



A. Equity

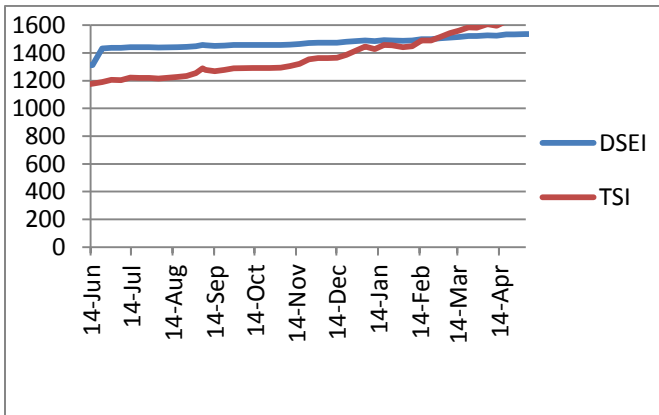
Market Performance

Turnover during the week increased, 2.04x above last week's performance. Week-on-week turnover improved to TZS 984 million from TZS 482 million. However, activity levels plummeted 8.2% lower than volumes transacted last week. A total of 1,441,226 shares transacted down from 1,570,275 shares traded in the previous week.

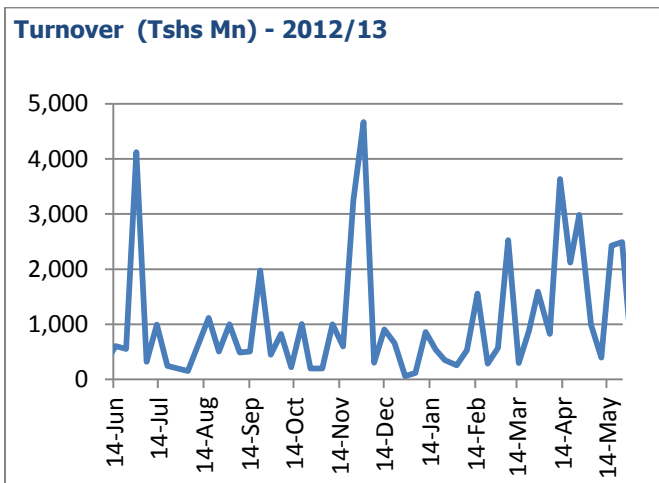
Foreign purchase accounted for 16% of the week's turnover. Indices closed the week in the green supported by gains made on CRDB, TBL, TCC and Swissport counters. The DSEI gained 0.64% to 1563.48 points. Similarly, the TSI gained 2.46% to 1,489.24 points.

The Banking segment Index settled 1,655.32 points (+1.30%) stronger than previous week due to gains made on the CRDB counter (+4.88%). The Industrial & Allied Index gained 2.93% to end the week at 1,984.49 points buoyed by gains made on TBL, TCC and Swissport counters.

Market Performance



Source: DSE and TSL Analysis



Source: DSE and TSL Analysis

WEEKLY MARKET COMMENTARY

10th June – 14th 2013

Statistics – Equity

Total - Week Ending	June-07 2013	June-14 2013	% Change
Market			
Turnover in Million (Tshs)	482	984	+104.15%
Volume of Shares in '000	1,570	1,441	-8.22%
DSEI	1,553.49	1,563.48	+0.64%
TSI	1,717.42	1,759.65	+2.46%
Banks, Finance, & Services			
BI	1,634.07	1,655.32	+1.30%
Industrial and Allied			
IA	1,928.00	1,984.49	+2.93%

Source: DSE

Outlook:

We anticipate activity to remain modest in the coming week following the continued limited supply in most of the counters. Indices are expected to head further north, hoping some active counters will continue with their current trajectory.

The results of the five 5-year Treasury bond auctioned this week indicates 52.2% oversubscription compared to 3.78% oversubscription depicted by the previous 5-year Treasury bond auction (17th April 2013). This indicates high investors' appetite on government securities.

We expect seeing similar reflection on a Treasury bills auction, Wednesday next week.

Interbank money market rate surged to 8.13% from 6.86% in the previous week, signaling possible squeeze in the market.

Analyst:

Upendo Lyatuu

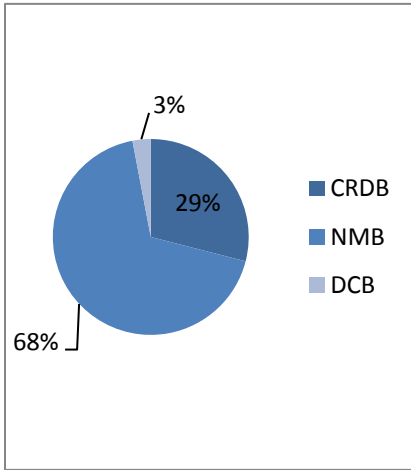
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Bank, Finance & Investment Sector (BI)



This week, the banking sector was very active and liquid. The segment moved 93% of total turnover and 74% of the market activity.

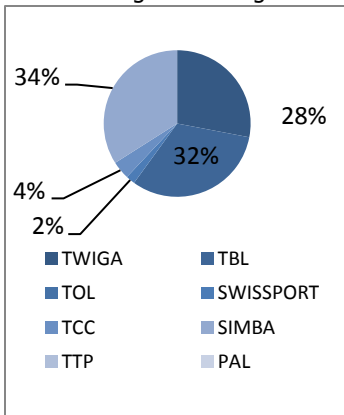
Foreign investors' participation on the banking industry was 16% of the week's turnover supporting the CRDB and NMB counters.

NMB had 314,924 shares transacted during the week at price range of between TZS 1,600 and TZS 1,580. CRDB ended the week at a price higher (+4.88%) than last week's. The counter transacted 976,328 throughout the week at a price range of between TZS 215 and TZS 210. Local contribution was mainly on the CRDB counter.

DCB counter saw small activity during the week, 55,300 shares transacted at TZS 400. The counter's price went down from last week's TZS 510 per share.

Industrial and Allied Sector (IA)

During the week, Simba traded 37,253 shares at TZS 2,600 per share. The counter was the most active counter among the Industrial segment. Twiga counter followed with 27,795 shares transacted at TZS 2,640.



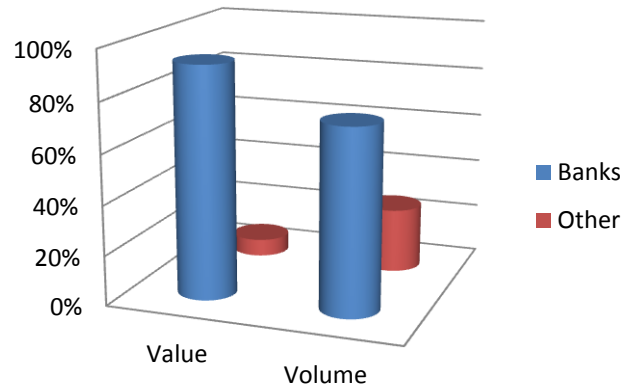
TBL counter transacted 25,709 shares at price range of between TZS 3,180 and TZS 3,160 per share.

Swissport traded 2,357 during the week in comparison to 1,903 shares exchanged hands the previous session. The counter gained TZS 20.00 to close the week at TZS

2,000 per share. TCC counter had 1,560 shares at TZS 6,500 per share.

There were no activities on TTP, TOL and Precision Air during the week.

% Share of the Market's activity



Source: DSE and TSL Analysis

Banking Sector Share Prices (in TZS)

Counter	07.06.2013	14.06.2013	%Changes
DCB	510.00	400.00	-21.57%
NMB	1,580.00	1,580.00	0.00%
CRDB	205.00	215.00	+4.88%

Source: DSE and TSL Analysis

IA Share Prices (in TZS):

Counter	07.06.2013	14.06.2013	% Changes
TOL	260.00	260.00	0.00%
TBL	3,120.00	3,180.00	+1.92%
TTP	600.00	600.00	0.00%
PAL	475.00	475.00	+3.26%
TCC	6,040.00	6,500.00	+7.62%
SIMBA	2,400.00	2,400.00	0.00%
TWIGA	2,640.00	2,640.00	0.00%
SWISSPORT	1,980.00	2000.00	+1.01%

Source: DSE and TSL Analysis



B. Fixed Income Securities

Primary Market

There was a five-year bond in this week's primary market that was oversubscribed 52%. WAY declined slightly from the last auction 14.99% to 14.86%. The auction results are as depicted below:

Highest Bid /100	81.5300
Lowest Bid /100	72.0000
Minimum Successful Price/100	77.0000
Weighted Average Price for Successful Bids	80.4395
Weighted Average Yield to Maturity	14.8614
Weighted Average Coupon Yield	11.4123
Amount Offered Tshs (000,000)	44,400.00
Amount Tendered Tshs (000,000)	67,573.00
Undersubscribed (+) / Oversubscribed (-) Tshs (000,000)	-23,173.00
Successful Amount Tshs (000,000)	44,400.00

Secondary Market

Bond worth TZS 4 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% Ten-Year	4.0bn	99.4726

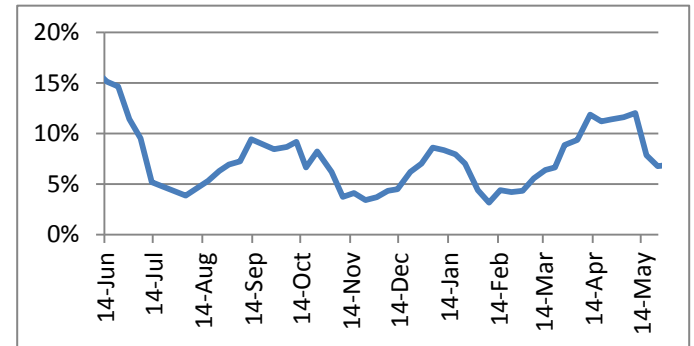
Below are bonds on offer for secondary trading:

Issue Date(M/Y)	Maturity Date(M/Y)	Face Value	Tenor	Yield (ASK) %
2/2013	2/2015	1.75bn	2 year	13.65
5/2013	5/2015	0.05bn	2 year	13.70
11/2012	11/2019	1.0bn	5 year	14.10
2/2013	2/2018	3.0bn	5 year	14.70
11/2012	11/2019	1.16bn	7 year	14.70
11/2012	11/2019	3.0bn	7 year	14.70
11/2012	11/2019	4.0bn	7 year	14.50
3/2013	3/2020	3.0bn	7 year	14.85
5/2013	5/2023	0.05bn	10 year	15.00

Money Market

Interbank borrowing rate towards the end of this week was 8.13%, slightly higher than the 7.62% rate at the end of the week last week as depicted in the chart below:

Interbank Borrowing Rates (WAR)

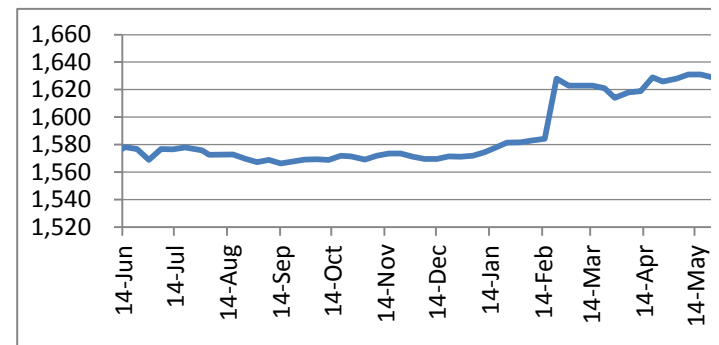


Source: BOT

C. Foreign Exchange

This week, the shilling lost some ground against the US Dollar and GBP while gained against KES as indicated in the chart and table below:

Foreign Exchange – TZS/USD



Source: BOT

Foreign Exchange Market – Four weeks trend

	24-May 2013	31-May 2013	07-Jun 2013	14-Jun 2013
TZS/USD	1,629.00	1,632.00	1,636.00	1,639.00
TZS/GBP	2,460.66	2,482.50	2,552.52	2,573.23
TZS/KES	19.32	19.23	19.28	19.17

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.