



Tanzania Securities Limited

Stock Brokers | Investment Advisers | Fund Managers

MEMBER OF THE DAR ES SALAAM STOCK EXCHANGE

A. Equity

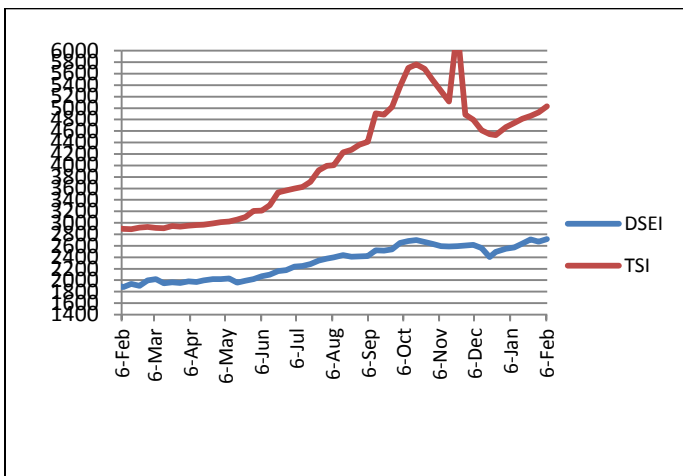
Market Performance

Both indices closed in green. The DSEI closed 1.71% higher at 2,717.45 points while the TSI ended the week at 5,028.96 points (+2.06%) pulled up by TBL, CRDB, TCC, Swissport and Swala gains of TZS 450/-; TZS 40/-; TZS 140/-; TZS 30/- and TZS 50/- respectively.

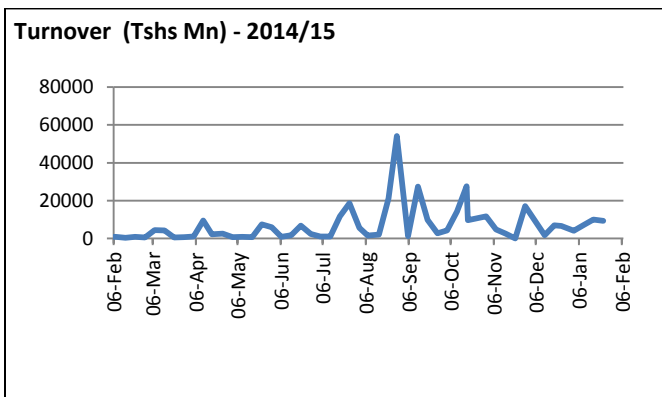
Week on week turnover decreased to TZS 37,023 million (-55.57%) compared to TZS 83,325 million recorded the previous week. Similarly, shares traded fell to 5,276,874 shares (-16.27%) compared to last week's 6,301,320 shares.

Banking segment Index strengthened (+2.41%) to close the week at 4,236.08 points on the backdrop of a gain posted on the CRDB counter(+7.53%). Likewise, the Industrial & Allied Index gained to close the week at 6,216.30 points (+1.96%).

Market Performance



Source: DSE and TSL Analysis



Source: DSE and TSL Analysis

WEEKLY MARKET COMMENTARY

02nd Feb 2015 – 06th Feb 2015

Statistics – Equity

| Total - Week Ending | Jan-30 2015 | Feb-06 2015 | % Change |
|---|----------------|----------------|-------------|
| Market | | | |
| Turnover in Million (TZS) | 83,325 | 37,023 | -55.57% |
| Volume of Shares in '000 | 6,301 | 5,276 | -16.27% |
| DSEI | 2,671.89 | 2,717.45 | +1.71% |
| TSI | 4,927.23 | 5,028.96 | +2.06% |
| Banks, Finance & Services BI | 4,136.23 | 4,236.08 | +2.41% |
| Industrial and Allied IA | 6,096.52 | 6,216.30 | +1.96% |

Source: DSE

Outlook:

This week turnover declined in comparison to the previous week due to low activities in most of the counters. We however foresee improvement in the coming week mainly on the banking counters due to speculative buys from both local and foreign investors.

This week's 10-year Government Bond was undersubscribed, possibly due to low investors' appetite on the long term Government paper. The Government intended to rise TZS 45bln but ended up accepting TZS 20 bln out of TZS 27.6bln subscribed.

Analyst:

Brenda Massay

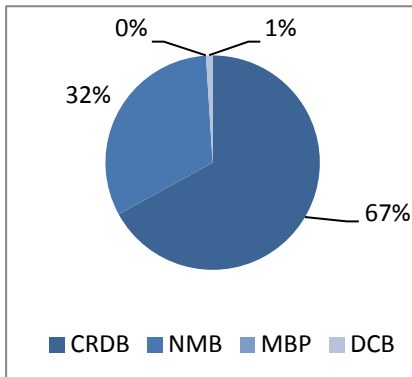
+255 22 211 2807

+255 688 137 580

brenda@tanzaniasecurities.co.tz



Bank, Finance & Investment Sector (BI)



Banking segment was illiquid compared to the Industrial and Allied segment this week. The segment contributed 6% of the total turnover and 55% of the market activity.

This week CRDB counter was the most active counter on the Banking segment this week. The counter

transacted 2,709,216 shares closing the week up at TZS 500 per share.

NMB followed with 143,846 shares that exchanged hands during the week, closing the week down at TZS 4,290 per share.

DCB had 27,973 shares that were transacted during the week. The counter closed the week at TZS 900 per share.

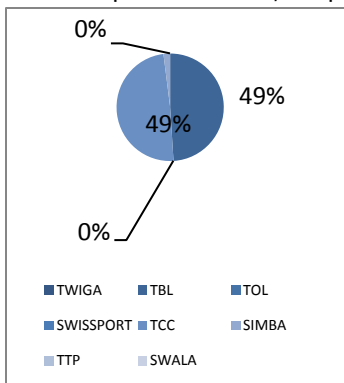
There were no transactions on the MBP and Mkombozi counters this week.

Industrial and Allied Sector (IA)

The Industrial & Allied segment was more liquid compared to Banking Segment this week.

TBL was the most active counter on this segment this week with 1,159,618 shares traded closing the week at TZS 14,500 per share.

TCC followed with 1,014,587 shares transacted, closing the week at a price of TZS 14,500 per share.



Swala closed the week at TZS 700 this week, trading a total of 26,930 shares.

Simba transacted 160,600 shares, closing the week at TZS 5,000 per share.

Twiga counter traded 25,690 shares, closing the week down at TZS 3,920 per share.

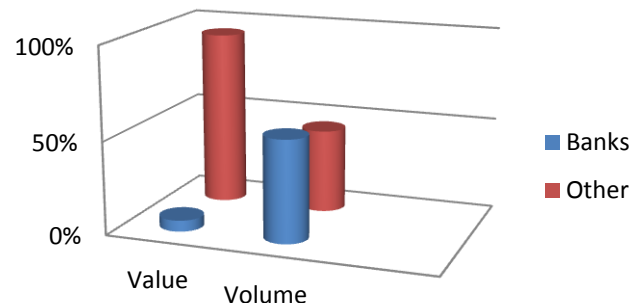
Swissport traded 1,500

shares closing at a price of TZS 5,270.

TOL traded 2 shares at a price of 580 per share.

There were no activities on the Tatepa and PAL counters during the week.

% Share of the Market's activity



Source: DSE and TSL Analysis

Banking Sector Share Prices (in TZS)

| Counter | 30.01.2015 | 06.02.2015 | %Changes |
|---------|------------|------------|----------|
| DCB | 965.00 | 900.00 | -6.74% |
| NMB | 4,300.00 | 4,290.00 | -0.23% |
| CRDB | 460.00 | 500.00 | +7.53% |
| MBP | 600.00 | 600.00 | 0.00% |
| MKCB | 1,500.00 | 1,500.00 | 0.00% |

Source: DSE and TSL Analysis

IA Share Prices (in TZS)

| Counter | 30.01.2015 | 06.02.2015 | % Changes |
|-----------|------------|------------|-----------|
| TOL | 580.00 | 580.00 | 0.00% |
| TBL | 14,050.00 | 14,500.00 | +3.20% |
| TTP | 600.00 | 600.00 | 0.00% |
| PAL | 475.00 | 475.00 | 0.00% |
| TCC | 16,500.00 | 16,640.00 | +0.85% |
| SIMBA | 5,000.00 | 5,000.00 | 0.00% |
| TWIGA | 3,990.00 | 3,920.00 | -1.75% |
| SWISSPORT | 5,240.00 | 5,270.00 | +0.57% |
| SWALA | 650.00 | 700.00 | +7.69% |

Source: DSE and TSL Analysis



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B. Fixed Income Securities

Primary Market

This week's 10-year Government bond was undersubscribed by 38.57%. Yield increased to 16.9047% compared to 16.5002%, the previous 10-year bond auction held on 26th November 2014. The auction results are as depicted below:

The auction result is as depicted in the table below;

| | |
|---|-----------|
| Highest Bid /100 | 75.6155 |
| Lowest Bid /100 | 57.9500 |
| Minimum Successful Price/100 | 71.8769 |
| Weighted Average Price for Successful Bids | 74.0530 |
| Weighted Average Yield to Maturity | 16.9047 |
| Weighted Average Coupon Yield | 15.4484 |
| Amount Offered Tshs (000,000) | 45,000.00 |
| Amount Tendered Tshs (000,000) | 27,643.70 |
| Undersubscribed (+) / Oversubscribed (-) Tshs (000,000) | 17,356.30 |
| Successful Amount Tshs (000,000) | 20,000.00 |

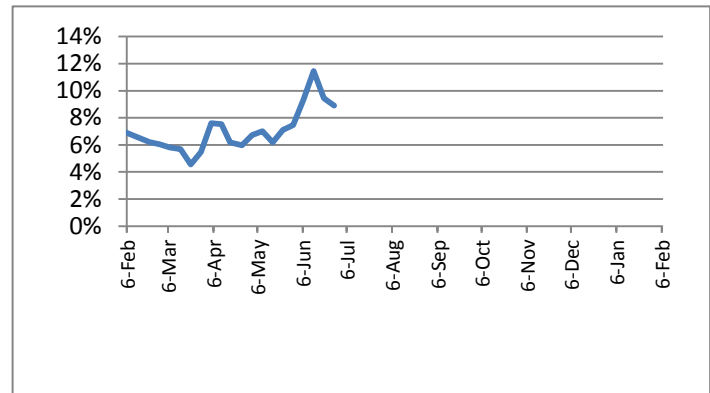
Secondary Market

A five year 9.18% Treasury bond worth TZS 4.3bln was transacted at a price of 80.4086% and 80.3624% during the week.

Money Market

The Interbank rate towards the end of the week decreased further to 7.46%, from 8.90% recorded in the previous week as shown in the chart below:

Interbank Borrowing Rates (WAR)

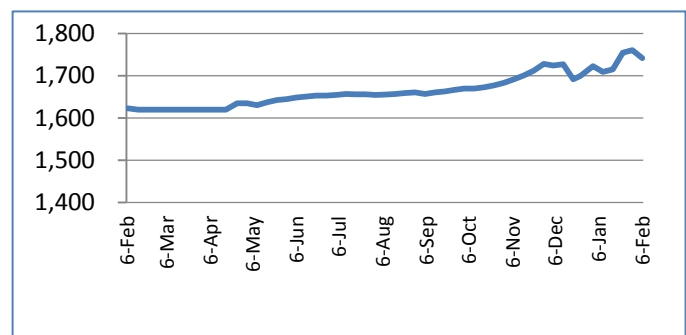


Source: BOT

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

| | 16-Jan 2014 | 23-Jan 2014 | 30-Jan 2014 | 06-Feb 2015 |
|----------------|-------------|-------------|-------------|-------------|
| TZS/USD | 1,709.56 | 1,715.38 | 1,760.78 | 1,742.21 |
| TZS/GBP | 2,576.31 | 2,605.49 | 2,659.13 | 2,665.93 |
| TZS/KES | 18.76 | 18.78 | 19.02 | 19.08 |

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