

ZSE slips on slowing demand...

	Previous	Current	Change	%Change	YTD %
Industrial	120.46	120.34	0.1200	0.10	4.78
Mining	33.76	33.71	0.0500	0.15	42.24

The market was in a second week of marginal losses on the back of mixed financials from reporting companies along with the gazetting of a presidential decree to pave way for the introduction of bond notes. Industrials suffered a 0.10% knock and closed the week at 120.34pts while, the Mining Index dipped 0.15% for the week and settled at 33.71pts. The duo of Econet and OKZIM released their results over the week reflecting mixed performances as the former saw declines in performance lines while, the latter gave improved results. Diversified group Econet reported 7% loss in revenues along with a 37% decline in the bottom line as the pressures in the economy took their toll. Retail giants OKZIM, enjoyed a 2.3% growth in revenues while, profitability went up 87% on the prior comparative period, as the group rode out the vagaries of the operating environment. Meanwhile, authorities forged ahead with plans to introduce a surrogate currency in the form of bond notes with heightened publicity campaigns while, the government published statutory instrument 133 of 2016 providing the necessary legal framework for the introduction of bond notes.

Weekly Risers

RISERS	PRICE	% Change
NICO.ZW	0.0198	32.00
COLC.ZW	0.2900	11.54
DZL.ZW	0.0330	10.00
HIPO.ZW	0.2400	4.03
BARC.ZW	0.0210	2.44
RIOZ.ZW	0.1900	2.43
FBC.ZW	0.0770	0.79
CBZ.ZW	0.1049	0.38
SIM.ZW	0.1415	0.35
DLTA.ZW	0.7300	0.25

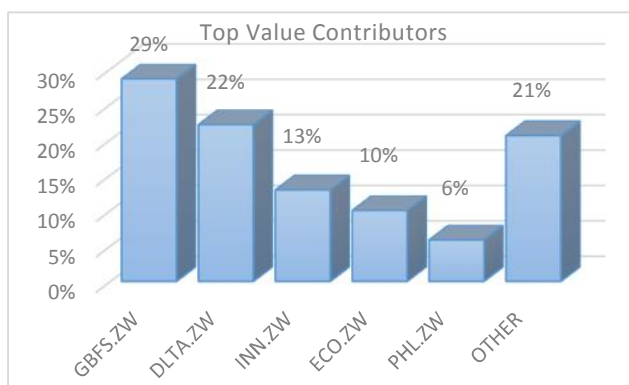
Risers continued to dominate the movers and shakers spectrum despite the overall market closing in the red for the second week running. Ten counters posted gains for the week led by short term insurers Nicoz Diamond which rallied 32% for the week and had its shares exchanging hands at \$0.0198 by close of call Friday. Meat processors Colcom were up 11.54% as demand remained solid in the group while, Dairibord climbed 10% and ended pegged at \$0.0330. Hippo was up 4.03% ahead of the onset of the rainy season while, parent Tongaat Hullet was reported in the press to have extended funding to the tune of \$20 towards the work at Tokwe Mukosi. Barclays garnered 2.44% to \$0.0210 as the muted disposal of Makasa Sun to Dawn Properties goes into the final stretch. Mining house RioZIM put-on 2.43% and closed at \$0.19 as the duo of banking groups FBCH and CBZ followed on gains of 0.79% and 0.38% leaving them at \$0.0770 and \$0.1049 respectively. Completing the risers of the week was delta that was in 0.25% rebound to \$0.7300 where the group is seemingly establishing resistance.

Weekly Fallers

FALLERS	PRICE	% Change
ECO.ZW	0.2700	10.00
MSHL.ZW	0.0076	5.00
BIND.ZW	0.0195	2.50
OML.ZW	3.2200	0.10

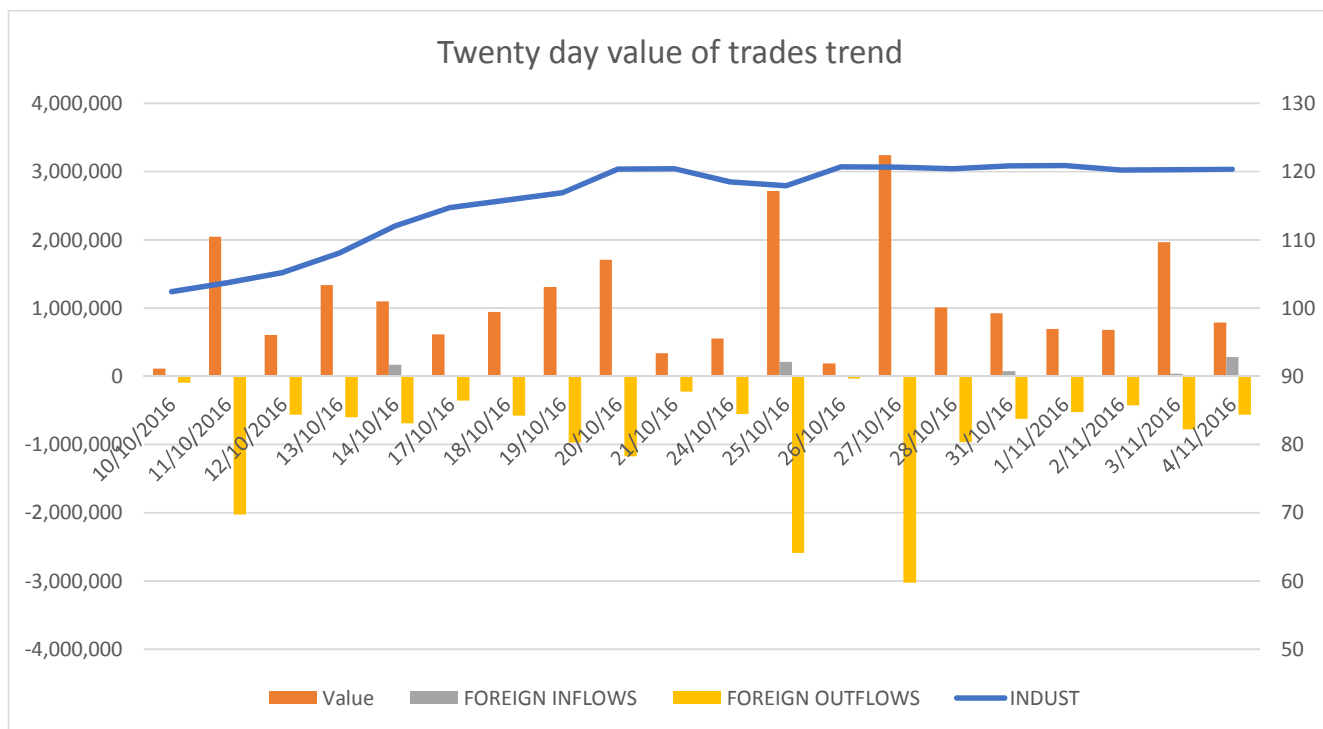
Four counters posted losses for the week with Econet leading the down side after shedding 10% and closing at \$0.2700 in the aftermath of their dismal H1 performance where profitability declined 87%. Construction group Masimba followed after shedding 5% and settling at \$0.0076 where demand could be established while, Bindura came off 2.5% to \$0.0195.

Heavy caps drive activity...



	Previous	Current	Change	%Change
Values	7,706,129.17	4,126,290.36	3,579,838.81	46.45
Volumes	29,010,120.00	51,128,442.00	22,118,322	76.24

Market aggregates were a mixed bag as the value of trades narrowed 46.45% to \$4.1m despite the volumes of the week ballooning 76% and closing at 51.1m shares. The low liquidity due to slowing down demand in the market’s heavy cap stocks weighed on the value aggregate as the prior weeks’ depressed supply shifted to leave the market largely net sellers in momentum stocks. Volumes of the week were driven by financial services stock Getbucks which had 62% of the total shares exchanging hands in it while, Nicoz was a distant second on a 15% contribution to the same. The value aggregate was similarly driven by Getbucks with its 29% contribution as Delta and Inncor also made notable contributions of 22% and 13% respectively. Foreign participation continued to be in a net sell off position as offshore investors remain averse to the Zimbabwean equities.



In the news:**Econet to sell prepaid electricity**

Zimbabwe's biggest mobile network, Econet Wireless, has now received approval to sell prepaid electricity, a development expected to bring significant convenience for buyers. About 95% of Zesa Holdings' prepaid electricity revenue is generated through the subsidiary, Powertel's vending system.

<http://www.herald.co.zw/econet-to-sell-prepaid-electricity/>

Bond notes wont go beyond \$200m cap

Reserve Bank of Zimbabwe (RBZ) governor, John Mangudya has said bond notes will not go beyond the \$200 mln cap given that each bank will reconcile exports receipts coming through their customers' accounts with the amount due as given in the policy.

<http://www.herald.co.zw/bond-notes-wont-go-beyond-200m-cap/>

RioZim in talks to open empress nickel refinery

RioZim Ltd., a Zimbabwean nickel, gold and diamond miner, may re-open its metals refinery (Empress Nickel Refinery) in the southern African nation if talks with an unidentified platinum supplier succeed, officials said.

<http://www.herald.co.zw/riozim-in-talks-to-re-open-empress-nickel-refinery/>

Econet profit falls by 37pc

Econet Wireless Zimbabwe's profit for the half-year to August 31, 2016 fell 37% to \$14.9 mln on depressed revenue due to the challenging economic environment. Total revenue for the period fell 6.7% to \$301.5 mln compared to \$323 mln reported during the same period last year.

<http://www.herald.co.zw/econet-profit-falls-by-37pc/>

Dispute erupts over CFI deal

A dispute has erupted between Zimbabwe Stock Exchange-listed CFI Holdings Limited shareholders over Longford Estates, only a year after they overwhelmingly voted to dispose of the 834 hectare estate to unlock long term capital.

<http://www.financialgazette.co.zw/dispute-erupts-over-cfi-deal/>

Fuel prices to up

The price of fuel is set to go up following recommendations by a consultant that retail fuel operators should get an additional two cents on the profit margin.

<https://www.newsday.co.zw/2016/11/04/fuel-prices-go/>

Old Mutual disburses \$22m SME centre development

Financial services group, Old Mutual Zimbabwe, has disbursed \$22 million for the development of a small-to-medium enterprises (SMEs) centre, chief executive officer, Jonas Mushosho has said.

<https://www.newsday.co.zw/2016/11/02/old-mutual-disburses-22m-sme-centre-development/>

Cabs splashes \$3m on branches upgrade

Zimbabwe's largest mortgage lender, Cabs, has invested over \$3 million towards rebranding and refurbishment of its branches across the country, an executive has said.

<https://www.newsday.co.zw/2016/11/01/cabs-splashes-3m-branches-upgrade/>



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