

## STOCKS

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# Why demand for shares is low

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**Dar es Salaam.** Only 3.8 percent of the total shares offered for sale at the equity market on Wednesday were bought by investors.

The Dar es Salaam Stock Exchange's daily market report stated that over seven million shares were offered by investors for sale. But, at the end of the auction, only 266,065 shares had been bought.

The low demand is attributed to low participation by foreign investors who were absent from the trading floor since the start of the week.

Local investors were the majority participants, buying 99 percent of the traded shares.

Currently, there are only 34,837 outstanding bids by investors who are willing, ready and able to buy.

Zan Securities managing director Raphael Masumbuko told *The Citizen* that investors sell their stocks for different reasons - including cover-

ing their operational expenses, or to venture into other investments.

"Stock markets are prone to seasonal trends and can move in one general direction or another - until something relatively drastic causes that direction to change," he said.

Seventy-two percent (over five million) of the shares supplied were from the Vodacom trading counter.

**The percentage of shares offered for sale on Wednesday that were bought by investors**

# 3.8

DSE successfully made 25 deals on Wednesday, recording a total turnover of Sh120.67 million.

Active trading counters included CRDB - which had 215,420 shares traded at a weighted average price of Sh170 per share in 14 deals. The DSE counter traded 21,302 shares at Sh890 per share in six deals.

The Tanzania Breweries Limited (TBL) counter had 60 shares traded at the weighted average price of Sh10,400 per share in a single deal.

The report also shows that the Tanzania Portland Cement Company (TPCC) counter had 29,283 shares traded at weighted average price of Sh2,200 apiece in four deals.