



Weekly Market Report

Week 34

Week Ending on Friday, August 23rd, 2024

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Weekly Highlights

S&P Downgrades Kenya to B-

S&P Global Ratings has lowered Kenya's credit rating to 'B-' from 'B' citing withdrawal of the controversial Finance Bill 2024. The downgrade follows subsequent downgrades from Moody's and Fitch in July 2024 citing similar reasons.

S&P Global projects debt-servicing costs to exceed 30.0% of government revenue by 2027, which is among the highest of all sovereigns they rate. The agency further noted that Kenya still has structurally high external debt and sizeable financing needs.

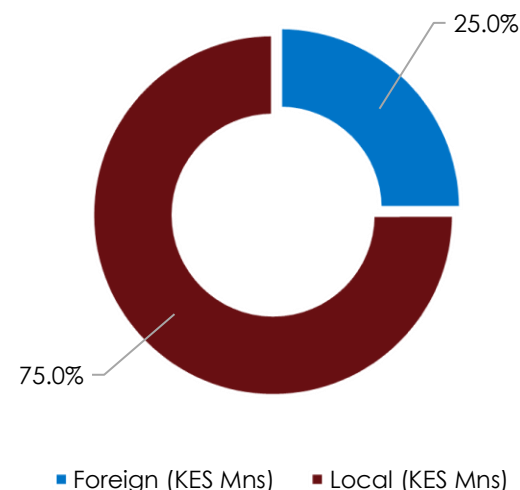
The downgrade reflects the agency's view that Kenya's medium-term fiscal and debt outlook will deteriorate following the government's decision to rescind all tax measures proposed under the Finance Bill 2024.

They further noted that their ratings on Kenya remain constrained by the country's relatively low GDP per capita, high fiscal deficits, government debt and sizeable external financing requirements. Despite the burdening fiscal deficit, Kenya's economic growth has outpaced peers' because of its relatively dynamic service-led private sector.

Equities Market

Foreign vs Local Investor Participation

Local vs Foreign Participation



	Foreign (KES Mns)	Local (KES Mns)
Friday, August 16, 2024	298.4	896.6
Participation	25.0%	75.0%

Source: Nairobi Securities Exchange

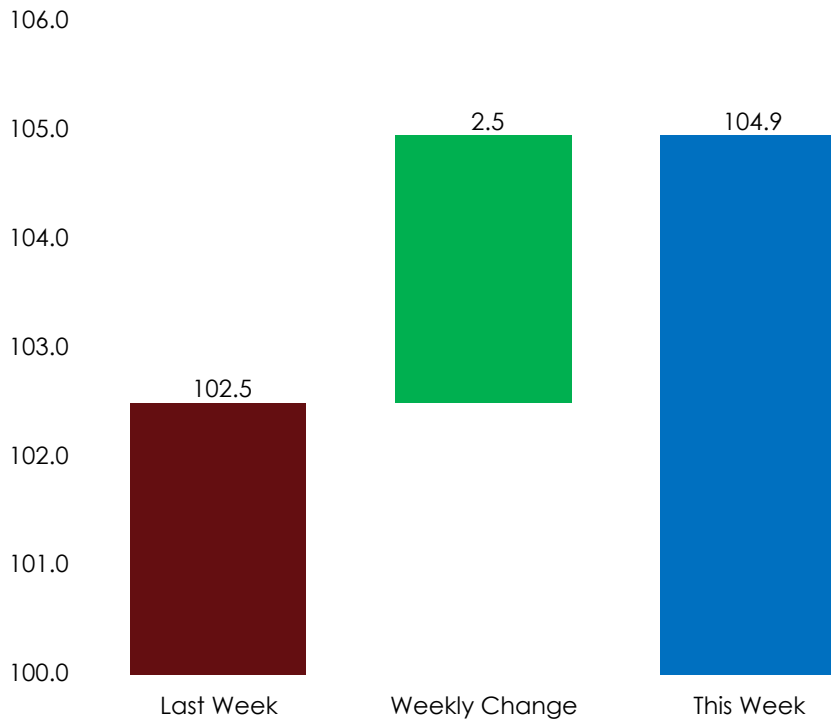
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Equities Market Commentary

	This Week	Past Week	w-o-w Change	YTD Change
NSE All Share	104.9	102.5	2.4%	11.2%
NSE 20	1,699.3	1,643.8	3.4%	9.5%
NSE 25	2,825.40	2,740.4	3.1%	14.8%
Benchmark	617.1	602.0	2.5%	-5.0%

This week the NSE indexes gained, the NSE All Share edged up by 2.4% while the NSE 20 and NSE 25 rose by 3.4% and 3.1% respectively.

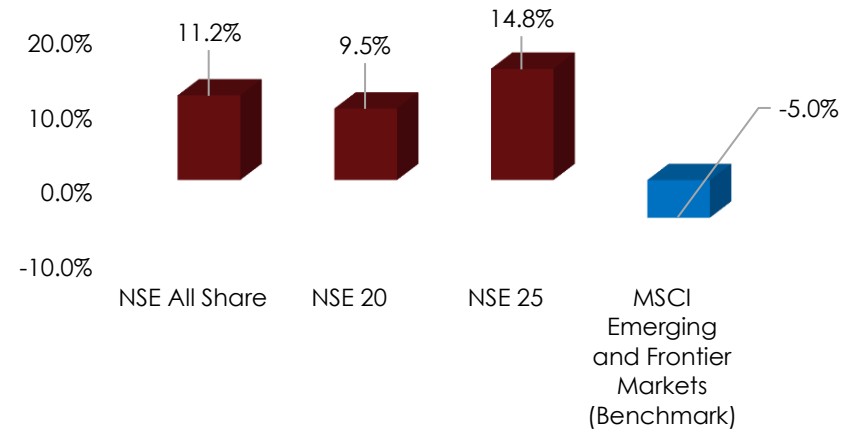
NSE All Share Index



Source: Nairobi Securities Exchange and Bloomberg

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YTD Index Performance



Source: Nairobi Securities Exchange and Bloomberg

	This Week	Past Week	w-o-w Change
Market Capitalization (KES Bns)	1,637.05	1,600.9	2.3%
Volume Traded (Mns)	60.69	60.8	-0.1%
Equity Turnover (KES Mns)	1,195.02	783.1	52.6%

Source: Nairobi Securities Exchange and Bloomberg

Volumes traded dropped though marginally by 0.1% while Equity turnover displayed a robust growth of 52.6% week-on-week. Market Capitalization edged up by a marginal 2.3%.

Equities Performance

Top Gainers	Last Week	Previous Week	Weekly Change	QTD	YTD
I&M Holdings	27.80	20.60	35.0%	28.7%	58.9%
Transcentury	0.37	0.32	15.6%	-7.5%	-28.8%
Longhorn	2.48	2.16	14.8%	18.7%	2.9%
Stanchart	209.25	189.50	10.4%	8.1%	29.2%
Kenya Power	2.12	1.92	10.4%	27.7%	49.3%

Source: Nairobi Securities Exchange

Top Movers	Last Week	Previous Week	Turnover (KES Mns)
Safaricom	14.85	14.85	436.39
KCB	29.85	29.85	185.16
IMH	27.80	20.60	158.9
Equity	40.00	40.00	115.1
EABL	143.25	151.00	78.09

Source: Nairobi Securities Exchange

Top Losers	Last Week	Previous Week	Weekly Change	QTD	YTD
Williamson Tea	208.00	233.75	-11.0%	-21.5%	0.0%
BOC Kenya	84.25	93.50	-9.9%	-5.3%	2.7%
Flame Tree	1.04	1.14	-8.8%	-11.9%	0.0%
BK Group	32.80	35.50	-7.6%	-7.6%	-8.4%
Jubilee	153.00	164.00	-6.7%	-12.2%	-17.3%

Source: Nairobi Securities Exchange

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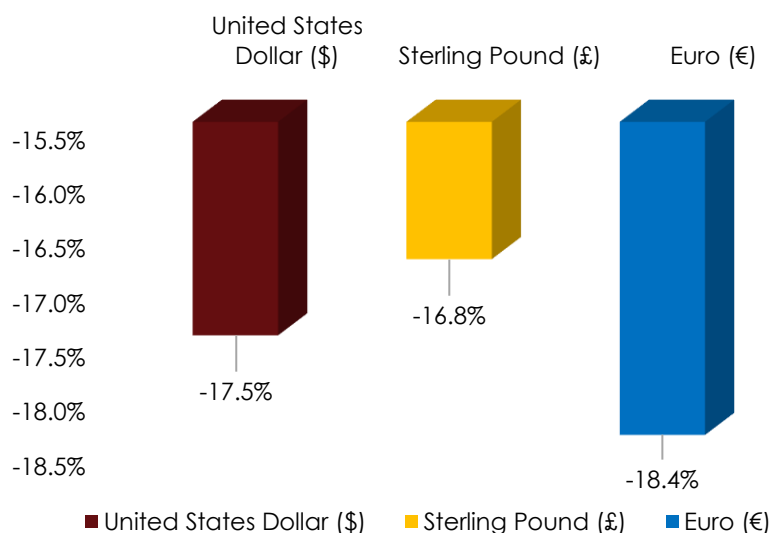
Exchange Rate

This week the Kenyan Shilling gained against the dollar slightly by 0.1% to close at KES 129.05 from KES 129.14 last week. The Shilling lost to the Pound and Euro by 2.0% and 2.5% in that order to close the week at KES 169.20 and 166.32.

	This Week	Past Week	w-o-w Change	QTD Change	YTD Change
United States Dollar (\$)	129.05	129.14	-0.1%	0.2%	-17.5%
Sterling Pound (£)	169.20	166.32	1.7%	2.0%	-16.8%
Euro (€)	143.61	141.85	1.2%	2.5%	-18.4%

Source: Central Bank of Kenya; Positive = KES Depreciation, Negative; KES Appreciation

YTD Foreign Currency Performance vs KES



Source: Central Bank of Kenya Data

Global Markets

	This Week	w-o-w Change	YTD Change
Dow Jones Index	40,659.8	1.3%	7.9%
S&P 500 Index	5,554.3	1.4%	16.4%
Nasdaq 100 Index	19,508.5	1.1%	15.9%
DAX Index	18,322.4	1.7%	9.4%
FTSE 100 Index	8,311.4	0.2%	7.5%
Eurostoxx 50 Index	4,840.5	1.4%	7.1%
Shanghai Composite	2,891.5	-1.4%	-2.8%
Nikkei 225 Index	37,531.9	1.2%	12.2%

Source: Bloomberg

This week all the major global indexes gained with the DAX Index at the forefront rising by 1.7% followed by S&P 500 Index rising by 1.4%.

The markets have continued to show steady recovery since the sell-off that took place recently due to fears of a recession in the US economy. Recently the FED gave a greenlight to confirm the market's expectation of an expected rate cut. Investors are optimistic about lower borrowing costs, which can boost consumer spending and corporate profits.

On the other hand, the Shanghai Composite has shed 1.4% this week as Investors are worried about the slowing Chinese economy, which has been showing signs of weaker growth.

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Commodities

This week both Brent and Murban Oil rose by 0.2% and 0.5%. Gold followed suit rising by 0.3%. The uptick of the yellow metal is bolstered by the speech by Fed Chair Jerome Powell, signaling that time has come for interest rate cuts starting this September.

	This Week	w-o-w Change	YTD Change
Brent Crude Oil	79.4	0.2%	3.1%
Murban Crude Oil	78.6	0.5%	2.1%
Gold	2,500.6	0.3%	21.2%

Source: Bloomberg

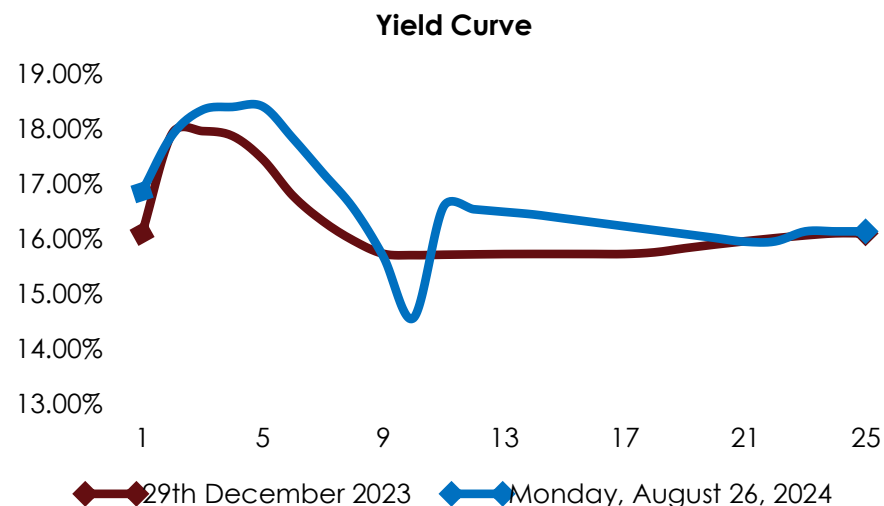
Treasury Bill Auction Results

	Amount Offered	Bids Received	Subscription	Bids Accepted	Yield	Subscription w-o-w
91-day	4.0	7.9	197.8%	7.8	15.79%	-24.77%
182-day	10.0	5.8	57.6%	3.8	16.67%	-47.82%
364-day	10.0	5.5	55.0%	5.5	16.86%	31.37%
Total	24.0	19.2	79.9%	17.1		-25.53%

Source: Central Bank of Kenya

T-Bills came in slightly undersubscribed with a combined subscription of 79.9%. The 91-day paper was oversubscribed, its performance standing at 197.8% while its counterparts the 182-day and 364-day papers came in undersubscribed at 57.6% and 55.0%.

Nairobi Securities Exchange Yield Curve



Source: NSE Data

Stock Recommendations

-  **KCB** – Buy
-  **NCBA** – Buy

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Corporate Actions

Counter	Corporate Action	Declared	Date Announced	Book Closure	Payment Date
Safaricom	Final Dividend	0.65	09-May-2024	31-Jul-2024	31-Aug-2024
Laptrust Imara I-REIT	Interim Dividend	0.38	30-Jul-2024	16-Sep-2024	16-Oct-2024
Liberty Kenya	Final Dividend	0.37	18-Mar-2024	14-Jun-2024	24-Aug-2024
Kenya Re	Bonus Share Issue	1:1	30-May-2024	25-Jun-2024	26-Aug-2024
Williamson Tea	Final Dividend	15.00	28-Jun-2024	31-Jul-2024	02-Sep-2024
Kapchorua Tea	Final Dividend	15.00	28-Jun-2024	31-Jul-2024	02-Sep-2024
BAT	Interim Dividend	5.00	25-Jul-2024	30-Aug-2024	27-Sep-2024
EABL	Final Dividend	6.00	30-Jul-2024	16-Sep-2024	16-Oct-2024
Centum	Final Dividend	0.32	30-Jul-2024	11-Oct-2024	Subject to Approval
Stanbic Holdings	Interim Dividend	1.84	08-Jul-2024	02-Sep-2024	27-Sep-2024
HF Group	Rights Issue	3:1	13-Aug-2024	Subject to Approval	Subject to Approval
Umeme	Interim Dividend	0.90	19-Jul-2024	10-Oct-2024	31-Oct-2024
KCB Group	Interim Dividend	1.50	22-Aug-2024	12-Sep-2024	30-Oct-2024
BOC	Interim Dividend	1.50	22-Aug-2024	20-Sep-2024	14-Oct-2024
Standard Chartered	Interim Dividend	8.00	22-Aug-2024	18-Sep-2024	30-Oct-2024
NCBA Group	Final Dividend	2.25	22-Aug-2024	11-Sep-2024	25-Sep-2024

Counter Statistics

Agricultural Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Eaagads	12.90	0.0%	-0.8%	-7.5%	29,106,700	9.5	2.7	30.4
Kakuzi	380.00	0.0%	7.0%	-1.3%	5,980,408	2.4	0.4	19.4
Kapchorua Tea	224.00	0.0%	-14.3%	4.2%	5,190,882	0.8	0.1	-
Limuru Tea	365.00	0.0%	-3.9%	-3.9%	4,652,489	3.6	0.5	15.3
Sasini	17.80	-2.2%	-6.1%	-11.0%	2,841,483	3.4	0.7	22.7
Williamson Tea	208.00	-11.0%	-21.5%	0.0%	2,474,942	3.3	0.1	1.7
Sector Average		-2.2%	-6.6%	-3.3%		3.8	0.7	

Automobiles Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
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Car and General	22.25	0.0%	-1.3%	-11.0%	1,914,615	3.9	0.6	20.3
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Banking Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Absa	14.20	1.1%	1.1%	24.0%	1,743,297	2.6	0.2	4.4
Bank of Kigali	32.80	-7.6%	-7.6%	-8.4%	1,616,086	1.1	0.2	11.2
Diamond Trust Bank	45.50	-0.2%	-2.0%	1.0%	953,766	2.6	0.7	23.2
Equity Group	40.50	1.3%	-4.1%	20.4%	672,400	-	-	-
Housing Finance	4.49	1.1%	12.3%	29.0%	513,887	13.9	4.8	36.1
I&M	27.80	35.0%	28.7%	58.9%	427,326	4.3	1.0	24.9
KCB	31.95	7.0%	1.9%	45.9%	314,314	5.2	1.2	24.0
NCBA	42.00	7.7%	1.9%	7.8%	258,600	-	-	-
Stanbic Bank	123.25	5.6%	7.6%	13.3%	244,919	1.7	0.1	(7.9)
StanChart	209.25	10.4%	8.1%	29.2%	207,862	4.9	1.0	22.3
The Co-op Bank	13.15	2.7%	2.7%	15.4%	191,081	-	-	-
Sector Average		5.8%	4.6%	21.5%		4.5	1.1	

Commercial Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Eveready	1.09	-3.5%	-12.8%	0.9%	175,000	1,913.7	0.3	(1.0)
Express Kenya	3.50	0.0%	8.7%	-5.4%	166,463	6.8	0.2	-
Longhorn	2.48	14.8%	18.7%	2.9%	162,633	22.5	0.6	(0.2)
Nairobi Business Ventures	1.92	-4.0%	-15.4%	-28.9%	111,551	1.8	0.2	9.8
Nation Media Group	15.00	1.7%	-10.2%	-25.2%	110,051	4.0	0.7	18.5
Sameer	2.23	-2.2%	14.9%	-1.8%	109,590	3.6	0.7	19.8
Standard Group	6.46	10.2%	-5.0%	-16.5%	105,500	5.2	0.1	2.6

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TPS East Africa	13.25	-1.9%	-5.4%	-19.5%	78,800	-	-	-
Uchumi	0.18	-5.3%	-5.3%	5.9%	73,720	77.2	0.8	1.0
WPP Scangroup	2.10	0.0%	1.4%	-3.7%	67,920	-	-	1.3
Sector Average		1.0%	-1.0%	-9.1%		254.4	0.4	

Construction Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Bamburi	64.00	1.6%	47.3%	78.5%	64,400	-	-	#N/A N/A
Crown Paints	32.00	-5.9%	-9.0%	-10.2%	59,401	4.4	0.6	14.2
E.A. Cables	0.95	2.2%	5.6%	-2.1%	48,550	7.2	2.2	34.1
E.A. Portland	7.30	8.0%	60.4%	-8.8%	47,900	-	0.1	(5.8)
Sector Average		1.5%	26.1%	14.4%		5.8	1.0	

Energy Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
KenGen	2.38	2.1%	0.0%	18.4%	36,628	1.7	0.2	15.5
Kenya Power	2.12	10.4%	27.7%	49.3%	31,361	4.9	0.3	7.4
Total Kenya	20.75	3.5%	5.9%	15.3%	24,962	7.8	0.4	(2.5)
Umeme	16.45	2.8%	7.5%	2.8%	21,834	10.5	0.3	3.9
Sector Average		4.7%	10.3%	21.4%		6.2	0.3	

Insurance Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Britam	5.74	1.8%	0.3%	19.8%	21,174	-	0.4	(31.5)
CIC	2.10	-2.3%	-6.7%	-6.3%	14,255	4.8	0.4	9.7
Jubilee	153.00	-6.7%	-12.2%	-17.3%	8,001	5.9	0.1	2.2
Kenya Re	1.20	-4.8%	-14.3%	-36.2%	6,345	-	0.3	(21.3)

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Liberty	5.60	4.9%	5.7%	51.8%	3,624	8.7	1.5	(0.9)
Sanlam Kenya	6.00	-1.6%	-3.2%	0.0%	2,808	7.3	0.6	7.8
Sector Average		-1.5%	-5.1%	2.0%		6.7	0.5	

Investment Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Centum	8.14	-4.2%	-6.2%	-3.1%	2,399	2.7	0.4	8.4
Home Afrika	0.31	0.0%	0.0%	-16.2%	2,100	1.8	0.4	-
Olympia	2.90	2.5%	7.4%	-11.3%	1,701	16.4	1.3	7.6
TransCentury	0.37	15.6%	-7.5%	-28.8%	1,500	130.3	9.8	7.8
Sector Average		3.5%	-1.6%	-14.9%		37.8	3.0	

Investment Services Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Nairobi Securities Exchange	5.74	-4.0%	-1.4%	-4.7%	1,300	1.0	0.0	(6.7)

Manufacturing Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
BOC Kenya	84.25	-9.9%	-5.3%	2.7%	1,222	-	0.3	(18.1)
British American Tobacco	350.00	0.6%	-1.3%	-14.1%	860	-	6.9	(331.8)
Carbacid	17.00	0.0%	-4.0%	13.3%	700	-	-	22.1
EABL	143.25	-5.1%	0.9%	25.7%	631	-	20.8	(183.9)
Flame Tree	1.04	-8.8%	-11.9%	0.0%	600	4.5	0.6	10.6
Kenya Orchards	19.50	0.0%	0.0%	0.0%	400	37.9	0.4	0.9
Unga Group	13.50	6.3%	8.9%	-19.9%	220	0.1	0.0	18.5

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Sector Average	-2.4%	-1.8%	1.1%	14.2	4.8
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Telecommunications Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Safaricom	15.00	1.0%	-14.0%	7.9%	100	8.3	0.9	11.4

Top 10 Dividend Yield

	Last Price	Dividend Yield
Kenya Re	1.20	25.0%
Diamond Trust	45.50	13.2%
KenGen	2.38	12.6%
Crown Paints	32.00	12.5%
The Coop Bank	13.15	11.4%
Umeme	16.45	11.1%
StanChart	209.25	11.0%
Absa	14.20	10.9%
Nation Media Group	15.00	10.0%
Carbacid	17.00	10.0%

Agricultural

	Last Price	Dividend Yield
Eaagads	12.90	0.0%
Kakuzi	380.00	6.3%
Kapchorua	224.00	6.7%
Limuru Tea	365.00	0.3%
Sasini	17.80	2.8%
Williamson Tea	208.00	7.2%

Automobile

	Last Price	Dividend Yield
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Car and General	22.25	3.6%
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Banking

	Last Price	Dividend Yield
Absa	14.20	10.9%
Bank of Kigali	32.80	7.3%
Diamond Trust	45.50	13.2%
Equity Bank	40.50	9.9%
Housing Finance	4.49	0.0%
I&M	27.80	9.2%
KCB	31.95	4.7%
NCBA	42.00	7.1%
Stanbic	123.25	1.5%
StanChart	209.25	11.0%
The Coop Bank	13.15	11.4%

Commercial and Services

	Last Price	Dividend Yield
Eveready	1.09	0.0%
Express Kenya	3.50	0.0%
Longhorn	2.48	0.0%
NBV	1.92	0.0%
Nation Media Group	15.00	10.0%
Sameer	2.23	0.0%
Standard Group	6.46	0.0%
TP Serena	13.25	0.0%

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Uchumi	0.18	0.0%
ScanGroup	2.10	0.0%

Olympia	2.90	0.0%
TransCentury	0.37	0.0%

Construction and Allied

	Last Price	Dividend Yield
Bamburi	64.00	8.5%
Crown Paints	32.00	12.5%
E.A. Cables	0.95	0.0%
E.A. Portland	7.30	0.0%

Energy and Petroleum

	Last Price	Dividend Yield
KenGen	2.38	12.6%
Kenya Power	2.12	0.0%
Total Kenya	20.75	9.3%
Umeme	16.45	11.1%

Insurance

	Last Price	Dividend Yield
Britam	5.74	0.0%
CIC	2.10	6.2%
Jubilee	153.00	8.0%
Kenya Re	1.20	25.0%
Liberty Kenya	5.60	6.7%
Sanlam	6.00	0.0%

Investment

	Last Price	Dividend Yield
Centum	8.14	3.9%
Home Afrika	0.31	0.0%

Investment Services

	Last Price	Dividend Yield
NSE	5.74	2.8%

Manufacturing & Allied

	Last Price	Dividend Yield
BOC	84.25	7.2%
British American Tobacco	350.00	1.4%
Carbacid	17.00	10.0%
EABL	143.25	4.2%
Flame Tree	1.04	0.0%
Kenya Orchards	19.50	0.0%
Unga Group	13.50	0.0%

Telecommunications

	Last Price	Dividend Yield
Safaricom	15.00	4.3%

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