



1. The Week in Review

- TZS 7.5/= million increase in deposit insurance reimbursement to boost depositors' confidence in the banking system.
- Banking sector's impressive 126% profit growth for Mid-Sized banks signals the segment is heading into the right direction.

Domestic Equities market recorded an increase in performance as Turnover and Volume surged, despite price hiccups on some counters. The market recorded a weekly Turnover of TZS 2.68/= billion against a Volume of 0.98 million shares.

Total market capitalization decreased to TZS 14,837.12/= billion, a 2.58% decrease and the Domestic market capitalization decreased to TZS 10,878.22/= billion, a 0.31% decrease.

TCCL was the top gaining counter this week closing at TZS 1,480/=, 32.14% up. JATU was the top losing counter this week closing at TZS 265/=, 8.62% down, followed by SWIS closing at TZS 1,540/=, 6.10% down and CRDB closing at TZS 490/=, 3.92% down.

TBL was a top market mover this week, recording 88.51% of total market turnover followed by CRDB with 6.22%.

All Shares Index (DSEI) decreased by 2.58% to close at 1,779.26 points as EABL, JHL and KCB decreased and Tanzania Shares Index (TSI) decreased by 0.31% to close at 4,111.66 points. Banks, Finance & Investment(BI) closed at 3,996.74 points, 1.63% down as CRDB and NICO saw a decrease in counter prices. Industrial and allied (IA) closed at 5,104.99 points, 0.39% up as TCCL appreciated and Commercial Service (CS) closed at 2,157.00 points, 0.19% down as SWIS declined.

Weekly Outlook

The domestic Equities Market recorded a recovery in Turnover, Volume and Foreign buyers this week. The increase in the Volume signifies the key role played by foreign buyers as evidenced by the revival of activity on TBL counter this week.

We forecast a slight increase in market performance next week following dividend announcements of some financial counters such as NMB.

Fixed Income

Primary market

The 25-Year Treasury bond auction results echoed our last week's forecasts as the bond oversubscribed. We forecast the upcoming 5 - Year Treasury bond auction to slightly underperform.

Secondary market

The secondary bond market recorded a total of 45 deals from both Treasury and Corporate bond segment this week, recording a total Turnover of TZS 67.86 billion.

The 25-Year Treasury bonds recorded an average Yield of 12.83% with an average price of 104.76%, followed by the 20-Year Treasury bonds with an average yield of 13.03% and price of 107.86% and 15-Year Treasury bond recording an average yield of 10.53% and average price of 123.20%. On the corporate bond segment, NMB 3-Year bond recorded an average yield of 48.82% and average price of 86.38%.

Table 1: Market Weekly data

	Last Week	This Week	Change
Turnover (TZS Millions)	252.44	2,678.34	+960.99%
Foreign Buyers (%)	0.00%	89.40%	N/A
Volume (Million shares)	0.35	0.98	+177.13%
Total Market Cap (TZS Bn)	15,229.69	14,837.12	-2.58%
Domestic Market Cap (TZS Bn)	10,912.25	10,878.22	-0.31%
DSEI	1,826.34	1,779.26	-2.58%
TSI	4,124.52	4,111.66	-0.31%
IA	5,085.27	5,104.99	+0.39%
BI	4,063.09	3,996.74	-1.63%
CS	2,161.21	2,157.00	-0.19%

Source: DSE, Vertex Calculations

Table 2: Secondary Market Data

Bond	Average Yield	Average Price	Turnover (Bln)
NMB	48.82%	86.38%	0.022
15 Year	10.53%	123.20%	23.928
20 Year	13.03%	107.86%	35.71
25 Year	12.83%	104.76%	8.20

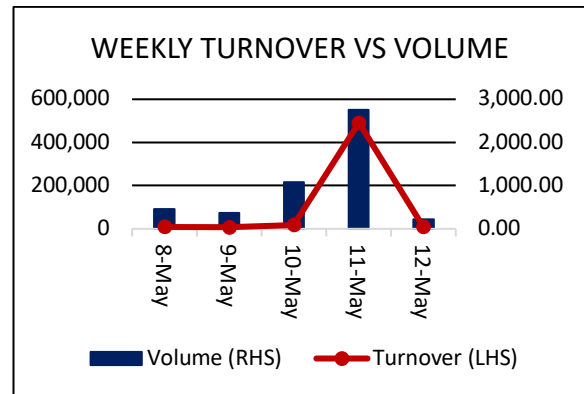
Vertex calculation, DSE

Table 3: Net Asset Value per Unit for Unit Schemes

	4-May	10-May	Change%
UMOJA	913.4065	913.4877	+0.01%
WEKEZA	778.2852	779.6263	+0.17%
WATOTO	575.3439	575.9339	+0.10%
JIKUMU	161.4612	161.7697	+0.19%
LIQUID	355.8748	356.4695	+0.17%
BOND	114.5973	114.7841	+0.16%

Source: UTT, Vertex Calculations

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Chart of the Week

Source: DSE, Vertex Calculations.



Disclaimer

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