AFRICAN EXCHANGES

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A Newsletter Of **AFRICAN** EXCHANGES

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'Hot-Desking' At The Mozambique Stock Exchange

Minister of Finance (Left) ringing the bell for the launch of City Cars listing.

WELCOME NOTE

The recently concluded 17th ASEA Annual Conference was opened by H.E Mr. Daniel Kablan Duncan, Prime Minister of the Republic of Cote D'Ivoire. Mr. Sunil Benimadhu, President of the African Securities Exchanges Association gave a key address on how African Exchanges can be an integral part of Africa's transformation.

He emphasized on the need to develop what he called the 4 S's; Synergies, Support, Scope and Substance. He also urged Governments to offer direct support to Exchanges as they are the key to financial development of economies. We have featured the speech given by Mr. Benimadhu which comes at a time when African Exchanges are attracting attention to give the story of a rising Africa.

Mr. Cyrille Nkotchou is a strong advocate of the African Securities Exchanges. We catch up with him in an interview where he talks about his interest in Africa, the Pre-IPO fund and what he thinks African Securities Exchange need to do to grow the African Capital Markets space.

Should financial advertising be a mandatory disclosure format? Anne Guimard explores alternative ways of keeping the public informed without having to publish financial results in a newspaper. Please read her article on Page 19.

Kevin Virgil, Pathfinder Ventures visited the Mozambique Stock Exchange and he is optimistic about the future of the Exchange. Catch these stories and more in our February 2014 Edition of the ASEA Newsletter.

We bring you our usual coverage of African markets news and statistics pg 22-54.

We value your feedback so please write to us on any features that you would like to see covered.

ASEA

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African Securities Exchanges Association

Access Africa's Growth Through the Continent and Beyond

The ability to measure asset managers' skill impartially in a market as diverse and unfamiliar as Africa ex-South Africa (SA) is one of the requisites to strengthening investor confidence, improving transparency and generating further FDI into the continent's listed markets.

By Deon Smith

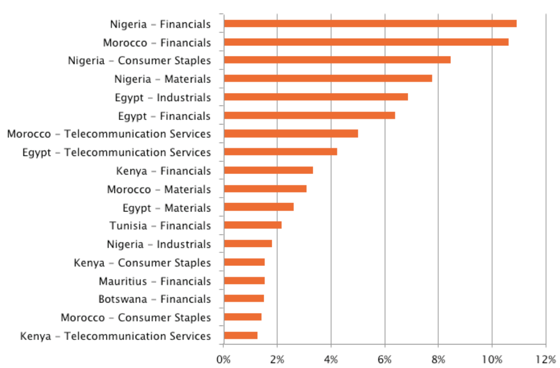
Certain regions, most notably the Northern African countries of Egypt and to a lesser extent Morocco, may be classified as emerging rather than frontier markets. However, it is the under-developed nature of the Sub-Saharan frontier economies that makes them more attractive, but difficult to measure. What makes Africa ex-SA equity markets under-correlated to developed markets, are factors linked to capital immobility, such as illiquidity, regulatory hurdles and costs. Existing performance measurement techniques and valuation methodologies may therefore not necessarily apply in this market context [1].

Before we try to delve into the intricacies of performance measurement and index construction, let's look at one of the relatively humbler debates affecting the current landscape of listed equity and benchmarking: do you include counters listed outside Africa that derive the majority of their revenue base from the African continent, in your universe under investigation?

'Exchange sectors' influence concentration risk

Looking at listed equity in Africa ex-SA overall, the true determinant of concentration risk lies within specific 'exchange sectors' across the continent. The chart below shows sector-per-exchange exposure, using the full market capitalisation universe. It is important to note that this is not adjusted for free float.

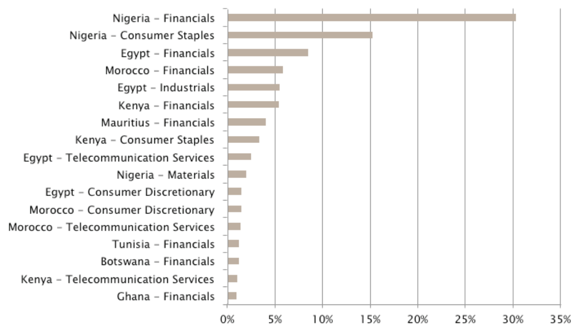
Figure 1: Country Sector Weights



80% of the available market cap is covered by 18 sectors within their respective countries; 50% by six sectors and 30% by the top three. Sector-by-exchange is by far the biggest determinant of concentration risk. In other words, simply down-weighting a single sector such as financials to reduce concentration will result in greater disconnects as smaller exchanges with an even representation of sectors will be unfairly disadvantaged.

This is further emphasised when investigating the existing set of indices[2] that only have Africa ex-SA exposure (Figure 2).

Figure 2: Index Country Sector Weights



* Only the indices that include shares listed in Africa ex-SA are included above.

The change in weights from the exchange to index representation is significant and may be attributed to the strict liquidity criteria implemented. Liquidity filtering is extensively applied using market cap, value-traded and free-float screening methodologies, which is consistent in application across index providers' global index suites.

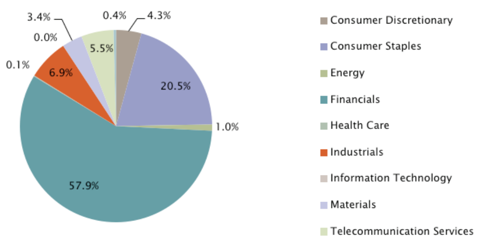
Naturally, from an asset allocator's point of view this is ideal as the investible portion of the market is fairly represented by the index. However, we need to bear in mind that this results in two side effects:

1) Sectors not represented in the indices, or those that make up a small portion of the indices, do not receive the necessary volume from international asset allocators further exacerbating the disconnects; and

2) Skilled asset managers who have expertise covering the full universe and not only those counters that meet the strict liquidity requirements of the indices, may find it easier to generate alpha than their counterparts in the more liquid, developed markets.

Aggregating the indices results in what some even argue is equivalent to buying African financials exposure (see Figure 3).

Figure 3: Aggregated African Index Sector Exposure



* Only the indices that include shares listed in Africa ex-SA are included above.

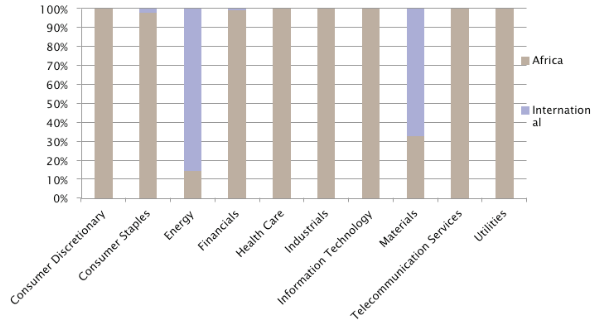
Thus far, we have determined that in the interests of global best practice, the current index set provides a fair representation of investible listed equity in Africa ex-SA, although not entirely without issue. A quick comparison of these sectors to GDP generation across the continent reveals a stark disengagement. In other words, listed equity is not necessarily an appropriate access mechanism for the growth prospects advertised[3].

Energy and materials play a significant role in the African developmental story and still offer value consistent with what investors into Africa seek. Unfortunately, resources are poorly represented on Africa ex-SA exchanges. The motive for the ex-Africa nature of these listings is the fact that energy and mineral extraction processes are hugely capital-intensive and these listings, therefore turn to the more efficient and capitalised markets in order to raise funds. Nedbank Capital's African Mining Index Series has been developed solely to track these types of ex-Africa investment opportunities for African mining exposure. Toronto, ASX (Australia) and London are seen as the exchanges of choice for these types of mining/mining-exploratory companies.

Include ex-Africa listed countries – or not?

This highlights the case for inclusion of ex-Africa listed companies that generate the bulk of their revenue from within the confines of the African continent. These listings, other than improving the exposure to resources, also introduce countries previously excluded as their listings either do not qualify or they do not in fact have a bourse e.g. Mali and Guinea.

Figure 3: Aggregated Africa ex-SA Benchmark Sector Exposure



* All indices included.

However, the argument against this bears merit. African performance will be represented, but African listed equity performance will not. Additionally, investors whose mandate lies across continents may experience duplication in exposure.

The final point is perhaps the most relevant – how much noise is introduced by introducing these ex-Africa listed shares? By noise I am referring to exposure of these resource counters to countries outside Africa. Existing indices, which include these shares, have differing thresholds for their definition of "Significant African Exposure". As low as 50% of revenue generated from Africa may make a counter eligible, in conjunction with a number of other qualifying criteria.

The liquidity and exposure characteristics make the ex-Africa listed shares an incredibly attractive prospect for investors and as such, indices based solely on these listing types have been rather successful. They don't, however, mimic the characteristics of African listed markets and the associated capital immobility that African focused managers have to contend with. This type of listing, therefore, should be seen as an add-on rather than a starting point for an African index.

[1] This opinion is re-enforced by a publication by Daniel Broby from Silk Invest (The Journal of Index Investing 2012.2.4:34-41 Choosing an Appropriate African Equity Index) supported by the research of Arnott, Hsu, and Moore.

[2] S&P Pan Africa Ex-SA; S&P African Frontiers; FTSE/JSE Africa 30; MSCI EFM Africa-Ex SA; FTSE ASEA Africa Index.

[3] RisCura: Bright Africa, A Look at Equity Investment Across the Continent 2013.

EXPERT ARTICLE

'Hot-Desking' At The Mozambique Stock Exchange

By Kevin Virgil

Last month we visited Mozambique in order to further explore the farmland and agricultural sector in this fast-growing country. While our principal task was to refine the strategy for our forthcoming Frontier Agricultural Fund, we believe that the country's recent history can best be illustrated through our experience at the Mozambique Stock Exchange.

Let's begin with a quick summary of its recent evolution:
Mozambique has suffered through nearly three decades of continuous war: a liberation/colonial war in 1964–74, the Rhodesian War of 1976–80, and the 1981–92 Cold War proxy war of destabilization. The end result was nearly one million people killed in the 1981-1992 era, and almost one-third of the entire population forcibly dislocated from their homes. Consequently Mozambique entered its post war period in an exceptionally fragile state; during its formative independent stages it was often referred to as a 'donor darling' – a reflection of its high initial dependence on foreign aid.
In the ensuing two decades, Mozambique has since developed into one of the highest growth countries in the sub-Saharan region, with average annual GDP growth rates of 7-8% since 1994. Foreign investment has also sought exposure to the Mozambique development story, perhaps best exemplified by the USD 2 billion investment in the Mozal aluminum factory on the outskirts of Maputo. Not all foreign investment has been successful; earlier this year Rio Tinto was forced to take a USD 3bn impairment charge – and sacked its CEO – after it badly misjudged its ability to transport coal to the coastal region from its Riversdale project in Tete province.
We believe that a country's stock exchange can be an excellent proxy for its overall state of economic affairs and governance (note our previous post on the Libyan Stock Market). Let's begin our review with some headline facts and figures:

General Details

- The Mozambique Stock Exchange does business as the 'Bolsa de Valores de Moçambique' (BVM) and was created in 1998.
- The exchange's website is here and is only published in Portuguese. You can go to the site's 'Boletim de Cotacoes' if you want to check daily trading volumes.
- Trading hours are from 9 am – 12 noon on Tuesdays, Thursdays and Fridays on their live call system with pre-agreed trades taking place between 8am – 4pm Monday – Friday.
- Any company that desires to list on the exchange needs a market capitalization of at least 28 million meticals (USD equivalent 930,000).
- The bourse had an average market capitalization of USD 820 million in 2012, a year-on-year increase of 72%.
- There were a total of 214 transactions in 2012, of which 191 were on the stock market, 21 on the bonds market (12 on treasury bonds and 9 on corporate bonds) and 2 on the commercial paper market. This represented 77% growth year-on-year when compared to the 164 total number of transactions registered in 2011.
- The BVM, perhaps not unsurprisingly given Mozambique's formative state, has only three listed companies:
- **SABMiller Plc's Cervejas de Mocambique, CDM** (2001) – a brewery and the most traded stock on the BVM. Current market capitalization of USD 462mm, with 121mm shares listed.
- **Cia. Mocambicana de Hidrocarbonetos SA, CMH** (2009) – a state-owned oil and gas company. CMH has announced no less than three dividends this year with the most recent one coming in at 20.8%. Very closely held with a current market cap of just USD 5.5mm.
- **CETA** (2012) – a construction company, with current market cap of USD 61.2mm.

Our journey to the BVM was an interesting one. Despite having sent repeated emails and calls to our main contact there, we had received no reply or specific invitation to attend; however, our previous experience in such situations has always been that an unannounced visit is acceptable. We were keen to beat a hasty retreat from our current meeting at the Ministry for Small and Medium Sized Enterprises (IPEME), which was located in what appeared to be a former communist gulag, and see how the BVM shaped up.

Situated at 1230, Avenue 25 Septembro (most of the streets here are named after various global revolutionaries or associated key events), the BVM is discreetly found on the 5th floor with stairs providing the only access. Upon arrival we were pleasantly surprised to find a relatively well-organized environment with people striding around corridors imparting a sense of purpose. We were lucky to stumble across a pleasant operations technician named Almeida who agreed to sit with us and explain the workings of the bourse.

In a small twist of irony we found ourselves sitting at the very desk of the contact who had failed to respond to our requests earlier in the week – his unexplained absence perhaps an excuse for the lack of communication. Our conversation with Almeida proved to be extremely useful and she was able to provide some fascinating insights.
There are two new companies that have recently applied for listing on the exchange; although we were not given many specifics we understand that one of the applicants is EMOSE, an insurance company, who are likely to conduct an IPO of at least 10% of their shares. As to the question of why so few companies have actually listed (the exchange has been running for fifteen years now) we were told quite candidly that most companies are actually terrified of revealing their books to official scrutiny. This insight reveals and reinforces the need to apply granular levels of due diligence in frontier economies. Fools can most certainly rush in.
According to the Public – Private Partnership Law 15, which was passed in 2011, all extractive companies must list between 5-20% of their exposure on the BVM. This is a sensible move for a country where some of the world's largest natural gas deposits were recently discovered. And, with notable companies such as Anadarko Petroleum and ENI SpA already getting involved this represents a clear opportunity for the government to push for further investments into the industry (recent projections for infrastructure spending in Mozambique range as high as USD 30 billion).
For those who might consider trading on the exchange, we were informed that it is possible to open a local bank account, and then trade through that bank directly onto the exchange. Note that there is currently no central depository in Mozambique; instead, local banks hold all the information on trades (i.e. people and entities involved) and report only the volume and prices of the trades to the exchange. This provides the local banks with a striking amount of power and responsibility, and in our opinion is a system in desperate need of an overhaul. In 2006 the government gave approval under law 25 whereby a central securities depository (CSD) would be created, and for which BVM would be responsible. We asked when this was actually going to be completed and were met with "hopefully next year" – which appears to be a common response from a system that is trying to modernize at exponential rates.

Unfortunately our schedule forced us to leave the Mozambique Stock Exchange before any investment tips could be imparted; however, we left deeply impressed by the optimism and desire there to bring order from chaos. Almeida will begin a Masters in Economics program in Stockholm later this year (she remains very enthusiastic despite our warning that the Swedish winter would not be as kind as that in Maputo). Such optimism must be matched with restraint, for whilst Almeida represents the future potential of Mozambique she must be contrasted with the fact that the majority of her fellow citizens have little or no financial literacy. Very few Mozambicans have a basic understanding of what an equity market is, or does. We were starkly reminded of this with one final anecdote regaled to us at the door, whereby an executive of one of the three listed companies had recently phoned up the exchange to complain that the price of their stock had fallen – he directly blamed the exchange for his company's misfortune.

In summary, our brief sojourn to the BVM was fascinating and some of the insights we received were truly revealing. Mozambique is still in a nascent stage of development but if the attitude and organization of the management of BVM is anything to go by then it is heading in the right direction.
This story first appeared on www.pathfinder.vc

EXPERT ARTICLE

Spotlight on Ghana

Having focused in recent months on opportunities in Eastern and Southern Africa, I am pivoting my research west, shining the spotlight on Ghana. Part of our investment approach at Africa Capital Group, is to be well diversified, to balance exchange rate and local unique risks, while participating in the tremendous opportunities on offer across sub-Saharan Africa.

By Jan Schalkwijk

Why Ghana now? In the spirit of full disclosure, I am planning a trip there in March and i am thus in the midst of data gathering and analysis on the local economy and companies listed on the Ghana Stock Exchange. As I am putting the pieces of the puzzle together, a vibrant economy with plenty opportunities comes into view. There are some headwinds present as well, but thoughtful stock selection and a long-term focus will go a long way towards mitigating the risks.

The Ghanaian economy is increasingly diversified. Some of its biggest drivers are oil revenues, the export of cocoa and gold, investment in infrastructure and agriculture, and a vibrant service sector. Democracy is firmly rooted and reaffirmed by the successful transition from the government of the late Evans Atta Mills who died in office in July 2012, to competitively contested elections, to the current president John Mahama in early 2013.

One of the challenges Ghana faces is to increase employment. To accomplish higher employment, Ghana has to create more labor-intensive economic sectors that increase productivity and thus wages. That is of course easier said than done, but one of the areas where this might be possible is in agro-processing. Its newfound oil wealth is both a boost as well as a risk, if it is not managed appropriately or if it drives up the exchange rate. The jury is still out, as it is early days for Ghana's oil wealth.

One of the areas of greatest concern is inflation. The Bank of Ghana announced in December that it would not reach its 2013 inflation target of 9% and the year-end inflation rate came in at 13.5%. On top of that, the government runs a persistent budget deficit, which combined with a current account deficit, leaves the country reliant upon foreign direct investment to meet its balance of payments. The budget deficit is manageable at 3% and has been trending down in the last couple years, but the current account deficit stands at 15% and has been trending upwards. These headwinds show up in the value of the cedi, which has declined by one third relative to the US dollar over the past 2 years. This decline has opened an 18% gap between the local currency performance of the Ghana Stock Exchange and the dollar-based return in 2013. The good news is, that even in dollar terms, the GSE returned an impressive 44.8%, placing it near the top of stock exchanges worldwide.

Stock markets are forward looking by nature and what they see in Ghana is opportunity. Ghana's GDP forecast for 2014 is $48 billion, roughly equivalent to the US State of South Dakota, which has a population of 900,000, or 1/30th of Ghana's population. Combine the raw economic power potential of its population, with favorable demographics, and rapid investment in infrastructure and it is easy to concur with the market's positive verdict. In fact, Ghana's GDP is forecast to grow at an average rate of 6.4% over the next 10 years according to the Business Monitor International (BMI), which ranks it the 8th fastest growing economy in sub-Saharan Africa.

The Ghana Stock Exchange's market cap is roughly $6.2 billion, making it an ideal locale for boutique investment managers to add value relative to the larger investment houses that are constrained by the size of their assets under management. Another point to note is that at $6.2 billion the market cap-to-GDP ratio is 0.13x. In mature markets like the US, that ratio typically falls in the 0.6x to 1.2x range, so as Ghana's economy expands its stock market should expand at a rate in excess of GDP growth. Those investors who like to invest in locally listed entities of global or regional multinationals have their choice of Guinness Ghana, Unilever Ghana, Ecobank Ghana, StanChart Ghana, and SocGen Ghana. The biggest listing in terms of market cap is Ecobank Transnational Incorporated (ETI), which has a market cap of approximately $1.2 billion.

On my trip I will be looking primarily at the banks and consumer companies. Big brands like Unilever and Guinness are doing well, and I will be vetting them for persistence. Can they continue to grow unencumbered or is competition on the horizon? One company I would have been keenly interested in is Fan Milk. Unfortunately, that one has been taken private by Danone and the Abraaj Group. A uniquely West African success story, Fan Milk sells frozen dairy and juices to consumers through a ubiquitous street vending network. Today it has 1,700 employees and transacts with 25,000 agents and vendors. Outside investors are betting on the Ghanaian consumer, as this recent transaction demonstrates. I believe they are on to something and hope to be part of the next consumer success story, as a listed equity investor.

Jan Schalkwijk, an investment analyst at Africa Capital Group, is also the Founder and Chief Investment Officer of JPS Global Investments, a money management firm specializing in green investing on a global basis. Through his work on the advisory board of a frontier markets fund, family ties to Africa, and personal travels, Mr. Schalkwijk has formed a conviction in the investment potential of Africa.

Mr. Schalkwijk has 15 years of experience in the investment industry. Prior to founding JPS Global Investments he was vice president of investment platforms at Franklin Templeton. Based out of Templeton's global equity research office in Fort Lauderdale, Mr. Schalkwijk worked on the firm's international equity products in various roles including product management, business development, and client service.

Mr. Schalkwijk received his Propadeuse degree in Economics from Maastricht University in the Netherlands, his Bachelor of Science degree from Menlo College in Atherton, California and his Master of Business Administration from Santa Clara University. He holds the Chartered Financial Analyst® designation and is a member of the CFA Institute. Mr. Schalkwijk is an active member of the CFA Society of Portland, Oregon.

The Ghana Stock Exchange's market cap is roughly $6.2 billion, making it an ideal locale for boutique investment managers to add value relative to the larger investment houses that are constrained by the size of their assets under management. Another point to note is that at $6.2 billion the market cap-to-GDP ratio is 0.13x. In mature markets like the US, that ratio typically falls in the 0.6x to 1.2x range, so as Ghana's economy expands its stock market should expand at a rate in excess of GDP growth.

The Speech of the President of The African Securities Exchanges Association (ASEA), Mr. Sunil Benimadhu during the 17th ASEA Flagship Conference

Mr Sunil Benimadhu

On behalf of ASEA, it gives me immense pleasure to welcome you all to this 17th ASEA Flagship Conference. I would like at the outset to extend a very warm welcome to our special guest, his Excellency, Prime Minister Daniel Duncan for supporting this important conference by his presence, in spite of his very busy schedule. I would also like, to extend ASEA's thanks to Mr Fal and Mr Amenounve and the whole team from BRVM, for putting together what looks like a very exciting, highly pertinent, thought-provoking and hopefully lessons-rich conference during the next two days.

On a personal level, this conference looks like a home-coming to me as Abidjan was my home some 16 years ago when I used to work for the Treasury department of the AfDB. I am indeed thrilled to be back in this wonderful city and even more thrilled at the idea of seeing the BRVM, Abidjan and Côte d'Ivoire fully endorse their leadership roles in this very important and prominent region of the African Continent.
In my welcome address today, Ladies & Gentlemen, I am not going to overwhelm you with statistics and data on Africa as the rising star of frontier markets as I did in Marrakesh two years ago and in Cairo last year. Much has already been said about the very attractive growth prospects of African economies and about the changing world economic order where Africa is expected to play an increasingly meaningful role.

What I would like to bring up today and what I would like this flagship conference to focus on during the next two days is how can African Exchanges become an integral part of the continent's economic transformation? How can Exchanges become powerful enablers and powerful drivers of change in Africa? How can Exchanges empower the middle-class, democratise the economy and help overcome poverty in Africa? How can capital markets effectively provide the much needed capital for corporate funding, but also the funding of government's social programmes in Africa? In short, Ladies & Gentlemen, I would like this conference to generate concrete proposals on how Exchanges can help build the present and the future of Africa?

It is, indeed, my intimate belief that the next decade will be African capital markets' decade and this is, in fact, reflected in the Conference's main theme: "Africa: from promises to achievements, key role of capital markets". However, in order to surf on the rising African wave and drive the continent's transformation, I think that African Stock Exchanges should strive to stimulate what I call the 4 S's of the Exchange space, namely Synergies, Support, Scope and Substance. I will now briefly elaborate on each of the four S's.

The first S is Synergy. There is, in my view today, a fundamental need for African Stock Exchanges to establish strong Synergies with the other clusters within the financial services sector, like the Banking sector, the Insurance sector, the Asset management industry, the Pension fund industry and work towards the emergence of an integrated approach to the development of the financial services sector in Africa. African Exchanges, in my view, have for too long been considered as mere appendages to the mainstream financial services clusters, when in effect they should have occupied a central position within the financial services spectrum, as clearly evidenced by successful financial centres in the world.

The second S is Support. There is a very strong need for our governments and policy makers in Africa to understand the fundamental transformational role of capital markets to the socio-economic fabric of African economies. Governments need to be fully supportive of the development of vibrant capital markets and they need to adopt policies that are conducive to the development of efficient and competitive markets.

The success of well-known financial sectors like Singapore rested, in the very beginning, on a direct interventionist approach of the Singaporean Government which made a clear statement about its vision to transform Singapore into an international financial centre and adopted policies that were fully supportive of the stated vision. We all know now that Singapore's capital markets have since contributed immensely to the transformation of the country's economy into a world reference. I also think that support to African Exchanges should come from our most successful companies which should list on our Exchanges and bring their contribution to the growth of our markets.

The third S is Scope. I think it is important for African Exchanges to move up the value-chain and extend the scope of products and services they offer. While the very near-term challenge still remains the floatation and listing of new valuable and liquid companies, the short-to-medium term target implies a fundamental review of the Exchange business model and the diversification of revenue streams via a strategic shift from the current equity–centric focus. New products including bonds, Exchange-traded funds, structured products and eventually derivatives need to be introduced.

The fourth S is substance. Substance is about the ability of African Stock Exchanges to demonstrate that they have created value for the different stakeholders they service, namely issuers, investors and society as a whole. To bring new issuers to our market, we need to demonstrate that our Exchange platforms have, on the one hand, enabled existing issuers to raise capital to fund their growth, and, on the other hand, allowed existing issuers to create value for their shareholders. The substantive contributions of African Exchanges on both these counts are quite compelling and I think that these strengths need to be aggressively marketed by African Exchanges to attract new issuers and broaden our product offerings.

With regard to investors, African Exchanges need to demonstrate that they operate in a cost-effective and transparent manner, that information on listed scrips are readily and timeously available and that Exchanges offer products that can potentially generate attractive returns to investors. Finally with regards to society, Exchanges should demonstrate that they can contribute to the democratisation of the economy, create wealth for the citizens of a nation, contribute to the job-creation process, improve corporate governance and finally contribute to the overall well-being of a society from both a quantitative as well as a qualitative perspective.

I am really looking forward to the different panels of this conference, which will certainly help us to understand how African Exchanges can better stimulate the four S's I've just enumerated. The panel chaired by Nader Mousavizadeh, for example, will deliberate about the importance of government support to the development of vibrant capital markets in Africa. The panel chaired by Anne Guimard will discuss about how Exchanges can generate substance and value for issuers, provided issuers tell their story right and endorse effective communication strategies. I will chair, myself, a panel where we will listen to issuers and investors as to how African Exchanges have concretely enabled issuers add value to their businesses and how our Exchanges have enabled investors grow the value of their investment portfolios. All the other panels will undoubtedly help bring forward some very interesting lessons for the future of capital markets in Africa.

All in all, I am confident, Ladies & Gentlemen, that we are all set for two days of exciting deliberations and that we will all come out of this conference more convinced than ever about the pivotal role of African Exchanges in building the future of African economies.

Interview with Mr. Alban .D. Chirume, Chief Executive Officer Zimbabwe Stock Exchange

Full Name: Alban Dhladhla Chirume
Position: CEO, Zimbabwe Stock Exchange
Date of Birth: 27 December 1963
Education: B.Sc. in Physics and Mathematics, University of Zimbabwe, 1986; MBA, Cardiff Business School, University of Wales, 1991;Chartered Secretary, 1997
Accreditation: Registered Public Accountant
First job: Nuclear Medicine Physicist, Parirenyatwa Hospital
Management style: Participatory/Transformational
Person who has had the biggest influence on your career: My Father
Hope for the future: A bright Zimbabwe
Favourite reading: Behavioural Ecology
Favourite television programme: Crime Channel / News
Favourite food/drink: Prawns / Coca Cola
Favourite music: Whole spectrum (song specific)
Favourite sport: Football
Interests: Electrical installations, construction, gardening
Dislikes: Kiwi fruit
Married: To Susan

You have recently been appointed the Chief Executive of Zimbabwe Stock Exchange, what are your plans for the Exchange?

I am excited about the opportunity I have been afforded; the opportunity to transform an exchange in all its facets. These include the mode of trading, the inherent legal persona of the exchange, the organizational structure, the skills set of the team and the new thrust in positioning the exchange on the continent, and in the world, for that matter. Although I am well aware of the economic challenges that the country has experienced and complex international relations, it has meant I must immerse myself into my work with enthusiasm to positively influence global perceptions on our capital markets. I have come at a time when the need to safeguard the integrity of the Exchange and its listed companies is of paramount importance to the gaining of confidence of all investors, local and foreign. The transformation will see a change from a non-profit making organization to a profit making company.
Having been the inaugural Chief Executive of the Securities and Exchange Commission of Zimbabwe, I am committed to international best practice of regulation and supervision, to building bridges with all pertinent regulators both in banking and non-banking financial institutions. I believe in the statutes I played a role in enacting for the good of the capital markets. However, it does not change the demands of being regulated.

In light of that, I believe I should just mention our goals:

•Automation
We expect to have an automated trading system in place this year.

• Improving corporate governance
i) New listing requirements
As we prepare to adopt the new listing rules, due this year, we anticipate that the wider investment options and the greater transparency they foster will significantly deepen Zimbabwe's Capital markets.

ii) Human Capital and talent management.
This will facilitate the separation of the regulatory function from normal commercial operations. Automation will entail strengthening of the ICT function to meet the new challenges.

• Improving quality of earnings
Our objective is to broaden our product offering to include bonds, EFTs and other types of tradable instruments.

• Retention of listed companies
Our drive is to retain quality listed companies through;
i) improved communication with company CEOs and executives based on one-on-one meetings at their premises
ii) company tours to enhance our understanding of stakeholder operations and unique circumstance, and
iii) attending all AGMs as observers

• Participation in regional events with other exchanges
My attendance of the ASEA Annual General Meeting in Cote d'Ivoire (December, 2013) and CoSSE in Mozambique

and South Africa highlighted the opportunities presented by association with other exchanges. I hope that by participation in regional events, the ZSE can emulate international best practice. As ZSE we have taken it upon ourselves to align our strategic plan to CoSSE and ASEA's Strategic Plans and in this way achieve goal congruence.

• Investor education activities

Developing the domestic investor base is of strategic importance. To achieve this goal it naturally entails investing in investor education. However, we believe we can leverage on the impressive literacy level of the Zimbabwean populace (Zimbabwe has had the highest literacy level in Africa for the past two years), to increase financial literacy and hopefully capital markets knowledge.

Tell us about a little bit about the Zimbabwe Stock Exchange and its achievements.

The Zimbabwe Stock Exchange, the only stock exchange in the country, is one of the oldest exchanges in Africa (having been established in 1896). There are currently 67 listed companies, fourteen active member firms and forty five members.

Demutualization of the bourse is currently underway with the expectation that it will be completed mid-year. It is believed that a demutualized Zimbabwe Stock Exchange is better placed for good corporate governance. We have embarked on a project to automate the bourse and are also working on developing a second tier board. In the previous year, the ZSE delisted twelve companies as part of its strategy to foster good corporate governance through demanding that listed companies meet their continuing obligations. However, not all companies which were delisted were failing to meet continuing obligations. Some were targeted by foreign Private Equity Funds which took advantage of the liquidity challenges in the economy to purchase prime assets cheaply.

Last year, the Zimbabwe Stock Exchange was nominated for "The Most Innovative African Stock Exchange" in the 2013 Africa Investor Index Series Awards which was eventually won by Nairobi Securities Exchange.

It is noteworthy that the ZSE also traded for the first time at a public trade show (Harare Agricultural Show) where the public witnessed actual dealing of shares using an open cry method.

Comment on the performance of the Zimbabwe Stock Exchange in 2013.

The ZSE recorded good numbers in 2013, in spite of the cautious approach by investors in light of the country's general elections which were held on July 31. The main index recorded a 32.62% gain year on year whilst annual turnover also grew by 8.4% compared to the prior year. The market capitalization closed the year at US$5.203 billion after recording a year on year increase of 31.28%. In contrast however, the mining index, which represented 1.21% of the total market capitalization as at December 31, recorded a decline of 29.68% in the year. This is reflective of the perceived inherent risk that surrounds policy direction with regard to ownership of resources in the country.

There is a view that there is lack of adequate information about African markets for investors to make investment decisions, what is Zimbabwe Stock Exchange doing to change this?

As the ZSE, we have at times experienced problems when trying to obtain basic information on various African exchanges for comparative purposes. Information obtained from different sources is contradictory, data integrity is limited and data presentation is not consistent. This can, in part, of the problem can be attributed to the fact that African markets may still be lagging behind developed markets, in terms information communication technology, it is more likely that there is no commitment to ensuring published information is current.

The ZSE realizes that a commitment to delivery of accurate and timely data is essential for its success and as such continual improvement will always be sought.

In March 2013, we launched an improved website as part of our effort to address the information gap regarding our market. By using comprehensive data on our listed companies, world-class functionality, social media and continuously engaging our investment communities individually online, we hope to go a long way in providing information about investing on the ZSE.

With the automation project currently underway, we expect that accessibility and distribution of trading information will be enhanced.

Should investors be excited about the Zimbabwe Stock Exchange in 2014?

Absolutely.

Growth rates predictions for Zimbabwe range from 4% to 6.1% per annum. There is therefore some level of optimism that there is going to be growth on the ZSE. ZSE trades are in United States Dollars (USD) and hence minimal currency risk, especially for foreign investors. There is no limitation on capital and dividend repatriation for the foreign investor. Literally one would say there are no exchange control issues as long as the investor can demonstrate that all transactions were undertaken through banking channels. We have the assurance from Government that the multicurrency regime will remain in place for the foreseeable future. I am therefore confident that the foreign investor will continue to drive the market.

Putting money where the mouth is and passion for Africa's Securities Exchanges

*Johannesburg is the homebase for **Cyrille Nkontchou**, an experienced investor and fund manager with a lifelong passion for Africa and its bourses. With brother Alain he has set up Enko Capital Management LLP, which runs several Africa-focused funds, runs a portfolio of private equity investments, and is setting up a new fund focused on education.*

Cyrille was born in Cameroun but did his secondary and tertiary education in France, linked to his father's career as a diplomat focused on finance. Finance runs in the family, his brothers and sister all work in the field. He scored very highly in his BA degree in business administration at the Institut d'Etudes Politiques de Paris and was offered a job with Andersen Consulting, now evolved into accenture, where Cyrille worked primarily with French banks and financial services firms.

His love for capital markets and the home continent was calling and in 1995 Cyrille sent himself to Harvard Graduate School to gain an MBA, coaching the section soccer team too. Merrill Lynch snapped him up as head of sub-Saharan research, excluding South Africa, where he worked with listed and unlisted firms and emerging markets investors and published strategy papers.

His first own venture in 2000 was Liquid Africa Holdings, based in Johannesburg and London, which provided capital-raising, merger and acquisition (M&A) and advisory services including gathering data on African exchanges and markets and advising over $750 million in debt and equity investments.

Enko, launched in 2008, is headquartered and regulated in London with a Johannesburg office and brings all the learning and expertise together. The first fund is Enko Opportunity Growth Fund, a multi-products, multi-strategy hedge fund focused on African listed securities. Enko Africa Private Equity Fund (see box), focuses on pre-IPO investments. They also manage private equity principal investments including RMG Concept, a EUR 115 million agribusiness in West Africa. Cyrille has also founded Enko Education Investments, a holding company that invests in and manages private schools (kindergarten, primary and secondary) across Africa.

Cyrille spoke to the ASEA Newsletter by email:

ASEA: Where did your interest in capital markets come from?

CN: I always wanted to return to Africa and I always wanted to know more about what was happening there. The 1990s brought the end of the apartheid and South Africa's first democratic elections and that stimulated my interest in Africa. I came to South Africa for the first time and established myself here in 1998. I can see the change happening every day, I can see the opportunities growing in Africa. It is a change I still want to be part of.

ASEA: What have you observed in the evolution of the African stock exchanges?

CN: The change was happening in South Africa and elsewhere. South Africa has always been the benchmark, it is an advanced market compared to many other world and emerging markets. It is what the African markets should aspire to, and it is on the same continent.

Since 1990, there are many new African exchanges. Nearly all have improved their infrastructures. When I started, only one or two were on an electronic platform, some were still writing numbers on a board. Now nearly all are electronic, including the new exchanges. There has also been a lot of development on the custody side. Before people did not understand that, in order to attract investors, you needed a trusted custodian. The asset value of a stockbroker was less than value of the shares you entrusted to him. The emergence of global custodians overcame a big hurdle for African markets, it has been a big evolution.

On negative side, I would have expected that the number of listings on the African exchanges would have been much more.

ASEA: Is Africa doomed to see fluctuating levels of interest?

CN: In 1997-8 there quite a lot of interest in Africa, the Morgan Stanley African fund had $500 million, but by 2000 it was closed. There were a lot of funds, which were the pioneers in investing in Africa. However interest evaporated with the Russian crisis and an emerging markets crisis and it only came back in 2006-7. The cyclical nature of interest in Africa will continue and all emerging markets, including Africa, will be kept in that cycle. That will continue to cause damage and the markets will collapse.

ASEA: Are African securities exchanges playing their proper role in the continent's development?

CN: A lot of capital is needed for the continent's growth. The African capital markets can play a big role, but they are not playing it. Private equity is playing a role but it needs to do more to support the capital markets. There has been a huge growth in private equity in Africa but it has not been matched by growth in the public markets. Private equity will face problems of exit; most of them have relied on trade sales or put options. They need to develop the IPO market. In developed markets, one third of listings are accounted for by private equity, while it's only 7% in Africa (according to the stats we have been running since 2007).That's why I started the Enko Africa pre-IPO Fund.

ASEA: Has private equity been taking the focus in Africa from the capital markets?

CN: To be fair, a market needs to start with private equity before the capital markets can develop, but it is also hard to develop a large economy without strong capital markets. One reason for the focus on private equity is lack of understanding of African capital markets. The conventional wisdom is that the African markets are illiquid and not adequate to do an exit. That is not true. The median price-earnings ratio of all new issues on African markets is 12x earnings. That is much higher than what most private-equity funds achieve through a trade sale or a put option. We have a fund that invests on the listed markets and we understand the capital markets very well. It is true that African markets are illiquid in secondary trading after listing, but they are very liquid at the time of listing. There is more money to be invested than there are opportunities to invest in. We struggle to explain that to the development agencies, but now the AfDB has backed us up in that initiative, to start a fund to encourage listings on the African capital markets. Afdb is putting in $15 million, the first closing is $50 million within a few weeks.

ASEA: What are the challenges facing African securities exchanges in the medium- to long-term?

CN: The key for the exchanges is to increase the number of listings and to have more listed companies. We hope that, by virtue of the Enko fund, we will get 10-12 companies listed on the exchanges, over eight years' time horizon. We believe in the effect of being a good role model. If our fund is successful after four years, we hope to raise a much bigger second fund and invest in another 15 companies. And by helping with the listings, we will give resources to more private equity funds.

ASEA: What should the African securities exchanges be doing?

CN: African exchanges need to communicate their developmental role better. Most policy-makers don't see or understand the development role of the African capital markets; they still see capital markets as being "evil", all

about high bonuses and fast money.
The exchanges should be improving the conditions of listing, to make it cost-effective for an entrepreneur to list on the stock market. They should negotiate with governments to make it more attractive to list, from a tax perspective. They should negotiate with governments to offer a stake in companies and to encourage more privatization through the stock markets. Exchanges need to work on the side of investors, to make sure companies communicate more frequently and that the standard of disclosure is good so that investors get more access to research. They should strengthen the broker community so they can help people make investment decisions. There have been improvements in the quality of exchanges' systems and ASEA has been instrumental in getting the exchanges to improve.

ASEA: What about domestic funds?

CN: There are a growing number of pension funds and insurance funds. They are still very much focused inside their countries, the regulators tend to be fairly restrictive and make it very difficult for fund managers to invest in Africa outside their own jurisdictions. Asset management is about diversification, and that is a fundamental problem of the pension fund industry in Africa, there is a lot of restriction in terms of where the funds can invest. It is changing and getting better slowly in South Africa and in other countries. The regulators want to find the right balance but they are moving slowly to allow the pension and insurance funds freedom to diversify.

ASEA: Have you gained a lot of personal satisfaction from investing in African markets?

CN: It is good to be an Africa investor, but you don't want to be too early or too much ahead of your time. It less important to be at the cutting edge than to be a good implementer.

Our latest venture is education. We think we can improve education in Africa but we have taken a more modest approach with Enko Education Investments fund, we can do simple things in Africa and we can make an impact. In education, we have made our first investment in South Africa and we have good experience in francophone Africa and education. We see huge opportunity across Africa with huge growth likely in private education. Governments cannot cope with the increasing demographics, the public budget cannot cope, there is lack of efficiency. That leaves nice room for the private sector, which is more nimble and can implement new ideas more quickly. Our idea in the long term is to work hand-in-hand with governments.

Enko Africa Private Equity Fund boosting IPOs

Enko Africa Private Equity Fund (EAPEF) aims to invest in mid-size companies registered in Africa which have strong potential for successful listing on one or many African stock markets. It is a Pan-African private equity investment vehicle focusing on investing before initial public offerings (Pre-IPO), with a target endowment of $150 million. The role of the fund will be to add value to investee companies by injecting financial resources to enable expansion, recapitalization, and deleveraging; but also to bring expertise in strengthening corporate governance, improving business practices and standards of disclosure in preparing companies for stock market listing.

There is good demand for listed equities in Africa and many IPOs have been oversubscribed. However, supply has been very sluggish, thereby adding to the perceived illiquidity of the concerned exchanges. The EAPEF aims to contribute in bridging the imbalance between supply and demand for listed equities on African capital markets, thereby complementing the endeavours of many African stock exchanges to attract new issues. The Fund's portfolio will include businesses in health, education, agri-business, financial services, retail and infrastructure sectors. It will broaden the pool of listed companies across sectors, and so will contribute in making the African stock markets more attractive to a wider set of investors and offer a more diversified channel to invest domestic savings.

According to Cyrille, looking at data on African equity sales from 2007 to the first quarter of 2013: "Average valuation achieved on African IPOs far exceeds that of most trade sales or exercise of put options."

In September 2013, the African Development Bank announced an equity investment of $15 million and the remaining investors are coming on board for the first close of $50 million in the first quarter of 2014.

At their most recent retreat on November 27-30, 2013 in Abuja, themed "Actualizing Nigeria's Economic Potential," the CEO of the Nigerian Stock Exchange, Mr. Oscar N. Onyema, was interviewed by the CMC Retreat Magazine. Following is an excerpt from the interview

The Capital Market Committee (CMC) of Nigeria is the coordinating body for the Nigerian capital market community. Headed by the Director General of the Securities and Exchange Commission (SEC), Ms. Arunma Oteh, the CMC comprises representatives from the SEC (Commission), capital trade points and all capital market trade groups, with the aim to support development of the Nigerian capital market.

Oscar Onyema CEO, Nigerian Stock Exchange

At their most recent retreat on November 27-30, 2013 in Abuja, themed "Actualizing Nigeria's Economic Potential," the CEO of the Nigerian Stock Exchange, Mr. Oscar N. Onyema, was interviewed by the CMC Retreat Magazine. Following is an excerpt from the interview.

WHAT ARE THE KEY INTERNAL AND EXTERNAL FACTORS AFFECTING GROWTH OF THE NIGERIAN MARKET?

The market is driven by information, so if you look at internal factors, first of all, it is information about the company that is most critical: how well is a company doing, what are the hard numbers with regards to the company, and what are the sentiments about the company? Investors rely on this type of information.

From an external perspective, you have to look at macroeconomic circumstances within the country, as well as the kind of fiscal and monetary policies that emanate from the appropriate authorities. All of these things affect the market. Then looking beyond the country, you must consider what is going on in global economies. We know, for example, that the market is affected by the quantitative easing (QE-3) activities in the United States which have unleashed a lot of cash into the system, with some of that cash finding its way to Nigerian equities. And on the fixed-income side, because Nigeria has joined the JP Morgan Bond Index, we have seen a significant increase in foreign portfolio inflows into Nigerian treasury bonds that are included in that index.

Essentially, these are external and internal forces that are playing together to drive price discovery in the marketplace, and thus affect the market itself.

HOW HAVE GLOBAL CONCERNS AND FINANCIAL WORRIES IMPACTED THE MARKET, AND TO WHAT EXTENT CAN THE COUNTRY BE VIEWED AS DECOUPLED?

I don't think the country can be viewed as decoupled any more. We have become an international market; we are highly integrated into what is going on around the globe. When there was significant concern in the Euro zone, we saw the impact of that slowdown in our market; when there was a rumour that QE-3 was going to be reversed, we saw the impact around the June timeframe in our market. Our market is also highly correlated to international crude oil prices, so as crude oil prices fluctuate, we see the effects in our market. So, I would say our market is highly coupled and that we are highly influenced by what goes on globally, from an economic perspective.

We must also bear in mind that as recent data reveals, fifty per cent of our market activity is driven by foreign investors.

HOW WILL YOU ASSESS THE INCREASING IMPORTANCE OF DISCLOSURE AND TRANSPARENCY IN STRENGTHENING MARKET DEVELOPMENT?

We cannot stress enough the importance of transparency in the running of a good market. Since the market is driven by information, investors must have all the information they need at their fingertips when they need it, so they can make good investment decisions, quickly. So, to the extent that The Exchange is championing the disclosure of information, The Exchange itself is making sure that we are transparent in our daily dealings -- the more timely the requisite information and data is provided to investors to make decisions, the better our market is. We believe this is very important, and we will continue to push to make sure investors have the information they need in order to make informed investment decisions.

TO WHAT EXTENT WILL THE EMERGENCE OF A REGIONAL STOCK MARKET IN AFRICA IMPACT THE DYNAMIC OF AFRICAN EQUITIES?

It is a very difficult journey, but if we can actualize a regional market in Africa, it would create a deeper pool of liquidity – all of a sudden, a company that is coming to raise money on the continent would not just be looking at one country, but could consider the whole continent as a pool of liquidity. I think it is going to be extremely difficult to have one regional pool of liquidity. You are more likely to see sub-regional pools of liquidity -- a West African integrated capital market zone, an East African zone and a Southern African zone. There again, the story would be the same -- a deeper pool of liquidity, a bigger population with regards to potential consumers and investors, and a wider net with regards to capacity and capabilities of market operators. We see sub-regional integration as a very positive development; in fact, we are championing the growth of a regional market in our sub-region. I am currently the Chairman of the West African Capital Market Integration Council (WACMIC), and we are driving the West African integration effort. By early next year, Phase I of the integration will be effected in the West African zone.

WHAT ARE YOU DOING TO MAKE THE CAPITAL MARKET MORE OPEN, ROBUST AND RESPONSIVE TO THE NEEDS OF THE WIDER ECONOMY?

We have done quite a bit in that area. We have made information significantly more available, especially from the market data perspective. We have made the operations of The Exchange more transparent, we have introduced strong regulation, so that we have an orderly, fair and equitable marketplace. If you look at the performance of the market this year, it is clear that all of these things have helped, and I think that with the new technology platform, it makes access to the market easier and wider, in terms of geography. You should see a greater impact in terms of an increase in market activities.

HOW ARE WE RAISING THE STANDARDS OF CORPORATE GOVERNANCE IN THE NIGERIAN MARKET?

With regards to corporate governance, we have been pursuing a program that is really geared around sustainability. We want to encourage companies to do business in a sustainable manner, so we have partnered with the Convention on Business Integrity (CBi) to create a corporate governance rating system, and based on that system, we will introduce an index for companies that meet certain thresholds. The index will be comprised of the companies that are meeting the highest corporate governance standards, and it will also form the basis for our Premium Board which will have other qualifying benchmarks.

We think all of these things will ginger the competitive spirit of our listed companies and encourage them to improve on corporate governance, as well as embed corporate governance as a way of life in their various companies. That is the way we have approached corporate governance, in addition to the fact that we have published listing standards that we enforce very rigorously. We also encourage our companies to support the various codes of corporate governance, including the SEC Code for all Nigerian companies, the CBN Code for the banks, the PENCOM Code, and various codes available globally. It is therefore, important for people to know that we take corporate governance seriously, not just from an enforcement perspective, but also from a market development perspective, and this is why we are driving the corporate governance rating system.

Rethinking financial advertising as a mandatory disclosure format

Many stock exchanges require that listed companies publish their abridged financial statements for a given reporting period in at least one widely circulated daily newspaper.

By Anne Guimard

The result is usually an unreadable document, where the income statement, the balance sheet, the cash flow statement, the cautionary statements, the financial analysis, you name it, are all squeezed into one page. Furthermore, there are often no comment whatsoever on the performance of the period under review, and hardly ever any contact. The issuer is happy, because this is fully compliant with the local disclosure regulations, the investor, much less so. Who would want to buy shares in a company that forces you to use a strong magnifying glass to read such small, supposedly transparent print? This method of information is a thing of the past in the large financial markets such as the US or the UK, there must be a reason…

It is time for these exchanges to adopt a more user-friendly (or shall we say reader-friendly?) communications approach. Here are some suggestions as to how to achieve this goal in the best and cost-effective interests of the issuers, the exchanges and the public in general.

What matters is less the exhaustiveness than the relevance of the information published. Domestic investors, current and potential ones alike, are the primary target audience of this newspaper communications format. They are looking for the exact numbers, but equally important is the explanation of what drove this performance compared to the previous reporting period.

- Think in terms of key messages
- Use highlights for the major events
- Put the most important metrics in a table and don't forget a column that provides the change in percentage or in absolute terms
- Don't hide the bad news.

Publishing results in a newspaper is indeed an effective way to inform the public at large. This is especially true for small and medium cap companies which struggle to get their message across because they have limited analyst coverage and virtually no investor relations organization in place to market their securities. Newspapers act as the only way for an investor to find out how these companies have performed. Other listed companies with a significant retail investor focus, or a large number of customers might also benefit from an easy-to-understand financial ad. This ad can be visually appealing if it contains graphics to highlight a selection of metrics.

Transparency is preserved by continuing to offer the possibility to receive the full financial statements free of charge and, increasingly so in this internet age, to download from the company's website or from a repository of documents where these issuers have to file their legal notices.

The stock market regulatory authorities should however see to it that the ad content meets the same strict disclosure principles: the information it contains must be authentic, accurate, fair and provided in a timely manner. Additional mentions of whether the data are audited or unaudited are useful.

Let us take another angle: it should be remembered that paying to have any text reproduced in a newspaper is comparable to advertising. It is a sad thing to see that this regulatory requirement actually results in listed companies having to pay for the worst possible, most counterproductive way of showcasing their brand, their corporate image. This is not really how value for the shareholders is created when you come to think of it.

Finally, the exchanges, the issuers and the newspapers are part of an ecosystem where advertising is a source of revenues for the latter and a cost for the former. Proper dialogue between these stakeholder groups should ensure that developing a new business model around paid is a win-win for all and is not perceived by print media as a major threat to their existence.

Rethinking financial advertising is therefore yet another way to attract more issuers and more individuals to the exchanges, thus benefitting a country's development over the long run.

A Certified Financial Analyst and a PhD in international finance, Anne Guimard is the Founder and President of FINEO Investor Relations Advisors and The School of Investor Relations. Following nearly two decades of experience as a Chief Investor Relations Officer at multi-listed groups and as financial analyst in equity research and Mergers & Acquisitions at leading investments banks, she founded FINEO Investor Relations Advisors in 1999. With offices in London, Paris and Johannesburg, the firm offers companies the independent, high value-added advice they need to effectively compete for capital on a global scale. One of FINEO's key differentiators is that it has always put training and international best practices at the heart of its IR strategy consulting practice. This is further evidenced with the creation of The School of Investor Relations, a uniquely innovative training portal. To this date, FINEO has attracted more than 1,300 companies in more than 60 countries. Anne Guimard is the author of several books, including "Investor Relations: Principles and International Best Practices in Financial Communications" (Palgrave). Anne serves on the Board of Directors of the National Investor Relations Institute in the USA, the world's largest organization for Investor Relations professionals. She is also a member of the UK Investor Relations Society, the French Securities Analysts Association and the French Institute of Director.

By Anne Guimard

MEMBER NEWS

Market News

- IPO of Jorf Lasfar Energy Company (JLEC) in December for a total amount of MAD 1 billion; the biggest IPO since 2008.
- Capital raise of MAD 393.2 million by Crédit du Maroc (CDM), which constitutes 6.9% of the capital of the bank.
- Capital raise of MAD 1.9 million by Société Maghrébine de Monétique (S2M), which represents 1.49% of the capital of the firm.
- HOLCIM Maroc closed in December a capital increase, through the merger by absorption of Holcim AOZ. The amount of the operation was of MAD 1.2 billion and 14.89% of the capital of the Construction & Building Materials company.
- RISMA, a firm from the Leisure and Hotels sector, conducted in October, a capital increase of 15.6 millions of MAD through the conversion of convertible bonds.
- Morocco was reclassified in November as a Frontier Market, which raised the number of stocks in the index to 8. As a result, Maroc Telecom, Attijariwafa Bank, Douja Promotion Groupe Addoha, BMCE Bank, BCP, Lafarge Ciments, Managem and Wafa Assurance are all now part of the MSCI Frontier Markets.

Partnerships

- The Casablanca Stock Exchange signed, in December, a partnership agreement with Bourse Régionale des Valeurs Mobilières (BRVM). CSE and BRVM aspire to strengthen their cooperation through the exchange of experience, trainings and technical assistance, the promotion of both markets as well as the development of cross-listings.
- The Casablanca Stock Exchange joins Mundiapolis for the establishment of a trading room. As part of its partnerships with schools and universities to promote the financial literacy, the Casablanca Stock Exchange worked with the Mundiapolis University for the establishment of a trading room in the university for the benefit of financial engineering students. It has made available to university students a portfolio management tool that allows them to trade in real market conditions. They also benefit from training sessions on the mechanisms of the stock market by market professionals.
- As part of its cooperation relationships with Casablanca Finance City, the Exchange School of the Casablanca Stock Exchange co-organizes "Casablanca Finance City Academy seminars". These seminars are part of the Financial Engineering Master degree launched on September 2013 by CFC in partnership with the Mohammadia School of Engineering and the Hassania Shcool of civil Engineering.
- The Casablanca Stock Exchange co-organized, with the Association Of Chartered Accountants of Casablanca, the 6th edition of the international business competition that gathers several universities.

Events

- The Casablanca Stock Exchange continued its efforts to attract new companies to the stock market. It organized a conference dedicated to the entrepreneurs and companies from Souss Massa Draa, a region from the south of Morocco. The conference was aimed at demystifying the stock market and clarifying further how it can help companies raise capital and grow. The Moroccan association of participative finance, the Casablanca Stock Exchange and Thomson Reuters organized a workshop under the theme Sukuk, legal and fiscal framework.
- The event was hosted by the Casablanca Stock Exchange on Thursday 21 November 2013.

SRI Index Encourages Companies to Improve Transparency JSE's 2013 SRI Index Annual Review Results

The number of companies fulfilling the requirements to be part of the Socially Responsible Investment (SRI) index fell to 72 in 2013 (2012: 76), as the Johannesburg Stock Exchange (JSE) continued to raise the bar for index constituents. To improve corporate transparency, only publically available information was considered in the JSE's 9th annual SRI Index review; up to last year, companies could submit data that was not publically available

This year's SRI Index review saw six corporates coming up tops, which included members of the mining, food producers, healthcare, household goods, banking and mobile telecoms sectors. "Congratulations to this year's best performers, who affirm that South African companies are committed to being transparent in applying ESG principles in business practice, and meeting the growing investor demands for transparency in the way companies manage their sustainability impacts," says Corli Le Roux, the JSE's SRI Index Head.

In another move in the index's evolution, the index this year was broadened to include small-cap companies, with all 157 companies in the FTSE/JSE All Share Index being assessed for the first time (last year, 108 companies were assessed). Of the 157, just less than half of the total constituents met the index requirements relating to their environmental, social and governance (ESG) policies, management practices and reporting. The higher number of companies assessed automatically combined with the more stringent disclosure requirements explain the drop in the percentage of companies qualifying this year, from 70% in 2012.

"Despite only six small caps qualifying for index inclusion, small cap companies fared better than anticipated. Several small caps came very close to making it while some from this group, reviewed for the first time, did not have the resources to participate actively this year," says Le Roux. "However, after assessing these companies for the first time, we are really encouraged with the strides that some are making, and have a good sense for where to focus our engagement going forward."

For investors, the SRI Index can help those aiming to pick companies with a longerterm horizon who are managing their risks responsibly. "It is an accolade that over 90% of companies assessed this year meet corporate governance criteria," says Le Roux. "While the past experience that the environmental pillar remains the most challenging for companies has persisted, the social area also saw a decline in performance this year, mostly due to insufficient disclosure. With companies looking for guidance in these areas, we hope that this year's index process will assist and we are confident to see improvements in these areas in future years."

The research was carried out on behalf of the JSE by global investment research provider EIRIS (with their local partner the Centre for Corporate Governance in Africa at the University of Stellenbosch Business School).

In the 2013 SRI Index review

- 157 companies were assessed (2012: 108)
- 72 of the companies assessed qualified for the SRI Index (2012: 76)
- 5 companies are in the index for the first time, three of which were assessed for the first time in 2013

- The index comprises 35 Top 40 companies, 31 Mid Cap companies and 6 Small Cap companies .
- 6 companies have been identified as best performers (2012: 10).
- Similar to 2011 and 2012 the strongest performance has been demonstrated by Top 40 companies with 87% of them meeting entry level requirements.

Sectoral performance

- The Life insurance sector is the only sector with 100% of companies in the sector making into the index this year
- Other well performing sectors include General Industrials with 83% of these companies meeting the index criteria and Banking with 71%.
- Mining companies again performed well with 78% making it into the Index this year. The mining sector accounts for 20.8% of the total number of companies in the Index (18% in 2012).

Individual research areas

- The environmental and social requirements of the Index each shows a 65% success rate by all companies assessed in 2013.
- Companies still show the strongest performance in governance areas with 90% of companies meeting the overall requirements here (98% in 2012).
- 56% of the total number of companies assessed have met the requirements for climate change.

About JSE Limited

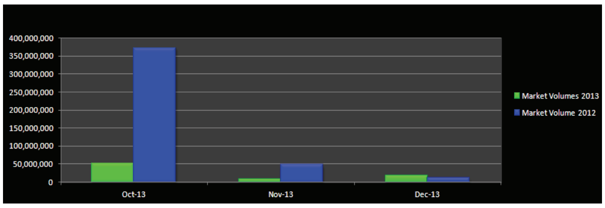
As South Africa's only full service securities exchange, the JSE connects buyers and sellers in five different financial markets, namely equities, equity derivatives, commodity derivatives, currency derivatives and interest rate instruments. The JSE Ltd offers the investor a truly first world-class trading environment, with world class technology, surveillance and settlement in an emerging market context. It is amongst the top 20 largest equities exchanges in terms of market capitalisation in the world.

For investors, the SRI Index can help those aiming to pick companies with a longerterm horizon who are managing their risks responsibly. "It is an accolade that over 90% of companies assessed this year meet corporate governance criteria," says Le Roux. "While the past experience that the environmental pillar remains the most challenging for companies has persisted, the social area also saw a decline in performance this year, mostly due to insufficient disclosure.

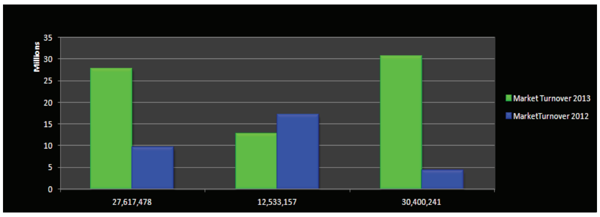
Q4 MARKET TRADING STATISTICS			
	2013	2012	% Change (Quarterly)
Market Capitalisation	58,188,000,000	49,624,691,000	17.26%
LASI	5300.1	3714.16	42.70%
Trades	1389	1182	17.51%
Volume	68,974,033	426,664,719	-83.83%
Turnover ZMW	70,550,876	30,284,798	132.96%
Turnover/ Market Cap ratio	0.42%	0.73%	-42.45

- Market capitalization closed the quarter under review at K58 billion reflecting a 17% rise over the same period in 2012.
- The LuSE All Share Index (LASI) closed the period at 5,300.1 points, 43% up from the same period in 2012. The LASI gained 10.5% over the three months to 31st December, 2013.
- The movement in the LASI can be attributed to the increase in the number of shares in some stocks due to rights issues and the capital gains recorded in some stocks
- Top 4 Gainers above and below the LASI were as follows:

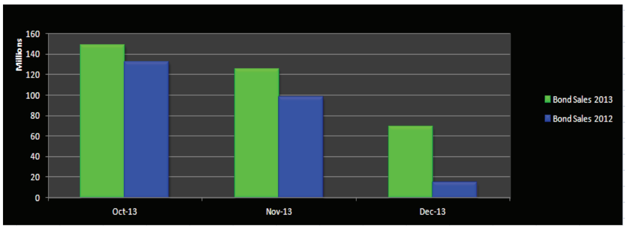
Capital Gains In Relation To The LASI Return		
Security	Dec-13	Q4 - % Change
Lafarge	15.75	34.50%
Standard Chartered Bank	1.93	28.67%
Zanaco	0.30	25.00%
Pamodzi	0.65	18.18%
LASI	5300.10	10.49%
Copperbelt Energy Corporation	0.73	7.35%
British American Tobacco	4.76	5.78%
Prima - Re	3.00	3.09%
Bata Shoe	0.76	2.70%



- Volume of shares traded was significantly lower than that of the previous period due to share consolidation conducted by Zambia Sugar due to the rebasing of the local currency.
- In the same period for 2012 the early quarter spike in volume can be attributed to the CCHZ claw back rights offer. However, the shares were consolidated towards the end of the quarter.



- Trade Turnover increased significantly by 133% compared to the same period for the previous year. This was mainly due to the increase in volumes of shares by Prima Re after a rights issue where a total of 6,612,424 shares were taken up by existing shareholders.
- There was an increase of 29% in foreign portfolio inflows over the period compared to the same period in 2012.
- 24% of shares transacted during the quarter were from foreign transactions. This was a notable increase from the corresponding quarter of 2012 where 4.5% of shares transacted were attributed to foreign portfolio investors.
- The market is steadily becoming an information sensitive market where investors respond to corporate announcements and the general performance of the economy.



DEBT MARKET

Secondary market activity in Government Bonds showed gains in the period under review.
An increase of 40% was recorded in bond activity for the quarter under review.

QUARTER 4 CORPORATE ACTIONS

AEL ZAMBIA PLC - EXTRAORDINARY GENERAL MEETING

SPECIAL RESOLUTION that the entire ZMW 40,813.20, issued share capital of the Company comprising 20,406,600 ordinary shares of par value ZMW 0.002 each be converted into stock of ZMW 40,813.20 comprising One (1) stock with a nominal value of ZMW40,813.20 and held jointly both legally and beneficially by the shareholders of the Company as at the date hereof in proportion to their holding of ordinary shares in the Company as at the date hereof and immediately thereafter the One (1) stock of ZMW40,813.20 be re-converted into 20,406,600 issued ordinary shares of par value ZMW 0.01.

ZANACO PLC-CAUTIONARY UPDATE

Shareholders were advised that on December 20, 2011, the Company had received formal notification from the Ministry of Justice that the Government of the Republic of Zambia ("GRZ") had instituted a Commission of Inquiry into the partial privatization of ZANACO in 2007("the Inquiry"). Shareholders are advised to continue to exercise caution when dealing in the Company's securities until the Commission of Inquiry process is concluded and a full announcement is made.

AIRTEL NETWORKS ZAMBIA- DIVIDEND PAYMENT

Airtel Networks Zambia Plc on Tuesday 12 September 2013 approved the payment of an interim dividend of K1.25 per ordinary share, payable to the shareholders registered in the share register of the Company at the Close of business on 1 November 2013. Dividend payment will be effected on or before December 27, 2013.

PRIMA RE- RESULTS OF THE RIGHTS OFFER

After the Rights offer, a total of 30,000,000 shares were in issue and the total shares taken up by existing shareholders were 17,612,449. The purchase of Rights over the LuSE after the Rights offer was 8,150,333. The Shares underwritten were 4,237,218, giving a total of 30,000,000.

ZAMBIA SUGAR PLC- DIVIDEND PAYMENT

Zambia Sugar Plc on 8 November approved the payment of an interim dividend, for the six months ended 30 September 2013 of ZMW0.08 per share (2012: ZMW0.08, payable to the shareholders registered in the share register of the Company at the close of business on 6 December 2013. The dividend payment will be effected on 9 December 2013.

ZAMBIAN BREWERIES PLC- DIVIDEND PAYMENT

The Board resolved not to recommend an interim dividend payment for the half year ended 30 September 2013.

NATIONAL BREWERIES PLC- DIVIDEND PAYMENT

The Board resolved not to recommend an interim dividend payment for the half year ended 30 September 2013.

COPPERBELT ENERGY CORPORATION PLC -FIRST CAUTIONARY ANNOUNCEMENT

Shareholders are advised that there are circumstances relating to the Company, the full impact of which are currently being determined and which may have a material effect on the price of the Company's securities. These circumstances relate to the fact that the Company has received notification from its majority shareholder, Zambian Energy Corporation ("Ireland") Limited ("ZECI") that there is a proposed internal reorganization in the ultimate shareholding of ZECI. This caution comes prior to the renounceable rights offer which will be later announced in January 2014.

Facilitating the Creation of an Integrated Capital Market

The West African Capital Markets Integration Council (WACMIC) was inaugurated as the governing body for the integration of West African capital markets. The over-arching objective of the Council is to establish a harmonized regulatory environment for the issuance and trading of financial securities across the region.

The WACMIC comprises the chief executives of the region's securities exchanges, and securities and exchange commissions. The Council is tasked with designing the policy framework and managing the implementation process that will facilitate the creation of an integrated capital market in the West African sub-region. More specifically, the Council is to:

- Supervise the capital market integration program
- Set up standards and validate all works done by the technical committees
- Monitor and assess the state of preparedness of the member states in the integration process
- Source funds and other resources for the implementation of capital market integration
- Monitor standards and compliance post-integration

The process for integrating the region's capital markets began in 2010 with the signing of a Memorandum of Understanding (MOU) by the stock exchanges and the regulatory authorities in the sub-region. The MOU sets in place the undertaking to deepen cooperation, promote mutual assistance, and facilitate the exchange of information and consultation between the consenting jurisdictions by way of the West African Capital Market Integration (WACMI) program.

The WACMI program is being pursued in collaboration with the West African Monetary Institute (WAMI), the Bourse Régionale des Valeurs Mobilières (representing eight West African francophone countries), the Ghana Stock Exchange, Nigerian Stock Exchange and Sierra Leone Stock Exchange are the participating markets.

WHY CAPITAL MARKET INTEGRATION?

The value proposition for integration relates to the West African sub-region as a strategic geographical area within Africa. With a large and diverse population of over 290 million people, this translates into a consumer base with significant domestic savings and investing potential. Achieving integration will not only support momentous growth in the markets, but also facilitate the movement of capital across the sub-region, creating flexibility for issuers and investors.

NIGERIAN STOCK EXCHANGE

In the pursuit of this objective, sensitization workshops were held on February 7, 12 and 14, 2014, in Accra, Lagos and Abuja, respectively. These workshops are designed to inform capital market operators on the progress of the WACMI program, and to provide insight into the proposed trading and settlement structures, the proposed legal framework, and the impending harmonized listing, trading and settlement rules – all of which are critical to the successful integration efforts of the member countries.

IMPLEMENTATION ROAD MAP

The integration program will occur in three phases:

Phase 1 - Sponsored Access

Brokers operating in the member countries will be able to trade securities and settle in markets other than theirs through local brokers in those markets. With signed MOUs recognized by the regulators in the sub-region, WACMI broker-dealers will be able to access each other's' markets via the trading systems of the local brokers with whom they have executed an agreement. Sponsored access rules and agreements have been developed and are available on the Web sites of participating exchanges.

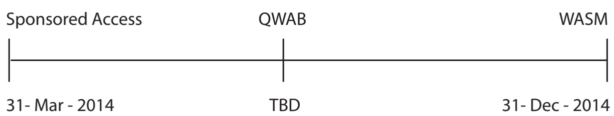
Phase 2 - Integration of Qualified West African Brokers

Brokers who qualify for and receive a common passport will be mutually recognized by WACMI member securities exchanges, securities commissions and depositories. These qualified West African brokers (QWABs) will, therefore, be able to operate directly in the markets in which they wish to operate (trade) across the West African capital markets.

Phase 3 - Fully Integrated West African Capital Market

At this stage, all WACMI member exchanges will be linked via a virtual West African Securities Market (WASM), and QWABs will have access to listed securities and related market information to enable them execute trades across the region. Issuers will be able to raise capital across the region although they will be required to list on their home exchange.

TIMELINE



Regionalization would aid in the development of the West African capital markets, while providing the framework for the emergence of stronger national exchanges. This close collaboration among the West African exchanges will streamline access to the markets in the sub-region, improve efficiency among the member exchanges, further harmonization across jurisdictions, and support specialization in industry and sector-specific segments and in types of share issues. The successful integration of the West African capital markets will empower the region, enabling it remain relevant in attracting investment flows. By creating a larger market for local and international businesses to raise capital, by introducing diversification that appeals to a wider set of investors, and by facilitating the flow of capital within the region, the West African capital market may prove to be an opponent of the world's current 'most attractive investment destination'.

Significant reduction in transaction fees on the Stock Exchange of Mauritius on Turnaround Trades and Corporate Bonds as from 12 December 2013

The Stock Exchange of Mauritius (SEM) has significantly lowered trading fees on Turnaround Trades. The new transaction fees for turnaround trades take effect as from 12 December 2013. The trading fee applicable on each leg has dropped by 88% to 0.15%, and is subject to a minimum fee of Rs75 per leg. Likewise, fees on "Corporate Bond" trades have dropped massively, namely by 83% to 0.1%, and is subject to a minimum fee of Rs75 per trade. This edition of SEM's Newsletter provides a brief chapter on turnaround trading and the compelling advantages to investors resulting from this significant fee reduction on transaction fee on both turnaround trading and corporate bonds.

The Stock Exchange of Mauritius (SEM) along with the Central Depository & Settlement Co. (CDS) have established a new schedule of reduced brokerage fees applicable on turnaround trades executed on the Exchange on both Official Market and DEM. The new fees take effect as from 12 December 2013.

Basically, a turnaround trade on the Stock Exchange of Mauritius involves:

1. The selling of a security that has been purchased earlier during the same settlement cycle (i.e within 2 days of the initial purchase) to take advantage of an upward movement in the price of the underlying security, or
2. The purchase of a security that has been sold earlier during the same settlement cycle (i.e within 2 days of the initial sale) to take advantage of a downward movement in the price of the underlying security, assuming that the investor holds the security in his/her securities account prior to the initial sale.

The reduction in transaction fees for turnaround trades are by 88% from 1.25% to 0.15%. The new schedule of reduced brokerage fee for turnaround trades is therefore as shown in the following two tables:

For transaction value on turnaround trades exceeding 50,000 rupees

Investment Dealer	SEM	Commission	CDS	Total Brokerage Fee
% of transaction value	% of transaction value	% of transaction value	% of transaction value	% of transaction value
0.10%	0.025%	0.005%	0.02%	0.15%

For transaction value on turnaround trades not exceeding 50,000 rupees

Investment Dealer	SEM	Commission	CDS	Total Brokerage Fee
Rs 50	Rs 12.50	Rs 2.50	Rs 10	Rs 75

Investment Dealer SEM Commission CDS Total Minimum Fee Rs 50 Rs 12.50 Rs 2.50 Rs 10 Rs 75.

The following two examples illustrate the compelling advantages of the new fee structure on turnaround trading.

Investor A buys 1,000 shares of company XYZ at Rs 100 on T

Investor A then sells 700 shares of company XYZ at Rs 103 on T+1 to take advantage of price increase

Total fees paid by Investor A in the absence of the new fee structure:

= (1000*Rs 100*1.25%) + (700*Rs 103*1.25%) = Rs 2151.25

Total fees paid by Investor A following the introduction of the new fee structure:
= (300*Rs 100*1.25%) + (700*Rs 100*0.15%) + (700*Rs 103*0.15%) = Rs 588.15

Total discount obtained following introduction of new fee structure on turnaround trades
= Rs 1563 = 72.7%

Profit of 3% for a total fee of only 0.3% for the purchase and sale of the 700 shares

Investor B holds 2,000 shares of Company XYZ

On T, investor B ,expecting share price of company XYZ to drop, decides to sell 1,500 shares at Rs 100

On T+1, the price of company XYZ drops to Rs 97

Investor B purchases 1,000 shares at Rs 97 per share

Total fees paid by Investor B in the absence of the new fee structure:

= (1500*Rs 100*1.25%) + (1000*Rs 97*1.25%) = Rs 3087.50

Total fees paid by Investor B following the introduction of the new fee structure:
= (500*Rs 100*1.25%) + (1000*Rs 100*0.15%) + (1000*Rs 97*0.15%) = Rs 920.50

Total discount obtained following introduction of new fee structure on turnaround trades
= Rs 2167.25 = 70.2%

Profit of 3% for a total fee of only 0.3% for the sale and purchase of the 1,000 shares

The significant reduction of 88% of the total brokerage fee from 1.25% to 0.15% on turnaround trades is expected to increase the volume of transactions on the SEM over time, increase active intra-day trading on the Exchange and see the emergence of a group of day-traders, as well as boost up liquidity. It will also reinforce the position of the SEM as an attractive listing, trading and capital-raising platform for local, regional and global issuers and contribute to the positioning of Mauritius as an attractive international financial services centre of substance.

Concerning corporate bonds, the reduction in transaction fees are also massive, by 83% from 0.60% to 0.10%. The new schedule of reduced brokerage fee on corporate bonds is therefore as follows:

For transaction value on debentures exceeding 75,000 rupees

Investment Dealer	SEM	Commission	CDS	Total Brokerage Fee
% of transaction value	% of transaction value	% of transaction value	% of transaction value	% of transaction value
0.0725%	0.0125%	0.0025%	0.0125%	0.10%

For transaction value on debentures not exceeding 75,000 rupees

Investment Dealer	SEM	Commission	CDS	Total Brokerage Fee
Rs 55	Rs 9	Rs 2	Rs 9	Rs 75

The following example reveals the compelling advantages of the new fee structure on corporate bonds trading.

Investor C purchases 1000 corporate bonds of company XYZ at a price of Rs 1,000 per bond on T

On T+30, the price of the bond increases to Rs 1,100 and investor C decides to sell the 1000 bonds he holds

Under the current fee structure, investor C pays total fees for both transactions amounting to = (1000 x 1000 x .6%) + (1100 x 1000 x .6 %) = 6000 + 6600 = Rs 12,600

With the introduction of the new fee structure for corporate bonds, investor C pays total fees for both transactions amounting to

= (1000 x 1000 x .1%) + (1100 x 1000 x .1 %) = 1000 + 1100 = Rs 2,100

Total discount obtained = Rs 10,500 = 83.3%

Profit of 10% for a total fee of .2% for the purchase & sale of 1,000 corporate bonds

This significant reduction of 83% of the total brokerage fee from 0.60% to 0.10% on corporate bond trading sets the stage for active trading on corporate bonds. This initiative also enhances the attractiveness of investments in corporate bonds, facilitates exit from these instruments. It also potentially enhances the scope of further listings of corporate bonds on the SEM, setting the stage for the development of an attractive secondary market for corporate bonds.

Looking forward, the expected enhanced liquidity can open up the space for the implementation of a new range of value-add services on the Exchange, namely the introduction of market-making on liquid stocks, the introduction of covered short-selling on liquid stocks, the introduction of single-stock futures on liquid stocks and the design & introduction of index-futures on liquid stocks. The potential enhanced liquidity can also raise the attractiveness of the Mauritius Bourse as a leading capital-raising, listing & trading African platform and fundamentally transform the local stock Exchange industry

The flurry of activity in the IPO market observed in the 4th quarter 2013 helped to compensate for the negative effects of a lengthy governance transition. Thus despite political and economic difficulties, the benchmark index resisted and ended the year with a slight decline of 4.33%.

Year 2013: Key Figures

1. A record breaker year with 12 IPOs totaling TND 384 Million;
2. 19 issues of shares for a total amount of TND 340 Million;
3. 15 issues of corporate bonds for a total amount TND 430 Million;
4. Market capitalization: TND 14,093 million dinars, raising by 2.3%;
5. Declining Tunindex 4.33%;
6. Daily average traded value decline to TND 6.2 Million against TND 8.3 Million in 2012.
7. 4 New agreements in principle for IPO;
8. Successful launch of 5 IPOS;
9. Decline of Tunindex by 1.8%.

Indices and trading Value

The Tunindex fell during this quarter by 1.8% to finish the current year with annual decline of 4.33% at 4 381.32 points. The Tunindex20 – constituted by the 20 most liquid equities having the largest market capitalization- replicated the trend of the Tunindex, and lost 3.1% of its value. However throughout the year, its losses were limited to 2.2%.

The value traded on listed securities grew by 120% to reach TND 504 Million during Q4, against TND 231 Million in the Q3, raising the average daily traded value from TND 3.7 Million to TND 8 Million.

The daily average traded value of listed companies shares fell to TND 6.2 Million in 2013 from TND 8.3 Million as of end of 2012.

OTHER EVENTS

1.New listing agreements

The Board of Tunis Stock Exchange agreed in principle for the listing of 4 new companies in this quarter, raising to 11 the total number of agreements in 2013:

Main Market

February 15, 2013
One Tech Holding (mechatronics and IT);

March 14, 2013
Hannibal Lease (leasing);

June 6th, 2013
City Cars (Official concessionaire KIA);

June 18, 2013
CELLCOM (mobile telephony, communication);

June 25, 2013
Best Lease (leasing);

September 17th , 2013
MPBS (Wood panels);

October 22, 2013
SAHLilas(sanitary articles, cosmetics);

November 4th, 2013
Sotipapier(paper production);

Alternative Market

September 5th, 2013
Sotemail (floor & wall coating);

November 28, 2013
Tawasol Group Holding (Telecommunications);

December 17, 2013
Manufacture de Sachets et Filets (polyethylene films).

2.New issues of securities

Equities Issues:

During Q4, capital increases by incorporation of retained earnings have reached a total amount of TND 21.2 Million.

Date	Company	Raising mode	Inc. of reserves in TND Million	Cash subscriptions in TND Million	Total in
January 31th, 2013	SITS	Cash		TND Million	
February 14th, 2013	SOPAT	Incorporation of reserves	1.18	7.80	7.80
February 18th, 2013	UBCI	Cash			1.18
March 4th, 2013	ARTES	incorporation of reserves	6.38	34.09	34.09
1st Quarter 2013	1st Quarter 2013	1st Quarter 2013	7.56		6.38
April 29th, 2013	Tunisie Leasing	Mixed	1.50	41.89	49.45
Mai 5th, 2013	Carthage Cement	Cash		22.00	23.50
Mai 9th, 2013	AMS	Mixte	3.46	80.13	80.13
Mai 28th, 2013	SFBT	Incorporation of Reserves	4.00	6.06	9.52
June 12th, 2013	Amen Bank	Mixte	10.00		4.00
June 17th, 2013	Electrostar	Cash		75.35	85.35
June 28th, 2013	BT	Incorporation of Reserves	37.50	10.50	10.50
2d Quarter 2013	2d Quarter 2013	2d Quarter 2013	56.46		37.50
July 1th, 2013	SOTRAPIL	Incorporation of Reserves	0.52	194.04	250.50
July 4th, 2013	Wifack Leasing	Cash			0.52
July 8th, 2013	Gif Filter	Incorporation of Reserves	0.27	13.00	13.00
July 18th, 2013	SOTUVER	Incorporation of Reserves	2.51		0.27
September 02th, 2013	Air Liquid	Incorporation of Reserves	2.52		2.51
3rd Quarter 2013	3rd Quarter 2013	3rd Quarter 2013	5.82	13.00	2.52
October 14th, 2013	UBCI	Incorporation of Reserves	19.51		18.82
December 16th,2013	New Body Line	Incorporation of Reserves	0.08		19.51
December 23th, 2014	SOMOCER	Incorporation of Reserves	1.56		0.08
			21.16		1.56
	4th Quarter 2013		90.99	0.00	21.16
				248.93	339.92

Bonds issues:

During the 4th quarter, two bonds were issued by:

- Tunisie Leasing: TND 20 Million;
- Hannibal Lease: TND 40 Million.

Throughout the year, 15 bond issues were approved of the regulator, 11 of them were listed on the main market after the successful closing of the subscriptions for a global amount raised of TND 290 million.

SAH Tunisie completed its IPO by selling 13 855 734 shares representing 45.5% of its share capital. The operation value reached TND 129.5 million. SAH will be listed in the main market

Company	Visa date	Value in TND Million
Servicom	February 5, 2013	8
ATL	February 21, 2013	30
Tunisie leasing	February 28, 2013	20
Elwifack leasing	March 4, 2013	20
UBCI	April 2, 2013	30
Hannibal lease	April 5, 2013	20
AIL	April 16, 2013	40
BH	April 30, 2013	51
Tunisie leasing	August 7, 2013	30
Unifactor	August 14, 2013	20
ATL	August 23, 2013	50
Attijari Leasing	August 30, 2013	21
CIL	September 12, 2013	30
Tunisie leasing	November 20, 2013	20
Hannibal lease	December 16, 2013	40
Total		430

3.Celebration of new listings:

During Q4, Tunis Stock Exchange organized two bell ringing ceremonies to celebrate the successful listings of:

- Best Lease, October 23th, 2013.
- City Cars November 26th, 2013

Minister of Finance (Left) ringing the bell for the launch of City Cars listing

4.Ongoing listings:

MPBS completed successfully its introduction to the main market through a capital increase. This operation totaled TND 11.8 Million and represented 32% of the share capital.

SAH Tunisie completed its IPO by selling 13 855 734 shares representing 45.5% of its share capital. The operation value reached TND 129.5 million. SAH will be listed in the main market.

SOTEMAIL will enter the alternative market after its successful capital increase representing 12.2% of the share capital. The total amount raised reached TND 8 million.

EVENTS

Institution	Event	Date	Place
African Securities Exchanges Association	28th Executive Committee Meeting	March 28, 2013	Casablanca, Morocco
African Securities Exchanges Association	18th Annual General Meeting & Conference	November 22- 25 2014	Kenya
Renaissance Capital	5th Annual Pan-Africa Investor Conference	10 -12 February 2014	Lagos, Nigeria
Terrapinn Holdings	World Exchange Congress	24 March 2014- 26 March 2014	Doha, Qatar
African Venture Capital Association	11th Annual AVCA Conference	31st March- 2nd April 2014	The Intercontinental Hotel, Lagos, Nigeria
Milken Institute	Milken Institute Global Conference	28 - 30th April 2014	Los Angeles, USA
World Economic Forum	World Economic Forum on Africa	6 - 9 May 2014	Abuja, Nigeria
World Federation of Exchanges (WFE)	IOMA, The WFE Annual Derivatives Conference	26th May to 29th May 2014	Moscow Exchange
Johannesburg Stock Exchange	Building African Financial Markets Seminar	September 10 2014 - September 12 2014	Johannesburg, South Africa

STATISTICS

BRVM

	October 2013	November 2013	December 2013
Total Value Traded USD	27,343,704	19,598,428	29,498,936
Equity Market Value Traded	25,928,170	19,411,802	25,269,293
Bond Market Value Traded	1,394,586	186,626	4,229,643
Others	20,947	-	-
Total Volume Traded	7,712,380	6,558,119	6,401,921
Equity Market Volume Traded	7,625,200	6,548,823	6,157,628
Bond Market Volume Traded	68,679	9,296	244,293
Others	18,501	-	0
Total Number of Transactions	2,981	2,734	3,107
Equity Market Number of Transactions	2,826	2,676	3,006
Bond Market Number of Transactions	86	58	101
Others	69	-	0
Market Capitalization USD	10,476,576,141	10,971,366,259	11,863,681,908
Number of Listed Companies	72	72	72
Number of Traded Companies	53	51	53
Number of Trading Days	22	19	21
Exchange Rate/US$	480.87	481.93	474.85
Main Index Name	BRVM-10	BRVM-10	BRVM-10
Main Index (Points)	224.54	232.92	246.34
Gains in Main Index (%)	0.55%	3.73%	5.76%
P/E Ratio	13.52	12.50	17,75
Dividend Yield (%)	7.46%	6.13%	5.17%

	October 2013	November 2013	December 2013
Total Value Traded USD	**56,132,249**	**29,075,792**	**21,573,867**
Equity Market Value Traded	54,453,316	26,604,572	20,475,836
Bond Market Value Traded	-	2,447,716	-
Others	1,678,933	23,505	1,098,031
Total Volume Traded	**52,113,423**	**29,007,549**	**9,748,109**
Equity Market Volume Traded	52,113,093.00	26,643,570.00	9,737,512.00
Bond Market Volume Traded	-	2,363,628.76	-
Others	330.43	349.74	10,596.56
Total Number of Transactions	**762**	**1,321**	**681**
Equity Market Number of Transactions	754	1,301	672
Bond Market Number of Transactions	-	6	-
Others	8	14	9
Market Capitalization USD	**48,801,114,376.00**	**48,178,007,400.00**	**47,296,431,447.00**
Number of Listed Companies	37	37	36
Number of Traded Companies	30	33	28
Number of Trading Days	22	21	20
Exchange Rate/US$	**8.49**	**8.62**	**8.72**
Main Index Name	**DCI**		
Main Index (Points)	8,723.43	8,854.24	9,053.36
Gains in Main Index (%)	1.50%	1.50%	2.25%

BOLSA DE VALORES DE CAPE VERDE

	October 2013	November 2013	December 2013
Total Value Traded USD	79,967.66	$-	7,370.28
Equity Market Value Traded	1,275.87	1,948.00	6,233.33
Bond Market Value Traded	N/A	N/A	1,136.95
Others			-
Total Volume Traded	12,028	15,000	217
Equity Market Volume Traded	2,028	0	129
Bond Market Volume Traded	10,000	15,000	88
Others	N/A	N/A	0
Total Number of Transactions	18	2	0
Equity Market Number of Transactions	16	0	
Bond Market Number of Transactions	2	2	
Others	N/A	N/A	0
Market Capitalization USD	$730,004,334.10	$743,526,138.26	713,133,006.43
Number of Listed Companies	20	20	21
Number of Traded Companies	4	1	2
Number of Trading Days	4	1	2
Exchange Rate/US$		77.002	77.4
Main Index Name	78.378	N/A	N/A
Main Index (Points)	N/A	N/A	N/A
Gains in Main Index (%)	N/A	N/A	N/A

	October 2013	November 2013	December 2013
Total Value Traded USD	**309,390,723.29**	**646,793,141.40**	**1,954,953,352.90**
Equity Market Value Traded	309,390,723.29	492,554,973.64	1,863,363,648.10
Bond Market Value Traded	-	154,238,167.76	91,589,704.80
Others			
Total Volume Traded	**12,728,651**	**34,974,002**	**46,466,323**
Equity Market Volume Traded	12,728,651	34,961,592	46,457,777
Bond Market Volume Traded	-	12,410	8,546
Others			
Total Number of Transactions	**13,420**	**13,980**	**14,649**
Equity Market Number of Transactions	13,420	13,970	14,631
Bond Market Number of Transactions	-	10	18
Others			
Market Capitalization USD	**54,783,549,470.02**	**54,178,583,405.92**	**55,347,196,628.06**
Number of Listed Companies	75	75	76
Number of Traded Companies	72	72	75
Number of Trading Days	20	18	22
Exchange Rate/US$	**8.22**	**8.24**	**8.15**
Main Index Name	**MASI**	**MASI**	**MASI**
Main Index (Points)	9,385.49	9,262.49	9,114.14
Gains in Main Index (%)	8.21	-1.31	-1.60

DAR ES SALAAM STOCK EXCHANGE

	October 2013	November 2013	December 2013
Total Value Traded USD	61,453,990.26	29,379,092.16	87,193,204.6
Equity Market Value Traded	25,173,898.02	13,635,035.65	66,590,622.65
Bond Market Value Traded	36,280,092.24	15,744,056.51	20,602,581.94
Others			
Total Volume Traded	24,331,885	16,375,379	21,584,355
Equity Market Volume Traded	23,625,421	16,075,379	21,196,355
Bond Market Volume Traded	706,464	300,000	388,000
Others			
Total Number of Transactions	1,239	1,028	926
Equity Market Number of Transactions	1,207	1,018	916
Bond Market Number of Transactions	32	10	10
Others			
Market Capitalization USD	10.19594633	10.68338061	10.46009873
Number of Listed Companies	17	18	18
Number of Traded Companies	5	12	10
Number of Trading Days	20	21	19
Exchange Rate/US$	1601.51	1607.64	1574.01
Main Index Name	ASI	ASI	ASI
Main Index (Points)	1838.07	1940.37	1866.57
Gains in Main Index (%)	10.02%	5.57%	-3.80%

	October 2013	November 2013	December 2013
Total Value Traded USD	126,107.594	168,579.491	282,936,853.006
Equity Market Value Traded	126,107.594	168,579.491	282,936,853.006
Bond Market Value Traded			
Others			
Total Volume Traded	744	1,612	750
Equity Market Volume Traded	744	1,612	750
Bond Market Volume Traded			
Others			
Total Number of Transactions	27	12	20
Equity Market Number of Transactions	27	12	20
Bond Market Number of Transactions	0	0	0
Others	0	0	0
Market Capitalization USD	268,410,031.00	277,152,301.57	282,936,853.01
Number of Listed Companies	480.00	485.00	478.00
Number of Traded Companies	6	6	6
Number of Trading Days	3	2	3
Exchange Rate/US$	12	13	12
Main Index Name			
Main Index (Points)			
Gains in Main Index (%)			

EGYPTIAN EXCHANGE

	October 2013	November 2013	December 2013
Total Value Traded USD			
Equity Market Value Traded	1,441,416,244	1,468,164,877	1,322,857,805
Bond Market Value Traded	130,075,877	268,996,274	623,196,699
Others	49,792,523	146.435107.85	275,105,767
			2,221,160,270
Total Volume Traded			
Equity Market Volume Traded	2,743,313,341	3,429,544,825	3,254,075,291
Bond Market Volume Traded	838,927	1,778,288.00	3,991,614
Others	38,000,330	627,431,208	196,078,692
Total Number of Transactions			
Equity Market Number of Transactions	485,175	522,687.00	491,173
Bond Market Number of Transactions	59	42	94
Others	2,310	2,469	3,036
Market Capitalization USD	58,479,313,759.85	58,572,509,042.30	61,946,356,807.19
Number of Listed Companies	234	236	236
Number of Traded Companies	212	216	217
Number of Trading Days	18	19	23
Exchange Rate/US$	7	7	7
Main Index Name	EGX30	EGX30	EGX30
Main Index (Points)	5,953	5,955	6,532
Gains in Main Index (%)	10	0	10

GHANA STOCK EXCHANGE

	October 2013	November 2013	December 2013
Total Value Traded USD	42,447,461.49	9,184,309.04	22,212,200.08
Equity Market Value Traded	42,447,461.49	9,184,309.04	22,212,200.08
Bond Market Value Traded	0	0	0
Others	0	0	0
Total Volume Traded	24720274	7489627	21059583
Equity Market Volume Traded	24720274	7489627	21059583
Bond Market Volume Traded	0	0	0
Others	0	0	0
Market Capitalization USD	28,613.38	27,975.82	27,673.43
Number of Listed Companies	34	34	34
Number of Traded Companies	31	26	28
Number of Trading Days	22	21	19
Exchange Rate/US$	2.03	2.08	2.21
Main Index Name	2099.88	2123.75	2145.2
Main Index (Points)	3.39	1.14	1.01
Gains in Main Index (%)	15.46	13.28	13.28
Dividend Yield(%)	4.28	4.32	4.32

JOHANNESBURG STOCK EXCHANGE

	October 2013	November 2013	December 2013
Total Value Traded USD	253,702,538,734	253,747,358,313	194,058,946,242
Equity Market Value Traded	33,611,252,172	31,828,923,242	23,023,461,204
Bond Market Value Traded	182,441,190,333	175,870,754,701	102,127,562,888
Others	37,650,096,229	46,047,680,371	68,907,922,150
Total Volume Traded	253,702,538,734	253,747,358,313	194,058,946,242
Equity Market Volume Traded	33,611,252,172	31,828,923,242	23,023,461,204
Bond Market Volume Traded	182,441,190,333	175,870,754,701	102,127,562,888
Others	37,650,096,229	46,047,680,371	68,907,922,150
Total Number of Transactions	3,523,789	3,288,907	2,720,490
Equity Market Number of Transactions	3,228,665	3,005,486	2,443,695
Bond Market Number of Transactions	34,710	34,574	24,304
Others	260,414	248,847	252,491
Market Capitalization USD	970,168,912,413	1,012,908,501,378	1,026,690,270,548
Number of Listed Companies	388	387	386
Number of Traded Companies	363	366	361
Number of Trading Days	23	21	19
Exchange Rate/US$	10.0563	10.15	10.35
Main Index Name	FTSE/JSE All Share	FTSE/JSE All Share	FTSE/JSE All Share
Main Index (Points)	45,517.56	44,975.67	46,256.23
Gains in Main Index (%)	3.37%	-1.19%	2.85%
P/E Ratio	20.41	20.89	21.5
Dividend Yield (%)	2.55	2.62	2.54

	October 2013	November 2013	December 2013
Total Value Traded USD	42,794,875.200	63,070,931.560	72,145,446.820
Equity Market Value Traded	213,237.600	846,822.740	10,928,793.500
Bond Market Value Traded	41,528,684.730	59,799,966.000	58,617,124.220
Others	1,052,952.890	2,424,142.700	2,599,528.940
Total Volume Traded	4,690,776	3,798,822	26,846,002
Equity Market Volume Traded	3,451,291	3,018,434	26,065,434
Bond Market Volume Traded	438,824	638,866	154,614
Others	467,645	141,522	625,954
Total Number of Transactions	1,263	1,290	1,672
Equity Market Number of Transactions	46	42	82
Bond Market Number of Transactions	52	1,206	31
Others	1,165	42	1,559
Market Capitalization USD	10,254,464,263.00	10,831,837,821.00	11,758,058,154.00
Number of Listed Companies	59	57	57
Number of Traded Companies	59	59	59
Number of Trading Days	13	6	12
Exchange Rate/US$	18	22	23
Main Index Name	khartoum Index(30)	khartoum Index(30)	khartoum Index(30)
Main Index (Points)	2,641.19	3,028.93	3,178.07
Gains in Main Index (%)	-1.00%	14.68%	4.92%
P/E Ratio	20.10	19.20	20.20
Dividend Yield (%)	2.81	2.71	2.32

LIBYAN STOCK EXCHANGE

	October 2013	November 2013	December 2013
Total Value Traded USD	**645,465.99**	**440,089.07**	**1,282,664.75**
Equity Market Value Traded	**645,465.99**	**440,089.07**	**1,282,664.75**
Bond Market Value Traded	-		-
Total Volume Traded			
Equity Market Volume Traded	87863	54291	230367
Bond Market Volume Traded	87863	54291	230367
Total Number of Transactions			
Equity Market Number of Transactions	146	N/A	199
Bond Market Number of Transactions	146	N/A	199
Market Capitalization USD			
Number of Listed Companies	11	10	10
Number of Traded Companies	10	9	9
Number of Trading Days	16	19	22
Exchange Rate/US$	**1.2577**	**1.2626**	**1.2566**
Main Index Name			
Main Index (Points)	1205.06	1173.94	1155.18
Gains in Main Index (%)	-0.015497986	-0.02582444	-0.015980374

* N/A Not Available

MALAWI STOCK EXCHANGE

	October 2013	November 2013	December 2013
Total Value Traded USD			
Equity Market Value Traded	2,472,730.41	10,417,572.80	504,129.69
Bond Market Value Traded	-	-	-
Total Volume Traded			
Equity Market Volume Traded	62,938,188	317,216,892	7,609,368
Bond Market Volume Traded	-	-	
Total Number of Transactions			
Equity Market Number of Transactions	155	138	100
Bond Market Number of Transactions	-	-	-
Market Capitalization USD	1,304,627,561.32	1,256,325,389.27	1,221,310,643.43
Number of Listed Companies	14	14	14
Number of Traded Companies	13	14	12
Number of Trading Days	20	20	20
Exchange Rate/US$	395.3925	417.2258	433.1431
Main Index Name	MASI	MASI	MASI
Main Index (Points)	12219.25	12416.60	12531.04
Gains in Main Index (%)	103.13%	106.41%	108.31%
P/E Ratio	7.32	7.38	7.42
Dividend Yield (%)	3.13	3.11	3.08

NAMIBIAN STOCK EXCHANGE

	October 2013	November 2013	December 2013
Total Value Traded USD	**56,049,958**	**37,168,918**	**18,106,028**
Equity Market Value Traded	53,681,830	36,581,374	18,106,028
Bond Market Value Traded	2,282,116	587,544	-
Others	86,012	-	-
Total Volume Traded	36,160,607	13,079,181	6,814,259
Equity Market Volume Traded	13,180,547	7,079,181	6,814,259
Bond Market Volume Traded	22,550,000	6,000,000	-
Others	430,060	-	-
		-	-
Total Number of Transactions	**426**	**317**	**254**
Equity Market Number of Transactions	422	316	254
Bond Market Number of Transactions	3	1	-
Others	1	-	-
Market Capitalization USD	**145,580,167,832**	**135,636,288,066**	**134,171,896,975**
Number of Listed Companies	34	34	34
Number of Traded Companies	23	22	21
Number of Trading Days	23	21	19
Exchange Rate/US$	**9.8812**	**10.2120**	**10.4878**
Main Index Name	**NSX Overall**	**NSX Overall**	**NSX Overall**
Main Index (Points)	1,021.16	982.83	996.73
Gains in Main Index (%)	3.98%	-3.75%	0.01
Main Index (Points)	325.77	329.37	331.72
Gains in Main Index (%)	3.23%	1.11%	0.71%

	October 2013	November 2013	December 2013
Total Value Traded USD	795,435,398	1,162,406,569	407,267,804
Equity Market Value Traded	187,496,391	150,904,146	131,735,229
Bond Market Value Traded	607,939,007	1,011,502,423	275,532,575
Others			
Total Volume Traded	804,508,424	645,196,659	466,250,879
Equity Market Volume Traded	804,508,379	645,196,613	466,250,841
Bond Market Volume Traded	45	46	38
Others			
Total Number of Transactions	40,518	43,538	31,000
Equity Market Number of Transactions	39,915	43,129	30,575
Bond Market Number of Transactions	603	409	425
Others			
Market Capitalization USD	22,043,034,724	22,701,196,566	22,333,937,298
Number of Listed Companies	61	61	61
Number of Traded Companies	57	56	56
Number of Trading Days	22	21	18
Exchange Rate/US$	85	87	86
Main Index Name	NSE 20 Share Index	NSE 20 Share Index	NSE 20 Share Index
Main Index (Points)	4,936.00	5,101	4,927
Gains in Main Index (%)	2.98%	3.34%	-3.41%
P/E Ratio	17.00	17.00	16.00
Dividend Yield (%)	2.89%	2.89%	2.80%

NIGERIAN STOCK EXCHANGE

	October 2013	November 2013	December 2013
Total Value Traded USD	569,271,015.08	614,944,124.52	445,196,448.19
Equity Market Value Traded	569,197,816.87	614,644,239.81	445,092,737.04
Bond Market Value Traded	40,711.86	236,378.96	82,142.49
Others	32,486.35	63,505.75	21,568.67
Total Volume Traded	6,827,733,512.00	9,513,182,318.00	10,022,741,448.00
Equity Market Volume Traded	6,827,725,319.00	9,513,143,626.00	10,022,726,357.00
Bond Market Volume Traded	6,015.00	33,696.00	13,266.00
Others	2,178.00	4,996.00	1,825.00
Total Number of Transactions	94,100.00	106,266.00	90,793.00
Equity Market Number of Transactions	94,075.00	106,233.00	90,765.00
Bond Market Number of Transactions	13.00	15.00	18.00
Others	12.00	18.00	10.00
Market Capitalization USD	117,080,093,632.75	118,478,835,343.13	119,390,563,780.36
Number of Listed Companies	189	190	190
Number of Traded Companies	167	174	176
Number of Trading Days	20	21	20
Exchange Rate/US$	155.30	155.22	159.79
Main Index Name	NSE All Share Index	NSE All Share Index	NSE All Share Index
Main Index (Points)	37,622.74	38,920.85	41,329.19
Gains in Main Index (%)	2.84	3.45	6.19
P/E Ratio	23.62	25.04	25.83
Dividend Yield (%)	4.81	4.81	5.88

	October 2013	November 2013	December 2013
Total Value Traded USD	**14,693,925**	**4,025,900**	**2,087,373**
Equity Market Value Traded	14,693,925	4,025,900	2,087,373
Bond Market Value Traded	-	-	
Others			
Total Volume Traded	**14,409,800**	**7,787,700**	**2,899,900**
Equity Market Volume Traded	14,409,800	7,787,700	2,899,900
Bond Market Volume Traded	-	-	
Others			
Total Number of Transactions	**118**	**130**	**109**
Equity Market Number of Transactions	118	130	109
Bond Market Number of Transactions	-	-	
Others			
Market Capitalization USD	**1,974,407,576**	**2,072,056,000**	**2,048,512,305**
Number of Listed Companies	5	5	5
Number of Traded Companies	3	3	2
Number of Trading Days	23	21	20
Exchange Rate/US$	**661.93**	**666.61**	**670.08**
Main Index Name	**Rwanda Share Index**	**Rwanda Share Index**	**Rwanda Share Index**
Main Index (Points)	-3.78	17.61	-3.38
Gains in Main Index (%)	-1.70%	8.07%	-1.43%
P/E Ratio	25.57783654	18.45922977	18.45922977
Dividend Yield (%)	2.80%	2.96%	2.96%

SIERRA LEONE STOCK EXCHANGE

	October 2013	November 2013	December 2013
Total Value Traded USD			
Equity Market Value Traded			
Bond Market Value Traded			
Others			
Total Volume Traded			
Equity Market Volume Traded			
Bond Market Volume Traded			
Others			
Total Number of Transactions			
Equity Market Number of Transactions			
Bond Market Number of Transactions			
Others			
Market Capitalization USD			
Number of Listed Companies			
Number of Traded Companies			
Number of Trading Days			
Exchange Rate/US$			
Main Index Name			
Main Index (Points)			
Gains in Main Index (%)			

	October 2013	November 2013	December 2013
Total Value Traded USD	**108,289,788.25**	**159,749,149.28**	**396,011,573.56**
Equity Market Value Traded	62,210,180.85	111,068,899.90	134,024,445.68
Bond Market Value Traded	1,661,864.72	9,267,189.33	3,957,345.89
Others	44,417,443.69	39,413,060.05	258,029,781.98
Total Volume Traded	**21,902,111.00**	**32,925,642.00**	**37,643,300.00**
Equity Market Volume Traded	17,128,923.00	26,085,792.00	27,021,990.00
Bond Market Volume Traded	6,713.00	195,144.00	83,627.00
Others	4,766,186.00	6,644,706.00	10,537,683.00
Total Number of Transactions	**36,338**	**33,475**	**31,602**
Equity Market Number of Transactions	36231	33357	31363
Bond Market Number of Transactions	18	25	75
Others	80.000	93.000	164.000
Market Capitalization USD	**8,485,659,395.09**	**8,367,618,446.84**	**8,556,654,205.14**
Number of Listed Companies	1.64	1.68	1.65
Number of Traded Companies	66.00	68.00	71.00
Number of Trading Days	65.00	66.00	69.00
Exchange Rate/US$	**21.00**	**19.00**	**22.00**
Main Index Name	**TunIndex**	**TunIndex**	**TunIndex**
Main Index (Points)	4,489.50	4,469.18	4,381.32
Gains in Main Index (%)	0.61	-0.45	-1.97
PER	14.23	14.30	14.38
Dividend Yield (%)	3.80	3.80	3.80

ZIMBABWE STOCK EXCHANGE

	October 2013	November 2013	December 2013
Total Value Traded USD	**44,581,769.86**	**34,970,666.15**	**49,204,843.94**
Equity Market Value Traded	44,581,769.86	34,970,666.15	49,204,843.94
Bond Market Value Traded	-	-	-
Others	-	-	-
Total Volume Traded	**602,947,421**	**188,969,052**	**287,677,683**
Equity Market Volume Traded	602,947,421	188,969,052	287,677,683
Bond Market Volume Traded	-	-	-
Others	-	-	-
Total Number of Transactions	**1,742**	**1,540**	**1,195**
Equity Market Number of Transactions	1,742	1,540	1,195
Bond Market Number of Transactions	-	-	-
Others	-	-	-
Market Capitalization USD	**5,407,419,748.00**	**5,504,053,496.00**	**5,203,129,775.00**
Number of Listed Companies	69	68	67
Number of Traded Companies	64	64	63
Number of Trading Days	23	21	17
Exchange Rate/US$	-	-	-
Main Index Name	**Industrials**	**Industrials**	**Industrials**
Main Index (Points)	209.74	213.91	202.12
Gains in Main Index (%)	4.84	1.99	-5.51

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