

ZSE in another week of losses as liquidity constraints bite...

	Previous	Current	Change(pts)	%Change	YTD %
All share	15,129.49	14,423.98	705.51	4.66	31.16
Industrial	49,884.34	47,542.60	2,341.74	4.69	30.81
Top 10	9,154.38	8,740.50	413.88	4.52	26.07
Mid Cap	31,257.30	29,774.97	1,482.33	4.74	43.90

The market slumped to another weekly loss amidst constrained liquidity which has seen most heavy cap stocks buckle under selling pressure. The primary All Share Index succumbed 4.66% for the week and settled at 14,423.98pts as the bear market resolutely set its course. Likewise, market weakness was witnessed in the top capitalised stocks on the market as their Index closed 4.52% softer at 8,740.50pts on weak demand. The Industrial Index succumbed 4.69% and settled at 47,542.60pts while, the Mid Cap index lost 4.74% to end the week at 29,774.97pts. Elsewhere, Meikles Limited released first quarter trading update in which the conglomerate reported revenue growth of 88% in inflation adjusted terms, culminating from sales volume growth of 39% for the comparable period.

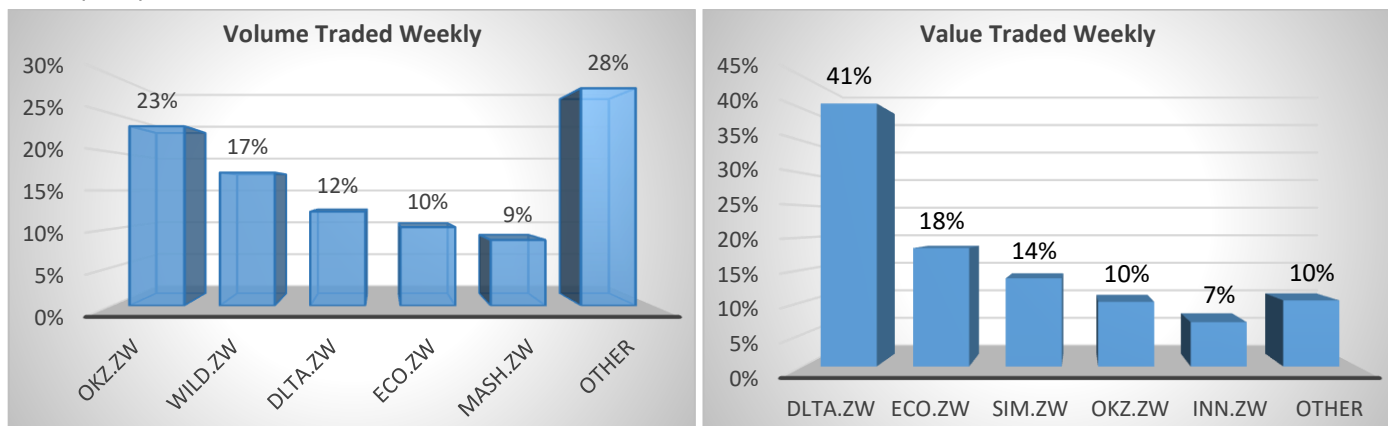
RISERS	PRICE	% Change
DLTA.ZW	250.1980	19.12
ZIMR.ZW	4.2500	13.33
EDGR.ZW	7.8650	12.39
NTS.ZW	11.7500	11.90
MASH.ZW	5.0000	11.11
TRUW.ZW	2.2000	10.00
NMB.ZW	17.9997	5.88
ZIMW.ZW	17.0000	5.19
FML.ZW	19.0000	2.70
FCA.ZW	7.5633	2.31

Blue Chip Delta led the thirteen gainers of the week on a 19.12% surge that propelled the group to close at \$250.1980. Zimre Holdings and Edgars's rising streak sustained into the second consecutive week, as the pair rose 13.33% and 12.39% to \$4.2500 and \$7.8650 respectively. NTS followed on a 11.90% jump to \$11.7500 as Mashonaland Holdings improved 11.11% to settle at \$5.0000. Retailer Truworths advanced 10.00% to \$2.2000 while, banking group NMB went up 5.88% to close the week at \$17.9997. Zimplot gained 5.19% to close at \$17.0000, as FML Holdings trailed on a 2.70% rise to trade at vwap of \$19.00000. Banking group First Capital ended the week at \$7.5633 after gaining 2.31%.

FALLERS	PRICE	% Change
UNIF.ZW	34.0000	32.00
FMP.ZW	6.1385	31.79
ZIMP.ZW	3.6125	27.75
WILD.ZW	2.0499	21.98
EHZL.ZW	37.1742	20.74
ECO.ZW	122.8397	17.10
SEED.ZW	74.7631	16.93
TSL.ZW	72.0497	15.24
CAFCA.ZW	200.0000	15.07
BFCA.ZW	16.1500	15.00

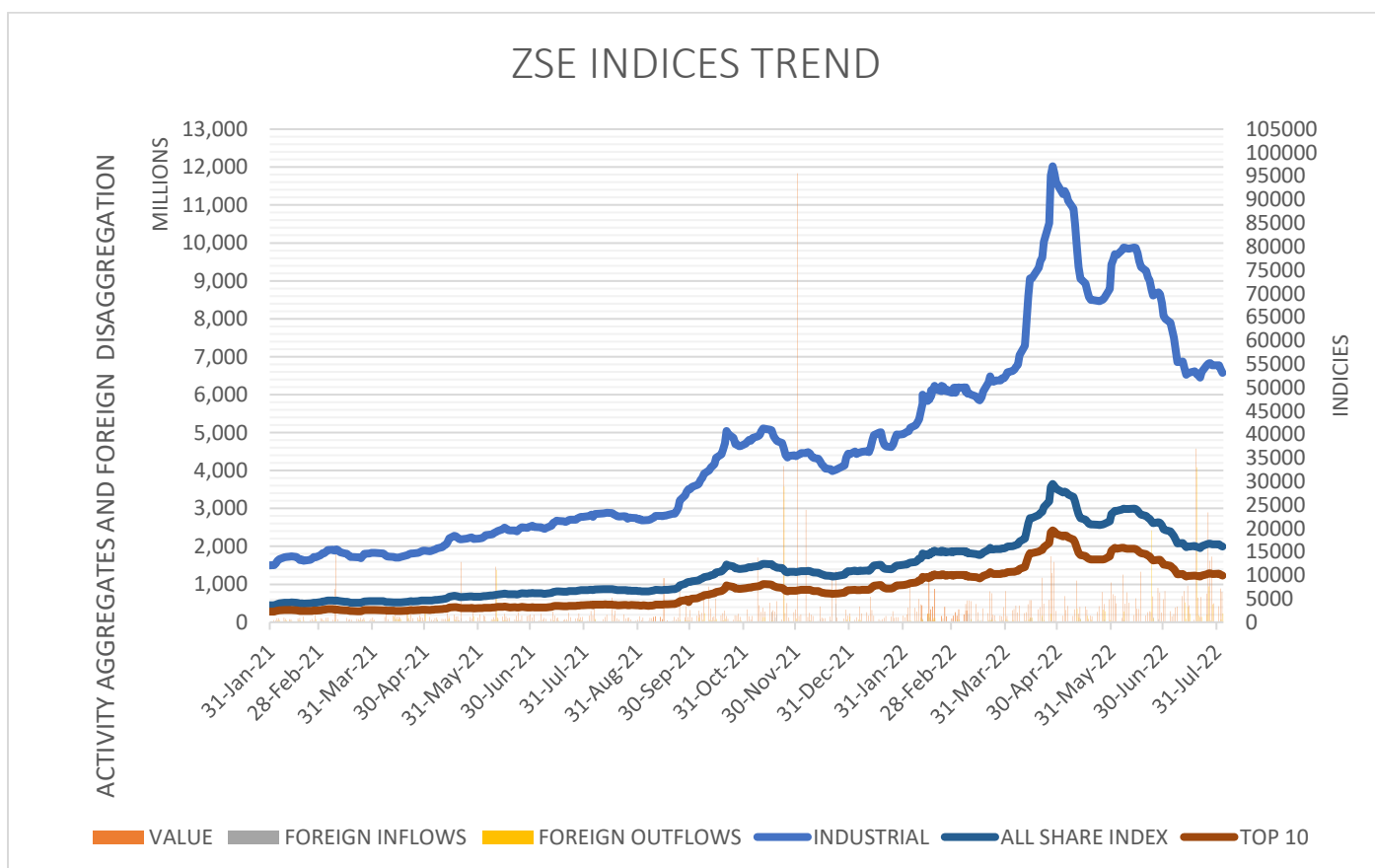
The week closed with a negative breadth of sixteen, dragged down by twenty-nine decliners. Foremost on the losers list was Unifreight that toppled 32.00% to close at \$34.0000 as FMP Properties followed on a 31.79% plunge to \$6.1385. Media group Zimpapers weakened 27.75% to end the week at \$3.6125. Willdale Bricks cancelled its preceding gains as it retreated to \$2.0499 on a 21.98% fall. Ecocash Holdings whittled 20.74% to \$37.1742 on selling pressure while, former parent Econet plummeted 17.10% setting its closing price at \$122.8397 for the week. Seedco and TSL deteriorated 16.93% and 15.24% to end at \$74.7631 and \$72.0497 respectively. CAFCA was 15.07% weaker at \$200.0000 as Bridgefort Class A was 15.00% lower week on week to trade at \$16.1500.

Heavy cap stocks thrust turnover ...



	Previous	Current	Change	%Change
Values	1,962,757,909.75	2,039,719,427.50	76,961,517.75	3.92
Volumes	23,260,600	29,081,100	5,820,500	25.02

Heavy cap stocks Delta, Econet and Simbisa thrust the value outturn as the trio contributed 41% ,18% and 14% in that order. Activity aggregates were higher as evidenced by the improvement in value of 3.92% week on week to \$2.04bn while, volumes traded enhanced 25.02% to 29.08m shares. OK Zimbabwe, Willdale and Delta were a combined 52% of the shares exchanged during the week.



In the News

THE Agricultural Marketing Authority (Ama) says Zimbabwe was on track to overturn protracted wheat deficits that have forced the government to spend heavily on imports. <https://www.theindependent.co.zw/2022/08/19/zim-intensifies-push-to-overturn-wheat-deficits/>

FIRM exports into Mozambique and Rwanda helped Zimbabwe Stock Exchange (ZSE) listed cables maker, Cafca lift volumes to foreign markets by 8,2% during the third quarter ended June 30 2022, the firm said on Tuesday. <https://www.theindependent.co.zw/2022/08/19/rwanda-drives-cafca-as-volumes-rise/>

CAPTAINS of Zimbabwe's industries called for urgent measures to address a gruelling power crisis this week, as several listed firms reported reduced output. <https://www.theindependent.co.zw/2022/08/19/blackouts-hit-30-of-industry-production/>

The Reserve Bank of Zimbabwe (RBZ) has dumped the foreign currency auction system as a price discovery mechanism as it caves in to criticism that the platform was fuelling arbitrage opportunities. <https://businesstimes.co.zw/forex-auction-loses-price-discovery-role/>

Local banks are feeling the heat of rising inflation, which is posing a severe threat to financial institutions, the Bankers Association of Zimbabwe (BAZ) has said. <https://businesstimes.co.zw/rising-inflation-threatens-banks/>

Zimbabwe's central bank will extend more than US\$365m to support ailing local industry cater for its foreign currency needs, Reserve Bank of Zimbabwe (RBZ) governor, John Mangudya has said. <https://businesstimes.co.zw/offshore-funding-lcs-boost-for-local-industry/>

Zimbabwe Stock Exchange-listed sugar processor, starafriacorporation says refurbishment of its plant will be completed soon, a move expected to ramp up production. <https://businesstimes.co.zw/starafriacorporation-plant-refurb-nears-completion/>

Zimbabwe's banking industry's profit soared 1 101% to ZWL\$181bn in the first six months of this year from ZWL\$15bn reported in the corresponding period in 2021, the Reserve Bank of Zimbabwe (RBZ) report shows. <https://businesstimes.co.zw/banks-profits-up-1101/>

Disclaimer:

This document has been prepared by EFE Securities (Private) Limited (EFE), for the information of its clients. Although the statements of fact in this report have been obtained from sources that the company believes to be reliable, we do not guarantee their accuracy, and any such information may be incomplete or condensed. All opinions and estimates included in this report constitute the company's judgment as of the date of this report and are subject to change without notice. The securities discussed and mentioned in this report may not be suitable for all investors. Investors must make their own investment decisions based on their specific investment objectives and financial position and using such independent advisors they believe necessary. This report is for informational purposes only and is not intended as an offer or solicitation with respect to the purchase or sale of any security. EFE and any of the individuals preparing this report may at any time have a long and/ or short position in any securities of companies in this report. In addition, EFE may from time to time perform investment banking or other services for or solicit investment banking or other business from any entity mentioned in this report. EFE may at times buy and sell shares on an agency or principal basis to its clients. Shares may rise or fall and investors may end up with a reduced amount from their initial capital invested. Additional information on EFE's recommended securities is available on request.