



A. Equity

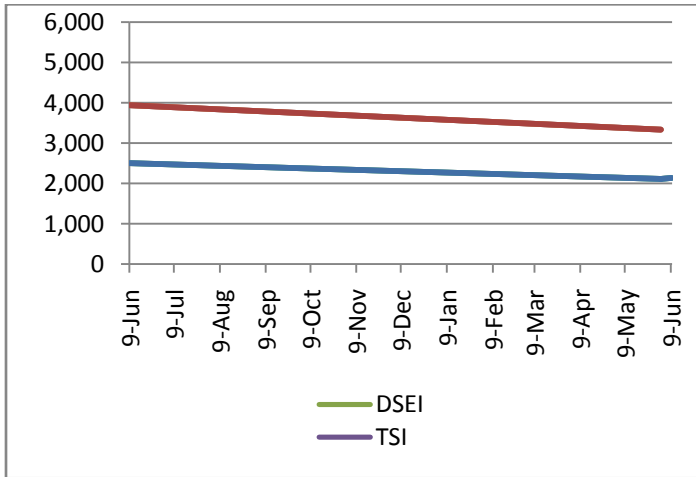
Market Performance

Week on week turnover increased to TZS 1,119.83 million 1.81x compared to TZS 617.64 million recorded the previous week. However, shares traded declined slightly from 479,864 shares (-8.00%) compared to last week's 443,666 shares.

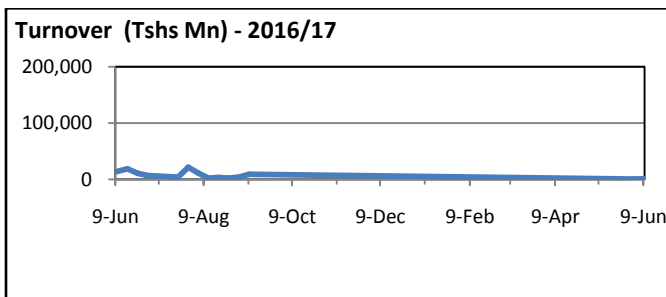
Both indices closed in green. The DSEI closed +1.00% higher at 2,135.36 points while TSI ended the week at 3,346.18 points (+0.47%) pulled up by DSE counter price gain of TZS 40.00.

Banking, Finance segment Index strengthened (+12.00%) to close the week at 2,567.67 points. The Industrial & Allied Index also decreased to close the week at 4,194.91 points (-4.00%). Commercial Services Index remained flat (2,969.60 points)

Shares Indices



Source: DSE and TSL Analysis



Source: DSE and TSL Analysis

WEEKLY MARKET COMMENTARY 02nd June 2017 – 09th June 2017

Statistics – Equity

Total - Week Ending	June 02-2017	June 09-2017	% Change
Market			
Turnover in Million (TZS)	617.64	1,119.83	+81.00%
Volume of Shares	479,864	443,666	-8.00%
DSEI	2,111.62	2,135.36	+1.00%
TSI	3,330.40	3,346.18	+0.47%
Banks, Finance & Services	2,287.46	2,567.67	+12.00%
BI			
Industrial and Allied	4,358.46	4,194.91	-4.00%
IA			
Commercial Services	2,969.60	2,969.60	0.00%
CS			
Total Market Capitalisation	18,699.43	18,575.48	-1.00%

Source: DSE

Outlook

The 10-year Treasury Bond results of this week's auction witnessed a high turnout mainly due to high investors' appetite on Government securities.

The Government intended to raise TZS 111.54 billion, but received bids worth TZS 401.28 billion.

We expect increasingly positive performance on the coming week's Treasury Bills Auction.

The Annual Headline Inflation rate for the month of May, 2017 has decreased to 6.1% from 6.4% in the previous month. This means that, the speed of price increase for commodities in month of May, has decreased as compared to the speed of price increase recorded for the month of April.

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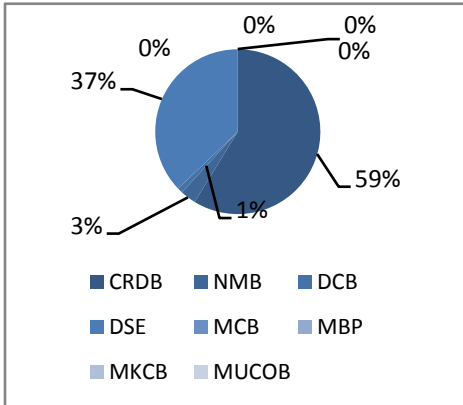
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Bank, Finance & Investment Sector (BI)

The week closed with CRDB counter maintaining its lead on the Banking, Finance and Investment Segment to trade 72,919 shares (86%), at TZS 190 per share.



DSE counter followed with 9,740 shares transacted at a price of TZS 1,180 per share.

DCB traded 740 shares at a price of TZS 400 per share. MKCB had 504 shares during the week. The counter closed at TZS 1,000 per share. NMB transacted 304 shares at a price of 2,340 per share. MBP had 10 shares.

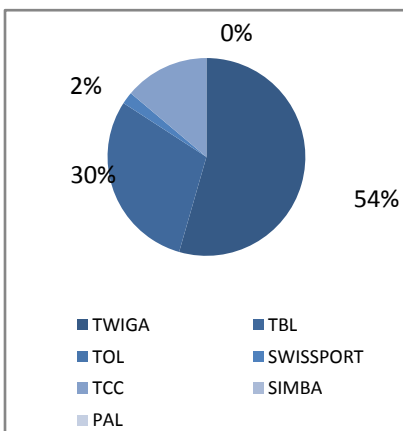
There were no activities shown on MBP and YETU counters during the week.

Industrial and Allied Sector (IA)

This week Industrial and Allied segment was liquid compared to last week. The segment contributed 81% of the total shares and 98% of the market turnover

Twiga was the most active counter during the week among the Industrial and Allied segments. The counter transacted 310,023 shares at a price of TZS 2,000 per share.

TBL followed with 29,939 shares trading at a price of TZS 11,000 per share.



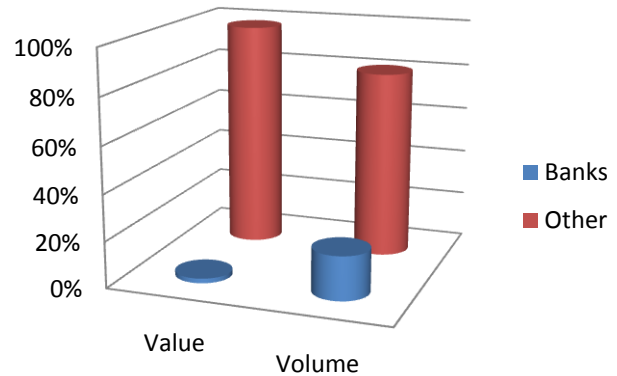
TCC counter saw activities this week to transact 15,400 shares at a price of TZS 9,800 per share.

Swissport counter moved 3,810 shares at a price of TZS 5,000 per share.

Simba had 40 shares traded at a price of TZS 1,600 per share.

No activities shown on the Swala, PAL, TOL and TTP counter during the week.

% Share of the Market's activity



Source: DSE and TSL Analysis

Banking Sector Share Prices (in TZS)

Counter	02.06.2017	09.06.2017	%Changes
DCB	400.00	400.00	0.00%
NMB	2,750.00	2,750.00	0.00%
CRDB	190.00	190.00	0.00%
MKCB	1,000.00	1,000.00	0.00%
MCB	500.00	500.00	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	02.06.2017	09.06.2017	% Changes
TOL	800.00	800.00	0.00%
TBL	11,000.00	11,000.00	0.00%
TTP	650.00	650.00	0.00%
PAL	470.00	470.00	0.00%
TCC	11,500.00	9800.00	-14.80%
SIMBA	1,600.00	1,600.00	0.00%
TWIGA	2,000.00	1,920.00	-4.00%
SWISSPORT	5,000.00	5,000.00	0.00%
DSE	1,120.00	1,160.00	+4.00%

Source: DSE and TSL Analysis



B. Fixed Income Securities

Primary Market

This week's 10-year Government bond yield increased to 17.9614.7581% compared to 18.5598%, the previous 10-year bond auction held on 29th March 2017. The government intended to raise TZS 111.54bln, but receiving bids worth TZS 401.28 bln. However, the government maintain its target by accepting only TZS 111.54bln.

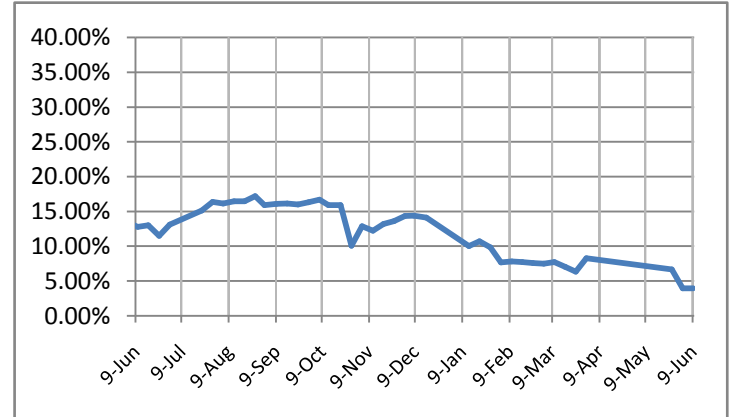
The auction result is as depicted in the table below;

Highest Bid /100	83.6448
Lowest Bid /100	66.5273
Minimum Successful Price/100	81.1096
Weighted Average Price for Successful Bids	82.9302
Weighted Average Yield to Maturity	14.7581
Weighted Average Coupon Yield	13.7947
Amount Offered Tshs (000,000)	111,540
Amount Tendered Tshs (000,000)	401,257.10
Undersubscribed (+) / Oversubscribed (-) Tshs (000,000)	-289,717.10
Successful Amount Tshs (000,000)	111,540

Money Market

The Interbank rate towards the end of the week decreased from 6.68 last week to 5.50.

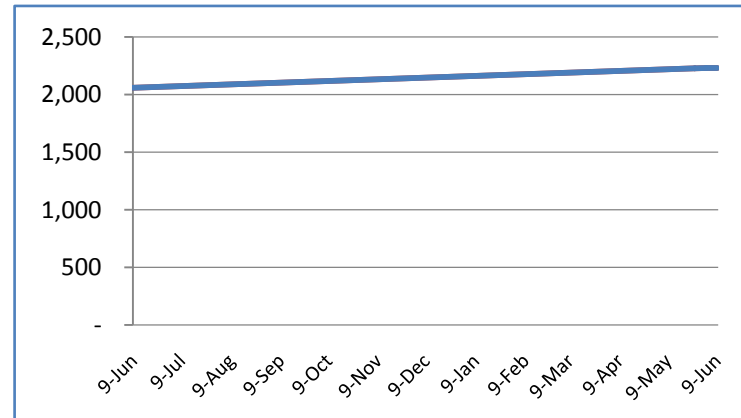
Interbank Borrowing Rates (WAR)



Source: BOT

C. Foreign Exchange

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



Foreign Exchange Market – Four weeks trend

	19-May 2017	26-May 2017	02-June 2017	09-June 2017
TZS/USD	2,229.73	2,229.27	2,232.52	2,231.14
TZS/GBP	2,903.44	2,888.80	2,515.42	2,885.53
TZS/KES	21.57	21.57	21.58	21.58

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.