The Week in Review | Week 18

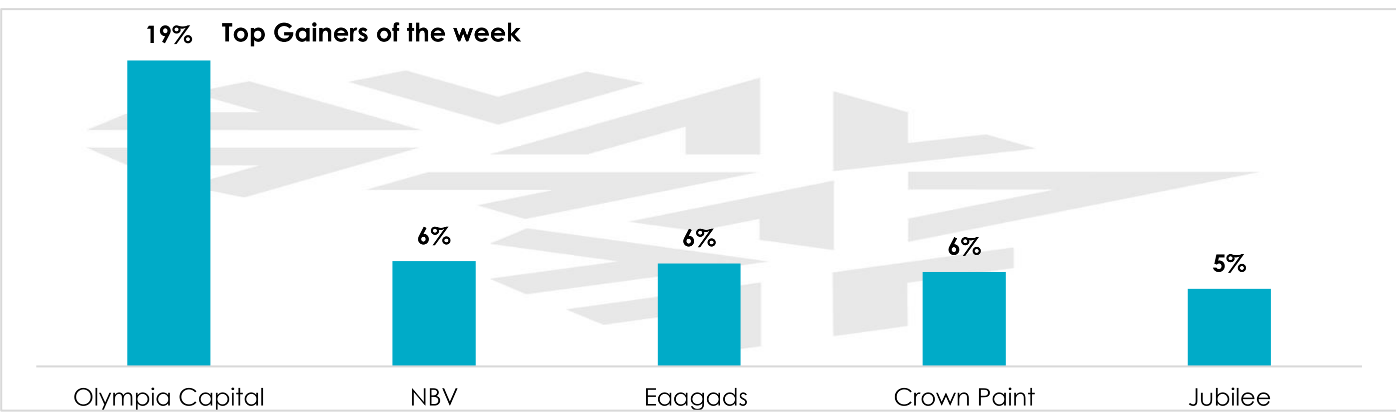
EQUITIES.

Local Market Performance

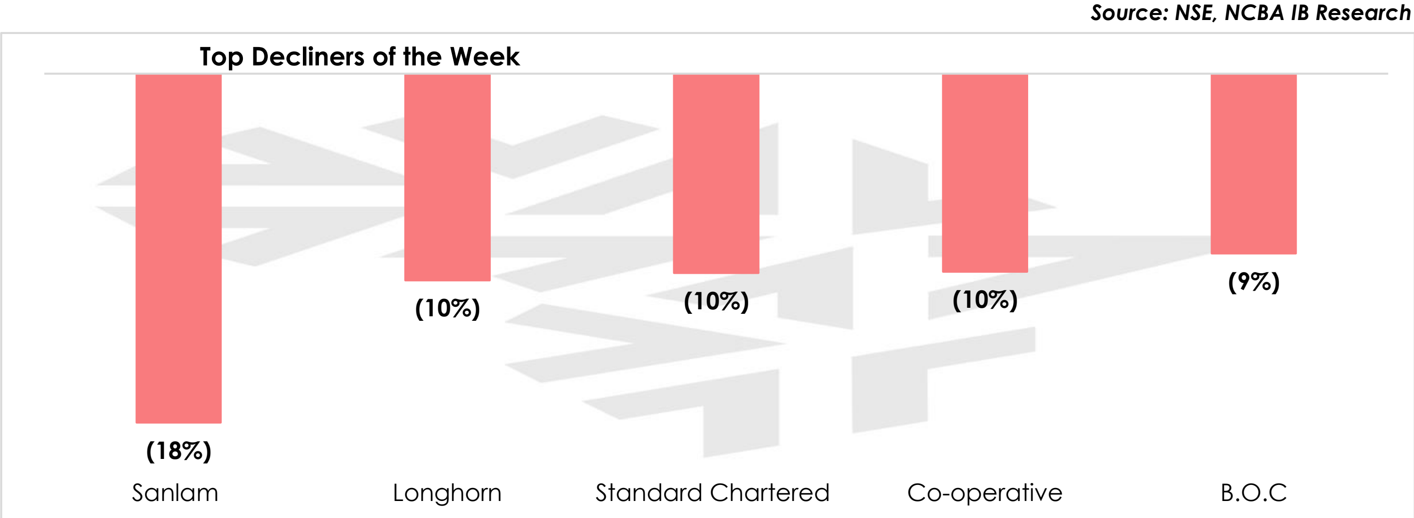
WEEKLY MARKET DATA			
VARIABLES	**Week 18**	**Week 17**	**W/W%**
NASI	125.60	125.80	(0.16%)
NSE-10	1,273.62	1,290.14	(1.28%)
NSE-20	2,106.31	2,151.50	(2.10%)
NSE-25	3,378.62	3,421.61	(1.26%)
Weekly Shares Traded (Mn)	36.78	79.74	(53.88%)
Weekly Equity Turnover (KES Mn)	1,307.90	2,283.63	(42.73%)
Market Cap (KES Bn)	1,974.16	1,977.32	(0.16%)
Foreign Inflow (Outflow) KES Mn	(10.76)	(110.40)	(90.25%)

Source: NSE, NCBA IB Research

NSE Counter Performance



Source: NSE, NCBA IB Research



Source: NSE, NCBA IB Research

Regional Markets Performance

Regional Indices		
VARIABLES	***w/w %***	***YTD %***
Tanzania	**1.3%**	**7.4%**
South Africa	**1.8%**	**9.3%**
Ghana	**2.5%**	**27.1%**
Kenya	**(0.2%)**	**0.2%**
Egypt	**4.9%**	**13.6%**
Nigeria	**0.3%**	**2.8%**
Rwanda	**0.0%**	**0.3%**
Uganda	**(3.1%)**	**10.4%**

Source: Bloomberg, NSE, NCBA IB Research

Global Benchmark Indices performance

Global benchmark indices		
VARIABLES	***w/w %***	***YTD %***
MSCI Asia	**3.6%**	**4.4%**
MSCI Emerging markets	**3.3%**	**5.8%**
MSCI World	**2.9%**	**0.6%**
Dow Jones Global Index	**3.0%**	**(0.3%)**
MSCI Europe	**3.1%**	**5.8%**
S&P 500	**2.9%**	**(3.1%)**

Source: Bloomberg, NSE, NCBA IB Research

Upcoming Dividend payments

Corporate Actions	Dividend	Book Closure	Payment
Crown Paints	KES 3.00	20-Jun-25	30-Jun-25
Car & General	KES 0.80	29-May-25	19-Jun-25
TotalEnergies Marketing	KES 1.92	27-Jun-25	31-Jul-25
BAT	KES 45.00	23-May-25	25-Jun-25
KCB Plc	KES 1.50	3-Apr-25	23-May-25
Stanbic Plc	KES 18.90	16-May-25	5-Jun-25
ABSA	KES 1.55	30-Apr-25	22-May-25
Co-op	KES 1.50	28-Apr-25	10-Jun-25
Stanchart	KES 37.0	30-Apr-25	28-May-25
DTB	KES 7.00	23-May-25	27-Jun-25
BK Group	RwF 19.02	30-May-25	25-Jun-25
I&M	KES 1.70	16-Apr-25	22-May-25
NCBA	KES 3.25	30-Apr-25	28-May-25
NSE	KES 0.32	21-May-25	31-Jul-25
CIC	KES 0.13	22-Apr-25	18-Jun-25
Kenya Re	KES 0.15	TBA	TBA
Liberty	KES 0.50	14-Jun-25	24-Aug-25
Liberty (special div)	KES 0.50	14-Jun-25	24-Aug-25
Sanlam Kenya	Rights Issue of 125:36	22-Apr-25	3-Jun-25

Source: NSE, NCBA IB Research

FIXED INCOME

Primary Market

Treasury bill results

Treasury bills recorded an undersubscription of **76.6%** this week, lower than the previous week's oversubscription of 178.5%. Investor interest was primarily concentrated on the 364-day paper. The government accepted **KES 18.37Bn**, representing a 99.99% acceptance rate, at lower indicative yields.

Subscription	Amount offered KES Bn	Bids received week 18	Bids received week 17
91 day	4.00	2.18	16.06
182 day	10.00	1.28	15.22
364 day	10.00	14.91	11.57
Total	**24.00**	**18.37**	**42.85**

Prevailing rates	Week 18	Week 17	W/W change (bps)
91 Day	8.41%	8.44%	(3.76)
182 Day	8.62%	8.62%	-
364 Day	10.01%	10.02%	(1.50)

Source: CBK, NCBA IB Research

BIDDING GUIDE: Re-opened Bond FXD1/2012/20

The Central Bank of Kenya acting in its capacity as fiscal agent for the Republic of Kenya is offering an opportunity to participate in the re-opened bond **FXD1/2012/20** seeking to raise **KES 30.00Bn.**

Issue	FXD1/2012/020 Re-opened
Tenor to Maturity	7.5 Yrs
Offered Amount (KES Bn)	**KES 30.00Bn**
Coupon Rate	**12.00%**
Period of Sale	16th April 2025 to 7th May 2025
Value Date	**12th May 2025**
Minimum Bidding Amount	KES 50,000.00
Taxation	**10.00%**
Our Bidding Guide	**13.30% to 13.50%**

Source: CBK, NCBA IB Research

Secondary Market

In the secondary bonds market, total turnover declined by 28.15% to **KES 39.04Bn** from KES 54.33Bn traded in the previous week.

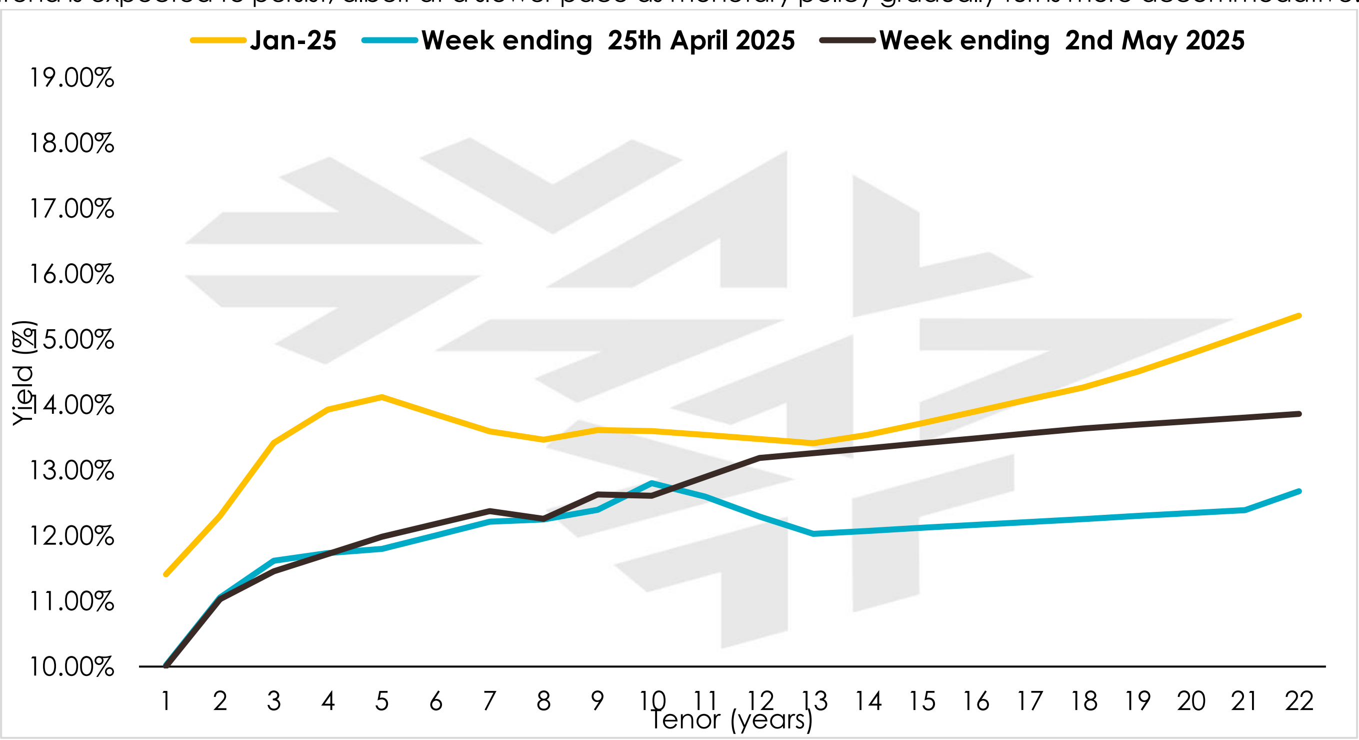
Most traded bonds:

Bond Identifier	Years to Maturity	Coupon	Average Yield	Total Value (KES Mn)
IFB1/2022/14Yr	11.52	13.94%	**13.25%**	**8,422.95**
FXD4/2019/10Yr	4.54	12.28%	**11.94%**	**4,000.00**
FXD1/2008/20Yr(Re-opened)	3.10	13.75%	**11.68%**	**3,786.80**
IFB1/2024/8.5Yr	7.29	18.46%	**13.16%**	**3,703.55**
IFB1/2023/17Yr (Re-opened)	14.85	14.40%	**13.36%**	**3,611.35**

Source: NSE, NCBA IB Research

Government Securities Yield Curve

Yields on government securities have been steadily declining, with the exception of longer-dated papers. This trend is expected to persist, albeit at a slower pace as monetary policy gradually turns more accommodative.



Source: NSE, NCBA IB Research

Kenya International Debt Yield Curves:

The yields on Kenyan Eurobonds recorded a mixed performance during the week trajectory during the week.

Eurobond	Tenor (Years)	Amount (USD Mn)	Coupon Rate (%)	Current Yield (%)	Previous Yield (%)	Change (Bps)
KENINT 27	2	900	7.00%	8.43%	8.92%	(49.40)
KENINT 28	3	1,000	7.25%	10.06%	10.09%	(3.70)
KENINT 31	6	1,500	9.75%	11.20%	11.05%	14.70
KENINT 32	7	1,200	8.00%	11.08%	10.88%	19.80
KENINT 34	9	1,000	6.30%	10.86%	10.69%	17.50
KENINT 48	23	1,000	8.25%	11.41%	11.23%	17.60

Source: CBK, NCBA IB Research

Inflation

The annual headline inflation recorded an increase of 4.1% in April from 3.6% in March. The core inflation rate, the central bank's preferred gauge of underlying price growth, stood at 2.5%, up from 2.2% in March. The performance was on the back of pressure on supply of food items and non-alcoholic beverages during the period.

Despite the marginal increase, we anticipate annual inflation rate to remain stable and within the CBK's target range supported by stability in food prices and aided by declining global fuel prices.

Statistic	Current	Previous	Change (bps)
Inflation	4.10%	3.60%	50.0

Source: KNBS, NCBA IB Research

Interest Rates

The Monetary Policy Committee met on April 8, 2025, and lowered the CBR by 75 basis points to 10.00% to support economic activity, citing low inflation and stable exchange rates.

It also narrowed the interest rate corridor to ±75 basis points and reduced the Discount Window rate to 75 basis points above the CBR to improve monetary policy effectiveness.

Statistic	Current	Previous	Change (bps)
CBR	10.00%	10.75%	(75.0)

Source: KNBS, NCBA IB Research

Liquidity conditions

Liquidity conditions in the interbank space **tightened marginally.** Indicatively, the overnight average interbank rate increased by 0.03% week on week to close at **9.94%**.

The demand for funds declined, with daily traded volumes averaging **KES 16.65Bn** from KES 23.31Bn observed in the previous week.

Statistic	Current	Previous	Change
Average Interbank Rate	9.94%	9.91%	0.03%
Average Interbank volume KES Bn	16.65	23.31	(28.56%)

Source: CBK, NCBA IB Research

Currency

On the FX front, the shilling depreciated marginally against the greenback, closing at **129.50** during the week

Foreign exchange reserves decreased by **0.57%** week on week to close at **US 9.75n,** the reserves represent **4.4 months** of import cover which meets the CBK's statutory requirement of at least 4 months of import cover.

The US Dollar Index **(DXY)** increased to close at 100.03 from 99.47 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 18	Week 17	W/W change (%)
US Dollar	129.50	129.35	0.12%
STG Pound	172.41	171.91	0.29%
Euro	146.42	146.67	(0.17%)
Forex reserves	9,749.00	9,805.00	(0.57%)

Source: CBK, NCBA IB Research

Kenya Government Debt Maturities Schedule – May 2025:

Total domestic debt maturities in May are KES **282.7Bn** compared to **KES 227.9Bn** in April. We expect robust government activity in the local market to ease the refinancing.

GOK has successfully priced a **USD 500Mn** amortizing note, maturing in 2032, at a rate of 8.25% through a private placement. Settlement of the same is expected on 30th April 2025. The proceeds from this issuance will be used for general budgetary support and liability management.

Coupon payments					
Issue No.	Next Coupon Payment Date	Maturity date	Outstanding Amount KES 'Mn	Fixed Coupon Rate	Coupon payment KES 'Mn
FXD1/2020/005	5-May-25	5-May-25	69,440.64	11.67%	4,050.82
FXD2/2019/015	5-May-25	24-Apr-34	81,644.75	12.40%	5,060.14
FXD1/2021/025	5-May-25	9-Apr-46	90,490.00	12.60%	5,700.87
FXD1/2023/003	12-May-25	11-May-26	76,537.95	14.23%	5,444.91
FXD1/2021/005	12-May-25	9-Nov-26	66,075.85	11.28%	3,725.69
FXD1/2011/020	12-May-25	5-May-31	37,029.40	10.00%	1,851.47
FXD1/2022/010	12-May-25	3-May-32	80,901.70	13.49%	5,456.82
FXD1/2012/020	12-May-25	1-Nov-32	87,285.65	12.00%	5,237.14
IFB1/2016/009	12-May-25	12-May-25	14,190.49	12.50%	886.91
IFB1/2018/020	12-May-25	25-Oct-38	36,787.30	11.95%	2,198.04
IFB1/2022/014	12-May-25	27-Oct-36	159,514.35	13.94%	11,116.56
IFB1/2023/6.5	12-May-25	6-May-30	186,925.00	17.93%	16,760.35
FXD4/2019/010	19-May-25	12-Nov-29	89,972.85	12.28%	5,524.33
FXD1/2018/015	19-May-25	9-May-33	100,104.72	12.65%	6,331.62
IFB1/2020/006	26-May-25	25-Jan-28	10,252.00	10.20%	522.85
Total					**79,868.51**

Treasury Bond Maturities			
Issue No.	Maturity Date	Fixed Coupon Rate	Outstanding Amount KES 'Mn
FXD1/2020/005	May 5, 2025	11.67%	69,440.64
IFB1/2016/009	May 12, 2025	12.50%	14,190.49
Total			**83,631.13**

Treasury Bills	
Payment Date	Amount KES 'Mn
May 5, 2025	18,894.44
May 12, 2025	45,969.44
May 19, 2025	32,104.32
May 26, 2025	22,280.75
Total	**119,248.95**

Source: NSE, NCBA IB Research

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