



**ALPHA CAPITAL**  
*Broker, Investment Advisor, Fund Manager*

**Q4 2025**

**Tanzania Capital Market Report**

**ALPHA CAPITAL**

**INVESTMENT  
PLAYBOOK**

## EXECUTIVE SUMMARY

Tanzania's capital markets closed Q4 2025 on a strong and resilient note, supported by sustained macroeconomic stability, improving external balances, and deepening financial market participation. Despite a challenging global environment marked by geopolitical uncertainty and moderating global demand, domestic fundamentals remained robust, reinforcing investor confidence across both equity and fixed-income markets

Macroeconomic conditions were broadly supportive of investment activity. Headline inflation remained low and stable at 3.6%, well within the national target range, while the Bank of Tanzania maintained the Central Bank Rate at 5.75%, ensuring adequate liquidity and anchoring price stability. Private sector credit expanded strongly, signaling improving business sentiment and underpinning earnings prospects for listed corporates. The external sector continued to strengthen, reflected in a narrowing current account deficit and robust export performance. Strong receipts from gold, manufactured goods, and tourism supported the accumulation of foreign exchange reserves, which rose to cover approximately five months of imports, thereby underpinning exchange rate stability.

Equity market performance reflected improving confidence, albeit with moderated activity following a strong Q3. Total market turnover increased 33% year-on-year to TZS 135.1 billion, though declined quarter-on-quarter due to profit-taking. Trading activity remained highly concentrated, with banking and consumer staples dominating liquidity. The banking sector led market performance, supported by strong credit growth, declining non-performing loans, and stable monetary conditions. Select counters posted significant price gains, while declines were largely driven by profit-taking rather than structural weakness. Foreign participation eased compared to Q3, resulting in a net capital outflow of TZS 22.8 billion (about USD 9.3 Million), though this represented a notable improvement from the previous quarter, with local investors continuing to anchor market activity

The government bond market remained a key anchor of market stability. Although primary issuance volumes declined, investor appetite strengthened materially with subscription rates rising sharply to 291%, driven by strong demand for long-dated securities. The secondary bond market remained liquid, with activity concentrated in longer maturities, reflecting investor preference for duration and income stability in a low-inflation environment. Yield movements were modest, resulting in a relatively compressed yield curve and reinforcing bonds' role as a portfolio stabiliser.

A major structural milestone was achieved with the listing of Tanzania's first Exchange Traded Fund (VIS-ETF), significantly broadening the domestic investment product range and aligning the market with global best practices. Complementary regulatory reforms, including the reduction of ETF price movement limits and the transition to a T+2 equity settlement cycle effective January 2026, are expected to enhance market efficiency, liquidity, and investor protection.

Overall, Q4 2025 underscored Tanzania's increasingly mature and resilient capital market landscape. Stable macroeconomic conditions, strong fixed-income demand, selective equity opportunities, and continued market infrastructure reforms collectively support a constructive investment outlook heading into 2026, particularly for long-term investors seeking stability, yield, and gradual capital appreciation.

## 1.0. ECONOMIC OVERVIEW

The Tanzanian economy closed the fourth quarter of 2025 on a firm and increasingly resilient footing, supported by sustained macroeconomic stability, improved external sector performance, and accommodative yet disciplined monetary policy. Despite a challenging global backdrop marked by geopolitical tensions, elevated policy uncertainty, and softening global demand, domestic economic fundamentals remained robust, reinforcing investor confidence across the capital and financial markets.

Inflationary pressures continued to ease during the quarter, with headline inflation remaining low and stable at 3.6 percent in November 2025, comfortably within the national target band of 3–5 percent and aligned with both EAC and SADC convergence benchmarks. The benign inflation environment was underpinned by subdued imported inflation due to stable exchange rate dynamics and moderate global fuel prices, which translated into reduced domestic energy and transport costs. Core inflation moderated further, reflecting easing price pressures across non-food components, thereby strengthening the real return outlook for fixed-income investors and supporting longer-tenor market instruments.

Monetary policy remained supportive of economic activity while firmly anchored to price stability objectives. The Bank of Tanzania (BoT) maintained the Central Bank Rate at 5.75 percent during Q4, maintaining a stance of accommodative but controlled monetary policy and ensuring adequate liquidity in the banking system and keeping short-term interbank rates well within the policy corridor. Broad money supply expanded at a healthy pace, driven largely by sustained growth in private sector credit, particularly to productive sectors such as mining, agriculture, trade, and construction. This credit expansion signals improving business sentiment and underpins expectations of continued earnings growth in listed and unlisted corporates.

Financial markets performed strongly during the quarter, reflecting ample liquidity and sustained investor appetite for government securities. Treasury bill and bond auctions were consistently oversubscribed, with yields softening marginally across the curve, an indication of strong demand and confidence in the sovereign credit profile. The decline in weighted average yields for both short-term and long-dated instruments improved borrowing conditions for the Government while reinforcing the attractiveness of fixed-income securities as a portfolio stabilizer in a low-inflation environment.

On the fiscal front, government revenue performance remained strong in Q4, supported by continued improvements in tax administration and sustained compliance gains. Domestic revenue collections exceeded quarterly targets, with cumulative collections estimated at above 95% of the approved target, driven primarily by strong VAT, income tax, and excise duty outturns. This performance reinforced fiscal space and reduced reliance on short-term domestic financing.

Expenditure execution remained broadly aligned with available resources, with a discernible shift toward domestically financed development expenditure, which accounted for over one-third of total development spending during the period. This composition signals a deliberate effort to strengthen project implementation, reduce external financing risks, and support medium-term growth and infrastructure-linked investment opportunities, particularly in transport, energy, and social infrastructure.

Public debt dynamics remained sustainable, with total public debt estimated at approximately 41–43% of GDP, well below regional and international risk thresholds. The debt portfolio continued to be dominated by concessional external borrowing and long-term domestic instruments, with short-term debt accounting for a limited share of the total. This structure helped contain refinancing, interest-rate, and rollover risks, reinforcing overall fiscal resilience during the quarter.

The external sector strengthened markedly during Q4, providing additional macroeconomic buffers. The current account deficit narrowed significantly, driven by strong export performance, particularly gold, manufactured goods, and tourism receipts, alongside moderate import growth. Foreign exchange reserves, at about USD 6.3 Billion, remained adequate at close to five months imports cover, while the Tanzanian shilling appreciated on a year-on-year basis reflecting improved foreign exchange inflows and sustained confidence in the domestic economy.

The Q4 2025 economic landscape reflects continuation of a well-balanced macroeconomic environment characterized by price stability, improving external fundamentals, and resilient financial markets. For capital market participants, these conditions reinforce a constructive outlook for both fixed-income and risk assets, underpinned by credible policy management and strengthening economic fundamentals heading into 2026.

## 2.0. CAPITAL MARKETS

### 2.1 Comparative Market Analysis (Q3 2025 vs Q4 2025)

The quarter-on-quarter comparison of Q3 and Q4 2025 reflects a sustained strengthening in capital market performance, underpinned by improved investor sentiment and broad-based participation. Total market capitalization expanded by 12.43%, increasing from TZS 21,341.56 billion at the end of Q3 to TZS 23,995.34 billion by the close of Q4, while domestic market capitalization recorded a stronger growth of 14.98%, rising from TZS 13,550.76 billion to TZS 15,580.77 billion, signalling deeper engagement by local investors. Equity indices posted consistent quarter-on-quarter gains, with the DSEI advancing by 272.23 points and the TSI increasing by 640.61 points, supported by notable sectoral performance in Banking (17.89%), Commercial Services (14.66%), and Insurance (3.92%). Overall, Q4 outperformed Q3 across all key indicators, reinforcing a constructive market outlook and strengthening investment confidence heading into 2026.

**Table 1: Quarter on Quarter Capital Market Indices Performance (Q3 vs Q4)**

NAME	30/09/2025	31/12/2025	QOQ	
Total Market Cap (Mln TZS)	21,341.56	23,995.34	12.43%	
Domestic Market Cap	13,550.76	15,580.77	14.98%	
DSEI	2,489.70	2,761.93	272.23	Pts
TSI	5,118.80	5,759.41	640.61	Pts
IA	4,136.25	4,298.45	3.92%	
BI	9,245.90	10,900.19	17.89%	
CS	1,644.39	1,885.46	14.66%	

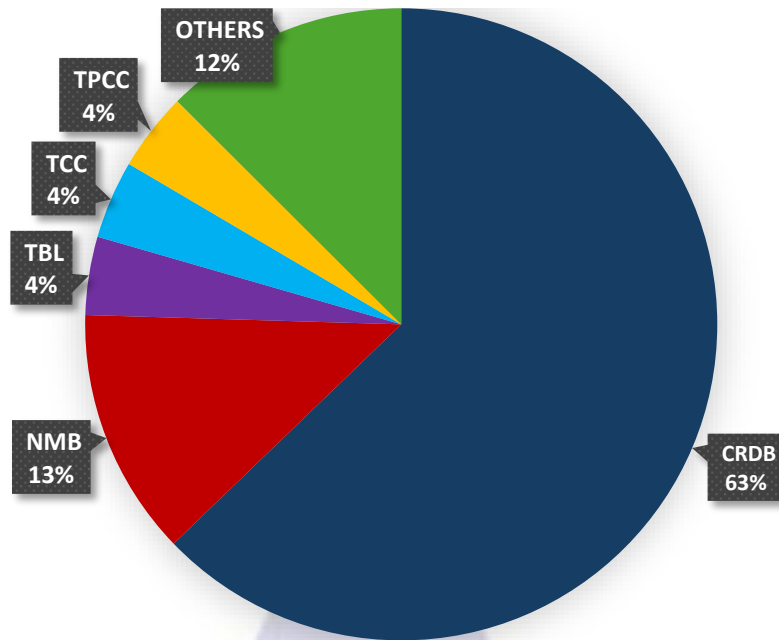
**Source:** DSE market reports and Alpha capital archives.

### 2.2 EQUITIES.

Total market turnover in Q4 2025 recorded a marked improvement over Q4 2024, increasing from TZS 101.37 billion (USD 41.2Mil) to TZS 135.13 billion (USD 54.93 Mil), being 33% year-on-year growth. In QoQ 2025 terms, market turnover declined significantly, from TZS 257.27 billion in Q3 to TZS 135.13 billion in Q4, representing a 47% decline.

The slowdown reflects reduced trading activity and profit-taking after a stronger Q3 performance. The higher activity reflects stronger market participation on the Dar es Salaam Stock Exchange (DSE), supported by improved investor engagement. Investor caution towards elections held in late October is also considered a factor in this decline. Trading volumes were concentrated in traditionally liquid sectors, particularly banking and consumer staples signalling a strengthening of investor confidence and underlying market depth.

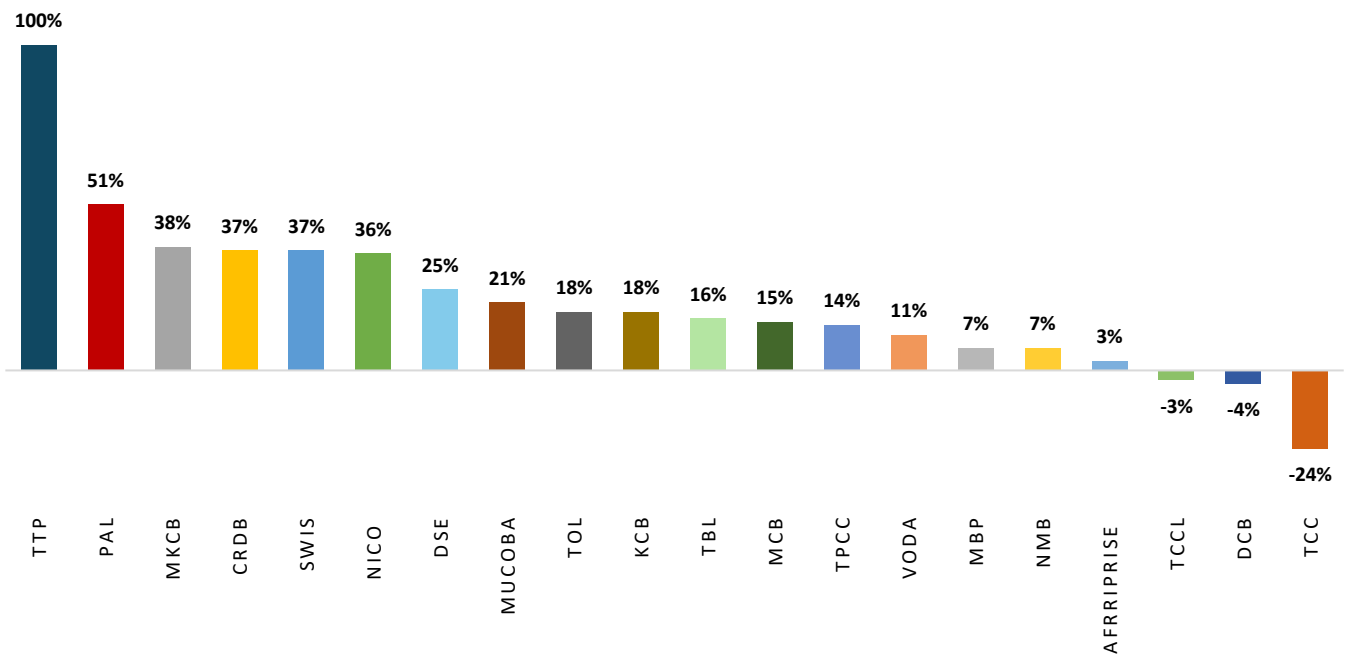
**Figure 01: Q4 2025 Market Turnover Contribution.**



*Source: DSE market report and Alpha capital archives.*

In Q4, market turnover was highly concentrated, with CRDB Bank accounting for 63% of the total, equivalent to TZS 84.86 billion. NMB Bank contributed 13% of turnover, amounting to TZS 17.13 billion. Additional contributions came from Tanzania Breweries Limited (TBL), Tanzania Cigarette Company (TCC), and Tanzania Portland Cement Company (TPCC), each accounting for approximately 4% of turnover, translating to TZS 5.11 billion, TZS 5.76 billion, and TZS 5.32 billion respectively. The remaining counters collectively accounted for 13% of turnover, totaling TZS 16.96 billion, highlighting the narrow concentration of trading liquidity during the quarter 4.

**Figure 2: Q4 2025 Price Performance on Market Gainers and Losers**



*Source: DSE market report and Alpha capital archives.*

Market price performance in Q4/2025 was led by TATEPA (DSE: TTP) which recorded the strongest gain, rising 100% from TZS 195 to TZS 390 on robust investor demand. PAL followed, advancing 51% from TZS 175 to TZS 265, supported by sustained buying interest, while MKCB increased 38% from TZS 1,960 to TZS 2,710, reflecting renewed confidence in the banking sector. SWISS also gained 37%, rising from TZS 1,660 to TZS 2,280, driven by broad-based accumulation. These gains were largely underpinned by selective institutional positioning rather than speculative trading, signaling conviction-driven demand in leading counters.

On the downside, TCC was the most notable underperformer, declining 24% from TZS 13,390 to TZS 10,200, primarily due to profit-taking following prior highs. Modest pullbacks in DCB (-4%) and TCCL (-3%) reflected targeted exits rather than widespread selling pressure.

Overall, price action in the market was characterized by strong demand in top-performing counters, disciplined profit-taking among laggards, and a focus on fundamentally-driven positions, underscoring a conviction-led trading environment.

## 2.3 SECTORIAL ANALYSIS.

### 2.3.1 Financial Sector.

In the final quarter of 2025, Tanzania's financial sector demonstrated sustained resilience and strength, supported by a stable macroeconomic environment, sustained expansion of credit to the private sector, reaching TZS 43,385.6 billion by December, 2025 from 12.1% in the corresponding period of the previous year.

Equity market performance within the financial sector was equally impressive during Q4 2025, led by Mkombozi Commercial Bank Plc (MKCB) which rose from TZS 1,960 to TZS 2,710, posting a 38% gain, followed closely by CRDB, which advanced 37% from TZS 1,120 to TZS 1,530, and National Investment company LTD NICO, up 36% from TZS 1,380 to TZS 1,880. The broader market also strengthened, with the DSE Index increasing 25% from TZS 5,740 to TZS 7,150. whereas DCB declined 4% from TZS 250 to TZS 240 was the sole decliner during the quarter. In terms of trading activity, CRDB dominated market turnover with 63% of total traded value, followed by NMB (13%), while DSE 2% and NICO 2% each accounted for smaller shares.

In terms of trading activity as CRDB dominated market turnover for 63% of total traded value as the main drivers in the market be the stable monetary policy kept the Central Bank Rate at 5.75%, anchoring 3.4% inflation and non-performing loans fell to 3.3%, signaling banking resilience.

### 2.3.2. Construction and Cement.

In Q4 2025, Tanzania's construction sector remained active, supported by strong building-materials output and ongoing infrastructure execution. Cement and clinker production continued to exceed local demand, ensuring uninterrupted supply for public infrastructure, commercial buildings, and residential construction.

Booming construction activity was also reflected in the performance of the cement sub-sector on the exchange, as Tanzania recorded a cement and clinker surplus of over 1.5 million tons through 2025. This confirms that sufficient production capacity exists to support infrastructure and private construction without signaling demand weakness. On the Dar es Salaam Stock Exchange, construction exposure was concentrated in cement producers, as no pure construction contractors are listed; Tanga Cement Plc (TCCL) completed a fully subscribed rights issue in Q4 2025, raising TZS 203.74 billion, and its shares traded at about TZS 2,400 by December signaling strong investor confidence in sustained cement demand. Tanzania Portland Cement Plc (DSE: TPCC), on the other hand, operated at full capacity supplying major national projects, and although no quarterly production figures were released, 2025 dividend performance and market indicators suggest stable revenues and strong cash flows, consistent with firm cement off-take in October–December 2025.

On the capital markets, listed cement producers showed mixed price performance, with Tanzania cigarette company Ltd (TCC) sliding by 24% from TZS 13,390 to TZS 10,200 and Twiga cement company Ltd. TCCL easing marginally from TZS 2,470 to TZS 2,400, down 3%. TPCC posted a solid gain, rising from TZS 5,400 to TZS 6,170, up 14%, reflecting continued demand for cement. Trading activity remained robust, with total market turnover amounting to TZS 12.76 billion across the three cement producers: TCC recorded TZS 5.76 billion, TPCC TZS 5.32 billion, and TCCL TZS 1.69 billion, underscoring sustained investor interest in construction-linked equities.

### 2.3.3. Aviation.

During the fourth quarter of 2025, Tanzania's aviation sector made a notable contribution to economic activity, generating an estimated TZS 9.4 trillion (USD 3.8 billion) in GDP and supporting over 711,000 jobs. While not a dominant driver of overall economic growth, the sector continued to play an important supporting role through connectivity, employment creation, and linkages with tourism, trade, and related services. Passenger traffic surged by 24.2% year-on-year, driven by peak tourism in Zanzibar and Dar es Salaam, with flight movements at Julius Nyerere International Airport averaging 92 daily by December, 2025.

While Precision Air Services PLC (DSE: PAL) remained the only aviation company listed on the Dar es Salaam Stock Exchange (DSE), maintaining a resilient 70% load factor during the holiday peak, the state-owned Air Tanzania (ATCL) dominated market share following a TZS 100 billion government stabilization subsidy. Swissport

PAL recorded a turnover of TZS 64 million during the quarter under review. During the quarter, PAL showed the improvement in price performance rising from TZS 185 in Q3 to TZS 265 December, 3143.24% a gain of 51%, while SWIS also gained strongly, moving from TZS 1,660 to TZS 2,280, up 37%.

Significant infrastructure milestones were achieved during this window, including the completion of the TZS 14.3 billion (USD 5.8 million) VVIP & Private Jet Terminal and the Terminal 1 building rehabilitation in Zanzibar by November 2025, alongside the brand new Msalato International Airport in Dodoma project valued at TZS 810.7 billion (USD 329 million) reaching over 90% infrastructure completion. These investments are poised to enhance Tanzania's aviation infrastructure and connectivity once completed. This should broaden market opportunities for carriers like PAL through new routes and traffic base expansion, and for service providers like Swissport by creating additional ground-handling volumes and service contracts. However, measurable financial impacts are likely to emerge over a multi-year horizon, contingent on traffic growth, competitive positioning, and effective operational integration into the broader aviation network.

### 2.3.4. Consumer staples.

Market activity for the quarter was largely driven by consumer staples and select industrial counters. Tanzania Breweries Limited (DSE: TBL) closed at TZS 8,510 up 16% having entered the quarter at TZS 7,320 while Tanzania Cigarette Company Plc (DSE: TCC) opened at TZS 13,390 and closed down 24% at TZS 10,200, reflecting weaker demand and profit-taking.

TOL Gases (DSE: TOL) opened at TZS 870 and closed at TZS 1,030, gaining 18%. In Q4 2025, the consumer staples and related counters were dominated by institutional activity, with TBL recording 4% of total market turnover equivalent to TZS 5.106 billion, while TCC also accounted for 4% at TZS 5.761 billion, reflecting strong block trading and institutional participation. In contrast, TOL contributed 0.08% with TZS 111.26 million total market turnover.

### 2.3.5. Telecommunication sector.

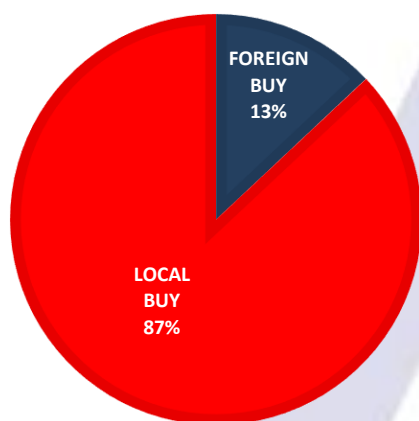
In Q4 2025, Tanzania's telecommunications sector reached a milestone of over 100 million active subscriptions, achieving a penetration rate of 145.7%. Vodacom Tanzania PLC, the only major telecom listed on DSE, maintained a dominant 31.5% market share. Vodacom share price increased by 11%; opening at TZS 590 and closing at TZS 655.

## 2.4. FOREIGN PARTICIPATION IN EQUITIES

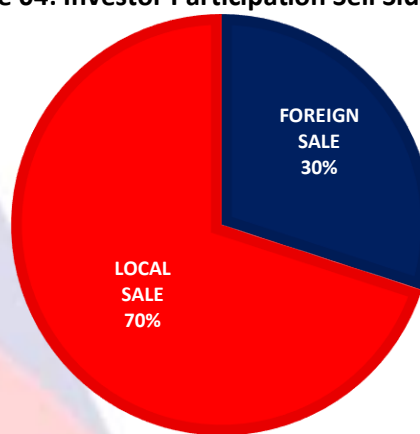
Foreign investor participation on the Dar es Salaam Stock Exchange (DSE) in the fourth quarter of 2025 continued to reflect broader portfolio adjustment dynamics, with offshore buyers and sellers engaging actively across key counters. While global market factors and higher interest rates influenced selling pressure among foreign holders in the preceding quarters, structural reforms and improved market transparency helped sustain interest from non-resident investors, contributing to both share acquisitions and disposals during Q4 as part of ongoing capital flows into Tanzania’s equity market. In the fourth quarter (Q4), foreign investors accounted for 13% of total purchases and 30% of total sales. This represents a decrease in foreign participation from Q3, where foreign investors held 21% of the buy side and 43% of the sell side. Local investors continued to anchor market activity, dominating with 87% of purchases and 70% of sales during Q4.

The market recorded a net capital outflow of TZS 22.84 billion in Q4. While this remains an outflow, it is a significant improvement, a 59.6% reduction from the TZS 56.63 billion net outflow recorded in Q3. The total turnover for the period was TZS 135.13 billion, down from the TZS 257.27 billion seen in the previous quarter.

**Figure 03: Investor Participation Buy Side**



**Figure 04: Investor Participation Sell Side**



*Source: DSE market report & Alpha Capital Archives*

*Source: DSE market report & Alpha Capital Archives*

## 3.0. BOND MARKET.

### 3.1 Comparative Market Analysis (Q3 2025 vs Q4 2025)

Compared with Q3, the Q4 2025 primary treasury bond market reflect a more measured yet resilient performance marked by, a declined in the offer size of about 47% from TZS 1.61 trillion to TZS 858.6 billion, while total tenders fell by around 46% from TZS 4.62 trillion to TZS 2.50 trillion. Indicating a deliberate tightening of supply rather than a lack of investor appetite.

Despite the reduced scale, bidding activity remained active with 2,282 bids submitted. Despite this contraction in volume, demand conditions strengthened markedly with the subscription rate rose from about 69% in Q3 to 291% in Q4, representing more than a fourfold increase.

Successful bids decreased by approximately 59%, from TZS 1.95 trillion in Q3 to TZS 800.3 billion in Q4, reflecting tighter supply conditions and a more selective allocation process, as evidenced by a 32% acceptance rate.in Q4 Consistent with Q3, investor demand remained concentrated in longer maturities, with the 15-year, 20 years, and 10-year bonds dominating subscriptions, led by the 15-year bond’s 482% subscription rate. Auction yields across the curve ranged between 10.05% to 13.19%, with higher yields observed on longer dated maturities.

**Table 2: Aggregate Treasury Bond Auction Performance in Q4-2025**

TZS' Mln	2Year	5 Year	10 Year	15 Year	20 Year	TOTAL
Amount Offered(target)	119,190	174,930.00	162,760.00	165,490.00	236,250	<b>858,620</b>
Amount Tendered	126,892	210,666.40	550,332.80	797,916.60	813,513	<b>2,499,320</b>
Number of Bids	86	109	246	467	1,374	<b>2,282</b>
Successful Bids (collection)	107,192.00	137,442.90	130,907.00	191,826.00	232,940.60	<b>800,309</b>
Subscription rate	106%	120%	338%	482%	344%	<b>291%</b>
Acceptance rate	84%	65%	24%	24%	29%	<b>32%</b>
Collection to target	90%	79%	80%	116%	99%	<b>93%</b>

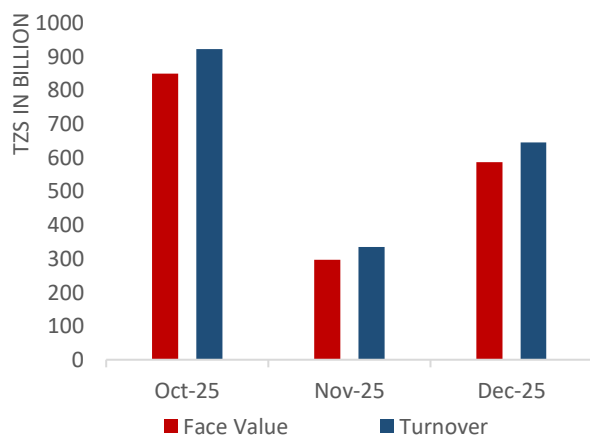
Source: BOT Auction results & Alpha Capital Archives

### 3.2. Growing Market Participation.

Market participation deepened further in Q4 2025, with a total of 2,282 bids submitted, reflecting sustained investor engagement despite a lower issuance size compared with Q3. Participation was heavily skewed toward long-term instruments, as the 20-year bond alone attracted 1,374 bids, underscoring demand for Government Bond. Investors showed a strong preference for long-term bonds to secure returns, indicate growing confidence and better liquidity in the primary bond market.

### 3.3. Secondary Bond Market.

**Figure 7: Secondary Market - Bond Performance Q4 - 2025**



Source: DSE market report & Alpha capital archives

During Q4 2025, Tanzania's secondary bond market remained resilient, reflecting sustained liquidity and investor confidence following the strong momentum recorded in Q3. Total bonds traded reached a face value of TZS 1.73 trillion, representing an increase about 16% from TZS 1.49 trillion in Q3, while total turnover amounted to TZS 1.64 trillion, a decline of 6% from TZS 1.74 trillion recorded in the previous quarter indicating a modest slowdown in trading value after Q3 peak. Market activity was executed across 1,435 deals, down about 19% from 1,776 deals in Q3, indicating fewer but relatively larger transactions. Government securities continued to dominate trading, accounting for 99.83% of total face value traded and 93.93% of total turnover, reaffirming their central role in secondary market liquidity.

Trading activity in Q4 remained heavily concentrated in long-term maturities, consistent with Q3 trends, with the 15-year, 20-year, and 25-year bonds jointly accounting for over 91% of total face value traded.

The 25-year bond was the most actively traded, contributing 49.05% of total turnover, followed by the 20-year bond at 36.99%, underscoring persistent investor preference for high coupon payments.

Corporate bonds, while still a relatively modest segment, accounted for 6.07% of total turnover across 85 deals, led by SAM, NMB, AZA, and CRDB, reflecting steady private-sector participation.

In Q4, the secondary market yield curve remained upward sloping, but the increase in yields across maturities was relatively modest. Yields ranged narrowly from about 11.0% on the 2-year bond to around 13.4% on the 25-year bond, indicating limited additional return for extending duration. Mid-term bonds, including the 10-year and 15-year tenors, traded close to 11.7%–12.1%, reinforcing the compressed nature of the curve. Overall, the shallow yield differentials suggest that investors extended maturities more for stability and duration positioning than for significantly higher returns

## **4.0. MARKET DEVELOPMENTS**

### **4.1 Introduction of Tanzania’s First Exchange Traded Fund (ETF)**

Tanzania reached a landmark in capital market development with the listing and commencement of trading of the Vertex International Securities ETF (VIS-ETF) on the Dar es Salaam Stock Exchange (DSE). As the first ETF in the Tanzanian market, approved and supervised by the Capital Markets and Securities Authority (CMSA), the VIS-ETF reflects growing regulatory maturity and strong institutional confidence.

The introduction of the VIS-ETF broadened the domestic investment product spectrum, enhancing market depth, liquidity, and accessibility for both retail and institutional investors, while aligning the DSE with regional and global market standards.

As at 10 December 2025, the ETF recorded a Net Asset Value (NAV) of TZS 9.02 billion, with 34.0 million units outstanding, translating into an NAV per unit of TZS 265.23. Since its listing on 21 October 2025, the ETF has traded at a premium, closing at TZS 330 per unit as at 10 December 2025, signaling strong investor demand and positive market sentiment toward the product.

### **4.2 Regulatory Adjustment to ETF Price Movement Limits on the DSE**

The Dar es Salaam Stock Exchange (DSE) implemented a key regulatory adjustment to enhance the efficiency of the nascent ETF market by revising the price cap limit applicable to Exchange-Traded Funds. Effective 24 November 2025, the ETF price movement limit was reduced from 15% to 5%, aligning trading price fluctuations more closely with issuers’ requirements that ETF market prices do not deviate from Net Asset Value (NAV) by more than 5%. The amendment is intended to strengthen market integrity, improve price discovery, and ensure ETF prices remain reflective of underlying asset values, while requiring all licensed dealing members and custodians to update relevant systems and internal controls accordingly.

### **4.3 Equity Market Settlement Cycle Shortened to T+2**

In Q4 2025, a key market infrastructure development was announced with the approval by the Capital Markets and Securities Authority (CMSA) to shorten the equity settlement cycle from T+3 to T+2, effective for trades executed on or after 2 January 2026. The change, communicated by the Central Securities Depository and Registry (CSDR), is expected to enhance market efficiency, reduce counterparty and settlement risk, improve liquidity, and align Tanzania’s equity market with international best practices. Market participants, including stockbrokers, custodian banks, and investors, are required to adjust their operational and funding processes to ensure a smooth transition under the new settlement timeline.

## 5.0. MARKET OUTLOOK

Looking ahead, Tanzania's capital markets are positioned for measured expansion, supported by macroeconomic stability, strengthening market infrastructure, and gradual diversification of investment instruments. The low and stable inflation environment, prudent monetary policy stance, and improving external balances provide a credible foundation for sustained investor confidence into the medium term. These fundamentals are likely to continue anchoring real returns, particularly in fixed-income markets, while providing a stable backdrop for selective risk-taking in equities.

The outlook for the equity market remains cautiously constructive. While liquidity is still concentrated in a narrow set of large-cap counters, particularly within the financial sector, ongoing reforms such as the transition to a T+2 settlement cycle and the introduction of exchange-traded products are expected to enhance market efficiency, deepen participation, and reduce structural frictions. Over time, these developments should improve price discovery and broaden institutional engagement, although short-term volatility may persist due to profit-taking and foreign portfolio rebalancing.

In the bond market, sustained demand for long-dated government securities signals continued confidence in sovereign credit quality and fiscal sustainability. The relatively compressed yield curve suggests that investors are increasingly prioritizing duration, stability, and predictable income streams over incremental yield, a trend likely to persist in a low-inflation environment. This creates favorable conditions for liability-driven investors, while also opening space for gradual growth in the corporate bond segment as issuers seek alternative funding channels.

From a strategic communication perspective, the credibility of regulatory institutions and the consistency of policy signaling will be critical in shaping market expectations. Clear, transparent, and timely communication by policymakers and market regulators will remain a key non-financial driver of capital formation, particularly as the market introduces more sophisticated instruments. Overall, the near-term outlook points to steady rather than rapid growth, with structural reforms, institutional trust, and investor education emerging as the decisive factors shaping Tanzania's capital market trajectory beyond 2026.



## APPENDICES

### Appendix 1: EQUITIES TOTAL TURNOVER

Month	2024 (TZS)	2025 (TZS)	YoY Change (%)
October	42,703,858,785	47,498,139,265	+11%
November	12,527,501,285	32,201,811,450	+157%
December	46,140,454,795	55,426,396,290	+20%
<b>TOTAL</b>	<b>101,371814865</b>	<b>135,126,347,005</b>	<b>+33%</b>

### Appendix 2: SUMMARY FOREIGN INFLOW AND OUTFLOW.

Month	2024			2025		
	Foreign Buy	Foreign Sale	Net Outflow	Foreign Buy	Foreign Sale	Net Outflow
October	1,550,852,999	20,367,501,331	18,816,648,332	8,718,937,881	13,871,041,538	5,152,103,656
November	257,141,952	2,049,886,613	1,792,744,662	5,048,457,621	10,367,115,512	5,318,657,892
December	2,225,472,056	16,529,775,110	16,373,272,254	3,307,293,730	19,053,322,268	15,746,028,539
<b>TOTAL</b>	<b>14,857,856,870</b>	<b>81,389,413,664</b>	<b>68,600,525,995</b>	<b>110,002,037,920</b>	<b>291,616,839,122</b>	<b>181,614,801,202</b>

### Appendix 3: BOND TURNOVER Q4 – 2025.

Cumulative Performance Q4 -2025						
Term	Face Value	%Face Value	Turnover	%Turnover	T/Face	Deals
2-YEAR TREASURY BOND	11.405	0.66%	4.6899	0.30%	<b>0.41121438</b>	4
5-YEAR TREASURY BOND	86.519	5.00%	36.0305	2.34%	<b>0.416446099</b>	39
7-YEAR TREASURY BOND	10.075	0.58%	10.5708	0.69%	<b>1.049210918</b>	5
10-YEAR TREASURY BOND	37.4176	2.16%	33.1746	2.15%	<b>0.886604165</b>	37
15-YEAR TREASURY BOND	826.7802	47.77%	130.7064	8.48%	<b>0.158090869</b>	145
20-YEAR TREASURY BOND	427.0657	24.68%	570.2002	36.99%	<b>1.335158033</b>	560
25-YEAR TREASURY BOND	331.467	19.15%	756.1942	49.05%	<b>2.281355912</b>	560
<b>Total Govt Bond</b>	<b>1730.7295</b>		<b>1541.5666</b>		<b>6.538080375</b>	<b>1350</b>
<b>Percentage (Govt)</b>		<b>99.83%</b>	<b>93.93%</b>			<b>94.08%</b>
SAM	1.4888	50.20%	41.0598	41.20%	<b>27.57912413</b>	32
NBC	0.08	2.70%	0.2763	0.28%	<b>3.45375</b>	3
ABK	0.01979	0.67%	10.6663	10.70%	<b>538.9742294</b>	10
TCB	0.307	10.35%	0.3184	0.32%	<b>1.03713355</b>	5
NMB	0.2725	9.19%	10.8549	10.89%	<b>39.83449541</b>	18
AZA	0.2715	9.16%	19.8624	19.93%	<b>73.15801105</b>	7
CRD	0.511	17.23%	6.1922	6.21%	<b>12.11780822</b>	7
RGO	0.015	0.51%	10.433	10.47%	<b>695.5333333</b>	3
<b>Total Corporate Bond</b>	<b>2.96559</b>		<b>99.6633</b>		<b>1391.687885</b>	<b>85</b>
<b>Percentage (Corporate)</b>		<b>0.17%</b>	<b>6.07%</b>			<b>5.92%</b>
<b>Total (Govt + Corporate)</b>	<b>1733.69509</b>		<b>1641.2299</b>		<b>1398.225965</b>	<b>1435</b>
<b>Percentage (Govt + Corporate)</b>		<b>100.00%</b>				<b>100.00%</b>

# INVESTMENT PLAYBOOK Q4 2025

## Appendix 4: TOTAL TURNOVER OF STOCKS IN 2025

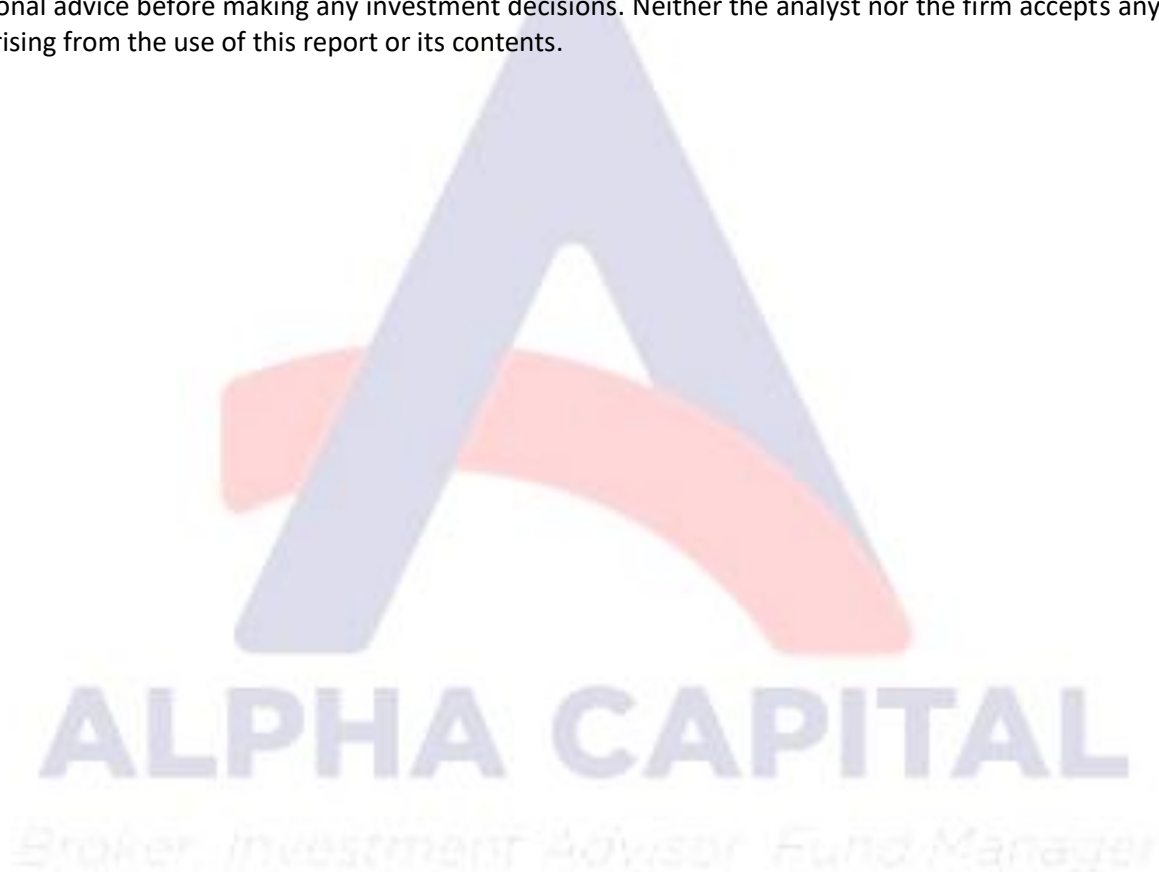
	Q4 2024 (TZS)	Q4 2025 (TZS)	Price 31/12/2025	Price 30/09/2025	Price 31/12/2024	QTD %	YTD %	YoY %
CRDB	37,445,097,040	84,856,741,200	1,530	1,140	670	34%	128%	128%
DCB	61,711,335	454,598,440	240	250	135	-4%	78%	78%
DSE	2,572,184,520	2,884,800,795	7,150	5,650	2,360	27%	203%	203%
EABL	-	-	4,160	4,160	3,240	0%	28%	28%
JATU	-	-	265	265	265	0%	0%	0%
JHL	-	1,214,080,000	6,400	6,400	3,370	0%	90%	90%
KA	-	-	105	105	80	0%	31%	31%
KCB	-	1,217,912,950	1,350	1,140	780	18%	73%	73%
MBP	5,983,050	109,259,215	755	710	310	6%	144%	144%
MCB	1,046,740	73,961,020	460	395	310	16%	48%	48%
MKCB	6,940,090	324,518,110	2,710	1,800	540	51%	402%	402%
MUCOBA	328,000	20,418,840	410	340	400	21%	2%	2%
NICO	423,557,820	2,802,483,910	1,880	1,430	640	31%	194%	194%
NMB	9,955,642,650	17,125,433,140	8,410	7,980	5,350	5%	57%	57%
NMG	-	-	280	280	240	0%	17%	17%
PAL	2,440,800	64,056,930	265	185	400	43%	-34%	-34%
SWALA	-	-	450	450	450	0%	0%	0%
SWIS	52,990,680	348,913,520	2,280	1,650	1,100	38%	107%	107%
TBL	28,733,316,100	5,106,108,420	8,510	7,320	10,900	16%	-22%	-22%
TCC	19,490,788,000	5,761,454,920	10,200	13,390	17,000	-24%	-40%	-40%
TCCL	526,223,140	1,686,370,200	2,400	2,470	1,800	-3%	33%	33%
AFRIPRISE	118,904,340	3,617,799,300	495	480	215	3%	130%	130%
TOL	97,889,790	111,258,855	1,030	870	670	18%	54%	54%
TPCC	1,865,331,580	5,316,758,260	6,170	5,400	3,600	14%	71%	71%
TTP	613,730	31,796,825	390	190	120	105%	225%	225%
USL	-	-	5	5	5	0%	0%	0%
VODA	10,825,460	1,997,622,155	655	580	770	13%	-15%	-15%
YETU	-	-	510	510	510	0%	0%	0%
<b>TOTAL TURNOVER</b>	<b>101,371,814,865</b>	<b>135,126,347,005</b>						

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