

DEPOSITORY NEWSLETTER

ISSUE 1: 2023



ABOUT THE DEPOSITORY

The ZSE depository was formed to establish and operate a central securities depository for the Zimbabwe securities industry.

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 ZSE depository.

This newsletter provides a snapshot of the performance of the ZSE and VFEX depositories for the period 1 April to 30 June 2023.



DEPOSITORY NEWSLETTER

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FUNCTIONS OF THE ZSE DEPOSITORY



1. Facilitate admittance of securities into the CSD

This is usually done electronically, making it much faster and easier than was traditionally the case where physical certificates had to be exchanged after a trade had been completed.

2. Facilitate deposits and withdrawal of securities

The depository accepts deposits of securities certificates from Clients through the client's participants, (Custodians). Clients can also withdraw securities from the depository by submitting a request through their depository participant.

3. Clearing and settlement

Facilitate efficient process of cash payment in exchange for securities.

Visit www.zse.co.zw for more information

4. Guard against falsification of any records or accounts required to be kept or maintained

The depository provides securities accounts, central safekeeping services and asset services which may include the administration of corporate actions and redemptions, and plays an important role in helping to ensure the integrity of securities issues.

5. Facilitate efficient transfer of securities

An investor may have more than one account with the same or different participants. The investor can transfer securities among these accounts by making the request through the relevant depository participants.

6. Pledge

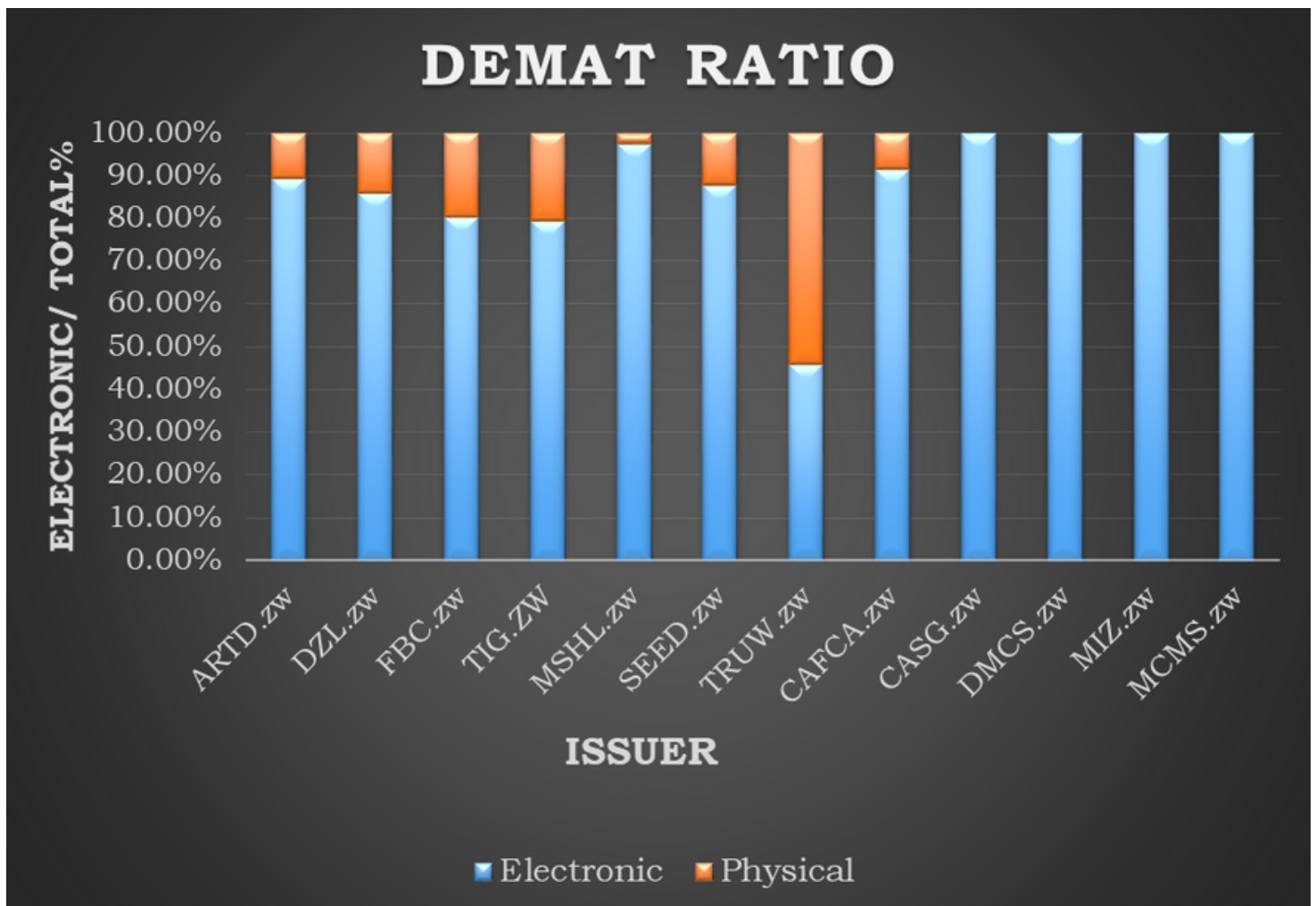
The ZSE depository services also includes the recording of pledges in favour of lending institutions with the agreement of both the borrower & the lending institution.

ZSE DEPOSITORY Q2 STATISTICS

- As at 30 June 2023, the ZSE Depository had a total number of 12, (twelve) issuers, four ETFs, 1 REIT and 7 Equity

	Q4 2022	Q1 2023	Q2 2023	Change (Q1 2023 to Q2 2023)
Listings (Equity)	9	7	7	-
Listings (ETF)	4	4	4	-
Listings (REIT)	1	1	1	-
New Products	1 REIT	-	-	-
Demat Ratio	83.86%	87.58%	88.13%	+0.63%

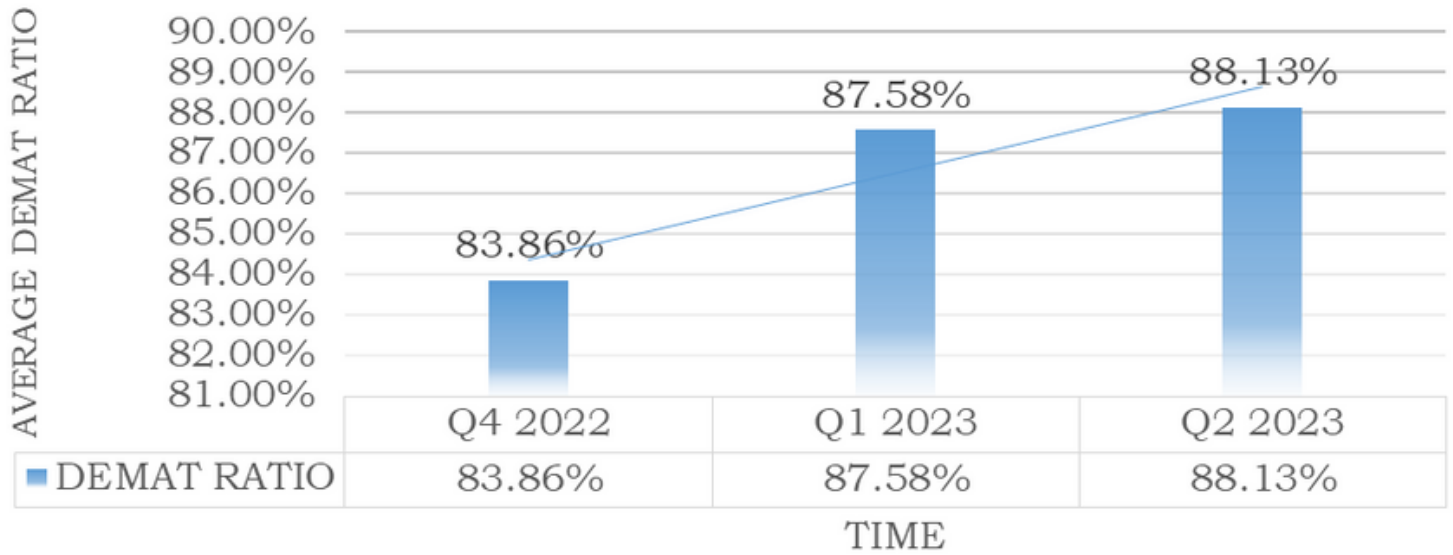
Depository counters and dematerialization ratio as at 30 june 2023



ZSE DEPOSITORY Q2 STATISTICS

CHANGE IN DEMAT RATIO

DEMAT RATIO AS AT 30 JUNE 2023



CLEARING AND SETTLEMENT

- The ZSE Depository clearing follows a T+3 settlement cycle.
- The depository also facilitates early settlement, ie the settlement of securities and cash on a date prior to the usual settlement date, (T+3).
- The volume and value of trades that settled on the ZSE Depository in Q3 2022 are as follows:

	Q1 2023	Q2 2023	Change (Q1 2023 to Q2 2023)
Number of trades executed	3,209	2,263	-29.48%
Number of settled trades	3,209	2,263	-29.48%
Number of failed trades	-	-	-
Value traded	ZWL\$12,259,665,695.60	ZWL\$7,736,849,618.31	-36.89%

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

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

- 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 June 2023, the VFEX had a total number of thirteen issuers, two of which are depository receipts and one bond.
- We anticipate to on board additional issuers before the end of the year.

NEW ADDITIONS IN Q2 OF 2023

- The additions that occurred in the second quarter of 2023:

Security	ISIN	Short Code	Date
African Sun Limited	ZWVX 0901 0070	ASUN.VX	14/04/23
First Capital Bank Limited	ZWVX 0901 0096	FCA.VX	19/05/23
West Properties Holdings Limited	ZWVX 0901 0088	WPHL.VX	05/05/23

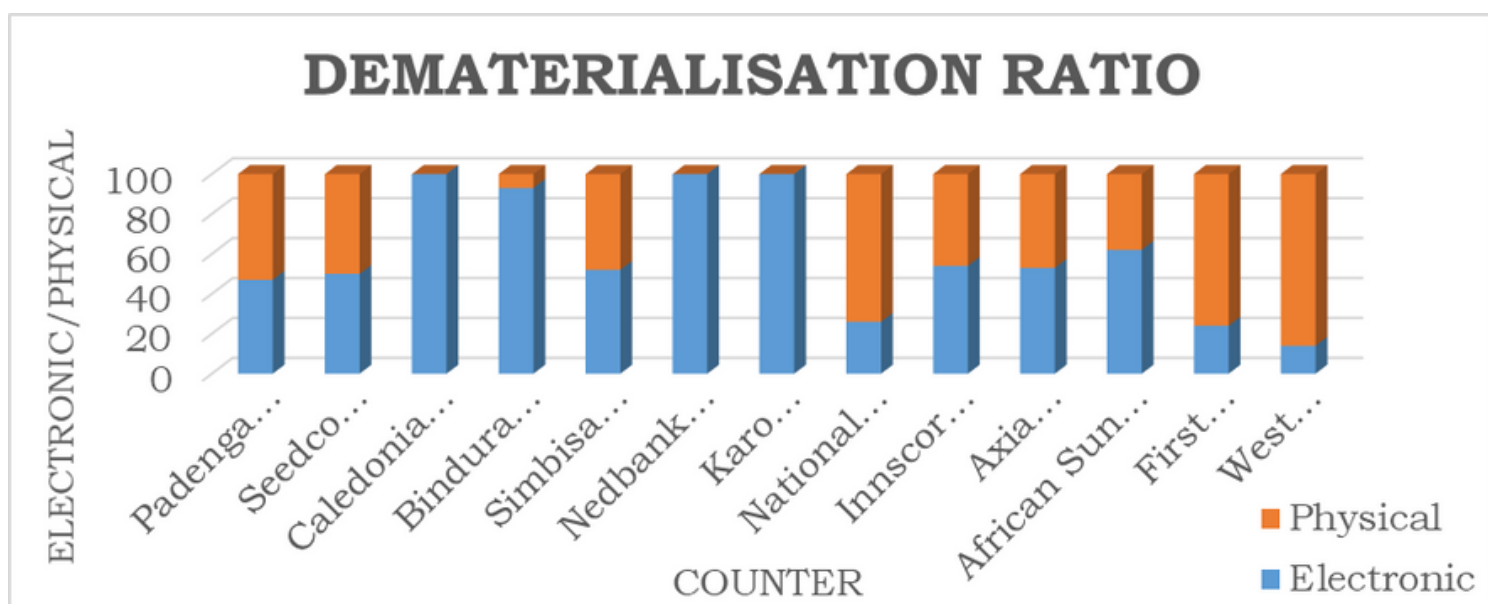


VFEX DEPOSITORY COUNTERS

- The list of counters on the VFEX Depository as at 30 June 2023 is as follows:
 - Seedco International
 - Padenga Holdings
 - Caledonia Mining Corporation
 - Bindura Nickel Corporation Limited
 - Nedbank Depository Receipt
 - Simbisa Brands
 - Karo Mining Limited
 - National Foods Holdings Limited
 - Innscor Africa Limited
 - Axia Corporation Limited
 - African Sun Limited
 - First Capital Bank Limited
 - West Properties Holdings Limited

DEMAT RATIO

- The average demat ratio for the counters on the VFEX depository as at 30 June 2023 was 22.70%.



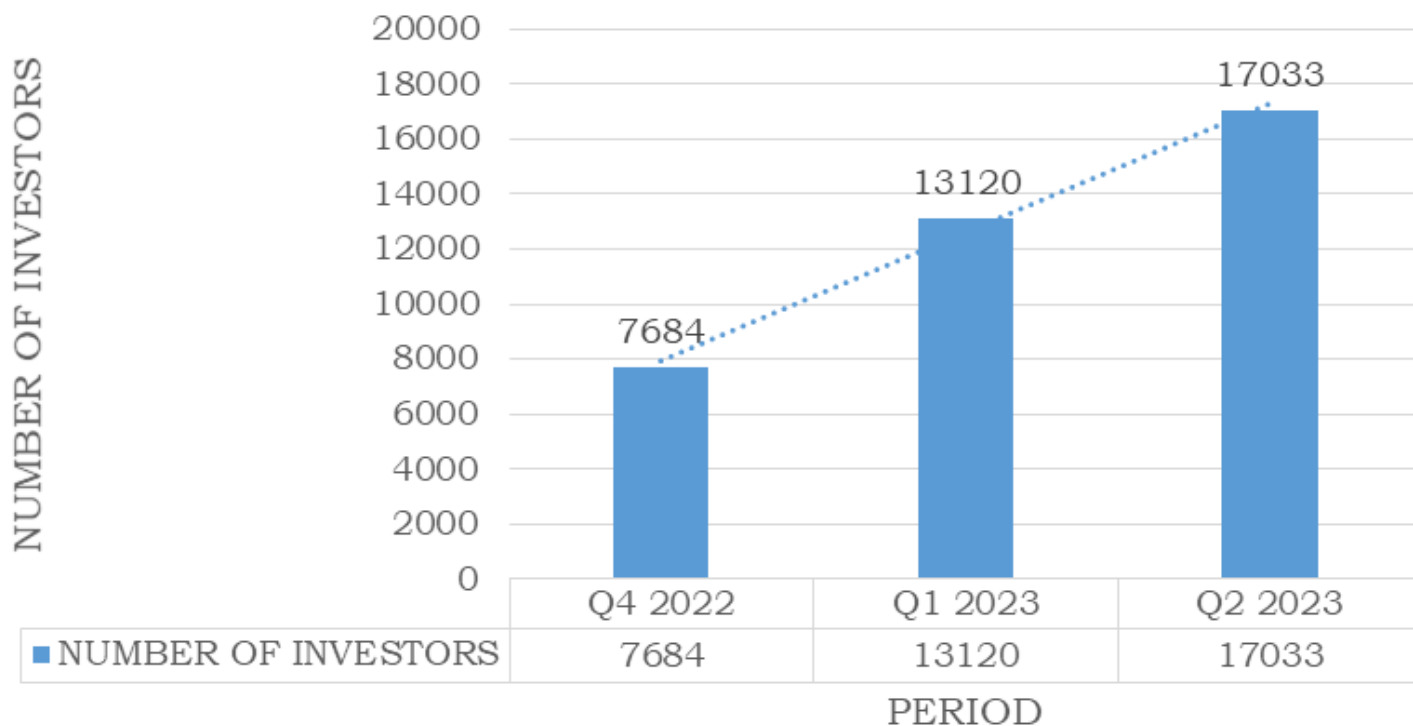
CLEARING AND SETTLEMENT

- The VFEX Depository clearing follows a T+3 settlement cycle.
- The volume and value of trades that settled on the VFEX Depository in Q2 2023 are as follows;

	Q1 2023(Jan- Mar)	Q2 2023 (April-June)	Change %
Trades Executed	479	2 230	+78.52%
Settled Trades	479	2 230	+78.52%
Failed Trades	-	-	

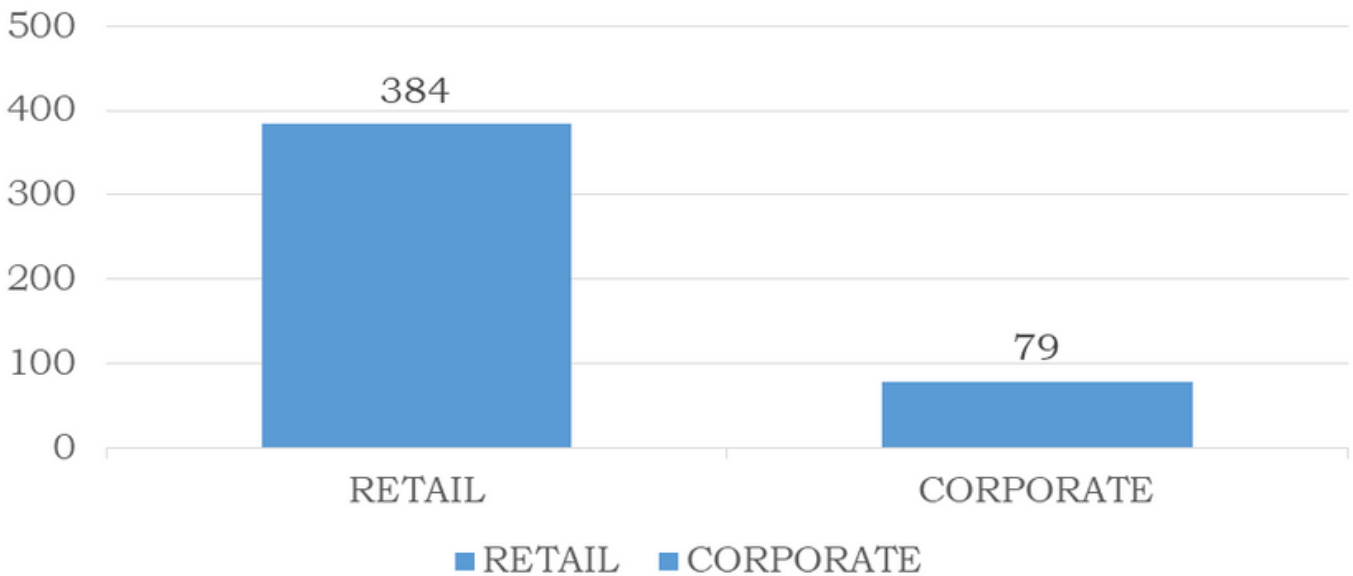
SUMMARY OF Q2 2023 STATISTICS

NUMBER OF INVESTORS AS AT 30 JUNE 2023

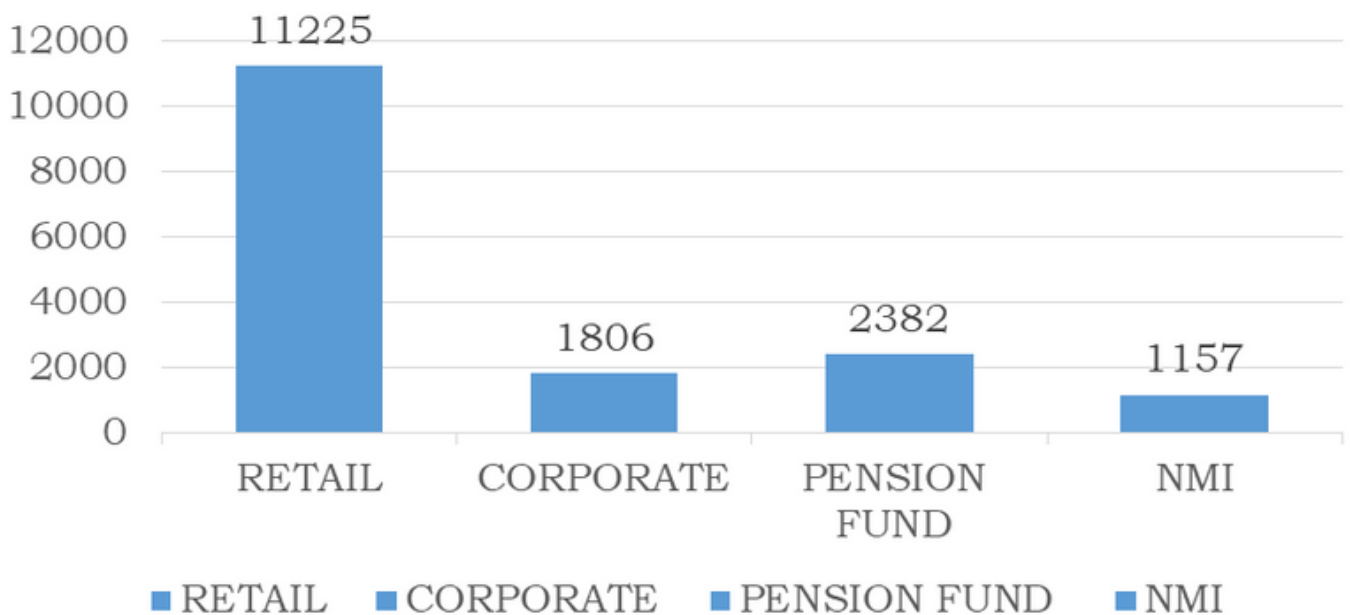


SUMMARY OF Q2 2023 STATISTICS

FOREIGN INVESTORS AS AT 30 JUNE 2023



LOCAL INVESTORS AS AT 30 JUNE 2023



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
- Remo Investment Broker Administered
- Southern Trust Securities Broker Administered
- Stanbic Custodial Services
- Standard Chartered Custodial Services
- Sigma Capital Broker Controlled
- Wealth Access Broker Administered
- ZB Bank



For additional
information, feel free
to get in touch

www.zse.co.zw

www.vfex.exchange

depository@zse.co.zw

info@vfex.exchange



+263 (24) 2886830-5