

ZSE in the red selling pressures and self-correction takes its toll...

| | Previous | Current | Change | %Change | YTD % |
|------------|----------|---------|--------|---------|-------|
| All share | 91.49 | 91.27 | 0.2200 | 0.24 | 8.73 |
| Industrial | 305.70 | 305.18 | 0.5200 | 0.17 | 6.40 |
| Mining | 134.52 | 130.42 | 4.1000 | 3.05 | 8.41 |
| Top 10 | 90.58 | 90.35 | 0.2300 | 0.25 | 9.65 |

Another week of soft trading on the bourse saw all the main stream indices close in the red amidst continued selling pressure as investors seek liquidity. The benchmark All Share Index retreated 0.24% and settled at 91.27pts as the Top Ten Index shed 0.25% and ended at 90.58pts. The Industrial Index declined 0.17% and settled at 305.18pts while, the Mining Index similarly succumbed 3.05% and ended the week at 130.42pts. Recent votes of confidence in the efforts by the new political dispensation to tame the struggles in the economy have seen prices come down in a self-correction on the bourse as risk premiums hitherto commanded by the equities decline.

Weekly Risers

| RISERS | PRICE | % Change |
|---------|--------|----------|
| MEIK.ZW | 0.3500 | 14.75 |
| PPC.ZW | 0.8500 | 13.14 |
| CBZ.ZW | 0.1000 | 11.11 |
| WILD.ZW | 0.0065 | 8.33 |
| DLTA.ZW | 1.6584 | 4.28 |
| SEED.ZW | 2.0297 | 1.49 |
| INN.ZW | 0.8050 | 0.31 |
| OKZ.ZW | 0.1660 | 0.30 |

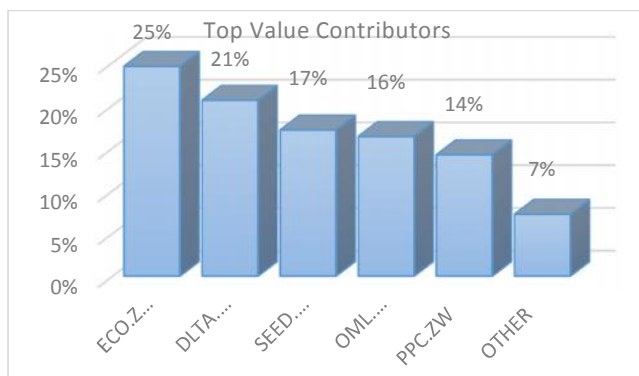
It was a fallers market as fifteen counters posted loses against a mere eight risers to set a negative market breadth. Leading the market declines was stationary group ART that was in a 19.77% slide to settle at \$0.0560 while, Simbisa Brands followed on an 11.67% drop as its long mooted listing in London continues to stall. Nickel Miners Bindura suffered from lack of firm demand succumbing 11.50% to settle at \$0.0400. Multi listed group Old Mutual climbed 8.37% and ended at \$5.0000 despite demand remaining fairly firm in the fungible stock. Food processing and packaging group National foods succumbed 6.98% and closed the week pegged at \$6.0000 where demand could be established. Ariston and Barclays saw similar declines of 6.25% and ended at respective prices of \$0.0150 and \$0.0450 amidst sustained selling pressure. Completing the top fallers set were Turnall, Nampak and Axia that softened 5.26%, 4.39% and 3.50%.

Weekly Fallers

| FALLERS | PRICE | % Change |
|---------|--------|----------|
| ARTD.ZW | 0.0560 | 19.77 |
| SIM.ZW | 0.3975 | 11.67 |
| BIND.ZW | 0.0400 | 11.50 |
| OML.ZW | 5.0000 | 8.37 |
| NTFD.ZW | 6.0000 | 6.98 |
| ARIS.ZW | 0.0150 | 6.25 |
| BARC.ZW | 0.0450 | 6.25 |
| TURN.ZW | 0.0090 | 5.26 |
| NPKZ.ZW | 0.1721 | 4.39 |
| AXIA.ZW | 0.1800 | 3.50 |

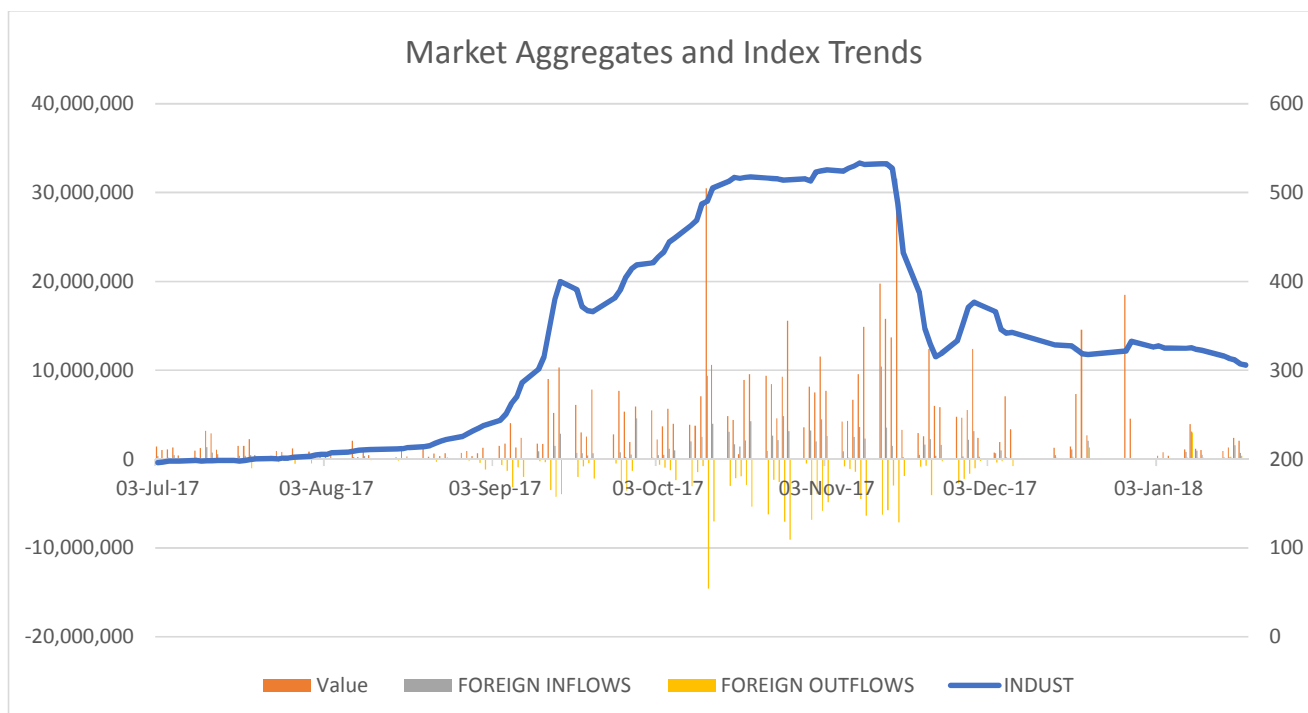
Eight counters mitigated the market losses and these were led by diversified group Meikles that firmed 14.75% and closed at \$0.3500 on news of a stellar performance by their retail operation Pick 'n Pay. Regional cement manufacturers PPC climbed 13.14% and closed at \$0.8500 as it followed in the trend it set on the Johannesburg Stock Exchange, where the counter has enjoyed sustained gains over the week. As a consequence, PPC's premium has since narrowed to less than 20% on the bourse. Banking group CBZ put on 11.11% and settled at \$0.1000 and brick manufacturer Willdale rebounded 8.33% and ended the week trading at \$0.0065. Heavies completed the gainers set on reviving demand amongst them Delta, SeedCO Innscor and OKZIM that shored up 4.28%, 1.49% 0.31% and 0.30% as they ended the week pegged at \$1.6584, \$2.0297, \$0.8050 and \$0.1660 respectively.

Mixed outcome for activity aggregates ...



| | Previous | Current | Change | %Change |
|----------------|--------------|---------------|--------------|---------|
| Values | 8,385,028.91 | 10,113,689.73 | 1,728,660.81 | 20.62 |
| Volumes | 15263065 | 10,794,916 | 4,468,149 | 29.27 |

Market activity aggregates reflected a mixed outcome for the week as volumes succumbed 29% to 10.8m shares while, the values traded were 20.6% firmer at \$10.1m. The mixed outcome was a result of skewed demand towards the market heavies that drove the weekly spend. Top value drivers merged to be Econet, Delta and SeedCo whose contributions to the aggregate stood at 25%, 21% and 17%. Volumes of the week were anchored by Econet, PPC and DLTA that accounted for a combined 61% of the total weekly shares traded.



In the News

RAINBOW Tourism Group (RTG) shareholders on Tuesday gave the nod to resolutions that seek to raise \$22,5 million through a rights offer of ordinary shares and linked debentures to settle its debt and raise working capital. <https://www.newsday.co.zw/2018/01/rtg-shareholders-approve-225m-capital-raise/>

EcoCash has partnered a local micro finance company to purchase bonds, which is set to raise \$1 million in debt financing for start-ups and small businesses. <https://www.newsday.co.zw/2018/01/ecocash-untu-capital-partner-broaden-public-access-money-markets/>

THE price of petrol and Diesel-50 has gone up by two cents to \$1,41 per litre on the back of a rise in “free on board” (FOB) prices, a move that is expected to trigger another round of price increases of basic commodities. <https://www.newsday.co.zw/2018/01/fuel-price-goes/>

The Zimbabwe Revenue Authority (Zimra) has surpassed its 2017 fourth quarter revenue target by 28.12% to \$1.159 bln from \$880.43 mln due to high collection in Value Added Tax, data from the authority shows. Net collections surpassed the target by 22.78% above target. <http://www.herald.co.zw/zimra-surpasses-fourth-quarter-target/>

Local milk processor, Dendairy, will expand its plant operations by setting up two new factories as the company seeks to expand its footprint on the export market. <http://www.herald.co.zw/dendairy-to-expand-plant-operations/>

National Foods Limited says it has invested a cumulative \$36 mln towards process improvements to enhance operational efficiencies since 2010. <http://www.herald.co.zw/natfoods-ploughs-36m-into-capex/>

Econet Wireless Zimbabwe (EWZ)'s EcoFarmer has partnered Mercy Corps and the Zimbabwe Farmers Union (ZFU), to help achieve rural food security and boost productivity by raising mobile literacy among rural women farmers through practical training and on-the-ground knowledge transfer. <http://www.herald.co.zw/econets-ecofarmer-partners-mercy-corps-zfu/>



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