

TIB RASILIMALI DAILY MARKET UPDATE- 06/11/2017

Equities- Daily highlights- prices as of market close 03/11/2017



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	1,004,800			499,604	160	-23.80	-13.51	2,611,838,584
DCB	26,113,740,345	385	0	No trades			41,648	380	-2.53	-3.75	67,827,897
DSE	24,705,000,000	1,220	1.67	10,910,800	1,882	1,180	16,731	1,300	1.66	10.90	20,250,000
MBP	8,780,534,400	600	0	No trades			10,660	600	0	0	14,634,224
MCB	30,912,460,000	500	0	No trades			44,170	450	0	0	61,824,920
MKCB	18,347,592,080	890	0	No trades			27,348	850	-1.11	-11	20,615,272
NMB	1,375,000,000,000	2,750	0	No trades			544,495	2,340	0	0	500,000,000
SWALA	49,977,233,500	500	0	No trades			6,932	490	0	0	99,954,467
SWISS	126,000,000,000	3,500	0	19,950,000			6	3,500	-8.37	-32.69	36,000,000
TBL	3,893,055,711,600	13,200	0	66,000			3,623	13,200	1.53	14.78	294,928,463
TCC	1,680,000,000,000	16,800	0	No trades			52,802	14,600	52.03	46.08	100,000,000
VODA	476,000,000	850	0	No trades			243,830	800			560,000,000
TCCL	76,405,254,000	1,200	0	No trades			20,091	1,100	-11.76	-25	63,671,045
TPCC	273,483,112,000	1,520	0	791,320	4,734	1,460	28,212	1,500	-14.60	-24	179,923,100
YETU	7,267,736,400	600	0	No trades			12,200	550	0	0	12,112,894
TOL	43,551,682,200	780	0	No trades			11,610	770	-2.5	-2.5	55,835,490
MUCOBA	3,262,569,200	400	0	No trades			15,833	400	0	0	8,156,423
PAL	75,420,806,000	470	0	No trades			37,500	400	0	0	160,469,800
TTP	11,194,352,400	600	0	No trades			2,328	650	-7.69	-7.69	18,657,254
NMG	370,799,829,920	2,360	0.43	No trades					-10.60	15.68	157,118,572

EABL	3,485,996,952,700	5,290	0.57	No trades					-7.51	3.32	658,978,630
JHL	348,480,000,000	9,680	0.94	No trades					5.56	-15.08	36,000,000
KA	50,777,703,240	110	10.00	No trades					22.22	0	461,615,484
KCB	1,818,577,777,140	820	0	No trades					-5.74	20.58	2,217,777,777
USL	21,234,129,120	80	14.29	No trades					14.28	33.33	265,426,614
ACA	2,226,764,259,570	5,390	-1.67	No trades					4.22	-58.54	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 30th October -03th November 2017.

Last week, overall market capitalization of the local exchange was lower compared to the previous week, falling to 82.6Trio from 103.1Tio. Total equity turnover on the Dar es Salaam Stock Exchange (DSE) decreased by 84.9 per cent to TZSh 2993.42Million from TZSh 19943.43 Million of the previous week. Market Capitalisation decreased 19.9 per cent. TBL remained the most active stock followed by TCC whose share price has enjoyed a considerable rally in the last three months; it is now trading at 50% higher than its level in August. There were no activities on most financials with DCB Bank, Maendeleo Bank, Yetu Microfinance Bank, Mwalimu Commercial Bank and MUCOBA Bank counters posting no trades during the week. Tanga cement announced a profit warning stating a fall in revenues as a result of poor market conditions and increased competition as the reasons behind the overall weaker performance, the company has since released its financials, see top news and exchange news below.

Tanzania Breweries Limited (TBL) has announced the general meeting to be held at the Selous room Julius Nyerere International Convention Centre (JNICC) on Shabaan Robert road in Dar es Salaam at 10th November 2017 starting morning at 10:00am.

Period	Week ending 03/11	Week ending 27/10
Market Cap (TZS BN)	82,592.84	103,094.83
Turnover (TZS MN)	2,993.42	19,943.43

TCCL Final dividend. *Daily News, 06 November 2017.*

Tanga Cement Plc (TCCL) board has decided not to declare an interim dividend for 2017 as the financial performance for the first half of the year has been poor, the group and company posted a loss compared to the same period last year. Revenue for the company was down slightly from TZS 71.8 to TZS 69.3 but costs of sales and financing costs grew to 56Bn from 46bn and 15.1Bn from 0.6Bn respectively for the same period, bringing overall group profit down to TZS 14.6Bio (-ve) from a positive figure of TZS 11.4Bio last year. The decision not to pay a dividend will be reviewed once the year trading results have been finalized. *Company results appear below in this report.*

Mwalimu Bank posts 0.7 billion loss in Q3. *Daily News, 06 November 2017.*

Mwalimu Commercial Bank (MCB) has posted a loss after net interest income took a heavy dip falling four times in the third quarter of this year. MCB listed on the Dar es Salaam stock exchange in late 2015 and its main shareholders comprise members of the Tanzania Teacher's Union. The bank's net profit plummeted to a loss of TZSh795 million in Q3 2017 from a net profit of TZSh547 million in the similar quarter last year. The loss comes after the bank's net interest income plunged four times to TZSh843 million from TZSh 3.22 billion in Q3 last year. On an annual basis, net interest income was slightly down to TZSh 2.42 billion from TZSh 3.22 billion, but non-interest expenses almost doubled to TZSh 5.94 billion in the period ending September 2017. The bank made some strides in dropping to expenses to TZSh 1.64 billion from TZSh 2.68 billion, the drop was mainly attributed to a decrease in salaries and benefits and other expenses. The bank's overall performance for the year is a net profit loss of TZSh 3.33 billion almost 600% down from a net profit of TZSh547 million at the same time in 2016. MCB customer deposits increased to TZSh 5.76 billion in three months ending September from 5.5 billion at the end June. Tanzania Teachers Union has over 200,000 members across the country and owns 16 per cent of the bank's issued and fully paid up capital.

NMB expands branch network. *Daily News, 06 November 2017.*

NMB Bank has launched three branches in the northern regions, the branches will improve access to customers in remote areas, these branches will enhance online digital banking service as customers and agents still need the branches to deposit and withdraw cash in the course of providing online financial services. The opening of the three branches in Arusha and Kilimanjaro brings the total number of NMB branch network to over 212 more than 800 ATM machines and 4,100 banking agents. Other branches opened last week are NMB Mbuyuni in Moshi Municipality and NMB Mto wa Mbu in Monduli District. The three branches will save thousands of customers who were forced to walk long distances to access banking services time and transport costs.

Shilling all but steady against dollar. *The Guardian, 06 November 2017.*

News on social media platforms and other online foreign exchange market places had started to raise alarm over the actual price of a USD against the local currencies. In some instances the divergence between the BoT official rate and the supposed market rate differed almost by 200 shillings. The BoT issued a statement last Friday stating that the Tanzanian shilling is currently trading in a range of 2246.50 and 2247.60 per USD and to highlight that rates posted on the Bloomberg platform of TZS 2481.83 per USD was incorrect. The bank further reassured the public that the country's foreign exchange reserves are stable. The shilling has remained stable throughout this year, fluctuating around TZSh 100 against the US dollar over the past ten months. In a poll by the Guardian newspaper of a number of Bureaus and commercial banks, the rate of the local currency did seem a lot higher, but the prices quoted tend to be board rates presented to retail customers and not wholesale rates. The shilling's performance has been under the spotlight recently thanks to various media articles warning the local economy was suffering from reduced exports and lower growth.

Safaricom looks beyond borders for profit growth. *Business Daily, 06 November 2017.*

Safaricom is looking to grow its top line by expanding its footprint across Africa starting with Kenya's neighbours, the company said on Friday. Chairman Nicholas Ng'ang'a said the expansion plans had gained momentum following recent ownership changes at the company, which he said allowed the telco to set up shop in underserved areas in the region. Safaricom's parent firm British multinational Vodafone, on August 7 transferred its 35 per cent stake in the company to its South African subsidiary Vodacom. "For Safaricom, this reorganization has given us an expanded mandate to explore opportunities outside Kenya," said Mr Ng'ang'a at the company's half-year investor briefing held on Friday. "We are currently looking at this market and once we pick an investment option we will share more details." Chief financial officer Sateesh Kamath, who is sitting in for Safaricom CEO Bob Collymore, said the expansion will be done through forming partnerships. "The model is asset-lite where we do not go and invest millions and millions. It will be partner-based and platform-based," he said. Safaricom had earlier said the

Vodafone/Vodacom transaction now frees it to take its mobile financial services to other African countries, triggering the planned safeguards against potential conflict of interest by the UK-based multinational in the expansion plan. The share swap was expected to bring to an end a clause that barred Safaricom from venturing outside Kenya as this would be in direct competition to Vodacom. While Safaricom would still not be free to enter Vodacom markets in Africa, it could now move to new countries where the South African firm does not have a presence.

South Africa Market Review. 06 November 2017.

South African markets closed higher on Friday, as the weaker Rand lifted mining sector stocks. Miners, ArcelorMittal South Africa and BHP Billiton advanced 4.5% and 0.4%, respectively, however peer, Assore Ltd shed 3.0%. Real estate companies, Redefine International, Intu Properties and Fortress Income Fund gained 2.9%, 1.1% and 0.8%, respectively. Market heavyweight, Naspers added 1.1%, tracking gains in Chinese tech giant, Tencent, in which it has a substantial holding. On the downside, platinum miner, Lonmin plunged 28.3%, after announcing delay in FY17 results due to uncertainty related to the value of its assets. Retailers, Truworths International and Massmart Holdings eased 3.3% and 2.7%, respectively. The JSE All Share index advanced 0.5% to close at 59,638.21.

UK Market Review. 06 November 2017.

The UK market finished firmer on Friday, and closed at an all-time high. However, gains were limited, amid a strengthening domestic currency. Healthcare company, NMC Health advanced 4.3%. Peer, Smith & Nephew gained 2.1%, after reporting 3.0% rise in its 3Q17 revenue. The firm also stated that FY18 profits will be at the lower end of its guidance range. Chemical companies, Johnson Matthey and Croda International added 2.7% and 1.6%, respectively. Energy utility company, Centrica climbed 0.4%, amid acquisition of Restore for EUR70.00mn. Airliner, International Consolidated Airlines Group declined 1.5%, despite raising its earnings outlook and peer easyJet eased 1.2%. Miners, Fresnillo and BHP Billiton shed 1.3% each. The FTSE 100 index advanced 0.1% to close at 7,560.35.

US Market Review. 06 November 2017.

US markets ended higher on Friday, amid upbeat corporate earnings reports and a robust ISM non-manufacturing data for October. Telecommunications equipment company, QUALCOMM rallied 12.7%, amid reports that Broadcom is preparing to acquire the company in a deal worth more than \$100.00bn. Broadcom climbed 5.5%. Technology Company, Apple gained 2.6%, amid better than expected 4Q17 results. Coffee company, Starbucks added 2.1%, as it has agreed to sell its Tazo tea brand to Unilever for \$384.00mn. The S&P 500 index rose 0.3% to settle at 2,587.84, while the DJIA index advanced 0.1% to close at 23,539.19. The NASDAQ index climbed 0.7% to end the trading session at 6,764.44.

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 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 June 2017. Summary of the results are as follows:

	Current Quarter 30.06.2017 TZS M	Current Year Cummulative 30.06.2017 TZS M
Interest Income	890	1,764
Interest expenses	107	170
Net Interest Income	783	1,594
Non-interest income	99	162
Non-interest expenses	2,162	4,295
Operating income /(Loss)	(1,280)	(2,539)
Net Profit/ (loss) after income tax	(1,280)	(2,539)
Earnings per share (EPS)	(21)	(41)

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	30/Aug2017
Redemption date	26/10/2027	12/10/2024	28/09/2019	14/09/2019	31/Aug/2022
Minimum successful Price	76.1279	77.1894	92.26	79.2450	82.4520
WAP for successful bid	78.0204	79.1462	93.1475	82.3599	83.2013
WAY to maturity	15.8929	14.9832	11.7645	16.7367	13.9590
WA Coupon Yield	14.6628	12.7359	8.3953	16.3915	11.0335
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	436,086.60
Successful Amount TZS(000,000)	65,323.10	100,200.00	84,000.00	95,480.00	58,509.40

The BOT released its monthly economic review for the month of August, 2017, for the report click here:
<http://www.bot.go.tz/Publications/MonthlyEconomicReviews/MER%20August%202017%20Final.pdf>

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	2,593	2,620
USD	2,225	2,247
KES	21.47	21.64
GBP	2,922	2,952

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

About TIB Rasilimali:

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