

# TIB RASILIMALI DAILY MARKET UPDATE- 10/11/2017



## Equities- Daily highlights- prices as of market close 09/11/2017

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	382,350	223,070	150	172,228	155	-20	-11.11	2,611,838,584
DCB	26,113,740,345	385	0	No trades			17,700	380	-2.53	-3.75	67,827,897
DSE	24,705,000,000	1,220	0	743,600	860	1,180	16,550	1,200	1.66	3.38	20,250,000
MBP	8,780,534,400	600	0	No trades			17,536	600	0	0	14,634,224
MCB	30,912,460,000	500	0	No trades			67,690	450	0	0	61,824,920
MKCB	18,347,592,080	890	0	No trades			27,334	850	-1.11	-11	20,615,272
NMB	1,375,000,000,000	2,750	0	140,400			393,099	2,340	0	0	500,000,000
SWALA	49,977,233,500	500	0	No trades			4,930	490	0	0	99,954,467
SWISS	126,000,000,000	3,500	0	21,000			5,100	3,500	-8.37	-32.03	36,000,000
TBL	3,922,548,557,900	13,300	0.76	80,095,559,800	7	13,200	9	13,300	6.4	20.90	294,928,463
TCC	1,680,000,000,000	16,800	0	No trades			42,712	14,300	52.03	46.08	100,000,000
VODA	476,000,000	850	0	4,716,300			200,840	790			560,000,000
TCCL	76,405,254,000	1,200	0	No trades			20,790	1,100	-11.76	-25	63,671,045
TPCC	273,483,112,000	1,520	0	No trades	4,027	1,460	12,748	1,500	-14.60	-24	179,923,100
YETU	7,267,736,400	600	0	No trades			9,600	550	0	0	12,112,894
TOL	43,551,682,200	780	0	No trades			8,010	770	-2.5	-2.5	55,835,490
MUCOBA	3,262,569,200	400	0	No trades			44,344	400	0	0	8,156,423
PAL	75,420,806,000	470	0	No trades			30,400	400	0	0	160,469,800
TTP	11,194,352,400	600	0	No trades			2,323	650	-7.69	-7.69	18,657,254
NMG	405,365,915,760	2,580	1.98	No trades					4.87	38.70	157,118,572

EABL	3,499,176,525,300	5,310	0.57	No trades					-1.84	-0.18	658,978,630
JHL	377,280,000,000	10,480	-0.29	No trades					14.53	-18.12	36,000,000
KA	50,777,703,240	110	0	No trades					57.14	-8.33	461,615,484
KCB	2,040,355,554,840	920	2.22	No trades					5.74	27.77	2,217,777,777
USL	18,579,862,980	70	0	No trades					16.66	0	265,426,614
ACA	2,128,343,739,810	5,190	1.17	No trades					-3.17	-62.25	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.

### **DSE index registers negative returns in Q3.** *Daily News, 10 November 2017.*

The Dar es Salaam Stock Exchange (DSE) registered a negative performance return in this year's third quarter as a result of falling share earnings. The DSE all shares Index (DSEI) performance registered a negative 5.0 per cent earnings in US Dollar adjusted returns. According to the DSE Quarterly Update, other exchanges in East Africa posted positive results led by Nairobi Securities Exchange (NSE) with a 7.0 per cent return, Rwanda Stock Exchange (RSE) with a 4.0 per cent return and Uganda Securities Exchange (USE) at 3.0 per cent. DSE Chief Executive Officer Moremi Marwa said "The weighted average market price Earning (PE) Ratio for domestic listed companies was trailing at 13.67 times compared to 15.91 times as of June 2017. The total domestic market Capitalisation increased by 26 per cent to close the quarter at TZSh 9.74 trillion from TZSh 7.75 trillion at end of June. Mr Marwa said this was largely a result of listing of Vodacom Tanzania coupled with the increase in prices on some counters mainly the DSE and Swiss port counters," These two factors has compensated for the decrease in prices on Twiga Cement by 16 per cent, Simba which lost by 15 per cent, TOL by 2.0 per cent as well as TBL, DCB Bank and Mkombozi Bank whose prices declined by 1.0 per cent each.

### **Move at speedier pace.** *Daily News, 10 November 2017.*

President John Magufuli has called for speedy execution of the 1,445 kilometre East Africa crude oil pipeline (EACOP) project, asking investors to explore the possibility of lowering the set 2020 deadline to 2019. Dr Magufuli arrived in Uganda on a three day state visit and he was received by President Yoweri Museveni. Later, the two Heads of state officiated a groundbreaking ceremony at Luzinga village in Mutukula to lay a foundation stone to symbolize the commencement of the proposed project. President John Magufuli said "Instead of waiting for three or more years to have the oil, we are eagerly waiting to have that project accomplished even in 2019 because, we need the project finished earlier than the projected 2020,". The 1,445 kilometre duct is planned to run from Hoima district in mid-western Uganda to Tanzania's Southern Tanga Port along the Indian Ocean coast. Out of the 1,445 kilometre of the pipeline, 1,145 will be in Tanzania while 300 kilometres will be in Uganda, according to Dr Magufuli. Officials from both countries are currently evaluating possible financing for the project. Both countries backed by the French Oil giant Total E&P which supported the Tanga route and plan to raise 70 per cent of the USD\$ 3.5 billion capital expenditure. The remaining 30 per cent will be mustered through equity by the Joint Venture partners and National Oil Companies of the two countries which are Tanzania Petroleum Development Corporation and Uganda National Oil Company.

### **Maxicom Africa to expand into eastern Africa region.** *The Guardian, 10 November 2017.*

Maxicom Africa Limited a leading ICT integrating firm in Tanzania, has expand its operations in eastern Africa region and set up new operations. The company seeks to extend electronic payment and financial solutions services to the unbanked and underbanked people, government institutions and private companies across the region. According to Founder and executive director Eng Juma Rajabu said "We want to be a leading company in Africa in terms of payment technology and financial solutions, 'he said. He added that Maxcom Africa Limited is the leading systems integrators right now and has office in Tanzania, Kenya, Uganda, Rwanda and Burundi. MaxMalipo services provide state of the art point of sales (POS) terminals and payment solutions. The company owns and manages a superior agency network and a nationwide payment gateway platform that continues to benefit the public, government parastatals and corporate companies alike. MaxMalipo's extensive footprint strategy has provided people with easy access to payment and financial services and complemented their client's service delivery initiative.

### **Safaricom sheds Sh20bn in week of Nasa boycott.** *Business Daily, 10 November 2017.*

Nairobi-Telecoms operator Safaricom's market valuation shed Sh20 billion in the first week of opposition coalition Nasa's call on their supporters to boycott the firm's services. The marginal drop in the share price is seen to signal the resilience of the company, which accounts for nearly 40 per cent of trading at the Nairobi Securities Exchange (NSE), and to be a reflection of the fact that investors have yet to get enough information on the boycott's potential to move the market in either direction. Some analysts, however, insisted that the political action was unlikely to affect the company's share price in the longer term, especially because they expect revenue growth to remain on course. "There is only a small element of the boycott to Safaricom's share price performance, attributable to investor sentiment. In our view, the slight drop is mainly due to a price correction after release of first half results, and precisely because the 9.5 per cent year-on-year profit growth was lower than anticipated," said Dyer & Blair head of research Linet Muriungi. "We may, however, see subscriber growth either stabilize or soften marginally in the short term, where the organic growth in subscriber numbers is offset by those leaving. "MS Muriungi said she did not expect a decline in service revenues because the migration is more likely to be in the subscriber base that

accounts for low value monthly credit usage rather than among premium customers who account for the lion's share of the service revenue.

#### South Africa Market Review. 10 November 2017.

South African markets closed in the red yesterday, amid weaker global markets and losses in banking and retail sector stocks. Retailers, Lewis Group, Clicks Group and Mr Price Group declined 4.1%, 2.5% and 1.2%, respectively. Gold miners, Gold Fields and AngloGold Ashanti shed 1.5% and 0.6%, respectively. Lenders, Capitec Bank Holdings and FirstRand eased 1.4% and 1.2%, respectively. On the upside, miners, Assore, Kumba Iron Ore and Exxaro Resources advanced 2.7%, 2.6% and 2.5%, respectively. Real estate investment fund, Rebosis Property Fund rallied 7.6%, as it declared a 7.4% increase in its dividend per share for FY17. Platinum miners, Lonmin and Anglo American Platinum gained 2.0% and 1.2%, respectively, amid a weaker rand. The JSE All Share index declined 0.4% to close at 59,862.11.

#### UK Market Review. 10 November 2017.

The UK market finished weaker yesterday, amid weaker corporate earnings reports from major companies and downbeat house price figures for October weighed on the homebuilders. Luxury consumer apparels company, Burberry Group plunged 10.0%, as it stated that sales growth will be limited until FY21. Property Developers, Persimmon, Barratt Developments and Taylor Wimpey declined 4.0%, 3.6% and 2.9%, respectively. Retailer, J Sainsbury shed 1.8%, as it slashed its dividend after reporting downbeat 1H18 earnings. Peers, Marks & Spencer Group and Wm Morrison Supermarkets fell 2.4% and 0.1%, respectively. Pharmaceutical company, AstraZeneca eased 0.6%, as its 3Q17 operating profit was boosted by onetime tax benefit and its products sales declined by 3.0%. The FTSE 100 index declined 0.6% to close at 7,484.10.

#### US Market Review. 10 November 2017.

US markets ended lower yesterday, reversing a previous session rally, amid expectation for a delay in new tax reforms. However, losses were trimmed after the House Ways and Means committee voted to advance a Republican tax reform bill. Global diversified technology company, Johnson Controls International declined 6.1%, despite reporting an increase in its 4Q17 earnings. On the upside, biopharmaceutical company, Sage Therapeutics rallied 54.3%, as it saw positive results in two of its late-stage clinical trials for its postpartum-depression therapy. Retailer, Macy's advanced 11.0%, amid better-than-expected 3Q17 earnings. The S&P 500 index fell 0.4% to settle at 2,584.62, while the DJIA index declined 0.4% to close at 23,461.94. The NASDAQ index eased 0.6% to end the trading session at 6,750.06.

### Exchange Announcements

**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 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%
<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.

**Vodacom Tanzania PLC** has announced their preliminary results for the year ended 31<sup>st</sup> 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
<b>Net profit</b>	<b>47.6</b>	<b>29.1</b>	<b>64</b>
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 31<sup>th</sup> 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 13<sup>th</sup> October 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	Comperative 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
Amounts in Million shillings	<b>30.09.2017</b>	<b>30.09.2016</b>	<b>30.09.2017</b>	<b>30.09.2016</b>
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.

	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)
<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 Cummulative 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. 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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#### 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.

#### Address:

7th Floor  
Samora Tower  
Corner of Bridge Street and Samora Avenue  
PO Box 9154  
Dar es Salaam  
Tel +255 22 2111711  
Email: [Invest@rasilimali.tib.co.tz](mailto:Invest@rasilimali.tib.co.tz)

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