FAIDA
INVESTMENT BANK

Weekly Report

Week 12

Week Ending Friday, March 26, 2021

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Global Markets

Index	Last Price*	Weekly Change	YTD Change
DJI	32,740.78	0.3%	7.7%
S&P 500	3,925.14	0.3%	5.1%
NASDAQ 100	12,866.11	0.2%	0.1%
DAX	14,743.02	0.8%	7.5%
FTSE 100	6,720.90	0.2%	4.0%
EURO STOXX 50	3,925.14	0.3%	10.5%
Shanghai Composite	3,418.33	0.4%	(1.6%)
NIKKEI 225	29,176.70	(2.1%)	6.3%
Commodities			
Brent Oil (USD/bbl.)	64.24	(0.4%)	25.7%
Gold (USD/Oz)	1,732.75	(0.7%)	(8.7%)

Source: Bloomberg, NSE; *As at 6:30 PM EAT

Most of the equity indices rose during the week. The S&P 500 and the NASDAQ 100 rose slightly by 0.3% and 0.2% respectively as technology stocks declined during the week despite the positive sentiments on economic recovery. This could be attributed to inflation fears (signals higher interest rates).

Equities Market

Equity Market Commentary

The All Share Index and NSE 20 Share Index eased by 0.3% and 1.6% w/w to close the week at 166.48 and 1,903.06 respectively. This was characterized with by price declines on majority of the counters. Overall market turnover increased by 42.1% to KES 2.4 billion as the volume of shares traded increased by 42.9% to 82.4 million shares. Safaricom edged up marginally (+0.4% w/w) to close at KES 38.75. The banking and insurance sectors saw overall selling pressure as supply outweighed demand. We attribute this to a number of factors including profit taking on companies whose prices had rallied in recent weeks and dismal expectations of FY2020 financial results. Notably, DTB (-9.8% to KES 66.50). NCBA (-7.4% to KES 23.10), Liberty (-6.4% to KES 8.20), Jubilee (-6.1% to KES 267.75) and Absa (-6.1% to KES 8.86) emerged in the week's top 5 losers.

In the coming week, we expect increased selling pressure on the back of stricter COVID-19 containment measures announced by the president. The measures target counties that have had a surge in positive cases. The targeted counties are Nairobi, Kajiado, Machakos, Kiambu and Nakuru. Some of the measures include movement restrictions in and out of the aforementioned counties (as one zone), a suspension of physical learning (countrywide) and public gatherings and a new commencement time for the curfew (start at 8:00 PM instead of 10:00 PM). More details can be found here. We believe this will have a positive impact in containing the rise in positive cases. We however expect a negative economic impact with an immediate hit to the tourism, transport and hospitality industries (that were gradually recovering), and a trickledown effect to other sectors such as banking (rise in non-performing loans, more cautious lending etc.).

Market Indices Performance

Index	Value	Weekly Change %	YTD Change %
NASI	166.48	(0.3%)	9.4%
NSE 20	1,903.06	(1.6%)	1.9%
NSE 25	3,666.29	(1.2%)	7.4%

Source: NSE

Market Statistics

	This Week	Previous Week	Change %
Market Capitalization (KES Bn)	2,558.02	2,565.07	(0.3%)
Number of Shares Traded	82.40	57.66	42.9%
Equity Turnover (KES)	2,410.14	1,696.49	42.1%

Source: NSE

Equities Performance

	Top Gainers	Price (KES)	Weekly Change %	YTD Change
1.	HF Group	4.58	33.9%	38.0%
2.	Sameer	3.63	11.3%	11.7%
3.	Sasini	18.60	9.4%	(4.6%)
4.	Williamson Tea	147.50	9.3%	13.2%
5.	StanChart	145.00	9.0%	0.5%

	Top Losers	Price (KES)	Weekly Change	YTD Change %
1.	DTB	66.50	(9.8%)	(11.3%)
2.	NCBA	23.10	(7.4%)	(13.6%)
3.	Liberty	8.20	(6.4%)	6.5%
4.	Absa	8.86	(6.1%)	(8.3%)
5.	Jubilee	267.75	(6.1%)	(5.7%)

	Movers	Price (KES)	Turnover (KES Mn)
1.	Safaricom	38.75	1,230.3
2.	Equity Group	41.00	414.9
3.	KCB Group	41.10	264.4
4.	EABL	167.75	127.3
5.	StanChart	145.00	62.3

Source: NSE and Faida Investment Bank Analysis

News Highlights

ILAM Fahari I-REIT Posts 15.5% y/y Decline in Profits for FY2020

- ILAM Fahari (formerly Stanlib Fahari) I-REIT reported a 15.5% y/y decline in profits for FY2020 to KES 175.2 million (FY2019: KES 148.0 million).
- The decrease was primarily due to an 8.3% y/y dip in revenue to KES 324.7 million as well as a dip in fair value adjustment to investment property by 272.8% y/y to KES 13.6 million.
- The decline in revenue was mainly owing to a 272.8% plunge in the straight-lining of lease income to a loss of KES 16.5 million. Rental and related income also eased by 0.9% y/y to KES 341.2 million as tenants adversely affected by the pandemic were given rental concessions.
- Other income decreased by 9.7% y/y to KES 22.9 million. This was owing to a 10.3% y/y decline in interest income to KES 22.4 million which offset the 41.7% y/y (to KES 464,000) rise in sundry income. The decline in interest income was attributed to scaling down of investments in t-bills (to nil), as the rates were seen to be not as attractive as the fixed and call deposits (+7.2% return).We note that the environment was generally characterized by lower interest rates(hence returns on fixed and call deposits were not able to offset the decline)
- Operating expenses grew 1.8% y/y to KES 229.6 million predominantly due to a surge in bad debts provisioning to KES 33.2 million (FY2019: KES 122,941).
- The significant increase in bad debt provisioning was attributed to the non-performance of the anchor tenant at Greenspan Mall (Tuskys, which occupies 48.0% of the mall and currently has 86.0% occupancy). The mall is currently the largest property for the REIT.
- Management is expecting a new anchor tenant with a 10 year lease at Greenspan Mall to replace Tuskys. We opine that this will boost revenues. The Kenyan retail space (supermarkets in particular) has been faced with challenges leading to exits in retail spaces (examples Nakumatt, Uchumi, Tuskys). We see a need to diversify away from this space. The new tenant will be disclosed by end of March 2021.
- The I-REIT currently owns four properties (the shopping center (Greenspan mall), an office building and two semi-office/ light industrial buildings). The 67 Gitanga Place (office building) and Bay Holdings (semi-office/light industrial) have 100.0% occupancy while the Signature (semi-office/light industrial) property still vacant.
- Property expenses fell by 14.9% y/y to KE 97.2 million. Fund operating expenses fell by 10.8% y/y to KES 99.3 million. The dip in fund operating

expenses was attributed to the I-REIT Manager temporarily reducing fees by 10.0% to cushion the investors.

- Excluding the bad debts provision, operating expenses declined by 12.9% y/y to KES 196.5 million.
- Increase in fair value of investment property edged up by 39.0% y/y to KES 30.1 million. This was driven by improvement in the straight-lining of lease income by >100.0% y/y to KES 16.5 million from a loss of KES 9.5 million. Fair value adjustment to investment property however eased to 272.8% y/y t KES 13.6 million. The decline was attributed to valuation uncertainty due to the COVID-19 pandemic.
- According to management, tax leakages at the subsidiary level continued to dampen the performance during the year with KES 13.9 million (FY2019: KES 16.5 million) provided against irrecoverable withholding taxes. The subsidiary tax legislation is expected to be completed in 2021 (publication slowed down by the pandemic). This is expected to curb the leakages in FY2021 as it will pave way for issuance of tax exemption certificates to the REIT subsidiaries.
- Cash and cash equivalents grew by 105.9% y/y to KES 197.8 million as cash generated from operations edged up by 39.0% y/y to KES 160.4 million (FY2019: KES 115.4 million) and cash inflow from investing activities rose to KES 77.1 million (FY2019: -186.4 million)
- A dividend of KES 0.60 has been recommended (FY2019: KES 0.75)- subject to shareholder approval at the annual general meeting scheduled for 16 April 2021.

Commentary

- We note with concern the decline in revenue.
    - The pandemic has seen less traffic to some of the businesses in malls such as pubs, restaurants and cinemas and less spend time, which has a direct impact on the company's revenues (rent concessions on tenants).
    - Rental yields in the real estate sector had taken a hit prior to the pandemic (since 2016) owing to oversupply and duplication in the real estate sector. We expect weakening in rental income to continue as the Covid-19 pandemic persists.
    - We expect the office space in particular to remain subdued as the economy remains relatively weak in the short to medium term. We opine that the pandemic may result in a long-term shift whereby companies may not see the need for large working spaces.
    - Although the industrial property space has seen increased demand (need for storage facilities due to supply chain disruptions), overall, there remains uncertainty in the real estate sector owing to the pandemic. We note that modern warehouses could be a good diversification investment for the REIT as e-commerce gains traction.
- A new strategy is set to be issued by the REIT. The company is open to adding more property with the sectors yet to be determined. We opine that increased diversification in investments would be needed to strengthen the top and bottom-line performance.
- The unit price (KES 6.94 as at 26th March 2021) is still significantly lower than the net asset value per unit of KES 20.86 as at FY2020. This was attributed to, among other things, investor awareness and sentiments as well as concerns on the property market. We opine that improvement in the underlying performance would improve investor sentiment on the I-REIT and close this gap.
- The I-REIT maintained its dividend payout of 80.0% on distributable earnings despite the revenue decline. We are NEUTRAL on the IREIT.

Absa Kenya Posts a 44.2% y/y decline in After Tax Profits for FY2020

- Absa Kenya posted a 44.2% y/y decline in after tax profits for FY2020 to KES 4.2 billion (FY2019: KES 7.5 billion). The dip in profitability was predominantly due to increased loan loss provisions.
- Total interest income rose by 1.3% y/y to KES 31.4 billion. This was mainly driven by a 10.7% y/y increase in interest income from government securities to KES 9.0 billion as holdings of government securities increased by 2.5% y/y to KES 126.1 billion. The yield on government securities declined to 10.6% (FY2019: 11.4%).
- Interest income from loans and advances dipped by 1.1% y/y to KES 22.3 billion. This was despite the loan book growing by 7.2% y/y to KES 208.9 billion. We attribute the decline to lower yields on loans - fell to 10.2% (FY2019: 11.4%). The decline in the yields was attributed to the low Central Bank Rate (CBR) of 7.0 % as some of the loans are still pegged on the CBR + 4.0% regime. The bank is still waiting for approval for its risk based pricing model.
- Total interest expenses rose by 2.7% y/y to KES 8.1 billion (FY2019: KES 7.9 billion).
- Interest expenses from customer deposits decreased by 7.3 % y/y to KES 6.0 billion supported by the easing of cost of customer deposits to 2.5%

(FY2019: 2.9%). Customer deposits increased by 6.7% y/y to KES 253.6 billion. The bank continues to focus on cheaper deposits.

- However, the dip in interest expenses from customer deposits was offset by 51.2% y/y increase in interest expenses from deposits and placements from banking institutions to KES 1.9 billion.
- Net interest income increased slightly by 0.9% y/y to KES 23.4 billion. The net interest margin eased to 7.8% from (FY2019: 8.4%) as interest earning assets grew at a faster rate (+9.5% y/y to KES 304.2 billion) than net interest income (+0.9% y/y to KES 23.4 billion). The slower growth in net interest income was partly due to the lower asset yields.
- Non-funded income (NFI) grew by 5.2% y/y to KES 11.1 billion primarily due to 22.2% y/y rise in foreign exchange trading income to KES 4.5 billion. Fees and commissions on loans and advances dipped by 10.8% y/y to KES 1.3 billion. Other fees and commissions declined by 9.6% y/y to KES 4.3 billion. The contribution of NFI to total income improved to 32.3% (FY2019: 31.4%). We note that the increase in contribution may have been owing to the slower growth in net interest income.
- Operating expenses (excluding provisions) declined by 3.7% y/y to KES 16.7 billion (FY2019: KES 17.5 billion) mainly due to a 3.9% y/y decrease in staff costs to KES 9.8 billion and a 3.3% y/y dip in other expenses to KES 5.2 billion. As a result, the cost to income(C/I) ratio (excluding provisions) fell to 48.2% (FY2019: 51.2%)
- Loan loss provisions surged by 114.9% y/y to KES 9.0 billion as gross non-performing loans grew by 26.5% y/y to KES 17.1 billion, with 30.0% of the loan book (KES 62.0 billion) restructured due to Covid-19. Consequently, the NPL ratio grew to 16.0% (FY2019: 14.0%). According to management, currently only KES 3.0 billion of the restructured loans are left in payment holidays with the remainder back on stream as normal loans.
- The bank withheld dividend for FY2020. According to management, the move was aimed at capital preservation for CAPEX investments as the bank sees growth opportunities ahead particularly in projects such as diaspora remittances, online business banking etc. Management also noted the economic uncertainty brought on by the third wave.

Commentary

- We are optimistic about:
    - Improvement in cost to income ratio: The bank has consistent improved the cost-to-income ratio (excluding provisions) over the past three years from 56.0% in FY2018 to 48.0% in FY2020. We expect the bank to continue focusing on operational efficiency.
    - Turnaround in the deposit growth: In the 4Q2020, the bank registered growth in deposits from a declining positon in the previous quarter.
    - Lower cost of funds: The focus on cheap deposits is also a positive for the bank.

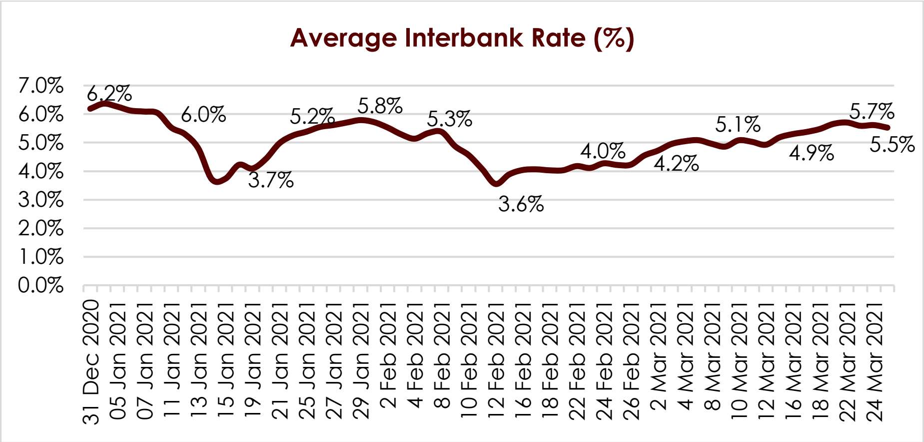
We expect all of these to continue supporting growth for the bank during and after COVID-19.

- **On the pandemic related events,**

  In our view, the aggressive provisioning (bulk of the provisions were on performing loans) and withholding of the FY2020 dividend was the right move. The country is dealing with a third wave of the COVID-19 and a raft of new stringent containment measures have been implemented. This should negatively impact the economy in the short to medium term. Adopting a conservative outlook and increasing the capital buffers (by withholding dividends) should benefit the bank.
- We expect the bank to continue transforming the business model with focus on digitization, innovation and business diversification.
- Our recommendation on the counter is under review.

Fixed Income Market

Interbank Rate



Source: CBK

Treasury Bill Auction Results

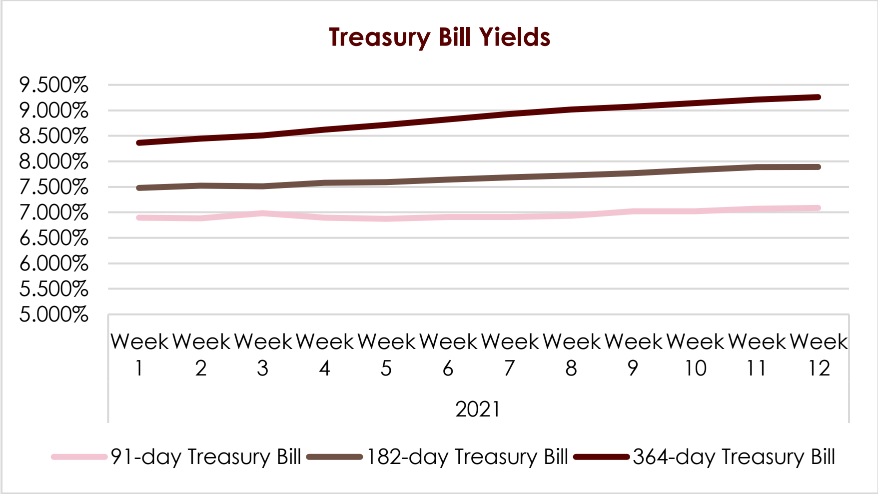
	Amount Offered	Bids Received	Subscription Rate	Bids Accepted	Yield	Change*
91 day	4.00	3.30	82.57%	3.30	7.087%	1.6
182 day	10.00	3.07	30.71%	3.07	7.890%	0.6
364 day	10.00	16.60	165.95%	12.67	9.259%	4.6
Total	24.00	22.97	95.70%	19.04		

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

Source: CBK

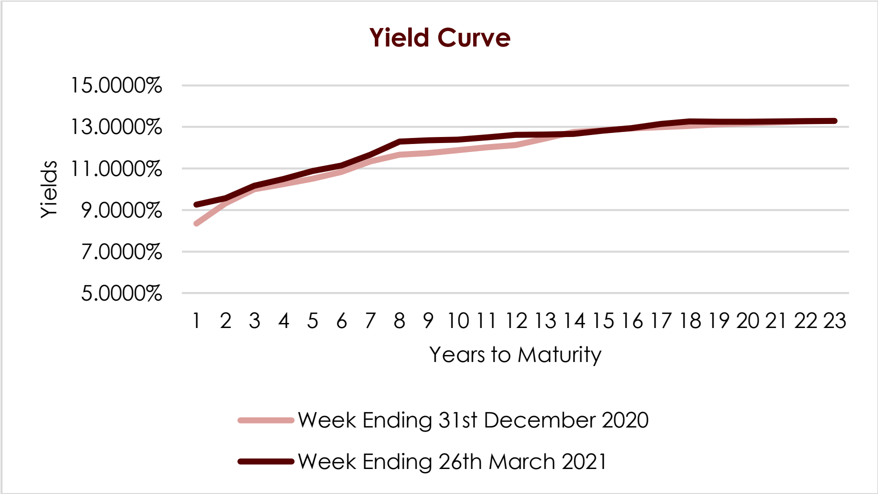
Treasury bills were undersubscribed during the week's auction; the total subscription rate was 95.7%, down from last week's 114.99%. The 364 day paper had the highest subscription rate this week, at 165.95%.

Treasury Bill Yields



Source: CBK

Government Securities Yield Curve



Source: NSE

Macroeconomic Indicators

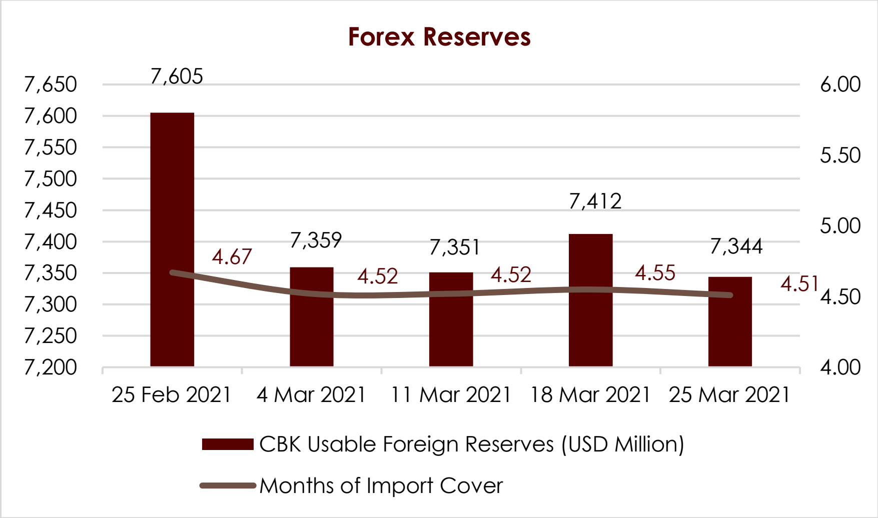
Exchange Rates

	Value	Weekly Change %	YTD Change %
US Dollar	109.7853	0.1%	(0.6%)
STG Pound	150.4500	1.8%	(1.4%)
EURO	129.7506	1.0%	3.1%

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

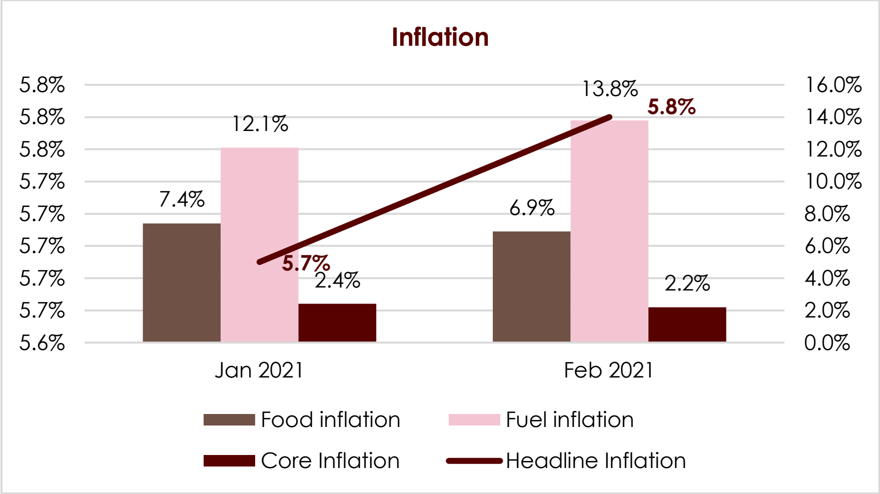
During the week, the Kenya Shilling appreciated against the US Dollar (marginally), Sterling Pound and the Euro.

Forex Reserves



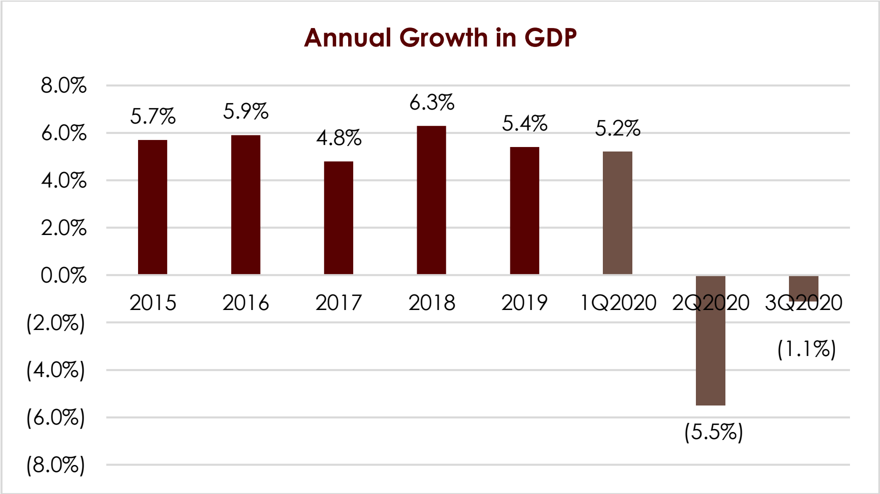
Source: CBK

Inflation



Source: KNBS

Gross Domestic Product (GDP)



Source: KNBS

Kenya's economy slid into a recession in the 3Q2020 as GDP contracted for the second consecutive quarter. Kenya's Real GDP is estimated to have contracted by 1.1% in the 3Q2020, showing some improvement from the contraction of 5.5% witnessed in 2Q2020, but markedly different from the growth of 5.8% realized in 3Q2019. The improvement from the previous quarter was supported by the partial easing of COVID-19 restrictions that enhanced economic activities.

The economic performance was largely weighed down by the accommodation and food services (contracted by 57.9% compared to a growth of 9.9% in 3Q2019) and the education (contracted 41.9% compared to a growth of 6.0% in 3Q2019) sectors. These were the hardest hit sectors due to the closure of learning institutions and the implementation of travel restrictions in order to contain the spread of the virus.

Growth was however largely supported by the agricultural, construction and real estate sectors which grew by 6.3%, 16.2% and 5.3% respectively. Growth in the agricultural sector was supported by increases in tea production, fruit exports and sugarcane production. In the construction sector, cement consumption rose by 23.5% y/y to 1,952.2 thousand metrics reflecting increased construction activity which also buoyed growth in the real estate sector.

Real GDP Growth by Sector	3Q2019	3Q2020
Agriculture	5.0%	6.3%
Mining & Quarrying	3.4%	18.2%
Manufacturing	3.9%	(3.2%)
Electricity and Water Supply	6.4%	4.7%
Construction	6.6%	16.2%
Wholesale & Retail Trade	6.1%	(2.5%)
Accommodation & Food Services	9.9%	(57.9%)
Transport & Storage	7.6%	2.9%
Information & Communication	8.0%	7.3%
Financial & Insurance	8.1%	5.3%
Public Administration	8.4%	9.6%
Professional, Admin & Support Services	4.8%	(12.3%)
Real Estate	5.5%	5.3%
Education	6.0%	(41.9%)
Health	5.5%	5.6%
Other Services	5.3%	(4.5%)

Source: KNBS

Labour Statistics

Indicator	3Q2019	1Q2020	2Q2020	3Q2020
Unemployment Rate	5.3%	5.2%	10.4%	7.2%
Labour Force Participation Rate	69.8%	69.7%	64.4%	68.8%

Source: KNBS

Derivatives Market

Weekly Statistics

	This Week	Previous Week
Total Volumes	126	320
Total Value	5,046,695	11,866,310
Total Open Interest	197	139

Source: NSE

Corporate Finance

Redbird Secures USD 1.5 Million in Seed Round

Redbird, a Ghanaian e-health startup, has secured USD 1.5 million in seed round from Johnson & Johnson Foundation and Newtown Partners via the Imperial Venture Fund. The firm was launched in 2018 and provides patients with easy access to digital health records through five minute tests available at community pharmacies. The platform is currently available at over 350 pharmacies and provides ten rapid tests. Patients can access their health records through the app at the partner pharmacies. The funding will be used to grow operations within Ghana and for expansion to new markets.

Profit Warnings Issued

	Company	Sector
1.	Britam Holdings	Insurance
2.	Absa Bank	Banking
3.	Kenya Power	Energy and Petroleum
4.	East African Cables	Construction and Allied
5.	Kenya Orchards	Manufacturing and Allied
6.	Longhorn Publishers	Commercial and Services
7.	Nairobi Business Ventures	Commercial and Services
8.	Nation Media Group	Commercial and Services
9.	Unga Group	Manufacturing and Allied
10.	NCBA Group	Banking
11.	TPS Eastern Africa	Commercial and Services
12.	I&M Holdings	Banking
13.	Standard Chartered Bank	Banking
14.	Diamond Trust Bank	Banking
15.	Cooperative Bank of Kenya	Banking
16.	CIC Insurance Group	Insurance
17.	Limuru Tea	Agricultural
18.	Sanlam Kenya	Insurance
19.	Homeboyz Entertainment	Commercial and Services
20.	Umeme Limited	Energy and Petroleum
21.	Centum Investment Company	Investment

Source: NSE

Counter Statistics

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	41.10	7.9%	-0.6%	6,336,400	44.8%	6.74	2.4%	0.93	14.4%
Equity Bank	41.00	12.2%	-1.6%	9,953,700	51.5%	6.86	0.0%	1.38	21.8%
NCBA	23.10	-13.6%	-7.4%	226,100	41.9%	2.66	0.0%	0.51	15.3%
Stanbic	83.50	-1.8%	-2.1%	532,700	52.2%	6.36	4.6%	0.64	10.3%
Absa Bank Kenya Plc	8.86	-8.3%	-6.1%	2,099,100	48.2%	11.56	0.0%	1.03	9.1%
Housing Finance	4.58	38.0%	33.9%	1,881,400	93.8%	**N/M**	0.0%	0.16	-1.1%
Co-operative Bank	13.60	8.8%	-2.2%	3,272,200	58.1%	7.38	7.4%	0.88	12.7%
Diamond Trust Bank	66.50	-11.3%	-9.8%	152,800	51.0%	5.73	0.0%	0.30	5.4%
Standard Chartered	145.00	0.5%	9.0%	441,900	58.8%	13.81	7.2%	0.99	11.2%
I&M	43.15	-4.1%	-0.1%	476,200	39.0%	3.31	5.9%	0.62	20.4%
Sector Average									

P/B (X) - FY2019, FY2020

Commercial and Services	Price (KES)	YTD Change	% w-o-w Change	Volume Traded	P/E (X)	Dividend Yield	EPS(KES)	ROE
Kenya Airways	3.83	0.0%	0.0%	-	**N/M**	0.0%	-6.22	**N/M**
Nation Media Group	17.90	15.9%	-3.5%	288,400	3.98	8.4%	4.5	10.9%
WPP Scangroup	5.54	-7.7%	0.7%	117,100	4.95	9.0%	1.12	6.0%
Uchumi Supermarket	0.25	-10.7%	4.2%	623,900	**N/M**	0.0%	-4.6	**N/M**
Longhorn Publishers	4.24	-13.1%	-5.8%	22,500	6.24	12.3%	0.68	17.3%
Eveready	1.12	-6.7%	8.7%	8,900	**N/M**	0.0%	-1.45	-10.8%
Sector Average								

***N/M - Not Meaningful**

Construction & Allied	Price (KES)	YTD Change	% w-o-w Change	Volume Traded	P/E(X)	Dividend Yield	NPM*	ROE
Bamburi Cement	38.85	2.6%	-2.0%	87,900	15.86	0.0%	1.6%	2.1%
E.A. Portland Cement	8.52	-22.5%	3.1%	4,000	**N/M**	0.0%	0.0%	0.0%
Sector Average								

***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	4.58	-2.8%	-1.1%	1,580,700	1.64	6.6%	2.79	9.0%
Kenya Power	1.34	-21.6%	-1.5%	6,268,500	-2.79	0.0%	-0.48	-1.7%
Total Kenya	23.85	-0.6%	3.7%	83,100	5.92	5.5%	4.03	10.8%
Sector Average								

Insurance Sector	Price (KES)	YTD Change	% w-o-w Change	Volume Traded	P/B(X)	P/E(X)	Loss Ratio	Expense Ratio
CIC Insurance	2.25	5.6%	-1.7%	329,800	0.29	-20.45	71.4%	34.6%
Britam	7.10	-2.2%	-3.0%	527,400	0.24	5.04	65.3%	37.2%
Jubilee	267.75	-5.7%	-6.1%	167,200	9.54	5.10	91.9%	46.2%
Kenya Re	2.60	12.1%	-1.9%	1,921,600	0.09	1.02	71.2%	13.1%
Sanlam Kenya	12.00	-7.3%	3.0%	8,100	1.31	-14.81	83.7%	101.7%
Liberty	8.20	6.5%	-6.4%	32,200	1.02	6.26	119.6%	48.7%
Sector Average								

Investment Sector	Price (KES)	YTD Change	% w-o-w Change	Volume Traded	P/E(X)	P/B(X)	EPS (KES)	ROE
Centum Investment	16.30	-1.2%	-1.2%	338,700	2.35	0.34	6.95	9.3%
Home Afrika Ltd	1.19	-11.9%	0.0%	413,200	**N/M**	**N/M**	**N/M**	2.6%
Trans-Century	1.19	-17.9%	6.2%	10,462,700	**N/M**	**N/M**	**N/M**	4.7%
Sector Average								

***P/B based on company Net Aset Value**

Investment Services	Price (KES)	YTD Change	%w-o-w change	Volume Traded	P/E(X)	Dividend Yield	EPS (KES)	ROE
NSE	8.46	3.7%	5.8%	68,800	13.02	6.3%	0.65	7.7%
Sector Average					**13.02**	**6.3%**		

Manufacturing & Allied Sector	Price (KES)	YTD Change	% w-o-w Change	Volume Traded	P/E(X)	Dividend Yield	EPS (KES)	ROE
Mumias Sugar	0.27	0.0%	0.0%	-	**N/M**	0.0%	-4.43	-69.4%
EABL	167.75	8.8%	-1.3%	752,500	32.45	1.8%	5.17	46.6%
FTG Holdings	1.28	4.1%	-0.8%	101,700	4.92	0.0%	0.26	4.8%
Carbacid	12.00	-0.8%	3.9%	43,100	9.45	5.8%	1.27	10.0%
BAT	480.75	33.2%	-0.7%	82,600	8.71	9.4%	55.18	51.2%
Sector Average								

Telecommunication & Technology Sector	Price (KES)	YTD Change	% w-o-w Change	Volume Traded	P/E(X)	Dividend Yield	EPS (KES)	ROE
Safaricom	38.75	13.1%	0.4%	31,368,500	20.83	3.6%	1.86	51.8%
Sector Average					**20.83**	**3.6%**		

Real Estate Investment Trust	Price (KES)	YTD Change	% w-o-w Change	Volume Traded	NAVPS*	Dividend Yield	EPS (KES)
ILAM FAHARI I-REIT	6.94	24.8%	-0.6%	147,600	20.86	10.66%	0.82
Sector Average						**NA**	

***NAVPS - Net Asset Value Per Share**

Source: NSE and Faida Investment Bank Analysis

Corporate Actions

Counter	Corporate Action	Declared	Date Announced	Books Closure Date	Payment Date
Car & General (K) Ltd	Final dividend	KES 0.80	28-Jan-21	**22-Feb-21**	25-Mar-21
Safaricom Plc	Interim dividend	KES 0.45	10-Feb-21	**5-Mar-21**	31-Mar-21
Co-operative Bank of Kenya Ltd	First & Final dividend	KES 1.00	18-Mar-21	**31-Mar-21**	14-Apr-21
BAT Kenya Plc	Final dividend	KES 41.50	19-Feb-21	**16-Apr-21**	12-May-21
KCB Group	First & Final dividend	KES 1.00	18-Mar-21	**26-Apr-21**	Subject to approval
Standard Chartered Bank	First & Final dividend	KES 10.50	25-Mar-21	**27-Apr-21**	27-May-21
Kengen Co. Plc	First & Final dividend	KES 0.30	28-Jan-21	**29-Apr-21**	22-Jul-21
Stanbic Holdings Plc	Final dividend	KES 3.80	5-Mar-21	**21-May-21**	Subject to approval
Kakuzi Plc	First & Final dividend	KES 18.00	19-Mar-21	**31-May-21**	30-Jun-21
ILHAM Fahari I-REIT	First & Final dividend	KES 0.60	19-Mar-21	**Subject to approval**	30-Apr-21
NSE Plc	First & Final dividend	KES 0.53	26-Mar-21	**4-Jun-21**	30-Aug-21
Umeme Ltd	Final dividend	UGX 12.20	23-Mar-21	**25-Jun-21**	19-Jul-21

Source: NSE

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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 head wings 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