

ZSE slips to a weekly loss as December opens...

	Previous	Current	Change	% Change	YTD %
All share	160.4	158.46	1.9400	1.21	58.46
Industrial	538.66	532.03	6.6300	1.23	63.18
Mining	208.56	208.53	0.0300	0.01	46.44
Top 10	164.98	161.72	3.2600	1.98	61.72

Losses stalked the ZSE in the opening week of December as profit-taking took its toll on the bourse. All four benchmarks closed the week in the red as the ongoing reporting season failed to spur gains for the market amidst a slow down in activity. The primary All Share Index let go 1.21% for the week and settled at 158.46pts while, the Industrial Index dropped 1.23% and settled at 532.03pts. Market heavies were the major casualties of the falling market as seen in the Top Ten Index succumbing 1.98% week on week and settling at 161.72pts. Resources counters were in marginal movements resulting in the Mining Index shedding a marginal 0.01% and closing the week at 208.53pts. On the corporate scene, results continued to trickle in from various companies amongst them Star Africa which reported a rare profit outcome for their interim period to September 2018. Other fair financial performances emerged from Bindura, Mashonaland Holdings and SeedCO with the latter achieving a first interim profit since dollarization spurred by the seed price hikes ahead of the ensuing agricultural season.

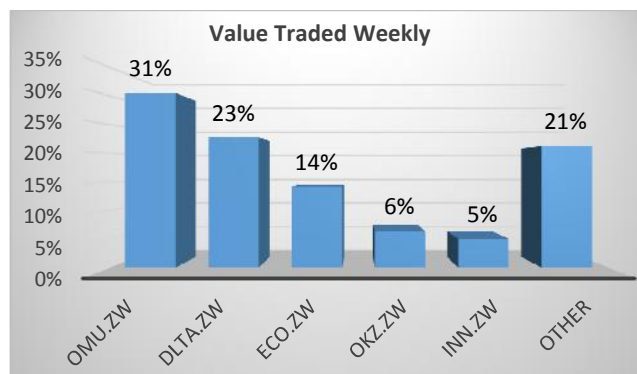
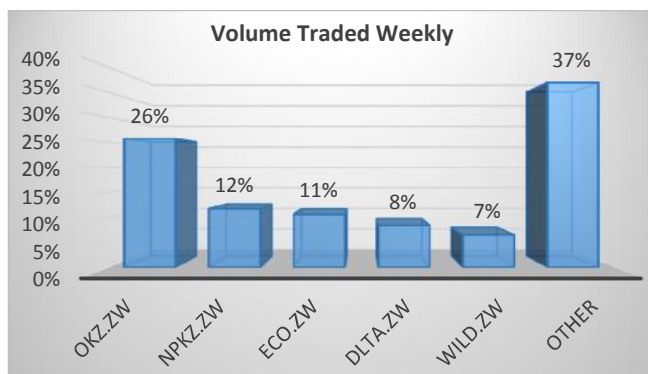
RISERS	PRICE	% Change
ZIMR.ZW	0.0256	19.63
SACL.ZW	0.0129	17.27
NPKZ.ZW	0.2520	17.21
ARTD.ZW	0.1080	8.00
NTFD.ZW	7.2000	6.49
PROL.ZW	0.1910	6.11
SCIL.ZW	1.7025	4.74
PHL.ZW	0.9857	4.12
WILD.ZW	0.0086	2.38
OKZ.ZW	0.3000	1.52

The market closed the week with a positive breadth as fourteen risers emerged against ten fallers, though this could not suffice to spur the bourse into gains. Financial Services groups ZBFH and FCA headlined the shakers of the week with the former leading on an 11.39% slide that took it to \$0.3500 while, the latter followed on a 10.58% slide to end at \$0.0600. Telecoms giant Econet was down 9.38% at \$1.5993 as a cloud continues to hang over the listing of the proposed unbundling of Cassava. This follows the company's announcement that it shall seek the approval of the Zimbabwe Stock Exchange to defer the implementation of the demerger Resolutions to a date to be announced in order to accommodate the outcome of the adjourned Debenture Conversion meeting.

FALLERS	PRICE	% Change
ZBFH.ZW	0.3500	11.39
FCA.ZW	0.0600	10.58
ECO.ZW	1.5993	9.38
FML.ZW	0.1400	5.02
MEIK.ZW	0.5101	3.75
LACZ.ZW	1.4000	2.78
INN.ZW	1.8731	1.42
SIM.ZW	0.7400	1.33
SEED.ZW	1.9800	1.00
OMU.ZW	8.1699	0.05

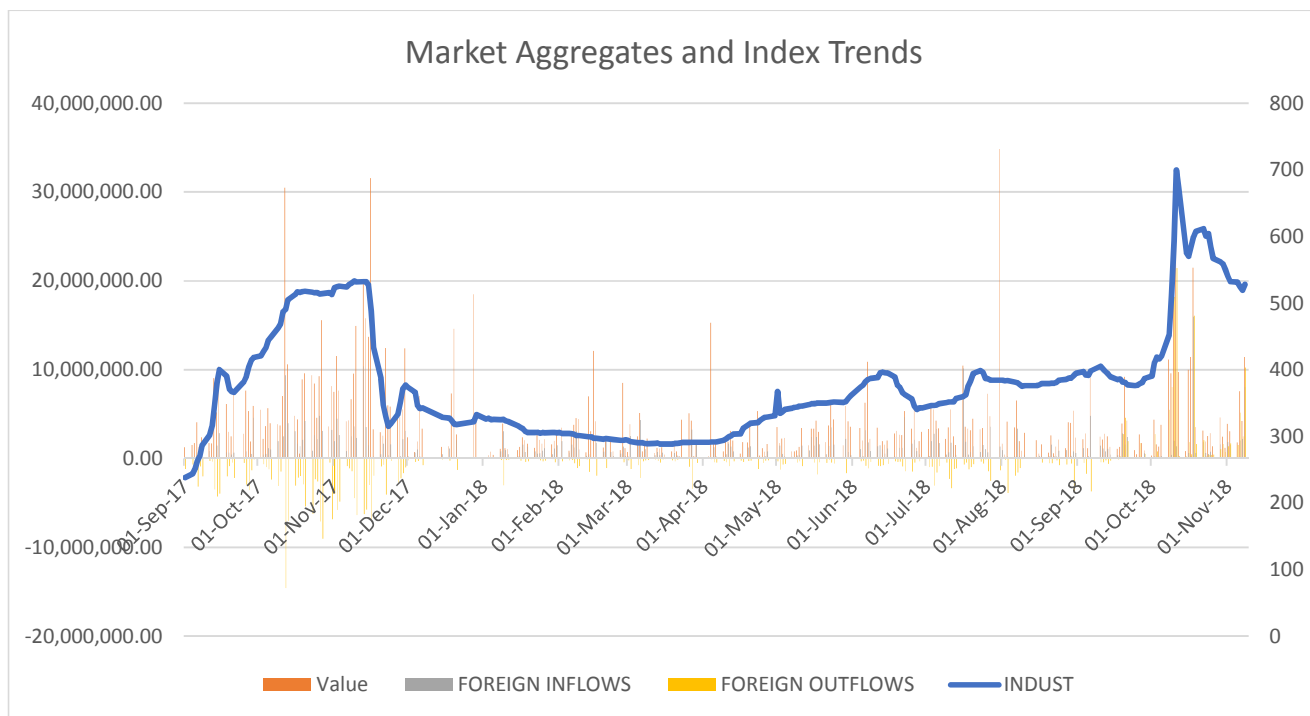
First Mutual and Meikles also weighed on the market with losses of 5.02% and 3.75% to see them close trading at \$0.1400 and \$0.5101 respectively. Innscor and its former subsidiary Simbisa chipped in with declines of 1.42% and 1.33% while. SeedCo's results did not get the expected nod from the market with the group succumbing 1% to \$1.98. Completing the top shakers was Old Mutual that shed 0.05% and settled at \$8.1699. ZHL led the loss mitigation efforts on the market with a 19.63% surge that took its price to \$0.0256 while, the market gave a nod to Star Africa's profit outcome as the group added 17.27% week on week and settled at \$0.0129. Other gains were in NTFD +6.49%, SCIL +4.74%, Padenga +4.12% and OKZ +1.52%.

Activity aggregates softer as year-end slow down sets in...



	Previous	Current	Change	%Change
Values	27,657,843.65	19,468,881.10	8,188,962.54	29.61
Volumes	45,190,887	16,009,069	29,181,818	64.57

The market showed signs of slowing down as the major activity aggregates closed in the red with the year end slow down setting in. The market spend was 29.61% lower than the prior week’s outcome at \$19.47m with the main drivers of the aggregate emerging to OMU 31% and Delta 23%. Volumes of the week were also down, shedding 64.57% propelled by OKZ, Nampak and Econet that accounted for a combined 39% of the aggregate.



In the News

SUGAR manufacturer star Africa corporation reported profit before tax of \$0,5 million in the six months to September from a loss position of \$1,3 million in the prior year, driven by a reduction in costs and interest burden following the conversion of debt to equity by creditors. <https://www.newsday.co.zw/2018/12/starafrika-out-of-the-woods/>

ONE of the biggest millers in the country, National Foods Limited (NFL) says it will today switch off its wheat milling machines, citing non-payment of its foreign suppliers, with the country facing possible flour and bread shortages as the foreign currency crunch continues to bite. <https://www.newsday.co.zw/2018/12/national-foods-switches-off-wheat-milling-machines/>

BINDURA Nickel Corporation Limited (BNC) registered a 26% increase in profit after tax to \$2,8 million in the six months to September, buoyed by firm mineral prices on the international market. <https://www.newsday.co.zw/2018/12/firm-nickel-prices-spur-binduras-half-year/>

SEED CO posted a \$69,03 million profit after tax for the half-year ended September 30, 2018 following a fair valuation of its subsidiary, Seed Co International Limited. <https://www.newsday.co.zw/2018/12/fair-valuation-boosts-seed-co-profit/>

CASSAVA Smartech banking unit, Steward Bank and Ecocash yesterday launched a platform where Econet mobile network subscribers will be able to open bank accounts through cell phones in a minute. <https://www.herald.co.zw/econet-unit-launches-instant-loan-platform/>

Diversified Industrial group, Innscor Africa Limited says gross profit margins during the first quarter of the 2019 financial year remained under pressure due to foreign currency and inflationary pressures, resulting in cost increases for both local and imported materials. <https://www.herald.co.zw/forex-shortages-inflation-weigh-on-innscor/>



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