TIB RASILIMALI LIMITED
Your Partner for Growth

Weekly Market Report

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WEEKLY STOCK MARKET HIGHLIGHTS

The week ended January Feb 1st, 2019 DSE recorded a total market capitalization of TZS 20,569.46 billion up by 3.87 % from the week ended January 25th 2019. Meanwhile the market posted a total turnover of TZS 250.69 million, approximately 14 times less than of the week ended January 25th January, 2019. Total volume of shares traded in a week was 692,654, one fourth of the week before. 230 deals were recorded in the week with highest of number of deals recorded on 31st January Thursday, 2019.

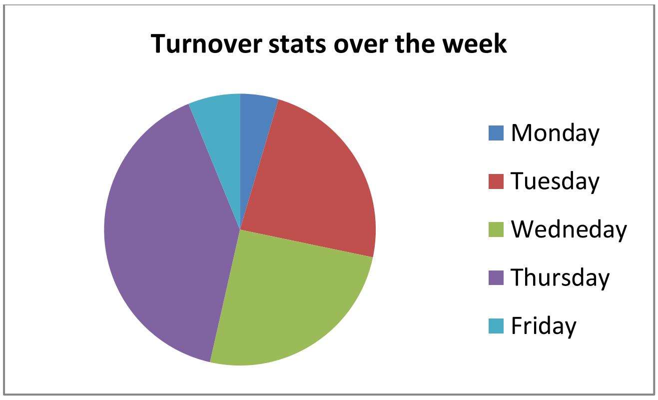

Figure 1: DSE Turnover ffrom Monday 28th Jan-Friday 1st Fe 2019

The market shows All Share Index (DSEI) closed up by 79.55 points to 2,134.00 points and Tanzania Share Index (TSI) closed down at 3,614.19 points, 0.85 point below the last week's close. All Share Index (DSEI) opened the week at 2,086.90 points and close at 2,134.00 points while Tanzania Share Index (TSI) opened the week with 3,615.04 points and closed at 3,614.19.

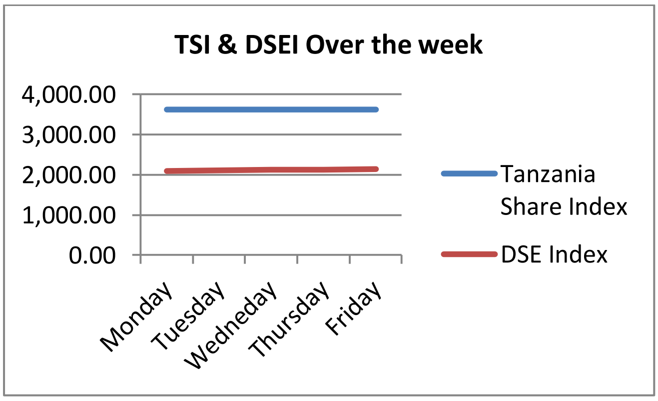

Figure 2: TSI & DSEI from Monday 28th Jan-Friday 1st Feb 2019

MONEY MARKET SUMMARY

Over the course of the week the overnight interbank WAR rose to settle at 3.74%, 4 basis points below from the previous close on Janaury 28th 2019. The highest high was 4.4% certainly repeating the last week's rate. Over the course of the week the low remained unchanged at 3.5%. TZS 71.5 billion was transacted over the course of the week compared to TZS 138.3 billion transacted the week before. WAR has remained almost intact but there is general bullish drag emanating from decline in market liquidity.

EXCHANGE RATE

TZS/USD	2272.22	2294.95
TZS/KES	22.65	22.83
TZS/GBP	2965.25	2996.05
TZS/EUR	2605.79	2632.07

DSE EXTENDS TRADING HOURS

The Citizen: Dar es Salaam Stock Exchange closed last week on a low note, as only TZS 15 million was recorded in turnover on Friday, compared with TZS 100 million jutst a day before.This is being experienced when DSE has anounced extension of trading hours from 10.00AM to 4.00pm withb effect from Monday 11th February 2019. A public notice issued by DSE CEO Mr Moremi Marwa said that the current trading hours was from 10.00am to 3.00PM.

He said this change was neccesitated by the need to accommodate bond dealers' request for effective funding of their cash accounts for settlement. The xtension was also aimed at addressing challenges related to foreign investors' time differences. The market report shows that all shares that were floated by local investors were sold during the day, of which 84.59% of the buying value was injected by local investors while foreigners purchased the remaining percentage.

FED RATE HIKES TO RAISE CREDIT COST.

Business Daily: Hikes in Federal Reserve interest rate benchmark and pressure on the shilling may see Kenya borrow expensively to finance relatively cheap debt, a senior research economist at Commercial Bank of Africa (CBA) has said. Speaking at an economic forum to discuss how the country can achieve growth amid fiscal imbalances, Faith Atiti said the fact that US interest rates have cumulatively gone up by 200 basis points in the recent past means the cost for future borrowing is also set to rise.

Kenya's $750 million (Sh76 billion) Eurobond priced at 5.875 percent matures in June, which puts pressure on National Treasury to get a loan to finance operations as well as pay off maturing obligations. The Treasury's effort to cut on borrowing has been complicated by underperforming local revenue collection. External borrowing target for the current fiscal year has been increased by Sh34 billion to Sh321.5 billion, on account of missed tax revenue targets in the first five months.

PLEASE CALL ME:VODACOM PREPARED TO ASSERT ITS RIGHTS IN THE COURTS

The Guardian: Vodacom is keeping is ts options open when its comes to take legal actions against the Please Call Me movement and others that have spoken against the mobile operator over the way it is handling the compensation owed to a former employee. Vodacom on Friday held a conference call with reporters about its position on various issues related to settlement it has offered Nkosana Makate, a former employee who brought forward the idea of a call back service in the early 2000s. For almost two decades, Makate and Vodacom have been in a legal battle over the compensation owed to him, it even reached the constitutional court. Earlier in January Vodacom told Bloomberg that the group had decided on the settlement amount. However, in the Facebook post, Makate said that he did not agree to the offer.

Makate has received support from government officials and a #PleaseCallMe movement has since emerged on social media with more individuals voicing their support. Vodacom had to shut down its campus in Midrand on Thursday, as the PleaseCall Me movement, in support of Makate, arranged a protest at its headquarters.

KEY MARKET DEFINITIONS

Money Market: This is a financial market for short term financial instruments whose maturity spans from a few days to a maximum of one year. It is a market main for debt instruments issued by governments and corporations for financing short term operational needs. The market features instruments such as; Treasury bills (issued by governments), commercial papers (issued by corporations), euro-dollars, foreign exchange, bankers acceptances and so forth.

Option; This is contract which gives the buy the right (not obligation) to excesie his/her right at an agreed price and time. There are Europen options whose exercise has to take place on a specific expiry date and American options which can be exercised anywhere between the date of the agreement and expiry date. Options may also be Call Options (the Buy) or Put Options (the Sell). Impottant metrics in ptions are; the strike/agreed/predetermined price, time period, the market price of an underlying asset as well as the premium of the option. Values of options are established by Black-Scholes model.

Capital gain: This is the difference between the acquisition price of an asset and its disposal price. Mathematically it is$(P_1-P_0)/P_0$, where P_1 is the selling price and P_0 is the purchase price. Capital gain is part of total gain/return that comes from adding it with dividends in case of stocks or interest in case of baonds. Capital gain is an important aspect for growth investors/long term investors.

STOCK MARKET PRICES (CLOSES ON 25TH JANUARY 2019)

ACA 5,800;CRDB 135; DCB 340; DSE 1,380; EABL 4,750; JHL 10,200; KA 205; KCB 930; MBP 490; MCB 500; MKCB 800; MUCOB 400; NICO 215; NMB 2,340; NMG 1,420; PAL 400; SWALA 490; SWISS 2,340; TBL 12,400; TCC 17,000; TCCL 640; TICL 385; TOL 660; TPCC 2,060; TTP 120; USL 20; VODA 800; YETU 600.