

## ZSE in worst weekly YTD loss as heavies falter...

	Previous	Current	Change	%Change	YTD %
<b>Industrial</b>	145.06	141.14	3.9200	2.70	2.35
<b>Mining</b>	54.56	56.12	1.5600	2.86	4.08

The market slipped into further losses this week as sell offs amidst tepid trades persisted. The benchmark industrials index succumbed to a 2.70% decline week on week and closed at 141.14pts as softening heavy caps continued to weigh on the bourse. Interest in local equities has largely been subdued since the turn of the New Year with the market's top stocks in Delta and Econet leading the markets slide. Delta woes on the bourse came after a dull Q3 trading update in which all performance lines were in the red while, Econet's proposed capital raise via a combined rights and debenture issue has seemingly not been taken in well enough by the market. On the corporates scene however, we had TSL giving the market a fairly stable set of results to October 2016 in which both the top-line and the bottom-line came off by 3%; mining house Rio Zim also announced an EGM with its board tabling proposals to shareholders for them to be allowed to purchase Dalny Mine from Falcon Gold as they expand their gold operations.

### Weekly Risers

RISERS	PRICE	% Change
ZBFH.ZW	0.0556	23.01
ZIMW.ZW	0.0330	10.00
RIOZ.ZW	0.3200	6.67
MSHL.ZW	0.0190	5.56
PHL.ZW	0.1650	2.80
CFI.ZW	0.1025	2.50
PPC.ZW	0.5575	0.91
NPKZ.ZW	0.0242	0.83
PEAR.ZW	0.0350	0.29
OML.ZW	3.5100	0.14

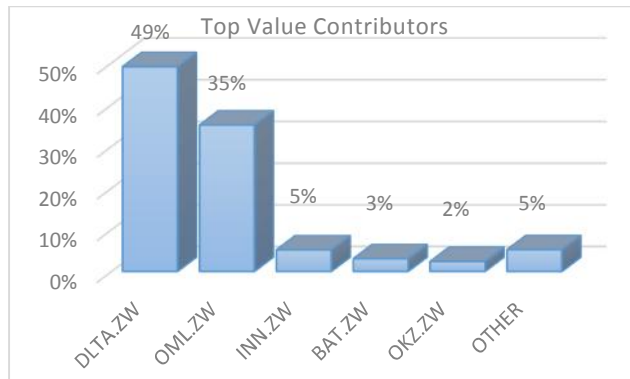
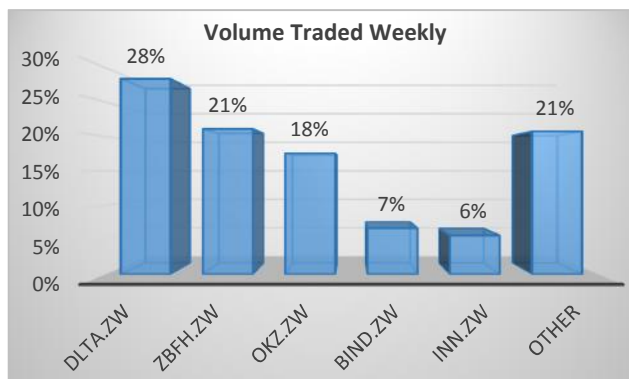
Ten counters posted gains for the week led by financial services group ZBFH that rallied 23.01% and closed at \$0.0556 on firm demand. Earth moving equipment retailers Zimplow followed on a 10% charge to \$0.0330 in a rare trade in the group. Diversified mining house Rio Zim put on 6.67% and closed the day pegged at \$0.3200 after making first major moves towards acquisition of Dalny Mine. Masimba holdings continued to trek northwards putting on 5.56% to \$0.0190 on anticipation of more investments into the construction sectors. Padenga was up 2.8% at \$0.1650 as demand remains firm in the group while, agro-based industrial group CFI edged 2.5% higher to \$0.1025. Regional cement manufacturers PPC were up 0.91% at \$0.5575 while, its fellow dually listed counter Old Mutual firmed 0.14% to \$3.5100 and completed the risers of the day.

### Weekly Fallers

FALLERS	PRICE	% Change
ECO.ZW	0.1800	33.33
MEIK.ZW	0.1050	11.39
NTFD.ZW	3.5000	2.85
DLTA.ZW	0.9000	1.64

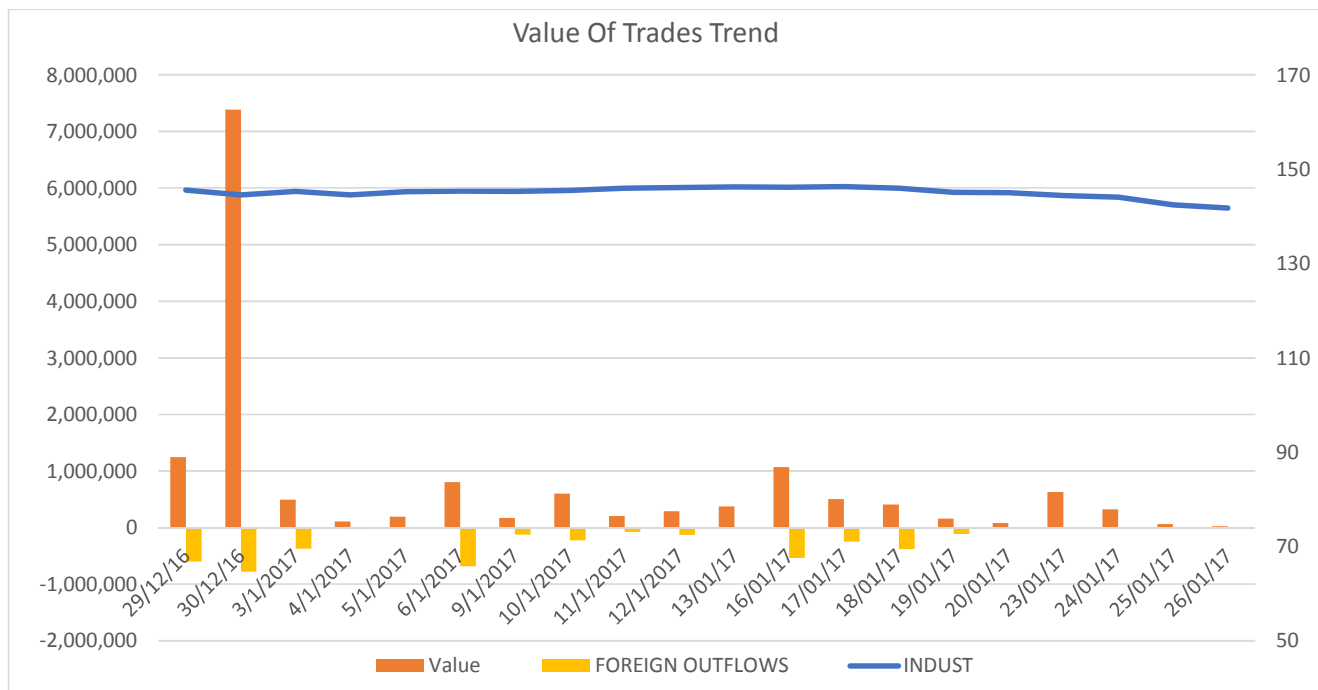
Only four counters closed softer for the week, setting a positive breadth. The weighting of the fallers however dragged the benchmark Industrial Index lower as market heavies constituted the fallers of the week. Econet emerged as the major casualty of the market selloff losing a third of its value over the week and ending trading at \$0.1800. Meikles succumbed by a cumulative 11.39% to \$0.1050 as uncertainty continue to abound on the release of the group's results to September 2016. National Foods let go 2.85% to \$3.5000 while, delta completed the fallers of the week on a 1.64% decline that took its price to \$0.9000.

Financial stocks lead aggregates...



	Previous	Current	Change	%Change
Values	2,218,131.50	1,550,760.88	667,370.62	30.09
Volumes	7,866,860.00	2,966,050.00	4,900,810	62.30

The market witnessed one of its slowest trading week in the new year as a cumulative \$1.5m worth of trades were recorded down 30.09% relative to the \$2.2m seen in the prior week. Volumes were similarly subdued shedding 62.30% to 2.97m shares with the top drivers of the aggregate emerging to be Delta (28%), ZBFH (21%) and OKZIM (18%). Values were anchored by delta, Old Mutual and Innscor that drove a combined 89% of the weekly spend.



## In the news:

### ZB increase support for SMEs

ZB Financial Holdings says this year it will increase its support for the small-to-medium enterprises (SMEs), which have become key economic drivers in the country due to the shrinking formal sector.

<https://www.newsday.co.zw/2017/01/26/zb-increase-support-smes/>

### Gold leaf eyes 20% market shares

Gold Leaf Tobacco Zimbabwe is targeting a 20% market for its cigarette brand, Rudland & George, as it has given the market a premium offering at affordable prices, an executive said yesterday.

<https://www.newsday.co.zw/2017/01/26/gold-leaf-eyes-20-market-share/>

### CBZ puts resources youth programme

CBZ Holdings will invest “substantial resources” into this year’s edition of the Youth Entrepreneurs Programme (YEP), as it hunts for a new generation of growth-oriented entrepreneurs.

<https://www.newsday.co.zw/2017/01/25/cbz-puts-resources-youth-programme/>

### CABS to kick off low income housing project

LEADING mortgage lender, Cabs, says its low-income housing project in Bulawayo is expected to kick off in the second half of the year.

<https://www.newsday.co.zw/2017/01/23/simbisa-spend-43m-expansion/>

### ZSE summons Econet

THE Zimbabwe Stock Exchange (ZSE) on Tuesday summoned mobile network operator Econet Wireless Zimbabwe over contentious issues in its US\$130 million rights offer after the country’s capital markets regulator, the Securities and Exchange Commission of Zimbabwe expressed concerns that the capital-raising initiative could result in the unfair treatment of local investors.

<https://www.theindependent.co.zw/2017/01/27/zse-summons-econet/>

### Bancabc eyes agency banking

BANCABC Zimbabwe boss Joe Sibanda says his bank will slow down on branch network expansion in the near term and look at agency banking instead.

<https://www.theindependent.co.zw/2017/01/27/bancabc-eyes-agency-banking/>

### CBZ sets up risk advisory services unit

CBZ Holdings has set up a risk advisory services unit to complement its existing insurance business. This brings the number of strategic units under the group to seven.

<http://www.herald.co.zw/cbz-sets-up-risk-advisory-services-unit/>

### Asa faces lawsuit over indigenisation

Asa Resources Plc faces another lawsuit over an indigenisation agreement entered into by its subsidiary Freda Rebecca Gold Mine in 2012 but is confident it will win.

<http://www.herald.co.zw/asa-faces-lawsuit-over-indigenisation-agreement/>

### Natfoods operating at full capacity

National Foods is now operating at full capacity on its mills after seeing increased demand following the introduction of import controls on flour.

<http://www.herald.co.zw/natfoods-operating-at-full-capacity/>



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## EFE RESEARCH – Weekly Market Review Weekending 27.01.2017

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