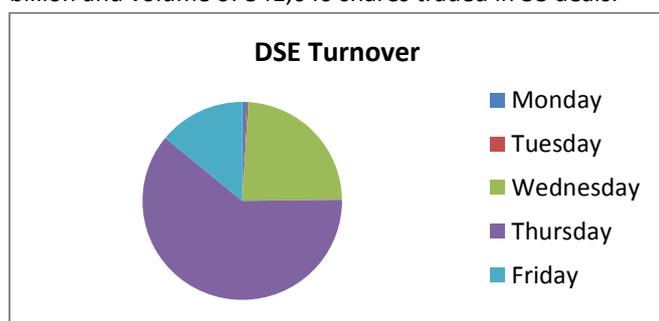
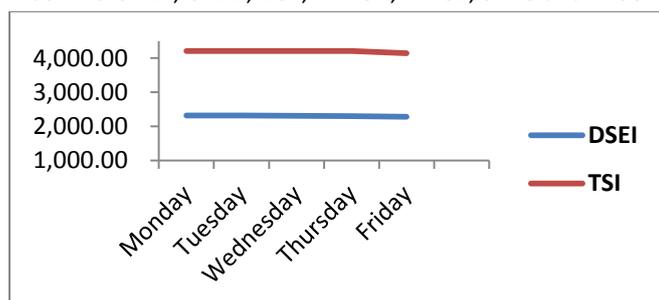


WEEKLY STOCK MARKET HIGHLIGHTS

The week ended August 17, 2018 DSE record a market capitalization of Tsh 21.95 trillion which is down by 2.3 percent from the previous week, also the market printed a total turnover of Tsh 12.87 billion which higher by huge percent from Tsh 666.1 million of a week ended August 10. Total volume of shares traded in a week was 1,370,547 shares which is a decrease of 32 percent from 2,011,041 of previous week, the week activities gave total of 155 deals leaving August 16 with the highest turnover of Tsh 7.87 billion and volume of 541,640 shares traded in 38 deals.



The market shows All Share Index (DSEI) closed down by 17.31 to 2,277.69 points and Tanzania Share Index (TSI) closed down by 67.86 to 4,140.55 points on Friday. All Share Index (DSEI) opened the week at 2,315.06 points and close at 2,277.69 points which is a decrease by 1.61 per cent while Tanzania Share Index (TSI) opened the week with 4,208.49 points and close at 4,140.64 points which is a decrease by 1.61 per cent. The most active stocks over the week were TBL, CRDB, DSE, TWIGA, MKCB, SWIS and NICO.



MONEY MARKET

The overnight rate close on 17 August 2018 with weighted average rate (WAR) stood at 1.78% and Tsh 10,500 million was traded, highest and a lowest rate over the week was 2.50% and 1.00%. Total volume traded over the week was Tsh 55,500 million compared to Tsh 119,900 million of the previous week reflecting a decrease by 53.7 per cent.

EXCHANGE RATE

TZS/USD	2,262.09	2,284.72
TZS/KES	22.45	22.63
TZS/GBP	2,877.61	2,906.62
TZS/EUR	2,578.56	2,604.58

FOREIGN INVESTORS BOOST DSE TURNOVER

Daily News-The Dar es Salaam stock exchange DSE ended week on high note with a turnover of Tsh 12.87 billion up from 666.1 million posted in the previous week. Foreign investors dominate the weekly trading contributing Tsh 12.74 billion out of Tsh 12.87bn total turnover. The volume of shares moved during the week under review declined by 31.8 per cent to 1,370,547 compared to Tsh 2,011,041 of the preceding session, activity in eight counters resulted in a turnover of Tsh 12.88 billion compared with Tsh 666.1 million posted in the previous session. Top trading equities was (TBL) that dominated the market share by 98%. TBL depreciating in value by 3.61% to close the week at Tsh 16,000 per share and self-listed DSE, losing 1.16% of its value to Tsh 1,700 per share. DSE market capitalization decrease by 2.3% to close at Tsh 21.95 trillion while domestic market capitalisation depreciated by 1.61% to Tsh 10.87 trillion. On week comparison (TSI) depreciating by 1.61% to close at 4,140.65points, while the DSEI closed at 2,277.69points up by 2.26% compared to last week. Industry and allied indices closed at 6,080.42points, down by 2.52% while bank, finance and investment index closed at 2,513.33 points down by 0.14%. Commercial services indices remained unchanged compared to last week, closing at 2,331.27points.

SEVEN YEAR T-BOND FETCHES TSH13.9BILLION

Daily News- investment in the 7-year T-bond auctioned last week fell short of targets after fetching Tsh 13.90 billion only compared to Tsh 127 billion sought to be raised, the Treasury bills session held a week before testify high investors' appetite due to sufficient liquidity in the circulation resulting to an oversubscription. Despite the undersubscription of 7-year bond, almost ten times below the targets set to raise Tsh 127 billion the government retained Tsh 13.69 billion slightly below the total amount tendered. Some of the investors in government securities are commercial banks, pension funds, insurance companies and some microfinance institutions. According to BOT auction summary the weighted average yield to maturity increased slightly to 12.26% compared to 12.12% of the last session of the 7year bond. The weighted average coupon yield increased to 11.21% compared to 11.19% of the previous session. The weighted price for successful bids was 89.88 compared to 90.06 of the preceding session. The minimum successful price 100 was 83.83 compared to 83.28 of the 7year treasury bonds held in May this year. The number of bids received in the session was 23 and only 17 became successful.

EQUITY BANK RACES AHEAD OF EABL IN INVESTOR WEALTH AT THE NSE

Business Daily –Equity Bank has overtaken East African Breweries Limited as the second largest company by market capitalisation or investor wealth on the Nairobi Securities Exchange (NSE). The bank was worth Sh186 billion as at August 16, 2018, compared to EABL’s Sh168.4 billion on the same date. For a long time, EABL has been the second largest firm after telecoms giant Safaricom which is valued Sh1.15 trillion as of last Thursday. But the brewing giant has lost 14.5 per cent of its market value in the past six months and 20.8 per cent in the past 12 months. During the same time, the bank has gained 17.06 and 13.7 per cent respectively. Equity’s share has benefited from rising profitability despite the implementation of the rate cap from September 2016. Last week, the lender reported a 17.52 per cent growth in net profit to Sh11 billion for the six months to June. Genghis Capital said that Equity Bank has been leveraging on keeping expenses on check, muted staff costs and investment in government securities to raise its net profit. “The cost-to-income ratio declined to 50.4 per cent (compared to 51.0 per cent in first half 2017) on account of the increased use of digital platforms. Currently,

97 per cent of transactions (55 per cent transaction value) as well as 93 per cent of loans disbursed (22 per cent value of loans disbursed) are being transacted outside the branch,” said Genghis Capital.

KEY MARKET DEFINITIONS

Liquidity; Liquidity describes the degree to which an asset or security can be quickly bought or sold in the market without affecting the asset's price.

A sensitivity analysis; is a technique used to determine how different values of an independent variable impact a particular dependent variable under a given set of assumptions. This technique is used within specific boundaries that depend on one or more input variables, such as the effect that changes in interest rates have on bond prices.

A Donchian Channel; is an indicator formed by upper and lower bands around the price bars. The upper band marks the highest price of an issue for n periods while the lower band marks the lowest price for n periods. The area between the upper and lower bands represents the Donchian Channel

STOCK MARKET PRICES

TCCL;1,000 TCC;17,000 TICL;450 TBL;16,600 SWISS;3500 SWALA;490 PAL;470 NMG;2,020 MUCOBA;400 MKCB;800 MCB;500 MBP;590 KCB;1,110 KA;250 JHL;11,400 EABL;4,780 DSE;1,700 DCB;340 CRDB;160 ACA;3,320 TOL;780 TPCC;1800 TTP;120 USL;35 VODA;800 YETU;600

INDUSTRY NEWS

Acacia Mining plc Results - “We are pleased to report another strong operating performance in the second quarter, delivering Group production of 133,778 ounces which led to an increase in the Group’s cash balance of US\$13 million to US\$120 million”, said Peter Geleta, Interim Chief Executive Officer. “In achieving first half production of 254,759 ounces we are on track to achieve the top end of our guidance range of 435,000-475,000 ounces for 2018 and continue to demonstrate the resilience that we have built within our business. “Group gold production for the quarter of 133,778 ounces was a 36% decrease on Q2 2017 (208,533 ounces), primarily driven by the move to reduced operations at Bulyanhulu and to stockpile processing at Buzwagi. Gold ounces sold for the quarter of 134,090 ounces were slightly above gold produced for the quarter as a result of the timing of shipments. At North Mara, gold production for the quarter of 85,920 ounces was 3% higher than Q2 2017 (83,110 ounces) mainly due to 4% higher head grades compared to Q2 2017, driven by higher grades from Gokona Underground. At Buzwagi, gold production of 37,415 ounces for Q2 2018 was 44% lower than in Q2 2017 (66,227 ounces) as a result of production now being derived solely from lower grade ore stock piles due to the effective completion of the open pit.

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