

# TIB RASILIMALI DAILY MARKET UPDATE- 27/11/2017



## Equities- Daily highlights- prices as of market close 24/11/2017

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	38,750	687,560	150	93,519	155	-25	-25	2,611,838,584
DCB	26,113,740,345	385	0	No trades			6,980		-2.53	-3.75	67,827,897
DSE	23,085,000,000	1,140	0	No trades	38,061	1,020	8,000	1,120	-19.71	-3.38	20,250,000
MBP	8,780,534,400	600	0	No trades			4,380	600	0	0	14,634,224
MCB	30,912,460,000	500	0	No trades			21,150	450	0	0	61,824,920
MKCB	18,347,592,080	890	0	No trades			11,031	850	-1.11	-11	20,615,272
NMB	1,375,000,000,000	2,750	0	67,860			273,131	2,340	0	0	500,000,000
SWALA	49,977,233,500	500	0	No trades			2	490	0	0	99,954,467
SWISS	126,000,000,000	3,500	0	No trades			4,247	3,500	-8.37	-30	36,000,000
TBL	3,922,548,557,900	13,300	0	967,967,600	33	13,200	1,000	13,300	0	26.66	294,928,463
TCC	1,680,000,000,000	16,800	0	No trades			5,512	14,300	52.03	46.08	100,000,000
VODA	476,000,000,000	850	0	38,500			333,730	780	-5.55		560,000,000
TCCL	76,405,254,000	1,200	0	No trades			3,240	1,100	-11.76	-25	63,671,045
TPCC	262,687,726,000	1,520	0	16,191,400	6,062	1,460	15,770	1,500	-17.97	-27	179,923,100
YETU	7,267,736,400	600	0	No trades			18,540	600	0	0	12,112,894
TOL	43,551,682,200	780	0	No trades			5,250	770	0	-2.5	55,835,490
MUCOBA	3,262,569,200	400	0	No trades			29,520	400	0	0	8,156,423
PAL	75,420,806,000	470	0	No trades			12,200	400	0	0	160,469,800
TTP	11,194,352,400	600	0	No trades			2,321	600	-7.69	-7.69	18,657,254
NMG	394,367,615,720	2,510	0	No trades					0	4.58	157,118,572

EABL	3,387,150,158,200	5,140	0	No trades					-10.45	2.59	658,978,630
JHL	366,480,000,000	10,180	-0.29	No trades					0.39	-4.85	36,000,000
KA	50,777,703,240	110	0	No trades					0	-21.42	461,615,484
KCB	2,151,244,443,690	970	2.11	No trades					0	16.86	2,217,777,777
USL	21,234,129,120	80	0	No trades					-11.11	60	265,426,614
ACA	2,370,294,184,220	5,780	1.40	No trades					-2.69	-47.40	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.

#### MARKET COMMENTARY 13th -17th November 2017.

Last week, overall market Capitalisation of the local exchange was slightly higher compared to the previously week, rising from TZSh 83,876.26 billion previously week to TZS 89,107.9 billion last week a marginal change of by 6.2 per cent. Total equity turnover on the Dar es Salaam stock Exchange (DSE) rose to TZS 2,325.7 mn last week from TZSh 264.5 mn in the previously week. TBL remained the most active counter followed by CRDB.

Period	Week ending 24/11	Week ending 17/11
Market Cap (TZS BN)	89,107.9	83,876.26
Turnover (TZS MN)	2,325.7	264.5

## Top News

### **Banc ABC, MNH ink deal for Children.** *The Citizen, 27 November 2017*

Banc ABC which is part of Atlas Mara and the Emergency Department of the Muhumbili National Hospital (MNH) have signed a deal to cooperate in the issuance of health insurance to vulnerable children. The minister of health, Community Development, Gender, The Aged and Children, Ms Umyy Mwalimu, graced the launch in Dar es Salaam at the weekend, stating that the move was in line with the Government objective to ensure the public has access to reliable services at the MNH. "I call on parents to use this opportunity that has been provided by Banc ABC and open accounts so as to ensure our children receive reliable services at the hospital at any given time without having to pay cash" She said. She called on other financial institutions to emulate BancABC as her ministry was ready to cooperate with those that are keen in improving health service delivery. Banc ABC retail and business banking head, Joyce Malai said the bank recognizes the importance of being a responsible corporate citizen though giving back to society. The initiative, she said is a great way to support government efforts in improving people's lives.

### **Insurer, NBC partner in insurance services.** *The Citizen, 27 November 27, 2017*

NBC and Sanlam insurance have announced a partnership agreement that will see customers of the two institutions benefiting from an expanded product offering. NBC Retail banking Director Filbert Mponzi said the new partnership will enable his bank to cater for the financial needs of their customers and at the same time offer solutions to the customers by protecting their families and business through relevant affordable and comprehensive insurance solutions. "The partnership will increase insurance penetration in Tanzania through the extensive footprint of NBC" he said. Client relationships will be enhanced due to availability of a comprehensive array of insurance and banking products in one window said Mr Mponzi.

### **Vodacom Releases Q3 2017 Financials.** *Daily News, 27 November, 2017*

Vodacom group released its unaudited financial results for Q3 2017, services revenue grew by 6.4% to reach 479.2 billion from 450.2 billion in September year 2016 facilitated by the strategy to delivering superior data user experience and leveraging off a wide Mpesa ecosystem. The company also continued expansion of customer base which grew 4.1% to reach 12.9 million, up 4.1% year on year. Despite the rise in revenues, operating expenses of the company grew by close to 39 Bio year on year mainly attributed to increased network operating costs even though the company worked hard on managing staff and marketing costs. Overall diluted earnings per share fell to 10.36 down 63.4% from the 28.3 declared at the financial year end in March 2017 signaling a likely poorer performance of the share price going forward due to dampening expectations of dividends in future. Vodacom's Management remains upbeat, citing the Lipa Kwa Mpesa campaign as a strong potential contributor to future earnings but mentioned regulatory uncertainty and macro-economic pressures as potential risks to the future performance of the company.

### **South Africa Market Review.** *27 November 2017.*

South African markets closed slightly higher on Friday, led by gains in mining and retail sector stocks. Impala Platinum Holdings, which has mining interests in Zimbabwe, gained 5.9%, after news reports indicated that Emmerson Mnangagwa was sworn in as the new Zimbabwean President. Retailers, Woolworths Holdings and Clicks Group advanced 4.2% and 1.8%, respectively, amid Black Friday trade. Also, IT firm, EOH Holdings added 4.2%, after the company was recently cleared of wrongdoing in a contract. In contrast, mobile telecommunication companies, MTN Group and Vodacom Group dropped 2.9% and 0.9%, respectively. Further, financial firms, Standard Bank Group and Barclays Africa Group lost 1.4% and 1.3%, respectively. The JSE All Share index marginally advanced to close at 60,323.95.

### **UK Market Review.** *27 November 2017.*

The UK market finished weaker for the second straight session on Friday, as technology and consumer related stocks registered losses. Homebuilders, Persimmon and Barratt Developments declined 3.6% and 3.3%, respectively. Retailers, Next, Kingfisher and Marks & Spencer Group fell 1.8%, 1.4% and 0.3%, respectively. On the other hand, Irish bookmaker, Paddy Power Betfair gained 3.2%, following news reports that the firm held talks about a deal with Australian online gambling company, CrownBet. Among banking firms, HSBC Holdings, Royal Bank of Scotland Group and Barclays rose 0.5%, 0.5% and 0.3%, respectively. The FTSE 100 index declined 0.1% to close at 7,409.64..

### **US Market Review.** *27 November 2017.*

US markets ended higher on Friday, buoyed by a rise in retail and energy sector stocks. Amazon.com advanced 2.6%, amid reports of strong online sales. Macy's gained 2.1%, after the department store operator's Chief Executive indicated that the firm is likely to witness robust online demand this year. Other retailers, Gap, Kohl's, Best Buy and Wal-Mart Stores rose 1.6%, 1.0%, 0.9% and 0.2%, respectively. Energy firms, Chevron and Exxon Mobil added 0.5% and 0.4%, respectively. Bucking the upward trend, Target and eBay declined 2.8% and 0.3%, respectively. The S&P 500 index rose 0.2% to settle at 2,602.42, while the DJIA index advanced 0.1% to close at 23,557.99. The NASDAQ index climbed 0.3% to end the trading session at 6,889.16..

### Exchange Announcements

**Vodacom Tanzania PLC** has announced their preliminary results for the year ended 30<sup>st</sup> September 2017. Highlights of the results are as follows:

	Value TZS Million(2017)	Value TZS Million(2016)	Change %
Revenue	479.2	450.2	6.4%
M-Pesa revenue	141.6	224.4	17.2%
Operating profit	38.0	58.0	-34.4%
<b>Net profit</b>	<b>18.8</b>	<b>32.6</b>	<b>-42.3%</b>
Earnings Before Interest Tax Depreciation and Amortisation (EBITDA)	127.9	166.3	-23.1%
Capital expenditure	102.4	99.3%	3.12%
Operating free cash flow	58.4	33.7	73.2%
Earnings per share (EPS)	10.36	19.45	-46.7%

	Value TZS Million(2017)	Value TZS Million(2016)	Change %
Number of Active Subscribers	12.9	12.3	4.1%

**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 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%
<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.

**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	Comparative 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
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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.

Amounts in Million shillings	Group current Quarter	Group Comparative Quarter	Bank current Quarter	Bank Comparative Quarter
	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 Cumulative 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. 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	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	2,622	2,648
USD	2,223	2,245
KES	21.42	21.60
GBP	2,932	2,962

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

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#### 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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