



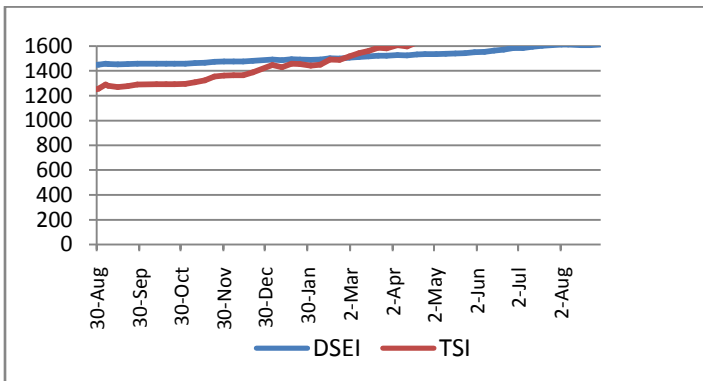
A. Equity Market Performance

Week on week turnover increased significantly to TZS 4,658 million, compared to TZS 3,544 million recorded the previous week. However, shares traded went down from 9,418,240 shares recorded last week to 4,648,476 shares during the week. The week's decrease in activity was due to decreased foreign investor's participation during the week and lack of supply of shares in some counters.

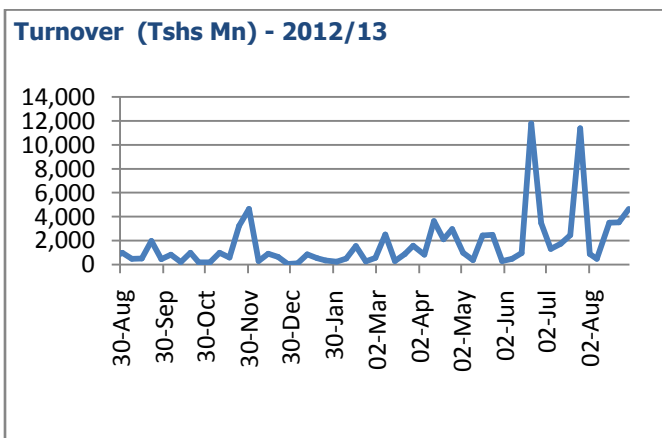
Indices continued with modest gains for both DSEI and the TSI. The DSEI closed 0.25% higher at 1,611.49 points while the TSI ended the week at 1,962.67 points (+0.88%).

The Banking segment Index settled at 1,941.43 points (-2.80%) weaker than previous week due to loss made on the CRDB counter (-3.57%) from TZS 280 and TZS 270 per share. The Industrial & Allied Index ended the week at 2,163.38 points supported by TBL counter that gained 7.56% to close the week at TZS 3,700.

Market Performance



Source: DSE and TSL Analysis



WEEKLY MARKET COMMENTARY

26th Aug – 30th Aug 2013

Statistics – Equity

Total - Week Ending	Aug-23 2013	Aug-30 2013	% Change
Market			
Turnover in Million (TZS)	3,544	4,658	+31.43%
Volume of Shares in '000	9,418	4,648	-50.65%
DSEI	1,607.45	1,611.49	+0.25%
TSI	1,945.59	1,962.67	+0.88%
Banks, Finance, & Services			
BI	1,997.40	1,941.43	-2.80%
Industrial and Allied			
IA	2,093.59	2,163.38	+3.33%

Source: DSE

Outlook:

The bourse recorded lower activities during the week compared to the previous week. The drop has been attributed to low supply in some counters and low support from foreign investors.

Looking forward, we foresee moderate-high activities in the coming week mostly on the IA segment. Bank counters-mainly NMB and CRDB are expected continue dominating the banking segment.

This week's Treasury bills auction experienced oversubscription of 6.4% compared to the previous issue which was undersubscribed. The improvement in yields on the Short term Government instrument and the liquidity level among commercial banks account for the positive results.

Analyst:

Brenda Massay

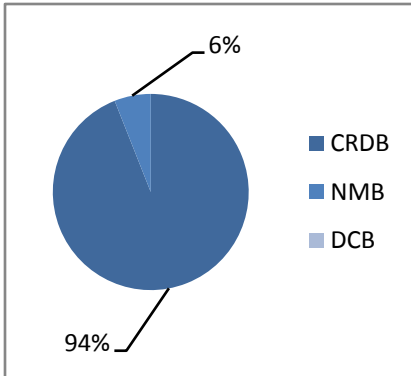
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Bank, Finance & Investment Sector (BI)



The banking segment moved a significant volume of shares but low turnover during the week. Banks accounted for 78% of the week's total volume traded and 21% of the market value.

CRDB was mainly dominated by local investors during the week. Foreign investors contributed 8.0% of CRDB's total turnover. The counter traded 9,021,134 shares at a price of TZS 265 and TZS 260 per share

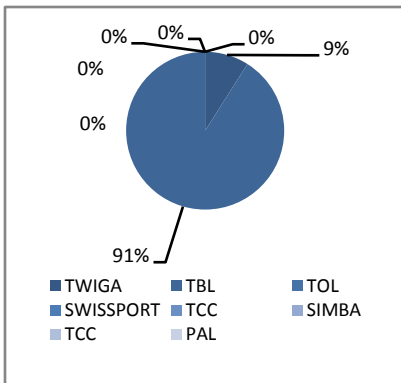
NMB counter transacted 32,673 shares at a price of TZS 1820.

DCB activities were very low during the week by trading of 1000 shares at a price of TZS 500 per share.

Generally, the Banking segment recorded a less turnover but higher activity during the week compared to the previous week.

Industrial and Allied Sector (IA)

Industrial & Allied segment was more liquid this week compared to the previous week. The segment moved 22% of total market's activity and 79% of the total turnover.

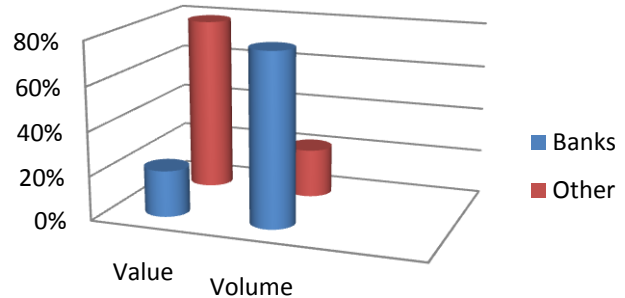


TBL was the most active counter among the Industrial and Allied sector during the week. TBL counter traded 897,801 shares at a price of TZS 3,700 and TZS 3,720 per share. Twiga followed with 117,613 shares being transacted at a price of TZS 2,700 per share.

Swissport closed the week at TZS 2,280 per share, moving a volume of 5,719 shares.

780 shares of Simba exchanged hands at a price of TZS 2,380 while TCC moved 349 shares at a price of TZS 6,860. There were no activities on the Tatepa, TOL and Precision counters.

% Share of the Market's activity



Source: DSE and TSL Analysis

Banking Sector Share Prices (in TZS)

Counter	23.08.2013	30.08.2013	%Changes
DCB	500.00	500.00	0.00%
NMB	1,820.00	1,820.00	0.00%
CRDB	280.00	270.00	-3.57%

Source: DSE and TSL Analysis

IA Share Prices (in TZS):

Counter	23.08.2013	30.08.2013	% Changes
TOL	305.00	305.00	0.00%
TBL	3,440.00	3,700.00	+7.56%
TTP	650.00	650.00	0.00%
PAL	475.00	475.00	0.00%
TCC	6,840.00	6,860.00	+0.29%
SIMBA	2,380.00	2,380.00	0.00%
TWIGA	2,700.00	2,700.00	0.00%
SWISSPORT	2,260.00	2,280.00	+0.88%

Source: DSE and TSL Analysis



B. Fixed Income Securities

Primary Market

During the week the Government through BOT auctioned Treasury Bills worth TZS 145 billion. Bids submitted amounted TZS 154 billion. However, successful bids were for TZS 139.9 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	0.00	96.86	92.54	85.50
Weighted Average Price (WAP) for successful Bid	0.00	96.95	92.98	86.75
Weighted Average Yield (WAY) % per Annum	0.00	12.60	15.15	15.31
Amount Offered TZS (000,000)	5,000	40,000	45,000	55,000
Total Tendered TZS (000,000)	0.00	41,800.0	50,532.80	61,918.98
Undersubscribed(+) Oversubscribed(-) TZS(000,000)	0.00	(1,800.0)	(5,532.8)	(6,918.9)
Successful Bids TZS(000,000)	0.00	40,000	37,982.8	61,918.98

Secondary Market

There were no activities on the Government bond counter during the week.

Below are bonds on offer for secondary trading

Tenor	Face Value	Yield (ASK) %
2 year	1.75bn	13.75
2 year	1.5bn	14.00
7 year	1.16bn	15.00
7 year	3.0bn	15.00
7 year	4.0bn	14.75
7 year	3.0bn	15.15
7 year	2.0bn	14.85
7 year	8.0bn	14.85
10 year	3.0bn	15.00
10 year	3.0bn	15.00
10 year	0.05bn	15.10

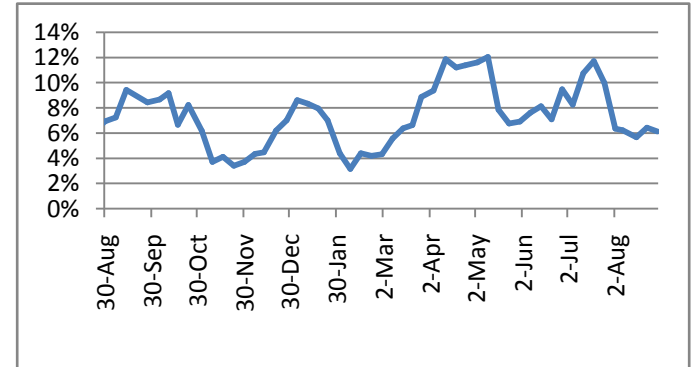
About the Weekly Update report:

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 declined to 6.13%, lower than the 6.44% recorded in the previous week as depicted in the chart below:

Interbank Borrowing Rates (WAR)

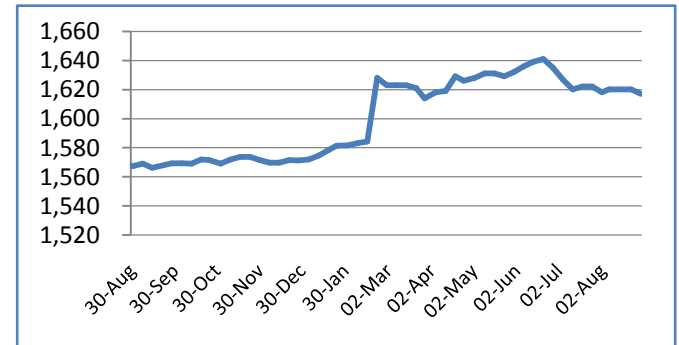


Source: BOT

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

	07-Aug 2013	16-Aug 2013	23-Aug 2013	30-Aug 2013
TZS/USD	1,620.00	1,620.00	1,620.00	1,617.00
TZS/GBP	2,484.24	2,527.50	2,522.00	2,506.50
TZS/KES	18.58	18.48	18.45	18.44