



1. The Week in Review

- Official opening of Tanzania’s embassy in Indonesia to further strengthen political ties and improve bilateral trade.
- BOT’s warning to unlicensed lending firms to further improve monitoring of the financial service provision.

Domestic Equities market recorded a somewhat positive performance this week as Volume and Foreign buyers increased. Surprisingly, Turnover decreased. The market recorded a weekly Turnover of TZS 2.28/= billion against a Volume of 3.62 million shares.

Total market capitalization decreased to TZS 15,079.94/= billion, a 1.41% decrease while the Domestic market capitalization increased to TZS 10,900.03/= billion, a 0.29% increase.

CRDB was the top gaining counter this week closing at TZS 470/=, 3.30% up followed by NICO, which closed at TZS 425/=, 1.19% up.

TCCL and MBP were the top losing counters this week closing at TZS 1,720/=, 6.52% down and TZS 350/=, 2.78% down respectively.

CRDB was a top market mover this week, recording 58.76% of total market turnover followed by NMB with 30.04% and VODA with 8.80%.

All Shares Index (DSEI) decreased by 1.41% to close at 1,808.38 points as KCB, JHL, NMG and EABL declined while Tanzania Shares Index (TSI) increased by 0.29% to close at 4,119.90 points. Banks, Finance & Investment (BI) closed at 4,029.33 points, 1.24% up as CRDB and NICO increased. Industrial and allied (IA) closed at 5,102.60 points, 0.13% down as TCCL declined and Commercial Service (CS) closed at 2,155.32 points, same as last week.

Weekly Outlook

The Equities Market performance echoed our last week’s forecast as Volume improved on the back of an increase in foreign buyers’ who boosted activity on financial counters such as CRDB.

We expect a slight recovery of Turnover and Volume next week as investors anticipate positive Quarterly financial results for 2Q 2023.

Fixed Income

Primary market

The 20-Year Treasury bond auction results diverged from our last week’s forecasts as the bond was undersubscribed. We forecast the upcoming 25-Year Treasury bond auction to outperform.

Secondary market

The secondary bond market recorded a total of 48 deals from Treasury segments this week, recording a total Turnover of TZS 123.66 billion.

The 25-Year Treasury bonds recorded an average Yield of 13.05% with an average price of 101.83%, followed by the 20-Year Treasury bonds with an average yield of 13.31% and price of 114.91%, 15-Year Treasury bonds recorded an average Yield of 13.79% with an average price of 100.29% and 7-Year Treasury bonds recorded an average Yield of 15.33% with an average price of 85.00%.

Table 1: Market Weekly data

	Last Week	This Week	Change
Turnover (TZS Millions)	4,728.44	2,278.69	-51.81%
Foreign Buyers (%)	10.09%	61.52%	+509.86%
Volume (Million shares)	2.23	3.62	+62.48%
Total Market Cap (TZS Bn)	15,296.12	15,079.94	-1.41%
Domestic Market Cap (TZS Bn)	10,868.45	10,900.03	+0.29%
DSEI	1,834.31	1,808.38	-1.41%
TSI	4,107.97	4,119.90	+0.29%
IA	5,109.32	5,102.60	-0.13%
BI	3,980.09	4,029.33	+1.24%
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)
5 Year	8.43%	103.18%	2.580
7 Year	15.33%	85.00%	0.009
15 Year	13.79%	100.29%	0.152
20 Year	13.31%	114.91%	15.812
25 Year	13.05%	101.83%	105.111

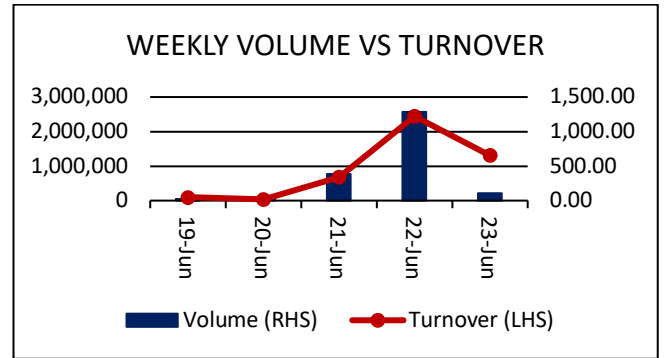
Vertex calculation, DSE

Table 3: Net Asset Value per Unit for Unit Schemes

	15-June	21-June	Change%
UMOJA	926.1065	928.0831	+0.213%
WEKEZA	790.2653	791.0000	+0.093%
WATOTO	582.2648	583.419	+0.198%
JIKUMU	165.8093	166.2591	+0.271%
LIQUID	360.5259	361.1198	+0.165%
BOND	115.3486	115.5358	+0.162%

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