



1. The Week in Review

- Adoption of Interest rate-based monetary policy to further control inflation going forward.

Domestic Equities market recorded a subpar performance this week as Volume, Turnover and Foreign buyers decreased. The market recorded a weekly Turnover of TZS 790.06/= million against a Volume of 0.68 million shares.

Total market capitalization decreased to TZS 15,010.36/= billion, a 0.46% decrease and the Domestic market capitalization decreased to TZS 10,825.68/= billion, a 0.68% decrease.

NICO was the top gaining counter this week closing at TZS 450/=, 5.88% up followed by TCCL, which closed at TZS 1,800/=, 4.65% up.

DCB was the top losing counter this week closing at TZS 140/=, 6.67% down and NMB closing at TZS 3,480/=, 4.40% down.

TCCL was a top market mover this week, recording 60.33% of total market turnover followed by CRDB with 12.52% and NMB with 8.12%.

All Shares Index (DSEI) decreased by 0.46% to close at 1,800.04 points as KCB declined. Tanzania Shares Index (TSI) decreased by 0.68% to close at 4,091.81 points.

Banks, Finance & Investments (BI) closed at 3,929.62 points, 2.47% down as NMB and DCB declined. Industrial and allied (IA) closed at 5,107.08 points, 0.09% up as TCCL increased and Commercial Service (CS) closed at 2,155.32 points, 0.00% the same as last week.

Weekly Outlook

The Equities Market diverged from our last week's expectations as Volume and Turnover tumbled to reflect a decline in foreign investors. We think investors were still deciding on what bold move to

make as they wait for the release of Quarterly financial results for 2Q2023.

We expect a recovery on Turnover, Volume and Prices next week as Industrial counters such may drive up market activity.

Fixed Income

Primary market

The 25-Year Treasury bond auction results echoed our last week's forecasts as the bond was oversubscribed. We forecast the upcoming 2-Year Treasury bond auction to outperform.

Secondary market

The secondary bond market recorded a total of 32 deals from both Treasury and Corporate segments this week, recording a total Turnover of TZS 53.32 billion.

The 25-Year Treasury bonds recorded an average Yield of 12.76% with an average price of 98.76%, followed by the 20-Year Treasury bonds with an average yield of 12.87% and price of 101.92% and 15-Year Treasury bonds recorded an average Yield of 11.42% with an average price of 113.20%. On the corporate bonds segment NMB recorded an average Yield of 16.44% with an average price of 89.67%

Table 1: Market Weekly data

	Last Week	This Week	Change
Turnover (TZS Millions)	2,278.69	790.06	-65.33%
Foreign Buyers (%)	61.52%	0.00%	-100.00%
Volume (Million shares)	3.62	0.68	-81.13%
Total Market Cap (TZS Bn)	15,079.94	15,010.36	-0.46%
Domestic Market Cap (TZS Bn)	10,900.03	10,825.68	-0.68%
DSEI	1,808.38	1,800.04	-0.46%
TSI	4,119.90	4,091.81	-0.68%
IA	5,102.60	5,107.08	+0.09%
BI	4,029.33	3,929.62	-2.47%
CS	2,155.32	2,155.32	0.00%

Source: DSE, Vertex Calculations

Table 2: Secondary Market Data

Bond	Average Yield	Average Price	Turnover (Bln)
NMB	16.44%	89.67%	0.032
15 Year	11.42%	113.20%	10.026
20 Year	12.87%	101.92%	2.019
25 Year	12.76%	98.79%	41.247

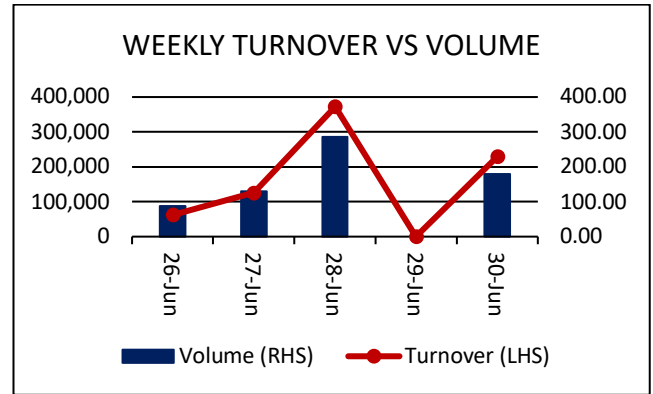
Vertex calculation, DSE

Table 3: Net Asset Value per Unit for Unit Schemes

	22-June	27-June	Change%
UMOJA	928.1806	928.5860	+0.044%
WEKEZA	791.4477	792.0957	+0.082%
WATOTO	583.3887	583.8782	+0.084%
JIKUMU	166.2317	166.3223	+0.055%
LIQUID	361.2187	361.7204	+0.139%
BOND	115.5669	115.7263	+0.138%

Source: UTT, Vertex Calculations

2.

Chart of the Week*Source: DSE, Vertex Calculations.*



Disclaimer

Past performance does not guarantee future results. Prices of securities may fall or rise rapidly or unpredictably depending on the prevailing market conditions.

This report is intended for informational purpose only and is not to be relied as an offer or solicitation of an offer to buy or sell any securities. The opinions expressed herein may change as subsequent market conditions vary. Information and views presented in this report have been obtained from sources believed by Vertex International Securities Ltd. to be reliable, but Vertex International Securities Ltd. makes no representation as to their accuracy or completeness.

Vertex International Securities Ltd accepts no liability for loss arising from the use of the material presented in this report.

This publication is confidential for the information of the addressee only and may not be reproduced in whole or in part, copies circulated, or disclosed to another party, without the prior written consent of Vertex International Securities Ltd.

©Vertex International Securities Ltd. 2023