



**AIB Capital Ltd.**

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Stock Broking | Bond Dealing | Corporate Finance Advisory

## Daily Market Report 4<sup>th</sup> March 2019

### Top Gainers

Company	(%)	Vol.
EVRD	10.00%	4,400
UNGA	3.40%	1,000
PORT	2.41%	100
LKL	2.34%	38,100
NBV	1.96%	19,000

(Source: NSE, AIB)

### Top Losers

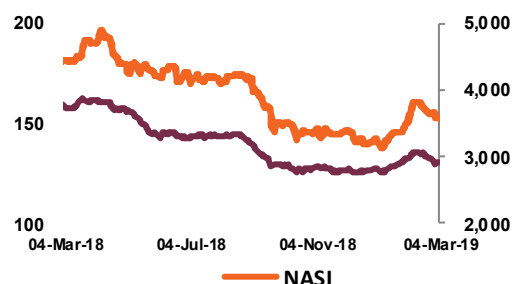
Company	(%)	Vol.
UMME	-7.28%	6,700
SASN	-6.90%	300
KQ	-3.81%	60,200
UCHM	-3.17%	4,600
TPSE	-2.29%	900

(Source: NSE, AIB)

### Top Movers

Company	Vol.
UMME	22,055,300
SCOM	3,349,100
KNRE	674,500
KEGN	604,200
EQTY	252,000

### Market Index Movement



(Source: NSE, AIB)

### Currency

	Today	Previous	% Δ
USD/KES	100.0417	100.0428	0.00%
EUR/KES	113.7192	113.9633	-0.21%
GBP/KES	132.3219	132.8492	-0.40%
JPY/KES	89.3628	90.0354	-0.75%
YUAN/KES	14.9478	14.9560	-0.05%
RUPEE/KES	1.4129	1.4100	0.21%
KES/UGS	37.0147	37.0043	0.03%
KES/TZS	23.4403	23.4201	0.09%
RAND/KES	7.0641	7.1554	-1.28%

Dear client,

Below are today highlights:

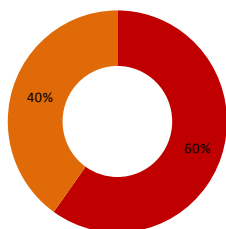
- **CURRENCY:** The shilling remained flat against the dollar, closing at 100.04. The usual month end dollar demand, that typically leads to a weakening of the KES wasn't witnessed this month. The shilling has continued to gain against the dollar despite the high money market liquidity. The local currency is expected to remain stable against the dollar supported by strong dollar inflows while demand for the foreign currency remains muted.
- **RELATIVELY TIGHT MONEY MARKET LIQUIDITY:** Today, the Central bank stayed away from the repo market. The interbank rate has been on an upward trend recently gaining to 5.29% from the 2.62% registered a week prior.
- **EQUITIES:** The equity turnover decreased by 61.3% to KES 273Mn. The weakening of today's turnover was a reflection of a market participation shift from large caps to small cap counters. The volumes, however, increased by 56.8% to 28Mn shares from 18.1Mn shares traded on Friday. The main small cap stock that drove the market volumes was Umeme (KES 5.48) that moved 22.0Mn shares. The prominence of Umeme shares in today's trading was, in turn, driven by a strong foreign interest on the counter, with net foreign buys hitting KES 88.4Mn by the close of trading.

### SUMMARY OF MARKET STATISTICS

	Today	Previous	%	Trend
Equity Turnover (KES)	273,286,962	706,926,619	(61.34)	↓
Total Volume Traded	28,391,800	18,109,900	56.78	↑
Market Cap (Bn KES)	2,300.85	2,289.28	0.51	↑
Bond Turnover (Bn KES)	1.87	1.84	1.65	↑
NSE 20 Share Index	2,912.70	2,916.19	(0.12)	↓
NSE All Share Index	153.68	152.91	0.50	↑
FTSE NSE KENYA 15 Index	190.30	191.56	(0.66)	↓
FTSE NSE Kenya 25 Index	197.54	198.71	(0.59)	↓
FTSE NSE KENYA Gov't bond index	96.19	96.11	0.08	↑
Foreign buys (KES)	218,377,569	439,659,072	(50.33)	↓
Foreign Sales (KES)	108,780,335	536,629,506	(79.73)	↓

(Source: NSE, AIB)

## Foreign and Local Participation



Foreign Investors Local Investors

(Source: NSE)

## Top Foreign Buys

Company	Vol.
UMME	120,557,140
SCOM	85,760,030
KNRE	8,942,400
EABL	2,704,150
BERG	304,200

(Source: NSE, AIB)

## Top Foreign Sales

Company	Vol.
SCOM	60,824,095
UMME	32,195,920
KNRE	8,786,460
EQTY	6,067,460
EABL	666,400

(Source: NSE, AIB)

## Top Trader (Ksh)

UMME	120,860,790
SCOM	88,609,665
SCBK	16,466,800
EQTY	10,233,950
KNRE	9,311,195
KEGN	3,869,670
KCB	3,258,745
NIC	3,071,015
EABL	2,704,150
BRIT	2,171,880
NMG	2,094,000
COOP	1,542,210
DTK	1,405,150
BBK	1,403,970
ICDC	1,186,650

(Source: NSE, AIB)

## 4 Day Key Market indicators

Indicator	4 <sup>th</sup> Mar	1 <sup>st</sup> Mar	28 <sup>th</sup> Feb	27 <sup>th</sup> Feb
NSE 20	2,912.70	2,916.19	2,894.20	2,932.40
NASI	153.68	152.91	152.56	154.59
Market Cap (KES bn)	2,300.85	2,289.28	2,284.05	2,314.49
Equity +I Reit turnover (KES bn)	0.27	0.71	0.89	0.41
Bond Turnover (KES bn)	1.87	1.84	2.60	2.47

(Source: NSE, AIB)

➤ **FIXED INCOME MARKET:** The bond turnover remained relatively flat, increasing 1.6% to KES 1.87Bn from KES 1.84Bn recorded on Friday. The 15-year and 10-year fixed rate bonds traded a total value of KES 1.4Bn and KES 0.3Bn respectively to form a majority of the 33 deals today. A relatively tight liquidity environment led to last week's T-Bill under subscriptions with the average performance rate hitting only **78%**. The low subscription levels, however failed to reverse the slide of the 91-day, 182-day and 364-day T-Bills that fell to 6.886%, 8.317% and 9.476% respectively .

## WEEK'S FEATURE: Money Supply and Private sector credit growth

### Percentage Allocation of Banking Sector Credit

	Dec-15	Dec-16	Dec-17	Dec-18
<b>Credit to Government</b>	<b>18.8%</b>	<b>19.9%</b>	<b>23.4%</b>	<b>25.4%</b>
Central Bank	-1.6%	-3.8%	-2.1%	-2.8%
Commercial Banks & NBFIs	20.3%	23.8%	25.5%	28.2%
<b>Credit to other public sector</b>	<b>1.8%</b>	<b>3.5%</b>	<b>3.5%</b>	<b>3.0%</b>
County government	0.0%	0.1%	0.1%	0.1%
Credit to parastatals	1.7%	3.4%	3.4%	2.9%
<b>Credit to private sector</b>	<b>79.5%</b>	<b>76.5%</b>	<b>73.1%</b>	<b>71.6%</b>
<b>TOTAL</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

➤ **Commercial Banks' lending to the Public sector at an all-time high:** Private sector credit growth remained anemic at 2.4% in December 2018. This may be attributed to an increase in lending to the public sector. As at December 2018, the split between bank's credit to the government and private sector was 25.4% to 71.6% versus a split of 18.1% and 80.1% in August 2016 (the period before the rate cap was introduced). Reduced lending to the private sector is likely to negatively affect growth. Over the past few months govt. bond yields have been decreasing, a lower risk free rate may encourage banks to start lending to the private sector once the risk adjusted rate becomes attractive. Parastatals have also benefited from the increased lending as their allocation has risen from 1.8% in August 2016 to 2.9% in December 2018.

The table below shows summary of trading activity at the Nairobi Stock Exchange at the end of day.

Security ID	Net change	(%) Change	Closing Price	Previous Price	Total Turnover	Volume Traded	Net Foreign Buys/ (Sales)
EVRD	0.10	10.00	1.10	1.00	4,822	4,400	-
UNGA	1.25	3.40	38.05	36.80	38,000	1,000	-
PORT	0.40	2.41	17.00	16.60	1,700	100	-
LKL	0.14	2.34	6.12	5.98	233,220	38,100	-
NBV	0.02	1.96	1.04	1.02	19,688	19,000	-
MSC	0.01	1.75	0.58	0.57	13,080	22,500	-
CABL	0.05	1.64	3.10	3.05	7,130	2,300	-
SCOM	0.35	1.34	26.45	26.10	88,609,665	3,349,100	24,935,935
EABL	1.75	0.90	195.75	194.00	2,704,150	13,800	2,037,750
SCBK	1.50	0.76	199.25	197.75	16,466,800	82,600	-
KNRE	0.10	0.73	13.80	13.70	9,311,195	674,500	155,940
JUB	3.00	0.71	424.00	421.00	977,500	2,300	42,500
WTK	0.75	0.50	152.00	151.25	45,600	300	-
COOP	0.05	0.35	14.50	14.45	1,542,210	106,100	-
TOTL	0.10	0.33	30.50	30.40	82,440	2,700	-
NIC	0.10	0.28	36.00	35.90	3,071,015	85,200	-
BAT	1.00	0.17	600.00	599.00	240,000	400	(240,000)
BBK	-	-	11.30	11.30	1,403,970	124,100	-
HAFR	-	-	0.60	0.60	26,400	44,000	-
ICDC	-	-	32.15	32.15	1,186,650	36,900	-
NMG	-	-	60.00	60.00	2,094,000	34,900	12,000
UCHM	-	-	0.61	0.61	13,242	21,700	-
CARB	-	-	10.00	10.00	8,000	800	-
TCL	-	-	3.10	3.10	1,550	500	-
ARM	-	-	5.55	5.55	-	-	-
BAMB	-	-	130.00	130.00	-	-	-
BOC	-	-	79.75	79.75	-	-	-
DCON	-	-	0.45	0.45	-	-	-
EGAD	-	-	15.90	15.90	-	-	-
GLD	-	-	1,275.00	1,275.00	-	-	-
I&M	-	-	92.00	92.00	-	-	-
KAPC	-	-	80.00	80.00	-	-	-
KENO	-	-	22.00	22.00	-	-	-
KUKZ	-	-	320.00	320.00	-	-	-
KURV	-	-	1,500.00	1,500.00	-	-	-
LIMIT	-	-	600.00	600.00	-	-	-
ORCH	-	-	14.00	14.00	-	-	-
PAFR	-	-	23.50	23.50	-	-	-
SGL	-	-	25.50	25.50	-	-	-
XPRS	-	-	7.94	7.94	-	-	-
DTK	(0.25)	(0.17)	147.75	148.00	1,405,150	9,500	14,800
KPLC	(0.02)	(0.43)	4.60	4.62	588,694	127,900	-
CFCI	(0.05)	(0.45)	10.95	11.00	119,900	10,900	-
KCB	(0.20)	(0.48)	41.45	41.65	3,258,745	78,600	-
BERG	(0.50)	(0.62)	80.00	80.50	304,200	3,800	304,200
KQ	(0.04)	(0.66)	6.02	6.06	1,151,872	191,400	39,000
BRIT	(0.08)	(0.82)	9.70	9.78	2,171,880	223,900	-
EQTY	(0.35)	(0.85)	40.60	40.95	10,233,950	252,000	(6,067,460)
SASN	(0.15)	(0.85)	17.40	17.55	13,950	800	-
CIC	(0.04)	(0.99)	4.01	4.05	366,005	91,200	-
FTGH	(0.03)	(1.20)	2.47	2.50	12,110	4,900	-
NBK	(0.08)	(1.33)	5.92	6.00	187,750	31,700	-
FAHR	(0.16)	(1.62)	9.72	9.88	10,690	1,100	-
SCAN	(0.20)	(1.67)	11.80	12.00	1,200	100	-
NSE	(0.25)	(1.69)	14.55	14.80	223,305	15,300	-
OCH	(0.05)	(2.04)	2.40	2.45	21,645	9,000	-
CFC	(2.00)	(2.12)	92.25	94.25	74,400	800	-
KEGN	(0.18)	(2.74)	6.40	6.58	3,869,670	604,200	-
C&G	(0.70)	(2.80)	24.30	25.00	7,300	300	-
HFCK	(0.22)	(3.58)	5.92	6.14	63,882	10,800	-
TPSE	(1.25)	(5.88)	20.00	21.25	8,000	400	-
UMME	(0.38)	(6.48)	5.48	5.86	120,860,790	22,055,300	88,361,220
FIRE	(0.16)	(7.41)	2.00	2.16	3,400	1,700	-

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