



## A. Equity

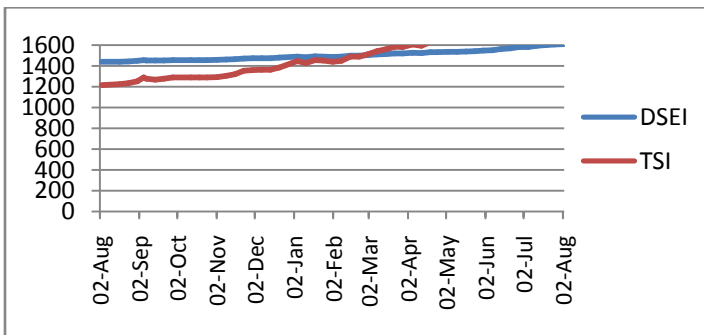
### Market Performance

This week's registered a lower performance in both turnover and volume compared to the previous week. The weekly turnover stands at TZS 879 million (-92.27%), significantly lower from the previous week's TZS 11,372 million. Activity levels also shrunk with shares traded declining to 1,344,490 from last week's 34,679,010 shares.

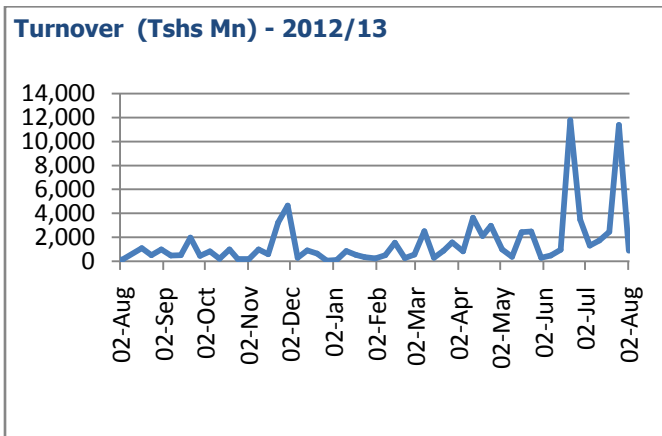
The DSEI gained grounds compared with last week to settle at 1,611.15 (+0.22%). TSI index closed at 1,961.23 (+0.77%) mainly attributed to DCB, NMB and TBL that closed the week at TZS 500, TZS 1,760 and TZS 3,340 respectively.

Both Indices strengthened with the Banking segment Index gained (+2.32%) to close the week at 2,084.77 points buoyed by gains made on the DCB and NMB counters. The Industrial & Allied Index closed at 2,063.09 points (+0.77%) due to gains on TBL counter.

### Market Performance



Source: DSE and TSL Analysis



## WEEKLY MARKET COMMENTARY

### 29th July – 02nd August 2013

#### Statistics – Equity

Total - Week Ending	July-26 2013	August-02 2013	% Change
<b>Market</b>			
Turnover in Million (Tshs)	11,372	879	-92.27%
Volume of Shares in '000	34,679	1,344	-96.12%
DSEI	1,607.57	1,611.15	+0.22%
TSI	1,946.08	1,961.23	+0.77%
<b>Banks, Finance, &amp; Services</b>			
BI	2,037.55	2,084.77	+2.32%
<b>Industrial and Allied</b>			
IA	2,047.40	2,063.09	+0.77%

Source: DSE

#### Outlook:

We foresee moderate activities in the coming week. Activities are expected to dominate on the bank counters (CRDB, DCB and NMB) whose foreign shareholding position still provide room to foreign investors to participate. We also expect continuing support from local investors in all counters.

Despite a drop in WAY, this week's Treasury Bills auction experienced a significant oversubscription compare to the previous auction held in 17 July 2013..indicating improvement in liquidity in the market.

The interbank rate (WAR) depict a downward trend to close at 6.54% from 9.54% in the previous week.

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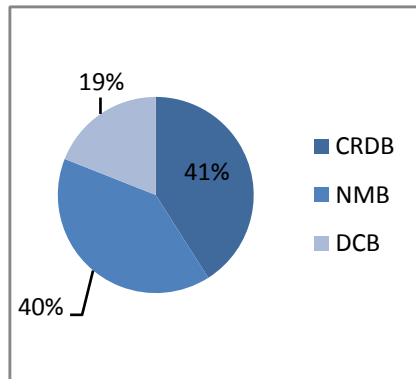
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## Bank, Finance & Investment Sector (BI)

Banks accounted for 94% of the week's total volume traded and 76% of the market value.



CRDB was mainly dominated by local investors than foreign participants during the week. 1% of the counters turnover was from foreign purchase. The counter traded 851,308 shares at a price of TZS 325 and

TZS 325.

NMB transacted a volume of 151,528 at a price of TZS 1,740 and TZS 1,760.

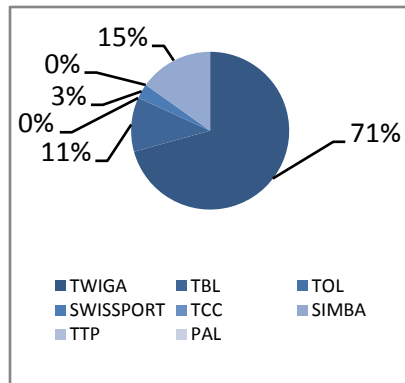
DCB activities rose during the week by trading 256,440 shares at a price of TZS 450 and TZS 500 per share.

Generally, the Banking sector recorded a significant turnover and activity during the week compared to the Industrial and Allied segment.

## Industrial and Allied Sector (IA)

Industrial & Allied segment was more liquid this week compared to the previous week. The segment moved 6% of total market's activity and 24% of the total turnover.

Twiga was the most active counter among the Industrial and Allied sector during the week.

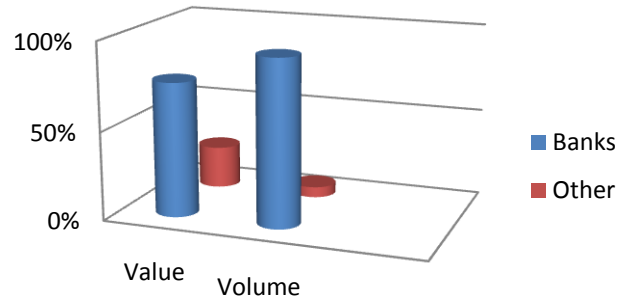


Twiga counter traded 59,011 shares at a price of TZS 2,700 per share. Simba followed with 14,400 shares being transacted at a price TZS 2,400 per share. TBL followed to close the week at TZS 3,340 per share, moving a volume of 7,700 shares.

3,553 shares of Swissport exchanged hands at a price of TZS 2,240 while TCC moved 100 shares at TZS 6,800.

PAL counter moved 400 shares at a price of TZS 475 and TTP moved 50 shares at a price of TZS 600. There were no activities on the TOL counter.

## % Share of the Market's activity



Source: DSE and TSL Analysis

## Banking Sector Share Prices (in TZS)

Counter	26.07.2013	02.08.2013	%Changes
DCB	450.00	500.00	+11.11%
NMB	1,740.00	1,760.00	+1.15%
CRDB	325.00	325.00	0.00%

Source: DSE and TSL Analysis

## IA Share Prices (in TZS):

Counter	26.07.2013	02.08.2013	% Changes
TOL	275.00	275.00	0.00%
TBL	3,280.00	3,340.00	+1.83%
TTP	600.00	600.00	0.00%
PAL	475.00	475.00	0.00%
TCC	6,800.00	6,800.00	0.00%
SIMBA	2,400.00	2,400.00	0.00%
TWIGA	2,700.00	2,700.00	0.00%
SWISSPORT	2,220.00	2,240.00	+0.90%

Source: DSE and TSL Analysis



## B. Fixed Income Securities

### Primary Market

This week the Government through BOT auctioned Treasury bills worth TZS 145 billion. Bids submitted amounted TZS 237.34 billion. However, successful bids were for TZS 210.32 billion. The weighted average yield was 14.18 per Annum.

The auction result is as depicted in the table below;

	35 Days	91 Days	182 Days	364 Days
Minimum Successful Price/100	0.00	96.86	92.80	86.60
Weighted Average Price (WAP) for successful Bid	0.00	96.95	93.23	87.06
Weighted Average Yield (WAY) % per Annum	0.00	12.60	14.56	14.90
Amount Offered TZS (000,000)	5,000	40,000	45,000	55,000
Total Tendered TZS (000,000)	0.00	68,927.6	76,065.0	92,350.0
Undersubscribed(+) Oversubscribed(-) TZS(000,000)	0.00	28,927.6	31,065.0	37,350.0
Successful Bids TZS(000,000)	0.00	54,927.6	75,043.0	210,320.6

### Secondary Market

There was no Treasury Bonds activity in the secondary market during the week

Below are bonds on offer in the secondary market;

Issue Date(M/Y)	Maturity Date(M/Y)	Face Value	Tenor	Yield (ASK) %
2/2013	2/2015	1.75bn	2 year	14.00
7/2013	7/2015	3.0bn	2 year	14.85
4/2013	4/2018	2.0bn	5 year	14.90
11/2012	11/2017	1.0bn	5 year	14.80
11/2012	11/2019	1.16bn	7 year	15.00
11/2012	11/2019	3.0bn	7 year	15.00
11/2012	11/2019	4.0bn	7 year	14.90
3/2013	3/2020	3.0bn	7 year	15.40
5/2013	5/2023	0.05bn	10 year	15.10
5/2013	5/2023	3.0bn	10 year	15.25

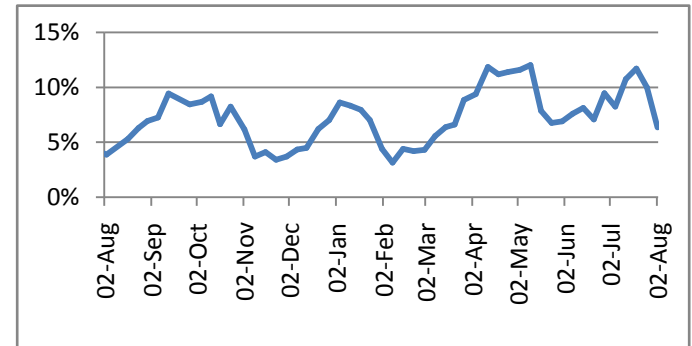
### About the Weekly Update report:

*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.*

## Money Market

Interbank borrowing rate (WAR) towards the end of this week drop to 6.54%, lower than the 9.54% recorded in the previous week as depicted in the chart below:

### Interbank Borrowing Rates (WAR)

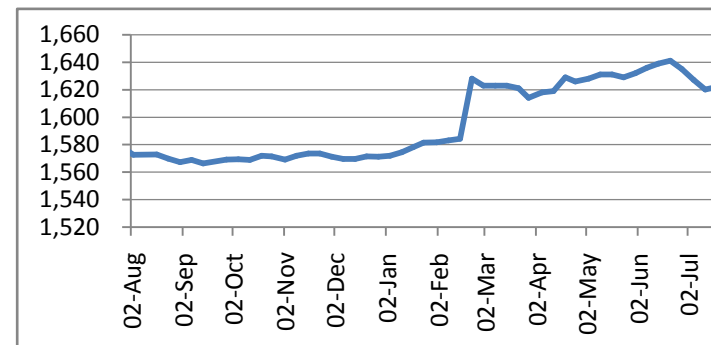


Source: BOT

## C. Foreign Exchange

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

### Foreign Exchange – TZS/USD



Source: BOT

### Foreign Exchange Market – Four weeks trend

	12-July 2013	19-July 2013	26-July 2013	02-Aug 2013
<b>TZS/USD</b>	1,620.00	1,622.00	1,622.00	1,618.00
<b>TZS/GBP</b>	2,459.92	2,472.00	2,496.25	2,452.59
<b>TZS/KES</b>	18.61	18.63	18.54	18.50