

## ZSE slips as government abolish multi-currency system...

	Previous	Current	Change	%Change	YTD %
<b>All share</b>	222.7235	204.75	17.9735	8.07	40.01
<b>Industrial</b>	743.00	683.51	59.4870	8.01	40.31
<b>Mining</b>	282.64	255.26	27.3812	9.69	12.10
<b>Top 10</b>	217.73	197.21	20.5240	9.43	35.99

The ZSE broke its bull run in the week under review as market shocks emerged in the wake of Statutory Instrument 142/2019, that brought an end to Zimbabwe's 10-year flirtation with a multicurrency system and reintroduced the Zimbabwean dollar in a move that has taken markets by surprise. Accompanying the statutory instrument were measures that regulate the trading in dually listed stocks which placed a minimum 90-day vesting period for investors in the cluster of shares before they can divest or move them across borders. Consequently, demand for the most favoured dually listed counter Old Mutual, which had become a currency surrogate amidst the currency crisis in the country, suffered a huge dent while, the rest of the market caught a cold in the face of the sweeping changes. All four benchmarks were in the red for the week with market heavies taking the biggest knock to see the Top 10 Index shed 9.43% and weigh on the ALL Share Index that succumbed 8.07%. The segregated Indices were also down with the Industrials and Mining Index posting respective losses of 8.01% and 9.69%.

RISERS	PRICE	% Change
<b>DAWN.ZW</b>	0.0484	44.05
<b>EDGR.ZW</b>	0.2400	20.00
<b>PWS.ZW</b>	0.2500	19.05
<b>MMDZ.ZW</b>	0.0040	17.65
<b>LACZ.ZW</b>	1.3700	16.84
<b>FML.ZW</b>	0.2100	16.67
<b>CAFCA.ZW</b>	1.2500	13.64
<b>BAT.ZW</b>	40.0000	12.68
<b>ZBFH.ZW</b>	0.5500	12.24
<b>DZL.ZW</b>	0.2900	7.41

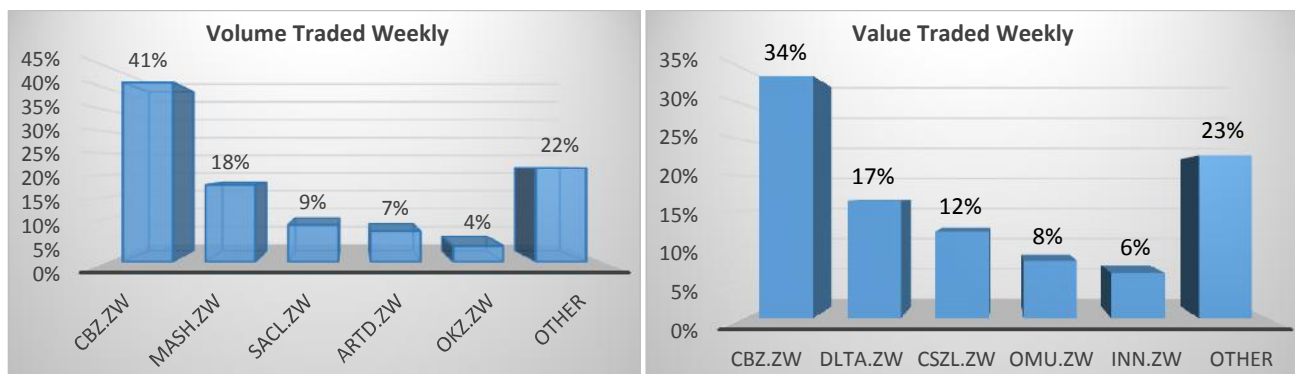
FALLERS	PRICE	% Change
<b>BIND.ZW</b>	0.0841	35.31
<b>PPC.ZW</b>	1.6000	34.17
<b>FCA.ZW</b>	0.0640	20.00
<b>OMU.ZW</b>	13.7500	19.81
<b>HIPO.ZW</b>	1.9000	17.39
<b>MSHL.ZW</b>	0.1080	16.92
<b>ECO.ZW</b>	1.8350	16.61
<b>WILD.ZW</b>	0.0400	13.04
<b>AXIA.ZW</b>	0.5500	12.70
<b>SACL.ZW</b>	0.0220	12.00

The risers and fallers spectrum had a negative breadth for the week as seventeen counters recorded gains against twenty-five fallers. Mining house, Bindura, led the market retreat on a 35.31% slide that took it to \$0.0841 while, cement manufacturers PPC followed on a 34.17% decline to \$1.6000. Banking group FCA succumbed 20% and settled at \$0.0640 amidst selling pressure. Old Mutual came off 19.81% in the wake of the aforementioned trading changes while, Hippo was down 17.39% at \$1.9000

Masimba Holdings came off 16.92% to \$0.1080 as the market weakness swept across the board, with Econet shedding 16.61% as market waits with abated breath for the group's results to February 2019. Brick makers Willdale dropped 13.04% and ended trading at \$0.0400 as Axia shed 12.70% and closed at \$0.5500. Completing the top fallers of the week was Star Africa which came off 12% and ended trading at \$0.0220.

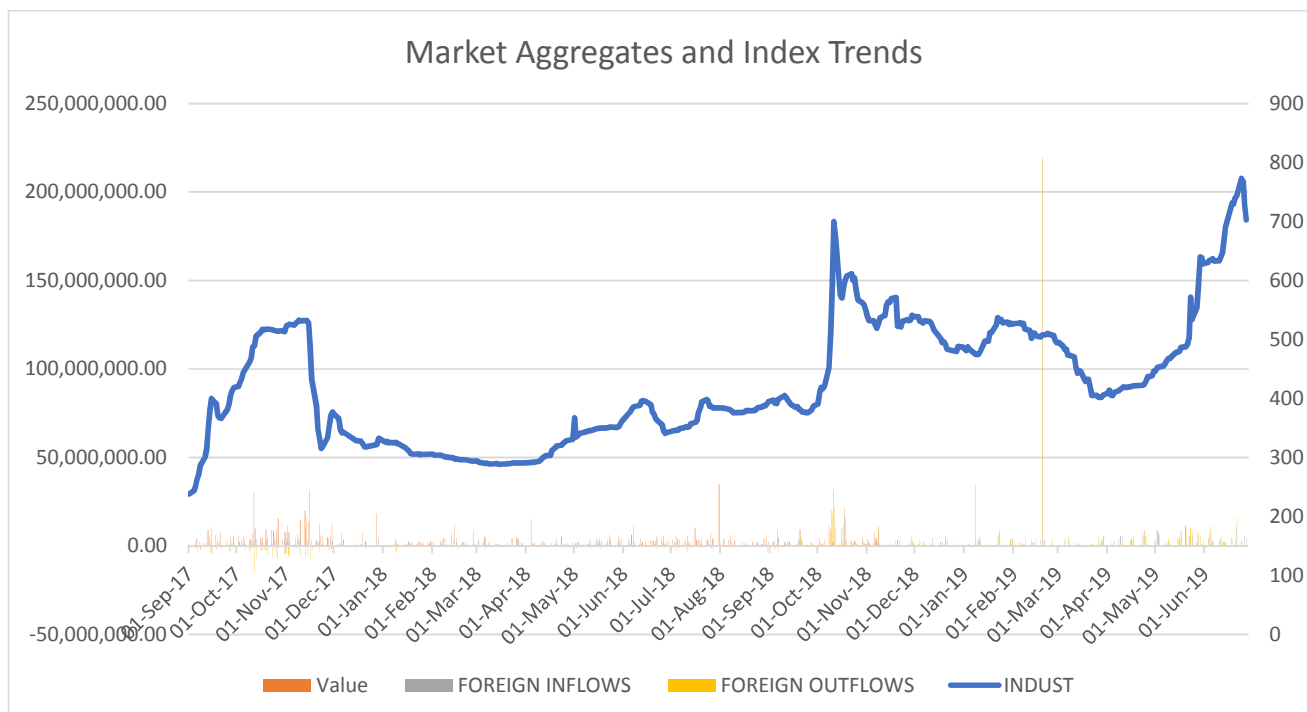
Mitigating the market losses were seventeen gainers led by property group Dawn that gained 44.05% and ended at \$0.0484 with apparel retailers Edgars following on a 20% surge to \$0.2400. Hardware retailers Powerspeed firmed 19.05% and settled at \$0.2500 as pharmaceutical group Medtech put on 17.65% and closed the week at \$0.0040. Cement manufacturers Lafarge added 16.84%, as other notable gains registered in FML 16.67%, CAFCA 13.64% and BAT 12.68%.

Almost even performance in final week of the month...



	Previous	Current	Change	%Change
<b>Values</b>	66,516,658.04	63,084,619.24	3,432,038.80	5.16
<b>Volumes</b>	93,752,500.00	94,171,400	418,900	0.45

It was an almost even performance in terms of activity aggregates in the final week of the month with marginal changes in activity aggregates. Weekly volumes were 0.45% firmer at 94.17m shares as CBZ, Mash and Star Africa emerged the top drivers of the same at a combined contribution of 68%. The market spend was 5.16% softer relative to the prior week’s outcome as CBZ emerged the standout performer after accounting for 34% of the aggregate as other drivers of value were Delta 17%, Cassava 12% and Old Mutual 8%.



## In the News

The Zimbabwe Revenue Authority (Zimra) says gross collections have so far reached ZWL\$4,96 billion and the tax collector expects to surpass ZWL\$5 billion by the end of June. <https://www.newsday.co.zw/2019/06/zimra-expects-to-surpass-zwl5bn-revenue-target/>

Manufacturing concern, starafrika Corporation posted a profit after tax of ZWL\$8,8 million in the year ended March 31, 2019 from a loss after tax of ZWL\$3,8 million recorded in 2018 due to an increase in volumes and cost management strategies. <https://www.newsday.co.zw/2019/06/starafrika-posts-profit/>

CIGARETTE manufacturer, British American Tobacco (BAT) Zimbabwe says its sales volumes have remained stable despite a challenging operating environment. <https://www.newsday.co.zw/2019/06/bat-sales-remain-stable/>

Fidelity Life Assurance says the increase in the costs of basic goods against stagnant wages reduced spending on insurance products. <https://www.newsday.co.zw/2019/06/tight-economy-chokes-fidelity-insurance-revenue/>

PIPES manufacturing concern Proplastics says its order book is low due to low disposable incomes, with the group resultantly forced to cut down on production. <https://www.newsday.co.zw/2019/06/proplastics-slashes-production-on-low-disposable-incomes/>

Econet has dismissed media reports claiming that it violated labour laws and that its sister company, EcoCash, was complicit in irregular mobile financial transactions. <https://www.herald.co.zw/econet-refutes-false-media-reports/>



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