



# Tanzania Securities Limited

Stock Brokers | Investment Advisers | Fund Managers

MEMBER OF THE DAR ES SALAAM STOCK EXCHANGE

## A. Equity

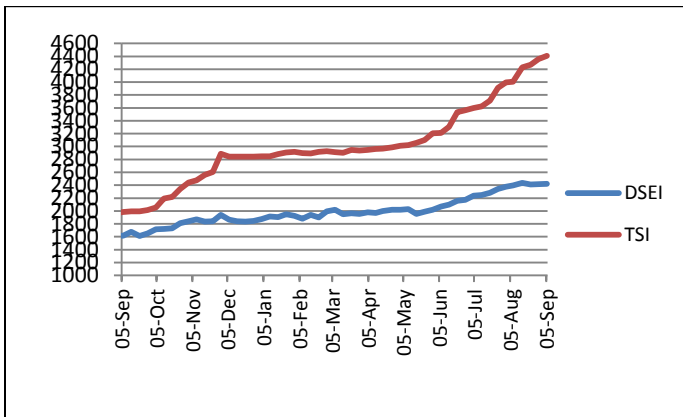
### Market Performance

Week-on-week turnover dropped to TZS 1,274 million (-97.65%) from TZS 54,229 million. Activity levels also shrunk with shares traded plummeting to 859,465 shares (-83.32%) from 5,149,737 shares transacted in the previous week.

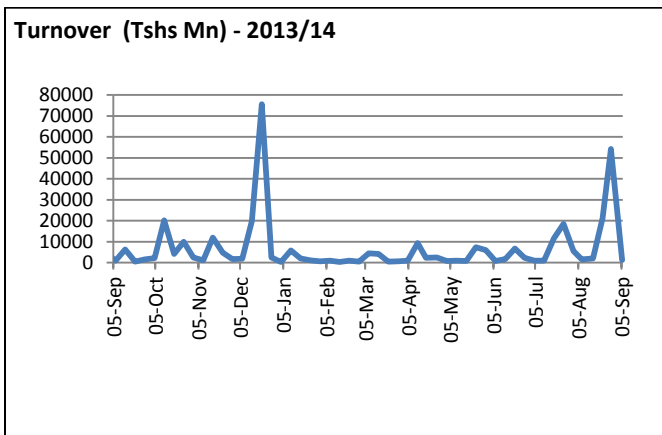
Both indices closed in green. The DSEI closed 0.17% higher at 2,421.67 points while the TSI ended the week at 4,409.49 points (+1.15%) pulled up by gains made on TBL (+0.58%), DCB (+2.04%), Simba (+16.39%), Swissport (+4.17%), TCC (+0.23%) and Twiga (+8.13%) to close the week at TZS 13,790; TZS 490; TZS 3,550; TZS 3,000; TZS 13,240 and TZS 3,460 per share respectively.

The Banking segment Index settled 3,606.52 points (+0.02%) stronger than previous week due to gains made on the DCB counter. The Industrial & Allied Index also gained 1.70% to end the week at 5,568.34 points buoyed by TBL, TCC, Twiga, Swissport and Simba counters.

### Market Performance



Source: DSE and TSL Analysis



Source: DSE and TSL Analysis

## WEEKLY MARKET COMMENTARY

### 01st Sept 2014 – 05th Sept 2014

#### Statistics – Equity

Total - Week Ending	Aug-29 2014	Sep-05 2014	% Change
<b>Market</b>			
Turnover in Million (TZS)	54,229	1,274	-97.65%
Volume of Shares in '000	5,149	859	-83.32%
DSEI	2,417.52	2,421.67	+0.17%
TSI	4,359.42	4,409.49	+1.15%
<b>Banks, Finance &amp; Services</b>			
BI	3,605.65	3,606.52	+0.02%
<b>Industrial and Allied</b>			
IA	5,475.01	5,568.34	+1.70%

Source: DSE

#### Outlook:

The bourse experience a huge downward swing in turnover and activity, This might be a result of limited supply of shares in most of the active counters as investors maintain their holdings in expectation of further increase in prices.

Looking forward, we expect activity to improve in the coming week, emanating from banking sector and few counters under IA segment.

The market saw this week's Government Bond auction undersubscribed by 36.8% despite the increase in yields. This might be attributed to the relatively low investors' appetite on long term Government securities and the fear of possible loss due to interest rate risk.

#### Analyst:

**Brenda Massay**

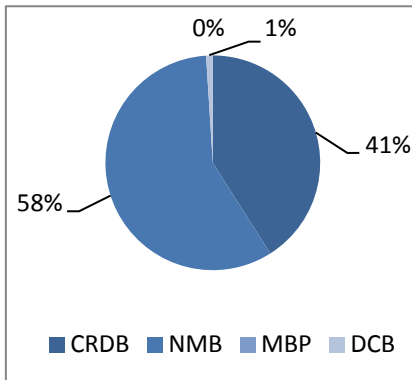
+255 22 211 2807

+255 688 137 580

[brenda@tanzaniasecurities.co.tz](mailto:brenda@tanzaniasecurities.co.tz)



## Bank, Finance & Investment Sector (BI)



This week the Banking segment was less active compared to the previous week. The segment contributed 30% of the total turnover and 72% of the market activity recorded during the week.

CRDB counter maintained its lead on the banking segment.

The counter transacted 552,483 shares at a prices of TZS 315 and TZS 320.

NMB had 59,820 shares that exchanged hands during the week at prices of TZS 4,160 TZS 4,180 and TZS 4,150 per share.

DCB counter traded 7,990 shares, closing the week down UP TZS 490 per share.

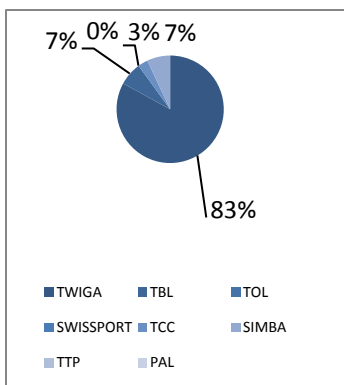
There were no activities on the MBP counter during the week.

## Industrial and Allied Sector (IA)

The Industrial and Allied Segment posted a higher turnover compared to the Banking segment.

Twiga was the most active counter in the Industrial sector, this week. The counter traded 214,239 shares, closing the week at TZS 3,460 per share.

Simba followed with 16,790 shares transacted at prices of TZS 3,150; TZS 3,500 TZS 3,510 and TZS 3,550 per share.



TBL counter had 4,685 shares transacted closing the week higher at TZS 13,790 per share.

TCC counter traded 1,900 shares at prices of TZS 13,220; and TZS 13,240 per share.

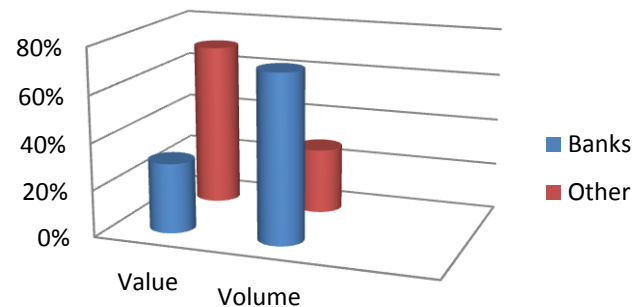
Swissport counter had 10,050 shares that exchanged hands during the week. The counter

gained to close the week at TZS 3,000 per share.

TOL had 80 shares transacted at a price of TZS 480 per share.

There were no activities on the PAL, SWALA and TTP counters during the week.

## % Share of the Market's activity



Source: DSE and TSL Analysis

## Banking Sector Share Prices (in TZS)

Counter	29.08.2014	05.09.2014	%Changes
DCB	480.00	490.00	+2.04%
NMB	4,150.00	4,150.00	0.00%
CRDB	320.00	320.00	0.00%
MBP	600.00	600.00	0.00%

Source: DSE and TSL Analysis

## IA Share Prices (in TZS)

Counter	29.08.2014	05.09.2014	% Changes
TOL	480.00	480.00	0.00%
TBL	13,710.00	13,790.00	+0.58%
TTP	650.00	650.00	0.00%
PAL	475.00	475.00	0.00%
TCC	13,210.00	13,240.00	+0.23%
SIMBA	3,050.00	3,550.00	+16.39%
TWIGA	3,200.00	3,460.00	+8.13%
SWISSPORT	2,880.00	3,000.00	+4.17%
SWALA	710.00	710.00	0.0%

Source: DSE and TSL Analysis



# Tanzania Securities Limited

Stock Brokers | Investment Advisers | Fund Managers

MEMBER OF THE DAR ES SALAAM STOCK EXCHANGE

## B. Fixed Income Securities

### Primary Market

This week's 7-year Government bond was undersubscribed by 36.78%. Yield increased to 15.7457% compared to 15.1459% of the previous 7-year bond auction held on 25th July 2014.

The auction result is as depicted in the table below;

Highest Bid /100	79.8468
Lowest Bid /100	72.4460
Minimum Successful Price/100	74.0818
Weighted Average Price for Successful Bids	76.4402
Weighted Average Yield to Maturity	15.7457
Weighted Average Coupon Yield	13.1868
Amount Offered Tshs (000,000)	60,000.00
Amount Tendered Tshs (000,000)	37,924.00
Undersubscribed (+) / Oversubscribed (-) Tshs (000,000)	22,076.00
Successful Amount Tshs (000,000)	30,369.00

### Secondary Market

Bonds worth TZS 4.0 billion exchanged hands in the secondary market during the week with prices as indicated in the table below:

Tenor	Face Value (TZS)	Price/100
11.44% 10-Year	2.0bn	77.3765
7.82% 2-Year	2.0bn	95.2166

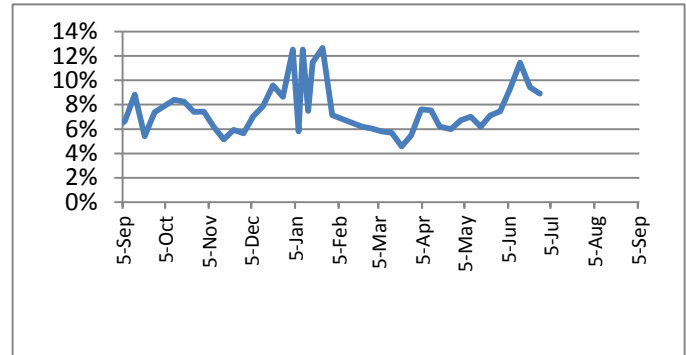
### About the Weekly Update report:

Our Weekly Update consists of a combination of our valuation update and a discussion about a piece of news or a general theme that called our attention and that we think might be useful for investors. Our valuation update includes: (1) weekly stock performances, (2) valuation matrix, and (3) selected financials from our earnings models. The contents hereto are for information purposes only and all statements are therefore without any responsibility whatsoever on the part of Tanzania Securities limited.

## Money Market

The Interbank rate towards the end of the week increased to 5.92%, from 4.98% recorded in the previous week as shown in the chart below:

### Interbank Borrowing Rates (WAR)

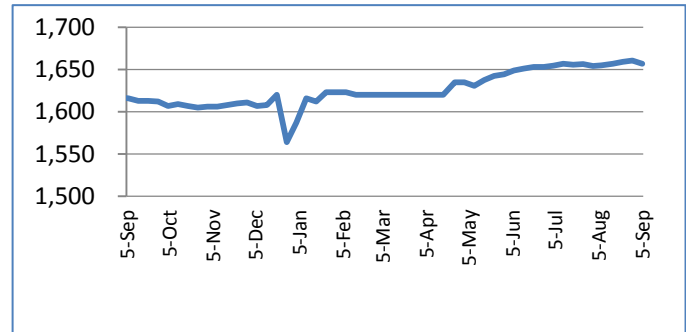


Source: BOT

## C. Foreign Exchange

This week, the shilling gained ground against the USD as indicated in the chart and table below:

### Foreign Exchange – TZS/USD



Source: BOT

### Foreign Exchange Market – Four weeks trend

	15-Aug 2014	22-Aug 2014	29-Aug 2014	05-Sep 2014
<b>TZS/USD</b>	1,656.71	1,659.14	1,660.57	1,656.95
<b>TZS/GBP</b>	2,765.79	2,752.26	2,753.06	2,722.53
<b>TZS/KES</b>	18.82	17.14	18.77	18.69