

TIB RASILIMALI DAILY MARKET UPDATE- 09/11/2017



Equities- Daily highlights- prices as of market close 08/11/2017

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	134,251,290	142,100	155	24,570	160	-23.80	-13.51	2,611,838,584
DCB	26,113,740,345	385	0	1,140,000			23,440	380	-2.53	-3.75	67,827,897
DSE	24,705,000,000	1,220	0	1,180,000	1,120	1,180	9,140	1,200	1.66	10.90	20,250,000
MBP	8,780,534,400	600	0	No trades			11,456	600	0	0	14,634,224
MCB	30,912,460,000	500	0	900,000			47,490	450	0	0	61,824,920
MKCB	18,347,592,080	890	0	No trades			11,560	850	-1.11	-11	20,615,272
NMB	1,375,000,000,000	2,750	0	1,170,000			459,779	2,340	0	0	500,000,000
SWALA	49,977,233,500	500	0	No trades			2	480	0	0	99,954,467
SWISS	126,000,000,000	3,500	0	No trades			5,006	3,820	-8.37	-32.69	36,000,000
TBL	3,893,055,711,600	13,200	0	2,640,000			2,000	13,300	1.53	14.78	294,928,463
TCC	1,680,000,000,000	16,800	0	No trades			39,595	14,600	52.03	46.08	100,000,000
VODA	476,000,000	850	0	797,900			173,860	790			560,000,000
TCCL	76,405,254,000	1,200	0	No trades			10,000	1,100	-11.76	-25	63,671,045
TPCC	273,483,112,000	1,520	0	No trades	517	1,460	15,544	1,500	-14.60	-24	179,923,100
YETU	7,267,736,400	600	0	No trades			6,200	550	0	0	12,112,894
TOL	43,551,682,200	780	0	No trades			11,560	770	-2.5	-2.5	55,835,490
MUCOBA	3,262,569,200	400	0	No trades			43,570	400	0	0	8,156,423
PAL	75,420,806,000	470	0	No trades			9,200	450	0	0	160,469,800
TTP	11,194,352,400	600	0	No trades			2	600	-7.69	-7.69	18,657,254
NMG	397,509,987,160	2,530	0.40	No trades					-4.16	24.01	157,118,572

EABL	3,479,407,166,400	5,280	-0.19	No trades					-7.69	3.12	658,978,630
JHL	378,360,000,000	10,510	0.86	No trades					14.61	-7.80	36,000,000
KA	50,777,703,240	110	0	No trades					22.22	0	461,615,484
KCB	1,995,999,999,300	900	0	No trades					3.44	32.35	2,217,777,777
USL	18,579,862,980	70	-12.50	No trades					0	16.66	265,426,614
ACA	2,103,738,609,870	5,130	-1.91	No trades					-1.53	-60.83	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

TCCIA Shareholders meeting tomorrow. *The Guardian, 09 November 2017.*

The TCCIA investment Plc has organized the 12th annual general meeting (AGM) for shareholders to be held at Karimjee Hall at 10th November 2017 at 10:30 am. The Chief Executive Officer Donald Kamori said the meeting will attract over 50 shareholders from different parts of the country including prospective shareholders who bought shares in February and March this year. According to Mr Donald Kamori who is also the secretary of the board of directors said "after the seminar, it is my hope that all members will be equipped with necessary skills on shares, government securities and guarantees." Noting that investing in shares is the modern way of doing business.

Drop in food prices lowers inflation to 5.1 pc. *Daily News, 09 November 2017.*

The inflation fell by 0.2 percentage points in October. According to the National Bureau of Statistics (NBS) inflation slowed down to 5.1 per cent in October from 5.3 per cent in September, NBS Director of Statistics Mr Irenius Ruyobya said "Food and Alcoholic beverages inflation rate for the month of October fell to 8.8 per cent from 9.3 per cent recorded in September 2017." The overall index it went up to 108.41 in October from 103.17 recorded in the similar period last year. The annual inflation rate for food consumed at home and away from home decreased to 9.4 per cent in October from 9.8 per cent in September this year. In addition, the 12 month index change for non-food products dropped slightly to 3.0 per cent in October from 3.1 per cent September, this year. However, Mr Ruyobya also noted that the annual inflation rate which excludes food and energy for the same period was unchanged at 1.7 per cent in October as it was in September while annual headline inflation which excludes food and energy rates over the same period has shown a stable trend upwards from 4.5 per cent last October to 5.1 per cent this October.

BoT interventions fail to lessen credit difficulties. *The Guardian, 09 November 2017.*

Policy measures by the Bank of Tanzania (BoT) seeking to tackle the credit crunch in the economy and lessen the prevailing tight liquidity conditions are yet to deliver the desired results. The Central Bank's interventions to stimulate lending and investment have included the reduction of the discount rate twice in a space of six months this year. The easing of monetary policy was also meant to lower the cost of borrowing in the country which is among the most expensive in the region largely due to structural challenges that banks face when lending to the private sector. In the latest review, the BoT says during the year ending August 2017 extended broad money supply (M3) increased by TZSh998.4 billion to almost TZSh 23.5 trillion, representing an annual growth of 4.4 per cent and According to it, the growth rate was lower than 5.8 per cent in the preceding month and 5.1 per cent in the year ending August 2016. In its Tanzania Economic Update (TEU) the World Bank notes that the more relaxed monetary policy has had little impact on the increase in credit to the private sector.

Rotich defends new Eurobond issue to repay Sh77bn loan. *Business Daily, 09 November 2017.*

Nairobi-Treasury secretary Henry Rotich has defended the government's decision to issue another Eurobond whose proceeds will partly be used to repay a Sh77.3 billion (\$750 million) syndicated loan issued in 2015. Mr Rotich, in an interview Wednesday, said the fresh Eurobond and the Treasury's negotiations with international investors to delay debt repayments did not indicate that the government was struggling to service its loans. The Treasury says that it is considering tapping the international debt markets to either finance infrastructure developments or for "liquidity management". The rapid rise in Kenya's public debt to more than Sh4.4 trillion at a time when the taxman is struggling to meet his targets has raised fears over sustainability of the loans. Some 10 per cent of investors in the syndicated loan did not agree to the negotiated restructuring. "We are not doing anything strange. We can't just enter there (international market) and disappear until we pay the loan," Mr Rotich said, adding that the Treasury still does not have a time line for the new bond issue.

South Africa Market Review. *09 November 2017.*

South African markets closed in the red yesterday, amid stronger domestic currency and losses in platinum miners dragged the market lower. Platinum miners, Lonmin and Northam Platinum declined 5.2% and 3.0%, respectively. Consumer durables company, Steinhoff International Holdings shed 4.2%, amid reports of non-disclosure of its 2015 acquisition worth \$1.00bn of a Swiss company to its shareholders, seen as a breach of European laws. Market Heavyweight, Naspers eased 2.0%, as Tencent, in which it holds a substantial interest, has acquired 12.0% stake in Snapchat's parent company, Snap. On the upside, Investment Company, Brait gained 2.8%, as it assured investors that its UK based clothing chain, New Look is solvent. The JSE All Share index declined 0.2% to close at 60,078.03.

UK Market Review. *09 November 2017.*

The UK market finished firmer yesterday, lifted higher by miners despite slowdown in Chinese imports and exports growth and a rally in retail sector stocks. Retailers, Marks & Spencer Group advanced 1.6%, amid better-than-expected 1H18 earnings albeit stating that it is slowing down its expansion plan for new Simply Food stores. Peer, Next added 0.8%. Miners, Fresnillo, Randgold Resources and Rio Tinto gained 1.6%, 1.2% and 1.1%, respectively. Engineering company, GKN climbed 1.5%, amid reports that it will form a joint venture with Chinese aerospace company, Comac. Property developer, Persimmon declined 3.6%, amid a downbeat 3Q17 trading update. Peers, Barratt Developments and Taylor Wimpey eased 2.5% and 1.8%, respectively. The FTSE 100 index advanced 0.2% to close at 7,529.72.

US Market Review. 09 November 2017.

US markets ended higher yesterday, as upbeat corporate earnings reports and as investors look forward to updates on efforts to pass the long-awaited tax reform in the US. Video-gaming company, Take-Two Interactive Software, rallied 10.6%, as it raised its FY17 guidance, however posted a net loss in its 2Q17 earnings. Peer, Activision Blizzard advanced 5.9%, amid stronger sales for their latest game, Call of Duty: WWII. Telecommunication Company, AT&T added 1.1%, as the US Department of Justice informed the company to sell CNN, Time Warner's cable news network in order to acquire Time Warner for \$84.50bn. The S&P 500 index rose 0.1% to settle at 2,594.38, while the DJIA index marginally advanced to close at 23,563.36. The NASDAQ index climbed 0.3% to end the trading session at 6,789.12.

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	Comparative 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	Current Year Cumulative
	30.09.2017	30.09.2017

	TZS M	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 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	2,577	2,604
USD	2,224	2,246
KES	21.49	21.66
GBP	2,915	2,945

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

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