



**AIB Capital Ltd.**

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## Daily Market Report 15th March 2019

### Top Gainers

Company	(%)	Vol.
UMME	7.69%	4,200
OCH	7.30%	900
NMG	6.01%	3,400
EGAD	6.00%	200
COOP	3.46%	328,100

(Source: NSE, AIB)

### Top Losers

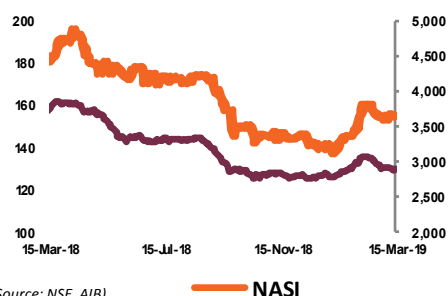
Company	(%)	Vol.
NBV	-10.00%	142,200
HAFR	-5.45%	76,800
UNGA	-5.00%	1,100
SGL	-4.03%	300
FAHR	-3.81%	3,600

(Source: NSE, AIB)

### Top Movers

Company	Vol.
EQTY	14,709,600
SCOM	9,914,300
KCB	9,444,400
SCAN	700,300
ICDC	532,900

### Market Index Movement



(Source: NSE, AIB)

### Currency

	Today	Previous	% Δ
USD/KES	100.1678	100.2400	-0.07%
EUR/KES	113.2361	113.2519	-0.01%
GBP/KES	132.7153	132.0539	0.50%
JPY(100)/KES	89.7641	90.0265	-0.29%
YUAN/KES	14.8893	14.9442	-0.37%
RUPEE/KES	1.4423	1.4403	0.14%
KES/UGS	37.0978	37.1110	-0.04%
KES/TZS	23.4108	23.3939	0.07%
RAND/KES	6.9118	6.9942	-1.18%

Dear client,

Below are today highlights:

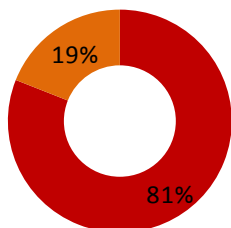
- **CURRENCY:** The shilling closed the end of this week stronger than the greenback. The Kenya shilling firmed up against the US dollar, gaining ground by 0.07%, to close the week at KES 100.17/\$ from the KES 100.24/\$ seen yesterday. The Kenya shilling, however, remains in the red on a month to date basis because at the current level the USD is currently stronger than the KES 100.04/\$ witnessed at the inception of the month of March.
- **LIQUIDITY:** The current high liquid environment that began at the beginning of the year still persists. The interbank rate continues to fall with the interbank currently at 3.48%, way below the March high of 5.29% registered at the beginning of March. The easy liquidity may continue to persist as the CBK continues to take a hands-off approach for now.
- **EQUITIES:** Today's the market rejoiced yesterday's high court announcement by crossing over the KES 1.0Bn for the first time since the 8<sup>th</sup> of February. The equity turnover increased by 179% today, to KES 1.45Bn up from KES 0.52Bn seen yesterday. Market activity today was driven by a foreign investor frenzy around KCB group and Equity group. Foreign investor activity dominated, contributing to 80% of the entire market, as they focused their equity purchase efforts on Equity, KCB and Safaricom, buying KES 628Mn, KES 376Mn and 156Mn respectively.

### SUMMARY OF MARKET STATISTICS

	Today	Previous	%	Trend
Equity Turnover (KES)	1,445,615,610	517,610,214	179.29	↑
Total Volume Traded	37,690,400	31,501,900	19.64	↑
Market Cap (Bn KES)	2,366.71	2,327.26	1.70	↑
Bond Turnover (Bn KES)	2.06	2.85	(27.78)	↓
NSE 20 Share Index	2,896.04	2,868.81	0.95	↑
NSE All Share Index	158.07	155.44	1.69	↑
FTSE NSE KENYA 15 Index	196.86	194.14	1.40	↑
FTSE NSE Kenya 25 Index	205.24	201.72	1.74	↑
FTSE NSE KENYA Gov't bond index	96.40	96.41	(0.01)	↓
Foreign buys (KES)	1,205,983,662	314,800,886	283.09	↑
Foreign Sales (KES)	1,136,103,625	77,833,812	1,359.65	↑

(Source: NSE, AIB)

## Foreign and Local Participation



Foreign Investors Local Investors

(Source: NSE)

## Top Foreign Buys

Company	Vol.
EQTY	628,017,700
KCB	376,312,035
SCOM	156,204,975
EABL	37,560,000
SCAN	7,736,620

(Source: NSE, AIB)

## Top Foreign Sales

Company	Vol.
EQTY	522,390,800
KCB	280,191,000
SCOM	249,311,220
EABL	67,600,000
ICDC	16,000,000

(Source: NSE, AIB)

## Top Trader (Ksh)

EQTY	632,515,735
KCB	418,617,815
SCOM	275,467,150
EABL	68,243,600
ICDC	17,052,570
SCAN	7,774,630
COOP	4,905,020
BBK	4,539,190
DTK	4,424,300
NIC	1,985,800
WTK	1,500,000
I&M	1,341,000
KUKZ	1,240,000
KPLC	854,540
KEGN	756,332

(Source: NSE, AIB)

## 4 Day Key Market indicators

Indicator	15 <sup>h</sup> Mar	14 <sup>h</sup> Mar	13 <sup>h</sup> Mar	12 <sup>h</sup> Mar
NSE 20	2,896.04	2,868.81	2875.98	2885.93
NASI	158.07	154.44	154.46	155.15
Market Cap (KES bn)	2,366.71	2,327.26	2312.43	2322.87
Equity +I Reit turnover (KES bn)	1.45	0.52	0.63	0.35
Bond Turnover (KES bn)	2.06	2.85	3.05	2.37

(Source: NSE, AIB)

➤ **FIXED INCOME MARKET:** The secondary bond market took a back seat today as investments into the equity section of the NSE intensified today. The bond market turnover stuttered, weakening by 28% to KES 2.06Bn down from the KES 2.85Bn registered yesterday. The number of total deals completed also declined to 65 from yesterday's 70. The bond market today betrayed a bias today's the 10-year and 15-year fixed rate government papers that traded a combined value of KES 1.10 Bn between investors.

**Day's feature:** CIC reports a double digit growth in FY18 earnings.

## CIC GROUP CONSOLIDATED INCOME STATEMENT

(AMOUNTS IN KES '000)	2017	2018	% Change
Gross written premiums	14,886,887	16,627,384	11.7%
Gross earned Premiums	14,336,192	16,945,301	18.2%
Less: Reinsurance premiums ceded	(2,241,195)	(2,683,815)	19.7%
<b>Net Earned Premiums</b>	<b>12,094,997</b>	<b>14,261,486</b>	17.9%
Fees and Commission Income	1,023,407	903,839	-11.7%
Investment Income	1,543,581	1,517,464	-1.7%
Other Gains/(Losses )	704,373	354,096	-49.7%
Foreign Exchange Gain	233,904	41,826	-82.1%
<b>Total Income</b>	<b>15,600,262</b>	<b>17,078,711</b>	9.5%
Commission Expense	2,122,470	2,384,012	12.3%
Gross benefits and claims paid	8,900,071	9,250,055	3.9%
Operating and other expenses	4,264,736	4,601,816	7.9%
Loss on net monetary position	187,478	-	-100.0%
<b>Total Expenses</b>	<b>14,431,152</b>	<b>16,235,883</b>	12.5%
Share of Profits/ (Loss) on Associate	46	8,793	19015.2%
<b>Profits for the Year</b>	<b>519,156</b>	<b>851,621</b>	64.0%
Income tax expense	(40,683)	(226,258)	
<b>PROFIT/(LOSS) FOR THE YEAR</b>	<b>478,473</b>	<b>625,363</b>	30.7%

➤ **CIC's FY18 PAT grows by 31% boosted by growth in Premiums:** Yesterday CIC announced impressive results that saw them grow their Profits Before Tax for the 2018 Full Year by 64% as growth in Gross earned premiums provided crucial tailwinds despite a dilutive performance from non-core incomes. Management initiatives also saw a muted growth in operating expenses that helped balance out the 12% growth in commission expenses. The continued strengthening of the Kenyan economy can continue to fuel the growth of CIC's general business, as underwriting conditions improve. The group may also benefit from the persistent double digit growth of Kenya's Life insurance sector in the medium term. Risks to profitability for CIC, however, still exists with insurance fraud, low insurance penetration and price undercutting remaining a stain in Kenya's insurance industry.

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)
UMME	0.42	7.69	5.88	5.46	24,742	4,200	-
OCH	0.17	7.30	2.50	2.33	2,250	900	-
NMG	3.50	6.01	61.75	58.25	209,950	3,400	-
EGAD	0.90	6.00	15.90	15.00	3,180	200	-
COOP	0.50	3.46	14.95	14.45	4,905,020	328,100	-
SCOM	0.75	2.78	27.75	27.00	275,467,150	9,914,300	(93,106,245)
CIC	0.11	2.74	4.12	4.01	269,908	65,500	-
EQTY	1.05	2.50	43.00	41.95	632,515,735	14,709,600	105,626,900
NIC	0.85	2.35	37.00	36.15	1,985,800	53,600	-
KCB	1.00	2.31	44.30	43.30	418,617,815	9,444,400	96,121,035
SASN	0.35	1.94	18.40	18.05	46,055	2,500	-
EVRD	0.02	1.85	1.10	1.08	2,752	2,500	-
TPSE	0.40	1.82	22.40	22.00	53,800	2,400	-
CFC	1.75	1.78	100.00	98.25	10,000	100	-
BAT	10.00	1.72	590.00	580.00	-	-	-
TCL	0.05	1.51	3.37	3.32	6,061	1,800	-
KQ	0.08	1.48	5.50	5.42	95,738	17,400	540
LKL	0.08	1.25	6.48	6.40	46,032	7,100	-
BRIT	0.08	0.88	9.20	9.12	339,100	36,800	-
DTK	1.00	0.72	139.00	138.00	4,424,300	31,800	(602,000)
KNRE	0.10	0.72	13.90	13.80	498,910	35,900	-
ICDC	0.20	0.63	32.00	31.80	17,052,570	532,900	(16,000,000)
FIRE	0.01	0.50	2.01	2.00	1,610	800	-
KPLC	0.02	0.48	4.22	4.20	854,540	202,700	-
CARB	0.04	0.44	9.18	9.14	29,394	3,200	-
KEGN	0.02	0.34	5.98	5.96	756,332	126,500	-
WTK	0.50	0.33	150.00	149.50	1,500,000	10,000	-
SCAN	-	-	11.10	11.10	7,774,630	700,300	7,736,620
BBK	-	-	11.85	11.85	4,539,190	383,000	-
I&M	-	-	90.00	90.00	1,341,000	14,900	-
KUKZ	-	-	310.00	310.00	1,240,000	4,000	-
HFCK	-	-	5.44	5.44	564,180	103,800	-
BOC	-	-	75.00	75.00	375,000	5,000	-
C&G	-	-	24.95	24.95	9,985	400	-
UCHM	-	-	0.59	0.59	1,999	3,400	-
ORCH	-	-	14.00	14.00	1,400	100	-
ARM	-	-	5.55	5.55	-	-	-
DCON	-	-	0.45	0.45	-	-	-
GLD	-	-	1,275.00	1,275.00	-	-	-
JUB	-	-	408.50	408.50	-	-	-
KAPC	-	-	75.50	75.50	-	-	-
KENO	-	-	22.00	22.00	-	-	-
KURV	-	-	1,500.00	1,500.00	-	-	-
LIMIT	-	-	583.00	583.00	-	-	-
PAFR	-	-	21.00	21.00	-	-	-
PORT	-	-	19.00	19.00	-	-	-
XPRS	-	-	7.50	7.50	-	-	-
TOTL	(0.05)	(0.18)	27.80	27.85	47,270	1,700	-
SCBK	(0.50)	(0.25)	197.50	198.00	474,050	2,400	-
NSE	(0.05)	(0.36)	14.00	14.05	362,975	25,900	-
NBK	(0.04)	(0.79)	5.02	5.06	114,194	22,700	-
BAMB	(1.25)	(0.97)	128.00	129.25	140,800	1,100	-
CFCI	(0.10)	(0.98)	10.15	10.25	7,110	700	-
CABL	(0.04)	(1.39)	2.83	2.87	4,821	1,700	-
MSC	(0.01)	(1.75)	0.56	0.57	176,011	316,300	-
BERG	(2.00)	(2.36)	82.75	84.75	132,500	1,600	132,500
EABL	(5.00)	(2.44)	200.00	205.00	68,243,600	341,200	(30,040,000)
FTGH	(0.08)	(3.29)	2.35	2.43	2,820	1,200	-
FAHR	(0.36)	(3.81)	9.08	9.44	32,722	3,600	-
SGL	(1.05)	(4.03)	25.00	26.05	7,500	300	-
UNGA	(1.75)	(5.00)	33.25	35.00	36,600	1,100	-
HAFR	(0.03)	(5.45)	0.52	0.55	39,585	76,800	-
NBV	(0.10)	(10.00)	0.90	1.00	127,994	142,200	-

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