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ORBIT SECURITIES COMPANY LTD.

Stockbrokers / Dealers, Investment Advisers and Fund Managers
(Member of the Dar es Salaam Stock Exchange)

Research Team

Contacts: Research Unit

Tel: +255 22 2111758

Fax +255 22 2113067

Head of Research Dept.

Mr. Fortius Rutabingwa

rutabingwa@orbit.co.tz

Ms. Neema Gerald Ngowi

neema@orbit.co.tz

Mr. Imani Muhingo

imani@orbit.co.tz

Trading Unit

Ms. Rade Mosha

Head of Customer Care

Mr. Mickdad Chakindo

tradingorbit@outlook.com

Aurelia Kajumulo

aurelia@orbit.co.tz

Orbit Securities Co. Ltd
Golden Jubilee Towers
4th Floor, (PSPF Building)
Ohio Street
P.O. Box 70254
Dar es Salaam, Tanzania

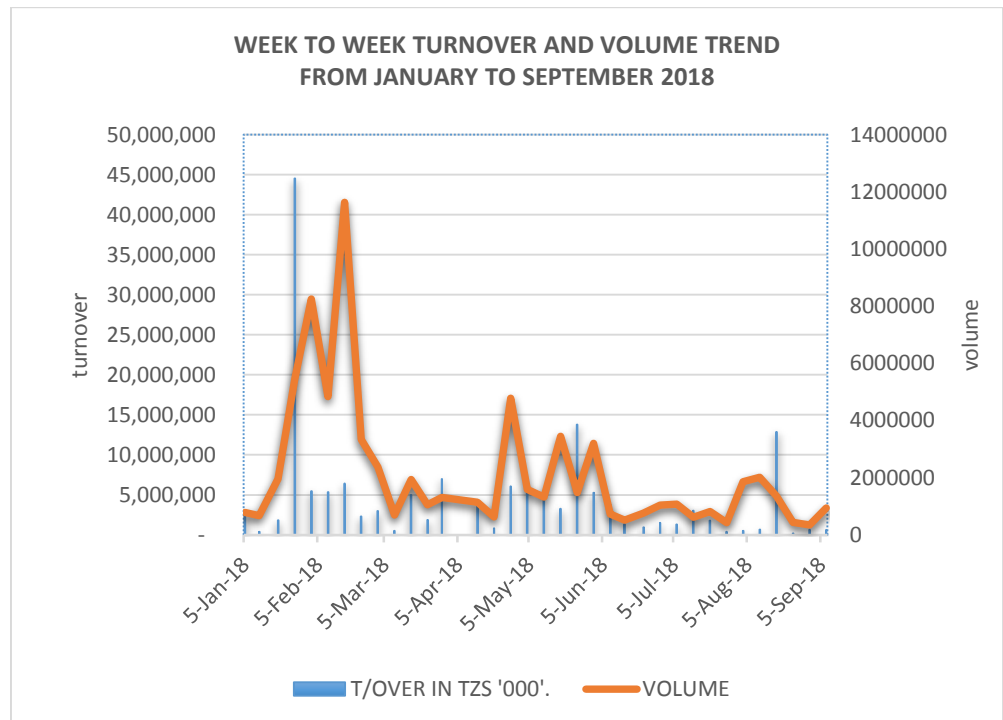
Weekly Financial Market Report

1.0 CAPITAL MARKETS

1.1.0 Equity Market Performance Summary

The Dar es Salaam Stock Exchange (DSE) closed the week ending 07th September, 2018 on a low note following the shrinking of share prices for two domestic market counters and six on the foreign market counters (cross-listed). The Exchange posted the total turnover and volume of the week's TZS 0.61 billion lower by 9.07% w-o-w and 943,560 shares higher by 170% w-o-w produced compared to the previous week ending 31st August, 2018. However, local investors lead the market by holding an average position of participation of 95% on buy side and 81.4% on sell side. During the week Twiga Cement and CRDB Bank Plc were the top movers accounting for 76.57% of the total turnover traded on the bourse. Other active counters accounted for 23.43% of total turnover traded on the bourse.

The following graph shows the week to week trend of turnover and volumes traded in the stock market since January to September, 2018.

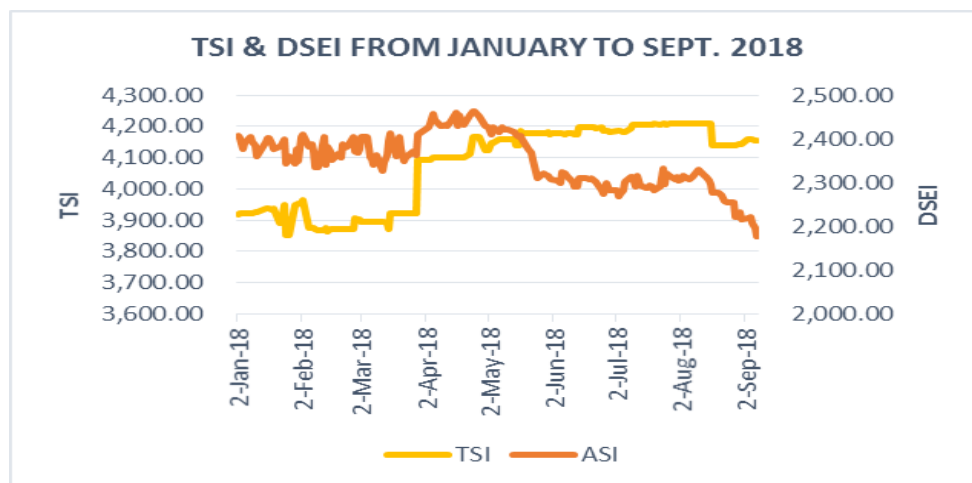


Source of Data: DSE Web.

1.1.1 Indices

Tanzania share Index (TSI) and All Share Index (DSEI) closed the market at end of the week strengthen by 0.29% and contract by 1.70% w-o-w respectively. Tanzania Share Index (TSI) closed the week at 4,154.72 points and All Share Index (DSEI) at 2,177.52 points. The increase of TSI contributed by Twiga Cement price which appreciated by 14.44% w-o-w. The decrease of DSEI contributed by six cross-listed counters price depreciation; ACA, EABL, JHL, KA, KCB and NMG dropped by 2.42%, 3.109%, 0.90%, 4.26%, 4.90% and 10.42% w-o-w respectively and likewise, domestic market had two counters shares dropped; SWISS and DSE down by 11% and 4% respectively; along with it total market capitalization depreciated by 1.70%.

Below is the graph showing the weekly trend of the Tanzania Share Index and All Share Index from January, 2018 to September, 2018.



Source of Data: DSE Web.

1.2.0 Weekly Summary Tables

1.2.1 Domestic Market Statistics

1.2.2 Top Movers of the week

Counter	Closing Price	% w/w	% YTD	Turnover TZS '000'	Volume Traded	Market Cap TZS Billion
TWIGA	2,060	14.44	+41.10	349,209	127,564	370.64
CRDB	160	-	-23.81	118,610	741,312	417.89

1.2.3 Gainer and loser of the week

Counter	Closing Price	% w/w	% YTD	Turnover TZS '000'	Volume Traded	Market Cap TZS Billion
TWIGA	2,060	14.44	+41.10	349,209	127,564	370.64
SWISS	3,120	-10.86	-10.86	34,637	11,072	112.32
DSE	1,820	-4.21	+59.65	13,870	7,680	23.06

1.2.4 Other Counters

Counter	Price	% w/w	% YTD	Turnover TZS '000'	Volume Traded	Market Cap TZS Billion
TBL	16,000	-	+27.69	91,450	6,098	4,720.90
NICOL	295	-	N/A	2,205	7,440	20.41
TCC	17,000	-	+1.19	537	37	1,700.00
NMB	2,750	-	-	136	58	1,375.00
MBP	590	-	-	102	200	8.63
TOL	780	-	-	7	10	44.85
SWALA	490	-	-2.00	5	10	52.04

1.2.5 Cross-listed Counters

Counter	Current Price	Previous Price	% w/w	% YTD	Market Cap TZS Billion
ACA	3,220	3,300	-2.42	-42.81	1,320.48
EABL	4,380	4,520	-3.10	-19.04	3,463.59
JHL	11,000	11,100	-0.90	+7.35	797.20
KA	225	235	-4.26	-40.51	1,278.32
KCB	970	1,020	-4.90	-7.37	2,881.23
NMG	1,720	1,920	-10.42	-24.71	324.29
USL	30	30	-	-70.00	10.95



1.2.6 More Trading Statistics

Description	Previous	Current	Change in %
Total Turnover	671,878,775	610,958,320	-9.07
Number of Shares Traded	349,328	943,560	+170
Total Market Capitalization (Bn.)	21,351.93	20,989.32	-1.70
Domestic Market Cap.	10,882.07	10,913.26	+0.29
All Share Index (ASI)	2,215.14	2,177.52	-1.70
Tanzania Share Index (TSI)	4,142.85	4,154.72	+2.88
Local Buying Volume in %	6.86	100	+93.14*P
Foreign Buying Volume in %	93.14	-	-93.14*P
Local Selling Volume in %	9.16	100	-90.84*P
Foreign Selling Volume in %	90.84	-	+90.84*P
*P= Percentage points			

2.0 COLLECTIVE INVESTMENT SCHEMES

2.1 UNIT TRUST OF TANZANIA (UTT)

Performance of Unit Trust Schemes as at 07th September, 2018

SUB	Umoja Fund	Wekeza Maisha	Watoto Fund	Jikimu-Ex-Id TZS 3/=	Liquid Fund
Net Asset Value (TZS Mil)	229,226	1,212	3,357	20,381	33,847
Net Asset Value/Unit (TZS)	588.3469	365.5070	336.6712	130.2108	193.9224
Sale Price / Unit (TZS)	588.3469	365.5070	336.6712	130.2108	193.9224
Repurchase Price/ Unit (TZS)	582.4635	358.1968	333.3045	127.6066	193.9224

(Source: UTT Website)

3.0 GOVERNMENT SECURITIES

3.1 Primary Market

On 05th September, 2018 BOT had a Treasury bills auction which offered the total amount of TZS 141.0 Billion to the market. Total tendered amount was TZS 375.8 Billion which over-subscribed by 166.5% indicating a great investors' interest on short-term debt instruments. The government accepted a total of TZS 141.0 Billion, the same offered amount. The minimum successful price were 99.73%, 99.26%, 97.43% and 92.48% on 35, 91, 182 and 364 days respectively. However, Weighted Average Yield was 7.15% lower by 20 bps to 7.35% of the previous comparative auction held on 21st August, 2018. (Source: BOT Website)

3.2 Secondary Market

During the week, the 15, 10 and 5-years treasury bonds exchanged hands in the government bond counter on the Exchange, a total face value of TZS 4.69 billion lower by 30% of the previous week's TZS 6.73 billion that was generated. The bond prices were discounted between 93.0465% on the low side and 97.5898% on the high side. During the week under view, the bourse traded on the corporate bond counter a 3 years NMB bond with 13% coupon rate a total face value of TZS 20.0 million at a price of 99% and 6 years EXIM bond with 15.56% coupon rate a face value of TZS 10.9 billion at a price of 99.9999%. Generally, the bourse traded a total face value of 4.72 billion on both government and corporate bonds. (Source: DSE Website)

4.0 MONEY MARKET

4.1 Interbank Money Market (IMM)

During the week, the Interbank Money Market (IMM) volume transactions strengthen by 0.55%w-o-w to a total amount of TZS 90.5 billion (\$39.99 million) compared to TZS



90.5 billion (\$39.79 million). At the closing of the week IMM posted Weighted Average Yield of 1.96% lower by 51 bps to 1.97% posted previously. The decline of WAY implies the shrinking of borrowing between banks throughout of the week. *(Source: BOT website)*

4.2 Interbank Foreign Exchange Market (IFEM)

During the week under review, transactions in the Interbank Foreign Exchange Market (IFEM) was down by 25%w/w to a total amount of \$ 16.85 million (TZS 38.3 bill) from the previous week's \$22.35 million and this implies low demand on the exchange rate transaction on the market. However, the market closed the week at a Weighted Average Rate (WAR) of TZS 2,286.95/USD, the shilling depreciated slightly by 0.01% of the previous weeks' USD 2,286.67/USD. *(Source: BOT website)*

4.3 Foreign Exchange Market – Bank of Tanzania

The average exchange rates for major currencies against the Tanzania Shilling at the end of the week are as shown in the table below.

Currency	Previous Week	Current Week	Change in %
TZS/\$	2,274.91	2,275.25	+0.01
TZS/€	2,659.03	2,650.21	-0.33
TZS/£	2,962.75	2,946.11	-0.56
TZS/Rand	155.79	148.84	-4.46
TZS/KES	22.61	22.59	-0.09

Source: BOT website

During the week Tanzanian Shilling appreciated against all major currencies as shown on the above table except for the US dollar which depreciated against TZS slightly by 0.01%.

5.0 Notable Market Events

5.1 Simba Cement (TCCL) Semi-Annual Results for the Period ending 30th June 2018

Tanga Cement Co. Ltd., a producer of Simba Cement brand in Tanzania commenced cement production in 1980 is located about 15 km from Tanga city center. The Company is listed in the Dar es Salaam Stock Exchange in September, 2002. During the period under review the company has posted improved financial results as the revenue increased by 25.50% compared to the comparable period in 2017 [TZS 78.79 bln 2017: TZS 98.88 bln 2018]. The prospect of cement demand in the manufacturing industry has risen in the first half of the 2018 and the company managed to maintain and improve its operating efficiencies and supply to the market.

5.1.1 Future Prospects

Our take is that, with all other conditions remain the same, we anticipate that the company will further improve their profit margin in the next quarter. The management is looking forward into improved prices and thus easing of market pressure.

5.2 Swissport Semi-Annual Results for the Period ending 30th June 2018

Swissport Tanzania Plc is an aviation services provider at Tanzania's main airports, and a subsidiary of Swissport International. It entered the Tanzanian market in 2001 and was listed on the DSE in 2003. During the period under review, revenue declined by 4% compared to the first six months of 2017 from TZS 26.08 billion to TZS 25.03 billion in 2018. The decline is attributed to the change in the mix of aircraft type handled despite an increase in cargo handling revenue. Operating profit dropped by 21% from TZS 9.49 billion in 2017 to TZS 7.45 billion in 2018 mainly on account of a 6% increase in operating expenses to TZS 17.63 billion from 16.61 billion in 2017. Increased operating expenses were a result of new personnel cost and depreciation charges associated with a new ground handling facilities.

5.2.1 Future Prospects

Our take is that, the future is still foggy for Swisport, considering they are mainly dependent on the performance of the airports they serve while most of their revenue comes from ground handling.

More Information attached.



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LISTED COMPANIES' ANALYSIS

COUNTERS	IPO Price	Cl. Price	6 months	52 Weeks	YTD T/over	YTD Avg Daily	YTD Volume	YTD Avg. Daily	Mkt Cap	P/B (x)	Dividend		EPS	P/E(x)	Status
	Tzs.	Tzs.	Price	Cl. Price	Tzs "000"	T/Over " 000"	Traded	Vol. Traded	Tzs. Billion	Value	Yield %	Cover			
COMMERCIAL AND SERVICE (CS)															
SWISSPORT	225	3,120	3,540	3,820	10,069,856	72,970	2,727,293	19,763	112.32	**4.0	4.70	2	331.5	9.41	MIMS
PAL	475	470	470	470	-	-	-	-	75.42	**0.35	-	-	(571.03)	-	MIMS
VODA	850	800	850	900	9,800,331	57,649	12,517,125	73,630	1,792.00	**3.21	1.50	1.67	83.81	9.55	MIMS
BANK, FINANCE AND INVESTMENT (BI)															
CRDB	150	160	170	200	8,143,442	47,622	44,074	257,744	417.89	**0.53	2.70	2	13.90	11.51	MIMS
NMB	600	2,750	2,750	2,750	80,597	478	34,443	203	1,375.00	**1.7	2.30	2.96	190.00	14.47	MIMS
DCB	275	340	380	380	395	1,212	609,059	3,562	25.77	**1.7	-	-	(4.92)	-	MIMS
MCB	500	500	500	500	224	1	520	3	30.91	**1.15	-	-	(15.0)	-	EGM
MBP	500	600	600	600	63	368	106,600	623	8.78	**0.58	-	-	(4.92)	-	EGM
YETU	500	600	600	600	780	490	1,300	120	7.27	**0.23	-	-	90.00	6.67	EGM
MKCB	1,000	800	830	900	24,352	30	29,818	175	16.49	**1.8	2.50	2.91	60.00	13.33	EGM
MUCOBA	250	400	400	400	6,356	39	15,915	99	3.26	**0.94	4.25	3.24	55.12	7.26	MIMS
DSE	500	1,820	1,580	1,500	1,535,492	9,537	963,790	5,913	43.36	**1.94	5.49	3.76	221.06	8.23	MIMS
TICL	400	450	N/A	N/A	****16,213	****136	38,090	320	32.88	-	-	-	-	-	MIMS
NICOL	300	295	N/A	N/A	**** 213,999	****3,292	786,549	12,101	20.06	-	8.81	1.32	33	1.27	MIMS
INDUSTRIAL AND ALLIED (IA)															
TOL	500	780	780	800	471,224	2,756	604,310	3,534	44.85	2.41	-	-	37.71	20.68	MIMS
TATEPA	330	120	130	650	12,747	75	106,225	621	2.24	*-1.06	-	-	(60.24)	-	MIMS
TBL	550	16,000	15,500	13,300	112,808,970	663,582	7,516,236	43,955	4,720.90	**6.9	4.80	0.71	572	28.00	MIMS
TCC	410	17,000	16,300	13,100	9,015,694	83,479	558,116	5,168	1,700.00	**8.91	2.45	1.13	454	36.00	MIMS
TPCC (TWIGA)	435	2,060	1,580	1,780	6,889,005	40,287	4,471,802	26,151	370.64	1.74	16.00	0.74	198.84	10.36	MIMS
TCCL (SIMBA)	300	1,000	1,200	1,360	78,657	460	77,386	453	63.67	**0.39	-	-	(418)	-	MIMS
SWALA GAS & OIL	500	490	500	500	26,953	144	54,866	293	52.04	(3.47)	-	-	(61.02)	-	EGM
*2016 Financial Results															
**2017 Financial Results															
MMIS - Main Market Investment Segment window															
EGM - Enterprises Growth Market window															
**** TICL (Turnover & Average Daily T/over) From listing Day of March 1, 2018															
**** NICO (Turnover & Average Daily T/over) from re-listed Date of 6th June, 2018															
Source: DSE data															