

ZSE wanes as sell offs persist...

	Previous	Current	Change(pts)	%Change	YTD %
All share	6,820.36	6,735.80	84.5600	1.24	156.18
Industrial	22,490.56	22,207.86	282.7000	1.26	153.60
Mining	5,959.57	5,970.30	10.7300	0.18	43.30
Top 10	3,635.74	3,647.46	11.7200	0.32	120.46

Prevalent selling pressure in the market saw the ZSE close the week in the red amidst liquidity constraints. Demand for equities has largely been inconsistent lately against a background of huge disposals in search of liquidity which has resulted in downward price movements to levels where demand could be found. The sustained weekly losses saw the mainstream All share Index shedding a 1.24% to settle at 6735.80pts. The loss saw the All-Share Index reducing its year-to-date gains to 156.18%. The Industrial Index was 1.26% down at 22207.86pts while, the Mining Index closed the week in the black as it rose 0.18% to 5970.30pts, as the Top Ten index squeezed out a 0.32% gain, late in the week and closed at 3647.46pts. All eyes are now on the RBZ and Treasury on how the SDR allocation equivalent to US\$960.8m will be put to use, although its immediate impact is on boosting the central bank reserves, which will buttress the stability of the country's domestic currency.

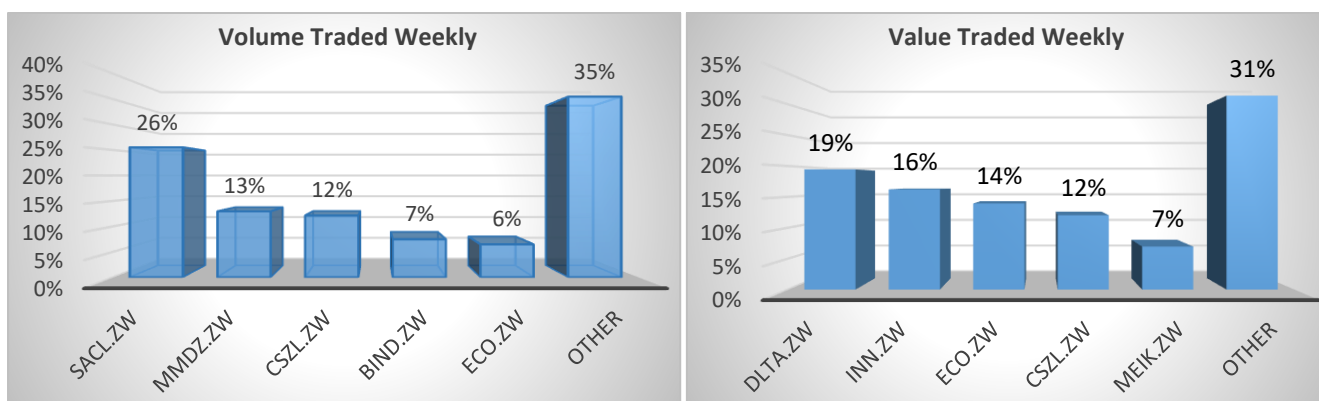
RISERS	PRICE	% Change
CSZL.ZW	19.9991	24.99
EDGR.ZW	3.9640	17.51
ASUN.ZW	8.1000	15.71
DZL.ZW	40.9600	13.71
ECO.ZW	38.2554	1.48
DLTA.ZW	86.6111	0.34
UNIF.ZW	30.0000	0.27
RIOZ.ZW	28.0665	0.24
BIND.ZW	4.8046	0.15

The last full trading week in the month of August was a fallers' one as thirty-one counters lost ground against nine risers to set a wide negative breath of twenty-two. Cigarette manufacturers BAT headlined the losers on a 20.06% plummet to end the week set at \$920.0000 while, Proplastics succumbed 15.15% to \$28.0000 in a week that saw a sporadic activity in the counter. Bankers NMB saw a weekly cumulative loss of 14.06% to trade at \$13.75000 followed by property firm FMP that retreated 11.79% to \$12.3500 on waning demand. Ariston and Axia closed the week at \$3.0073 and \$21.6754 as they fell 11.68% and 11.37% in that order. Hippo declined by 7.78% to \$175.0000 as the week closed with investors willing to pay at most \$160.0000 in the counter. Mashonaland Holdings withdrew 7.81% to \$2.95000 while, Bankers CBZ followed on a 7.44% drop taking it to \$80.0195 due to market selloffs. Blue chip Innscor completed the top ten losers on a 4.66% decrease to \$95.2931 as the counter traded at a low of \$92.0000 in the week's concluding trading session.

FALLERS	PRICE	% Change
BAT.ZW	920.0000	20.06
PROL.ZW	28.0000	15.15
NMB.ZW	13.7500	14.06
FMP.ZW	12.3500	11.79
ARIS.ZW	3.0073	11.68
AXIA.ZW	21.6754	11.37
HIPO.ZW	175.0000	7.87
MASH.ZW	2.9500	7.81
CBZ.ZW	80.0195	7.44
INN.ZW	95.2931	4.66

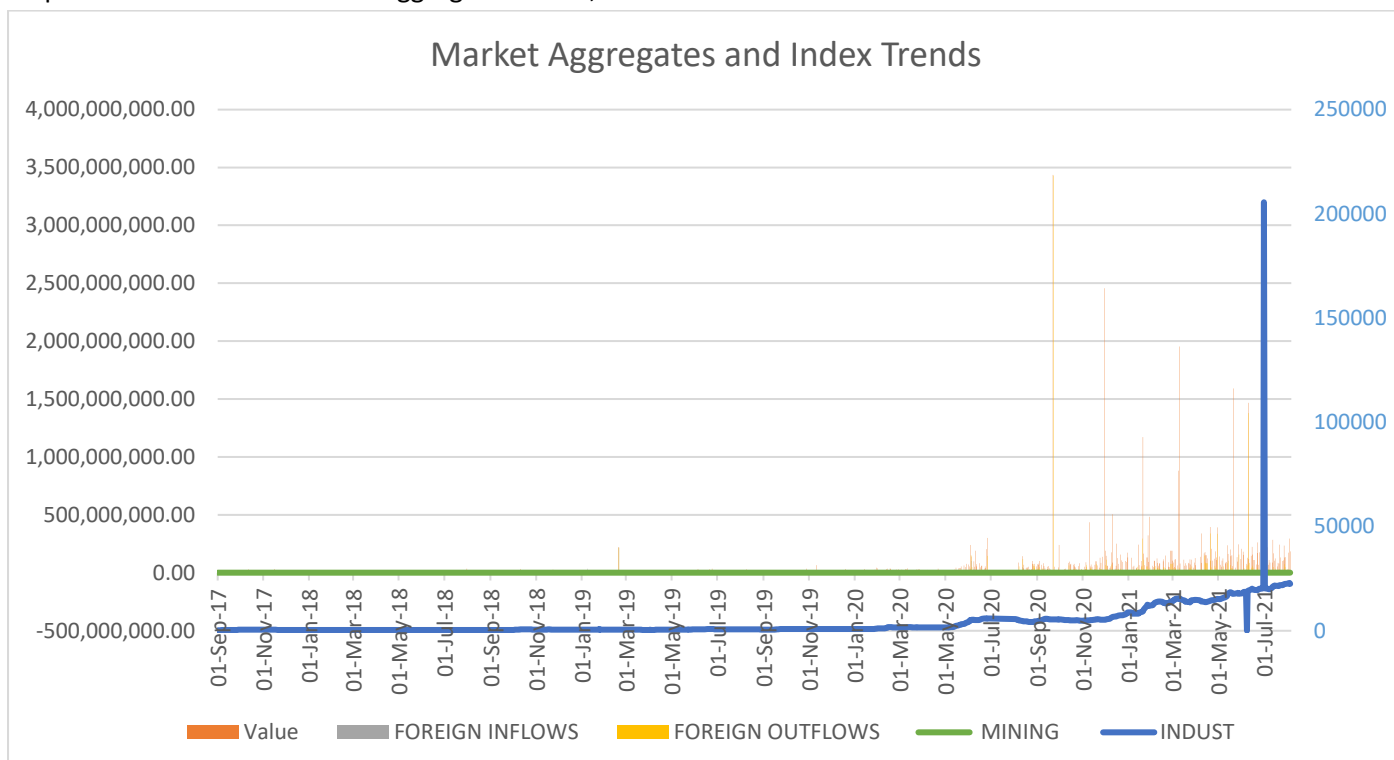
Leading the loss mitigation efforts on the market was FinTech group Cassava that surged 24.99% to \$19.9991 as the market anticipates their FY21 financials by the 30th of August. Apparel retailer Edgars firmed 17.51% to \$3.9640 as hotelier African Sun added 15.71% to close at \$ 8.10000. Dairibord gained 13.71% to trade at \$ 40.9600 while, Econet followed on a 1.48% climb in the wake of reports that the group has adopted a new business model to become a fully-fledged digital company. Beverages Delta rose a marginal 0.34% to settle at \$86.6111 where supply could be found. Other gains for the week were seen in Unifreight which went up 0.27% to close at \$30.0000 as the duo of Minings in RioZim and BNC rose 0.24% and 0.15% to \$28.0665 and \$4.8046 respectively.

Value and volume of trades in decline ...



	Previous	Current	Change	%Change
Values	1,444,709,092.85	468,945,900.05	975,763,192.80	67.54
Volumes	41,513,900	25,924,900	15,589,000	37.55

The decline in aggregate spend for the week underlined the constrained liquidity on the market as the value came in 67.54% softer at \$468.95m. The top drivers of the value emerged to be the quartet of Delta, Inncor, Econet and Cassava that claimed a collective 61% of the total. The weekly volumes were in a comparable dwindling direction to the spend as evidenced by the 37.55% drop to 25.92m shares led by Star Africa, MedTech and Cassava that made respective contributions to the aggregate of 26%, 13% and 12%.



In the News

INCENTIVE schemes announced early this year to boost gold deliveries to the State-run Fidelity Printers and Refiners (FPR) have bolstered shipments into the formal market, Reserve Bank of Zimbabwe (RBZ) governor John Mangudya said on Friday, projecting higher year-end output. <https://www.newsday.co.zw/2021/08/gold-incentives-lift-output/>

A STRONG rebound in Zimbabwe's exports has given impetus to efforts to achieve 7,8% gross domestic product growth this year, Reserve Bank of Zimbabwe (RBZ) governor John Mangunda said on Friday, noting that the battle to control inflation was gaining traction. <https://www.newsday.co.zw/2021/08/we-are-winning-the-battle-against-inflation/>

ZIMBABWE'S banking sector, under fire from authorities to help the central bank tackle a blazing foreign currency crisis, has granted United States dollar-indexed overdrafts to exporters to ease a huge auction system backlog, Reserve Bank of Zimbabwe (RBZ) governor John Mangunda said on Friday. <https://www.newsday.co.zw/2021/08/banks-push-to-end-forex-backlog/>

Zimbabwe's largest packaging manufacturer, Nampak Zimbabwe Limited, has indicated that the situation looks gloomy in the fourth quarter owing to the anticipated crippling shortages of critical raw materials from South Africa, its biggest source, following recent unrest. <https://businesstimes.co.zw/gloomy-outlook-for-nampak/>

Zimbabwe's largest mobile telecommunications operator, Econet Wireless says it has adopted a new business model to become a fully-fledged digital company, it has been learnt. <https://businesstimes.co.zw/econet-changes-business-model/>

Zimbabwe Stock Exchange (ZSE) has been swamped by a wave of selling spree, with foreign investors offloading stocks worth almost ZWL\$6bn in the first six months of the year, largely due to worries about government policy inconsistencies <https://businesstimes.co.zw/foreign-investors-dump-zwl6bn-zse-stocks/>

Zimbabwe has received about US\$1bn from the International Monetary Fund (IMF) as the largest allocation of Special Drawing Rights (SDR) came into effect Monday amid calls for countries to use the resources to support their economies. <https://businesstimes.co.zw/zim-gets-us1bn-imf-windfall/>

Revenue for Seed Co Limited is expected to grow by 59 percent in the current financial year to \$7,58 billion from \$4,77 billion recorded in the financial year ending 2021. <https://www.herald.co.zw/seed-co-limited-poised-to-grow-revenue/>

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.