

## Another week of losses for the ZSE as Get Bucks lists...

The bearish sentiment besetting the ZSE proved to be set for the long haul as the market capped a loss for the second week running. Sell offs that have been the order of the day in most emerging markets did not spare the ZSE while, for Zimbabwe the unpalatable investment laws coupled with an increasingly challenging economic outlook have tainted the country's allure as an investment destinations. Noises on amendments and implementation of the indigenization and economic empowerment regulations haunted the investing community all week long while, proposals of a 10% levy by the indigenization ministry are also seen pushing investors further away. The ZSE's only initial public offering since dollarization was finalized this week with the listing of Get Bucks Financial Services after the group managed to get 2.29% subscription for the shares that were on offer with the underwriters emerging the major beneficiaries of the offering. The debut session for the new counter on the market was even more disappointing as the stock failed to garner a single trade, a first for most new listings, though we witnessed paltry bids at \$0.0350 slightly above the subscription price and distant offers highlighting at \$0.0400

### *ZSE losses mount ...*

#### **Indices**

	Previous	Current	Change (pts)	% Change	YTD %
<i>Industrial</i>	112.16	109.88	2.2800	2.03	4.33
<i>Mining</i>	23.48	21.74	1.7400	7.41	8.27

Losses continued to mount on the ZSE in only the second week of trading as selloffs culminated in the benchmark Industrial Index letting go 2.28pts or 2.03% week on week to settle at 109.88pts. Consequently the industrials have since extended year to date losses to 4.33%.

The resources index was similarly trending southwards with the mining's dipping -7.41% and settling at 21.74pts. Following this week's loss the Mining Index has already accumulated 8.27% ion year to date losses.

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**Risers**
**ZSE Bears dominate ...**

Symbol	Previous	Current	Change	%Change
MMDZ.ZW	0.0001	0.0002	0.0001	100.00
CFI.ZW	0.0500	0.0566	0.0066	13.20
NMB.ZW	0.0330	0.0350	0.0020	6.06
PWS.ZW	0.0220	0.0230	0.0010	4.55
DZL.ZW	0.0685	0.0690	0.0005	0.73
ECO.ZW	0.2100	0.2103	0.0003	0.14

It was another bearish week for the ZSE as twelve stocks posted losses against six risers to leave the market in a negative breadth of six. Low demand across the board brought pressure to bear on most of the fallers in early trades of the year. Nickel miners Bindura that enjoyed firm demand towards the end of 2015 was the market's top casualty letting go 14.67% and closing the week trading at \$0.0128. Construction group Masimba whose projects book has continually suffered from funding challenges in the multicurrency system followed on the shakers lists with a 10% retreat to \$0.0090.

Another construction allied group Turnall closed the week 9.09% softer at \$0.0100 as demand continued to wane while, property concern Mash came off by a similar 9.09% margin as investors sought demand. Heavy weights were not spared the market downturn with beverages giant Delta succumbing 5.84% and settling at \$0.6405, diversified group Meikles lost 5.48% for the week to \$0.0794. Retailers OKZIM shed 4% to \$0.0480 where paltry demand was established having seen a number of sessions with sellers offering at \$0.0500. Losses were also seen in crocodile skin processors Padenga that let go 2.78% and closed trading at \$0.0700 with life assurers Fidelity firming 2.5% to \$ 0.0975. Completing the top fallers of the week was banking group Barclays that closed 2.38% lower after a sudden spate of selling pressure.

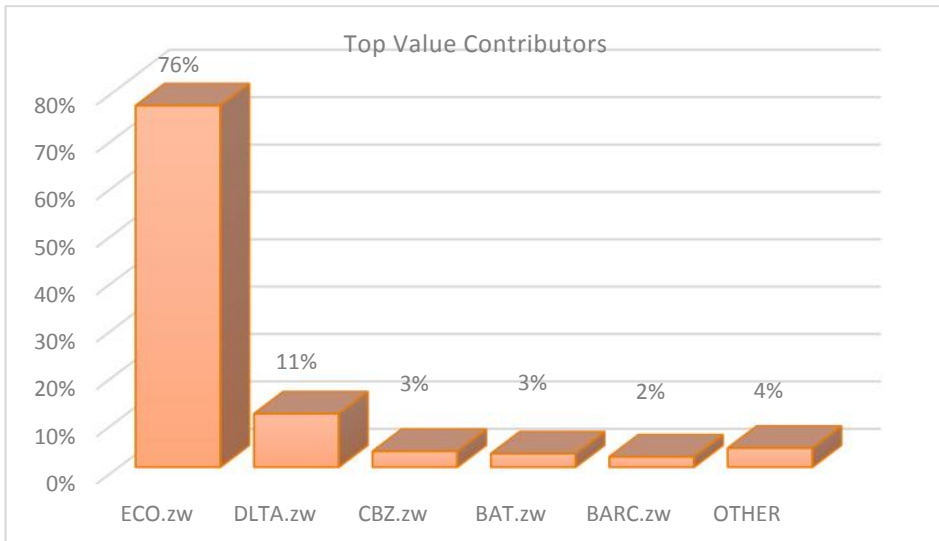
**Faller**

Symbol	Previous	Current	Change	%Change
BIND.ZW	0.0150	0.0128	0.0022	14.67
MSHL.ZW	0.0100	0.0090	0.0010	10.00
TURN.ZW	0.0110	0.0100	0.0010	9.09
MASH.ZW	0.0220	0.0200	0.0020	9.09
DLTA.ZW	0.6802	0.6405	0.0397	5.84
MEIK.ZW	0.0840	0.0794	0.0046	5.48
OKZ.ZW	0.0500	0.0480	0.0020	4.00
PHL.ZW	0.0720	0.0700	0.0020	2.78
FIDL.ZW	0.1000	0.0975	0.0025	2.50
BARC.ZW	0.0420	0.0410	0.0010	2.38

Pharmaceutical group Medtech was the surprise top riser of the week after doubling its price to \$0.0001, with diversified group CFI following having firmed 13.2% week on week to \$0.0566. Bankers NMB added 6.06% to \$0.0350 while, Powerspeed added 4.55% and closed the week exchanging hands at \$0.0230. DZL added 0.73% as the dairy group established some resistance at \$0.0690 while, Econet completed the market's top risers on a 0.14% uplift to \$0.2103

\* All prices in USD

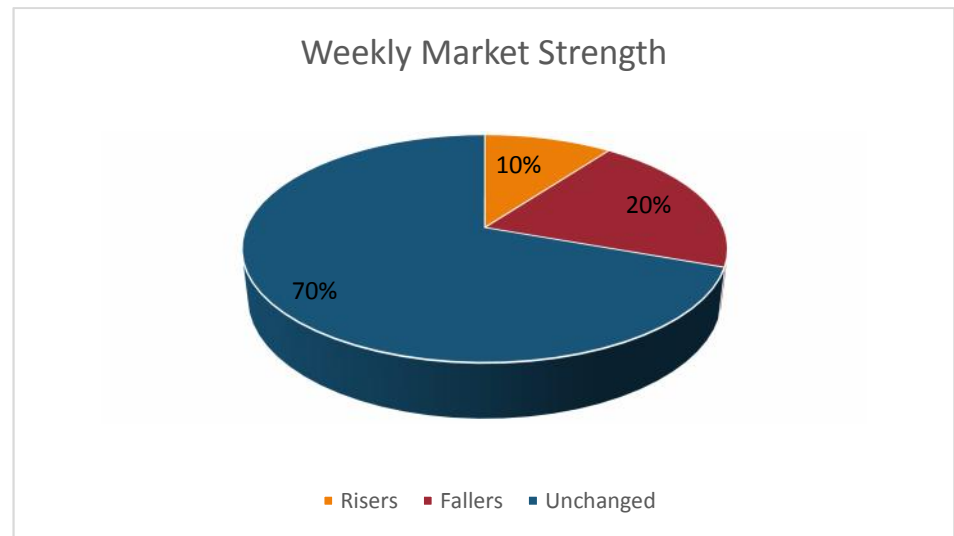
## Market Aggregates and Statistics



### Market turnover aggregates

	Previous	Current	Change	%Change
<b>Values</b>	1,115,802.90	3,361,348.92	2,245,546.03	201.25
<b>Volumes</b>	13,480,408	16,058,701	2,578,293.00	19.13

Activity was much improved for the week as all aggregates closed in the black. Volumes traded firmed 19.13% to 16.06m shares with Econet emerging the outright top traded stock for the week having claimed 60% of the aggregate. Other notable volumes were exchanged in Willdale and Barclays at 13% and 9% respectively. Values of the week ballooned 201% to \$3.3m with Econet again driving the aggregate having claimed 76% of the total while, Delta and CBZ also enjoyed reasonable exchanges resulting in them accounting for 11% and 3% of the total respectively.



## In the news...

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### **Turnall reduces number of board members**

Listed building materials producer Turnall Holdings has reduced its board size as part of cost-reduction measures and recovery programme.

<https://www.newsday.co.zw/2016/01/15/turnall-reduces-number-of-board-members/>

### **Getbucks financial services IPO under subscribed**

GetBucks Financial Services initial public offer has been under-subscribed at 2.29% with the underwriter taking more than 91 mln shares to ensure the financial technology company raised the targeted \$3.2 mln.

<http://www.herald.co.zw/getbucks-financial-services-initial-public-offer-under-subscribed/>

### **Wilmar seeks \$7.6m to recapitalize Olivine**

Wilmar International has approached Government for a \$7,6 mln bailout to recapitalise Olivine Industries through an equity deal.

<http://www.herald.co.zw/wilmar-seeks-76m-to-recapitalise-olivine/>

### **RBZ moves to pay \$1.3bn debt**

Zimbabwe will soon come to the market to seek more funds, through the issuance of treasury bills, aimed at clearing the \$1,3 billion central bank debt, businessdaily has learnt.

<https://www.dailynews.co.zw/articles/2016/01/14/rbz-moves-to-pay-1-3bn-debt>

### **Tongaat, workers strike deal**

Sugar producer Tongaat Hullet (Tongaat) has dangled a six percent wage increase for its workers as the company moves to quell a potentially-damaging industrial action that could result in sugar shortages.

<https://www.dailynews.co.zw/articles/2016/01/14/tongaat-workers-strike-deal>

### **Former BancABC executives buy stake in Getbucks**

A company owned by three former BancABC executives — Douglas Munatsi, Francis Dzanya and Bekithemba Moyo — has snapped up an 8,3% stake in GetBucks Zimbabwe after underwriting its \$3,2 million capital-raising initiative.

<https://www.newsday.co.zw/2016/01/15/ex-bancabc-executives-buy-stake-in-getbucks/>

### **Bakhresa takes over reins @ Blue Ribbon**

Tanzanian investor Bakhresa Group has so far invested \$20 million in Blue Ribbon Industries (BRI) and will next week assume the reins at the milling company.

<https://www.newsday.co.zw/2016/01/14/bakhresa-takes-over-reins-at-blue-ribbon/>

### **Mangudya to present monetary policy statement**

Reserve Bank of Zimbabwe (RBZ) governor John Mangudya is expected to present his monetary policy statement this month, where he intends to bring fresh impetus to the economy that is eyeing an injection if it clears its debt with multilateral financial institutions.

<https://www.newsday.co.zw/2016/01/12/mangudya-to-present-monetary-policy-statement/>

### **Copper, Nickel prices improve**

Copper and nickel prices improved at the end of the first week of December despite a downturn in international commodity prices. This came despite international commodity prices going down across the board.

<https://www.newsday.co.zw/2016/01/11/copper-nickel-prices-improve/>

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