1. The Week in Review

- The Abu Dhabi Fund's TZS 70/= billion loan to Tanzania to enhance power supply and Industrial productivity in the Medium to long-Term.
- A 17.2% growth of financial sector Assets signals an improvement in business and investment environment in the country.

Domestic Equities market recorded a positive performance this week as Turnover and Volume increased. The market recorded a weekly Turnover of TZS 1.19/= billion against a Volume of 2.32 million shares.

Total market capitalization declined to TZS 14,911.25/= billion, a 0.67% decrease while the Domestic market capitalization increased to TZS 10,929.24/= billion, a 0.28% increase.

TCCL was the top gaining counter this week closing at TZS 1,900/=, 3.26% up and NMB closing at TZS 3,720/=, 3.33% up.

CRDB was the top losing counter this week closing at TZS 460/=, 1.08% down and NICO closing at TZS 480/=, 1.03% down.

CRDB was a top market mover this week, recording 67.55% of total market turnover followed by VODA with 17.17% and NMB with 8.80%.

All Shares Index (DSEI) decreased by 0.67% to close at 1,788.18 points as KCB and EABL declined while Tanzania Shares Index (TSI) increased by 0.28% to close at 4,130.97 points. Banks, Finance & Investment (BI) closed at 4,019.66 points, 0.84% up as NMB saw an uptick. Industrial and allied (IA) closed at 5,130.67 points, 0.07% up as TCCL increased and Commercial service (CS) closed at 2,161.21 points the same as last week.

Weekly Outlook

The Equities Market echoed our last week's expectations as Turnover and Volume increased. Surprisingly, foreign buyers declined.

We anticipate minimal foreign buyer activity in the market next week as frontier investors continue to observe shilling behavior against major global currencies. However, Turnover and Volume might increase as we anticipate domestic buyers' activity to fill pick up.

Fixed Income

Primary market

The Treasury bill Auction results echoed our last week's forecasts as Yields increased. We forecast the upcoming 25-Year Treasury bond Auction to outperform.

Secondary market

The secondary bond market recorded a total of 40 deals from both Treasury and Corporate bond segments this week, recording a total Turnover of TZS 40.43 billion.

The 25-Year Treasury bonds recorded an average Yield of 13.21% with an average price of 99.08% and the 20-Year Treasury bonds with an average yield of 13.49% and price of 113.68%. On the corporate bonds segment NMB 3-Year bond recorded an average Yield of 18.82% with an average price of 86.68% and NBC 5-Year bond recorded an average Yield of 10.44% with an average price of 100.00%

Table 1: Market Weekly data

	Last Week	This Week	Change
Turnover (TZS Millions)	596.37	1,194.49	+100.29%
Foreign Buyers (%)	5.21%	2.28%	-56.26%
Volume (Million shares)	0.996	2.318	+132.63%
Total Market Cap (TZS Bn)	15,011.62	14,911.25	-0.67%
Domestic Market Cap (TZS Bn)	10,898.79	10,929.24	+0.28%
DSEI	1,800.22	1,788.18	-0.67%
TSI	4,119.46	4,130.97	+0.28%
IA	5,127.31	5,130.67	+0.07%
BI	3,986.23	4,019.66	+0.84%
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)
NBC	10.44%	100.00%	0.004
NMB	18.62%	86.68%	0.009
15 Year	12.35%	104.03%	7.13
20 Year	13.49%	113.68%	10.68
25 Year	13.21%	99.08%	26.60

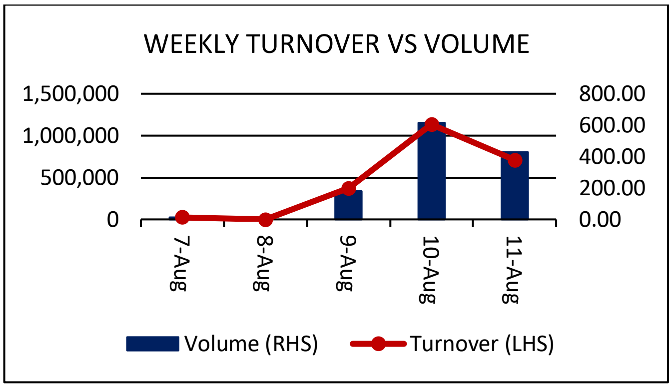
Vertex calculation, DSE.

Table 3: Net Asset Value per Unit for Unit Schemes

	3-Aug	9-Aug	%Change
UMOJA	933.5913	935.8881	+0.246%
WEKEZA	800.0960	802.0178	+0.240%
WATOTO	589.6580	590.8714	+0.206%
JIKUMU	164.8825	165.3078	+0.258%
LIQUID	365.7702	366.3690	+0.164%
BOND	115.0376	115.2218	+0.160%

Source: UTT, Vertex Calculations.

2. Chart of the Week



Source: DSE, Vertex Calculations.

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