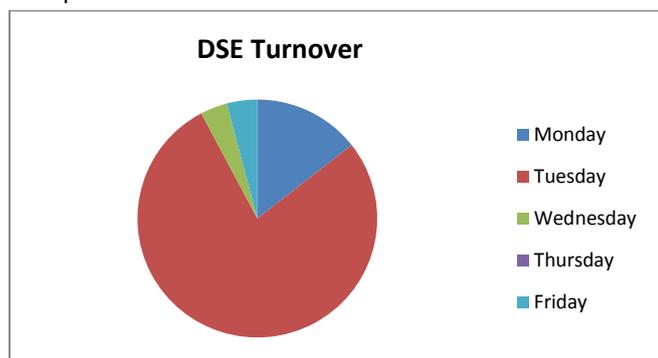


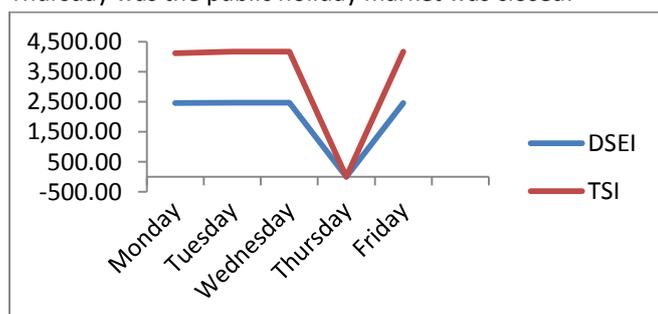
WEEKLY STOCK MARKET HIGHLIGHTS

Over the week of 23-27th April the DSE recorded a total turnover of Tsh 6.0bn an increase of 655 percent from the previous week's turnover of Tsh 807mn. Total volume traded over the week was 4,784,997 shares compared to 507,896 shares the previous week, an increase by 842 per cent. By Friday 20th April the market capitalization of the Exchange was Tsh 23.43tri, while last week's market capitalization was Tsh 23.60tri, reflecting an increase of 0.73 per cent.



Overall turnover was highest on Tuesday with about Tsh 4,722,511,560 traded in 59 deals with a volume of 506,620 shares. The turnover was highly influenced by foreign investors about 99.53 per cent buying and foreign investors 95.02 per cent selling. The most active stocks over the week are TBL, TCC, CRDB, VODA, DSE, SWISS and TPCC.

Thursday was the public holiday market was closed.



MONEY MARKET

The overnight rate for the 27th April 2018 weighted average rate (WAR) stood at 1.41% and Tsh 39 Billion was traded showing that the banking sector is liquid. The highest and lowest rate stood at 1.50% and 1.00%. Total volume traded over the week was TZS 100 billion compared to TZS 75.14 billion in the previous week.

EXCHANGE RATE

TZS/USD **2,251.12** **2,273.64**

TZS/KES **22.44** **22.62**

TZS/GBP **3,097.10** **3,128.98**

TZS/EUR **2,720.03** **2,747.46**

FOREIGN INVESTORS DOMINATE

The Citizen- Foreign investors have continued to dominate activities at Dar es Salaam stock exchange (DSE) after recording highest value of shares transactions last week. Market report have shown that a total of Tsh6 billion turnover was recorded last week of which Tsh5.4 billion was injected by foreign investors through buying of shares. The report showed that foreign investors injected the highest turnover through both buying and selling activities during last week. Local investors dominated the selling side only in two last days of the week by 100 per cent but the largest number of floated shares was also bought by foreign investors. Majority of transactions were on TBL. The report has shown that other companies that transacted highest volume of sold shares were Vodacom Tanzania, CRDB, Swissport and DSE. However the market capitalization closed lower on Friday last week at Tsh23.60 trillion, compared with sh23.65 recorded during the opening day of the week. The decrease in market capitalization was a result of decreased share prices for cross listed companies, especially those originally listed on Nairobi stock exchange (NSE). Domestic market capitalization increased to sh10.9 trillion on Friday last week from Tsh10.7 trillion, the reason was the increase in share price of DSE and TBL.

CEMENT USE FALLS FOR FIRST TIME IN 17YRS ON BUILDING SLOWDOWN

Business Daily- Cement consumption dipped for the first time in 17 years to 6.2 million tonnes owing to depressed demand in the construction sector the BOT Economic Survey 2018 shows. About 6.7 million tonnes were used in 2016 but the volume declined by 8.2 per cent last year. Consumption had risen steadily from year 2001. The last decline occurred in 2000 when it stood at 1.067 million tonnes compared to 1.111 million tonnes the previous year. "Cement consumption and stocks decreased ... in 2017 owing to reduced demand in the construction sector," said the survey. The decline is also in line with the 22 per cent fall in the value of building plans approved last year. The plans were valued Sh240.8 billion, down from TSh308.4 billion in 2016, the survey showed. Previous surveys showed that the major declines in the value of building plans was between 1999 and 2002 when economic growth was depressed for a prolonged period. "The sector recorded a slower growth of 8.6 per cent in 2017 compared to a 9.8 per cent growth in 2016. Cement consumption decreased by 8.2 per cent in 2017," said KNBS director-general Zachary Mwangi in his presentation on last year's economic growth.

KENYA PENSION FUNDS STAND TO GAIN FROM RATE CAP REVIEW

Business Daily - Pension funds returns are likely to enjoy a boost through equities and fixed income with the expected review of the interest rate cap, a fund administrator has said. Investment managers at Zamara say bank stock prices at the NSE are likely to go up further on the expectation of higher margins should the rate cap be reviewed, while other companies are also likely to enjoy the knock-on benefit of improved credit flow to the private sector. President Uhuru Kenyatta last week in London said the policy has failed to increase credit to traders. Subsequently, Treasury CS Henry Rotich has disclosed he will submit amendments on the law to Parliament in June through the Finance Bill. Pension funds returns hit an average of 18 per cent last year on the back of a recovery in the equities market, defying a tough economic climate. Last year, returns from equities investments for 374 schemes surveyed by Zamara stood at an average 30.4 per cent compared to -9.6 per cent in 2016, when the market was in the grip of a bear run. Fixed income returns rose to 14.7 per cent from 14.3 per cent in 2016, while those of offshore investments jumped to 22.2 per cent from 1.2 per cent. The movement of rates on government securities in the event of a rate cap review would be of importance however,

given the inverse relationship between the price (value) of bonds and yields. Pension funds have invested 70 per cent of assets in fixed income, a significant share being in government securities.

KEY MARKET DEFINITIONS

Operating margin; measures how much profit a company makes on a dollar of sales, after paying for variable costs of production such as wages and raw materials, but before paying interest or tax. It is calculated by dividing a company's operating profit by its net sales..

Liquidity ratios; measure a company's ability to pay debt obligations and its margin of safety through the calculation of metrics including the current ratio, quick ratio and operating cash flow ratio. Current liabilities are analyzed in relation to liquid assets to evaluate the coverage of short-term debts in an emergency.

Yield to maturity (YTM); is the total return anticipated on a bond if the bond is held until it matures. Yield to maturity is considered a long-term bond yield, but is expressed as an annual rate. In other words, it is the internal rate of return (IRR) of an investment in a bond if the investor holds the bond until maturity and if all payments are made as scheduled.

STOCK MARKET PRICES

TCCL;1,200 TCC;16,300 TICL;450 TBL;16,000 SWISS;3540 SWALA;500 PAL;470 NMG;2,485 MUCOBA;400 MKCB;830 MCB;500 MBP;600 KCB;1,140 KA;270 JHL;12,045 EABL;5,695 DSE;1,700 DCB;380 CRDB;180 ACA;4,640 TOL;780 TPCC;1540 TTP;120 USL;45 VODA;850 YETU;600

INDUSTRY NEWS

Banks have released the end of Quarter (31st March, 2018) financial reports, the companies Performance is highly affected by the IFRS 9 which led to much impairment of loans. The expectation is after the fully compliance with this standard banks will continue to perform better as usual and they will move their shares price up.

Company Name	Operating income		Total assets		Non-performing loans		Impairment losses on Loans and advances	
	Q1	Comparable Q1	Q1	Comparable Q1	Q1	Comparable Q1	Q1	Comparable Q1
CRDB	15,979	37,862	6,010,967	5,901,608	12.7%	12.4%	(3 0,846)	(24,678)
NMB	46,002	58,707	5,425,504	5,506,359	6.6%	6.4%	(18,127)	(8,392)
MKOMBOZI BANK	472	607	161,956	151,239	7.00%	7.00%	(33)	594
YETU MICROFINANC	240	594	14,155	12,890	8%	6%	0	-

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