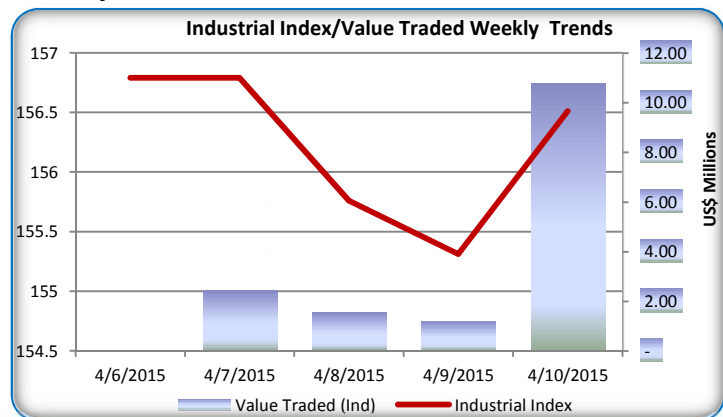
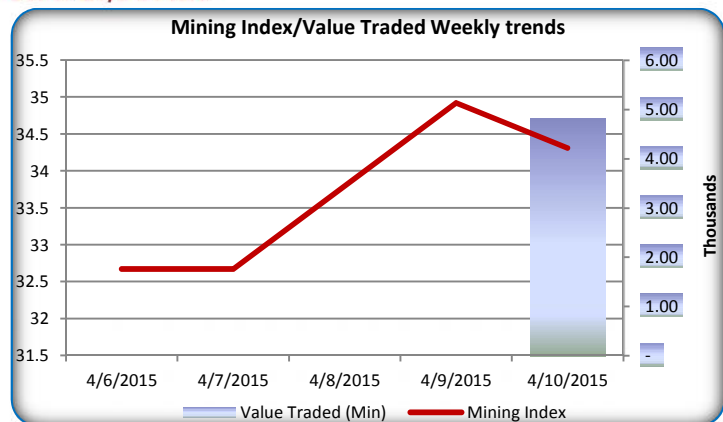


EFE Weekly Market Review 10 April 2015

Weekly Stats



Source ZSE/EFE Dbase



Source ZSE/EFE Dbase

	Current	Previous	% Δ
Value Traded (\$mn)	15.91	2.32	587.05
Volume Traded (mn)	495.59	33.40	1383.78
Foreign Purchases	2.68	1.20	122.50
Foreign Sales	3.29	0.66	399.78

Source ZSE/EFE Dbase.

ZSE rebounds as activity improves...

The ZSE saw a surge in activity on resurgent demand in selected blue chip stocks as trading quickly got underway post the Easter holidays. Having seen widespread losses in the first quarter, most valuations have been turning attractive in most of the stocks thus luring new demand into the market. Coming from a hyper active reporting season, the corporate calendar cleared slightly though investors' attention was drawn to the ongoing Meikles – ZSE saga surrounding the former's funds on deposit with the Reserve Bank of Zimbabwe which has over the years become a significant asset on the conglomerate's books. Hotel property group Dawn also announced that the group had received a confirmation of intent from a major shareholder to make an offer to minorities having accumulated in excess of 43% through open market transactions.

The selling pressure exhibited in the prior week subsided significantly in the week under review with a reversal of fortunes for the market as the main stream Industrial Index closed at 156.51pts having put on +0.40% and narrowed the year to date losses to -3.86%.

Index	Level	%Δ	YTD %Δ
Industrial Index	156.51	0.40	3.86
Mining Index	34.31	5.02	52.15

Despite a hugely subdued trading week in the resources cluster as trades were seen in only the last session, the Mining Index recovered 5.02% and closed at 34.31pts as bids improved in Bindura and Falgold.

ZSE activity sours ...

Market activity surged with all indicators registering at least triple digit growths. Weekly value spurred ballooned 587% and touched \$15.91m as investors exchanged 495.59m shares across the board. The highlight of the week's trading was a block trade in hotel property owners Dawn of 456,586,884 that sailed through at a price of 2c and yielded \$9.1m in value driving both aggregate volume and turnover

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Contacts:

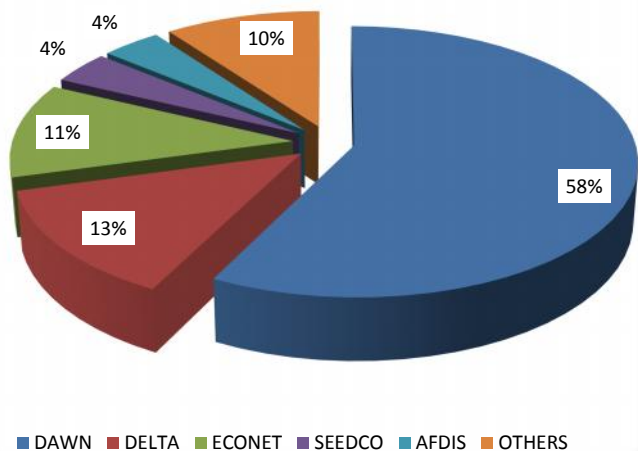
Edgeton Tsanga 0772277153

Chris Masendeke 0772135234

Phenias Mandaza 0772144334

Coreen Madanha 0772144333

Top Stock Contributors to Weekly Value of Trades



the week. Weekly foreign investor participation was also on the rise with inflows surging +122.5% to \$2.68m while portfolio disposals saw a 400% uplift to \$3.29m as the market established a net funds outflow position of \$0.61m. The Dawn block saw the property group top the value drivers at a contribution of 58% for the week while other notable values were exchanged in Delta 13%, Econet 11% and SeedCo that accounted for 4%.

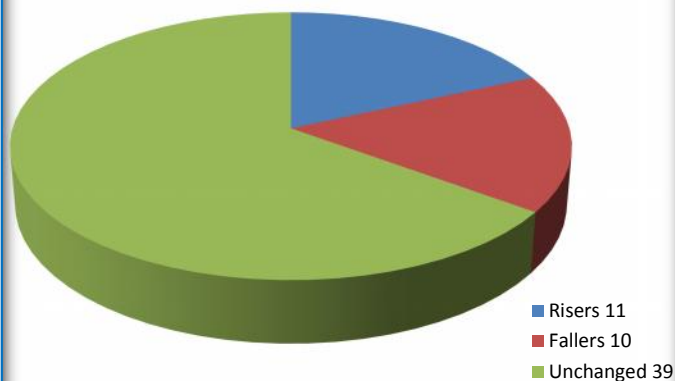
Top Five Risers

Counter	Price	%Δ	YTD %Δ
FIDELITY	7.62	52.40	4.75
PELHAMS	0.04	33.33	33.33
AFRI SUN	2.90	15.54	61.11
AFDIS	50.00	11.11	6.38
ZPI	0.80	11.11	14.29

Worst Performers

Counter	Price	%Δ	YTD %Δ
TURNAL	1.00	23.08	25.93
HWANGE	3.50	12.50	27.08
ASTRA	4.10	8.89	2.50
MEIKLES	10.75	6.52	30.65
HIPPO	45.00	6.25	18.18

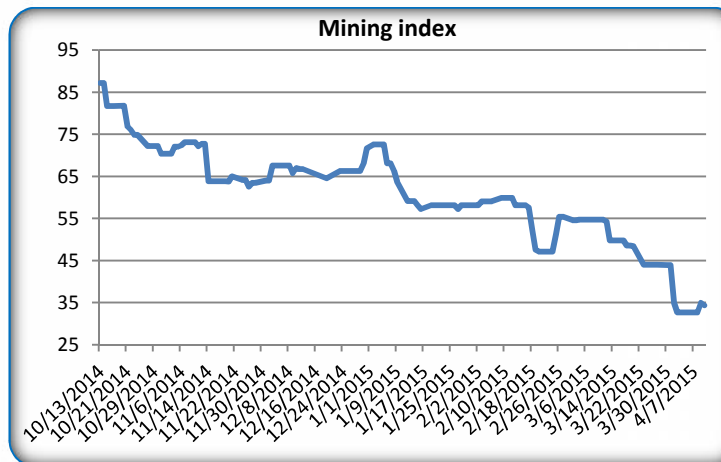
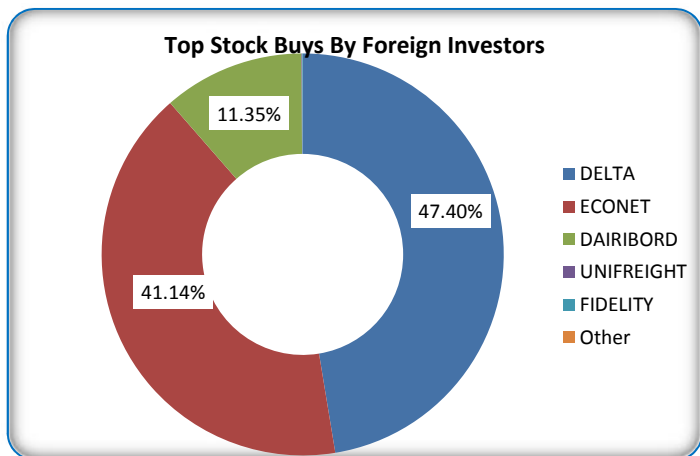
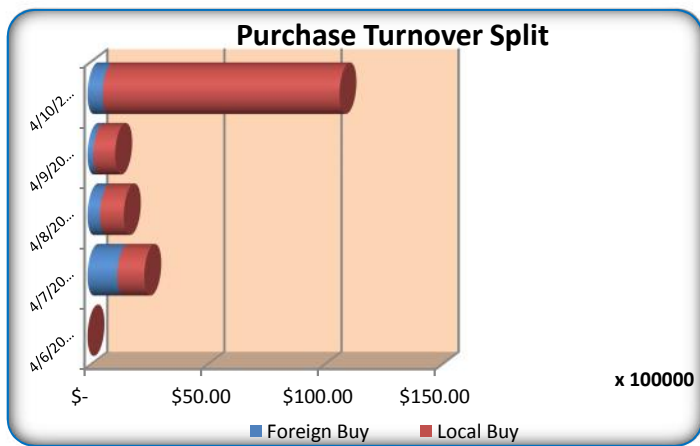
Market Strength



Eleven counters posted gains for the week outweighing the ten shakers that emerged from the week's trading patterns. Market heavies Innscor, Barclays and OKZIM anchored the gains for the week with uplifts of 1.09%, 5.26% and 10% respectively. Leading the gains however, was life assurers Fidelity that garnered 52.4% for the week and settled at 7.62c as the market rerates the group in the post results period. Home appliance and furniture retailers Pelhams followed after rare trades were registered at a 33% premium to its last traded price. Leisure group African Sun saw its price rise 15.54% to 2.9c to come to within 3.3% of the minority offer price of 3c. Afdis and ZPI completed the top shakers for the week with identical gains of 11.1% and closed the week trading at respective prices of 50c and 0.8c.

Holding back the market gains for the week were losses led by construction allied group Turnall that retreated -23.08% to 1c while Astra followed after shedding 8.89% week on week to 4.1c. Meikles and Hippo concluded the weekly top shakers after declining -6.52% and -6.25% and closed trading at 10.75c and 45c respectively. Hwange's 12.5% drop was countered by Bindura's 9.09% uplift to push the Mining Index up

Market statistics



Top Picks

BAT	Established itself as one of the consistent performers on the local bourse. It is operating at a mature stage of its business as seen in its high and attractive dividend pay-out. It is our opinion that BAT should be considered for attractive cash flows from their dividend pay-out
Dairibord	Driven by a portfolio of strong SBU's and an attractive brand portfolio that can hold its own against imports in the local market. With the concerted effort to re-establish the national herd the future can only be better for Dairibord.
Delta	The beverages Giant enjoys huge market dominance and has consistently maintained a steady growth in volumes and revenues. As the market's top stock, a solid performer, Delta is an undoubted consideration for any investor because of the limited downside
Econet	The dominant mobile phone operator in the country enjoys huge discounts to its regional comparatives while the fact that it is a consistent performer adds to its allure.
Innscor	The group enjoyed steady growth in revenues over the years and looks well placed to continue enjoying steady growth going forwards. It is one group that has positioned itself well to benefit from any improvement in economic activity and disposable incomes in particular
National Foods	As the leading food processing and packaging group in the country has been on a capacity increase drive and should continue to enjoy and consolidate on benefits of its rationalization exercise as well as improving efficiencies. The group can also benefit from synergies that could be drawn from their strategic partnership with top shareholders and leading South African food processing and packaging group Tiger Brands.
OKZM	As one of the leading retail groups in Zimbabwe OK led the way in refurbishment of outlets, As more outlets are refurbished and others added to their portfolio we believe the margins will continue to improve
Old Mutual	The dually listed giant trades at a huge discount to its price on either the JSE or London stock Exchange. We believe there is potential upside benefits should market be liberalized scrip become tradable across markets. For the short term however Old Mutual's attraction is in its consistency is paying dividends
TSL	Attractive valuation and successfully completed a rationalization exercise with the results of impressive financial results coming up

In the News...

Zimplow to dispose more non- core assets

Zimbabwe Stock Exchange-listed agro-industrial concern, Zimplow, is set to dispose more non-core assets in the coming year as the group seeks to restructure debts and focus on its primary business.

<http://www.dailynews.co.zw/articles/2015/04/03/zimplow-to-dispose-more-non-core-assets>

Hwange to get new coal concessions

Hwange Colliery Company Limited (HCCL) is set to acquire new coal concessions in a move aimed at increasing the life-span of the group's mines and attract new investment.

<http://www.dailynews.co.zw/articles/2015/04/03/hwange-to-get-new-coal-concessions>

China remains Zim's largest tobacco buyer

China continues to dominate the country's tobacco exports after the Asian country snapped up 19,4 million kilogrammes (kg) worth \$167,6 million out of \$218 million earned by Zimbabwe so far.

<http://www.dailynews.co.zw/articles/2015/04/07/china-remains-zim-s-largest-tobacco-buyer>

Tobacco sales down 27pc

Zimbabwe's tobacco sales have declined by 27 percent to \$60 million since the opening of the 2015 selling season last month compared to \$81 million recorded in the same period last year due to lower prices.

<http://www.dailynews.co.zw/articles/2015/04/09/tobacco-sales-down-27pc>

Govt to set up debt management committee

An External and Domestic Debt Management Committee (EDDC) will be established to make recommendations to the Ministry of Finance on all external borrowings, domestic debt issuances and guarantees as government moves to contain loan contractions, according to a Bill gazetted on Friday.

<https://www.newsday.co.zw/2015/04/09/govt-to-set-up-debt-management-committee/>

Edgars partners 3i-infotech

Zimbabwe's largest fashion retailer, Edgars Stores Limited, has tapped into global technology solutions and services provider, 3i Infotech, as it embraces technology to manage its operations.

<https://www.newsday.co.zw/2015/04/08/edgars-partners-3i-infotech/>

Depressed prices hit border timbers

BORDER Timbers has widened its loss to \$3,2 million for the half year ended December 31 2014 from \$2,9 million in 2013 due to depressed market prices and operating below plan.

<https://www.newsday.co.zw/2015/04/03/depressed-prices-hit-border-timbers/>

Old Mutual eyes micro-finance sector

Old Mutual is considering acquiring a micro-finance institution to support the informal sector which has now become the biggest economic sector in the economy.

<http://www.herald.co.zw/old-mutual-eyes-micro-finance-sector/>

Up Coming Events

COMPANY	EVENT	VENUE	DATE	TIME
BAT	AGM	Head Office, 1 Manchester Rd, Southerton	26.04.15	1000HRS
CBZ	AGM	Great Indaba Room, Crowne Plaza	30.04.15	1500HRS

CAUTIONARIES

Company	Issue Date	Subject
Masimba	15 JAN 2015	Repeat Notice of possible transactions with potential impact on share values
RIOZ	5 TH MAR 2015	Comapany seeking regulatory approvals to proceed with the rights issue

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