



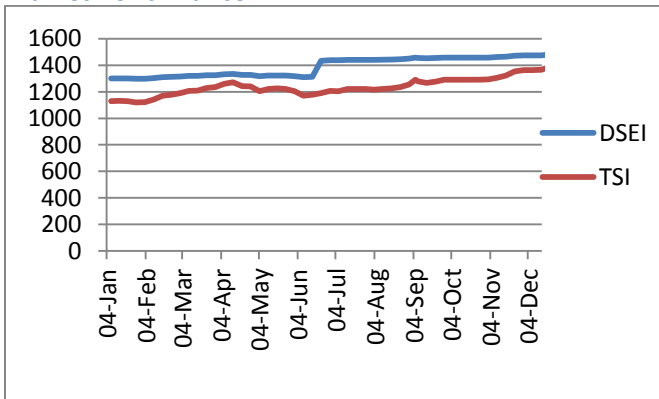
A. Equity

Market Performance

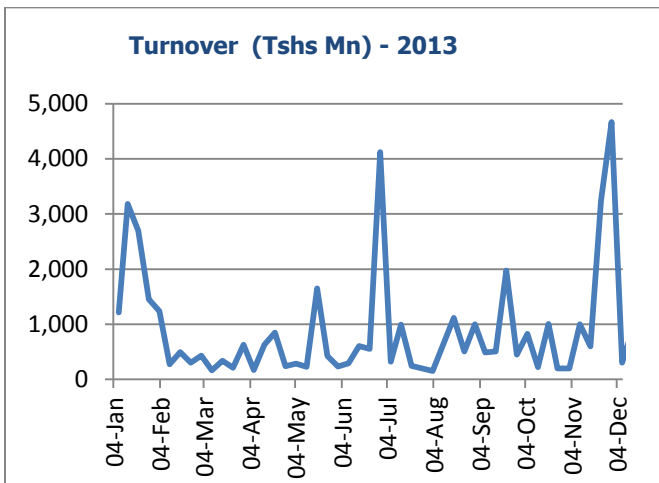
Weekly turnover stood at Tshs.119 million, a +95% compared to the previous week's performance where turnover was Tshs.61 million. Activity levels also improved where 202,530 shares were transacted during the week (+19%) in comparison to 170,996 shares traded last week. All Indices closed the week in green. The TSI settled at 1,446.95 (+3.18%) while the DSEI closed at 1,489.53 (+0.71%).

Banking segment Index strengthen further (+3.59%) to close the week at 1,212.61 points due to CRDB's price gain. Similarly, the Industrial & Allied Index improved from last week's, supported by TBL and TCC counters' gains. The segment closed at 1,725.63 (+3.24%).

Market Performance



Source: DSE and TSL Analysis



Source: DSE and TSL Analysis

WEEKLY MARKET COMMENTARY

31st – 4th January 2013

Statistics - Equity

Total - Week Ending	Dec-28 2012	Jan-2013	% Change
Market			
Turnover in Million (Tshs)	61	119	+95.08%
Volume of Shares in '000	170	202	+18.82%
DSEI	1,478.99	1,489.53	+0.71%
TSI	1,402.38	1,446.95	+3.18%
Banks, Finance, & Services			
BI	1,170.63	1,212.61	+3.59%
Industrial and Allied			
IA	1,671.54	1,725.63	+3.24%

Source: DSE

Outlook:

We expect a continued subdued activity in the market following the just ended festivals and expected social obligations as schools open in the next few weeks. However, we foresee relatively better performances in the market as the first week of the year has shown some light in various counters compared to the week of year 2012.

We expect CRDB to continue going up as the counter's demand (both from local and foreign investors) indicates an increasing interest on the counter. We also expect continued interest on the NMB, TBL, Twiga and Swissport and hence an increasing price pressure on these counters.

On the other hand, we expect the continued lower inflationary pressure through this early part of the year, however, this is expected to insert some downward pressure on both money market and short term government securities.

Analyst

Moremi Marwa

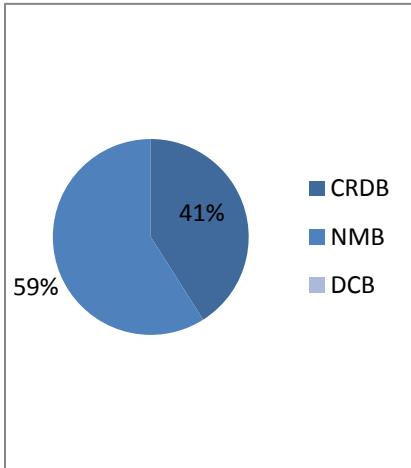
+255 22 211 2807

+255 782 007 785

moremi@tanzaniasecurities.co.tz



Bank, Finance & Investment Sector (BI)



Banks accounted for 88% of the week's total volume traded and 49% of the market value. CRDB's price started the week higher at Tshs. 155, the counter ended with same drive to close the week at Tshs.165 per

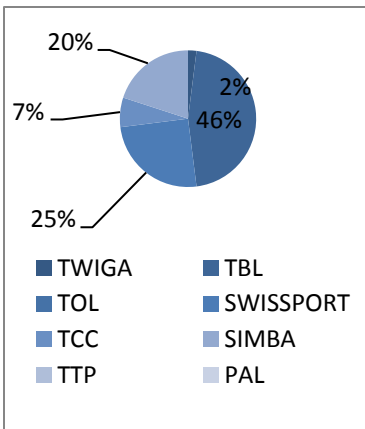
share, with 147,020 shares traded.

NMB counter transacted a volume of 30,874 shares during the week at a flat price price of Tshs.1,120 per share. The counter's commanded about 59% of the total turnover.

DCB counter was inactive throughout the week.

Industrial and Allied Sector (IA)

During the week, the Industrial and Allied Segment lost ground in comparison to last week. TBL counter traded 9,200 shares during the week higher than last week's 200 shares. The counter gained Tshs.200 to end the week at Tshs.3,000 per share.

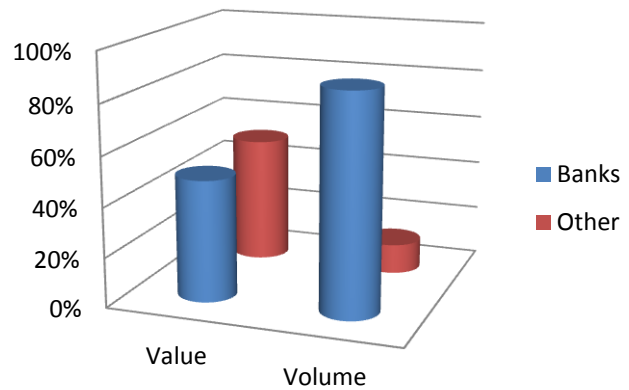


Swissport counter transacted 8,954 shares at Tshs.1,720 per share.

TCC saw some activity ending the week, 1,000 shares transacted with its price gaining to Tshs.4,220 per share. Other counters traded during the week were, Simba and Twiga with 5,082

and 400 shares respectively at flat prices.

% Share of the Market's activity



Source: DSE and TSL Analysis

Banking Sector Share Prices (in TZS)

Counter	28.12.2012	04.01.2013	%Changes
DCB	620.00	620.00	0.00%
NMB	1,120.00	1,120.00	0.00%
CRDB	150.00	165.00	+10.00%

Source: DSE and TSL Analysis

IA Share Prices (in TZS):

Counter	28.12.2012	04.01.2013	% 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	4,200.00	4,220.00	+0.48%
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



B. Fixed Income Securities

Primary Market

There was no bond traded in this week's primary market

Secondary Market

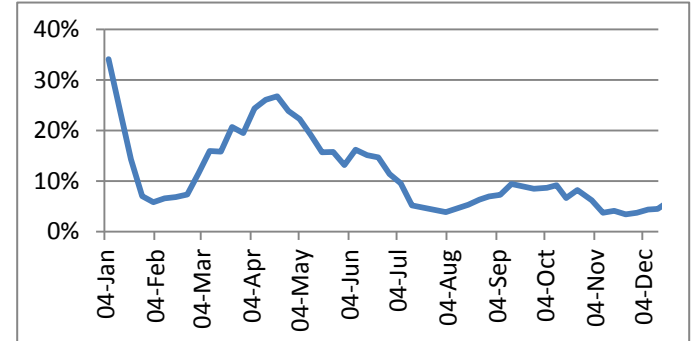
There were no bonds traded in the secondary market during the week.

Money Market

There was no Treasury Bills traded during the week.

Interbank borrowing rates went further up this week. The rate towards the end of week was 8.62% higher than 7.02% at the end of the previous week.

Interbank Borrowing Rates (WAR)

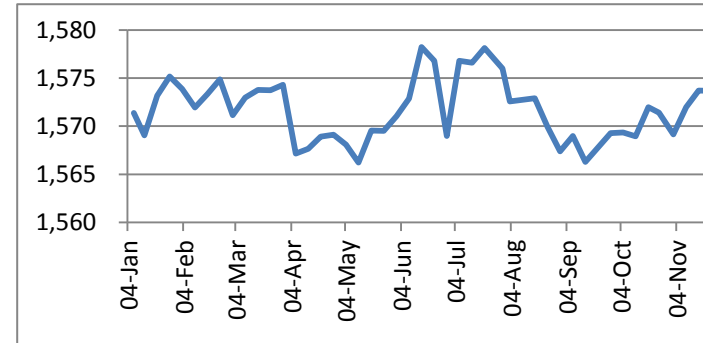


Source: BOT

C. Foreign Exchange

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

Foreign Exchange – TZS/USD



Source: BOT

Foreign Exchange – Four weeks trend

	14-Dec 2012	21-Dec 2012	28-Dec 2012	04-Jan 2013
TZS/USD	1,569.65	1,571.53	1,571.21	1,571.90
TZS/GBP	2,529.28	2,552.80	2,532.48	2,526.99
TZS/KES	18.25	18.29	18.27	18.18
TZS/UGX	0.58	0.59	0.59	0.58

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