



Weekly Report

Week 4

Week Ending Friday, January 28, 2022

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Global Markets

Index	Last Price*	Weekly Change	YTD Change
DJI	34,725.47	1.3%	(4.4%)
S&P 500	4,31.85	0.8%	(7.0%)
NASDAQ 100	14,454.61	0.1%	(11.4%)
DAX	15,318.95	(1.8%)	(3.6)
FTSE 100	7,466.07	(0.4%)	1.1%
EURO STOXX 50	4,136.91	(2.2%)	(3.8%)
Shanghai Composite	3,361.44	(4.6%)	(7.6%)
NIKKEI 225	26,717.34	(2.9%)	(7.2%)
Commodities			
Brent Oil (USD/bbl.)	90.03	2.4%	15.7%
Gold (USD/Oz)	1791.53	(2.4%)	2.4%

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

Equities Market

Equity Market Commentary

The All Share Index (NASI) and the NSE 20 decreased by 2.2% and 0.9% w-o-w to close the week at 161.04 and 1875.33 respectively. Equity turnover increased by 69.14% to KES 2.62 billion and the volume traded increased by 26.27% to 62.01 million. Notable price declines included; Kenya Power (-4.7% w/w to KES 1.56), Nation Media Group (-4.2% w/w to KES 18.50) and Centum (-2.0% w/w to KES 14.10). We expect price stability this week and increased market participation.

Market Indices Performance

Index	This Week	Previous Week	Weekly Change %	YTD Change %
NASI	161.04	164.66	-2.2%	-0.6%
NSE 20	1875.33	1892.54	-0.9%	-0.2%
NSE 25	3639.37	3,695.95	-1.53%	-1.6%

Source: NSE

Market Statistics

	This Week	Previous Week	Change %
Market Capitalization (KES Bn)	2,508.32	2,564.71	-2.2%
Volume (Mn)	62.01	49.11	26.27%
Equity Turnover (KES Mn)	2,624.02	1,551.41	69.14%

Source: NSE

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Equities Performance

Foreign Activity	Previous	Current	Weekly Change %
Foreign Trades	848,339,309	1,512,327,442	78.27%
Foreign Participation %	54.68%	57.63%	

Top Gainers	Previous Price (KES)	Current Price (KES)	Weekly Change %	YTD Change
1. Crown Paint	32.50	36.25	11.54%	18.9%
2. Home Afrika	0.36	0.39	8.33%	(2.5%)
3. Flame Tree	1.23	1.31	6.50%	4.0%
4. BOC Kenya	73.00	77.00	5.48%	10.0%
5. Stanbic	87.25	92.00	5.44%	5.4%

Top Losers	Previous Price (KES)	Current Price (KES)	Weekly Change	YTD Change %
1. Car General	68.50	54.00	(21.17%)	59.1%
2. Sanlam	10.55	9.70	(8.06%)	(16.0%)
3. EaaGads	13.80	13.15	(4.71%)	(2.6%)
4. Britam	7.30	7.02	(3.84%)	(6.4%)
5. Nse	8.30	8.00	(3.61%)	(0.0%)

Movers	Previous Price (KES)	Current Price (KES)	Turnover (KES Mn)
1. Safaricom	37.45	36.20	1,147.96
2. EABL	159.00	161.00	520.80
3. KCB	44.90	44.80	478.49
4. Equity	51.50	50.35	398.44
5. NSE	8.30	8.00	10.48

Source: NSE and Faida Investment Bank Analysis

Derivatives Market

Weekly Statistics

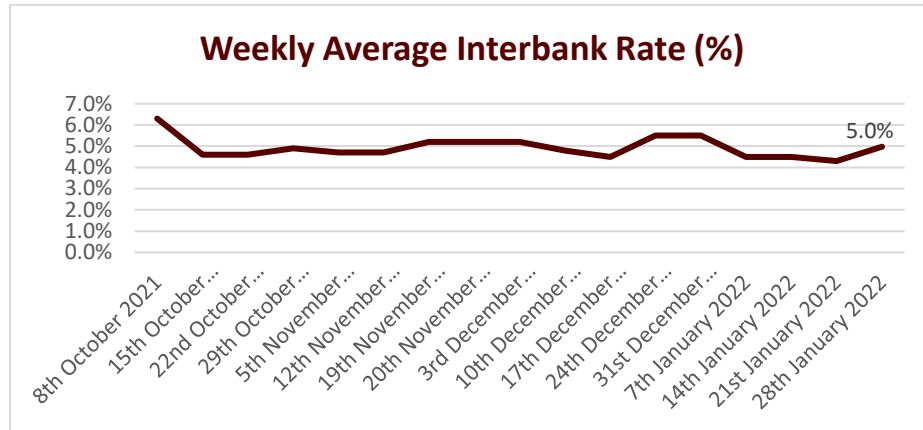
	This Week	Previous Week
Total Volumes	120	35
Total Value	4,571,780	1,398,310
Total Open Interest	324	324

Source: NSE

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Fixed Income

Interbank Rate



Source: CBK

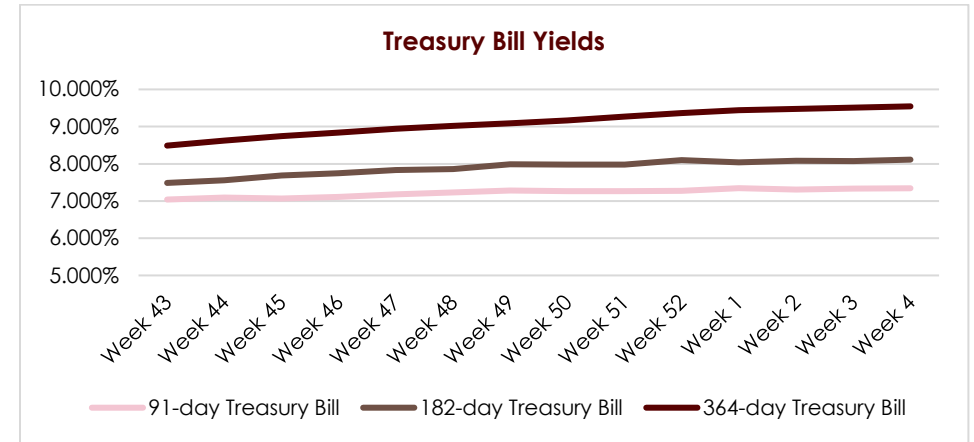
Treasury Bill Auction Results

	Amount Offered	Bids Received	Subscription Rate	Bids Accepted	Yield	Change*
91 day	4.0	1.5	37.67%	1.5	7.343%	0.01%
182 day	10.0	5.3	53.45%	5.3	8.112%	0.04%
364 day	10.0	19.1	190.55%	17.6	9.544%	0.03%
Total	24.0	25.9	107.94%	24.5		

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

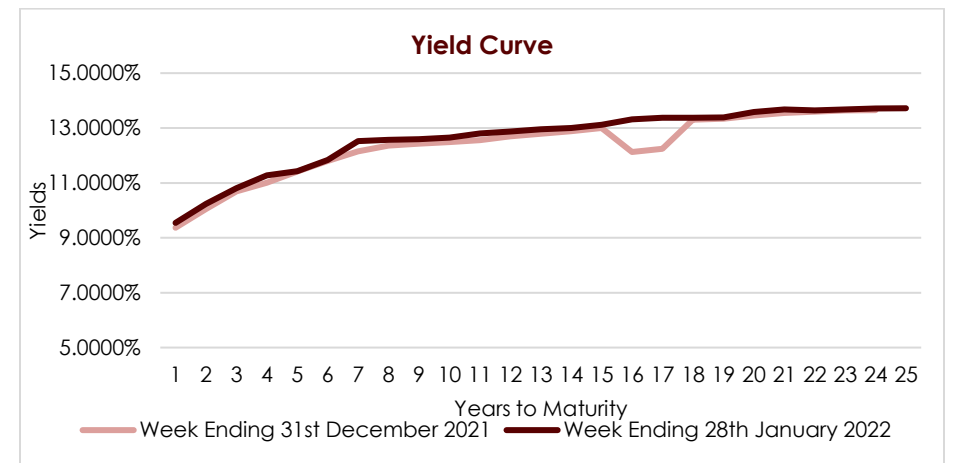
Source: CBK

Treasury Bill Yields



Source: CBK

Government Securities Yield Curve



Source: NSE

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Macroeconomic Indicators

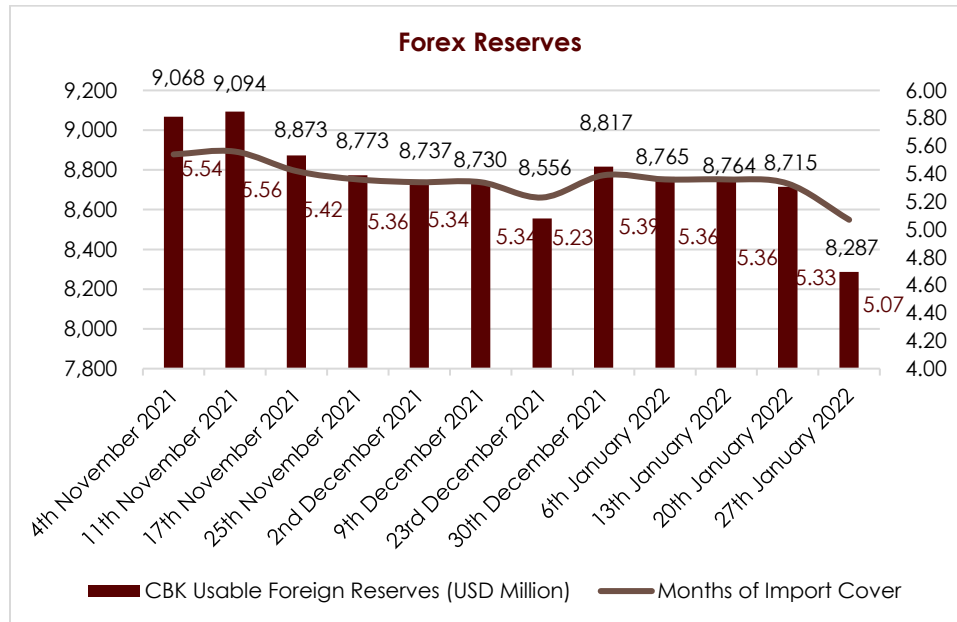
Exchange Rates

KES	Value	Weekly Change %	YTD Change %
US Dollar	113.5471	0.0%	0.4%
STG Pound	152.6029	(1.1%)	0.4%
EURO	127.3735	(1.1%)	(0.5%)

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

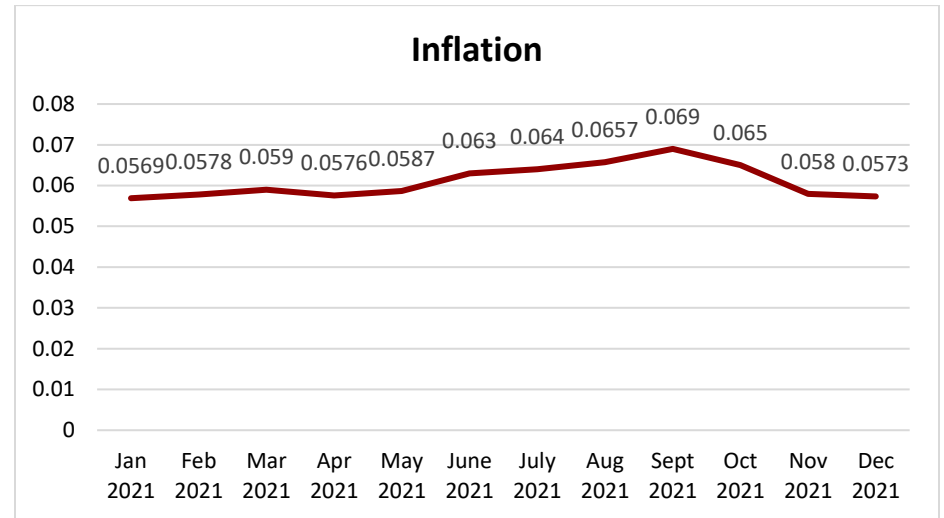
During the week, the Kenya Shilling appreciated against the US Dollar, Euro and the STG Pound.

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
East African Breweries Plc	Interim dividend	3.75	28-Jan-2022	28-Feb-2022	27-Apr-2022
KenGen	First & Final dividend	Kes. 0.30	1-Nov-21	16-Dec-21	10-Feb-22
Sasini Plc	Final dividend	Kes. 0.50	11-Jan-22	22-Feb-22	15-Mar-22
Car & General	First & Final dividend	Kes. 3.20	6-Jan-22	25-Feb-22	24-Mar-22
Car & General	Bonus	1:1	6-Jan-22	24-Mar-22	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

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.

Primary Market Projections for FXD2/2018/10 and FXD1/2021/20:

FXD2/2018/10 is a 6.88 Year paper with a coupon rate of 12.502%. We recommend bidding as follows:

- Aggressive bids 12.35% - 12.49%
- Non Aggressive bids 12.20% - 12.35%

FXD1/2021/20 is a 19.56 Year paper with a coupon rate of 13.444%. We recommend bidding as follows:

- Aggressive bids 13.64% - 13.75%
- Non Aggressive bids at 13.52 - 13.64%.

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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

ABSA – Buy

Equity – Hold

I&M – Buy

Coop – Buy

HF – Sell

Eabl – Buy

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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