

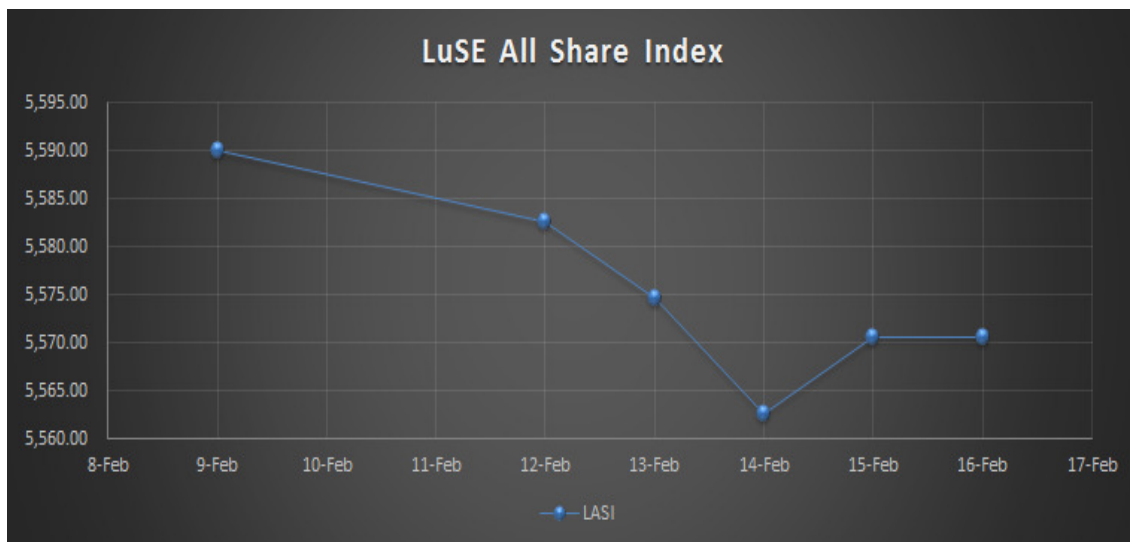


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**16 February, 2018**

### **Madison Market Weekly Report**

In the week ended 16th February 2018, a total of 109,134 shares worth K253,081 were transacted. This included trading activity in CCAF on the quoted tier. Share price losses of K0.25 and K0.04 were recorded in REIZ and SCZ respectively. Trading also occurred in AELZ, CECZ, MAFS, PUMA, ZAMBREW, ZNCO and ZSUG. The LuSE All Share Index (LASI) closed the week at 5,570.61 points, a decline of 0.35% from the previous close of 5,590.05 points.



The table below shows a summary of price changes, key ratios and market capitalisations

	Stock Price	Weekly	Stock Price	Prior	P/E	P/BV	Div	EPS	Market	12 Month		YTD	YOY	
	16-Feb-18	Change %	09-Feb-18	Change %	Ratio	Ratio	Yield %		Cap (ZMW)	Highest	Lowest	Change	Change	
AELZ	18.49	0.00%	18.49	0.00%	6.66			12.98	2.85	377,318,034.00	22.00	6.80	0.00%	169.14%
ATEL	35.00	0.00%	35.00	0.00%	15.88	1.67		11.43	1.95	3,640,000,000.00	39.00	32.00	0.00%	4.48%
BATA	2.49	0.00%	2.49	0.00%	29.12	10.15		2.41	0.12	189,507,924.00	2.50	2.00	0.00%	5.96%
BATZ	2.00	0.00%	2.00	0.00%	20.21	0.00		3.97	0.10	424,912,608.00	2.00	2.00	0.00%	-65.16%
CCHZ	2.00	0.00%	2.00	0.00%	196.63	17.89		0.79	0.02	10,000,000.00	2.00	1.20	0.00%	0.00%
CEC	2.10	0.00%	2.10	43.84%	-	1.40		0.03	-	2,100,000,000.00	2.10	0.87	45.83%	213.43%
INVESTTRUST	13.50	0.00%	13.50	0.00%	-	0.95		-	-	40,014,000.00	13.50	13.50	0.00%	0.00%
LAFARGE	6.00	0.00%	6.00	0.00%	16.15	3.70		6.19	0.39	1,200,239,424.00	6.51	2.70	-4.00%	-40.00%
MFIN	3.08	0.00%	3.08	0.00%	18.88	0.99		6.43	0.30	154,000,000.00	3.28	2.80	0.00%	-12.00%
NATBREW	12.50	0.00%	12.50	0.00%	-	1.16		-	-	787,500,000.00	13.00	12.50	0.00%	-7.41%
PAMODZI	0.62	0.00%	0.62	0.00%	8.75	5.25		1.82	0.01	62,000,000.00	0.62	0.62	0.00%	0.00%
PRIMA	2.50	0.00%	2.50	0.00%	42.61	2.01		4.17	0.10	27,500,062.50	2.90	2.50	0.00%	-13.79%
PUMA	1.00	0.00%	1.00	0.00%	7.36	2.02		5.44	0.14	500,000,000.00	1.02	0.85	0.00%	-16.67%
REIZ	5.55	-4.31%	5.80	0.00%	-	0.91		3.64	-	313,354,098.90	6.00	5.50	0.91%	39.45%
SCZ	2.77	-1.42%	2.81	0.00%	10.80	0.59		8.89	0.21	4,617,534,600.00	2.81	1.70	0.00%	41.33%
SHOPRITE	63.00	0.00%	63.00	0.00%	13.25	6.01		7.55	4.75	170,100,000.00	63.00	63.00	0.00%	0.00%
ZAMBEEF	3.00	0.00%	3.00	0.00%	4.73	4.13		1.46	0.63	743,934,585.00	3.00	2.50	0.00%	-6.25%
ZAMBREW	6.84	0.00%	6.84	0.00%	59.67	0.55		-	0.11	3,734,640,000.00	6.84	6.20	0.00%	14.00%
ZANEFA	4.82	0.00%	4.82	0.00%	-	3.36		-	-	130,573,800.00	5.00	4.82	0.00%	-3.60%
ZANACO	0.96	0.00%	0.96	0.00%	46.04	1.82		2.90	0.02	1,386,000,039.68	0.98	0.29	-1.03%	269.23%
ZCCM-IH	38.00	0.00%	38.00	0.00%	-	1.30		-	-	3,393,264,264.00	38.00	38.00	0.00%	-5.00%
ZSUG	2.70	0.00%	2.70	0.00%	11.70	1.35		-	0.23	854,742,740.58	3.00	2.25	0.00%	-55.00%
FQNZ	3.70	0.00%	3.70	0.00%	2.70	0.85		0.20	1.35	148,000,000.00	3.64	3.00	0.00%	-5.13%

**Key Ratios and definitions from the above table.**

**Market Capitalisation (MCAP):** represents the aggregate value of a company or stock. It is obtained by multiplying the number of shares trading on the stock exchange by the current price per share.

**Dividend Yield:** this is the *sum* of dividends paid in the past 12 months expressed as a percentage of the selling price or  $[Total\ Dividends\ Paid\ in\ 12\ months / Selling\ Price] \times 100$ . Can be comparable to other measures of investment return. E.g. dividend yield directly with interest rate on bank savings.

**Price to Book Value (PBV):** This is the share price divided by the book value of the company, Book value refers to the difference between the book value of assets and the book value of liabilities. Furthermore can be used as an indicator of good performance if ratio exceeds 1.00 or under performance of a share if ratio is less than 1.00.

**Earnings per share (EPS):** A portion of a company's profit allocated to each outstanding share. Earnings per share serves as an indicator of a company's profitability. The higher the EPS the more profitable a stock.

**P/E Ratio-** The price-earnings ratio is the ratio for valuing a company that measures its current share price relative to its per-share earnings.

The price-earnings ratio can be calculated as: Market Value per Share / Earnings per Share

The table below looks at number of trades, traded volumes and market turnovers

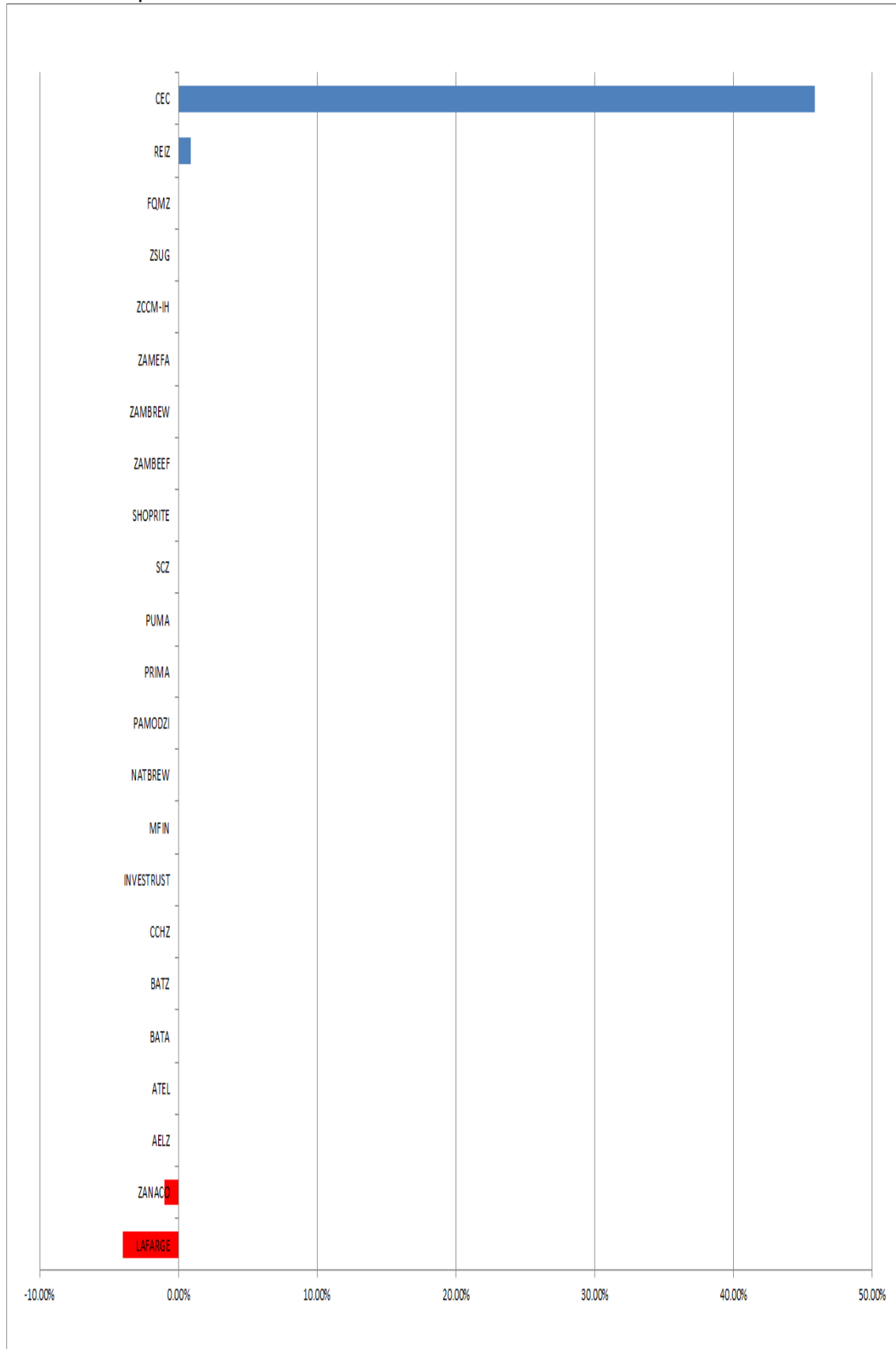
Security	Number	Trade Volume		Turnover	
	Of Trades	16-Feb-18	09-Feb-18	16-Feb-18	09-Feb-18
AELZ	1	2,200	8,289	40,678	153,263
ATEL	-	-	50	-	1,744
BATA	-	-	-	-	-
BATZ	-	-	67,013	-	134,026
CCHZ	-	-	-	-	-
CEC	37	51,854	119,928	108,872	243,427
INVESTRUST	-	-	-	-	-
LAFARGE	-	-	-	-	-
MFIN	10	13,888	46,250	42,775	142,450
NATBREW	-	-	-	-	-
PAMODZI	-	-	-	-	-
PRIMA	-	-	-	-	-
PUMA	7	11,300	16,574	11,300	16,574
REIZ	4	343	-	1,904	-
SCZ	26	5,839	14,622	16,205	41,088
SHOPRITE	-	-	-	-	-
ZAMBEEF	-	-	16	-	48
ZAMBREW	2	148	-	1,012	-
ZAMEFA	-	-	103	-	496
ZANACO	10	4,305	4,964	4,129	4,766
ZCCM-IH	-	-	-	-	-
ZSUG	6	8,512	18,835	22,982	50,855
FQMZ	-	-	-	-	-
TOTAL	103	98,389	296,644	249,857	788,737

The table below shows the winners and losers

There were no winners and losers for the week ending 16 February 2018

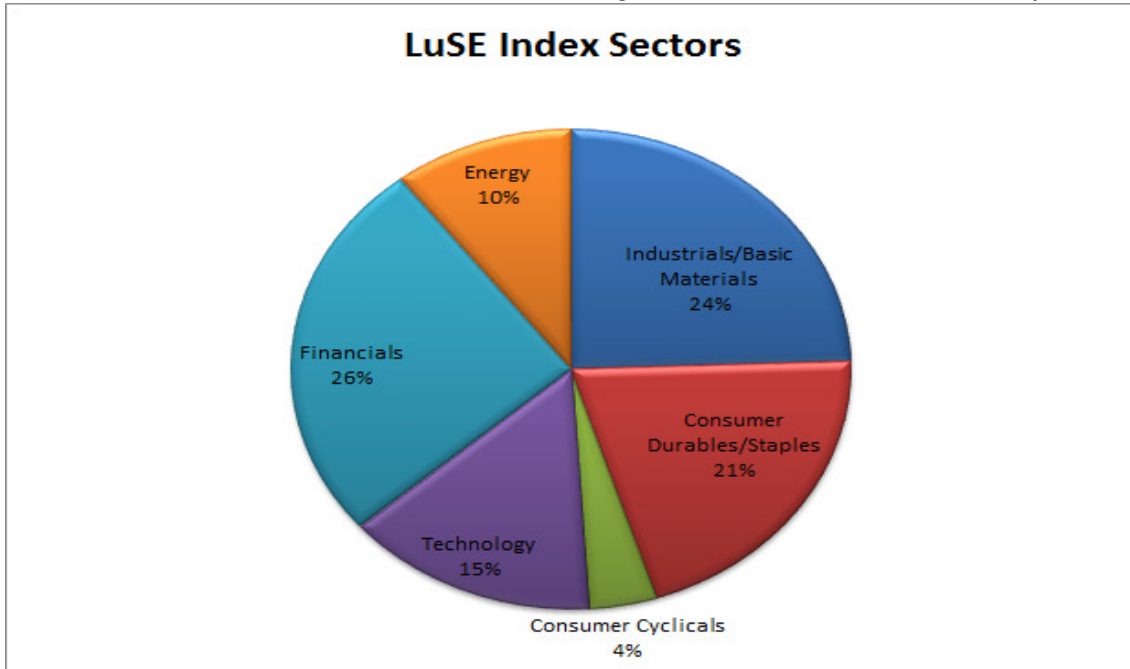
	Week Ending	Week Ending
	16-Feb-18	09-Feb-18
<b>WINNER</b>		
<b>LOOSER</b>		
REIZ	-4.31%	0.00%
SCZ	-1.42%	0.00%

## Year-to-date performance of stocks

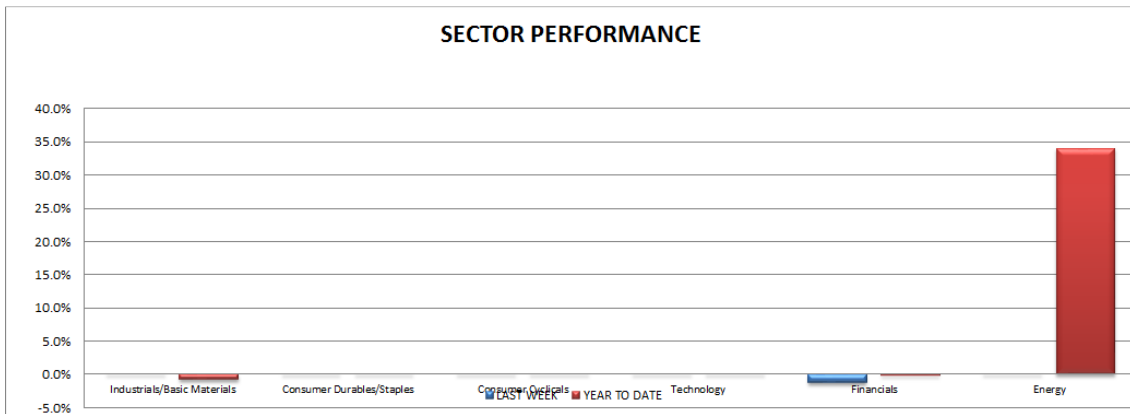


The chart below shows the sectors of the LuSE index.

Stock market sectors are a way of classifying stocks, wherein stocks in similar industries are grouped together. Studying sector information allows investors to see how a particular stock is performing in relation to its peers. Our stock market sectors page can help identify hot stocks sectors, and includes links to Sectors Changes tables, and a Sectors Heat Map.



The chart below shows the sector performance



- Industrial/Basic Material: FQMZ, Zambia Sugar, Lafarge, ZCCM-IH, ZAMEFA, African Explosives
- Consumer Durables/staples: BATZ, Zambia Breweries, National Breweries, BATA
- Consumer Cyclical: Pamodzi, Shoprite, Zambeef
- Technology: Airtel
- Financial: SCZ, Investrust, ZANACO, Prima Re, Farmers

## Money Markets

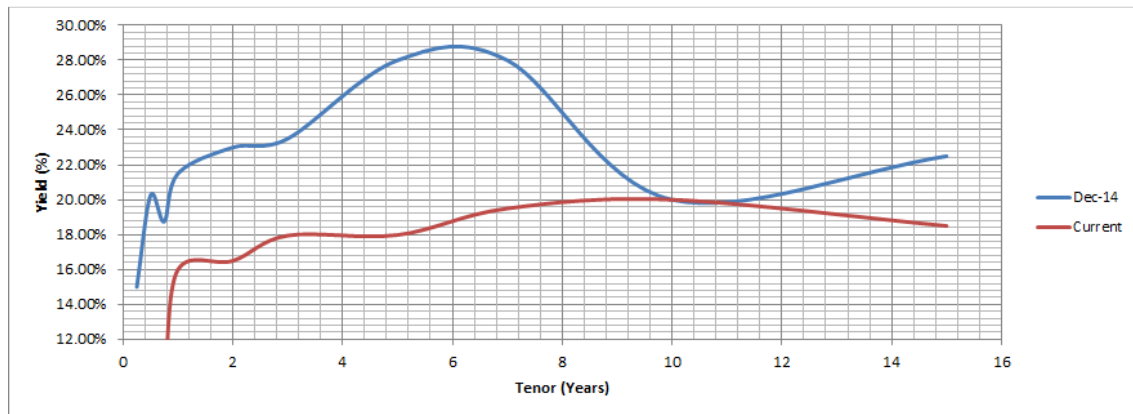
Treasury bill rates as at 16<sup>th</sup>Feb 2018

Period	Yield Rates	Previous yield	Change %	Previous change
T-Bs 91 Days	9.9899	9.7999	1.94%	0.00%
T-Bs 182 Days	11.0006	10.1500	8.38%	0.00%
T-Bs 273 Days	8.9133	10.0001	-10.87%	3.47%
T-Bs 364 Days	16.5000	16.0000	3.13%	2.47%

Government bond rates as at 16<sup>th</sup> Feb 2018

Period	Current Yield	Previous Yield	Change	Previous change
2 Years	16.50	16.50	0.00%	-15.00%
3 Years	17.95	17.95	0.00%	-10.35%
5 Years	17.98	17.98	0.00%	-10.41%
7 Years	19.50	19.50	0.00%	-11.53%
10 Years	20.00	20.00	0.00%	-8.52%
15 Years	18.50	18.50	0.00%	-15.03%

## Yield Curve - Current and Year to date



Foreign Exchange Rates as at 16<sup>th</sup> Feb 2018

Currencies	16-Feb-18	% change	09-Feb-18	% change	YTD Change
GBP	13.8215	2.81%	13.4438	-2.64%	2.03%
Euro	12.2729	2.87%	11.9302	-1.78%	2.10%
US\$	9.8388	1.14%	9.7278	-0.52%	-1.79%
Rand	0.8435	5.10%	0.8026	-2.24%	3.90%

The inflation rate in Zambia was recorded at 6.2 percent in January of 2018, up from a 6.1 percent gain in December 2017. Inflation Rate in Zambia averaged 9.91 percent from 2005 until 2018, reaching an all time high of 22.90 percent in February of 2016 and a record low of 6 percent in December of 2011



The London Metal Exchange is the most liquid industrial metals market in the world, Copper prices on London Metal exchange Market closed at \$ 7,159.00 per metric tonne.

The table below shows this week's recommendations

	Stock Price	Week	Prior	12 Month		YTD	Recommendation
	16-Feb-18	Change	Change	Highest	Lowest	Change %	
AELZ	18.49	0.00%	0.00%	22.00	6.80	0.00%	Hold
ATEL	35.00	0.00%	0.00%	39.00	32.00	0.00%	Buy
BATA	2.49	0.00%	0.00%	2.50	2.00	0.00%	Hold
BATZ	2.00	0.00%	0.00%	2.00	1.90	0.00%	Buy
CCHZ	2.00	0.00%	0.00%	2.00	1.20	0.00%	Hold
CEC	2.10	0.00%	43.84%	2.10	0.87	45.83%	Buy
INVESTRUST	13.50	0.00%	0.00%	13.50	13.50	0.00%	Sell
LAFARGE	6.00	0.00%	0.00%	6.51	2.70	-4.00%	Hold
MFIN	3.08	0.00%	0.00%	3.28	2.80	0.00%	Hold
NATBREW	12.50	0.00%	0.00%	13.00	12.50	0.00%	Hold
PAMODZI	0.62	0.00%	0.00%	0.62	0.62	0.00%	Hold
PRIMA	2.50	0.00%	0.00%	2.90	2.50	0.00%	Sell
PUMA	1.00	0.00%	0.00%	1.02	0.85	0.00%	Buy
REIZ	5.55	-4.31%	0.00%	6.00	5.50	0.91%	Hold
SCZ	2.77	-1.42%	0.00%	2.81	1.70	0.00%	Buy
SHOPRITE	63.00	0.00%	0.00%	63.00	63.00	0.00%	Hold
ZAMBEEF	3.00	0.00%	0.00%	3.00	2.50	0.00%	Hold
ZAMBREW	6.84	0.00%	0.00%	6.84	6.20	0.00%	Hold
ZAMEFA	4.82	0.00%	0.00%	5.00	4.82	0.00%	Sell
ZANACO	0.96	0.00%	0.00%	0.98	0.29	-1.03%	Buy
ZCCM-IH	38.00	0.00%	0.00%	38.00	38.00	0.00%	Hold
ZSUG	2.70	0.00%	0.00%	3.00	2.25	0.00%	Buy
FQMZ	3.70	0.00%	0.00%	3.64	3.00	0.00%	Sell

Sell	Reduce	Hold	Accumulate	Buy
Low Prospects	Threatened Outlook	Sustainable Fundamentals	Potential Growth	Strong Fundamentals
weak Fundamentals	Over Valued for Upcoming results	Balanced	Potential Opportunity	Opportunities and Growth
Over Valued	Weakening Fundamentals	Par Valued	Under Valued	Under Valued

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