DOMESTIC FINANCIAL MARKETS WEEKLY REPORT

07-SEP-2026 → 11-SEP-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 2,637.97 (down 0.04%) from TZS 2,638.96 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	04-Sep-26	11-Sep-26	Change (%)
British Pound Sterling	3,566.56	3,563.63	(0.08)
Chinese Yuan (Renminbi)	392.76	393.35	0.15
Euro	3,067.53	3,062.94	(0.15)
Indian Rupee	27.93	27.64	(1.04)
Japanese Yen	16.94	17.11	0.98
Kenyan Shilling	20.37	20.37	0.00
Rwandan Franc	1.79	1.79	(0.08)
Ugandan Shilling	0.70	0.69	(1.72)
United States Dollar	2,638.96	2,637.97	(0.04)

Source: Bank of Tanzania

1.2 Interbank Foreign Exchange Market

The Interbank Foreign Exchange Market (IFEM) transactions decreased to USD 27.30 million compared to USD 35.05 million recorded the previous week. Charts 1 to 3 below provide more details.

Chart 1: IFEM Turnover – Previous Week

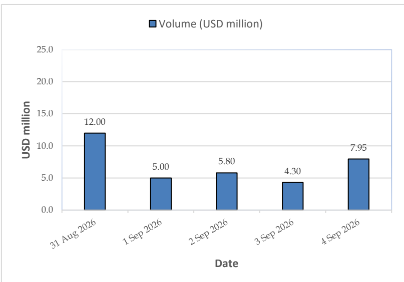
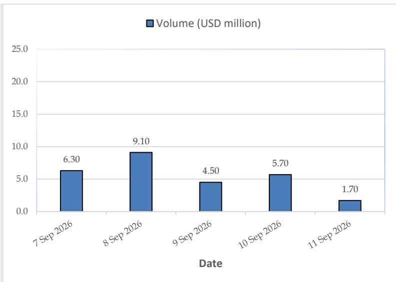
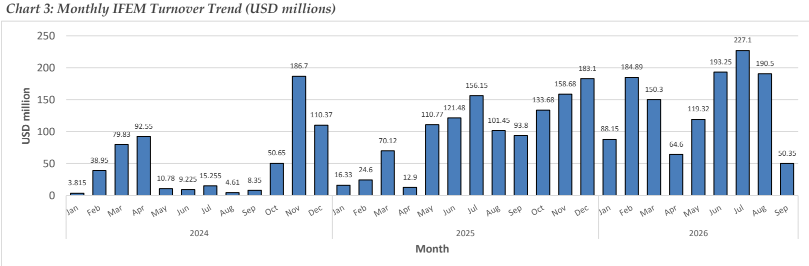


Chart 2: IFEM Turnover This Week



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 535.00 million compared to USD 668.24 million recorded the previous week. Trade (USD 169.71 million), Oil & Energy (USD 86.57 million), and Individual Retail Customers sectors (USD 80.24 million) contributed the most for the week, accounting for USD 336.52 million of the total retail turnover.

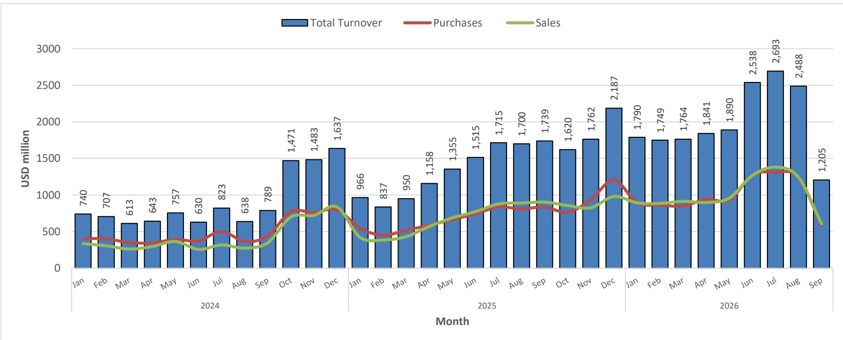
Over the past month, daily retail foreign exchange transactions averaged USD 133.69 million, with sales and purchases averaging USD 66.83 million and USD 65.94 million, respectively. Table 2 and Charts 4 and 5 below provide more details.

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

	Previous Week			This Week		
Sector	**Purchases**	**Sales**	**Total Turnover**	**Purchases**	**Sales**	**Total Turnover**
Trade	78.15	94.87	173.02	61.09	108.62	169.71
Oil & Energy	9.79	101.00	110.79	6.25	80.32	86.57
Individual Retail Customers	56.51	48.95	105.46	45.73	34.51	80.24
Mining	96.80	17.90	114.70	36.33	8.01	44.35
Agriculture	33.17	3.98	37.15	31.17	7.42	38.58
Manufacturing	3.94	30.62	34.56	6.68	23.22	29.90
Tourism	19.62	3.47	23.09	21.45	5.90	27.35
Transport & Communication	18.90	10.07	28.97	14.02	8.53	22.55
Constructions (Machine& Equip)	11.33	6.42	17.75	12.46	8.69	21.15
Social Services	4.62	5.14	9.77	5.71	4.54	10.25
NGOs	8.44	2.64	11.07	3.96	0.02	3.98
Breweries/Beverages	0.00	1.91	1.91	0.01	0.36	0.37
Total	**341.27**	**326.97**	**668.24**	**244.85**	**290.14**	**535.00**

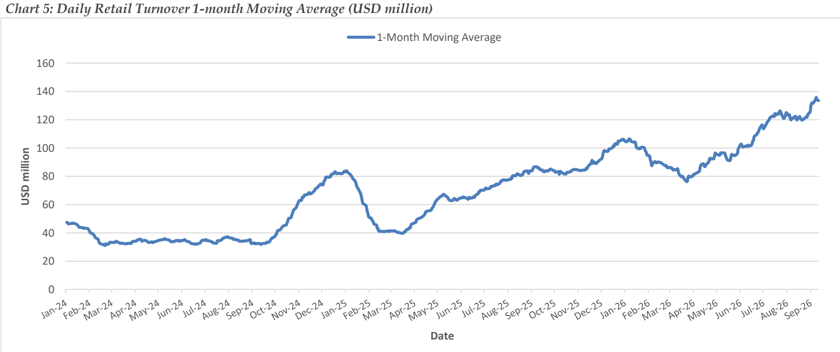
Source: Bank of Tanzania

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 6.75%, up from 6.72% recorded at the close of the previous week. Total 7-day trading volume increased to TZS 654.35 billion from TZS 597.85 billion recorded in the preceding week.

The 7-day weekly WAR averaged 6.48%, which is within the Central Bank Rate corridor of 4.75% to 7.75%. The weekly WAR is 23bps 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

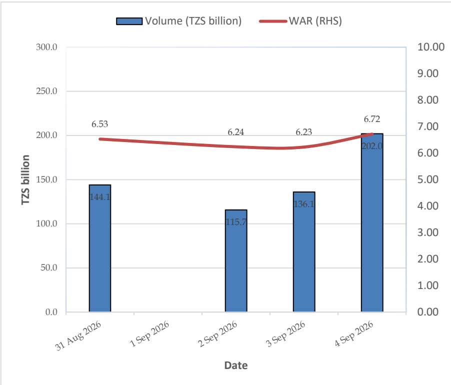
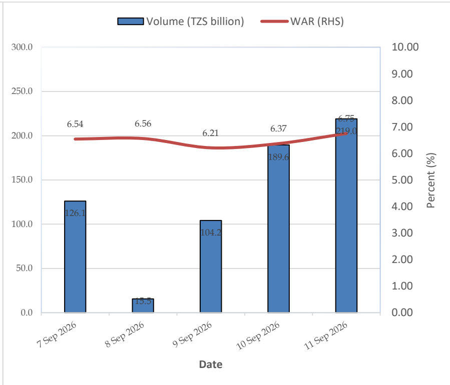


Chart 7: The 7-Day IBCM – This Week

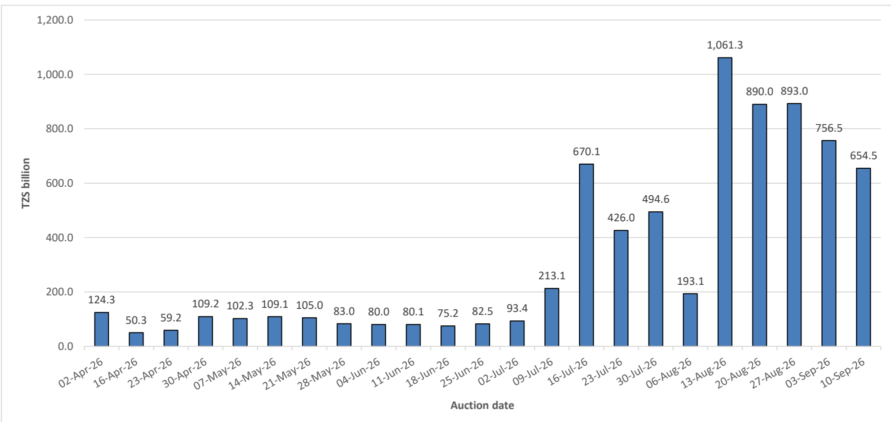


Source: Bank of Tanzania

2.2 Reverse REPO

During the week, the Bank conducted 7-Day Reverse REPO through main operations, injecting TZS 654.50 billion in the market to steer the operating target towards the policy rate, a decrease from TZS 756.50 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 33,227.33 billion, with Treasury bonds at TZS 29,807.68 billion (89.71%) and Treasury bills at TZS 3,419.65 billion (10.29%).

3.1 Holders by Investor Category

Banks (33.47%), Pension Funds (30.30%), and Retail Investors (17.63%) hold the largest shares of Outstanding Government Securities. Table 3 below provides more details.

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

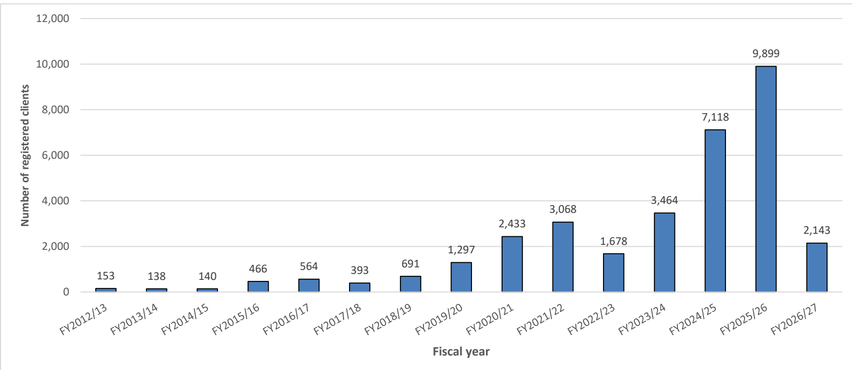
S/N	Investor Category	Face Value	Share (%)
1	Banks	11,121.02	33.47
2	Pension Funds	10,067.55	30.30
3	Retail Investors	5,859.56	17.63
4	CIS and Other Official Entities	2,710.31	8.16
5	Insurance Companies	2,510.85	7.56
6	Others	958.03	2.88
	Total	**33,227.33**	**100.00**

Source: Bank of Tanzania

3.2 Registered Clients

In the current fiscal year, 2,143 new clients have been onboarded, expanding the total number of registered clients to 33,645. 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. 1206 held on 9th September 2026 offered the 35, 91, 182 and 364-day tenors and attracted 124 bids, of which 49 were successful. The total amount tendered was TZS 690.50 billion against offered amount of TZS 288.70 billion, representing an oversubscription of TZS 401.80 billion. The total amount allotted was TZS 288.70 billion. The weighted average yields were 2.2941% for the 35-day; 3.4222% for the 91-day; 4.9248% for the 182-day; 6.4735% for the 364-day.

Investor category participation: Banks accounted for 100.0% of subscriptions and were allotted TZS 288.70 billion (100.0%). 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	100.00	100.00

Source: Bank of Tanzania

Table 5: Recent Auctions (Treasury Bills)

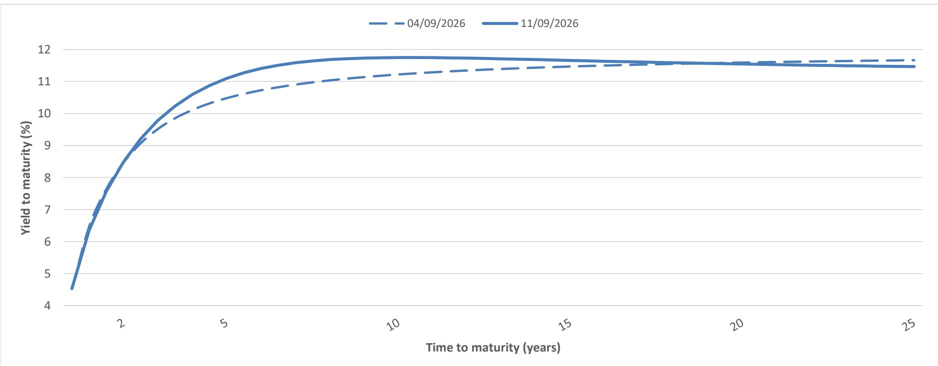
S/N	DESCRIPTION	35 Days	91 Days	182 Days	364 Days
1	Maturity Date	10/15/2026	12-Oct-26	03-Nov-27	09-Sep-27
2	Number of Bids Received	12	15	30	67
3	Number of Successful Bids	12	10	18	9
4	Highest Bid /100	99.8029	99.1889	97.7816	94.0005
5	Lowest Bid /100	99.5703	98.7688	97.4337	92.6114
6	Minimum Successful Price / 100	99.5703	99.1469	97.5210	93.8800
7	WAP for Successful Bids	99.7805	99.1540	97.6032	93.9357
8	Weighted Average Yield (%)	2.29	3.42	4.92	6.47
9	Amount Offered (TZS million)	49,900.0	69,900.0	79,900.0	89,000.0
10	Total Tendered (TZS million)	59,000.0	110,000.0	185,000.0	336,500.0
11	Under/Oversubscribed (+/-) (TZS million)	(9,100.0)	(40,100.0)	(105,100.0)	(247,500.0)
12	Successful Bids (TZS million)	49,900.0	69,900.0	79,900.0	89,000.0
13	Bid-to-Cover Ratio	1.18x	1.57x	2.32x	3.78x

Source: Bank of Tanzania

The next Government Securities Auction is scheduled for Wednesday, 16th September 2026, whereby 5-Year Treasury bond 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 11-SEP-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