

ZSE in the black as bullish sentiment prevails...

The ZSE exhibited a bullish trend in the week under review as demand that had initially been in selected stocks in prior week's became much widespread across the board. A sustained free-fall on the ZSE in 2015 had been followed by an even more pronounced slide in the first quarter of the year culminating in a roughly 15% declines in both the Industrial and Mining Indices. The recently ended reporting season for mostly the December reported date proved the bourse's salvation as most financials came in much better than expected. Following sustained deflationary pressures in the economy and falling aggregate demand expectations on financials were highly pessimistic hence extended pressures on prices on the bourse. The better than expected financials were clearly a breath of fresh air in a market awash with negative news; local companies proved that with the right structures they are capable of weathering the storms in the operating environment and rewarding investors who have been loyal to them as evidenced by many dividends that were declared over the period.

Indices post gains...

Indices

	Previous	Current	Change (pts)	% Change	YTD %
<i>Industrial</i>	97.80	97.92	0.1200	0.12	14.74
<i>Mining</i>	19.53	20.16	0.6300	3.23	14.94

The rarely active Mining Index enjoyed a second rising week in succession buoyed by gains in RIOZIM. The index notched 3.23% and ended the week at 20.16pts and resultantly narrowed the year to date losses to 14.94%. Sustained low prices for commodities in global markets have been the major undoing for the listed mining houses as investors expected poor financials.

The benchmark Industrial Index extended its gains in the week under review anchored by the aforementioned bullish sentiment that prevailed on the bourse. Industrials added a marginal 0.12% and ended the week at 97.92pts with most stocks closing well bid. Year to date the benchmark is down 14.74%.

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Risers

Symbol	Previous	Current	Change	%Change
FIDL.ZW	0.0900	0.1030	0.0130	14.44
GBFS.ZW	0.0370	0.0400	0.0030	8.11
FBC.ZW	0.0604	0.0652	0.0048	7.95
OKZ.ZW	0.0367	0.0390	0.0023	6.27
RIOZ.ZW	0.1040	0.1100	0.0060	5.77
ECO.ZW	0.2500	0.2550	0.0050	2.00
BIND.ZW	0.0100	0.0102	0.0002	2.00
MEIK.ZW	0.0708	0.0722	0.0014	1.98
SEED.ZW	0.6400	0.6500	0.0100	1.56
MSHL.ZW	0.0070	0.0071	0.0001	1.43

Faller

Symbol	Previous	Current	Change	%Change
HIPO.ZW	0.2509	0.2010	0.0499	19.89
DZL.ZW	0.0600	0.0510	0.0090	15.00
ARIS.ZW	0.0052	0.0045	0.0007	13.46
PPC.ZW	0.6975	0.6500	0.0475	6.81
ZIMR.ZW	0.0180	0.0178	0.0002	1.11
BARC.ZW	0.0280	0.0279	0.0001	0.36
PHL.ZW	0.0701	0.0700	0.0001	0.14

* All prices in USD

Bulls dominant as market gains...

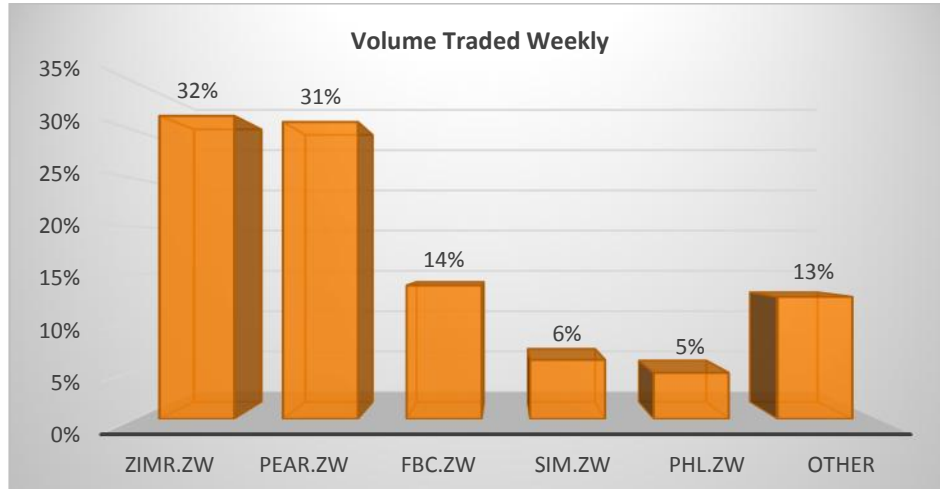
The bullish trend entered its second week as it saw the bourse to a positive breadth. Eleven counters ended the week with improved prices compared to seven which declined to leave the market with a breadth of four in the positive. Weekly gains were spread across the board as alpha seeking investors swooped on hugely discounted equities. Investors particularly gave a nod to the financial services stocks in the wake of the fairly impressive recently concluded reporting season. Life assurers Fidelity led the market charge after it surged 14.44% and closed at \$0.1030; in late news though the group's managing director and financial director were reportedly suspended by the Insurance and Pension Commission (IPEC) for breaching the Insurance Act.

Recently listed microfinance institution Getbucks added 8.1% to follow and closed trading at \$0.0400 while, FBCH was also up 7.95% on resurgent demand and ended at \$0.0652. Retail group also helped the rising tide with a 6.27% uplift that took it to \$0.0390 while ending well bid. Mining counters were also on the rising act with RioZim and Bindura climbing 5.77% and 2.0% to trade at \$0.1100 and \$0.0102 respectively. Similarly heavily capitalized stocks continued to enjoy the rising momentum and enjoyed the lion's share of the interest with Econet adding 2% to \$0.2550, Meikles gained 1.98% to \$ 0.0722 while, SeedCo made a quick rebound putting on 1.56% and closing the week at \$0.6500.

It was not all positive though as the market gains were held back by losses in seven stocks, three of which suffered double digit percentage losses. Hippo led the losing tide after shedding 19.89% and settled at \$0.2010 while, DZL released 15% of its value to see it trade at \$0.0510. Ariston was down 13.46% at \$0.0450 while, other losses were in PPC (-6.81%), ZHL (-1.11%), Barclays (-0.36%) and Padenga -0.14%.

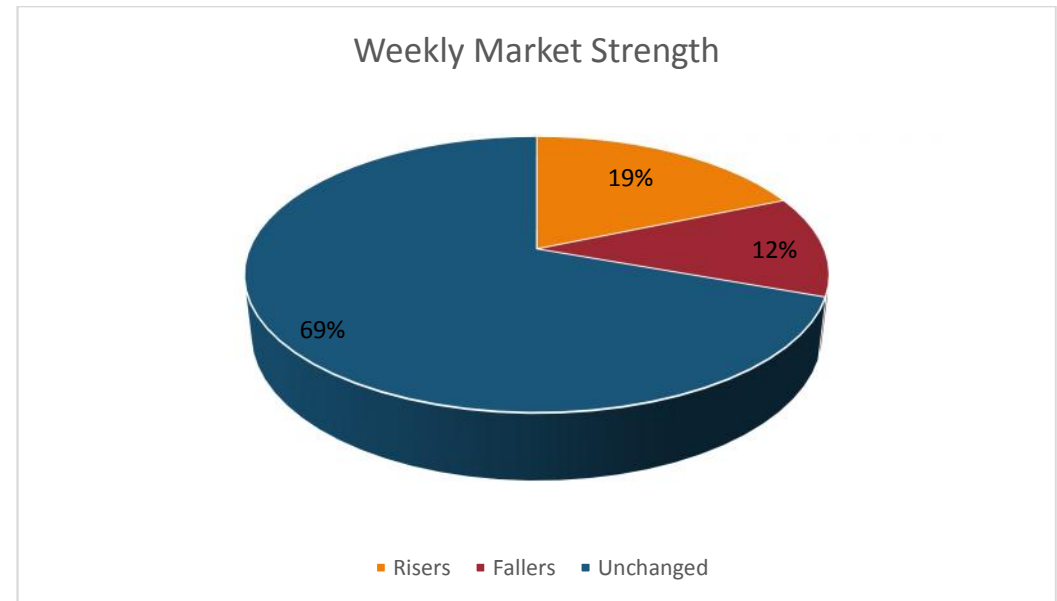
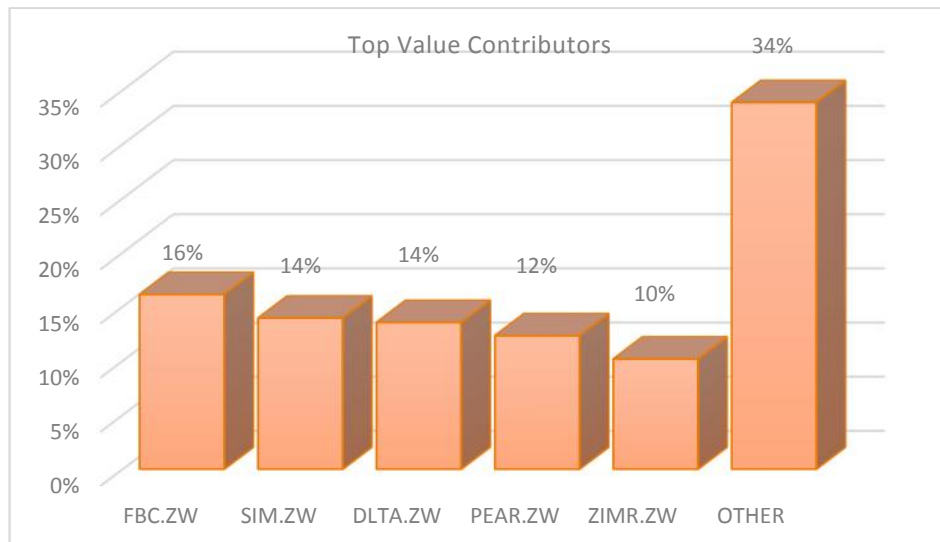
Market Aggregates and Statistics

Market turnover aggregates



	Previous	Current	Change	%Change
Values	2,407,184.85	3,167,025.12	759,840.27	31.57
Volumes	24,537,860	57,414,464	32,876,604.00	133.98

Activity aggregates were all improved across the board with values growing 31.57% to \$3,167,05.12 driven by FBCH, Simbisa and Delta with respective contributions of 16%, 14% and 14%. Volumes of the week ballooned 134% and closed at 57.4m shares largely driven by block trades in ZHL and Pearl executed in the final session of the week which saw the duo contributing a combined 63% of the weekly aggregate.



In the news...

\$2.5m for branding and refurbishment of CABS

OLD Mutual Zimbabwe says this year it will spend \$2,5 million towards branding and refurbishment of CABS branches across the country, as well as on its one-stop financial services centres. <https://www.newsday.co.zw/2016/04/08/25m-branding-refurbishment-cabs/>

Insurance firms under threat

Zimbabwe's insurance companies are facing an uncertain future after the Insurance and Pensions Commission (Ipec) has hiked minimum capital requirements by 66 percent to \$2,5 million. <https://www.dailynews.co.zw/articles/2016/04/08/insurance-firms-under-threat>

Medtech future uncertain

Zimbabwe Stock Exchange (ZSE)-listed pharmaceuticals manufacturer Medtech is facing an uncertain future should a strategic transaction fail to go through this year. <https://www.dailynews.co.zw/articles/2016/04/06/medtech-future-uncertain>

African Sun exits regional markets

Zimbabwe Stock Exchange-listed hotel group, African Sun Limited (ASL), says it has exited all its regional markets focusing on local operations to plug cash haemorrhages from the external operations. <https://www.dailynews.co.zw/articles/2016/04/04/asl-exits-regional-market>

2015 gross premium written soars \$332m

GROSS Premium Written (GPW) for life assurers last year increased by 11% to \$332 million from \$299,6 million in 2014. <https://www.newsday.co.zw/2016/04/07/2015-gross-premium-written-soars-332m/>

Willdale, Zimtile partner UK based VAKA Zimbabwe housing project

WILLDALE Bricks and Zimtile have partnered United Kingdom (UK)-based Vaka Building Materials for the provision of building materials, in support of housing development in the country. <https://www.newsday.co.zw/2016/04/07/willdale-zimtile-partner-uk-based-vaka-zimbabwe-housing-project/>

Border Timbers posts 106% profit

BORDER Timbers has taken steps to increase its footprint in the market in the coming months and has already signed documents to that effect. <https://www.newsday.co.zw/2016/04/05/border-timbers-posts-106-profit/>

NSSA eyes 40pc stake in Telecel

The National Social Security Authority is reported to have reached an agreement with Empowerment Corporation for the acquisition of a 40% stake in Telecel Zimbabwe. <http://www.herald.co.zw/nssa-eyes-40pc-stake-in-telecel/>

Van Hoogstraten wants CFI probe

Messina Investments, the major shareholders in listed CFI Holdings have proposed the group initiate an independent forensic audit into the company covering the last 6 years in order to ascertain the extent of “mismanagement and corruption”, which has destroyed shareholder value. <http://www.herald.co.zw/van-hoogstraten-wants-cfi-probe-as-group-rings-management-changes/>

Steward bank to avail funding to smes

Steward Bank, a subsidiary of mobile telecommunications firm Econet Wireless on Tuesday launched a facility under which it will provide financial assistance to small and medium scale enterprises (SMEs). <http://www.herald.co.zw/steward-bank-to-avail-funding-to-smes/>

Hwange posts \$115m loss

Hwange Colliery Company realised a \$115 mln loss for the full-year ended December 31, 2015 widening from another loss of \$38 mln a year earlier after the company recognised a \$69,1 million Zimbabwe Revenue Authority liability covering six years as well as a decline in production.

<http://www.herald.co.zw/hwange-posts-115m-loss/>



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