

TIB RASILIMALI DAILY MARKET UPDATE- 24/11/2017



Equities- Daily highlights- prices as of market close 23/11/2017

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	0	31,739,350	689,160	150	62,134	155	-25	-25	2,611,838,584
DCB	26,113,740,345	385	0	No trades			9,137	380	-2.53	-3.75	67,827,897
DSE	23,085,000,000	1,140	0	No trades	39,041	1,120	9,370	1,180	-19.71	-3.38	20,250,000
MBP	8,780,534,400	600	0	No trades			8,080	600	0	0	14,634,224
MCB	30,912,460,000	500	0	No trades			24,200	450	0	0	61,824,920
MKCB	18,347,592,080	890	0	No trades			14,701	850	-1.11	-11	20,615,272
NMB	1,375,000,000,000	2,750	0	140,400			341,763	2,340	0	0	500,000,000
SWALA	49,977,233,500	500	0	No trades			104,932	490	0	0	99,954,467
SWISS	126,000,000,000	3,500	0	No trades			4,145	3,500	-8.37	-30	36,000,000
TBL	3,922,548,557,900	13,300	0	174,900,000	33	13,200	604	13,300	0	26.66	294,928,463
TCC	1,680,000,000,000	16,800	0	No trades			42,759	14,300	52.03	46.08	100,000,000
VODA	476,000,000,000	850	0	3,746,100	1	780	302,200	770	-5.55		560,000,000
TCCL	76,405,254,000	1,200	0	187,000			15,941	1,100	-11.76	-25	63,671,045
TPCC	262,687,726,000	1,460	0	4,301,160	17,152	1,460	28,630	1,500	-17.97	-27	179,923,100
YETU	7,267,736,400	600	0	No trades			17,120	550	0	0	12,112,894
TOL	43,551,682,200	780	0	No trades			4,250	770	0	-2.5	55,835,490
MUCOBA	3,262,569,200	400	0	No trades			774	400	0	0	8,156,423
PAL	75,420,806,000	470	0	No trades			25,900	400	0	0	160,469,800
TTP	11,194,352,400	600	0	No trades			12,976	600	-7.69	-7.69	18,657,254
NMG	394,367,615,720	2,510	1.21	No trades					4.14	-8.72	157,118,572

EABL	3,387,150,158,200	5,140	-0.58	No trades					-10.45	3.62	658,978,630
JHL	367,560,000,000	10,210	-1.35	No trades					-1.92	-22.65	36,000,000
KA	50,777,703,240	110	0	No trades					0	-8.33	461,615,484
KCB	2,106,888,888,150	950	6.74	No trades					1.06	26.66	2,217,777,777
USL	21,234,129,120	80	-20	No trades					0	14.28	265,426,614
ACA	2,337,487,344,300	5,700	5.17	No trades					7.75	-54.06	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.

Top News

15 year bond attracts over TZS 250 Billion. *Daily News, 24 November 2017.*

Demand for the 15 years bond has remained strong after attracting bids worth TZS 255.08 billion which is a sign of high liquidity among bond investors. The Bank of Tanzania (BoT) auction summary shows that a total of TZS 97.08 billion was offered for tender and attracted bids worth TZS 255.08 billion but only TZS 97.8 billion was successful. The weighted average yield to maturity declined to 15.87 per cent from 16.73 per cent from the previously auction session. The 15 year debt instrument that was introduced to the market three years ago is one of the mechanisms used by the government to raise money for executing long term projects particularly in the infrastructure sector. The minimum successful price/100 was 85.00 while the weighted average price for successful bids was 86.54. The highest bid/100 was 88.47 while the lowest bid/100 was 70.00. The number of bids received was 189 and successful bid was 15. Pension funds, commercial banks, insurance companies and a few micro finance institutions are some of the key investors in long term government paper.

Exim bank scoops standard award to boost expansion. *Daily News, 24 November 2017.*

Tanzania's Exim Bank regional expansion drive received a major boost yesterday after the bank received International Standards Organisation (ISO) Certification. Exim Head of Human Resources, Fredrick Kanga said "Attaining the certification is another step in the right direction for our bank to showcase its commitment to provide quality service to customers." Kanga added that, the bank was awarded the ISO certificates thanks to three branches that were involved in the process of meeting the set standards. The set standards are quality management principles including a strong customer focus, motivation and implication of top management and the process approach and continual improvement of processes and operations.

Bank of Africa clocks a decade, urged to lend to small industries. *The Guardian, 24 November 2017.*

As the Bank of Africa Tanzania marks a decade of service in the country, the government has urged the institution to give priority to small industry investors when processing loans. Minister for Industry, Trade and Investment Charles Mwijage said that small scale industries are the real engine to propel the economy to rapid growth as the nation races towards graduating into a middle income semi industrialized economy by 2025. "We expect banks to help fund projects that will drive our economy forward, so we can achieve this aspiration," he noted pointing out that by 2025 the target is to have 40 per cent of the workers employed in manufacturing. The industry minister further explained that the involvement of banks in the agricultural sector is also paramount to provide access to loans by mainly smallholder subsistence farmers who need to graduate and become commercial farmers who will feed the industries. He also said that according to the International Monetary Fund in 2016, Tanzania's banking sector performed relatively well in terms of the levels of capital and liquidity ratios.

CIC to sell mining, oil and gas insurance. *Business Daily, 24 November 2017.*

Nairobi-CIC Insurance is set to launch a comprehensive cover targeting mining, oil and gas industry players. The nascent industry is forecast, by the Ministry of Mining, to reach Sh100 billion annual value in the next few years. Group general manager for marketing and distribution Joseph Kamiri Thursday said the underwriter had invested in technical capacity including industry experts and the necessary global reinsurance linkages useful for providing mining insurance cover. He spoke during the Association of Insurance Brokers of Kenya (AIBK) 12th annual conference in Kwale. "Our solution focuses on all mobile assets, and can cover all machinery and equipment either above ground and underground. We are also carrying out workshops, training the providers in the relevant risk elements of their businesses and participating in industry fora to enhance awareness about this critical solution," he said.

South Africa Market Review. *24 November 2017.*

South African markets closed in the red yesterday, as the Reserve Bank of South Africa kept the repo rate unchanged at 6.75%, as expected, and as it again flagged a volatile rand as the main upside risk to inflation. Technology group, EOH Holdings declined 8.1%. Market heavyweight Naspers, dropped 4.1%. On the upside, payment solutions provider, Net 1 UEPS Technologies rallied 14.2%, after the firm earlier announced its appointment as an agent for Luxembourg-based bitcoin exchange Bitstamp. Retailers, Lewis Group and Clicks Group gained 4.0% and 3.1%, respectively. Cement Company, PPC advanced 3.0%, after reporting a significant increase in its 1H18 earnings. Bankers, Standard Bank Group and Nedbank Group added 1.3% and 1.2%, respectively. The JSE All Share index declined 0.8% to close at 60,298.16.

UK Market Review. *24 November 2017.*

The UK market finished marginally weaker yesterday, after registering gains during the previous three sessions. Energy utility company, Centrica declined 15.5%, after the company warned that annual profit will be lower than market expectations due to

poor performance at its energy supply division. Peer, SSE fell 0.7%. In contrast, property developers, Berkeley Group Holdings, Barratt Developments and Persimmon rebounded 2.0%, 1.8% and 1.0%, respectively. Water Company, Severn Trent added 0.6%, after the company reported robust 1H18 results and raised its dividend. Pharma Company, GlaxoSmithKline rose 0.2%, after announcing that along with its partner Innoviva, they have filed a supplemental New Drug Application with the US Food and Drug Administration. The FTSE 100 index marginally declined to close at 7,417.24.

Asian Market Review. 24 November 2017.

Asian markets are trading mostly higher this morning. In Japan, Mitsubishi Materials has declined 9.1%, after it revealed that its subsidiaries manipulated data about products used in crucial parts of aircraft and cars. Honda Motor and Toyota Motor have eased 1.1% and 0.9%, respectively. In Hong Kong, energy companies, Sinopec Oilfield Service and China Petroleum & Chemical have advanced 1.6% and 0.7%, respectively. Gaming stocks, Galaxy Entertainment Group and Melco International Development have climbed 0.3% and 0.2%, respectively. In South Korea, KEPCO Engineering & Construction and KEPCO Plant Service & Engineering have risen 5.1% and 2.8%, respectively. The Nikkei 225 index is trading 0.3% lower at 22,456.69. The Hang Seng index is trading 0.2% up at 29,764.79, while the Kospi index is trading 0.2% higher at 2,541.99.

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 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%
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 Rarnings 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 Cumulative 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. 993 Held On 15/ Nov/2017					
Treasury Bills Auction no.993 15/November 2017					
	35days	91days	182days	364days	TOTAL
No. of bids	1	0	29	127	157
Successful Bids	1	0	25	85	105
Highest BID/100	99.57	0.00	96.77	92.19	-
Lowest bid/100	99.57	0.00	95.89	88.49	-
Minimum Successful Price/100	99.57	100.00	96.23	91.10	-
Weighted Average Price(WAP)+	99.57	0.00	96.50	91.22	-
Weighted Average Yield (WAY)	4.50	0.00	7.27	9.65	9.17
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	68,254.55	220,724.30	289,978.80
Under subscribed/oversubscribed (+/-) Sh (ml)	0.00	0.00	3,254.55	120,724.30	-12,978.80
Successful bids Sh(000,000)	1,000.00	0.00	3,254.55	133,600.00	165,854.50

	Treasury Bonds-Auction Date specified as below				
	10Y	7Y	2Y	15Y	5Y
Auction Date	25/10/2017	11/10/2017	27/09/2017	22/11/2017	08/Nov/2017
Redemption date	26/10/2027	12/10/2024	28/09/2019	23/11/2032	09/Nov/2022
Minimum successful Price	76.1279	77.1894	92.26	85.0000	83.9212
WAP for successful bid	78.0204	79.1462	93.1475	86.5410	84.1667
WAY to maturity	15.8929	14.9832	11.7645	15.8700	13.6429
WA Coupon Yield	14.6628	12.7359	8.3953	15.5995	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	255,082.00	233,947.80
Successful Amount TZS(000,000)	65,323.10	100,200.00	84,000.00	97,800.00	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	2,633	2,660
USD	2,222	2,245
KES	21.53	21.71
GBP	2,958	2,988

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

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