

TIB RASILIMALI DAILY MARKET UPDATE- 15/11/2017



Equities- Daily highlights- prices as of market close 14/11/2017

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	391,775,787,600	150	-6.25	57,983,540	211,910	150	214,005	160	-25	-18.91	2,611,838,584
DCB	26,113,740,345	385	0	152,000			24,344	380	-2.53	-3.75	67,827,897
DSE	24,705,000,000	1,220	0	590,000	320	1,160	25,940	1,180	-6.15	3.38	20,250,000
MBP	8,780,534,400	600	0	No trades			14,836	600	0	0	14,634,224
MCB	30,912,460,000	500	0	No trades			59,770	450	0	0	61,824,920
MKCB	18,347,592,080	890	0	No trades			77,174	850	-1.11	-11	20,615,272
NMB	1,375,000,000,000	2,750	0	No trades			307,539	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	1,312,500			5,738	3,500	-8.37	-32.03	36,000,000
TBL	3,922,548,557,900	13,300	0	132,100	1	13,200	14,620	13,300	2.30	20.90	294,928,463
TCC	1,680,000,000,000	16,800	0	2,288,000			43,997	14,300	52.03	46.08	100,000,000
VODA	476,000,000	850	0	No trades	5	790	371,240	780			560,000,000
TCCL	76,405,254,000	1,200	0	No trades			20,620	1,100	-11.76	-25	63,671,045
TPCC	273,483,112,000	1,520	0	2,925,000	2,350	1,460	32,156	1,500	-14.60	-24	179,923,100
YETU	7,267,736,400	600	0	No trades			8,020	550	0	0	12,112,894
TOL	43,551,682,200	780	0	No trades			10,860	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			2,323	650	-7.69	-7.69	18,657,254
NMG	405,365,915,760	2,580	-1.15	No trades					0	20.56	157,118,572

EABL	3,518,945,884,200	5,340	0.38	No trades					1.90	4.09	658,978,630
JHL	372,960,000,000	10,360	-1.24	No trades					10.92	-0.57	36,000,000
KA	55,393,858,080	120	9.09	No trades					71.42	-7.69	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	0	No trades					50	50	265,426,614
ACA	2,148,848,014,760	5,240	1.55	No trades					1.94	-59.72	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.

Safaricom acquisition helps Vodacom buck low growth trend. *The Guardian, 15 November 2017.*

Mobile communications company Vodacom has managed to overcome tough economic conditions reporting growth in its profits helped by the acquisition of Safaricom. According to the interim financial results for the six months ended September 30, 2017, Vodacom revenue grew 4.6 per cent to R42Bn. Particularly, revenue growth in SA was up 7.7 per cent mainly due to stronger device sales and service revenue grew 4.7 per cent to R26.7BN. Operating profit was up 2.3 per cent to 10.9 BN. Net profit was up 7 per cent to R6.7BN, boosted by the acquisition of a 34.94 per cent stake in Safaricom earlier in the year. The Safaricom acquisition contributed R349m profit for the first two months, the report read. Headline earnings per share were up 1.1 per cent to 445c and an interim dividend of 360c per share was declared. The two milestones for the group during the period include the Safaricom acquisition and the listing of its 25 per cent stake in Vodacom Tanzania, said CEO Shameel Joos were the listing which is the largest IPO on the Dar Es Salaam Stock Exchange (DSE) has resulted in almost 40,000 Tanzania's investing directly in capital markets for the first time. The results showed that service revenue grew 4.6 per cent to R34.7bn. This was mainly boosted by an increase in customer gains in South Africa and gains in data and Mpesa revenue in its international operations, Joosub said.

Bill for upgrading Telecom Company tabled. *The Citizen, 15 November 2017.*

The Union government has tabled a bill that would give more powers and autonomy to the Tanzania Telecommunication Company in both Tanzania Mainland and the Isles. The Tanzania Telecommunication Corporation Bill, 2017, will replace the company Act, the Minister for Works, Communications and Transport minister, Prof Makame Mbarawa said. "The new corporation will be responsible for enhancing communication within the country for national security and improve social and economic affairs. The law will enable TTCL undertake its new duties as a corporate public entity, he said. He added that the government had resolved to bring new legislation to allow the state owned firm to promote economic growth by providing best in class communication services to the public. TTCL is also tasked to oversee strategic communication infrastructure across the country. TTCL as the country oldest and largest fixed line telecommunications company is 100 per cent wholly owned by the government. It originated from the former Tanzania Posts and Telecommunications Corporation which was partially privatized in 2001.

Mobile apps to connect farmers with markets. *Daily News, 15 November 2017.*

Implementation of a digital marketplace is soon to become a relief to smallholder farmers engaged in organic farming who have been struggling to reap reasonable prices and relief market for their produce. Through a mobile application developed by an Israel farmer, the farmers will be connected to local and international buyers where they can negotiate and settle for reasonable offers for their crops. The CEO of Living Green Network, Mr Adam Ngamange said "Markets for organic crops are available globally but our farmers have not been able to access the opportunities, this is the right time for them since you can connect to buyers even before harvesting the crops," Mr Ngamange said. During the signing ceremony signed with B and B Insurance Brokers to provide insurance cover for the farmers against risks such as floods, drought, fire as well as disease .Mr Ngamange pointed further that plans are to engage Tanzania Women Bank (TWB) and Equity Bank to provide credit facilities to members of the network.

CMA plans study on Fintech platforms for adoption in sector. *Business Daily, 15 November 2017.*

Nairobi-The Capital Markets Authority (CMA) is planning a study on financial technology (Fintech) innovations to help open up the sector for tech intermediaries. The proposed regulatory sandbox will allow Fintech start-ups to test and experiment innovations before they are approved as platforms of trade in the market. This is part of the CMA's 10-year master plan seeking to promote innovations as a way of growing participants and volumes of trade in the capital markets. The baseline diagnostic survey, set for first quarter of 2018, will help the CMA identify potential Fintechs and set out the admission criteria into the sandbox. "The focus of the framework for the Regulatory Sandbox is expected to be capital markets-oriented Fintechs," the regulator said in a statement to the *Business Daily*. "However, given the cross-cutting nature of Fintechs, the survey will also devote a degree of attention to Fintechs and innovations in other key market segments such as payments and banking to determine the complementary role these could play in the capital markets sector." The CMA is keen on a Fintech hub, which will serve as one-stop shop for innovators in the financial services sector. A joint sandbox for capital markets, insurance, pension and Saccos will increase efficiency and cut costs for regulators, the CMA has said. "The Sandbox will create space for investors to tap into the Kenya market and get proof of concept before they start applying and being available to wider investors," CMA chief executive Paul Muthaura said on September 29.

South Africa Market Review. 15 November 2017.

South African markets closed lower yesterday, as miners registered losses following downbeat Chinese industrial production data for October and weaker commodity prices. Infrastructure Company, Consolidated Infrastructure Group plunged 57.2%, after it projected FY17 HEPS to be at least 55.0% lower than the previous year. Platinum miners, Impala Platinum Holdings and Anglo American Platinum declined 7.4% and 2.7%, respectively. Retailers, Lewis Group and Massmart Holdings shed 6.0% and 4.1%, respectively. Oil and gas company, Sasol eased 1.4%, amid declining oil prices. On the upside, Niveus Investments rallied 36.2%, as it expects 1H18 HEPS to increase significantly. The JSE All Share index declined 0.5% to close at 59,518.90.

UK Market Review. 15 November 2017.

The UK market finished in the red yesterday, led by declines in mining sector stocks as dismal Chinese economic data signaled cooling in the world's second largest economy. Miners, Rio Tinto, Anglo American and Antofagasta declined 2.9%, 2.8% and 2.6%, respectively. Peers, Glencore and BHP Billiton eased 2.5%, each. Broadcasting service provider, ITV shed 2.6%, as it reported a decline in its total external revenues for 9M17. On the upside, retailer, Tesco advanced 6.2%, as the UK Competition and Markets Authority cleared a merger between Tesco and Booker Group. Mobile telecommunication company, Vodafone Group climbed 5.1%, following better than expected 1H18 earnings and a hike in its FY18 earnings growth guidance. The FTSE 100 index marginally declined to close at 7,414.42.

US Market Review. 15 November 2017.

US markets ended in negative territory yesterday, as uncertainty whether the Trump administration will be able to deliver sweeping tax reforms impacted investor's confidence. Oil and gas companies, Newfield Exploration, Chesapeake Energy and Marathon Oil declined 7.1%, 5.1% and 4.6%, respectively. Apparel and home goods retailer, TJX Companies dropped 4.0%, as its 3Q17 revenue and same store sales were below market expectations. On the upside, Restaurant Company, Buffalo Wild Wings rallied 24.0%, amid reports that a bid of more than \$2.30bn has been made by a private equity firm. The S&P 500 index fell 0.2% to settle at 2,578.87, while the DJIA index declined 0.1% to close at 23,409.47. The NASDAQ index eased 0.3% to end the trading session at 6,737.87.

Exchange Announcements

Tanga Cement Company Limited (TCCL) has announced their audited financial results for the year ended 30th 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)
Gross profit	13,954,283	26,324,007	13,199,864	25,181,233
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
Net(loss)/ profit before taxation	(19,392,917)	16,346,055	(20,103,767)	16,435,235
Net(loss) profit for the year	(14,608,298)	11,396,386	(15,107,540)	11,485,566
Total Comprehensive(loss)/inco me	(14,614,900)	11,105,091	(15,107,540)	11,485,566
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 31st 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%
Gross profit	447,507	538,194	-17%
Operating profit	235,141	330,070	-29%
Profit before income tax	234,600	327,812	-28%
Profit for the Year	161,440	228,981	-29%
Basic Earnings Per Share	572	771	-26%
Dividend Per Share	350	600	-42%

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 31st 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%
Net profit	47.6	29.1	64%
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 31th 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 13th October 2017.

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

DSE PLC Statement of Comprehensive Income for the quarter ended 30th June 2017.

	Current Quarter 30th June 2016 TZS	Previous Quarter 31 th March 2017 TZS	Comperative Quarter 30th June 2017 TZS
Revenue			
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
Total Revenue	1,142,354,146	1,573,593,557	1,841,364,200
Total Expenses	854,247,157	878,907,439	909,607,412
Profit before Tax	288,106,989	694,686,118	931,756,789
Taxation	-	-	-
Profit After Tax	288,106,989	694,686,118	931,756,789
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)
Net Interest income	114,567	113,130	348,552	336,058
Impairment Losses on Loans and Advances	(43,403)	(7,935)	(68,486)	(20,073)
Non-interest income	48,227	40,958	131,990	122,707
Non-interest expense	(97,274)	(91,737)	(279,901)	(263,824)
Net Income/(Loss) after income tax	15,032	38,091	91,238	122,408

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)
Net Interest income	101,448	112,111	99,397	109,926
Impairment Losses on Loans and Advances	(30,380)	(39,063)	(30,077)	(38,687)
Non-interest income	56,839	41,380	52,871	38,556
Non-interest expense	(107,918)	(105,428)	(105,148)	(107,651)
Net Income/(Loss) after income tax	14,561	2,885	11,930	(1,999)

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	-
Net Interest Income	834	3,228
Non-interest income	57	1
Non-interest expenses	1,647	2,682
Operating income /(Loss)	(795)	547
Net Profit/ (loss) after income tax	(795)	547
Earnings per share (EPS)	(13)	9

TOL Gases Ltd announced their audited financial results for the year ended 30th 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
Gross profit	3,224,363	3,157,251	2.12
Operating expenses	(1,904,273)	(1,666,642)	14.3
Operating profit	1,320,090	1,490,609	-11.43
Finance costs	(314,919)	(388,463)	19
Profit before tax	1,005,171	1,102,146	-9

Tanzania Portland Cement Company Limited (TWIGA) announced their audited results for the year ended 31st 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%
Gross profit	37,032,376	53,196,498	-30.4
Operating profit	17,012,882	30,624,357	-44.44
Profit before tax	17,875,937	32,662,288	-45.3
Taxes on income	(5,525,020)	(9,942,463)	44.44%
Profit for the year	12,350,917	22,719,825	-45.64
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 September 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	2,611	2,637
USD	2,223	2,245
KES	21.45	21.62
GBP	2,913	2,943

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

About TIB Rasilimali:

TIB Rasilimali Limited is a registered Broker Dealer, member of the Dar es Salaam Stock Exchange since 1997, the firm is the only Government owned Stockbroker and a member of the TIB Development Banking group. TIB Rasilimali Limited offers services of dealing in listed securities, Corporate Finance advisory and M&A.

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