

1. The Week in Review

- The Government's planned TZS 1tr deal to address power outages to boost industrial productivity in the medium to long – term.

Domestic Equities recorded a mixed performance this week as an increase in prices came at a detriment of Volume and Turnover. The market recorded a weekly Turnover of TZS 572.18/= million against 0.49 million shares.

Total market capitalization increased to TZS 15,985.54/=billion, a 1.53% increase and the Domestic market capitalization increased to TZS 10,534.43/= billion, a 2.08% increase.

NMB was the top gaining counter this week closing at TZS 3,460/=, a 11.61% increase, followed by CRDB, which closed at TZS 405/=, a 3.85% increase and DSE at TZS 1,760/=, a 3.53% increase.

SIMBA was the top losing counter this week closing at TZS 1,000/=, 9.09% down.

NMB was a top market mover this week, recording 74.89% of total market turnover followed by CRDB with 17.82% and DCB with 1.88%.

All Shares Index (DSEI) increased by 1.53% to close at 1,918.09points and Tanzania Shares Index (TSI) increased by 2.08% to close at 3,985.10points. Banks, Finance & Investment (BI) closed at 3,692.10points, 8.12% up as NMB, CRDB and DSE counters saw an increase in price. Industrial & Allied (IA) decreased by 0.11% to close at 5,031.00 points and no change for commercial services at 2,147.73points.

Weekly Outlook

Equities Prices picked up this week as investors continue to digest earnings result. Unfortunately, the positive price momentum was not enough to boost Volume and Turnover.

We think Investors are continuing to digest the earnings results and we believe the results are yet to be fully factored into prices. We expect a further improvement in Prices, Volume and Turnover next week.

a. Fixed Income

Primary market

This week's 10- year Treasury bond auction results echoed our last week's prediction as subscription was subpar. We forecast an increase in yield in the upcoming Treasury bills auction.

Secondary market

The secondary bond market recorded a total of 39 deals from both Treasury and corporate bonds, recording a total turnover of TZS 114.8 billion, 73.7% higher than last week.

The 25 – year Treasury bond recorded an average Yield of 12.22% with an average price of 103.17%, followed by the 20 – year Treasury bond with an average yield of 12.76% and price of 124.55%, 15 – year Treasury bond recording an average yield of 9.71% and average price of 123.92% and 10 – year Treasury bond with an average yield of 9.55% and price of 108.07%. In the Corporate bond segment, the NMB 3 – year bond recorded an average yield of 46.6% and price of 86.67% this week.

20 – year Treasury bond had a large number of deals this week with 26 deals, followed by the 25 – year government bond with 5 deals.

Table 1: Market Weekly data

	Last Week	This Week	Change
Turnover (TZS Millions)	683.47	572.18	-16.3%
Foreign Buyers (%)	7.16%	54.05%	+654.8%
Volume (Million shares)	0.99	0.49	-50.5%
Total Market Cap (TZS Bn)	15,744.21	15,985.54	+1.53%
Domestic Market Cap (TZS Bn)	10,319.89	10,534.43	+2.08%
DSEI	1,889.13	1,918.09	+1.53%
TSI	3,903.94	3,985.10	+2.08%
IA	5,036.61	5,031.00	-0.11%
BI	3,414.79	3,692.10	+8.12%
CS	2,147.73	2,147.73	0.00%

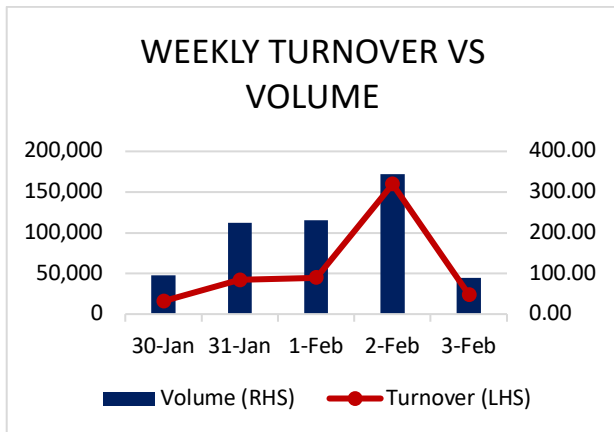
Source: DSE, Vertex Calculations

Table 2: Net Asset Value per Unit for Unit Schemes

	26-Jan	31-Jan	% change
UMOJA	881.5783	884.0634	+0.28%
WEKEZA	753.1295	755.1136	+0.26%
WATOTO	555.1072	556.3768	+0.23%
JIKUMU	157.7677	158.2156	+0.28%
LIQUID	345.0994	345.5711	+0.14%
BOND	114.9294	115.0816	+0.13%

Source: UTT, Vertex Calculations

2. Chart of the Week



Source: DSE, Vertex Calculations



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