



A. Equity

Market Performance

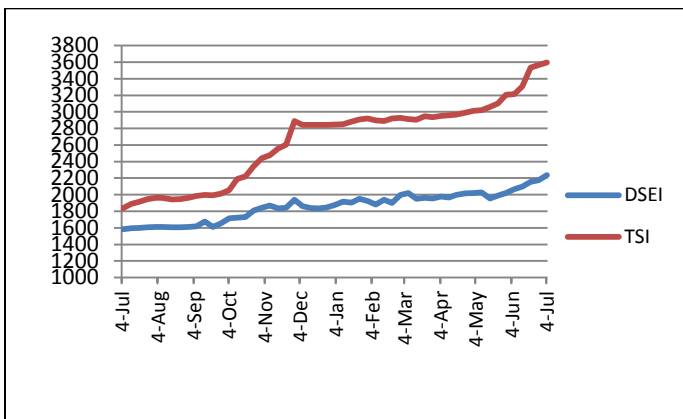
Turnover and activity level were southbound in the week. Activity levels were significantly weaker. Week-on-week, turnover plunged to TZS 979 million, (-58.84%) as shares traded decreased by 86% to 522,214 compared to the previous week's TZS 2,379 million in turnover and 3,825,602 shares transacted.

Both indices closed in green with the DSEI settling at 2,238.31 (+2.97%) whereas the TSI closed at 3,597.85 (+0.95%).

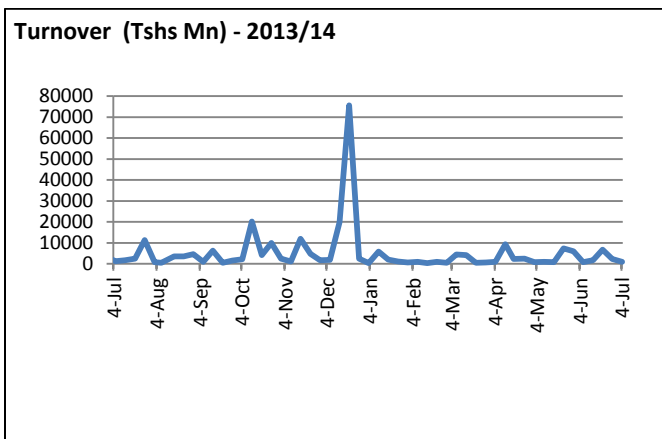
There was no Foreign investors' participation during the week

The Banking segment Index strengthened (+0.40%) to close the week at 3,523.20 points. The Industrial & Allied Index also gained to close at 4,124.54 (+1.31) supported by the gain of TZS 200 on TBL counter which closed the week at TZS 9,900.

Market Performance



Source: DSE and TSL Analysis



Source: DSE and TSL Analysis

WEEKLY MARKET COMMENTARY

30th June 2014 – 04th July 2014

Statistics – Equity

Total - Week Ending	June-27 2014	July-04 2014	% Change
Market			
Turnover in Million (TZS)	2,379	979	-58.84%
Volume of Shares in '000	3,825	522	-86.35%
DSEI	2,173.73	2,238.31	+2.97%
TSI	3,564.00	3,597.85	+0.95%
Banks, Finance & Services			
BI	3,509.21	3,523.20	+0.40%
Industrial and Allied			
IA	4,071.10	4,124.54	+1.31%

Source: DSE

Outlook:

The activities dropped during the week amid the ongoing International trade exhibitions at the Sabasaba grounds.

We expect activities to pick slightly in the coming week. Trades will dominate on the banking counters as investors start to take position as they anticipate for Q2 results.

This week's Treasury bill auction experienced a 39% oversubscription despite the low liquidity conditions in the market. The Government offered Treasury Bills worth TZS 80 billion, lower than the previous TZS 135 billion.

The Exchange will remain closed on Monday, 7th July 2014 for Sabasaba day.

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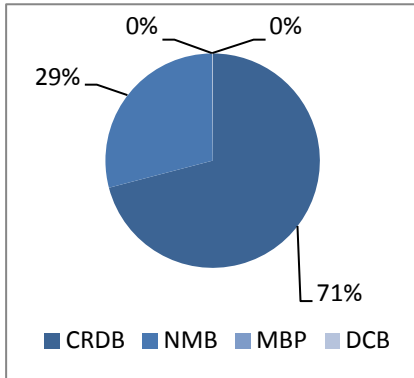
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Bank, Finance & Investment Sector (BI)

This week the Banking segment was less active compared to the previous week. The segment contributed 74% of the total turnover and 90% of the market activity.



CRDB maintained its lead with a volume of 298,254 shares traded at prices of TZS 320.

NMB counter traded 154,490 shares at prices of TZS 3,990 and

TZS 4,000.

DCB's price remained flat at TZS 480, as the counter moved a volume of 19,130 shares.

There was no trade on the MBP counter this week.

Industrial and Allied Sector (IA)

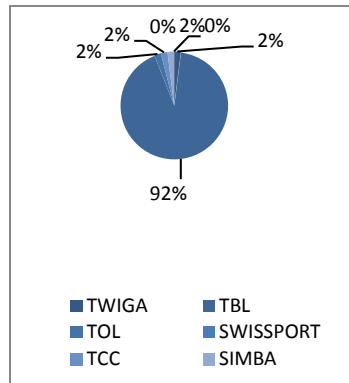
The Industrial and Allied Segment was illiquid compared to the previous week. The segment contributed 26% of the total week's volume and 10% of the total week's turnover.

Twiga was the most active counter on the Industrial and Allied segment this week. The counter traded 22,280 shares at a price of TZS 2,320.

TBL counter followed, closing the week at TZS 9,900 with 20,496 shares transacted.

TOL counter had 8,400 shares that exchanged hands at a price of TZS 490 per share.

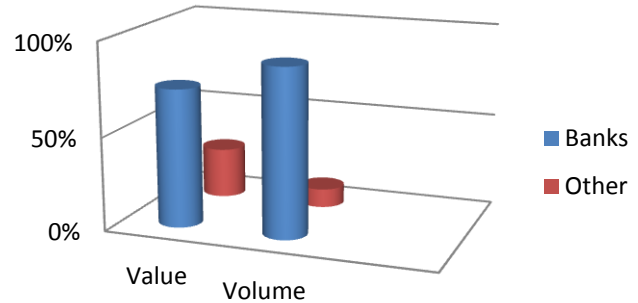
Simba counter traded 4,000 shares at prices of TZS 2,400 and TZS 2,420.



Swissport counter traded 300 shares to close the week at TZS 2,640.

There were no activities on the TCC, Tatepa and PAL counters during the week.

% Share of the Market's activity



Source: DSE and TSL Analysis

Banking Sector Share Prices (in TZS)

Counter	27.06.2014	04.07.2014	%Changes
DCB	480.00	480.00	0.00%
NMB	4,000.00	4,000.00	0.00%
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	27.06.2014	04.07.2014	% Changes
TOL	490.00	490.00	0.00%
TBL	9,700.00	9,900.00	+2.06%
TTP	650.00	650.00	0.00%
PAL	475.00	475.00	0.00%
TCC	11,200.00	11,200.00	0.00%
SIMBA	2,400.00	2,400.00	0.00%
TWIGA	2,320.00	2,320.00	0.00%
SWISSPORT	2,640.00	2,640.00	0.00%

Source: DSE and TSL Analysis



B. Fixed Income Securities

Primary Market

This week the Government through BOT auctioned Treasury bills worth TZS 80 billion. The auction results show an oversubscription of 39.27%. Yields for the 35-days remained flat, 182-days and 364-days eased up. There were no bids on the 91-days tenor.

The auction result is as depicted in the table below;

	35 Days	91 Days	182 Days	364 Days
Minimum Successful Price/100	99.35	100.00	93.54	87.67
Weighted Average Price (WAP) for successful Bid	99.35	0.00	93.67	88.04
Weighted Average Yield (WAY) % per Annum	6.82	0.00	13.56	13.63
Amount Offered TZS (000,000)	2,000	13,000	25,000	40,000
Total Tendered TZS (000,000)	2,010.00	0.53	32,500.00	76,908.29
Undersubscribed(+) Oversubscribed(-) TZS(000,000)	-10.00	12,947.00	-7,500.00	-43,008.1
Successful Bids TZS(000,000)	2,000.00	0.00	18,300.00	40,000.00

Secondary Market

A 7.82% 2-year Treasury bond worth TZS 3 billion was traded at during the week at a price of 93.6449/100.

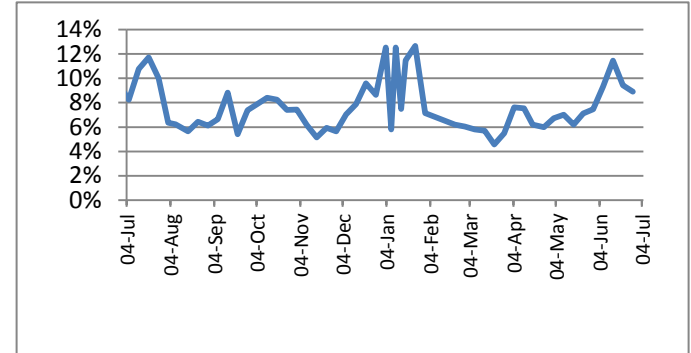
About the Weekly Update report:

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 the week increased further to 13.3%, up from 11.23% recorded in the previous week as depicted in the chart below:

Interbank Borrowing Rates (WAR)

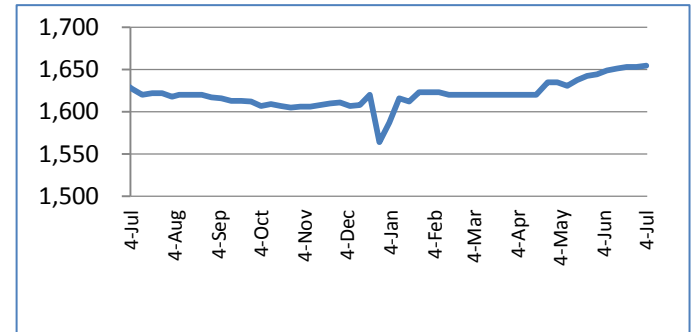


Source: BOT

C. Foreign Exchange

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

Foreign Exchange – TZS/USD



Source: BOT

Foreign Exchange Market – Four weeks trend

	13-Jun 2014	20-Jun 2014	27-Jun 2014	04-July 2014
TZS/USD	1,651.06	1,653.08	1,653.02	1,654.71
TZS/GBP	2,779.63	2,815.85	2,813.95	2,833.11
TZS/KES	18.77	18.92	18.87	18.83