



# Weekly Report

## Week 10

Week Ending Friday, March 11th, 2022

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## Global Markets

Index	Last Price*	Weekly Change	YTD Change
DJI	32,944.19	(2.0%)	(9.3%)
S&P 500	4,204.31	(2.9%)	(11.8%)
NASDAQ 100	13,301.83	(3.9%)	(18.5%)
DAX	13,628.11	4.1%	(14.2%)
FTSE 100	7,155.64	2.4%	(3.1%)
EURO STOXX 50	3,686.78	3.7%	(14.2%)
Shanghai Composite	3,309.75	(4.0%)	(9.1%)
NIKKEI 225	25,162.78	(3.2%)	(12.6%)
Commodities			
Brent Oil (USD/bbl.)	112.67	(4.6%)	44.9%
Gold (USD/Oz)	1,988.46	0.9%	8.7%

Source: Bloomberg, NSE; \*As at 6:00 PM EAT

## Equities Market

### Equity Market Commentary

The All Share Index (NASI) decreased by 3.40% w-o-w to close the week at 159.05, similarly the NSE 20 decreased by 1.76% w-o-w to close the week at 1,864.58. Equity turnover increased by 1.24% to KES 2.4 billion while the volume traded decreased by 14.05% to 57.67 million. Notable price decreases included; Safaricom (5.3% w/w to KES 35.50) and KPLC (4.3% w/w to KES 1.57). We expect similar fluctuations in foreign participation and price stability amongst bank stocks.

### Market Indices Performance

Index	This Week	Previous Week	Weekly Change %	YTD Change %
NASI	159.05	164.64	-3.40%	-4.19%
NSE 20	1,864.58	1897.90	-1.76%	-2.00%
NSE 25	3,613.10	3703.58	-2.44%	-3.50

Source: NSE

### Market Statistics

	This Week	Previous Week	Change %
Market Capitalization (KES Bn)	2,477.15	2,564.49	-3.41%
Volume (Mn)	57.67	67.10	-14.05%
Equity Turnover (KES Mn)	2,441.76	2,411.90	1.24%

Source: NSE

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## Equities Performance

Foreign Activity	Previous	Current	Weekly Change %
Foreign Trades	957,967,566.05	1,654,682,587	72.73%
Foreign Participation %	41.00%	67.77%	

Top Gainers	Previous Price (KES)	Current Price (KES)	Weekly Change %	YTD Change
1. Car General	52.25	61.25	17.22%	80.4%
2. Sasini	18.10	19.75	9.12%	5.6%
3. Sanlam	11.90	12.75	7.14%	10.4%
4. BK Group	27.50	29.35	6.73%	1.2%
5. Umeme	6.00	6.38	6.33%	(5.3%)

Top Losers	Previous Price (KES)	Current Price (KES)	Weekly Change	YTD Change %
1. Transcentury	1.24	1.01	(18.55%)	(13.7%)
2. EA Portland	7.10	6.30	(11.27%)	(5.4%)
3. TP Serena	12.85	11.70	(8.95%)	(23.3%)
4. Fahari I Reit	6.50	5.92	(8.82%)	(5.4%)
5. Eveready	0.94	0.86	(8.51%)	(12.2%)

	Movers	Previous Price (KES)	Current Price (KES)	Turnover (KES Mn)
1.	Safaricom	37.50	35.50	1,043.91
2.	BAT	490.25	491.00	448.77
3.	Equity	51.75	51.25	289.70
4.	KCB	45.35	44.70	269.48
5.	SCBK	132.00	131.00	169.39

Source: NSE and Faida Investment Bank Analysis

## Derivatives Market

### Weekly Statistics

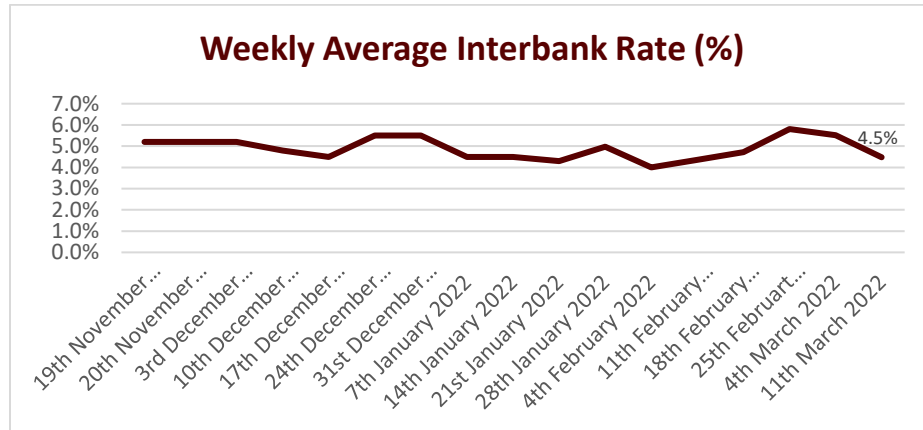
	This Week	Previous Week
Total Volumes	114	74
Total Value	4,303,380	2,528,190
Total Open Interest	418	418

Source: NSE

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## Fixed Income

### Interbank Rate



Source: CBK

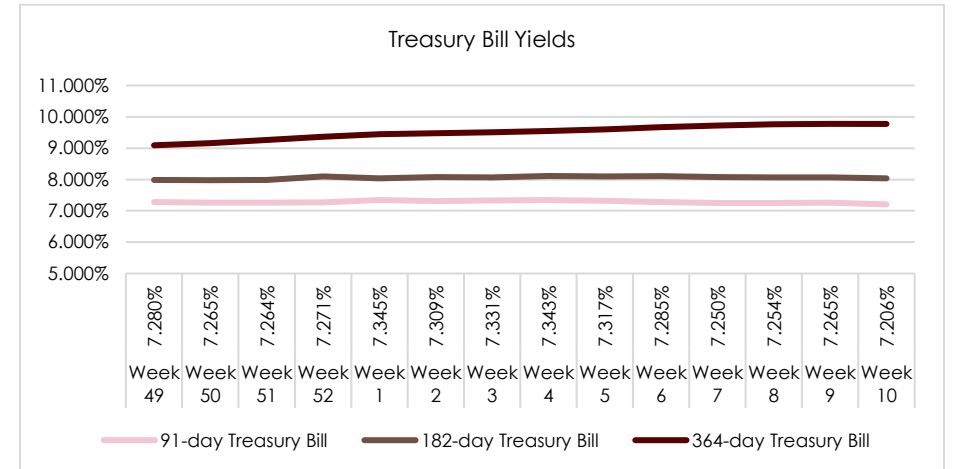
### Treasury Bill Auction Results

	Amount Offered	Bids Received	Subscription Rate	Bids Accepted	Yield	Change*
91 day	4.0	5.3	132.39%	5.3	7.206%	-0.06%
182 day	10.0	5.8	58.08%	5.8	8.032%	-0.03%
364 day	10.0	13.4	133.92%	12.0	9.771%	0.00%
Total	24.0	24.5	102.06%	23.1		

\*Change = Current Rate – Previous Rate; 1.0% = 100 bps  
Amount Offered, Bids Received and Bids Accepted are in KES Billions

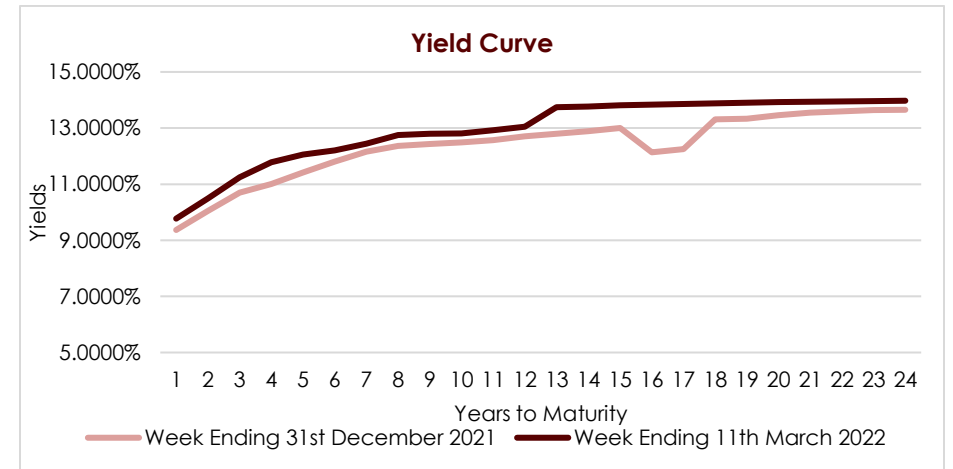
Source: CBK

## Treasury Bill Yields



Source: CBK

## Government Securities Yield Curve



Source: NSE

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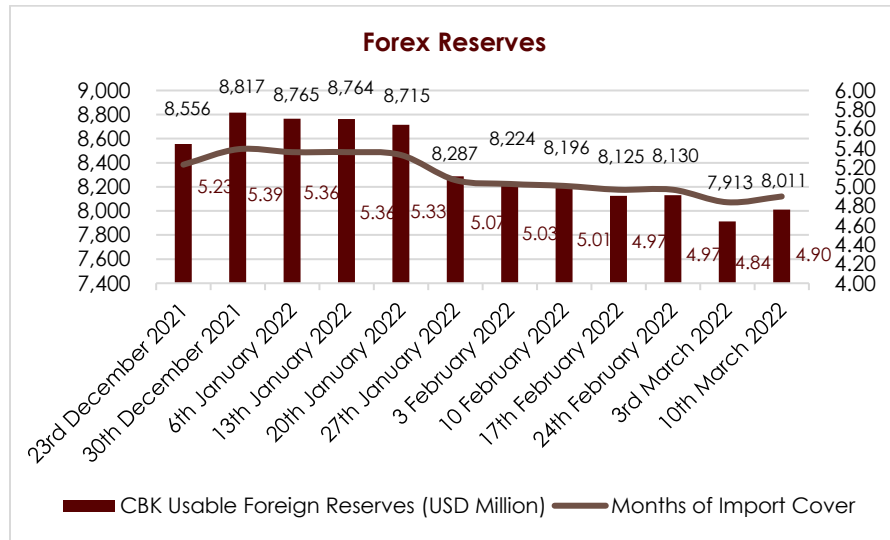
## Macroeconomic Indicators

### Exchange Rates

KES	Value	Weekly Change %	YTD Change %
US Dollar	113.9147	0.1%	0.7%
STG Pound	152.4115	(0.3%)	0.2%
EURO	127.0935	(0.5%)	(0.7%)

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

### Forex Reserves



Source: CBK

## Inflation



Source: KNBS

## Gross Domestic Product (GDP)

Real GDP Growth by Sector	3Q2020	3Q2021
Agriculture	4.2%	(1.8%)
Mining & Quarrying	7.0%	25.1%
Manufacturing	(1.7%)	9.5%
Electricity and Water Supply	0.2%	4.5%
Construction	12.5%	6.4%
Wholesale & Retail Trade	(5.0%)	6.9%
Accommodation & Food Services	(63.4%)	24.8
Transport & Storage	(10.1%)	13.0%
Information & Communication	3.2%	5.8%
Financial & Insurance	3.0%	6.7%
Public Administration	6.3%	6.9%
Professional, Admin & Support Services	(19.7%)	13.5%
Real Estate	3.7%	5.2%
Education	(17.4%)	64.7%
Health	5.2%	8.4%
Other Services	(12.9%)	13.3%

Source: KNBS

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## Corporate Actions

Counter	Corporate Action	Declared	Date Announced	Books Closure Date	Payment Date
Stanbic Holdings Plc	Final Dividend	7.30	03-Mar-2022	<b>20-May-2022</b>	TBA
Safaricom Plc	Interim dividend	0.64	25-Feb-2022	<b>17-Mar-2022</b>	31-mar-2022
BAT Kenya Plc	Final dividend	50.00	18-Feb-2022	<b>22-Apr-2022</b>	24-May-2022
East African Breweries Plc	Interim dividend	3.75	28-Jan-2022	<b>28-Feb-2022</b>	27-Apr-2022
Sasini Plc	Final dividend	Kes. 0.50	11-Jan-22	<b>22-Feb-22</b>	15-Mar-22
Car & General	First & Final dividend	Kes. 3.20	6-Jan-22	<b>25-Feb-22</b>	24-Mar-22
Car & General	Bonus	1:1	6-Jan-22	<b>24-Mar-22</b>	08-April-22

Source: NSE

## Investment Options

### 1. Commercial Paper

Commercial paper is a short-term debt instrument issued by large companies to meet short-term borrowing needs such as financing of their working capital. The interest earned can be higher compared to other asset classes. Faida Investment Bank offers you an opportunity to invest in commercial paper. For more information, email us on [info@fib.co.ke](mailto:info@fib.co.ke)

### 2. Hazina

Faida Investment Bank is making investments in Kenyan Government Bonds simple and easily accessible. We have developed a hustle free, easy and convenient way to help our clients invest in government bonds. Whether you are in Kenya or in the Diaspora, a member of an investment group, or a company, you can invest and earn a consistent predictable 'risk-free' return. For more information, email us on [fixedincome@fib.co.ke](mailto:fixedincome@fib.co.ke).

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### 3. Sanlam Money Market Fund

Different investors have different risk profiles. Knowing your risk profile helps you make a better decision on whether a particular investment suits your goals. For investors who consider themselves as low risk (risk averse) capital preservation is key. The Money Market Fund offers an opportunity to investors, both individuals and corporates, to make a return as well as have their capital preserved. Faida thought its partnership with Sanlam, is offering you an opportunity to invest in the Money Market Fund. To get more information on this, please call us on **+254207606031**.

### 4. Stock picks

**EQUITY** – Long term buy

**COOP** – Long term buy

**EABL** – Buy

**I&M** – Hold

**BAT** – Hold

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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 drivers