1. The Week in Review

- The Government's decision to recapitalize its strategic banks; TADB, TIB and TCB to strengthen the trio's balance sheet and enhance credit flow into the economy.
- National Budget for the year 2023/2024 to improve investments in the economy as it prioritizes completion of major infrastructure projects.

Domestic Equities market recorded a positive performance this week as Turnover and Prices increased, despite a decline in Volume and Foreign buyers. The market recorded a weekly Turnover of TZS 4.73/= billion against a Volume of 2.23 million shares.

Total market capitalization decreased to TZS 15,296.12/= billion, a 0.30% decrease while the Domestic market capitalization increased to TZS 10,868.45/= billion, a 0.29% increase.

TCCL was the top gaining counter this week closing at TZS 1,840/=, 6.98% up and CRDB closed at TZS 455/=, 2.25% up. DCB was the top losing counter this week closing at TZS 150/=, 9.09% down.

TBL was a top market mover this week, recording 82.90% of total market turnover followed by CRDB with 13.94% and TCCL with 1.11%.

All Shares Index (DSEI) decreased by 0.30% to close at 1,834.31 points as KCB and EABL declined and Tanzania Shares Index (TSI) increased by 0.30% to close at 4,107.97 points. Banks, Finance & Investment (BI) closed at 3,980.09 points, 0.78% up as CRDB increased. Industrial and allied (IA) closed at 5,109.32 points, 0.13% up as TCCL appreciated and Commercial Service (CS) closed at 2,155.32 points, 0.00% no change.

Weekly Outlook

The Equities Market performance echoed our last week's forecast as Turnover increased. Surprisingly, the resurgence of counters such as TBL was not enough to boost Volume as we might have expected.

We forecast a recovery on Volume and foreign buyers next week as counter prices may continue with this week's momentum.

Fixed Income

Primary market

The Treasury bill auction results echoed our last week's predictions as yields Increased. We forecast the upcoming 20-Year Treasury bond auction to outperform.

Secondary market

The secondary bond market recorded a total of 51 deals from Treasury segments this week, recording a total Turnover of TZS 194.28 billion.

The 25-Year Treasury bonds recorded an average Yield of 13.07% with an average price of 100.46%, followed by the 20-Year Treasury bonds with an average yield of 13.48% and price of 116.15%, 15-Year Treasury bonds recorded an average Yield of 12.51% with an average price of 110.96% and 10-Year Treasury bonds recorded an average Yield of 8.61% with an average price of 108.52%.

Table 1: Market Weekly data

	Last Week	This Week	Change
Turnover (TZS Millions)	2,468.37	4,728.44	+91.56%
Foreign Buyers (%)	88.95%	10.09%	-88.66%
Volume (Million shares)	5.28	2.23	-57.84%
Total Market Cap (TZS Bn)	15,341.48	15,296.12	-0.30%
Domestic Market Cap (TZS Bn)	10,836.77	10,868.45	+0.29%
DSEI	1,839.75	1,834.31	-0.30%
TSI	4,095.76	4,107.97	+0.30%
IA	5,102.60	5,109.32	+0.13%
BI	3,949.15	3,980.09	+0.78%
CS	2,155.32	2,155.32	0.00%

Source: DSE, Vertex Calculations

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Table 2: Secondary Market Data

Bond	Average Yield	Average Price	Turnover (Bln)
5 Year	8.88%	102.43%	7.663
10 Year	8.61%	108.52%	5.426
15 Year	12.51%	110.96%	19.916
20 Year	13.48%	116.15%	55.648
25 Year	13.07%	100.46%	105.623

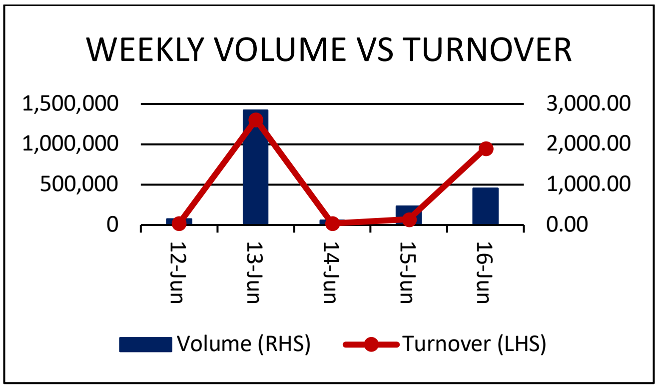
Vertex calculation, DSE

Table 3: Net Asset Value per Unit for Unit Schemes

	8-June	14-June	Change%
UMOJA	925.4637	925.6526	+0.020%
WEKEZA	788.5969	789.7984	+0.152%
WATOTO	581.4237	581.9316	+0.087%
JIKUMU	165.7814	165.8093	+0.017%
LIQUID	359.3313	360.4266	+0.305%
BOND	115.1324	115.3174	+0.161%

Source: UTT, Vertex Calculations

2. Chart of the Week



Source: DSE, Vertex Calculations.

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