

Market surges as curtain comes down on the month of May...

	Previous	Current	Change	% Change	YTD %
All share	159.74	188.07	28.3300	17.74	28.60
Industrial	534.24	628.41	94.1700	17.63	29.00
Mining	191.87	225.81	33.9400	17.69	0.83
Top 10	152.73	182.99	30.2600	19.81	26.18

The market saw a sustained bullish run in the week under review as the curtain came down on the month of May. The market surges came against a backdrop of reports of rising inflation together with a weakening local currency. Despite late weakness in the final two sessions of the week on profit taking, the benchmarks closed in the black buoyed by the earlier charge. Market heavies were the mainstay of the rising tide evidenced by the dominant 19.81% surge in the Top Ten Index to 182.99pts, as it emerged the market's best performing index in the week. The primary All Share Index was up 17.74% week on week at 188.07pts while, the Industrial Index added 17.63% for the week and settled at 628.41pts. The Mining Index also joined in the gains with a 17.69% rise that took it to 225.81pts, though it remained the only benchmark in year to date losses albeit marginal.

RISERS	PRICE	% Change
ZIMR.ZW	0.0420	86.67
BIND.ZW	0.0960	60.00
SACL.ZW	0.0200	33.33
ECO.ZW	1.7519	26.40
OKZ.ZW	0.4500	25.00
PHL.ZW	1.6502	24.78
CSZL.ZW	1.7547	24.42
ZBFH.ZW	0.4700	23.68
CBZ.ZW	0.4280	22.57
TURN.ZW	0.1038	21.97

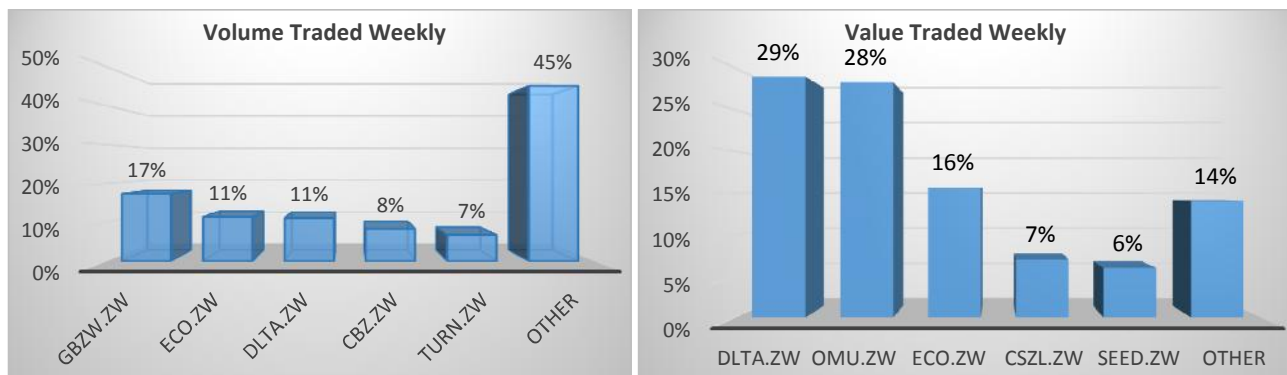
Market heavies dominated the bulls for the second week running with Econet and Cassava becoming the standout performers. Econet firmed 26.40% to \$1.7519 while, Cassava was up 24.42% at \$1.7547 as the duo's rising momentum steamed off in the last couple of sessions on profit taking together with the companies' advise to the market that the results release was delayed. Insurance group Zimre holdings emerged the top performer after adding 86.67% and settling at \$0.0420 while, nickel miners Bindura firmed 60% and closed the week at \$0.0960.

FALLERS	PRICE	% Change
ZIMP.ZW	0.0800	11.31
NMB.ZW	0.2752	5.10

Sugar refining and processing group Star Africa closed the week at \$0.0200 having added 33% on growing demand. Retailers OKZIM closed the week at \$0.4500 on an all-time high. Padenga was up 24.78% and settled at \$1.6502 on surging demand. The duo of banking groups ZBFH and CBZ climbed 23.68% and 22.57% in the week and ended at respective levels of \$0.4700 and \$0.4280. Completing the top performers of the week was construction allied products manufacturers Turnall that added 21.97% for the week and ended trading at \$0.1038 as demand continued to climb.

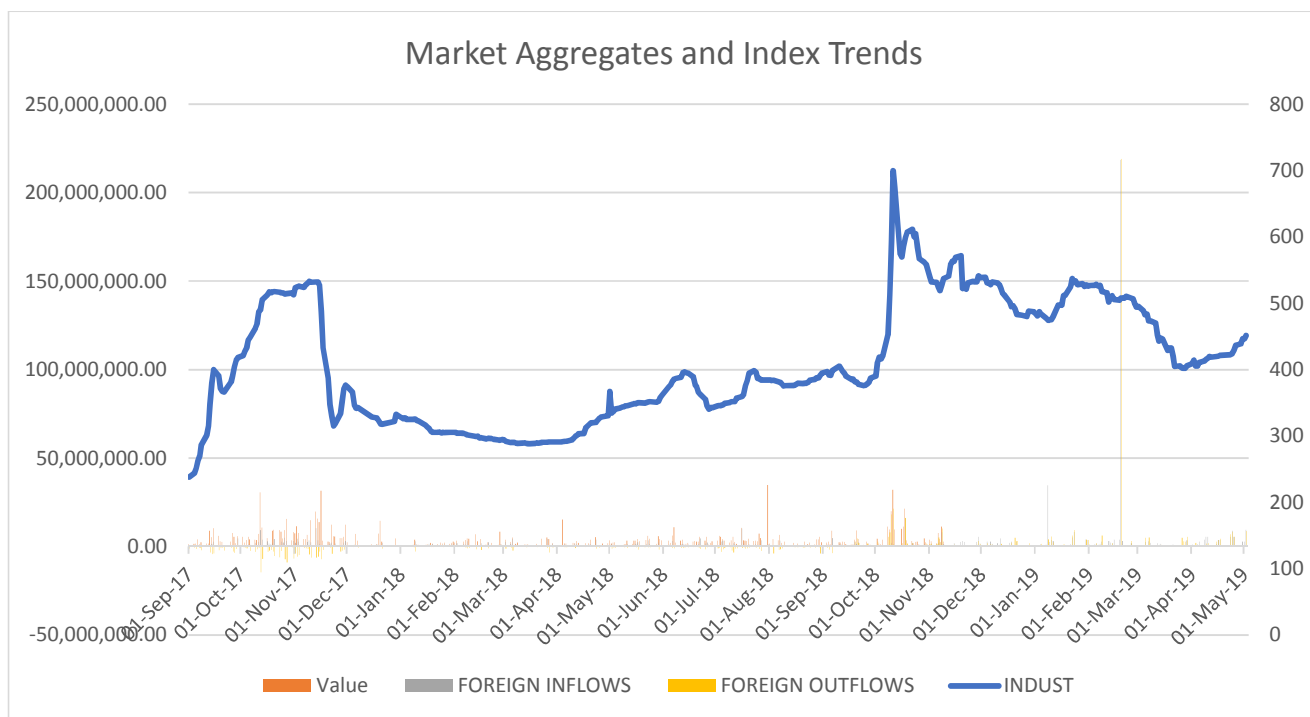
Only two counters were in the red this week underlining the sustained bullish sentiment on the market dominated amidst a flight from cash and near cash assets as the local currency continued to fall. The two shakers in the week were in newsgroup Zimpapers that fell 11.31% and settled at \$0.0800. Banking group NMB were the other fallers shedding 5.10% and settling at \$0.2752.

Activity aggregates subdued...



	Previous	Current	Change	%Change
Values	59,357,670.31	42,631,701.22	16,725,969.08	28.18
Volumes	45,984,323.00	32,094,448	13,889,875	30.21

The flight of sellers in selected stocks together with the checked demand in selected stocks saw the market aggregates close softer for the week as both volumes and values succumbed on the market. Values of the week were 28.18% softer at \$42.63m as Delta, Old Mutual and Econet emerged as the top drivers of the aggregate. Volumes fell 30.21% for the week to 32.09m shares driven by Getbucks, Econet and Delta and accounted for a combined 39% of the weekly aggregate.



In the News

South African retail giant, Edcon, is selling its shareholding in local clothing chain Edgars Zimbabwe, as the struggling group realigns operations to stay afloat. <https://www.newsday.co.zw/2019/05/edcon-to-dispose-of-edgars/>

Border Timbers said yesterday it recorded a 14 percent jump in net profit to RTGS\$4,4 million for the eight months ending February 2019, compared to the same period in 2018. The firm's main products are timber and poles. <https://www.herald.co.zw/borders-timbers-profit-up-14pc/>

ZIMRE Property Investments (ZPI) Ltd will soon float a \$16 million bond to finance the construction of its Selbourne Park Student Accommodation Hub in Bulawayo, as the group moves to reconfigure its portfolio towards the commercial and retail sectors. <https://www.theindependent.co.zw/2019/05/31/zpi-floats-16m-bond-for-student-housing/>

THE Zimbabwe Stock Exchange (ZSE) is proposing the issuance of inflation-indexed bonds and the establishment of a US dollar trading platform on listed securities as inflation continues to erode value, a top official has said. <https://www.theindependent.co.zw/2019/05/24/zse-plans-inflation-indexed-bonds/>

C-TRADE recently introduced investment clubs at the Inaugural Investor Day Conference held on the 15th of May at the Harare International Conference Centre. <https://www.newsday.co.zw/2019/05/c-trade-introduces-the-investment-clubs-2/>

Disclaimer:



Members of the Zimbabwe Stock Exchange

EFE RESEARCH – Weekly Market Review Weekending 31.05.2019

This document has been prepared by EFE Securities (Private) Limited (EFE), for the information of its clients. Although the statements of fact in this report have been obtained from sources that the company believes to be reliable, we do not guarantee their accuracy, and any such information may be incomplete or condensed. All opinions and estimates included in this report constitute the company's judgment as of the date of this report and are subject to change without notice. The securities discussed and mentioned in this report may not be suitable for all investors. Investors must make their own investment decisions based on their specific investment objectives and financial position and using such independent advisors they believe necessary. This report is for informational purposes only and is not intended as an offer or solicitation with respect to the purchase or sale of any security. EFE and any of the individuals preparing this report may at any time have a long and/ or short position in any securities of companies in this report. In addition EFE may from time to time perform investment banking or other services for, or solicit investment banking or other business from any entity mentioned in this report. EFE may at times buy and sell shares on an agency or principal basis to its clients. Shares may rise or fall and investors may end up with a reduced amount from their initial capital invested. Additional information on EFE's recommended securities is available on request.