

Monthly Report



**For the month
ending:
31 January 2025**

News Highlights

Tanganda finalises US\$8 mln capital raise, VFEX listing: Tea producer, Tanganda Tea Company Limited, is finalising a circular detailing a planned secondary listing on the Victoria Falls Stock Exchange (VFEX) and a US\$8 million capital raising plan. In October 2024 last year, Tanganda's board of directors announced they would meet to discuss delisting from the Zimbabwe Stock Exchange (ZSE) for a VFEX listing. It later ditched the plan. Instead, the board agreed to issue new shares and list on the VFEX while maintaining its ZSE listing. "Further to the cautionary announcement dated December 31 2024, the directors of Tanganda Tea Company Limited wish to advise shareholders and the investing public that the company is currently finalising the preparation of a circular to shareholders," Tanganda said in a statement yesterday. According to the tea producer, the circular will contain details of the interrelated transactions and will also include a notice to convene an extraordinary general meeting of members to consider and approve the transactions

Econet capex at 18% of revenues in Q3: Telecommunications firm Econet Wireless says its year-on-year capital expenditure closed the third quarter of 2024 at 18% of revenues driven by network modernisation to support growth in usage and improve service quality. This comes as the group successfully modernised its network to enable advanced digital use cases such as high-quality voice calls over 4G/LTE network. The efforts saw base station modernisation continuing, with 16 new sites and the upgrading of 33 radio access sites and 270 microwave access links and an additional 20 5G sites commissioned nationwide. In a trading update for Q3 ending November 30, 2024, Econet said the envisaged growth in mobile broadband and digital services require the business to continue modernising the network infrastructure to remain agile in its service offering and deliver the expected quality of service

Delta invests US\$13 mln in agric sector: Delta Corporation, Zimbabwe's largest brewer, has committed approximately US\$13 mln to the 2024/2025 summer cropping season. This strategic investment is aimed at reducing raw material costs and empowering outgrowers through targeted support. Delta's agricultural portfolio primarily focuses on maize, sorghum, and barley. While maize and sorghum are cultivated during the summer, barley production is reserved for the winter season. The company relies heavily on contract farming for maize and collaborates with outgrowers to meet its sorghum requirements. Delta CEO Matts Valela recently highlighted the company's optimism for the current season, citing favourable rainfall projections. Valela emphasized that the firm anticipates reduced input costs due to improved weather conditions

Star Africa profits surge on improved product supply: Star Africa Corporation has reported a 37% surge in turnover to ZiG523.9 mln during 6 months to September, 2024, up from ZWL381.8 mln in the prior year driven by improved product supply and the reinstatement of import duties. Growth was largely driven by a notable increase in sales volumes, reflecting the company's ability to capitalise on market demand despite prevailing economic challenges. The company recorded a ZiG25.6 mln profit, a huge improvement from a ZiG86.9 mln loss recorded in the prior year. According to Star Africa, the improvement signifies the group's commitment to effective cost-optimisation initiatives and streamlined operations

Nampak Zim focused on cost control, as PAT halves in FY24: Packaging company, Nampak Zimbabwe Limited (Nampak) has placed its focus on cost control and margin preservation to place the group in a better position, as the firm's profit after tax (PAT) halved in its financial year ended September 30, 2024. During the period under review, Nampak posted a PAT of US\$4.96 mln from a prior year comparative of US\$9.81 mln. This comes as there was a reduction in other income of US\$8.88 mln, with revenue declining to US\$101.28 mln during the same period from the prior year comparative of US\$109.23 mln. Some of these challenges are why the South African packaging group, Nampak Limited is disposing of its subsidiary, Nampak, to the diversified local firm, TSL Limited, for US\$25 mln

Edgars to launch 20 new Express stores: Clothing retailer Edgars Stores Limited plans to launch 20 new express stores this year, shifting its focus to a lower-income demographic currently dominated by second-hand clothing traders. The group's expansion strategy aims to significantly increase its retail presence to compete in this space, driven by the rise of second-hand clothing traders. In the half-year period ended July 7, 2024, the group's losses widened to US\$338 292 from US\$174 310 in the prior year, attributed to the impact of second-hand clothing. Sevious Mushosho, group chief executive officer at Edgars, said the initiative underscored the company's commitment to enhancing accessibility to its products and services, catering to growing consumer demands in various regions

Caledonia in US\$42 mln capex drive for 2025: Victoria Falls Stock Exchange-listed Caledonia Mining Corporation has announced a US\$41.8 mln capital expenditure programme for 2025, aimed at driving growth, enhancing efficiency, and strengthening operational resilience at its Blanket Mine and other projects in Zimbabwe. The investment includes US\$34.9 mln for Blanket Mine and is expected to support gold production guidance of 73 500 to 77 500 ounces (oz) while modernising operations to ensure longterm sustainability. The company met its 2024 production target with 76 656 oz of gold, surpassing the previous year's output

Table 2: Monthly Statistics

	Month-end	Change	Beginning of the month
ZSE			
Mkt Cap US\$ 'm	1,480.60	-11.26%	1,668.40
Mkt turnover ZiG	199,733,856	-11.32%	225,234,020
VFEX			
Mkt Cap US\$ 'm	1,266.87	-1.00%	1,279.62
Mkt turnover US\$	11,632,661	-40.65%	19,598,817
Local Indices			
ZSE All Share	195.57	-10.12%	217.58
ZSE Top 10	192.72	-10.46%	215.24
ZSE Top 15	194.81	-8.34%	212.54
ZSE Medium Cap	227.72	0.05%	227.60
ZSE Small Cap	100.11	0.00%	100.11
International Indices			
NSE 20	2,162.58	13.45%	1,906.21
Nigeria All Share	104,536.44	3.27%	101,225.63
JSE All Share	86,028.94	1.38%	84,860.00
NIKKEI-225	39,572.49	1.20%	39,101.64
FTSE	8,677.12	5.20%	8,248.60
DJIA	44,882.13	5.08%	42,711.00

The ZSE extends losses in January, Meanwhile the VFEX also Falters

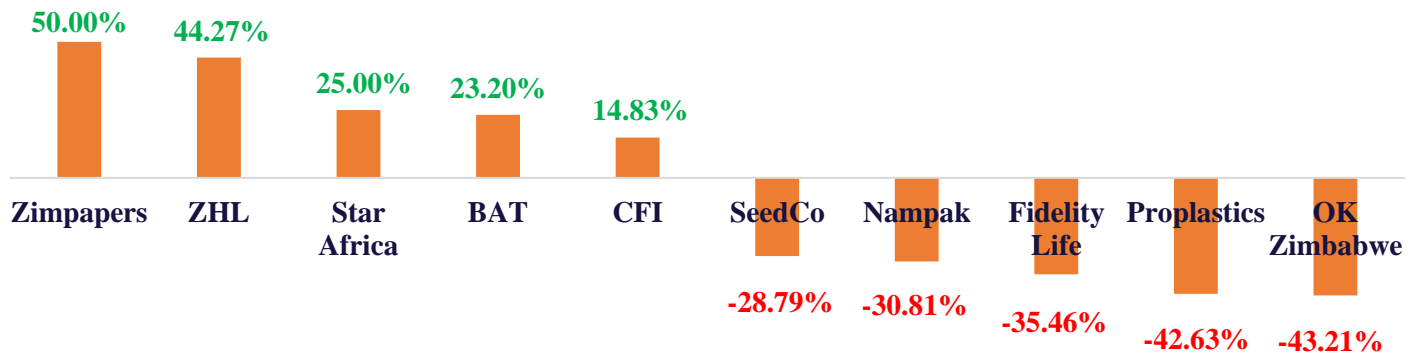
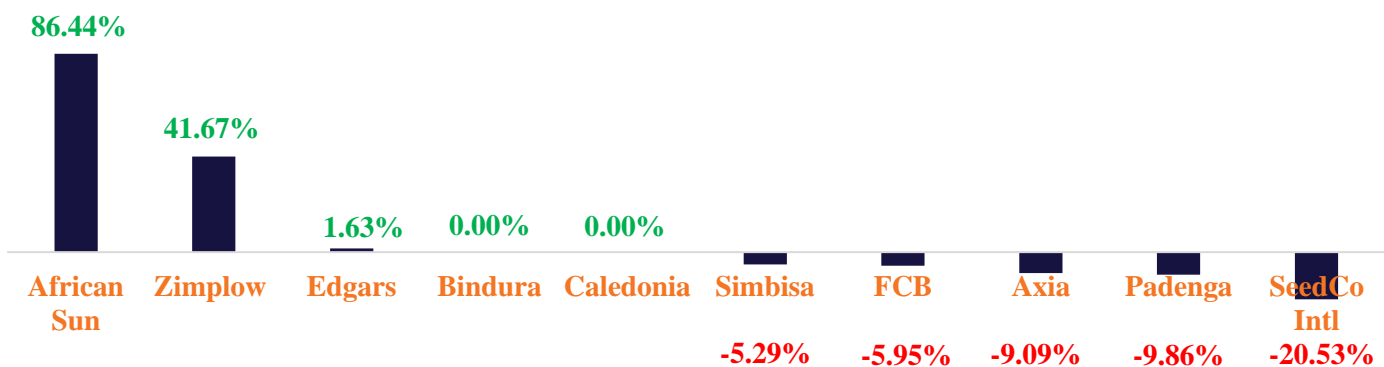
In January, the ZSE saw a 11% drop in market capitalization, following a 18% decline in December 2024. The All-Share Index fell by 10.12%, largely due to significant losses in the Top 10 Index (-10.46%) and the Top 15 Index (-8.34%). However, the Medium Cap Index saw a slight gain of 0.05%, while the Small Cap Index remained steady at 100.11.

Monthly turnover reached ZWG 200 million, with Delta contributing ZWG 74 million and Econet adding ZWG 67 million. This marked a decrease from December's turnover of ZWG 225 million, which was driven by Delta (ZWG 101 million) and Econet (ZWG 53 million).

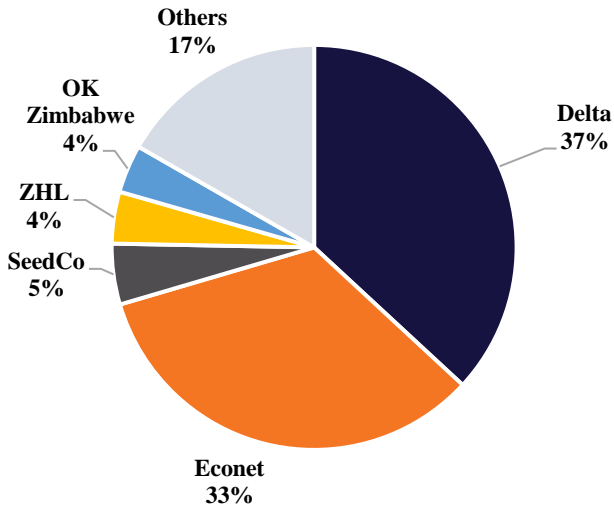
On the Victoria Falls Stock Exchange (VFEX), market capitalization dipped by 1%, and turnover declined by 41% to US\$11.6 million from US\$19.6 million recorded in December 2024. January's turnover was primarily fueled by Natfoods buybacks totaling US \$9.2 million, while December's activity was driven by Simbisa (US\$ 10 million) and Innscor (US\$6.5 million) trades on December 5th.

Zimpapers emerged as the top performer, surging by 50%, despite trading shares worth only ZWG 105 for the month. On the other hand, OK Zimbabwe recorded the largest decline, falling by 43%.

Outlook: We believe that equities have been significantly impacted by the liquidity crunch, leaving many major counters undervalued and still below their historical averages. This creates attractive buying opportunities for investors.

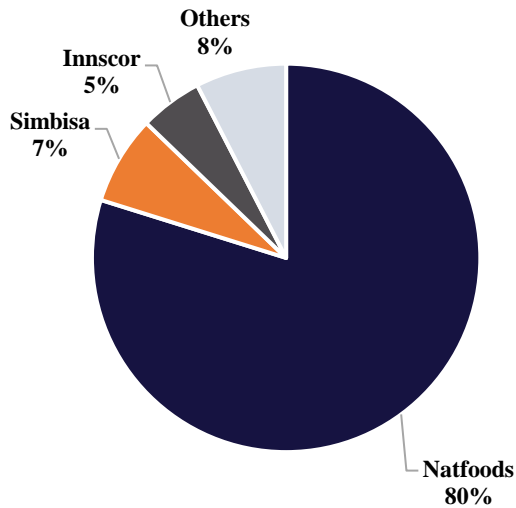
Movers and Shakers**Zimbabwe Stock Exchange****Victoria Falls Stock Exchange**

Value Traded ZWG



Name	Value Traded ZWG
Delta	73,678,419
Econet	67,032,778
SeedCo	9,692,467
ZHL	8,264,081
OK Zimbabwe	7,681,818
Others	33,384,292

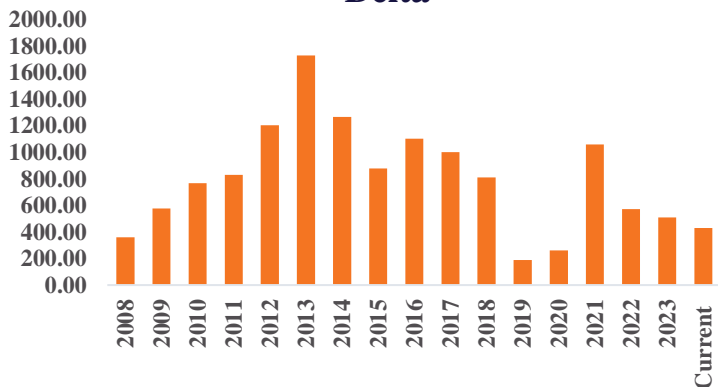
Value Traded US\$



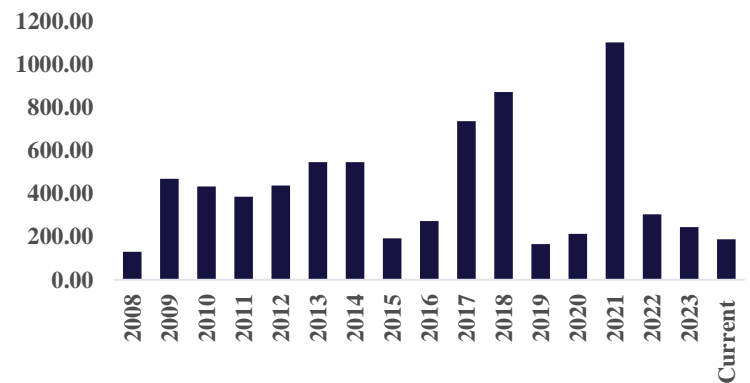
Name	Value Traded US\$
Natfoods	9,285,604
Simbisa	858,905
Innscor	607,477
Padenga	253,476
SeedCo Intl	223,241
Others	403,958

Historical Market Capitalisation

Delta



Econet



Top 10 by Market Capitalization US\$ (Mln)

Counter	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Current
Delta	576.3	766.81	829.44	1202.4	1728.3	1266.1	877.24	1101.22	1001.16	810.27	189.451	262.01	1059.8	572.94	509.18	463.461	429.34
Econet	467.5	432.76	384.79	437.65	545.59	545.59	191.78	272.8	735.819	870.13	165.774	213.25	1101	304.16	243.5	241.324	187.30
FBC	12.62	20.67	38.47	44.39	90.71	53.76	47.04	53.76	67.195	55.337	19.0629	87.46	113.74	50.81	67.65	182.266	134.36
CBZ	109.5	109.46	95.78	68.41	102.72	68.48	75.53	72.16	51.5424	25.064	20.8291	506.44	196.44	86.05	184.38	111.591	109.76
FML	17.41	12.8	6.51	11.29	30.42	19.01	8.74	15.97	67.2889	24.358	9.32	57.38	69.014	21.55	80.28	76.5237	76.58
Mash	33.46	35.32	55.77	48.15	60.42	50.19	40.9	37	32.162	12.598	6.30469	14.64	30.161	19.03	26.53	88.5982	71.83
BAT	36.47	34.76	26.94	62.57	247.6	231.1	251.73	314.66	368.313	160.21	42.837	98.39	330.24	70.43	30.03	41.4527	51.07
RTG	31.26	21.39	47.72	39.49	29.93	29.93	22.45	22.45	9.35248	14.033	15.7325	41.49	97.324	26.99	44.36	37.5884	37.43
NMB	13.14	28.07	32.28	18.25	18.25	17.3	13.45	14.99	17.3239	22.19	7.2048	14.14	16.274	18.73	30.81	33.34	37.27
Hippo	183.4	260.58	221.97	214.25	173.76	106.16	71.42	67.56	169.858	77.662	16.3648	150.89	270.23	42.98	40.75	37.6873	36.19

Top 10 by Market Capitalization US\$ (Mln)

Counter	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Current
WestProp															300.00	300.00	300.00
Innscor	322.99	270.06	294.36	378.08	475.30	324.07	162.26	259.96	270.80	235.75	85.70	181.69	462.73	495.98	250.75	264.99	261.97
Simbisa							84.49	86.65	130.84	95.06	30.55	64.35	252.98	205.76	182.71	201.82	191.14
Natfoods	92.31	69.08	58.82	90.29	136.80	232.56	179.33	246.41	222.30	114.34	26.79	35.64	470.11	122.19	98.84	119.70	119.70
Padenga		24.37	29.79	24.37	43.33	48.74	41.87	86.65	148.15	108.32	57.69	109.50		124.13	92.34	102.74	92.61
FCB	204.43	193.73	92.56	55.98	94.73	54.91	91.51	68.90	64.65	29.93	9.33	18.34	37.30	41.49	43.85	94.43	90.54
African Sun	84.75	18.29	5.82	7.48	22.45	14.97	14.65	10.34	20.68	20.28	9.37	12.44	45.71	44.33	74.19	34.88	65.03
SeedCo Intl										153.52	31.50			72.55	77.24	63.96	50.03
Axia								36.40	48.74	57.35	15.07	43.32	82.96		44.39	48.83	44.73
Bindura	31.51	16.39	2.52	18.15	24.58	79.34	18.97	49.59	34.21	27.56	8.72	40.74	38.05	29.27	14.38	15.91	15.91

Disclosure appendix

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Additional disclosures.

1 This report is dated as of 3 February 2025

2 All market data included in this report are dated as at close of 31 January 2025, unless otherwise indicated in the report.

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