



Tanzania Securities Limited

Stock Brokers | Investment Advisers | Fund Managers

MEMBER OF THE DAR ES SALAAM STOCK EXCHANGE

A. Equity

Market Performance

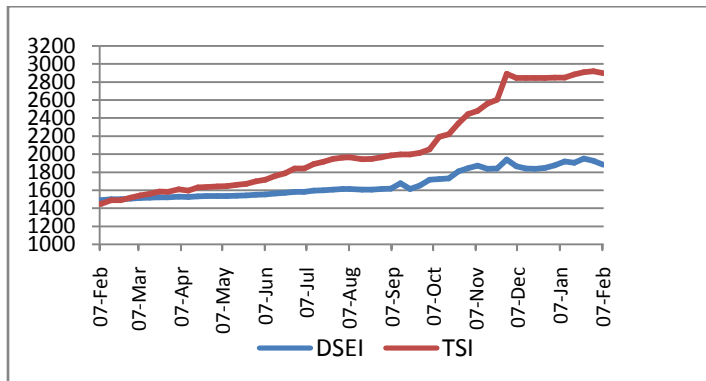
The week recorded a stronger performance than last week's. The weekly turnover was TZS 939 million, substantial improvement from the previous week's turnover of TZS 665 million. Activity levels were also up 3x with shares traded rose to 1,566,601 from last week's number of 663,926 shares.

Both indices (DSEI and TSI) edged south. The DSEI went down by 2.20% to close at 1,881.24 points while the TSI (-0.78%) settled at 2,896.76 points mainly pulled down by losses on CRDB and Twiga counters.

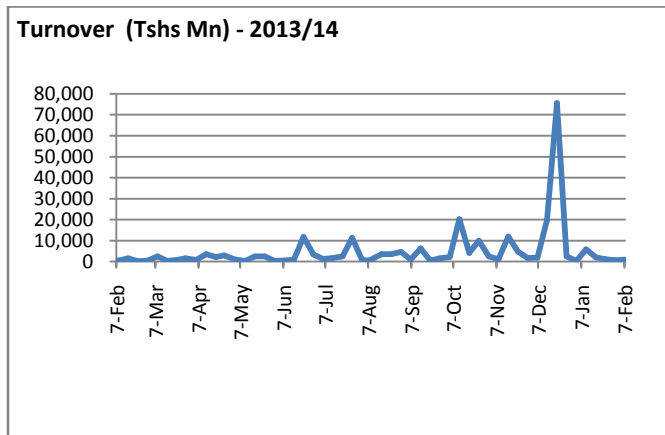
Foreign participation was on support of the CRDB and NMB counters during the week.

The Banking segment Index weakened to settle at 2,592.57 points, 2.11% down from last week's 2,648.55 points. The Industrial & Allied Index also went down to 3,456.93 points from last week's 3,461.05 points (-0.12%).

Market Performance



Source: DSE and TSL Analysis



Source: DSE and TSL Analysis

WEEKLY MARKET COMMENTARY

03rd Feb 2014 – 07th Feb 2014

Statistics – Equity

Total - Week Ending	Jan-31 2014	Feb-07 2014	% Change
Market			
Turnover in Million (TZS)	665	939	+41.2%
Volume of Shares in '000	663	1,566	+136.1%
DSEI	1,923.57	1,881.24	-2.20%
TSI	2,919.67	2,896.76	-0.78%
Banks, Finance, & Services			
BI	2,648.55	2,592.57	-2.11%
Industrial and Allied			
IA	3,461.05	3,456.93	-0.12%

Source: DSE

Outlook:

Foreign investors participation was mainly on the Banking sector this week. We foresee the same reflection in the coming week. Local investors support will continue to be on TBL, Swissport, CRDB and Simba counters.

We also expect increased demand in the market supported by speculative motives as companies expect to release their results this and next month.

This week's 5-year bond auction pointed towards a more improved liquidity conditions in the economy (and the market) as investors showed more appetite on the govt bond. WAY was lower (14.5302%) than the last 5-year auction (15.4355%). We anticipate seeing a similar reflection on the Treasury Bills auction to be conducted Wednesday next week.

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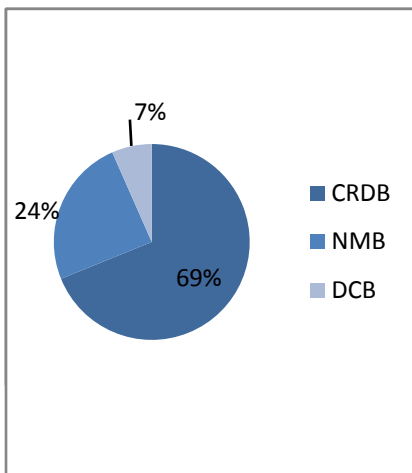
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Bank, Finance & Investment Sector (BI)

The banking segment was liquid compared to the Industrial segment. 62% of total turnover and 95% of the market activity was recorded during the week.



CRDB maintained its rally for most of the week. The counter transacted 1,420,450 shares during the week at prices of TZS 295 and TZS 300.

NMB had 56,288 shares exchanged

hands during the week at a price of TZS 2,660.

DCB counter traded 18,833 shares at TZS 490 per share

There were no activities on the MBP counter.

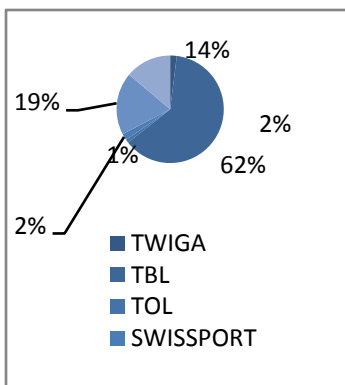
Industrial and Allied Sector (IA)

The Industrial and Allied Segment was less active compared to the Banking sector, this week.

TBL was the most active counter in the Industrial sector, this week. The counter traded 27,636 shares during the week at prices of TZS 8,000 and TZS 8,100 per share.

Simba closed the week at a price of TZS 2,420 with 19,700 shares transacted.

TOL counter followed with 11,014 shares transacted at a price of TZS 310. While 7,800 shares of TCC, were transacted at a price of TZS 8,600

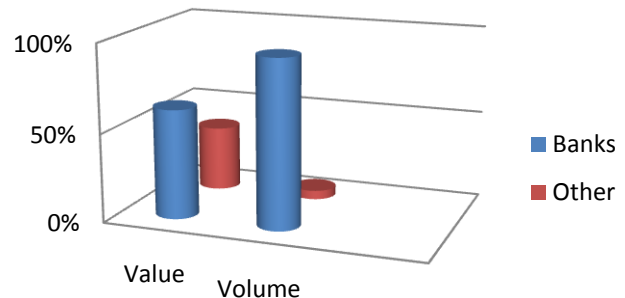


Twiga counter closed the week at a price higher than the previous week's (TZS 2,620) with 2,900 shares traded.

Swissport counter had 1,980 shares traded at TZS 2,700.

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

% Share of the Market's activity



Source: DSE and TSL Analysis

Banking Sector Share Prices (in TZS)

Counter	31.01.2014	07.02.2014	%Changes
DCB	490.00	490.00	0.00%
NMB	2,660.00	2,660.00	0.00%
CRDB	320.00	300.00	-6.67%
MBP	600.00	600.00	0.00%

Source: DSE and TSL Analysis

IA Share Prices (in TZS):

Counter	31.01.2014	07.02.2014	% Changes
TOL	310.00	310.00	0.00%
TBL	8,100.00	8,100.00	0.00%
TTP	650.00	650.00	0.00%
PAL	475.00	475.00	0.00%
TCC	8,600.00	8,600.00	0.00%
SIMBA	2,380.00	2,420.00	+1.68%
TWIGA	2,660.00	2,620.00	-1.50%
SWISSPORT	2,700.00	2,700.00	0.00%

Source: DSE and TSL Analysis



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B. Fixed Income Securities

Primary Market

There was a five-year bond in this week's primary market that was oversubscribed by 259%. WAY decreased to 14.5302% compared to 15.4355% the previous auction on 11th Dec 2013. The auction results are as depicted below:

The auction result is as depicted in the table below;

Highest Bid /100	82.1436
Lowest Bid /100	74.9000
Minimum Successful Price/100	80.3240
Weighted Average Price for Successful Bids	81.4080
Weighted Average Yield to Maturity	14.5302
Weighted Average Coupon Yield	11.2765
Amount Offered Tshs (000,000)	30,900.00
Amount Tendered Tshs (000,000)	111,052.00
Undersubscribed (+) / Oversubscribed (-) Tshs (000,000)	-80,152.00
Successful Amount Tshs (000,000)	30,900.00

Secondary Market

A, 10.08%, 7-year Treasury bond worth TZS 2.25 bln was traded at TZS 89.9050/100 this week.

Below are bonds on offer in the secondary market:

Issue Date(M/Y)	Maturity Date(M/Y)	Face Value	Tenor	Yield (ASK) %
10/2013	10/2020	1.0bn	10-year	15.00
10/2013	10/2023	3.0bn	7-year	15.00
03/2013	03/2020	3.0bn	7-year	15.20
03/2013	03/2020	1.5bn	7-year	15.20
01/2014	01/2016	1.5bn	2-year	14.50
01/2014	01/2016	1.5bn	2-year	14.50

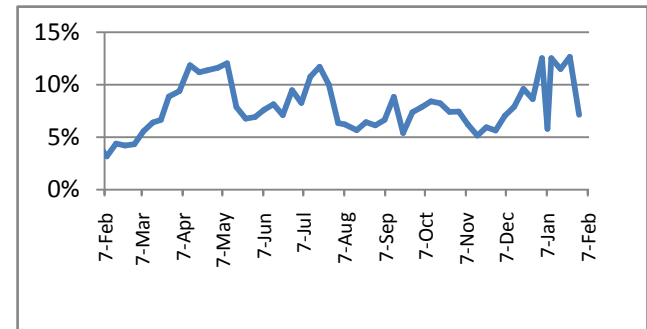
About the Weekly Update report:

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 overnight rate towards the end of this week decreased further to 5.8% compared to 8.20% recorded last week, as depicted in the chart below:

Interbank Borrowing Rates (WAR)

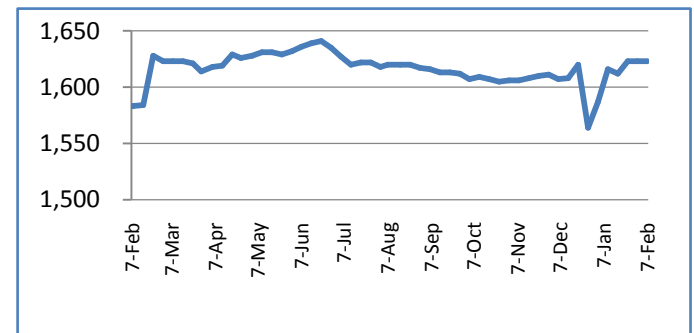


Source: BOT

C. Foreign Exchange

This week, the shilling remained stable against the USD as indicated in the chart and table below:

Foreign Exchange – TZS/USD



Source: BOT

Foreign Exchange Market – Four weeks trend

	17-Jan 2014	24-Jan 2013	31-Jan 2014	07-Feb 2014
TZS/USD	1,612.00	1,623.00	1,623.00	1,623.00
TZS/GBP	2,662.93	2,694.00	2,685.00	2,650.00
TZS/KES	18.79	18.89	18.87	18.83