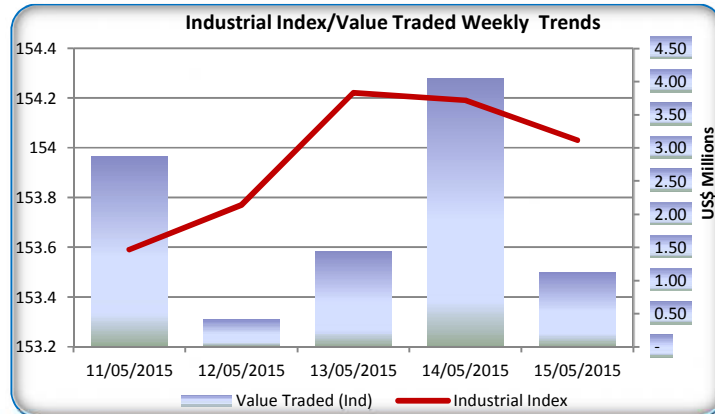
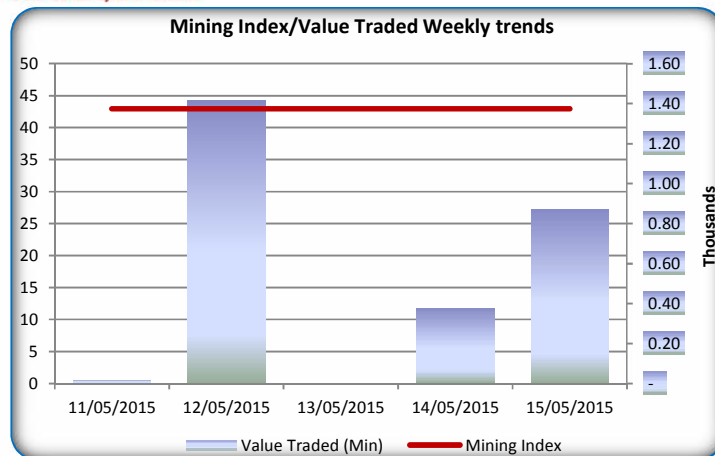


EFE Weekly Market Review 15 MAY 2015

Weekly Stats



Source ZSE/EFE Dbase



Source ZSE/EFE Dbase

	Current	Previous	% Δ
Value Traded (\$mn)	9.90	6.57	50.65
Volume Traded (mn)	183.60	65.63	179.74
Foreign Purchases	6.01	3.18	88.91
Foreign Sales	4.95	4.05	22.33

Source ZSE/EFE Dbase.

Market in marginal gain as activity improves ...

There was a marked improvement in activity on the bourse in the week under review mainly attributable to sellers obliging to the prices that demand could be found. Delta set the ball rolling for a fresh reporting season with its financials that were pretty much with the market's expectations given the company's regular quarterly updates though the 13% declines in EBITDA and attributable profits raised a few flags of caution. On the same token CAFCA also gave us their interim numbers reflecting 40% revenue growth and 18% growth in operating profit. In the trading week demand in Delta remained solid with the stock holding at 105c while CAFCA saw no response from its results something largely caused by the tightly held nature of its shares,

Index	Level	%Δ	YTD %Δ
Industrial Index	154.03	0.02	5.38
Mining Index	42.93	0.00	40.13

The Industrial Index survived a late onslaught in the final two sessions of the week to post a marginal 0.02% gain that saw it close at 154.03pts while on a year to date basis the industrials remain in the red on a -5.38% decline. The resources' lack of activity was emphasised by a full week of flat trading holding forte at 42.93pts in a record setting run that has seen it stay at 42.93pts for fifteen sessions in a row.

Activity aggregates opens new month higher...

There was marked improvement in activity for the week that resulted in the value of trades touching \$9.9m after rising 50.65% on last week. Weekly volumes swelled 179.74% to 183.6m shares anchored by a block trade in hoteliers African Sun where a block of 99m shares exchanged hands. The African Sun exchange saw the group top weekly contributions to aggregate values at 30% of the total while Delta and Econet followed having accounted for 25% and 21% respectively.

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Contacts:

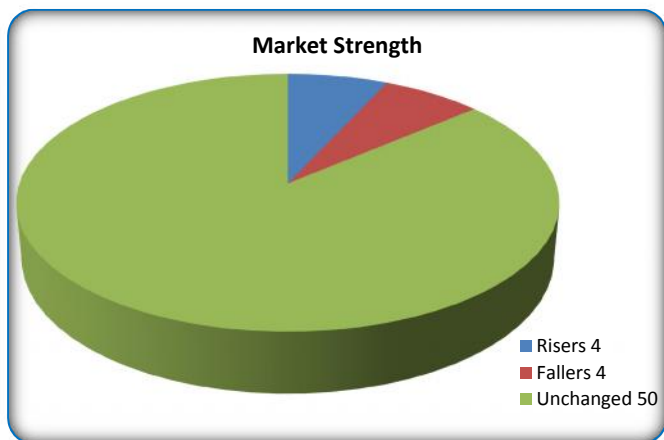
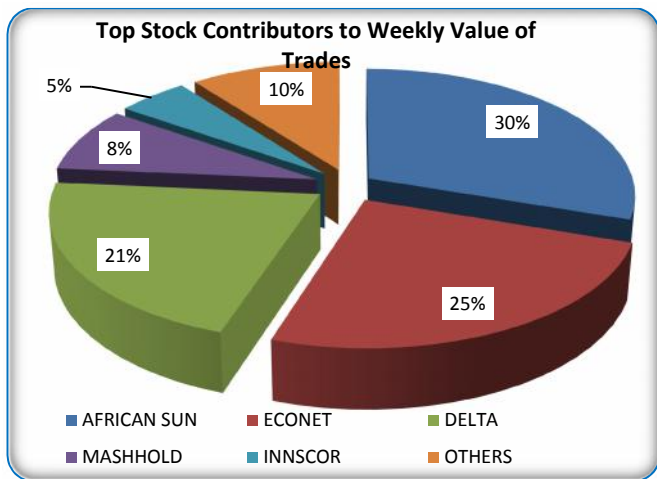
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Chris Masendeke 0772135234

Phenias Mandaza 0772144334

Coreen Madanha 0772144333

Brenda Mwaturura



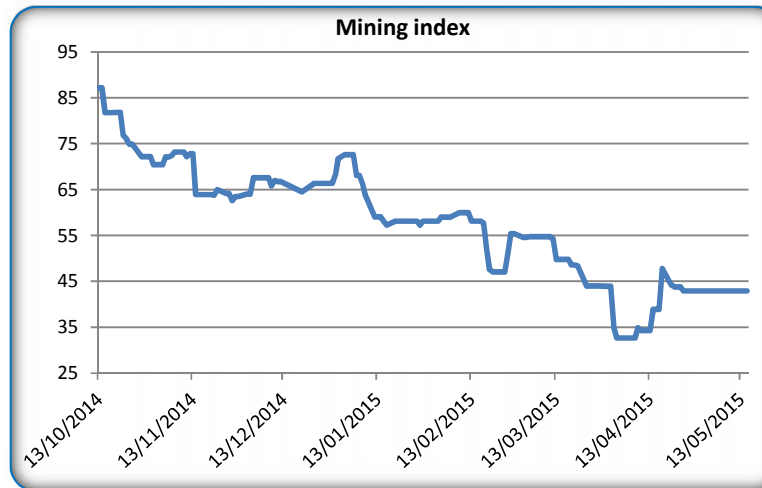
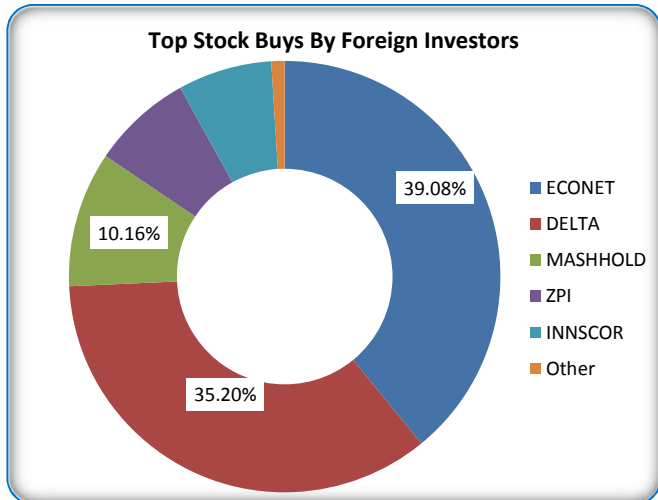
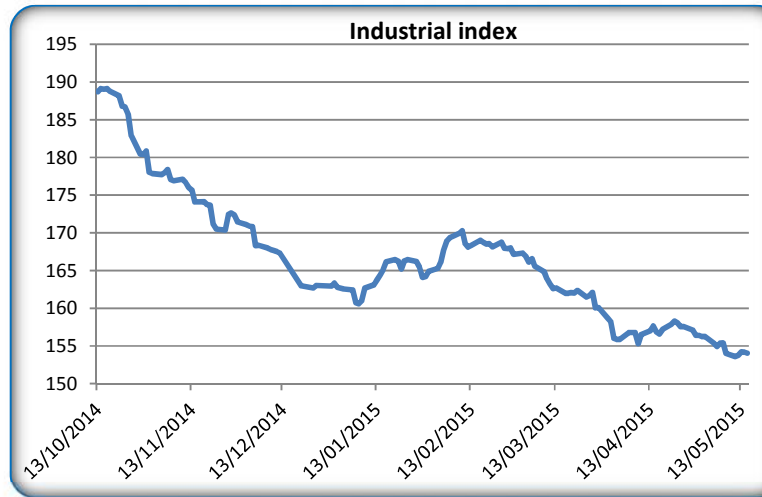
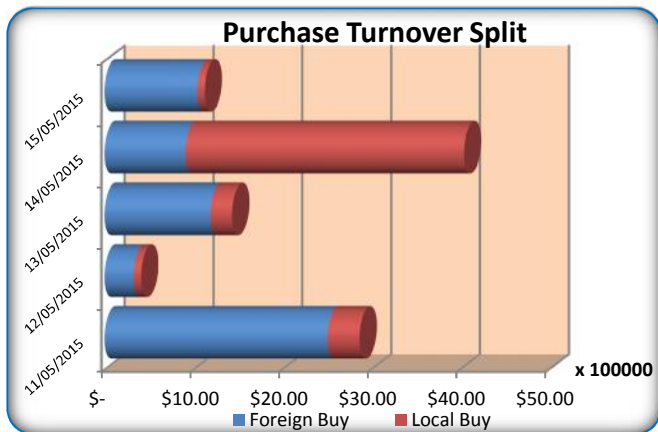
Foreign participation was the mainstay of the week's trades as inflows went up 88.91% on last week to \$6.01m while outflows stood at \$4.95m having gained 22.33%. Trading on the bourse continues to be highly selective with on twenty five counters seeing some action over the five sessions against fifty eight tradable stocks on the list.

Top Five Risers				Worst Performers			
Counter	Price	%Δ	YTD %Δ	Counter	Price	%Δ	YTD %Δ
ZPI	1.10	37.50	57.14	MEIKLES	7.00	17.65	54.84
MASHHOLD	3.00	25.00	11.11	BARCLAYS	4.00	2.44	56.86
MASIMBA	2.10	5.00	8.70	ECONET	46.10	0.84	23.17
INNSCOR	60.00	1.69	0.00	OLDMUTUAL	250.00	0.40	6.84

Eight counters saw price movements over the week with risers and fallers closing evenly balanced at a count of four apiece. The marginal weekly gain was propelled ZPI that put on 37.5% for the week to 1.1c on resurgent demand while another property concern mash followed with a 25% uplift to 3c. Masimba was also up 5% at 2.1c as investors sought exposure to the group ahead of a proposed unbundling of the group's two main strategic business units. FMCG conglomerate Innscor concluded the risers of the week as it overcame weeks of low activity with a 1.69% surge that drew some sellers who have largely been holding back in recent weeks.

On the downside conglomerate Meikles topped with a 17.65% decline to 7c as the group's incessant squabbles with the regulators continue to dampen the interest in the group. Bankers, Barclays were down 2.44% at 4c on softening demand. Telecoms group Econet initially succumbed to selling pressure to touch its seeming support price of 46c before a marginal rebound saw the group close at 46.1c to indicate a 0.84% drop week on week. Old Mutual completed the shakers of the week after letting go 0.4% and closed the week trading at 250c.

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 in paying dividends
TSL	Attractive valuation and successfully completed a rationalization exercise with the results of impressive financial results coming up

In the News...

Strengthening US dollar hits Delta brands

DELTA Corporation Limited says its imports were affected by currency fluctuations brought about by the strengthening of the United States dollar...

<https://www.newsday.co.zw/2015/05/15/strengthening-us-hits-delta-brands/>

Local consortium snaps majority stake in ART Holdings

In a statement yesterday, ART chairman Moses Chundu said Cranbal Investments (Private) Limited, Silvermine Investments (Private) Limited and Zadmab Limited now hold 258 578 541 shares in ART while the minority shareholders hold 253 482 383.

<https://www.newsday.co.zw/2015/05/15/local-consortium-snaps-majority-stake-in-art/>

Delta records a decrease in clear beer sales

DELTA Corporation Limited recorded increases in sorghum beer, *maheu* and dairy beverages during the full year ended March 2015 while lager beer and sparkling drink volumes were down...

<https://www.newsday.co.zw/2015/05/14/delta-records-a-decrease-in-liquor/>

Shareholders seeks to remove directors in Mwana Africa

A MINORITY Mwana Africa shareowner is seeking shareholders' nod to remove four key directors from the board and replace them with four others at an extraordinary general meeting (EGM) slated for next month...

<https://www.newsday.co.zw/2015/05/14/shareholder-seeks-to-remove-directors-in-mwana-africa/>

Zim holds third diamond auction

ZIMBABWE is this week holding its third diamond auction where over 400 000 carats are expected to be sold...

<https://www.newsday.co.zw/2015/05/13/zim-holds-third-diamond-auction/>

Pioneer transport employees gain control of the company

MIDDLE management and workers at Pioneer Transport have taken over the business after receiving a \$2,5 million loan from the parent company Unifreight Africa to help them kickstart the project...

<https://www.newsday.co.zw/2015/05/11/pioneer-transport-employees-gain-control-of-the-company/>

Cafca Limited posts increase in profit

CAFCA Limited posted an increase in profit after tax for the six months ended March 31 2015 due to the increase in sales during the period under review.

<https://www.newsday.co.zw/2015/05/11/cafca-limited-posts-increase-in-profit/>

Up Coming Events

COMPANY	EVENT	VENUE	DATE	TIME
ZIMFLOW	AGM	Head Office, Northridge Park, Borrowdale, Hre	04.05.15	10.00HRS
BARCLAYS	AGM	Meikles Hotel, Palm Court, Harare	06.05.15	15.00HRS
NMB	AGM	4 TH Floor Unity Court, Harare	21.05.15	10.00HRS
ASTRA	AGM	Auditorium at AstraPark, Highlands, Harare	20.05.15	12.00HRS
DAIRIBORD	AGM	Mirabelle Room, Meikles Hotel, Harare	28.05.15	11.30HRS

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	Company seeking regulatory approvals to proceed with the rights issue
DAWN	20 APRIL 2014	Company Compiling an offer to minorities as major shareholders Brainworks now control 61.65%
ART	21 ST APRIL 2014	Offer to minority date extended to 30 April 2015
Star Africa	23 rd April 2015	Company in negotiations that can have a material impact of value of shares

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