MMC CAPITAL WEEKLY EQUITIES REVIEW, 30 September 2013

# Investment Research

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( Members Of The Zimbabwe Stock Exchange )

The Market Making Corporation

**Zimbabwe Equities Market Review**

*Weekly Review*

**30 September 2013**

*Market Moving Insights!*

| Market Statistics | | |
|---|---|---|
| | 27-Sep | Weekly Change |
| Mkt Cap $'m | 5,104.00 | 3.4% |
| Mkt turnover $'m | 14.75 | 116.9% |
| | | |
| **Indices** | | |
| ZSE Industrial | 197.97 | 2.8% |
| ZSE Mining | 49.90 | 3.2% |
| NSE 20 | 4,768.03 | 0.3% |
| Nigeria All Share | 36,436.98 | 0.7% |
| JSE All Share | 44,358.74 | 0.6% |
| NIKKEI-225 | 14,760.07 | 0.1% |
| FTSE | 6,512.66 | -1.3% |
| DJIA | 15,258.24 | -1.2% |

**In this week's review:**

- **The chickens are coming to roost in Zim policy making ,**
- **In search of lost glory – The Zim mining and agric story,**
- **No new dawn in sight at Dawn Properties,**
- **Radar now a bricks and properties business,**
- **The paper is turning into money at Zimpapers,**
- **The U.S budget impasse taking a swipe at markets,**
- **Foreign appetite is back for Zim equities,**
- **Volatility likely to persist in global capital markets and**
- **The US "budget debate threat" is back to haunt investors.**


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**Top-10 Statistics and Market Performance**

| Market Performance | | | | | | Valuations | | |
|---|---|---|---|---|---|---|---|---|
| Name | Change | Sales ¢ | Value US$ 000 | Mkt CapUS$ mln | Weight | PE | PBk | RoE |
| DELTA | 2.1% | 122.51 | 10,154.4 | 1,511.30 | 30% | 14.4 | 4.9 | 34% |
| ECONET | 12.7% | 62.00 | 395.3 | 563.78 | 11% | 6.89 | 1.30 | 32.2% |
| INNSCOR | 1.2% | 82.00 | 1,249.5 | 442.90 | 9% | 12.89 | 3.06 | 26.9% |
| OK ZIM | 3.8% | 27.00 | 212.1 | 311.58 | 6% | 22.69 | 5.39 | 23.8% |
| BAT | 4.5% | 1,150 | 9.0 | 237.29 | 5% | 34.85 | 24.19 | 58.8% |
| HIPPO | 0.0% | 100.00 | 43.1 | 193.02 | 4% | 14.08 | 0.95 | 6.7% |
| NATFOODS | 4.3% | 240.00 | 29.9 | 164.16 | 3% | 12.45 | 2.96 | 25.2% |
| SEEDCO | 1.2% | 82.00 | 289.8 | 159.84 | 3% | 13.46 | 2.10 | 15.4% |
| TSL | 0.0% | 30.00 | - | 104.28 | 2% | 17.65 | 1.96 | 5.8% |
| CBZ | 16.0% | 14.50 | 583.0 | 99.20 | 2% | 1.84 | 0.59 | 25.4% |
| **ZSE Total** | | | **14,747** | **5,104** | | | | |

*Econet excludes Class A shares * The top ten excludes Old Mutual

### The chickens are coming to roost in Zim policy making

*… Indeginisation policy structure is now being brought into question by the new policymakers as reality dawns. …*

In the week under review some policymakers were quoted in the media saying the time has finally come to right economic policies if the country is to achieve sustainable economic growth and attract foreign investment. Even the much talked about Indeginisation policyĝs structure is now being brought into question by the new policymakers as reality dawns upon the new government that it takes more than populist policies to run an economy. Both the ministry of Industry and Commerce and the Treasury are in agreement that the time has come to right the wrongs that had dominated Zim policymaking in the past.

*… Treasury's move engage the African Development Bank (AfDB) seeking technical advice on how to fund economic growth is an indication that the country is currently destitute of capital…*

The minister of Industryĝs call for the new government to balance between populist policies ï namely Indeginisation - and attracting capital was a clear admission by the new government that there is a difference between winning an election and winning an economy. The Treasuryĝs first move was to engage the African Development Bank (AfDB) seeking technical advice on how to fund economic growth going forward; an indication that the country is currently destitute of capital. The treasury had to assure economic agents that there was not going to be any tampering with the currency by guaranteeing that the multicurrency regime will be in force for the foreseeable future after the AfDB released a report that showed that bank deposits were shrinking upon fears of a Zim dollar return.

*… Economic fragility in Zim has increased and it calls for sound policy formulation and implementation …*

Our view is that the economy is still very fragile and if anything the fragility has greatly increased. It will take policymakers to quickly realize the predicament of the economy and quickly come up with sound economic policies if the contraction is to be arrested in time. The signals coming through from the new policymakers are positive and if the trend is to continue and be crystalized into tangible policies on paper the economy might very well be on track to recovery. The economy has a huge growth potential that can only be realized through sound policy formulation and implantation that will create an investor friendly business environment. One thing that is now visible is that the chickens have finally come home to roost for local policymakers.

### In search of lost glory – The Zim mining and agric story

*… The local economy is at a stage where agriculture and resources should be driving economic growth but this has not been é .*

At various stages of economic development there are sectors that drive economic growth and their absence only spells doom for the economy at hand. The local economy is at a stage where agriculture and resources are the major sectors driving economic growth but this has not been the case in the past year or so. Reports released in the week under review only serve to confirm that the local economy is driven by agriculture and mining and the challenges faced by these sectors of late has seen the economy contracting and possibly sinking into recession. The new government has made clear that it will be focusing on reviving all sectors of the economy but more energy will be expended on mining and agriculture as these seem to be the lowest hanging fruits.

*… Government committed itself to the raising of foreign capital and lines of credit as it seeks to mobilise financial resources to spur economic recovery and growth …*

The government in the week under review committed itself to the raising of foreign capital and lines of credit as it seeks to mobilise financial resources to spur economic recovery and growth that has slowed down due to poor performance in agriculture and mining. Ever since to controversial land reform program only a few crops have managed to show face with tobacco being an exception and no doubt the absence of capital has been the biggest obstacle to growth for local agriculture. Mining by its nature is a long term play and the absence of capital coupled with hazy policymaking has taken a big swipe at the sector and it will take the return of long term capital and sound policies to breathe life again into the sector.

Our view is that if the former glory of these sectors is to return there is a need for the new government to prove its credibility and the availing of the US$720 million funding for agriculture is only but the beginning of developing that credibility and more needs to be done. Mining is yet to receive tangible benefits besides promises of righting policies and searching for capital. The time to act by the policymakers is now and failure to do so will only lead to economic malaise

## No new dawn in sight at Dawn Properties

Dawn properties Limited held its ninth annual general meeting in the week under review. All maters which were tabled before the shareholders were approved. The groupôs directors were re-appointed and fees to the tune of US$75,125 will be paid to the directors. Auditors PricewaterhouseCoopers were re-elected and remuneration of US$100 000 will also be paid for the financial year ending 31 March 2013. In a trading update, the group briefed the meeting that for the 4 months to July 2013 period, revenue was up 3% to $1.8 mln relative to 2012. The trading conditions continue to be challenging with rental income remaining flat and marginally behind the budget. Business occupancies stood at between 50%-60% with the on-going refurbishments at Crowne Plaza Monomotapa reducing the number of rooms.

The consultancy business also performed behind the budget despite the unitôs revenue growing by 6% compared to 2012. The group has embarked on a three initiative drive so as to improve the financial performance of the business. These initiatives involve; lease restructuring; Development of Marlborough land and restructuring of the consultancy business. We are of the view that the prospects in the tourism sector will have a positive impact on the groupôs performance. UNWTO forecast global tourism arrivals to increase by 4% driven by Asia, Pacific and African countries. Zimbabwe is also likely to continue benefiting from the increased inbound travel trade and with the political unrest that has besieged the northern and western sides of the continent, Southern Africa including Zimbabwe is also likely to benefit. The groupôs initiative to develop the Marlborough land is a welcome development that will see residential densities increasing to 1,457 plots thereby impacting positively on the top line in the medium to long term.

### RHL Financial Highlights

| | FY-13 | FY-12 |
|---|---|---|
| Revenue $m | 9.23 | 8.30 |
| **As percentage of sales** | | |
| EBITDA | 18.8% | 41.7% |
| EBIT | -11.5% | 6.2% |
| Finance costs | -10.1% | -9.2% |
| Net profit | -24.8% | 8.9% |
| Market cap $m | 4 | |
| EV $m | 14 | |
| P/E | NM | |
| PBk | 0.11 | |
| EV/EBITDA | 7.92 | |
| **Gearing** | **51%** | |

## Radar now a bricks and properties business

Radar holdings limited (RHL) completed the de-merger with Border Timbers and management is of the view that the new business has a balance sheet that is leaner and clean. The business is now dominantly a brick making business through MacDonald Bricks whilst the other division Radar Property Investments (RPI). Mac Bricks is sitting on a clay bank with a 70year life span and the unit has the widest brick range in the country and product quality that is a cut above the rest. With a booming private home development market Mac Bricksô client base is 60%-70% individuals with the rest being institutions and the government.

RPI has a 2000ha land bank in a prime area and this presents a huge potential for property developments projects that will see RPI becoming a strong contender in the property management and development sector in the medium to long term. Our concern though is the state of the balance sheet. Following the de-merger the business has struggled to access cheaper long term capital which has left the business dependent of short tenured expensive funding which is hurting profitability. We hold that only until the capital structure has been optimized the business is far from being profitable.

### Zimpapers Financial Highlights

| | HY-13 | HY-12 |
|---|---|---|
| Revenue $m | 22.36 | 19.56 |
| **As percentage of sales** | | |
| EBITDA | 7.3% | 0.2% |
| EBIT | 4.6% | -2.8% |
| Finance costs | -2.3% | -2.0% |
| Net profit | 1.6% | -6.6% |
| Market cap $m | 5 | |
| EV $m | 15 | |
| P/E | 13.33 | |
| PBk | 0.58 | |
| EV/EBITDA | 3.72 | |
| **Gearing** | **66%** | |

## The paper is turning into money at Zimpapers

The printing space has become highly competitive of late and margins have been eroding as technological changes are overtaking the traditional print for both news and advertising. Zimpapersô interim results released in the week showed a 14% growth in revenue on the back of increased newspaper division revenues. EBITDA margins thickened to 7.3% from 0.2% following a growth in GP margins to 74% from 69% as cost of sales declined due to improved procurement of raw materials namely newsprint and ink. Finance costs as a percentage of revenue were 30bps higher due to increased dependence on short term funding which was more expensive. The media group made an interim profit of US$357,000 implying a 1.6% net profit margin relative to a loss margin of 6.6% last year.

We hold that Zimpapers is likely to dominate the media space in the short to medium term and the coming on board of a new printing press will further lower operating costs and decompress margins. The Herald is likely to be the newspaper of choice in the foreseeable future and this will drive revenue growth for the newspaper division leading to increased profitability. Zimpapers is looking attractive in the obtaining circumstances.

**Table 1: Stock indices performance.**

| Index | 27-Sep-13 | Weekly | YTD |
|---|---|---|---|
| Industrial | 197.97 | 2.83% | 29.90% |
| Mining | 49.9 | 3.23% | -23.37% |

**Source: ZSE, MMC Capital Research**

**Table 2: *Zfn*-Sectoral Indices**

| Sector indices | 27-Sep-13 | Weekly (%) | Ytd(%) | YoY(%) |
|---|---|---|---|---|
| All - Share index | 133.22 | +3.81 | +49.01 | +37.03 |
| ZSE Top - 10 | 139.19 | +4.50 | +65.45 | +50.41 |
| Agro-industrial | 72.42 | -0.25 | -9.05 | -17.30 |
| Banking | 78.79 | +4.65 | +8.23 | +25.47 |
| Conglomerates | 69.62 | -1.83 | +53.33 | +31.33 |
| Dual-listed | 184.02 | +2.44 | +33.15 | +28.75 |
| Insurance | 140.48 | +5.14 | +35.92 | +33.24 |
| Manufacturing | 239.31 | +3.17 | +97.25 | +70.63 |
| Mining | 19.37 | | -36.44 | -49.82 |
| Property | 118 | +2.67 | +19.62 | +20.64 |
| Retail | 348.34 | +3.32 | +119.80 | +77.03 |
| Tourism | 26.31 | +0.96 | +4.73 | -14.78 |

**Source: Zfn, MMC Capital Research**

**Table 3: Gainers**

| Counter | 27-Sep | Weekly Gain | Market Cap($'m) | Value traded($) |
|---|---|---|---|---|
| TURNALL | 5.50 | 38% | 27.12 | 990 |
| TA | 8.00 | 33% | 13.19 | 3,595 |
| ZIMPLOW | 5.00 | 33% | 31.14 | 36,102 |
| NICOZ | 2.50 | 25% | 14.17 | 13 |
| CAFCA | 35.00 | 17% | 2.88 | 175 |

**Source: ZSE, MMC Capital Research**

**Table 4: Losers**

| Counter | 27-Sep | Weekly Change | Market Cap ($m) | Value traded($) |
|---|---|---|---|---|
| MASIMBA | 4.10 | -41% | 8.79 | 2,355 |
| MEIKLES | 20.00 | -29% | 49.07 | 945 |
| AICO AFRICA | 3.10 | -11% | 16.56 | 1,578 |
| INTERFRESH | 1.80 | -10% | 0.88 | 20 |
| FIDELITY | 11.50 | -4% | 12.53 | 82,987 |

**Source: ZSE, MMC Capital Research**

## MARKET COMENTARY AND OUTLOOK

### Stock Market Review

Capital markets were highly volatile in the week under review as news of a possible budget gridlock in the U.S got the better of investors. The FTSE 100 and the Dow retreated by 130 bps and 120 bps to 6,512.66 and 15,258.24 respectively as concerns that the U.S budget impasse will hurt economic growth in the worldôs largest economy. On the local front, the Zim market maintained its rally as demand for the heavyweights persisted. The mainstream index closed 283 bps higher at 197.97 points whilst the resources index ended the week in the black, garnering 323 bps to close at 49.9 points. Mimicking the increases in the indices, the total market capitalization rose by 3.36% to end the week at US$5.10 billion.

Turnover ï a reflection of trading activity - rose by 117% to US$14.75 million in the week under review propelled by a block trade in Delta to the tune of US$6.0 million. Weekly volumes traded improved to 41.75 million shares from the 29.70 million shares traded last week. Foreign investors, during the week under review, were net buyers of Delta and Innscor. The foreign purchases to total turnover ratio stood at 39% relative to the prior weekôs figure of 32%. Foreign sales to total turnover ratio lowered to 10% from last weeksô 29%. The overall foreign investor participation was 49%, a decrease from last weekôs 61% of the total trades on the local bourse. Foreign investors are slowly becoming net buyers of Zim equities as the panic selling seems to have fizzled out. The top ten counters on the bourse (excluding Old Mutual) constituted 74% of the total market cap in the week under review.

Sectoral performance as measured by the ***12-Zfn indices*** reflects a firming market as ten of the indices traded in the black during the week. The Insurance sector was the weekôs best performer adding 5.14% to 140.48 points on the back of gains in Nicoz Diamond (25%) to 2.50 cents **(Table 2).** The conglomerates sector was the weekôs worst performer, retreating by 1.83% to 69.62 points. This was on the back of losses in the price of Meikles, (28.57%) to 20 cents. The Top-10 continues to be on a winning streak, collating 4.50 percentage points as all the counters traded in the black. Manufacturing and retail stocks continue to lead the pack on a year-on-year basis and year-to-date basis respectively.

The top riser for the week was manufacturer and supplier of asbestos-cement roofing, water and sewerage conveyance products, Turnall, which gained 38% to close at 5.5 cents. Investment company, TA Holdings and manufacturer and distributor of mining, farming and construction steel related products, Zimplow, came in second after advancing 33% apiece. Short term insurer, Nicoz Diamond and cable manufacturer, CAFCA were also among the risers gathering 25% and 17% respectively **(Table 3)**. Constructors, Masimba were the worst performer at counter level for the week, trading 41% in the negative to close at 4.10 cents. The company admitted that it is facing stiff competition from the Chinese on the construction front and cheap imports on the manufacturing end. Conglomerate, Meikles and agro concern, AICO also landed in the losers pack after easing by 29% and 11% respectively **(Table 4).**

### Outlook

Uncertainty over the outcome of federal budget and debt ceiling talks in Washington will likely unsettle global capital markets this week. A bigger threat to financial markets, however, is the risk of a U.S. default, which could happen if lawmakers fail to raise the nation's debt ceiling. Locally, the Zim market is likely to trade northwards this week as investorsô appetite to sell local assets continues to wane. Buyers are likely to escalate their bids to attract those holding the shares to sell as demand remains relatively strong. We maintain our overweight rating on agro-stocks in particular Hippo, whilst we are also bullish on Innscor and Delta in the consumer oriented and retail space. On the manufacturing space we have an overweight rating on Lafarge, PPC, Natfoods and BAT. We are bullish on FBCH and prudent Barclays in the banking space whilst on the Properties sector we favour Pearl because it has arguably the best property portfolio and also development focused ZPI. The ZSE is now trading at a PER of 11.08x whilst the MSCI Emerging market index is at 11.8x signaling an fair valuation of the local bourse but worth noting is the fact that the MSCI EMI is trading well below (24%) its long term average of 15.5x. Zim still looks relatively cheap and still has some room to grow.

## Listed Company Statistics as at 27 September 2013

| Counter | Sector | Weekly Change | Week's Price | Mkt Cap US$m | Rolling PE | Fwd PE | Price/ Book | EV/ EBITDA | Earnings Yield | ROE | ROA |
|---|---|---|---|---|---|---|---|---|---|---|---|
| AICO | Agro processing | 0% | 3.10 | 16.56 | (2.46) | - | 0.21 | 1.93 | (0.41) | -2.67% | -0.70% |
| ARISTON | Agro processing | 0% | 1.00 | 13.79 | 25.00 | - | 1.01 | (34.67) | 0.04 | 12.81% | 5.77% |
| BAT | Agro processing | 5% | 1,150.00 | 237.29 | 34.85 | 14.74 | 24.19 | 17.36 | 0.03 | 58.75% | 18.18% |
| BORDER | Agro processing | 0% | 20.00 | 8.59 | 2.95 | - | 0.08 | 2.29 | 0.34 | 2.76% | 1.90% |
| COLCOM | Agro processing | 0% | 25.00 | 39.76 | 12.56 | 10.73 | 1.56 | 7.54 | 0.08 | 13.08% | 9.12% |
| HIPPO | Agro processing | 0% | 100.00 | 193.02 | 14.08 | 11.11 | 0.95 | 6.54 | 0.07 | 6.70% | 3.90% |
| INTERFRESH | Agro processing | -10% | 1.80 | 0.88 | (3.91) | (60.00) | 0.08 | (3.77) | | 1.31% | 0.55% |
| PADENGA | Agro processing | 0% | 5.70 | 30.87 | 6.63 | 7.22 | 0.88 | (76.61) | 0.15 | 14.49% | 10.23% |
| SEEDCO | Agro processing | 1% | 82.00 | 158.27 | 13.46 | 14.91 | 2.10 | 12.73 | 0.07 | 15.38% | 7.43% |
| ABCH | Banking | 0% | 60.00 | 43.04 | 5.17 | 4.87 | 0.28 | 1.39 | 0.19 | 16.59% | 1.56% |
| BARCLAYS | Banking | 0% | 3.40 | 73.20 | 28.33 | 24.29 | 1.78 | (10.45) | | 6.07% | 0.87% |
| CBZH | Banking | 16% | 14.50 | 99.20 | 1.84 | 1.65 | 0.59 | (0.72) | 0.54 | 25.43% | 3.32% |
| FBCH | Banking | 1% | 12.10 | 55.75 | 4.53 | 3.47 | 0.72 | (2.30) | 0.22 | 18.54% | 3.94% |
| NMB | Banking | 15% | 7.50 | 21.05 | 24.19 | 2.25 | 0.53 | (3.32) | 0.04 | 19.47% | 3.13% |
| ZBFH | Banking | 11% | 10.00 | 17.52 | 2.50 | 2.46 | 0.37 | (3.59) | 0.40 | 16.26% | 2.59% |
| CFI | Conglomerate | 0% | 3.60 | 3.80 | (1.14) | - | 0.09 | (11.18) | (0.88) | -9.13% | -4.41% |
| INNSCOR | Conglomerate | 1% | 82.00 | 444.11 | 12.89 | 10.12 | 3.06 | 7.84 | 0.08 | 26.88% | 12.27% |
| MEIKLES | Conglomerate | -29% | 20.00 | 49.07 | 16.53 | 13.07 | 0.36 | 11.25 | 0.06 | 3.95% | 2.01% |
| RADAR | Conglomerate | 0% | 8.00 | 4.09 | (3.67) | - | 0.11 | 7.92 | (0.27) | -128.73% | -50.78% |
| STAR AFRICA | Conglomerate | 0% | 1.20 | 6.22 | (0.56) | - | 1.35 | (1.17) | (1.79) | -231.46% | -21.15% |
| TA HOLDINGS | Conglomerate | 33% | 8.00 | 13.19 | 10.00 | 9.30 | 0.24 | 2.12 | 0.10 | 5.90% | 2.21% |
| TSL | Conglomerate | 11% | 30.00 | 104.28 | 17.65 | 16.04 | 1.96 | 15.24 | 0.06 | 5.80% | 4.10% |
| ECONET | ICT | 13% | 62.00 | 563.78 | 6.89 | 6.53 | 1.30 | 2.27 | 0.15 | 32.19% | 15.31% |
| ZIMPAPERS | ICT | 0% | 0.80 | 4.61 | 13.33 | - | 0.58 | 3.72 | 0.08 | 21.51% | 5.71% |
| AFRE | Insurance | 4% | 13.50 | 29.31 | 3.05 | 2.99 | 3.16 | 2.52 | 0.33 | 144.91% | 8.21% |
| FIDELITY | Insurance | -4% | 11.50 | 12.53 | 3.29 | 2.96 | 1.62 | 2.63 | 0.30 | 52.75% | 10.01% |
| NICOZDMD | Insurance | 25% | 2.50 | 13.99 | 5.10 | 5.56 | 0.95 | 4.35 | 0.20 | 19.14% | 10.53% |
| ZHL | Insurance | 0% | 1.00 | 7.75 | 9.09 | - | 0.16 | 9.58 | 0.11 | 1.79% | 0.70% |
| AFDIS | Manufacturing - Beverages | 0% | 32.00 | 30.40 | 35.56 | 25.20 | 5.53 | 17.25 | 0.03 | 14.70% | 6.32% |
| DELTA | Manufacturing - Beverages | 2% | 122.51 | 1,478.57 | 14.43 | 12.42 | 4.89 | 9.22 | 0.07 | 34.45% | 20.24% |
| LAFARGE | Manufacturing - Construction | 4% | 120.00 | 96.00 | 20.00 | 12.15 | 2.72 | 9.59 | 0.05 | 12.78% | 7.44% |
| M&R | Manufacturing - Construction | -41% | 4.10 | 8.81 | 16.40 | 8.20 | 0.45 | 4.12 | 0.06 | 2.57% | 1.34% |
| PGI | Manufacturing - Construction | 0% | 0.10 | 0.48 | (0.06) | - | 0.09 | 2.46 | (16.60) | -155.12% | -20.86% |
| TURNALL | Manufacturing - Construction | 38% | 5.50 | 11.95 | 550.00 | 25.00 | 0.92 | 6.62 | 0.00 | 0.25% | 0.11% |
| WILLDALE | Manufacturing - Construction | 0% | 0.25 | 4.45 | (4.17) | (4.17) | 0.42 | (24.33) | (0.24) | -5.82% | -3.05% |
| DZHL | Manufacturing - Food | 6% | 19.00 | 68.02 | 126.67 | 9.50 | 1.47 | 15.07 | 0.01 | 1.27% | 0.82% |
| NATFOODS | Manufacturing - Food | 4% | 240.00 | 164.16 | 12.45 | 12.65 | 2.96 | 8.87 | 0.08 | 25.15% | 13.76% |
| APEX | Manufacturing - Nonfood | 0% | 0.01 | 0.05 | (0.02) | (0.03) | 0.01 | 0.11 | (46.62) | -51.23% | -15.26% |
| ART | Manufacturing - Nonfood | 0% | 0.50 | 2.34 | 4.55 | 5.56 | 0.22 | 4.57 | 0.22 | 4.43% | 1.53% |
| ASTRA | Manufacturing - Nonfood | 0% | 4.00 | 5.59 | 4.55 | 4.71 | 0.43 | 2.54 | 0.22 | 9.55% | 6.37% |
| GBH | Manufacturing - Nonfood | 0% | 0.08 | 0.42 | (0.20) | - | 0.08 | 0.28 | (4.97) | -39.57% | -16.59% |
| HUNYANI | Manufacturing - NonFood | 0% | 3.50 | 11.19 | 13.46 | 13.46 | 0.53 | 3.82 | 0.07 | 3.91% | 2.25% |
| NTS | Manufacturing - Nonfood | 0% | 3.00 | 7.62 | 10.14 | 7.50 | 1.53 | 10.79 | 0.10 | 15.19% | 9.56% |
| PHOENIX | Manufacturing - Nonfood | 0% | 0.90 | 0.79 | (0.71) | - | 0.16 | (11.43) | (1.41) | -28.83% | -13.22% |
| PIONEER | Manufacturing - Nonfood | 0% | 4.00 | 21.99 | (2.42) | (2.35) | 4.64 | 704.66 | (0.41) | -11.85% | -2.98% |
| POWERSPEED | Manufacturing - Nonfood | 6% | 1.90 | 7.20 | 13.57 | 12.67 | 0.95 | 6.14 | 0.07 | 7.04% | 3.22% |
| ZECO | Manufacturing - Nonfood | 0% | 0.06 | 0.28 | (0.11) | - | 0.01 | (0.36) | (8.83) | -7.30% | -5.13% |
| ZIMPLOW | Manufacturing - Nonfood | 33% | 5.00 | 25.13 | (25.00) | 50.00 | 1.05 | 15.89 | (0.04) | -4.18% | -2.88% |
| MEDTECH | Manufacturing - Pharmaceutical | 0% | 0.06 | 1.68 | 50.59 | - | 1.10 | 13.11 | 0.02 | 2.18% | 0.42% |
| CAFCA | Manufacturing -Cables | 17% | 35.00 | 11.41 | 8.54 | 8.75 | 1.61 | 5.65 | 0.12 | 18.44% | 10.93% |
| BINDURA | Mining | 0% | 2.00 | 2.52 | (1.00) | - | (0.42) | (1.27) | (1.00) | 216.66% | -25.33% |
| FALGOLD | Mining | 0% | 10.00 | 11.12 | (909.09) | - | (3.35) | (12.20) | (0.00) | 78.57% | -14.17% |
| HWANGE | Mining | 0% | 10.00 | 18.37 | 5.88 | 5.46 | 0.18 | 2.45 | 0.17 | 2.99% | 1.33% |
| RIOZIM | Mining | 0% | 26.01 | 7.80 | (11.02) | 29.56 | 0.36 | 8.29 | (0.09) | -13.41% | -2.45% |
| DAWN | Property | -2% | 1.00 | 24.57 | 100.00 | - | 0.29 | 12.59 | 0.01 | 0.30% | 0.29% |
| MASH | Property | 0% | 3.00 | 55.77 | 2.97 | 4.29 | 0.57 | 9.73 | 0.34 | 17.87% | 16.89% |
| PEARL | Property | 8% | 3.25 | 40.24 | 4.46 | 4.33 | 0.36 | 8.00 | 0.22 | 8.18% | 7.36% |
| ZPI | Property | 6% | 1.11 | 19.06 | 2.92 | 2.64 | 0.38 | 9.34 | 0.34 | 13.04% | 12.27% |
| EDGARS | Retail | 0% | 11.50 | 32.51 | 7.52 | 6.46 | 3.32 | 5.72 | 0.13 | 38.83% | 9.86% |
| OK ZIM | Retail | 0% | 27.00 | 279.90 | 22.69 | 19.29 | 5.39 | 12.06 | 0.04 | 23.8% | 11.7% |
| PELHAMS | Retail | 0% | 0.10 | 1.00 | 1.00 | 5.00 | 0.24 | 1.85 | 1.00 | 23.5% | 7.1% |
| TRUWORTHS | Retail | 0% | 3.20 | 11.95 | 12.31 | 12.8 | 2.45 | 9.27 | 0.08 | 20.7% | 5.8% |
| AFRICAN SUN | Tourism | 2% | 2.05 | 16.89 | 6.61 | - | 0.70 | 4.90 | 0.15 | 10.6% | 4.2% |
| RTG | Tourism | 0% | 1.5 | 24.68 | (21.43) | - | 1.82 | 21.44 | (0.05) | -7.6% | -2.1% |

## Events Diary (No events)

| COMPANY | EVENT | Time | Date | VENUE |
|---|---|---|---|---|
| | | | | |
| | | | | |

**Disclosure appendix**

**Analyst Certification**
The following analyst(s) who is(are) primarily responsible for this report, certifies(y) that the opinion(s) on the subject security(ies) or issuer(s) and/or any other views or forecasts expressed herein accurately reflect their personal view(s) and that no part of their compensation was, is or will be directly or indirectly related to the specific recommendation(s) or views contained in this research report: **Tawanda Mazorodze and Kudzanai Samudzi.**

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**Additional disclosures**

1 This report is dated as at 30 September 2013
2 All market data included in this report are dated as at close of 30 September 2013, unless otherwise indicated in the report.

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