

## ZSE caps May at record highs as equities rally...

	Previous	Current	Change	%Change	YTD %
All share	912.54	1,180.14	267.6000	29.32	412.93
Industrial	3,027.00	3,919.50	892.5000	29.48	411.46
Mining	1,327.26	1,582.86	255.6000	19.26	399.86
Top 10	730.91	964.07	233.1600	31.90	375.66

The ZSE closed the week and month of May at record highs driven by the sustained demand for equities in the face of instability in currency markets. The Zimbabwe dollar is currently officially pegged at ZWL \$25: USD \$1 but has reportedly been trading in wide spectrum on the parallel market, where the greenback has been fetching anything from as low as ZWL \$ 63 to as high as ZWL \$75. The charging bulls saw the All Shares Index brisk past the 1000pts mark and closed the week pegged at a record high of 1180.14pts after adding a cumulative 29.32% for the week. Likewise, the Industrial Index surged 29.48% and closed at 3919.50pts with the gains being anchored by market heavies that dominated the top ten risers and saw the ZSE Top Ten Index balloon 31.90% for the week to 964.07pts. Elsewhere, the Mining Index added 19.26% and closed at 1582.86pts.

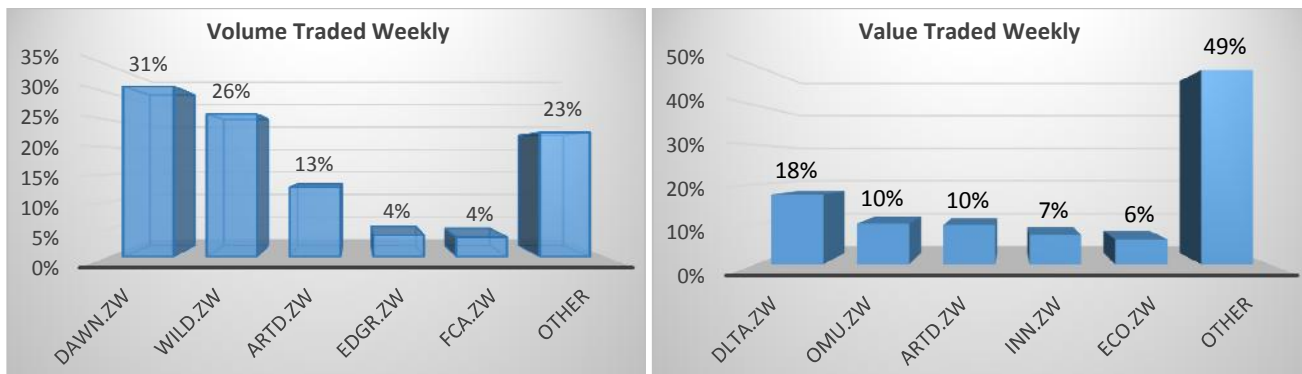
RISERS	PRICE	% Change
SEED.ZW	12.3463	90.27
PWS.ZW	1.3394	88.65
PROL.ZW	6.4168	79.15
CBZ.ZW	11.0606	67.33
SCIL.ZW	12.8090	67.22
SIM.ZW	7.2575	60.77
INN.ZW	21.2500	53.47
EDGR.ZW	1.1101	51.51
TSL.ZW	4.7500	44.27
AXIA.ZW	4.7000	41.75
FALLERS	PRICE	% Change
ARTD.ZW	1.2501	17.96
MASH.ZW	0.7000	14.11
FMP.ZW	1.9501	2.50

The market underlined a bullish week of trading with a dominant risers' count of forty-three against a mere three fallers to set a positive market breadth. Headlining the market charge was SeedCO which surged 90.27% for the week and closed pegged at \$12.3463. Hardware retailers Powerspeed were a close second after firming 88.65% over the week to settle at \$1.3394 on resilient demand. Proplastics was up 79.15% at \$6.4168 as CBZ led the financials' resurgence with a 67.33% rise that took it to \$11.0606 and even closed bid higher as bulls rampaged.

Meanwhile, SeedCo International was up 67.22% at \$12.8090 as demand for the group continued to swell while, Simbisa's resurge took it to \$7.2575 having firmed 60.77%. Light manufacturing giant Innscor cemented its place as a market favourite with a 53.47% surge that took the group to \$21.2500 a record high, as apparel retailers Edgars put on 51% to \$1.1101 in the wake of the group announcing a renounceable rights offer to raise ZWL \$ 70m towards business recapitalisation. Completing the top ten risers for the week was TSL and Axia that went up by 44.27% and 41.75% to close at \$4.7500 and \$4.7000 respectively.

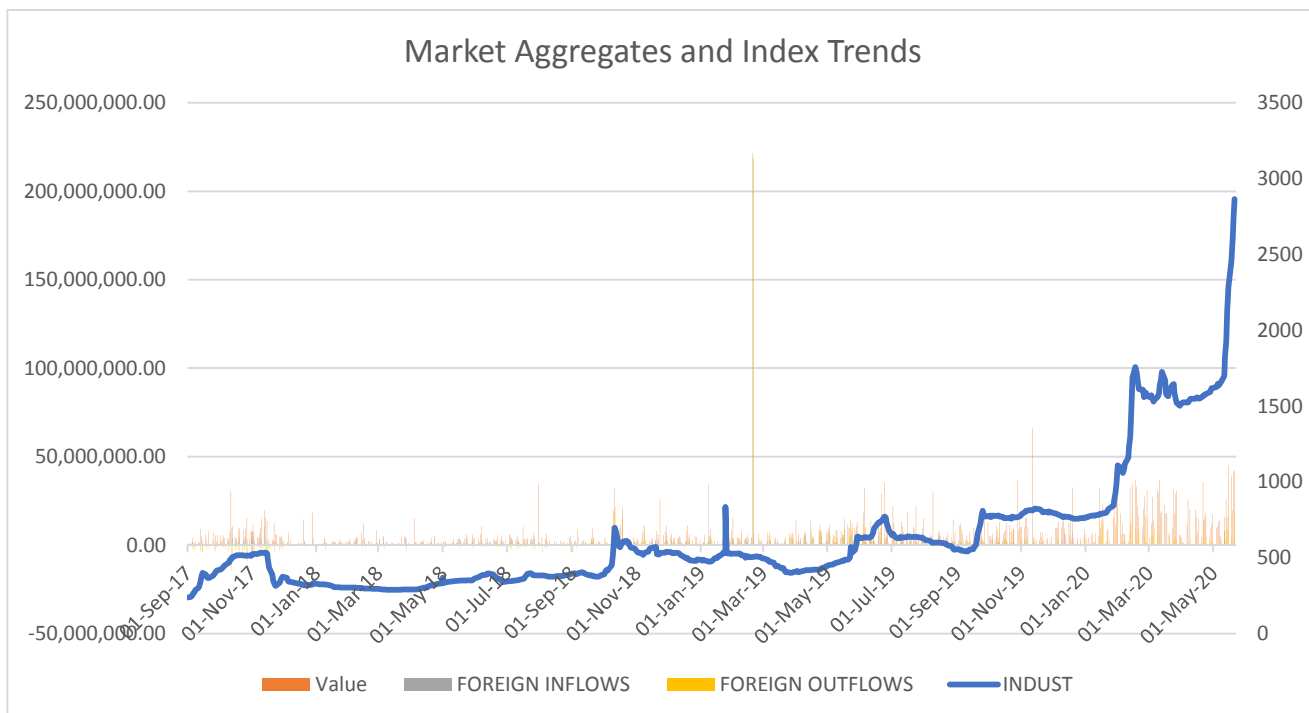
Market losses were seen in three counters as profit taking set in following the almost monthlong rally. Stationary group ARTD slumped 17.96% to close at \$1.2501 with ZWL \$20m worth block trade highlighting the market. Property counters Mash and FMP were down 14.11% and 2.50% and closed at \$0.7000 and \$1.9501 in that order.

Market activity improves on prior week...



	Previous	Current	Change	%Change
<b>Values</b>	196,343,793.99	213,171,513.05	16,827,719.06	8.57
<b>Volumes</b>	39,813,499.00	131,492,900	91,679,401	230.27

The market charge was accompanied by improved activity on the board, which saw the main aggregates close in the black for the week. Value of trades stood at ZWL \$213,171,513.05 which reflected an 8.57% improvement on the prior week outcome, with Delta, Old Mutual and ART emerging the top drivers of the aggregates having contributed a combined 38% of the same. Volumes of shares traded stood at 131,492,900 shares having more than trebled with a 230% surge. Top volume drivers of the week were Dawn on 31%, Willdale with 26% and ART that accounted for 13%.



## In the News

LISTED Edgars Zimbabwe is seeking for the shareholders' nod to raise \$70 million through a rights offer geared towards capitalising business, the clothing company has announced. <https://www.newsday.co.zw/2020/05/edgars-in-70m-rights-offer/>

FBC Holdings Limited will with effect from the beginning of next month close five of its branches in line with what the banking services group said is a digitalisation programme. <https://www.herald.co.zw/fbc-closes-branches-in-digitalisation-drive/>

Reserve Bank of Zimbabwe (RBZ) governor, Dr John Mangudya, yesterday said the bank found a sustainable way to manage funds required to make consistent US dollar cash payments to small gold miners. <https://www.herald.co.zw/rbz-resolves-gold-forex-crisis/>

The rapid rise in parallel market foreign currency exchange rates is symptomatic of a bubble as it lacks any fundamental basis and could lead to economic depression, says Reserve Bank of Zimbabwe governor Dr John Mangudya. <https://www.herald.co.zw/parallel-market-rates-a-bubble-rbz/>

Listed crocodile breeder, Padenga Holdings Limited, is extending its diversification project through a horticulture investment. <https://www.herald.co.zw/padenga-extends-diversification/>



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