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MONTHLY REPORT

By Research Department at Orbit Securities

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EQUITIES MARKET PERFORMANCE

TURNOVER AND VOLUME

The total equity turnover for the month slightly declined by 1.8% to record a turnover of TZS 6.6Bln (\$2.86Mln) from TZS 6.723Bln, recorded in previous month. The number of shares traded also halved that of the previous month, whereby about 6.6 million shares traded during the current month, from 13.7million shares traded on the previous month. The significant decline in the number of shares traded for the month is mainly due to the nature of the top mover counter, which in current month is TBL more expensive and requires less shares to generate large turnover as opposed to CRDB which was previous month's top mover.

MARKET CAPITALIZATION AND INDICES

The total market capitalization has improved from TZS 14,872.96Bln of January to TZS 15,320.86Bln of this month. The improvement comes as a result of price appreciation on some cross listed counters. On the other hand, the domestic market capitalization has slightly shrunk by 0.8% following price drops on some domestic counters.

Corresponding to this, the market indices; the All Share Index (DSEI) and Tanzania Share Index (TSI) have gained 53.91 points and lost 13.52 points respectively. The Indices closed with 1,844.09 and 3,508.81 points respectively.

The Overall Market Statistics for February, 2021

52.98%

of Total Market Turnover was contributed by TBL counter

TZS 6.6Bln

Total Equity Turn Over for the Month

81.78%

of shares that traded belonged to the CRDB Counter

TZS 15.32Trn

Was the total Market Capitalization as at the end of February 2021

EQUITIES MARKET PERFORMANCE

TOP MOVERS

TBL was the top mover, by accounting for 52.98% of total market turnover by trading 653,272 shares worth TZS 3.5Bln turnover. As previously been established, most of these trades happened on the pre-arranged market, over 98% of TBL's turnover was generated through the said market. CRDB traded the most shares than any counter, it accounted for 81.78% of all shares traded in the market during the month equivalent to 5.4 million shares.

GAINERS AND LOSERS

Fewer counters experienced price movement during the month. JATU being the top gainer, closed the month at a price of TZS 1,860 up 72.22% from TZS 1,080 of previous month, followed by DSE which improved price by 8.33% to TZS 1,040. CRDB was the top and only loser, closing 15 spreads down from TZS 235 to TZS 220 at the end of the month.

Equity Market Statistics

Description	PREVIOUS		CURRENT		▲ %
	TZS	\$	TZS	\$	
Total Turnover (TZS)	6,726,434,895	2,913,138	6,603,985,670	2,860,106	-1.82
Number of Shares Traded	13,699,962		6,621,424		-51.67
Total Market Capitalization (Bn.)	14,872.96	6.44	15,320.86	6.64	+3.01
Domestic Market Cap (Bn.)	9,261.03	4.01	9,225.45	4.00	-0.38
All Share Index (DSEI)	1,790.18		1,844.09		+53.91*p
Tanzania Share Index (TSI)	3,522.33		3,508.81		-13.52*p
Weighted Av. Local Buying %	18.86		87.63		+68.77*p
Weighted Av. Foreign Buying %	81.14		12.37		-68.77*p
Weighted Av. Local Selling %	45.64		25.51		-20.13*p
Weighted Av. Foreign Selling %	54.36		74.49		+20.13*p
Foreign Purchases	5,457,872,469	2,363,739	816,814,423	353,752	-85.03
Foreign sales	3,656,474,078	1,583,575	4,919,158,327	2,130,428	+34.53
Net foreign Inflow/(outflow)	1,801,398,391	780,164	(4,102,343,904)	(1,776,675)	
*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 mover							
TBL	10,900	10,900	-	3,498,569,900	653,272	52.98	3,216.11
Gainers and Losers							
CRDB	235	220	-6.38	1,126,589,140	5,406,797	17.06	574.60
JATU	1,080	1,860	+72.22	107,363,100	66,755	1.63	4.03
DSE	960	1,040	+8.33	65,645,020	69,773	1.68	24.78
Other Active Counters							
TCC	17,000	17,000	-	1,680,324,000	280,020	25.42	1,700.00
VODA	770	770	-	110,614,140	108,282	0.08	1,724.80
TPCC	2,500	2,500	-	27,247,220	10,227	0.41	449.81
SWIS	1,120	1,120	-	23,442,720	17,931	0.36	40.32
TCCL	470	470	-	19,992,550	44,675	0.30	28.65
NICO	190	190	-	1,973,900	10,410	0.03	13.14
DCB	265	265	-	1,020,000	4,250	0.02	24.48
NMB	2,340	2,340	-	492,800	220	0.01	1,170.00
MKCB	780	780	-	150,000	200	0.00	16.08
TOL	550	550	-	122,000	220	0.01	32.55
MBP	490	490	-	117,000	260	0.00	11.42
SWALA	490	490	-	87,000	180	0.00	52.04
PAL	400	400	-	52,000	140	0.00	64.19
TICL	350	350	-	11,900	34	0.00	25.58
TTP	120	120	-	6,000	60	0.00	2.24
Cross Listed Counters							
EABL	3,130	3,500	+11.82	-	-	-	2,767.71
JHL	5,850	5,550	-5.13	-	-	-	402.22
KA	80	80	-	-	-	-	454.51
KCB	740	810	+9.46	-	-	-	2,405.98
NMG	310	335	+8.06	-	-	-	63.16
USL	5	5	-	-	-	-	1.82

Cross-Listed Counters

Cross-listed counters were bullish during the month showing some hint of recovery on the market in the short term compared to the bearish trend that was observed in the previous month. EABL was the top gainer, improving price by 11.82%, followed closely by KCB and NMG which both gained by 9.46% and 8.06% respectively. Jubilee Holdings Limited (JHL) was the only loser, dropping by 5.13% during the month. Kenya Airways (KA) and Uchumi Supermarket (USL) remained unchanged.

Investors participation

Local Investors dominated the buy side while foreign investors took over the sell side. A total of TZS 5.8Bln turnover was purchase made by locals, accounting for 87.6% of total turnover. Foreigners on the other hand only purchased shares worth TZS 816Mln, the sales by foreign investors were worth TZS 4.9Bln about 74.5% of total turnover. On that note, foreign investors were net sellers while locals were net buyers. The total foreign outflow recorded was TZS 4.1Bln (\$1.77Mln).

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.

Two treasury bonds auctions were conducted, for 20 and a 15 years' bond. 20 years bond auction was highly oversubscribed while the 15 years' bond was undersubscribed. 20 years bond which had an offer tag of TZS 136Bln attracted TZS 350.3Bln tender and successfully took TZS 250Bln out of the said amount. The 15 years' bond had an offer of TZS 122Bln, received tender size of TZS 74.73Bln while out of that the government only took 69.17Bln. The yield to Maturity for both bonds has improved following slight weakening in bid prices which brought down the weighted average prices for the bonds. 20- years yield is at 15.41% from 15.39% and the 15 years' yield is at 13.60% from 13.57%.

Secondary Bond Market

The secondary bond market generated a total of TZS 114.83Bln face value turnover. More than half of the turnover came from 20-years bonds trades. The corporate bond market generated a total of 0.22Bln face value turnover about 0.18% of the total secondary market face value turnover. In terms of cash value, the market generated a total of TZS 121.78Bln, more than two folds higher than TZS 44.47Bln generated previous month and also higher than the total face value turnover meaning most bonds traded at premium.

MONEY MARKET PERFORMANCE

Treasury Bills

The government offered the usual amounts in both two auctions, which in total is about TZS 180.46Bln of offer. The auctions were collectively oversubscribed, receiving total tender worth TZS 190.86Bln for both auctions, while the government only took TZS 143.41Bln, yields in the treasury bills have shown little improvements.

Interbank Cash Market (IBCM)

The volume traded on the market significantly dropped, from TZS 800Bln of previous month, to just TZS 108.9Bln on this month. At the same time, the interbank rates have increased from an average of 3.74% in January to 4.01% in February, and from an opening rate of 3.99% at the start of the month to 4.05% at closing of the month. An increase in rates while the amounts shrinks hints a strained liquidity in the banking sector during the month.

Interbank Foreign Exchange Market (IFEM)

The Foreign Exchange market, has also maintained its downward trend it picked from December 2020. While the volume recorded in January of \$41.57Mln was half what was recorded in December 2020, the volume recorded in February of \$17.31Mln halved the \$41.57Mln recorded in January. No significant changes have been recorded on the Exchange rate, the rate at the start of the month were at TZS 2,309.92 and TZS 2,309.95 at the close of the month

APPENDIX

1. Government Securities

February				January			
Tenure	Offer	Tendered	Successful	Tenure	Offer	Tendered	Successful
Treasury bills	180.46	190.86	143.41	Treasury bills	180.46	95.13	77.76
15 years	122	74.73	69.19	2 years	122.5	34.63	34.63
20 years	136.00	350.31	250.00	15 years	122.00	99.95	94.91
Total	438.46	615.89	462.59	Total	424.96	229.71	207.30

2. Money Market

February					January				
	Volume	AV. rate	Opening Rate	Closing Rate		Volume	AV. Rate	Opening Rate	Closing Rate
IMM	108.9	4.01	3.99	4.5	IMM	800.5	3.74	3.69	3.74
Mn TZS					Mn TZS				
IFEM	17.31	2,309.67	2,309.92	2,309.95	IFEM	41.57	2,309.84	2,309.93	2,309.89
Mn USD					Mn USD				

3. Government Securities Yields

Tenor	Feb	Jan
35 Days	1.99%	1.99%
91 Days	2.50%	2.50%
182 Days	2.56%	2.56%
364 Days	5.74%	5.52%
2 Years	7.51%	7.51%
5 Years	9.10%	9.10%
7 Years	10.09%	10.09%
10 Years	11.56%	11.56%
15 Years	13.60%	13.53%
20 Years	15.41%	15.39%

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