

ZSE sustains rising momentum albeit tepid trades...

Constrained supply saw the ZSE post tepid trading aggregates despite reasonably firm bids reflecting across the board. The heavily subdued prices prevailing on the bourse have seen sellers shying away from the bourse while in part spurred by signs of a recovery in demand. Further alienating the market’s interest was the presidential statement on the contentious indigenization and economic empowerment regulations which purported room for flexibility on the ceding of 51% ownership in businesses as initially construed in the implementation of the regulations. Tellingly, foreign play was at its lowest in the week under review with largely limited participation in purchases while pockets of disposals continued to reflect. Highlighting corporate updates for the week was a fourth quarter trading update from the market’s top capitalized stock Delta which confirmed that indeed group revenues were down for the quarter and year by 6% and 7% respectively. It remains to be seen whether the group managed to contain its costs so as to maintain acceptable levels of profitability.

Industrial gain...

Indices

	Previous	Current	Change (pts)	% Change	YTD %
<i>Industrial</i>	97.92	98.35	0.4300	0.44	14.37
<i>Mining</i>	20.16	20.16	0.0000	0.00	14.94

The market maintained its rising momentum into the third week resulting in the benchmark Industrial Index posting gains of 0.44% and settling at 98.35pts. The gains were largely buoyed by firming demand in most of the market’s momentum stocks though trades remain tepid on depressed supply. Despite the recent buoyant trades the industrials remain deep in the red on a 14.37% year to date loss.

The minings cluster witnessed another subdued week of trading that saw the Mining Index holding flat at 20.16pts as the limited activity seen in RioZim and Bindura was sustained at their previous levels. On a year to date basis the minings have since lost 14.94% weighed down largely by the low global commodity prices.

In this Weekly

Market Highlights P1

In the News P4

Disclaimer P6

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Risers
Rising tide continues...

Symbol	Previous	Current	Change	%Change
PROL.ZW	0.0180	0.0235	0.0055	30.56
HIPO.ZW	0.2010	0.2305	0.0295	14.68
WILD.ZW	0.0018	0.0020	0.0002	11.11
DZL.ZW	0.0510	0.0558	0.0048	9.41
OKZ.ZW	0.0390	0.0402	0.0012	3.08
MSHL.ZW	0.0071	0.0073	0.0002	2.82
INN.ZW	0.1870	0.1913	0.0043	2.30
DLTA.ZW	0.5650	0.5733	0.0083	1.47
FBC.ZW	0.0652	0.0660	0.0008	1.23
OML.ZW	2.2125	2.2347	0.0222	1.00

The second quarter is certainly proving to be the market's turning point as the ZSE sets three successive weeks of gains. The market registered another positive breadth week-on-week as fifteen counters were in the black while, six traded softer. Gains for the week were spread across the board with no particular category of stocks being outright favorites. PVC products manufacturing group Pro Plastics sustained its post results rally with a 30.56% surge that took its price to \$0.0235 while sugar manufacturing group Hippo followed after firming 14.68% to \$0.2305 as the group recovers from a slump earlier in the month. Brick manufacturers Willdale were the other stock with double digit growth rising 11.11% to its now seemingly set top cap of \$0.0020

Faller

Symbol	Previous	Current	Change	%Change
RADR.ZW	0.0248	0.0200	0.0048	19.35
PWS.ZW	0.0250	0.0230	0.0020	8.00
PPC.ZW	0.6500	0.6000	0.0500	7.69
SEED.ZW	0.6500	0.6000	0.0500	7.69
BARC.ZW	0.0279	0.0270	0.0009	3.23
NTFD.ZW	2.1000	2.0965	0.0035	0.17

More gains were seen in dairy products manufacturers DZL that added 9.41% as it sets out on a rebound path. Surging demand in retail group OKZIM saw the group put on 3.08% week on week and closed at \$0.0402 and remaining well bid. Masimba closed the week at \$0.0073 having added 2.82% while, diversified group Inncor added its weight to the rising tide with a 2.3% lift to \$0.1913. Delta saw the recent sustained demand drive it up 1.47% to \$0.5733 proving the market's confidence in the group's ability to sustain profitability despite revenue declines. Banking group FBCH were to follow on a 1.23% gain that took it to \$0.0660 while, Old Mutual completed the top risers of the week on a 1% jump to \$2.2347.

The six fallers of the week were led by Radar that succumbed 19.35% and ended the week trading at \$0.0200. Radar's directors recently got shareholders' approval to delist the group from the bourse with the market awaiting final processes. Powerspeed followed on the declines with an 8% drop to \$0.0230 while, the duo of PPC and SeedCo were in identical 7.69% losses to end trading at similar price of \$0.6000. Other losses were in Barclays (3.23%) and Natfoods (-0.17%).

* All prices in USD

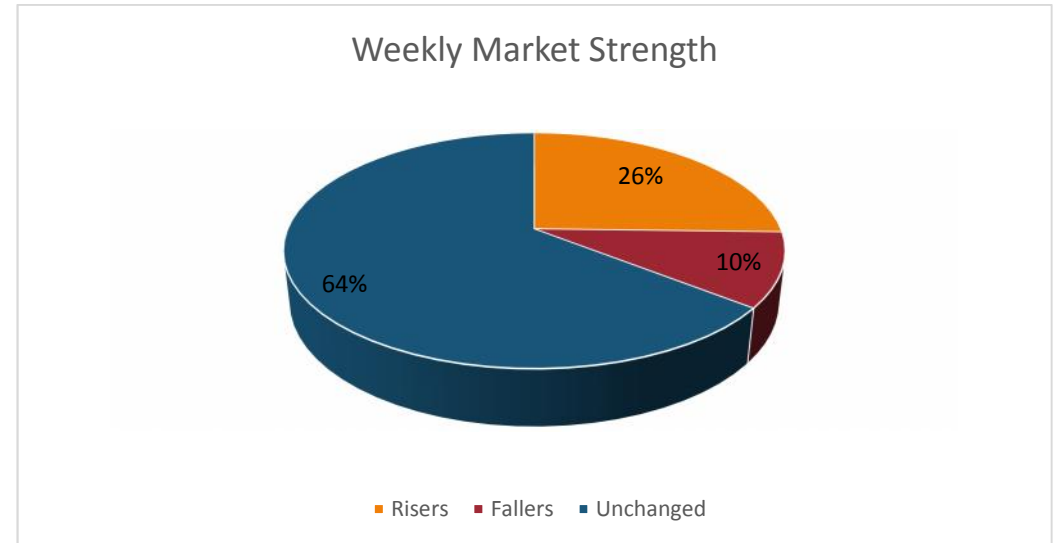
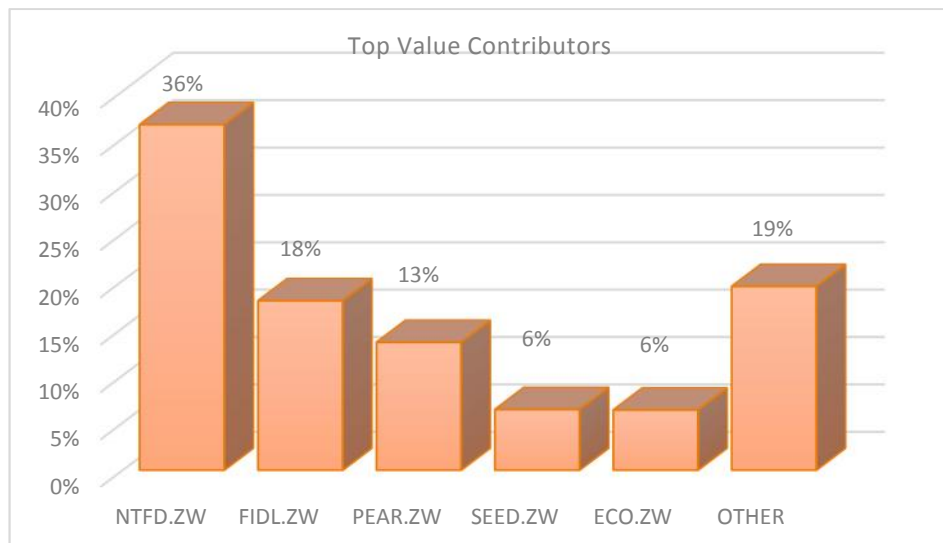
Market Aggregates and Statistics

Market turnover aggregates



	<i>Previous</i>	<i>Current</i>	<i>Change</i>	<i>%Change</i>
Values	3,167,025.12	2,952,090.57	214,934.55	6.79
Volumes	57,414,464	31,970,003	25,444,461.00	44.32

A block trade in Natfoods at the end of the week salvaged a rather tepid week of trading to the value of trades close just 6.79% softer on the prior week at \$2,952,090.57. Driving the values of the week as already alluded to, was Natfoods that claimed 36% of the dollar exchanges while, other notable trades were in Fidelity (18%) and Pearl (13%). Volumes of the week were down 44.32% at 31,970,003 shares largely buoyed by property group Pearl in which 57% of the volume traded exchanged hands.



In the news...

Delta Revenue drops 6pc

Delta Corporation, Zimbabwe's largest beverages company said revenue for the quarter ended March dropped 6% and 7% for the full year due to changes in portfolio mix and price moderations. <http://www.herald.co.zw/deltas-1q-revenue-drops-6-percent/>

NSSA increases shareholding in Zimre

The National Social Security Authority increased its shareholdings in Zimre Holdings after it purchased around 18 mln shares from an investment vehicle held by a foreign investor. The shares were traded last Friday at 1.78c, a price which was down 1.11% from the previous price of 1.8c and were worth \$322 350. <http://www.herald.co.zw/nssa-increases-shareholding-in-zimre/>

Meikles targets 50pc occupancy hike

Meikles Hotel has adopted an aggressive approach targeted at raising occupancy to levels of above 50% this year. The group's commercial director Tham Mpfu told journalists during a media tour that currently occupancies are sitting at mid-30% to 40%. <http://www.herald.co.zw/meikles-targets-50pc-occupancy-hike/>

TIMB engages RBZ new payment system

THE Tobacco Industry and Marketing Board (TIMB) has engaged the Reserve Bank of Zimbabwe (RBZ) to perfect the new payment system requiring farmers to open bank accounts for them to be paid for tobacco sold. <https://www.newsday.co.zw/2016/04/15/timb-engages-rbz-new-payment-system/>

Shake up at CFI

A MAJOR shake-up has occurred at CFI Holdings, which will see long serving CEO, Steve Kuipa leaving the agri-industrial concern at the end of the month, after nearly 14 years at the helm. <https://www.newsday.co.zw/2016/04/14/shake-up-at-cfi/>

ZB raise \$10m agric financing

ZB Holdings is set to raise \$10 million this year to finance agricultural activities, in a major boost for the sector that has been crying out for funding. <https://www.newsday.co.zw/2016/04/14/zb-raise-10m-agric-financing/>

Tobacco sales up 38pc

THE volume of tobacco sold grew by 38,13% to 4,9million kg, as of Friday from the same period last year, latest statistics from the Tobacco Industry and Marketing Board (TIMB) have shown. <https://www.newsday.co.zw/2016/04/13/tobacco-sales-38/>

Eagles Insurance targets 12pc market share

Eagle Insurance Limited is targeting a 12% market share, as the company is confident it has the capacity to pay back claims. <https://www.newsday.co.zw/2016/04/11/eagle-insurance-targets-12-market-share/>

IDBZ raises US\$35m for Kariba, Hwange

THE Infrastructure Development Bank of Zimbabwe has raised US\$35 million through the Zimbabwe Power Company bond for refurbishment of Kariba South Power Station and repowering of Hwange Thermal Power Station. <http://www.sundaymail.co.zw/idbz-raises-us35m-for-kariba-hwange/>

ZB opens Mozambique unit

ZB Reinsurance, a wholly-owned subsidiary of ZB Financial Holdings, has been given the green light to roll out services in Mozambique by the Insurance Institute of Mozambique (ISSM) and has started underwriting its business from Harare, it has been learnt. <http://www.sundaymail.co.zw/zb-opens-mozambican-unit/>



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