



LuSE

LUSAKA SECURITIES EXCHANGE

MAY NEWSFLASH

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LuSE ALL SHARE INDEX BREAKS 13,000 POINTS TO CLOSE 21% UP YEAR TO DATE

During the month of May, the Lusaka Securities Exchange All Share Index (LASI) maintained its upward growth momentum crossing the 13,000-point mark to close the month of May at 13,098.84 points. On 30th May 2024 the LASI touched an all-time high at 13,105.28 points and slid back in the closing session on Friday 31st May 2024. The LASI has remained bullish closing the month of May on a year-to-date growth of 21% largely attributed to capital gains across most of the counters on the market.

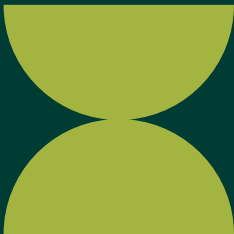

In the month of May, the market recorded a total of 3,237 equity trades representing a month-on-month increase of 9%. The total quantity transacted in these trades was over 12 million shares resulting in a monthly market turnover of over K70 million compared to K36 million in the previous month (94% increase in monthly turnover).

Market Capitalization: At the close of the month of May, the Lusaka Securities Exchange (LuSE) Market Capitalization closed at K101 Billion an all-time high in the history of the LuSE.

Key Trading Movements: With respect to daily turnover in the month, the 20th of May 2024 recorded the highest daily turnover and volume traded, amounting to K44,018,438.85 and 9,355,451 shares, respectively. This was primarily attributed to trades in Taj Pamodzi, which accounted for K42,113,711.64 and 9,115,522 shares on that day.

Like the previous month, we noted that Copperbelt Energy Corporation (CECZ), recorded the highest number of trades with 762 trades out of the total of 3,237 trades in the month, while ZANACO (ZNCO), came in second and Standard Chartered Bank Plc (SCBL) third, with trades of 604 and 373 respectively.

With respects to price movements from the opening to the close of the month, Bata Shoe Company recorded the largest percentage of price increase at 54%, opening the month at K3.16 and closing at K4.88. Other notable increases were observed in Puma Energies, which recorded a month increase



of K0.74, representing a 25% growth over the previous month. May price decreases of K0.01 were recorded in both Standard Chartered Bank and Zambef, indicating a monthly price drop of 0.3% and 0.5% respectively. On the other hand, ZANACO recorded a decrease of K0.02, representing a 0.3% price drop from the previous month.

Secondary Government Bond Trades: The month of May recorded a total of 193 bond trades compared to 306 in the month of April, representing a drop of 37% of total trades. Total bond turnover and face value traded also recorded decreases, with the total face value traded being K1,402,271,738.00 representing a 37% drop from the previous month while the total bond turnover in the month was K1,013,353,568.50 representing a 41% drop from April.

Investor Participation Trends: Retail investors contributed 98% of trades on the bid side and 89% on the offer side. With respect to total market turnover, Retail investors contributed 17% of the market turnover while 83% was attributed to Institutional investors. Overall, investor sentiment remains overwhelmingly positive as reflected in the market participation. The month of May also recorded a notable participation from foreign Institutional investors on the sell side, accounting for 45% of total sells attributed to Institutional investors.

Outlook: The macroeconomic outlook remains positive. The recent milestone reached with the steering committee of the ad hoc creditor committee provides a positive outlook for essential debt relief, thus helping Zambia attract new investments, accelerate growth, generate jobs, and respond to urgent priorities, such as the ongoing drought. On the other hand, we anticipate sustained upside risks to growth owing to the draught condition, which will likely have an adverse effect on the cost of production and lower agricultural output and may affect the demand for capital investments.

Nicholas Kabaso (Mr.)

Chief Executive Officer

About the LuSE: The Lusaka Securities Exchange Plc (LuSE) is Zambia's main securities exchange. We remain very central to the national economic aspirations of being a platform where ideas meet capital and anchor sustainable business growth and wealth creation. We offer our clients wide access to capital markets and liquidity across different asset classes. We operate a broad range of equity, fixed income, and exchange-traded funds/exchange-traded products. For 30 years now we pride in providing a platform that has connected buyers and sellers through financial products, supported by world-class technology and regulatory oversight.

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