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MONTHLY REPORT

By Research Department at Orbit Securities

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EQUITIES MARKET PERFORMANCE

TURNOVER AND VOLUME

The turnover for the month of July halved that of June at TZS 5.99Bln (\$2.59Mln), from TZS 11.81Bln (\$5.11Mln) of June. This is due to low foreigner's participation on the market during the month. The number of shares traded also declined by over 30% to 6.6Mln shares from more than 9.7Mln traded in previous month.

MARKET CAPITALIZATION AND INDICES

Both domestic and total market capitalization dropped month to month following counter prices dropping across domestic and cross-listed counters. The total market capitalization dropped 1.6% while the domestic capitalization dropped by 0.43%. Following the trend, the two market Indices. The All Share Index (DSEI) and the Tanzania Share Index (TSI) have also recorded a 29.97 and 15.04 points decline for the month respectively.

The Overall Market Statistics for July, 2020

83.90%

of Total Market Turnover was contributed by TBL counter

TZS 5.989Bln

Total Equity Turn Over for the Month

82.17%

of shares that traded belonged to the CRDB Counter

TZS 14.95Trn

Was the total Market Capitalization as at the end of July 2020

EQUITIES MARKET PERFORMANCE

TOP MOVERS

TBL was the top mover, as it has been for the past six months. The counter traded approximately 1 million shares worth TZS 5.02Bln (\$2.1Mln) all of which approximately came from the pre-arranged market board and makes about 83.9% of total equity turnover for the month. About 82.17% of all traded shares in the market, for the month belonged to CRDB counter.

GAINERS AND LOSERS

Two counters' prices were negatively impacted during the month, with one counter that posted a positive price change. TPCC was the top loser, dropping by 10% to close at TZS 1,980, followed by DSE which dropped by 1.11% to TZS 890 NICO counter improved its price to TZS 170 a 3.03% increment.

Equity Market Statistics

Description	JUNE		JULY		
	TZS	\$	TZS	\$	▲ %
Total Turnover (TZS)	11,805,844,320	5,112,969	5,989,257,390	2,593,875	-49.27
Number of Shares Traded	9,723,268		6,615,528		-31.96
Total Market Capitalization (Bn.)	15,194.27	6.58	14,945.35	6.47	-1.64
Domestic Market Cap (Bn.)	9,157.19	3.97	9,117.71	3.95	-0.43
All Share Index (DSEI)	1,830.13		1,800.16		-29.97*P
Tanzania Share Index (TSI)	3,486.95		3,471.91		-15.04*P
Weighted Av. Local Buying %	41.24		78.91		+37.67*P
Weighted Av. Foreign Buying %	58.76		21.09		-37.67*P
Weighted Av. Local Selling %	28.84		13.93		-14.91*P
Weighted Av. Foreign Selling %	71.16		86.07		+14.91*P
Foreign Purchases	6,937,335,581	3,004,476	1,263,402,317	547,164	-81.79
Foreign sales	8,401,272,353	3,638,490	5,154,744,312	2,232,457	-38.64
Net foreign Inflow/(outflow)	-1,463,936,772	(634,013)	-3,891,341,994	(1,685,293)	+165.81

*P= Percentage/Index points

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
Domestic Counters							
Top movers							
TBL	10,900	10,900	-	5,024,962,200	1,004,622	83.9	3,216.11
Gainers and Losers							
TPCC	2,200	1,980	-10.00	130,719,140	65,438.00	2.18	356.25
NICO	165	170	+3.03	5,165,000	31,000	0.09	11.76
DSE	900	890	-1.11	59,747,550.00	67,154.00	1.00	21.20
Other Active Counters							
CRDB	145	145	-	757,652,680	5,435,836	12.65	378.72
SWIS	1,300	1,300	-	7,419,100	5,707	0.12	46.80
MUCOBA	400	400	-	1,202,000	3,005	0.02	3.26
NMB	2,340	2,340	-	1,048,320	468	0.02	1,170.00
TOL	600	600	-	973,500	1,770	0.02	35.51
VODA	850	850	-	217,080	268	0.00	1,904.00
MKCB	780	780	-	99,900	135	0.00	16.08
DCB	290	290	-	34,720	124	0.00	27.25
TCC	17,000	17,000	-	16,200	1	0.00	1,700.00
Cross Listed Counters							
EABL	3,660	3,460	-5.46	-	-	-	2,736.08
JHL	5,400	5,050	-6.48	-	-	-	365.99
KA	60	80	+33.33	-	-	-	454.51
KCB	790	750	-5.06	-	-	-	2,227.76
NMG	330	220	-33.33	-	-	-	41.48
USL	5	5	-5.46	-	-	-	1.82

Other Active counters

Other nine (9) counters were active during the month as shown in table 1.6 “Monthly Summary Tables”. Generally, in terms of number of active counters, the market experienced low level of activity compared to previous months. With the current global trend many players have stayed out of the market especially foreign investors who are usually the main players on the DSE bourse.

Cross-Listed Counters

Cross-listed counters, which showed some signs of recovery in May have continued to decline during the month under review. All cross-listed counters except for KA have declined month to month. National Media Group (NMG) was the top loser, dropping by more than 30%, while Kenya Airways(KA), which didn’t trade for the most part of the month due to being suspended- closed at TZS 80 per share. “Monthly Summary Tables”.

EQUITIES MARKET PERFORMANCE

Investors participation

In a rare and unusual occurrence Local investors dominated the buy side activities in the bourse. Local purchase which amounted to TZS 4.73Bln (\$2.05Mln) accounted for 78.9% of all purchases within the month. The sale side however, was dominated by foreign investors who sold shares worth TZS 5.1Bln (\$2.23Mln) accounting for 86.07% of all sale side activities

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.

The government successfully raised TZS 348.2Bln through the 10, 15, and 20-year treasury bonds auctions held during the month. A total of TZS 368Bln was offered to the public and to that the public tendered TZS 798.31Bln, making an over subscription rate of more than two folds. This is more than five folds' increment from the TZS 85.96Bln that was raised in the previous month.

Secondary Bond Market

The secondary market, which also facilitates liquidity and exit strategy for bond holders recorded a face value turnover of TZS 148.31Bln which is 50.26% lower than previous month's TZS 298.17Bln.

MONEY MARKET PERFORMANCE

Treasury Bills

During the month, the government offered TZS 180.46Bln from the treasury bills auctions, the public tendered TZS 292.94Bln out of which TZS 160.72Bln was successfully taken by the government. The treasury bills auction for the previous month only raised about TZS 5.7Bln

Interbank Money Market (IMM)

Activities on the IBCM have significantly recovered in the month under review compared to the previous month which had a limited amount of activities. During the month a total of TZS 404.28Bln was transacted among banks, over five folds' increment from just TZS 78.9Bln of previous month, the interbank rates had slowly retreated to an average of 3.55%, from an average of 4.33% of previous months. The interbank had opened the month at 4% and closed the month at 3% indicating sufficient liquidity levels in the banks to reduce pressure on the interbank rates.

Interbank Foreign Exchange Market (IFEM)

The shilling was resilient against the USD for the month of July, as it only depreciated by 0.01% compared to 0.06% depreciation rate in June against the greenback. A sum of \$41.99Mln was transacted among banks at an average exchange rate of TZS 2,309.07.

APPENDIX

1. Government Securities

July 'TZS BLN'				June 'TZS BLN'			
Tenure	Offer	Tendered	Successful	Tenure	Offer	Tendered	Successful
Treasury bills	180.46	292.94	160.72	Treasury bills	107.2	69.82	5.7
10 years	110	225.58	80.00	15 years	109	100.55	85.96
15years	122.00	222.29	134.10				
20years	136	350.44	134.100				
Bonds Only	368	798.31	309.88				
Grand Total	548.46	1,091.25	470.6	Grand Total	216.2	170.37	91.66

2. Money Market

July					June				
	Volume	AV. rate	Opening Rate	Closing Rate		Volume	AV. Rate	Opening Rate	Closing Rate
IMM	404.28	3.35	4	3	IMM	78.9	4.33	4.11	5.25
Mn TZS					Mn TZS				
IFEM	41.99	2,309.07	2,309.02	2,309.25	IFEM	37.15	2,305.44	2,303.86	2,308.96
Mn USD					Mn USD				

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	-	0.0%	
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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