



A. Equity

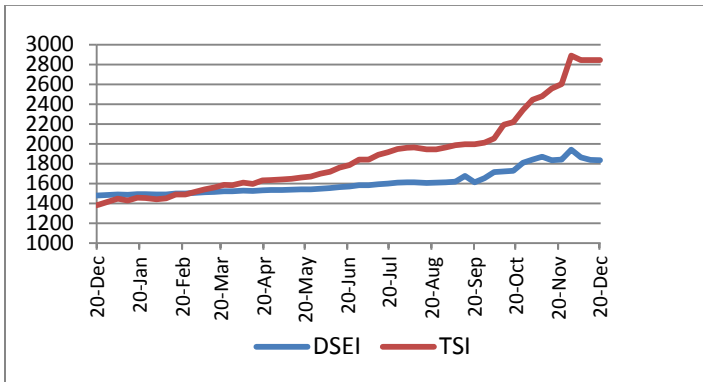
Market Performance

The week recorded a stronger performance than last week's. The weekly turnover was TZS 75,535 million, substantial improve from the previous week's turnover of TZS 19,936 million. Activity levels were also up 4x with shares traded rose to 11,323,703 from last week's number of 3,604,143 shares. Both indices (DSEI and TSI) edged south. The DSEI went down by 0.22% to close at 1,835.17 points while the TSI (-0.07%) settled at 2,842.89 points mainly pulled down by loses on CRDB, Simba and Swissport counters.

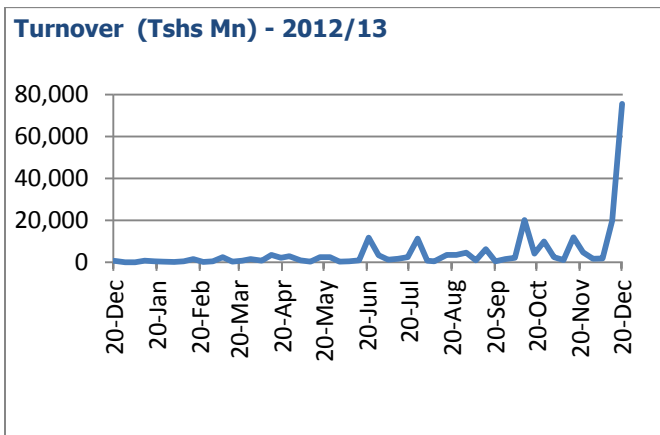
Foreign participation was on support of the CRDB and NMB counters during the week.

The Banking segment Index strengthened to settle at 2,510.88 points, 0.93% up from last week's 2,487.43 points. The Industrial & Allied Index went up to 3,413.43 points from last week's 3,432.63 points (+0.56%).

Market Performance



Source: DSE and TSL Analysis



Source: DSE and TSL Analysis

WEEKLY MARKET COMMENTARY

16th Dec – 20th Dec 2013

Statistics – Equity

Total - Week Ending	Dec-13 2013	Dec-20 2013	% Change
Market			
Turnover in Million (TZS)	19,936	75,535	+279%
Volume of Shares in '000	3,604	11,323	+214%
DSEI	1,839.27	1,835.17	-0.22%
TSI	2,844.86	2,842.89	-0.07%
Banks, Finance, & Services			
BI	2,487.43	2,510.88	+0.93%
Industrial and Allied			
IA	3,432.63	3,413.43	+0.56%

Source: DSE

Outlook:

Activities are expected to drop in the coming week as we are heading towards festive seasons. The Exchange will remain closed on 25th and 26th December 2013.

This week's Treasury bill auction experienced a lower demand resulting into undersubscription of 15.9%. This might be attributed by end of year activities and tight liquidity among commercial banks-one of the main participants in the Government securities. Interbank rates were noted to increase to 9.6% from previous 7.89%.

We expect the shilling to strengthen against the USD during the coming week due to local currency requirements to meet some month/year end obligations.

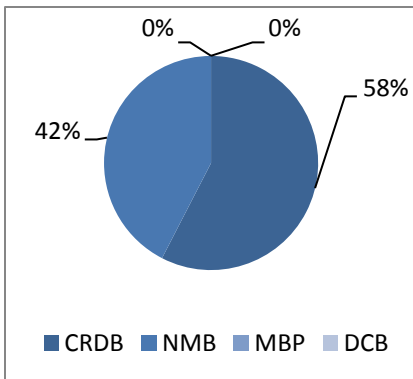
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Bank, Finance & Investment Sector (BI)

The banking segment was illiquid compared to the Industrial segment. 1% of total turnover and 17% of the market activity was recorded during the week.

CRDB counter was mainly supported by

foreign investors to trade 1,825,820 shares. The counter closed the week at TZS 280 per share.

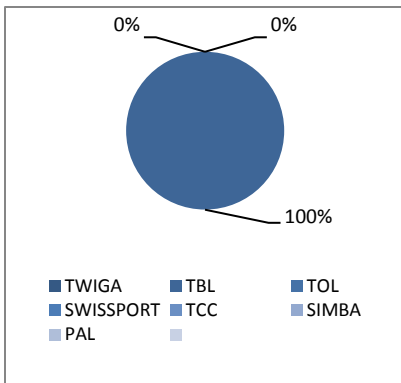
NMB counter transacted 143,363 shares at TZS 2,540, TZS 2,600 and TZS 2,620. 35% of the counter's turnover was from foreign participation.

DCB counter transacted 6,275 shares at a price of TZS 490 and MBP traded 300 shares at TZS 600 per share.

Industrial and Allied Sector (IA)

The industrial and Allied Segment, moved insignificant volume of shares and turnover during the week compared to the Banking segment. TBL ended the week with an upward trend as last week's to transact 9,322,615 shares. The counter accounted for 99% of the week's turnover and activity level.

Swissport followed with 9,670 shares traded at TZS 2,680 and TZS 2,700 per share.



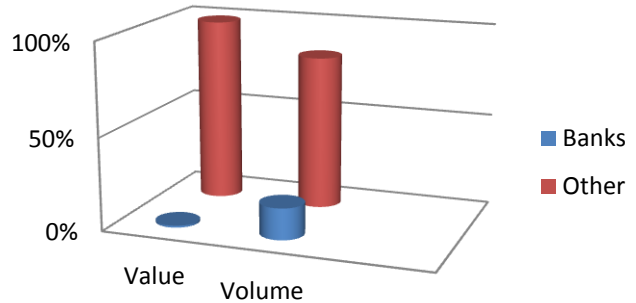
Twiga had 9,586 shares at TZS 2,660 per share.

Simba traded 5,970 shares at TZS 2,000 and TZS 2300 per share. The counter lost TZS 340 from last week's price of TZS 2,340.

TCC counter transacted 100 shares at TZS 8,600 per share. TATEPA traded only 4 shares during the week at TZS 650 and TZS 700 per share.

There were no activities on the TOL and Precision counters.

% Share of the Market's activity



Source: DSE and TSL Analysis

Banking Sector Share Prices (in TZS)

Counter	13.12.2013	20.12.2013	%Changes
DCB	490.00	490.00	0.00%
NMB	2,540.00	2,620.00	+3.05%
CRDB	290.00	280.00	-3.45%
MBP	600.00	600.00	0.00%

Source: DSE and TSL Analysis

IA Share Prices (in TZS):

Counter	13.12.2013	20.12.2013	% Changes
TOL	310.00	310.00	0.00%
TBL	8,000.00	8,000.00	0.00%
TTP	650.00	650.00	0.00%
PAL	475.00	475.00	0.00%
TCC	8,600.00	8,600.00	0.00%
SIMBA	2,340.00	2,000.00	-17.00%
TWIGA	2,660.00	2,660.00	0.00%
SWISSPORT	2,700.00	2,680.00	-0.75%

Source: DSE and TSL Analysis



B. Fixed Income Securities

Primary Market

There was no primary market bonds activity during the week.

Secondary Market

Bonds worth TZS 32.3 billion transacted during the week for the 5 and 7 years maturities.

Tenor	Face Value (Tshs.)	Price/100
9.18% Five Year Bond	1.5	82.5000
9.18% Five Year Bond	7.8	81.0218 - 84.0109
9.18% Five Year Bond	7.0	82.0865 - 81.7818
10.08% Seven Year Bond	16.0	84.5747- 87.2323

During the week the Government through BOT auctioned Treasury Bills worth TZS 160 billion. Bids submitted amounted TZS 134.6 billion. However, successful bids were for TZS 107.2 billion. In comparison to the previous auction, Weighted Average Yield increased slightly to 15.5 percent from 15.2 percent.

	35 Days	91 Days	182 Days	364 Days
Minimum Successful Price/100	0.00	96.67	92.62	86.05
Weighted Average Price (WAP) for successful Bid	0.00	96.73	92.80	86.50
Weighted Average Yield (WAY) % per Annum	0.00	13.55	15.56	15.65
Amount Offered TZS (000,000)	5,000	35,000	55,000	65,000
Total Tendered TZS (000,000)	0.00	7,586.99	31,303.92	95,737.00
Undersubscribed(+) Oversubscribed(-) TZS(000,000)	0.00	27,413.01	23,696.08	25,372.00
Successful Bids TZS(000,000)	0.00	6,166.99	26,803.92	74,237.00

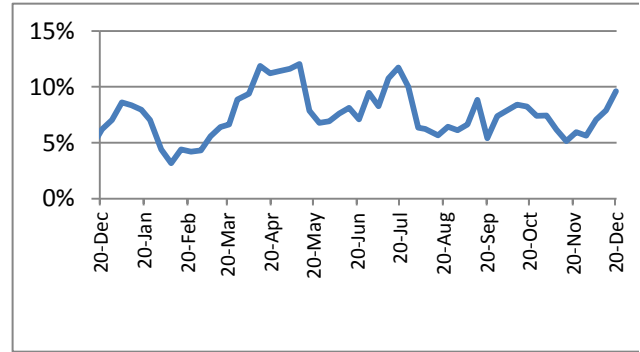
About the Weekly Update report:

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

The overnight rate towards the end of this week was 9.60% - higher than the 7.89% rate at the end of the week before as depicted in the chart below:

Interbank Borrowing Rates (WAR)

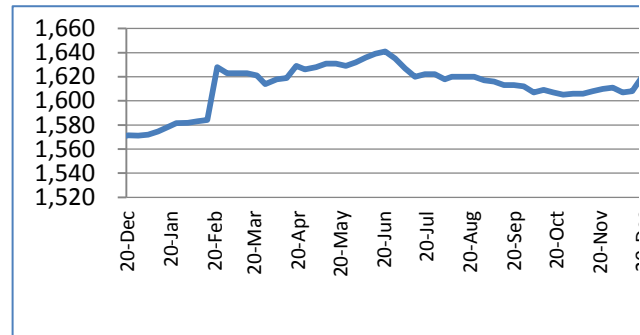


Source: BOT

C. Foreign Exchange

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

Foreign Exchange – TZS/USD



Source: BOT

Foreign Exchange Market – Four weeks trend

	29-Nov 2013	06-Dec 2013	13-Dec 2013	20-Dec 2013
TZS/USD	1611.00	1,607.00	1,608.00	1,620.00
TZS/GBP	2635.36	2,624.22	2,627.64	2,614.50
TZS/KES	18.52	18.57	18.55	18.69