



## A. Equity

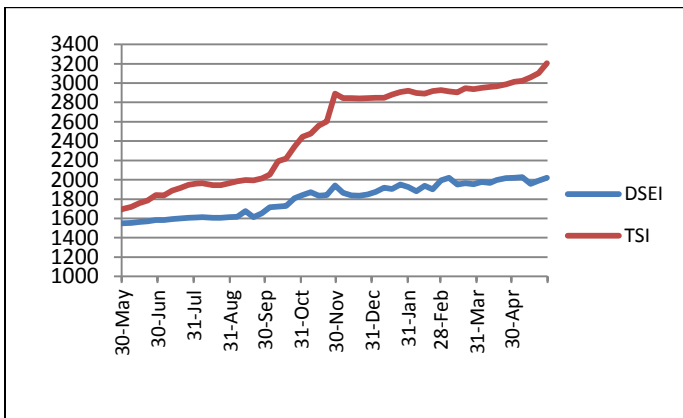
### Market Performance

The week recorded a weaker performance in terms of turnover and activity level in comparison to last week's. Turnover decreased to TZS 5,938 million compared to TZS 7,446 million recorded in the previous week. Shares traded fell to 16,004,683 shares (-23.25%) compared to last week's shares.

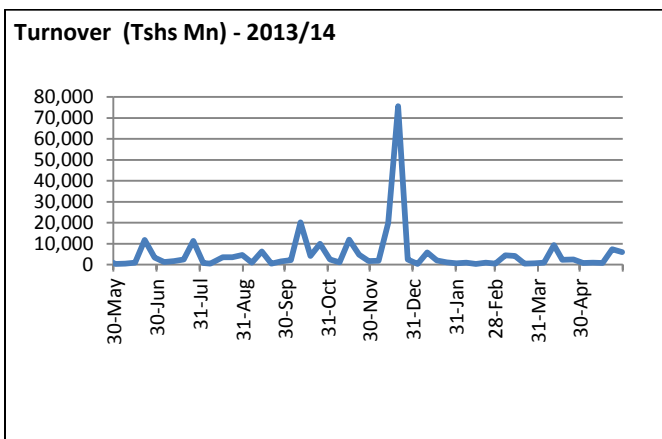
Both indices closed in green. The DSEI closed 1.52% higher at 2,019.68 points while the TSI ended the week at 3,206.25 points (+3.35%) pulled up by CRDB, NMB, TOL and TBL counters to close at TZS 320, TZS 3,300; TZS 500 and TZS 8,640 per share.

Banking segment Index strengthened (+0.58%) to close the week at 2,959.16 points on the backdrop of gains posted on the NMB(+4.43%) and CRDB(+3.23%) counters. Likewise, the Industrial & Allied Index gained to 3,713.64 points supported by the price gains in TBL and TOL counters.

### Market Performance



Source: DSE and TSL Analysis



Source: DSE and TSL Analysis

## WEEKLY MARKET COMMENTARY

### 26th May 2014 – 30th May 2014

#### Statistics – Equity

Total - Week Ending	May-23 2014	May-30 2014	% Change
<b>Market</b>			
Turnover in Million (TZS)	7,446	5,938	-20.25%
Volume of Shares in '000	20,853	16,004	-23.25%
DSEI	1,989.40	2,019.68	+1.52%
TSI	3,102.40	3,206.25	+3.35%
<b>Banks, Finance &amp; Services</b>			
BI	2,942.03	2,959.16	+0.58%
<b>Industrial and Allied</b>			
IA	3,599.45	3,713.64	+3.17%

Source: DSE

#### Outlook:

We expect the equities market to continue experiencing enthusiasm as liquidity improves in the economy and more investment flow into the exchange to take advantage of the strengthening fundamentals in the economy and the market.

We expect to see increased activity in the money market as more investors continue to show interest in government securities. We anticipate another oversubscription in the next week's Treasury Bills auction.

The shilling has continued to weaken against the US dollar as it ended the week at a rate of 1644.42 as compared to the previous week's 1642.50.

#### Analyst:

##### Brenda Massay

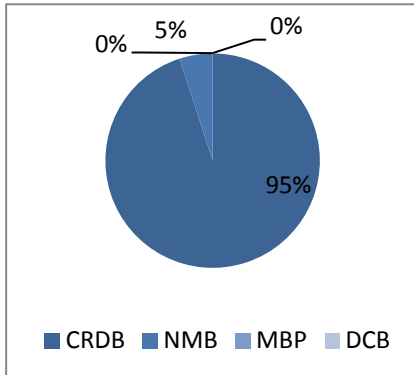
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## Bank, Finance & Investment Sector (BI)



This week the Banking segment was illiquid compared to the previous week. The segment contributed 90% of the total turnover and 99% of the market activity recorded during the week.

CRDB was the most active counter with a volume of 15,740,025

shares traded at a prices of TZS 310, TZS 315 and TZS 320

NMB counter traded 78,258 shares closing the week up at TZS 3,300

DCB counter closed the week down at TZS 480 moving a volume of 30,749 shares.

MBP counter traded 8,100 shares at TZS 600.

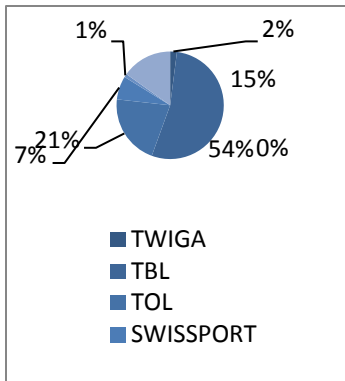
## Industrial and Allied Sector (IA)

This week TBL was the most active counter on the Industrial and Allied segment. The counter traded 64,187 shares at prices of TZS 8,220; TZS 8,240; TZS 8,400 and TZS 8,640.

TOL counter followed closing the week up at TZS 500 with 60,498 shares transacted.

Twiga counter had 17,382 shares that exchanged hands at a price of TZS 2,440 per share.

Simba counter transacted 1,600 shares at a prices of TZS 2,400 and TZS 2,360.



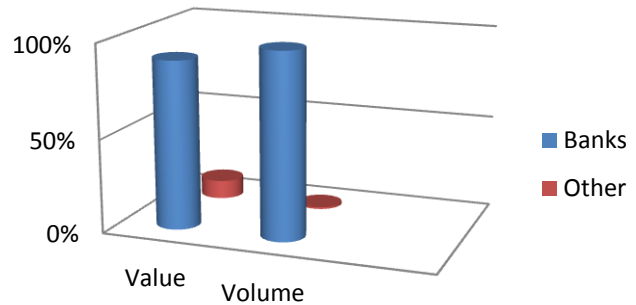
Swissport counter had 1,544 shares traded at prices of TZS 2,600 and TZS 2,660(which it closed the week at) per share.

TCC counter traded 400 shares at TZS 10,100.

Tatepa transacted 200 shares at TZS 650.

There were no activities on the PAL counter during the week.

## % Share of the Market's activity



Source: DSE and TSL Analysis

## Banking Sector Share Prices (in TZS)

Counter	23.05.2014	30.05.2014	%Changes
DCB	490.00	480.00	-2.04%
NMB	3,160.00	3,300.00	+4.43%
CRDB	310.00	320.00	+3.23%
MBP	600.00	600.00	0.00%

Source: DSE and TSL Analysis

## IA Share Prices (in TZS)

Counter	23.05.2014	30.05.2014	% Changes
TOL	400.00	500.00	+25.00%
TBL	8,200.00	8,640.00	+5.37%
TTP	650.00	650.00	0.00%
PAL	475.00	475.00	0.00%
TCC	10,100.00	10,100.00	0.00%
SIMBA	2,420.00	2,360.00	-2.48%
TWIGA	2,440.00	2,440.00	0.00%
SWISSPORT	2,700.00	2,660.00	-1.48%

Source: DSE and TSL Analysis



## B. Fixed Income Securities

### Primary Market

There was a ten-year bond in this week's primary market that was oversubscribed by 5%. WAYT increased to 16.4324% compared to 16.0401% in the previous auction on 02nd April 2014.

The auction result is as depicted in the table below;

Highest Bid /100	78.8000
Lowest Bid /100	70.0584
Minimum Successful Price/100	73.7193
Weighted Average Price for Successful Bids	75.8483
Weighted Average Yield to Maturity	16.4324
Weighted Average Coupon Yield	15.0827
Amount Offered Tshs (000,000)	47,200.00
Amount Tendered Tshs (000,000)	49,586.00
Undersubscribed (+) / Oversubscribed (-) Tshs (000,000)	2,386.00
Successful Amount Tshs (000,000)	47,200.00

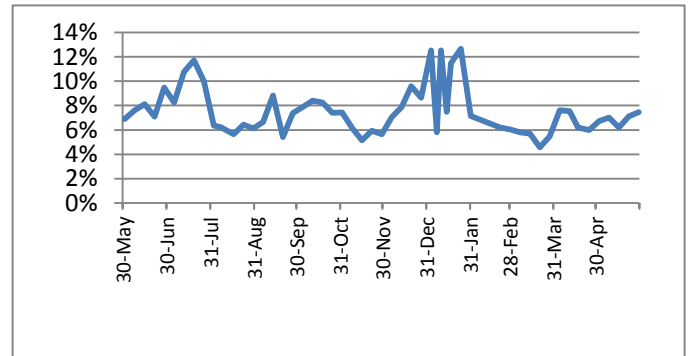
### Secondary Market

There were no Treasury Securities traded in the secondary market during the week.

## Money Market

The overnight rate towards the end of this week was 7.47%, higher than the 7.11% rate of the previous week's, as depicted in the chart below:

### Interbank Borrowing Rates (WAR)

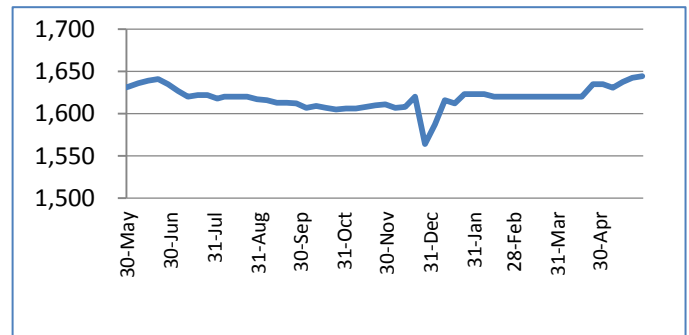


Source: BOT

## C. Foreign Exchange

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

### Foreign Exchange – TZS/USD



Source: BOT

### Foreign Exchange Market – Four weeks trend

	09-May 2014	16-May 2014	23-May 2014	30-May 2014
<b>TZS/USD</b>	1,630.62	1,637.50	1,642.50	1,644.42
<b>TZS/GBP</b>	2,773.97	2,745.30	2,771.55	2,749.88
<b>TZS/KES</b>	18.77	18.73	18.67	18.72

### 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.