

ZSE extends losses as selloff persists ...

	Previous	Current	Change	% Change	YTD %
All share	180.93	168.84	12.0900	6.68	68.84
Industrial	607.59	566.92	40.6700	6.69	73.88
Mining	225.61	216.79	8.8200	3.91	52.24
Top 10	191.48	174.48	17.0000	8.88	74.48

A bearish sentiment swept across the ZSE in the week under review amidst profit taking following the sustained surges of the prior week. All four benchmark indices ended the week in the red as the market took a battering from profit taking. The primary All Share Index fell 6.68% and settled a 168.84pts as losses extended for the second week running. Weighing down the market were the top capitalised stocks on the bourse whose index, the ZSE Top Ten, emerged the worst performer for the week having shed 8.88% and ending the week at 174.48pts. Amongst the segregated indices, the Industrial Index succumbed 6.69% for the week and ended at 566.92pts while, the Mining Index came off 3.91% and settled at 216.79pts. Meanwhile, the government continued to fight the economic challenges as they took the fight to the forex traders in the cities with several arrests of those operating illegally.

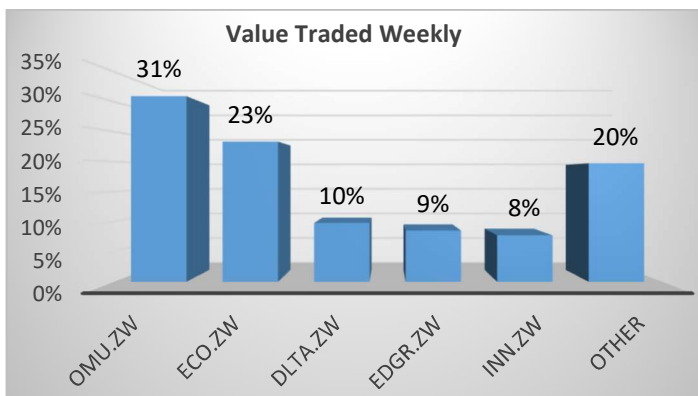
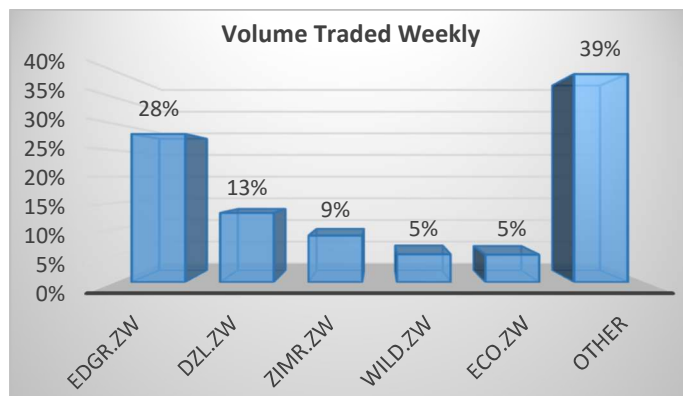
RISERS	PRICE	% Change
SCIL.ZW	1.6000	52.38
MMDZ.ZW	0.0003	50.00
WILD.ZW	0.0072	20.00
NMB.ZW	0.2200	10.00
ZIMP.ZW	0.0240	9.09
GBZW.ZW	0.0702	8.33
FCA.ZW	0.0702	8.00
PHL.ZW	0.9150	6.09
NTS.ZW	0.0125	4.17
ASUN.ZW	0.1451	3.64
FALLERS	PRICE	% Change
ZIMR.ZW	0.0210	29.53
OMU.ZW	6.0083	26.89
FMP.ZW	0.0702	18.75
ECO.ZW	2.1142	15.43
BIND.ZW	0.0698	13.83
CBZ.ZW	0.1504	12.30
SEED.ZW	2.2500	11.76
FBC.ZW	0.3107	11.23
DAWN.ZW	0.0230	11.20
FML.ZW	0.2165	10.65

Bears dominated the trading patterns for the week as twenty-four counters closed in the red against eleven risers to set a negative market breadth. Insurance group ZHL led the market retreat for the week on a 29.53% slide that took it to \$0.0210 where demand could be established. Following was multi listed financial services group Old Mutual which tumbled 26.89% to \$6.0083 as the stock rerated post the unbundling of Nedbank from the group. Property group FMP was down 18.75% at \$0.0702 as demand continued to wane in the group. Telecoms giant Econet shed 15.43% and settled \$2.1142 as the market awaits its proposed unbundling prospectus together with its results for the period to August 2018.

Nickel miners Bindura came off 13.83%, amidst waning demand to settle at \$0.0698 as it weighed on the Mining Index. Banking group CBZ reversed prior week gains with a 12.30% to \$0.1504 and likewise SeedCo was down 11.76% at \$2.2500. Another financial services group FBC shed 11.23% and settled at \$0.3107 as it steams off from its recent highs. Losses were also seen in property group Dawn which was down 11.20% at \$0.0230 on weak demand while, insurers First Mutual Holdings limited completed the top ten fallers of the week on a 10.65% slide to \$0.2165.

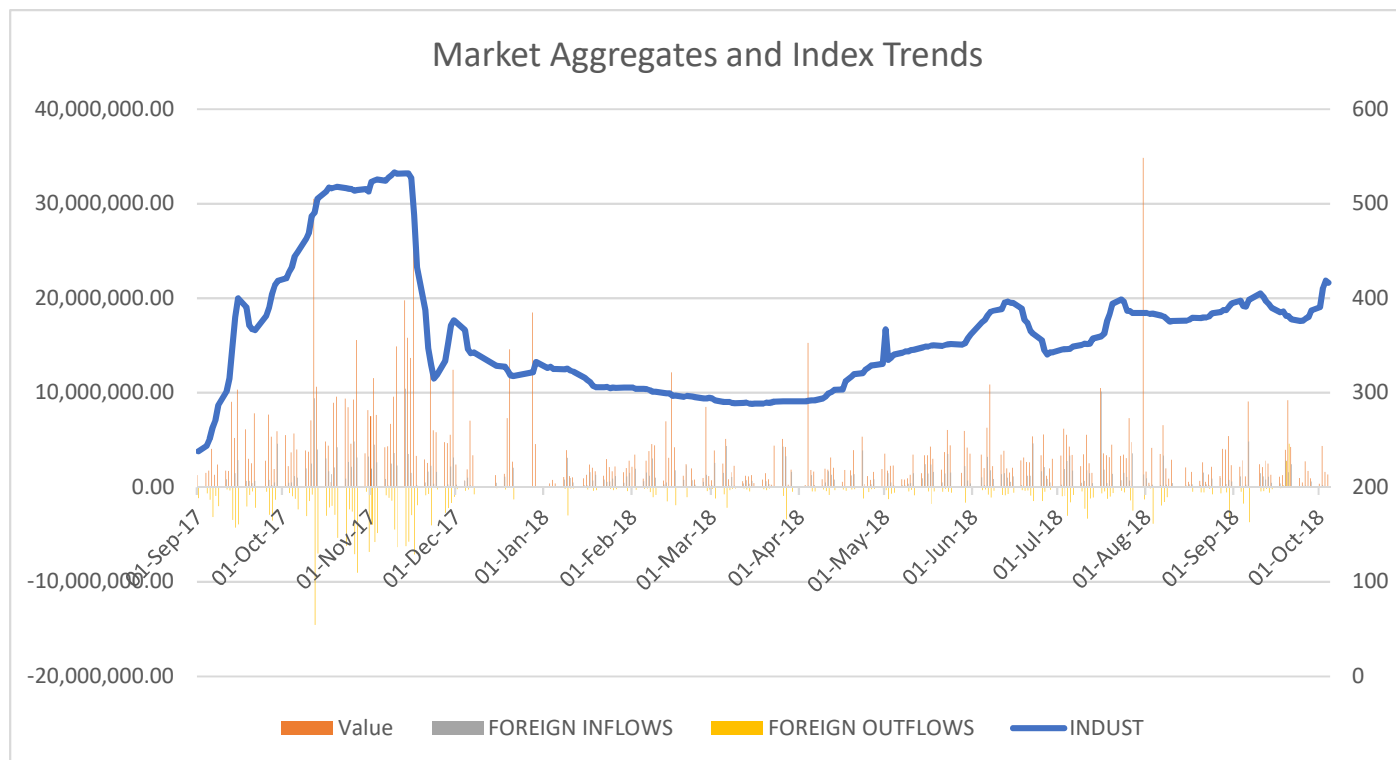
Meanwhile, loss mitigation for the week was led by the market's newest listing SeedCo International which rallied 52.38% and set a high of \$1.60 as the dually listed group set its level. Medtech added 50% week on week and ended at \$0.0003 on resurgent demand. Brick manufacturers Willdale gained 20% and closed at \$0.0072 with NMB firming 10% to \$0.2200. Other gains for the week were seen in Zimpapers +9.1%, Getbucks +8.33% and First Capital Bank +8%.

Another depressed week of trading as liquidity wanes...



	Previous	Current	Change	%Change
Values	47,242,656.58	11,825,744.42	35,416,912.16	74.97
Volumes	74,860,685	22,594,951	52,265,734	69.82

It was a rather depressed week of trading relative to its prior week comparative as all activity aggregates closed in the red. The value of trades succumbed 74.97% week on week and closed at \$11.83m as liquidity thinned amidst selective trading on the bourse. Driving the weekly spend were the market heavies underlining the cherry-picking nature of the trades on the bourse for the week. Old Mutual, Econet and Delta were the top traded stocks by values accounting for 31%, 23% and 10% respectively to the aggregates. Volumes of the week were similarly down, shedding 69.82% and settling at 22.59m shares. Weekly top volume drivers emerged to be Edgars 28%, DZL 13% and ZHL with 9%.



In the News

Zimbabwe's gross revenue collections in the third quarter ended September amounted to \$1,28 billion, surpassing the target of \$1,089bn by nearly 18%, the tax agency said yesterday.

<https://www.newsday.co.zw/2018/10/zimra-beats-q3-revenue-target/>

First Capital Bank Limited Zimbabwe will focus on aggressive lending going forward to grow its net interest income, its managing director Samuel Matsekete has said. <https://www.newsday.co.zw/2018/10/first-capital-bank-to-focus-on-growing-lending-book/>

The African Export-Import Bank (Afreximbank) has confirmed holding talks with a Zimbabwean delegation led by Finance and Economic Development Minister Mthuli Ncube in connection with a \$500-mln nostro stabilisation facility. <https://www.herald.co.zw/afreximbank-confirms-500m-facility-talks/>

Zimbabwe Stock Exchange (ZSE) listed property firms last week recovered from losses they incurred in the first half of the year with gains sustained by increased demand experienced across the bourse. <https://www.herald.co.zw/listed-property-firms-gain-ground/>

Zimbabwe cement industry has excess capacity to meet the 1,3 million tonnes annual domestic demand as the sector has an installed capacity of 2,4 million tonnes, an official has revealed. <https://www.herald.co.zw/cement-sector-has-excess-capacity-lafarge-2/>

GOVERNMENT has embarked on a price monitoring system along the production chain, from manufacturers to retailers, as part of measures to flush out economic saboteurs. It also resolved that manufacturers and suppliers of basic commodities and medical drugs should revert to the pricing system that recognises the guaranteed convertibility of bond notes and RTGS balances to the US dollars on a 1:1 ratio. <https://www.herald.co.zw/govt-unveils-price-monitoring-system/>

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