

ZSE reverses fortnight gains on heavy sell off...

	Previous	Current	Change(pts)	%Change	YTD %
All share	16,594.91	15,763.93	830.98	5.01	43.35
Industrial	54,682.55	51,989.97	2,692.58	4.92	43.05
Top 10	10,265.73	9,639.28	626.45	6.10	39.04
Mid Cap	33,019.62	32,066.74	952.88	2.89	54.97

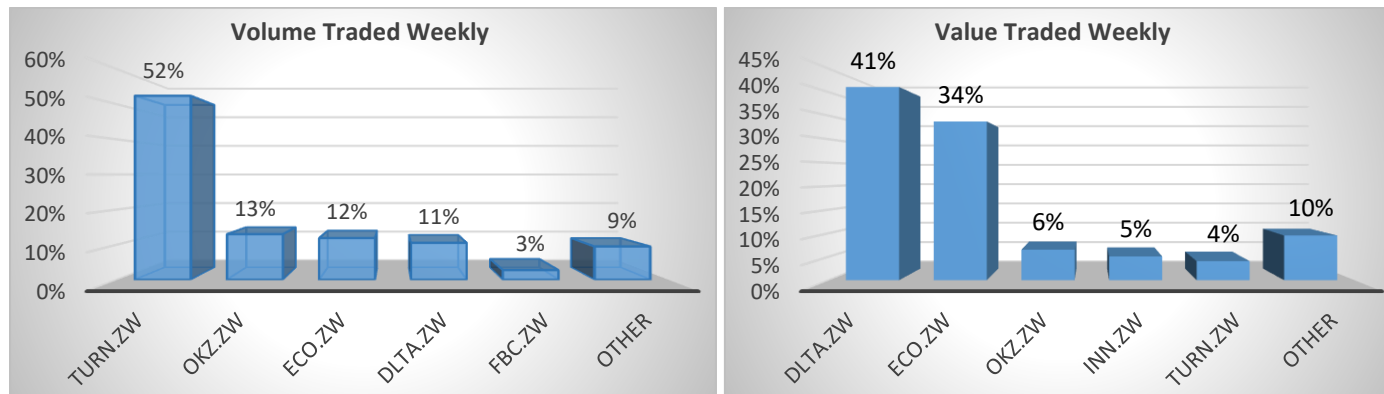
ZSE recorded losses in the first week of August reversing prior weeks' gains to see all four benchmarks in our review close in the red amidst liquidity constraints and weak demand. The All-Share Index slipped 5.01% and closed at 15,763.93pts as it narrowed its year-to-date return to just 43.35%. Market heavies were the worst hit by the sell off as the Top Ten Index closed the week at 9,639.28pts having shed 6.10% for the week and reduced the year-to-date return to 39.04%. Losses were also seen in the traditional Industrial Index which succumbed 4.92% for the week to settle at 51,989.97pts while, the Mid Cap lost 2.89% to close at 32,066.74pts.

RISERS	PRICE	% Change
ASUN.ZW	17.0233	19.88
MSHL.ZW	50.0000	15.07
UNIF.ZW	50.0000	14.94
NTS.ZW	11.7500	14.63
ARIS.ZW	2.5000	13.64
GBZW.ZW	17.0000	13.33
ZIMP.ZW	5.0000	8.89
CAFCA.ZW	235.5000	6.56
PROL.ZW	25.0000	4.10
GBH.ZW	1.5910	3.91
FALLERS	PRICE	% Change
FCA.ZW	8.6143	18.18
DLTA.ZW	220.9952	16.53
TSL.ZW	85.0000	15.00
RIOZ.ZW	93.5238	14.98
SIM.ZW	190.1396	13.14
NMB.ZW	20.0000	13.04
FMP.ZW	9.0000	11.75
TANG.ZW	138.5000	8.88
FBC.ZW	60.6250	7.86
TRUW.ZW	2.0394	7.30

The winners and the fallers spectrum was almost evenly distributed for the week with twenty-two fallers against twenty gainers to set a negative breath of two stocks. The market shakers were led by First Capital that plummeted 18.18% to \$8.6143 as Delta trailed on a 16.53% slump that left the group trading at \$220.9952 as investors sold the blue chip in pursuit of liquidity. Manufacturer TSL followed on a 15.00% slide to trade at \$85.000 as the only ZSE listed miner RioZim trimmed 14.98% to \$93.5238 albeit on small volumes. Simbisa Brands came off 13.14% to settle at \$190.1396. Bankers NMB were down 13.04% week on week to close at \$20.0000 while, property firm FMP dropped 11.75% to \$9.0000. Tanganda weakened 8.88% to \$138.5000 while, FBC followed on a 7.86% drop to end at a vwap of \$60.6250. Truworths trimmed 7.30% to \$2.0394 where demand could be determined in the apparel retailer.

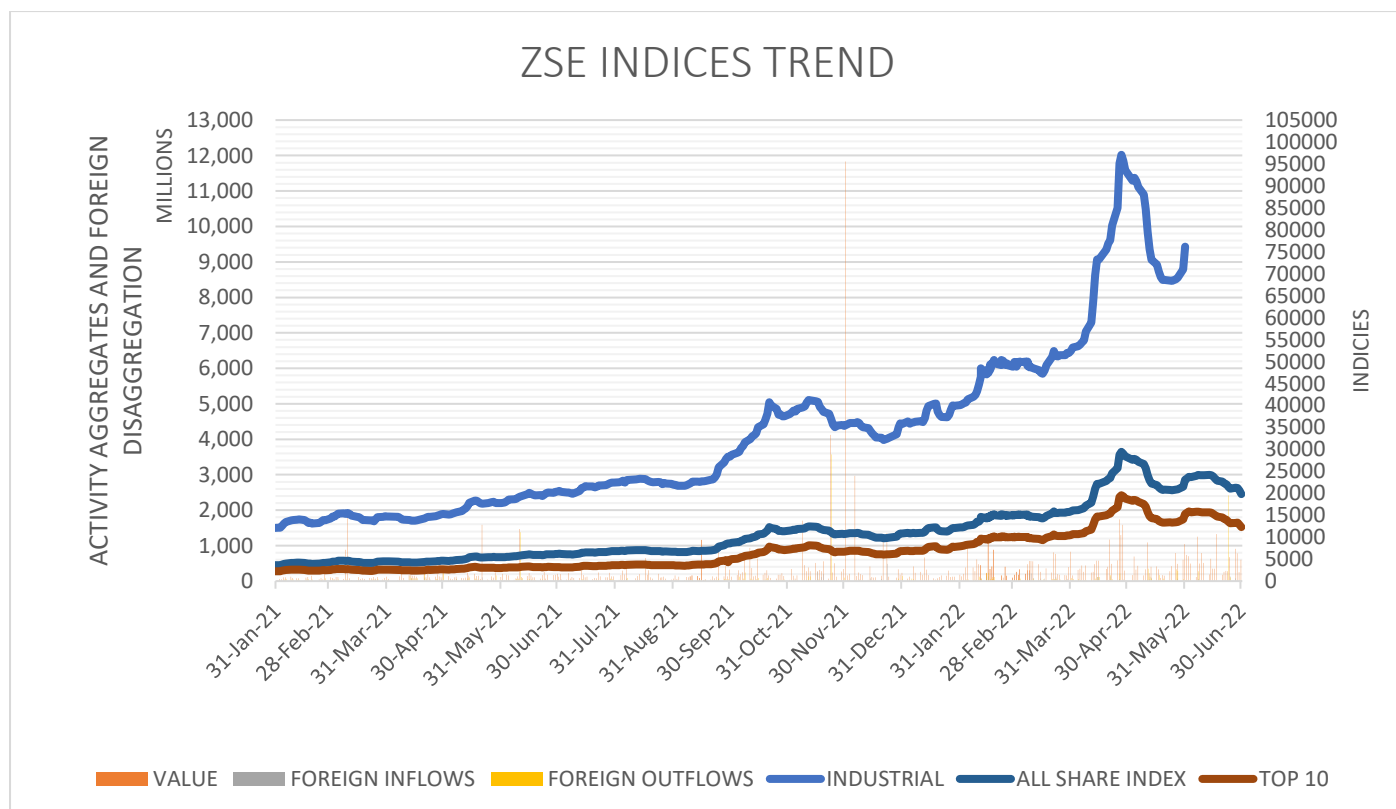
The market salvage was led by hotelier African Sun that put on 19.88% to settle at \$17.0233 while, construction group Masimba Holdings charged 15.07% to \$50.0000. Unifreight was up 14.94% to settle at \$50.0000 for the week as NTS rebounded 14.63% to close at \$11.75000. Ariston added 13.64% to \$2.5000 while, Getbucks rose 13.33% to \$17.0000 on reports that that the financial institution is seeking a VFEX listing. Zimpapers and CAFCA improved to \$5.0000 and \$235.5000 on respective gains of 8.89% and 6.56%. Manufacturers Proplastics and General Beltings held the ninth and tenth positions of the risers' pack as the duo firmed up 4.10% and 3.91% to settle at \$25.0000 and \$1.5910 in that order.

Activity Aggregates softer...



	Previous	Current	Change	%Change
Values	7,489,704,239.50	3,364,086,821.00	4,125,617,418.50	55.08
Volumes	116,398,900	57,014,000	59,384,900	51.02

The market saw a much slower week of trading evidenced by softer trading aggregates amidst tight liquidity. Value of trades for the week was 55.08% lower at ZWL\$3.36bn as blue chips double act Delta and Econet contributed a combined 75% to the outturn. Volumes exchanged fell 51.02% to 57.01m shares as Turnall, OKZim and Econet drove the aggregate.



In the News

Monetary authorities say the country's annual inflation, currently standing at 257%, will continue increasing up to September this year, before cooling off from October as results of ongoing interventions kick in. The Reserve Bank of Zimbabwe (RBZ) said on Monday that at its sitting at the end of last month, its monetary policy committee maintained the interest rate at the contentious 200% that had been in force since June.

<https://www.newsday.co.zw/2022/08/rbz-predicts-inflation-to-cool-off-from-october/>

Hippo Valley Estates cane deliveries grew by 22% during the first quarter ended June 30, 2022 after significant improvements in transportation to the mill, the firm said yesterday. In a trading update, the Zimbabwe Stock Exchange-listed sugar producer said it harvested 347 178 tonnes during the period, compared to 283 499 tonnes harvested during the same period in 2021. Zimbabwe's biggest cane producer taps into produce from its own estates in the country's southern eastern low veld, along with deliveries from small-scale farmers.

<https://www.newsday.co.zw/2022/08/hippo-lifts-q1-output-22/>

Delta Beverages says its lager beer portfolio is performing ahead of prior year, with a target to produce more than two million hectolitres this year, up 11% compared to prior year. Last year, the company produced about 1,8 million hectolitres of the brew. The company hopes to exceed two million hectolitres of lager beers this year and last year it crossed the 1,8 million hectolitre mark and its tracking well towards that target.

<https://www.newsday.co.zw/2022/08/lager-beer-production-seen-up-11/>

Legislators have called on government to consider paying maize farmers in foreign currency. Speaking in Parliament, Hurungwe East legislator Takundwa Masenda said it was important for government to ensure that maize farmers got a real deal because they were committing themselves to feeding the nation. Mr Masenda hinted that his point of national interest was centred on the production and sale of agricultural products with particular reference on the production of maize.

<https://www.newsday.co.zw/2022/08/maize-price-worries-mps/>

Property company, Tigere Real Estate Investment(REIT), has been licensed and registered with the Securities and Exchange Commission of Zimbabwe (SecZim) paving way for its listing on the Zimbabwe Stock Exchange (ZSE) by end of September. Tigere REIT will operate under the Collective Investment Schemes Act [Chapter 24:19], as recently amended, and investors in the fund can expect income tax benefits, cashflows through dividends (a legislated minimum 80 percent distribution of net income paid to unit holders), and a well-managed property portfolio with quality US dollar-linked rental income, Tigere REIT director Mr Brett Abrahamse said.

<https://www.herald.co.zw/tigere-reit-ready-for-listing-after-getting-licence/>

One of Zimbabwe's leading brick makers, Willdale Limited, says it has commenced negotiations for the disposal of certain idle assets to raise funding for capital expenditure programmes. Willdale, listed on the Zimbabwe Stock Exchange (ZSE) is engaged in making and selling clay bricks and the Company's products include common bricks, face bricks, semi-faced bricks, and paving bricks. In 2017, the company disposed of part of its land for US\$11 million, with the proceeds utilised towards servicing debt and settling preference shares obligations.

<https://www.herald.co.zw/willdale-to-sell-idle-assets-to-raise-capex/>

Disclaimer:

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 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.