



# Tanzania Securities Limited

Stock Brokers | Investment Advisers | Fund Managers

MEMBER OF THE DAR ES SALAAM STOCK EXCHANGE

## A. Equity

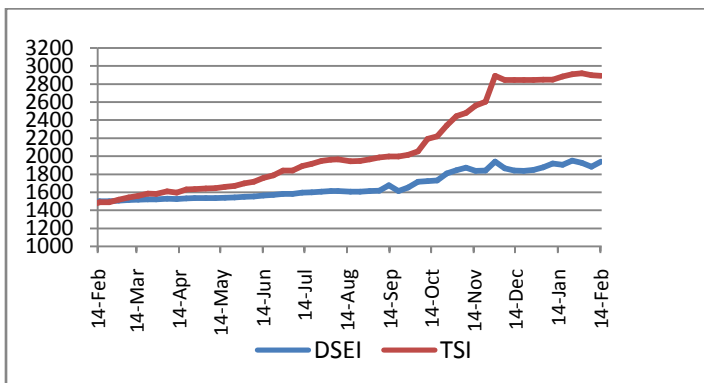
### Market Performance

Turnover this week was significantly lower, TZS 320 million relative to previous week's (TZS 939 million), similarly activity levels as measured by volume, declined (320,524 shares) compared to last week's levels (1,566,601 shares).

The DSEI appreciated by 3.04% to close at 1,938.39 points while the TSI headed south to settled at 2,891.14 points buoyed by losses made on TBL (-1.25%) and Twiga (-0.76%), during the week in comparison to last week.

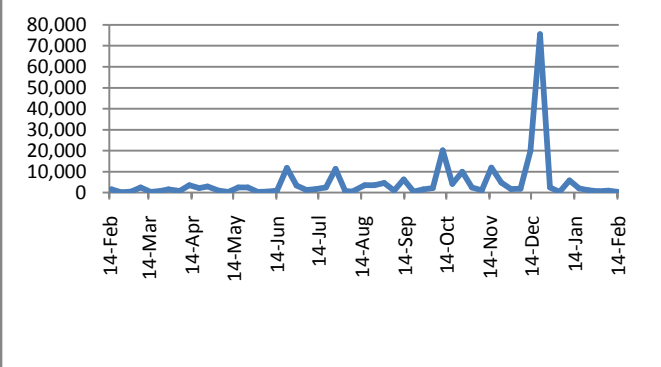
The Banking sector remained constant at 2,592.57 points. The Industrial & Allied Index weakened to 3,446.45 points from last week's 3,456.93 points (-0.12%). The negative performance was due to losses on the TBL and Twiga counters, However the Simba and TCC counters gained TZS 20 and TZS 200 respectively.

### Market Performance



Source: DSE and TSL Analysis

### Turnover (Tshs Mn) - 2013/14



Source: DSE and TSL Analysis

## WEEKLY MARKET COMMENTARY

10th Feb 2014 – 14th Feb 2014

### Statistics – Equity

Total - Week Ending	Feb-07 2014	Feb-14 2014	% Change
<b>Market</b>			
Turnover in Million (TZS)	939	320	-65.92%
Volume of Shares in '000	1,566	362	-76.88%
DSEI	1,881.24	1,938.39	+3.04%
TSI	2,896.76	2,891.14	-0.19%
<b>Banks, Finance, &amp; Services</b>			
BI	2,592.57	2,592.57	0.00%
<b>Industrial and Allied</b>			
IA	3,456.93	3,446.45	-0.12%
Source: DSE			

### Outlook:

This week, three listed banks published their financial statements for the Q4, 2013 and cumulative for the year 2013. We anticipate more support on the Banking sector especially on the NMB counter following the published results, from both local and foreign investors.

Increased liquidity in the economy saw the government Treasury Bills auctioned this week achieve an oversubscription of 125.64% 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:

**Brenda Massay**

+255 22 211 2807

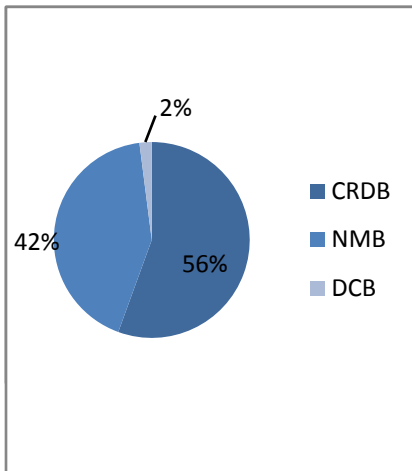
+255 688 137 580

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



## Bank, Finance & Investment Sector (BI)

The banking segment was illiquid compared to the Industrial segment. 33% of total turnover and 76% of the market activity was recorded during the week.



CRDB maintained its rally for most of the week. The counter transacted 217,298 shares during the week at a price of TZS 300

NMB had 18,771 shares exchanged hands during the

week at a price of TZS 2,660.

DCB counter traded 7,342 shares at prices of TZS 450 and TZS 490 per share

There were no activities on the MBP counter.

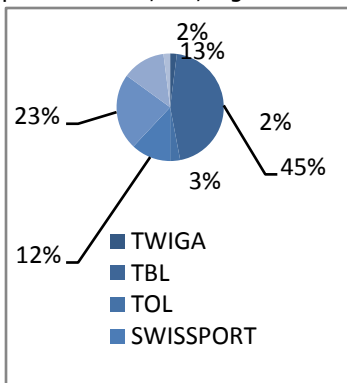
## Industrial and Allied Sector (IA)

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

TOL was the most active counter in the Industrial sector, this week. The counter traded 25,500 shares during the week at a price of TZS 310 per share.

TBL closed the week at a price lower than the previous week's (TZS 8,000) with 13,857 shares transacted.

Simba counter followed with 13,205 shares transacted at a price of TZS 2,440, higher than the previous week's.



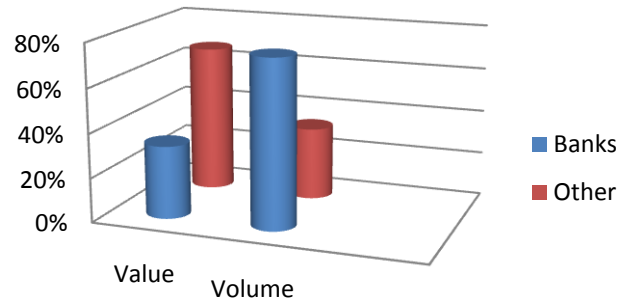
Swissport counter traded 10,778 shares at a price of TZS 2,700

TCC counter had 6,530 shares traded at TZS 8,800. While TTP counter traded 5,730 shares at TZS 650

Twiga traded 1,513 shares closing the week at a price of TZS 2,600, lower than the previous week's

There were no activities the PAL counter during the week.

## % Share of the Market's activity



Source: DSE and TSL Analysis

## Banking Sector Share Prices (in TZS)

Counter	07.02.2014	14.02.2014	%Changes
DCB	490.00	490.00	0.00%
NMB	2,660.00	2,660.00	0.00%
CRDB	300.00	300.00	0.00%
MBP	600.00	600.00	0.00%

Source: DSE and TSL Analysis

## IA Share Prices (in TZS):

Counter	07.02.2014	14.02.2014	% Changes
TOL	310.00	310.00	0.00%
TBL	8,100.00	8,000.00	-1.25%
TTP	650.00	650.00	0.00%
PAL	475.00	475.00	0.00%
TCC	8,600.00	8,800.00	+2.33%
SIMBA	2,420.00	2,440.00	+0.83%
TWIGA	2,620.00	2,600.00	-0.76%
SWISSPORT	2,700.00	2,700.00	0.00%

Source: DSE and TSL Analysis



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## B. Fixed Income Securities

### Primary Market

This week the Government through BOT auctioned Treasury bills worth TZS 135 billion. The auction results show an oversubscription by TZS 169.23 billion. Yields for the 91-days, 182-days and 364-days eased down. There were no bids on the 35-day tenor.

The auction result is as depicted in the table below;

	35 Days	91 Days	182 Days	364 Days
Minimum Successful Price/100	0.00	96.65	93.26	86.99
Weighted Average Price (WAP) for successful Bid	0.00	96.70	93.60	87.83
Weighted Average Yield (WAY) % per Annum	0.00	13.67	13.72	13.90
Amount Offered TZS (000,000)	5,000	30,000	45,000	55,000
Total Tendered TZS (000,000)	0.00	39,754.50	96,625.43	168,236.20
Undersubscribed(+) Oversubscribed(-) TZS(000,000)	0.00	9,754.50	51,625.43	113,236.20
Successful Bids TZS(000,000)	0.00	10,145.00	70,935.63	160,354.40

### Secondary Market

Bonds worth TZS 7.8 billion exchanged hands during the week in the secondary market as depicted below:

Tenor	Face Value (Tshs.)	Price/100
10.08% Seven-Year	0.5bn	76.3060
10.08% Seven-Year	1.3bn	84.3900
11.44% Ten-Year	6.0bn	81.9030-85.1340

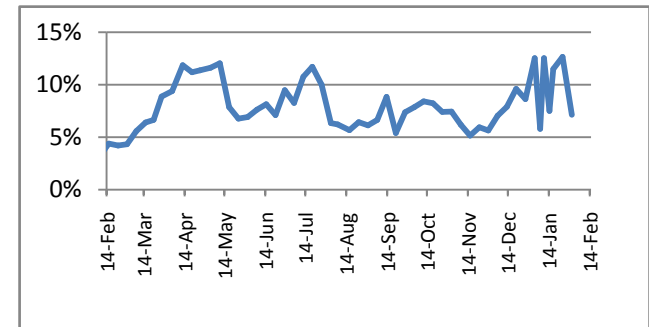
#### About the Weekly Update report:

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 rose to 7.5% compared to 5.8% recorded last week, as depicted in the chart below:

### Interbank Borrowing Rates (WAR)

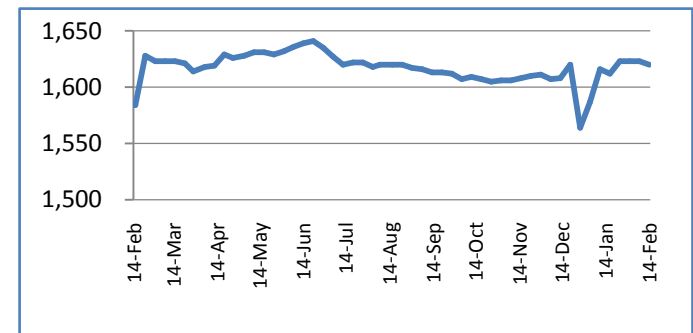


Source: BOT

## 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

	24-Jan 2014	31-Jan 2013	07-Feb 2014	14-Feb 2014
TZS/USD	1,623.00	1,623.00	1,623.00	1,620.00
TZS/GBP	2,694.00	2,685.00	2,650.00	2,698.50
TZS/KES	18.89	18.87	18.83	18.80