



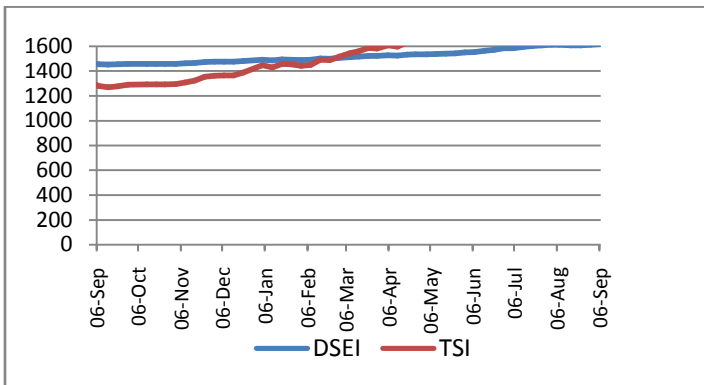
## A. Equity Market Performance

The week's turnover registered a significant decline to TZS 906 million, compared to TZS 4,658 million recorded the previous week. Similarly, shares traded went down from 4,648,476 shares recorded last week to 1,277,500 shares during the week. Foreign investors' participation during the week went down to 23.63% of the week's total turnover.

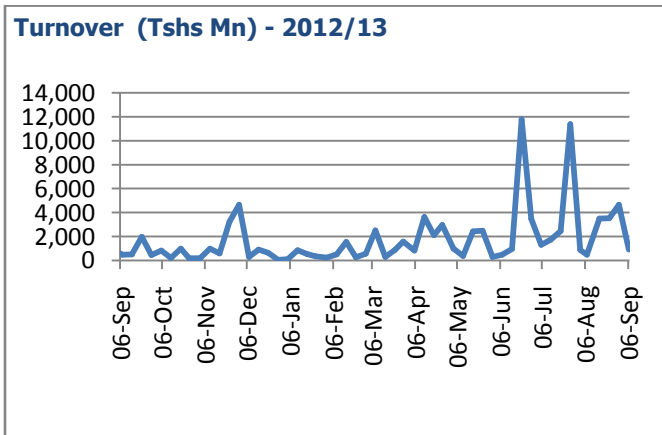
Indices headed north for both DSEI and the TSI. The DSEI closed 0.33% higher at 1,616.86 points while the TSI ended the week at 1,985.36 points (+1.16%).

The Banking segment Index strengthened to 1,995.13 points (+2.7%) due to gains made on the NMB counter (+2.20%) from TZS 1820 and TZS 1860 per share. The Industrial & Allied Index ended the week at 2,168.61 points supported by TBL counter that gained 0.54% to close the week at TZS 3,720.

### Market Performance



Source: DSE and TSL Analysis



## WEEKLY MARKET COMMENTARY

02nd Sept – 06th Sept 2013

### Statistics – Equity

Total - Week Ending	Aug-30 2013	Sept-06 2013	% Change
<b>Market</b>			
Turnover in Million (TZS)	4,658	906	-80.54%
Volume of Shares in '000	4,648	1,277	-72.53%
DSEI	1,611.49	1,616.86	+0.33%
TSI	1,962.67	1,985.36	+1.16%
<b>Banks, Finance, &amp; Services</b>			
BI	1,941.43	1,995.13	+2.7%
<b>Industrial and Allied</b>			
IA	2,163.38	2,168.61	+0.24%

Source: DSE

### Outlook:

Activities down toward the end of the week amid low supply in some active counters and low foreign investors participation. Activities are expected to shift towards Industrial and Allied segment driven by speculation on some of the counters.

We expect continued support from foreign investors on the banking segment and local support on all counters.

This week's 10 year Treasury Bond auction witnessed 37.7% oversubscription level indicating improvement in investors' appetite on the Government security. The liquidity level is set to be relatively good to support some activities on the equity market.

### Analyst:

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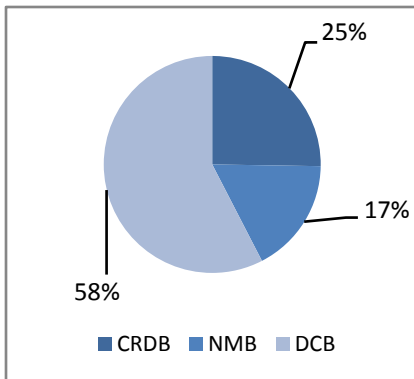
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## Bank, Finance & Investment Sector (BI)

The banking segment moved a significant volume of shares and turnover during the week. Banks accounted for 89% of the week's total volume traded and 58% of the market value.



CRDB was dominated by foreign investors during the week. Foreign investors contributed 61.54% of CRDB's total

turnover. The counter traded 487,483 shares at a price of TZS 265 and TZS 270 per share

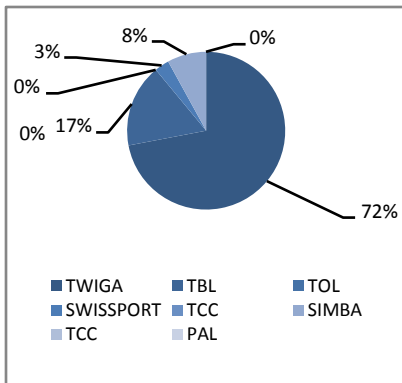
NMB counter transacted 49,209 shares at a price of TZS 1,840 and TZS 1,860.

DCB activities were the highest of the banking sector during the week by trading of 601,100 shares at a price of TZS 500 per share.

Generally, the Banking segment recorded a low turnover and activity during the week compared to the previous week.

## Industrial and Allied Sector (IA)

Industrial & Allied segment was less liquid this week compared to the previous week. The segment moved 11% of total market's activity and 42% of the total turnover.

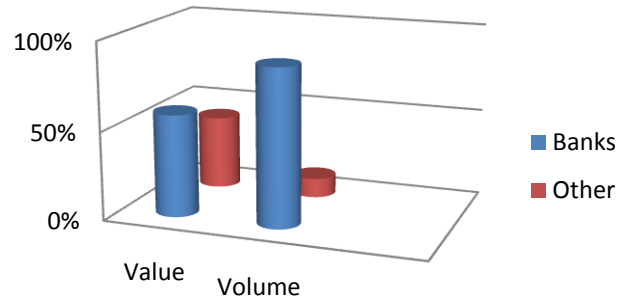


Twiga was the most active counter among the Industrial and Allied sector. Twiga counter traded 102,479 shares at a price of TZS 2,700 and per share. TBL followed with 17,225 shares being transacted at a price of TZS 3,700 and TZS 3,720 per share.

Simba closed the week at TZS 2,380 per share, moving a volume of 13,100 shares.

4,835 shares of Swissport exchanged hands at a price of TZS 2,280 while TOL moved 2,000 shares at a price of TZS 305. TCC counter moved 69 shares at a price of 6,860. There were no activities on the TATEPA, and Precision counters.

## % Share of the Market's activity



Source: DSE and TSL Analysis

## Banking Sector Share Prices (in TZS)

Counter	30.08.2013	06.09.2013	%Changes
DCB	500.00	500.00	0.00%
NMB	1,820.00	1,860.00	+2.20%
CRDB	270.00	270.00	0.00%

Source: DSE and TSL Analysis

## IA Share Prices (in TZS):

Counter	30.08.2013	06.09.2013	% Changes
TOL	305.00	305.00	0.00%
TBL	3,700.00	3,720.00	+0.54%
TTP	650.00	650.00	0.00%
PAL	475.00	475.00	0.00%
TCC	6,860.00	6,860.00	0.00%
SIMBA	2,380.00	2,380.00	0.00%
TWIGA	2,700.00	2,700.00	0.00%
SWISSPORT	2,280.00	2,280.00	0.00%

Source: DSE and TSL Analysis



## B. Fixed Income Securities

### Primary Market

This week's 10-year Government bond was oversubscribed by 37.7%. Yield increased to 15.7528% compared to 15.2812%, the previous 10-year bond auction held on 15<sup>th</sup> May 2013. The auction results are as depicted below:

Highest Bid /100	80.5471
Lowest Bid /100	66.6892
Minimum Successful Price/100	76.0000
Weighted Average Price for Successful Bids	78.6320
Weighted Average Yield to Maturity	15.7528
Weighted Average Coupon Yield	14.5488
Amount Offered Tshs (000,000)	29,500.00
Amount Tendered Tshs (000,000)	40,631.00
Undersubscribed (+) / Oversubscribed (-) Tshs (000,000)	11,131.00
Successful Amount Tshs (000,000)	29,500.00

### Secondary Market

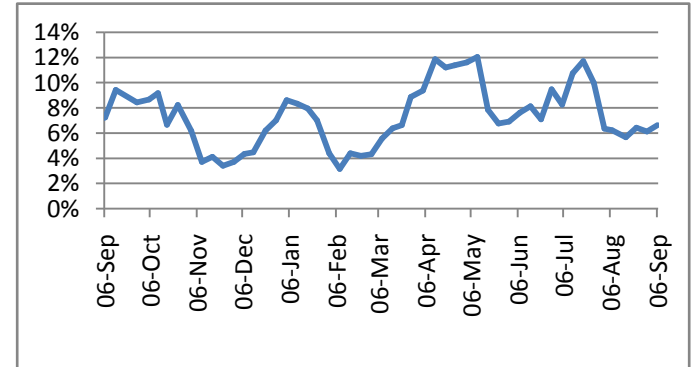
Bonds worth TZS 7 billion exchanged hands in the secondary market during the week as indicated below:

Tenor	Face Value (Tshs.)	Price/100
10.08% Seven-Year	4bn	83.8977
7.82% Two-Year	3bn	89.7429

## Money Market

Interbank borrowing rate (WAR) towards the end of this week rose to 6.64%, higher than the 6.13% recorded in the previous week as depicted in the chart below:

### Interbank Borrowing Rates (WAR)

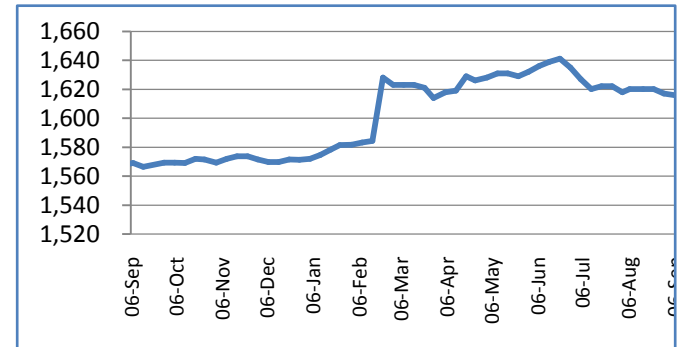


Source: BOT

## 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

	16-Aug 2013	23-Aug 2013	30-Aug 2013	06-Sep 2013
<b>TZS/USD</b>	1,620.00	1,620.00	1,617.00	1,616.00
<b>TZS/GBP</b>	2,527.50	2,522.00	2,506.50	2,522.75
<b>TZS/KES</b>	18.48	18.45	18.44	18.49

### 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.