



THE EXCHANGE

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	DSE ALL SHARES	RSE ALL SHARES	NSE ALL SHARES	UGANDA ALL SHARES	JO'BURG STOCKS EX	NGSE ALL SHARES
*	2,376.73 2.32% TANZANIA	130.50 -0.08% RWANDA	142.03 2.89% KENYA	1,749.00 -0.91% UGANDA	49,415.31 0.56% S.AFRICA	24,838.31 4.25% NIGERIA

THE EXCHANGE

Brief of the DSE Scholar Investment Challenge

The DSE SCHOLAR INVESTMENT CHALLENGE (DSE SIC) is an annual competition coordinated by the DSE for all students currently enrolled in Tanzanian Universities. The challenge takes place every year between the months of April and June. During these 3 months each participating individual is given virtual start-up money of TZS 1 Million to invest using live information from the Dar es Salaam Stock Exchange market trading system.

Being an educational entertainment initiative at its core, the DSE SIC challenge provides students with a view into the world of capital market investment, which is one of Tanzania's main economic growth engines.

Target Group
The DSE scholar investment Challenge

2016 is open to any Tanzanian youth who is enrolled in any higher learning Institution in the country.

Objectives

Targeting and involving Tanzanian students in higher learning institutions, the main objectives of the challenge are to develop and encourage the culture of saving and investment, to enhance financial management and

entrepreneurial skills, and to create/ foster a sense of ownership, teamwork, critical thinking and problem solving among the youth. The challenge also aims at educating youth the prudent process of investment decision making and risk management and in the process, foster links with professional bodies and industry.

Rules: How to Trade

Step 1: Open your internet browser and go to www.younginvestors.co.tz. Once on the website, click on "Log In" key in your username and password to access your virtual online account.

Below are the contents of the DSE SIC virtual account for each participant and how they will trade.

CONTENTS OF THE DSE SIC.

The following are the features (links) of the competition

- o My Team Portfolio (Overall portfolio performance statement)
- o Buy shares
- o Sell shares
- o Buy Bonds
- o Sell Bonds
- o Bank
- Loans
- Fixed Deposit
- o Financial statement
- o Blog
- o Ranking



How to Register

There are three methods that one can use to register for the DSE SIC.

1. Registering through the website
2. Registering Through the mobile app
3. Registering through the USSD

For more information

- Follow us: @TheExchangeEA
Like us: Exchange Finance
Visit us: www.exchange.co.tz

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MY TEAM PORTFOLIO

- A. This link will show the overall performance of the team by showing a summary of:
- Shares portfolio current value
 - Bonds portfolio current value
 - Loans taken and accrued interest to date.
 - Fixed deposit investment and accrued interest to date
 - Available cash balance
 - Total Current portfolio Value [This is a total of a+b+(c)+d+e]
- B. Each team gets virtual money of Tshs 1,000,000 start up capital. This is not real money; rather it is "carrot" money which is only available in the trading system of the challenge.
- C. The start-up capital should be used to trade; ie to buy and sell virtual shares and bonds of companies that are listed on the Dar es Salaam Securities Exchange (DSE) using current prices; as well as invest in a fixed deposit.
- D. The shares and bonds portfolio may only hold virtual stocks of companies that are traded on the real DSE. The list of companies to buy or sell will be available on the participants' virtual & online trading account.
- E. Virtual Brokerage fees will be charged per transaction; the same way as it happens on the real DSE. The virtual brokerage fee is 2% of the transaction value or minimum Tsh 100, whichever is higher.
- F. The challenge's trading day will be 12 hours a day (10.00am to 10.00pm). Please note that the actual trading time in a day at the DSE is 10.00am to 3.00pm. However we shall extend the time on the challenge website so that we can accommodate participants who are students and can only access the internet late at night.
- G. The trading prices will be the most current and real time prices of the DSE. The prize data of prices and volume quantities of companies being traded are streamed directly to our website and we shall avail this information to participants so that they can buy or sell virtual shares.
- H. It will not be possible to reverse a transaction once it has been executed.
- I. Any virtual cash balance in the team account will remain as it is until it is utilized by the team. The virtual cash balance shall NOT earn any interest, nor shall it be subjected to inflation or any other charges.

BUYING VIRTUAL SHARES

- A. This link enables the participant to purchase available shares. It shows the quantity and share price of listed companies that are available to buy. The volume / quantities of shares traded and share price will keep changing in real-time basis as we receive this data from DSE.
- B. To buy shares, click on the Buy Shares link. The full list of listed companies currently trading on the DSE shall appear on the screen.
- C. Select the company whose shares you wish to purchase. Then proceed to the bottom of the screen and click on buy icon.
- D. On the next screen that appears, type the quantity of shares that you wish to purchase, then indicate the reason why you are purchasing the shares then click on the confirm buy icon. Your purchase changes will be updated in the shares portfolio summary table.
- E. Purchased shares must be held for a full trading day before they may be sold.
- F. Upon purchase of shares, the team's financial statement will be automatically debited with the following:
- Total cost of purchase
 - 2% brokerage fees. Minimum Tshs. 100 whichever is higher.

SELLING VIRTUAL SHARES

- A. This link enables the participant to sell shares they have previously purchased. It shows the quantity and share price of previously purchased shares that are available to sell. The volume quantities and share price will keep changing in real-time basis as we receive this data from the DSE.
- B. To sell shares, click on the Sell Shares link. The full list of listed companies whose shares are held in your shares account shall appear on the screen.
- C. Select the company whose shares you wish to sell. Then proceed to the bottom of the screen and click on sell icon.
- D. On the next screen that appears, type the quantity of shares that you wish to sell, and then indicate the reason why you are selling the shares. Then click on the confirm sell icon. Your sale changes will be updated in the shares portfolio summary table.
- E. Upon sale of shares, the team's financial statement will be automatically credited & debited respectively with the following:
- Total sales proceeds which will be credited after 3 days which is the norm at the DSE.
 - 2% brokerage fees. Minimum Tshs. 100 whichever is higher.

BUYING VIRTUAL BONDS

- A. This link enables the participant to purchase available bonds. It shows the quantity and bonds price of listed companies that are available to buy.
- B. To buy bonds, click on the Buy Bonds link. The full list of listed bonds currently trading on the DSE shall appear on the screen.
- C. Select the issue number of the bonds you wish to purchase. Then proceed to the bottom of the screen and click on buy icon.
- D. On the next screen that appears, type the amount that you wish to purchase, then indicate the reason why you are purchasing the bond then click on the confirm buy icon. Your purchase changes will be updated in the bonds portfolio summary table.
- E. Purchased bonds must be held for a full trading day before they may be sold.
- F. Upon purchase of bonds, the team's financial statement will be automatically debited with the following:
- Total cost of purchase
 - 2% brokerage fees. Minimum Tshs. 100 whichever is higher.

SELLING VIRTUAL BONDS

- A. This link enables the participant to sell bonds they have previously purchased. It shows the quantity and bonds price of previously purchased bonds that are available to sell.
- B. To sell bonds, click on the Sell Bonds link. The full list of listed bonds already held in your bonds account shall appear on the screen.
- C. Select the issue number of the bond you wish to sell. Type the amount of the bond that you wish to sell, and then indicate the reason why you are selling the bond. Then proceed to the bottom of the screen and click on sell icon.
- D. Then click on the confirm sell icon. Your sale changes will be updated in the bonds portfolio summary table.
- E. Upon sale of bonds, the team's financial statement will be automatically credited & debited respectively with the following:
- Total sales proceeds which will be credited after 1 day which is the norm at the DSE.
 - 2% brokerage fees. Minimum Tshs. 100 whichever is higher.

BANK

- A. This link enables the participant to
- Get virtual loans secured by 50% of the virtual shares portfolio
 - Invest in a virtual Fixed deposit (7% p.a)

LOANS

- B. Purchase of shares may only be made against cash balances available. This means that if during a purchase, the amount required for the purchase is more than the cash balance available, the system will only purchase shares against the cash balance available.
- C. However a team may choose to borrow funds from the Bank at an interest rate which is calculated per annum.
- The interest rate will be determined by the challenge coordinator and will be an average of the existing bank lending rates.
 - Interest will be charged on the loan on a simple interest and pro-rata basis.
 - Teams will get a loan of up to 50% of the value of shares held.
 - Teams may pay their loans at any time during the challenge.
 - Any outstanding loans and accrued interest form part of the amounts deducted in the calculations to determine the overall portfolio performance.
 - A team may only take one loan at a time. To take any additional loans, the team will have to pay any outstanding loans.
 - Interest rate for the game will be charged at 15% per annum.

Fixed Deposit

- D. A team may choose to invest part of their cash balances in a fixed deposit with the Bank at an interest rate of 7% which is calculated per annum.
- The period of investment can be 1month, 2 months or 3 months.
 - The interest rate will be determined by the challenge coordinator and will be an average of the existing bank lending rates.
 - Interest will be accrued on the fixed deposit investment on a simple interest depending on the period of investment.
 - 15% withholding tax will be deducted from the interest.
 - Fixed deposit investment and accrued interest will form part of the amounts added in the calculations to determine the overall portfolio performance.

FINANCIAL STATEMENT

- A. This link is a cash flow breakdown of the virtual start-up capital of Tshs 1,000,000 to date.

BLOG

- A. Participants should post their queries in the blog and the fellow participants or coordinators will answer these queries from time to time. Please note the following:
- Participants can also discuss your queries with other participants of the competition. Coordinators will only come in to give their input.
 - The discussions posted on this forum will be viewed by other participants.
 - Participants should restrict their discussions to matters involving the competition and the economy.
 - Your team's comments will be evaluated by the judges at the point of determining the winner of the competition.

JUDGING

Overall Winners will be determined at the end of the 3 months competition period. The winning portfolios will be evaluated by an audit panel of judges drawn from the following:

- DSE
- Selected Faculty members from higher learning institutions
- Stockbrokers and Investment Experts

Participants may use DSE website and social media pages to participate in discussion forums and briefly provide their investment objectives. Shortlisted top 10 performers will be invited for a live discussion forum to explain and discuss their investment objectives and strategies that guided their investment decisions. Judges will use the forum to test participants' teamwork, problem-solving, and critical thinking abilities/skills.

The following weighted average method will be used for tallying and identifying the winning portfolio:

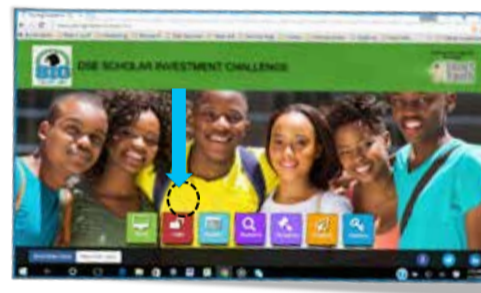
- 50% - Highest overall portfolio value on the last day of the challenge.
- 30% - The reason given by participants to support their investment decisions.
- 20% - Discussion forum participation.

PRIZES

- Cash
- Certificate of participation
- Mentorship opportunity

Registering through the website.

- Open your internet browser and go to www.younginvestors.co.tz. Once on the website, click on "Register" to go to the registration page.



- On the registration page accept terms and conditions and then click "Next" to start filling in your registration details.



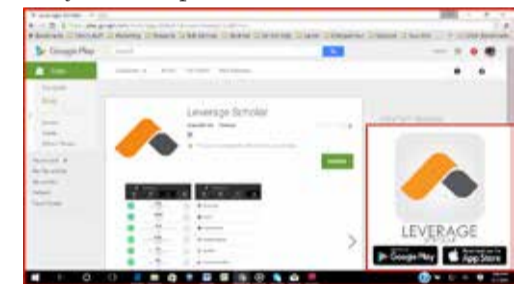
- Participants are required to use their Full Name (as they appear in their respective higher learning institution's records); and provide their registered mobile phone number and complete email address; University/College name; Faculty/School; and the Year of study.



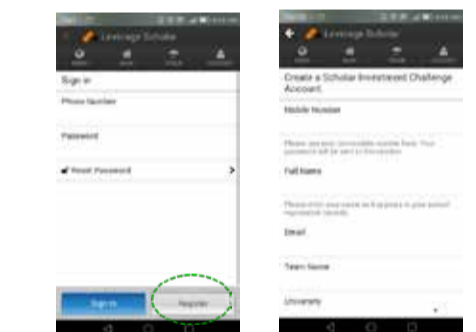
IMPORTANT: ONCE REGISTRATION PROCESS IS COMPLETE, YOU WILL GET AN EMAIL CONFIRMING YOUR USERNAME AND PASSWORD.

Registering on the Mobile App

- Download the Leverage Scholar App on Google Play store OR Apple App store on your smartphone.



- Register on the Leverage Scholar App as you would register online



- Once you have registered, you will receive your security code. Keep this safe! But incase you lose it, you can always reset your password and continue to Play!



Registering Via USSD code *150*36#

- Use your mobile phone to dial the USSD Code *150*36# and select Option 2 for "University Challenge".
- Complete the registration process as you would do it online.
- Once you have registered, you will receive your security code. Keep this safe! But incase you lose it, you can always reset your password and continue to Play!

DISCLAIMERS

- Participants can only access / buy shares that are available in the system using the existing live prices on DSE's Systems and website
- Participants cannot sell shares that are not available in their portfolio
- The DSE Scholar Investment challenge is a stock trading simulation of what happens at the Dar es Salaam Stock Exchange. It is by no means meant to represent the actual happenings of the DSE. Participants should therefore use the challenge only as a learning tool and educational entertainment.
- The final interpretation of these (and other) rules is at the sole discretion of the challenge coordinators and judges. Any decision made by the challenge coordinators and judges will be final and no correspondence will be entered into.
- The DSE, on matters relating to the challenge and related initiatives, may (at own discretion) accept, reject or terminate any teams participation, before, during or after the challenge for any reason whatsoever.
- The DSE reserves the right to change or amend the rules before, during or after the challenge. Change of rules will be communicated via DSE websites and applied to all the teams equally.
- Team members should work as a team combining their research knowledge to arrive at joint decision. Any transaction performed by a team member will be assumed to be a collective decision by the team and will be binding on the team.
- By taking part in this challenge, participants fully authorize DSE to use their legal names, images, School ID numbers, and other related information for identification, promotion, recruitment and all other current and future Challenge activities.
- Research is an integral part of the investment process - participants are therefore expected to use various data, reports, researches, papers and approaches to guide their investment decisions.