



# Tanzania Securities Limited

Stock Brokers | Investment Advisers | Fund Managers

MEMBER OF THE DAR ES SALAAM STOCK EXCHANGE

## A. Equity

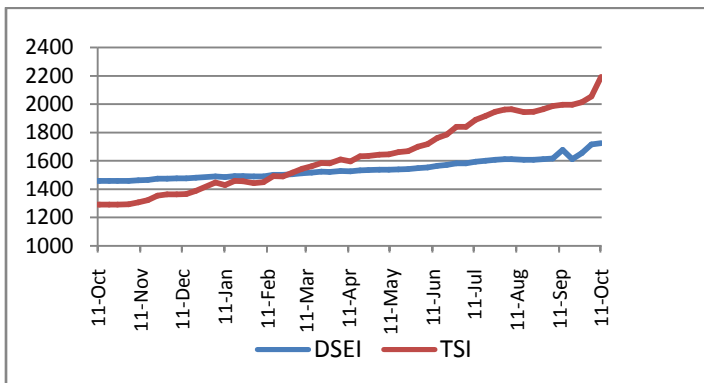
### Market Performance

Activity in the market this week was quite higher in comparison to last week's trading. Similarly, both indices (DSEI and TSI) edged north. The DSEI increased by +3.12% points to close at 1,768.43 while the TSI edged up by 6.73% to settled at 2,191.51 points, mainly pulled up by NMB, TBL, Swissport and Simba counters that gained by +12.5%, +14.28, +4.00% and +2.60% respectively.

Week-on-week turnover jumped to TZS 20,123 mln (+815.9%) from last week's TZS 2,197 mln. Activity levels slowed to 7,354,160 shares a decline of -7.05% compared to last week's performance where 7,948,939 shares exchanged hands.

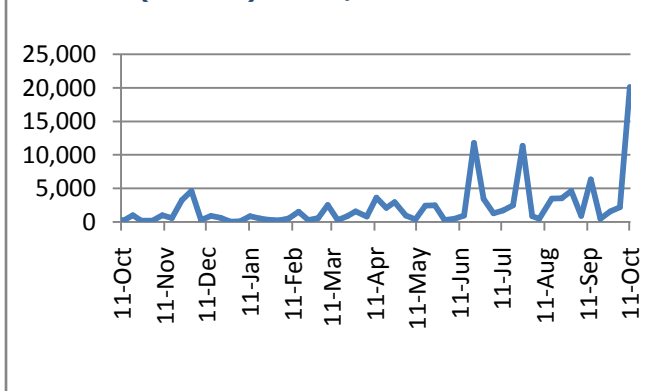
The Banking segment Index settled 2,187.14 points (+7.6%) stronger than previous week due to gains made on the NMB (+12.5%) to TZS 2,160 per share. Similarly, the Industrial & Allied Index ended the week at 2,424.13 points, +6.35% higher than last week supported by TBL, Swissport and Simba counters that gained to close the week at TZS 4,320, TZS 2,600 and TZS 2,360 respectively.

### Market Performance



Source: DSE and TSL Analysis

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



## WEEKLY MARKET COMMENTARY

07th Oct – 11th Oct 2013

### Statistics – Equity

Total - Week Ending	Oct-04 2013	Oct-11 2013	% Change
<b>Market</b>			
Turnover in Million (TZS)	2,197	20,123	+815.9%
Volume of Shares in '000	7,912	7,354	-7.05%
DSEI	1,714.91	1,768.43	+3.12%
TSI	2,053.33	2,191.51	+6.73%
<b>Banks, Finance, &amp; Services</b>			
BI	2,032.84	2,187.14	+7.6%
<b>Industrial and Allied</b>			
IA	2,279.48	2,424.13	+6.35%

Source: DSE

### Outlook:

Activities continued with an upward trend this week with activities dominating on the TBL and NMB counters. Foreign investors participation was very high this week with participation mainly on the NMB counter. Activities are expected to increase in the coming week with main dominance on the banking sector.

Increase in investors' appetite on short term government securities saw the government Treasury Bills auctioned this week achieve an oversubscription of 46 bln though yields continued with a downward trajectory.

We anticipate similar result in the next week's Treasury bond auction; albeit on the lower level because of long-term investment class context.

### Analyst:

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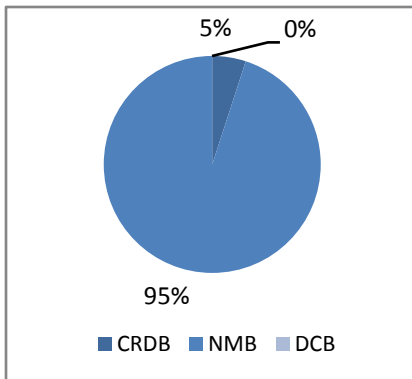
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## Bank, Finance & Investment Sector (BI)

The banking segment moved a smaller amount volume of shares and turnover during the week compared to the Industrial and Allied sector. Banks accounted for 57% of the week's total volume traded and 33% of the market value.



NMB was the most active counter during the week.

Foreign investors dominated NMB counter this week by 99%. The counter traded 2,914,141 shares at prices of TZS 1,920, TZS 1,940, TZS 1,960 and TZS 2,160 per share.

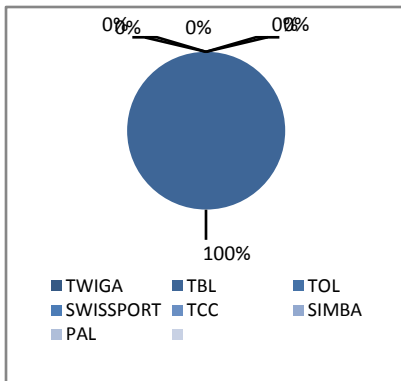
CRDB counter transacted 1,271,115 shares at a price of TZS 270.

DCB activities decreased during the week compared to the previous week by trading of 1,147 shares at a price of TZS 490 per share.

Generally, the Banking segment recorded a higher turnover and activity during the week compared to the previous week.

## Industrial and Allied Sector (IA)

Industrial & Allied segment was more liquid this week compared to the previous week. The segment moved 43% of total market's activity and 67% of the total turnover.



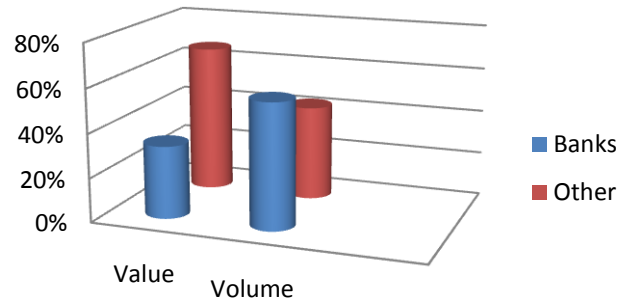
TBL was the most active counter among the Industrial and Allied sector. TBL counter traded 3,148,651 shares at prices of TZS 3,780, TZS 4,300 and TZS 4,320 per share

Simba followed with 8,008 shares being transacted at a price of TZS 2,360 per share. Swissport closed the week at TZS 2,600 per share, moving a volume of 6,446 shares.

3,752 shares of Twiga were moved at a price of TZS 2,700 while TCC moved 3,300 shares at a price of TZS 8,000. TOL counter moved 300 shares at a price of TZS 305.

There were no activities on the TATEPA and Precision counters.

## % Share of the Market's activity



Source: DSE and TSL Analysis

## Banking Sector Share Prices (in TZS)

Counter	04.10.2013	11.10.2013	%Changes
DCB	490.00	490.00	0.00%
NMB	1,920.00	2,160.00	+12.5%
CRDB	270.00	270.00	0.00%

Source: DSE and TSL Analysis

## IA Share Prices (in TZS):

Counter	04.10.2013	11.10.2013	% Changes
TOL	305.00	305.00	0.00%
TBL	3,780.00	4,320.00	+14.28%
TTP	650.00	650.00	0.00%
PAL	475.00	475.00	0.00%
TCC	8,000.00	8,000.00	0.00%
SIMBA	2,300.00	2,360.00	+2.60%
TWIGA	2,700.00	2,700.00	0.00%
SWISSPORT	2,400.00	2,600.00	+4.00%

Source: DSE and TSL Analysis



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## B. Fixed Income Securities

### Primary Market

During the week the Government through BOT auctioned Treasury Bills worth TZS 145 billion. Bids submitted amounted TZS 191 billion. However, successful bids were for TZS 58 billion. In comparison to the previous auction, yields have decreased in all maturities.

	35 Days	91 Days	182 Days	364 Days
Minimum Successful Price/100	99.55	96.65	92.29	86.24
Weighted Average Price (WAP) for successful Bid	99.55	96.68	92.78	86.45
Weighted Average Yield (WAY) % per Annum	4.71	13.76	15.61	15.71
Amount Offered TZS (000,000)	5,000	45,000	50,000	45,000
Total Tendered TZS (000,000)	4,500.00	38,527.80	63,509.20	84,779.65
Undersubscribed(+) Oversubscribed(-) TZS(000,000)	500.00	6,472.20	13,509.20	39,779.65
Successful Bids TZS(000,000)	500.00	10,693.80	2,435.00	45,000.00

### Secondary Market

Bonds worth TZS 6.15 billion exchanged hands in the secondary market during the week with prices as indicated in the table below:

Tenor	Face Value (TZS)	Price/100
10.08% 7-Year	2.2bn	77.000-80.3800
10.08% 7-Year	300 mln	70.000
9.18% 5-Year	1bn	87.2833
10.08% 7-Year	2.6572 bn	94.9914

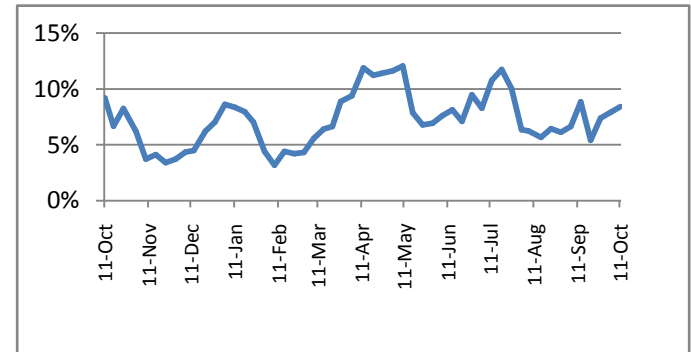
#### About the Weekly Update report:

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

Interbank borrowing rate (WAR) towards the end of this week rose to 8.40%, higher than the 7.88% recorded in the previous week as depicted in the chart below:

#### Interbank Borrowing Rates (WAR)

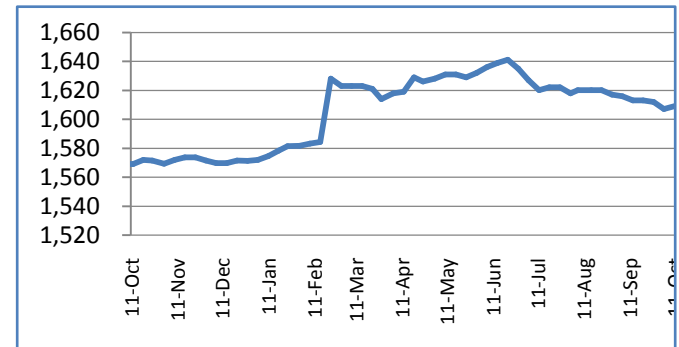


Source: BOT

## C. Foreign Exchange

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

#### Foreign Exchange – TZS/USD



Source: BOT

#### Foreign Exchange Market – Four weeks trend

	20-Sep 2013	27-Sep 2013	04-Oct 2013	11-Oct 2013
<b>TZS/USD</b>	1,613.00	1,612.00	1,607.00	1,609.00
<b>TZS/GBP</b>	2,589.72	2,590.50	2,604.81	2,571.75
<b>TZS/KES</b>	18.48	18.43	18.60	18.86