



1. The Week in Review

- Massive Infrastructure Development to yield results in the medium to long term.

Domestic Equities recorded a turn of events this week as performance dropped from last week's levels. The market recorded a weekly Turnover of TZS 2.60 billion and 4.05 million shares traded.

Total market capitalization increased to TZS 15,864.48/=billion, a 1.15% increase and the Domestic market capitalization increased to TZS 10,341.22/= billion, a 0.60% increase.

NMB was the top gaining counter this week Closing at TZS 3,180/=, a 5.30% increase. TICL was the top losing counter closing at TZS 150/=, a 3.23% decrease, followed by TPCC, which closed at TZS 3600/=, a 2.70% decrease and NICO at TZS 320/=, a 1.54% decrease.

CRDB was a top market mover this week, recording 52.61% of total market turnover followed by TPCC with 13.19% and NMB with 13.60%.

All Shares Index (DSEI) increased by 1.15% to close at 1,903.58 points and Tanzania Shares Index (TSI) increased by 0.60% to close at 3,912.01points. Banks, Finance & Investment (BI) closed at 3483.85 points, 2.94% up. Industrial & Allied (IA) decreased by 0.32% to close at 5,006.93 points and no change for commercial services, which closed at 2,147.73 points.

Weekly Outlook

The equities market recorded a subpar performance as both turnover and volume decreased this week. We think it is due to the local investors' inactivity as they wait for Q4 results.

Fixed Income

Primary market

This week's Government 5 – Year Treasury bond auction results echoed our last week's predictions

as subscription was subpar. We forecast an undersubscription in the upcoming 2-year Treasury bond auction results.

Secondary market

The secondary bond market recorded a total of 41 deals from both government bonds and the corporate segment, recording a total turnover of TZS 30.70 billion.

The 25 – Years bond recorded an average Yield of 12.98% with an average price of 109.17%, followed by the 20 – years bond with an average yield of 13.54% and price of 112.60%. The 15 – Years bond recording an average yield of 11.03% and average price of 118.59% and the 10 – years bond with an average yield and price of 10.68% and 98.11% respectively. In the Corporate bond segment, The NMB, 3 – year bond recorded an average yield of 45.70% and price of 85% for the week.

Most turnover was influenced by the 20 – Years government bond recording 53.84% of the market turnover followed by the 15 – Years government bond with 42.16%.

The bond with the highest number of deals this week is the 20-year government bond with 20 deals, followed by the 25 - Years government bond with 14 deals.

Table 1: Market Weekly data

	Last Week	This Week	Change
Turnover (TZS Millions)	3,403.82	2,646.07	-22.3%
Foreign Buyers (%)	0.87%	29.70%	+3315.2%
Volume (Million shares)	8.71	4.05	-53.6%
Total Market Cap (TZS Bn)	15,684.55	15,864.48	+1.15%
Domestic Market Cap (TZS Bn)	10,279.89	10,341.22	+0.60%
DSEI	1,881.99	1,903.58	+1.15%
TSI	3,888.81	3,912.01	+0.60%
IA	5,022.79	5,006.93	-0.32%
BI	3,384.28	3,483.85	+2.94%
CS	2,147.73	2,147.73	0.00%

Source: DSE, Vertex Calculations

Table 2: Weekly Average Yield Data

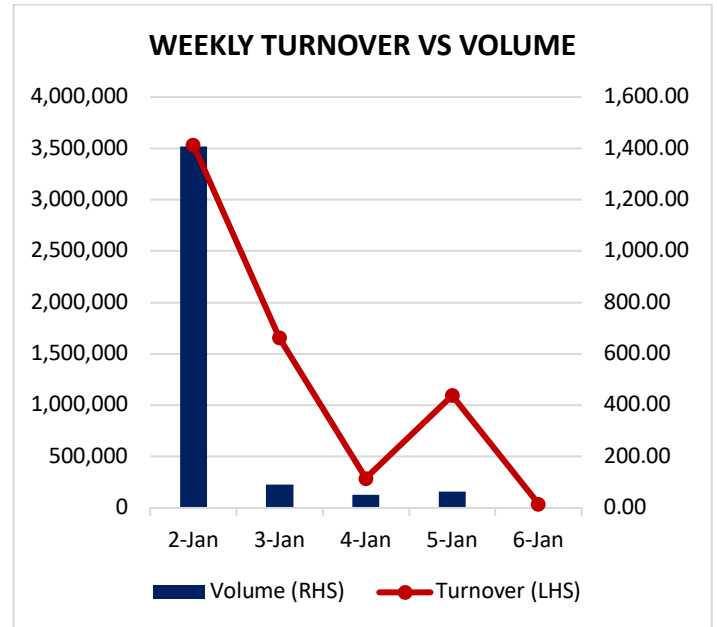
TENURE	LAST WEEK	THIS WEEK	%CHANGE
2	0.00	0	0%
5	0.00	0	0%
7	0.00	0	0%
10	14.88	10.69	-28.2%
15	0.00	11.03	N/A
20	14.51	13.54	-6.7%
25	12.76	12.98	+1.7%

Source: DSE, Vertex Calculations

Table 3: Net Asset Value per Unit for Unit Schemes

	29-Dec	4-Jan	% Change
UMOJA	876.3168	878.6686	+0.27%
WEKEZA	741.2993	743.194	+0.26%
WATOTO	547.641	548.9256	+0.23%
JIKUMU	159.0143	156.4217	-1.63%
LIQUID	342.4204	342.9991	+0.17%
BOND	114.7283	113.9157	-0.71%

Source: UTT, vertex Calculations

2. Chart of the Week

Source: DSE, Vertex Calculations



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