



A. Equity

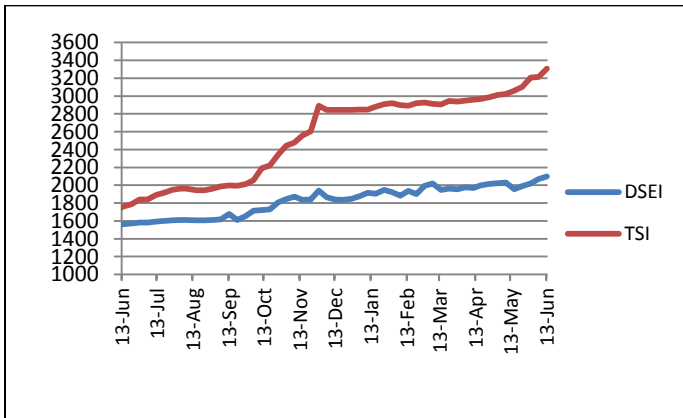
Market Performance

Week on week turnover jumped to TZS 1,688 million, compared to TZS 810 million recorded the previous week. Similarly, activity levels went up from 430,521 shares recorded last week to 2,529,156 shares during the week.

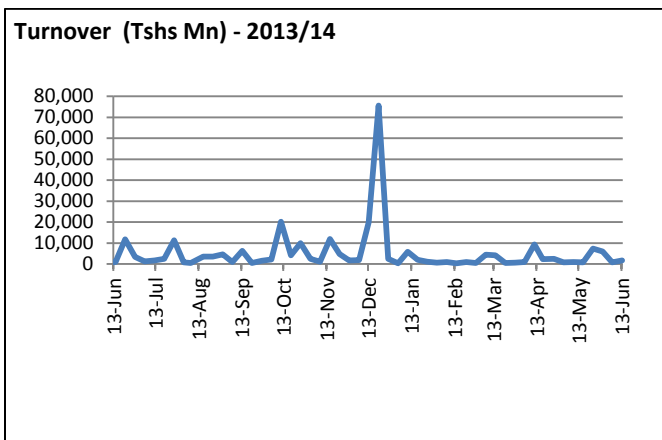
Indices continued with their upward rally for both DSEI and the TSI. The DSEI closed 1.41% higher at 2,096.79 points while the TSI ended the week at 3,305.07 points (+2.87%).

The Banking segment Index strengthened to 3,199.47 points (+3.28%) due to gains made on the NMB counter (+5.36%) from TZS 3,360 and TZS 3,540 per share. The Industrial & Allied Index ended the week at 3,801.18 points supported by TBL counter that gained 4.90%, to close the week at TZS 9,000.

Market Performance



Source: DSE and TSL Analysis



Source: DSE and TSL Analysis

WEEKLY MARKET COMMENTARY

09th June 2014 – 13th June 2014

Statistics – Equity

Total - Week Ending	June-06 2014	June-13 2014	% Change
Market			
Turnover in Million (TZS)	810	1,688	+108.4%
Volume of Shares in '000	430	2,529	+488.1%
DSEI	2,067.62	2,096.79	+1.41%
TSI	3,212.71	3,305.07	+2.87%
Banks, Finance & Services			
BI	3,097.73	3,199.47	+3.28%
Industrial and Allied			
IA	3,699.07	3,801.18	+2.76%

Source: DSE

Outlook:

Looking ahead, we anticipate some more activity in the coming weeks particularly on the TBL, TOL, CRDB and NMB counters which have continued to attract majority of investors.

Despite the drop in liquidity as can be witnessed from the increased interbank borrowing rate, the 2-year Government Bond was highly oversubscribed. This sends signals that the demand for Government Paper is high, and as Tanzanian Market opens to East African investors, it creates even more demand.

Inflation rate for the month of May went up to 6.5% from 6.3% in April attributed to the price increase in food and non alcoholic beverages.

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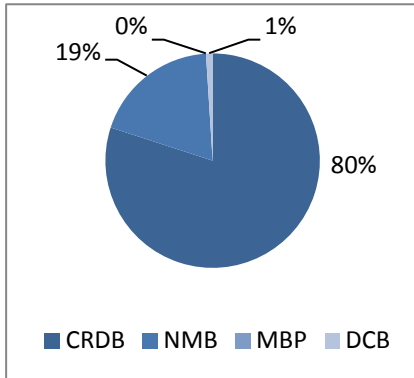
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Bank, Finance & Investment Sector (BI)

This week the Banking segment was illiquid compared to the Industrial and Allied sector. The segment contributed 46% of the total turnover and 78% of the market activity.



CRDB maintained its lead with a volume of 1,936,246 shares traded at prices of TZS 320 and TZS 315

NMB counter traded 42,032 shares at prices of TZS 3,400, TZS 3,460; TZS 3,500 and TZS 3,540.

DCB's price remained flat at TZS 480. The counter moved a volume of 3,166 shares.

There was no trade on the MBP counter this week.

Industrial and Allied Sector (IA)

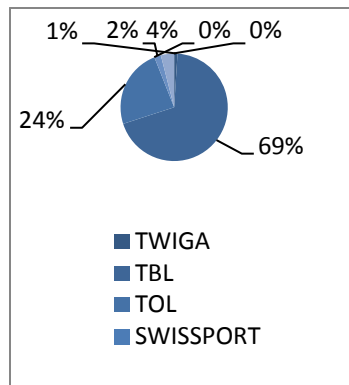
The Industrial and Allied Segment was more active this week compared to the previous week.

TOL was the most active counter on the Industrial and Allied segment this week. The counter traded 452,597 shares at prices of TZS 500 and TZS 490 and TZS 495

TBL counter followed, closing the week up at TZS 9,000 with 71,539 shares transacted.

Simba counter had 16,247 shares that exchanged hands at a price of TZS 2,360 per share.

Twiga counter traded 4,638 shares at a price of TZS 2,400.

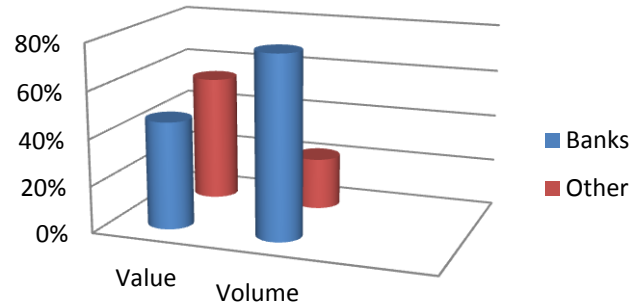


TCC counter remained flat closing the week at TZS 10,100. The counter transacted 1,650 shares.

Swissport counter traded 441 shares at prices of TZS 2,680 and TZS 2,660 (which is the closing price of the week).

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

% Share of the Market's activity



Source: DSE and TSL Analysis

Banking Sector Share Prices (in TZS)

Counter	06.06.2014	13.06.2014	%Changes
DCB	480.00	480.00	0.00%
NMB	3,360.00	3,540.00	+5.36%
CRDB	320.00	320.00	0.00%
MBP	600.00	600.00	0.00%

Source: DSE and TSL Analysis

IA Share Prices (in TZS)

Counter	06.06.2014	13.06.2014	% Changes
TOL	500.00	495.00	-1.00%
TBL	8,580.00	9,000.00	+4.90%
TTP	650.00	650.00	0.00%
PAL	475.00	475.00	0.00%
TCC	10,100.00	10,100.00	0.00%
SIMBA	2,360.00	2,360.00	0.00%
TWIGA	2,440.00	2,400.00	-1.64%
SWISSPORT	2,660.00	2,660.00	0.00%

Source: DSE and TSL Analysis



B. Fixed Income Securities

Primary Market

This week's 2-year Government bond was oversubscribed by 248.4%. Yield decreased to 13.8299% compared to 14.4036% of the previous 2-year bond auction held on 19th March 2014.

The auction result is as depicted in the table below;

Highest Bid /100	90.4693
Lowest Bid /100	86.7761
Minimum Successful Price/100	89.6717
Weighted Average Price for Successful Bids	89.9667
Weighted Average Yield to Maturity	13.8299
Weighted Average Coupon Yield	8.6921
Amount Offered Tshs (000,000)	30,900.00
Amount Tendered Tshs (000,000)	107,661.70
Undersubscribed (+) / Oversubscribed (-) Tshs (000,000)	76,761.70
Successful Amount Tshs (000,000)	30,900.00

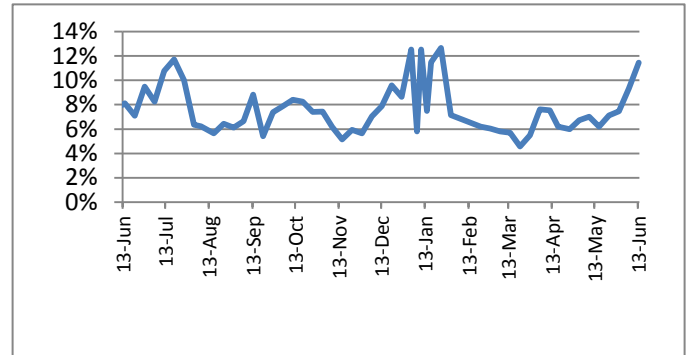
Secondary Market

A ten year 11.44% Treasury bond worth TZS 3 bln was traded at a price of TZS 77.7000% in 1 deal during the week.

Money Market

Interbank borrowing rate (WAR) towards the end of this week rose to 11.5%, higher than the 9.42% recorded in the previous week as depicted in the chart below:

Interbank Borrowing Rates (WAR)

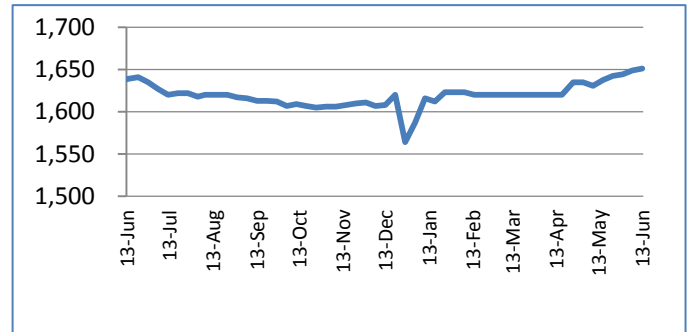


Source: BOT

C. Foreign Exchange

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

Foreign Exchange – TZS/USD



Source: BOT

Foreign Exchange Market – Four weeks trend

	23-May 2014	30-May 2014	06-Jun 2014	13-Jun 2014
TZS/USD	1,642.50	1,644.42	1,648.91	1,651.06
TZS/GBP	2,771.55	2,749.88	2,761.83	2,779.63
TZS/KES	18.67	18.72	18.83	18.77

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.