

Tanzania's Financial Market Landscape

Deepening Tanzania's Capital Market



Economic Overview

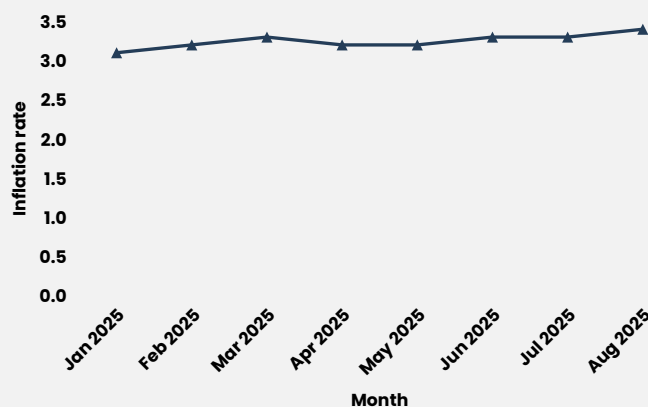
Tanzania's economy has grown robustly (~5–6% annually) in recent years, with the IMF projecting 6.0% real GDP growth in 2025. Over the past decade, GDP growth averaged ~5.5%.

Macroeconomic stability is a hallmark: inflation has been kept in single digits within BOT's Target of 5%, and fiscal deficits are moderate. The World Bank notes a "track record of macroeconomic stability" and prudent fiscal management, while the IMF reports "robust growth and macro-financial stability underpinned by prudent macroeconomic management".

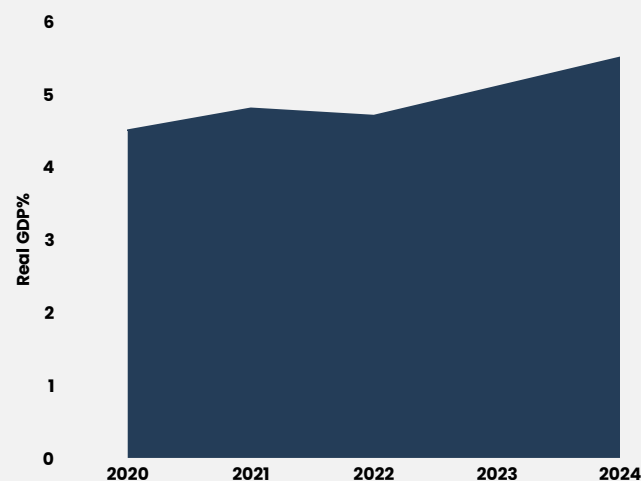
Major Sectors: The economy is diversified:

- Agriculture accounts for about 25% of GDP and still employs ~2/3 of the population. Tanzania is a top African producer of cash crops (coffee, cashews, tea) and is also one of the world's largest gold producers.
- The mining sector (gold, gemstones, nickel, graphite, etc.) generates roughly 9–10% of GDP. (It holds vast natural resources – for example, estimated natural gas reserves are ~57 trillion cubic feet)
- Manufacturing and industrial activity (cement, steel, textiles, agro-processing) make up about one-third of GDP, bolstered by major projects (cement plants, glass factories).
- Tourism is a major foreign-exchange earner (about 17% of GDP in 2024), driven by wildlife parks and Zanzibar's resorts.
- The services sector (banking, telecoms, retail, transport) is also growing. Urbanization is rising (38% of the population in cities), creating a growing middle class and consumer market for goods and services.

Inflation rate Trend



GDP Trend



Tanzania's Real GDP Growth (2020–2024)

According to the National Bureau of Statistics (NBS), Tanzania's economy expanded steadily from 4.5 % in 2020 to 5.5 % in 2024, reflecting a sustained post-pandemic recovery and macroeconomic stability. The upward trend underscores resilience in agriculture, mining, and financial services sectors that collectively underpin capital market growth and investor confidence



Demographics & Human Capital Landscape

Tanzania is a young and growing nation, with the 2022 Population and Housing Census recording ~61.74 million people, comprising 30.05 million males and 31.69 million females (i.e. ~50.4% female). More recent estimates (2025) place the population at approximately 68 million , reflecting continued growth.

The demographic structure is strongly youth-skewed. A large proportion of the population is under 17 years of age (historical data suggests ~44 %). This yields both a challenge and an opportunity: as younger cohorts mature, labor supply and consumption capacity will expand, supporting deeper capital markets and investment absorption.

Fertility & Mortality

On fertility and mortality, Tanzania's total fertility rate (TFR) is estimated at ~4.39 children per woman. which remains relatively high but has declined from past decades. Life expectancy is improving overall average is ~66.8 years, with women (~68.9) living slightly longer than men (~64.7).

Employment Status

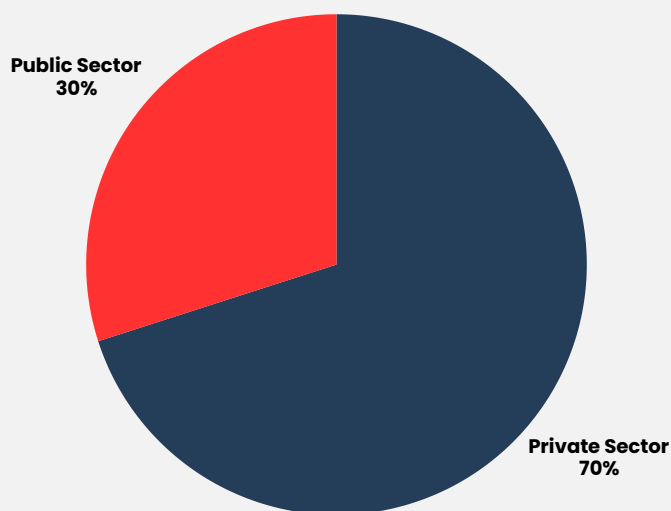
The demographic profile suggests a growing working-age population (15–64 years) which is central for leveraging the demographic dividend. According to the 2022 census, the working-age group is around 33 million people.

In future, increased labor force participation especially among women combined with investments in education, skills, and health will raise productivity and income levels, thereby enhancing savings rates, investment in capital markets (e.g. through pension funds, insurance), and broadening the investor base.

Key Demographic Statistics for Tanzania

Total population (2022 census)	~ 61,741,120
Male / Female breakdown	~30,053,130 males & 31,687,990 females
Female share of population	~ 50.4%
Population growth estimate (2025)	68 million
Age structure / youth-heavy	Median age is 17
Fertility / Total Fertility Rate (TFR)	~ 4.39 children per woman
Life expectancy	~ 66.8 years overall (female ~68.9, male ~64.7)

Formal Employment Distribution by Sector (2023/24)



Source: NBS

Current Status of Tanzania:

Recent developments: Removed from FATF Grey List Tanzania was placed on the FATF grey list (i.e. “jurisdictions under increased monitoring”) in October 2022 for identified deficiencies in its AML/CFT (anti-money laundering / countering financing of terrorism) frameworks.

But on 13 June 2025, the FATF removed Tanzania from the grey list, citing that it had “substantial progress” in implementing its reform action plan.

Therefore, Tanzania currently would be considered closer to a green / clean status (in FATF terms) at least relative to its previous grey list status.

Sovereign Rating & Country Risk

Tanzania’s current sovereign credit ratings serve as key indicators of how the international investor community views its risk and creditworthiness:

Moody’s: B1 (Stable) this rating reflects progress in macroeconomic management, fiscal discipline, and institutional reforms.

Fitch: B+ (Stable) affirmed in mid-2025, signaling confidence in Tanzania’s growth outlook and fiscal trajectory

In credit-rating parlance, both B1 and B+ are below “investment grade,” meaning Tanzania is classified as a speculative-grade (non-investment grade, high-yield) sovereign. This implies higher borrowing costs and some risk premium.

However, the Stable outlooks suggest that rating agencies believe Tanzania’s policies and reforms can sustain stability, which is a positive signal.

List / Rating	Meaning / Implication for Investors
Green / Clean	The country is viewed as having strong regulatory, transparency, and AML/CFT frameworks. Minimal concern from investors/customers about money laundering or other financial-crime risks.
Grey / Increased Monitoring	The country has strategic deficiencies in anti-money laundering, terrorist financing, or financial crime frameworks, but has committed to remedy them. Investors may apply enhanced due diligence (EDD).
Black / High-Risk / Call-for-Action	The country is seen as having serious and unresolved structural weaknesses in financial integrity (money laundering, terrorism financing, etc.). Many international institutions impose sanctions, limited banking access, or capital controls.

These lists are often set by bodies like the FATF (Financial Action Task Force) or regional bodies, and impact investor risk perception, cost of capital, due diligence burden, and by extension, capital flows.

Tanzania's Capital Market Overview

Tanzania's improved risk profile, driven by regulatory reforms and stable sovereign outlooks, enhances its appeal as an investment destination. This section explores how these macro-stability gains translate into capital-market depth and investor opportunities.

1. Regulatory & Institutional Architecture

The main regulator is the Capital Markets and Securities Authority (CMSA), established under the Capital Markets and Securities Act (Cap. 79, 2002 / originally 1994).

CMSA's mandate includes: supervising securities markets, licensing intermediaries (brokers, dealers, investment advisers), overseeing issuers, enforcing disclosure and conduct rules, ensuring market integrity, and investor protection.

The CMS Act is supported by ~19 regulations and guidelines, covering listing rules, insider trading, collective investment schemes, disclosure, market intermediaries, etc.

The Capital Markets Tribunal supports dispute resolution in securities and helps enforce regulatory decisions.

2. The Dar es Salaam Stock Exchange (DSE)

Tanzania has one stock exchange: the Dar es Salaam Stock Exchange (DSE).

DSE was incorporated in 1996 and started trading in April 1998.

As of 2024, DSE has 28 listed companies (22 local, 6 cross-listed).

On the debt side, DSE also lists Treasury bonds (with maturities from 2 to 25 years) and some corporate bonds.

At June 2024, DSE's market capitalization was ~ TZS 16.834 trillion, up ~15.1% year-on-year. DSE provides live and historical market data, reference data, indices, and corporate event info via its market data platform

The bourse is governed by shareholders (AGM), with a Board and oversight structures.

Tanzania Capital Market Snapshot (as of 2024)

Indicator	Value / Status
Regulatory Authority	Capital Markets and Securities Authority (CMSA)
Exchange	Dar es Salaam Stock Exchange (DSE)
Year Established	1996 (Trading since 1998)
Listed Companies	28 (22 local, 6 cross-listed)
Market Capitalization	~USD 6.9 B
Equity Indices	Tanzania Share Index (TSI), DSE All Share Index (DSEI)
Bond Market	Treasury & Corporate Bonds (2–25 yrs)
Settlement System	Central Depository System (CDS)
Regulatory Framework	Capital Markets & Securities Act (Cap. 79)

The Tanzanian capital market, though relatively small, is structurally sound, transparent, and expanding, positioning itself as a key frontier hub in East Africa.

Supported by sound regulation and sovereign stability, Tanzania's capital market offers investors a gateway to a fast-growing, resource-rich economy. The combination of rising turnover, fiscal prudence, and FATF delisting signals deepening confidence in Tanzania's financial ecosystem.

3. Market Segments & Listing Tiers

Main Investments Market Segment (MIMS): The main listing platform for equity issuers; companies must satisfy listing requirements (capital, disclosures, corporate governance) to list.

Enterprise Growth Market (EGM): A second-tier listing platform with more flexible listing requirements, tailored for SMEs and growth firms. Bonds & fixed-income securities are listed alongside equities on the DSE.

4. Intermediaries & Supporting Infrastructure

Licensed Brokers / Dealers: To transact on DSE, participants use licensed brokers or dealers authorized by CMSA.

Custodian Banks / Central Securities Depository: Custodians handle safekeeping of securities; securities are held and settled via central depository mechanisms under DSE/CMSA oversight.

Clearing & Settlement: Trades executed on DSE are cleared and settled under rules aligned with CMSA/DSE rules.

Emerging Private Equity / VC Regulations: CMSA is currently drafting regulations (2024) to formally regulate private equity / venture capital funds, which could expand the intermediary landscape.





5. Key Observations & Gaps

The number of listed companies remains limited (28), making the market relatively shallow.

Bond listings exist, but corporate bond issuance is still nascent and Settlement, liquidity, and broker capacity are areas for further development (to attract foreign institutional capital).

The upcoming PE/VC regulations offer growth potential; this may add a new layer to Tanzania's capital market structure. And ESG / sustainability disclosure is becoming more enforced: CMSA and DSE now require listed firms to address ESG in their reporting.

Regional Context:

Country	Listed Firms	Market Cap (USD)
 Tanzania	28	~\$6.4B
 Kenya	67	~\$10.8B
 Uganda	17	~\$5.3B
 Rwanda	10	~\$3.1B

Regional Valuation	P/E (x)
TSI	7.02x
NSEAI	6.63x
Botswana Gabarone Index	11.75x
Uganda Stock Exchange	14.9x
Malawi Stock Exchange	29.1x
Peer Median	11.75x
Peer Average	13.88x

Tanzania stands out as one of the region's most stable and attractively priced markets. With a P/E ratio of 7.0x versus a regional average of 13.9x, it offers investors a deep value opportunity supported by consistent dividend payouts and macroeconomic resilience. This positions the DSE as a frontier gem amid East Africa's investment landscape

Tanzania’s long-term economic vision, articulated in the National Development Vision 2050 (Dira 2050), lays the foundation for a modern, competitive, and inclusive economy.

The framework emphasizes industrial transformation, human capital development technological advancement, and deep financial integration all of which have direct implications for the capital market’s evolution.

As the government implements the Vision 2050 roadmap, the capital market will serve as a key financing pillar for large-scale infrastructure projects, renewable-energy initiatives, and strategic industrial corridors. Deepening domestic savings through pension reforms and collective investment schemes will expand liquidity and foster a stronger investor base.

The ongoing reforms by the CMSA and DSE – including the introduction of green bonds, digital-market infrastructure, and cross-border listings – align closely with the Vision’s targets for sustainable finance and regional competitiveness.

With Tanzania’s removal from the FATF grey list, stable sovereign ratings, and a track record of macroeconomic resilience, the country’s capital market is positioned to attract a growing share of both regional and international investors.

In 2024, the DSE’s market capitalization expanded by ~22.3%, from TZS 14,611.43 billion to TZS 17,868.17 billion. By mid-2025, it reached ~TZS 19,062.3 billion.

If this momentum continues under a stable macro and reform environment, a conservative estimate at a 10% annual compounded growth rate over the next decade could place market cap in the TZS 40–45 trillion range by 2035.

DSE Equity Market Performance Year to Year

Metric	Q3 2024	Q3 2025	% Change (YoY)
Turnover (USD Mn)	12.66	104.65	727%
Volume of Shares Traded (Mn)	37.8	161.1	326%
Tanzania Share Index (TSI)	4,604	5,148	12%
Banking & Investment Index (BI)	5,674	9,307	64%
Commercial Services Index (CS)	2,138	1,643	-23%
Industrial & Allied Index (IA)	5,087.70	4,160.70	-18%

Collectively, Vision 2050’s reforms, robust corporate performance, and stable macro indicators together with increase Equity Market Performance position Tanzania as East Africa’s next capital-market growth story a market transitioning from frontier to emerging-class potential.

Tanzania’s journey toward Vision 2050 presents a rare convergence of macro stability, demographic advantage, and policy ambition. As domestic capital formation strengthens and cross-border flows increase, investors are likely to benefit from higher depth, broader product choices, and improved market efficiency. These dynamics will not only expand valuations but also cement Tanzania’s place as a resilient, opportunity-driven market in Sub-Saharan Africa.

NMB BANK PLC

- The Most Profitable Bank in Tanzania, and 3rd in East Africa
- Net Income has grown at 33% CAGR from USD 83.84 million in 2020 to USD 263.51 million in 2024
- Dividend per share has grown at 33% CAGR from TZS 137 in 2020 to TZS 428.85 in 2024
- ROE has grown at 11.7% CAGR from 18% in 2020 to 28% in 2024
- Asset quality has improved from 5% NPL ratio in 2020 to 2.9% NPL ratio in 2024
- Trading at a Current P/E of 5.40 and P/B = 1.43x

CRDB BANK PLC

- 2nd Most Profitable Bank in Tanzania, 4th in East Africa
- Net Income has grown at 35% CAGR from USD 67.20 million 2020 to USD 224.43 million in 2024.
- Dividend per share has grown at 31% from TZS 22 in 2020 to TZS 65 in 2024.
- ROE has grown at 14.2% CAGR from 16.3% in 2020 to 27.7% in 2024.
- Asset quality has improved from 4.4% NPL ratio in 2020 to 2.9% in 2024
- Trading at current P/E = 4.44x and P/B = 1.29x

Investor Takeaway:

Tanzania's banking sector stands as the anchor of market stability – highly profitable, well-capitalized, and integral to the country's long-term investment story. Continuous growth in earnings and asset quality positions NMB and CRDB as premier vehicles for both income and growth investors

Metric	NMB Bank (USD)	CRDB Bank (USD)
Net Profit	259.8 million	221.4 million
Total Assets	5.52 billion	6.70 billion
Loan Book	3.41 billion	4.16 billion
Customer Deposits	3.79 billion	4.36 billion
Earnings Per Share (EPS)	TZS 1,296	TZS 211
Return on Equity (ROE)	25.00%	27.70%
Return on Assets (ROA)	5.00%	5.10%
Cost-to-Income Ratio (CIR)	38.00%	45.90%
Asset Growth	13.00%	25.40%
Non-Performing Loans (NPL) Ratio	2.90%	2.90%
Outstanding Shares	500 million	2.6 billion

The sector's outlook remains positive, underpinned by Tanzania's Vision 2050 agenda emphasizing financial inclusion, digital transformation, and capital-market deepening. Banks are expected to leverage fintech partnerships, mobile-banking ecosystems, and regional expansion to sustain profitability and enhance liquidity in the secondary market.

VODACOM TANZANIA PLC

- The leading Telecom Company in Tanzania with 32.1% SIM Card Subscribers Market share and 41.2% mobile money Market share.
- Revenue has grown at 11.9% CAGR from USD 393.46 million in 2021 to TZS 617.06million in 2025
- Net Income has grown at 42% CAGR from USD 18.16 million in 2023 to USD 36.87 million in 2025

TBL

- Dominant Breweries Company in Tanzania with Two-Thirds Market Share
- Revenue has grown at 11.1% CAGR from USD 391.93 million in 2020 to USD 597.05 million in 2024.
- Net Income has grown at 16.3% CAGR from USD 36.27 million to USD 66.44 million
- Dividend per share has grown at 49% CAGR from TZS 255 in 2020 to TZS 1,259 in 2024.
- Trading at a current P/E of 8.49

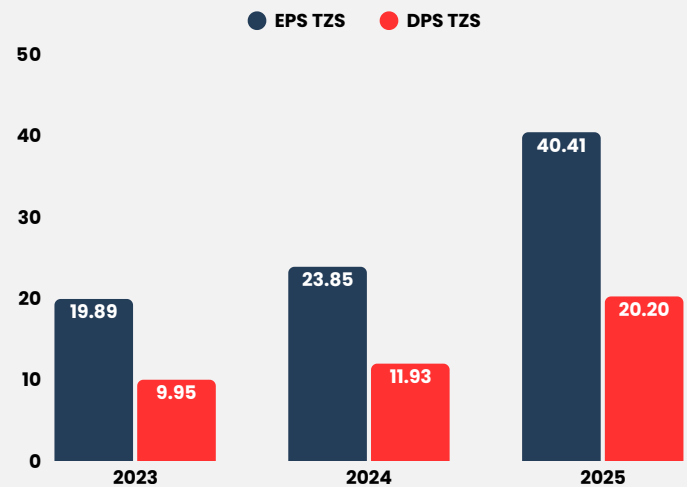
Tanga Cement

- 18.6% Market share in cement industry in Tanzania - next to Twiga Cement
- Recently majority-owned by Scancem International DA
- Holds the largest limestone reserve in Tanzania capable to last for the next 100 Years.

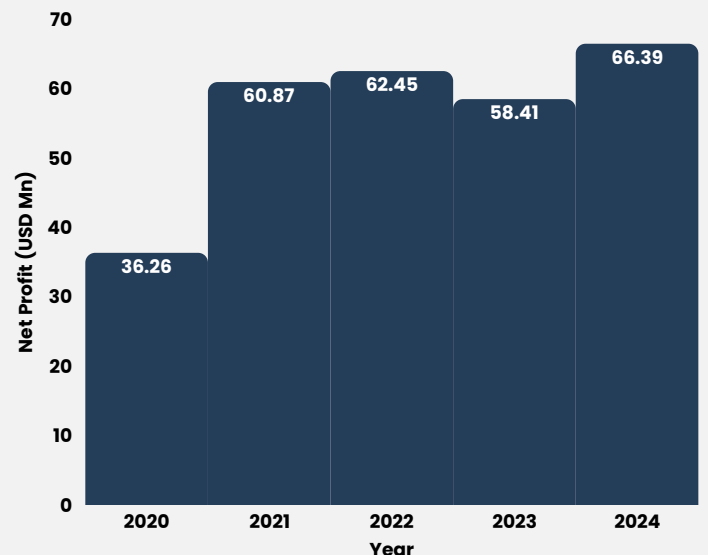
TCC

- A subsidiary of Japan Tobacco International (JTI) which holds 75% stake in the company.
- Holds more than 90% of Tanzania's Cigarettes Market.
- Total revenue rose from USD 126.26 million in 2019 to USD 185.51 million in 2024 delivering a CAGR of 8%.
- Dividend per share has grown at 14% CAGR from TZS 500 in 2020 to TZS 850 in 2024.

VODA EPS VS DPS



TBL Net Profit Trend (USD)



Tanzania's listed equities reflect two complementary growth narratives:

- Commercial Services → innovation, connectivity, and fintech-led expansion.
- Industrial Sector → stability, consumer confidence, and dividend reliability.

Together, they illustrate the dual engine of the Tanzanian market – one driven by technology and inclusion, the other by production and consumption – embodying a capital-market structure that is both transformational and resilient under Vision 2050.

TPCC

- Tanzania Portland Cement Company PLC (TPCC), also known as Twiga Cement, is the largest cement producer in Tanzania and a member of the Heidelberg Materials group.
- The company manufactures, sells and distributes building cement through its integrated Wazo Hill plant near Dar es Salaam.
- Products are marketed under the brands Twiga Ordinary and Twiga Extra, which serve general construction and high-strength applications, respectively. TPCC traces its roots to 1959 and was listed on the Dar es Salaam Stock Exchange (DSE) in 2006.

TPCC's Sustainability Considerations

While the sharp increase in dividends could raise questions on long-term sustainability, the company's strong balance sheet, minimal debt, and stable cash generation mitigate near-term risk. However, unless profitability rebounds, maintaining such elevated payouts could erode retained earnings over time.

SWISPORT

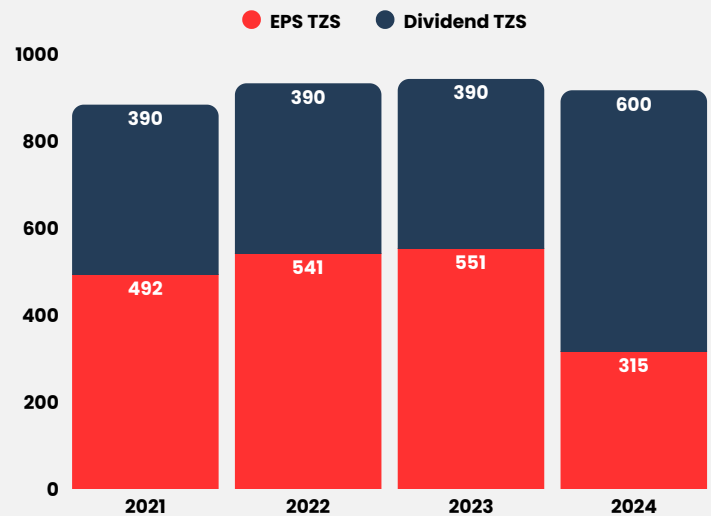
Swissport International AG is a major aviation services company, specializing in airport ground services, air cargo handling, lounge hospitality, and related aviation support functions.

In 2000, Swissport International acquired 51% of DAHACO, making it majority owned by the global parent. The remaining 49% is held by public investors via the Dar es Salaam Stock Exchange (DSE).

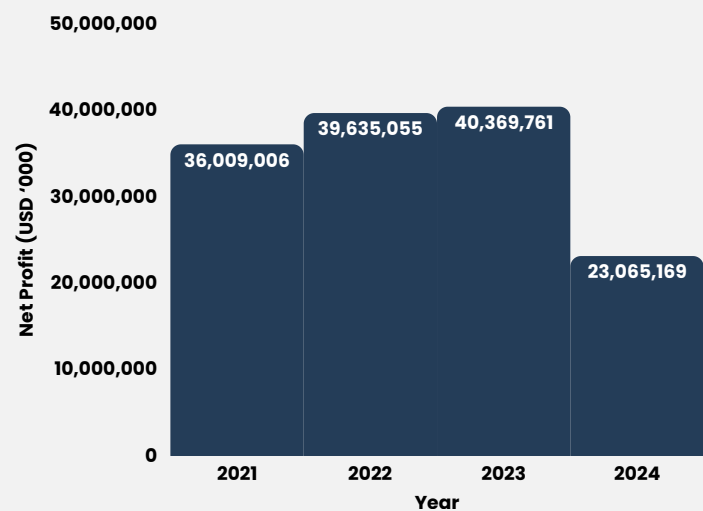
Its service offerings include:

- Ground handling: check-in, gate services, ramp handling, aircraft turnarounds, baggage handling, etc.
- Cargo handling: general cargo, perishables, temperature-controlled cargo, forwarder services.
- Hub management for Air Tanzania: Swissport has a contract to manage hub operations (ground, cargo, security) for Air Tanzania at Dar and Kilimanjaro.

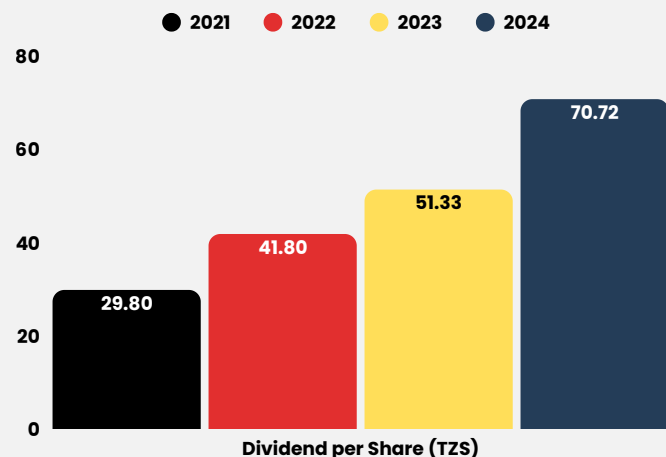
TPCC (EPS VS DPS)



TPCC Profit Trend (2021 - 2024) USD



SWISPORT Dividend History



Tanzania and China share one of Africa’s longest and most strategic bilateral relationships – a partnership built on mutual development, infrastructure cooperation, and trade integration. In recent years, this relationship has expanded from traditional sectors such as energy, manufacturing, and construction into finance, technology, and capital-market collaboration.

Economic & Trade Foundations

China remains Tanzania’s largest trading partner and one of its top sources of foreign investment, with bilateral trade volumes exceeding USD 8.8 billion in 2023. Joint projects such as the TAZARA Railway revival, Bagamoyo Port expansion, and industrial parks in Kibaha and Mkuranga underline China’s growing role in Tanzania’s industrialization journey.

Tanzania’s Financial Market Reform Journey (1994–2050)

Year / Period	Major Reform / Milestone	Key Developments & Implications
1994	Establishment of CMSA	Formation of the Capital Markets and Securities Authority, marking the official start of Tanzania’s regulated capital market framework.
2002	Enactment of Capital Markets & Securities Act (Cap.79)	Strengthened market oversight, investor protection, and brokerage licensing under CMSA supervision.
2023	Liquidity Management Regulations under BAFIA	Introduced Banking & Financial Institutions (Liquidity Management) Regulations, 2023 – enforcing liquidity ratios and risk controls.
2024 (Finance Act)	BAFIA Amendment – Islamic Finance Inclusion	Replaced “interest” with “interest, profit or return” – enabling Sharia-compliant banking and Sukuk issuance.
2024–2025	Market Modernization & FATF Grey List Removal	FATF delisting restored international investor confidence; DSE & CMSA enhanced digital platforms and CIS growth.
2024–2025	Interest Rate Normalization (BoT)	BoT gradually adjusted the Central Bank Rate (CBR) to balance inflation and credit growth.
2025 onward	Unclaimed Assets & Rediscount Reforms (BAFIA)	Abandonment period shortened from 15 years to 10 years; BoT authorized to regulate rediscount, loan, and profit rates.
2050 (Vision Target)	Vision 2050 – East African Financial Hub	Tanzania aims to position Dar es Salaam as a regional capital-market center, integrating digital finance, cross-border listings, and sustainable instruments.

