



Tanzania Securities Limited

Stock Brokers | Investment Advisers | Fund Managers

MEMBER OF THE DAR ES SALAAM STOCK EXCHANGE

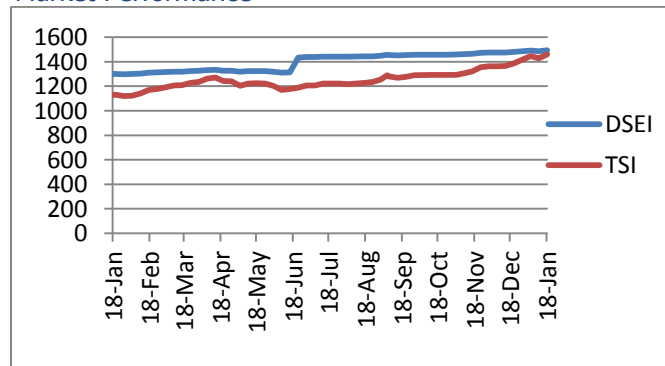
A. Equity

Market Performance

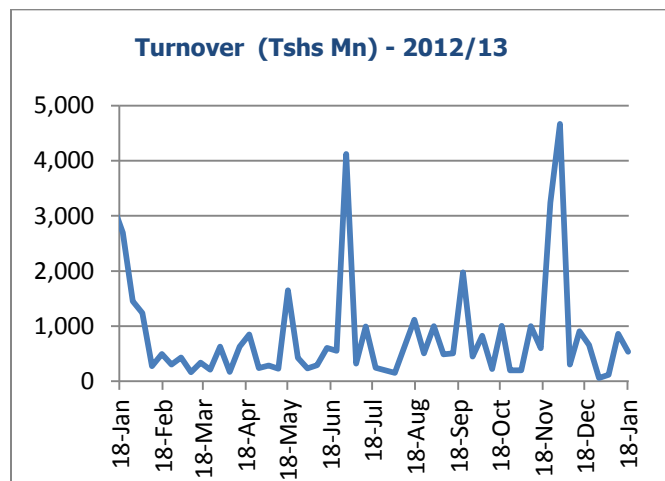
The week recorded a weaker performance in turnover than last week's. The weekly turnover was Tshs.538 million, a decline from the previous week's turnover of Tshs.860 billion. However, activity levels increased by 75% to 2,047,679 shares, from last week's number of 1,170,110 shares. Indices edged further up towards the end of the week. The DSEI ended the week at 1,492.17 as the TSI settled at 1,458.11, supported by gains in TBL and NMB counters. During the week, foreign investors accounted 56% of the week's turnover.

Banking segment Index strengthen (+0.47%) to close the week at 1,232.47 points on the backdrop of a gain posted on the NMB counter(+1.79%). Similarly, the Industrial & Allied Index increased from last week's, supported by TBL(+7.14%). The segment closed at 1,732.73 (+3.11%). However, CRDB counter lost Tshs.2.50 (-1.47%) to end the week at Tshs.167.50.

Market Performance



Source: DSE and TSL Analysis



Source: DSE and TSL Analysis

WEEKLY MARKET COMMENTARY

14th – 18th January 2013

Statistics - Equity

Total - Week Ending	Jan-11 2013	Jan-18 2013	% Change
Market			
Turnover in Million (Tshs)	860	538	-37.44%
Volume of Shares in '000	1,170	2,047	+74.96%
DSEI	1,485.02	1,492.17	+0.48%
TSI	1,427.86	1,458.11	+2.12%
Banks, Finance, & Services			
BI	1,226.61	1,232.47	+0.47%
Industrial and Allied			
IA	1,680.41	1,732.73	+3.11%

Source: DSE

Outlook:

We expect the market to maintain a low to medium activity levels in the coming week. There are signs of a continual improvement of liquidity levels in the market. We, therefore anticipate investors to continue coming in the market as the year rolls-on. We envisage a sustained foreign investors' demand on the banking counters, especially NMB and CRDB.

This week, there was a Treasury Bills Auction that was oversubscribed by 41%. The government (through BoT) intended to raise Tshs.125 billion. However, subscriptions received were for Tshs.177.5 billion preference being on short term maturities. Yield slightly increased on all maturities.

Next week, there will be a 10-year bond auction, we do not anticipate the same interest as experienced in short term government securities.

Analyst

Moremi Marwa

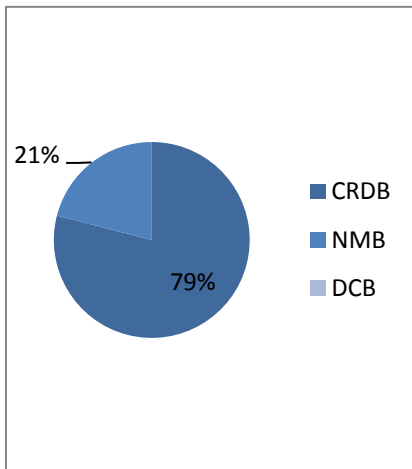
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Bank, Finance & Investment Sector (BI)



Banks accounted for 76% of the market value and 98% of the week's total volume traded.

CRDB accounted for 79% of the BI market value for the week; however the counter did not maintain its gain

from last week, thus ended the week at Tshs.167.50 per share. The counter held both local and foreign support (93% of its market value this week was from foreign investors).

NMB continued with the positivity momentum in price. During the week, the counter gained by 1.79% to close the week at Tshs.1,140.

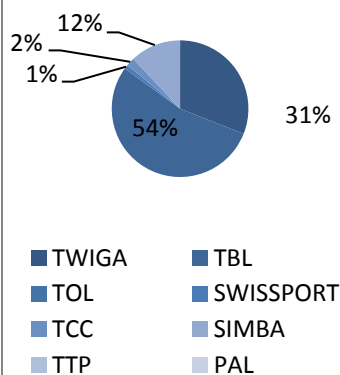
DCB counter was inactive throughout the week. This week DCB announced extension of its rights issue exercise until 25th January 2013.

Industrial and Allied Sector (IA)

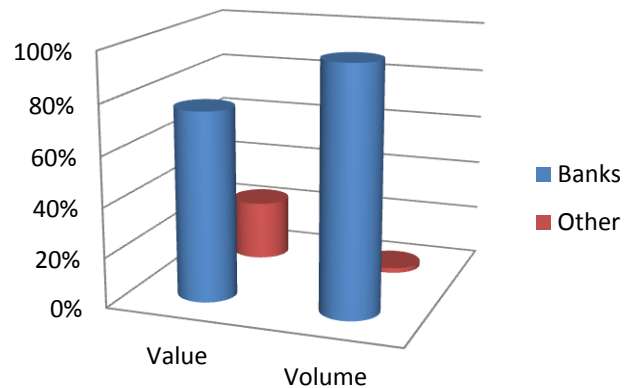
TBL counter was the lead this week on the Industrial and Allied segment. The counter generated a turnover of Tshs.72mn from 24,038 shares that exchanged hands during the week at Tshs.3,000 per share, higher than last week.

Twiga counter transacted 16,159 shares with its price remaining flat. Simba traded 6,541 shares at Tshs.2,400 per share. Swissport counter saw some minimal activity during the week, 660 shares transacted with its price closing the week at Tshs.1,720 per share. TCC had 500 shares transacted at Tshs.4,300. Other counters traded during the week were,

TTP and TOL traded 900 and 200 shares respectively, with flat prices.



% Share of the Market's activity



Source: DSE and TSL Analysis

Banking Sector Share Prices (in TZS)

Counter	11.01.2013	18.01.2013	%Changes
DCB	620.00	620.00	0.00%
NMB	1,120.00	1,140.00	+1.79%
CRDB	170.00	167.50	-1.47%

Source: DSE and TSL Analysis

IA Share Prices (in TZS):

Counter	11.01.2013	18.01.2013	% Changes
TOL	260.00	260.00	0.00%
TBL	2,800.00	3,000.00	+7.14%
TTP	400.00	400.00	0.00%
PAL	460.00	460.00	0.00%
TCC	4,300.00	4,300.00	0.00%
SIMBA	2,400.00	2,400.00	0.00%
TWIGA	2,600.00	2,600.00	0.00%
SWISSPORT	1,720.00	1,720.00	0.00%

Source: DSE and TSL Analysis



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B. Fixed Income Securities

Primary Market

There was no primary market bonds activity during the week.

Secondary Market

Tenor	Face Value (Tshs.)	Price/100
Three-Year Bond	TBL 0.75bn	100.0000

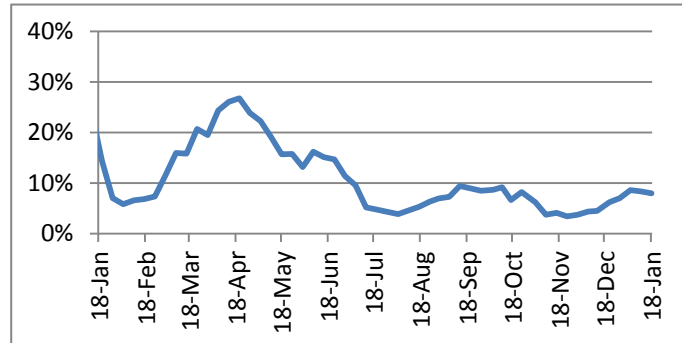
Money Market

This week the Government through BOT auctioned Treasury bills worth Tshs.125 billion. Bids submitted amounted Tshs.177.5 billion. However, successful bids were for Tshs.143.9 billion. Yields increased in all maturities in comparison to the previous auction.

	35 Days	91 Days	182 Days	364 Days
Minimum Successful Price/100	99.33	97.06	93.08	86.05
Weighted Average Price (WAP) for successful Bid	99.33	97.10	93.48	87.40
Weighted Average Yield (WAY) % per Annum	7.03	11.98	14.00	14.46
Amount Offered TZS (000,000)	5,000	35,000	40,000	45,000
Total Tendered TZS (000,000)	155.00	25,161	45,897	106,309
Undersubscribed(+) Oversubscribed(-) TZS(000,000)	4,845	9,838	5,897	61,308
Successful Bids TZS(000,000)	5.00	2,230	35,324	106,309

Interbank borrowing witnessed a downward trend. The overnight rate towards the end of this week was 7.95% lower than the 8.35% rate at the end of the previous week.

Interbank Borrowing Rates (WAR)

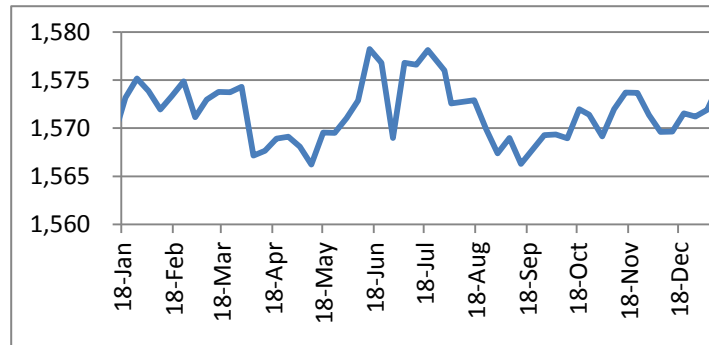


Source: BOT

C. Foreign Exchange

In comparison to previous week, the shilling lost ground against the USD, KES and UGX while gained against the GBP as indicated in the chart and table below.

Foreign Exchange – TZS/USD



Source: BOT

Foreign Exchange – Four weeks trend

	28-Dec 2012	04-Dec 2012	11-Jan 2013	18-Jan 2013
TZS/USD	1,571.21	1,571.90	1,574.51	1,578.35
TZS/GBP	2,532.48	2,526.99	2,542.75	2,522.91
TZS/KES	18.27	18.18	18.15	18.16
TZS/UGX	0.59	0.58	0.58	0.59

Source: BOT & DSE

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