

# DEPOSITORY NEWSLETTER

ISSUE 3:2022



## ABOUT THE DEPOSITORY

A Central Securities Depository (CSD) is an electronic register of securities such as shares, bonds, derivatives, Exchange Traded Funds.

The main functions of the CSD includes the deposit and withdrawal of securities, clearing and settlement of trades, safekeeping of securities and management of corporate actions.

This newsletter provides a snapshot of the performance of the two depositories for the period 1 July to 30 September 2022.



## DEPOSITORY NEWSLETTER

### IN THIS ISSUE

#### ZSE DEPOSITORY COUNTERS

#### ZSE DEPOSITORY STATISTICS

#### VFEX DEPOSITORY STATISTICS

#### MARKET PARTICIPANTS

The ZSE Depository started its operations in October 2021, and its main responsibility is the operation of the Central Securities Depository, (CSD).

As at 30 September 2022, the ZSE Depository has a total number of 14, (fourteen) issuers, four of which are Exchange traded funds.

The ZSE depository has the responsibility for recommending entities to be admitted as depository participants on the ZSE. The participants are clearing members whose role is to perform the clearing function on behalf of the ZDE depository.



# ZSE DEPOSITORY COUNTERS

- The list of counters on the ZSE Depository as at 30 September 2022 are as follows;

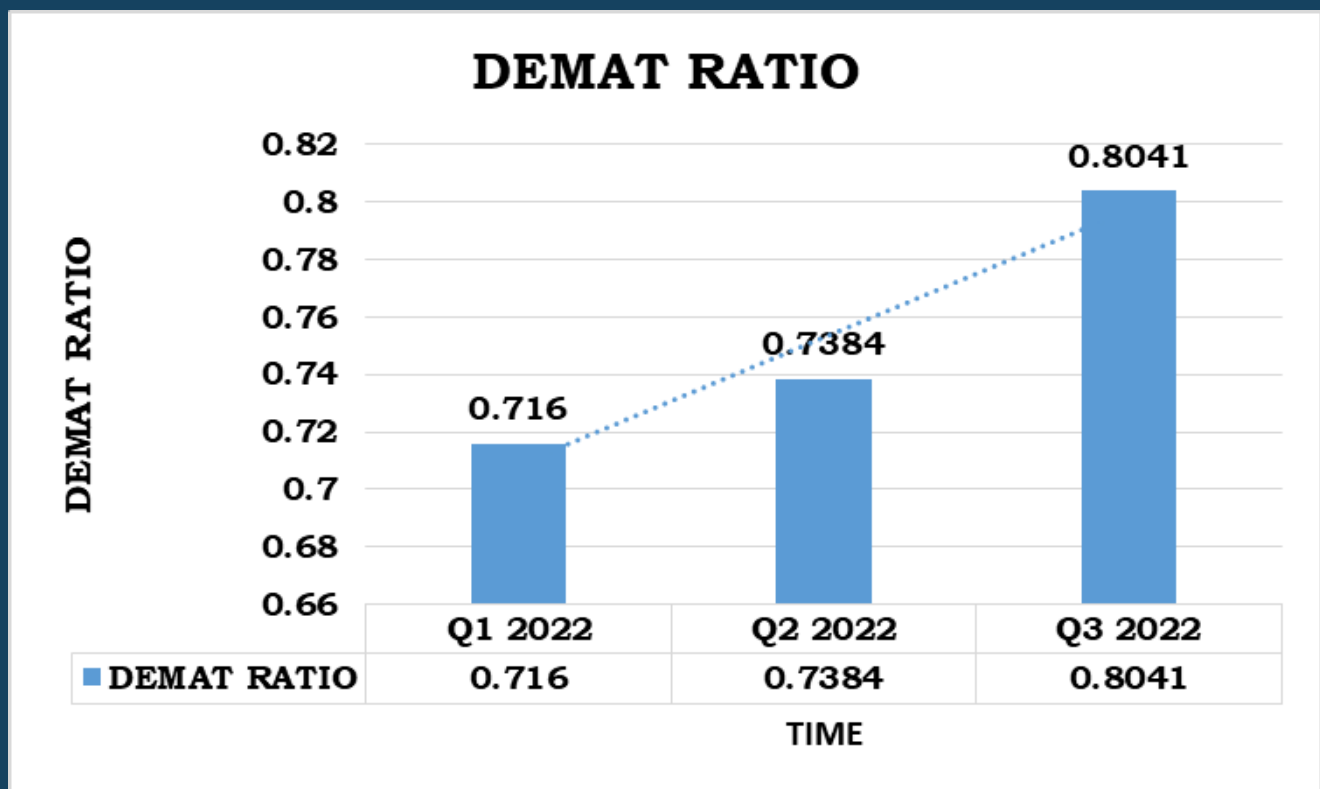
Security	Shares in electronic form	Total number of shares	Demat ratio
ART Corporation Limited	418,005,387	473,576,907	88.27%
Axia Corporation Limited	291,246,261	552,150,308	52.48%
Cafca Limited	7,788,504	8,735,108	89.16%
Dairibord Holdings Limited	302,508,095	358,000,858	84.50%
FBC Holdings Limited	506,415,343	671,949,927	75.37%
Masimba Holdings Limited	235,471,825	241,653,707	97.44%
Seed Co Limited	219,213,264	249,373,670	87.91%
Simbisa Brands Limited	290,771,510	562,184,788	51.72%
Truworths Limited	175,635,737	384,067,512	45.73%
Innscor Africa Limited	302,978,356	569,876,450	53.17%
Datvest Modified Consumer Staples ETF	226,517,324	226,517,324	100.00%
Morgan & Co Multi-sector ETF Trust	128,673,068	128,673,068	100.00%
Morgan & Co Made In Zim ETF	2,391,006,936	2,391,006,936	100.00%
Cass Saddle Agric ETF	65,158,927	65,158,927	100.00%
Average			80.41%

# ZSE DEPOSITORY Q3 STATISTICS

	Q2 2022	Q3 2022	Change
Listings (Equity)	10	10	0
Listings (ETF)	3	4	+33%
ZSE Depository Market Share	31.29%	30.28%	-1.01%
Clients	18 774	19 613	+4.47%
New Products	1 ETF	1 ETF	
Demat Ratio	73.63%	80.41%	+8.8%
Market Cap	\$529,520,794,290	\$383,821,760,330.20	-27.51%

- During the third quarter of 2022, a total of 132 deposits were processed. The total number of shares that were dematerialized in Q3 2022 was 44,464,741.
- The ZSE continues on a demat campaign to increase the dematerialization penetration ratio for both individuals and institutional investors who are still holding their share in physical form.

## CHANGE IN DEMAT RATIO FROM Q1 2022 TO Q3 2022





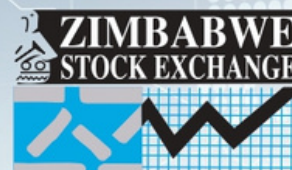
# ZSE Depository

## Introducing the ZSE Depository

The ZSE Depository is responsible for the operation of the Central Securities Depository, (CSD).

### Functions of the ZSE Depository are to:

- Facilitate the admittance of securities into the CSD
- Facilitate deposits and withdrawal of certificates
- Guard against falsification of any records or accounts required to be kept or maintained
- Facilitate the efficient process of cash payment in exchange for securities
- Facilitate the efficient transfer of securities



44 Ridgeway North  
Highlands, Harare

Email: [depository@zse.co.zw](mailto:depository@zse.co.zw)

Tel: +263 (24) 2886830-5

Facebook: Zimbabwe Stock Exchange

Twitter: @ZSE\_ZW

LinkedIn: Zimbabwe Stock Exchange

Instagram: Zim Stock Exchange

Website: [www.zse.co.zw](http://www.zse.co.zw)

## NEW ADDITIONS IN Q3 OF 2022

- The additions that occurred in the third quarter of 2022 was an Exchange Traded Fund (ETFs).

Security	Date registered on ZSE
CASS Sadle Agriculture ETF	13 July 2022

## CLEARING AND SETTLEMENT

- The ZSE Depository clearing follows a T+3 settlement cycle.
- The volume and value of trades that settled on the ZSE Depository in Q3 2022 are as follows;

	Q2 2022 (1 April - 30 June)	Q3 2022 (1 July - 30 September)	Change
Trades Executed	10,586	6597	-37.68%
Settled Trades	10,586	6597	-37.68%
Failed Trades	-	-	
Volume Traded	162,457,019	96,507,731	-40.59%
Value Traded	ZWL\$ 9,721,930,768.59	ZWL\$ 8,469,991,653.44	-12.89%

The VFEX Depository is the department of the Victoria Stock Exchange Limited that is responsible for the operation of the Central Securities Depository, (CSD).

As at 30 September 2022, the VFEX had a total number of four issuers, one of which is a depository receipt.

We anticipate to onboard additional issuers before the end of the year.

## VFEX DEPOSITORY COUNTERS

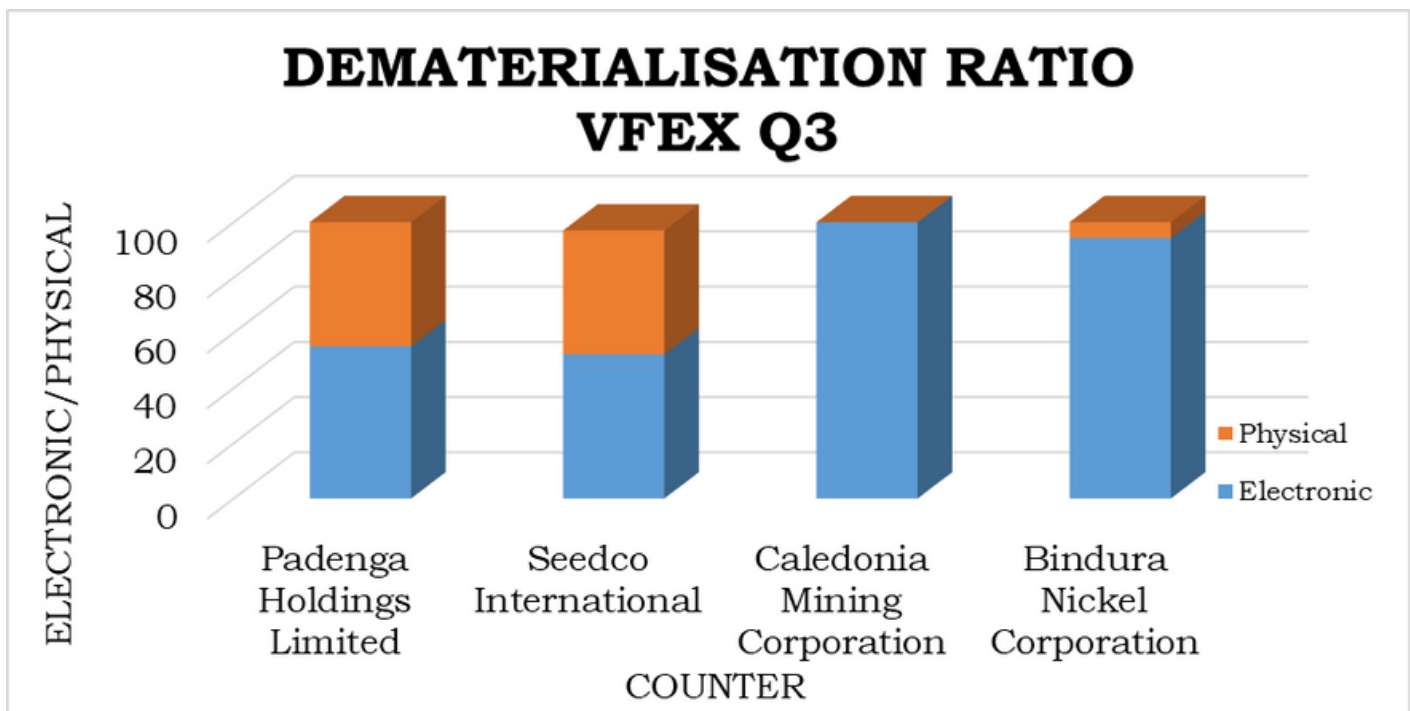
- The list of counters on the VFEX Depository as at 30 September 2022 is as follows;

Security	Shares in electronic form	Total number of shares	Demat ratio
Padenga Holdings Limited	298,370,260	541,593,440	55.09%
Seed Co International	126,416,319	242,252,548	52.18%
Bindura Nickel Corporation Limited	1,199,999,621	1,272,732,638	94.29%
Caledonia Mining Corporation Plc	620,730	620,730	100%



# DEMAT RATIO

- The average Demat ratio for the counters on the VFEX depository as at 30 September 2022 was 75.59%



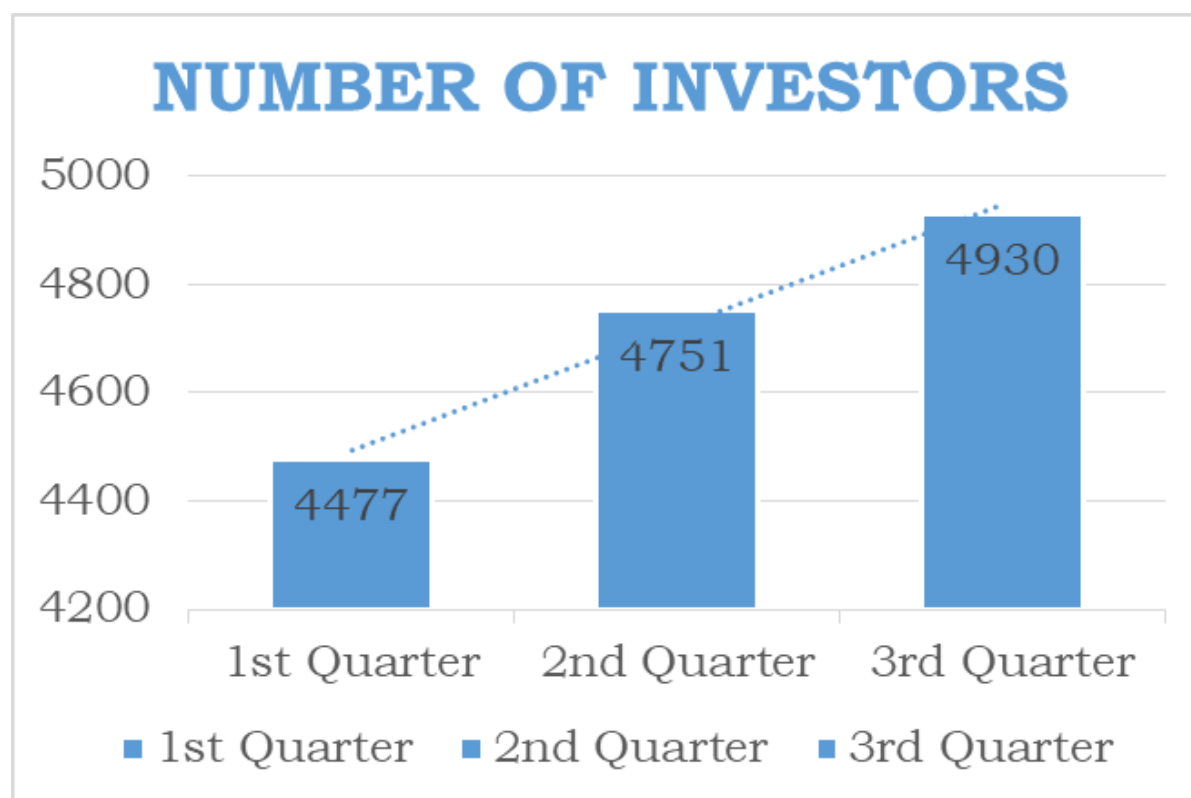
## CLEARING AND SETTLEMENT

- The VFEX Depository clearing follows a T+3 settlement cycle.
- The volume and value of trades that settled on the VFEX Depository in Q3 2022 are as follows;

	Q2 2022 (April-June)	Q3 2022 (July-September)	Change
Trades Executed	329	336	2.13%
Settled Trades	329	336	2.13%
Failed Trades	-	-	
Volume Traded	24,022,510	8,434,492	-64.89%
Value Traded	USD\$3, 192,293.61	USD\$595, 029.53	-81.36%
Market Capitalisation	USD\$273,239,907.00	USD\$341,641,966.00	+25.03%



# SUMMARY OF Q3 2022 STATISTICS



## BROKER CONTROLLED ACCOUNTS

- Nine brokers have managed to sign the tripartite agreement between CBZ Bank, VFEX Depository and stockbroker. To date eight stockbrokers have been boarded onto the EDS system.
- The brokers being Akribos Securities, IH Securities, Morgan & Company, Old Mutual Securities, Invictus Securities, Lynton Edwards Stockbrokers, Imara Edwards Stockbrokers, Jemina Capital and Wealth Access.
- The broker controlled accounts have been trading and with 54 trades to date, and the majority being on the sell side.
- About 30 new accounts have been opened to date
- All the trades have been settling through CBZ and we have not had any settlement challenges to date

# MARKET PARTICIPANTS

The list of the custodians on the ZSE and VFEX Depository are as follows;

## Depository Participants

- ABC Stockbrokers Broker Administered
- Akribos Securities Broker Administered
- Bethel Equities Broker Administered
- Cabs Custodial Services
- CBZ Custodial Services
- EFE Securities Broker Administered
- FBC Custodial Services
- Fincent Securities Broker Administered
- IH Securities Broker Administered
- Imara Edwards Broker Controlled
- Ingenium Capital Private Limited Broker Controlled
- Invictus Securities Broker Administered
- Jemina Capital Broker Administered
- Lynton Edwards Broker Administered
- MMC Securities Broker Administered
- Morgan and Company Broker Administered
- Old Mutual Securities Broker Administered
- Platinum Securities Broker Administered
- Southern Trust Securities Broker Administered
- Stanbic Custodial Services
- Standard Chartered Custodial Services
- Wealth Access Broker Administered



For additional  
information, feel free  
to get in touch

[www.zse.co.zw](http://www.zse.co.zw)

[www.vfex.exchange](http://www.vfex.exchange)

[depository@zse.co.zw](mailto:depository@zse.co.zw)

[info@vfex.exchange](mailto:info@vfex.exchange)



+263 (24) 2886830-5