

ZSE rising momentum slows down on profit taking...

	Previous	Current	Change	%Change	YTD %
Industrial	190.07	191.15	1.0800	0.57	32.26
Mining	69.63	69.79	0.1600	0.23	19.28

The ZSE extended its rising tide for another week though the momentum of gains slowed down amidst emergent profit taking in selected stocks. The benchmark Industrial Index put on a cumulative 0.57% for the week and settled at 191.15pts, while its less active resources counterpart was up 0.23% and ended the week at 69.79pts. The bullish sentiment was however not lost on the market as a mere four stocks traded softer against twenty six that charged ahead on solid demand. Meanwhile, the World bank revised Zimbabwe's growth forecast for the year to 2.8% slightly better than IMF's revised projection of 2.7% citing better than anticipated growth in agricultural output. On the corporate scene TSL reported a strong first half performance to 30 April 2017 where revenues grew 14% and topped \$23.6m while, operating profit went up 73% and closed the half year at \$2.8m.

Weekly Risers

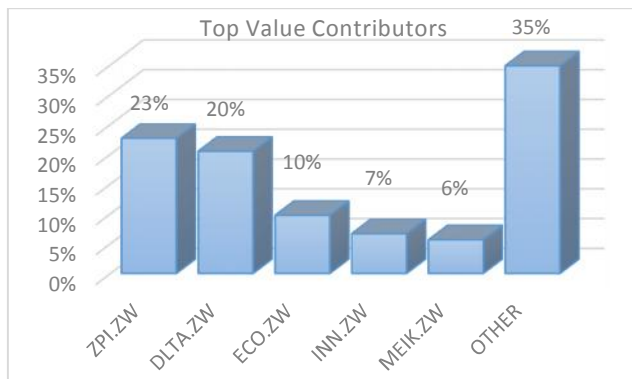
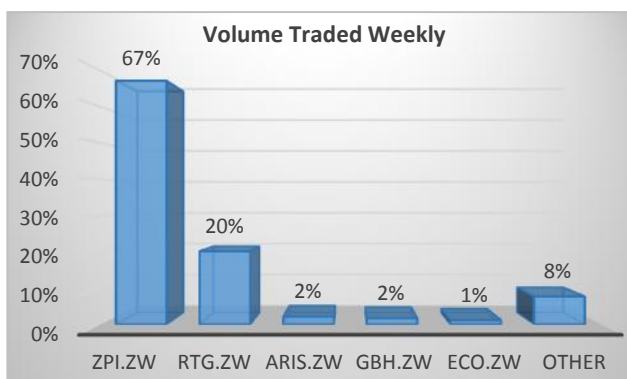
RISERS	PRICE	% Change
MSHL.ZW	0.0310	24.00
NPKZ.ZW	0.0460	19.79
WILD.ZW	0.0040	14.29
OKZ.ZW	0.0850	13.03
LACZ.ZW	0.4500	12.50
ASUN.ZW	0.0145	11.54
RTG.ZW	0.0100	11.11
SEED.ZW	1.3900	10.76
ARIS.ZW	0.0100	9.89
FIDL.ZW	0.1400	7.28

The market demand which hitherto had been skewed towards the momentum stocks spread to the mid-tier and penny stocks as seen in the distribution of the risers and fallers. Construction group Masimba led the way with a 24% surge to \$0.0310 while, Nampak Zimbabwe went up 19.79% and closed at \$0.0460 on resurgent demand. Brick makers Willdale were up 14.29% at \$0.0040 as demand remains firm in the brick manufacturers following proposals to dispose excess land to dispense debts in the group. Retail group OKZIM saw demand firm up resulting in the stock rising 13.03% for the week and ended trading at \$0.0850. Cement manufacturers Lafarge gained 12.5% and closed at \$0.4500 as tourism group African Sun put on 11.54% and touched \$0.0145. Similarly, hoteliers RTG were up 11.11% at \$0.0100 as the group saw a notable chunk of circa 37m exchange hands on the bourse. Agricultural SeedCO closed the week 10.76% to the good at \$1.3900 and even touched a high of \$1.4500 ahead of going ex-div. Ariston traded 9.89% firmer at \$0.0100 while, Fidelity capped the top gainers of the week on a 7.28% surge to \$0.1400.

FALLERS	PRICE	% Change
MEIK.ZW	0.2600	10.34
ECO.ZW	0.3307	5.51
ZBFH.ZW	0.1650	2.94
UNIF.ZW	0.0100	1.96

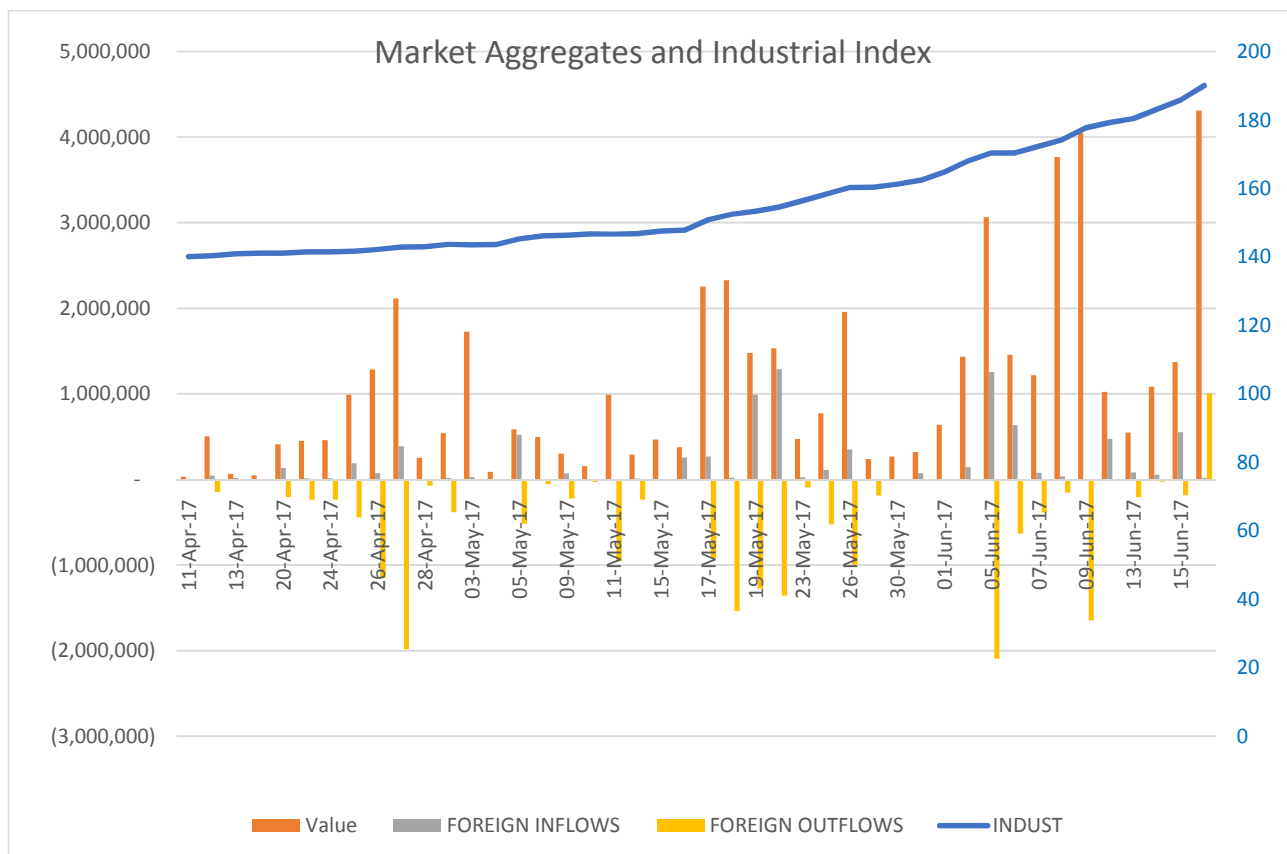
Four counters closed the week in the red led by diversified group Meikles which shed 10.34% and closed at \$0.2600 where profit takers could find demand. Econet, likewise succumbed to profit taking and let go 5.51% ending the week at \$0.3307 with firm demand at this level. ZBFH was down 2.94% at \$0.1650 while, logistics group Unifreight fell 1.96% to \$0.0100 and capped the weekly fallers.

ZPI Block trades highlights trading week...



	Previous	Current	Change	%Change
Values	8,333,489.31	7,388,521.43	944,967.88	11.34
Volumes	31,737,198.00	184,979,066.00	153,241,868	482.85

A block trade in ZPI highlighted the trading week with 124,085,985 shares exchanging hands in the group and yielded \$1.67m in value. Buoyed by the block trade the weekly volume of shares traded went up 482% on last week and closed at 184.8m shares. The other notable volume exchange was in RTG where 20% of the aggregate volume was traded. Despite the block trades the market spend closed the week down 11.34% at \$7.39m as ZPI accounted for 23% of the value while, Delta and Econet also came in with notable outcomes of 20% and 10% respectively.



In the News

Hippo back in the black on low imports

Listed sugar concern, Hippo Valley Estates Limited, is back in the black after posting a \$7,7 million profit during the year ended March 2017 from a \$8,8 million loss in the comparable period last year on the back of better pricing and low imports into the market.

<https://www.newsday.co.zw/2017/06/09/hippo-back-black-low-imports/>

SeedCo PAT up

Seed producers, Seed Co, recorded a 41% increase in net earnings for the year ended March 31, 2017 to \$20,7 million on the back of increased revenue emanating from a strong demand for maize seed.

<https://www.newsday.co.zw/2017/06/09/seed-co-pat-command-agric/>

Meikles appoints new MD for hospitality

MEIKLES Limited has appointed Carol White as managing director of Meikles Hospitality, becoming the first female executive to hold such a post.

<https://www.newsday.co.zw/2017/06/08/meikles-appoints-white-head-hospitality-unit/>

Zimra surpasses May revenue target

THE Zimbabwe Revenue Authority (Zimra) has surpassed its May target with gross collections rising 17% to \$307,35 million on the back of intensified audits and enforcement activities, the government's revenue collector has said.

<https://www.newsday.co.zw/2017/06/07/zimra-surpasses-may-revenue-target/>

Tobacco deliveries increase by 13%

A TOTAL of 144,2 million kg of tobacco valued \$415,7 million has been sold as of Wednesday last week, as deliveries to the country's auction floors increase, latest statistics from the Tobacco Industry Marketing Board (TIMB) have shown.

<https://www.newsday.co.zw/2017/06/06/tobacco-deliveries-increase-13/>

Supermarkets record sales growth

ZIMBABWE's retail sector continues to record sales growth, despite the explosion of informal trade, thanks in part to the increased use of formal electronic payment methods as the country's bank note shortage persists.

<http://www.financialgazette.co.zw/supermarkets-record-sales-growth/>

FMB in Zimbabwe for long time

BARCLAYS Plc last week announced the sale of its stake in Barclays Bank Zimbabwe to First Merchant Bank (FMB) of Malawi, stunning a market that had been intrigued by a lawsuit the previous week by 63 workers seeking to block the transaction.

<http://www.financialgazette.co.zw/were-investing-in-zimbabwe-for-the-long-haul-fmb/>

Nicoz stops sale of cluster homes

Tight market conditions and economic uncertainty rocking the property market have forced listed short-term insurer, Nicoz Diamond (Nicoz), to hold the sale of its cluster homes, the company has said.

<https://www.theindependent.co.zw/2017/06/09/nicoz-stops-sale-cluster-homes/>

Econet still refusing to share infrastructure

Information Communication Technology minister Supa Mandiwanzira says Econet Wireless is still refusing to fully share its infrastructure despite a legal framework put in place.

<https://www.newsday.co.zw/2017/06/05/econet-still-refusing-share-infrastructure-govt/>



Members of the Zimbabwe Stock Exchange

EFE RESEARCH – Weekly Market Review Weekending 23.06.2017

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.