

TIB RASILIMALI DAILY MARKET UPDATE- 07/11/2017

Equities- Daily highlights- prices as of market close 06/11/2017



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	344,608,960	50,000	150	358,483	165	-23.80	-13.51	2,611,838,584
DCB	26,113,740,345	385	0	No trades			20,320	380	-2.53	-3.75	67,827,897
DSE	24,705,000,000	1,220	0	1,180,000	2,192	1,180	11,011	1,200	1.66	10.90	20,250,000
MBP	8,780,534,400	600	0	No trades			7,960	600	0	0	14,634,224
MCB	30,912,460,000	500	0	No trades			22,370	450	0	0	61,824,920
MKCB	18,347,592,080	890	0	No trades			100	850	-1.11	-11	20,615,272
NMB	1,375,000,000,000	2,750	0	No trades			407,106	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	No trades			717	3,500	-8.37	-32.69	36,000,000
TBL	3,893,055,711,600	13,200	0	2,943,600			3,835	13,200	1.53	14.78	294,928,463
TCC	1,680,000,000,000	16,800	0	No trades			49,262	14,600	52.03	46.08	100,000,000
VODA	476,000,000	850	0	48,000			167,590	800			560,000,000
TCCL	76,405,254,000	1,200	0	No trades			1,090	1,100	-11.76	-25	63,671,045
TPCC	273,483,112,000	1,520	0	1,540,300	3,469	1,460	30,912	1,500	-14.60	-24	179,923,100
YETU	7,267,736,400	600	0	No trades			8,400	550	0	0	12,112,894
TOL	43,551,682,200	780	0	No trades			4,600	770	-2.5	-2.5	55,835,490
MUCOBA	3,262,569,200	400	0	No trades			4,333	400	0	0	8,156,423
PAL	75,420,806,000	470	0	No trades			9,200	400	0	0	160,469,800
TTP	11,194,352,400	600	0	No trades			2,330	650	-7.69	-7.69	18,657,254
NMG	362,943,901,320	2,30	-2.12	No trades					-12.50	13.23	157,118,572

EABL	3,499,176,525,300	5,310	0.38	No trades					-7.16	3.71	658,978,630
JHL	350,640,000,000	9,740	0.62	No trades					6.21	-14.56	36,000,000
KA	55,393,858,080	120	9.09	No trades					33.33	9.09	461,615,484
KCB	1,885,111,110,450	850	3.66	No trades					-2.29	25	2,217,777,777
USL	23,888,395,260	90	12.50	No trades					28.57	50	265,426,614
ACA	2,304,680,504,380	5,620	3.50	No trades					7.86	-57.09	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

World Bank lowers growth forecast to 6.6 pc. *The Citizen, 07 November 2017.*

The World Bank has revised Tanzania's economy growth projection down to 6.6 per cent this year. It attributed the reduced rate to various factors such as lower development budget spending, deterioration of credit conditions, increase of non-performing banks in the banking sector and higher level of arrears to pension funds and the power utility company. Budget spending on development budget during this financial year has decreased by 2.5 per cent of the Gross Domestic Product (GDP), non-performing loans have gone beyond 10 per cent twice the regulatory benchmark. The Bank of Tanzania has also shown that the country's credit to the private sector fell to one per cent in July this year from 24 per cent 12 months ago, which resulted in a credit squeeze in the productive sectors of the economy. World Bank economist Bill Battaile said the reduced economic outlook was a result of external challenges including weak commodity demand from trade partners, rising oil prices and the tightening of global financial conditions. According to him the economy will improve slightly to 6.8 per cent in 2018 depending on the recovery of agriculture, non-manufacturing industrial activities and scaled up public infrastructure. Also the World Bank Chief Economist Albert Zeufack said with regards to GDP growth, Tanzania is still among the fastest growing economies in Africa.

East African banks cut credit to private sector. *The Guardian, 07 November 2017.*

Private sector in East Africa has been strongly hit by falling commercial banks' lending for fear of default, issues related to money laundering and weakening of banks assets quality. This has reduced chances of growth and expansion for small and medium sized enterprises in regions impacting on the contribution to economic development. The central Bank of Kenya (CBK)'s eighteenth bi annual report of the Monetary Policy committee shows that 12 month growth in credit to the private sector decelerated from 4.7 per cent last October to 2.4 per cent in April. Credit growth slowed down in most sectors including agriculture, manufacturing, building and construction, finance, insurance and business services. A survey of commercial bank's lending to Micro, small and Medium Enterprises (MSMEs) showed that lending to the sector fell by an estimated 5.7 per cent last August. The national Bank of Rwanda's annual financial stability report June 2015/2016 shows that loans and advances which account for over 60 per cent of total assets grew by 19.3 per cent in 2016 lower than 22.1 per cent average growth in previous fourth quarter. The deceleration of growth of loans is mainly attributing to lower demand for credit. Growth in investment in government securities which accounts for 10 per cent of total assets of banks also decelerated to 5.8 per cent in June 2016 against an average of 33.7 per cent in previous four quarter.

Bank to Pay for USD\$ 600 Million Railway from Dar to DRC. *The East African, November 2017.*

The World Bank is set to unlock USD\$600 million for an infrastructure project to facilitate trade in East and Central Africa and provide an alternative route to the sea for Burundi, Tanzania, Zambia and the Democratic Republic of Congo. "We are talking about improving infrastructure along the Central Corridor, specifically Lake Tanganyika," said East Africa Community Secretary General Liberat Mfumukeko. He added that it will improve the transportation of goods coming from Dar es Salaam by railway to Kigoma from where it can be shipped to Bujumbura or Kalemie and Uvira. This project will improve infrastructure in Tanzania, Burundi and DR Congo. According to the EAC Secretariat, the new infrastructure project will cut the cost of transporting goods from Dar es Salaam port by 40 per cent.

South Africa Market Review. *07 November 2017.*

South African markets closed in the green yesterday, boosted by gains in mining sector stocks. Platinum miners, Anglo American Platinum, Impala Platinum and Royal Bafokeng Platinum advanced 4.1% and 3.9%, respectively, however, peer Lonmin remained under pressure and shed 5.9%. Gold miner, AngloGold Ashanti gained 3.4%, after reporting 11.0% increase in production for 3Q17. Miners, ArcelorMittal South Africa, Assore and BHP Billiton added 3.4%, 2.7% and 2.6%, respectively. On the downside, real estate Company, Redefine Properties declined 2.0%, after recording a decline in its FY17 diluted EPS. Peers, Growthpoint Properties and Intu Properties eased 1.9% and 1.5%, respectively. The JSE All Share index advanced 0.6% to close at 59,975.67.

UK Market Review. *07 November 2017.*

The UK market finished marginally firmer yesterday, amid gains in health care and mining sector stocks. However, gains were capped due to a stronger pound. Healthcare companies, ConvaTec Group and NMC Health advanced 3.8% and 2.5%, respectively. Miners, BHP Billiton and Anglo American gained 2.6% and 1.6%, respectively, amid rising iron ore prices and peer, Rio Tinto climbed 1.3%, after announcing the appointment of Simon Trott as the Chief Commercial Officer. Airliner, easyJet rose

0.5%, amid improvement in load factor and increase in passenger statistics in October. Oil companies, Royal Dutch Shell and BP added 0.9% and 0.8%, respectively. The FTSE 100 index marginally advanced to close at 7,562.28.

US Market Review. 07 November 2017.

US markets ended higher yesterday, buoyed by robust corporate earnings. Luxury fashion company, Michael Kors Holdings rallied 14.7%, amid better-than-expected 2Q18 earnings and after the firm raised its guidance for FY18. Media Company, Twenty-First Century Fox advanced 9.0%, following reports that it will sell most of its assets to Walt Disney, up 2.0%. Oil industry company, Baker Hughes advanced 8.8%, amid reports of buyback of common shares up to \$3.00bn. Peers, Chesapeake Energy and Newfield Exploration gained 11.8% and 7.9%, respectively. The S&P 500 index rose 0.1% to settle at 2,591.13, while the DJIA index marginally advanced to close at 23,548.42. The NASDAQ index climbed 0.3% to end the trading session at 6,786.44.

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 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 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. 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:

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	2,595	2,622
USD	2,225	2,247
KES	21.48	21.66
GBP	2,913	2,943

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

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