

ZSE succumbs to weekly losses despite Friday rebound...

	Previous	Current	Change	%Change	YTD %
All share	1,369.24	1,285.39	83.8507	6.12	458.67
Industrial	4,502.15	4,237.51	264.6370	5.88	452.95
Mining	2,878.08	2,449.60	428.4761	14.89	673.57
Top 10	867.02	819.76	47.2664	5.45	304.46

Bears continued to dominate the ZSE amidst sustained selling pressure across the board. The Mining Index emerged the top casualty from the market carnage shedding 14.89% over the week and closing at 2449.60pts. The Primary All Share Index fell 6.12% week on week and closed at 1285.39pts on the back of the mining counters' losses and the heavy caps which also had their own index, the ZSE Top 10, shedding 5.45% to 819.76pts. Meanwhile, the central bank governor announced the mid-term monetary policy statement where the highlight was on efforts to shore up the forex auction system by announcing that there will be automatic liquidation of 20% of nostro forex earnings to support the system.

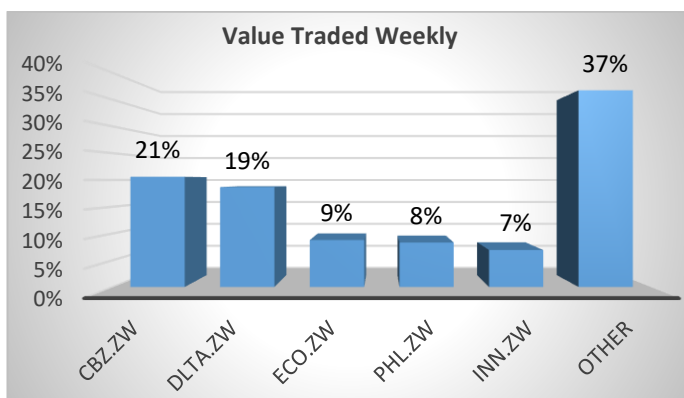
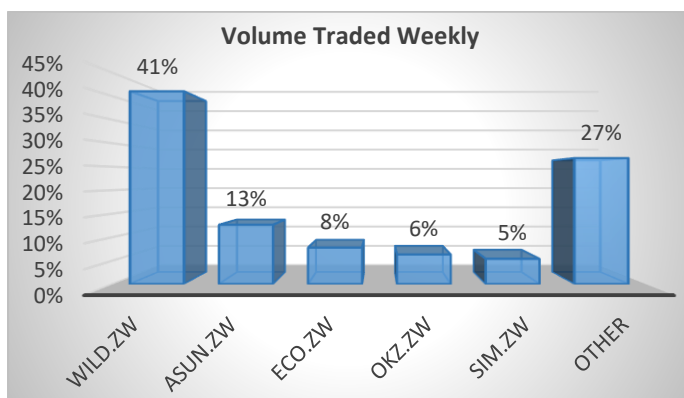
RISERS	PRICE	% Change
NTS.ZW	0.0642	72.58
WILD.ZW	0.2400	25.72
PHL.ZW	10.8176	20.14
FIDL.ZW	0.3269	16.96
CBZ.ZW	24.0000	16.78
HIPO.ZW	12.5000	15.74
DZL.ZW	5.3000	12.77
TRUW.ZW	0.1700	10.18
PWS.ZW	1.1000	6.16
ZIMP.ZW	0.7200	4.35

Forty-two stocks saw price movements by the close of the week with fallers dominating at a count of twenty-eight against a mere fourteen gainers to set a negative market breadth. Apparel retailer Edgars led the market selloff after shedding 41.86% to \$0.5000 with Simbisa following on a 30.66% slide to \$4.5047. Axia went down 24.01% to \$3.2315 while, banking groups FBC and NMB dropped 23.75% and 21.79% to close the week at \$8.0061 and \$3.0500, respectively. Property concern ZPI lost 19.79% to settle at \$0.5775 while, Ariston dropped 18.75% to \$1.3000 as selling pressure continued. Waning demand in Econet saw the telecoms giant closing 17.28% down at \$4.5397, having reached an intra-week low of \$4.4500. Nickel miner Bindura lost a cumulative 17.02% for the week to \$2.4062 while, conglomerate Inscor completed the top ten list with a 16.12% drop that took its price to \$13.4140, having reached a low of \$13.0000 during the week.

FALLERS	PRICE	% Change
EDGR.ZW	0.5000	41.86
SIM.ZW	4.5047	30.66
AXIA.ZW	3.2315	24.01
FBC.ZW	8.0061	23.75
NMB.ZW	3.0500	21.79
ZPI.ZW	0.5775	19.79
ARIS.ZW	1.3000	18.75
ECO.ZW	4.5397	17.28
BIND.ZW	2.4062	17.02
INN.ZW	13.4140	16.12

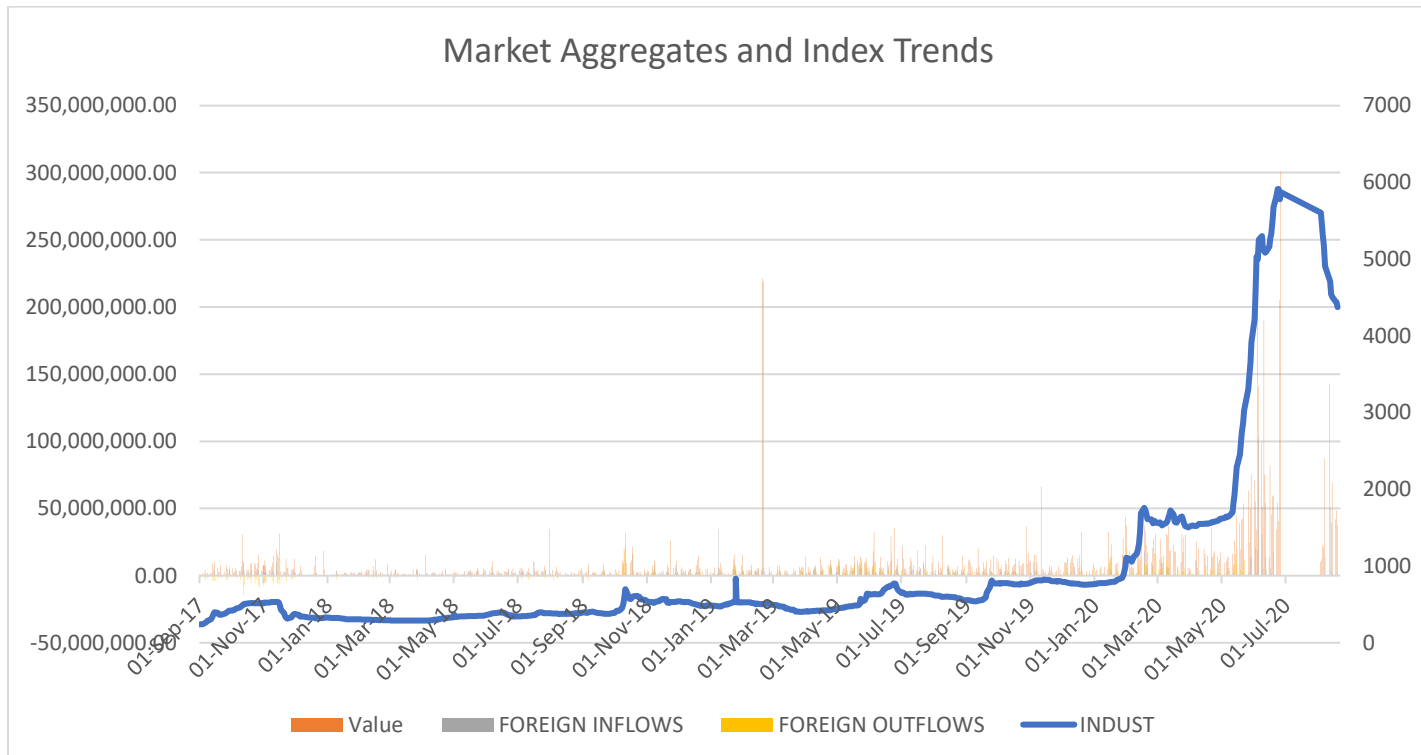
Mitigating losses for the week were gains led by tyre manufacture NTS which surged 72.58% to close at \$0.0642 while, Willdale followed on a 25.72% charge to \$0.2400 having traded a high of \$25.0000 during the week. Crocodile producer Padenga has been on the rebound during the week as it ticked up 20.14%, taking its price back to \$10.8176 on resurgent demand. CBZ and Hippo were 16.78% and 15.745% firmer at \$0.2400 and 12.500 in that order. Dairibord went up 12.77% cumulatively to \$5.3000 while, apparel retailer Truworths added 10.18% to close at \$0.1700. Powerspeed which is trading under cautionary advanced 6.16% to close the week firmer at \$1.1000 while, Zimpapers put on a further 4.35% to end at \$0.7200, albeit closing well offered.

Activity aggregates mixed...



	Previous	Current	Change	%Change
Values	251,227,344.00	216,038,090.05	35,189,253.95	14.01
Volumes	33,376,700	51,233,800	17,857,100	53.50

The weekly market aggregates reflected a mixed outcome with volumes exchanged enhancing 53.50% to 51.23m shares, yielding a value outturn of \$216.04m which was a 14.09% drop from previous week. Willdale topped the volume aggregates with a 41% claim, followed African sun at 13%. CBZ and Delta were the main drivers of the value traded during the week with respective contributions of 21% and 19% of the aggregate.



In the News

Diversified insurance group, Zimre Holdings Limited, is looking at leveraging on its regional operations and service delivery as one of its strategies for post Covid-19 recovery. <https://www.herald.co.zw/zimre-leverages-on-regional-operations-to-recover/>

Cement manufacturing giant PPC says total volumes that its international subsidiaries sold reported double digit growth in July this year compared to the same month last year. <https://www.herald.co.zw/ppc-records-strong-demand-in-zim-rwanda/>

Art Corporation's battery division has been a boon for the group for the third quarter ended June 30, at a time other divisions within the group have taken a knock from the Covid-19 global pandemic, which has slowed down economic activity across all sectors. <https://www.herald.co.zw/battery-division-spur-art-corporation/>

LISTED diversified packaging manufacturer, Nampak Zimbabwe Limited volumes plunged by 48% due to continuing contraction in consumer demand in the beverage sector. <https://www.newsday.co.zw/2020/08/nampak-volumes-plummet-by-48/>

THE Zimbabwe Stock Exchange Limited (ZSE) has called for various stakeholders to participate in the Victoria Falls Stock Exchange Limited (VFEX), an equity market that will allow shares to be quoted and traded in foreign currency. <https://www.newsday.co.zw/2020/08/zse-urges-stakeholders-to-participate-in-victoria-falls-stock-exchange/>

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.