

Investors cash up as CRDB equity price rises

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Dar es Salaam. Investors - who bought CRDB Bank shares during the last day of trading last year (December 31, 2019) and sold them this week - will smile all the way to the bank as the lender's equity price rises to three-year high.

A share for CRDB Bank fetched Sh95 on December 31, 2019 at the Dar es Salaam Stock Exchange (DSE) but its price rose by 115.789 per cent to trade at Sh205 on Tuesday.

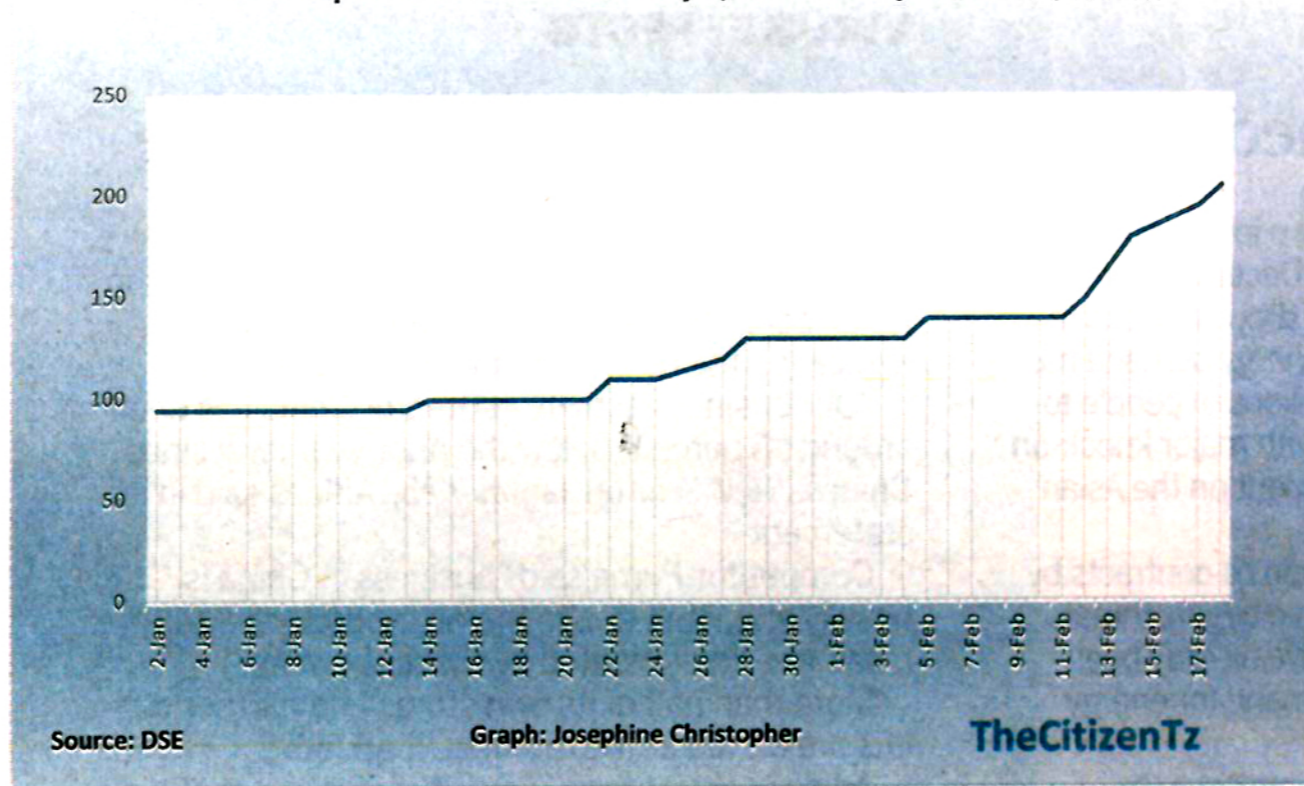
In simpler terms, this means that for any share for CRDB Bank that an investor bought on December 31, 2019 and sold it on Tuesday this week, the profit gained on it (the equity) was Sh110.

The last time that the price for a CRDB Bank share crossed the Sh200

mark was in January 2017.

The lender's share price has been rallying during the past few weeks since the announcement of financial results for the 2019 calendar year.

CRDB share price trend from January 2, to February 18, 2020 (Shilling)



The rise in share price sent CRDB Bank's share of the DSE's market capitalization up to Sh535.43 billion on Tuesday this week, from Sh248.12 billion during the first day of trading this year (January 2, 2020).

The bank's net profit rose to Sh122.444 billion last year from Sh64 billion in 2018.

At the close of business on Tuesday, CRDB Bank also emerged as the second top market mover behind TBL. The lender's turnover for the day stood at Sh236.3 million.

The bank's director of corporate affairs, Ms Tully Mwambapa believes the surge in prices explains a number of achievements that CRDB registered last year. The rise in profits, along with CRDB's accreditation by the United Nations Green Climate Fund (GCF) for the implementation of green financing in Tanzania, have rekindled investors' confidence and interest in the bank's shares.

"This shows there is still room for investors to generate profits through trading of stocks," said the Zan Securities chief executive officer, Mr Raphael Masumbuko.