



A. Equity

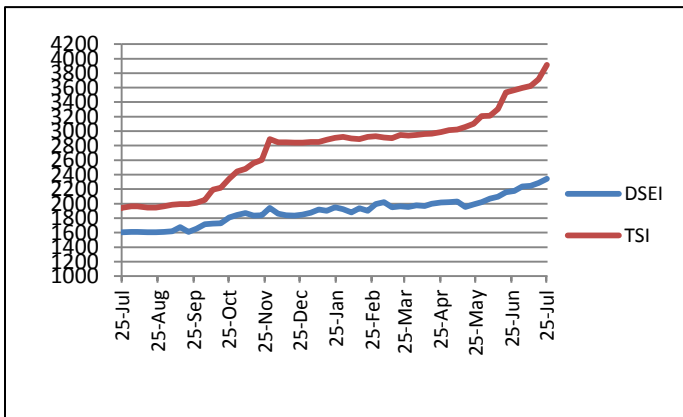
Market Performance

The week recorded a stronger performance in terms of turnover in comparison to last week's. Turnover increased to TZS 18,554 million compared to TZS 12,940 million recorded in the previous week. Shares traded fell to 3,146,916 shares (-55.1%) compared to 7,099,623 shares traded in the last week.

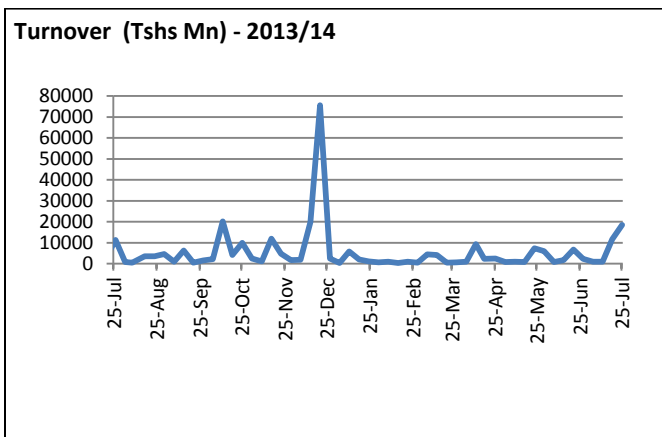
Both indices closed in green. The DSEI closed +22.56% higher at 2,342.62 points while the TSI ended the week at 3,913.36 points (+5.38%) pulled up by Simba, Swissport, Twiga, TCC and TBL counters to close at TZS 2,600, TZS 2,700; TZS 2,340; TZS 13,000 and TZS 11,500 per share.

Banking segment Index weakened (-1.61%) to close the week at 3,516.51 points due to a loss of 2.19% on the NMB counter. However, the Industrial & Allied Index gained to 4,715.59 points supported by the price gains on Simba, Swissport, Twiga, TBL and TCC counters.

Market Performance



Source: DSE and TSL Analysis



Source: DSE and TSL Analysis

WEEKLY MARKET COMMENTARY

21st July 2014 – 25th July 2014

Statistics – Equity

Total - Week Ending	July-18 2014	July-25 2014	% Change
Market			
Turnover in Million (TZS)	12,940	18,554	+43.4%
Volume of Shares in '000	7,009	3,146	-55.1%
DSEI	2,284.20	2,342.62	+2.56%
TSI	3,713.44	3,913.36	+5.38%
Banks, Finance & Services			
BI	3,574.37	3,516.51	-1.62%
Industrial and Allied			
IA	4,304.03	4,715.59	+9.56%

Source: DSE

Outlook:

The bourse experienced a huge increase in turnover despite the fall in activity level with TBL accounting for over 94% of the week's turnover. We foresee low activities in the coming week as the Exchange will remain closed for 2 days to allow Eid-al-Fitr celebration.

This week's 5-year Treasury bond auction witnessed a low investors turnout causing 58% undersubscription. This may be attributed to the low investors' appetite as well as the prevailing tight liquidity that has been persisting over 3 weeks.

Analyst:

Brenda Massay

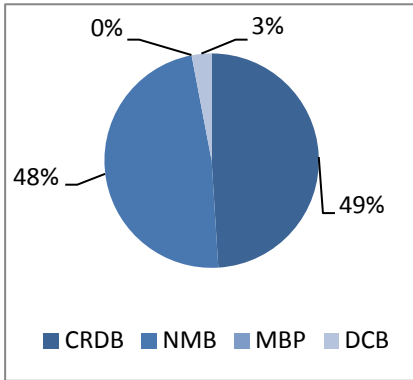
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Bank, Finance & Investment Sector (BI)



This week the Banking segment was less active compared to the previous week. The segment contributed 6% of the total turnover and 50% of the market activity.

CRDB maintained its lead on the Banking segment with a volume of 1,403,569 shares traded at a price of

TZS 320.

NMB counter traded 11,185 share at prices of TZS 4,010.

DCB's price remained flat at TZS 490, the counter moved a volume of 59,449 shares.

There were no transactions on the MBP counter this week.

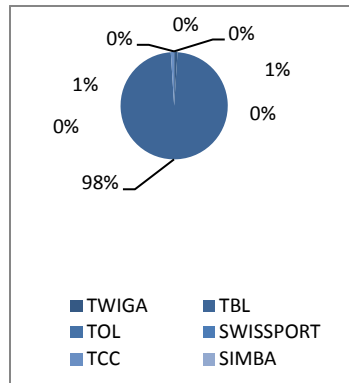
Industrial and Allied Sector (IA)

The Industrial and Allied Segment was more active this week, compared to the previous week. The segment contributed 50% of the total week's volume and 94% of the total week's turnover.

TBL was the most active counter on the Industrial and Allied segment this week. The counter traded 1,437,675 shares closing the week up at TZS 11,500.

Twiga counter followed, also closing the week up at TZS 2,340 with 101,599 shares transacted.

Simba counter had 16,696 shares that exchanged hands at prices of TZS 2,500 and closed the week at TZS 2,600



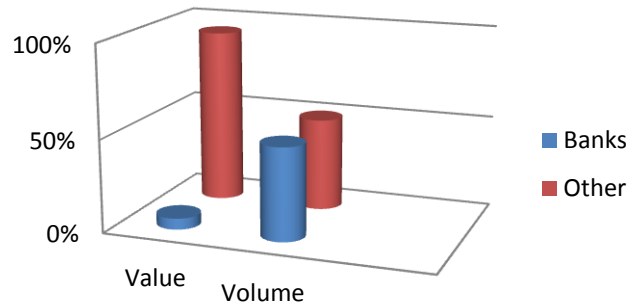
TCC counter traded 14,450 shares at of TZS 13,000 per share higher than the previous week's, TZS 12,500 per share.

Swissport counter traded 2,013 shares to close the week up at TZS 2,700.

TOL counter transacted 40 shares at TZS 480 per share while Tatepa transacted 10 shares at TZS 650 per share.

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	18.07.2014	25.07.2014	%Changes
DCB	490.00	490.00	0.00%
NMB	4,100.00	4,010.00	-2.19%
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	18.07.2014	25.07.2014	% Changes
TOL	480.00	480.00	0.00%
TBL	10,130.00	11,500.00	+13.5%
TTP	650.00	650.00	0.00%
PAL	475.00	475.00	0.00%
TCC	12,500.00	13,000.00	+4.00%
SIMBA	2,500.00	2,600.00	+4.00%
TWIGA	2,320.00	2,340.00	+0.86%
SWISSPORT	2,640.00	2,700.00	+2.27%

Source: DSE and TSL Analysis



B. Fixed Income Securities

Primary Market

There was a five-year bond in this week's primary market that was undersubscribed by 58%. WAYT increased to 15.68% compared to 14.91% in the previous auction on 16th April 2014.

The auction result is as depicted in the table below;

Highest Bid /100	81.5923
Lowest Bid /100	73.9400
Minimum Successful Price/100	73.9400
Weighted Average Price for Successful Bids	77.9895
Weighted Average Yield to Maturity	15.6842
Weighted Average Coupon Yield	11.7708
Amount Offered Tshs (000,000)	62,000.00
Amount Tendered Tshs (000,000)	39,142.90
Undersubscribed (+) / Oversubscribed (-) Tshs (000,000)	22,857.10
Successful Amount Tshs (000,000)	39,142.90

Secondary Market

Treasury bonds worth TZS 6.95 billion exchanged hands in the secondary market during the week with prices as indicated in the table below:

Tenor	Face Value (TZS)	Price/100
11.44% Ten-Year	4.0bn	77.9298-79.8260
11.44% Ten-Year	2.65bn	76.5372-77.6012
10.08% Seven-year	0.3bn	78.7415

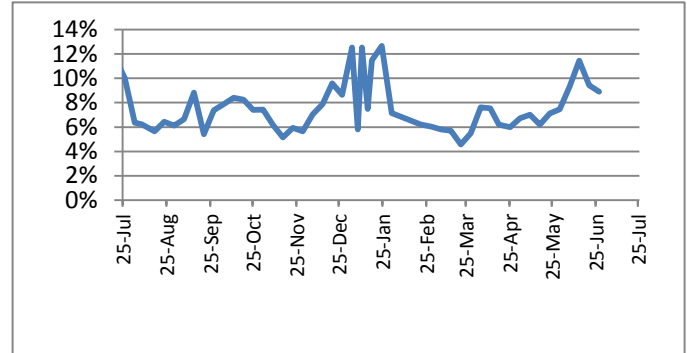
About the Weekly Update report:

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 Interbank borrowing rate towards the end of the week decreased slightly to 14.37%, from 14.40% recorded in the previous week as shown in the chart below:

Interbank Borrowing Rates (WAR)

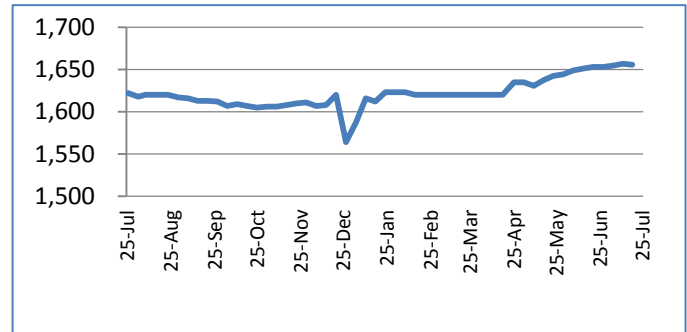


Source: BOT

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

	04-July 2014	11-July 2014	18-July 2014	25-July 2014
TZS/USD	1,654.71	1,656.89	1,655.84	1,656.33
TZS/GBP	2,833.11	2,835.43	2,831.90	2,815.68
TZS/KES	18.83	18.90	18.89	18.85