



Weekly Market Report

Week 5

Week Ending on Friday, February 2nd 2024

Head Office:

Crawford Business Park
Ground Floor
State House Road
Telephone: 0207606026-37
P.O. Box 45236-0100
Nairobi

Weekly Highlights

Inflation Rises to 6.9% in January 2024

Overall inflation edged upwards to a three-month high of 6.9% in January 2024 up from 6.6% in December 2023. This is attributed to the increase in food inflation from 7.7% to 7.9% in January 2024 due to increases in select food items due to seasonal factors. Fuel inflation continues to rise despite the downward revision of pump prices. Importantly, core inflation which represents Non-Food Non-Fuel inflation increased to 3.6% in January 2024.

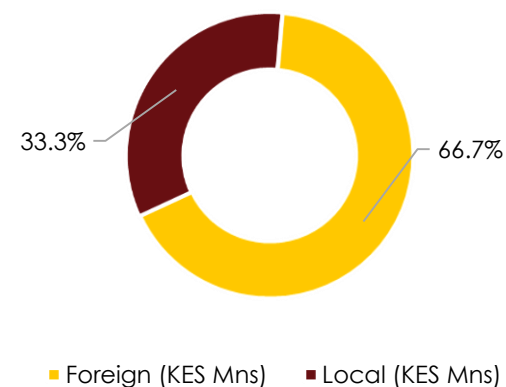
This is set to be a major talking point as the CBK's Monetary Policy Committee meets on Tuesday, 6th February 2024 to set the indicative lending rate.

We expect the MPC to hold the Central Bank Rate steady at 12.50% as it continues to battle the persisting inflationary concerns. As such, commercial lending rates are expected to remain elevated as well as interest rates on short-term papers - both of which use the Central Bank Rate as a floor benchmark.

Equities Market

Foreign vs Local Investor Participation as at February 2nd 2024

Local vs Foreign Participation



	Foreign (KES Mns)	Local (KES Mns)
Friday, February 02, 2024	560.06	279.39
Participation	66.7%	33.3%

Source: Nairobi Securities Exchange

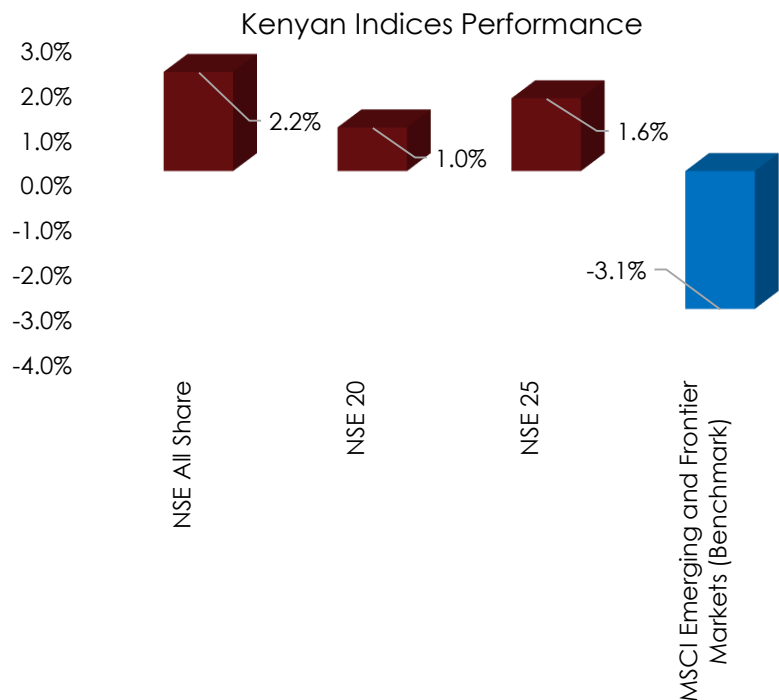
Equities Market Commentary

The Kenyan indices had a strong week. In particular, the NSE All Share Index (NASI) recorded a 2.2% increase ending the week at 92.37. The NSE 20 Index also recorded a 1.0% jump during the week to close at 1,512.56 and the NSE 25 Index appreciated by 1.6% to end the period at 2,409.30.

	This Week	Past Week	w-o-w Change	YTD Change
NSE All Share	92.37	90.37	2.2%	0.3%
NSE 20	1,512.56	1,497.97	1.0%	0.8%
NSE 25	2,409.30	2,370.80	1.6%	2.0%
Benchmark	649.20	669.76	-3.1%	2.4%

	This Week	Past Week	w-o-w Change
Market Capitalization (KES Bns)	1,443.19	1,411.90	2.2%
Volume Traded (Mns)	46.50	27.54	68.8%
Equity Turnover (KES Mns)	839.45	547.99	53.2%

Source: Nairobi Securities Exchange and Bloomberg



Source: Nairobi Securities Exchange and Bloomberg

The volume of shares traded experienced a significant 68.8% increase in transactional volume to close the week at 46.50 million. The equity turnover also appreciated by 53.2% during the week to close at KES 839.45 million.

Disclaimer: The information contained herein is obtained from sources which to the best of our knowledge are deemed reliable. As such, we are not responsible for any factual errors arising thereof. Any opinions expressed herein are ours and are bound to change at any time and at no notice.

Equities Performance

Top Gainers	Last Week	Previous Week	Weekly Change	QTD	YTD
Uchumi	0.20	0.18	11.1%	17.6%	17.6%
Diamond Trust	48.95	44.75	9.4%	8.7%	8.7%
EABL	113.50	104.50	8.6%	-0.4%	-0.4%
Eveready	1.19	1.11	7.2%	10.2%	10.2%
Sasini	21.95	21.00	4.5%	9.7%	9.7%

Source: Nairobi Securities Exchange

Top Losers	Last Week	Previous Week	Weekly Change	QTD	YTD
Sanlam	6.34	7.02	-9.7%	5.7%	5.7%
Home Afrika	0.35	0.37	-5.4%	-5.4%	-5.4%
Transcentury	0.45	0.47	-4.3%	-13.5%	-
Fahari I-REIT	6.04	6.30	-4.1%	-4.1%	-4.1%
Scangroup	0.94	0.98	-4.1%	-3.1%	-3.1%

Source: Nairobi Securities Exchange

Top Movers	Last Week	Previous Week	Turnover (KES Mns)
Safaricom	13.50	13.10	334.23
Equity	38.15	37.10	217.54
KCB	20.40	20.40	85.78
EABL	113.50	104.50	77.30
Stanbic	110.00	110.00	37.16

Source: Nairobi Securities Exchange

Exchange Rate

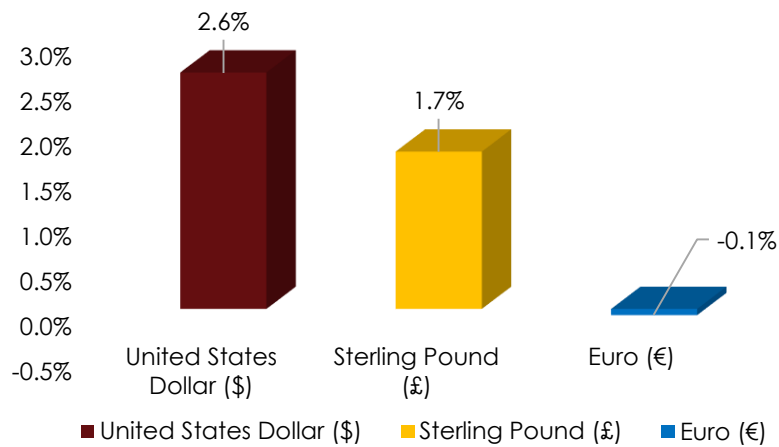
During the week, the Kenya Shilling appreciated against all major global currencies. In particular, against the US Dollar, the KES recorded a slight 0.03% appreciation.

	This Week	Past Week	w-o-w Change	QTD Change	YTD Change
United States Dollar (\$)	160.6	160.6	0.0%	2.6%	2.6%
Sterling Pound (£)	203.3	204.2	-0.5%	1.7%	1.7%
Euro (€)	173.7	174.4	-0.4%	-0.1%	-0.1%

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

Disclaimer: The information contained herein is obtained from sources which to the best of our knowledge are deemed reliable. As such, we are not responsible for any factual errors arising thereof. Any opinions expressed herein are ours and are bound to change at any time and at no notice.

Foreign Currency Performance vs KES (YTD)



Global Markets

	This Week	w-o-w Change	YTD Change
Dow Jones Index	38,654.42	2.2%	0.3%
S&P 500 Index	4,958.61	1.0%	0.8%
Nasdaq 100 Index	17,642.73	-3.1%	2.4%
DAX Index	16,918.21	1.4%	2.6%
FTSE 100 Index	7,615.54	1.4%	4.0%
Eurostoxx 50 Index	4,654.55	1.3%	4.9%
Shanghai Composite	2,730.15	-0.3%	1.0%
Nikkei 225 Index	36,158.02	-0.3%	-1.5%

Source: Bloomberg

Most global equities experienced a rally during the week, the largest gain being Dow Jones Index by 2.2%.

Disclaimer: The information contained herein is obtained from sources which to the best of our knowledge are deemed reliable. As such, we are not responsible for any factual errors arising thereof. Any opinions expressed herein are ours and are bound to change at any time and at no notice.

Commodities

During the week, oil commodity prices edged downwards. In particular, Murban Crude Prices which the Energy and Petroleum Regulatory Authority (EPRA) uses to calculate pump prices decreased by 6.9%.

However, gold prices exhibited a slight increase during the same period.

	This Week	w-o-w Change	YTD Change
Brent Crude Oil	77.33	-7.4%	0.4%
Murban Crude Oil	77.62	-6.9%	0.8%
Gold	2,039.76	1.1%	-1.1%

Source: Bloomberg

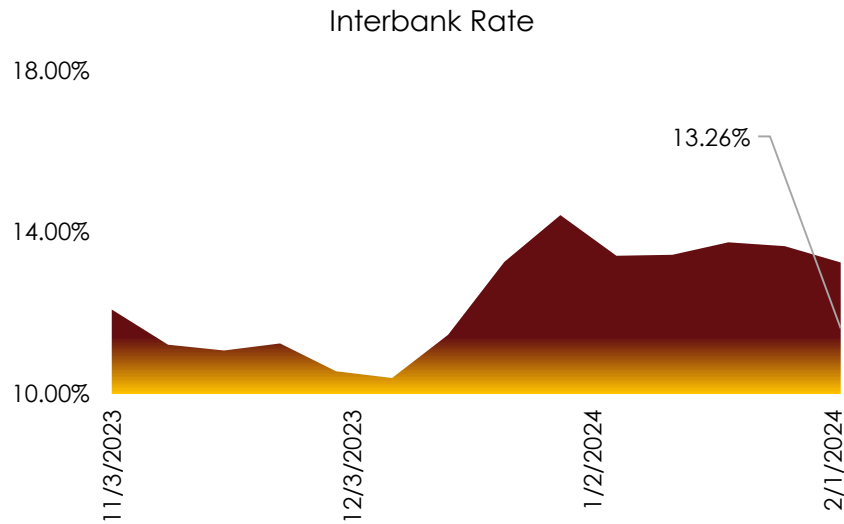
Treasury Bill Auction Results

	Amount Offered	Bids Received	Subscription	Bids Accepted	Yield	Subscription w-o-w
91-day	4.0	20.6	515.7%	19.6	16.37%	24.58%
182-day	10.0	1.7	16.6%	1.6	16.51%	-68.30%
364-day	10.0	3.5	35.1%	3.5	16.68%	31.32%
Total	24.0	25.8	107.5%	24.7		5.42%

Source: Central Bank of Kenya

Overall, Treasury Bills were oversubscribed this week with a subscription rate of 107.50%. In particular, the 91-day T-Bill continues to be oversubscribed coming in at 515.70% showing investors' preference towards shorter-dated papers.

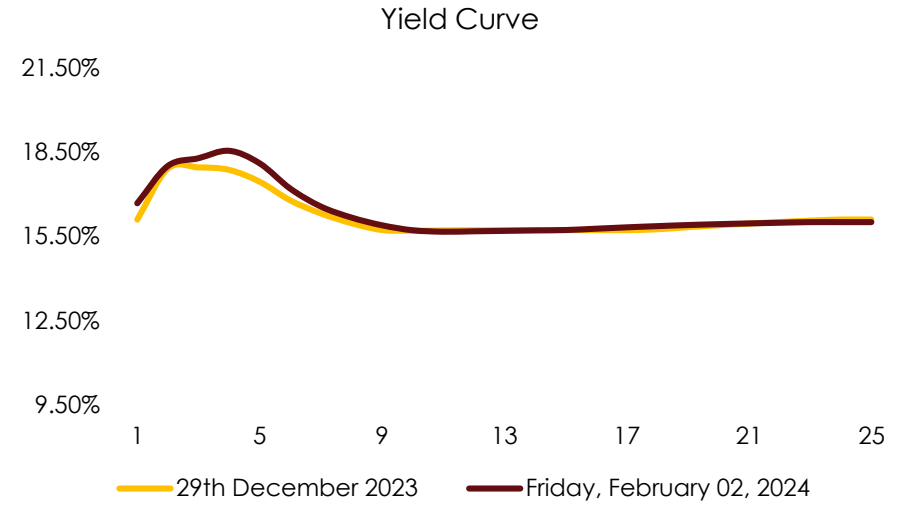
Interbank Rate



Source: Central Bank of Kenya

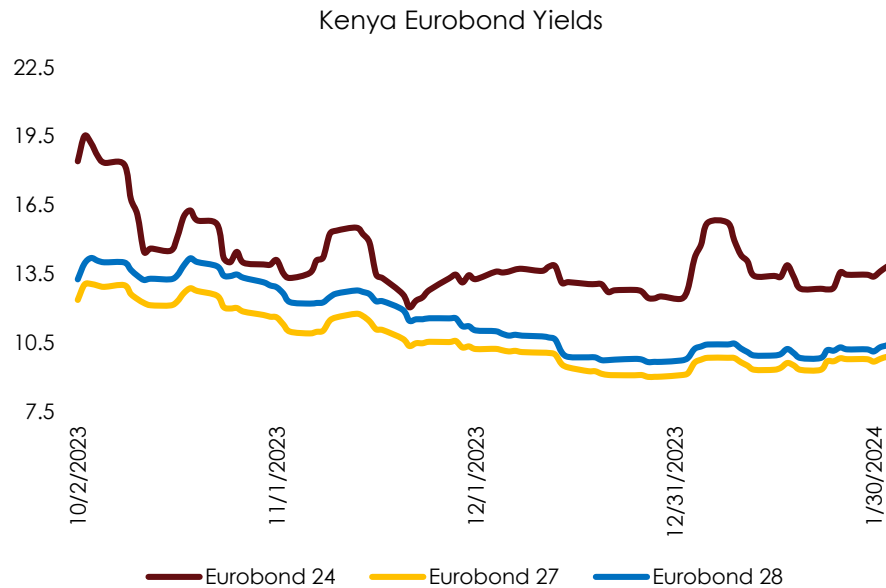
The Interbank Rate decreased slightly to 13.26% from 13.66% last week.

Yield Curve



Source: Nairobi Securities Exchange

Kenya Outstanding Eurobonds Yield



Source: Bloomberg

Yields on Kenya's outstanding Eurobonds have been on a downward trend but still remain elevated. This is attributed to heightened market concerns over economic uncertainties and increased issuer-specific risks associated with Eurobond 24.

Recommendations

- **Equity** – Long-Term Buy
- **Absa** - Hold
- **StanChart**- Hold

Corporate Actions

Counter	Corporate Action	Declared	Date Announced	Book Closure	Payment Date
EABL	Interim Dividend	1.00	26-Jan-2024	16-Feb-2024	26-Apr-2024
Sasini	Final Dividend	0.50	08-Jan-2024	22-Feb-2024	22-Mar-2024
Umeme Limited	Interim Dividend	0.94	21-Aug-2023	09-Feb-2024	29-Feb-2024
KenGen	Final Dividend	0.30	27-Oct-2023	30-Nov-2023	15-Feb-2024

Counter Statistics

Agricultural Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Eaagads	12.60	0.8%	-9.7%	-9.7%	300	37.0	0.3	0.9
Kakuzi	364.00	0.0%	-5.5%	-5.5%	7	11.5	1.3	11.3
Kapchorua Tea	234.00	-0.2%	8.8%	8.8%	200	4.7	0.7	10.6
Limuru Tea	380.00	0.0%	0.0%	0.0%	10	139.6	4.8	3.5
Sasini	21.95	4.5%	9.7%	9.7%	1,508,100	9.1	0.4	3.9
Williamson Tea	234.00	0.0%	12.5%	12.5%	6,550	5.7	0.7	12.0
Sector Average		0.9%	2.7%	2.7%		34.6	1.4	

Automobiles Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Car and General	27.00	0.0%	8.0%	8.0%	1,200	2.4	0.5	-

Disclaimer: The information contained herein is obtained from sources which to the best of our knowledge are deemed reliable. As such, we are not responsible for any factual errors arising thereof. Any opinions expressed herein are ours and are bound to change at any time and at no notice.

Banking Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Absa	11.85	1.7%	3.5%	3.5%	467,846	4.0	1.0	25.8
Bank of Kigali	37.00	0.5%	3.4%	3.4%	600	-	-	21.7
Diamond Trust Bank	48.95	9.4%	8.7%	8.7%	17,363	2.2	0.2	8.9
Equity Group	38.15	2.8%	13.4%	13.4%	5,763,109	3.1	0.8	27.8
Housing Finance	3.53	-1.9%	1.4%	1.4%	152,689	-	0.2	-
I&M	17.50	0.0%	0.0%	0.0%	189,600	2.6	0.4	-
KCB	20.40	0.0%	-6.8%	-6.8%	4,281,588	1.6	0.3	19.7
NCBA	37.70	1.5%	-3.2%	-3.2%	97,816	4.0	0.7	18.5
Stanbic Bank	110.00	0.0%	1.1%	1.1%	337,813	4.8	0.7	15.3
StanChart	162.50	1.4%	0.3%	0.3%	35,171	4.4	0.9	22.7
The Co-op Bank	12.00	0.0%	5.3%	5.3%	607,714	3.1	0.7	22.1
Sector Average		1.4%	2.5%	2.5%		3.3	0.6	

Commercial Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Eveready	1.19	7.2%	10.2%	10.2%	13,128	-	-	-
Express Kenya	3.54	0.0%	-4.3%	-4.3%	4,600	-	0.3	(13.9)
Longhorn	2.34	1.3%	-2.9%	-2.9%	600	21.0	0.9	(10.2)
Nairobi Business Ventures	2.46	0.4%	-8.9%	-8.9%	17,300	-	-	-
Nation Media Group	20.00	-1.0%	-0.2%	-0.2%	70,051	7.8	0.5	-
Sameer	2.10	-0.5%	-7.5%	-7.5%	2,550	-	-	-
Standard Group	7.76	-0.5%	0.3%	0.3%	600	-	20.8	(183.9)
TPS East Africa	15.00	-0.7%	-8.8%	-8.8%	7,500	7.7	0.3	3.8

Disclaimer: The information contained herein is obtained from sources which to the best of our knowledge are deemed reliable. As such, we are not responsible for any factual errors arising thereof. Any opinions expressed herein are ours and are bound to change at any time and at no notice.

Uchumi	0.20	11.1%	17.6%	17.6%	106,150	-	-	-
WPP Scangroup	2.35	-4.1%	7.8%	7.8%	54,235	-	0.2	-
Sector Average		1.3%	0.3%	0.3%		12.1	3.8	

Construction Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Bamburi	38.55	-3.6%	7.5%	7.5%	148,201	52.8	0.4	0.6
Crown Paints	36.00	-2.7%	1.0%	1.0%	1,702	6.2	0.7	23.1
E.A. Cables	0.94	-4.1%	-3.1%	-3.1%	46,688	-	0.3	-
E.A. Portland	8.00	0.0%	0.0%	0.0%	600	1.0	0.0	(6.7)
Sector Average		-2.6%	1.4%	1.4%		20.0	0.4	

Energy Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
KenGen	1.97	-0.5%	-2.0%	-2.0%	2,294,546	2.6	0.0	1.8
Kenya Power	1.46	3.5%	2.8%	2.8%	3,131,579	0.8	-	-
Total Kenya	17.65	0.0%	-1.9%	-1.9%	4,650	4.5	0.1	8.4
Umeme	15.50	2.6%	-3.1%	-3.1%	121,799	-	-	10.5
Sector Average		1.4%	-1.1%	-1.1%		2.6	0.1	

Disclaimer: The information contained herein is obtained from sources which to the best of our knowledge are deemed reliable. As such, we are not responsible for any factual errors arising thereof. Any opinions expressed herein are ours and are bound to change at any time and at no notice.

Insurance Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Britam	5.00	-2.0%	4.4%	4.4%	365,386	4.7	0.5	12.4
CIC	2.04	1.5%	-8.9%	-8.9%	264,420	3.8	0.6	16.7
Jubilee	180.25	-0.3%	-2.6%	-2.6%	5,586	2.0	0.3	15.5
Kenya Re	1.86	2.8%	-1.1%	-1.1%	210,103	1.4	0.1	9.4
Liberty	5.30	4.3%	43.6%	43.6%	146,726	8.5	0.3	3.8
Sanlam Kenya	6.34	-9.7%	5.7%	5.7%	1,323	0.1	0.0	-
Sector Average		-0.6%	6.9%	6.9%		3.4	0.3	

Investment Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Centum	8.26	-0.2%	-1.7%	-1.7%	188,044	-	0.1	(7.9)
Home Afrika	0.35	-5.4%	-5.4%	-5.4%	34,600	-	-	-
Olympia	3.45	-2.8%	5.5%	5.5%	15,900	5.6	0.1	2.4
TransCentury	0.45	-4.3%	-13.5%	-13.5%	155,500	-	-	-
Sector Average		-3.2%	-3.8%	-3.8%		5.6	0.1	

Investment Services Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Nairobi Securities Exchange	6.00	1.4%	-0.3%	-0.3%	49,202	35.7	0.8	2.2

Disclaimer: The information contained herein is obtained from sources which to the best of our knowledge are deemed reliable. As such, we are not responsible for any factual errors arising thereof. Any opinions expressed herein are ours and are bound to change at any time and at no notice.

Manufacturing Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
BOC Kenya	82.00	0.0%	0.0%	0.0%	120	10.8	1.0	9.1
British American Tobacco	420.00	-0.1%	3.1%	3.1%	3,314	6.2	3.0	50.4
Carbacid	15.60	-1.0%	4.0%	4.0%	36,700	4.9	1.0	20.5
EABL	113.50	8.6%	-0.4%	-0.4%	756,213	11.3	3.3	34.9
Flame Tree	1.12	-0.9%	7.7%	7.7%	11,300	-	0.1	(12.2)
Kenya Orchards	19.50	0.0%	0.0%	0.0%	400	130.3	9.8	7.8
Unga Group	17.10	0.0%	1.5%	1.5%	20	-	0.3	1.3
Sector Average		1.0%	2.3%	2.3%		32.7	2.6	

Telecommunications Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
Safaricom	13.50	3.1%	-2.9%	-2.9%	24,855,865	8.6	2.4	34.4

REIT Sector	Last Price	Weekly Change	QTD	YTD	Volume	P/E	P/B	ROE
ILAM Fahari I-REIT	6.04	-4.1%	-4.1%	-4.1%	18,800	-	0.3	(0.8)

To receive Investment Opportunities and the Latest Market Recommendations:

Add **+254743552341** on WhatsApp

Call us on mobile at **+254724721014**

To invest, please email us [here](#)

For Online Share Trading (OST) via browser, [click here](#)

For the Faida M-Trader Application, [click here](#)

Disclaimer: The information contained herein is obtained from sources which to the best of our knowledge are deemed reliable. As such, we are not responsible for any factual errors arising thereof. Any opinions expressed herein are ours and are bound to change at any time and at no notice.

CONTACTS

Research Team:

Ken Tobiko Oidamae
ken.tobiko@fib.co.ke

Ellias Mwaura
ellias.mwaura@fib.co.ke

Team Email
research@fib.co.ke