wireless Zimbabwe risks sanctions from the Zimbabwe Stock Exchange (ZSE), after defying the bourse's instruction not to proceed with today's extraordinary general meeting of shareholders meant to approve the raising of \$130 million to pay foreign obligations.

<https://www.newsday.co.zw/2017/02/03/econet-risks-zse-sanctions/>

ZIMPLATS ENGAGES GOVERNMENT LAND

Zimplats says it is engaging the government after authorities gave fresh notice to compulsorily acquire land within the company's special mining lease area.

<https://www.newsday.co.zw/2017/02/01/zimplats-engages-government-land/>

NBS TO ROLLOUT 10,000 HOUSING UNITS IN 2017

NATIONAL Building Society (NBS) is offering a housing product consisting of 10 000 medium-to-high-density units through a mortgage facility, as it lures potential homeowners.

<https://www.newsday.co.zw/2017/01/30/nbs-rollout-10-000-housing-units-2017/>

ZIMRA SURPASSES JANUARY REVENUE TARGET

The Zimbabwe Revenue Authority has surpassed its revenue target for January, driven by Value Added Tax, which was 41% above the target. Net revenues increased by three percent \$262.2 mln against a target of \$254.1 mln and 13% up when compared with \$232 mln collected in January last year.

<http://www.herald.co.zw/zimra-surpasses-january-revenue-target/>

HWANGE COLLIERY CUTS LABOUR FORCE BY 60 PERCENT

Hwange Colliery Company has embarked on the second phase of its staff rationalisation, which will cut its labour force by almost 60%. The programme, which started last year, saw some executives and senior...

<http://www.herald.co.zw/hwange-colliery-cuts-labour-force-by-60-percent/>

RBZ INTRODUCES \$5 BOND NOTE

The Reserve Bank of Zimbabwe (RBZ) has released \$15 mln worth of \$5 bond notes into the market, with the new notes circulating from yesterday. This brings the figure released in bond notes so far to \$88 mln...

<http://www.herald.co.zw/rbz-introduces-5-bond-note/>

NATFOODS-PROFEEDS MERGER UNDER THREAT

Concerns have been raised over the alleged monopolistic structure of the proposed merger between Zimbabwe's two stockfeed manufacturing giants, National Foods and Profeeds. The companies plan to set up a new stockfeed company which will be run as a separate entity.

<http://www.herald.co.zw/natfoods-profeeds-merger-under-threat/>

ECONET LOSES 400,000 SUBSCRIBERS

OVER 400 000 subscribers deserted Econet Wireless Zimbabwe between July and September last year, latest Postal and Telecommunications Regulatory Authority of Zimbabwe (POTRAZ)...

<http://www.financialgazette.co.zw/econet-loses-400-000-subscribers/>

RBZ/ ECONET PUT UP FACILITY FOR LOCAL SHAREHOLDERS

THE Reserve Bank of Zimbabwe and the country's largest mobile telecommunication company by subscribers, Econet Wireless Zimbabwe have put up a facility to allow local shareholders to...

<http://www.financialgazette.co.zw/rbzeconet-put-up-facility-for-local-shareholders/>



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EFE RESEARCH – Weekly Market Review Weekending 03.02.2017

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