

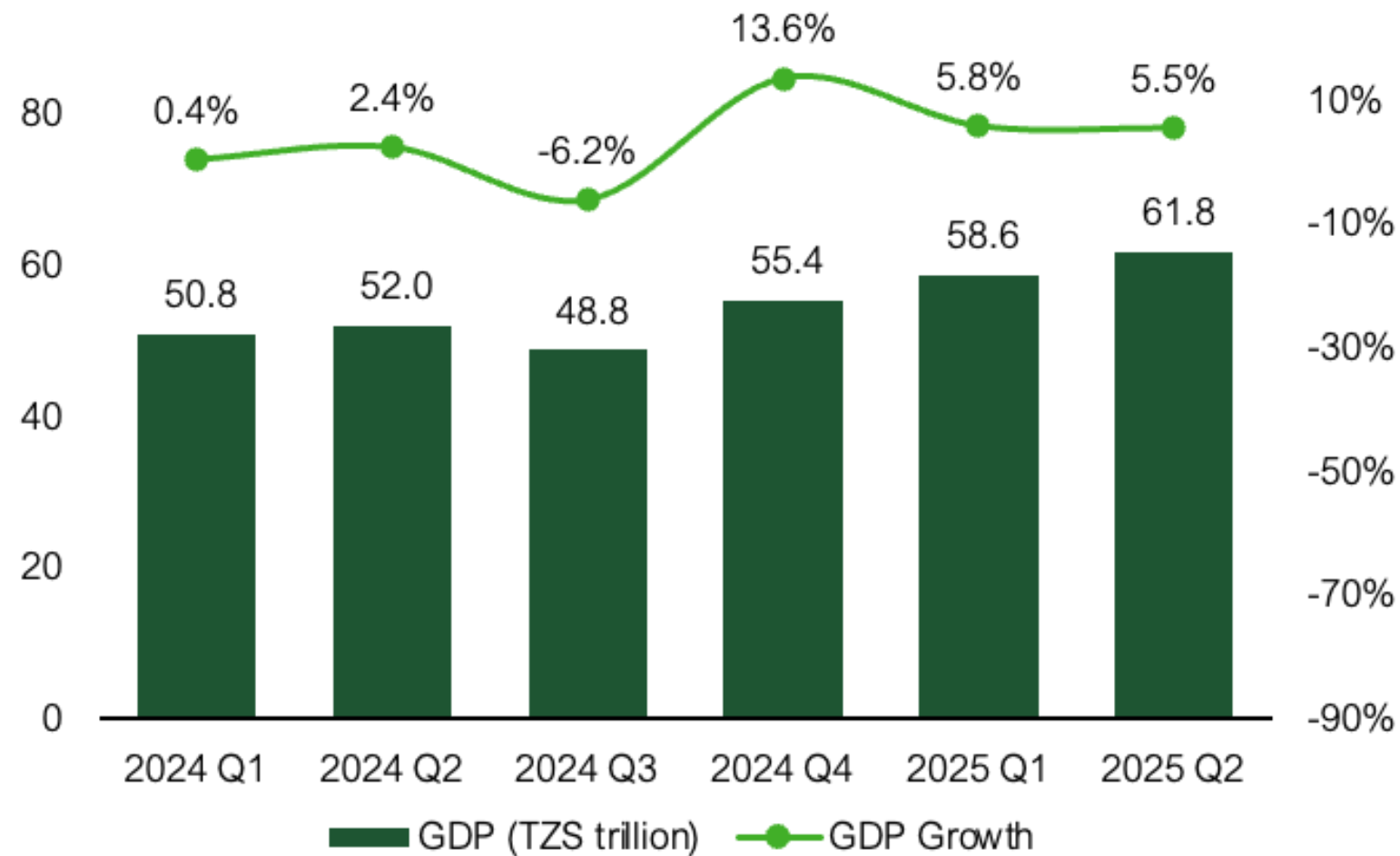


MARKET MONITOR - Q2

MULTIMARKET INSIGHTS ACROSS DEBT & EQUITIES

MACRO-ECONOMIC VIEW

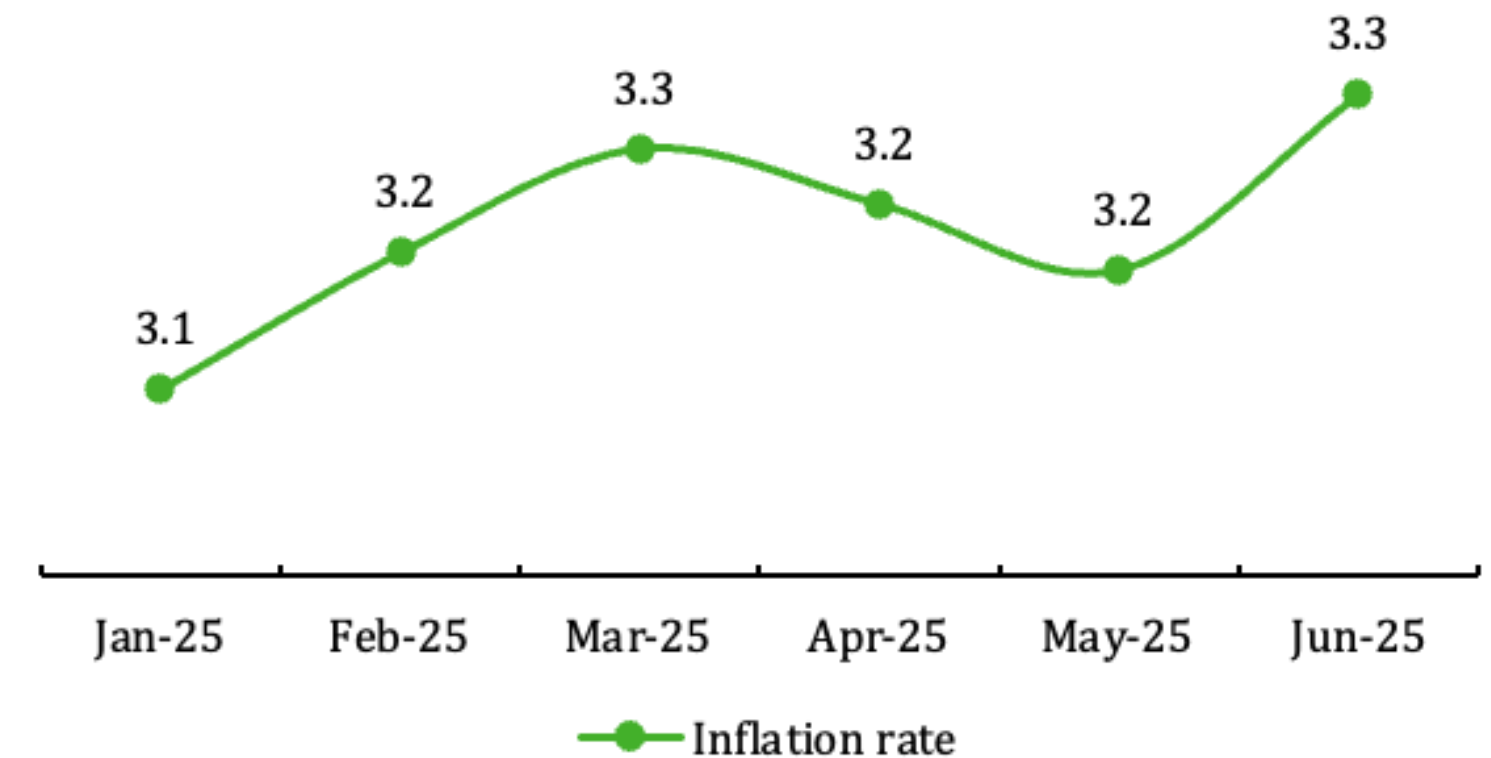
GROSS DOMESTIC PRODUCT



Tanzania's economy is accelerating: GDP grew 5.8 % y/y in Q1 2025 and 5.5 % in Q2, led by agriculture, construction, and finance, with growth projected at 6.0 % in Q3 and 6.9 % in Q4.

The central bank has cut its policy rate 25 bp to 5.75 % and set a 3.75-7.75 % target band for the 7-day interbank rate, keeping credit affordable and supporting broader business activity, employment, and household incomes.

INFLATION

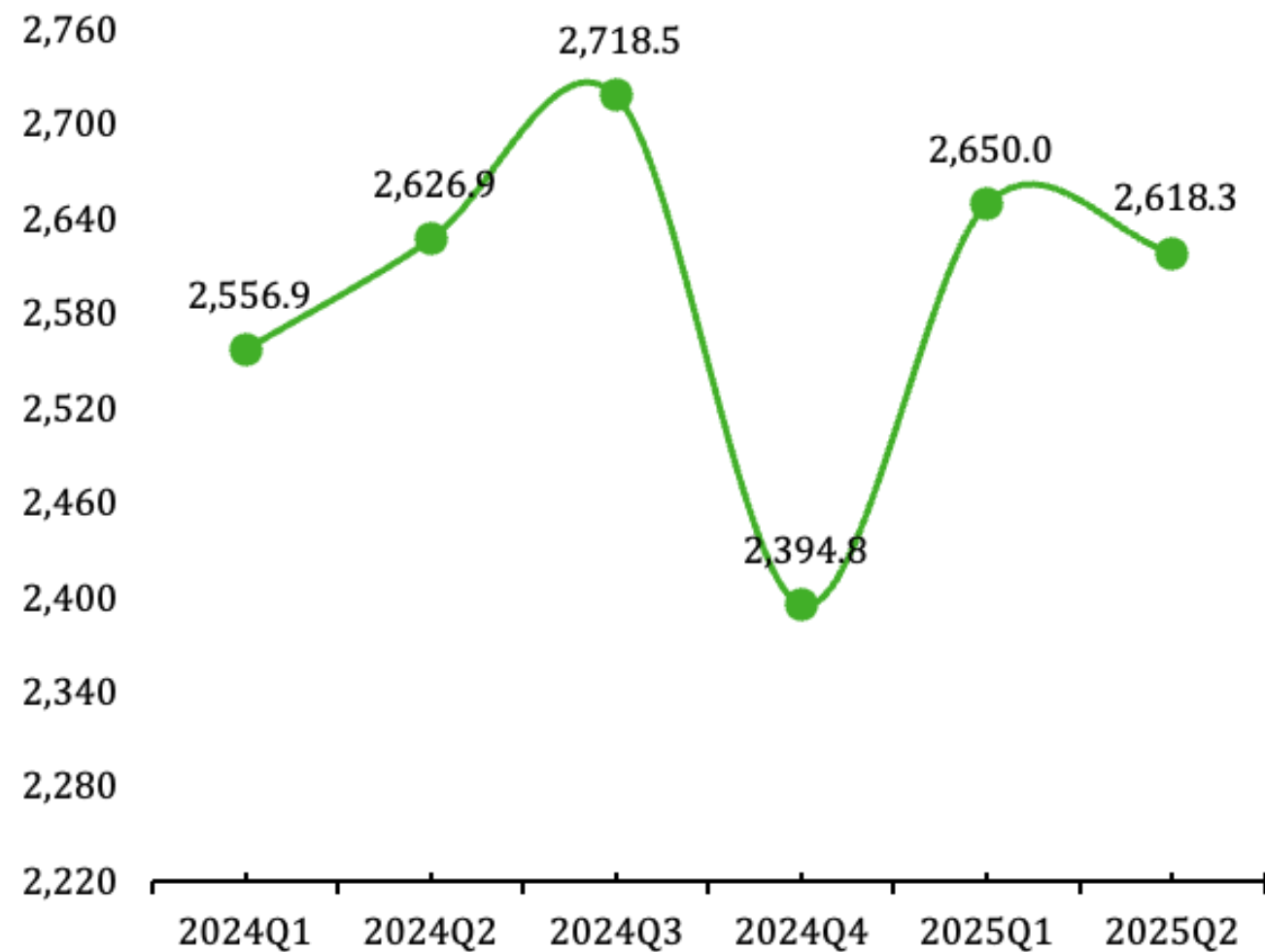


Global price pressures are softening, and Mainland Tanzania is no exception. Headline inflation averaged 3.3% in Q2 2025, held down by tight monetary policy and stable nonfood energy costs.

Core inflation continued to fall as service prices, notably in recreation, culture, and home maintenance, declined. Food prices, however, rose briefly after heavy rains disrupted transport links.

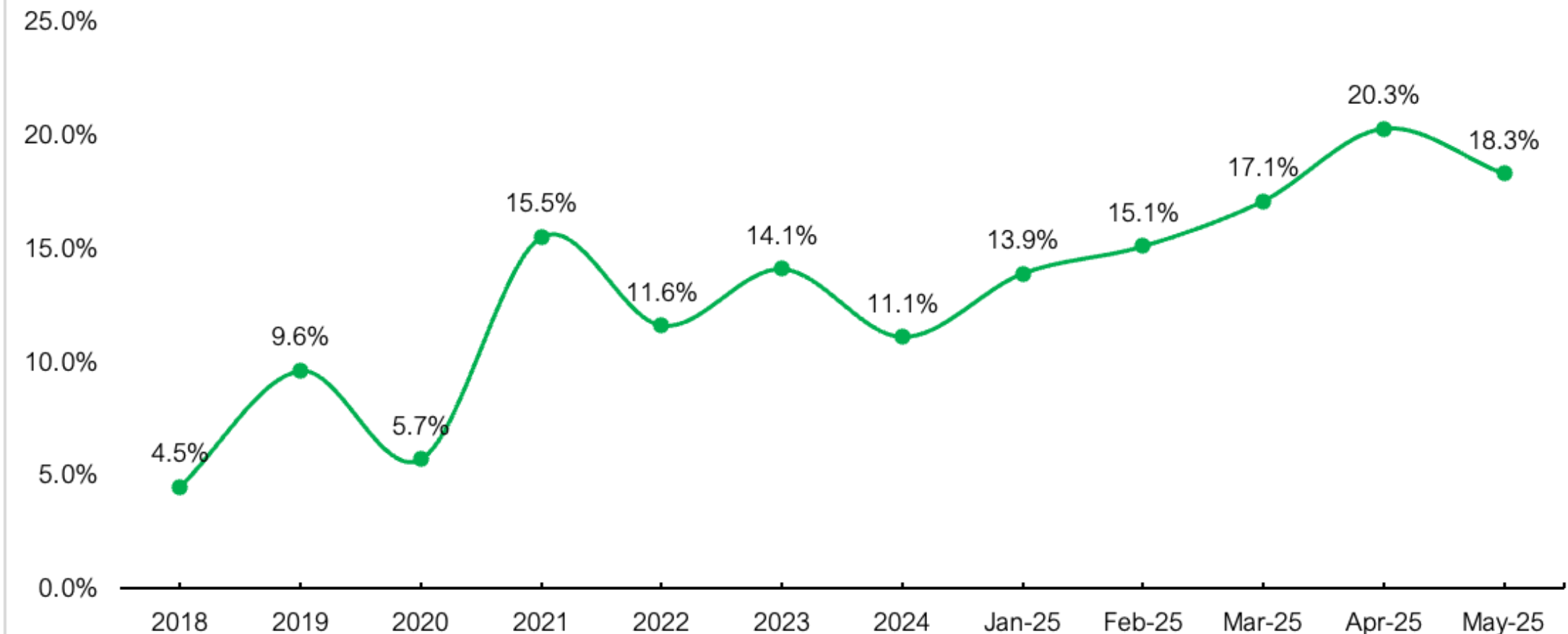
MACRO-ECONOMIC VIEW

TZS/USD EXCHANGE RATE



The shilling slipped just 0.2 percent against the dollar in the year to June 2025, a sharp turnaround from the 12.5 percent drop the year before; stronger forex liquidity from tourism receipts and gold and tobacco exports, Bank of Tanzania gold-reserve buying, tight policy, and compulsory local-currency settlement kept the TZS firm.

M3 ANNUAL GROWTH



Monetary Growth : M3 rose 19.1% y/y in Q2, up from 15.4%, driven by 16.7% credit growth.

Banking Sector: Banks remained liquid and profitable. NPLs fell to 3.4%, below the 5% limit.

Inclusion: Growth supported by agent banking, digital services, and broader product offerings.

MARKET PERFORMANCE



KEY MARKET INDICATORS

Indicators	Q1 2025	Q2 2025	% change
Total turnover (TZS bln)	123.49	151.75	22.90%
Volume of shares traded	83,231,396	128,362,794	54.20%
Total market capitalisation (TZS bln)	19,207.40	19,638.80	2.20%
Domestic market capitalisation (TZS bln)	12,943.90	12,845.50	-0.80%
All Share Index (DSEI)	2,300.00	2,353.90	2.30%
Tanzania Share Index (TSI)	4,882.60	4,852.30	-0.60%
Industrial & Allied (IA)	5,111.30	5,137.90	0.50%
Banks, Finance & Investment (BI)	6,558.00	7,179.70	9.50%
Commercial Services (CS)	2,142.70	1,422.90	-33.60%

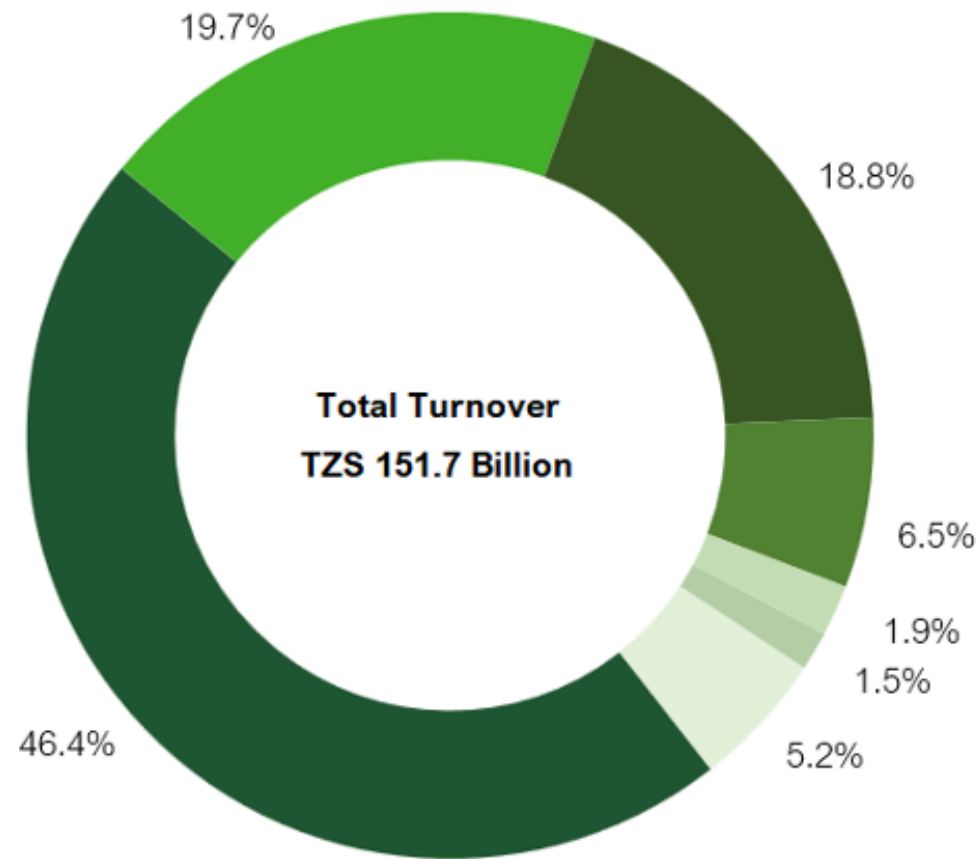
Market Activity: DSE turnover rose 22.9% QoQ to TZS 151.75 billion in Q2 2025, with volumes up 54.2%, driven by block trades in large caps.

Dividend Season: Liquidity improved as key counters went ex-dividend: TBL paid TZS 818 (ex 10 Jun, pay 16 Jun), TPCC TZS 600 (cum 21 May, pay 30 Jun), and SWIS TZS 70.72 (ex 15 May, pay 2 Jul).

Regulatory Changes: Effective 2 Jun, block-trade threshold increased to TZS 250 million, tick sizes tightened, and daily price caps set at 15%, 5%, and 2% based on market cap, enhancing price discovery in counters like Vodacom, TBL, and TCC.

TOP MOVERS

CRDB TCC TBL NMB KCB TPCC OTHER

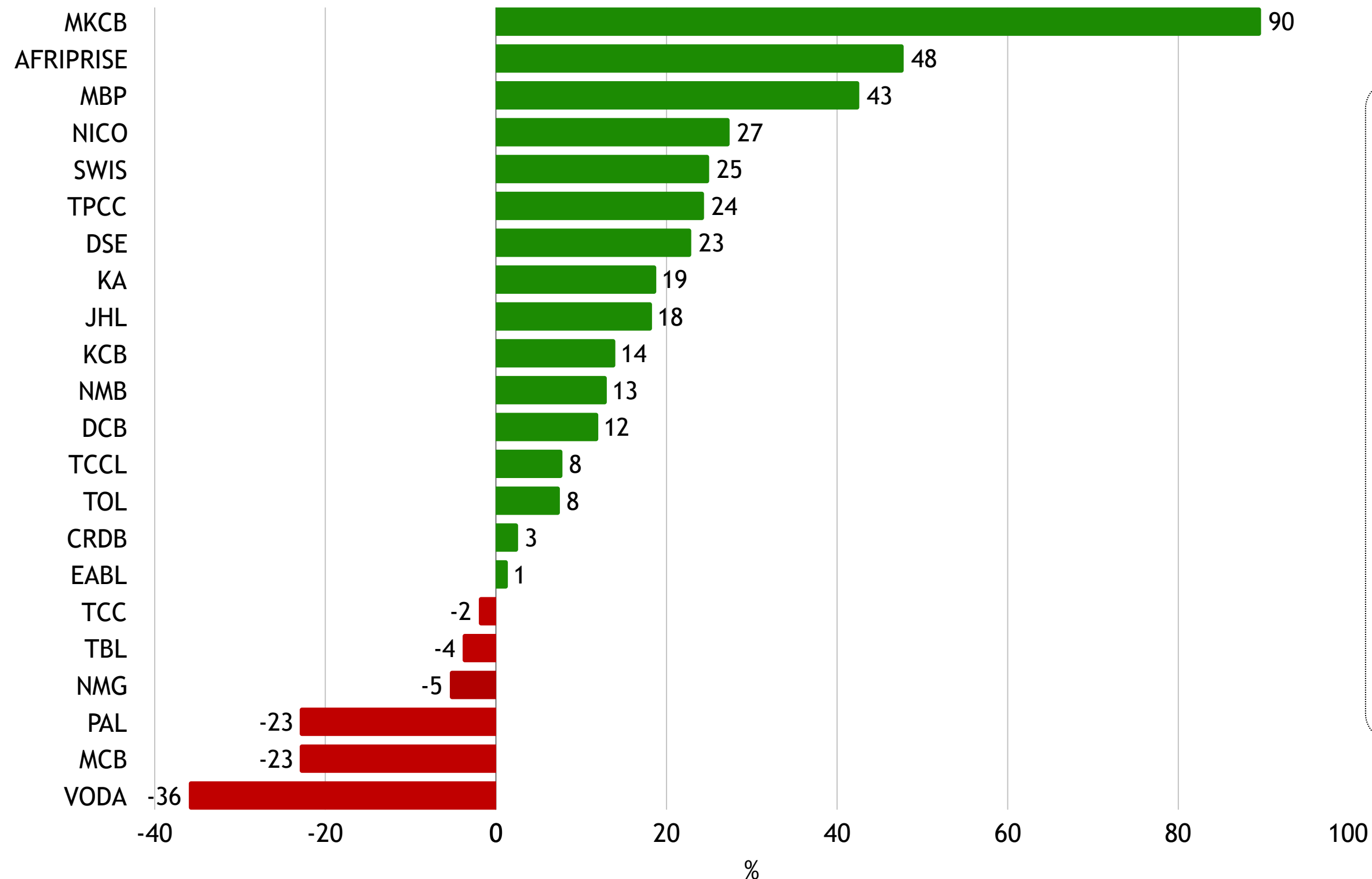


CRDB, TCC, TBL, NMB, KCB, and TPCC drove 94.8% of turnover (TZS 143.9 bn). CRDB spiked on a TZS 65 dividend, TCC and TBL traded over 3.9m and 4.2m shares. NMB rallied on a record TZS 428.85 payout, TPCC on a 13.9% yield from its TZS 600 dividend.

MARKET PERFORMANCE



Gainers & Losers



TOP GAINERS

- **MKCB (+89.7%)** — boosted by TZS 92.40 dividend declaration after more than 5 years.
- **AFRIPRISE (+47.8%)**— Q1 2025 operating profit up 57% to TZS 531 million
- **MBP (+42.6%)** — FY24 net income up 57% to TZS 3.69 billion, strong Q1 asset growth
- **SWIS (+25%)** — supported by TZS 70.72 dividend approval
- **DSE (+22.9%)** — lifted by optimism over earnings post trading rule reforms

TOP LOSERS

- **VODA (-36.4%)** — hit by sharper price discovery under new trading rules
- **TBL (-3.9%)** and **TCC (-2%)** — also adjusted under revised market pricing mechanics

MARKET PERFORMANCE



GOVERNMENT BOND MARKET QUARTERLY PERFORMANCE				
Term	Deals	Turnover (Mln)	W.Avg Price	W. Avg Yield
2 years	1	6,500.00	105.0674	11.83
5 years	25	57,340.00	102.5428	11.34
7 years	6	50,457.90	95.4764	13.66
10 years	56	65,051.20	94.1221	14.55
15 years	69	100,278.90	102.5405	13.53
20 years	707	573,347.20	108.4795	14.53
25 years	735	402,524.50	111.5155	14.74
Total		1,655,499.70		

Market Turnover

Secondary bond trading hit TZS 1.7 trillion in Q2 2025, up 71.8% from Q1, with activity heavily skewed toward long-term maturities.

Long-Term Focus

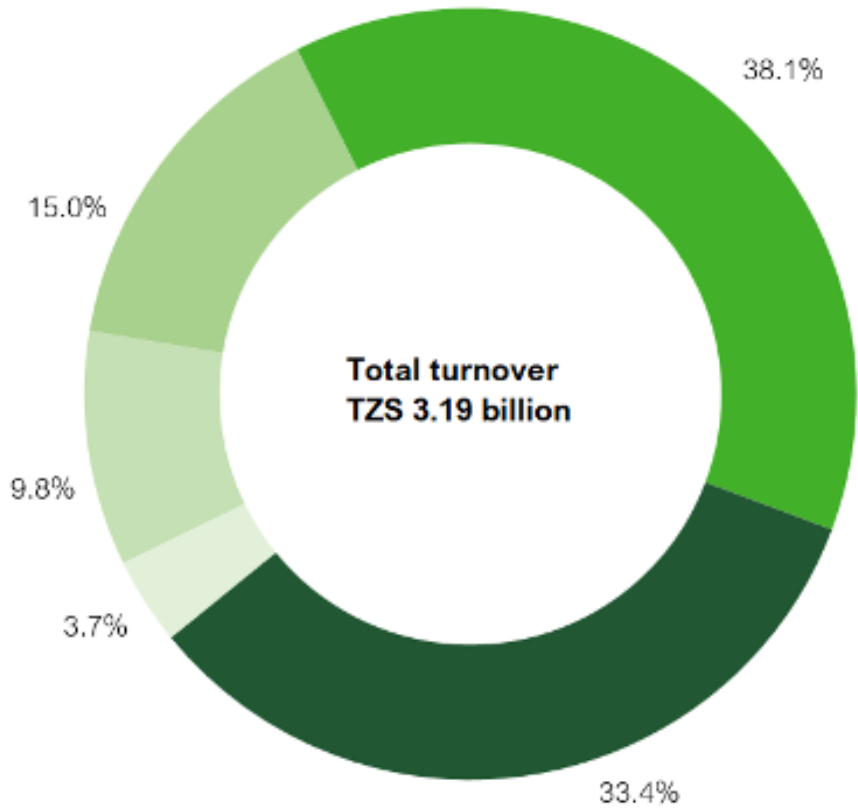
The 20-year and 25-year bonds made up 59% of total turnover. The 20-year bond led with TZS 573 billion across 707 trades at an average price of TZS 108.50 and a yield of 14.53%. Bond No. 669, offering a 15.25% coupon, was the most traded at TZS 276.9 billion.

10-Year Segment

10-year bonds saw TZS 65 billion traded from 56 deals, priced at an average of 94.12 and yielding 14.55%, reflecting sustained appetite for mid- to long-term duration.

CORPORATE BONDS TURNOVER

AZA 3 years NMB 3 years CRD 5 years SAM 5 years NBC 5 years



Zanzibar Sukuk

- Issued 21 May, 7-year TZS 300 bn Sukuk cleared at 10.5%, 127% oversubscribed.

Corporate Bonds

Made up 0.2% of Q2 trades.

- CRDB Kijani (10.21%) and Samia (12%) traded at 90-100, 72% of activity
- NMB Jasiri (9.5%) traded at 92-95, yield 14-17%

Q2 T-BOND AUCTION RESULTS

Issue	Tenor/Coupon	Offer (TZS bn)	Bid-to-cover	Accepted (TZS bn)	Wavg YTM Q2
666	25y 15.75%	248	3.2×	80	15.31% → 14.80%
669	20y 15.25%	213	3.6× → 1.3×	319 → 79	15.11% → 14.49%
667	10y 14%	151	1.3×	108	14.26%
671	5y 13%	74	1.5×	44	12.94%
668	2y 12.5%	70	1.5×	70	12.08%

Auction Demand

Investors bid TZS 2.7 trillion across seven Q2 auctions, triple the TZS 904 billion on offer. The Treasury accepted only TZS 804 billion, allowing yields to compress.

Long End Rally

- 25-year (No. 666, 15.75%) yield fell from 15.31% to 14.80%
- 20-year (No. 669, 15.25%) dropped from 15.11% to 14.49%

Front-End Stable

- 5-year (No. 671, 13%) cleared at 12.94%
- 2-year (No. 668, 12.5%) cleared at 12.08%

Result: flatter curve.

Q2 T BILLS AUCTION RESULTS

Auction	364-day W. Avg Yield	Cover	Accepted / Offered
1175 (9 Apr 2025)	8.93%	1.3×	1.3x
1176 (23 Apr 2025)	8.91%	1.2×	0.6x
1177 (14 May 2025)	9.13%	0.5×	0.5x
1178 (28 May 2025)	8.72%	2.1×	0.5x

T-Bill Yields

The 364-day yield peaked at 9.13% in May but eased to 8.72% by quarter-end as liquidity improved.

Auction Demand

Bid-to-cover hit 2.1× in the final auction, though the BoT accepted only half of submitted bids.

Thank You

CRDB Brokerage

&

Advisory

Services Unit

DEPARTMENT OF TREASURY AND CAPITAL MARKETS