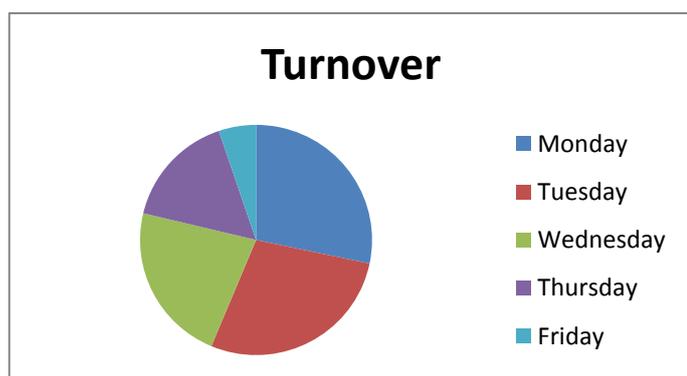
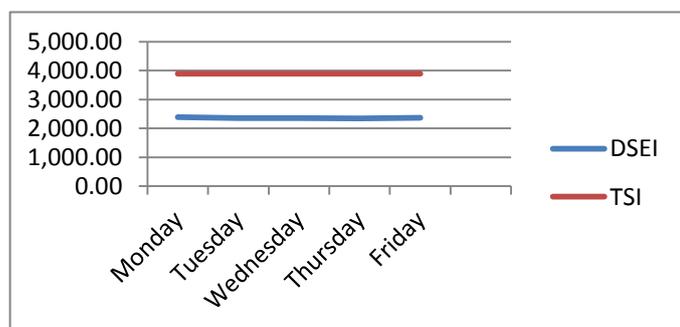


## WEEKLY STOCK MARKET HIGHLIGHTS

Over the last week the DSE total turnover was TZS 518mn as compared to the previous week's turnover of TZS 2.96bn, a decrease of 82 per cent. Total volume traded over the week was 690,626 shares compared to previous week of 2,370,489 shares, a decrease by 70.8 per cent. By Friday previous week the market capitalization was TZS 23.1tr, last week market capitalization was 22.7tr reflecting a decrease of 1.7 per cent.



Overall turnover was highest on Monday with about Sh 146,656,890 turnover traded in 45 deals and volume of 209,391. The turnover was highly influenced by foreign investors about 92.73 per cent buying and local investors 100 per cent selling. The most active stocks over the week are TBL, CRDB, VODA, DSE, SWISS and TPCC.



## MONEY MARKET

The overnight rate for the 09 March 2018 weighted average rate (WAR) stood at 1.51% and TZS 23.5 Billion was traded showing that the banking sector is liquid enough. The highest and lowest rate stood at 1.80% and 1.46%.

## EXCHANGE RATE

<b>TZS/USD</b>	<b>2,234.50</b>	<b>2,256.85</b>
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<b>TZS/KES</b>	<b>22.12</b>	<b>22.30</b>
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<b>TZS/GBP</b>	<b>3,089.42</b>	<b>3,121.22</b>
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<b>TZS/EUR</b>	<b>2,747.32</b>	<b>2,775.47</b>
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## DSE ALL SHARES INDEX CLOSES HIGHER AFTER 20.91pc INCREASE

*The Citizen-* Dar es salaam stock exchange all share index (DSEI) closed last week green after gained by 20.91 per cent to 2,362.08 point higher than 2,341.17 point recorded a day before. The increase of DSEI was caused by gains of the share price among cross listed companies include EABL, KCB and Acacia mining. However, share price for Kenya airways (KA) and jubilee holdings (JHL) fell during the end of the week trading session. The report shows that a total turnover of Sh 26.98 million of which 100 per cent were injected by local investors, while all shares were floated by local investors. This was lower than a total of sh83 million from 40,640 shares traded in 23 deals recorded on Thursday and sh116.28 million from 225,141 shares traded in 35 deals on Wednesday last week. Tanzania Portland cement company (TPCC) recorded the highest turnover of sh24.47 million from trading 16,315 shares traded at sh1,500 in seven deals. Vodacom Tanzania became the second in transacting 1,850 shares valued sh1.35 million in two deals. Other active listed companies were Swissport, CRDB and DSE. The total market capitalization increased by sh200 billion to sh22.7 trillion on Friday from sh22.5 trillion recorded during the previous day. The improvement of the market capitalization was a result of increased share prices among cross listed companies. Meanwhile the Tanzania share index (TSI) which measured the performance of locally listed companies remained unchanged during the end of last week at 3,893.73 point on Friday, similar to previous day.

## CALLS FOR RATE CAP REVIEW LIFT INVESTOR CONFIDENCE IN BANK STOCKS

*Business Daily-* Calls for rate cap review is pushing bank stocks up on the Nairobi Securities Exchange (NSE), as investor's confidence rebound. The calls to repeal the Banking Amendment Act, which was effected in September 2016 by various stakeholders led by the International Monetary fund (IMF) has seen bank counters rally, placing investors in profit-taking positions. "We are of the view that recent subdued level of trades on various stocks had a ripple effect on NSE's total equity turnover and investors return as a result. Investors' confidence has now rebounded, particularly on banking stocks whose dismal performance has mainly been driven by the introduction of the rate cap in late 2016," said analysts from Kingdom Securities. Due to the introduction of the legislation, investors sold off or scaled down their holding in banking stocks for fear of constrained margins. This is after loan charges were capped at four percentage points above the Central Bank Rate – the benchmark rate – which stands at

10 per cent, and put a minimum deposit compensation at 70 per cent of the benchmark rate. The National Treasury has also proposed a Consumer Protection Bill on plans to review the legislation to enhance access to credit.

## TREASURY BILLS OVERSUBSCRIBED AS MARKET STAYS HIGHLY LIQUID

*Business Daily-* Treasury bills were oversubscribed in last week's auction with liquidity supporting the performance. The Central Bank of Kenya (CBK) received bids worth Sh37.19 billion against an offer of Sh24 billion. This represented an overall subscription rate of 154.97 per cent, compared to 155.8 per cent recorded during the previous week's auction. The subscription rates for the 91-, 182-, and 364-day papers came in at 96.12 per cent, 149.68 per cent and 183.79 per cent respectively. Yields on the paper came in at 8.026 per cent (91-day), 10.385 per cent (182-day) and 11.128 per cent (364-day). "The 91-day paper was the least subscribed tenor and with a 0.7 basis points (bps) differential between the market weighted average accepted rate and weighted average rate of accepted bids, we believe there are investors who are seeking slightly higher yields than what the CBK is comfortable with," said analysts from Genghis Capital in an email response. The 91-day paper attracted bids worth Sh3.84 billion against an offer of Sh4 billion. The Treasury absorbed Sh3.17 billion of this amount. The 182-day paper attracted bids worth Sh14.96 billion against an offer of Sh10 billion. The Treasury absorbed Sh11.55 billion. Bids for the 364-day paper were

worth Sh18.37 billion against an offer of Sh10 billion, with the Treasury absorbing Sh17.92 billion of the amount.

## KEY MARKET DEFINITIONS

**Preferred stock;** A preferred stock is a class of ownership in a corporation that has a higher claim on its assets and earnings than common stock. Preferred shares generally have a dividend that must be paid out before dividends to common shareholders, and the shares usually do not carry voting rights

**Retained earnings;** Retained earnings refer to the percentage of net earnings not paid out as dividends, but retained by the company to be reinvested in its core business, or to pay debt. It is recorded under shareholders' equity on the balance sheet.

**Ex-Dividend Date;** IS the day on which all shares bought and sold no longer come attached with the right to receive the most recently declared dividend.

**Dividend Reinvestment Plans (DRIP);** is offered by a corporation that allows investors to reinvest their cash dividends by purchasing additional shares or fractional shares on the dividend payment date.

## STOCK MARKET PRICES

TCCL;1,200 TCC;15,200 TBL;14,000 SWISS;3540 SWALA;500 PAL;470 NMG;2,170 MUCOBA;400 MKCB;830 MCB;500 MBP;600 KCB;960 KA;350 JHL;11,260 EABL;5,360 DSE;1,580 DCB;380 CRDB;190 ACA;5,370 TOL;780 TPCC;1480 TTP;600 USL;90 VODA;850 YETU;600

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