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Acacia shares up 20%

London, Acacia Mining's shares soared more than 20 per cent on Thursday after its majority shareholder, Barrick Gold, agreed the Tanzanian government would take a 16 percent stake in its assets in the east African country to end a six-month dispute over the miner's operations.

Mr. John Thornton, the executive chairman of Barrick, which owns 64 per cent of Acacia, said after talks with government ministers in Tanzania that the company would also; pay Tanzania \$300 million as a sign of good faith. It was not immediately clear if the government, in return, would lift the demand for Acacia to meet a \$190 billion demand for unpaid taxes.

Acacia operates three mines in Tanzania, which account for the vast majority of its assets. It had scaled back operations at the biggest mine, Bulyanhulu, as a result of the export ban.

The dispute started in March when the Tanzanian government banned the export of unprocessed ores in an effort to boost the country's domestic smelting industry. The government then accused Acacia, one of Africa's largest gold producers and one of Tanzania's largest private employers, of illegally under-reporting the amount of metal in its shipments and the tax evasion.

Acacia denied any wrongdoing and disputed the Tanzanian revenue authority's assessments that it owed the government approximately \$40 billion in unpaid taxes plus a further \$150 billion in penalties and interest.

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Vodacom to reap Tsh 120 Billion from Helios

Dar es Salaam. Vodacom Tanzania PLC is expected to generate a profit from disposal before tax of about Sh120 billion after exiting its investment in Helios Towers Tanzania (HT) an independent telecoms tower infrastructure company. In 2014, Vodacom transferred 1,149 telecoms towers to Helios Towers Tanzania and as a result of the series of sales and leaseback transactions, the mobile operator acquired a 24 per cent equity in the business.

However, Vodacom is now quitting the firm saying that it no longer complements the core business objectives.

During the financial year ended March 31, 2016, the board approved the plan to exit its investment in HTT given that no longer complemented .I. the core business objectives," Vodacom said in a letter to Dar es Salaam Stock Exchange (DSE) CEO.

The letter was posted on the bourse website. The company said the transfer of shares was approved by Tanzania's Fair Competition Commission (FCC) and the Tanzania Communications Regulatory Authority (TCRA) but is expected to complete on October 20, 2017 (today).

The transfer of shares will result in an estimated accounting profit from disposal before tax of Sh120 billion and an increase in the net cash position by \$58.5 million, Vodacom. *"The Citizen, Business Pg.11"*

Over Tsh 250 Billion collected at T-Bill

STRONG demand greeted the treasury bills auction sending the note to oversubscription despite the fall of yield rates across all tenures. Bids worth 255.98bn/were collected on the auction of the short-term maturities held at the Bank of Tanzania, (BOT) on Wednesday, indicating high market liquidity among investors, Investors in the government: securities particularly commercial banks dominated the show of the treasury 'bills auction, the situation that may have impacted on

the credit extended to the private sector. According to the Bank of Tanzania (BOT) Economic bulletin for the quarter ending June, the total domestic credit by the banking system declined by 4.1 per cent year on-year in June 2017 compared with an increase of 23.7 percent in June 2016.

Other investors in the treasury bills auctions are pension funds and some microfinance institution. However, apart from oversubscriptions, the government retained 141.5bn as successful amount which is slightly below 169bn the amount offered to the market for bidding.

Central Bank uses the short-term government note to mop excess liquidity in the circulations. Interest rates on the 364 tenure declined to 10.24 per cent from 10.76 per cent and 11.21 per cent of the two previous sessions. Yield rate on 182 days tenure declined to 7.35 per cent from 7.68 per cent and 8.66 per cent of the preceding sessions.

Weighted average price for success bid decreased to 9.37 per cent horn 9.45 per cent and 10.30 per cent of the last sessions. The 364 days tenure attracted bids worth 209.4bn/compared to 100bn/offered to the market and at the end 100bn/was retained as successful amount.

The 182 days offer attracted bids worth 40.4bn/compared to 65bn/offered to the market for bidding and 40.4bn/was kept as success full amount. The two tenures, 364 and 182 days offer commanded 98 per 'cent to the total bid tendered to the market in the Wednesday auction. The number of successful bids was 164 out of 238 that participated in the one year treasury bills auction. *“Daily News, Business” & Finance Pg 19.*

Mwanga bank profit increases

MWANGA Community Bank has posted a net profit increase of over 16 per cent in this year’s third quarter thanks to non-interest income. The bank posted a net profit of 846.04m/in Q3 up from 52.43m/in the same period last year.

According to the financial statement published yesterday, the bank attributed the profit mainly to non-interest income that raked in 490m/in Q3 against 199.8m/in same period last year. The non-interest income was mainly boosted by commissions and fees that contributed 475.77m/almost . 90 per cent total portfolio amount.

Also non-interest amount was almost twice of net interest income that generated 261 .75m/down from 310.08m/-. The bank managed to slightly slash administrative expenses in the quarter to 443.41m/horn 444.05m/despite doubling of salaries and benefits to almost339.73m

The salaries and other benefits almost doubled but the bank staff number was constant at 46 and number of branches remains three.

The other operating expenses, which are non salaries and benefits, shrank to 103.67m/from 258.67m/-.

The profit pushed up basic earnings per share to 43 cents up from 6 cents of a shilling.

Mwanga Community Bank assets grew to 13.83bn/hem 10.39bn/in three month to September. Customer deposits reached 9.37bn/at the end of last month ' compared to 6.65bn/at end of June.

However, the bank ratio of non-performing loans total gross loan remained high despite descending to 19 per cent from 21 per cent in three months ending September. The industry benchmark is 5.0 per cent.

Nevertheless, on year-to-year the bank posted a slim net profit increase of 192.35m/up from 183.39m/-.

Mwanga bank is a public entity but not listed at Dar es Salaam _ Stock Exchange (DSE) and established 14 years ago.

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