



# Weekly Report

## Week 18

Week Ending Friday, May 6th, 2022

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## Global Markets

| Index                | Last Price* | Weekly Change | YTD Change |
|----------------------|-------------|---------------|------------|
| DJI                  | 32,899.37   | (3.0%)        | (9.5%)     |
| S&P 500              | 4,123.34    | (3.8%)        | (13.5%)    |
| NASDAQ 100           | 12,693.54   | (5.7%)        | (22.2%)    |
| DAX                  | 13,674.29   | (2.2%)        | (13.9%)    |
| FTSE 100             | 7,509.09    | (1.6%)        | 1.7%       |
| EURO STOXX 50        | 3,777.02    | (3.9%)        | (15.6%)    |
| Shanghai Composite   | 2975.49     | 0.9%          | (17.5%)    |
| NIKKEI 225           | 26,847.90   | 0.6%          | (6.2%)     |
| Commodities          |             |               |            |
| Brent Oil (USD/bbl.) | 107.59      | 4.5%          | 44.5%      |
| Gold (USD/Oz)        | 1,88.74     | (0.3%)        | 3.0%       |

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

## Equities Market

### Equity Market Commentary

The All Share Index (NASI) decreased by -3.62% w-o-w to close the week at 144.73, similarly the NSE 20 decreased by -2.50% w-o-w to close the week at 1755.57. Equally, Equity turnover increased by 43.64% to KES 1.390 billion, similar to the volume traded which increased by 35.87% to 40.76 million.

### Market Indices Performance

| Index  | This Week | Previous Week | Weekly Change % | YTD Change % |
|--------|-----------|---------------|-----------------|--------------|
| NASI   | 144.73    | 150.17        | -3.62%          | -12.81%      |
| NSE 20 | 1755.57   | 1,800.64      | -2.50%          | -7.73%       |
| NSE 25 | 3279.85   | 3,382.77      | -3.04%          | -12.40%      |

Source: NSE

### Market Statistics

|                                | This Week | Previous Week | Change % |
|--------------------------------|-----------|---------------|----------|
| Market Capitalization (KES Bn) | 2,255.74  | 2,340.77      | -3.63%   |
| Volume (Mn)                    | 40.76     | 30            | 35.87%   |
| Equity Turnover (KES Mn)       | 1,390.19  | 967.87        | 43.64%   |

Source: NSE

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## Equities Performance

| Foreign Activity        | Previous    | Current        | Weekly Change % |
|-------------------------|-------------|----------------|-----------------|
| Foreign Trades          | 585,939,030 | 903,405,244.70 | 54.18%          |
| Foreign Participation % | 50.54%      | 65%            |                 |

| Top Gainers     | Previous Price (KES) | Current Price (KES) | Weekly Change % | YTD Change % |
|-----------------|----------------------|---------------------|-----------------|--------------|
| 1 Sanlam        | 10.15                | 12.9                | 27.09%          | 11.69%       |
| 2 Crown Paints  | 37                   | 40.7                | 10.00%          | 33.44%       |
| 3 NBV           | 4.05                 | 4.35                | 7.41%           | -28.22%      |
| 4 E.A.Cables    | 1.03                 | 1.1                 | 6.80%           | -8.33%       |
| 5 CIC Insurance | 2.1                  | 2.18                | 3.81%           | -1.36%       |

| Top Losers      | Previous Price (KES) | Current Price (KES) | Weekly Change % | YTD Change % |
|-----------------|----------------------|---------------------|-----------------|--------------|
| 1 Scan group    | 4.19                 | 3.64                | -13.13%         | -12.08%      |
| 2 Eaagads       | 12.65                | 11.5                | -9.09%          | -14.81%      |
| 3 NMG           | 22.1                 | 20.4                | -7.69%          | 10.57%       |
| 4 Trans-Century | 1.19                 | 1.1                 | -7.56%          | -5.98%       |
| 5 B.O.C         | 80.5                 | 75                  | -6.83%          | 7.14%        |

| Movers       | Previous Price (KES) | Current Price (KES) | Turnover (KES Mn) |
|--------------|----------------------|---------------------|-------------------|
| 1. Safaricom | 33.70                | 32.00               | 961.36            |
| 2. EABL      | 144.00               | 139.00              | 207.92            |
| 3. Equity    | 47.90                | 47.15               | 109.45            |
| 4. NCBA      | 26.00                | 24.95               | 41.76             |
| 5. KCB       | 37.45                | 36.25               | 24.68             |

Source: NSE and Faida Investment Bank Analysis

## Derivatives Market

### Weekly Statistics

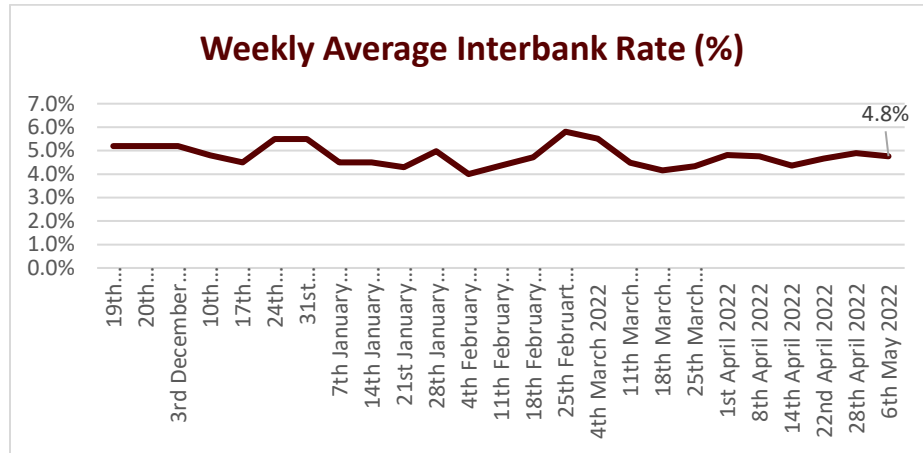
|                     | This Week | Previous Week |
|---------------------|-----------|---------------|
| Total Volumes       | 35        | 87            |
| Total Value         | 1,609,810 | 2,781,870     |
| Total Open Interest | 295       | 268           |

Source: NSE

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## Fixed Income

### Interbank Rate



Source: CBK

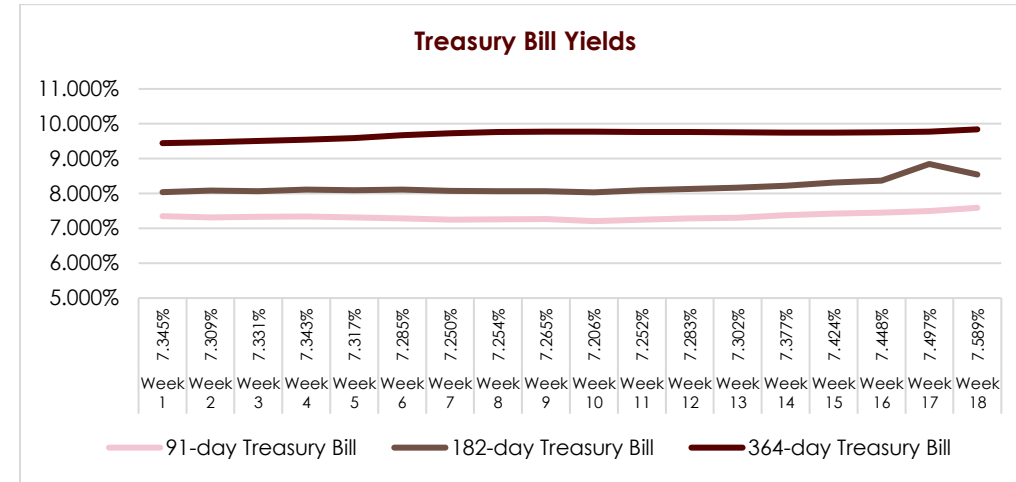
### Treasury Bill Auction Results

|         | Amount Offered | Bids Received | Subscription Rate | Bids Accepted | Yield  | Change* |
|---------|----------------|---------------|-------------------|---------------|--------|---------|
| 91 day  | 4.0            | 5.3           | 131.32%           | 5.3           | 7.589% | 0.09%   |
| 182 day | 10.0           | 3.7           | 37.16%            | 3.7           | 8.542% | -0.30%  |
| 364 day | 10.0           | 7.9           | 78.80%            | 7.8           | 9.840% | 0.06%   |
| Total   | 24.0           | 16.8          | 70.20%            | 16.8          |        |         |

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

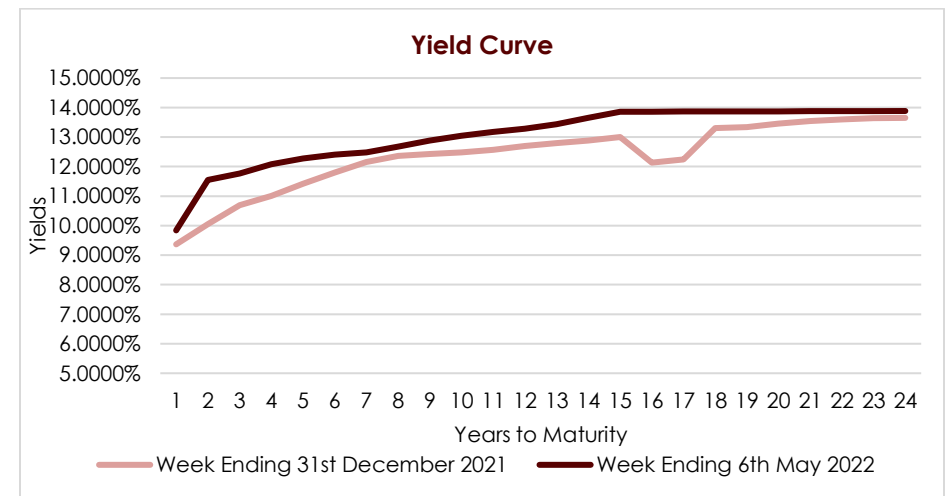
Source: CBK

### Treasury Bill Yields



Source: CBK

### Government Securities Yield Curve



Source: NSE

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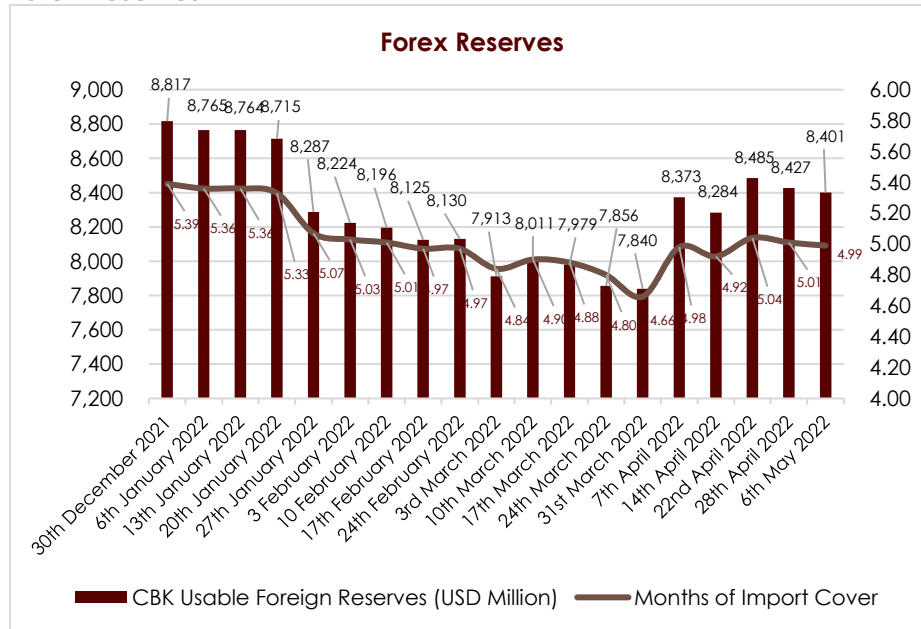
## Macroeconomic Indicators

### Exchange Rates

| KES       | Value    | Weekly Change % | YTD Change % |
|-----------|----------|-----------------|--------------|
| US Dollar | 115.5971 | 0.1%            | 2.4%         |
| STG Pound | 150.8865 | (0.8%)          | (4.7%)       |
| EURO      | 125.6624 | (0.2%)          | (4.3%)       |

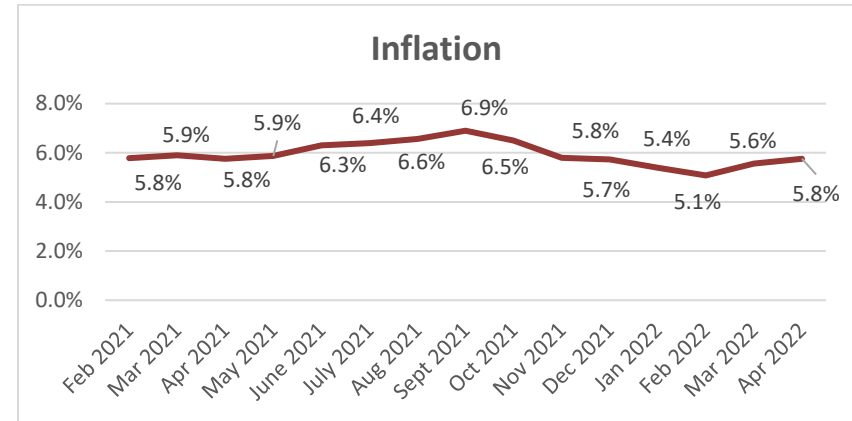
Source: CBK; Negative ( ) = Depreciation, Positive = Appreciation

### 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          |
|------------------------------------|------------------------|----------|----------------|------------------------------|-----------------------|
| Nation Media Group                 | Final Dividend         | 1.51     | 20-Apr-2022    | <b>16-Jun-2022</b>           | 29- Jul-2022          |
| Total Energies Marketing Kenya Plc | First & Final Dividend | 1.31     | 01-Apr-2022    | <b>24-Jun-2022</b>           | 30- Jul-2022          |
| Jubilee Holdings Ltd               | Special Dividend       | 5.00     | 01-Apr-2022    | <b>22-Jun-2022</b>           | 25- Jul-2022          |
| Jubilee Holdings Ltd               | Final Dividend         | 8.00     | 01-Apr-2022    | <b>22-Jun-2022</b>           | 25- Jul-2022          |
| Kenya Re Insurance Corp Ltd        | First & Final Dividend | 0.10     | 31-Mar-2022    | <b>17-Jun-2022</b>           | 29- Jul-2022          |
| BK Group Plc                       | Final Dividend         | 28.70    | 31-Mar-2022    | <b>22-Jun-2022</b>           | 01- Jul-2022          |
| ILAM FAHARI I-REIT                 | First & Final Dividend | 0.50     | 30-Mar-2022    | <b>(Subject to Approval)</b> | (Subject to Approval) |
| I&M Group                          | Final Dividend         | 1.50     | 30-Mar-2022    | <b>21-Apr-2022</b>           | 26-May-2022           |
| Nairobi Securities Exchange Plc    | Final Dividend         | 0.40     | 29-Mar-2022    | <b>03-Jun-2022</b>           | 15-Jul-2022           |
| Nairobi Securities Exchange Plc    | Special Dividend       | 0.50     | 29-Mar-2022    | <b>03-Jun-2022</b>           | 15-Jul-2022           |
| Umeme Ltd                          | Final Dividend         | 54.10    | 28-Mar-2022    | <b>24-Jun-2022</b>           | 22-Jul-2022           |
| Diamon Trust Bank                  | First & Final Dividend | 3.00     | 28-Mar-2022    | <b>30-Jun-2022</b>           | 28-Jul-2022           |
| NCBA Group Plc                     | Final Dividend         | 2.25     | 24-mar-2022    | <b>29-Apr-2022</b>           | 05-May-2022           |
| Kakuzi Plc                         | First & Final Dividend | 22.00    | 23-Mar-2022    | <b>31-May-2022</b>           | 30-Jun-2022           |
| Equity Group Holdings Plc          | First & Final Dividend | 3.00     | 22-Mar-22      | <b>20-May-2022</b>           | 30-Jun-2022           |
| The Co-operative Bank of Kenya Ltd | Final Dividend         | 1.00     | 17-Mar-2022    | <b>30-May-2022</b>           | 17-Jun-2022           |
| KCB Group PLC                      | Final Dividend         | 2.00     | 17-Mar-2022    | <b>25-Apr-2022</b>           | (Subject to Approval) |
| Absa Bank Kenya Plc                | Final Dividend         | 1.10     | 15-Mar-2022    | <b>25-Apr-2022</b>           | 26-May-2022           |
| Standard Chartered                 | Final Dividend         | 14.00    | 14-Mar-2022    | <b>27-Apr-2022</b>           | 25-May-2022           |
| Stanbic Holdings Plc               | Final Dividend         | 7.30     | 03-Mar-2022    | <b>20-May-2022</b>           | (Subject to Approval) |
| BAT Kenya Plc                      | Final dividend         | 50.00    | 18-Feb-2022    | <b>22-Apr-2022</b>           | 24-May-2022           |

Source: NSE

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## 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 hassle 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).

### Primary Market Projections for FXD1/2022/10yr and FXD1/2022/25yr

#### FXD1/2022/10yr

- Aggressive bids: 13.66%- 13.82%
- Non-aggressive bids: 13.54%- 13.65%

#### FXD1/2022/25yr

- Aggressive bids: 14.21%- 14.39%
- Non-aggressive bids: 14.05%- 14.20%

### 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

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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