

KEY MARKET INDICATORS

COUNTRY	INDEX	W-o-w (%)	YTD	MARKET CAPITALIZATION
KENYA	All Share Index(NASI) - 158.29	0.2%	12.7%	USD Mn – 23,405 KES Bn – 2,370
	NSE 20 Share Index - 2,870.12	-1.5%	1.3%	USD Mn – 20,185 KES Bn – 2,044
	NSE 25 Share Index - 3,958.07	-0.2%	11.4%	USD Mn – 21,877 KES Bn – 2,215
UGANDA	UGSINDX – 1,784.68	-0.6%	8.2%	USD Mn – 6,532 UGS Bn – 24,394
*TANZANIA	DSEI – 1,980.73	-4.3%	3.0%	USD Mn – 8,339 TZS Bn – 19,092
RWANDA	RSEASI – 135.81	-0.1%	3.5%	USD Mn – 3,427 RWF Bn – 3,053

Source: NSE, UGSE, RSE, *DSE- figures used are as at 16th April 2019

KEY ECONOMIC INDICATORS

EXCHANGE RATE	W-o-w (%)	YTD	INFLATION(MM/YY)	GDP GROWTH
KES/USD –101.26	-0.3%	0.6%	4.4%(03/2019)	6.0%(3Q2018)
UGS/USD 3,734.28	0.3%	-0.5%	3.0%(03/2019)	6.4%(3Q17/18)
TZS/USD –2,289.55	-	-0.4%	3.1%(03/2019)	7.1%(FY2017)
RWF/USD – 890.87	-0.1%	-1.3%	1.1%(03/2019)	7.7%(3Q2018)

Source: CBK, BOT, NBR, KNBS, UBOS, NBS, NISR, BOU

NMG Posts a 21.8% Decline in After Tax Profits for FY2018

Nation Media Group (NMG) registered a 21.8% y/y decline in after tax profits for FY2018 to KES 1.1 billion (FY2017: KES 1.4 billion). The decline in performance was predominantly influenced by 9.1% y/y decrease in turnover to KES 9.7 billion from KES 10.6 billion in FY2017. According to the company, the contraction in profitability was due to; the closure of NTV - Kenya for a week, a contraction in advertising revenues following the suspension of key accounts with accrued debts (owing to delayed payments especially from the Government), an increase in newsprint costs, drop in interest income and a challenging operating environment in the Ugandan and Tanzanian markets. The company has however re-activated the suspended accounts with the government in a bid to regain lost revenue. Management did not indicate under what terms the accounts were reactivated or what measures were put in place to avoid bad debts as a result of the government's failure to pay. Going forward, NMG expects to focus on digitization in order to diversify its revenue streams, increase efficiency and to remain competitive. Furthermore, NMG has also invested in data analytics in order to gain insights on customer preferences and market trends. The persistent decline in the company's top-line and bottom-line partly reflects customer shifts to new media to the detriment of the legacy channels. The TV and radio segments have also faced increased competition from other industry players. Although the company has initiated projects to align its business model to the customer shifts, the company has encountered challenges in monetization. This means that the company is unlikely to fully mitigate against losing revenues from the legacy media.

The Energy Regulatory Commission Raises Fuel Prices

The Energy Regulatory Commission (ERC) raised the prices of diesel, super petrol and kerosene in its April fuel review by KES 5.52, KES 5.25 and KES 2.76 per litre respectively. The price adjustments reflect an increase in international crude oil prices. In the first 3 months of the year the price of crude oil was on an upward trajectory rising from USD 59.50 per barrel in December 2018 to USD 68.60 per barrel. This was on the back of supply cuts by the Organization of the Petroleum Exporting Countries (OPEC) and its partners, political conflict in Libya (which has raised fears of a potential supply short) and US sanctions imposed on Iran and Venezuela (resulting in a decline in supply). We expect the upward adjustment in fuel prices, coupled with the increase in food prices (owing to the current drought conditions) to raise inflationary pressures for the remainder of the year.

Stock Market Performance and Outlook

The overall market edged by 0.2% w/w to close the week at 158.29 (NASI) characterized by a decline in trading activities. We attribute the increase in the overall market index to price gains made on Safaricom (+1.3% w/w), KenGen (+1.0%) and EABL (+2.1% w/w). Notable price declines were recorded on Centum (-4.5% w/w), Coop (-3.7% w/w) and KQ (-4.0% w/w). We expect minimal price movements in the coming week with exception of Safaricom. We expect price gains on the back of speculative activity ahead of the company's FY2019 results announcement on 3rd May 2019.

Equity Market Summary

Banking Sector	Price (KES)	YTD change	% w-o-w Change	Volume Traded	C/I Ratio	P/E (X)	Dividend Yield	P/B (X)	ROE
KCB	45.00	20.2%	0.4%	4,061,800	48.7%	5.75	7.8%	1.21	21.9%
Equity Bank	41.90	20.2%	-1.3%	1,199,500	52.2%	7.98	4.8%	1.67	21.1%
NIC Bank	36.80	32.4%	1.0%	147,500	46.3%	5.57	3.4%	0.66	12.1%
Stanbic	99.00	9.1%	1.5%	2,100	50.2%	6.23	5.9%	0.88	14.3%
National Bank	4.71	-11.5%	-0.2%	43,900	92.0%	227.70	0.0%	0.23	0.1%
Barclays Bank	11.95	9.1%	-0.8%	408,500	54.2%	8.75	9.2%	1.47	17.1%
Housing Finance	4.35	-21.5%	-6.0%	163,100	107.7%	N/M	0.0%	0.15	-5.5%
Co-operative Bank	14.15	-1.0%	-3.7%	523,300	54.6%	6.52	7.1%	1.19	18.2%
Diamond Trust Bank	124.00	-20.8%	-1.8%	1,800	45.2%	4.90	2.1%	0.65	13.9%
Standard Chartered	206.00	5.9%	-0.5%	2,200	51.8%	8.74	9.2%	1.52	17.5%
I&M	112.75	32.6%	-0.2%	11,700	36.6%	5.48	3.5%	0.97	17.9%
Sector Average					58.1%	28.76	4.8%	0.96	13.5%

P/B (X) - FY2018

Commercial and Services	Price (KES)	YTD Change	% w-o-w Change	Volume Traded	P/E (X)	Dividend Yield	EPS(KES)	ROE
Kenya Airways	4.99	-43.9%	-4.0%	111,800	N/M	0.0%	-0.81	N/M
Nation Media Group	60.50	-11.7%	-1.2%	40,300	8.77	16.5%	6.9	19.1%
WPP Scangroup	18.05	28.9%	-8.1%	33,300	16.12	2.8%	1.12	5.2%
Uchumi Supermarket	0.40	-50.0%	-11.1%	89,400	N/M	0.0%	-4.6	N/M
Longhorn Publishers	6.30	36.7%	-1.6%	0	12.86	6.0%	0.49	13.1%
Eveready	1.02	2.0%	-6.4%	1,700	0.80	98.0%	1.27	-35.3%
Sector Average					9.64	5.1%		0.5%

*N/M - Not Meaningful

Construction & Allied	Price (KES)	YTD Change	% w-o-w Change	Volume Traded	P/E(X)	Dividend Yield	NPM*	ROE
ARM Cement	5.55	0.0%	0.0%	0	N/M	0.0%	-21.9%	-12.5%
Bamburi Cement	118.75	-10.4%	-5.0%	300	48.47	4.3%	1.6%	0.5%
E.A. Portland Cement	18.65	16.6%	0.0%	0	N/M	0.0%	19.3%	25.0%
Sector Average					48.47	1.4%		4.3%

*NPM - Net Profit Margin

Energy & Petroleum Sector	Price (KES)	YTD Change	% w-o-w Change	Volume Traded	P/E(X)	Dividend Yield	EPS (KES)	ROE
KenGen	6.00	-14.5%	1.0%	27,800	5.00	6.7%	1.20	4.2%
Kenya Power	3.97	-2.5%	-5.7%	295,900	4.05	0.0%	0.98	3.0%
Total Kenya	28.70	4.4%	-0.2%	500	7.82	4.5%	3.67	10.5%
Sector Average					5.62	3.3%		3.6%

Insurance Sector	Price (KES)	YTD Change	% w-o-w Change	Volume Traded	P/B(X)	P/E(X)	Loss Ratio	Expense Ratio
CIC Insurance	3.60	-6.7%	-2.7%	139,700	1.19	20.00	64.9%	49.0%
Britam	8.52	-14.8%	0.2%	44,700	0.77	35.50	67.6%	134.8%
*Jubilee	410.00	1.3%	1.5%	0	1.18	8.20	102.4%	142.2%
Kenya Re	10.95	-21.5%	-0.5%	7,100	0.27	2.14	62.2%	106.7%
Sanlam Kenya	19.30	-12.3%	1.6%	0	2.09	91.90	95.4%	149.7%
Liberty	10.00	-22.5%	3.5%	21,300	0.72	6.33	66.5%	66.5%
Sector Average					0.88	9.57	76.5%	108.2%

*Jubilee-FY2017

DISCLAIMER: The information contained herein is obtained from sources, which to the best of our knowledge are deemed reliable. As such, we are not responsible or liable for any factual errors arising thereof. Any opinions expressed herein are ours and are bound to change anytime at no notice.

Investment Sector	Price (KES)	YTD Change	% w-o-w Change	Volume Traded	P/E(X)	P/B(X)	NAVPS**	EPS (KES)	ROE
Centum Investment	31.05	6.2%	-4.5%	102,900	7.40	0.41	73.2	4.20	5.6%
Home Afrika Ltd	0.52	-25.7%	4.0%	117,200	N/M	N/M	0.85	-0.39	2.6%
Trans-Century	2.76	294.3%	-1.4%	1,600	N/M	0.22	40.96	-1.56	4.7%
Sector Average					N/M	0.31			4.3%

*NPM - Net Profit Margin, **NAVPS - Net Asset Value Per Share

Investment Services	Price (KES)	YTD Change	%w-o-w change	Volume Traded	P/E(X)	Dividend Yield	EPS (KES)	ROE
NSE	13.45	-7.6%	-1.8%	100,300	18.42	3.6%	0.73	9.3%
Sector Average					18.42	3.6%		

Manufacturing & Allied Sector	Price (KES)	YTD Change	% w-o-w Change	Volume Traded	P/E(X)	Dividend Yield	EPS (KES)	ROE
Mumias Sugar	0.41	-29.3%	-8.9%	229,200	N/M	0.0%	-4.43	-69.4%
EABL	214.25	22.6%	2.1%	468,500	29.80	3.5%	7.19	61.4%
FTG Holdings	2.81	12.4%	6.0%	200	3.31	0.0%	0.85	22.3%
Carbacid	9.20	-8.0%	0.4%	11,100	6.67	7.6%	1.38	14.6%
BAT	544.00	-25.0%	-1.1%	0	16.31	4.8%	33.36	48.0%
Sector Average					14.02	3.2%		

Telecommunication & Technology Sector	Price (KES)	YTD Change	% w-o-w Change	Volume Traded	P/E(X)	Dividend Yield	EPS (KES)	ROE
Safaricom	27.85	25.5%	1.3%	1,773,800	19.89	3.9%	1.40	47.8%
Sector Average					19.89	3.9%		

Real Estate Investment Trust	Price (KES)	YTD Change	% w-o-w Change	Volume Traded	NAVPS*	Dividend Yield	EPS (KES)
STANLIB FAHARI I-REIT	9.72	-11.2%	4.7%	6,000	13.69	7.72%	0.71
Sector Average						NA	

*NAVPS - Net Asset Value Per Share

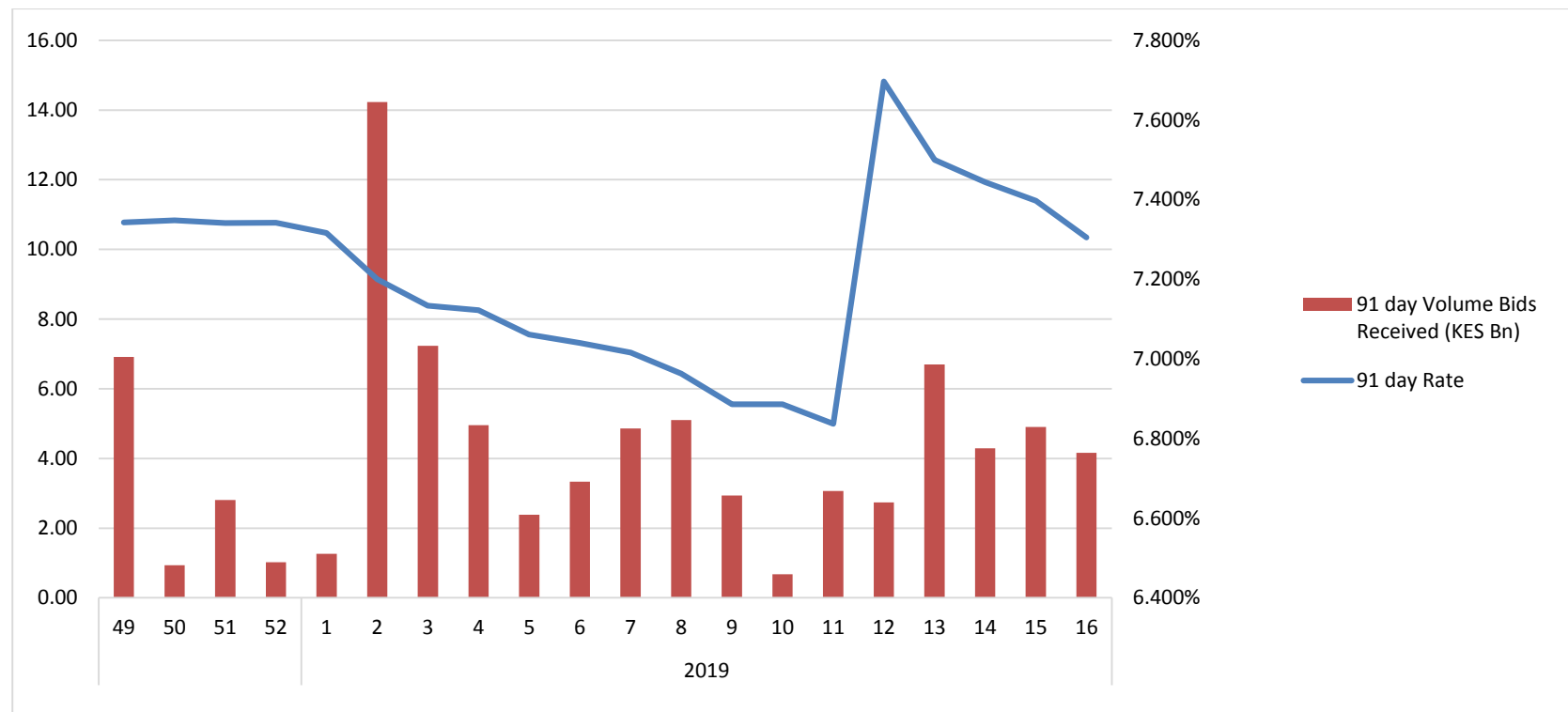
Market Statistics	This Week	Last Week	% Change
Total Volumes	34,688,500	80,248,400	-56.8%
Total Turnover (KES)	1,213,057,412	2,337,664,750	-48.1%

Fixed Income Market Summary

	Bids Received (KES)	Subscription	Bids Accepted (KES)	Rate	Previous Rate	% Change
91 day T-bill	4.16Bn	104.03%	4.16Bn	7.305%	7.397%	-0.092
182 day T-bill	4.68Bn	46.83%	4.68Bn	8.042%	8.090%	-0.048
364 day T-bill	12.44Bn	124.36%	9.68Bn	9.354%	9.371%	-0.017

Graph showing 91 day T-bill rate and volume

Week No. 16



DISCLAIMER: The information contained herein is obtained from sources, which to the best of our knowledge are deemed reliable. As such, we are not responsible or liable for any factual errors arising thereof. Any opinions expressed herein are ours and are bound to change anytime at no notice.

Corporate Actions

Counter	Corporate Action	Declared	Date Announced	Books Closure Date	Payment Date
BAT Kenya PL	Final dividend	Kes.31.50	14-Feb-19	14-Mar-19	10-May-19
Limuru Tea Company Plc	First & Final dividend	Kes.1.00	25-Mar-19	12-Apr-19	03-Jun-19
NIC Group Plc	First & Final dividend	Kes.1.25	21-Mar-19	18-Apr-19	06-May-2019
Equity Group Holdings Plc	First & Final dividend	Kes.2.00	27-Mar-19	26-Apr-19	31-May-19
Standard Chartered Bank Kenya	Final dividend	Kes.14.00	22-Mar-2019	26-Apr-19	23-May-19
BOC Kenya Plc	Final dividend	Kes.2.85	09-Mar-19	29-Apr-19	26-Jul-19
Co-operative Bank of Kenya	First & Final dividend	Kes.1.00	21-Mar-19	29-Apr-19	07-Jun-19
KCB Group PLC	Final dividend	Kes.2.50	06-Mar-19	29-Apr-19	Subject to Approval
CIC Insurance Group Plc	First & Final dividend	Kes.0.13	11-Mar-19	30-Apr-19	31-May-19
Barclays Bank of Kenya Ltd	Final dividend	Kes.0.90	11-Mar-19	30-Apr-19	29-May-19
Kakuzi Plc	First & Final dividend	Kes.9.00	29-Mar-19	01-May-19	30-Jun-19
WPP Scangroup Plc	Final dividend	Kes.1.00	11-Apr-19	10-May-19	10-Jun-19
WPP Scangroup Plc	Special dividend	Kes.3.00	11-Apr-19	10-May-19	10-Jun-19
I&M Holdings Plc	Bonus Issue	Bonus Issue of 1:1	27-Mar-19	10-May-19	23-May-19
Stanbic Holdings PLC	Final dividend	Kes.3.55	01-Mar-19	10-May-19	Subject to Approval
Bamburi Cement Ltd	Final dividend	Kes.4.10	15-Apr-19	17-May-19	12-Jul-19
Diamond Trust Bank Ltd	First & Final dividend	Kes.2.60	01-Mar-19	24-May-19	26-Jun-19
Nairobi Securities Exchange	First & Final dividend	Kes.0.49	22-Mar-19	30-May-19	30-Jul-19
Nation Media Group Ltd	Final dividend	Kes.3.50	Kes.3.50	14-Jun-19	30-Jul-19
Kenya Reinsurance Corporation Ltd	First & Final dividend	Kes.0.45	29-Mar-19	17-Jun-19	26-Jul-19
Umeme Ltd	Final dividend	Ushs.28.20	25-Mar-19	25-Jun-19	15-Jul-19
Total Kenya Plc	First & Final dividend	Kes.1.30	28-Mar-19	26-Jun-19	22-Jul-19
Stanlib Fahari I-REIT	First & Final dividend	Kes.0.75	29-Mar-19	Subject to Approval	30-Apr-19
Standard Group Plc	First & Final dividend	Kes.0.60	18-Mar-19	Subject to Approval	Subject to Approval

Market Recommendations

Counter	Recommendation	52-Week High	52-Week Low	YTD Change	Price as at 18th April 2019
KCB Group	Under Review	54.00	34.00	20.20%	45.00
Equity Group Holdings	Long-term Buy	56.50	33.40	20.20%	41.90
Cooperative Bank	Long-term Buy	20.00	12.65	-1.00%	14.15
I&M	Hold	130.00	81.00	32.60%	112.75
Barclays Bank of Kenya	Hold	13.50	9.50	9.10%	11.95
Diamond Trust Bank	Hold	216.00	112.00	-20.80%	124.00
NBK	Sell	8.35	4.05	-11.50%	4.71
Jubilee Holdings	Buy	540.00	355.25	1.30%	410.00
Britam Holdings	Hold	15.85	8.20	-14.80%	8.52
Bamburi Cement	Hold	190.00	112.50	-10.40%	118.75
Safaricom	Hold	30.50	21.00	25.50%	27.85
EABL	Hold	270.00	160.00	22.60%	214.25
KenGen	Trading	9.00	5.10	-14.50%	6.00
Mumias	Sell	0.90	41.00	-29.30%	0.41
Centum	Long-term Buy	43.00	22.50	6.20%	31.05

For more detailed information on the following recommendations, please click [here](#):

For Online Share Trading (OST) via browser, please click [here](#):

For the Faida M-Trader Application, please click [here](#):

To join our Telegram channel, please click [here](#):

ANALYSTS:

Samuel Njihia

E-mail: samuel.njihia@fib.co.ke

Ivy Barongo

E-mail: ivy.barongo@fib.co.ke

John Jumwa

Email: john.jumwa@fib.co.ke



HEAD OFFICE:

Crawford Business Park,
Ground Floor,
State House Road
Tel: 0207606026-37
P.O Box 45236-00100
Nairobi