



1. The Week in Review

- The recent Key Power Generation Projects start to yield results as the country makes advancements towards availability of reliable power supply.
- Ongoing legal disputes over Bilateral Investment Treaties has raised an alarm as Tanzania continues to lose cases to Foreign Investors at the International Centre for Settlement of Investment Disputes (ICSID).

Domestic Equities market recorded a positive performance this week as Turnover, Volume and Prices increased. The market recorded a weekly Turnover of TZS 1.88/= billion against a Volume of 3.85 million shares.

Total market capitalization decreased to TZS 14,985.94/= billion, a 0.89% decrease as Kenyan Equities continue to suffer from the impact of protests, while the Domestic market capitalization increased to TZS 10,853.93/= billion, a 0.01% increase.

NICO was the top gaining counter this week closing at TZS 495/=, 3.13% up and DSE closing at TZS 1,720/=, 1.18% up.

CRDB was a top market mover this week, recording 92.80% of total market turnover followed by NMB with 4.39% and NICO with 2.10%.

All Shares Index (DSEI) decreased by 0.89% to close at 1,797.14 points as KCB and EABL depreciated while Tanzania Shares Index (TSI) increased by 0.01% to close at 4,102.50 points. Banks, Finance & Investment (BI) closed at 3,933.83 points, 0.05% up as NICO and DSE increased. Industrial and allied (IA) and Commercial Services (CS) closed at 5,124.56 points and 2,161.21 points respectively, no change from last week.

Weekly Outlook

The Equities Market echoed our last week's expectations as financial counters such as CRDB, NMB and NICO boosted market activities to push up Volume and Turnover.

We forecast a further increase in Turnover, Volume and Prices next week as financials 2Q2023 results start to factor into prices.

Fixed Income

Primary market

Treasury bill Auction results diverged from our last week's forecast as Yields declined. We forecast the upcoming 5-Year Treasury bond Auction results to underperform.

Secondary market

The secondary bond market recorded a total of 59 deals from both Treasury and Corporate bond segments this week, recording a total Turnover of TZS 154.12 billion.

The 25-Year Treasury bonds recorded an average Yield of 13.31% with an average price of 96.74% and the 20-Year Treasury bonds with an average yield of 13.37% and price of 113.11%. On the corporate bonds segment NMB bonds recorded an average Yield of 8.50% with an average price of 100.00%

Table 1: Market Weekly data

| | Last Week | This Week | Change |
|------------------------------|-----------|-----------|---------|
| Turnover (TZS Millions) | 1,522.41 | 1,884.49 | +23.78% |
| Foreign Buyers (%) | 0.00% | 0.07% | N/A |
| Volume (Million shares) | 3.14 | 3.85 | +22.64% |
| Total Market Cap (TZS Bn) | 15,121.11 | 14,985.94 | -0.89% |
| Domestic Market Cap (TZS Bn) | 10,852.53 | 10,853.93 | +0.01% |
| DSEI | 1,813.34 | 1,797.14 | -0.89% |
| TSI | 4,101.96 | 4,102.50 | +0.01% |
| IA | 5,124.56 | 5,124.56 | 0.00% |
| BI | 3,932.06 | 3,933.83 | +0.05% |
| CS | 2,161.21 | 2,161.21 | 0.00% |

Source: DSE, Vertex Calculations

Table 2: Secondary Market Data

| Bond | Average Yield | Average Price | Turnover (Bln) |
|---------|---------------|---------------|----------------|
| NMB | 8.50% | 100.00% | 0.050 |
| 10 Year | 10.25% | 100.00% | 0.01 |
| 15 Year | 10.52% | 101.70% | 10.37 |
| 20 Year | 13.37% | 113.11% | 100.38 |
| 25 Year | 13.31% | 96.74% | 43.31 |

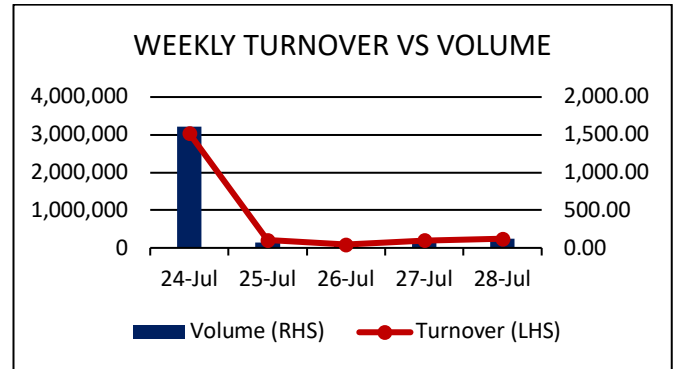
Vertex calculation, DSE.

Table 3: Net Asset Value per Unit for Unit Schemes

| | 20-July | 26-July | %Change |
|--------|----------|----------|---------|
| UMOJA | 931.3703 | 931.6048 | +0.025% |
| WEKEZA | 797.2688 | 798.0080 | +0.093% |
| WATOTO | 587.6714 | 588.2143 | +0.092% |
| JIKUMU | 164.3196 | 164.4096 | +0.055% |
| LIQUID | 364.3704 | 364.9702 | +0.165% |
| BOND | 115.4465 | 115.6336 | +0.162% |

Source: UTT, Vertex Calculations.

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Chart of the Week

Source: DSE, Vertex Calculations.



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