

Kenya Shilling Performance

KES	Value	Daily Change %	YTD Change %
US Dollar	108.0294	(0.0%)	(6.6%)
STG Pound	141.3259	0.5%	(6.3%)
EURO	127.6385	0.4%	(12.6%)

Source: CBK; Negative () = Depreciation, Positive = Appreciation

Market Summary

Index	Value	Daily Change %	YTD Change %
NASI	130.21	(0.3%)	(21.8%)
NSE 20	1,761.43	0.2%	(33.6%)
NSE 25	2,983.73	(0.2%)	(27.2%)

	Today	Previous	Daily Change %
Market Capitalization (KES Bn)	1,998.72	2,004.50	(0.3%)
Number of Shares Traded (Q)	18,565,500	10,359,700	79.2%
Equity Turnover (KES)	481,697,721	211,228,898	128.0%
Foreign Buys (%)	93.8%	14.3%	
Foreign Sells (%)	84.2%	48.4%	
Foreign Participation (%)	89.0%	31.3%	

Source: NSE

Equities Performance

Top Gainers	Price (KES)	Daily Change %	YTD Change	Volume Traded
1. Bamburi	26.65	7.0%	(66.7%)	400
2. HF Group	3.93	5.6%	(39.2%)	800
3. StanChart	160.00	5.4%	(21.0%)	1,900
4. Olympia	2.40	4.8%	19.4%	4,100
5. Absa Bank	9.00	4.4%	(32.6%)	164,400

Top Losers	Price (KES)	Daily Change	YTD Change %	Volume Traded
1. Scangroup	9.06	(8.7%)	(47.3%)	49,000
2. E.A.Cables	1.93	(8.1%)	(22.8%)	1,600
3. Sameer	3.25	(6.6%)	(5.8%)	3,300
4. Uchumi	0.30	(6.3%)	3.4%	15,700
5. Umeme	6.60	(5.7%)	(20.3%)	300

Movers	Turnover (KES)	Volume (KES)	Price (KES)
1. Safaricom	444,295,500	16,156,200	27.50
2. EABL	15,820,200	103,400	153.00
3. KCB Group	7,756,430	235,400	32.95
4. Co-op	3,381,345	326,700	10.35
5. Equity Group	1,712,880	54,900	31.20

Source: NSE

Market Commentary

The All Share Index eased by 0.3% to close the day at 130.21. This was partly attributed to Safaricom declining by 0.7% to KES close (VWAP) at 27.50. Activity on the counter accounted for 92.1% of the day's traded value. The NSE 20 Index however gained by 0.2% to close at 1,761.43. Market turnover rose to KES 481.6 million from KES 211.2 million in the previous trading session while the number of shares traded increased by 79.2% to 18.5 million. Bamburi (+7.0% to KES 26.62), HF Group (+5.6% to KES 3.93) and Standard Chartered (+5.4% to KES 160.00) emerged as the top 3 gainers while Scangroup (-8.7% to KES 9.06), EA Cables (-8.1% to KES 1.93) and Sameer (-6.6% to KES 3.25) emerged as the top 3 losers. Foreign investors dominated today's trading activity (89.0% participation).

Recommendations

Counter	Recommendation	Price (KES)	Daily Change %	YTD Change %
KCB Group	Long-term Buy	32.95	0.0%	(39.0%)
Equity Group	Long-term Buy	31.20	(1.0%)	(41.7%)
Absa Kenya	Long-term Buy	9.00	4.4%	(32.6%)
Stanbic Holdings	Long-term Buy	74.00	(0.7%)	(32.3%)
NCBA	Long-term Buy	23.30	0.4%	(36.8%)
StanChart	Sell	160.00	5.4%	(21.0%)
Safaricom	Hold	27.50	(0.7%)	(12.7%)
HF	Sell	3.93	5.6%	(39.2%)
Bamburi	Sell	26.65	7.0%	(66.7%)

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

Bonds Performance

	Today	Previous	Daily Change %
Total Deals	94	73	28.8%
Bond Turnover	2,671,961,841	4,010,561,189	(33.4%)

Actively Traded Bonds

GOK Bonds	Coupon Rate %	Traded Yield %	Value Traded (Mn)	DTM
FXD1/2019/5Yr	11.3040	10.2000	1,600.0	1,288
FXD2/2016/5Yr	14.0690	7.5000	300.0	343
FXD1/2010/15Yr	10.2500	10.2000	200.0	1,673

Source: NSE; DTM = Days to Maturity, FXD = Fixed Rate Bond, IFB = Infrastructure Bond

News Highlights

Limuru Tea Lowers after Tax Loss in 1H2020

- Limuru Tea posted an after-tax loss of KES 11.1 million for 1H2020, an improvement from a loss of KES 18.2 million reported in 1H2019. The improvement was attributed to top-line growth as well as effective cost management initiatives.
- Turnover edged up by 72.5% y/y to KES 50.6 million (1H2019: KES 29.4 million). This was attributed to higher sales volumes which offset the adverse impact of declining market prices.
- According to management, the company produced 2,172 tons of green leaf which was in turn manufactured into 458 tons of black tea.
- Management expects depressed market prices to continue to pose a risk to the business performance and is focusing on volume growth, cost management and other strategic initiatives to mitigate the market impact.
- The Covid-19 pandemic is expected to remain a risk to the operations of the business.

Commentary

- As countries open up and ease restrictions, we expect this to offer some reprieve. However, for the most part, demand and tea prices will be affected by the pandemic.



E-mail:

research@fib.co.ke

Recommendations Guide

LONG-TERM BUY: The Company has strong fundamentals. However, there are certain investments or strategies that would require an investor to have a long-term view of the company to allow for capital appreciation. Also, the company may be facing headwinds which we view as short term

BUY: Strong fundamentals. Minimal risks to the catalysts/growth drivers

NEUTRAL: This is where the positives and negatives in a company almost balance out. You can accumulate for the long term.

SELL: Deteriorating fundamentals. Risks outweigh the catalyst/growth driver

HEAD OFFICE:

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