DOMESTIC FINANCIAL MARKETS WEEKLY REPORT

24-AUG-2026 → 28-AUG-2026

1. Foreign Exchange Market Developments

1.1 Offical Indicative Mean Exchange Rates

The shilling remained stable against the USD over the week, appreciating slightly to close at TZS 2,643.26 (down 0.04%) from TZS 2,644.21 at the close of the previous week. Mean rates for the most actively traded currencies, which account for the majority of interbank and retail turnover, are detailed in Table 1.

Table 1: Selected Exchange Rates (TZS per unit of foreign currency)

Currency	21-Aug-26	28-Aug-26
British Pound Sterling	3,606.18	3,591.66
Chinese Yuan (Renminbi)	393.26	393.32
Euro	3,088.18	3,078.87
Indian Rupee	27.63	27.66
Japanese Yen	16.66	16.58
Kenyan Shilling	20.42	20.41
Rwandan Franc	1.79	1.79
Ugandan Shilling	0.71	0.70
United States Dollar	2,644.21	2,643.26

Source: Bank of Tanzania

1.2 Interbank Foreign Exchange Market

The Interbank Foreign Exchange Market (IFEM) transactions decreased to USD 24.90 million compared to USD 52.30 million recorded the previous week. Charts 1 to 3 below provide more details.

Chart 1: IFEM Turnover – Previous Week

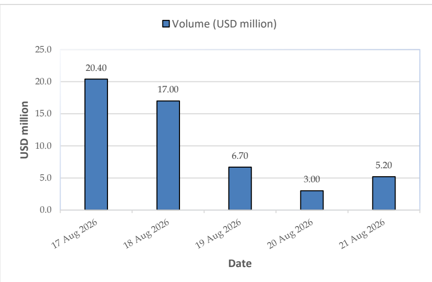
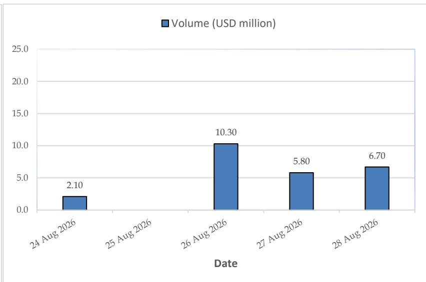
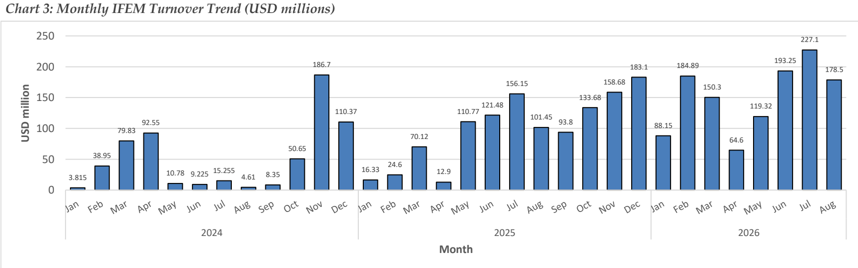


Chart 2: IFEM Turnover This Week



Source: Bank of Tanzania

Chart 3: Monthly IFEM Turnover Trend (USD millions)



Source: Bank of Tanzania

1.3 Retail Foreign Exchange Market

Retail Foreign Exchange transactions decreased to USD 544.24 million compared to USD 549.46 million recorded the previous week. Trade (USD 160.07 million), Individual Retail Customers (USD 109.42 million), and Oil & Energy sectors (USD 67.10 million) contributed the most for the week, accounting for USD 336.59 million of the total retail turnover.

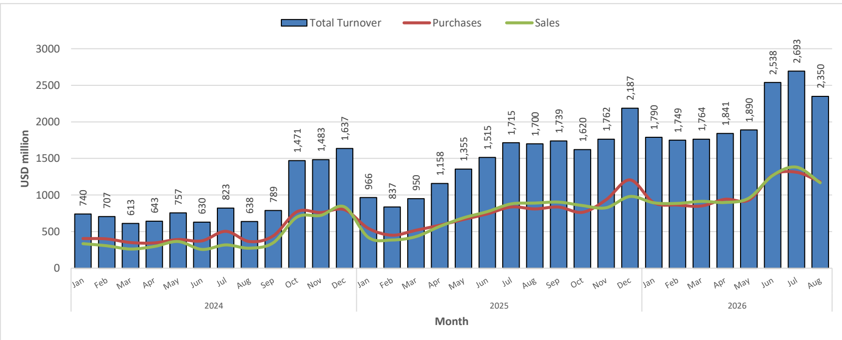
Over the past month, daily retail foreign exchange transactions averaged USD 124.73 million, with sales and purchases averaging USD 62.01 million and USD 62.71 million, respectively. Table 2 and Charts 4 and 5 below provide more details.

Table 2: Wekly Retail Foreign Exchange Transactions by Sector (USD million)

	Previous Week			This Week		
Sector	**Purchases**	**Sales**	**Total Turnover**	**Purchases**	**Sales**	**Total Turnover**
Trade	63.68	103.45	167.12	70.46	89.61	160.07
Individual Retail Customers	39.83	31.68	71.51	71.19	38.23	109.42
Oil & Energy	8.68	82.37	91.05	5.81	61.30	67.10
Agriculture	30.11	7.06	37.17	34.09	13.04	47.12
Manufacturing	4.44	17.34	21.78	6.58	28.98	35.56
Mining	67.95	1.77	69.72	33.69	1.48	35.17
Transport & Communication	17.99	7.56	25.55	20.16	8.67	28.83
Tourism	23.19	3.89	27.08	18.58	4.74	23.32
Constructions (Machine& Equip)	9.79	5.47	15.26	12.21	5.91	18.12
Social Services	7.35	7.93	15.27	6.89	7.46	14.35
NGOs	3.92	2.02	5.94	3.39	0.40	3.79
Breweries/Beverages	0.20	1.81	2.01	0.02	1.38	1.40
Total	**277.13**	**272.33**	**549.46**	**283.04**	**261.19**	**544.24**

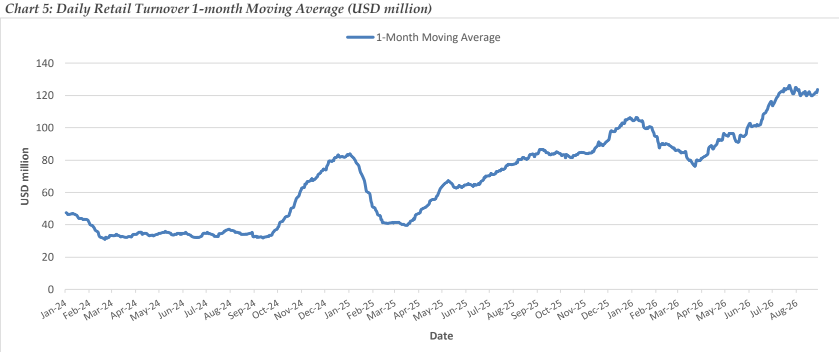
Source: Bank of Tanzania

Chart 4: Monthly Retail Foreign Exchange Turnover (USD million)



Source: Bank of Tanzania

Chart 5: Daily Retail Turnover 1-month Moving Average (USD million)



Source: Bank of Tanzania

2. Money Market

2.1. The 7-Day IBCM

The Interbank Cash Market (IBCM) Weighted Average Rate (WAR) closed the week at 6.72%, down from 6.77% recorded at the close of the previous week. Total 7-day trading volume increased to TZS 652.25 billion from TZS 487.95 billion recorded in the preceding week.

The 7-day weekly WAR averaged 6.37%, which is within the Central Bank Rate corridor of 4.75% to 7.75%. The weekly WAR is 12bps above the Central Bank Rate (6.25%), remaining consistent with the Bank's policy stance. Charts 6 and 7 below provide more details.

Chart 6: The 7-Day IBCM – Previous Week

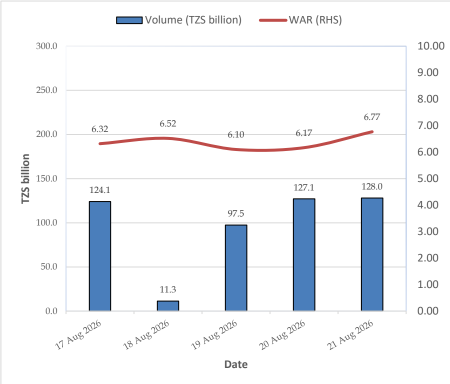
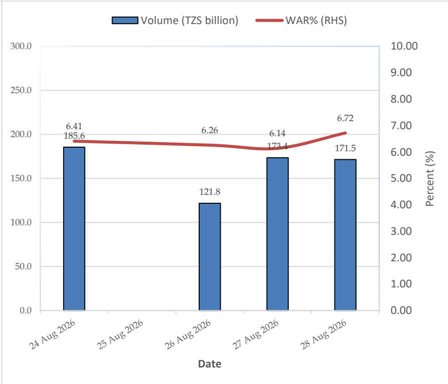


Chart 7: The 7-Day IBCM – This Week

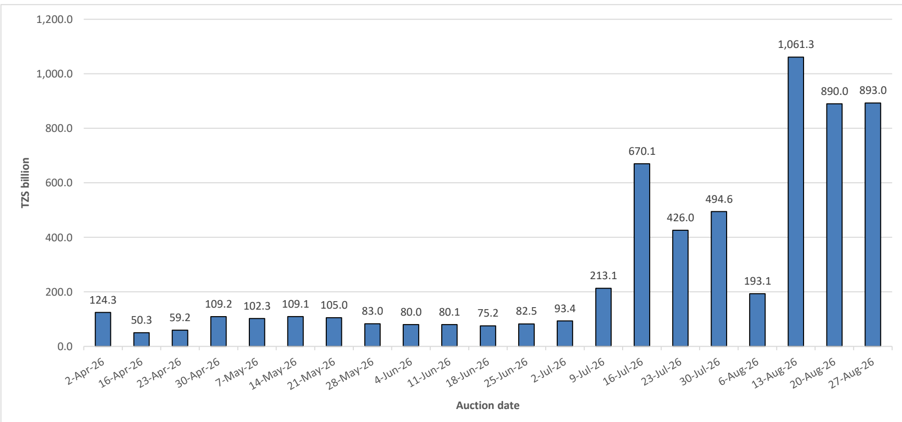


Source: Bank of Tanzania

2.2 Reverse REPO

During the week, the Bank conducted 7-Day Reverse REPO through main operations, injecting TZS 893.00 billion in the market to steer the operating target towards the policy rate, an increase from TZS 890.00 billion injected in the preceding week. The operation was at the Central Bank Rate (CBR) of 6.25%. Chart 8 below provides more details.

Chart 8: 7-day Reverse Repo Volume (TZS billion)



Source: Bank of Tanzania

3. Government Securities

Outstanding Government Securities stands at TZS 32,934.08 billion, with Treasury bonds at TZS 29,661.28 billion (90.06%) and Treasury bills at TZS 3,272.80 billion (9.94%).

3.1 Holders by Investor Category

Banks (33.31%), Pension Funds (30.39%), and Retail Investors (17.81%) hold the largest shares of Outstanding Government Securities. Table 3 below provides more details.

Table 3: Government Securities Holdings by Investor Category (TZS billion)

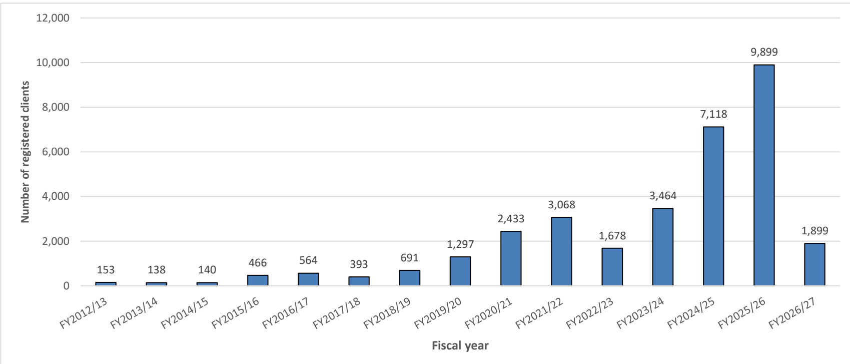
S/N	Investor Category	Face Value	Share (%)
1	Banks	10,971.59	33.31
2	Pension Funds	10,009.66	30.39
3	Retail Investors	5,866.56	17.81
4	CIS and Other Official Entities	2,658.87	8.07
5	Insurance Companies	2,492.96	7.57
6	Others	934.44	2.84
	Total	**32,934.08**	**100.00**

Source: Bank of Tanzania

3.2 Registered Clients

In the current fiscal year, 1,899 new clients have been onboarded, expanding the total number of registered clients to 33,401. Chart 9 below provides more details.

Chart 9: Registered Clients by Fiscal Year



Source: Bank of Tanzania

3.3 Auction

The Treasury bills auction No. 1205 held on 26th August 2026 offered the 35, 91, 182 and 364-day tenors and attracted 104 bids, of which 60 were successful. The total amount tendered was TZS 442.57 billion against offered amount of TZS 288.70 billion, representing an oversubscription of TZS 153.87 billion. The total amount allotted was TZS 248.90 billion. The weighted average yields were 2.0920% for the 35-day; 3.3961% for the 91-day; 5.0546% for the 182-day; 6.6492% for the 364-day.

Investor category participation: Banks accounted for 99.98% of subscriptions and were allotted TZS 248.80 billion (99.96%). Individuals and Companies accounted for 0.02% of subscriptions and were allotted TZS 0.10 billion (0.04%). Tables 4 and 5 provide more details.

3.3 Auction (continued)

Table 4: Allotted Amounts by Category (TZS billion)

S/N	Investor Category	Subscription (%)	Allotment (%)
1	Banks	99.98	99.96
2	Individuals and Companies	0.02	0.04
	Total	**100.00**	**100.00**

Source: Bank of Tanzania

Table 5: Recent Auctions (Treasury Bills)

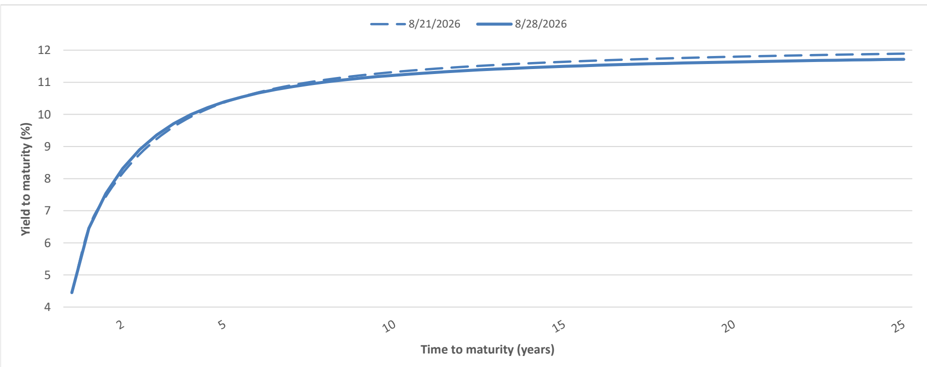
S/N	DESCRIPTION	35 Days	91 Days	182 Days	364 Days
1	Maturity Date	1-Oct-26	26-Nov-26	25-Feb-27	26-Aug-27
2	Number of Bids Received	9	5	28	62
3	Number of Successful Bids	9	5	11	35
4	Highest Bid /100	99.8086	99.1969	97.7677	93.9564
5	Lowest Bid /100	99.7895	99.1349	97.0277	92.6114
6	Minimum Successful Price / 100	99.7895	99.1349	97.4727	93.5891
7	WAP for Successful Bids	99.7998	99.1604	97.5416	93.7814
8	Weighted Average Yield (%)	2.09	3.40	5.05	6.65
9	Amount Offered (TZS million)	49,900.0	69,900.0	79,900.0	89,000.0
10	Total Tendered (TZS million)	40,000.0	40,000.0	135,000.0	227,573.0
11	Under/Oversubscribed (+/-) (TZS million)	9,900.0	29,900.0	(55,100.0)	(138,573.0)
12	Successful Bids (TZS million)	40,000.0	40,000.0	79,900.0	89,000.0
13	Bid-to-Cover Ratio	0.80x	0.57x	1.69x	2.56x

Source: Bank of Tanzania

The next Government Securities Auction is scheduled for Wednesday, 2nd September 2026, whereby Reopening of 10-Year Treasury bonds will be offered in line with the issuance calendar. Further details are available in the auction prospectus.

3.4 Tanzania Sovereign Yield Curve

Chart 10: Tanzania Sovereign Yield Curve as at 28-AUG-2026



Source: Bank of Tanzania

Glossary of Acronyms and Presentation Notes

Acronym	Meaning
BOT	Bank of Tanzania
bps	Basis points; 1 bp = 0.01 percentage point
CBR	Central Bank Rate
CDS	Central Depository System
CIS	Collective Investment Schemes
EAC	East African Community
IBCM	Interbank Cash Market
IFEM	Interbank Foreign Exchange Market
NBFI	Non-Bank Financial Institution
NGO	Non-Governmental Organisation
RREPO	Reverse Repurchase Agreement
SADC	Southern African Development Community
TZS	Tanzanian Shilling
USD	United States Dollar
WAP	Weighted Average Price
WAR	Weighted Average Rate
WAY	Weighted Average Yield