



# Tanzania Securities Limited

Stock Brokers | Investment Advisers | Fund Managers

MEMBER OF THE DAR ES SALAAM STOCK EXCHANGE

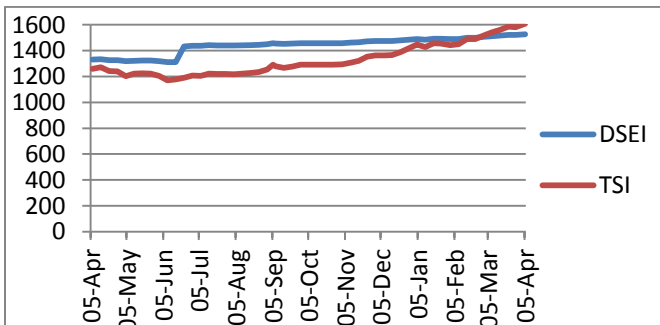
## A. Equity

### Market Performance

Turnover this week was slightly lower, Tshs.825 million relative to previous week (Tshs.1,594 million), however activity level as measured by volume, improved (1,756,759 shares) compared to last week's levels (1,487,235 shares). Both indices (DSEI and TSI) edged north. The DSEI appreciated by 0.04% to close at 1,527.58 points while the TSI (+1.63%) settled at 1,607.86 points mainly driven by gains made on NMB (+3.08%), CRDB (+6.15%), TBL (+0.65%), TTP (+13.64%), TCC (+0.69) and Swissport (+2.11) during the week in comparison to last week.

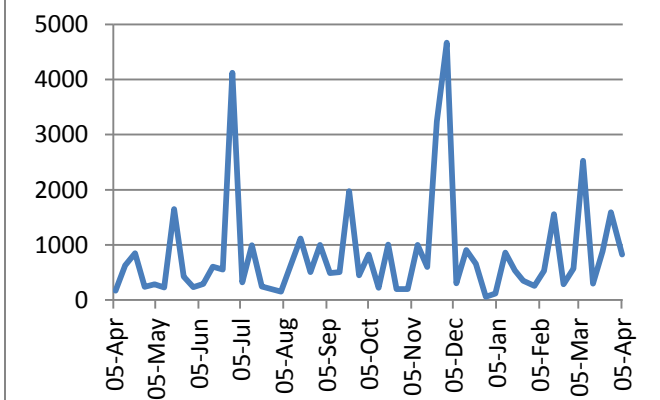
The Banking segment Index strengthened to settle at 1,396.65 points, 3.1% up from 1,342.95 points at close of week last week. The Industrial & Allied Index went up to 1,891.47 points from last week's 1,881.74 points (+0.52%). The positive performances were due to gains in most of the segments' counters.

### Market Performance



Source: DSE and TSL Analysis

### Turnover (Tshs Mn) - 2012/13



Source: DSE and TSL Analysis

## WEEKLY MARKET COMMENTARY

02<sup>nd</sup> – 05<sup>th</sup> April 2013

### Statistics – Equity

Total - Week Ending	Mar-28 2013	Apr-05 2013	% Change
<b>Market</b>			
Turnover in Million (Tshs)	1,594	825	-93.21%
Volume of Shares in '000	1,487	1,756	+18.09%
DSEI	1,521.48	1,527.58	+0.04%
TSI	1,582.07	1,607.86	+1.63%
<b>Banks, Finance, &amp; Services</b>			
BI	1,342.95	1,396.65	+3.10%
<b>Industrial and Allied</b>			
IA	1,881.74	1,891.47	+0.52%

Source: DSE

### Outlook:

We foresee enhanced foreign position on NMB and CRDB counters whose foreign investors limit still provide a room. Local investors support is anticipated in all counters depicting activity and liquidity.

We anticipate a continued upside trajectory with profit taking motives by investors keen to cash on the price surge currently witnessed buoyed by dividend announcements in some counters.

The 2-year Treasury Bond results of this week's auction witnessed further preferences in government securities by investors. Although the yield was slightly lower than the last auction, there was an oversubscription by 125% indicating high demand in the market.

We envisage seeing the same trend on the next Wednesday's Treasury Bills Auction.

The Interbank Money Market front has yields/rates continued with an upward trend, signals liquidity tightness in the market.

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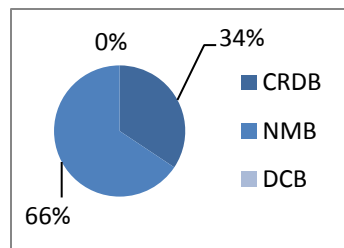


## Bank, Finance & Investment Sector (BI)

Banks accounted for 77% of the market value and 93% of the week's total volume traded.

NMB accounted for 65% of the BI market value for the week as it maintained gains from last week to end the week at Tshs. 1,340 per share. Foreign participation on the counter during the week was 38% of the total turnover.

CRDB had 1,309,227 shares traded during the week. The good performance on the counter may be explained by support from local and foreign investors. During the week, the counter held foreign support (13% of the market value this week from foreign investors).



There were no activities in the DCB counter during the week.

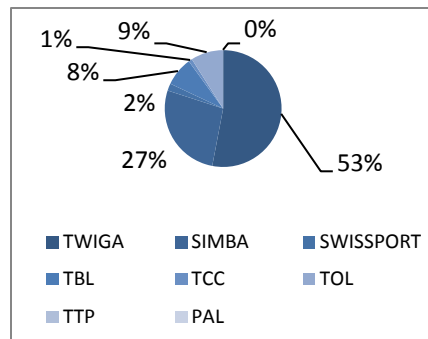
Generally, the segment was actively positive in activity level side than turnover compared to the Industrial and Allied

sector.

## Industrial and Allied Sector (IA)

TOL was the top mover with 61,950 shares traded at Tshs.260 per share. Twiga followed with 38,154 shares. The counter remained flat this week by ending at same price as last week's Tshs. 2,620 per share. The counter also generated more than half percentage (86%) of the segment's total turnover.

TBL traded 4,744 shares at Tshs.3,080 during the week. Simba counter traded 20,800 shares at Tshs. 2,400 per share.



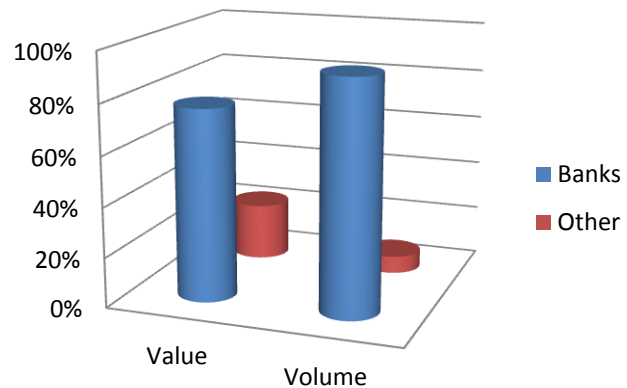
Swissport moved 2,200 shares at Tshs.1,940 per share higher than Tshs.1,900 of last week.

TCC closed the week on a very minimal volume of 469 shares.

TTP saw activities during the week whereby the counter transacted 897 shares at Tshs.500 per share, an increase by 13.64% from last week's Tshs.440.

There were no activities on PAL counter this week.

## % Share of the Market's activity



Source: DSE and TSL Analysis

## Banking Sector Share Prices (in TZS)

Counter	28.03.2013	05.04.2013	%Changes
DCB	600.00	600.00	0.00%
NMB	1,300.00	1,340.00	+3.08%
CRDB	162.50	172.50	+6.15%

Source: DSE and TSL Analysis

## IA Share Prices (in TZS):

Counter	28.03.2013	05.04.2013	% Changes
TOL	260.00	260.00	0.00%
TBL	3,060.00	3,080.00	+0.65%
TTP	440.00	500.00	+13.64%
PAL	460.00	460.00	0.00%
TCC	5,760.00	5,800.00	+0.69%
SIMBA	2,400.00	2,400.00	0.00%
TWIGA	2,620.00	2,620.00	0.00%
SWISSPORT	1,900.00	1,940.00	+2.11%

Source: DSE and TSL Analysis



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## B. Fixed Income Securities

### Primary Market

There was a two-year bond in this week's primary market that was oversubscribed by 125%. Yield lessened to 14.06% compared to 14.31% the previous auction on 6<sup>th</sup> February 2013. The auction results are as depicted below:

Highest Bid /100	90.3258
Lowest Bid /100	85.7050
Minimum Successful Price/100	88.7800
Weighted Average Price for Successful Bids	89.4415
Weighted Average Yield to Maturity	14.0584
Weighted Average Coupon Yield	8.7431
Amount Offered Tshs (000,000)	35,000
Amount Tendered Tshs (000,000)	78,825
Undersubscribed (+) / Oversubscribed (-) Tshs (000,000)	43,825
Successful Amount Tshs (000,000)	35,000

### Secondary Market

Seven year bond worth 13.415bn at Tshs.89.1026/100 and Tshs.94.2166/100 traded during the week as depicted below:

Tenor	Face Value (Tshs.)	Price/100
10.08% - Seven years	13.415 bln	89.1026 & 94.2166

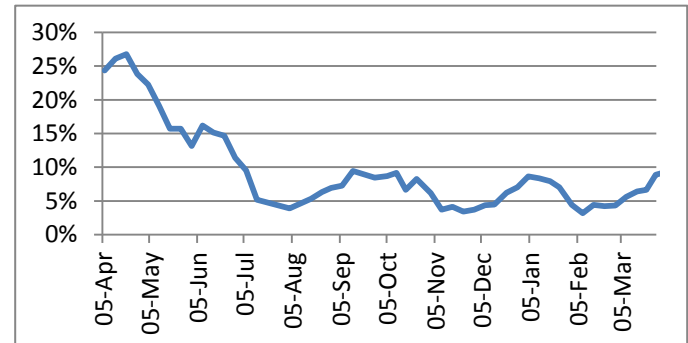
Below are bonds on offer in the secondary market:

Issue Date(M/Y)	Maturity Date(M/Y)	Face Value	Tenor	Yield (ASK) %
8/2012	8/2014	1.5bn	2 year	13.60
8/2012	8/2014	2.0bn	2 year	13.60
2/2013	2/2015	1.75bn	2 year	13.50
11/2012	11/2019	1.0bn	5 year	14.20
2/2011	2/2018	3.0bn	5 year	14.35
8/2012	8/2019	1.0bn	7 year	14.50
11/2012	11/2019	3.0bn	7 year	14.40
11/2012	11/2019	3.0bn	7 year	14.50
11/2012	11/2019	4.0bn	7 year	14.50
3/2013	3/2020	3.0bn	7 year	14.60

### Money Market

Interbank borrowing rate towards the end of this week was 9.38%, higher than the 8.86% rate at the end of the week before as depicted in the chart below:

#### Interbank Borrowing Rates (WAR)

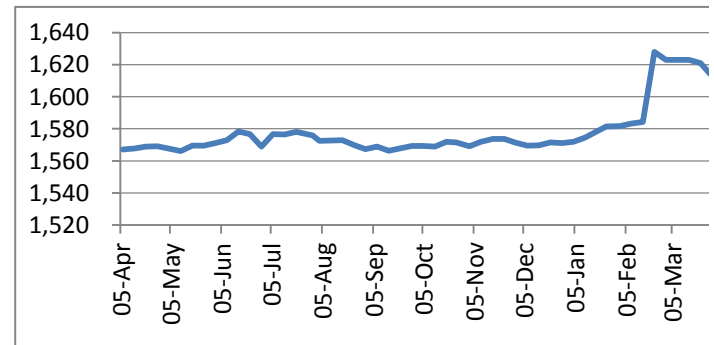


Source: BOT

## C. Foreign Exchange

This week, the shilling strengthened further against all major currencies as indicated in the chart and table below:

#### Foreign Exchange – TZS/USD



Source: BOT

#### Foreign Exchange – Four weeks trend

	15-Mar 2013	22-Mar 2013	28-Mar 2013	05-Apr 2013
<b>TZS/USD</b>	1623.00	1621.00	1,614.00	1,618.00
<b>TZS/GBP</b>	2462.78	2462.74	2,446.49	2,466.95
<b>TZS/KES</b>	19.02	18.92	18.87	19.10

**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