



1. The Week in Review

- Tanzania's foreign exchange reserve remains resilient despite global headwinds.

Domestic Equities market recorded a relatively positive performance this week as Turnover and Prices increased, despite a decrease in Volume. The market recorded a weekly Turnover of TZS 4.91/= billion against a Volume of 0.94 million shares.

Total market capitalization increased to TZS 15,169.33/= billion, a 0.12% increase and the Domestic market capitalization increased to TZS 10,935.75/= billion, a 0.01% increase.

DSE was the top gaining counter this week closing at TZS 1,900/=, 5.56% up followed by TPCC, which closed at TZS 4,120/=, 0.49% up. SWIS was the top losing counter this week closing at TZS 1,500/=, 8.54% down.

TBL was a top market mover this week, recording 96.61% of total market turnover followed by TPCC with 1.49% and CRDB with 0.76%.

All Shares Index (DSEI) increased by 0.12% to close at 1,819.11 points as KCB and NMG increased and Tanzania Shares Index (TSI) increased by 0.01% to close at 4,133.41 points. Banks, Finance & Investment (BI) closed at 4,032.68 points, 0.07% up as DSE saw an increase in price. Industrial and allied (IA) closed at 5,131.68 points, 0.06% up as TPCC appreciated and Commercial Service (CS) closed at 2,155.32 points, 0.27% down as SWIS decreased.

Weekly Outlook

The domestic Equities Market echoed our last week forecast as market performance was fueled by Industrial counters, specifically, TBL. Number of foreign buyers increased to push Turnover up.

We forecast an increase in Turnover, Volume and Prices next week as we expect foreign buyers' activity to continue.

Fixed Income

Primary market

The Treasury bill auction results echoed our last week's predictions as yields increased. We forecast the upcoming 10 -Year Treasury bond auction to slightly underperform.

Secondary market

The secondary bond market recorded a total of 48 deals from Treasury bond segment this week, recording a total Turnover of TZS 191.63 billion.

The 25-Year Treasury bonds recorded an average Yield of 12.98% with an average price of 99.89%, followed by the 20-Year Treasury bonds with an average yield of 12.93% and price of 107.41%, 15-Year Treasury bond recording an average yield of 11.43% and average price of 120.27%, 10-Year Treasury bond recording an average yield of 8.88% and average price 105.25% and 7-Year Treasury bond recording an average yield of 11.03% and average price 101.21%.

Most Turnover was contributed by the 20-Year Treasury bond recording 62.08% of the market Turnover, followed by 25-Year bond recording 23.13% and 10-Year bond 10.98%.

Table 1: Market Weekly data

	Last Week	This Week	Change
Turnover (TZS Millions)	3,969.30	4,907.11	+23.63%
Foreign Buyers (%)	80.15%	96.59%	+20.52%
Volume (Million shares)	2.96	0.94	-68.35%
Total Market Cap (TZS Bn)	15,151.57	15,169.33	+0.12%
Domestic Market Cap (TZS Bn)	10,934.81	10,935.75	+0.01%
DSEI	1,816.97	1,819.11	+0.12%
TSI	4,133.05	4,133.41	+0.01%
IA	5,128.51	5,131.68	+0.06%
BI	4,029.69	4,032.68	+0.07%
CS	2,161.21	2,155.32	-0.27%

Source: DSE, Vertex Calculations

Table 2: Secondary Market Data

Bond	Average Yield	Average Price	Turnover (Bln)
7 Year	11.03	101.21%	0.046
10 Year	8.88	105.25%	21.049
15 Year	11.43	120.27%	7.22
20 Year	12.93	107.41%	118.96
25 Year	12.98	99.89%	44.32

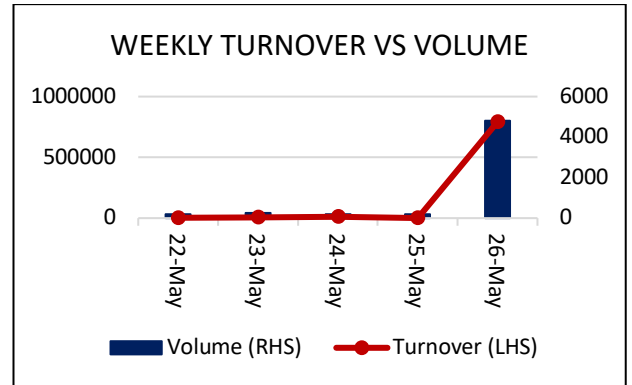
Vertex calculation, DSE

Table 3: Net Asset Value per Unit for Unit Schemes

	18-May	24-May	Change%
UMOJA	914.1797	918.2301	+0.44%
WEKEZA	782.0860	784.8813	+0.36%
WATOTO	577.3210	579.6293	+0.40%
JIKUMU	162.1283	162.9080	+0.48%
LIQUID	357.2561	357.8629	+0.17%
BOND	115.3645	115.5521	+0.16%

Source: UTT, Vertex Calculations

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Chart of the Week

Source: DSE, Vertex Calculations.



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