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MONTHLY REPORT

By Research Department at Orbit Securities

IMANI MUHINGO

Head Of Department

WENDE KALINGA

Analyst

**GEOFFREY
KAMUGISHA**

Analyst

EQUITIES MARKET PERFORMANCE

TURNOVER AND VOLUME

A further 73.4% drop in the equity turnover for the month, as countries are slowly easing restrictions posed during the climax of the COVID-19 pandemic. During May the market recorded a total equity turnover of just TZS 373.36Mln (\$162,118), compared to TZS 1.4Bln of April. This is the lowest level of monthly activity ever be recorded in the modern – day history of the DSE bourse. The number of shares traded was equally hit, recording a 97% drop from 9.2million shares of April to just 306,984 shares traded in May. Foreign investor's participation was very scarce except for one substantial deal.

MARKET CAPITALIZATION AND INDICES

Recovery on some cross-listed counters saw an increase on the total market capitalization to TZS 15.02Trn(\$6.2Bbn) equivalent to 1.4% increment, while the domestic market capitalization slightly dropped to TZS 9.2Trn (\$3.98Bln) equivalent to 0.06% drop following to price decline in various domestic counters. The All Share Index (DSEI) and the Tanzania Share Index (TSI), the corresponding total market and domestic market indices gained 25.76 points and lost 2.19 points respectively following the trends of the total market capitalization and domestic market capitalization.

*The Overall Market
Statistics for May, 2020*

81.08%

*of Total Market Turnover was
contributed by TBL counter*

TZS 373.4Mln

Total Equity Turn Over for the Month

59.52%

*of shares that traded belonged to the
CRDB Counter*

TZS 15.02 Trn

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

EQUITIES MARKET PERFORMANCE

TOP MOVERS

TBL claimed its top mover position from previous month's top mover CRDB. The counter (TBL) traded a total of 40,261 shares worth TZS 302.7Mln (\$131,443) which makes up about 81.08% of the total market turnover for the month. 99% of TBL's turnover which is also approximately 80% of total market equity turnover was from the off-market block trade transactions, evidence of the apparent contribution of off-market transactions to market activities.

GAINERS AND LOSERS

Three counters' prices were negatively impacted during the month, with no counter that posted a positive price change. Swissport was the top loser, declining by 9.7% to close at TZS 1,300 per share. Followed by DSE and DCB counters declining by 1.12% and 1.69% respectively.

Equity Market Statistics

Description	APRIL		MAY		
	TZS	\$	TZS	\$	▲ %
Total Turnover (TZS)	1,404,383,970	610,071	373,358,750	162,118	-73.41
Number of Shares Traded	9,203,463		306,984		-96.66
Total Market Capitalization (Bn.)	14,805.81	6.43	15,019.55	6.52	+1.44
Domestic Market Cap (Bn.)	9,175.85	3.99	9,170.11	3.98	-0.06
All Share Index (DSEI)	1,783.33		1,809.09		+25.76*pts
Tanzania Share Index (TSI)	3,494.06		3,491.87		-2.19*pts
Weighted Av. Local Buying %	99.09		97.97		-1.12*p
Weighted Av. Foreign Buying %	0.91		2.03		+1.12*p
Weighted Av. Local Selling %	100.00		19.65		-80.35*p
Weighted Av. Foreign Selling %	-		80.35		+80.35*p
Foreign Purchases	12,821,280	5,570	7,561,224	3,283	
Foreign sales	-	-	300,008,474	130,269	
Net foreign Inflow/(outflow)	12,821,280	5,570	(292,447,249)	-126,985	

*P= Percentage points
*Pts =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	-	302,714,400	40,261.00	81.08	3,216.11
Gainers and Losers							
SWIS	1,440	1,300	-9.72	7,785,700.00	5,989	2.09	46.80
DSE	890	880	-1.12	5,925,700.00	6,683.00	1.59	20.97
DCB	295	290	-1.69	5,440,400.00	18,760.00	1.46	27.25
Other Active Counters							
CRDB	150	150	-	25,638,080.00	182,712.00	6.87	391.78
TPCC	2,200	2,200	-	15,380,960.00	7,658.00	4.12	395.83
NICO	170	170	-	7,545,000.00	44,500	2.02	11.76
NMB	2,340	2,340	-	1,008,000.00	450	0.27	1,170.00
TCC	17,000	17,000	-	1,620,000.00	100	0.43	1,700.00
VODA	850	850	-	300,510.00	371	0.08	1,904.00
Cross Listed Counters							
EABL	3,440	3,520	+2.33	-	-	-	2,783.53
JHL	5,800	5,330	-8.10	-	-	-	387.73
KA	20	50	+150.00	-	-	-	284.07
KCB	770	780	+1.30	-	-	-	2,316.87
NMG	460	400	-13.04	-	-	-	75.42
USL	5	5	-	-	-	-	1.82

Other Active counters

Other six (6) counters were active during the month as shown in table 1.5 “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

Unlike domestic counters, the cross-listed counters have shown signs of recovery, with three counters namely; EABL, KA and KCB showing positive growth, with highest growth coming from KA which was up more than two folds. Two counters, JHL and NMG had negative price growth, biggest loser being NMG dropping by 13%. USL remained unchanged. See table 1.5 “Monthly Summary Tables”.

EQUITIES MARKET PERFORMANCE

Investors participation

In terms of the value of transactions, foreign investors participation has dropped to the lowest levels during this month. Total foreign purchases amounted to only TZS 7.6Mln (\$3,283) equivalent to 2% of the market turnover as opposed to TZS 12.8Mln (\$5,570) of previous month which leaves locals as the net buyers accounting for about 98% of all purchases. On the sale side foreigners were net sellers selling shares worth TZS 300Mln (\$130,269) equivalent to 80% of the market turnover, leaving locals with only 20% of the sell 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.

A total of TZS 320.7Bln was successfully raised from the primary bond market through the 7- year treasury bond and 20-year treasury bond auctions. The total offer size for the two auctions amounted to TZS 178.7Bln and a sum of TZS 406bln was tendered an over subscription of more than 120%. Unlike the equity market the bond market has been only slightly affected by the crisis, where we saw interest on the 20-year bond slightly shrink compared to other months although the yields have maintained the downward trend. The 20- year bond Weighted Yield to Maturity (WAYTM) reached 15.78% and 11.2% for 7-year bond.

Secondary Bond Market

The secondary market which provides an exit strategy for bond holders, recorded a total face value turnover of TZS 110.9Bln, slightly higher than last month's TZS 93.34Bln face value turnover.

MONEY MARKET PERFORMANCE

Treasury Bills

A total of TZS 122Bln was raised from two treasury bills auctions held within the month. The public tendered a sum of TZS 270Bln to the offer of TZS 214.4Bln. The amount raised in May was lower than TZS 285.6Bln raised in April due to having fewer auctions than April. Interest on the treasury bills have not changed greatly, where interest is still high on the longer term bills, the Weighted Average Yield (WAY) for the bills closed the month at 4.52% from 4.88% of April.

Interbank Money Market (IMM)

Activities on the IMM market have improved in the month under review compared to previous month. A total of TZS 423.7Bln transacted on the IMM market against TZS 168Bln of previous month. The Inter-bank rates have averaged around 4-5% range and closing at 5% slightly higher than 4.8% closing rate of previous month.

Interbank Foreign Exchange Market (IFEM)

The shilling slightly depreciated by 0.006% in May against the USD the same depreciation rate as April. The activities on the IFEM market slightly increased by 24% to record a volume worth \$42.15Mln. The USD/TZS exchange rate closed at TZS 2,303.3 up from TZS 2,302.7.

APPENDIX

1. Government Securities

MAY 'TZS BLN'				APRIL 'TZS BLN'			
Tenure	Offer	Tendered	Successful	Tenure	Offer	Tendered	Successful
Treasury bills	214.4	270.01	122.15	Treasury bills	321.6	327.79	285.63
15 years	61.7	175.47	120.00	2 years	109	121.78	109
20 years	117	230.60	200.7	10 years	117	276.87	170
TOTAL	393.1	676.08	442.85	TOTAL	547.6	726.44	564.63
Bonds Only	178.7	406.07	320.7	Bonds only	226	398.65	279.00

2. Money Market

May					April				
	Volume	AV. rate	Opening Rate	Closing Rate		Volume	AV. Rate	Opening Rate	Closing Rate
IMM	423.7	4.33	5.06	5	IMM	168	4.8	5.0	4.8
Mn TZS					Mn TZS				
IFEM	42.15	2,302.98	2,302.72	2,303.30	IFEM	31.43	2,302.12	2,301.38	2,302.70
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%	5.75
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

Imani Muhingo
Head of Research & Analytics
imani@orbit.co.tz

Geoffrey Kamugisha
Investment & Financial Analyst
geoffrey.kamugisha@orbit.co.tz

Wende Kalinga
Investment Analyst
wende@orbit.co.tz

4th Floor, Golden Jubilee
Garden Ave/Ohio St, Posta, Dar es Salaam, Tanzania
(+255) 22 211 1758
research@orbit.co.tz
orbit@orbit.co.tz
www.orbit.co.tz
Orbit Securities Co. Ltd

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