



A. Equity

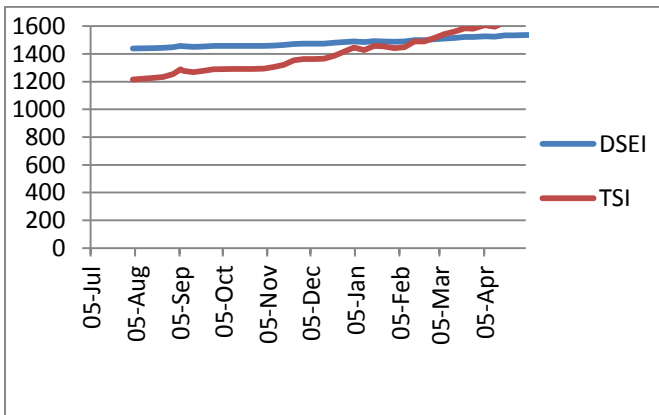
Market Performance

Activity in the market this week was quite lower in comparison to last week's trading. Similarly, both indices (DSEI and TSI) edged south. The DSEI dropped slightly by 0.01% points to close at 1,582.43 while the TSI dropped by 0.02% to settled at 1,839.78 points, mainly pulled by CRDB and Swissport counters that lost by -3.57% and -0.97% respectively.

Week-on-week turnover sloped down to TZS 1,318mn (-62.06%) from last week's TZS 3,474mn. Activity levels slowed to 2,797,480 shares – a sharp decline of 65.97% compared to last week's performance where 8,219,076 shares exchanged hands.

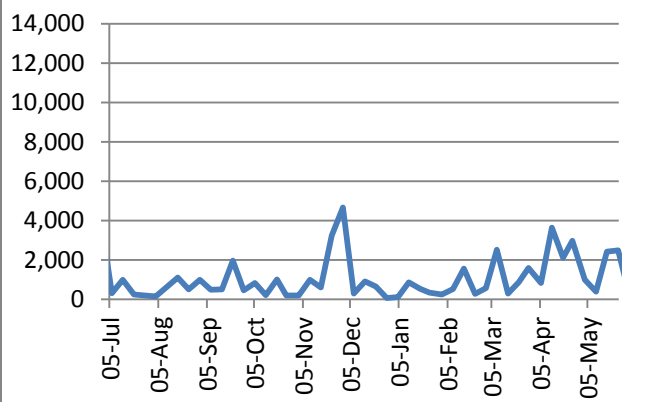
The Banking segment Index settled 1,844.97 points (-0.81%) weaker than previous week due to losses made on the CRDB (-3.57%) to TZS 270 per share. However, the Industrial & Allied Index ended the week at 2,008.61 points, slightly higher than last week supported by TBL and Twiga counters that gained to close the week at TZS 3,260 and TZS 2,660 respectively.

Market Performance



Source: DSE and TSL Analysis

Turnover (Tshs Mn) - 2012/13



WEEKLY MARKET COMMENTARY

01st July – 05th 2013

Statistics – Equity

Total - Week Ending	June-28 2013	July-05 2013	% Change
Market			
Turnover in Million (Tshs)	3,474	1,318	-62.06%
Volume of Shares in '000	8,219	2,797	-65.97%
DSEI	1,582.51	1,582.43	-0.01%
TSI	1,840.11	1,839.78	-0.02%
Banks, Finance, & Services			
BI	1,860.10	1,844.97	-0.81%
Industrial and Allied			
IA	1,998.15	2,008.61	+0.52%

Source: DSE

Outlook:

This week's performance subdued due to among other, the ongoing Dar es Salaam International Trade Fair (DITF) (Sabasaba exhibition).

We are optimistic about the trend of activity in the coming week. Volumes are expected to increase, moderate -to- high with activities pronounced on CRDB, DCB, NMB and TBL counters.

The interbank borrowing rates fell slightly to 8.26% compared to 9.48% last week indicating a possibly easing in liquidity among commercial banks.

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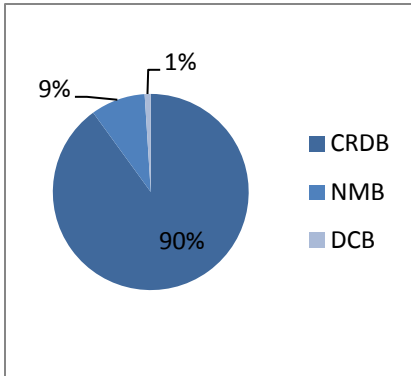
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Bank, Finance & Investment Sector (BI)

Banks accounted for 64% of the market value and 97% of the week's total volume traded.



CRDB accounted for 90% of the BI market value for the week, however its price fell from last week's to end the week at TZS 270. The week's underperformance may be explained by a slight decrease of

demand against the supply arising from the counter's side.

NMB continued with the positivity outlook in price. During the week, NMB gained by 1.23% to close the week at TZS 1,640.

There were 26,924 shares on DCB counter this week. The counter's price remained unchanged during the week.

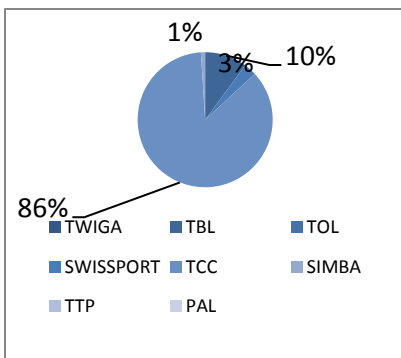
Industrial and Allied Sector (IA)

This week TCC was the top mover with 61,780 shares transacted at TZS 6,500.

TBL moved a turnover of TZS 47 million, a 114% up from last week's turnover of TZS 22 million. Local investors were active on both the buy and sell sides during the week.

The counter gained TZS 40.00 this week to end at a price of TZS 3,060 per share.

Swissport counter traded 7,987 shares during the week. The counter's price went slightly down during the week to end at TZS 2,040 in comparison to last week's TZS 2,060.

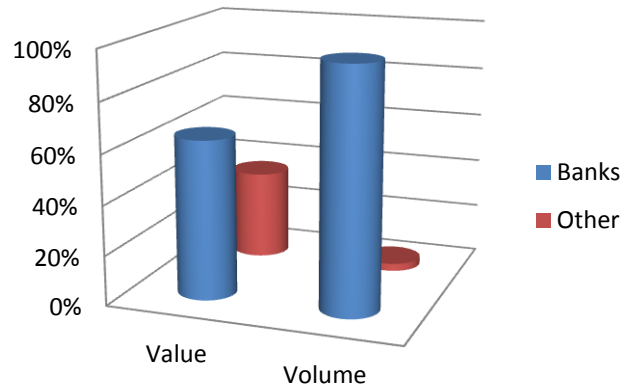


Simba moved 1,300 shares at TZS 2,400 per share. Twiga counter had 729 shares during the

week transacted at TZS 2,660, higher than TZS 2,640 the previous week.

There were no activities in Precision Air and TOL counters during the week.

% Share of the Market's activity



Source: DSE and TSL Analysis

Banking Sector Share Prices (in TZS)

Counter	28.06.2013	05.07.2013	%Changes
DCB	400.00	400.00	0.00%
NMB	1,620.00	1,640.00	+1.23%
CRDB	280.00	270.00	-3.57%

Source: DSE and TSL Analysis

IA Share Prices (in TZS):

Counter	28.06.2013	05.07.2013	% Changes
TOL	260.00	260.00	0.00%
TBL	3,020.00	3,260.00	+7.95%
TTP	600.00	600.00	0.00%
PAL	460.00	460.00	0.00%
TCC	6,500.00	6,500.00	0.00%
SIMBA	2,400.00	2,400.00	0.00%
TWIGA	2,640.00	2,660.00	+0.76%
SWISSPORT	2,060.00	2,040.00	-0.97%

Source: DSE and TSL Analysis



B. Fixed Income Securities

Money Market

During the week the Government through BOT auctioned Treasury Bills worth TZS135 billion. Bids submitted amounted TZS 100 billion. However, successful bids were for TZS 96.9 billion. In comparison to the previous auction, yields have increased in all maturities.

	35 Days	91 Days	182 Days	364 Days
Minimum Successful Price/100	99.38	96.90	93.15	86.65
Weighted Average Price (WAP) for successful Bid	99.41	97.09	93.50	87.09
Weighted Average Yield (WAY) % per Annum	6.24	12.04	13.95	14.86
Amount Offered TZS (000,000)	5,000	40,000	45,000	45,000
Total Tendered TZS (000,000)	939	12,814	19,841	66,442
Undersubscribed(+) Oversubscribed(-) TZS(000,000)	4,060	27,185	25,159	21,442
Successful Bids TZS(000,000)	800	12,814	19,841	96,898

Secondary Market

Treasury bond worth TZS 0.2billion exchanged hands in the secondary market during the week with price as indicated in the table below:

Tenor	Face Value (TZS)	Price/100
7.82% Two-Year	0.2bn	89.5640

Below are bonds on offer for secondary trading:

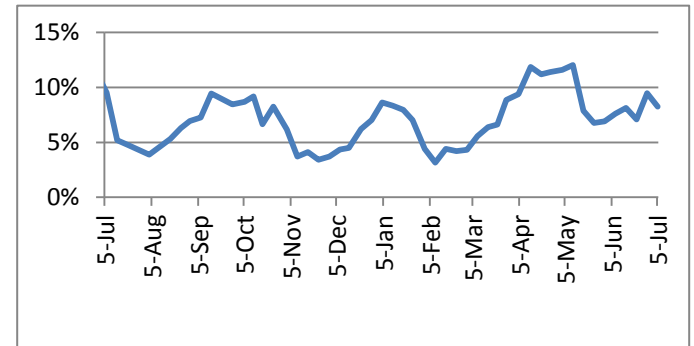
Issue Date(M/Y)	Maturity Date(M/Y)	Face Value	Tenor	Yield (ASK) %
2/2013	2/2015	1.75bn	2 year	14.00
11/2012	11/2019	1.0bn	5 year	14.20
4/2013	4/2018	3.0bn	5 year	14.65
11/2012	11/2019	1.16bn	7 year	14.80
11/2012	11/2019	3.0bn	7 year	14.80
11/2012	11/2019	4.0bn	7 year	14.90
3/2013	3/2020	3.0bn	7 year	15.20
5/2013	5/2023	0.05bn	10 year	15.10
5/2013	5/2023	3.0bn	10 year	15.15

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

Money Market

Interbank borrowing rate towards the end of this week was 8.26%, slightly lower than the 9.48% rate at the end of the week last week as depicted in the chart below:

Interbank Borrowing Rates (WAR)

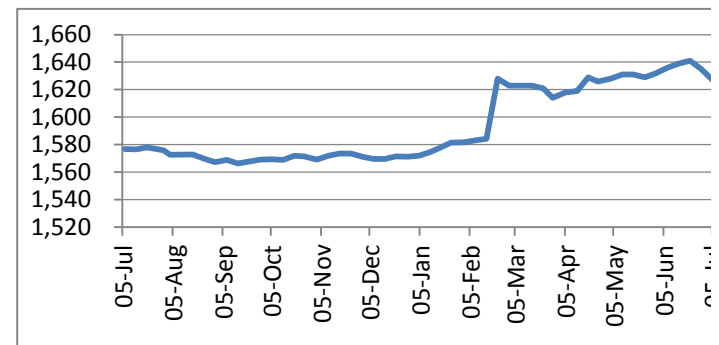


Source: BOT

C. Foreign Exchange

This week, the shilling gained against all major currencies as indicated in the chart and table below:

Foreign Exchange – TZS/USD



Source: BOT

Foreign Exchange Market – Four weeks trend

	14-Jun 2013	21-Jun 2013	28-Jun 2013	05-July 2013
TZS/USD	1,639.00	1,641.00	1,635.00	1627
TZS/GBP	2,573.23	2,543.82	2,486.50	2450.44
TZS/KES	19.17	19.13	19.00	18.85



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