



LUSAKA STOCK EXCHANGE

4th QUARTER 2014 MARKET PERFORMANCE

EQUITY MARKET

<i>Q4 EQUITY MARKET TRADING STATISTICS</i>			
	2014	2013	%Change (Quarterly)
Market Capitalization K	66,456,000,000	58,188,000,000	14.21%
LASI	6,160.66	5,300.10	16.24%
Trades	1,007	1,389	(27.50)%
Volume	14,501,281	68,974,033	(78.98)%
Turnover K	57,684,141	70,550,876	(18.24)%
Turnover/ Market Cap ratio	2.85%	0.88%	2.22%

- Market capitalization closed the quarter under review at K66 billion (inclusive of Shoprite Holdings Plc) reflecting a 14% rise over the same period in 2013.
- The LuSE All Share Index (LASI) closed the period at 6,160.66 points, 16% up from the same period in 2013.
- The movement in the LASI can be attributed to the increase in the number of shares in some stocks and the capital gains recorded in some stocks
- Top 5 Gainers above and below the LASI were as follows:

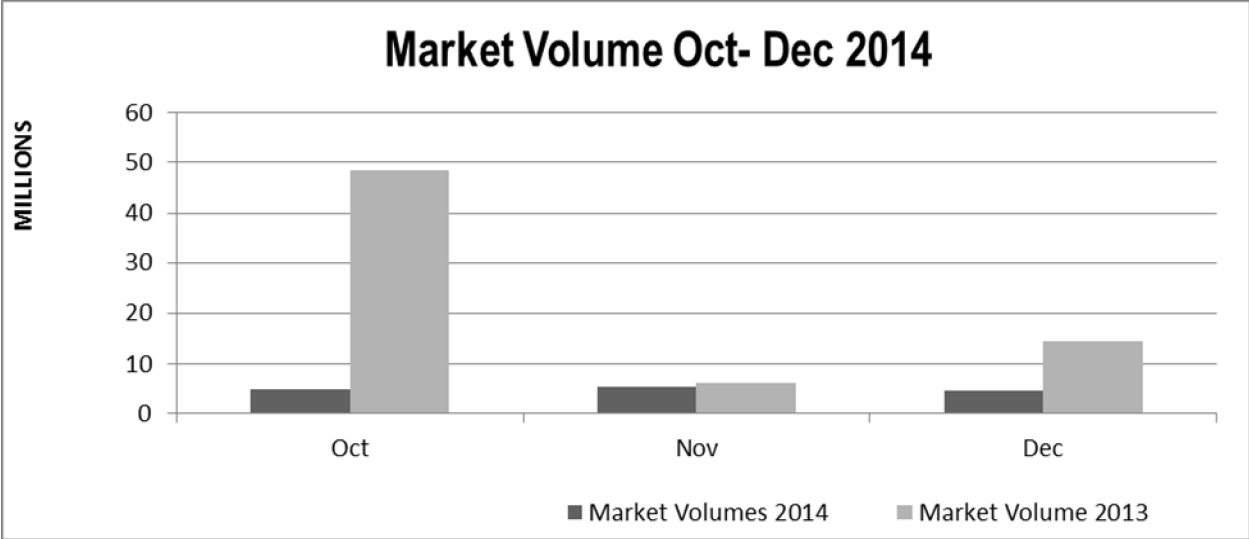
Security	2014 December	2013 December	Q3-% Change
ZCCM-IH	45	17.08	163.47*
Lafarge	26.00	15.75	65.08
Zambian Breweries	6.00	4.17	43.88
REIZ	4.00	3.20	25.00
British American Tobacco	5.75	4.76	20.80
LASI	6,160.66	5,300.10	16.24
Standard Chartered Bank	1.95	1.93	1.04
African Explosives	6.87	6.85	0.29
Zambia Sugar	6.60	6.59	0.15
Prima Re	2.91	3.00	(3.00)
PAMODZI	0.62	0.65	(4.62)

Note:

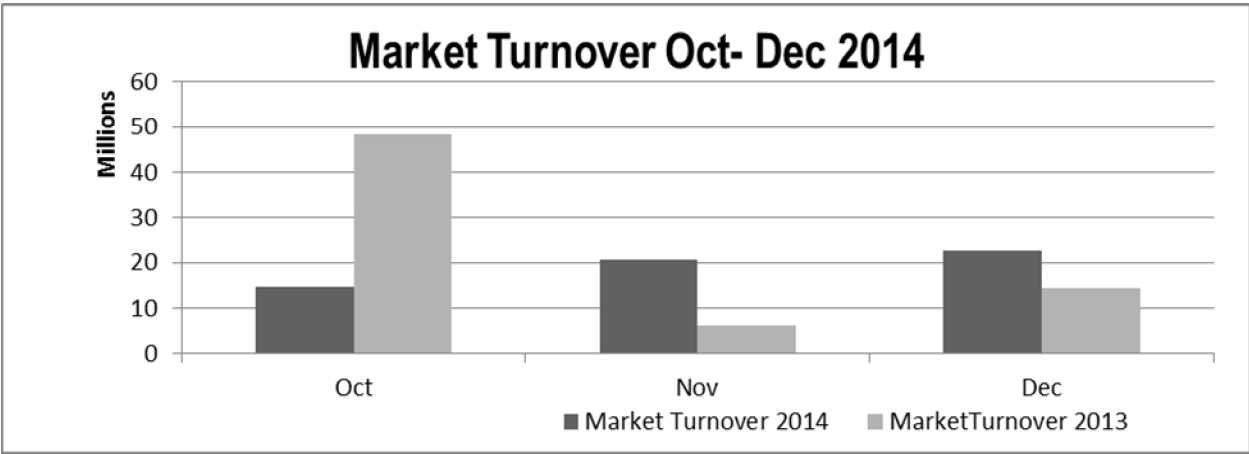
ZCCM-IH has seen a significant increment in its share price from K17.08 to K45, reflecting a 163% increase overall. As a measure to strengthen the Company's balance sheet, the Rights Offer, which commenced on 12 May 2014 and ended on 27th June 2014, was intended to serve as a reorganization of ZCCM-investment Holding's balance sheet and expunge the legacy Government debt. Further, under the recapitalization plan, ZCCM-IH raised fresh capital of K260,759,578.11.

Prior to this Rights Offer, the intention to achieve the aforementioned resulted in an increased investor appeal and hence high demand and a rapidly increasing share price, which increased to K45.00 per share during the last quarter of 2014 since the completion of the Rights offer.

The same can be attributed to Lafarge Zambia Plc in the light that an increased revenue and expansion of business resulted in a higher demand from the investor community, which had ultimately paved the way for an increased share price from K15.75 to K26, reflecting an increment of 65% in comparison to the previous quarter under review.



- Volume of shares traded was significantly lower by 79% compared to the previous period. This was as a result of the Rights Offer conducted by Prima Reinsurance Plc in October 2013, where the company increased its share capital to 30,000,000 in order to restructure its balance sheet to allow for increased reinsurance business volumes.



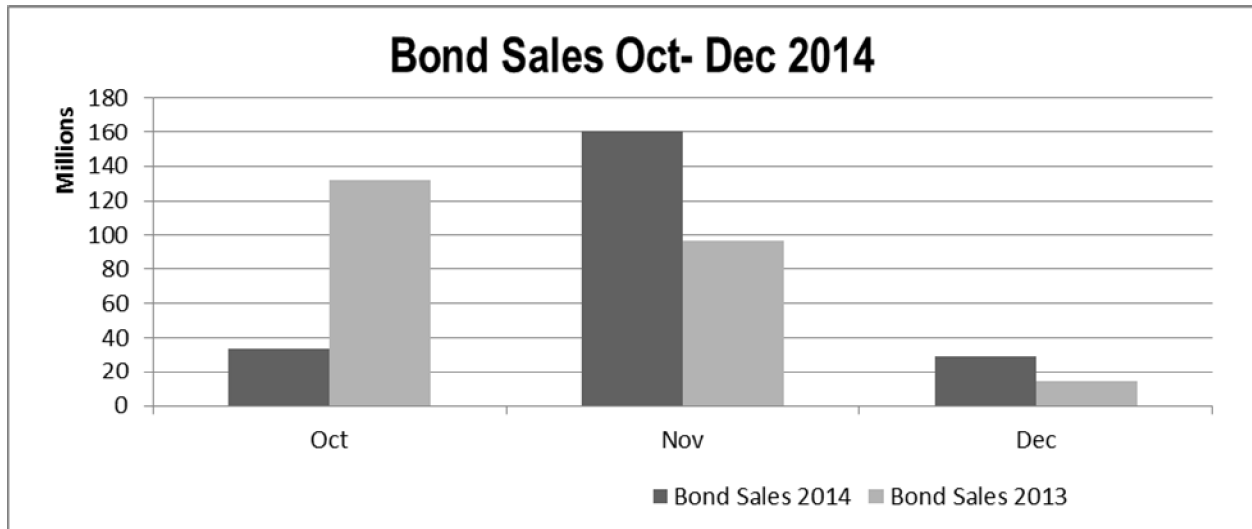
- Overall Trade Turnover reduced by 18%. This can be attributed to the Rights Offer conducted by Prima Reinsurance Rights Offer conducted in October 2013. Through this Rights Offer, K11, 400,000 was successfully raised through the issue of 30,000,000 shares at a share price of K0.38 per share.
- A total of 29% of the total turnover for the last quarter of 2014 was contributed to Lafarge Zambia Plc as a result of the LuSE Free float Compliance Program, conducted in May 2014, which saw an increase from 16% to 25% in Lafarge free float shares, and hence more tradable shares in the market.

- There was an increase of 18.78% in foreign portfolio inflows over the period compared to the same period in 2013 as more foreign clients bought into the listed companies.
- 31.25% of shares transacted during the quarter were from foreign transactions. This was a significant increase from the corresponding quarter of 2013 where 10.08% of shares transacted were attributed to foreign portfolio investors.
- The market is steadily becoming an information sensitive market where investors respond to corporate announcements and the general performance of the economy.

DEBT MARKET

<i>Q4 DEBT MARKET TRADING STATISTICS</i>			
	2014	2013	% Change (Quarterly)
Trades	28	37	(24.32)%
Face Value	260,612,358	374,541,060	(30.42)%
Turnover K	223,616,437	340,279,241	(34.28)%

- Secondary market activity in Government Bond trades and turnover decreased by 24% and 30% respectively for the quarter under review.



EVENTS OF 2014 4TH QUARTER AND 2014/15 OUTLOOK

LuSE DEMUTUALIZATION PROJECT- PROJECT NKHUNZI:

The LuSE demutualization process is scheduled to conclude the first phase. This will result in the demutualization model the LuSE will adopt and subsequently, the identification of the changes in shareholding and structure which will take place moving forward

SEPARATION OF LuSE CENTRAL SECURITIES DEPOSITORY:

The Central Securities Depository operational separation is scheduled to be conducted during the course of the fourth quarter of 2014 and will continue into the year 2015. The objective is to transform the CSD into a broadly owned national CSD.

REAL TIME GROSS SETTLEMENT:

Interventions will also be put in place to streamline the conduct of bond trading especially trading of GRZ Bonds in conjunction with Bank of Zambia to facilitate real time gross settlement.

AIRTEL NETWORKS PLC- DISPOSAL ANNOUNCEMENT

The Company had entered into an agreement with IHS Zambia Limited (öIHSö), an independent third party, dated 12 December 2014 (the öSale Agreementö), the basis through which Airtel would dispose of its entire equity interest in Zambian Towers Limited.

NATIONAL BREWERIES AND ZAMBIAN BREWERIES – CHANGE OF DIRECTORATE

The Board of Directors of National Breweries Plc and Zambian Breweries Plc announced the appointment of Annabelle Degroot, as the Managing Director with effect from the 17 December 2014.

ZCCM-INVESTMENT HOLDINGS –DECLARATION OF FINAL DIVIDEND

A Final Dividend of K1.56 per share for the period ended 31 March 2014 was declared by the shareholders of ZCCM-IH. The Record Date having been Friday 7th November, 2014 and the pay date effected Monday, 10 November 2014.

ZCCM-INVESTMENT HOLDINGS- APPOINTMENT OF CHIEF EXECUTIVE OFFICER

The Board of Directors of ZCCM Investments Holdings Plc (ZCCM-IH) announced the appointment of Dr. Pius Chilufya Kasolo as the new Chief Executive Officer of ZCCM-IH with effect from 1st October 2014.

SECURITIES AND EXCHANGE COMMISSION-APPOINTMENT OF ACTING SECRETARY AND CEO

The Board of the Securities and Exchange Commission had with immediate effect appointed Mr. Phillip K. Chitalu as Acting Secretary and Chief Executive on 24th November, 2014.

ISSUANCE OF MEDIUM TERM NOTE PROGRAMS

Stanbic Bank Zambia Limited issued K36,700,000 under Tranche 1 of Series 1, with a tenor of ten years under its K300,000,000 Medium Term Note Program on 31st October, 2014. In addition, Bayport Financial Services issued K28,288,076 under Tranche 1 of Series 5, with a tenor of 3 years under its K200,000,000 Medium Term Note Program on 22nd December, 2014.