



A. Equity

Market Performance

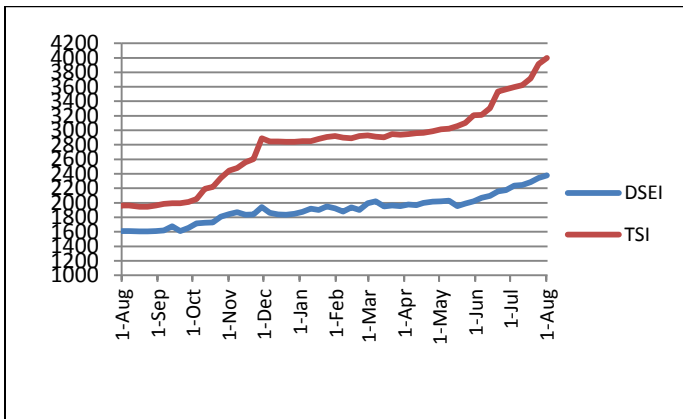
The bourse's Turnover was southbound in the week, despite the huge increase in activity levels. Week-on-week, turnover declined to TZS 5,540 million, -70% as shares traded increased by 296% to 12,482,007 compared to the previous week's TZS 18,554 million in turnover and 3,146,916 shares transacted.

Indices were in the green with the DSEI settling at 2,378.16 (+1.52%) whereas the TSI closed at 3,996.22 (+2.12%).

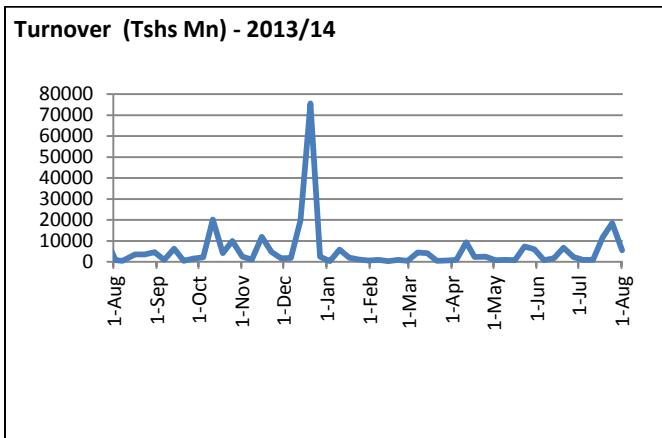
There was no Foreign investors' participation during the week.

The Banking segment Index strengthened (+1.04%) to close the week at 3,553.07 points supported by the 2% gain made on the NMB counter. The Industrial & Allied Index also gained to 4,846.38 points (+2.77%) supported by the gain on the TBL counter that closed the week at TZS 12,000 per share.

Market Performance



Source: DSE and TSL Analysis



Source: DSE and TSL Analysis

WEEKLY MARKET COMMENTARY

28th July 2014 – 01st Aug 2014

Statistics – Equity

Total - Week Ending	July-25 2014	Aug-01 2014	% Change
Market			
Turnover in Million (TZS)	18,554	5,540	-70.14%
Volume of Shares in '000	3,146	12,482	+296.8%
DSEI	2,342.62	2,378.16	+1.52%
TSI	3,913.36	3,996.22	+2.12%
Banks, Finance & Services			
BI	3,516.51	3,553.07	+1.04%
Industrial and Allied			
IA	4,715.59	4,846.38	+2.77%

Source: DSE

Outlook:

Turnover this week declined amid the Eid El Fitr festivals. The banking sector continued to dominate the market, contributing 82% of the week market turnover.

We foresee moderate activities in the coming week as investors speculate on banking counters and some active counters in the IA segment.

Despite the gain in WAY, this week's Treasury Bills auction experienced an undersubscription compared to the previous auction held on 16th July 2014, signaling a low liquidity among commercial banks who are among the most active players in the money market.

Analyst:

Brenda Massay

+255 22 211 2807

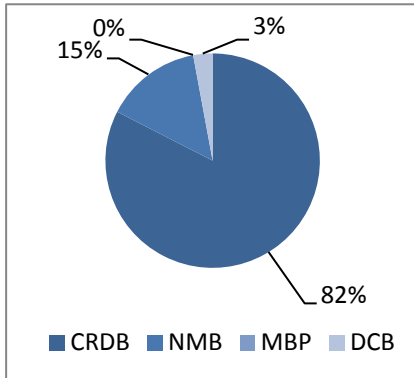
+255 688 137 580

brenda@tanzaniasecurities.co.tz



Bank, Finance & Investment Sector (BI)

This week the Banking segment was more active compared to the previous week. The segment contributed 82% of the total turnover and 99% of the market activity.



CRDB maintained its lead on the Banking segment with a volume of 12,184,774 shares traded at prices of TZS 320 and TZS 315.

NMB counter traded 164,846 shares at prices of TZS 4,010 and TZS 4,090 per share.

DCB's price decreased to TZS 490, the counter moved a volume of 48,437 shares.

There were no transactions on the MBP counter this week.

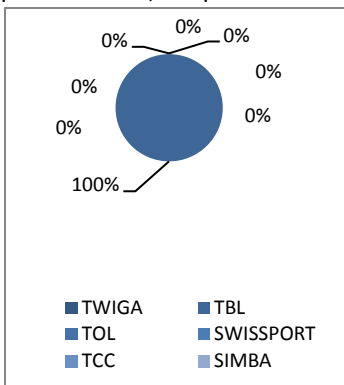
Industrial and Allied Sector (IA)

The Industrial and Allied Segment was less active this week, compared to the previous week. The segment contributed 1% of the total week's volume and 18% of the total week's turnover.

TBL was the most active counter on the Industrial and Allied segment this week again. The counter traded 1,518,137 shares closing the week at TZS 12,000.

Swissport counter followed, closing the week down at TZS 2,640 with 1,829 shares transacted.

Twiga counter had 1,224 shares that exchanged hands at a price of TZS 2,340 per share.

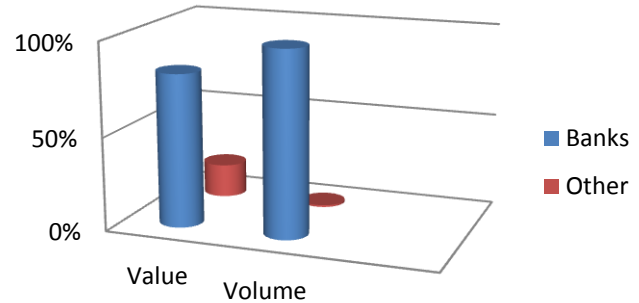


TCC counter traded 305 shares at a price of TZS 13,000 per share.

Simba counter remained flat at TZS 2,600 transacting 130 shares

There were no activities on the PAL, TOL and TATEPA counters during the week.

% Share of the Market's activity



Source: DSE and TSL Analysis

Banking Sector Share Prices (in TZS)

Counter	25.07.2014	01.08.2014	%Changes
DCB	490.00	480.00	-2.04%
NMB	4,010.00	4,090.00	+2.00%
CRDB	320.00	315.00	-1.56%
MBP	600.00	600.00	0.00%

Source: DSE and TSL Analysis

IA Share Prices (in TZS)

Counter	25.07.2014	01.08.2014	% Changes
TOL	480.00	480.00	0.00%
TBL	11,500.00	12,000.00	+4.35%
TTP	650.00	650.00	0.00%
PAL	475.00	475.00	0.00%
TCC	13,000.00	13,000.00	0.00%
SIMBA	2,600.00	2,600.00	0.00%
TWIGA	2,340.00	2,340.00	0.00%
SWISSPORT	2,700.00	2,640.00	-2.22%

Source: DSE and TSL Analysis



B. Fixed Income Securities

Primary Market

This week the Government through BOT auctioned Treasury bills worth TZS 135 billion. The auction results show an undersubscription of 27%. Yields for all tenors increased except for 91-days.

The auction result is as depicted in the table below;

	35 Days	91 Days	182 Days	364 Days
Minimum Successful Price/100	99.30	96.70	93.39	86.99
Weighted Average Price (WAP) for successful Bid	99.30	97.00	93.48	87.20
Weighted Average Yield (WAY) % per Annum	7.35	12.39	14.00	14.72
Amount Offered TZS (000,000)	3,000	32,000	45,000	55,000
Total Tendered TZS (000,000)	3,020.00	5,726.57	11,201.30	78,165.00
Undersubscribed(+) Oversubscribed(-) TZS(000,000)	20.00	26,273.43	33,798.70	23,165.00
Successful Bids TZS(000,000)	3,000.0	5,612.57	4,060.00	40,000.00

Secondary Market

There was no Treasury security traded on the secondary market this week.

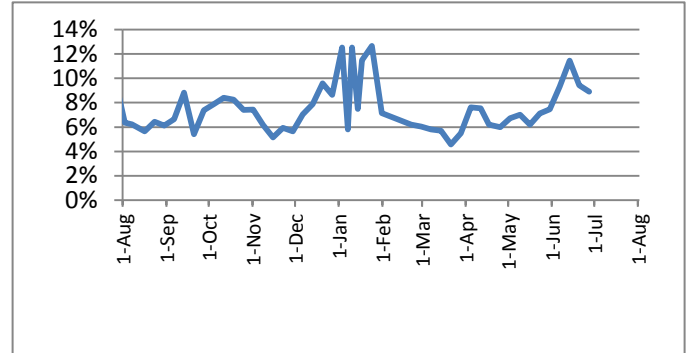
About the Weekly Update report:

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 to 14.03%, from 14.37% recorded in the previous week as shown in the chart below:

Interbank Borrowing Rates (WAR)

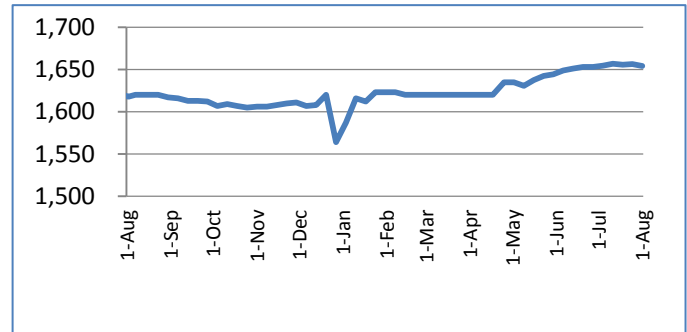


Source: BOT

C. Foreign Exchange

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

Foreign Exchange – TZS/USD



Source: BOT

Foreign Exchange Market – Four weeks trend

	11-July 2014	18-July 2014	25-July 2014	01-Aug 2014
TZS/USD	1,656.89	1,655.84	1,656.33	1,654.29
TZS/GBP	2,835.43	2,831.90	2,815.68	2,789.96
TZS/KES	18.90	18.89	18.85	18.83