

WEEKLY MARKET PERFORMANCE SUMMARY – WEEK ENDING 20th SEPTEMBER 2024

Market Indicators' Performance - Week 38 2024			
Indicator	13 Sep 2024	20 Sep 2024	%Δ w-w
NSE 10	1104.26	1107.05	0.3%
NSE 20	1714.31	1790.64	4.5%
NSE 25	2,856.19	2,866.55	0.4%
NASI	106.31	106.44	0.1%
MKT CAP	1,664.16	1,666.15	0.1%
VOLUMES(Mn)	86.57	100.48	16.1%
Turnover (Mn)	1,195.08	1,409.99	18.0%
NSE Turnover (USD Mn)	9.25	10.91	17.9%
Net Foreign Activity (Mn)	160.24	15.60	-90.3%
Foreign Activity (%)	41.4%	31.8%	962.6bps
Bonds (Kes Bn)	32.64	35.21	7.9%
Bond Deals	648	671	3.5%

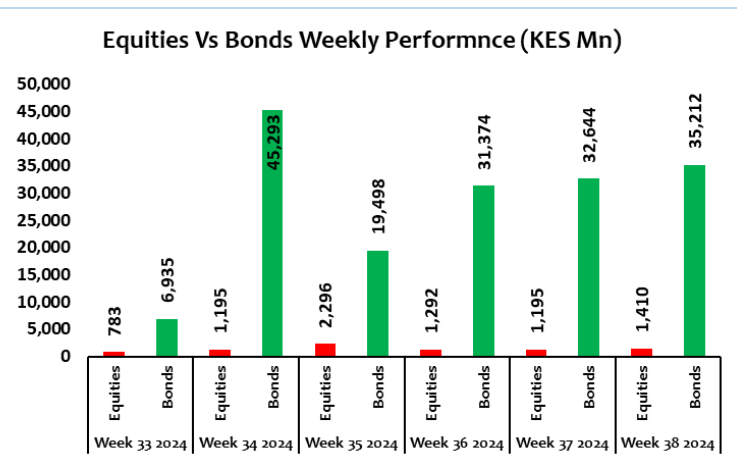
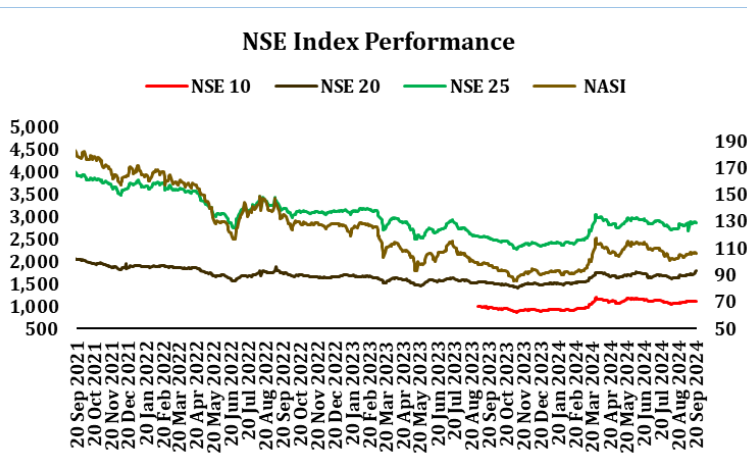
Top Movers - Week 38 - 2024				
Counter	Volumes (Mn)	Turnover (KES Mn)	Net Foreign Activity (KES Mn)	% Foreign Activity
Equity Group	9.75	418.36	(50.39)	46.0%
Safaricom	23.24	353.29	(51.46)	37.9%
KCB Group	4.81	160.78	51.12	16.4%
Bamburi Cement	1.10	88.28	13.44	7.7%
Stan-Chart	0.29	62.22	50.23	40.4%
Total (KES Mn)	100.48	1,409.73	15.60	31.8%
Total (USD Mn)		10.95	0.12	

Top Gainers - Week 38 2024			
Counter	Week 37	Week 38	% Δ
Portland Cement	12.20	18.35	50.4%
KPLC	2.66	3.77	41.7%
KenGen Co.	2.49	3.11	24.9%
Kenya Re	1.05	1.29	22.9%
Scangroup	1.99	2.38	19.6%

Top Foreign Buys - Week 38 2024		
Counter	Foreign Buy (KES Mn)	% Foreign Buy
Equity Group	167.11	39.9%
Safaricom	108.15	30.6%
EABL	58.48	97.2%
KCB Group	51.88	32.3%
Stan-Chart	50.23	80.7%
Total (KES Mn)	455.78	32.3%
Total (USD Mn)	3.54	

Top Losers - Week 38 2024			
Counter	Week 37	Week 38	% Δ
Sanlam Kenya	6.60	6.10	-7.6%
TPS Serena	13.40	12.65	-5.6%
Trans-Century	0.36	0.34	-5.6%
Flame Tree	1.10	1.04	-5.5%
Olympia Capital	2.87	2.75	-4.2%

Top Foreign Sales - Week 38 2024		
Counter	Foreign sales (KES Mn)	% Foreign Sale
Equity Group	217.50	52.0%
Safaricom	159.60	45.2%
EABL	32.79	54.5%
NCBA Group	8.61	22.1%
Carbacid	5.60	71.5%
Total (KES Mn)	440.17	31.2%
Total (USD Mn)	3.42	



Equities Market

Equities prices continued rallying upwards for the third week in a row on what remains to be impact from the ongoing interest rate cuts witnessed both in the local and global markets, following anticipation of better returns as rates stabilize down. As a result, the NSE market prices went up 0.1% on average, led by the NSE 20 with a 4.5% gain followed by NSE 25 and NSE 10 with gains of 0.4% and 0.3% gains respectively.

Weekly market activity improved 16.1% week on week (w-w) from 9.25Mn to 10.91Mn shares, pushing the week's value traded 18.0% from KES 1,195.08Mn to KES 1,409.99Mn.

Weekly foreign activity, however, fell to 31.8% from that of 41.4% the week before as net foreign inflows also thinned from KES 160.24Mn to KES 15.60Mn.

The Banking stocks remained the most traded stocks, trading a total of KES 735.31Mn from 28.16Mn shares followed by the telecommunication sector with a KES 353.29Mn value from 23.24Mn shares. Focus on banking stocks saw banks' prices 1.2% up while taking three positions in the week's top five movers list.

Equity Group emerged as the week's top mover with KES 418.36Mn from 9.75Mn shares on what appears to be higher foreign sales after the counter didn't issue an interim dividend for H1-2024 financials.

Listed government affiliated counters gained the most in prices on what appears to be speculation on the looming privatization.

Portland cement emerged the week's top gainer at 50.4% rise from KES 12.20 to KES 18.35 per share followed by KPLC at 41.7% gain from KES 2.66 to KES 3.77 per share.

Kengen took third position at 24.9% gain from KES 2.49 to KES 3.11 per share as Kenya Re-Insurance closed fourth position with a 22.9% gain from KES 1.05 to KES 1.29 per share respectfully

Ongoing Corporate Actions

Counter	Declared	Book Closure	Payment Date	Dividend	Total Dividend	EPS	Payout
Umeme *	Interim	10-Oct-24	31-Oct-24	26.00			
Centum	Final Dividend	11-Oct-24	TBA	0.32	0.32	4.27	7.5%
HFCK	Rights Issue	TBA	TBA	0.13			
EABL	Final Dividend	16-Sep-24	16-Oct-24	6.00	7.00	10.30	68.0%
Stan-Chart	Interim	18-Sep-24	08-Oct-24	8.00			
BOC	Interim	20-Sep-24	14-Oct-24	1.50			
Absa Bank (K)	Interim	20-Sep-24	15-Oct-24	0.20			
Bamburi Cement	Special Dividend	20-Sep-24	27-Sep-24	18.25			
KCB Group	Interim	12-Sep-24	30-Oct-24	1.50			
NCBA Group	Interim	11-Sep-24	25-Sep-24	2.25			
Stanbic	Interim	02-Sep-24	27-Sep-24	1.84			
BAT	Interim	30-Aug-24	27-Sep-24	5.00			
Lap Trust	Interim	21-Aug-24	30-Sep-24	0.38			
Williamson	Final Dividend	31-Jul-24	02-Sep-24	10.00	15.00	28.41	52.8%
Kapchorua	Final Dividend	31-Jul-24	02-Sep-24	10.00	15.00	51.04	29.4%
Safaricom	Final Dividend	31-Jul-24	31-Aug-24	0.65	1.20	1.57	76.4%
Kenya Re	First & Final	25-Jun-24	09-Aug-24	0.30	0.30	1.78	16.9%
Libert	Final Dividend	14-Jun-24	24-Aug-24	0.37	0.37	1.22	30.3%

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

Bonds Market

The secondary bonds market remained active in the week, exchanging KES 35.21Bn from 671 deal compared to KES 34.64Bn of 648 deals traded the week before. This was despite the primary auction that happened in the week.

Market focus remained on infrastructure bond papers to trade a total of KES 21.24Bn or 60.3% of the total market value.

The recent IFB1/2024/8.5 was the top bond mover with a total of KES 8.66Bn followed by IFB1/2023/6.5 with a total of KES 6.09Bn. The two papers traded 41.9% or KES 14.76Bn out of the total market traded value.

Bond	Weekly Bonds Market Performance - Week 38 2024					
	Value Traded (KES Mn)		Yield Movement (%)		Yield Movement	
	Week 37	Week 38	Week 37	Week 38	Δ bps w-w	
IFB1/2024/8.5Yr	1,720.60	8,664.60	17.1375	16.9013	-	23.63
IFB1/2023/6.5Yr	4,418.90	6,090.55	17.2135	16.8802	-	33.32
FXD 1/2020/5Yr	708.50	4,157.70	17.2477	17.0094	-	23.83
IFB1/2023/17Yr (Re-opened)	7,991.45	3,416.05	16.9874	16.8979	-	8.95
FXD 1/2023/5Yr	8,453.50	2,100.45	17.8130	17.6336	-	17.94
Total Mkt Value	32,643.81	35,212.30				

The primary auction for the reopened FXD1/2024/010 and FXD1/2016/020 was undersubscribed at with KES 22.64Bn, a 75.5% subscription against a KES 30.00Bn target from the public. The government accepted KES 19.28Bn, or 85.1% of the offered amount and a 64.3% performance against the target.

The auction's pricing again remained within our forecast range as earlier indicated in our pre-auction note.

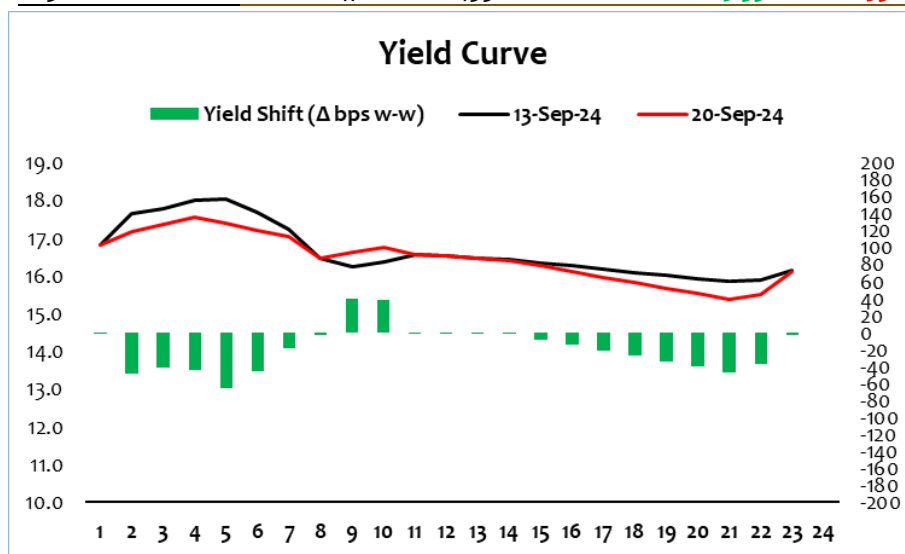
September 2024 - Primary Auction						
Paper	offer	Amount Received	Accepted	Market Weighted Average Rate	Accepted Rates	Coupon Rates
FXD1/2024/10	30,000	13,396.00	11,565.37	16.9719%	16.8696%	16.0000%
FXD1/2016/20		9,246.10	7,711.12	17.3490%	17.2854%	14.0000%

Yield Curve

The yield curve further shifted downwards on what remains to be an impact of interest rate cuts both locally and globally. The short end and long-end of the yield curve shifted down fasted immediately after the auction that happened on Wednesday, 18th September 2024.

We expect a further downward shift in the remaining weeks of the year as the overnight lending rate is expected to drop by less than 50bps.

Yield Key Rates %	05-Jan-24	13-Sep-24	20-Sep-24	y-t-d bps	w-w bps
2-Yr	17.9234	17.6523	17.1735	74.99	47.88
5-Yr	17.4396	18.0507	17.3981	4.15	65.26
10-Yr	15.7044	16.3703	16.7581	-105.37	-38.78
15-Yr	15.7253	16.3527	16.2727	-54.74	8.00
20-Yr	15.8983	15.9349	15.5329	36.54	40.20
23-Yr	16.0647	16.1433	16.1180	-5.33	2.53



Interbank

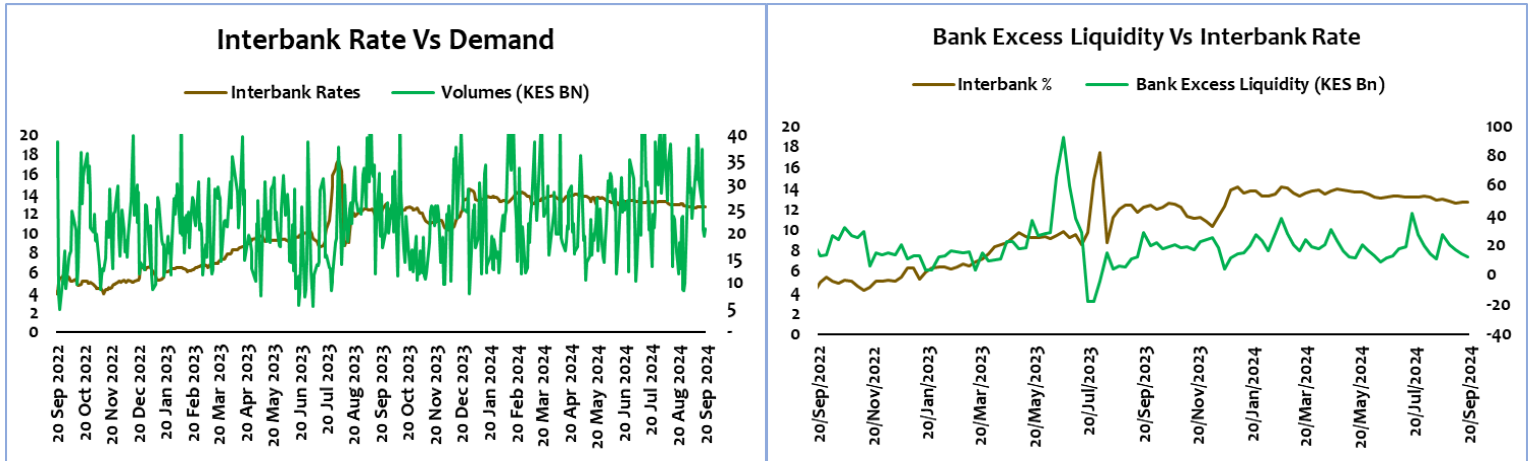
The interbank rate remained relatively stable, rising marginally by 6.0bps from 12.65% to 12.71% on what we view as tight liquidity in the market. Average interbank also rose narrowly at 5.2bps from 12.64% to 12.69% for the same reason.

The tight liquidity emanated from the two auctions that drained cash from the market. The second auction payment for the KES 19.28Bn is set for Monday, September 23, 2024.

Liquidity demand closed the week at KES 20.95Bn in comparison to KES 30.46Bn of the Friday before. Averaged liquidity demand fell 29.3% from KES 35.12Bn to KES 24.82Bn.

Bank excess reserves also declined from KES 13.80Bn to KES 11.90Bn further on pressure excise duty tax, value added tax, rental tax and with-holdings tax payments that happened on Friday, 20th September 2024.

Interbank Rate Week 38 2024			
Period/Narration	Previous Week	Current Week	%Δ w-w
Closed Week at	12.64%	12.71%	14.2bps
Average Rate	12.64%	12.69%	23.8bps
Closing Demand (KES BN)	30.46	20.95	-31.2%
Average Demand (KES BN)	35.12	24.82	-29.3%
Bank Excess Liquidity (KES BN)	13.80	11.90	-13.8%



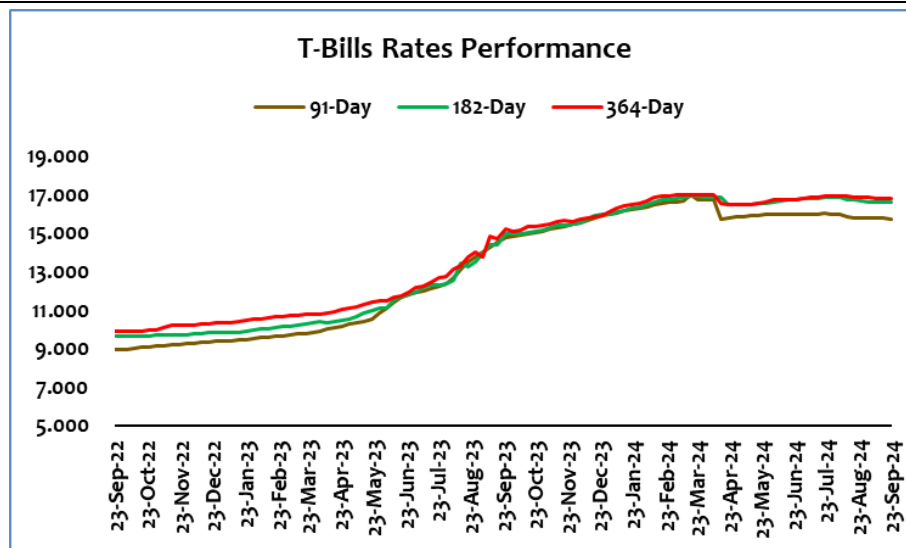
Treasury Bills

The week's T-bill auction saw an oversubscription of KES 30.34Bn or 126.4% of the weekly auction target auction with the government accepting KES 28.58Bn, a 106.6% performance.

The performance was heavily supported new investments which stood at KES 18.96Bn since the week's redemptions were low at KES 10.48Bn. This is as investors rush to take advantage of the higher returns in the T-bills market before, they relax down. Further, this also comes as a tactical investment of a wait and see to see where the rates will touch in November and December when heavy redemptions are anticipated.

Return on investment in the three papers still fell minimally at 0.4bps, 0.9bps and 0.4bps from 15.7502% to 15.7463% and from 16.6248% to 16.6157% and from 16.8168% to 16.8130% for the 91-, 182-, and 364-day papers respectively.

T-Bills Performance							
Tenure	Offer (KES Bn)	Subscription	Acceptance	Performance	Current WAR (%)	Previous WAR %	Δbps w-w
364-Day	10,000	10,574	9,068	90.7%	16.8130%	16.8168%	(0.4)
182-Day	10,000	8,405	7,104	71.0%	16.6157%	16.6248%	(0.9)
91-Day	4,000	11,355	9,411	235.3%	15.7463%	15.7502%	(0.4)
Total	24,000	30,334	25,584	106.6%			



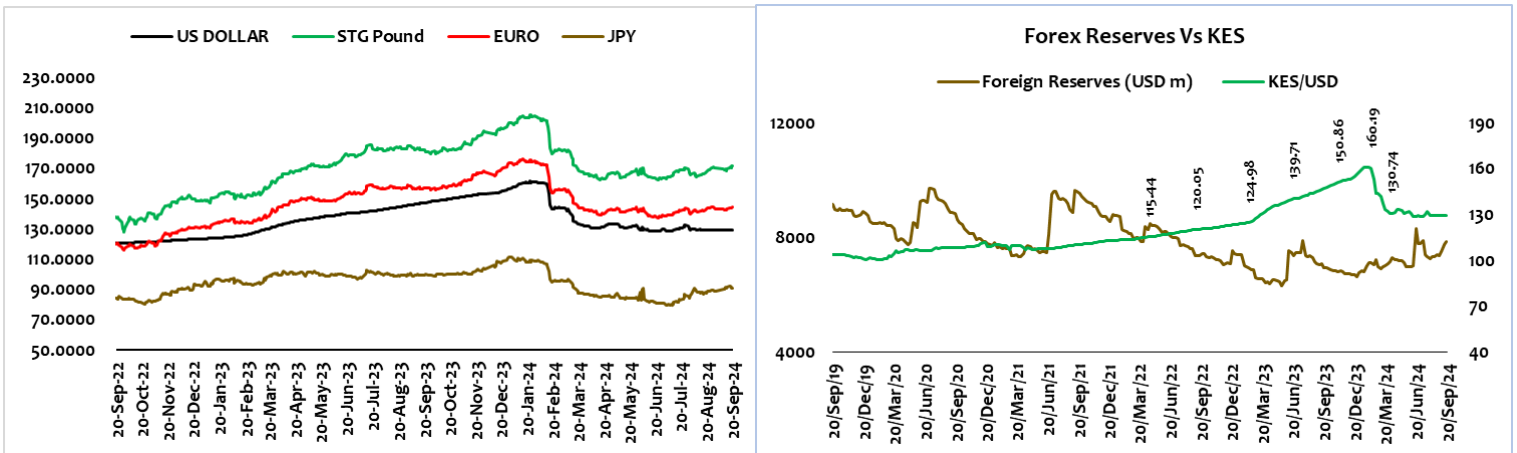
Currency

The local currency remained strong in the week, closing the week at KES 129.18 per US dollar from that of KES 129.20 the Friday before.

This was as foreign exchange reserved hit a high of USD 7,856Mn, sufficient for 4.1-months of import cover, a 1.4% w-w rise from that of USD 7,744Mn recorded on Thursday, the week before.

Forex remittances for the month of August reported in the week rose 3.1% from USD 414.26Mn to USD 427.20Mn with the USA contributing the most at 58.5% of the total.

Currency	02-Jan-24	13-Sep-24	20-Sep-24	%Δ y-t-d	%Δ w-w
Dollar	156.99	129.20	129.18	17.7%	0.0%
STG Pound	199.85	169.85	171.68	14.1%	-1.1%
Euro	173.65	143.20	144.20	17.0%	-0.7%
JPY	110.98	91.58	90.76	18.2%	0.9%
US Dollar Index	102.20	101.11	100.72	-1.4%	-0.4%



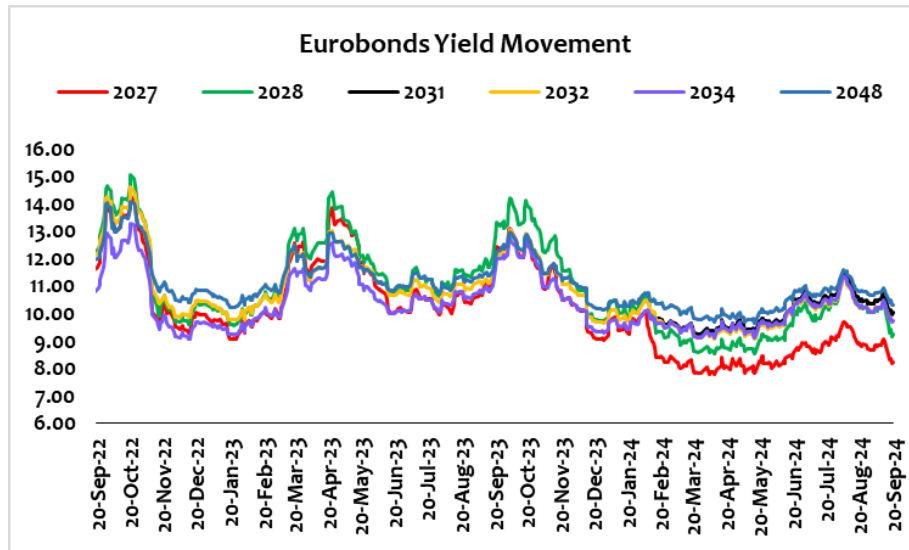
Eurobond

Yield rates on Kenya's international paper further edged down in the week on a rise in demand on a continued developments in the local economy. This is further supported by forex market stability as well as attractive returns on investment.

The February 2028 paper gained in value the most as its yield to maturity dropped from 9.987% to 9.240% followed by the May 2027 paper at 57.3bps from 8.797% to 8.224%.

Below are the yield movements on the eurobond papers:

Euro-bond Paper	31-Aug-23	13-Sep-24	20-Sep-24	Δ bps yt-d	Δ bps w-w
May-2027	10.577	8.797	8.224	235.30	57.30
Feb-2028	11.569	9.987	9.240	232.90	74.70
Feb-2031		10.466	10.052		41.40
May-2032	11.058	10.193	9.745	131.30	44.80
Jan-2034	10.706	10.190	9.735	97.10	45.50
Feb-2048	11.302	10.713	10.324	97.80	38.90



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Kingdom Securities Ltd – A subsidiary of Co-operative Bank Limited.
Co-operative Bank House- 5th Floor, P.O Box 48231 - 00100 Nairobi, Kenya
Office: 0711049540/0711049956
Email: info@kingdomsecurities.co.ke

Research Department

Shadrack Manyinsa +254 711 049 956

Sales Team

Edgar Martim +254 711 049 534
Alfred Too +254 711 049 330
Asena Moffat +254 711 049 663
Ashley Odundo +254 711 049 195
Gloria Ohito +254 711 049 993

Client Service and Operations

Joab Kiprono +254 711 049 528
Purity Malombe +254 711 049 729