



Published News

More taxes collected to fund development

GOLD Star Sugar staged a furious comeback during the half-year ended September 30, 2021, rebounding from a COVID-19-induced factory shutdown and a fire incident to lift sales by 46%, according to a report by its parent company, starafriacorporation Limited. The company which is reaping rewards of substantial capital outlays into its refining capacity, lifted output to 39294 tonnes during the review period, from 26 959 tonnes in 2020, demonstrating its ability to navigate through headwinds. But recovery was also helped by consumers who trooped back to supermarkets after government relaxed lockdown restrictions to save a faltering economy. For a firm that has painfully charted a fresh trajectory in the aftermath of a frustrating decade highlighted by high gearing, which ended with a near catastrophe, steep sugar demand could be the catalyst starafrica required to quicken its recovery.

Exporters seek higher retention threshold

Captains of Industry are pushing for a review of the sectors' expert retention threshold, arguing the current levels have resulted in inflated costs for businesses due to exchange rate disparities. The central bank has maintained the current retention level of 60 percent to the industrial exporter while the balance of 40 percent is sold to the bank at the auction rate and used to fund the bank's forex obligations. Challenges regarding availability of foreign currency auctions have seen the delays in settlement of successful bids on the auction, resulting in backlogs of more than 10 weeks amounting to approximately US\$270 million of November 2021. The apex bank said in November last year it had started the process to clear nearly the outstanding auction allotments after receiving the requisite funds from the Treasury. The Confederation of Zimbabwe Industries (CZI) has asked the bank to amend settlement time for allotted bids to shorten delays and avoid fueling the black market, which is a source of cost push inflation.

Market Commentary

"Do not look for the needle in the haystack, buy the whole haystack"

Since a portfolio rebalance on December 31, 2021, the OMTT ETF has been on a record-breaking upward trend, with a year-to-date gain of 91.44 percent, putting a literal meaning to the saying "Do not seek for the needle in the haystack, rather purchase the whole haystack in what could be considered "irrational investor exuberance". The ETF is trading at a 75 percent premium, with a net asset value of \$4.82 and a trading price of \$8.42, providing investors with a fantastic arbitrage opportunity. Instead of matching the Top 10 index (which has a year-to-date return of 12.76 percent), the ETF has outperformed it by 78.68 percent (tracking error).

Meanwhile, when the medium cap retreated, the ZSE ASI rebounded from prior day losses, soaring by 97 basis points. The volume of trading today was substantially lower, with 2.3 million shares worth \$128 million changing hands. Market mood was close to level, with 17 of the 37 stocks gaining, 18 relaxing, and 2 remaining unchanged, as indicated by market depth. Masimba gained 10.93 percent, Turnall gained 10.37 percent, and Med Tech (Class A) gained 8.23 percent. Unifreight, on the other hand, gained 7.71 percent, while NMB fell 7.71 percent to end at \$12.00.

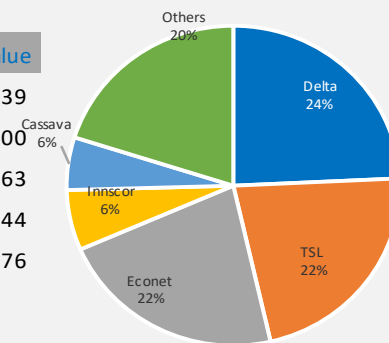
No trades were recorded on the VFEX today

Market Statistics

	Open	Close	% change
ZSE All Share	12,079.74	12,197.04	0.97%
ZSE Top 10	7,817.52	7,925.43	1.38%
ZSE Top 15	8,597.35	8,703.82	1.24%
Medium Cap	21,233.64	21,181.14	-0.25%
Small Cap	381,675.39	389,356.19	2.01%

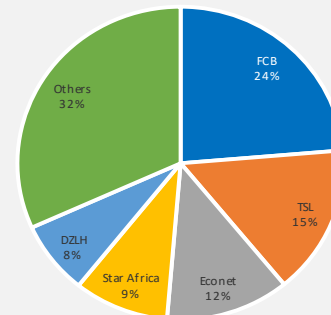
Value Leaders

Counter	Value
Delta	31,168,039
TSL	28,424,000
Econet	28,346,263
Innskor	7,812,844
Cassava	6,840,676



Volume Leaders

Counter	Volumes
FCB	546,800
TSL	355,300
Econet	283,400
Star Africa	217,300
DZLH	173,600



Gainers

	Close	% change	Volume
Masimba	5,000.00	10.93%	100
Turnall	550.00	10.37%	13,400
Med Tech (Class	2,500.00	8.23%	2,500
Mash	297.47	7.78%	1,900
Meikles	12,500.00	4.22%	15,400

Shakers

	Close	% change	Volume
Unifreight	2,700.00	-10.00%	200
NMB	1,200.00	-7.71%	300
FMP	650.00	-7.14%	1,500
Edgars	456.25	-6.89%	3,200
Fidelity Life	1,133.33	-5.56%	600

	Open	Current	YTD	Top 10 YTD	Tracking Error	NAV
OMTT	440.09	842.52	91.44%	12.76%	78.68%	481.87%
MCMS	1000	1351.61	35.16%			12.28%

Counter	Event	Date	Time	Venue
Ariston	AGM	25/02/22	15.00	Royal Harare Golf Club

Cautionary Statements

CAUTIONARY STATEMENTS

SCAN ME



Research Team

Johnson Siziba Godfrey R. Muchati
+263 784 310 119 +263 788 303 419

Dealing Team

Mashoko Dzimiri Lloyd Mupfurutsa
+263 772 933 251 +263 712 255 554

+ 263 8677 196556-59
+ 263 8644 309587-88
+ 263 8644 309594-95
+ 263 242 301 752

info@jemina.capital
www.jemina.capital

9 Coull Drive, Mt Pleasant
Harare, Zimbabwe

