

# TIB RASILIMALI DAILY MARKET UPDATE- 14/11/2017

## Equities- Daily highlights- prices as of market close 13/11/2017



Company Name	Market Cap.(6th June 2017) Tshs	Closing Price	Daily Price Change (%)	Turnover in TZS At t-1	Open BIDs	Best Bid Price	Open Offers	Best Offer Price	Last price vs 3 Month Price (%)	Last Price vs 6 Month Price change (%)	Shares Issued
CRDB	417,894,173,440	160	0	800,699,050	513,250	150	129,709	165	-20	-13.51	2,611,838,584
DCB	26,113,740,345	385	0	No trades			21,700	380	-2.53	-3.75	67,827,897
DSE	24,705,000,000	1,220	0	No trades	320	1,160	26,810	1,180	-6.15	3.38	20,250,000
MBP	8,780,534,400	600	0	No trades			17,536	600	0	0	14,634,224
MCB	30,912,460,000	500	0	No trades			62,070	450	0	0	61,824,920
MKCB	18,347,592,080	890	0	No trades			27,234	850	-1.11	-11	20,615,272
NMB	1,375,000,000,000	2,750	0	No trades			387,998	2,340	0	0	500,000,000
SWALA	49,977,233,500	500	0	No trades			4,930	490	0	0	99,954,467
SWISS	126,000,000,000	3,500	0	10,909,800			5,545	3,500	-8.37	-32.03	36,000,000
TBL	3,922,548,557,900	13,300	0	No trades	7	13,200	11,580	13,300	2.30	20.90	294,928,463
TCC	1,680,000,000,000	16,800	0	No trades			43,824	14,300	52.03	46.08	100,000,000
VODA	476,000,000	850	0	158,000	5	790	319,300	780			560,000,000
TCCL	76,405,254,000	1,200	0	No trades			22,790	1,100	-11.76	-25	63,671,045
TPCC	273,483,112,000	1,520	0	1,693,600	2,350	1,460	33,906	1,500	-14.60	-24	179,923,100
YETU	7,267,736,400	600	0	No trades			11,620	550	0	0	12,112,894
TOL	43,551,682,200	780	0	No trades			11,110	770	-2.5	-2.5	55,835,490
MUCOBA	3,262,569,200	400	0	No trades			39,344	400	0	0	8,156,423
PAL	75,420,806,000	470	0	No trades			30,400	400	0	0	160,469,800
TTP	11,194,352,400	600	0	No trades			2,321	650	-7.69	-7.69	18,657,254
NMG	410,079,472,920	2,610	0.77	No trades					1.16	21.96	157,118,572

EABL	3,505,766,311,600	5,320	-1.66	No trades					1.52	3.70	658,978,630
JHL	377,640,000,000	10,490	0.67	No trades					12.31	0.67	36,000,000
KA	50,777,703,240	110	-8.33	No trades					57.14	-15.38	461,615,484
KCB	2,084,711,110,380	940	0	No trades					10.58	25.33	2,217,777,777
USL	23,888,395,260	90	12.50	No trades					50	50	265,426,614
ACA	2,116,041,174,840	5,160	-1.53	No trades					0.38	-60.33	410,085,499

EPS: CRDB -28.34, NMB -312, TBL - 771 , TCC- 687 , TPCC -221, SWISS -503.81, TCCL- 68 DCB -16.58\*\*

\*\*Earning per share (EPS) is interim. Earning per share of other companies are annual audited.

### **Vodacom upbeat despite fall in profit.** *The Citizen, 14 November 2017.*

Vodacom Tanzania Plc is confident of meeting its profit projections for its financial year that ends on March 31, 2018. This is despite registered a drop in its half year income. The company's consolidated interim results for the six months to September 30, 2017 show that Vodacom's net profit after tax fell by 42 per cent during the period under review compared to the same period last year. "During the year ended March 31, 2017, Vodacom Tanzania revised its income tax computations for the financial years to March 31, 2014, 2015 and 2016. Withholding tax on interest income generated from amounts owed to M-Pesa customers was re classified from a tax expenses to a component of finance cost. These revisions have been applied to the comparative periods," the company says. Vodacom Tanzania Managing Director Ian Ferrao said "we will exceed the net profit target for 2018 of TZS 96 billion because we also expect strong growth during the second half of this year," These results are particularly pleasing as they show our M-Pesa platform superior data network and relevant consumer proposition have yielded for us a highly competitive market place."

### **Buy shares to own your economy, TCCIA firm tells Tanzania's.** *The Guardian, 14 November 2017.*

Tanzanians have been advised to develop a culture of buying shares on initial public offering (IPO) as the best way of doing business and another opportunity to own the country's economy. The board Chairman of TCCIA Investment Plc, Eng Aloys Mwamanga said the government under President John Magufuli is determined to have all Tanzanians participate effectively to the economy, the goal that can be realized easily through purchase of shares in public companies. He added that "Selling and buying of shares play a key role towards reaching the mid-sized and industrial economy since many companies raise their capital base and invest in big project through shares." TCCIA Investment Plc started buying shares in partnership with NMB Bank where it slowly grew to have a Capital of TZS 28 billion. Apart from NMB Bank, TCCIA have also shares in other companies like Twiga Cement, TCC, SWISSPORT, CRDB Bank, Simba Cement, TBL and DCB. The firm's Chief Executive Officer Mr Donald Kamori described the 12<sup>th</sup> general meeting as successfully since new shareholders were exposed to training on shares and the company will continue to conduct seminars to members to broaden their understanding and knowledge so that they become good ambassadors.

### **Stanbic Bank unveils upgraded mobile app to enhance digitalization.** *The Guardian, 14 November 2017.*

In a bid to boost digitalization of its services, Stanbic Bank Tanzania limited has upgraded its mobile application to allow clients embedded with new intuitive features including a global link to other accounts domiciled in foreign countries. Manager for self-services channels, Albert Swai said "Stanbic Bank aims to offer our most advanced capabilities to make interactions with our clients easier and more secure while remaining a trusted resource to them," he said after unveiling new application and added that the bank's goal is not just about delivering access to resources and convenient solutions to its clients but also anticipate and meet their ever changing needs. The upgraded application which is currently available on Android and IOS operating systems come embedded with new intuitive features and a more user-friendly interface allowing easier navigation of through menus and ease of adding beneficiaries without customers having to access their online banking platform as was the case before. The application also allows customers to send money to contacts directly from their phonebooks, drastically reducing the chance of sending money to the wrong recipient, something that has been a pain point for many mobile money users.

### **Government, banks now control 87 per cent of Kenya Airways.** *Business daily, 14 November 2017.*

Nairobi-The Treasury and 10 local banks will control 87 per cent of Kenya Airways (KQ) under the national carrier's debt restructuring plan which will see them convert loans of Sh44.2 billion to equity. The government's stake under the plan will rise to 48.9 per cent from 29.8 per cent, while the banks' stake will stand at 38.1 per cent, acquired under a special purpose vehicle known as KQ Lenders Co. Both say in notices posted Monday that they have also applied to the Capital markets Authority (CMA) for exemption from a requirement to make a takeover offer for the airline, on the grounds that the restructuring is on the basis of rescuing a firm in financial distress in the interest of the public. "KQ Lenders Co will be issued with new shares in KQ equivalent to 38.1 per cent of the ordinary voting shares in the capital of KQ in consideration for conversion of a portion of the debt being equivalent to \$167.24 million (Sh17.2 billion)," reads the notice in part. "The effect of the debt conversion (by the government of Kenya) is the acquisition of an additional 19.1 per cent of the ordinary voting shares of KQ resulting in the increase of the government's shareholding from 29.8 per cent to 48.9 per cent." The debt restructuring plan that was first mooted in June has been agreed following long negotiations which saw one bank, Jamii Bora, opt out of converting their loan, and instead choosing to receive their dues over a five year period. The Treasury came up with the plan to save KQ from collapse due to the huge negative impact this would have on the economy, affecting the transport, logistics and tourism sectors which depend on the airline. A KQ collapse would also cost the economy thousands of jobs, and affect Kenya's ability to attract

investment given that Nairobi's ease of connection to global cities has been cited as one of the reasons companies base their regional offices in the country. Banks would suffer immensely as they would have to write off billions of shillings in bad loans and also lose out on other trading income they receive from the airline.

#### South Africa Market Review. 14 November 2017.

South African markets closed in the green yesterday, amid a weaker rand. However, gains were limited due to continuing local political tension. Retailer, Lewis Group advanced 6.3%, despite reporting a decline in its 1H18 earnings. Peer, Massmart Holdings added 1.7%. Gold miner, AngloGold Ashanti climbed 2.8% and peer Harmony Gold Mining marginally rose. The former announced that its employees at Kusasalethu mine have started an illegal strike. Real estate companies, Accelerate Property Fund and NEPI Rockcastle gained 2.4% and 1.2%, respectively. On the downside, information and communications technology company, DataTec declined 5.4%, following downbeat 1H18 earnings. The JSE All Share index advanced 0.1% to close at 59,821.49.

#### UK Market Review. 14 November 2017.

The UK market finished weaker yesterday, as political turmoil in the UK escalated, after reports indicated that 40 lawmakers in the British Parliament have agreed to sign a letter of no confidence against Prime Minister, Theresa May. Mobile telecommunication company, Vodafone Group declined 0.8%, after it announced that its India operation and Idea Cellular have agreed to sell their respective standalone tower businesses to ATC. Residential developer, Taylor Wimpey eased 0.1%, as it reported a decline in its sales growth for 1H17. On the upside, oil producer, Royal Dutch Shell gained 0.8%, as it reduced its holding in Woodside which will generate proceeds worth \$1.70bn. Miner, Rio Tinto added 0.1%, after completing its off-market share repurchase. The FTSE 100 index declined 0.2% to close at 7,415.18.

#### US Market Review. 14 November 2017.

US markets ended higher yesterday. Nevertheless, gains were capped due to delay and uncertainty regarding corporate tax reform. Toy manufacturer, Mattel rallied 20.7%, amid reports that peer, Hasbro, up 5.9%, has made a takeover bid for the company. Real estate Company, GGP climbed 8.3%, as Brookfield Property Partners made a \$14.80bn offer to acquire shares of the company. On the downside, General Electric plunged 7.2%, as it revealed that it will reduce its dividend by half as a part of its broader corporate restructuring. Retailers, Kohl's and Macy's shed 4.3% and 3.3%, respectively. The S&P 500 index rose 0.1% to settle at 2,584.84, while the DJIA index advanced 0.1% to close at 23,439.70. The NASDAQ index climbed 0.1% to end the trading session at 6,757.59.

### Exchange Announcements

**Tanga Cement Company Limited (TCCL)** has announced their audited financial results for the year ended 30<sup>th</sup> June 2017.

	Group June 2017 TZS' 000	Group June 2016 TZS' 000	Company June 2017 TZS' 000	Company June 2016 TZS' 000
Revenue	78,788,330	77,155,642	69,324,206	71,175,075
Cost of sales	(64,834,047)	(50,831,635)	(56,124,342)	(45,993,842)
<b>Gross profit</b>	<b>13,954,283</b>	<b>26,324,007</b>	<b>13,199,864</b>	<b>25,181,233</b>
Financing Costs	(15,097,701)	(606,150)	(15,094,638)	(554,647)
Operating profit/loss	(4,295,216)	14,675,464	(5,009,129)	14,773,298
<b>Net(loss)/ profit before taxation</b>	<b>(19,392,917)</b>	<b>16,346,055</b>	<b>(20,103,767)</b>	<b>16,435,235</b>
<b>Net(loss) profit for the year</b>	<b>(14,608,298)</b>	<b>11,396,386</b>	<b>(15,107,540)</b>	<b>11,485,566</b>
<b>Total Comprehensive(loss)/inco me</b>	<b>(14,614,900)</b>	<b>11,105,091</b>	<b>(15,107,540)</b>	<b>11,485,566</b>
Earnings per share (Tzs)	-232	176	-240	185
Dividends per share (Tzs)	25	55	25	55

### Dividend

Given the financial performance for the first half of the year, the board has decided not to declare an interim dividend for 2017. This position will be reviewed once the year trading results have been finalized.

**Tanzania Breweries Limited(TBL)** announced its results for the year ended 31th March 2017.

	2017 Tshs M	2016 Tshs M	Change %
Revenue	1,041,123	1,112,608	-6%
Cost of sales	(593,616)	(574,414)	3.34%
<b>Gross profit</b>	<b>447,507</b>	<b>538,194</b>	<b>-17%</b>
<b>Operating profit</b>	<b>235,141</b>	<b>330,070</b>	<b>-29%</b>
<b>Profit before income tax</b>	<b>234,600</b>	<b>327,812</b>	<b>-28%</b>
<b>Profit for the Year</b>	<b>161,440</b>	<b>228,981</b>	<b>-29%</b>
<b>Basic Earnings Per Share</b>	<b>572</b>	<b>771</b>	<b>-26%</b>
<b>Dividend Per Share</b>	<b>350</b>	<b>600</b>	<b>-42%</b>

### Dividend

The company has declared a dividend of TZS 470/- per share meaning a total of TZS 138.62Bn will be paid out by the company beginning the 8th of November 2017.

**Vodacom Tanzania PLC** has announced their preliminary results for the year ended 31<sup>st</sup> March 2017. Highlights of the results are as follows:

	Value TZS Million(2017)	Value TZS Million(2016)	Change %
Revenue	931.5	923.3	0.9%
M-Pesa revenue	249.6	224.4	11.2%
Operating profit	92.1	81.2	13.4%
<b>Net profit</b>	<b>47.6</b>	<b>29.1</b>	<b>64%</b>
Earnings Before Interest Tax Depreciation and Amortisation (EBITDA)	252.6	285.6	-11.6%
Capital expenditure	150.5	216.5	30.5%
Operating free cash flow	277.7	316.3	-12.2%
Earnings per share (EPS)	28.3	17.3	63.4%

	Value TZS Million(2017)	Value TZS Million(2016)	Change %
Active-data customer up	6.5	5.4	19.4%

### Dividend

Vodacom shareholders approved a final dividend of TZSh 12.74 per share for the financial year ended 31<sup>th</sup> March 2017. The dividend will be paid on or before Friday 30th November 2017 to the shareholders recorded in the register as at the close of trading on Friday 13<sup>th</sup> October 2017.

**Dar es Salaam Stock Exchange (DSE) PLC** has published their quarter results for the period ended 30<sup>th</sup> June 2017 and 31<sup>st</sup> March 2017. Summary of the results are as follows:

DSE PLC Statement of Comprehensive Income for the quarter ended 30<sup>th</sup> June 2017.

	Current Quarter 30th June 2016 TZS	Previous Quarter 31 <sup>th</sup> March 2017 TZS	Comperative Quarter 30th June 2017 TZS
<b>Revenue</b>			
Listing Fees	431,308,211	567,547,855	686,565,382
Transaction Fees	319,549,471	250,318,118	350,857,361
Registry & CSD Fees	190,917,840	110,370,581	175,037,108
Investment Income	129,149,051	597,357,934	502,630,281
Other Operating Income	71,429,572	47,999,068	126,274,068
<b>Total Revenue</b>	<b>1,142,354,146</b>	<b>1,573,593,557</b>	<b>1,841,364,200</b>
<b>Total Expenses</b>	<b>854,247,157</b>	<b>878,907,439</b>	<b>909,607,412</b>
<b>Profit before Tax</b>	<b>288,106,989</b>	<b>694,686,118</b>	<b>931,756,789</b>
Taxation	-	-	-
<b>Profit After Tax</b>	<b>288,106,989</b>	<b>694,686,118</b>	<b>931,756,789</b>
Earnings Per Share	N/A	34	46

**National Microfinance Bank (NMB)** announced their quarter one financial results ended 30th September 2017. Summary of the results are as follows.

	Current Quarter	Comparative Quarter	Current Year Cumulative	Comparative Year Cumulative
Amounts in Million shillings	30.09.2017	30.09.2016	30.09.2017	30.09.2016
Interest Income	148,232	144,011	440,996	408,960
Interest Expense	(33,665)	(30,881)	(92,444)	(72,902)
<b>Net Interest income</b>	<b>114,567</b>	<b>113,130</b>	<b>348,552</b>	<b>336,058</b>
Impairment Losses on Loans and Advances	(43,403)	(7,935)	(68,486)	(20,073)
Non-interest income	<b>48,227</b>	<b>40,958</b>	<b>131,990</b>	<b>122,707</b>
Non-interest expense	(97,274)	(91,737)	(279,901)	(263,824)
<b>Net Income/(Loss) after income tax</b>	<b>15,032</b>	<b>38,091</b>	<b>91,238</b>	<b>122,408</b>

**CRDB Bank Plc** announced their financial results for the year ended 30th September, 2017 . Summary of the results are as follows.

	Group current Quarter	Group Comparative Quarter	Bank current Quarter	Bank Comparative Quarter
Amounts in Million shillings	30/09/2017	30/09/2016	30/09/2017	30/09/2016
Interest Income	142,396	149,008	138,793	145,337
Interest Expense	(40,948)	(36,897)	(39,396)	(35,411)
<b>Net Interest income</b>	<b>101,448</b>	<b>112,111</b>	<b>99,397</b>	<b>109,926</b>
Impairment Losses on Loans and Advances	(30,380)	(39,063)	(30,077)	(38,687)
Non-interest income	56,839	41,380	<b>52,871</b>	<b>38,556</b>
Non-interest expense	(107,918)	(105,428)	(105,148)	(107,651)
<b>Net Income/(Loss) after income tax</b>	<b>14,561</b>	<b>2,885</b>	<b>11,930</b>	<b>(1,999)</b>

**Mwalimu Commercial Bank Plc (MCB)** announced their quarter one financial results ended 30th September 2017. Summary of the results are as follows:

	Current Quarter 30.09.2017 TZS M	Current Year Cummulative 30.09.2017 TZS M
Interest Income	975	3,228
Interest expenses	141	-
<b>Net Interest Income</b>	<b>834</b>	<b>3,228</b>
Non-interest income	57	1
Non-interest expenses	1,647	2,682
Operating income /(Loss)	(795)	547
<b>Net Profit/ (loss) after income tax</b>	<b>(795)</b>	<b>547</b>
<b>Earnings per share (EPS)</b>	<b>(13)</b>	<b>9</b>

**TOL Gases Ltd** announced their audited financial results for the year ended 30<sup>th</sup> June 2017. Summary of the results are as follows:

	2017 TZS `000`	2016 TZS `000`	Change %
Revenue	7,032,979	8,322,100	-15.5
Cost of sales	(3,808,616)	(5,164,849)	-26.3
<b>Gross profit</b>	<b>3,224,363</b>	<b>3,157,251</b>	<b>2.12</b>
Operating expenses	(1,904,273)	(1,666,642)	14.3
<b>Operating profit</b>	<b>1,320,090</b>	<b>1,490,609</b>	<b>-11.43</b>
Finance costs	(314,919)	(388,463)	19
<b>Profit before tax</b>	<b>1,005,171</b>	<b>1,102,146</b>	<b>-9</b>

**Tanzania Portland Cement Company Limited (TWIGA)** announced their audited results for the year ended 31<sup>st</sup> June 2017. Summary of the results are as follows:

	2017 TZS 000	2016 TZS 000	Change %
Revenue	119,605,632	142,354,100	-15.9%
Cost of sales	(82,573,256)	(89,157,602)	82.34%
<b>Gross profit</b>	<b>37,032,376</b>	<b>53,196,498</b>	<b>-30.4</b>
Operating profit	17,012,882	30,624,357	-44.44
<b>Profit before tax</b>	<b>17,875,937</b>	<b>32,662,288</b>	<b>-45.3</b>
Taxes on income	(5,525,020)	(9,942,463)	44.44%
<b>Profit for the year</b>	<b>12,350,917</b>	<b>22,719,825</b>	<b>-45.64</b>
Earnings per share	68.65	126.28	-45.64

#### Dividends

Despite drops in results the Directors declare an interim dividend of TZS Sh 120 per share (2016:TZS 120 per share) which will be paid on or about 31 October 2017. The register of the Members will close on 25 September 2017. The last day of trading cum dividend will be 20 September 2017.

## Government Securities and Bonds

Treasury Bills					
Auction No. 992 Held On 01/ Nov/2017					
Treasury Bills Auction no.992 01/November 2017					
	35days	91days	182days	364days	TOTAL
No. of bids	1	0	28	174	203
Successful Bids	1	0	23	90	114
Highest BID/100	99.57	0.00	96.77	91.43	-
Lowest bid/100	99.57	0.00	95.56	86.95	-
Minimum Successful Price/100	99.57	0.00	96.97	90.93	-
Weighted Average Price(WAP)+	99.57	0.00	96.47	91.05	-
Weighted Average Yield (WAY)	4.51	0.00	7.33	9.86	9.28
Amount Offered Sh (000,000)	1,000	3,000	65,000	100,000	169,000
Total Tendered Sh (000,000)	1,000.00	0.00	41,500.00	303,425.60	345,925.60
Under subscribed/oversubscribed (+/-) Sh (ml)	0.00	0.00	23,500.00	-203,425.60	-176,925.60
Successful bids Sh(000,000)	1,000.00	0.00	38,000.00	135,000.00	174,000.00

	Treasury Bonds-Auction Date specified as below				
	10Y	7Y	2Y	15Y	5Y
Auction Date	25/10/2017	11/10/2017	27/09/2017	13/09/2017	08/Nov/2017
Redemption date	26/10/2027	12/10/2024	28/09/2019	14/09/2019	09/Nov/2022
Minimum successful Price	76.1279	77.1894	92.26	79.2450	83.9212
WAP for successful bid	78.0204	79.1462	93.1475	82.3599	84.1667
WAY to maturity	15.8929	14.9832	11.7645	16.7367	13.6429
WA Coupon Yield	14.6628	12.7359	8.3953	16.3915	10.9069
Amount Offered TZS(000,000)	111,400.00	100,200.00	84,000.00	97,800.00	90,000.00
Amount Tendered TZS(000,000)	219,982.50	143,476.30	258,895.60	126,528.30	233,947.80
Successful Amount TZS(000,000)	65,323.10	100,200.00	84,000.00	95,480.00	90,000.10

The BOT released its monthly economic review for the month of August, 2017, for the report click here:



Future Bond Auctions*		
Auction Date	Bond Tenure	Coupon Rate
08/11/2017	5yrs	9.18%
22/11/2017	15yrs	13.50%
06/12/2017	2yrs	7.82%
20/12/2017	7yrs	10.08%
03/01/2018	10yrs	11.44%

Exchange Rates*		
Currency	Buying	Selling
EUR	2,590	2,616
USD	2,223	2,246
KES	21.49	21.67
GBP	2,928	2,958

\*All these data are obtained from Bank of Tanzania (BOT)

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#### About TIB Rasilimali:

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