

### WEEKLY MARKET PERFORMANCE SUMMARY – WEEK ENDING 6<sup>th</sup> SEPTEMBER 2024

Market Indicators' Performance - Week 36 2024			
Indicator	30 Aug 2024	6 Sep 2024	%Δ w-w
NSE 10	1088.19	1106.38	1.7%
NSE 20	1678.21	1707.37	1.7%
NSE 25	2,812.75	2,681.28	-4.7%
NASI	103.67	105.58	1.8%
MKT CAP	1,619.78	1,652.78	2.0%
VOLUMES(Mn)	145.26	82.42	-43.3%
Turnover (Mn)	2,296.04	1,291.87	-43.7%
NSE Turnover (USD Mn)	17.78	10.00	-43.8%
Net Foreign Activity (Mn)	(308.32)	(292.53)	-5.1%
Foreign Activity (%)	68.0%	50.8%	1,721.8bps
Bonds (Kes Bn)	19.50	31.37	60.9%
Bond Deals	862	617	-28.4%

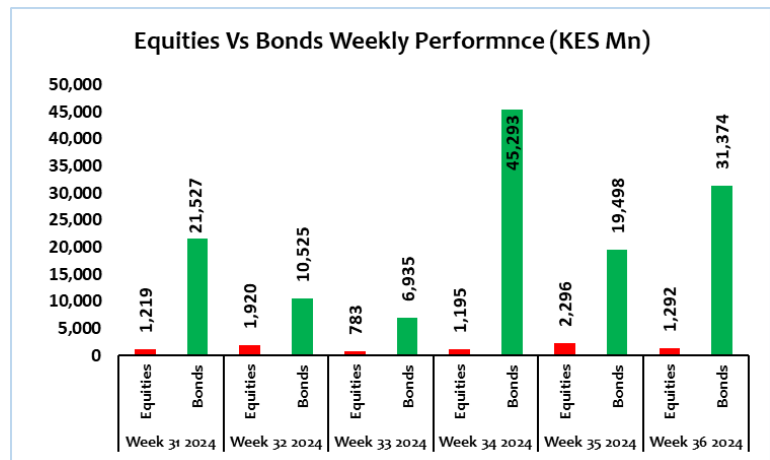
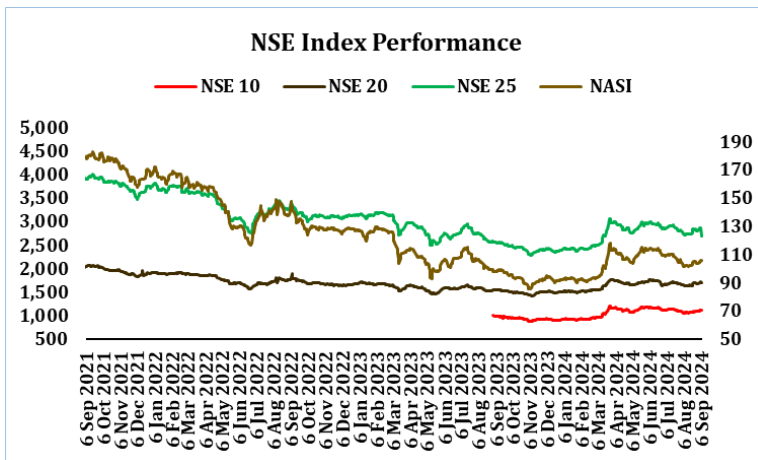
Top Gainers - Week 36 2024			
Counter	Week 35	Week 36	% Δ
Carbaci	17.00	24.05	41.5%
KPLC	2.03	2.59	27.6%
Portland	7.82	9.34	19.4%
Eveready	1.02	1.18	15.7%
NBV	1.99	2.29	15.1%

Top Losers - Week 36 2024			
Counter	Week 35	Week 36	% Δ
Home Afrika	0.35	0.30	-14.3%
Crown Paints	32.00	29.90	-6.6%
HF Group	4.01	3.76	-6.2%
Sanlam	6.50	6.10	-6.2%
KenGen	2.55	2.42	-5.1%

Top Movers - Week 36 - 2024				
Counter	Volumes (Mn)	Turnover (KES Mn)	Net Foreign Activity (KES Mn)	% Foreign Activity
Safaricom	50.31	741.44	(239.18)	66.3%
Bamburi	2.38	185.76	(159.71)	43.0%
KCB Group	3.10	102.67	52.48	39.5%
Equity Group	1.49	64.12	54.01	44.2%
Co-op Bank	2.58	35.06	0.01	0.4%
Total (KES Mn)	82.42	1,291.61	(292.54)	50.8%
Total (USD Mn)		10.04	(2.27)	

Top Foreign Buys - Week 36 2024		
Counter	Foreign Buy (KES Mn)	% Foreign Buy
Safaricom	372.28	50.2%
KCB Group	66.83	65.1%
Equity Group	55.37	86.4%
Jubilee	7.69	94.9%
BAT	3.39	49.0%
Total (KES Mn)	509.29	39.4%
Total (USD Mn)	3.96	

Top Foreign Sales - Week 36 2024		
Counter	Foreign sales (KES Mn)	% Foreign Sale
Safaricom	611.46	82.5%
Bamburi	159.71	86.0%
KCB Group	14.35	14.0%
I&M Group	3.25	17.8%
Centum	3.20	19.6%
Total (KES Mn)	801.83	62.1%
Total (USD Mn)	6.23	



### Equities Market

Equities prices maintained an upward rally in the first week of September even as activities fell on low transactions at the start of the month especially by fund managers. The Nairobi All Share Index (NASI) went up 1.8% week on week (w-) supported by gains in the NSE 10 and NSE 20 counters which were up 1.7% each.

Volumes transacted dipped 43.3% from 145.26Mn to 82.42Mn shares pulling the value traded 43.8% down from KES 2,206.04 to KES 1,291.87Mn. The decline was largely impacted by a 44.0% drop in Safaricom's activity from 89.83Mn to 50.31Mn shares.

Foreign activity dropped from 68.0% to 50.8% even as net foreign outflows remained high at KES 292.53Mn compared to a net foreign outflow of KES 308.32Mn the week before.

Safaricom dominated the market trading 57.4% or KES 741.44Mn of the total market value from 50.31Mn shares representing 61.0% of the market transactions. The telco giant sustained heavy foreign exits with foreign sales accounting for 82.5% of its total sales while foreign entries dropped to 50.2% of all its buys. As a result, the counter's net foreign outflows stood at KES 239.18Mn.

However, despite the high foreign outflows Safaricom's price gained 2.1% from KES 14.50 to KES 14.80 per share.

Bamburi Cement emerged second in the week's top movers list with KES 185.76Mn value traded largely driven by its special dividend of KES 18.25 per shares whose book closure and payment dates are set for 20<sup>th</sup> and 27<sup>th</sup> September 2024 respectively. This is even as the cement manufacturer's share price further maintained on a rise immediately after receiving a competing 100% acquisition offer from Savanna Clinker Limited at a price of KES 70.00 per shares in relation the earlier offer of Amsons Industries (K) Limited to acquire the same at KES 65.00 per share.

### Ongoing Corporate Actions

Counter	Declared	Issue Date	Book Closure	Payment Date	Dividend	Total Dividend	EPS	Payout
Umeme *	Interim	19-Jul-24	10-Oct-24	31-Oct-24	26.00			
KCB Group	Interim	22-Aug-24	12-Sep-24	30-Oct-24	1.50			
EABL	Final Dividend	30-Jul-24	16-Sep-24	16-Oct-24	6.00	7.00	10.30	68.0%
BOC	Interim	22-Aug-24	20-Sep-24	14-Oct-24	1.50			
Stan-Chart	Interim	22-Aug-24	18-Sep-24	8-Oct-24	8.00			
Lap Trust	Interim	30-Jul-24	21-Aug-24	30-Sep-24	0.38			
BAT	Interim	25-Jul-24	30-Aug-24	27-Sep-24	5.00			
Stanbic	Interim	8-Jul-24	2-Sep-24	27-Sep-24	1.84			
NCBA Group	Interim	22-Aug-24	11-Sep-24	25-Sep-24	2.25			
Williamson	Final Dividend	28-Jun-24	31-Jul-24	2-Sep-24	10.00	15.00	28.41	52.8%
Kapchorua	Final Dividend	28-Jun-24	31-Jul-24	2-Sep-24	10.00	15.00	51.04	29.4%
Safaricom	Final Dividend	9-May-24	31-Jul-24	31-Aug-24	0.65	1.20	1.57	76.4%
Kenya Re	First & Final	29-May-24	25-Jun-24	9-Aug-24	0.30	0.30	1.78	16.9%
Libert	Final Dividend	18-Apr-24	14-Jun-24	24-Aug-24	0.37	0.37	1.22	30.6%
Centum	Final Dividend	30-Jul-24	11-Oct-24	TBA	0.32	0.32	4.27	7.5%
Bamburi	Special Dividend	29-Aug-24	20-Sep-24	27-Sep-24	18.25			
HFCK	Rigfhts Issue	13-Aug-24	TBA	TBA	3:1			

\* - UGX - Uganda shillings, TBA - to be advised

### Bonds Market

The secondary bonds market became very active in the week upon entry of the tapped paper IFB1/2023/17 to the secondary market. A total of KES 31.37Bn exchanged hands, 60.9% higher compared to KES 19.50Bn traded in the last week of August 2024.

Infrastructure bond papers controlled the market at 58.8% of KES 18.44Bn.

The IFB1/2024/17 was the most traded paper with a total of KES 14.34Bn or 45.7% of the total market value on what we view as high ticket book transactions immediately after the primary auction. We further view this to have been transacted by long-term investors especially insurance firms and pension funds.

Weekly Bonds Market Performance - Week 36 2024					
Bond	Value Traded (KES Mn)		Yield Movement (%)		Yield Movement Δ bps w-w
	Week 35	Week 36	Week 35	Week 36	
IFB1/2023/17Yr (Re-opened)	15.45	14,341.95	16.9985	17.3046	30.60
FXD1/2016/10Yr(Re-opened)	2,810.50	3,412.50	17.8682	17.7731	(9.50)
FXD 1/2023/5Yr	1,569.10	2,739.20	17.4954	17.7549	25.95
FXD 1/2024/3Yr	1,618.15	1,880.80	18.0044	17.6664	(33.81)
IFB1/2024/8.5Yr	2,339.25	1,841.95	17.0762	17.1391	6.28
<b>Total Mkt Value</b>	<b>19,497.50</b>	<b>31,374.05</b>			

In the new primary auction for September 2024, the government reopened FXD1/2024/010 and FXD1/2016/020 seeking KES 30 billion from the public:

September 2024 - Primary Auction				
Paper	offer	Period of Sale	Auction Date	Coupon Rates
FXD1/2024/10 (9.5-Yrs)	30,000	4 <sup>th</sup> to 18 <sup>th</sup> Sept 2024	18 <sup>th</sup> Sept 2024	16.0000%
FXD1/2016/20 (12-Yrs)				14.0000%

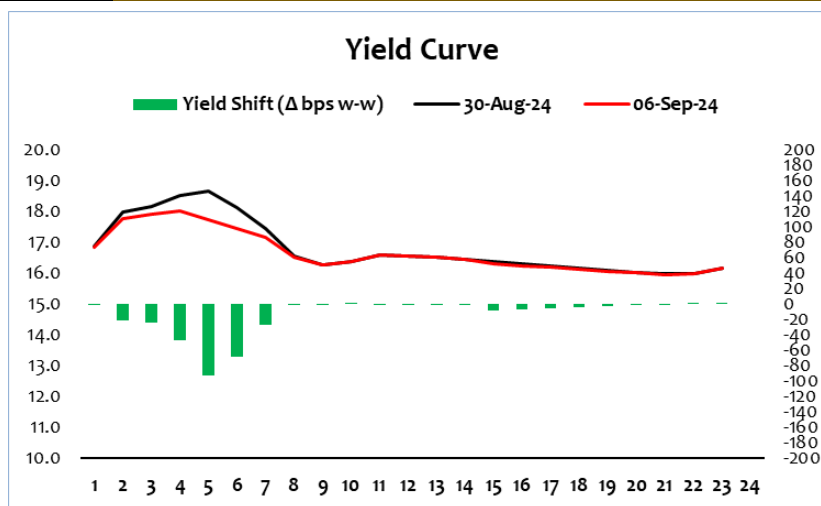
### Yield Curve

The yield curve generally shifted downwards immediately after the primary auction as investors sought some capital value on their papers.

The short end regions around the on the run paper IFB1/2023/6.5 experienced faster decline however at a lower pace compared to before the primary auction, two weeks ago. The same impact was reflected around the 16-year points on a similar effect from IFB1/2023/17-year paper.

We expect a further downward shift in the coming weeks in impact from the anticipated continued interest rate cuts.

Yield Key Rates %	05-Jan-24	30-Aug-24	06-Sep-24	y-t-d bps	w-w bps
2-Yr	17.9234	17.9711	17.7545	16.89	21.66
5-Yr	17.4396	18.6369	17.7102	-27.06	92.67
10-Yr	15.7044	16.3586	16.3645	-66.01	-0.59
15-Yr	15.7253	16.3707	16.2763	-55.10	9.44
20-Yr	15.8983	16.0172	15.9931	-9.48	2.41
23-Yr	16.0647	16.1434	16.1470	-8.23	-0.36



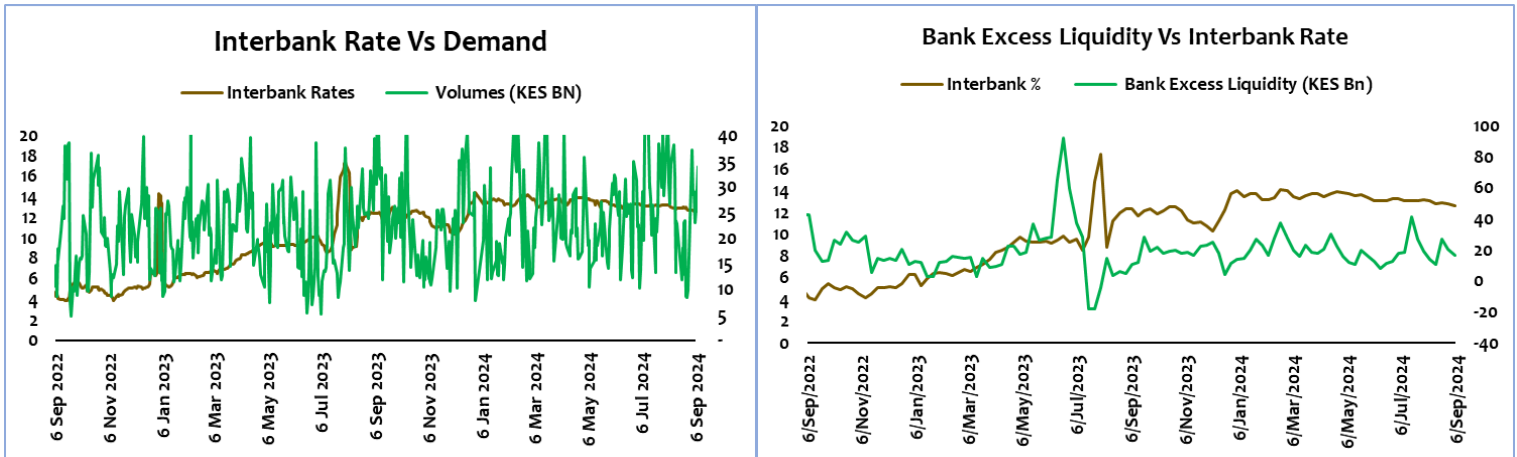
### Interbank

Interbank rate kept a downward trend as guided by the CBR rate to close the week at 12.59% from that of 12.74% the Friday before. Average interbank moved down 23.8bps from 12.88% to 12.64% in the week.

Liquidity demand jumped 160.9% w-w from KES 9.83Bn to KES 25.65Bn pushing the average liquidity demand 95.6% up to KES 28.66Bn. The liquidity demand was elevated by the payment of KES 32.02Bn that happened on Monday, 2<sup>nd</sup> September for the tap-sale auction and aftermath balancing of books thereafter.

As a result of the above payment, total bank excess liquidity declined 19.2% from KES 20.30Bn to KES 16.40Bn.

Interbank Rate Week 36 2024			
Period/Narration	Previous Week	Current Week	%Δ w/w
Closed Week at	12.74%	12.59%	14.2bps
Average Rate	12.88%	12.64%	23.8bps
Closing Demand (KES BN)	9.83	25.65	160.9%
Average Demand (KES BN)	14.65	28.66	95.6%
Bank Excess Liquidity (KES BN)	20.30	16.40	-19.2%



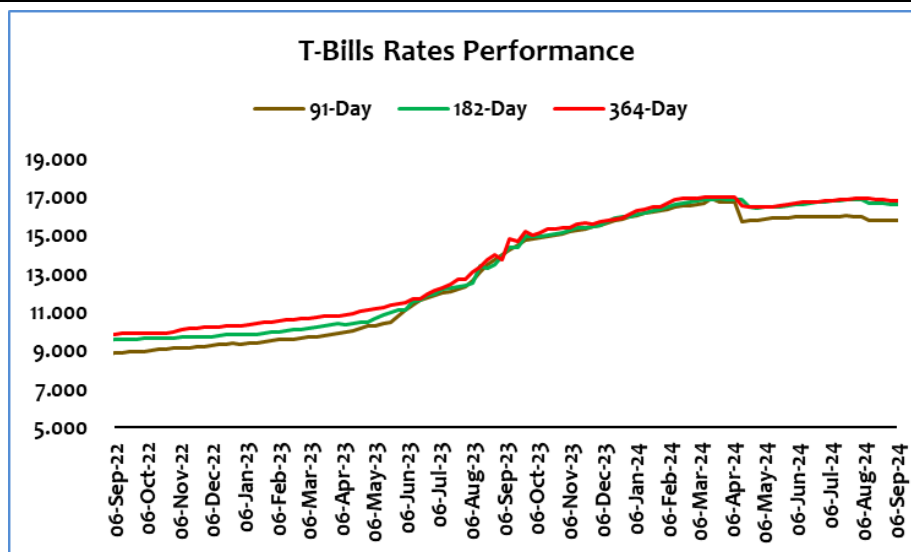
### Treasury Bills

The week's treasury oversubscribed at 162.3% of KES 38.94Bn while the government accepting KES 36.91Bn, representing a performance of 153.8% against the weekly target of KES 24 billion.

The performance was supported heavy rollover redemptions that stood at KES 38.83Bn happening on Monday, 2<sup>nd</sup> September 2024.

Return on investment remained on a downhill however at marginal levels led by 364-day paper at 1.93bps from 16.8421% to 16.8228% followed by the 91-day paper at 1.67bps from 15.7844% to 15.7677% in the week's auction, see below:

T-Bills Performance							
Tenure	Offer (KES Bn)	Subscription	Acceptance	Performance	Current WAR (%)	Previous WAR %	Δbps w-w
364-Day	10,000	5,568	5,559	55.6%	16.8228%	16.8421%	(1.9)
182-Day	10,000	10,166	10,128	101.3%	16.6255%	16.6327%	(0.7)
91-Day	4,000	23,207	21,221	530.5%	15.7677%	15.7844%	(1.7)
<b>Total</b>	<b>24,000</b>	<b>38,941</b>	<b>36,908</b>	<b>153.8%</b>			



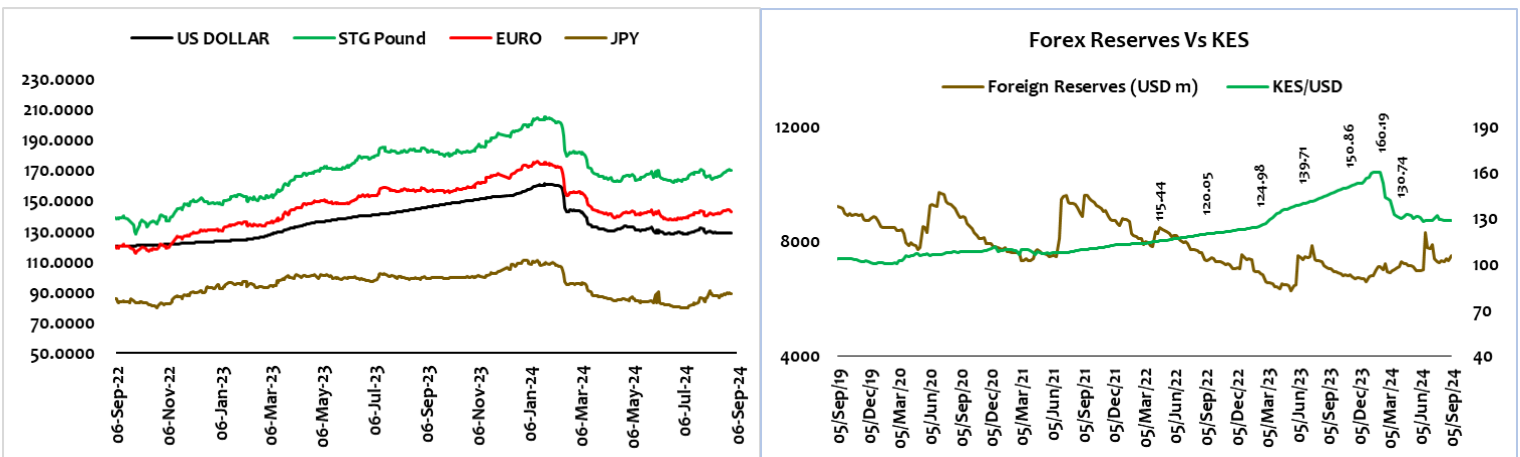
### Currency

The Kenya shilling remained stable against the US dollar to trade at an average of KES 129.19 per US dollar. This was even as the US dollar weakened against some major currencies on what appears to be early effect of the anticipated interest rate cut due mid this month which will see US return on investment become unattractive.

Against the sterling pound, euro and the Japanese yen the shilling however, weakened at 0.2%, 0.4% and 1.9% respectively.

Foreign exchange rose 2.1% in the week to USD 7,503Mn from USD 7,349Mn recorded the week before on what we view as forex inflows from the recent August 2024 infrastructure bonds auctions.

Currency	02-Jan-24	30-Aug-24	06-Jun-24	%Δ y-t-d	%Δ w-w
Dollar	156.99	129.17	129.19	17.7%	0.0%
STG Pound	199.85	169.94	170.23	14.8%	-0.2%
Euro	173.65	143.04	143.61	17.3%	-0.4%
JPY	110.98	88.91	90.61	18.4%	-1.9%
US Dollar Index	102.20	101.25	101.03	-1.1%	-0.2%



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