

## ZSE succumbs to selling pressure...

	Previous	Current	Change	%Change	YTD %
<b>All share</b>	118.25	108.76	9.4900	8.03	8.76
<b>Industrial</b>	394.79	362.49	32.3000	8.18	11.18
<b>Mining</b>	158.55	162.47	3.9200	2.47	14.09
<b>Top 10</b>	123.87	111.21	12.6600	10.22	11.21

The ZSE broke its rising momentum as mounting selling pressure across mainly the heavily capitalised stocks weighed on the benchmark indices. The Top Ten Index succumbed 10.22% on the back of the aforesaid selling pressure and settled at 111.21pts and with it dragged the Industrial and All Share indices down 8.18% and 8.03% to see them settle at 362.49pts and 108.76pts. The Mining Index enjoyed gains on the bourse spurred by rare trades in Hwange Colliery Company and RioZim to see the benchmark extend 2.47% and settling at 162.47pts. The market weakness, which coincided with the announcement of the election date amidst complaints from the main opposition parties, has taken its toll on the bourse' benchmarks despite earlier signs of a pre elections rally. Underlining the market weakness, eighteen counters closed the week softer against fourteen gainers as the market set a negative breadth of four.

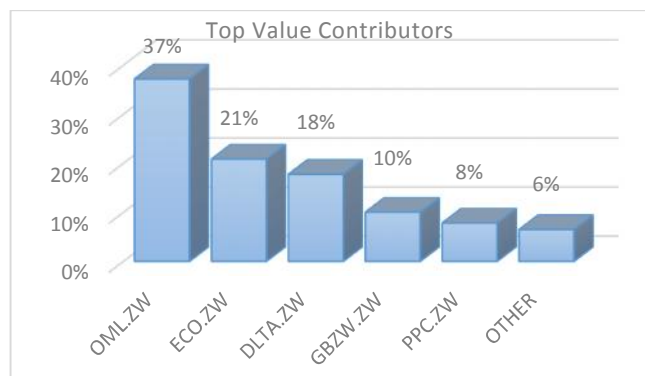
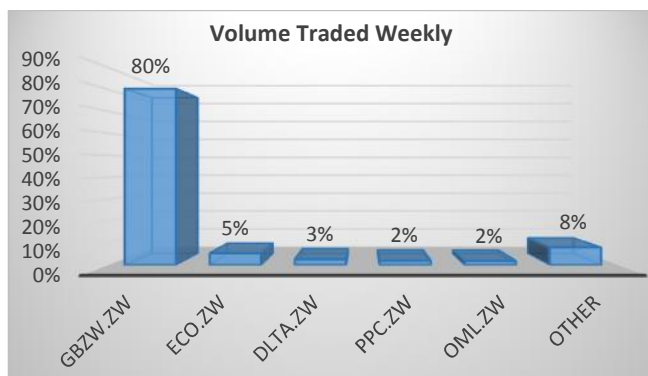
RISERS	PRICE	% Change
<b>FIDL.ZW</b>	0.1200	20.00
<b>HCCL.ZW</b>	0.0400	17.65
<b>ZIMP.ZW</b>	0.0133	15.65
<b>MEIK.ZW</b>	0.3600	9.02
<b>TSL.ZW</b>	0.4500	7.14
<b>RIOZ.ZW</b>	1.4994	4.70
<b>MSHL.ZW</b>	0.0626	4.33
<b>NMB.ZW</b>	0.1150	3.98
<b>FMP.ZW</b>	0.0440	2.33
<b>BARC.ZW</b>	0.0710	1.43
FALLERS	PRICE	% Change
<b>DLTA.ZW</b>	1.8996	22.14
<b>ARIS.ZW</b>	0.0140	16.67
<b>SEED.ZW</b>	2.3000	16.36
<b>FML.ZW</b>	0.1600	11.11
<b>CBZ.ZW</b>	0.1121	10.03
<b>PPC.ZW</b>	1.2000	7.46
<b>OML.ZW</b>	6.0021	7.03
<b>OKZ.ZW</b>	0.2186	6.98
<b>AXIA.ZW</b>	0.2500	6.82
<b>BIND.ZW</b>	0.0506	4.71

The market's top capitalized stock Delta emerged as the main casualty of the profit taking as the beverages giant succumbed by a hefty 22.14% to settle at \$1.8996. Agricultural based concern Ariston followed on the losing side, shedding 16.67% to \$0.0140. SeedCo broke its stay on the \$2.7500 resistance level with a 16.36% retreat that took the group to \$2.3000. First Mutual came off 11.11% and ended at \$0.1600 while, banking giant CBZ fell 10.03% to \$0.1121.

Market weakness also extended to dually listed counters PPC and Old Mutual that had of late become the market favorites as they emerged as one avenue to move funds from Zimbabwe for foreign investors. In the week under review, PPC came off 7.46% and closed at \$1.2000 as diversified financial services group Old Mutual Plc succumbed 7.03% to \$6.0021 ahead of the proposed unbundling of Quilter Plc next week and the subsequent delisting of the group from the market. Retail group OKZIM fell 6.98% to \$0.2186 while, Axia was down 6.82% at \$0.2500. Bindura capped the fallers set on a 4.71% decline to \$0.0506

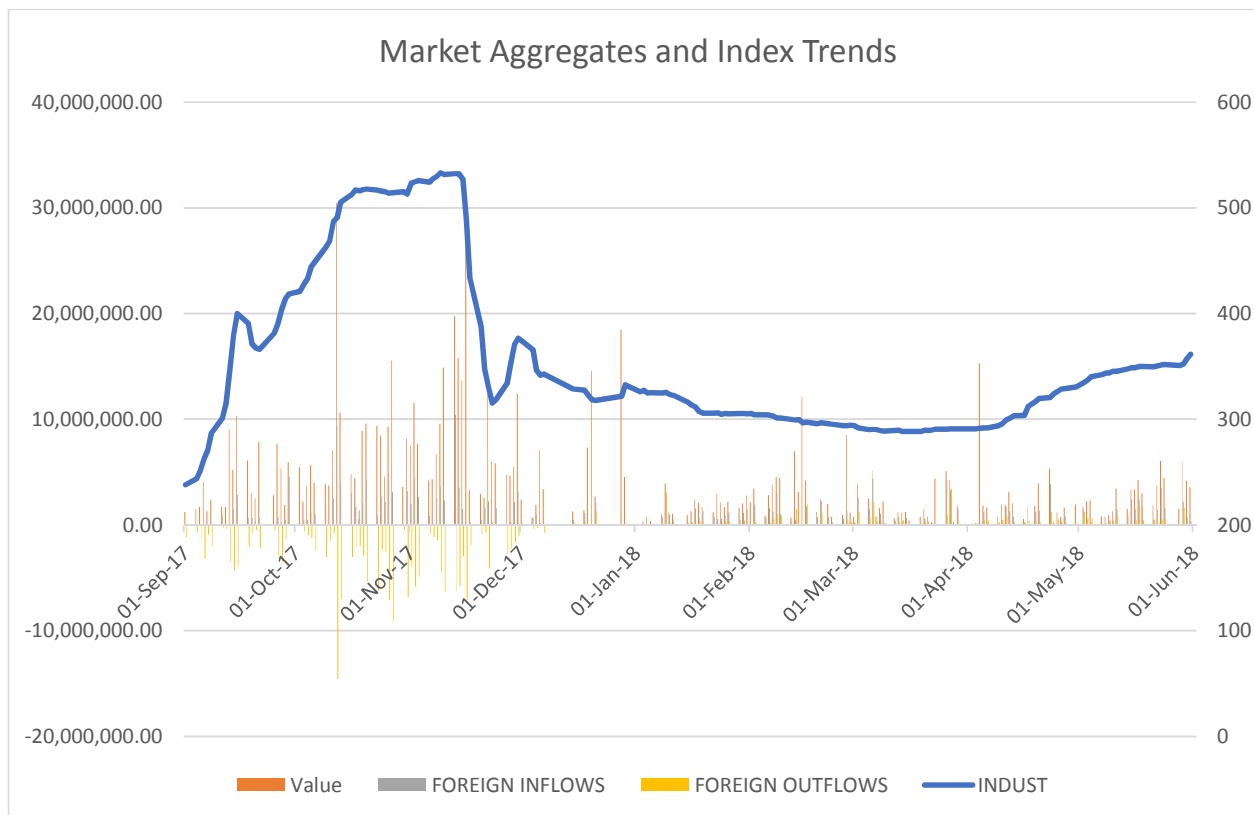
Leading the fourteen risers of the week was insurance group Fidelity that shrugged off reported investigations on its chief executive's conduct to post a 20% gain to \$0.1200. Hwange and Zimpapers added 17.65% and 15.65% to \$0.0400 and \$0.0133. Meikles put on 9.02% and settled at \$0.3600.

Get bucks block trade highlights trading...



	Previous	Current	Change	%Change
<b>Values</b>	12,881,966.18	16,642,984.45	3,761,018.27	29.20
<b>Volumes</b>	25,906,894.00	56,026,124	30,119,230	116.26

Market activity aggregates were on the rebound as falling prices drew in some new demand. Volumes of the week more than doubled to 56m anchored by Get bucks Microfinance Bank whole block trade of 45m shares highlighted the session accounted for 80% of the volumes. The market spend went up 29.20% and touched \$16.64m with Old Mutual, Econet and Delta emerged as the top drivers on a combined contribution of 76%.



## In the News

The Insurance and Pensions Commission has granted Econet's request to register an insurance firm, Econet Insurance Limited, fulfilling the company's long-standing ambition of being an integrated financial service provider. [#ZimIndependent](#)

Wholesale prices of table eggs have increased by 57% to \$4,50 per tray in the first quarter of 2018. In an industry update for the first quarter of 2018. [#Newsday](#)

Zimbabwe's only listed and fully integrated media group, Zimpapers, surpassed revenue and profitability targets for the first five months of this year, while the performance ran ahead of prior year comparatives. [#Herald](#)

Zimbabwe's gold output for the month of May increased by 17% to 3.4 tonnes compared to the previous month figures with small-scale miners maintaining their production dominance over primary producers, Fidelity Printers and Refineries (FPR) has said. [#Newsday](#)

Econet Wireless Zimbabwe has started paying its staff through EcoCash in what the telecommunications giant says is to spare its employees from the hassle of spending time in bank queues. [#Newsday](#)

Econet's mobile money service Ecocash, has unveiled the Ecocash Business Wallet to cater for both formal and informal businesses, becoming the first in Africa to have an enterprise transaction service that is integrated into a mobile money platform. [#Herald](#)

POTRAZ has reduced local mobile data and Internet charges after concluding a cost modelling exercise for telecommunication network services in the country covering mobile, fixed and Internet access networks. [#Herald](#)

The Reserve Bank of Zimbabwe yesterday released the \$20 mln requested by millers to import part of the 200 000 metric tonnes of wheat from Canada and Germany to avert a bread shortage. [#Newsday](#)

Ecobank Zimbabwe, a unit of Togo-based Ecobank Transnational Inc, is arranging a \$45 mln line of credit to fund importation of critical raw materials, an official has said. [#Herald](#)

Zimbabwe's year on year inflation remained flat at 2.71% in May after inching up from 2.68% in March to 2.27% in April, official data shows. [#Dailynews](#)

Fidelity Life Assurance (FLA) is at loggerheads with residents over alleged failure to deliver water since 2016 at its Southview Park stands. [#Herald](#)



Members of the Zimbabwe Stock Exchange

## EFE RESEARCH – Weekly Market Review Weekending 22.06.2018

---

The Reserve Bank of Zimbabwe should abandon its foreign currency allocation framework and delegate the role to individual banks as this gives the impression of a distorted economy, the Zimbabwe National Chamber of Commerce (ZNCC) has said. [#Herald](#)

### 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.