

ZSE rebounds despite apparent weakness in heavies...

	Previous	Current	Change	%Change	YTD %
All share	1,535.99	1,713.63	177.6426	11.57	644.80
Industrial	5,092.42	5,672.50	580.0787	11.39	640.21
Mining	2,245.11	2,702.20	457.0896	20.36	753.34
Top 10	1,203.86	1,221.93	18.0674	1.50	502.89

The ZSE bounced back to winning ways as demand resurged across the board to see all four indices, we review close in the black for the week. Earlier weakness in market heavies was cancelled out by a late rebound to see the Top Ten Index post the least of the weekly gains of 1.50% to 1,221.93pts. The primary All Shares Index was however buoyant all week as mid-tier stocks continued charging, resulting in it posting an 11.57% cumulative weekly rise and closed at 1,713.63pts. Meanwhile, resources stocks continued the charge and propelled the Mining Index to a 20.36% surge while, the Industrials ended the week with an 11.39% rise. The market resurgence comes against a backdrop of changes in the foreign currency trading spaces as the central bank moves to tame the waning fortunes of the local currency. A foreign currency auction system is set to be introduced from the 23rd of June while, a dual pricing policy will be implemented for local retailers.

RISERS	PRICE	% Change
FBC.ZW	12.3500	115.79
RTG.ZW	1.4875	72.46
CBZ.ZW	33.8594	61.24
ZIMR.ZW	2.2500	55.98
BIND.ZW	2.3817	44.35
AFDS.ZW	15.5000	43.25
MEIK.ZW	16.0500	33.75
BAT.ZW	216.0000	25.58
WILD.ZW	0.2500	23.03
MSHL.ZW	1.2225	21.04

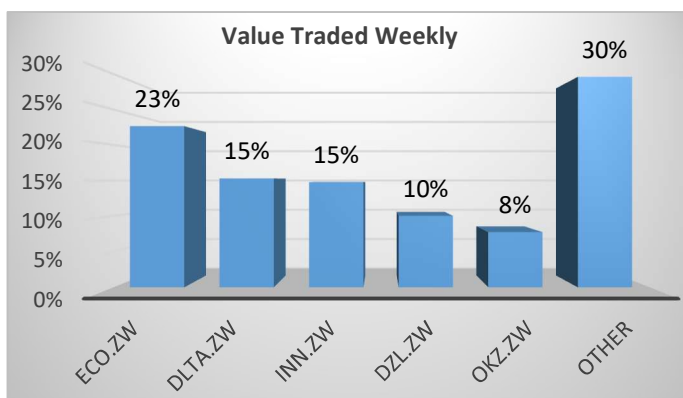
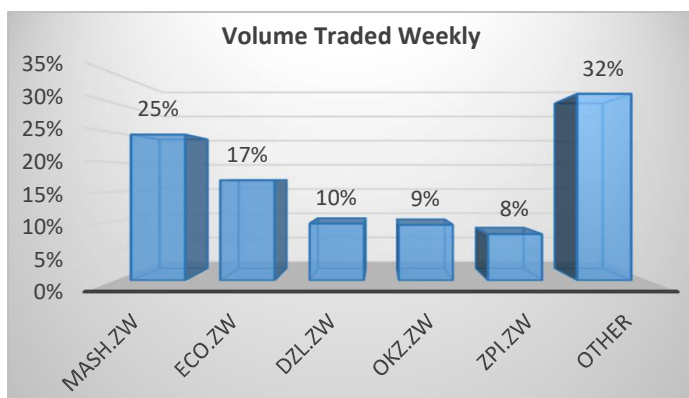
A skew towards the fallers set underlined the resurgent bullish sentiment on the market as thirty-three risers came up against a mere twelve fallers. Financial stocks headlined the market charge as FBCH emerged the pick of the cherry having more than doubled its value in the week with a 115.79% charge to \$12.3500. CBZ holdings chipped in with a 61.24% rise and closed at \$33.8594, though its profit taking appeared to set in. Hoteliers RTG enjoyed a sudden spat of demand and shored 72.46% as it closed pegged at \$1.4875 while, insurance giant ZHL added 55.98% to close at \$2.2500.

Nickel miners Bindura went up 44.35% as demand built up on the stock and closed at \$2.3817, as spirits manufacturer Afdis firmed 43.25% and closed at \$15.5000. Diversified concern Meikles closed the week 33.75% firmer at \$16.0500 while, cigarette manufacturers BAT went up 25.58% as it added its weight to the rising cause. Gains were also seen in brick makers Willdale which firmed 23.03% and Masimba Holdings that went up 21.04% to complete the top ten risers for the week.

FALLERS	PRICE	% Change
MMDZ.ZW	0.1200	20.00
PWS.ZW	1.0100	19.84
RIOZ.ZW	10.5000	12.86
HIPO.ZW	16.7226	9.61
ECO.ZW	8.3993	5.41
SIM.ZW	8.4397	5.18
DZL.ZW	6.8500	4.86
ZPI.ZW	0.7999	4.77
CSZL.ZW	8.5769	2.17
ARIS.ZW	1.8750	0.64

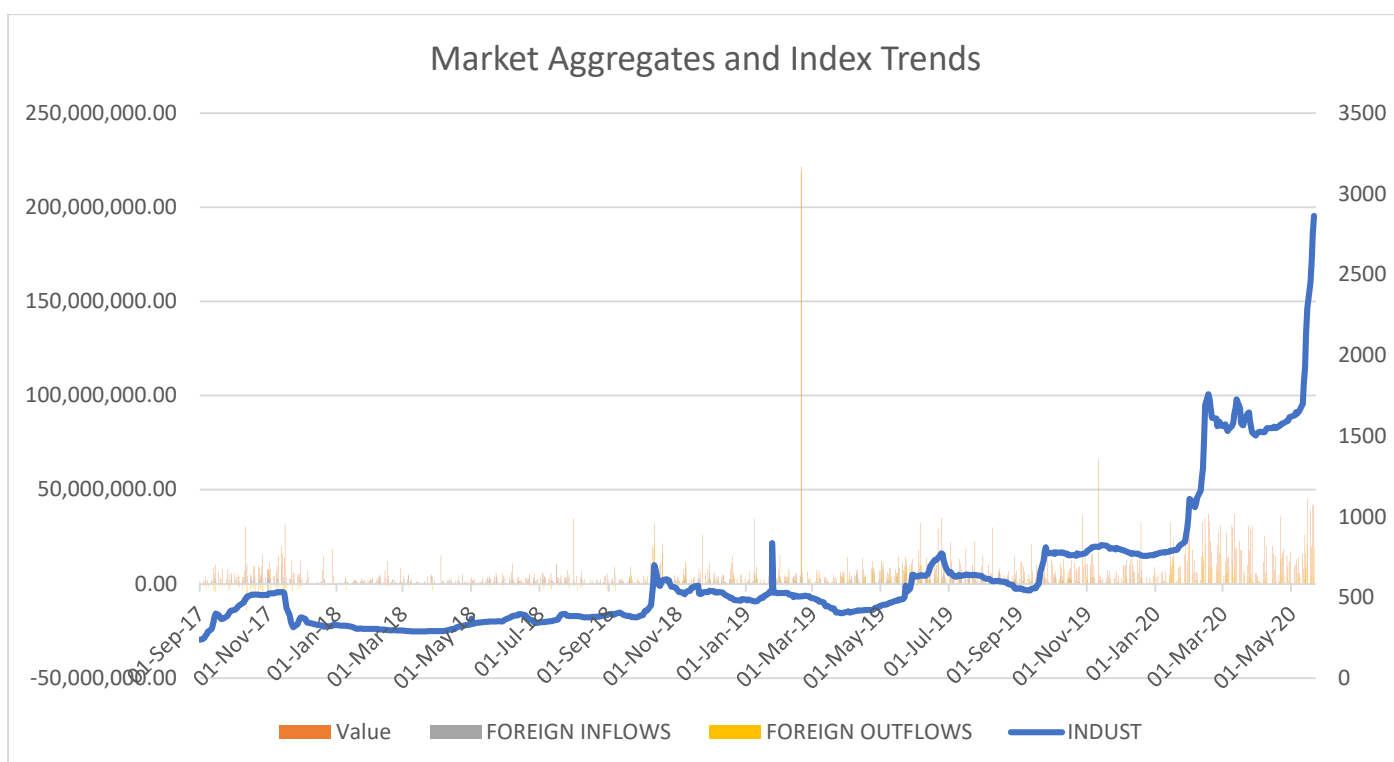
The weakness in market heavies in the earlier part of the week saw them dominate the fallers set for the week. Amongst the heavy cap fallers was Hippo that let go 9.61% and closed at \$16.7226 while, mobile network operator Econet came off 5.41% and settled at \$8.3993. Simbisa and Cassava retreated by respective margins of 5.18% and 2.17% to help hold back the market charge. Meanwhile, Medtech led the fallers of the week on a 20% slide that took it to \$0.1200 while, Powerspeed succumbed 19.84% to follow. Other losses were seen in RioZim down 12.86%, DZL shedding 4.86% and ZPI dropping 4.77%.

Market aggregates soften amidst profit taking in heavies ...



	Previous	Current	Change	%Change
Values	469,979,464.55	259,439,089.50	210,540,375.05	44.80
Volumes	81,285,900	40,902,600	40,383,300	49.68

A second consecutive week of declining activity aggregates saw the market spend fall 44.80% and close at ZWL \$259.44m, though the market still managed to maintain a modest daily average above ZWL \$50m. The top drivers of the weekly values were Econet, Delta and Inncor that accounted for a combined 53% of the total spend. Elsewhere, the volume of shares traded stood at 40.90m shares, down 49.68% for the week as Mash 25%, Econet 17% and Dairibord 10% accounted for the bulk of the exchanges.



In the News

THE country's largest cement producer, PPC Zimbabwe, says urgent measures are needed to safeguard the viability of the local cement industry against the crippling impact of imported cement. <https://www.herald.co.zw/cement-sector-needs-strengthening-ppc/>

Auctions of foreign currency will be used from Tuesday next week to set the official exchange rate, the Reserve Bank of Zimbabwe (RBZ) announced last night, with approved importers bidding every Tuesday through their banks for the foreign currency earned by exporters or through offshore facilities arranged by the RBZ. <https://www.herald.co.zw/forex-auctions-set-to-begin/>

One of Zimbabwe's biggest gold miners and Zimbabwe Stock Exchange-listed entity, RioZim says it has been forced to stop gold mining operations by inability to meet operating costs. <https://www.herald.co.zw/riozim-stops-gold-production/>

The proposed merger of African Sun and Dawn Properties as well as that of Zimre Holdings Limited and Zimre Property Investments is what capital markets are all about but should also act as a catalyst for the Zimbabwe Stock Exchange (ZSE) to get more listings on board as well as introduce more products, an official with the local bourse has said. <https://www.herald.co.zw/zse-unfazed-by-proposed-mergers/>

Old Mutual Zimbabwe, the insurance and real estate giant, says it plans to invest more in digital platforms as a way of getting to customers in the wake of the coronavirus crisis. <https://www.herald.co.zw/old-mutual-plans-more-digital-platforms/>

<https://dailynews.co.zw/inflation-erodes-telco-margins-as-operating-costs-mount/>

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