WEEKLY MARKET COMMENTARY
05th December 2016 – 08 December 2016

A. Equity

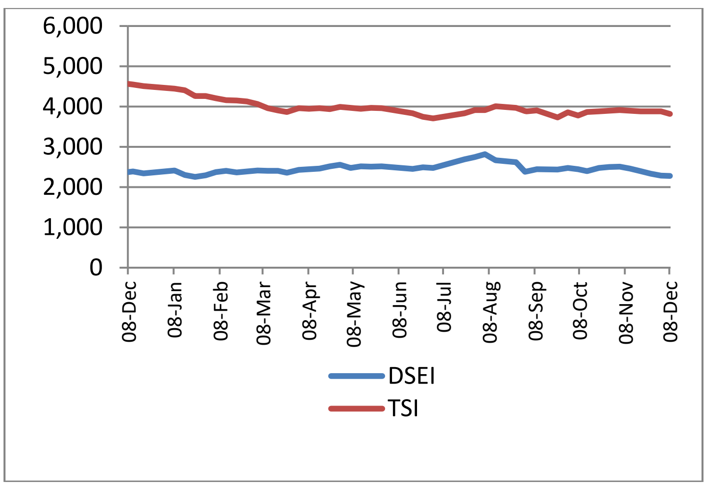
Market Performance

Turnover and activity level were northbound in the week. Turnover was significantly stronger. Week-on-week, turnover improved relatively to TZS 1,224.58 million (+516.64%) as shares traded increased by 44.15% to 378,529 compared to the previous week's TZS 198.59 million in turnover and 262,598 shares transacted.

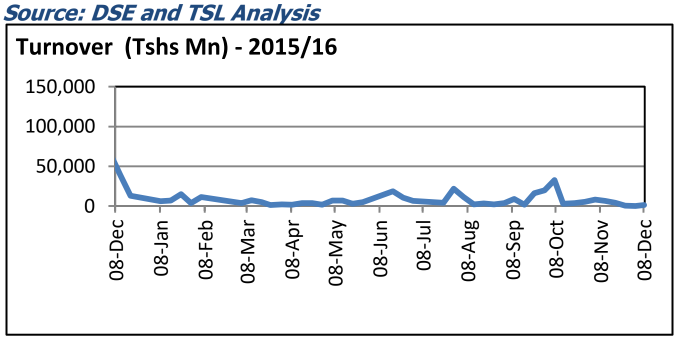
Both indices closed in red. The DSEI dropped by -0.49% to close at 2,277.37 points while TSI closed the week at 3,820.29 points (-1.48%) .

The Banking segment Index settled 2,767.00 points (-0.13%) weaker than previous week due to loss made on the DCB counter (-6.98%) .The Industrial & Allied Index declined by 2.08% to end the week at 4,926.72 points .

Shares Indices



Source: DSE and TSL Analysis



Source: DSE and TSL Analys

Statistics – Equity

Total - Week Ending	December 08-2016	Dec 02 - 2016	% Change
Market			
Turnover in Million (TZS)	1,224.58	198.59	+516.64%
Volume of Shares	378,529	262,598	+44.15%
DSEI	2,277.37	2,288.62	-0.49%
TSI	3,820.29	3,877.79	-1.48%
Banks, Finance & Services BI	2,767.00	2,770.66	-0.13%
Industrial and Allied IA	4,926.72	5,031.35	-2.08%
Commercial Services CS	3,157.95	3,157.95	0.00%
Total Market Capitalisation		19,909.35	0.00%

Source: DSE

Outlook

As we move close to the end of year holidays, the stock market plummeted. We expect to see low activity in the coming week with continous price fall in some counters as some investors will be desperately in need of cash to cover their holiday expenses.

The money market will also continue to experience a tight liquidity in the coming week.

The 11-year Treasury Bond Auction, this week was oversubscribed by 76.90%. We expect increasingly positive performance on the coming week's Treasury Bills Auction.

Analyst:
Lina Charles Maswi
+255 22 211 2807
+255 657 270 983
lina@tanzaniasecurities.co.tz

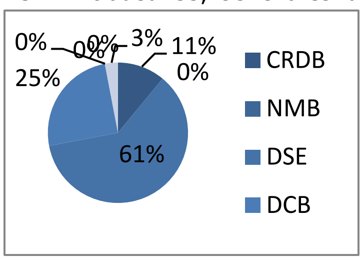
Bank, Finance & Investment Sector (BI)

Banking segment was illiquid in turnover but more liquid in volumes compared to the Industrial and Allied segment. The segment contributed 38% of the total turnover and 93% of the market activity.

This week DSE counter was the active counter on the Banking segment. The counter transacted 178,815 shares and close the week at a price of TZS 1,200 per share.

DCB had 73,060 shares transacted at a price of TZS 400 per share.

CRDB traded 33,495 shares during the week. The counter closed the week at TZS 250 per share.



MBP had 6,064 shares transacted at a price of TZS 600 per share.

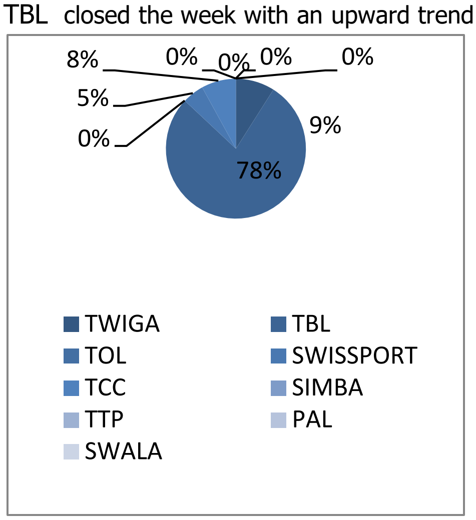
MCB traded 440 shares during the week. The counter closed the week at TZS 520 per share.
Lastly was NMB which traded 26 shares during the week, and closed the week at TZS 2,750 per share.

There were no activities shown on MKCB and YETU counters during the week.

Industrial and Allied Sector (IA)

The industrial and Allied Segmnent was more liquid in turnover during the week compared to the Banking segment.

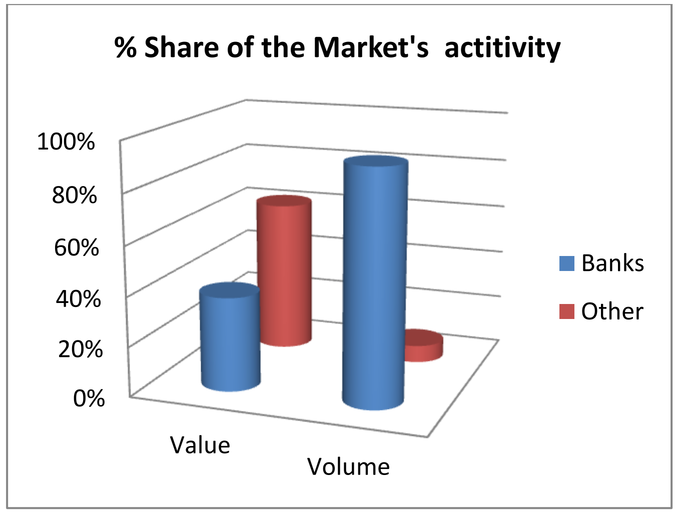
TBL closed the week with an upward trend to transact 67,829 shares the counter closed the week at TZS 13,400 per share



Twiga followed with 7,683 shares closing the week at a price of TZS 2,290 per share.

TCC transacted 6,920 shares closing the week at TZS 11,500 per share

Swissport counter traded 3,931 shares at TZS 5,450 per share.
Simba transacted 263 shares at a price of TZS 1,600 per share.
No activities shown on the Swala, TOL, PAL, and TTP counters during the week.



Source: DSE and TSL Analysis

Banking Sector Share Prices (in TZS)

Counter	08.12.2016	02.12.2016	%Changes
DCB	400.00	430.00	-6.98%
NMB	2,750.00	2,750.00	0.00%
CRDB	250.00	250.00	0.00%
MKCB	1,020.00	1,020.00	0.00%
MCB	520.00	520.00	0.00%
MBP	600.00	600.00	0.00%
YETU	600.00	600.00	0.00%

Source: DSE and TSL Analysis

IA Share Prices (in TZS):

Counter	08.12.2016	02.12.2016	% Changes
TOL	800.00	800.00	0.00%
TBL	13,000.00	13,400.00	-2.99%
TTP	650.00	650.00	0.00%
PAL	470.00	470.00	0.00%
TCC	11,500.00	11,500.00	0.00%
SIMBA	1,600.00	1,600.00	0.00%
TWIGA	2,290.00	2,290.00	0.00%
SWISSPORT	5,450.00	5,450.00	0.00%
DSE	1,200.00	1,240.00	-3.23%

Source: DSE and TSL Analysis

7 Floor IPS Building • Samora Avenue/ Azikwe Street • P.O. Box 9821 • Dar es Salaam • Tanzania
T: +255 22 2112807 • F: +255 22 2112809 • M: +255 718 799 997 • Email : info@tanzaniasecurities.co.tz • Website: www.tanzaniasecurities.co.tz

B. Fixed Income Securities

Primary Market

This week's 15-year Government bond was oversubscribed by 76.90%. Yield decreased to 18.7293% compared to 18.8652% of the previous 11-year bond auction held on 28th Sept 2016.

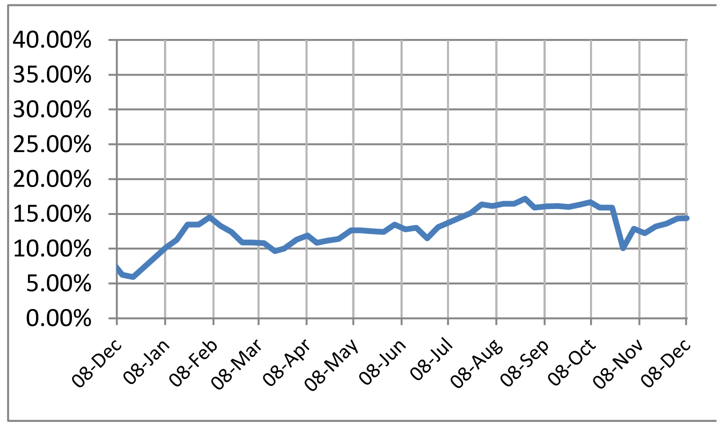
The auction result is as depicted in the table below;

Highest Bid /100	75.7845
Lowest Bid /100	62.9900
Minimum Successful Price/100	72.3211
Weighted Average Price for Successful Bids	73.9835
Weighted Average Yield to Maturity	18.7293
Weighted Average Coupon Yield	18.2473
Amount Offered Tshs (000,000)	70,500.00
Amount Tendered Tshs (000,000)	124,712.40
Undersubscribed (+) / Oversubscribed (-) Tshs (000,000)	54,212.40
Successful Amount Tshs (000,000)	90,485.20

Money Market

The Interbank rate towards the end of the week increased to 14.37% from 14.35%.

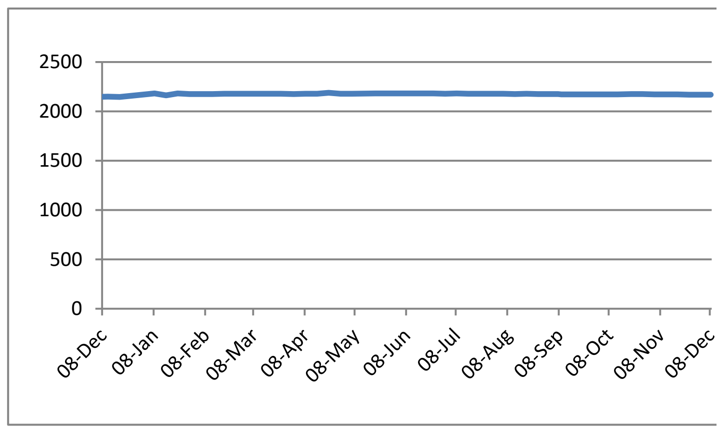
Interbank Borrowing Rates (WAR)



Source: BOT

C. Foreign Exchange

This week the shilling lost the ground against the dollar as indicated in the chart and table below:



Foreign Exchange Market – Four weeks trend

	18-Nov 2016	25-Nov 2016	02-Dec 2016	08-Dec 2016
TZS/USD	2,171.79	2,171.14	2,171.01	2,170.23
TZS/GBP	2,709.19	2,700.57	2,746.00	2,736.01
TZS/KES	21.32	21.31	21.32	21.27

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.