



Tanzania Securities Limited

Stock Brokers | Investment Advisers | Fund Managers

MEMBER OF THE DAR ES SALAAM STOCK EXCHANGE

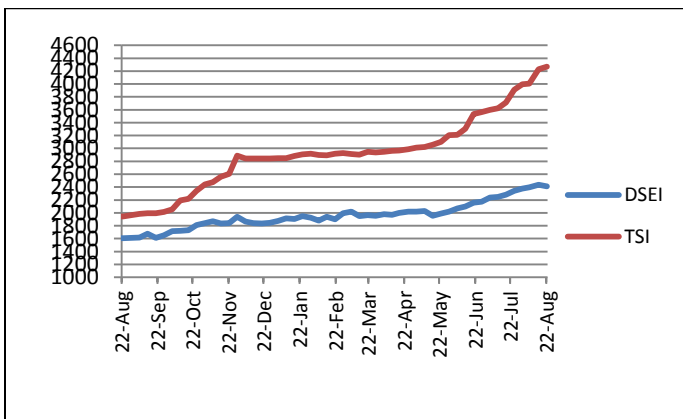
A. Equity

Market Performance

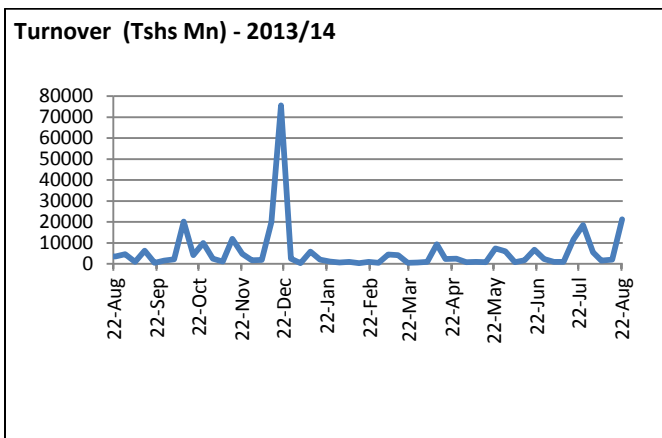
The market remained buoyant to close the week high. The TSI rebounded from last week's to close at 4,270.69 points (+0.97%) supported by gains on NMB, TCC, Simba, Twiga and Swissport counters. The DSEI was down to close the week at 2,411.48 points (-0.97%). Despite a slow start on both the activity and turnover, the market progressively made significant gains on improved participation due to Pre-arranged trades of CRDB, TCC and TBL whereby 86% of the total shares traded on the board. Turnover stood at Tshs. 21,246 million (+936.9%). Activity level significantly increased to 29,768,393 shares from 2,198,991 of the past week.

The Banking segment Index settled stronger than previous week due to the gain in NMB's price from TZS 4,100 recorded at the end of last week to TZS 4,160 this week. The Industrial & Allied Index settled to 5,311.58 points (+0.89%) buoyed by price changes on the TCC, Simba, Twiga and Swisport counters.

Market Performance



Source: DSE and TSL Analysis



Source: DSE and TSL Analysis

WEEKLY MARKET COMMENTARY

18th Aug 2014 – 22nd Aug 2014

Statistics – Equity

Total - Week Ending	Aug-15 2014	Aug-22 2014	% Change
Market			
Turnover in Million (TZS)	2,049	21,246	+936.9%
Volume of Shares in '000	2,198	29,768	+1254.3%
DSEI	2,434.98	2,411.48	-0.97%
TSI	4,229.42	4,270.69	+0.97%
Banks, Finance & Services			
BI	3,574.37	3,612.95	+1.07%
Industrial and Allied			
IA	5,264.47	5,311.58	+0.89%

Source: DSE

Outlook:

Looking forward, we expect the market to maintain a low to medium activity levels. We envisage a sustained support on the banking counters, especially NMB and CRDB.

We also expect local investors to be active on the Industrial segment especially on TBL, TCC and Cement counters. However the activity level will be limited by the supply side.

This week's Treasury bond auction was highly oversubscribed indicating investors' appetite on the medium term paper. We anticipate seeing similar reflection in the next week's Treasury Bills auction due to the improved liquidity in the market.

Analyst:

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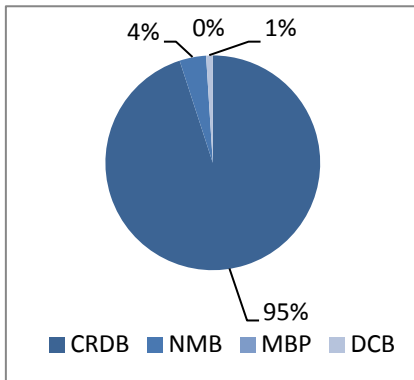
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Bank, Finance & Investment Sector (BI)

This week the Banking segment was more active than the Industrial and Allied segment and it was liquid compared to the previous week. The segment contributed 45% of the total turnover and 96% of the market activity recorded during the week.



CRDB counter maintained its lead on the banking segment as it traded 28,385,165

shares at prices of TZS 320.

NMB had 106,387 shares that exchanged hands during the week, while DCB counter traded 136,733 shares at a price of TZS 490 per share.

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

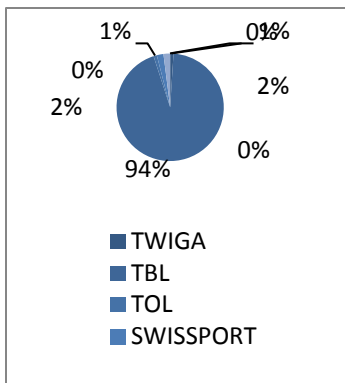
Industrial and Allied Sector (IA)

The Industrial and Allied Segment posted a higher turnover and volume compared to the previous week.

TCC was the most active counter in the Industrial sector, this week. The counter traded 708,820 shares and close the week at prices of TZS 13,120 per share.

TOL followed with 205,080 shares transacted at a price of TZS 480.

TBL counter had 153,288 shares transacted at a price range of TZS 13,100 and 13,430.



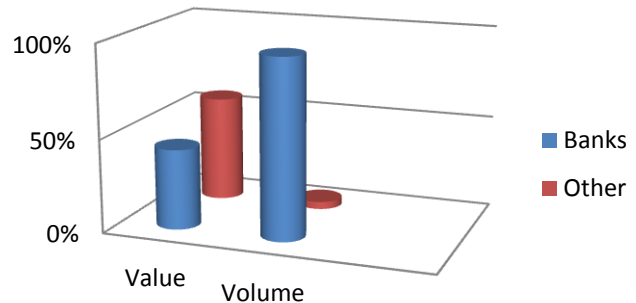
Twiga counter traded 45,392 shares at a price range of TZS 2,700 and 2,820 per share.

Simba counter had 19,197 shares traded at a price range of TZS 2,720 and 3,100 per share.

Swissport traded 8,331 shares at a prices of TZS 2,720 and TZS 2,800

There were no activities on the PAL, SWALA and TTP counters during the week.

% Share of the Market's activity



Source: DSE and TSL Analysis

Banking Sector Share Prices (in TZS)

Counter	15.08.2014	22.08.2014	%Changes
DCB	490.00	490.00	0.00%
NMB	4,100.00	4,160.00	+1.46%
CRDB	320.00	320.00	0.00%
MBP	600.00	600.00	0.00%

Source: DSE and TSL Analysis

IA Share Prices (in TZS)

Counter	15.08.2014	22.08.2014	% Changes
TOL	480.00	480.00	0.00%
TBL	13,500.00	13,380.00	-0.89%
TTP	650.00	650.00	0.00%
PAL	475.00	475.00	0.00%
TCC	13,100.00	13,120.00	+0.15%
SIMBA	2,700.00	2,900.00	+7.41%
TWIGA	2,410.00	2,820.00	+17.01%
SWISSPORT	2,700.00	2,800.00	+3.70%
SWALA	650.00	650.00	0.00%

Source: DSE and TSL Analysis



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B. Fixed Income Securities

Primary Market

There was a two-year bond in this week's primary market that was oversubscribed by 57%. WAY increased to 14.12% compared to 13.83% the previous auction on 11th June 2014. The auction results are as depicted below:

The auction result is as depicted in the table below;

Highest Bid /100	90.3258
Lowest Bid /100	87.1061
Minimum Successful Price/100	88.7814
Weighted Average Price for Successful Bids	89.3463
Weighted Average Yield to Maturity	14.1190
Weighted Average Coupon Yield	8.7525
Amount Offered Tshs (000,000)	55,000.00
Amount Tendered Tshs (000,000)	128,300.00
Undersubscribed (+) / Oversubscribed (-) Tshs (000,000)	-73,300.00
Successful Amount Tshs (000,000)	55,000.00

Secondary Market

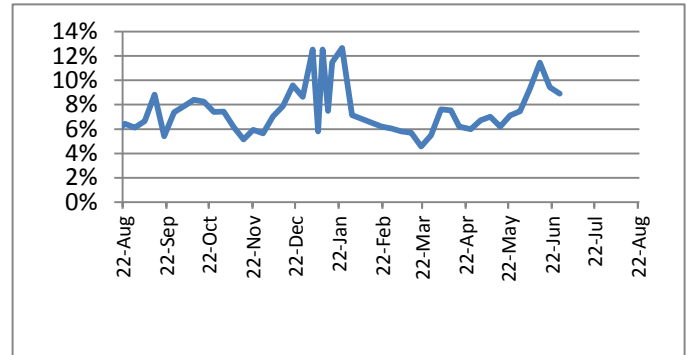
Bonds worth TZS 4.0 billion exchanged hands in the secondary market during the week with prices as indicated in the table below:

Tenor	Face Value (TZS)	Price/100
13.50% 15-Year	1.0bn	79.2430
11.44% 10-Year	3.0bn	78.6654

Money Market

The Interbank rate towards the end of the week decreased further to 6.90%, from 12.45% recorded in the previous week as shown in the chart below:

Interbank Borrowing Rates (WAR)

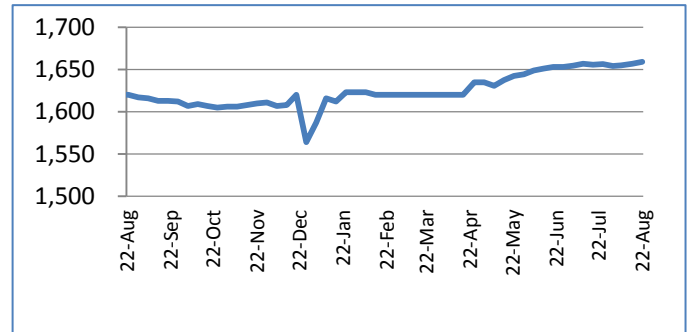


Source: BOT

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

	01-Aug 2014	07-Aug 2014	15-Aug 2014	22-Aug 2014
TZS/USD	1,654.29	1,655.06	1,656.71	1,659.14
TZS/GBP	2,789.96	2,786.86	2,765.79	2,752.26
TZS/KES	18.83	18.84	18.82	17.14

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.