

# DEPOSITORY NEWSLETTER

ISSUE 1:2022



## ABOUT DEPOSITORY

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

A CSD allows for ownership to be easily transferred through electronic book entry as opposed to the manual paper certificate transfers.

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.

The Victoria Falls Stock Exchange Depository commenced operations in October 2020 and the ZSE was licenced to operate a CSD in July 2021 and onboarded its first counter in October 2021.

This newsletter provides a snapshot of the performance of the two depositories from inception to date.

## DEPOSITORY NEWSLETTER

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# ABOUT ZSE DEPOSITORY



The ZSE Depository started its operations in October 2021 with CAFCA Limited as the pioneer. Axia Corporation Limited, Amalgamated Regional Trading (ART) Holdings Limited, Truworths Limited, Seedco Limited, FBC Holdings Limited and Masimba Holdings Limited later joined the ZSE Depository in November 2021.

Simbisa Brands Limited, Inncor Africa Limited and Dairibord Holdings Limited joined the ZSE depository in 2022.

In the first quarter of 2022, ZSE Depository onboarded two Exchange Traded Funds (ETF); Morgan & Co Multi-sector ETF Trust and Datvest Modified Consumer Staples ETF. As at 31 March 2022, the ZSE Depository had a total number of 12 issuers, two of which are Exchange Traded Funds.



Depository  
Services

# ZSE DEPOSITORY COUNTERS

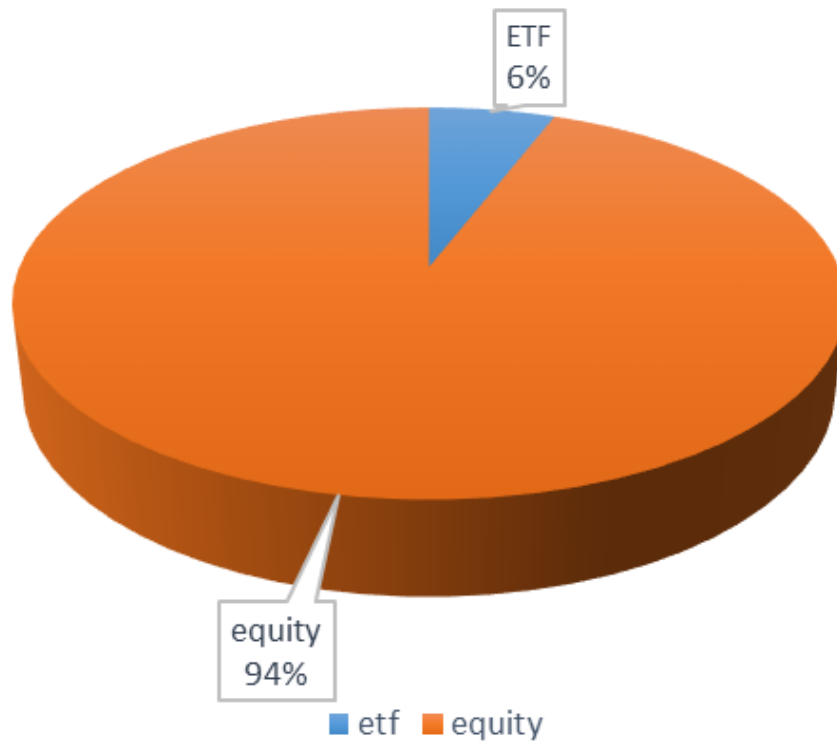
- The list of counters on the ZSE Depository as at 31 March 2022 are as follows;

Security	Shares in electronic form	Total number of shares	Demat ratio
ART Corporation Limited	417,767,738	473,576,907	88.22%
Axia Corporation Limited	289,654,557	552,150,308	52.46%
Cafca Limited	7,770,120	33,059,000	23.50%
Dairibord Holdings Limited	299,825,320	358,000,858	83.75%
FBC Holdings Limited	506,010,861	671,949,927	75.30%
Masimba Holdings Limited	235,421,694	241,653,707	97.42%
Seed Co Limited	217,574,766	247,202,645	88.01%
Simbisa Brands Limited	290,681,886	562,184,788	51.71%
Truworths Limited	175,592,867	384,067,512	45.72%
Innscor Africa Limited	302,324,571	569,876,450	53.05%
Datvest Modified Consumer Staples ETF	126,087,188	126,087,188	100.00%
Morgan & Co Multi-sector ETF Trust	128,673,068	128,673,068	100.00%

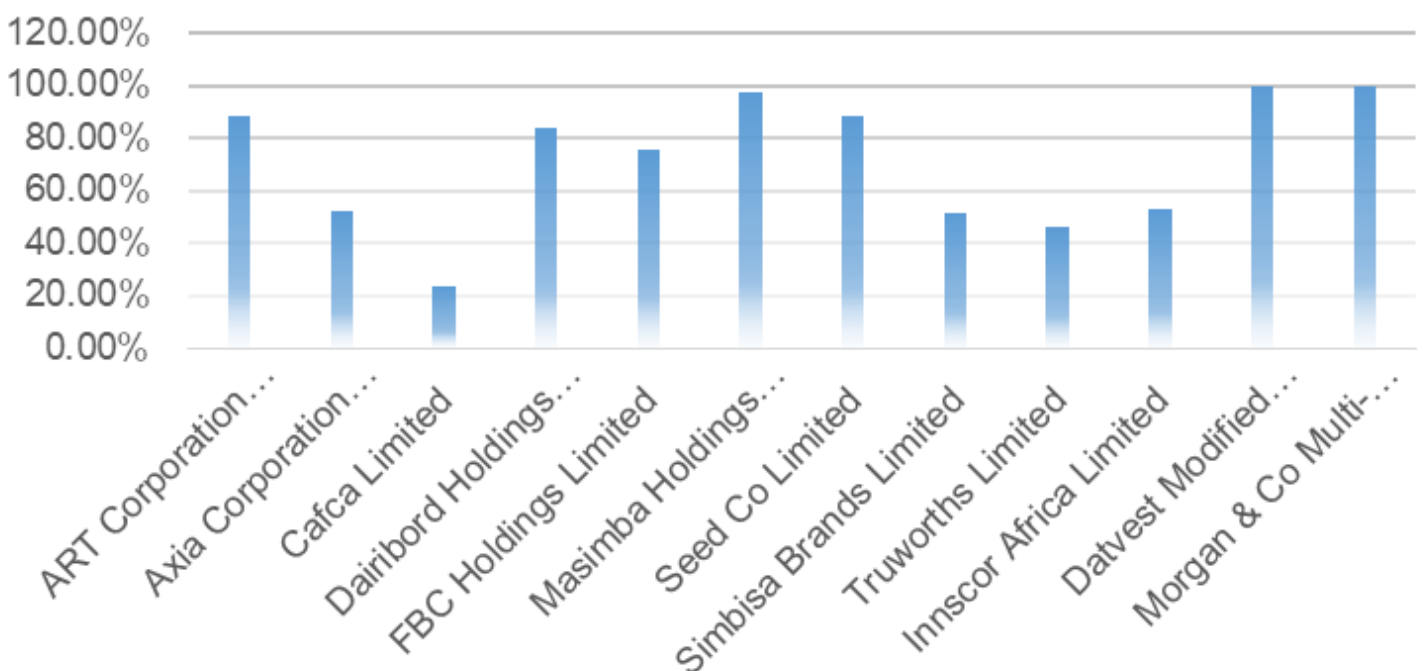
# DEMAT RATIO

- The average Demat Ratio for the counters on the ZSE Depository as at 31 March 2022 was 71.6%

## Equity v ETF



## DEMAT RATIO PER COUNTER



## NEW ADDITIONS IN Q1 OF 2022

- All additions that occurred in the first quarter of 2022 were Exchange Traded Funds (ETFs).

Security	Date registered on ZSE
Morgan & Co Multi-Sector ETF Trust	03 January 2022
Datvest Modified Consumer Staples ETF	04 March 2022

## CLEARING AND SETTLEMENT

- The ZSE Depository clearing follows a T+3 settlement cycle.
- For all trades executed on T+0 , the ZSE depository determines the cumulative obligations of each participant between T+0 and T+2 day and electronically transfers the data to respective participants
- All trades concluded during a particular trading date are settled on a designated settlement day i.e. T+3 day.
- The volume and value of trades that settled on the ZSE Depository in Q1 2022 are as follows;

Trades Executed	9,427
Settled Trades	9,427
Failed Trades	-
Volume Traded	157,304,763
Value Traded	ZWL\$ 4,805,197,593.63

The VFEX Depository started its operations in October 2020 with Seedco International Limited as the first issuer. In July 2021, VFEX onboarded Padenga Holdings Limited as the second issuer. Caledonia Mining Corporation and Bindura Mining Corporation later joined the VFEX Depository in the last quarter of 2021.

As at 31 March 2022, the VFEX had a total number of four issuers, one of which is a depository receipt.

## VFEX DEPOSITORY COUNTERS

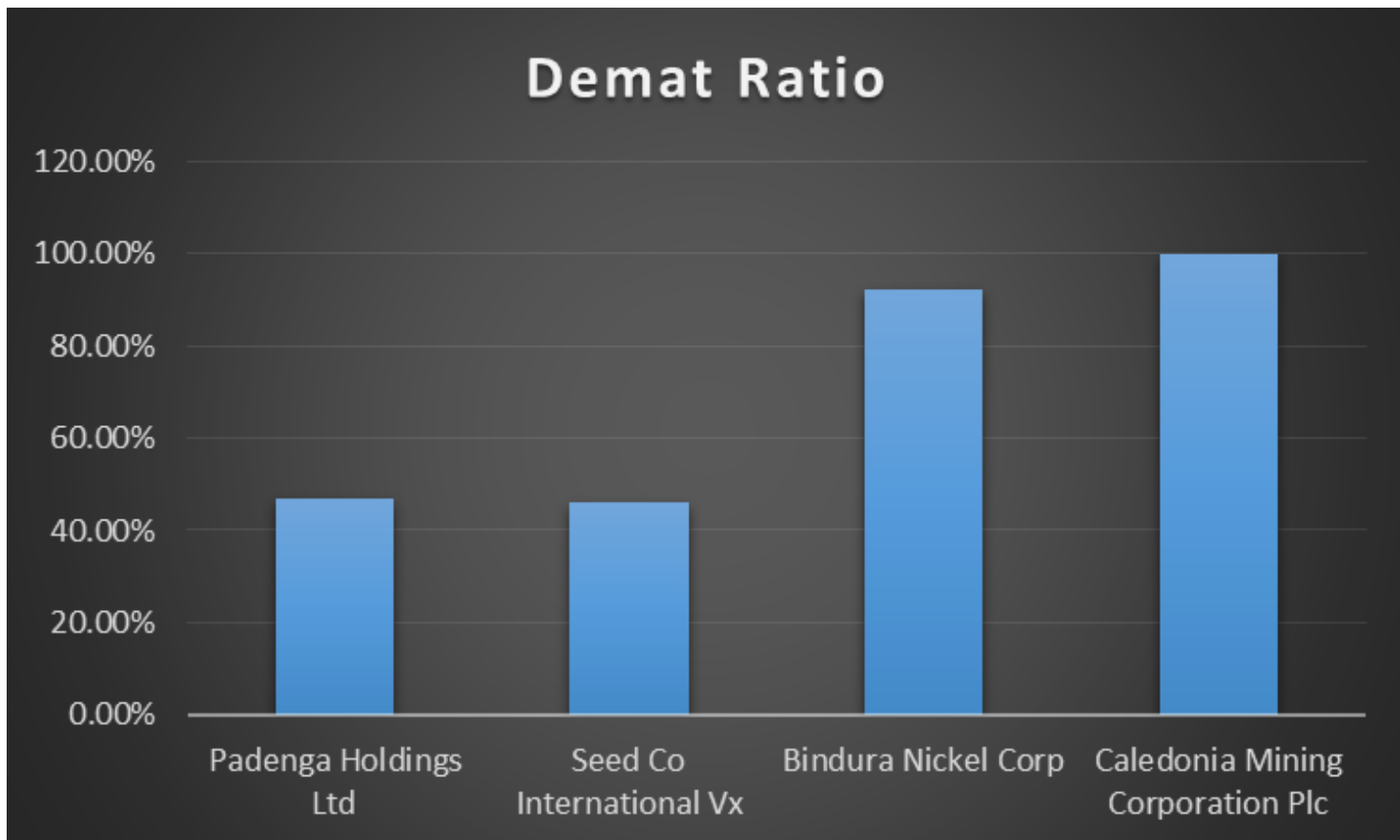
- The list of counters on the VFEX Depository as at 31 March 2022 is as follows;

Security	Shares in electronic form	Total number of shares	Demat ratio
Padenga Holdings Limited	254,193,671	541,593,440	47%
Seed Co International	111,783,860	242,252,548	46%
Bindura Nickel Corporation Limited	1,175,612,234	1,272,732,638	92%
Caledonia Mining Corporation Plc	620,730	620,730	100%



# DEMAT RATIO

- The average Demat Ratio for the counters on the VFEX depository as at 31 March 2022 was 71.25%



## 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 Q1 2022 are as follows;

Number of Trades Executed	307
Number of Trades Executed	307
Failed Trades	-
Volume Traded	93,494,746
Value Traded	USD\$5,084,099.63



# PRODUCTS AND SERVICES

- The introduction of the Depository has created a smoother interface between the Automated Trading System and the Central Securities Depository which provides a solid base for the development of new products on the market.
- The ZSE is in consultation with various stakeholders to develop turnaround trades on the market.
- The Depository is also playing a pivotal role in the growth of ZSE Direct as the ZSE continues to promote financial inclusion.





# 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
- NSSA Custodial Services
- 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  
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