

MONTHLY MARKET PERFORMANCE SUMMARY – FEBRUARY 2025

NSE Monthly Performance February 2025

Indicator	29-Feb-24	31-Jan-25	28-Feb-25	%Δ Y-Y	%Δ M-M
NSE 10	948.74	1,312.58	1,366.92	44.1%	4.1%
NSE 20	1,535.89	2,162.58	2,300.17	49.8%	6.4%
NSE 25	2,475.03	3,436.04	3,595.08	45.3%	4.6%
NASI	92.49	128.28	132.13	42.9%	3.0%
MKT CAP	1,445.06	1,983.70	2,076.83	43.7%	4.7%
Volumes (Mn)	276.01	632.15	470.69	70.5%	-25.5%
Equities Value (KES Mn)	4,600.79	9,570.11	8,220.57	78.7%	-14.1%
Eq. Turnover (USD Mn)	30.30	73.96	63.58	109.8%	-14.0%
Foreign Buys (KES Mn)	2,302.72	3,897.17	2,568.06	11.5%	-34.1%
Foreign sells (Kes. Mn)	3,220.96	4,943.05	3,851.67	19.6%	-22.1%
Foreign Net (Kes. Mn)	(918.24)	(1,045.88)	(1,283.61)	39.8%	22.7%
Foreign Net (USD Mn)	(6.05)	(8.08)	(9.93)	64.2%	22.8%
Foreign Activity (%)	60.0%	46.4%	37.5%	-37.5%	-19.2%
Bonds Turnover (Bn)	270.98	157.30	250.15	-7.7%	59.0%
Bonds deals	3,204	2,481	3,709	15.8%	49.5%

Top Gainers - February 2025

Counter	29-Feb-24	31-Jan-25	28-Feb-25	%Δ Y-Y	%Δ MM
Centum	8.70	10.70	14.95	71.8%	39.7%
Uchumi	0.19	0.28	0.37	94.7%	32.1%
Standard Group	6.48	5.00	6.52	0.6%	30.4%
Portland Cement	9.00	27.00	33.50	272.2%	24.1%
He Africa	0.33	0.69	0.85	157.6%	23.2%

Top Losers - February 2025

Counter	29-Feb-24	31-Jan-25	28-Feb-25	%Δ Y-Y	%Δ Q-Q
Flame Tree	1.15	1.77	1.20	4.3%	-32.2%
Cables	1.06	2.47	2.21	108.5%	-10.5%
Limuru	380.00	330.00	300.00	-21.1%	-9.1%
Kernya Power	1.67	7.56	6.94	315.6%	-8.2%
Kakuzi	367.50	434.00	410.00	11.6%	-5.5%

Top Movers – February 2025

Counter	Volumes (Mn)	Turnover (KES Mn)	Net Foreign Activity (KES Mn)	% Foreign Activity
Safaricom	152.18	2,760.51	(449.72)	70.9%
KCB Group	48.84	2,185.10	(220.96)	21.7%
Equity Group	19.56	933.13	(393.53)	34.8%
ABSA Bank (K)	15.92	301.90	(39.18)	6.7%
BAT Kenya	0.71	263.43	(198.14)	40.2%
Total (KES Mn)	472.69	8,566.44	(1,283.61)	37.5%
Total (USD Mn)		66.21	(9.92)	

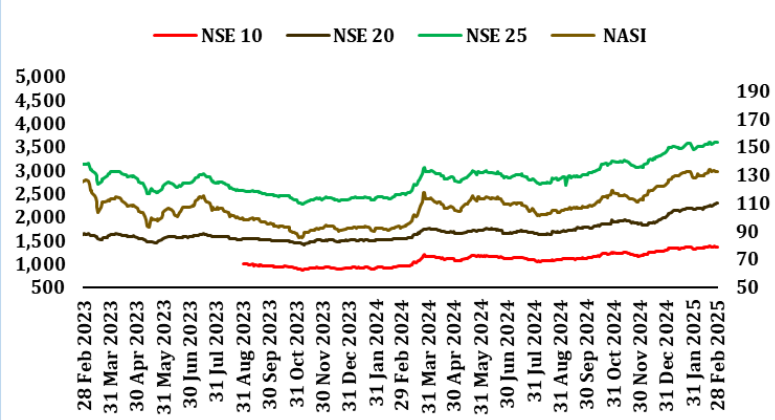
Top Foreign Buys - February 2025

Counter	Foreign Buy (KES Mn)	% Foreign Buy
Safaricom	1,733.20	62.8%
KCB Group	362.84	16.6%
EABL	143.72	54.7%
Jubilee	128.87	86.1%
Equity Group	128.43	13.8%
Total (KES Mn)	2,568.06	30.0%
Total (USD Mn)	19.85	

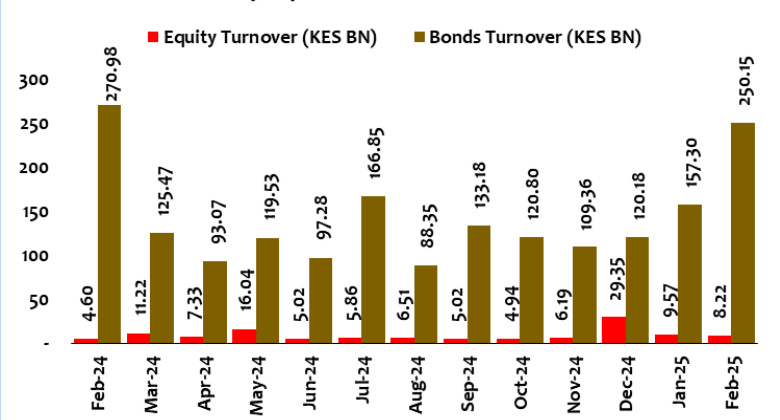
Top Foreign Sales - February 2025

Counter	Foreign sales (KES Mn)	% Foreign Sale
Safaricom	2,182.92	79.1%
KCB Group	583.79	26.7%
Equity Group	521.96	55.9%
BAT Kenya	204.89	77.8%
Jubilee	116.07	77.5%
Total (KES Mn)	3,851.67	45.0%
Total (USD Mn)	29.77	

NSE Index Performance



Monthly Equities Vs Bonds Performance



Equities Market

NSE market prices maintained an uptrend in February rallied by expectations of better returns from the earning season due in March and a better macro-economic outlook. Low inflation levels continue to push for interest rate cuts down despite the lags market transmissions of their effects

Market prices gained a further 3.0% in overall to accelerate the year to date returns 5.4% up compared to 2024 performance. Year on year, equities jumped 42.9% up, cementing expectations of improved market valuations and increased investor confidence in the market.

Index performance saw the NSE 20 gained the most at 6.4% followed by NSE 25 and NSE 10 with 4.6% and 4.1% gains respectively.

Value traded however dropped 14.1% month on month (m-m) from KES 9.57Bn to KES 8.22Bn necessitated by low transactions of 470.69Mn shares traded in February in relation to 632.15Mn shares transacted in January 2025. Year on year, the market was up 70.5%.

Foreign participation thinned from 46.4% to 37.5% with an elevated net foreign outflow from KES 1.05Bn to KES 1.28Bn. We attribute the drop to a better economic outlook in the US on change of policies as new administration assume office.

Sector performance saw the Banking, the telecommunication and the manufacturing control the market in that order to transact a total of KES 7.71Bn or 90.0% of the entire market value traded in the month.

The telco giant, Safaricom, retained the month's top mover position after moving a total of KES 2.76Bn from 152.18Mn shares. The counter witnessed high foreign sales of KES 2.18Bn or 79.15 compared to foreign inflows of KES 1.73Bn to result to a net foreign outflow of KES 449.72Mn.

Overall, Safaricom's foreign activity improved marginally from an average of 69.4% to 70.9%, as its price expanded 4.4%. This is immediately after declaring a KES 0.55 interim dividend whose book closure and payments dates are 3rd and 31st March 2025.

Banks took second mover position after a total of KES 4.37Bn or 51.0% of the market value occasioned by a better outlook ahead of their March 2025 earning season. The performance was mainly supported by increased attention on KCB Group, Equity Group and Absa Bank (K) which transacted KES 2.19Bn, 0.93Mn and KES 39.18Bn respectively.

Ongoing Corporate Actions

Counter	Declared	Book Closure	Payment Date	Dividend	Total Dividend	EPS	Payout
BAT Kenya	Final	23-May-25	25-Jun-25	45.00	50.00		
EABL	Interim	21-Feb-25	30-Apr-25	2.50			
Kenya Power	Interim	28-Feb-25	11-Apr-25				
Safaricom	Interim Dividend	03-Mar-25	31-Mar-25	0.55			
EABL	Interim Dividend	21-Feb-25	30-Apr-25	2.50			
Portland Cement	First & Final Dividend	31-Dec-24	28-Feb-25	1.00	1.00	11.86	8.43%

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

Foreign Activity Performance -2025

Month	Turnover (KES Mn)	Buys (KES Mn)	Sales (KES Mn)	Net (KES Mn)	Volumes (Mn)	Activity
Feb-2024	4,604.3	2,302.7	3,221.0	(918.2)	276.2	60.0%
Mar-2024	11,774.1	6,242.7	7,445.7	(1,202.9)	669.5	58.1%
Apr-2024	7,332.2	4,417.7	3,354.6	1,063.0	301.4	53.0%
May-2024	7,926.9	4,787.7	3,292.5	1,495.2	342.1	51.0%
Jun-2024	4,995.3	2,358.7	1,953.5	405.2	279.1	43.2%
Jul-2024	5,689.4	1,917.8	2,630.4	(712.6)	294.3	40.0%
Aug-2024	6,211.7	2,812.3	2,969.8	(157.5)	392.1	46.5%
Sep-2024	5,018.1	2,148.3	2,119.6	28.7	334.0	42.5%
Oct-2024	4,940.0	1,878.7	2,448.6	(569.9)	382.2	43.8%
Nov-2024	6,677.1	3,131.9	3,777.4	(645.5)	469.7	51.7%
Dec-2024	29,388.8	16,557.6	4,014.5	12,543.1	843.4	35.0%
Jan-2024	9,528.0	3,897.2	4,943.0	(1,045.9)	631.5	46.4%
Feb-2025	8,566.4	2,568.1	3,851.7	(1,283.6)	472.7	37.5%

Bonds Market

The secondary bonds market activity surged in February 2025 to transact a total of KES 250.15Bn from 3,719 deals in comparison to KES 157.30Bn of 2,481 traded in January 2024. The surge was mainly fueled by re-openings for infrastructure bond papers that happened in the month and re-investments from high coupon payouts that happened during the month.

Most of the activities happened immediately after the primary auction for February 2025, in the last two weeks of February w025.

Infrastructure bond paper controlled the market at 51.3% of KES 128.41Bn.

Bond	Weekly Bonds Market Performance - February 2025					
	Value Traded (KES Mn)		Yield Movement (%)		Yield Movement	
	Jan-2025	Feb-2025	Jan-2025	Feb-2025	Δ bps m-m	
IFB1/2023/17Yr (Re-opened)	8,326.05	48,892.40	13.7756	13.5700	270.00	
IFB1/2024/8.5Yr	13,491.05	29,127.10	13.5736	13.0366	(53.70)	
IFB1/2022/14Yr	1,103.40	25,492.50	13.4579	13.3673	(9.05)	
FXD1/2023/10Yr	8,788.40	15,407.05	16.5085	13.1933	(331.52)	
IFB1/2023/6.5Yr	1,880.90	11,057.00	13.3806	13.1576	(22.29)	
Total Mkt Value	161,664.49	250,137.43				

Monthly primary auction saw the Central Bank re-open two infrastructure papers, IFB1/2022/14 and IFB1/2023/17 papers. A total of KES 193.90Bn was received while KES 130.82Mn being accepted, representing a 186.9% performance against the target of KES 70Mn.

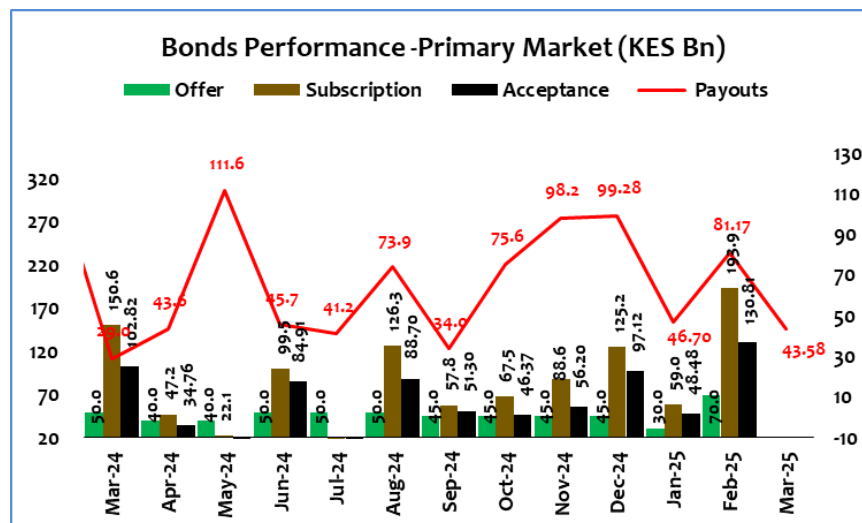
February 2025 - Primary Auction						
Paper	offer (KES Mn)	Amount Received	Accepted	Market Weighted Average Rate	Accepted Yields	Coupon Rates
IFB1/2022/14	70,000	93,132	65,256	14.0857%	13.9784%	13.9380%
IFB1/2023/17		100,766	65,553	14.4161%	14.2806%	14.3990%

During the month, the Central Bank sought to pump liquidity to the market and support business activities. As a result, CBK bought bonds worth back KES 50.09Bn for the papers FXD1/2022.03 (Redeemed KES 09.27Bn),

FXD1/2020/05 (redeemed KES 35.08Bn) and FXD1/2016/09 (redeemed KES 5.74Bn), which was to mature in April and May 2025.

In March, the government floated oFXD1/2018/25 (18.3years) whose auction is scheduled for 5th March as follows:

March 2025 - Primary Auction					
Paper	offer	Period Of Sale	Auction Date	Value date	Coupon Rates
FXD1/2018/25	25000	21st February to 5th March 2025	5th March 2025	10th March 2025	13.40%



Monthly coupon and maturities payout schedule:

Month	Coupon (KES Bn)	Principal Amount (KES Bn)	Total (KES Bn)
Jan-2025	46.70	-	46.70
Feb-2025	81.17	-	81.17
Mar-2025	48.30	27.69	75.99
Apr-2025	44.62	60.61	105.22
May-2025	82.49	104.52	187.01

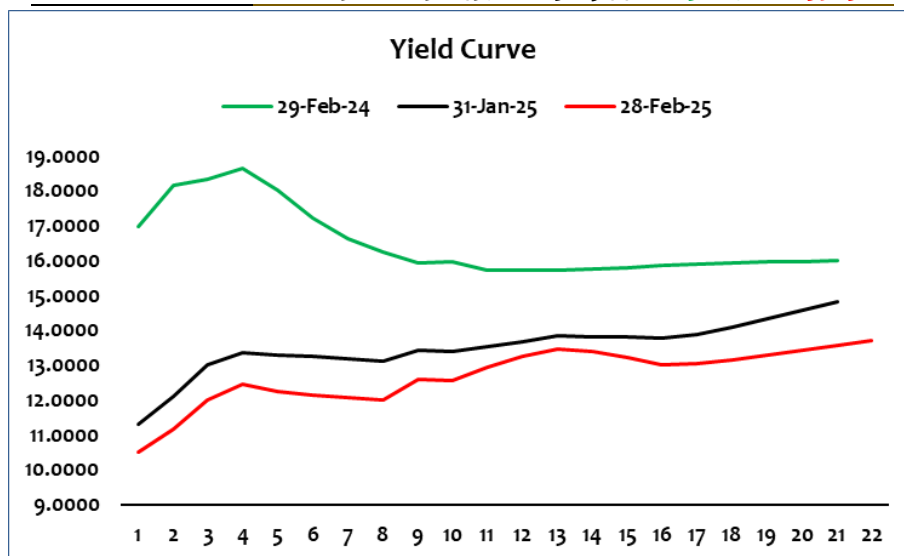
Yield Curve

The yield curve continues to shift downwards impacted by the last four consecutive rate cuts. February rate cuts of 50.0bps from 11.25% to 10.75% is yet to be fully impact yield across the major listed papers. This is even

as the Central Bank became deliberate in ensuring lending rate drop in a similar manner in the commercial lending space.

In March we expect a further downshift of the overall yields as informed by the above monetary policy geared towards improving private sector credit.

Yield Key Rates %	29-Feb-24	31-Jan-25	28-Feb-25	y-y bps	M-M bps
2-Yr	18.1329	12.0875	11.1755	695.74	91.20
5-Yr	18.0264	13.2936	12.2533	577.31	104.03
10-Yr	15.9686	13.3823	12.5675	340.11	81.48
15-Yr	15.7987	13.7920	13.2169	258.18	57.51
20-Yr	15.9729	14.5586	13.4213	255.16	113.73
22-Yr	16.0151	15.0457	13.6944	232.07	135.13



Money Market

Interbank rate remained well anchored close the CBK rate to close the month at 10.69% nearly mirroring the CBR rate with small margins from its instituted policy of $CBR \pm 250bps$.

Overall, the interbank rate dropped 50bps month on month from 11.15% to 10.69% to pull the average interbank rate 49.2bps benefiting from the ongoing interest rate cuts.

Bank excess reserves improved 14.4% from KES 16.70Bn in January 2025 to KES 19.1Bn. The growth was however slow considering that CBK pumped some liquidity to the market by way buy backs of treasuries.

In March 2025, we expect the interbank to further narrow down as the rate cut transmission takes effect.

Key Rates	29-Feb-24	31-Jan-25	28-Feb-25
Central Bank Rate	13.00%	11.25%	10.75%
Inter-Bank Rate	14.06%	11.15%	10.69%
Average Interbank	13.6%	11.3%	10.7%
Cash Reserve Requirement (CRR)	4.25%	4.25%	3.25%
Inflation	6.30%	3.3%	3.50%

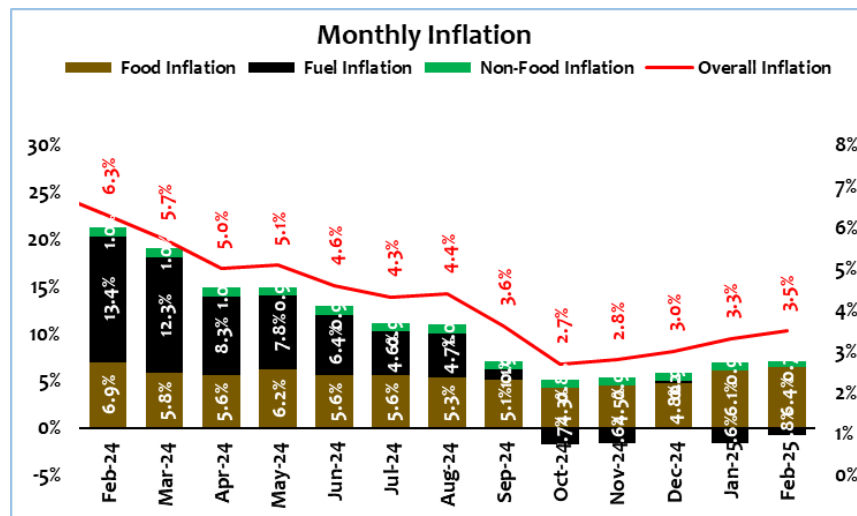
Annual Inflation	7.3%	4.2%	4.0%
91-Day T-Bill	16.590%	9.525%	8.948%
182-Day T-Bill	16.734%	10.028%	9.312%
364-Day T-Bill	16.919%	11.295%	10.526%
Bank Excess Liquidity (KES Bn)	27.40	16.70	19.10
Forex Reserves (USD Mn)	6,962	8,877	9,057
Months of Import Cover	3.70	4.50	4.60
Average Liquidity Demand	22.55	21.01	24.04

Inflation

February 2025 inflation rose to a five month-high of 3.5% in February while remaining below the government mid-point range of 5%±2.5% for eleven straight months.

The price pressure mainly emanated from food and non-alcoholic beverages which went up 6.4% in February compared to a 6.1% rise in January 2025.

Fuel inflation declined 0.8% in the month on reduced electricity, gas and fuels. Pump prices for Petrol, diesel and Kerosene all dropped at 14.4%, 14.5% and 21.5% respectively compared to same period last year mainly on low import inflation muted by a strong currency and increased oil supply as other alternatives arise including electric vehicles.



Treasury Bills

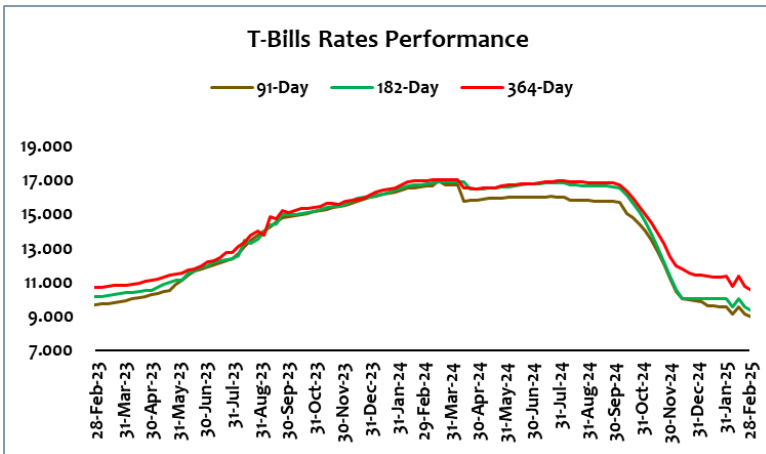
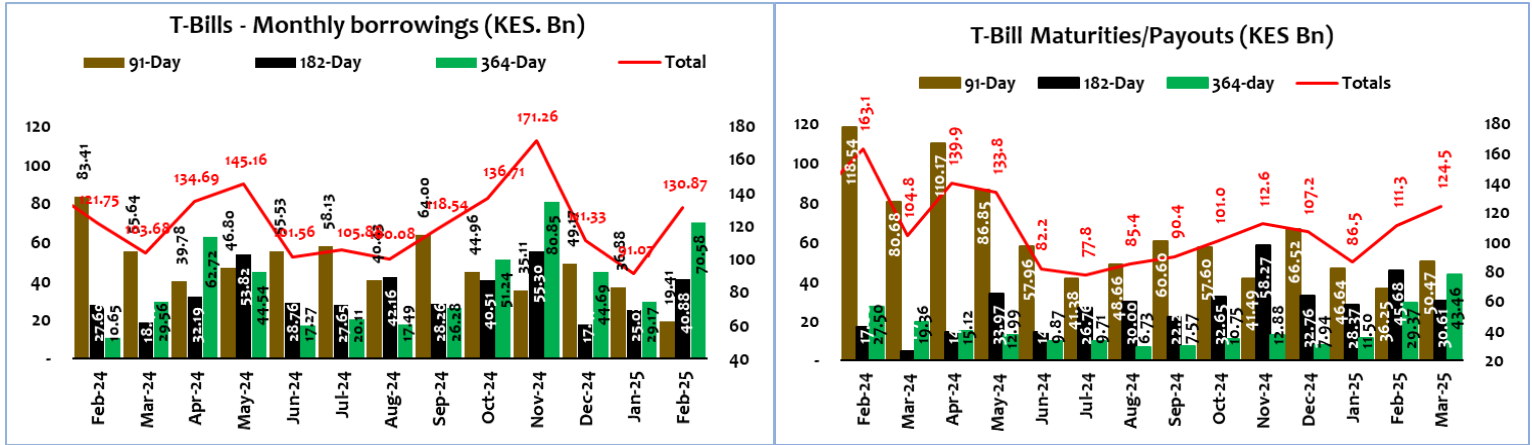
Treasury bill auction remained oversubscribed in February at 168.6% or KES 161.85Bn against a target of KES 96.00Bn, partly supported by re-investments from maturities and some overflows from banks returns decline. The government accepted KES 130.87Bn representing an 80.9% acceptance and 136.0% performance.

The month witnessed total payouts of KES 111.30Bn most of which was re-invested back.

Returns on investment however kept a downward trend, shedding 57.8bps, 71.6bps and 76.8bps to 8.9477%, 9.3116% and 10.5261% for the 91-, 182- and 364-day papers respectively.

We forecast a continued downtrend towards the 7.0%, 8.0% and 9.0% returns per annum for the 91-,182-, and 364-day papers respectively.

In the new month of March, we expect total payouts of KES 124.55Bn which we anticipate witnessing oversubscriptions.



Month	Borrowings	Redemptions
Jan-2025	91.07	86.51
Feb-2025	130.87	111.30
Mar-2025		124.55
Apr-2025		145.77

Currency

The shilling remained stable in February 2025, trading at KES 129.29 against the US dollar supported by heavy forex remittances and inflows from development partners. This muted the forex demand towards public debt obligations for two Eurobond coupon payments that were due in February 2025.

Forex reserves remain sufficient at USD 9,057Mn sufficient for 4.6-months of import cover. Diaspora remittances surged 3.6% up year-on-year from USD 412.41Mn in January 2024 to USD 427.37Mn in January 2025.

Further, re-opening of the above two infrastructure bonds supported in the dollar supply mainly foreign investors and the diaspora investing in tax free assets.

Elsewhere, the low international oil prices are anticipated to bring reprieve as prices edge down.

DATE	29-Feb-24	02-Jan-24	31-Jan-25	28-Feb-25	% D y-y	%D y-t-d	%D m-m
US DOLLAR	143.5891	156.99	129.23	129.23	10.0%	17.7%	0.0%
STG Pound	181.8771	199.85	160.72	162.61	10.6%	18.6%	-1.2%
EURO	155.5931	173.65	134.49	134.23	13.7%	22.7%	0.2%
JPY	95.7803	110.98	83.86	86.31	9.9%	22.2%	-2.9%
US Dollar Index	104.16	102.20	108.37	107.61	-3.3%	-5.3%	0.7%

Eurobond

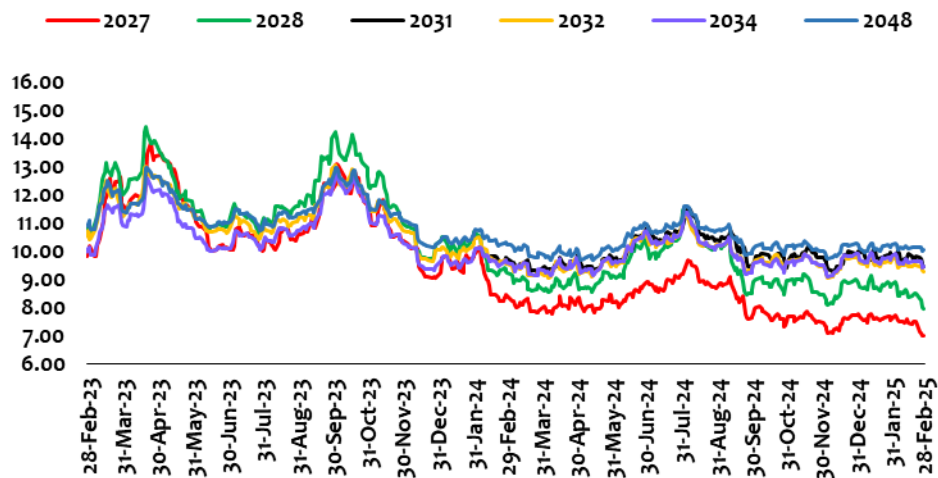
Kenya's international papers saw their value improved in February as their yields edged down on what we view as a better local economic outlook globally.

All the listed paper witnessed positive improvements led by the February 2028 paper whose yield dropped 84.8bps within the month. Compared to last year similar period, the papers performed even better.

As the economy is projected to rebound in 2025, we anticipate Kenya's Eurobonds to remain competitive and attractive.

Euro-bond Paper	29-Feb-24	07-Feb-24	31-Jan-25	28-Feb-25	Δ bps y-y	Δ bps y-t-d	Δ bps m-m
May-2027	8.432	9.567	7.555	6.962	147.00	260.50	59.30
Feb-2028	9.238	10.066	8.804	7.956	128.20	211.00	84.80
Feb-2031	9.742		9.866	9.461	28.10	(946.10)	40.50
May-2032	9.544	10.165	9.669	9.277	26.70	88.80	39.20
Jan-2034	9.631	10.084	9.785	9.458	17.30	62.60	32.70
Feb-2048	10.292	10.739	10.223	10.031	26.10	70.80	19.20

Eurobonds Yield Movement



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