



Tanzania Securities Limited

Stock Brokers | Investment Advisers | Fund Managers

MEMBER OF THE DAR ES SALAAM STOCK EXCHANGE

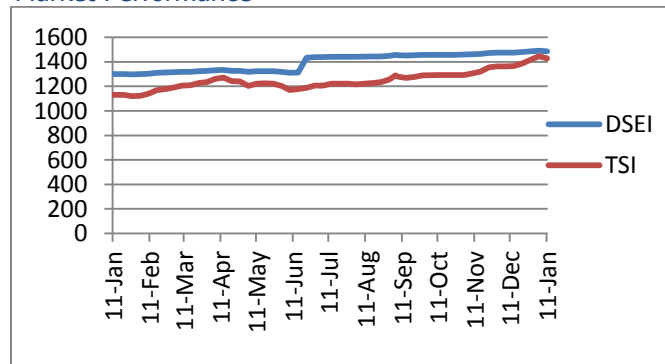
A. Equity

Market Performance

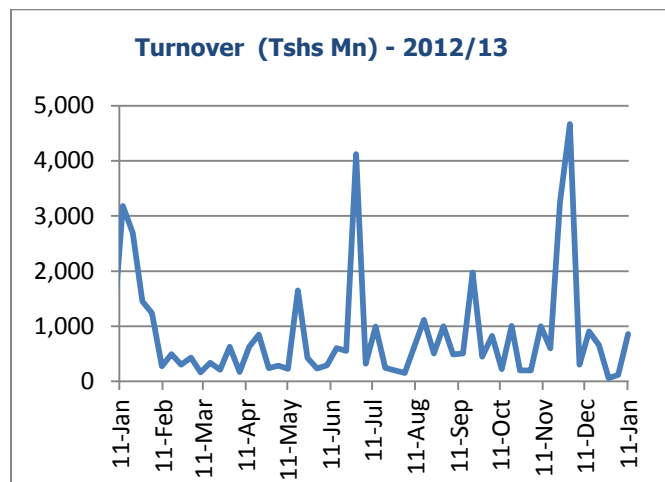
Week on week turnover increased significantly to Tshs.860 million 7.2x compared to Tshs.119 million recorded the previous week. Shares traded rose to 1,170,110 shares 5.8x compared to last week's 202,530 shares. The week's increase in turnover and volume was mainly supported by NMB counter that accounted 63% of the total turnover and 41% of the week's volume. Both indices closed in red. The DSEI closed 0.30% lower at 1,485.02 points while the TSI ended the week at 1,427.86 points (-1.32%) pulled down by CRDB and TBL counters' losses to close the week at Tshs.170 and Tshs.2,800 respectively.

Banking segment Index strengthen (+1.15%) to close the week at 1,226.61 points on the backdrop of a gain posted on the CRDB counter(+3.03%). However, the Industrial & Allied Index decreased from last week's, pulled down by TBL(-7.14%). The segment closed at 1,680.41 (-2.62%). However, TCC counter gained by 1.90% to end the week at Tshs.4,300.

Market Performance



Source: DSE and TSL Analysis



Source: DSE and TSL Analysis

WEEKLY MARKET COMMENTARY

7th – 11th January 2013

Statistics - Equity

Total - Week Ending	Jan-7 2012	Jan-11 2013	% Change
Market			
Turnover in Million (Tshs)	119	860	+622.6%
Volume of Shares in '000	202	1,170	+479.8%
DSEI	1,489.53	1,485.02	-0.30%
TSI	1,446.95	1,427.86	-1.32%
Banks, Finance, & Services			
BI	1,212.61	1,226.61	+1.15%
Industrial and Allied			
IA	1,725.63	1,680.41	-2.62%

Source: DSE

Outlook:

We foresee enhanced foreign investors' interests on the NMB and CRDB counters as they are few of the relatively good performing counters that have not exceeded foreign investors' limits. Local investors support will continue to be on TBL, Twiga, Swissport and Simba counters.

The 7-year Treasury Bond results of this week's auction witnessed a low turnout of investors mainly due to liquidity squeeze relating to beginning of year sentiments activities and obligations. Also, an indication of short-to-medium term investments duration preference over long-term maturities.

The Government intended to raise Tshs.55 billion, but received bids for Tshs.38 billion and accepted bonds worth Tshs.13 billion.

We envisage seeing a recovery situation in few weeks to come. However, we anticipate the continued lower inflationary pressure that may insert some downward pressure on both money market and treasury bills returns.

Analyst

Moremi Marwa

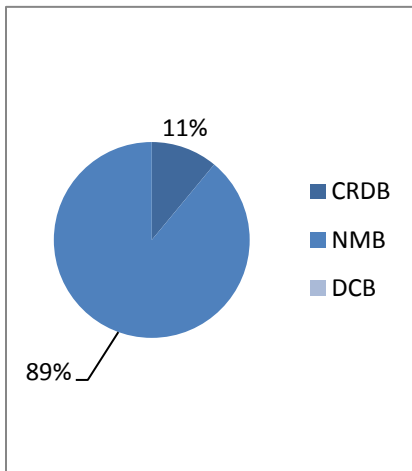
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Bank, Finance & Investment Sector (BI)



This week, the banking sector was very active and liquid than the Industrial and Allied segment.

484,970 NMB shares were exchanged hands 15.7x compared to last week's only 30,874 shares. The counter saw support from

foreign investors' accounting 92% of the foreign investors' total turnover. However, the counter prices remained flat during the week.

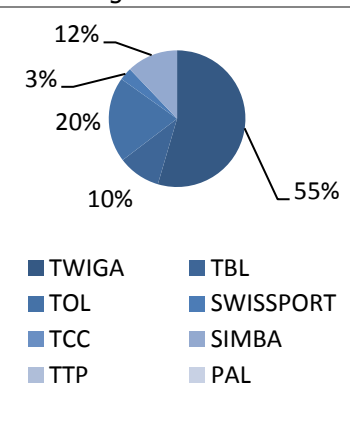
CRDB counter transacted a volume of 407,520 shares during the week at a higher price of Tshs.172.50 per share. The counter's price dropped at the end of the week to close at Tshs.170.

DCB counter was inactive throughout the week.

Industrial and Allied Sector (IA)

TOL counter was the lead this week on the Industrial and Allied segment. The counter generated a turnover of Tshs.50.9mn from 195,799 shares that exchanged hands on the counter during the week at Tshs.260 per share.

Twiga counter transacted 53,491 shares with its price remaining flat. Simba traded 13,388 shares at

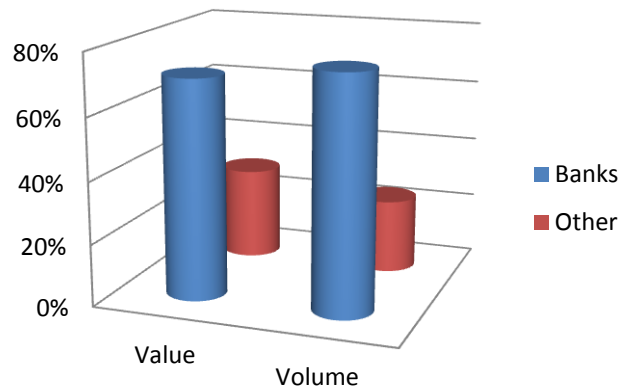


Tshs.2,400 per share.

TBL saw some minimal activity during the week, 9,507 shares transacted with its price closing the week at Tshs.2,800 per share. Swissport had 5,035 shares transacted at Tshs.1,720. Other counters traded during the week were,

TTP and TCC with very minimal shares. However, TCC closed higher at Tshs.4,300 per share.

% Share of the Market's activity



Source: DSE and TSL Analysis

Banking Sector Share Prices (in TZS)

Counter	04.01.2013	11.01.2013	%Changes
DCB	620.00	620.00	0.00%
NMB	1,120.00	1,120.00	0.00%
CRDB	165.00	170.00	+3.03%

Source: DSE and TSL Analysis

IA Share Prices (in TZS):

Counter	04.01.2013	11.01.2013	% Changes
TOL	260.00	260.00	0.00%
TBL	3,000.00	2,800.00	-7.14%
TTP	400.00	400.00	0.00%
PAL	460.00	460.00	0.00%
TCC	4,220.00	4,300.00	+1.90%
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 a 7-year bond in this week's primary market that was undersubscribed by 43%. Yield increased to 15.59% compared to 15.25%, the previous auction (7-year bond) on 14th November 2012. The auction results are as depicted below:

Highest Bid /100	79.2620
Lowest Bid /100	71.1723
Minimum Successful Price/100	76.0082
Weighted Average Price for Successful Bids	76.9682
Weighted Average Yield to Maturity	15.5941
Weighted Average Coupon Yield	13.0963
Amount Offered Tshs (000,000)	55,000
Amount Tendered Tshs (000,000)	38,420
Undersubscribed (+) / Oversubscribed (-) Tshs (000,000)	16,580
Successful Amount Tshs (000,000)	12,920

Secondary Market

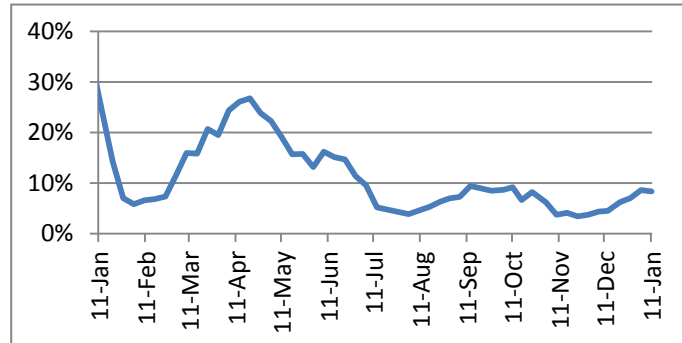
There were no bonds traded in the secondary market during the week.

Money Market

There was no Treasury Bills traded during the week.

Interbank borrowing witnessed a downward trend. The overnight rate towards the end of this week was 8.35% lower than the 8.62% rate at the end of the previous week.

Interbank Borrowing Rates (WAR)

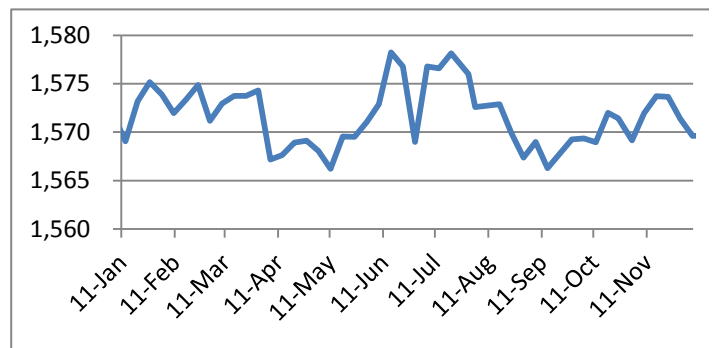


Source: BOT

C. Foreign Exchange

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

Foreign Exchange – TZS/USD



Source: BOT

Foreign Exchange – Four weeks trend

	21-Dec 2012	28-Dec 2012	04-Jan 2013	11-Jan 2013
TZS/USD	1,571.53	1,571.21	1,571.90	1,574.51
TZS/GBP	2,552.80	2,532.48	2,526.99	2,542.75
TZS/KES	18.29	18.27	18.18	18.15
TZS/UGX	0.59	0.59	0.58	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