



1. The Week in Review

- Strong performance of Domestic Equities signals post pandemic economic recovery is still intact
- Resume of Reverse Repos indicates the Bank of Tanzania might be contemplating a slight shift in monetary policy

Domestic Equities recorded an improved performance this week as Turnover, volume and prices increased. The market recorded a weekly Turnover of TZS 2.70/= billion against 3.07 million shares.

Total market capitalization increased to TZS 16,103.20/= billion, a 0.74% increase and the Domestic market capitalization increased to TZS 10,618.14/= billion, a 0.79% increase.

NMB was the top gaining counter this week closing at TZS 3,440/=, a 10.97% increase, followed by CRDB closing at TZS 430/=, a 10.26% increase and NICO closing at TZS 320/=, a 6.67% increase.

NMB was a top market mover this week, recording 51.90% of total market turnover followed by CRDB with 36.76% and TPCC with 7.41%.

All Shares Index (DSEI) increased by 0.74% to close at 1,932.21 points and Tanzania Shares Index (TSI) increased by 0.79% to close at 4,016.77points. Banks, Finance & Investment (BI) closed at 3,762.07points, 1.90%up as financial counters recorded a positive performance. Industrial & Allied (IA) increased by 0.49% to close at 5,055.63 points and no change for commercial services, which closed at 2,147.73points.

Weekly Outlook

Volume and turnover have finally improved after a few weeks of negative trend, we attribute this to strong earnings result from financials and industrials, which led investors to anticipate an increase in dividends.

We expect a continuation of this performance trend next week as we believe the earnings factor has not lost its steam yet.

a. Fixed Income

Primary market

This Treasury bill auction results echoed our last week’s predictions as results proved to an increase in yield. We forecast an oversubscription in the upcoming 20- years Treasury bond auction results.

Secondary market

The secondary bond market recorded a total of 30 deals from both Treasury bonds and the corporate segment, recording a total turnover of TZS 3.36 billion.

The 25-year Treasury bonds recorded an average Yield of 12.93% with an average price of 107.52%, followed by the 20-year Treasury bonds with an average yield of 12.43% and price of 109.48%, 15- year Treasury bonds recording an average yield of 10.88% and average price of 104.81% and 2-year Treasury bond with an average yield of 9.03% and price of 98.10%. In the Corporate bond segment The NMB 3-year bond recorded an average yield of 45.68% and price of 88.86% this week.

Most turnover was contributed by the 2-year Treasury bond recording 58.35% of the market turnover followed by the 25-year Treasury bond with 24.84%

Table 1: Market Weekly data

	Last Week	This Week	Change
Turnover (TZS Millions)	572.18	2,769.36	+384.0%
Foreign Buyers (%)	54.05%	48.87%	-9.6%
Volume (Million shares)	0.49	3.07	+524.7%
Total Market Cap (TZS Bn)	15,985.54	16,103.20	+0.74%
Domestic Market Cap (TZS Bn)	10,534.43	10,618.14	+0.79%
DSEI	1,918.09	1,932.21	+0.74%
TSI	3,985.10	4,016.77	+0.79%
IA	5,031.00	5,055.63	+0.49%
BI	3,692.10	3,762.07	+1.90%
CS	2,147.73	2,147.73	0.00%

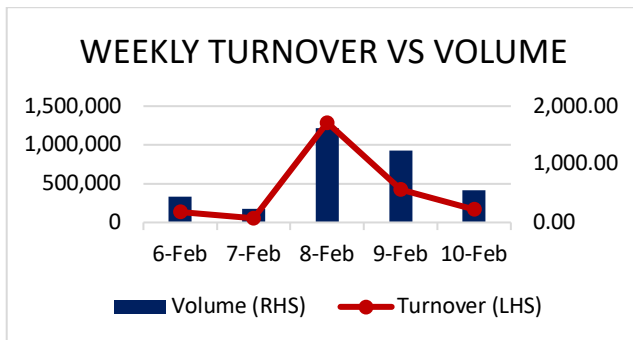
Source: DSE, Vertex Calculations

Table 2: Net Asset Value per Unit for Unit Schemes

	2-FEB	8-FEB	% change
UMOJA	887.9755	889.6536	+0.19%
WEKEZA	757.4417	758.4989	+0.14%
WATOTO	557.8300	558.8719	+0.19%
JIKUMU	158.7861	159.0809	+0.19%
LIQUID	345.7626	346.3333	+0.17%
BOND	114.1419	114.3217	+0.16%

Source: UTT, Vertex Calculations

2. Chart of the Week



Source: DSE, Vertex Calculations



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