



# Tanzania Securities Limited

Stock Brokers | Investment Advisers | Fund Managers

MEMBER OF THE DAR ES SALAAM STOCK EXCHANGE

## A. Equity

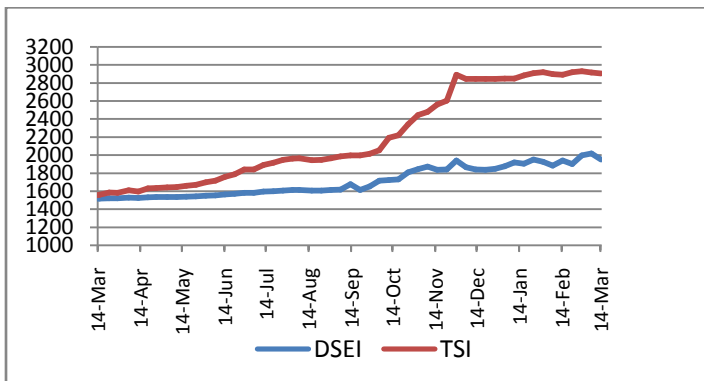
### Market Performance

Week-on-week turnover dropped to TZS 4,215million (-4.44%) from TZS 4,411million. Activity levels also shrunk on local and foreign participation with shares traded plummeting to 8,565,632 shares (-10.09%) from 9,527,956 shares transacted in the previous week. 87% of week's turnover was attributed to the foreign investors.

Both indices closed in red. The DSEI closed 3.45% lower at 1,949.19 points while the TSI ended the week at 2,904.08 points (-0.32%) pulled down by losses made on NMB (-1.48%) CRDB (-1.56%) to close the week at TZS 2,660 and TZS 315 per share respectively.

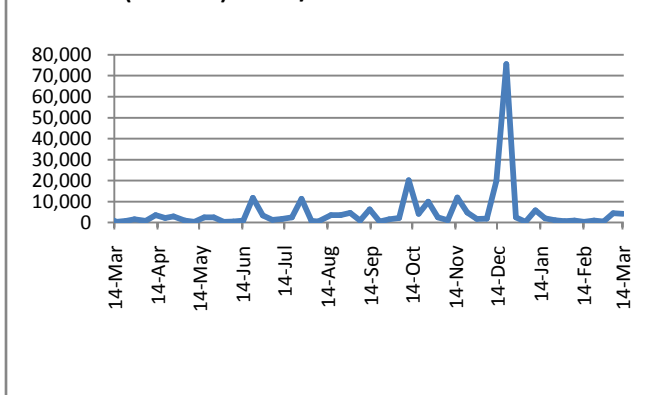
The Banking segment Index settled 2,634.56 points (-1.48%) weaker than previous week due to losses made on the NMB counter (-1.48%) and CRDB (-1.56%). The Industrial & Allied Index gained 0.29% to end the week at 3,441.62 points buoyed by TCC and Simba counters that closed the week at TZS 8,900 and TZS 2,480 respectively.

### Market Performance



Source: DSE and TSL Analysis

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



Source: DSE and TSL Analysis

## WEEKLY MARKET COMMENTARY

10th March 2014 – 14th March 2014

### Statistics – Equity

Total - Week Ending	Mar-07 2014	Mar-14 2014	% Change
<b>Market</b>			
Turnover in Million (TZS)	4,411	4,215	-4.44%
Volume of Shares in '000	9,527	8,565	-10.09%
DSEI	2,018.97	1,949.19	-3.45%
TSI	2,913.40	2,904.08	-0.32%
<b>Banks, Finance, &amp; Services</b>			
BI	2,674.27	2,634.56	-1.48%
<b>Industrial and Allied</b>			
IA	3,431.62	3,441.62	+0.29%

Source: DSE

### Outlook:

This week TCC - Tanzania Cigarette Company released its audited financial for the FY 2013 indicating a 9% drop in net profit to TZS 78,058 million. However the company maintained its dividend per share by announcing a final dividend of TZS 200, and a special dividend of TZS 250 per share. The amounts when added to the interim dividend of TZS 300 that was paid in October 2013 makes a total dividend of TZS 750 per share for the FY 2013.

Looking ahead, we expect the market to maintain medium-to-high activity levels backed by the favourable liquidity level in the economy as well as the dividend announcements. We may also see some positive price movement on some counters owing to dividend announcements and on-going speculative buys.

Despite the falling WAY, investors' appetite on government securities seem to maintain its pace as depicted by this week's Treasury bills auction which was subscribed to 112.9%.

We anticipate a similar reaction in the next week's Treasury Bond's auction.

### Analyst:

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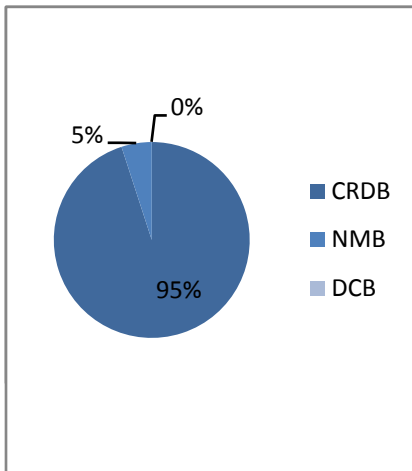
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## Bank, Finance & Investment Sector (BI)

This week the Banking segment was illiquid compared to the previous week. The segment contributed 69% of the total turnover and 97% of the market activity recorded during the week.



CRDB counter was the most active on the banking segment as it traded 8,274,579 shares at prices of TZS 320 and closing the week at TZS 315.

NMB had 48,899 shares that exchanged hands during the week at prices of TZS 2,720 TZS 2,700 TZS 2,680 and closed the week at TZS 2,660.

DCB counter was more active than the previous week as it traded 12,997 shares at a price of TZS 490 per share.

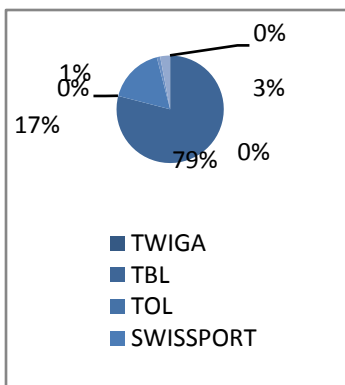
There were no activities on the MBP counter during the week.

## Industrial and Allied Sector (IA)

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

TBL maintained its lead in the Industrial sector, this week. The counter traded 126,747 shares during the week at a price of TZS 8,000 per share.

TOL followed with 49,500 shares transacted at a price of TZS 310.



Swissport counter had 83,452 shares transacted at a price of TZS 2,700.

Simba counter traded 16,610 shares at a price of TZS 2,480.

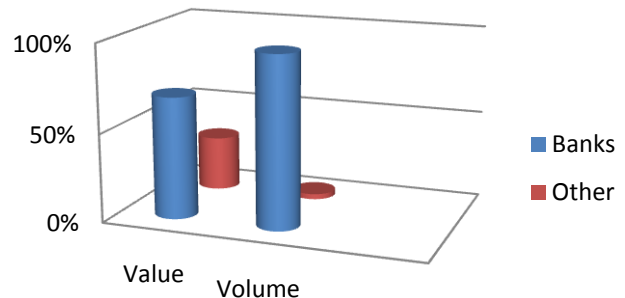
Twiga counter transacted 1,179 shares at a price of TZS 2,500.

TCC counter closed the week higher at TZS 8,900

with 769 shares traded.

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

## % Share of the Market's activity



Source: DSE and TSL Analysis

## Banking Sector Share Prices (in TZS)

Counter	07.03.2014	14.03.2014	%Changes
DCB	490.00	490.00	0.00%
NMB	2,700.00	2,660.00	-1.48%
CRDB	320.00	315.00	-1.56%
MBP	600.00	600.00	0.00%

Source: DSE and TSL Analysis

## IA Share Prices (in TZS):

Counter	07.03.2014	14.03.2014	% Changes
TOL	310.00	310.00	0.00%
TBL	8,000.00	8,000.00	0.00%
TTP	650.00	650.00	0.00%
PAL	475.00	475.00	0.00%
TCC	8,800.00	8,900.00	+1.14%
SIMBA	2,460.00	2,480.00	+0.81%
TWIGA	2,500.00	2,500.00	0.00%
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 of 112.91%. 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	96.88	93.69	88.00
Weighted Average Price (WAP) for successful Bid	0.00	96.92	93.80	88.16
Weighted Average Yield (WAY) % per Annum	0.00	12.76	13.26	13.46
Amount Offered TZS (000,000)	5,000	30,000	45,000	55,000
Total Tendered TZS (000,000)	0.00	111,243	78,190.1	98,008.18
Undersubscribed(+) Oversubscribed(-) TZS(000,000)	0.00	-81.243	-33.190.1	-43,008.1
Successful Bids TZS(000,000)	0.00	30,000	45,000.01	55,000.01

### Secondary Market

Bonds worth TZS 12.86 billion exchanged hands during the week in the secondary market as depicted below:

Tenor	Face Value (Tshs.)	Price/100
10.08% Seven-Year	4.83bln	85.0060
10.08% Seven-Year	4.83bln	89.6330
10.08% Seven-Year	3.20bln	83.1600

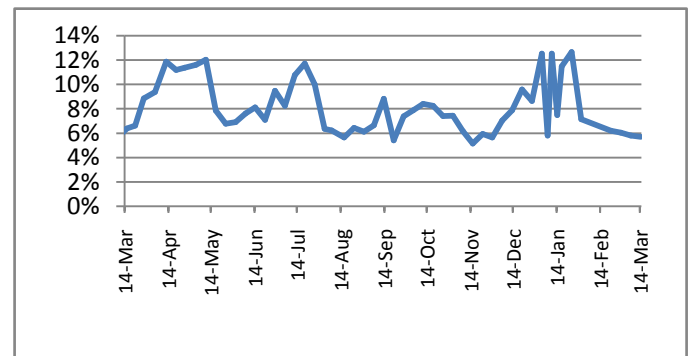
#### About the Weekly Update report:

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 fell further to 5.70% compared to 5.80% recorded last week, as depicted in the chart below:

### Interbank Borrowing Rates (WAR)

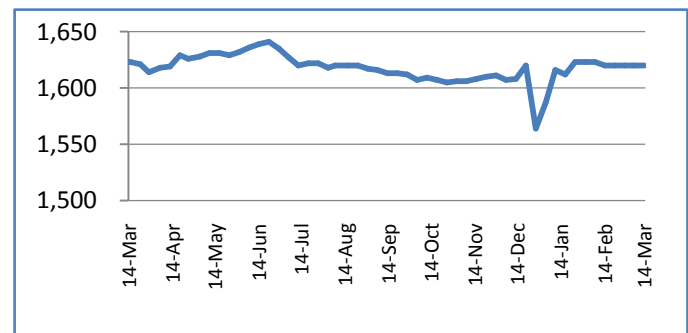


Source: BOT

## 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

	21-Feb 2014	28-Feb 2013	07-Mar 2014	14-Mar 2014
TZS/USD	1,620.00	1,620.00	1,620.00	1,620.00
TZS/GBP	2,707.50	2,707.50	2,713.50	2,711.00
TZS/KES	18.90	18.80	18.50	18.80