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**GetBucks Financial
Services Limited is now
on-boarded onto the
CSD**

SUMMARY

The number of counters on the CSD increased to 63 in January 2016. 611 new CSD accounts were opened in January 2016 taking the total number of CSD Accounts above the 4,000 mark. Trading activity was depressed and remained below the post dollarization average.

On Boarding of Securities

GetBucks Financial Services Limited (GetBucks) was listed on the Zimbabwe Stock Exchange on 15 January 2016. GetBucks brings the number of entities that are on the CSD to 63. There were no trades in GetBucks in January 2016 while the counter was valued at US\$37.4 million dollars as at 31 January 2016.

Account Opening

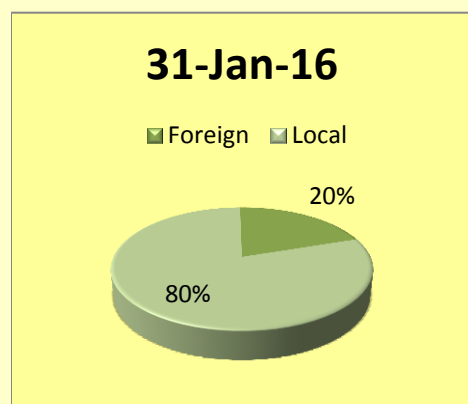
A total of 611 CSD accounts were opened in January 2016. This cumulative number of accounts on the CSD now stands at 4,359 from 3,753 in December 2016. 80% of the accounts opened on the CSD belong to Local investors as shown below:

The table below provides a breakdown of the accounts opened in January 2016 by each class of investors:

Growth in CSD Accounts-January 2016

Investor Type	31-Jan	%age
Pension Funds	8	1%
Corporates	8	1%
Individuals	53	9%
Insurance	-	-
Unit Trust Funds	-	-
Deceased Estates, Unclaimed shares, Trusts e.t.c	559	88%
Unclassified Foreign	5	1%
Total Accounts	611	100%

Growth Investors by Nationality



January 2016 recorded a high number of accounts opened for Unclaimed Shares with 559 new accounts.

CSD Accounts by Investor type

Overall, Local investors continue to account for the majority of CSD accounts.

Investor Type	31-Jan	%age
Pension Funds	430	10%
Corporates	403	9%
Individuals	1,763	46%
Insurance	25	1%
Unit Trust Funds	25	1%
Deceased Estates, Unclaimed shares, Trusts e.t.c	1,079	14%
Unclassified Foreign	634	17%
Total Accounts	4,359	100%

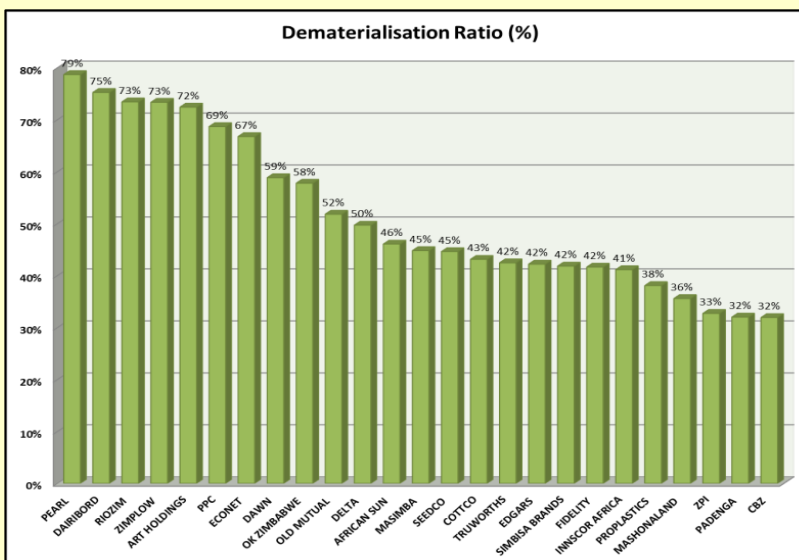
Market Value Statistics

The market value of the securities that are placed on the CSD declined by 11% from US\$1.206 billion to US\$1.07 billion. Consequently, dematerialised securities now account for 38% of the total ZSE market value.

Investor Type	Market Value(\$ m)	%age
Pension Funds	207	19%
Corporates	115	11%
Individuals	15	1%
Insurance	308	29%
Unit Trust Funds	10	1%
Deceased Estates, Unclaimed shares, Trusts e.t.c	79	7%
Unclassified Foreign	341	32%
Total	1,075	100%

Dematerialisation

The CSD has processed a cumulative total of 34,906 securities deposit transactions since going live. 604 transactions were processed in the month of January 2016. The average Dematerialisation Ratio (Demat Ratio) across all counters remained at 31%.



Clearing and Settlement of Trades

Turnover on the ZSE for January 2016 was US\$11.35 million. There was a 31% decline compared to the December 2015 figure of US\$16.40 million. Continuing the 2015 trend, trading activity remained significantly lower than the average turnover for the post dollarization period of US\$40 million per month.

The table below gives a summary of the CSD's trades clearing and settlement activity as at 31 January 2016:

Period	Trades	Market value (\$ million)
2014	688	71.18
2015	7,278	343.62
2016 **	776	18.30
Total Trades	8,742	433.10

The CSD received and processed 776 ZSE trades in January 2016. This brought the total trades processed since going live to 8,742.

At beneficial owner level, total transactions now stand at 19,237. There was an increase of 9% from 17,602 as at 31 December 2015.

Outlook

The CSD expects to conclude discussions with market participants on a roadmap for migrating to a T+3 settlement cycle and changing the settlement model from DVP 1 to DVP 2 by the end of the first quarter 2016. This is expected to culminate in an agreed upon roadmap for implementing these critical market developments. In the short-term, the CSD will also continue to focus on the development of new products in order to broaden its revenue base.