



WEEKLY COMMENTARY

EQUITIES

In the trading week ended 1st December 2017, the LuSE All Share Index closed at 5,347.15 points, up 0.62% from the previous week's close, representing a year-to-date gain of 29.36% in kwacha terms and a gain of 25.96% in dollar terms.

The total volume of shares traded on the LuSE was 5,777,669 shares, whilst the total LuSE turnover registered in the week was ZMW15,586,290 down 73% and 64% respectively from the trading week ended 24th November 2017.

During the trading week ended 1st December 2017, ZSUG was the lead stock in terms of both turnover and volume, accounting for 77%, respectively of the total LuSE turnover and volume.

ECONOMIC NEWS

The year on year inflation rate as measured by the all items Consumer Price Index (CPI) for October 2017 has decreased to 6.4 percent compared to 6.6 percent recorded in September 2017. This means that on average, prices increased by 6.4 percent between October 2016 and October 2017. The downward movement in the annual inflation rate was mainly attributed to price movements in both food and non-food items.

Current inflation forecasts indicate that it will remain within the target range of 6-8% over the medium term.

At the MPC meetings held on 8-9 August 2017, the MPC decided to reduce the Policy Rate to 11.0% from 12.5%, and the Statutory Reserve Ratio to 9.5% from 12.5%. Economic activity picked up in the second quarter of 2017. Credit to the private sector registered some growth, ending almost a year of contraction, while lending to Government slowed down. Both yield rates on Government securities and commercial banks' interest rates declined during the review period, although lending rates remained high. Government's commitment to contain the budget deficit and overall debt as well as reducing domestic arrears to planned levels remains critical to consolidating macroeconomic stability. The next MPC meeting will be held on 20-21 November 2017.

Sources: Central Statistics Office-www.cso.zm
Bank of Zambia-www.boz.zm

TOP 5 STOCKS BY VALUE

	(ZMW)	(USD)	% of Total Turnover
Total WeeksTraded Turnover (ZMW)	15,586,290	1,516,176	100%
Total Top 5 Traded Turnover (ZMW)	15,580,400	1,515,603	99.96%
ZSUG	12,047,989	1,171,983	77.30%
SCBL	1,982,596	192,860	12.72%
REIZ	1,497,590	145,680	9.61%
CEC	46,991	4,571	0.30%
MADISON	5,234	509	0.03%

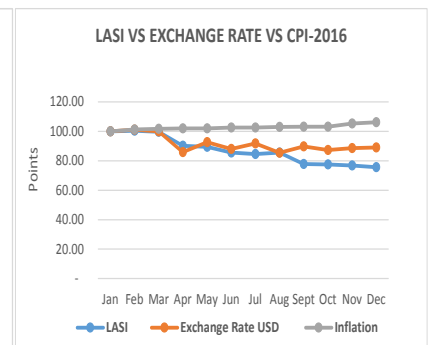
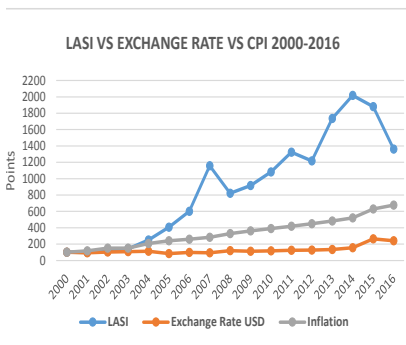
TOP 5 STOCKS BY VOLUME

	Volume traded	% of Total Turnover
Total WeeksTraded Volume	5,777,669	100%
Total Top 5 Traded Volume	5,743,940	99.42%
ZSUG	4,462,218	77.23%
SCBL	1,004,491	17.39%
REIZ	272,289	4.71%
CEC	3,240	0.06%
MADISON	1,702	0.03%

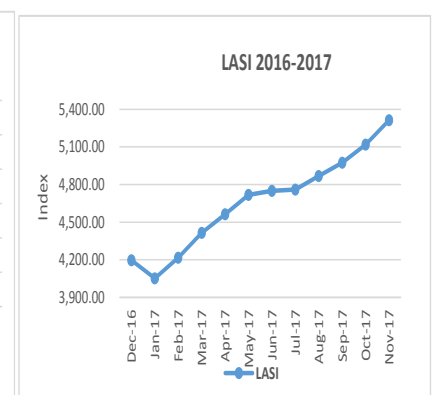
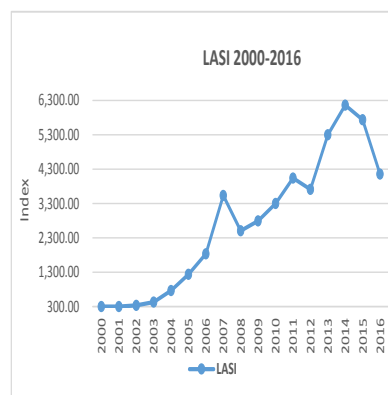
	Week ending 24th November 2017	Week ending 1st December 2017	1st Week-to-Week % change	Year-to-date % change
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LuSE indicators	Week ending 24th November 2017	Week ending 1st December 2017	1st Week-to-Week % change	Year-to-date % change
All Share Index (ZMW)	5,314.49	5,347.15	0.615%	29.36%
All Share Index (USD)	518.99	520.15	0.22%	25.96%
Total Volume (shares)	21,132,073	5,777,669	-72.66%	
Turnover (ZMW)	43,424,056	15,586,290	-64.11%	
Turnover (USD)	4,240,630	1,516,176	-64.25%	
Market Cap. ZMW mn.	28,135	28,271	0.48%	21.95%
Market Cap. USD million	2,748	2,750	0.09%	18.74%
Market PE Ratio	14.88	14.93	0.39%	34.04%
Dividend Yield	1.30%	1.29%	0.00%	0.13%
Price to Book Ratio	1.52	1.55	1.49%	9.74%
ZMW:USD exchange rate	10.24	10.28	-0.39%	-2.70%

LASI VS US\$ EXCHANGE RATE VS CPI



LASI





ECONOMIC DATA

Exchange Rates

Currency	Week ending 24th November 2017	Week ending 1st December 2017	Week-to-Week % Appr/Depr	Year-to-date % Appr/Depr
ZMW/US\$	10.24	10.28	(0.39)	(2.59)
ZMW/£	13.65	13.86	(1.54)	(10.79)
ZMW/€	12.15	12.23	(0.66)	(13.56)
ZMW/R	0.74	0.75	(1.35)	-
CAD \$	8.04	7.99	0.62	(3.90)

Based on Stanbic Bank Zambia rates, the Kwacha depreciated against the US Dollar to ZMW 10.28 from the previous close of ZMW10.24 per US dollar at close of the week. The interest rate based on the 182 days T-bill is at 9.45%.

Economic Data	2013	2014	2015
Real GDP growth (%)	6.5	6	5
GDP per capita (US\$)	1841.64	1850.07	1377.30
CPI (%)	7.1	7.9	10.1
Exchange rate (US\$)	5.56	6.39	8.60
Exports (% of GDP)	44	37	37.5
Imports (% of GDP)	43	32	37.8
Reserves (months cover)			
Central bank rate (%p.a)	12.00	12.50	15.50

Source: Central Statistics Office-Zambia IMF,EU & WB

Liquidity Ratios

	December 2016	December 2015	December 2014
Market Cap./GDP (%)	9.81%	16.38%	17.57%
Annual Turnover/ Market Cap (%)	1.18%	2.47%	3.42%

GRZ Bonds/Treasury Bills

GRZ BOND ISSUES

Tenor	2 Years	3 Years	5 Years	7 Years	10 Years	15 Years
Issue No. 01/2017/BA		(Benchmark Bond)	(Benchmark Bond)		(Benchmark Bond)	
Coupon Rate	9%	10%	11%	12%	13%	14%
Cut-off Yield Rate%	20.0000	20.0000	19.5000	20.9000	19.9500	22.9500
Maturity Dates	27-Feb-19	05-Dec-19	27-Feb-22	27-Feb-24	29-Aug-26	27-Feb-32
Issue No. 02/2017/BA						
Coupon Rate	9%	10%	11%	12%	13%	14%
Cut-off Yield Rate%	20.0000	20.0000	19.5000	20.0000	19.9400	22.5000
Maturity Dates	24-Apr-19	05-Dec-19	27-Feb-22	24-Oct-2024	29-Aug-26	24-Apr-32
Issue No. 03/2017/BA						
Coupon Rate	9%	10%	11%	12%	13%	14%
Cut-off Yield Rate%	17.0000	17.9300	17.4700	18.4900	18.2500	19.5000
Maturity Dates	05-Jul-19	05-Jul-20	27-Feb-22	05-Jul-24	29-Aug-26	05-Jul-32

GRZ TREASURY BILL ISSUES

Term to Maturity	91 Days	182 Days	273 Days	364 Days
Tender No. 13/2017				
Yield Rate%	12.4060	12.5000	12.5001	17.0000
Tender No. 14/2017				
Cut-off Yield Rate%	12.2002	22.9499	11.9000	16.5003
Tender No. 15/2017				
Cut-off Yield Rate%	12.0001	11.5001	11.5000	16.9300

For details see www.boz.zm

CORPORATE ACTIONS

ZAMEFA - SEPT 2017 Year-end Results

For the year ended 30th September 2017, ZAMEFA recorded a revenue of K1.2 billion up 46% from the K813 million recorded in the prior year for the 9 months ended 30th September 2016.

The Profit before tax was K 32 million and the Profit after tax was K 24 million. A final dividend of K0.14 per share has been proposed by Board of Directors of ZAMEFA subject to approval at the Annual General Meeting on 12th December 2017.

BRITISH AMERICAN TOBACCO ZAMBIA PLC-Results of Extraordinary General Meeting

At the Extraordinary General Meeting of BRITISH AMERICAN TOBACCO ZAMBIA held on Friday, 27th October 2017 shareholders of BATZ considered the resolutions proposed at the EGM and authorized that the directors of the Company be authorized to obtain, on behalf of the Company, a loan of US\$ 15 million from BATIF Dollar Limited for the construction of the Company's manufacturing plant in Zambia.

ZAMBIA SUGAR PLC- August 2017 Year-end Results

For the year ended 31st August 2017, ZAMBIA SUGAR recorded a revenue of K913 million, up 63% from the K2, 479 million recorded in the 12 months to 31 March 2017. The Profit before tax was K 111 million and the Profit after tax was K 91.5 million. No dividend was declared for the period under review.

ZAMBIA SUGAR shareholders would take note that following the 100% acquisition of ZAMBIA SUGAR former majority shareholder Illovo Sugar Proprietary Limited by Associated British Foods in the prior financial year, the Company's financial year had been aligned to that of Associated British Foods, and hence was changed from 31 March to 31 August effective April 2017.

CAVMONT CAPITAL HOLDINGS ZAMBIA PLC- June 2017 Year-end Results

For the year ended 30th June 2017, CAVMONT CAPITAL HOLDINGS recorded a net interest income of K54.6 million, up 26% from the K43.4 million recorded in the same period last year.

The Profit before tax was K 2.6 million and the Profit after tax was K 379 thousand .No interim dividend was declared for the period under review.

Full details of the above announcements can be sought for at www.sbz.com.zm or www.luse.co.zm

CAUTIONARY ANNOUNCEMENTS

The following companies have issued cautionary announcements:

1. Zambian Breweries, first issued on 20th October 2016, and updated on 23rd August 2017
2. Copperbelt Energy Corporation, first issued on 7th June 2017
3. Investrust, first issued on 23rd May 2017, and updated 19th September 2017
4. National Breweries, first issued on 16th May 2017, and updated on 23rd August 2017
5. ZCCM-IH, first issued on 1st November 2016

In the meantime, shareholders should exercise caution when dealing in securities of these companies until a full announcement is published.

For details of this cautionary, please refer to the SBZ website at www.sbz.com.zm and the LuSE website at www.luse.co.zm.

SHAREHOLDERS DIARY

AGMS/EGMS

Company	AGM Date	Venue	Time	2017 Dividend K	Record Date	Payment Date
ZAMEFA	12-Dec-17	Radisson Blu	10:00hrs	0.14	TBA	TBA
ZAMBEEF	18-Dec-17	Taj Pamodzi	09:00hrs	-	-	-

For details, including dividend declarations and the latest LuSE listed companies annual reports, see www.sbz.com.zm



WEEKLY MARKET SUMMARY

Company	Total Issued Shares	Closing Trade Price ZMW	Closing Trade Price USD (cents)	Weekly Price Change ZMW	Year to Date Price Gain %	BEST BID PRICE ZMW	BEST BID PRICE USD (cents)	BEST OFFER PRICE ZMW	BEST OFFER PRICE USD (cents)	Previous 12 Months		TOTAL		Weekly Traded Volume (Shares)	Weekly Turnover ZMW	Weekly Turnover USD	DIV YIELD %	PE RATIO	P/BV RATIO	Market Cap. USD (Excl. Shoprite)
										Highest ZMW	Lowest ZMW	BIDS Volume (Shares)	OFFERS Volume							
										ZMW	ZMW	Volume (Shares)	Volume							
AELZ	20,406,600	18.49	179.86	-	169.93%	-	-	18.49	179.86	19.00	5.13	-	300	-	-	-	12.98%	6.48	1.48	36,704,088.91
ATEL	104,000,000	35.00	340.47	-	7.69%	35.00	340.47	49.00	476.65	39.00	32.00	10,000	6,615,327	-	-	-	11.43%	15.88	7.52	354,085,603.11
BATA	76,107,600	2.49	24.22	-	2.05%	-	-	2.49	24.22	2.50	2.00	-	7,609,408	-	-	-	2.41%	28.42	2.20	18,434,622.96
BATZ	212,456,304	2.00	19.46	-	-18.37%	2.20	21.40	5.65	54.96	2.19	1.90	2,000,000	643,669	1,400	2,800	272	4.50%	20.21	23.49	41,333,911.28
CCHZ	114,047,025	2.00	19.46	-	33.33%	-	-	2.00	19.46	2.00	1.20	-	2	-	-	-	0.00%	327.72	1.93	22,188,137.16
CEC	1,625,000,597	1.45	14.11	-	66.67%	1.41	13.72	1.45	14.11	1.46	0.61	6,150	1	32,430	46,991	4,571	8.97%	-	0.80	229,207,282.65
FQNZ	40,000,000	3.70	35.99	-	1.65%	-	-	3.70	35.99	3.70	3.66	-	1,706,650	-	-	-	2.16%	-	0.26	14,396,887.16
INVESTRUST	8,165,095	13.50	131.32	-	0.00%	-	-	13.50	131.32	13.50	13.50	-	320,772	-	-	-	0.00%	-	0.96	10,722,644.21
LAFARGE	200,039,904	6.25	60.80	-	20.66%	6.25	60.80	-	-	7.75	3.89	955	-	-	-	-	4.00%	16.15	0.95	121,619,591.44
MADISON	50,000,000	3.05	29.67	0.05	-5.86%	2.80	27.24	-	-	3.24	2.80	50,000	-	1,702	5,234	509	4.59%	19.19	1.16	14,834,630.35
NATBREW	63,000,000	12.50	121.60	-	-3.85%	-	-	12.50	121.60	13.00	12.50	-	351,745	-	-	-	0.00%	-	7.18	76,605,058.37
REAL ESTATE	56,460,198	5.50	53.50	-	0.00%	-	-	5.50	53.50	6.00	3.40	-	927,711	272,289	1,497,590	145,680	4.18%	-	0.39	30,207,304.38
PAMODZI	100,000,000	0.62	6.03	-	0.00%	-	-	0.62	6.03	0.62	0.62	-	3,711,117	-	-	-	6.45%	8.75	1.75	6,031,128.40
PUMA	500,000,000	1.00	9.73	-	17.65%	1.00	9.73	1.00	9.73	1.01	0.85	3,500,000	5,413	1,487	1,487	145	5.40%	7.36	0.85	48,638,132.30
PRIMA RE	30,000,000	2.50	24.32	-	-13.79%	-	-	2.50	24.32	2.90	2.50	-	3,389	-	-	-	0.00%	42.61	1.92	7,295,719.84
SCZ	1,666,981,048	2.81	27.33	0.08	61.49%	2.81	27.33	2.83	27.53	2.81	1.50	23,680	291	1,004,491	1,982,596	192,860	7.12%	13.49	6.18	455,663,107.48
SHOPRITE	543,479,460	63.00	612.84	-	0.00%	-	-	63.00	612.84	63.00	63.00	-	21,000	-	-	-	4.35%	12.30	2.66	3,330,662,060.31
ZAMBEEF	247,978,195	3.00	29.18	-	20.00%	-	-	-	-	3.00	0.90	-	-	-	-	-	0.00%	4.73	0.35	72,367,177.53
ZAMEFA	27,090,100	4.82	46.89	-	-3.60%	-	-	-	-	5.00	4.82	-	-	-	-	-	2.90%	15.11	1.77	12,701,778.40
ZAMBREW	546,000,000	6.84	66.54	-	10.32%	-	-	6.50	63.23	6.84	6.20	-	2,307	-	-	-	0.00%	29.14	3.09	363,291,828.79
ZCCM-IH	160,800,286	38.00	369.65	-	0.00%	-	-	29.99	291.73	38.00	38.00	-	167	-	-	-	0.00%	-	0.73	594,397,944.36
ZANACO	1,443,750,531	0.97	9.44	-	234.48%	-	-	0.97	9.44	0.98	0.29	-	2,466	1,652	1,603	156	0.00%	46.52	1.30	136,229,378.90
ZSUG	316,517,385	2.70	26.26	-	-10.00%	-	-	-	-	3.00	2.70	-	-	4,462,218	12,047,989	1,171,983	0.00%	-	0.91	83,131,998.01
LuSE All Share Index:		5,347.15			29.36%							Total		5,777,669	15,586,290	1,516,176	1.29%	14.93	1.55	2,750,087,956

QUOTED

CCAF	1,625,000,597	0.40	3.89	-	0.00%	-	-	0.50	4.92	0.59	0.40	-	1,375,913	16,997	7,799	759	-	-	(0.06)	63,229,595
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Weekly Commentary:

For the week ended 1st December 2017, 5,777,669 shares were traded on the LuSE, generating a weekly turnover of K15,586,290 (US\$1,520,614).

SCBL gained K0.08 to close at K2.81, whilst MADISON gained K0.05 to close at K3.05

The LASI closed at 5,347.15 points up 0.62% from the previous week's close

Year-to-date the LuSE ALSI is up 29.36% in local currency terms and up 25.96% in US\$ currency terms

On the LuSE Quoted tier, CCAF traded a weekly total of 4 trades of 16,997 shares,

generating a total weekly turnover of K7,799. CCAF closed at K0.40, down K0.10 from the previous week's close.

