

Losses extend on ZSE...

	Previous	Current	Change(pts)	%Change	YTD %
All share	19,590.05	16,813.22	2,776.83	14.17	52.89
Industrial	64,620.92	55,406.77	9,214.15	14.26	52.45
Top 10	12,209.39	10,223.45	1,985.93	16.27	47.46
Mid Cap	38,151.54	34,231.10	3,920.44	10.28	65.43

The market suffered a further knock as it closed another week in heavy losses. Leading the carnage was the Blue Chips Index that plummeted 16.27% on selling pressure to close at 10,223.45 pts. The All-Share Index tripped 14.17% to close at 16,813.22pts while, the Old Industrials trimmed 14.26%. The mid cap stocks also suffered declines as their index plunged 10.28% to 34,231.10pts. In the news, RBZ says it will introduce gold coins as an alternative investment option and inflation hedge, the coins will be available to the public on July 25 and will trade in both Zimbabwean dollars and foreign currency. The 22-carat gold coin will be called Mosi-Oa-Tunya weighing one troy ounce with a unique serial number which will have prescribed asset status as some of the special characteristics.

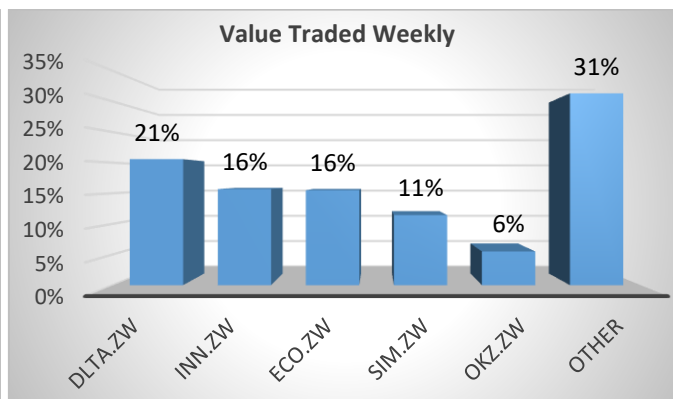
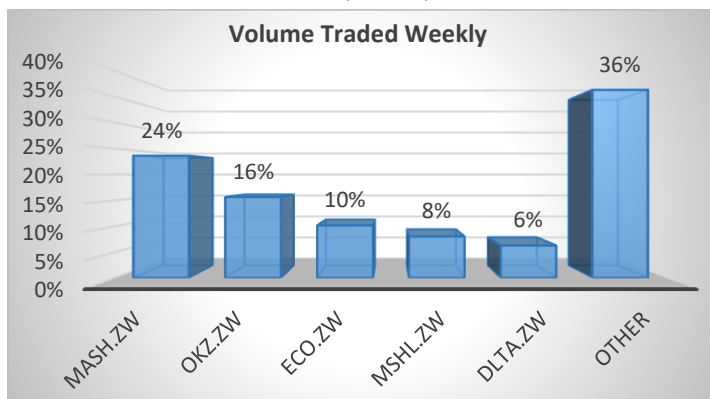
RISERS	PRICE	% Change
ZBFH.ZW	132.0000	30.69
EDGR.ZW	6.4000	24.21
TRUW.ZW	2.2900	22.46
AFDS.ZW	391.0000	15.00
TURN.ZW	5.4100	8.20

It was a fallers market for the week as thirty-seven counters lost ground against five mere gainers to set a negative market breadth of thirty-two. Headlining the market losses was Proplastics group that succumbed 40.00% and ended the week set at \$30.0000 while, FMP followed having come off 31.33% to settle at \$8.0000. FML Holdings saw a cumulative weekly loss of 24.44% taking it to \$20.4000 while, Dairiboard weakened 24.22% to \$23.0000. TSL eased 23.08% for the week to see shares exchanging hands at \$100.0000 with Zimre Holdings Limited falling 22.40% to trade at \$4.1514. Axia closed the week at \$83.9535 after losing 21.86% while, Econet fell 21.41% and closed at \$130.2620. National Foods slumped 19.43% to \$1,611.4983 in rare trades in the name. RTG completed the weekly top ten losers on a 19.05% drop to \$8.5000 reversing gains from last week.

FALLERS	PRICE	% Change
PROL.ZW	30.0000	40.00
FMP.ZW	8.0000	31.33
FML.ZW	20.4000	24.44
DZL.ZW	23.0000	24.22
TSL.ZW	100.0000	23.08
ZIMR.ZW	4.1514	22.40
AXIA.ZW	83.9535	21.86
ECO.ZW	130.2620	21.41
NTFD.ZW	1611.4983	19.43
RTG.ZW	8.5000	19.05

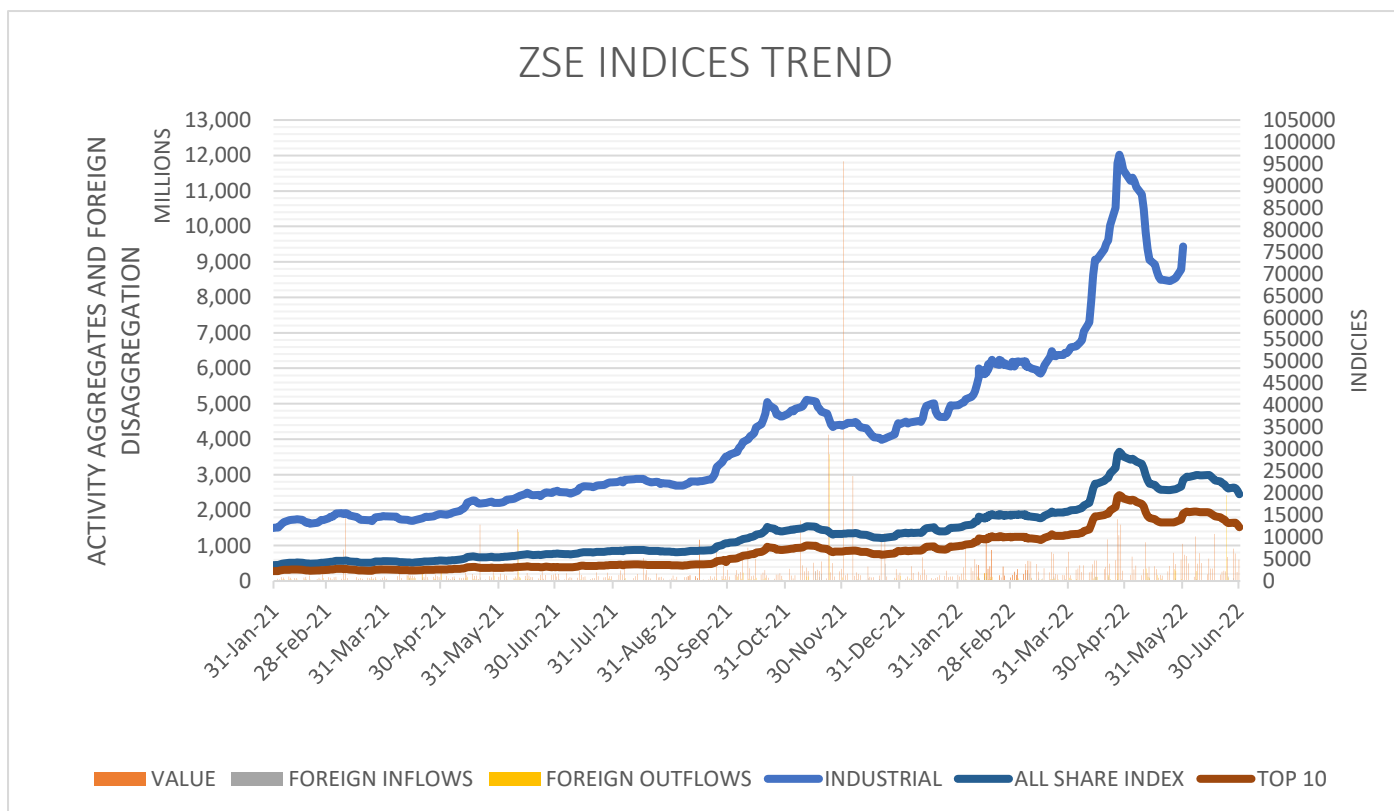
Leading the loss mitigation efforts on the market was bankers ZB, topping the risers set for the second consecutive week on a 30.69% to settle \$132.0000 in the wake of a dividend declaration of ZWL\$1.4493 per share payable on the 4th of August. Retailer Edgars followed on a 24.21% climb to \$6.4000 as its apparel competitor Truworths added 22.46% and settled at \$2.2900. Spirits and wines manufacturer AFDIS firmed 15.00% to \$391.0000 as Turnall capped the winners of the week on a 8.20% rise to \$5.4100.

Totals soften due to liquidity constraints ...



	Previous	Current	Change	%Change
Values	3,364,844,344.75	1,470,452,399.50	1,894,391,945.25	56.30
Volumes	185,987,900	16,154,400	169,833,500	91.31

Activity aggregates softened in the week under review as lack of liquidity dampened trading. Weekly volumes plunged 91.31% and settled at 16.15m shares, as the top drivers of the aggregate for the week emerged to be Mashonaland with 24%, OK Zimbabwe on 16% and Econet accounting for 10% of same. The value of trades sank 56.30% and closed at 1.47bn as the highlights on the weekly spend emerged to be blue chips ensemble of Delta, Innscor, Econet and Simbisa that accounted for a combined 64% of the turnover.



In the News

Profit-after-tax at Victoria Falls Stock Exchange-listed seed producer, Seed Co International, slid by 36% to US\$7,1 million during the year-ended March 31, 2022, as margins came under pressure from reduced economies of scale and a stronger Zambian kwacha, the firm said this week. This figure was US\$4 million lower than US\$11,1 million net profit reported during the comparable period in 2021, but Seed Co sees quicker recovery as governments push for higher seed stocks.

<https://www.theindependent.co.zw/2022/07/08/seed-co-profit-tumbles-by-36-as-zambian-kwacha-rebounds/>

The Zimbabwe Stock Exchange (ZSE) has placed directors at listed brick manufacturer, Willdale Limited, under probe following insider trading claims, *Business Digest* has learnt. Insider trading, which is a rare issue in Zimbabwe, adversely affects market liquidity and makes transaction costs higher, thereby reducing investor returns. The country's capital market regulators penalises individuals found dabbling in insider trading.

<https://www.theindependent.co.zw/2022/07/08/willdale-placed-under-zse-probe-as-company-directors-face-insider-trading-claims/>

Hospitality firm, Rainbow Tourism Group (RTG) chief executive Tendai Madziwanyika says the company will use its 100% retention on foreign currency revenues to refurbish its properties. In February, the central bank announced that in order to support the local tourism sector that was severely and negatively affected by the COVID-19 pandemic, players would be allowed to retain 100% of their foreign currency revenue.

<https://www.newsday.co.zw/2022/07/rtg-to-use-100-forex-retention-on-capex/>

The Securities and Exchange Commission of Zimbabwe (SecZim) says legislative gaps are standing in the way for its full membership to the International Organisation of Securities Commissions (IOSCO). SecZim became an associate member of the IOSCO in December 2021. The admission was expected to open doors to participation at regional and international level under the auspices of IOSCO.

<https://www.newsday.co.zw/2022/07/global-body-demand-capital-markets-reforms/>

Victoria Falls Stock Exchange (VFEX)-listed Caledonia Mining Corporation says gold production at Zimbabwe based Blanket Mine has been strong and is on track to hit the top end of its guidance range of 73 000 to 80 000 ounces. In a shareholder update, Caledonia, which is also listed on the New York Stock Exchange and London Stock Exchange, also declared a quarterly dividend of US\$0,14 on each of the company's shares.

<https://www.newsday.co.zw/2022/07/caledonia-on-track-to-achieve-80-000-once-target/>

Market confidence in Zimbabwe's capital markets has dimmed, triggering exodus of investor from the country's main bourse to property and private equities, a new report indicated Monday, blaming 'aggressive policy missteps' for the walk outs. The ZSE's capitalisation peaked to \$3,5 trillion on April 29, 2022, before slowing to US\$2,48 trillion on Friday, as jitters continued to frustrate investors.

<https://www.newsday.co.zw/2022/07/bloodbath-as-investors-ditch-stocks/>

Inroads achieved during Zimbabwe's battles to arrest an inflationary charge have been "wiped out" due to policy failures and the country could be headed towards a "catastrophic" outturn, the Confederation of Zimbabwe Industries (CZI) warned. In a brief to members titled *June 2022 Inflation and Currency Developments Update*, Zimbabwe's biggest industrial lobby said markets had been thrown off balance by rocketing month-on-month inflation, which this month charged towards a record 35% last seen in July 2020. This was the highest ever such rate since dollarisation in 2009.

<https://www.newsday.co.zw/2022/07/industries-want-viable-game-plan-as-zimbabwe-loses-inflation-war/>

Zimbabwe's tourism industry has recovered by healthy margins in the past two months underpinned by an aggressive domestic market, helping it overcome pandemic setbacks that ended with 9 000 job cuts, an industry executive said. In an interview with *Business Digest*, Hospitality Association of Zimbabwe (HAZ) president Farai Chimba warned that the effects of the labour bloodbath would be felt over many years as some exits would be "permanent."

<https://www.theindependent.co.zw/2022/07/01/tourism-on-the-rebound-after-9-000-job-bloodbath-haz/>

Zimbabwe Stock Exchange (ZSE) chair Caroline Sandura says the continued devaluation of the local currency could lead to a drop in investors on the main bourse. This comes as the local currency ended last month at \$366,27 against the US dollar, on the forex auction, a 26% jump from May and almost 330% above the same period last year. The local currency averaged \$365,2, against the greenback, on the interbank forex market. On the parallel market, the Zimbabwe dollar depreciated by nearly 45% since May to around \$750 at the end of June.

<https://www.newsday.co.zw/2022/07/zse-boss-warns-over-falling-disposable-incomes/>

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