



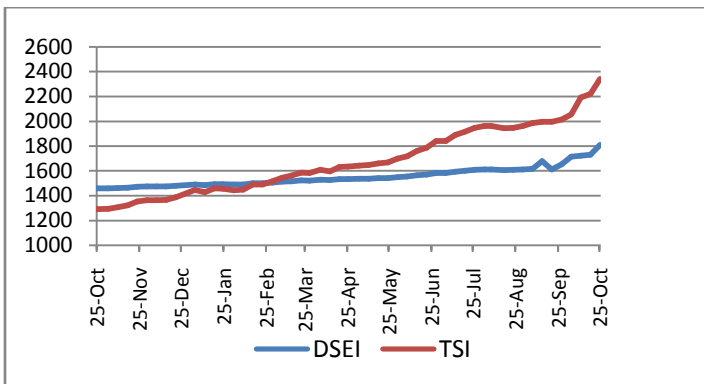
## A. Equity Market Performance

Week-on-week turnover climbed 2.4x to TZS 9,995 mln from TZS 4,188 mln last week. Activity levels rose 45.66% to 3,190,932 shares, a sharp week-on-week increase from last week's 2,190,395 shares.

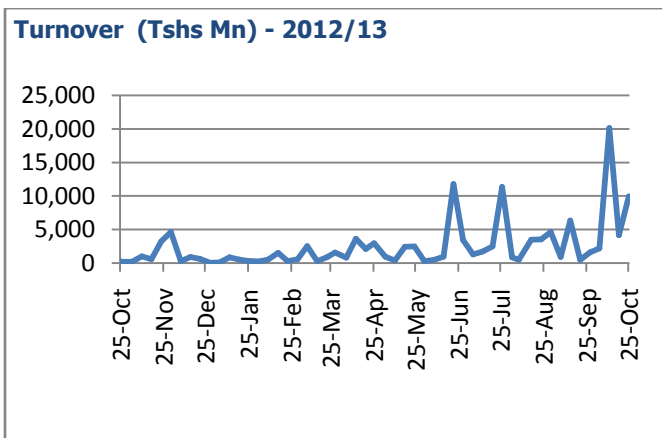
Indices edged north for TSI and DSEI ending the week in green. The DSEI ended the week 4.59% higher at 1,809.04 points while TSI closed the week at 2341.29 points (+5.48%) due to gains made in the CRDB, NMB, Swissport, TCC, TOL and TBL of 1.81%, 4.54%, 1.5%, 2.75%, 1.64%, and 13.12% respectively.

The Banking segment Index strengthened (+3.52%) to close the week at 2,305.14 points on the backdrop of gain made on the CRDB and NMB counters of +1.81% and +4.54% respectively. The Industrial & Allied Index strengthened (+6.99%) to close at 2,620.55 points buoyed by TCC, TBL, Swissport, TOL and counters that gained to TZS 8220, TZS 5,000, TZS 2,640 and TZS 310 respectively.

### Market Performance



Source: DSE and TSL Analysis



## WEEKLY MARKET COMMENTARY

21st Oct – 25th Oct 2013

### Statistics – Equity

Total - Week Ending	Oct-18 2013	Oct-25 2013	% Change
<b>Market</b>			
Turnover in Million (TZS)	4,188	9,995	+138.6%
Volume of Shares in '000	2,190	3,190	+45.66%
DSEI	1,729.66	1,809.04	+4.59%
TSI	2,219.64	2,341.29	+5.48%
<b>Banks, Finance, &amp; Services</b>			
BI	2,226.85	2,305.14	+3.52%
<b>Industrial and Allied</b>			
IA	2,449.16	2,620.55	+6.99%

Source: DSE

### Outlook:

We anticipate some more activity on the bourse in the coming week. We expect the continued presence of foreign investors particularly taking position in the NMB and CRDB counters. Moreover, investors are still showing significant interests on the TBL counter due to its good performance on the bourse.

This week's T-Bill auction experienced oversubscription of TZS 65 billion, with investors showing more appetite on the 182-days and 364-days tenor despite a fall in weighted average

The interbank borrowing rates eased down from 8.4% to 7.4%, also indicating improved liquidity conditions among commercial banks.

### Analyst:

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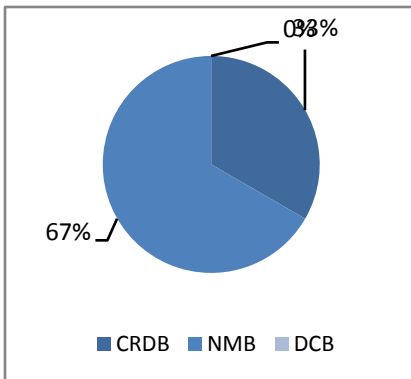
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## Bank, Finance & Investment Sector (BI)

This week the Banking segment's activities and turnover were active compared to the previous week. The sector moved 98% of the market turnover and 99% of the total volume exchanged hands during the week. CRDB counter ended the week at TZS 280 per share. The counter moved



a volume of 846,891 shares.

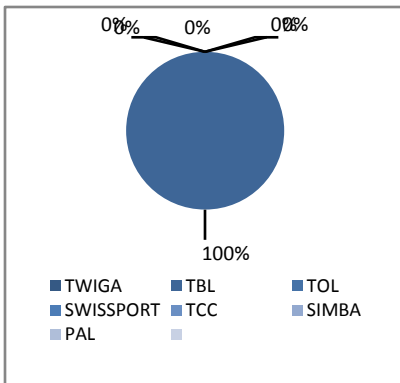
NMB counter transacted 208,467 shares at a price of TZS 2200, TZS 2,280 and TZS 2,300.

DCB counter was more active during the week compared to the previous week. The bank moved 20,005 at TZS 490 per share.

## Industrial and Allied Sector (IA)

Industrial & Allied segment was liquid this week compared to the previous week.

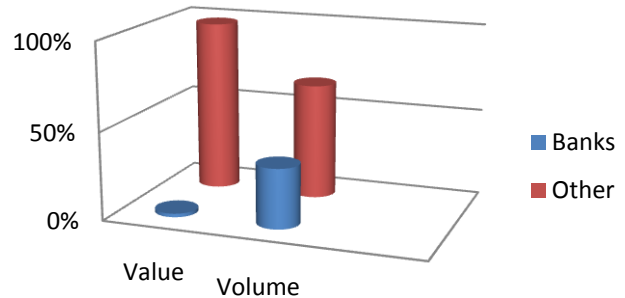
TBL was the most active counter among the Industrial and Allied segments. The counter maintained local support to transact 2,067,983 shares at price of TZS 4,440 and TZS 5000 per share



TOL ended the week up at TZS 310 per share in comparison to last week. 23,162 shares were traded on the counter. Swissport also went up to close the week at TZS 2,640 per share, moving a volume of 13,284 shares.

5,821 shares of Simba exchanged hands at a price of TZS 2,340 while Twiga moved 2,569 shares at a price of TZS 2,700. TCC moved 2,550 shares at a price of TZS 8,200 and TZS 8,220 while Tatepa moved 200 shares at a price of TZS 650. There were no activities on the PAL counter.

## % Share of the Market's activity



Source: DSE and TSL Analysis

## Banking Sector Share Prices (in TZS)

Counter	18.10.2013	25.10.2013	%Changes
DCB	490.00	490.00	0.00%
NMB	2,200.00	2,300.00	+4.54%
CRDB	275.00	280.00	+1.81%

Source: DSE and TSL Analysis

## IA Share Prices (in TZS):

Counter	18.10.2013	25.10.2013	% Changes
TOL	305.00	310.00	1.64%
TBL	4,420.00	5,000.00	+13.12%
TTP	650.00	650.00	0.00%
PAL	475.00	475.00	0.00%
TCC	8,000.00	8,220.00	+2.75%
SIMBA	2,340.00	2,340.00	0.00%
TWIGA	2,700.00	2,700.00	0.00%
SWISSPORT	2,600.00	2,640.00	+1.5%

Source: DSE and TSL Analysis



## B. Fixed Income Securities

### Primary Market

This week the Government through BOT auctioned Treasury bills worth TZS 145 billion. The auction results show an oversubscription by TZS 65 billion. Yields for all maturities eased down compared to the previous auction.

The auction result is as depicted in the table below;

	35 Days	91 Days	182 Days	364 Days
Minimum Successful Price/100	0.00	96.63	92.70	86.48
Weighted Average Price (WAP) for successful Bid	0.00	96.70	92.85	86.62
Weighted Average Yield (WAY) % per Annum	0.00	13.68	15.45	15.48
Amount Offered TZS (000,000)	5000	45,000	50,000	45,000
Total Tendered TZS (000,000)	0.00	37,299.40	64,370.75	108,421.60
Undersubscribed(+) Oversubscribed(-) TZS(000,000)	0.00	7,700.60	-14,370.7	-63,421.58
Successful Bids TZS(000,000)	0.00	33,549.40	49,999.99	45,000.00

### Secondary Market

Bonds worth TZS 39.65 billion exchanged hands in the secondary market during the week with prices as indicated in the table below:

Tenor	Face Value (TZS)	Price/100
7.82% 2-Year	3.0bn	92.7732
10.08% 7-Year	3.0bn	78.8207
7.82% 2-Year	22.8bn	87.9000
9.18% 5-year	5.935bn	80.2000-88.0800
11.44% 10-year	4.92bn	83.4900

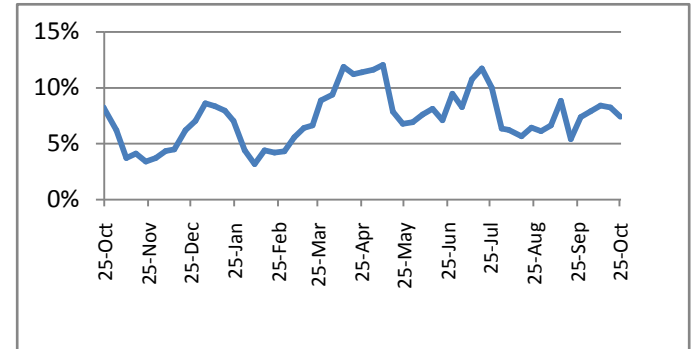
#### About the Weekly Update report:

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) went down towards the end of this week from 8.24% recorded in the previous week to 7.40% as depicted in the chart below:

#### Interbank Borrowing Rates (WAR)

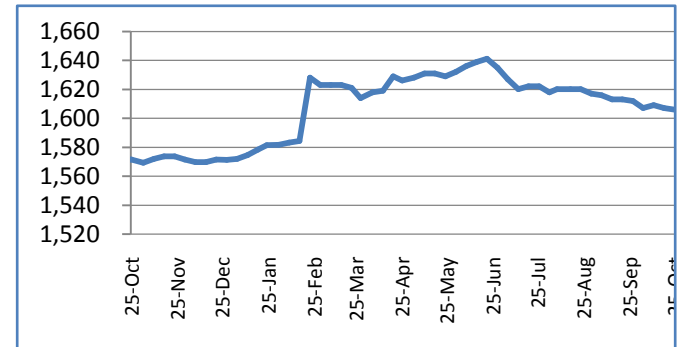


Source: BOT

### C. Foreign Exchange

This week, the shilling gained against the USD as indicated in the chart and table below:

#### Foreign Exchange – TZS/USD



Source: BOT

#### Foreign Exchange Market – Four weeks trend

	04-Oct 2013	11-Oct 2013	18-Oct 2013	25-Oct 2013
<b>TZS/USD</b>	1,607.00	1,609.00	1,607.00	1,605.00
<b>TZS/GBP</b>	2,604.81	2,571.75	2,598.21	2,606.69
<b>TZS/KES</b>	18.60	18.86	18.95	18.92