



Tanzania Securities Limited

Stock Brokers | Investment Advisers | Fund Managers

MEMBER OF THE DAR ES SALAAM STOCK EXCHANGE

A. Equity

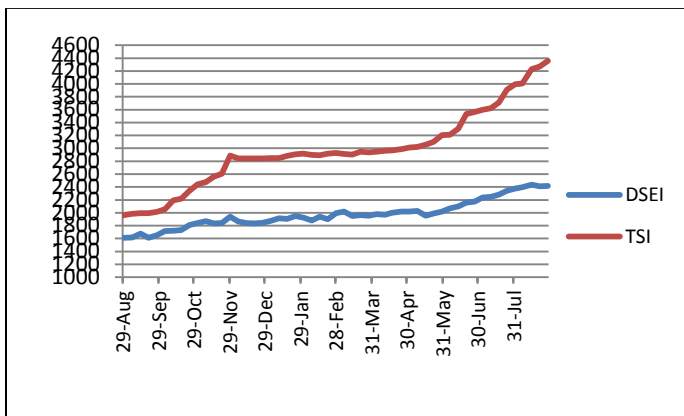
Market Performance

Activity in the market this week was relatively lower in comparison to last week's trading despite the huge turnover recorded. Week-on-week turnover jumped to TZS 54,229 mn (+155.24%) from last week's TZS 21,246 mn. Activity levels slowed to 5,149,737 shares, a sharp decline (-82.70%) compared to last week's performance where 29,768,393 shares exchanged hands.

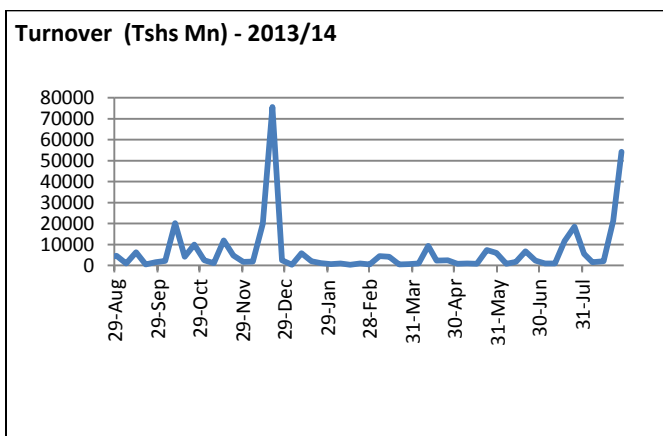
Both indices (DSEI and TSI) edged north. The DSEI appreciated by 0.25% points to close at 2,417.52 while the TSI (+2.08%) settled at 4,359.42 points, mainly driven by gains on TBL, TCC, Twiga and Simba, Swissport and Swissport counters that gained to close at TZS 13,710; TZS 13,210; TZS 3,200; TZS 3,050 and TZS 2,880 per share respectively.

Banking sector Index weakened (-0.20%) to close the week at 3,605.65 points due to the loss on NMB. The Industrial & Allied Index increased, buoyed by gains on TCC, TBL, Twiga, Swissport and Simba counters.

Market Performance



Source: DSE and TSL Analysis



Source: DSE and TSL Analysis

WEEKLY MARKET COMMENTARY

25th Aug 2014 – 29th Aug 2014

Statistics – Equity

Total - Week Ending	Aug-22 2014	Aug-29 2014	% Change
Market			
Turnover in Million (TZS)	21,246	54,229	+155.24%
Volume of Shares in '000	29,768	5,149	-82.70%
DSEI	2,411.48	2,417.52	+0.25%
TSI	4,270.69	4,359.42	+2.08%
Banks, Finance & Services			
BI	3,612.95	3,605.65	-0.20%
Industrial and Allied			
IA	5,311.58	5,475.01	+3.08%

Source: DSE

Outlook:

Despite the drop in market activities during the week, turnover went up, supported mainly by TBL and TCC counters which attracted both local and East African Investors.

The market activities are expected to remain moderate in the coming week, with the continued support from local and East African Investors. We expect to continue seeing huge turnover transactions on TBL and TCC as Domestic and East African Investors continue to take position before the foreign holding limit on listed equities is lifted/removed.

This week's Treasury Bills auction witnessed oversubscription though yields experienced a downfall. We hope to see a good investors turnout in the Treasury bonds auction set for Wednesday next week.

Analyst:

Brenda Massay

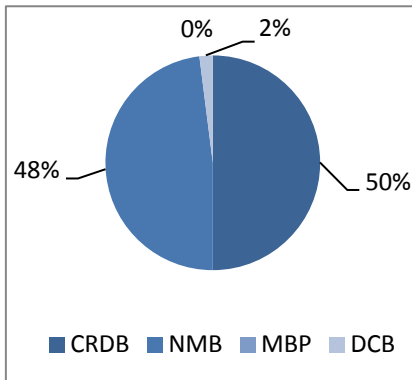
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Bank, Finance & Investment Sector (BI)



This week the Banking segment was less active than the Industrial and Allied segment. The segment contributed 6% of the total turnover and 33% of the market activity recorded during the week.

CRDB counter maintained its lead on the banking segment as

it traded 1,533,327 shares at a price of TZS 320.

NMB had 113,006 shares that exchanged hands during the week at prices of TZS 4,160 and TZS 4,150 per share.

DCB counter traded 36,590 shares, closing the week down at TZS 480 per share.

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

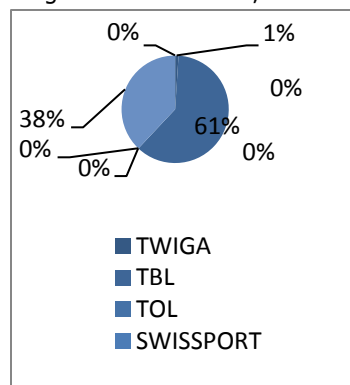
Industrial and Allied Sector (IA)

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

TBL was the most active counter in the Industrial sector, this week. The counter traded 2,026,635 shares and close the week at a price of TZS 13,710 per share.

TCC followed with 1,305,160 shares transacted at prices of TZS 13,120; TZS 13,390 and TZS 13,210 per share.

Twiga counter had 106,307 shares transacted closing the week higher at TZS 3,200 per share.



Swissport counter traded 14,653 shares at prices of TZS 2,820; TZS 2,860 and TZS 2,880 per share.

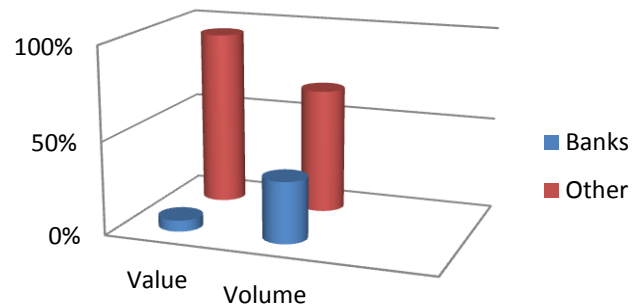
Simba counter had 10,050 shares traded at a price of TZS 3,050 per share.

TOL had 1,050 shares transacted at a price of TZS

480 per share.

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	22.08.2014	29.08.2014	%Changes
DCB	490.00	480.00	-2.04%
NMB	4,160.00	4,150.00	-0.24%
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	22.08.2014	29.08.2014	% Changes
TOL	480.00	480.00	0.00%
TBL	13,380.00	1,3710.00	+2.47%
TTP	650.00	650.00	0.00%
PAL	475.00	475.00	0.00%
TCC	13,120.00	13,210.00	+0.69%
SIMBA	2,900.00	3,050.00	+5.17%
TWIGA	2,820.00	3,200.00	+13.48%
SWISSPORT	2,800.00	2,880.00	+2.86%
SWALA	650.00	710.00	+9.23%

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 198%. Yields for all tenors eased down, except for the 35-days tenor.

The auction result is as depicted in the table below;

	35 Days	91 Days	182 Days	364 Days
Minimum Successful Price/100	99.24	96.98	93.37	87.62
Weighted Average Price (WAP) for successful Bid	99.26	97.05	93.54	87.71
Weighted Average Yield (WAY) % per Annum	7.80	12.17	13.84	14.05
Amount Offered TZS (000,000)	3,000	32,000	45,000	55,000
Total Tendered TZS (000,000)	2,000.0	108,293.8	85,432.60	206,453.5
Undersubscribed(+) Oversubscribed(-) TZS(000,000)	1,000.00	76,293.75	40,432.60	61,165.94
Successful Bids TZS(000,000)	2,000.00	32,000.00	45,000.00	55,000.00

Secondary Market

Bonds worth TZS 4.5 billion exchanged hands in the secondary market during the week with prices as indicated in the table below:

Tenor	Face Value (TZS)	Price/100
11.44% 10-Year	1.5bn	79.9399
10.08% 7-Year	3.0bn	82.7619

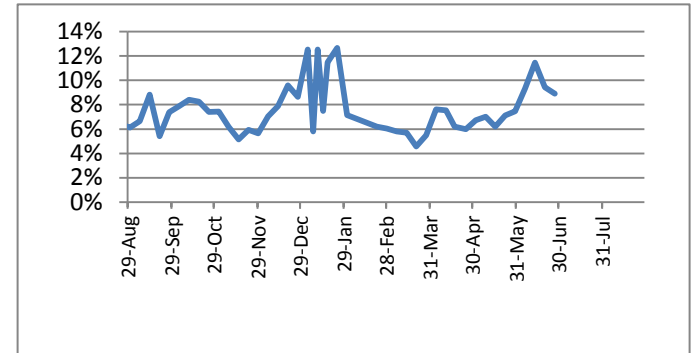
About the Weekly Update report:

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 Interbank rate towards the end of the week decreased to 4.98%, from 6.90% recorded in the previous week as shown in the chart below:

Interbank Borrowing Rates (WAR)

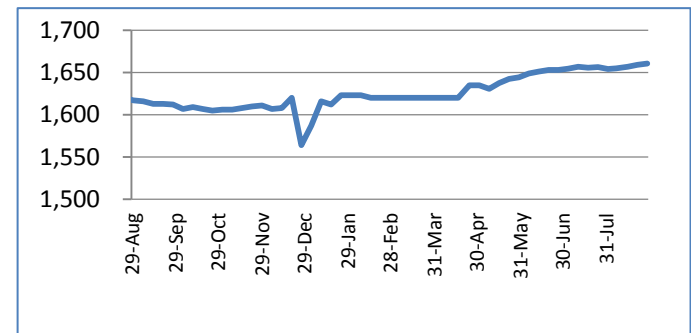


Source: BOT

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

	07-Aug 2014	15-Aug 2014	22-Aug 2014	29-Aug 2014
TZS/USD	1,655.06	1,656.71	1,659.14	1,660.57
TZS/GBP	2,786.86	2,765.79	2,752.26	2,753.06
TZS/KES	18.84	18.82	17.14	18.77