

Kenya Shilling Performance

KES	Value	Daily Change %	YTD Change %
US Dollar	106.4576	0.0%	(5.1%)
STG Pound	131.8044	0.6%	0.9%
EURO	119.4379	0.1%	(5.4%)

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

Market Summary

Index	Value	Daily Change %	YTD Change %
NASI	138.79	0.75%	(16.6%)
NSE 20	1,952.26	0.70%	(26.5%)
NSE 25	3,246.93	0.48%	(20.8%)

	Today	Previous	Daily Change %
Market Capitalization (KES Bn)	2,121.26	2,105.36	0.8%
Number of Shares Traded (Q)	8,534,200	13,267,400	(35.7%)
Equity Turnover (KES)	253,297,616	347,574,556	(27.1%)
Foreign Buys (%)	71.8%	58.8%	
Foreign Sells (%)	84.3%	94.0%	
Foreign Participation (%)	78.1%	76.4%	

Source: NSE

Equities Performance

	Top Gainers	Price (KES)	Daily Change %	YTD Change	Volume Traded
1	Kenya Airways	2.99	9.9%	45.9%	171,300
2	Flame Tree	1.50	5.6%	(39.3%)	300
3	Home Afrika	0.43	4.9%	(28.3%)	424,500
4	Liberty Kenya	7.50	3.9%	(27.5%)	500
5	Sameer Africa	3.41	3.3%	(1.2%)	22,100

	Top Losers	Price (KES)	Daily Change	YTD Change %	Volume Traded
1.	TPS Eastern Africa	14.40	(10.0%)	(17.9%)	2,900
2.	Total Kenya	24.60	(9.4%)	(10.5%)	11,400
3.	NBV	0.60	(3.2%)	(14.3%)	6,300
4.	Carbacid	8.84	(2.6%)	10.5%	2,400
5.	I&M Holdings	48.95	(2.1%)	(9.4%)	2,100

	Movers	Turnover (KES)	Volume (KES)	Price (KES)
1.	Safaricom	96,595,360	3,342,400	28.90
2.	EABL	67,333,875	395,500	170.25
3.	Equity Group	45,110,520	1,285,200	35.10
4.	KCB Group	30,750,720	844,800	36.40
5.	Absa Bank	2,463,390	243,900	10.10

Source: NSE

Market Commentary

The All Share Index gained marginally by 0.8% to close the day at 138.79. We partly attribute this to a rebound on Safaricom (+1.4% to KES 28.90). Activity on the counter accounted for 38.2% of the day's traded value. The NSE 20 index also gained marginally by 0.7% to close the day at 1,952.26. Equity turnover declined by 27.1% to KES 253.2 million. Foreign investors were net sellers with 84.3% of the day's sales against 71.8% of the day's purchases. There was however notable foreign investor buy side activity on Safaricom and EABL.

Recommendations

Counter	Recommendation	Price (KES)	Daily Change %	YTD Change %
KCB Group	Long-term Buy	36.40	0.0%	(32.6%)
Equity Group	Long-term Buy	35.10	0.1%	(34.4%)
Absa Kenya	Long-term Buy	10.10	0.0%	(24.3%)
Stanbic Holdings	Long-term Buy	83.25	1.5%	(23.8%)
NCBA	Long-term Buy	26.90	(0.6%)	(27.0%)
StanChart	Sell	166.50	(0.3%)	(17.8%)
Safaricom	Hold	28.90	1.4%	(8.3%)
HF	Sell	4.50	(0.7%)	(30.3%)
Bamburi	Sell	28.00	2.8%	(65.0%)

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

Bonds Performance

	Today	Previous	Daily Change %
Total Deals	105	135	(22.2%)
Bond Turnover	1,174,539,679	4,620,517,367	(74.6%)

Actively Traded Bonds

GOK Bonds	Fixed Rate %	Traded Yield %	Value Traded (Mn)	DTM
IFB1/2020/6	10.2000	10.2500	500.0	2,156
FXD1/2010/15	10.2500	10.8500	150.0	1,715
IFB1/2020/9	10.8000	11.1000	100.0	3,199

Source: NSE; DTM = Days to Maturity

News Highlights

Kenya Airways Could Delay Resumption of Flights

- Kenya Airways could delay the resumption of passenger flights if forced to limit passenger numbers to ensure social distancing - as required by the Ministry of Trade.
- According to management, the airline would have to significantly increase ticket prices (60.0% to 100.0%) as it would be uneconomical to fly with the middle row seats empty in accordance with the health regulations.
- Further, the airline conducted studies through the International Air Transport Association (IATA) to determine the risk of transmission and found that the air circulation system in the planes lowers the risk of transmission due to hyper-filters.
- The IATA is therefore proposing the use of measures such as face masks as opposed to having middle seats empty, as the latter would dramatically increase air travel costs.
- The President stated last week that local flights will resume as part of an inter-county travel trial. The restriction on travel into and out of Nairobi and Mombasa is to be eased.

Commentary

- It'll be interesting to see whether the government is willing to let up on safety measures to accommodate Kenya Airways.



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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

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