



# Tanzania Securities Limited

Stock Brokers | Investment Advisers | Fund Managers

MEMBER OF THE DAR ES SALAAM STOCK EXCHANGE

## A. Equity

### Market Performance

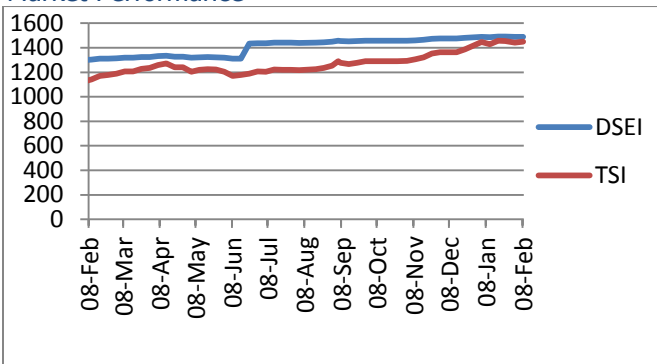
Turnover and activity level were northbound in the week. Activity levels were significantly stronger. Week-on-week, turnover improved relatively to Tshs.527 million (+107%) as shares traded increased 873% to 2,879,216 compared to the previous week's Tshs.255 million in turnover and 296,282 shares transacted.

Indices were also in the green in line with late week recoveries. The DSEI settled at 1,490.14 (+0.11%) whereas the TSI closed at 1,449.51 (+0.47%).

Foreign investors' participation during the week increased significantly to 81% of the total turnover compared to 21% support recorded the previous week.

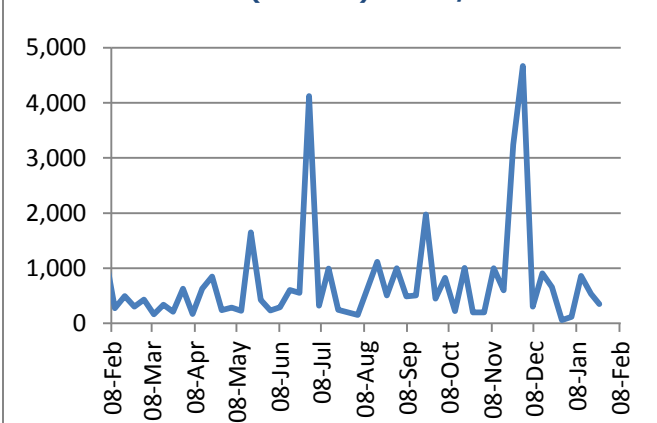
The Banking segment Index weakened (-1.14%) to close the week at 1,224.34 points on the backdrop of losses made on the CRDB counters (-3.13%) from Tshs.160 last week to Tshs.155. The Industrial & Allied Index strengthen (+0.93%) to close at 1,724.94 points buoyed by TCC and Swissport counters that gained to Tshs.4,500 and 1,940 respectively.

### Market Performance



Source: DSE and TSL Analysis

### Turnover (Tshs Mn) - 2012/13



Source: DSE and TSL Analysis

## WEEKLY MARKET COMMENTARY

04<sup>th</sup> – 08<sup>th</sup> February 2013

### Statistics - Equity

Total - Week Ending	Feb-01 2013	Feb-08 2013	% Change
<b>Market</b>			
Turnover in Million (Tshs)	255	527	+106.66%
Volume of Shares in '000	296	2,879	+872.64%
DSEI	1,488.53	1,490.14	+0.11%
TSI	1,442.70	1,449.51	+0.47%
<b>Banks, Finance, &amp; Services</b>			
BI	1,224.34	1,210.34	-1.14%
<b>Industrial and Allied</b>			
IA	1,708.98	1,724.94	+0.93%

Source: DSE

### Outlook:

We foresee enhanced foreign position on NMB and CRDB counters whose foreign investors limit still provide a room. Local investors support will continue to be on TBL, Twiga, Swissport and Simba counters.

We also expect increased demand (and Prices up) in the market supported by speculative motives as companies expect to release their 2012 results this and next month.

This week's 2-year bond auction pointed towards a more improved liquidity conditions in the economy (and the market) as investors showed appetite on the security. WAY was higher (14.2956%) than the last 2-year auction (14.2659%). We anticipate seeing a similar reflection on the Treasury Bills auction to be conducted Wednesday next week.

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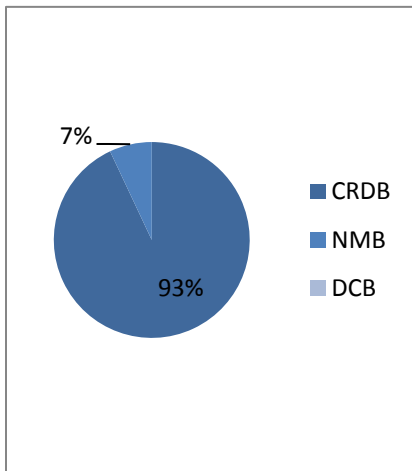
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## Bank, Finance & Investment Sector (BI)



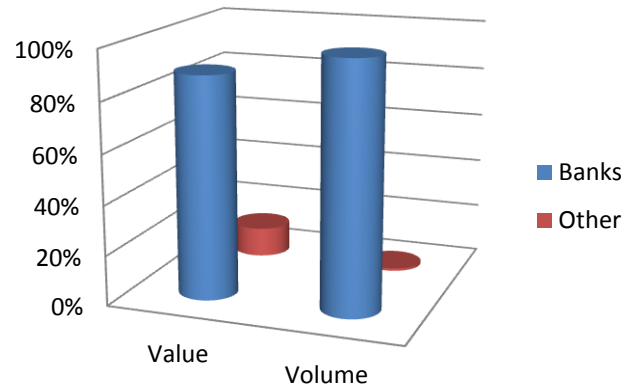
The banking segment moved 99% of total market's activity and 89% of the total turnover. Mainly as a result of increased support from foreign investors on the CRDB and NMB counters. NMB remained flat during the week

and CRDB lost from last week to close at Tshs.155.00 per share.

NMB moved 29,096 shares during the week, 31% was on the back drop of foreign investors support. The CRDB counter moved a volume of 2,826,113 on a pre-arranged trade Tshs.157.50.

There were no activities in the DCB counter during the week.

## % Share of the Market's activity



Source: DSE and TSL Analysis

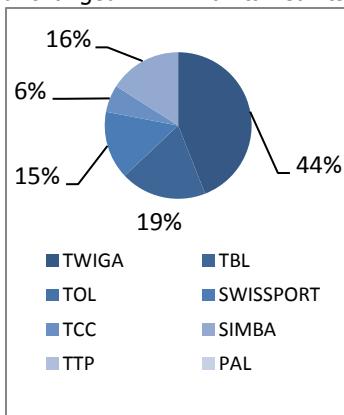
## Banking Sector Share Prices (in TZS)

Counter	01.02.2013	08.02.2013	%Changes
DCB	620.00	620.00	0.00%
NMB	1,160.00	1,160.00	0.00%
CRDB	160.00	155.00	-3.13%

Source: DSE and TSL Analysis

## Industrial and Allied Sector (IA)

Twiga counter was the most active counters among the Industrial and Allied sector this week. The counter transacted 10,322 shares with its price remaining unchanged. TBL maintained its local support to close the week at Tshs.2,900 per share, moving a volume of 4,046 lower from 13,680 shares traded last week.



4,762 Swissport shares exchanged during the week. The counter gained Tshs.200.00 from Tshs.1,740 last week to Tshs.1,940. Simba moved 4,077 shares at Tshs.2,400 per share. TCC counter traded 800 shares at Tshs.4,500

from Tshs.4,320 last week.

PAL, TTP and TOL did not see activity during the week. The counters' prices are Tshs.460; 440 and 260 respectively per share.

## IA Share Prices (in TZS):

Counter	01.02.2013	08.02.2013	% Changes
TOL	260.00	260.00	0.00%
TBL	2,900.00	2,900.00	0.00%
TTP	440.00	440.00	0.00%
PAL	460.00	460.00	0.00%
TCC	4,320.00	4,500.00	+4.17%
SIMBA	2,400.00	2,400.00	0.00%
TWIGA	2,600.00	2,600.00	0.00%
SWISSPORT	1,740.00	1,940.00	+11.49%

Source: DSE and TSL Analysis



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## B. Fixed Income Securities

### Primary Market

There was a 2- year Treasury Bonds market during the week. The Government intended to raise Tshs.35 billion. However, they received bids amounting Tshs.160.8 billion. WAY increased slightly from 14.2659% in the last auction [12<sup>th</sup> Dec 2012] to 14.2956%.

Highest Bid /100	89.6912
Lowest Bid /100	82.0870
Minimum Successful Price/100	88.5200
Weighted Average Price for Successful Bids	89.0357
Weighted Average Yield to Maturity	14.2956
Weighted Average Coupon Yield	8.7830
Amount Offered Tshs (000,000)	35,000
Amount Tendered Tshs (000,000)	160,822
Undersubscribed (+) / Oversubscribed (-) Tshs (000,000)	125,822
Successful Amount Tshs (000,000)	35,000

### Secondary Market

Bonds worth Tshs.11.5 billion exchanged hands in the secondary market during the week with prices as indicated in the table below:

Tenor	Face Value (Tshs.)	Price/100
9.18% - five years	4bln	83.9047 to 85.7384
11.44% - ten years	4.5bln	83.1694
9.18% - five years	3bln	85.7384

Below are Bonds on offer for the secondary market with yields in bid and ask:

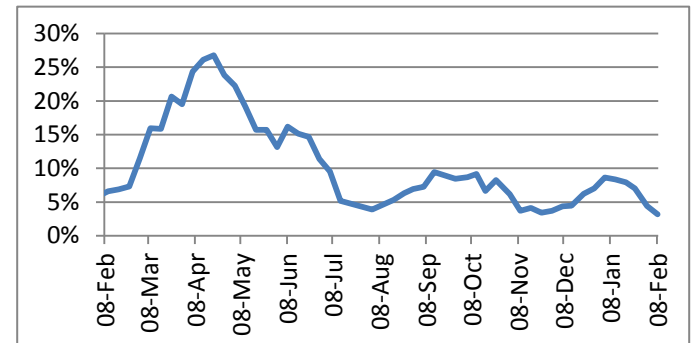
Issue Date(M/Y)	Maturity Date(M/Y)	Face Value	Tenor	Yield (ASK) %	Yield (BID) %
8/2012	8/2014	2bn	2 year	13.60	-
12/2012	12/2014	2.5bn	2 year	13.90	14.20
11/2012	11/2017	2bn	5 year	14.00	14.85
11/2012	11/2019	3bn	7 year	14.75	-
11/2012	11/2019	3bn	7 year	14.90	-
11/2012	11/2019	4bn	7 year	14.80	-
9/2012	9/2019	3bn	7 year	15.00	15.50
11/2012	11/2022	4.9bn	10 year	14.75	-
6/2012	6/2022	2bn	10 year	15.05	15.75

**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

## Money Market

Interbank borrowing witnessed a downward trend. The overnight rate towards the end of this week was 3.61% lower than the 4.39% rate at the end of the previous week as depicted in the chart below:

### Interbank Borrowing Rates (WAR)

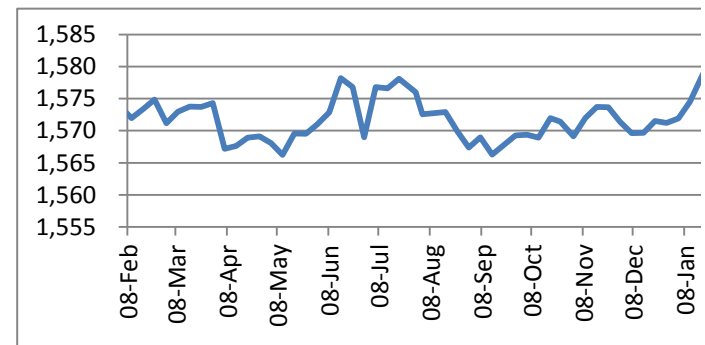


Source: BOT

## C. Foreign Exchange

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

### Foreign Exchange – TZS/USD



Source: BOT

### Foreign Exchange – Four weeks trend

	18-Jan 2013	24-Jan 2013	01-Feb 2013	08-Feb 2013
<b>TZS/USD</b>	1,578.35	1,581.39	1,581.65	1,583.18
<b>TZS/GBP</b>	2522.91	2,503.27	2,509.61	2,490.19
<b>TZS/KES</b>	18.16	18.08	18.05	18.11
<b>TZS/UGX</b>	0.59	0.58	0.59	0.59

Source: BOT & DSE