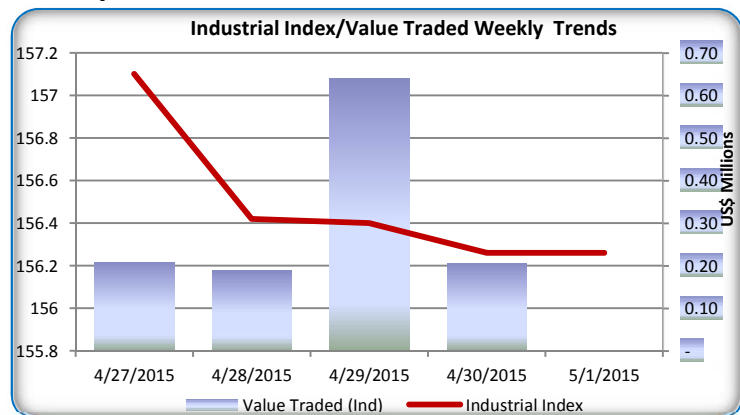
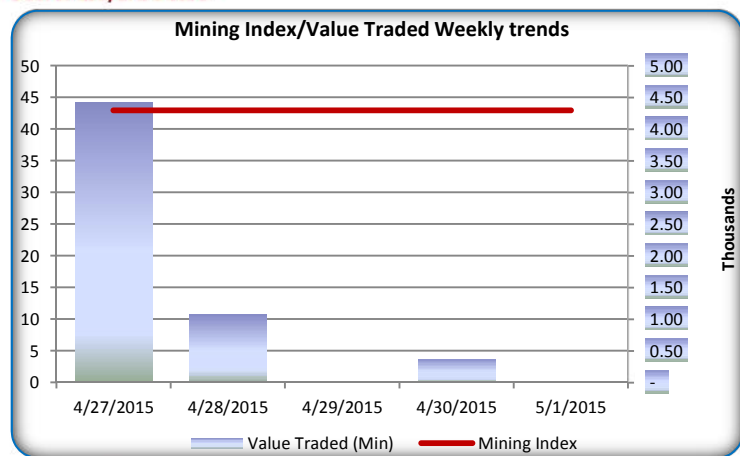


EFE Weekly Market Review 30 April 2015

Weekly Stats



Source ZSE/EFE Dbase



Source ZSE/EFE Dbase

	Current	Previous	% Δ
Value Traded (\$mn)	1.25	6.32	80.20
Volume Traded (mn)	11.11	23.70	53.14
Foreign Purchases	0.21	4.43	95.27
Foreign Sales	0.21	4.05	94.90

Source ZSE/EFE Dbase.

ZSE closes month softer as trades thin out...

The bourse closed the month of April on a low note as the final week was characterised by thin trades while the main indicator, the Industrial Index, trended southwards. With little activity on the corporate calendar, the national Q1 revenue performance report from the commissioner general of the Zimbabwe Revenue Authority made some interesting reads in the tabloids. Gross revenues were reportedly coming in 6% ahead of target while the net outcome fell short of the \$850m target by 5%. Elsewhere a shakeup in the mobile networks market setup seems inevitable after the industry regulator PORTRAZ reportedly withdrew the license for the second largest operator Telecel and gave them a 30 day ultimatum to wind up operations. Telecel has however not taken it lying down and has in a statement promised to contest and appeal the withdrawal.

Index	Level	%Δ	YTD %Δ
Industrial Index	156.26	0.83	4.01
Mining Index	42.93	0.00	40.13

Lacking impetus for significant trades the Industrial Index completed four successive sessions of soft trading resulting in a cumulative weekly loss of 0.83% to 156.26pts, and brought up the YTD loss to 4.01%. This week's loss has meant that the Industrials have lost 1.21% in April, a month where an estimated \$29.2m exchanged hands. The Mining Index on the other hand closed the week flat at 42.93pts having maintained the same level in all four sessions. Year to date the resources have lost 40.13% while losing 2.28% in April.

Dull trading week as all aggregates close softer...

A combination of low demand in selected counters and unattractive ruling prices for sellers in others saw all market aggregates come off for the week under review. An estimated 11.1m shares (down 53.1%) exchanged hands across the board yielding an estimated \$1.25m in value of trades. Average daily value for the week stood at \$313,033

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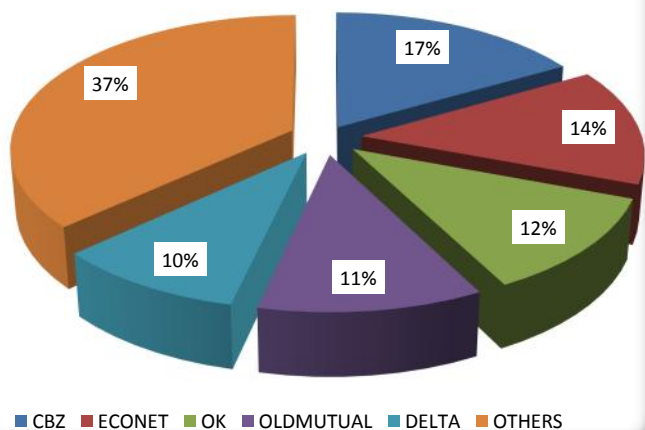
Chris Masendeke 0772135234

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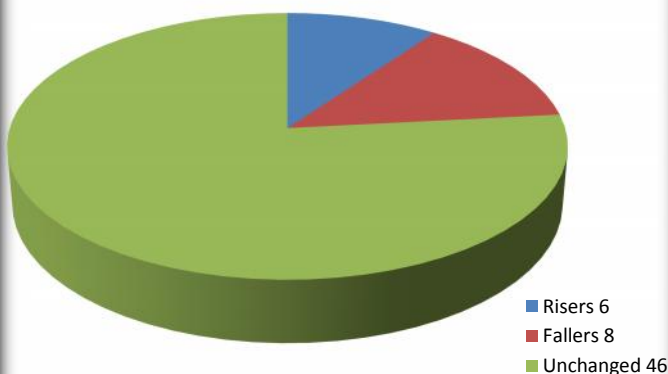
Coreen Madanha 0772144333

Brenda Mwaturura

Top Stock Contributors to Weekly Value of Trades



Market Strength



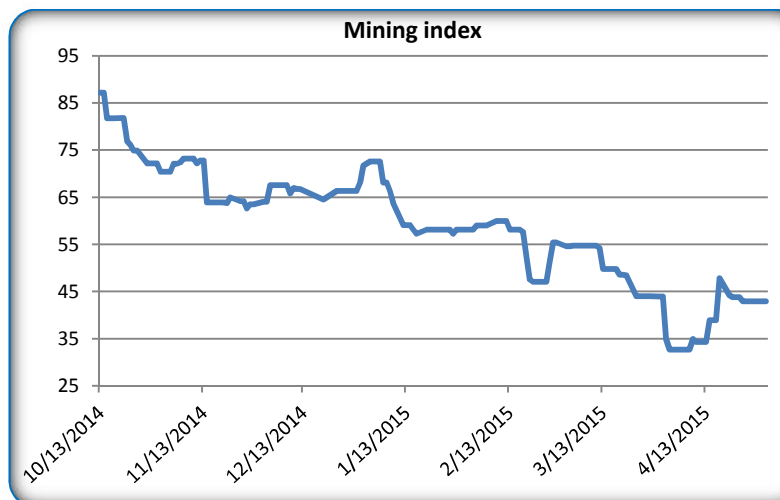
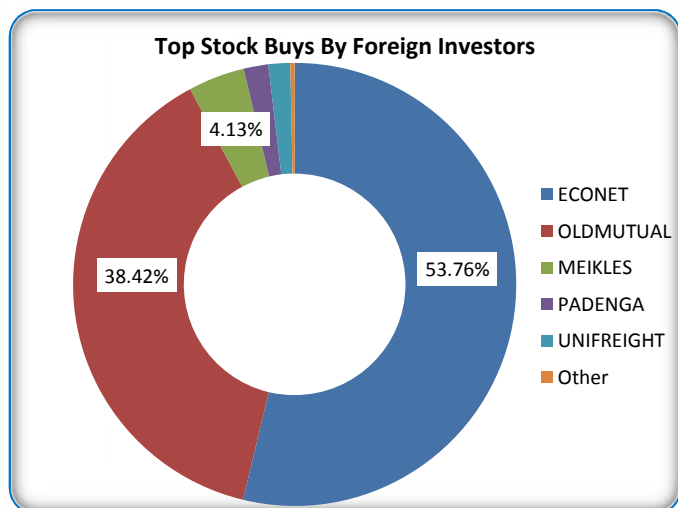
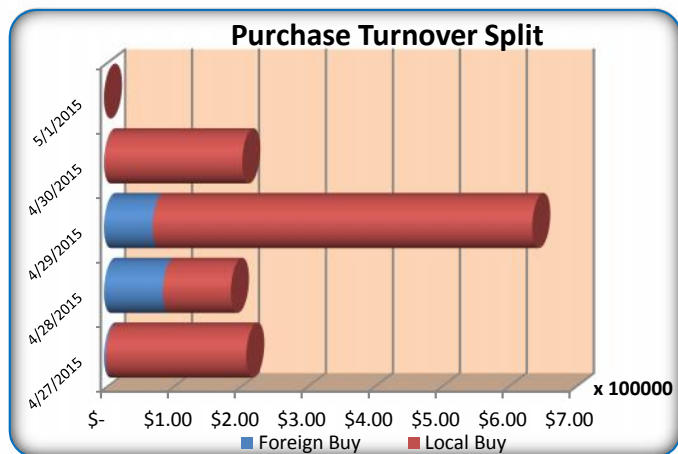
compared to the year to date daily turnover average \$1.2m. Trades attributed to foreign investors were evenly balanced on the sell and buy side at \$0.21m. CBZ emerged the surprise top traded stock for the week having accounted for an estimated 17% of the total value spurned while other value drivers were Econet at 14%, OKZIM with 12%, Old Mutual at 11% and 10% was traded in Delta.

Top Five Risers				Worst Performers			
Counter	Price	%Δ	YTD %Δ	Counter	Price	%Δ	YTD %Δ
CFI	2.00	25.00	33.33	ZBFH	2.50	16.67	30.56
RTG	1.50	25.00	6.25	HIPPO	39.00	11.36	29.09
UNIFREIGHT	2.00	25.00	0.00	OK	10.00	9.09	13.04
ZPI	1.00	23.46	42.86	PADENGA	9.00	8.16	0.00
ASTRA	4.30	4.88	7.50	DAIRIBORD	8.00	5.88	0.00

Bearish sentiment was overbearing on the market this week registering eight shakers against six risers to see the market set a negative breadth of two counters. Mid-tier and heavy cap stocks were the drag on performance with ZBFH topping after declining 16.67% to 2.5c while sugar producers Hippo followed after tumbling 11.36% to 39c. Retailers OKZIM succumbed to selling pressure shedding 9.1% to 10c crocodile skin producers Padenga failed to hold on to earlier gains shedding 8.16% to 9c. Dairibord and Meikles completed the top weekly shakers with declines of 5.88% and 5.26% that saw them close trading at 8c and 9c respectively. Delta and SeedCO were the main heavy cap shakers after declining 0.94% and 1.04% to respective prices of 105c and 95c.

Small cap stocks were in the loss mitigation group led by the trio of CFI, RTG and Unifreight that added identical gains of 25% to settle at 2c, 1.5c and 2c respectively. Property concern ZPI was to follow adding 23.46% on a rebound to 1c. Astra, in its final week of trading on the ZSE added 4.88% to 4.3c and was officially delisted from the bourse on 30 April 2014. The other riser for the week was Colcom that added 1.96% week on week and closed trading at 25.49c.

Market statistics



Top Picks

BAT	Established itself as one of the consistent performers on the local bourse. It is operating at a mature stage of its business as seen in its high and attractive dividend pay-out. It is our opinion that BAT should be considered for attractive cash flows from their dividend pay-out
Dairibord	Driven by a portfolio of strong SBU's and an attractive brand portfolio that can hold its own against imports in the local market. With the concerted effort to re-establish the national herd the future can only be better for Dairibord.
Delta	The beverages Giant enjoys huge market dominance and has consistently maintained a steady growth in volumes and revenues. As the market's top stock, a solid performer, Delta is an undoubted consideration for any investor because of the limited downside
Econet	The dominant mobile phone operator in the country enjoys huge discounts to its regional comparatives while the fact that it is a consistent performer adds to its allure.
Innscor	The group enjoyed steady growth in revenues over the years and looks well placed to continue enjoying steady growth going forwards. It is one group that has positioned itself well to benefit from any improvement in economic activity and disposable incomes in particular
National Foods	As the leading food processing and packaging group in the country has been on a capacity increase drive and should continue to enjoy and consolidate on benefits of its rationalization exercise as well as improving efficiencies. The group can also benefit from synergies that could be drawn from their strategic partnership with top shareholders and leading South African food processing and packaging group Tiger Brands.
OKZM	As one of the leading retail groups in Zimbabwe OK led the way in refurbishment of outlets, As more outlets are refurbished and others added to their portfolio we believe the margins will continue to improve
Old Mutual	The dually listed giant trades at a huge discount to its price on either the JSE or London stock Exchange. We believe there is potential upside benefits should market be liberalized scrip become tradable across markets. For the short term however Old Mutual's attraction is in its consistency is paying dividends
TSL	Attractive valuation and successfully completed a rationalization exercise with the results of impressive financial results coming up

In the News...

Zim steps up efforts to re-engage creditors

The government says it has stepped up efforts to clear its external arrears and has increased monthly payments to a number of creditors.

<https://www.newsday.co.zw/2015/04/30/zim-steps-up-efforts-to-re-engage-creditors/>

Govt gazettes Joint Ventures Bill

The government has gazetted the Joint Ventures Bill, which seeks to establish a set of rules governing public–private procurement. The Bill seeks to create a Joint Venture Unit within the Ministry of Finance and Economic Development.

<https://www.newsday.co.zw/2015/04/29/govt-gazettes-joint-ventures-bill/>

Chinese contractor wins \$1,9m project

China-Africa Construction Limited has won a contract to construct Magamba 2015 Housing project in Harare at a cost of \$1,9 million.

<https://www.newsday.co.zw/2015/04/29/chinese-contractor-wins-19m-project/>

Jet Stores introduce credit accounts

Edgars Stores Limited retail brand, Jet Stores, has introduced credit accounts that will be payable within six months with zero deposit.

<https://www.newsday.co.zw/2015/04/24/jet-stores-introduce-credit-accounts/>

Potraz defends mobile data tariffs

Postal and Telecommunications Regulatory Authority of Zimbabwe (Potraz) says mobile network operators are not inflating mobile data and Internet services tariffs

<http://www.dailynews.co.zw/articles/2015/04/30/potraz-defends-mobile-data-tariffs>

PG scheme of arrangement sanctioned

The High Court has given struggling PG Industries Zimbabwe Limited (PG) the green light to continue with its scheme of arrangement with concurrent creditors, after its last attempt to register its debt repayment plan with the court hit a snag when a major creditor raised concern over the scheme.

<http://www.dailynews.co.zw/articles/2015/04/28/pg-scheme-of-arrangement-sanctioned>

UNIFREIGHT prunes loss making units

UNIFREIGHT Limited, which completed acquisition of Pioneer Corporation Africa last year, has pruned perennial loss-making units in a restructuring exercise that will see it exiting public passenger and cross-border road freight transport business.

<http://www.herald.co.zw/unifreight-prunes-loss-making-units/>

Allied Timbers engages KPMG

ALLIED Timbers has appointed KPMG to carry out a forensic audit to establish if there was impropriety in the conduct of former chief executive Dr Joseph Kanyekanye. Dr Kanyekanye left the group in February after agreeing to a “mutual separation” with the board.

<http://www.herald.co.zw/allied-timbers-engages-kpmg/>

BAT Optimistic

Listed cigarette manufacturer British American Tobacco Zimbabwe says it expects an improved performance in the second half of the year after posting a flat trade performance in the first quarter of its current fiscal year

<http://www.herald.co.zw/bat-optimistic/>

Up Coming Events

COMPANY	EVENT	VENUE	DATE	TIME
ZIMFLOW	AGM	Head Office,Northridge Park,Borrowdale,Hre	04.05.15	10.00HRS
BARCLAYS	AGM	Meikles Hotel,Palm Court,Harare	06.05.15	15.00HRS
NMB	AGM	4 TH Floor Unity Court,Harare	21.05.15	10.00HRS
ASTRA	AGM	Auditorium at AstraPark,Highlands,Harare	20.05.15	12.00HRS
DAIRIBORD	AGM	Mirabelle Room,Meikles Hotel,Harare	28.05.15	11.30HRS

CAUTIONARIES

Company	Issue Date	Subject
Masimba	15 JAN 2015	Repeat Notice of possible transactions with potential impact on share values
RIOZ	5 TH MAR 2015	Comapany seeking regulatory approvals to proceed with the rights issue
DAWN	20 APRIL 2014	Company Compiling an offer to minorities as major shareholders Brainworks now control 61.65%
ART	21 ST APRIL 2014	Offer to minority date extended to 30 April 2015
Star Africa	23 rd April 2015	Company in negotiations that can have a material impact of value of shares

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