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**ZSE Statistics**

| Item                    | Closing  | % Change | Major Movers | Price | % Change |
|-------------------------|----------|----------|--------------|-------|----------|
| Industrial Index        | 134.85   | (0.46)   | PHL          | 9.40  | 4.44     |
| Mining Index            | 32.97    | -        | NMB          | 3.61  | 0.28     |
| Total Volumes '000'     | 2,305.72 | (0.15)   | -            | -     | -        |
| Total Value 'US\$ '000' | 424.35   | 0.11     | -            | -     | -        |
| Active Counters         | 14.00    |          | -            | -     | -        |
| Advances: Declines      | 2:9      |          | -            | -     | -        |

  

| Dual Listings    | Price | USD Equivalent | Major Decliners | Price | % Change |
|------------------|-------|----------------|-----------------|-------|----------|
| ABCH (BWP)       |       |                | MEIK            | 11.00 | (7.33)   |
| PPC (ZAR)        |       |                | FMHL            | 2.00  | (6.10)   |
| Hwange (ZAR)     |       |                | ECON            | 27.02 | (3.50)   |
| Old Mutual (ZAR) |       |                | OK              | 1.40  | (2.78)   |
|                  |       |                | NICO            | 1.40  | (2.78)   |

**Corporate Calendar**

| Calendars                 |  |
|---------------------------|--|
| <b>Zimbabwe</b>           |  |
| September 7- September 11 |  |
| Monday                    |  |
| Tuesday                   |  |
| Wednesday                 |  |
| Thursday                  |  |
| Friday                    | LDR FOR CBZ INTERIM DIVIDEND; RATE 0.212 C |
|                           | LDR FOR FBC INTERIM DIVIDEND; RATE 0.149 C |

## **Zimbabwe Press Summary**

**Government set to simplify investment processes (*Sunday Mail*, September 6, Pg B1)** Government and investment officials are expeditiously working on the formula needed to simplify doing business in the country in line with the vision enunciated by President Mugabe in the 10-point plan for economic recovery. Generally, there are concerns on the time taken for business deals to be consummated. Blue Ribbon's \$40 mln takeover by the Bakhresa Group, for example, was recently concluded after being in the pipeline for 3 years. Also, Essar Holdings' \$750 mln investment in Ziscosteel has not taken off since it was signed and launched in March 2011. Last week, the country played host to Nigerian businessman, Aliko Dangote of Nigeria, arguably the current biggest African investor on the continent, who expressed interest to invest in cement manufacturing, coal mining and power generation. The projects are valued at \$3 bln. Economic Planning and Investment Promotion Minister, Ambassador Simon Khaya Moyo last week said committees are working flat out to ensure that invest processes are simplified for investors.

### **\$28 mln inputs to benefit 300 000 (*Herald*, Monday September 7, Pg 1)**

About 300 000 small-scale farmers countrywide are set to benefit from the Presidential Well Wishers Input Scheme in the 2015-2016 farming season, which will begin in the next few weeks. The scheme, which targets the elderly and orphans, seeks to increase yields and improve food security in line with the 10-Point Plan enunciated by President Mugabe during his recent State of the Nation Address. The 10-Point Plan, which is anchored on Zim-Asset, identifies the revitalisation of agriculture and the agro-processing value chain as integral to economic turnaround. Agriculture, Mechanisation and Irrigation Development Deputy Minister responsible for crops Davis Marapira said yesterday that government had set aside \$28 mln for the scheme.

### **Brazil to release remaining agric equipment (*Herald*, Monday September 7, Pg B1)**

Brazil will soon release the remaining agricultural equipment to Zimbabwe worth \$60 mln under the More-Food Africa programme, its envoy to the country said last week. Zimbabwe has already received equipment worth about \$38 mln under the \$98 mln 15-year loan facility provided by the South American country to support small-scale farmers. The equipment, which includes tractors, fertiliser spreaders and irrigation kits was launched by President Mugabe in May this year and will help Government fulfil targets under Food and Nutrition cluster in the Zim-Asset, the country's medium-term economic programme .

### **Windfall for summer farmers (*Sunday Mail*, September 6, Pg 2)**

Government will this week release at least \$14 mln in the latest batch of funds meant to pay farmers for grain delivered to the Grain Marketing Board (GMB) last season. This comes ahead of the 2015-2016 summer cropping season. Agriculture, Mechanisation and Irrigation Development Minister Joseph Made said the release of the money was part of government's efforts to clear the GMB debt to farmers .

### **Italian firms to invest in Zim energy sector (*NewsDay*, Monday September 7, Pg 7)**

2 Italian firms met government officials at a recently held expo in Milan on how they could invest in Zimbabwe's energy sector, Industry and Commerce minister Mike Bimha has said. Addressing journalists last week, Bimha said while he was attending the Milan Expo, he met senior Italian government officials, who spoke about investing in Zimbabwe, with particular interests in energy. "I met with some Italian firms that showed interest in investing in food processing, mining and energy, in particular solar. They spoke about investing in and setting up a solar unit which would manufacture solar panels," Bimha said .

**Govt sniffs out cartels in fuel industry (*Sunday Mail*, September 6, Pg B7)**

Government believes that there is compelling evidence, particularly in the distorted and huge price differentials of up to 10 cents obtaining in the petroleum industry, to prove that there are price-fixing cartels in the sector. Under the Competition Act (Chapter 14:28), cartel conduct, which is defined as an unfair business or trade practice, is a crime and attracts a fine (not exceeding \$2 000) or imprisonment for a period not exceeding two years, or both, in the case of individuals.

**Airline increases Harare-Dar flights (*Herald*, Monday September 7, Pg B3)**

Fastjet, the low-cost pan-African airline, has increased the number of flights on its Harare- Dar es Salaam (Tanzania) route, in response to strong passenger demand. The airline will now offer daily flights from Harare International Airport to Dar es Salaam's Julius Nyerere International Airport from the previous flights four times a week. Fastjet said this will provide Zimbabweans and other travellers between the countries with increased and more convenient travel options at affordable fares. The airline currently operates this route four times a week, and its expanded schedule will see approximately 1 000 extra seats each week added to the flights between the two cities. Fastjet said the new daily flight schedule will commence on September 13 2015 and tickets for the additional flights are currently on sale. Air fares start from as little as \$50 one-way, excluding airport and government taxes.

**Major road project primed for take-off (*Sunday Mail*, September 6, Pg B1)**

More than \$800 mln could accrue to local companies as Government intensifies efforts to rehabilitate and dualise the Chirundu-Harare-Beitbridge highway – a project considered to be arguably the biggest infrastructure investment the country has seen so far. Experts say that the works on the 897-kilometre stretch from Chirundu to Beitbridge could gobble between \$1.8 bln and \$2 bln. What has added optimism in industry is the potential positive spin-offs that could be generated from the project whose value is considered to be more than 7 times the size of the Plumtree-Harare-Mutare highway, which cost \$280 mln.

**Retailer focuses on consolidating market presence (*Herald*, Monday September 7, Pg B3)**

Local fruit and vegetables retail firm, Food Lovers Market, has now shifted its focus to consolidating its market presence after completing an \$8.5 mln investment that went towards the opening of six branches this year. Food Lovers Market director Rafe Wetzlar said the company has completed its investments for this year and is now looking at repaying creditors and consolidating its presence on the local scene. "We have now completed our investments for this year where the company is now sitting at six branches in Harare and Bulawayo. Since the beginning of the year we earmarked several investments aimed at expanding our retail portfolio as we continue to see several opportunities in the local market," said Wetzlar.

**Zimra starts levying groceries (*Southern Eye*, Monday September 7, Pg 9)**

The Zimbabwe Revenue Authority (Zimra) has now started levying duty on a wide list of imported grocery goods such as laundry soap and sugar in line with Finance minister Patrick Chinamasa's 2015 mid-term fiscal policy review statement and subsequent changes to the rebate on duty as covered under Section 114 of the Customs and Excise (General) Regulations. In a statement on Friday, Zimra said goods that previously qualified for the \$300 duty-free allowance now attracted duty at the country's ports of entry. The list of goods that are excluded is now as follows: goods which are imported for commercial purposes, alcoholic beverages in excess of five litres per traveller of which two litres may be spirits, goods which are imported by any member of the crew of an aircraft, ship or vehicle arriving from outside Zimbabwe, stoves and refrigerators, blankets, cooking oil and laundry bar soap, Zimra said.

**Duty increases will not lead to price increases, Industry (*Daily News*, Monday September 7, Pg12).**

The recent scrapping of import duty rebates on locally available consumables is not going to affect prices, industry representatives and economists have said. In Zimbabwe, the traveller's rebate is a duty free allowance which is granted to bona fide travellers, subject to prescribed conditions, according to the Zimbabwe Revenue Authority. This comes after Zimra yesterday announced it had begun effecting Finance minister Patrick Chinamasa's 2015 Mid-Term Fiscal Policy Review tax increases on goods such as second-hand motor vehicles and cooking oil.

**Govt acquires majority stake in intelligence data provider firm (*NewsDay*, Monday September 7, Pg 3)**

Government has acquired a 51% stake of Portnet Software (Private) Limited through a local systems technology company, Zarnet, as part of efforts to ensure all its economic intelligence data was handled by indigenous firms. Portnet specialises in the provision of systems application products solutions across Africa .

**IAPs revenues up 7.4% (*Daily News*, Monday September 7, Pg 11)**

Revenue for local Internet Access Providers increased by 7.4% to \$33.7 mln from \$31.4 mln in the first quarter of this year, the Postal and Telecommunications Regulatory Authority of Zimbabwe has said. In a report for the period under review, Potraz also said mobile phone network operators posted a 14.2% revenue slump on the back of the use of the cross-platform mobile messaging application, WhatsApp, by most mobile users.

**Mobile transactions down 4% (*Daily News*, Saturday September 5, Pg 11)**

Zimbabwe recorded a 4.7% decline in mobile and Internet-based transaction to \$490 mln in June 2015 from \$514.5 mln in May due to tight liquidity crisis, latest figures from the central bank indicate. In its monthly economic review for June, the Reserve Bank of Zimbabwe (RBZ) said the total value of card based transactions also decreased from \$455.4 mln in May to \$419.7 mln in June 2015. This comes in the wake of an 18.2% increase in mobile banking agents to 30 274 in the six months to June. Total mobile financial activities recorded between 2009-14 are valued at \$6.1 bln, amid indications that mobile money is overtaking formal banking channels. Meanwhile, transactions processes through the RTGS system increased 17 percent to \$4.04 bln from \$3.5 bln in May, as transactions registered an increase of 9.3% to 196 410 from 179 761. Total value of card-based transactions slumped to \$419.7 mln in June 2015 from \$455.4 mln, while cheque transactions value declined to \$11,9 mln from \$13.1 mln in May 2015, in June 2015.

**Mobile operators' revenue declines in first quarter (*Standard*, Sunday September 6, Pg 14)**

Revenue generated by mobile operators fell 14.2% in the first quarter of the year despite an increase in active mobile subscribers. The decline is attributed to the increased use of social media applications such as WhatsApp and Viber, latest industry statistics have shown. According to a report by the Postal Regulatory Telecommunications Authority of Zimbabwe (Potraz), mobile operators generated \$188 546 846 down from \$219 707 438 in the fourth quarter of 2014. The total number of active mobile subscribers grew by 0.5% to reach 11.9 mln from 11.8 mln subscribers recorded in the previous quarter. During the period under review, the mobile penetration rate (active) also increased from 90.3% recorded in the previous quarter to reach 90.8% .

**Tetrad creditors seek equity swap (*Herald*, Monday September 7, Pg B1)**

Tetrad Investment Bank and TFS Asset Management creditors are working on plans to convert their debt into equity in an effort to avoid liquidation of the bank. Creditors with investments valued at \$30 mln in the troubled bank have already given their support ahead of a crucial meeting next month to consider the request for TIB to be taken over and be reconstructed by the creditors. The creditors include clients of the Tetrad Group's subsidiary, TFS Management, which is currently under liquidation,

who had \$11 mln of their money negligently invested in the troubled bank's money market investments. John Graham, chairman of the Tetrad Creditors Group Trust Management Committee said: "We are continuing our efforts to increase the leverage of creditors, and we need another \$23 mln of support to obtain creditor reconstruction."

**Zimplats capital expenditure reaches \$1.3 bln(*Daily News*,Saturday September 5,Pg 11)**

Zimplats has spent over \$1.3 bln on its operations in the country in the past 13 years. Its annual integrated report released on Wednesday, the platinum miner said it has also paid \$513 mln to government in the form of income tax, royalties, customs duties and pay as you earn from 2002 loss for the full year on Monday after being hit by a hefty one-off tax repayment and falling global sales of the metal. It was the only second time in the company's history that it has reported an annual loss, the other being in 2009. Zimplats said it had to pay an additional \$55.3 mln in taxes during the year to June to cover the period 2004-2014, after losing a court case in a long-running dispute with the tax agency over payment of additional profits tax. In addition, it said its revenue fell 29% to \$408 mln for the year after sales of platinum, palladium, rhodium and gold declined 20%. The group's chief executive, Alex Mhembere, said a 12% fall in gross revenue per platinum ounce from \$2 457 to \$2 167 also arose from declining metal prices, while cost of sales at \$316 mln was five percent lower than the previous year's \$332 mln.

**Dangote deals - A test for Zimbabwe (*Standard*, Sunday September 6, Pg 13, also in*Daily News on Sunday*, Pg 3)**

The Zimbabwe Investment Authority (ZIA) has said it is ready to process proposed investments by Nigerian billionaire Aliko Dangote while analysts added that the tycoon's deals presented a litmus test on the country's ability to handle business opportunities. Last week, Dangote – Africa's richest man with a net worth of \$17.5 bln, according to Forbes Magazine – announced an interest in mega investments in Zimbabwe. He pointed at energy, cement manufacturing and coal mining as areas his company had laid eyes on. This would be a major boost for the country which desperately needs to attract foreign direct investment (FDI) inflows to revive the economy. ZIA board chairman Nigel Chanakira said the authority had reduced the cost and time of the Dangote investment .

**Medical insurance firms to lose out after job cuts(*Standard*,Sunday September 6, Pg 14)**

Medical Aid societies are set to register a decline in membership due to recent job terminations which have seen over 30 000 workers losing their jobs countrywide, officials have said. The country has 1.2 mln people on medical cover. However, recent past events and economic challenges have further strained the few that were on medical aid. Premier Medical Aid Society has 900 000 members while the rest is shared among the other 28 medical aid societies. Cimas Medical Aid Society managing director Rodrick Takawira said although they had not seen the effect of job terminations, companies were suspending their contribution on behalf of employees. Companies and employees jointly contribute to cater for the medical welfare of the concerned worker .