

ZSE rallies as lockdown is extended ...

	Previous	Current	Change	%Change	YTD %
All share	488.60	500.00	11.4007	2.33	117.32
Industrial	1,617.24	1,654.38	37.1385	2.30	115.88
Mining	826.64	857.80	31.1588	3.77	170.89
Top 10	397.18	401.95	4.7736	1.20	98.32

The ZSE rallied into the month of May as Zimbabwe partially re-opened the economy to allow formal business to resume operations as the COVID-19 lockdown was partially relaxed to level 2. All four benchmarks on our radar went up with the primary All Share Index adding 2.33% and closing at 500.00pts. The Industrial Index went up 2.30% and closed at 1654.38pts while the Mining Index firmed 3.77% and ended at 857.80pts. Meanwhile, the Top Ten Index firmed 1.20% as it ended pegged at 401.95pts amidst firm demand in most constituent stocks of the cluster. Companies resumed corporate activity with notable Q4 trading update from Delta where revenues for FY2020 were up 14% in inflation adjusted terms despite volume declines across all the group's product lines.

RISERS	PRICE	% Change
TURN.ZW	0.2580	53.57
DZL.ZW	1.0975	37.19
TRUW.ZW	0.1000	28.21
TSL.ZW	1.9200	27.79
FIDL.ZW	0.1945	19.91
ARTD.ZW	0.7450	19.68
OKZ.ZW	2.1569	19.33
BIND.ZW	0.5278	19.30
FMP.ZW	1.3000	15.04
ARIS.ZW	0.5600	12.00

Twenty-nine stocks traded in the positive for the week against a mere ten fallers as the market set a positive market breadth. Headlining the market charge was construction allied products manufacturer Turnall that surged 53.57% for the week and closed at \$0.2580 as DZL followed with a 37.19% surge taking it to \$1.0975. Apparel retailers Truworths were up 28.21% at \$0.1000 as demand surged on the back of the release of its first half results to 5 January 2020.

Diversified group TSL maintained its rising momentum following the start of the tobacco selling season and for the week went up 27.79% and closed at \$1.9200. Life assurance group Fidelity went firmed 19.91% and closed at \$0.1945 while, stationery group ART put on 19.68% and closed at \$0.7450. Resurgent demand took retail giant OKZIM to \$2.1569 being a weekly cumulative gain of 19.33%. Nickel miners Bindura gained 19.30% to \$0.5278 while, the top gainers list was completed by FMP and Ariston that made respective upwards movements of 15.04% and 12%.

FALLERS	PRICE	% Change
EDGR.ZW	0.3201	16.75
RIOZ.ZW	5.5933	7.70
ZBFH.ZW	1.4000	6.67
CAFCA.ZW	18.0000	5.26
ASUN.ZW	0.4950	4.81
FCA.ZW	0.2123	3.50
OMU.ZW	41.2778	1.72
ECO.ZW	3.2564	1.35
NPKZ.ZW	0.9905	0.45
AXIA.ZW	2.1403	0.45

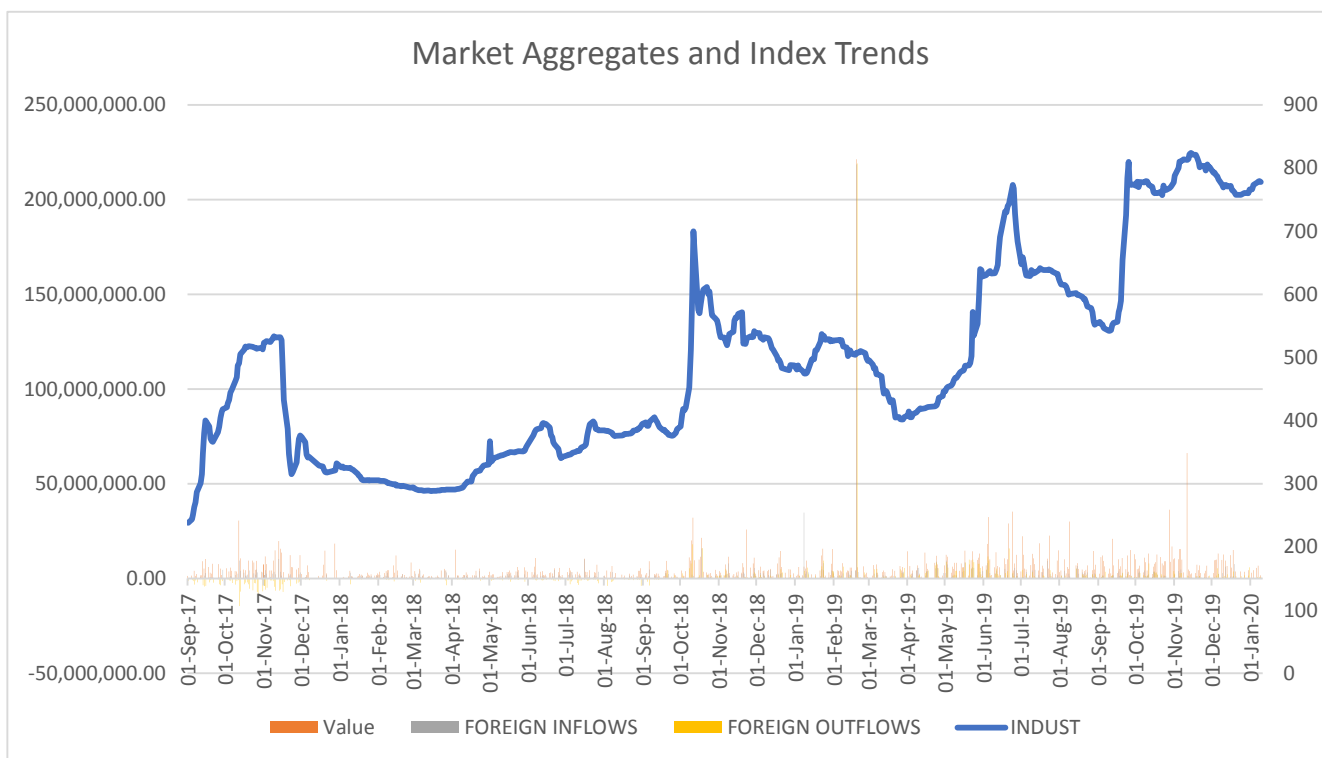
Ten counters traded softer and held back the market rally with the apparel retailers Edgars leading the slide on a 16.75% and settling at \$0.3201, as mining house RioZim firmed 7.70% and closed at \$5.5933. Financials services group ZBFH retreated 6.67% on a rare trade and settled at \$1.4000 while cable manufacturer CAFCA came off 5.26% and closed at \$18.0000. Losses were also seen in African Sun which shed 4.81% to \$0.4950, First Capital which was down 3.50% at \$0.2123 and Old Mutual which succumbed to selling pressure and shed 1.72% to \$41.2778. Other shakers for the week were Econet (-1.35%), Nampak (-0.45%) and Axia (-0.45%).

Delta drives values and volumes of the week...



	Previous	Current	Change	%Change
Values	53,639,349.93	53,096,137.74	543,212.20	1.01
Volumes	19,682,600.00	18,299,767	1,382,833	7.03

Weekly activity aggregates were little changed on last week posting marginal declines as the market saw depressed activity. Volumes traded this week were 7.03% softer at 18.30m shares and these were spurred by Mashonaland Holdings and Delta that accounted for a combined 33% of the weekly aggregate. Values traded saw a marginal 1.01% decline to ZWL \$ 53.10m with main drivers being Delta 31%, Old Mutual 23% and Innscor 10%.



In the News

NMB Bank Limited recorded a 56 percent decline in deposits in its 2019 financial year, a period under which the country slid into a hyper inflationary environment that stemmed from exchange rate liberalisation in February last year. # <https://www.herald.co.zw/nmb-bank-deposits-nosedive/>

The country's tourism sector could lose up to US\$1,1 billion due to Covid-19 travel restrictions that have crippled the travel industry. # <https://www.herald.co.zw/covid-19-costs-tourism-us1bn/>

Equities on the Zimbabwe Stock Exchange (ZSE) firmed in the month of April with total market value jumping 8 percent to \$63 billion as investors seek a hedge against inflation. # <https://www.herald.co.zw/equities-value-jumps-to-63bn/>

A global investment catalyst firm, Africa Investors Hub, has predicted an upsurge in foreign direct investment in Zimbabwe and Africa in general due to the coronavirus pandemic that has ravaged first world countries. # <https://www.herald.co.zw/capital-flow-to-africa-on-the-rise/>

DELTA Beverages experienced a series of volume declines owing to the prevailing economic crisis despite recording a 14% increase in revenue for the year ended December 31, 2019. # <https://www.newsday.co.zw/2020/05/delta-fy-revenues-fall/>

THE ZIMBABWE Energy Regulatory Authority (Zera) has finally granted 2020 procurement fuel and gas licences after four months due to contentions with indigenous players over new regulations. # <https://www.newsday.co.zw/2020/05/zera-finally-grants-fuel-gas-licences/>

ZIMBABWE Stock Exchange listed-Fidelity Life Assurance realised profit after tax of \$74 million during the period ended December 2019 from a loss position of \$3,8 million prior year due to a major growth in revenue. # <https://www.newsday.co.zw/2020/05/fidelity-life-back-in-the-black/>



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