

The Week in Review | Week 36

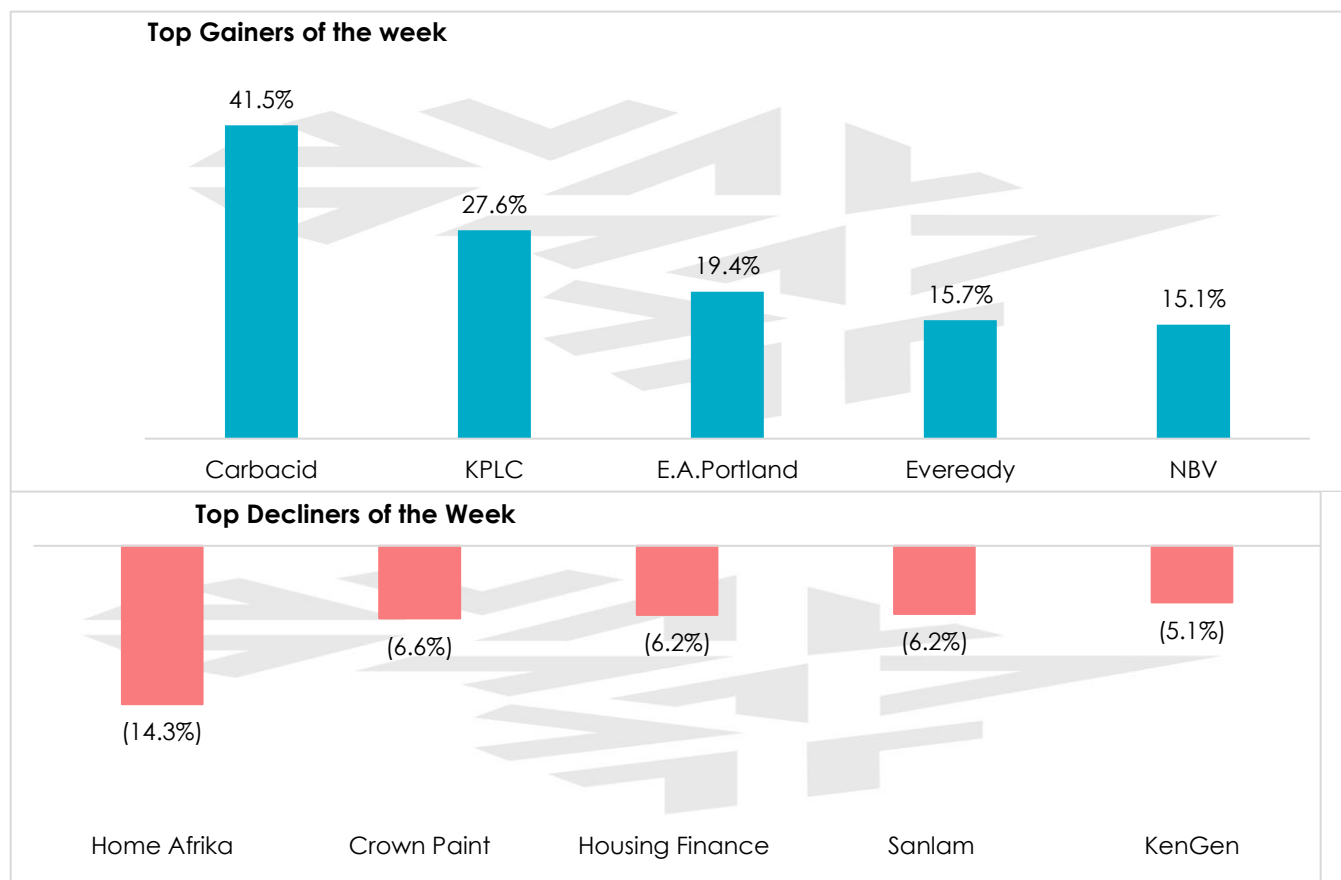
EQUITIES

Local Market Performance

WEEKLY MARKET DATA			
VARIABLES	LAST FRI	THIS FRI	W/W%
NASI	103.67	105.58	1.8%
NSE-10	1,088.19	1,106.38	1.7%
NSE-20	1,678.21	1,707.37	1.7%
NSE-25	2,812.75	2,861.28	1.7%
Weekly Shares Traded (Mn)	145.26	82.42	(43.3%)
Weekly Equity Turnover (KES Mn)	2,296.04	1,291.87	(43.7%)
Market Cap (KES Bn)	1,619.78	1,652.78	2.0%
Foreign Participation	65%	51%	(14.0%)
Foreign Inflow (Outflow) KES Mn	(308.34)	(292.57)	(5.1%)

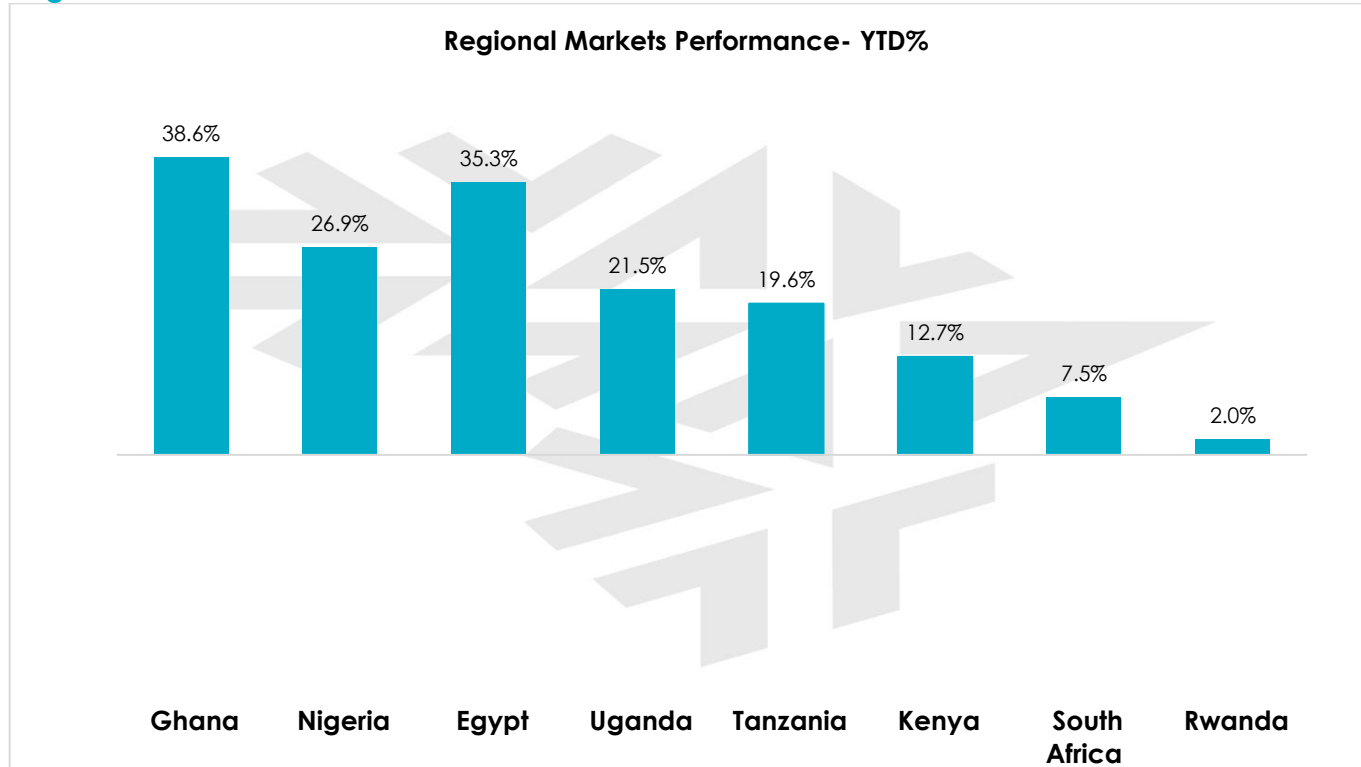
Source: NSE, NCBA IB Research

NSE Counter Performance



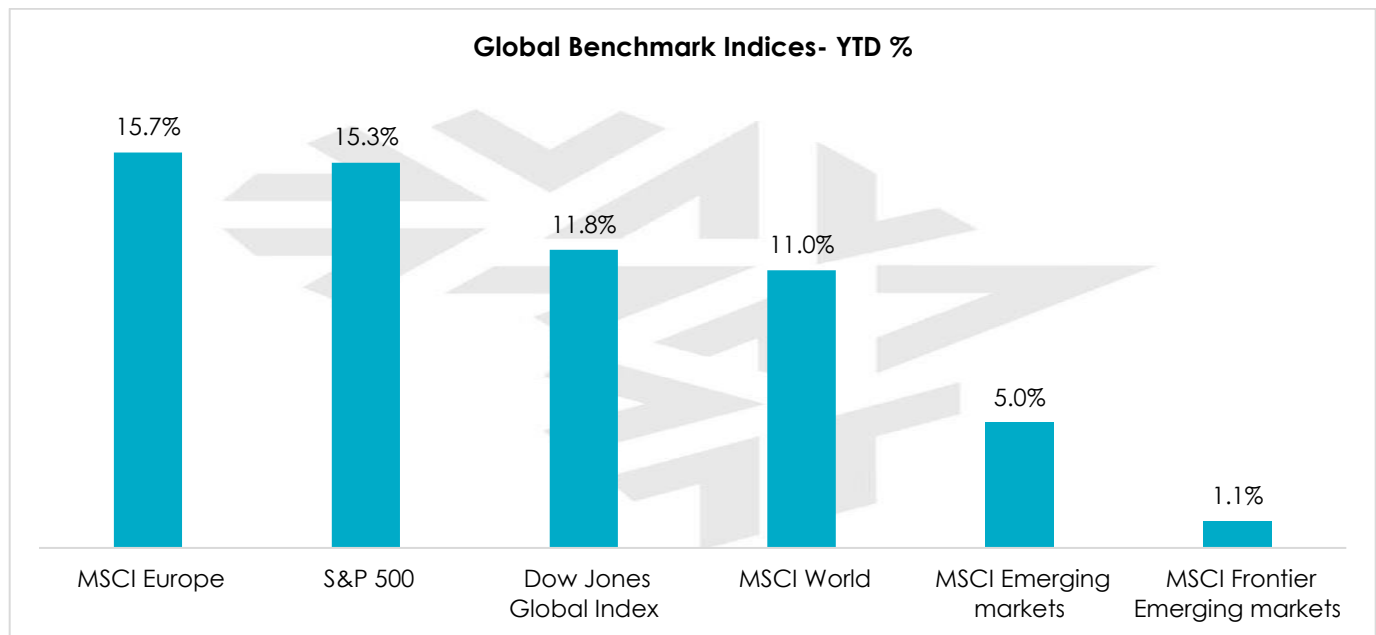
Source: NSE, NCBA IB Research

Regional Markets YTD% Performance



Source: Bloomberg, NCBA IB Research

Global Benchmark Indices YTD % performance



Source: Bloomberg, NCBA IB Research

Upcoming Dividend payments

Corporate Actions	Dividend	Book Closure	Payment
BAT Kenya	KES.5.00	30-Aug-24	27-Sep-24
Laptrust Imara I-REIT	KES 0.38	21-Aug-24	30-Sep-24
Umeme	UGX 26.00	10-Oct-24	31-Oct-24
KCB	KES 1.50	12-Sep-24	30-Oct-24
NCBA	(interim) KES 2.25	11-Sep-24	25-Sep-24
BOC	(Interim) KES 2.50	20-Sep-24	14-Oct-24
EABL	KES.6.00	16-Sep-24	16-Oct-24
Stanbic Holdings Plc	(Interim) KES 1.84	2-Sep-24	27-Sep-24
Centum	KES 0.32	11-Oct-24	Subject To Approval
Standard Chartered Bank	(interim) KES 8.00	Subject To Approval	
HF Group Plc	Rights Issue(1:3)	Subject To Approval	

FIXED INCOME

Primary Market

Treasury bills were **oversubscribed** during the week, with a subscription rate of **162.25%** out of which the government accepted **KES 36.91Bn (94.78% acceptance rate)**. Majority of the bids geared towards the 91-day paper as investors look to lock in higher interest rates.

Subscription	Amount offered KES Bn	Bids received week 36	Bids received week 35
91 day	4.00	23.21	17.50
182 day	10.00	10.17	4.45
364 day	10.00	5.57	2.25
Total	24.00	38.94	24.20

Prevailing rates	Week 36	Week 35	W/W change (bps)
91 Day	15.77%	15.78%	(1.67)
182 Day	16.63%	16.63%	(0.72)
364 Day	16.82%	16.84%	(1.93)

Source: CBK, NCBA IB Research

Secondary Market

In the secondary bonds market, **total turnover** rose to **KES 31.37Bn** from KES 19.50Bn traded in the previous week.

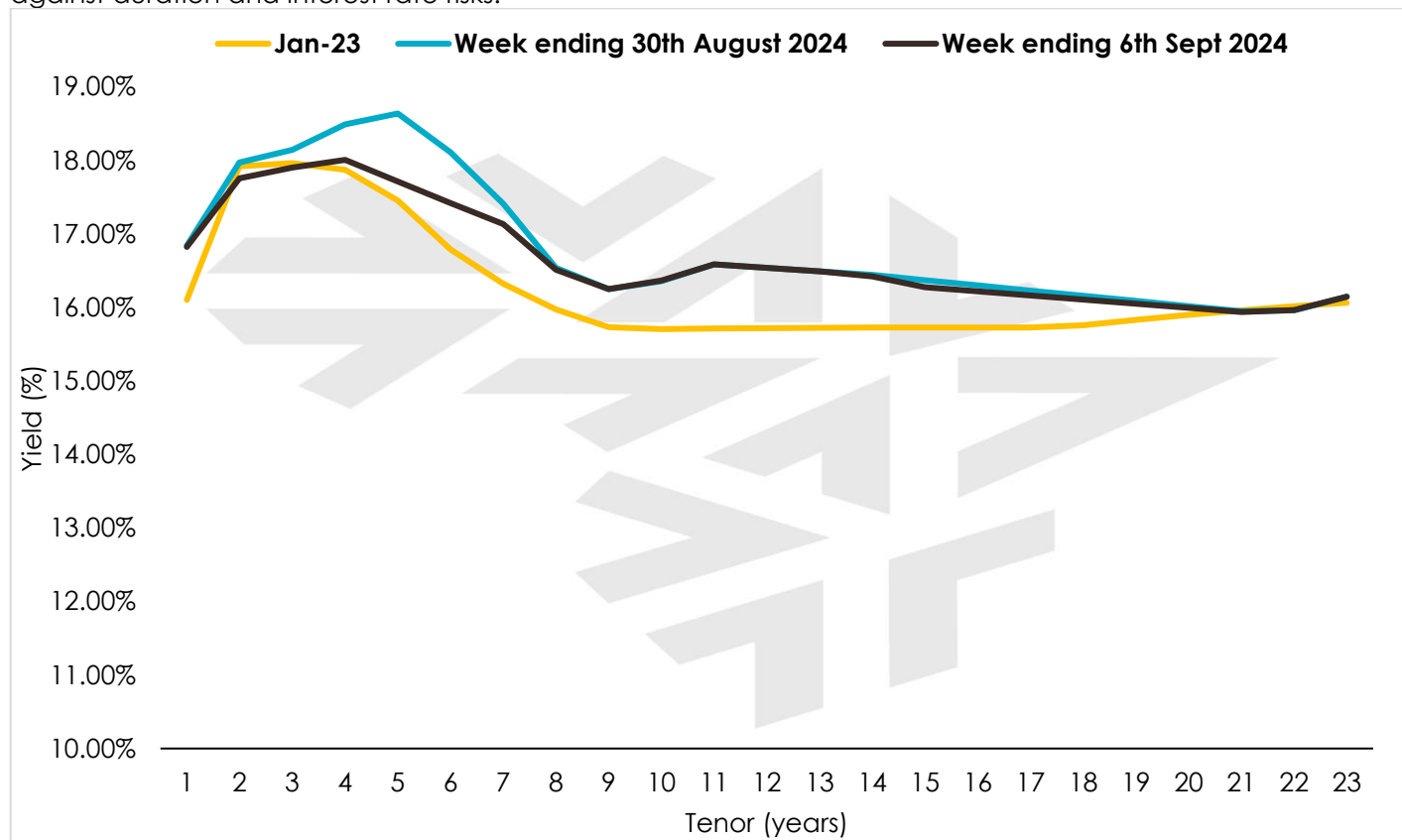
See the top moving bonds below:

Bond Identifier	Years to Maturity	Coupon	Average Yield	Total Value (KES Mn)	Number of Trades
IFB1/2023/17Yr (Re-opened)	15.50	14.40%	17.30%	14,341.95	35
FXD1/2016/10Yr(Re-opened)	1.95	15.04%	17.77%	3,412.50	22
FXD 1/2023/5Yr	3.85	16.84%	17.75%	2,739.20	31
FXD 1/2024/3Yr	2.35	18.39%	17.67%	1,880.80	18
IFB1/2024/8.5Yr	7.95	18.46%	17.14%	1,841.95	281

Source: NSE, NCBAIB Research

Government Securities Yield Curve

The yield on government securities remains elevated with investors demanding higher returns to cushion against duration and interest rate risks.



Source: NSE, NCBAIB Research

Kenya International Debt Yield Curves:

Kenyan Eurobonds' yields increased marginally during the week.

Eurobond	Tenor (Years)	Amount (USD Mn)	Coupon Rate (%)	Previous Yield (%)	Current Yield (%)	Change (Bps)
KENINT 05/22/2027	3	900	7.00%	9.95%	10.06%	11.50
KENINT 02/28/2028	4	1,000	7.25%	10.25%	10.31%	5.80
KENINT 02/16/2031	7	1,500	9.75%	10.55%	10.65%	9.60
KENINT 05/22/2032	8	1,200	8.00%	10.43%	10.52%	9.10
KENINT 01/23/2034	10	1,000	6.30%	10.37%	10.40%	3.20
KENINT 02/28/2048	24	1,000	8.25%	10.77%	10.78%	1.80

Source: Bloomberg, NCBA IB Research

Inflation

The annual headline inflation rate as measured by the Consumer Price Index (CPI) increased to 4.4% in August from 4.3% in July 2024, mainly driven by the rise in prices of commodities under Food and Non-Alcoholic Beverages

Statistic	Current	Previous	Change (bps)
CBR	12.75%	13.00%	(25.0)
Inflation	4.40%	4.30%	10.0

Liquidity conditions

Liquidity conditions in the interbank space **eased**. Indicatively, the overnight interbank rate declined by 18.4 bps week on week to close at 12.69%.

The average daily traded volumes increased to KES 28.66Bn from KES 14.65Bn observed in the previous week.

Statistic	Current	Previous	Change
Average Interbank Rate	12.69%	12.88%	(18.4)
Average Interbank volume KES Bn	28.66	14.65	95.62%

Currency

On the FX front, the shilling depreciated against the greenback, closing at **129.19**.

Foreign exchange reserves increased by **2.10%** week on week to close at **US 7.50Bn**, the reserves represent **3.9 months** of import cover which meets the CBK's statutory requirement of at least 4 months of import cover.

The U.S Dollar Index (**DXY**) declined to close at 101.19 from 101.73 in the previous week.

The DXY indicates the general international value of the USD. The DXY does this by averaging the exchange rates between the US Dollar and major world currencies.

Currency	Week 36	Week 35	W/W change (%)
US Dollar	129.19	129.17	0.01%
STG Pound	170.23	169.94	0.18%
Euro	143.61	143.04	0.40%
Forex reserves	7,503.00	7,349.00	2.10%

Source: CBK, NCBA IB Research

Kenya Government Debt Maturities Schedule – September 2024:

The government has total domestic debt maturities of KES 133.09Bn in the month of September 2024 compared to KES 117.35Bn in August 2024. We expect robust government activity in the local market

Treasury Bills	
Payment Date	Amount KES 'Mn
September 2, 2024	25,888.32
September 9, 2024	19,826.44
September 16, 2024	20,646.96
September 23, 2024	18,402.62
September 30, 2024	32,008.55
Total	116,772.89

Coupon payments					
Issue No.	Next Coupon Payment Date	Maturity date	Outstanding Amount KES 'Mn	Fixed Coupon Rate	Coupon payment KES 'Mn
FXD1/2010/015	9-Sep-24	10-Mar-25	27,693.90	10.25%	1,419.31
FXD1/2012/015	9-Sep-24	6-Sep-27	90,939.90	11.00%	5,001.69
FXD1/2024/010	23-Sep-24	13-Mar-34	34,541.76	16.00%	2,763.34
FXD1/2016/020	16-Sep-24	1-Sep-36	12,761.20	14.00%	893.28
FXD1/2018/020	16-Sep-24	1-Mar-38	94,515.60	13.20%	6,238.03
Total					16,315.66

Source: CBK, NCBA IB Research

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