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# MONTHLY REPORT

*By Research Department at Orbit Securities*

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# EQUITIES MARKET PERFORMANCE

## TURNOVER AND VOLUME

The month of January graced the market with the total Equity turnover of TZS 6.73Bln (\$2.9Mln), after trading a total of 13.7million shares. The turnover is 98% lower than TZS 425.94Bln (\$184.5Mln) turnover recorded in preceding month of December 2020, and also 85.2% lower than TZS 45.36Bln generated similar period previous year. Lower activity levels are still experienced since second quarter of previous year following the eruption of COVID-19 which is still very much at large and is still keeping investors wary and cautious of significant investments overseas especially on the equities markets. This has in turn negatively impacted several emerging markets, especially those heavily influenced by foreign investors activities the likes of DSE.

## MARKET CAPITALIZATION AND INDICES

The total market capitalization has maintained its downward trend adapted in 2020 following decline in most cross-listed counters. The total market capitalization dropped by TZS 221Bln, equivalent to over 1%, while its corresponding Index, The All Share Index (DSEI) lost about 26.7 points.

On the contrary, the Domestic capitalization improved also by over 1, following price improvements on some local counters, mostly CEDB. Its corresponding Index, The Tanzania Share Index (TSI) has gained 37.8 points.

The Total market and domestic market cap at the end of the month stood at TZS 14,872.96Bln (\$6.44Bln) and 9,261.03Bln (\$4.01Bln) respectively.

*The Overall Market Statistics for January, 2021*

# 39.3%

*of Total Market Turnover was contributed by CRDB counter*

# TZS 6.73Bln

*Total Equity Turn Over for the Month*

# 83%

*of shares that traded belonged to the CRDB Counter*

# TZS 14.87Trn

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

# EQUITIES MARKET PERFORMANCE

## TOP MOVERS

CRDB led market activities. The counter accounted for 39.3%(TZS 2.64Bln) of total turnover generated in the market and at the same time accounting for 83%(11.4 million shares) of all shares traded during the month as shown in table 1.4.1' Monthly Summary Tables'. Following closely behind was TBL which accounted for 30.5% of total market turnover, trading 363,657 shares worth TZS 2.05Bln.

## GAINERS AND LOSERS

Five counters, CRDB, DSE, JATU, NICO and TCCL changed counter price during the month. The top gainer was CRDB which went up by 20.5% to close at TZS 235 per share, while JATU was the top loser, dropping by 63.76% to close at TZS 1,080 per share. The rest gained by 9.09% and 2.7% for DSE and NICOL respectively, while TCCL dropped by 6%.

## Equity Market Statistics

Description	PREVIOUS		CURRENT		
	TZS	\$	TZS	\$	▲ %
Total Turnover (TZS)	425,942,087,820	184,470,372	6,726,434,895	2,913,138	-98.42
Number of Shares Traded	181,466,180		13,699,962		-92.45
Total Market Capitalization (Bn.)	15,094.71	6.54	14,872.96	6.44	-1.47
Domestic Market Cap (Bn.)	9,161.60	3.97	9,261.03	4.01	+1.09
All Share Index (DSEI)	1,816.88		1,790.18		-26.70*p
Tanzania Share Index (TSI)	3,484.53		3,522.33		+37.80*p
Weighted Av. Local Buying %	0.64		18.86		+18.22*p
Weighted Av. Foreign Buying %	99.36		81.14		-18.22*p
Weighted Av. Local Selling %	0.51		45.64		+45.13*p
Weighted Av. Foreign Selling %	99.49		54.36		-45.13*p
Foreign Purchases	423,203,295,040	183,284,233	5,457,872,469	2,363,739	-98.71
Foreign sales	423,786,067,896	183,536,625	3,656,474,078	1,583,575	-99.14
Net foreign Inflow/(outflow)	-582,772,856	(286,604)	1,801,398,391	780,164	
<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 mover</b>							
CRDB	195	235	+20.51	2,644,490,205	11,421,449	39.31	613.78
<b>Gainers and Losers</b>							
JATU	2,980	1080	-63.76	154,939,440	62,901	2.30	2.34
TCCL	500	470	-6.00	65,759,230	140,228	0.98	28.65
DSE	880	960	+9.09	65,645,020	69,773	0.98	22.87
NICO	185	190	+2.70	10,932,750	53,520	0.16	13.14
<b>Other Active Counters</b>							
TBL	10,900	10,900	-	2,048,854,800	363,657	30.46	3,216.11
NMB	2,340	2,340	-	1,173,492,800	690,220	17.45	1,170.00
SWIS	1,120	1,120	-	487,734,760	857,665	7.25	40.32
TPCC	2,500	2,500	-	64,274,340	24,795	0.96	449.81
VODA	770	770	-	7,644,200	10,330	0.11	1,724.80
DCB	265	265	-	1,203,152	4657	0.01	24.48
TCC	17,000	17,000	-	1,182,600	73	0.02	1,700.00
MBP	490	490	-	202,500	450	0.00	11.42
TOL	550	550	-	22,000	40	0.01	32.55
MKCB	780	780	-	15,000	20	0.00	16.08
TTP	120	120	-	13,200	110	0.00	2.24
TICL	350	350	-	11,900	34	0.00	25.58
PAL	400	400	-	8,000	20	0.00	64.19
SWALA	490	490	-	4,500	10	0.00	52.04
<b>Cross Listed Counters</b>							
EABL	3,280	3,130	-4.57	-	-	-	2,530.48
JHL	5,750	5,850	+1.74	-	-	-	423.97
KA	80	80	-	-	-	-	454.51
KCB	810	740	-8.64	-	-	-	2,198.05
NMG	350	310	-11.43	-	-	-	58.45
USL	5	5	-	-	-	-	1.82

### Cross-Listed Counters

Cross-listed counters were still bearish during the month, as they have been for the past year. Only, Jubilee Holdings (JHL) recorded positive movement of 1%, the rest of the counters recorded negative price movement. National Media Group (NMG) was the top loser, dropping by 11.4%, followed by KCB and EABL which both recorded price decline of 8.64% and 4.57% respectively. Kenya as the rest of the world is still battling the impacts of Covid-19, with the virus still at large in the country stocks are likely to remain bearish in short term

### Investors participation

Foreign investors spearheaded market activities in both buy and sell sides. During the month, foreign investors bought shares worth TZS 5.5Bln and sold shares worth TZS 3.7Bln equivalent to 81.14% and 54.36% respectively, of total market turnover. Local investors accounted for 18.86% of buy side and 45.64% of sell side activities. Thus, foreign investors were net buyers, recording a net foreign inflow of TZS 1.8Bln (\$780,164) while locals closed as net sellers.

# 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 2 and a 15 years' bond. Both auctions were highly undersubscribed. 2 years bond which had an offer tag of TZS 122.5Bln only attracted and raised TZS 34.6Bln, while the 15 v years' bond had an offer of TZS 122 and was only able to raise around TZS 94.91Bln. 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. 2- years yield is at 7.51% from 7.09% and the 15 years' yield is at 13.57 from 13.53.

### Secondary Bond Market

The secondary bond market generated a total of TZS 67.14Bln face value turnover. Most of this came from 20-years bonds trades. The corporate bond market generated a total of 0.12Bln 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 70Bln which is higher than the total face value turnover meaning most bonds traded on 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. Both auctions were undersubscribed, receiving tender worth TZS 95Bln for both auctions, while the government only took TZS 77.76Bln, yields in the treasury bills have shown little improvements.

### Interbank Cash Market (IBCM)

The market traded a total of TZS 800Bln, more than 3 folds higher than TZS 211Bln traded in December 2020. The interbank rates averaged 3.74%, opened the year at 3.69% and at the end of the month it was at 3.74%

### Interbank Foreign Exchange Market (IFEM)

The foreign exchange market turnover for the month \$41.57Mln halved that of December 2020 \$113.03Mln. the exchange rate trend during the month indicate that the TZS has slightly appreciated against the USD. The rate opened the month at TZS 2,309.11 and closed the month at TZS 2,309.09, average rate for the month was at TZS 2,309.11.

## APPENDIX

### 1. Government Securities

January				December 2020			
Tenure	Offer	Tendered	Successful	Tenure	Offer	Tendered	Successful
Treasury bills	180.46	95.13	77.76	Treasury bills	180.46	99.06	76.97
2 years	122.5	34.63	34.63	10years	110.03	50.54	50.54
15 years	122.00	99.95	94.91	15 years	122.00	122.30	122.00
				20 years	136	218.77	188.26
<b>Total</b>	424.96	229.71	207.30	<b>Total</b>	548.49	490.66	437.77

## 2. Money Market

January					December				
	Volume	AV. rate	Opening Rate	Closing Rate		Volume	AV. Rate	Opening Rate	Closing Rate
<b>IBCM (TZS Bln)</b>	800.5	3.74	3.69	3.74	<b>IBCM (TZS Bln)</b>	211.5	3.77	3.55	3.73
<b>IFEM(USD Mln)</b>	41.57	2,309.84	2,309.93	2,309.89	<b>IFEM(USD Mln)</b>	113.03	2,309.11	2,309.11	2,309.09

## 3. Government Securities Yields

<b>Tenor</b>	<b>Jan</b>	<b>Dec</b>
<b>35 Days</b>	1.99%	1.99%
<b>91 Days</b>	2.50%	2.50%
<b>182 Days</b>	2.56%	2.61%
<b>364 Days</b>	5.52%	4.57%
<b>2 Years</b>	7.51%	7.09%
<b>5 Years</b>	9.10%	9.10%
<b>7 Years</b>	10.09%	10.09%
<b>10 Years</b>	11.56%	11.56%
<b>15 Years</b>	13.53%	13.53%
<b>20 Years</b>	15.39%	15.39%

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