

ZSE indices in black as demand returns in selected stocks...

The ZSE closed the week under review in the black buoyed by revived demand in selected stocks. There was little to cheer on the main economic front as a report on the state of the manufacturing sector by the Confederation of Zimbabwe Industries, reflected that capacity utilization fell by 2.2 percentage points to 34.3%. The depressed performance was attributed to internal and external challenges in the economy that have been hindering performance. The country's efforts to deal with power challenges got a boost as the Export-Import Bank of China signed an \$87m credit line for the renovation and upgrading of Bulawayo Thermal Power Station in a project that is expected to be completed in three years; upon completion the power station is expected to add 70MW to the national grid.

Indices in marginal gains...

| Indices | Previous | Current | Change (pts) | % Change | YTD % |
|-------------------|----------|---------|--------------|----------|-------|
| <i>Industrial</i> | 130.56 | 130.83 | 0.2700 | 0.21 | 19.63 |
| <i>Mining</i> | 23.49 | 23.57 | 0.0800 | 0.34 | 67.13 |

Gains in the early sessions of the week helped the benchmark indices to weekly gains as an uncharacteristically slowly traded month of October came to an end. The main stream Industrial Index added 0.21% for the week and closed at 130.83pts and in the process narrowed year-on-year losses to 19.63%. The Mining Index edged 0.34% higher to 23.57pts on the back of a rebound in nickel miners Bindura that firmed 0.78% week on week to \$0.0130. Bindura's gains came against the odds as reports indicated that the group's smelter restart project was likely to face funding challenges as some of the company's lenders are reportedly calling funds. For the month of October the Industrial Index lost 0.83%

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Risers

| Symbol | Previous | Current | Change | %Change |
|---------|----------|---------|--------|---------|
| WILD.ZW | 0.0008 | 0.0019 | 0.0011 | 137.50 |
| FIDL.ZW | 0.0950 | 0.1105 | 0.0155 | 16.32 |
| RTG.ZW | 0.0070 | 0.0081 | 0.0011 | 15.71 |
| NMB.ZW | 0.0320 | 0.0360 | 0.0040 | 12.50 |
| PHL.ZW | 0.0798 | 0.0884 | 0.0086 | 10.78 |
| CFI.ZW | 0.0460 | 0.0490 | 0.0030 | 6.52 |
| DAWN.ZW | 0.0167 | 0.0177 | 0.0010 | 5.99 |
| PPC.ZW | 0.9500 | 0.9700 | 0.0200 | 2.11 |
| BIND.ZW | 0.0129 | 0.0130 | 0.0001 | 0.78 |
| HIPO.ZW | 0.3500 | 0.3523 | 0.0023 | 0.66 |

Faller

| Symbol | Previous | Current | Change | %Change |
|---------|----------|---------|--------|---------|
| TURN.ZW | 0.0090 | 0.0080 | 0.0010 | 11.11 |
| COLC.ZW | 0.2200 | 0.2107 | 0.0093 | 4.23 |
| ECO.ZW | 0.2700 | 0.2675 | 0.0025 | 0.93 |
| SEED.ZW | 0.9875 | 0.9800 | 0.0075 | 0.76 |
| BARC.ZW | 0.0435 | 0.0432 | 0.0003 | 0.69 |
| BAT.ZW | 11.8500 | 11.8000 | 0.0500 | 0.42 |
| OML.ZW | 2.2083 | 2.2000 | 0.0083 | 0.38 |
| MEIK.ZW | 0.0952 | 0.0950 | 0.0002 | 0.21 |
| INN.ZW | 0.6050 | 0.6045 | 0.0005 | 0.08 |
| AFDS.ZW | 0.5877 | 0.5875 | 0.0002 | 0.03 |

* All prices in USD

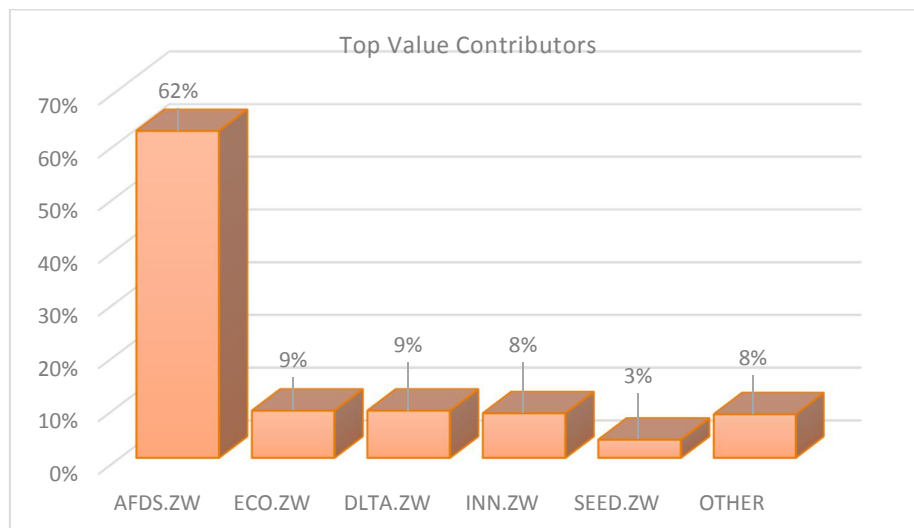
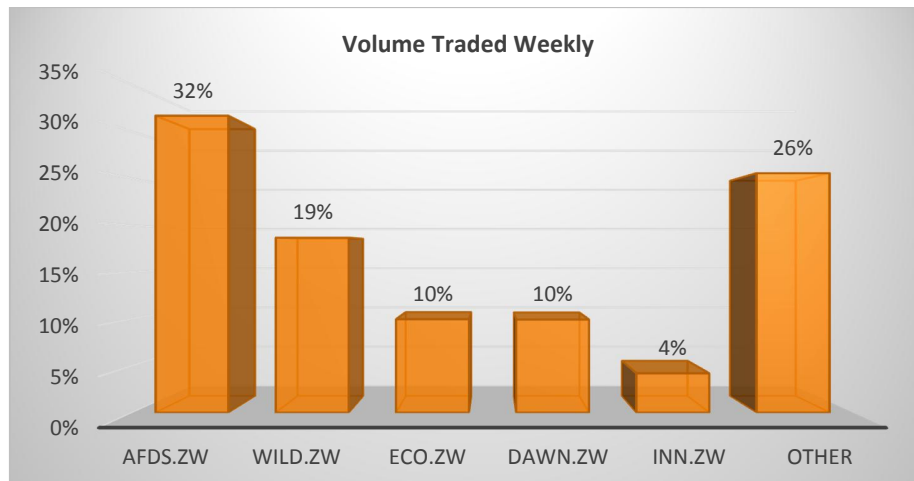
Market in marginal gain on a mixed distribution...

The market reflected a mixed distribution of gainers and fallers with eleven stocks firming while ten traded softer. Brick manufacturers Willdale led the top gainers for the second week running after surging 137.50% and closed at \$0.0019 as it continued on its recovery. Life assurers Fidelity enjoyed buoyant demand putting 16.32% and ending the week at \$0.1105. Leisure group RTG added 15.71% and saw its stock close the week exchanging hands at \$0.0081. The other stocks to register double digit percentage movements were NMB and Padenga which were up 12.5% and 10.78% at \$0.0360 and \$0.0884c respectively. Demand remains firm in CFI with the agro industrial conglomerate adding 6.52% and closing at \$0.0490 while hotel property group DAWN added 5.99% to \$0.0177 in the wake of a repeat cautionary which is believed to be for an anticipated offer to minorities. PPC was the only weekly heavy cap riser with a 2.11% jump that took their price to \$0.9700. Hippo completed the top risers for the week having added 0.66% and settling at \$0.3523.

Heavies dominate shakers albeit marginal losses...

Construction allied group Turnall topped the weekly losses after shedding 11.11% and settling at \$0.0080. Colcom fell 4.23% and settled at \$ 0.2107 as it trades ex-div. Econet succumbed to selling pressure and closed the week at \$0.2675 having shed 0.93%. Similarly SeedCO was down 0.76% on sustained selling pressure and ended the week at \$0.9800. Banking group Barclays declined 0.69% and saw its shares exchange hands at \$0.0432 on lower demand. Several other heavily capitalized stocks saw marginal losses for the week amongst them: BAT down 0.42% at \$11.8000, Old Mutual losing 0.38% to \$2.2000 and Innscor that came off 0.08% and settled at \$0.6045. Spirits manufacturers AFDIS retreated by a marginal 0.03% from its all-time high of \$0.5877 set last week and closed the week trading at \$0.5875

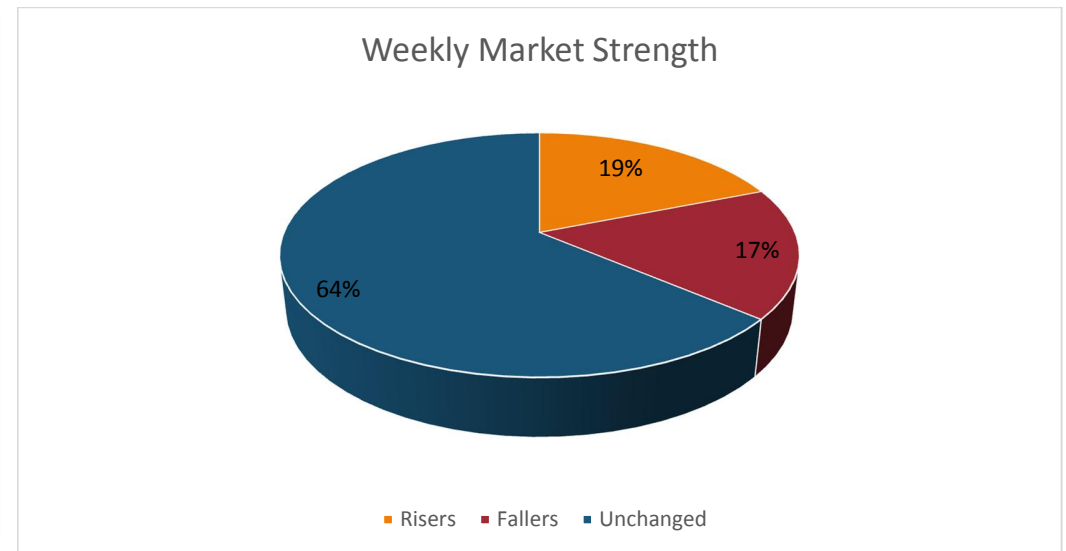
Market Aggregates and Statistics



Market turnover aggregates

| | Previous | Current | Change | %Change |
|---------|--------------|--------------|--------------|---------|
| Values | 2,041,195.37 | 4,540,620.71 | 2,499,425.35 | 122.45 |
| Volumes | 11,472,158 | 15,119,157 | 3,646,999.00 | 31.79 |

Block trades in Afdis boosted turnover aggregates for the week as circa 4.79m shares exchanged hands in the spirits manufacturer in a trade involving local investors. Value turned over for the week surged 122.45% and closed at \$4,540,620 with the aforementioned Afdis trade accounting for 62% of the aggregate. Volumes traded grew 31.79% to 15,119,157 with top drivers of the measure being Afdis accounting for 32%, and Willdale contributing 19%.



In the news...

Zim secures \$87m for Byo power station upgrade

Zimbabwe has secured an \$87 million credit line from the Export-Import Bank of India for the renovation and upgrading of the Bulawayo Thermal Power Station that will contribute an additional 70 megawatts (MW) to the national grid...

<https://www.newsday.co.zw/2015/10/30/zim-secures-87m-for-byo-power-station-upgrade/>

Iconic Old Nic Mine shut down

LISTED resources group Falcon Gold has reportedly placed its oldest mine, Old Nic, under care and maintenance with immediate effect due to falling gold prices and operational challenges, thereby rendering more than 300 workers jobless...

<https://www.newsday.co.zw/2015/10/29/iconic-old-nic-mine-shut-down/>

Zimpapers re-stated results show profit

Listed media group, Zimbabwe Newspapers' results for the interim to June show the group recorded strong growth in profit instead of a previously reported loss position... <http://www.herald.co.zw/zimpapers-re-stated-results-show-profit/>

Tobacco exports hit \$500m mark

The country has so far exported 97.3 mln kilogrammes of tobacco this year, up from 88.7 mln kg over the same period last year, earning \$500 mln, statistics from the industry regulator show...

<http://www.herald.co.zw/tobacco-exports-hit-500m-mark/>

Manufacturing sector capacity utilization decreases

Manufacturing sector capacity utilisation slowed 2.2 percentage points to 34.3% this year from 36.5% last year as industry reels under several challenges, among them, the cost of doing business, capital constraints and pressure from cheap imports...

<http://www.herald.co.zw/manufacturing-sector-capacity-utilisation-decreases/>

Chaos at Bindura

Africa's only integrated nickel mining and smelting company Bindura Nickel Corporation is said to have stopped two of its major projects due to funding constraints. BNC is alleged to have stopped the Trojan Mine restart programme and re-deep project as the mining company has run into funding problems after cash flows from nickel declined due to the fall in prices... <http://www.herald.co.zw/chaos-at-bindura/>

Mimosa revenue declines

Aquarius Platinum Limited's Zimbabwean subsidiary, Mimosa Mine recorded a 15% decline in revenue for the first quarter to September 2015 driven by a 2% drop in production...

<http://www.herald.co.zw/mimosa-revenue-declines/>

Blue Ribbon takeover nears completion

Bakhresa Group's takeover of Blue Ribbon is nearing completion after its judicial manager received a court order paving the way for the company to transact. <http://www.herald.co.zw/blue-ribbon-takeover-nears-completion/>

RTGs transactions fall 18pc

The value of transactions processed through the RTGS system fell 18% to \$3.3 bln in August while in tandem the volume of transactions also registered a decrease of 23.1% reflective of the low business volumes prevailing in the economy...

<http://www.herald.co.zw/rtps-transactions-fall-18pc/>



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