



*August  
2020*

# MONTHLY REPORT

*By Research Department at Orbit Securities*

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# EQUITIES MARKET PERFORMANCE

## TURNOVER AND VOLUME

The month of August was significantly active compared to the past three months which were greatly inactive due to several factors including the COVID-19 pandemic. The equity turnover for the month amounted to TZS 21.98Bln (\$9.52Mln) about 27 folds' improvement from TZS 5.99Bln (\$2.59Mln), of previous month and 64% higher than TZS 13.4Bln (\$5.8Mln) of similar month of 2019. Similarly, the number of shares traded also recorded a significant improvement to report over 20 million shares traded from 6.6 million shares traded in July.

## MARKET CAPITALIZATION AND INDICES

The market capitalization of both whole market and domestic market have improved month to month. The total market capitalization reached TZS 15.17Trn, up by 1.5% from 14.95Trn of previous month. Furthermore, the domestic market capitalization also improved by 0.78% to TZS 9.19Trn from TZS 9.12Trn of previous month. Similarly, the corresponding indices, The All Share Index (DSEI) and Tanzania Share Index (TSI) Index each gained 27.03 and 27.13 points respectively to close with 1,827.19 points for DSEI and 3,499.04points for TSI.

*The Overall Market  
Statistics for August, 2020*

# 83.31%

*of Total Market Turnover was  
contributed by TBL counter*

# TZS 21.98Bln

*Total Equity Turn Over for the Month*

# 82.65%

*of shares that traded belonged to the  
CRDB Counter*

# TZS 15.17Trn

*Was the total Market Capitalization as  
at the end of August 2020*

# EQUITIES MARKET PERFORMANCE

## TOP MOVERS

Over 80% of market turnover was generated from TBL counter, same as previous month. The counter traded Approximately 3.6million shares worth TZS 18.3Bln. 99% of TBL trades originated from the pre-arranged board. At the same time, CRDB counter accounted for approximately 83% (19.4 million) of all the shares traded during the month.

## GAINERS AND LOSERS

TPCC and CRDB counters recorded an upward movement in their counter prices, while NICO dropped. TPCC improved the price by 9.09% to close at TZS 2,160 while CRDB gained by 10.3% to TZS 160 per share. On the other hand, NICO counter dropped by 5 spreads to close the month at TZS 165 per share.

## Equity Market Statistics

Description	JULY		AUGUST		
	TZS	\$	TZS	\$	▲ %
Total Turnover (TZS)	5,989,257,390	2,593,875	21,975,311,065	9,517,242	+266.91
Number of Shares Traded	6,615,528		23,483,525		+254.98
Total Market Capitalization (Bn.)	14,945.35	6.47	15,169.78	6.57	+1.50
Domestic Market Cap (Bn.)	9,117.71	3.95	9,188.93	3.98	+0.78
All Share Index (DSEI)	1,800.16		1,827.19		+27.03
Tanzania Share Index (TSI)	3,471.91		3,499.04		+27.13
Weighted Av. Local Buying %	78.91		99.42		+20.51
Weighted Av. Foreign Buying %	21.09		0.50		-20.59
Weighted Av. Local Selling %	13.93		9.63		-4.3
Weighted Av. Foreign Selling %	86.07		90.23		+4.16
Foreign Purchases	1,263,402,317	547,164	108,795,802	47,118	-91.39
Foreign sales	5,154,744,312	2,232,457	19,829,073,472	8,587,732	+284.68
Net foreign Inflow/(outflow)	-3,891,341,994	(1,685,293)	-19,720,277,670	(8,540,614)	+406.77
<b>*P= Percentage/Index points</b>					

# EQUITIES MARKET PERFORMANCE

## MONTHLY SUMMARY TABLES

Counter	Opening Price	Closing Price	%Δ M.o.M	Turnover TZS	Volume Traded	% of Turnover	Market Cap TZS Billion
<b>Domestic Counters</b>							
<b>Top movers</b>							
<b>TBL</b>	10,900	10,900	-	18,308,079,200	3,589,645	83.31	3,216.11
<b>Gainers and Losers</b>							
<b>TPCC</b>	1980	2,160	+9.09	327,813,920	149,529.00	1.49	356.25
<b>NICO</b>	170	165	-2.94	4,580,395	27,275	0.02	11.76
<b>CRDB</b>	145	160	+10.34	2,599,106,050	19,410,013	11.83	417.89
<b>Other Active Counters</b>							
<b>NMB</b>	2,340	2,340	-	380,533,120	200,238	0.02	1,170.00
<b>TCC</b>	17,000	17,000	-	285,307,800	30,019	0.00	1,700.00
<b>DSE</b>	890	890	-	64,393,960	72,357	0.29	21.20
<b>SWIS</b>	1,300	1,300	-	4,988,100	3,833	0.02	46.80
<b>TOL</b>	600	600	-	973,500	1,770	0.02	35.51
<b>VODA</b>	850	850	-	366,120	452	0.00	1,904.00
<b>Cross Listed Counters</b>							
<b>EABL</b>	3,460	3,500	+1.16	-	-	-	2,767.71
<b>JHL</b>	5,050	4,880	-3.37	-	-	-	353.67
<b>KA</b>	80	80	-	-	-	-	454.51
<b>KCB</b>	750	790	+5.33	-	-	-	2,346.57
<b>NMG</b>	220	300	+36.36	-	-	-	56.56
<b>USL</b>	5	5	-	-	-	-	1.82

### Cross-Listed Counters

The cross-listed counters were on the green during the month under review, after experiencing constant price drops for the past few months. Only a single counter (JHL) on the segment had downward price movement dropping by 3.37% while other counters had increased in price, except for KA which has been suspended. NMG was the top gainer, up by more than 35% “Monthly Summary Tables”.

### Investors participation

Similar to previous month local investors have led all the buy activities on the bourse. A total of TZS 21.85Bln equivalent to 99.4% of total market turnover was generated from local investors buy side activity while foreigners accounted for under 1%. Foreign investors still hold a greatest weight on the sale side activity after selling shares worth TZS 19.83Bln, equivalent to 90.23% of total market turnover. Net foreign funds outflow amounted to TZS 19.8Bln

# EQUITIES MARKET PERFORMANCE

## BONDS MARKET PERFORMANCE

### Government Bonds.

The government through the Bank of Tanzania (BOT) holds auctions every Wednesday for primary issuance of a debt instruments. The current available tenures are the 20, 15, 10, 7, 5 and 2 years' bonds. All these bonds are subsequently listed on the Dar es Salaam Stock Exchange (DSE) which acts as a secondary market for the bonds.

### Primary bond Market.

Through the market the government conducted three auctions of the 10,15 and 20 years' treasury bonds. In total the auctions attracted funds worth TZS 798.3Bln, responding to a total offer of TZS 368Bln. The government however, only took approximately half of the tendered amount, as the total successful amount from all the auctions amounted to TZS 309.88Bln. Treasury bonds have now become the refuge for investors, hence the competition has significantly intensified, putting pressure on the yields to approach par.

### Secondary Bond Market

The secondary market, which also facilitates liquidity and exit strategy for bond holders recorded a face value turnover of TZS 254.44Bln which is 71.56% higher than previous month's TZS 148.31Bln

## MONEY MARKET PERFORMANCE

### Treasury Bills

Through treasury bills, the government offered to raise a total of TZS 180.46Bln from two auctions. The public then tendered a total of TZS 56.04Bln, 68.9% lower than the asked amount. The yields in the bills have dropped to historic levels, to as low as 3.9% for a 364 days' paper, just a few basis points above the inflation level of the country. As a result, investor's interest on the instruments has waned. The government ended up taking only TZS 45.54Bln, significantly below the target.

### Interbank Cash Market (IBCM)

Small changes were recorded on the said market in terms of activities. The market for the month transacted funds worth TZS 554.6Bln a 37% increment from TZS 404.3Bln transacted during the previous month. The interbank rates have also stabilized around the 3% range where for the month average interbank rate was at 3.11% a few basis points lower than 3.35% of previous month. The stabilized volatility indicates sufficient liquidity in the industry.

### Interbank Foreign Exchange Market (IFEM)

The shilling was resilient against the USD for the month of August, it slightly appreciated against the USD by 0.004% compared to 0.01% depreciation rate in July against the greenback. A sum of \$40.53Mln was transacted among banks at an average exchange rate of TZS 2,309.12

## APPENDIX

### 1. Government Securities

August 'TZS BLN'				July 'TZS BLN'			
Tenure	Offer	Tendered	Successful	Tenure	Offer	Tendered	Successful
Treasury bills	180.46	56.04	45.54	Treasury bills	180.46	292.94	160.72
2 years	122.5	425.72	165.76	10 years	110	225.58	80.00
10 years	110.03	262.68	130.00	15years	122.00	222.29	134.10
				20years	136	350.44	134.100
Bonds Only	232.53	688.40	295.76	Bonds Only	368	798.31	309.88
Grand Total	412.99	744.44	341.30	Grand Total	548.46	1,091.25	470.6

### Treasury Yields from Most Recent Auctions

Tenure	35days	91days	182days	364days	2years	5years	7years	10years	15years	20yrs
Coupon%	-	-	-	-	7.82	9.18	10.08	11.44	13.5	15.49
Yield %	1.99	2.42	2.58	4.00	7.09	11.19	11.20	12.02	13.83	15.64

## 2. Money Market

August					July				
	Volume	AV. rate	Opening Rate	Closing Rate		Volume	AV. Rate	Opening Rate	Closing Rate
IMM Mn TZS	554.6	3.11	3.62	3.25	IMM Mn TZS	404.28	3.35	4	3
IFEM Mn USD	40.53	2,309.12	2,309.22	2,309.02	IFEM Mn USD	41.99	2,309.07	2,309.02	2,309.25

## 3. Domestic Counters Market Highlights

	Issued shares 'Million'	IPO price TZS	Cur. Price TZS	EPS TZS	Dividend Yield	P/E
CRDB	2,611.83	150	150	46.00	11.3%	3.26
DCB	67.83	275	290	-	0.0%	
DSE*	23.82	500	880	153.00	4.2%	55.82
MBP*	23.10	500	490	9.92	3.5%	49.40
NICO*	37.80	300	170	9.00	3.5%	18.89
NMB	500.00	600	2,340	289.00	4.1%	8.10
PAL	160.47	475	400	(196.34)	0.0%	loss
SWIS*	36.00	225	1,300	64.19	8.0%	20.25
TBL	294.93	550	10,900	509.20	4.6%	21.41
TCC	100.00	410	17,000	512.00	3.2%	33.20
TCCL	63.67	300	600	-	0.0%	loss
TICL	72.96	400	350	-	0.0%	
TOL*	57.56	500	600	-	2.8%	
TPCC	179.92	435	2,200	331.00	13.2%	6.65
TTP	18.66	330	120	(156.40)	2.9%	loss
VODA	2,240.00	850	850	20.43	0.0%	41.61
SWALA	99.90	500	0	-	0.0%	
MCB	61.82	500	0	-	0.0%	loss
MKCB	20.62	1000	2,020	-	202000.0%	
MUCOBA	8.20	250	490	51.00	0.0%	
YETU*	12.11	500	550	56.00	6.4%	

\*some data might be from 2018

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