



### KENYA EQUITIES: INDICES & MARKET METRICS MOVEMENT done

Index	0 wk	1 wk	1 m	3 m	6 m	12 m	Y-T-D
NASI	151.40	0.02	0.01	0.04	(0.04)	(0.13)	0.08
NSE-20	2,539.95	(0.00)	(0.06)	(0.05)	(0.17)	(0.24)	(0.10)
DBIB Select	86.36	0.01	0.01	0.02	(0.04)	(0.06)	0.01
FTSE 15	186.11	0.00	(0.00)	0.04	(0.06)	(0.15)	0.08
FTSE 25	197.71	0.02	0.01	0.06	(0.03)	(0.13)	0.12
FTSE Frontier 50	42,937.55	(0.09)	(0.11)	(0.04)	(0.10)	(0.14)	(0.01)

(Source: NSE, Bloomberg, DBIB Research)

Market Metrics	0 wk	1 wk	1 m	3 m	6 m	12 m
Market Cap. (USD m)	2,314.13	0.02	0.01	0.06	(0.02)	(0.10)
Market Turnover (USD m)	25.81	1.29	0.17	(0.20)	(0.13)	(0.04)
Market P/E (x)	14.64	0.04	0.01	0.07	0.14	0.09
Market Div. yld (%)	6.14	(13.88)	(7.40)	(30.89)	161.76	211.52
Market ROE (%)	36.63	32.80	(154.05)	(39.95)	(59.31)	425.08

(Source: NSE, DBIB Research)

### KENYA FIXED INCOME: YIELDS & MARKET METRICS MOVEMENT

	0 wk	1 wk	1 m	3 m	6 m	12 m
FTSE Bond Index	98.33	0.00	(0.00)	0.01	0.02	0.04
Market Turnover (USD m)	57.11	(0.50)	(0.75)	(0.45)	(0.65)	(0.12)
91-day T-Bill (%)	6.36	(9.40)	(14.30)	(80.50)	(66.10)	(130.90)
5 year rate (%)	10.06	3.14	(13.82)	(54.86)	(124.32)	(171.15)
Interbank Lending (%)	3.61	6.00	161.00	(206.00)	237.00	(248.00)

(Source: CBK, NSE)

### KENYA MACRO METRICS MOVEMENT

	0 wk	1 wk	1m	3m	6m	12m
KES/USD	103.33	0.00	(0.00)	(0.02)	(0.01)	0.01
KES/GBP	125.30	0.00	(0.22)	0.21	(0.02)	(0.00)
KES/EUR	115.12	0.01	(0.00)	(0.02)	0.00	0.01
Fx reserve: Import Cover	5.87	(0.11)	(0.33)	0.72	0.53	0.11
Inflation	6.27	-	-	78	213	223
CBR	9.00	-	-	-	-	-

(Source: CBK, NSE)

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## IN THIS WEEK'S ISSUE...

Weekly equity turnover advanced by 129.0% w-o-w to close at USD 25.81 (KES 2.7BN).

The **NSE 20** continued on a downward trend shedding 0.1% w-o-w to close at 2,539.95 whereas **NASI** improved by 2.3% w-o-w to close at 151.40.

### EQUITY MARKET SUM UP

Weekly equity turnover advanced by 129.0% w-o-w to close at USD 25.81 (KES 2.7BN). The NSE 20 continued on a downward trend shedding 0.1% w-o-w to close at 2,539.95 whereas NASI improved by 2.3% w-o-w to close at 151.40.

Banking sector turnover advanced from KES 0.27 BN to KES 0.98 BN. 3 stocks advanced, 7 declined and 2 held constant during the week. HF Group remained top loser, shedding 8.1% w-o-w to close at KES 3.50 whereas Diamond Trust Bank emerged top gainer rising 5.1% w-o-w to close at KES 119.0. In the telecommunication sector, Safaricom's turnover rose 93.6% w-o-w to KES 1.3 BN accounting for 49.0% of the week's turnover. Safaricom gained 5.6% w-o-w to close at KES 29.20.

Week-on-Week Performance		done			
Top gainers	%	Top Losers	%	Top Traders	USD m
E.A.Cables	23.3	Olympia Capital	(14.0	Safaricom	12.65
Longhorn	9.1	Mumias	(11.8)	Equity Group	8.17
Trans-Century	9.1	Housing Finance	(8.1)	B.A.T (K)	2.74
Express Kenya	7.7	Liberty Kenya	(8.0)	KCB Group	0.78
Safaricom	5.6	Williamson Tea	(7.1)	E.A. Breweries	0.65

(Source: NSE, DBIB Research)

#### Y-T-D Performance

Top gainers	%	Top Losers	%
Sameer Africa	102.7	Kenya Airways	(66.5)
Longhorn	71.4	Uchumi Supermarket	(58.8)
E.A Cables	40.1	Mumias Sugar	(48.3)
Express Kenya	40.0	Housing Finance	(36.8)
Safaricom	31.5	Nation Media	(34.9)

(Source: NSE, DBIB Research)

#### Weekly Foreign Performance

Top Weekly Buys	% Purchase	Top Weekly Sales	% Sold
Crown Paints	100.0	D.T.B	100.0
B.A.T (K)	99.7	B.A.T (K)	100.0
Safaricom	96.3	Equity Group	97.6
E.A. Breweries	91.6	E.A. Breweries	92.0
N.S.E	48.8	Kenya Airways	76.6

(Source: NSE, DBIB Research)

#### Y-T-D Foreign Performance

Top Foreign Buys	% Purchase	Top Foreign Sales	% Sold
Bank of Kigali	99.9	Bank of Kigali	100.0
B.A.T (K)	97.7	Kakuzi	95.5
Umeme	97.0	B.A.T (K)	91.0
Crown Paints	84.2	Jubilee	85.5
E.A.Breweries	83.8	Stanbic Holdings	78.6

(Source: NSE, DBIB Research)

This week, bond turnover declined by 50.2% w-o-w to close at USD 57.57.1 MN(KES 5.9 BN).

## FROM THE FIXED INCOME DESK

This week, bond turnover declined by 50.2% w-o-w to close at USD 57.1 MN (KES 5.9 BN). The most traded bonds were fixed coupon bond issue number FXD1/2008/20yr and Infrastructure bond issue number IFB1/2017/7yr which recorded a cumulative turnover of KES 2.5 BN. FXD1/2008/20yr traded between 11.4% and 11.1% whereas IFB1/2017/7yr traded between 9.6% and 8.7%.

### August FXD 3/2019/10 & FXD 1/2019/20 Primary Bond Auction Results

The government received offers amounting to KES 52.8 BN for FXD 3/2019/10 and KES 14.7 BN for FXD 1/2019/20 representing a performance rate of 105.5% and 29.34% respectively. The government accepted a total of KES 59.7 BN. The weighted average rate of accepted bids were at 11.517% for FXD 3/2019/10 and 12.744% for FXD 1/2019/20.

### Top Trades for the Week ending 16 August 2019.

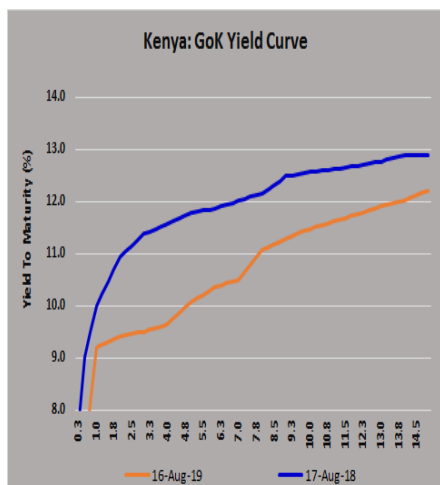
						Total
			Coupon	Yield	Price	Value
Trading Date	Issue No.	Years	(%)	(%)	(%)	(KES m)
16-Aug	FXD3/2019/15Yr	14.9	12.340	12.250	101.205	570.0
13-Aug	FXD1/2008/20Yr	8.8	13.750	11.150	116.499	500.0
15-Aug	FXD1/2008/20Yr	8.8	13.750	11.100	116.873	500.0
13-Aug	IFB 1/2018/20Yr	19.2	11.950	11.200	107.668	400.0
14-Aug	IFB 1/2018/20Yr	19.2	11.950	11.000	109.075	400.0
13-Aug	FXD1/2019/15Yr	14.4	12.857	12.175	105.103	300.0
15-Aug	IFB 1/2017/7Yr	5.3	12.500	9.000	114.819	300.0
13-Aug	IFB 1/2014/12Yr	7.6	11.000	9.875	107.959	200.0
13-Aug	IFB 1/2017/7Yr	5.3	12.500	9.650	112.369	200.0
13-Aug	IFB 1/2018/20Yr	19.2	11.950	10.950	109.391	200.0
16-Aug	IFB 1/2017/7Yr	5.3	12.500	9.450	113.184	200.0
14-Aug	IFB 1/2017/7Yr	5.3	12.500	9.250	113.863	200.0

(Source: NSE, DBIB Research)

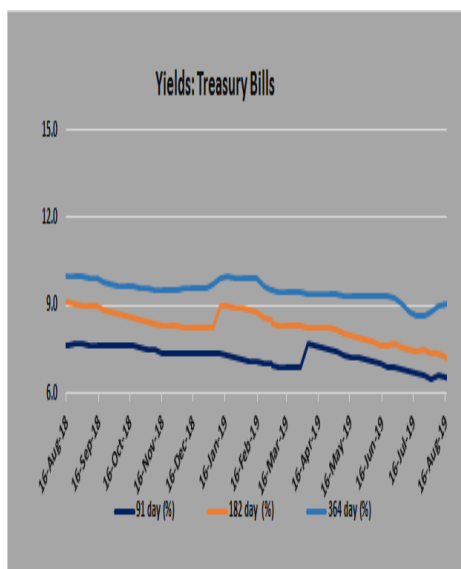
### Treasury Bill auction for the week ending 16 August 2019.

Instrument	Amount Bids Received	Subscription	Bids Accepted	Yield	w-o-w
	(KES Bn)	(KES Bn)	Rate (%)	(KES Bn)	(%) bps ch
91-day	4.0	2.753	68.83	2.753	6.355 (9.4)
182-day	10.0	2.939	29.39	2.939	7.052 (10.2)
364-day	10.0	15.149	151.49	15.071	9.195 4.3

(Source: NSE, DBIB Research)



(Source: CBK, DBIB Research)



(Source: CBK, DBIB Research)

## EAC MARKETS SNAPSHOT

**Rwanda:** The RSE RSI and RASI indices held constant to close at 125.31 and 135.89 respectively.

**Tanzania:** The DSE TSI and DSEI declined by 0.1% and 1.6% w-o-w to close at 3291.83 and 1943.43 respectively.

**Rwanda:** The RSE RSI and RASI indices held constant to close at 125.31 and 135.89 respectively. Weekly turnover stood at RWF 6.0 MN compared to RWF 29.6 MN recorded the past week.

**Tanzania:** The DSE TSI and DSEI declined by 0.1% and 1.6% w-o-w to close at 3291.83 and 1943.43 respectively. Total weekly turnover stood at TZS 9.6 BN compared to TZS 761.6 MN reported the previous week.

	Week's High (L.C)	Week's Low( L.C)	Current Price (L.C)	Price (KES)	w-o-w change %	y-t-d change %	Turnover (L.C MN)	Turnover (KES MN)
<b>Rwanda Stock Exchange (RSE)</b>			-					
Bank of Kigali	274	274	274	276	0.0	(1.4)	6.00	0.68
Bralirwa	140	140	140	140	0.0	(6.7)	-	-
Cyrstal Telecom Ltd	60	60	60	54	0.0	15.4	0.04	0.00
I&M Rwanda	90	90	90	90	0.0	(1.1)	-	-
<b>Dar Es Salaam Stock Exchange (DSE)</b>			-					
African Barrick Gold (ACA)	6,000	6,000	6,000	6,000	0.0	12.8	-	-
CRDB Bank	100	100	100	130	0.0	(31.0)	80.79	3.63
Dar Es Salaam Community Bank (DCB)	340	340	340	300	0.0	0.0	-	-
DSE	1,080	1,080	1,080	1,280	0.0	(26.0)	1.85	0.08
Maendeleo (MBP)	490	490	490	490	0.0	(2.0)	-	-
National Microfinance Bank (NMB)	2,340	2,000	2,340	2,000	17.0	18.	1.22	0.05
Precision Air Services (PAL)	400	400	400	400	0.0	0.0	13.88	0.62
Swissport Tanzania (SWIS)	1,600	1,600	1,600	1,660	0.0	(31.6)	0.03	0.00
Tanzania Breweries (TBL)	11,400	11,400	11,400	11,000	0.0	(11.6)	9,309.30	417.88
Tanga Cement Company (TCCL)	600	600	600	600	0.0	(6.3)	-	-
Tanzania Cigarette Company (TCC)	17,000	17,000	17,000	14,500	0.0	0.0	0.17	0.01
Tanzania Portland Cement (TPCC)	2,000	2,000	2,000	2,200	(2.9)	(3.8)	45.02	2.02
Tanzania Tea Packers (TTP)	120	120	120	120	0.0	0.0	-	-
TOL Gases	660	600	600	600	(9.1)	(9.1)	0.29	0.01
Swala	490	490	490	475	0.0	0.0	-	-
Mucoba Bank	400	400	400	400	0.0	0.0	-	-
YETU	550	550	550	600	0.0	(8.3)	-	-
MCB	430	430	430	430	0.0	(14.0)	-	-
MKCB	800	780	780	800	(2.5)	(2.5)	0.96	0.04
Vodacom	800	760	760	700	(5.0)	1.3	0.11	0.00
TICL	350	350	350	350	0.0	(9.1)	-	-
NICO	175	175	175	170	0.0	(35.2)	3.82	0.17

(Source: RSE, DSE, DBIB Research)

\*L.C refers to Local Currency

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## Kenya Market News

### KCB 1H19 Earnings

KCB released their 1H19 earnings posting a 5.0% y-o-y growth in PAT to KES 12.7 BN.

KCB released their 1H19 earnings posting a 5.0% y-o-y growth in PAT to KES 12.7 BN. Net interest income rose 5.2% y-o-y growth in net interest income to KES 25.4 BN. Interest income recorded a 4.3% y-o-y increase to KES 33.6 BN driven by a 5.7% y-o-y growth in interest from deposits with banks and a 4.5% y-o-y increase in interest income from loans and advances to KES 26.8 BN. Interest expense slightly rose by 1.6% y-o-y to KES 8.2 BN on the back of a 1.0% y-o-y drop in interest expense on customer deposits to KES 7.2 BN. Yield on interest earning assets recorded a 112 bps y-o-y drop to 11.0% whereas the cost of funds dropped by 19 bps y-o-y to 2.7%. Overall net interest margin stood at 8.3% (-92 bps y-o-y). Fees and commission income rose 31.4% y-o-y to KES 8.9 BN whereas net trading income declined by 27.0% y-o-y to 2.1 BN. As a result, total non-funded income grew by 14.7% y-o-y to KES 13.2 BN. Loan loss provisions jumped from KES 0.8 MN in 1H18 to KES 3.1 BN driven by increased provisioning to sectors such as manufacturing, trade and personal. Staff expenses advanced by 4.6% y-o-y to KES 9.0 BN whereas other operating expenses declined 5.7% y-o-y to KES 6.4 BN. This partly resulted in a 0.5% y-o-y drop in pre-provisions expenses to KES 17.6 BN. Total assets expanded by 11.8% y-o-y to KES 746.5 BN on the back of a 13.6% y-o-y growth in customer loans and advances to KES 478.7 BN and a 20.0% y-o-y increase in investment securities to KES 135.0 BN. Mobile loans grew by 446.0% y-o-y to KES 103.1 BN. Customer deposits grew by 7.3% y-o-y to KES 563.2 BN whereas borrowed funds grew by 8.3% y-o-y to KES 22.4 BN. Loan to deposit ratio stood at 85.0% compared to 80.3% in 1H18. Gross non-performing loans grew by 3.9% y-o-y to KES 9.0 BN whereas interest in suspense declined by 0.1% y-o-y to KES 4.5 BN placing total NPL at KES 34.6 BN. The groups NPL ratio dropped by 64 bps y-o-y to 7.6%.

Regional subsidiaries continue to grow recording a 23.0% y-o-y growth in Loans and advances and a 42.0% y-o-y improvement in Profit before tax (PBT). The contribution to PBT is excluding Uganda which recorded a loss before tax of KES 143.0 MN. The board recommends an interim dividend of KES 1.0 per share (same as 1H18) to be paid out on 15 November 2019 to shareholders on book by 5 September 2019. (Source: Company Filings, DBIB Research).

### Kakuzi 1H19 Earnings

Kakuzi released their 1H19 earnings posting a 9.2% y-o-y decline in Profit after tax to KES 245.6 MN on the back of a minimal 1.0% y-o-y growth in revenue to KES 619.5 MN.

Kakuzi released their 1H19 earnings posting a 9.2% y-o-y decline in Profit after tax to KES 245.6 MN on the back of a minimal 1.0% y-o-y growth in revenue to KES 619.5 MN. The sale and export of Avocado (its main income stream) recorded an increase on whereas revenue from tea declined on account of lower production and a weak market. Macadamia sales recorded an improved performance backed by increased production and firmer prices. Fair value gain in non-current biological assets declined by 2.0% y-o-y to KES 20.2 MN attributable to a lower volumes of unharvested avocado crop. Further, the company recorded write backs amounting to KES 103.2 MN. Overall, profit before tax recorded a 7.2% y-o-y drop to KES 35.1 MN. Share holder funds advanced by 6.4% y-o-y to KES 4.7 BN partly driven by a 6.5% y-o-y increase in retained earnings to KES 4.6 BN. Non-current assets grew by 10.0% y-o-y to KES 3.7 BN whereas non-current liabilities advanced by 11.6% y-o-y to KES 972.5 MN. Net current assets rose 9.0% y-o-y to KES 2.0 BN. Net Cash used in operating activities stood at KES 86.9 MN (KES 139.6 MN IN 1H18) whereas net cash used in investment activities was at KES 235.3 MN compared to KES 69.4 MN in 1H18. (Source: Company Filings, DBIB Research).

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TPS Serena released their 1H19 earnings posting a loss after tax of KES 160.7 MN an improvement compared to a loss of KES 168.6 MN posted in 1H18.

## TPS Serena 1H19 Earnings

TPS Serena released their 1H19 earnings posting a loss after tax of KES 160.7 MN an improvement compared to a loss of KES 168.6 MN posted in 1H18. Sales were relatively flat at KES 2.7 BN whereas EBITDA stood at KES 124.2 MN compared to KES 0.8 MN recorded on 1H18. The group recorded a forex loss on foreign currency loans of KES 18.4 MN compared to a forex gain of KES 25.1 MN posted in 1H18 attributable to adverse forex exchange rates. The shilling has depreciated against the dollar since the beginning of the year with a high of KES 104.2 and a low of KES 99.6. Depreciation of property plant and equipment rose 20.1% y-o-y to KES 234.0 MN due to capitalization of phase one of the Nairobi Serena redevelopment project. Non-current assets rose 7.5% y-o-y to KES 16.1 BN whereas non-current liabilities advanced by 12.9% y-o-y to KES 6.5 BN. Net current liabilities stood at KES 400.0 MN compared to KES 479.5 MN IN 1H18. Shareholder funds advanced by 5.3% y-o-y to KES 9.2 BN. Cash generated from operating activities was at a positive position of KES 35.4 MN compared to a negative position of KES 104.7 MN recorded in the previous period. Cash and cash equivalents stood at a negative position of KES 346.7 MN. Despite insecurity experienced in the country earlier in the year, there was improved market confidence in Kenya indicated by growth in the corporate and domestic leisure segments of the groups business mainly in the second quarter of the year. The group is expected to record improved performance in the second half of 2019 driven by the seasonal nature of the tourism industry in East Africa specifically the onset of the festivities period. The group is on course to complete the redevelopment of Nairobi Serena Hotel by Q419. (Source: Company Filings, DBIB Research)

## Keeping up with Centum

Centum broke ground on its Riverbank Apartments, the residential flagship within the Two Rivers Social City in Nairobi. The Managing Director, Samuel Kariuki, relayed that the 160-unit housing project is expected to be completed within 24 months and that the construction site was handed over to the contractor, Seyani Brothers & Co. on 25, July 2019 following the completion of site clearance and earthworks. The Centum Real Estate policy is to break ground only when the project is fully funded and a 30.0% pre-sale level has been attained. The Riverbank establishment represents the first roll-out of a project pipeline of 1,560 residential units planned at Two Rivers over a five-year period. The Two Rivers Development will encompass additional projects on the 102.0 acres of land that Centum owns on Limuru Road in Nairobi.

Centum announced that it has concluded an agreement to sell all its shareholding in King Beverage Limited, which is in the business of sale and distribution of various alcoholic beverages to Danish Brewing Company, a private limited liability company incorporated in Kenya and a subsidiary of Bounty Global Management DWC LLC. Centum held 100% of the issued shares of the company, which was valued at KES 534.0 MN at cost. (Source: Company Filings, Business Daily, DBIB Research)

## East African Portland Cement (EAPCC) rescinds its staff rationalization approach

EAPCC had announced that it would declare all positions redundant and all employees released as part of the staff rationalization program in order to balance out running costs and current levels of productivity. The cement manufacturer is faced with the need to restructure its operations as over the last six years, the performance has been deteriorating and in the last three years the market share of the company has been declining drastically. The announcement the company would dismiss the entire 800 employee work-force and later rehire only 600 of the staff at a 40% salary cut was however withdrawn publicly under the advise that a fresh replacement notice on the intended company restructure would be circulated in due course. (Source: Reuters, DBIB research)

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## Fuel Prices Drop for the month of August-September

The cost of petrol and diesel decreased by KES 2.86 per litre and KES 3.28 per litre to KES 112.53 and KES 100.60 respectively.

The Energy and Petroleum Regulatory Authority (EPRA) released the maximum retail pump prices of petroleum products which will be in force from 14, August 2019 to 15, September 2019 taking into account the weighted average cost of imported refined petroleum products. As a result, the cost of petrol and diesel decreased by KES 2.86 per litre and KES 3.28 per litre to KES 112.53 and KES 100.60 respectively. On the other hand, the cost of kerosene increased by KES 1.98 per litre to KES 103.95. The price changes were impelled by a decrease in the average landed cost of imported super petrol and diesel by 5.64% to USD 498.46 per cubic metre and 7.11% to USD 482.47 per cubic metre respectively in July 2019. Kerosene prices rose due to the 1.88% increase of the average landed cost of imported kerosene to USD 513.10 per cubic metre. In July 2019, the Free on Board (FOB) price of murban crude oil rose by 2.08% to USD 66.15 per barrel. In addition, the mean monthly USD/KES rate weakened by 1.39% from KES 101.89 per USD to KES 103.31 per USD in July 2019. (Source: Standard digital, DBIB research)

## Limuru tea 1H19 Earnings

Limuru tea released their 1H19 earnings posting a loss after tax of KES 18.2 MN compared to a loss of KES 2.5 MN recorded on 1H18.

Limuru tea released their 1H19 earnings posting a loss after tax of KES 18.2 MN compared to a loss of KES 2.5 MN recorded on 1H18. The company's revenue dropped by 31.3% y-o-y to KES 29.4 MN attributable to depressed international tea prices which offset a 5.0% y-o-y increase in made tea volumes to 267.0 tonnes. This resulted in a loss before tax stood at KES 25.9 MN compared to a loss before tax of KES 3.5 MN posted in 1H18. Current assets advanced by 3.0% y-o-y to KES 141.5 MN whereas non-current assets declined by 11.4% y-o-y to KES 102.7 MN. Net current assets declined by 7.0% y-o-y to KES 96.0 MN. Net cash from operating activities was at a positive position of KES 2.5 MN compared to a negative position of KES 4.3 MN recorded in 1H18. Net cash used in investing activities stood at a negative position of KES 1.6 MN. Cash and cash equivalents at the end of the year rose from KES 1.9 MN in 1H18 to KES 5.2 MN IN 1H19. (Source: Company Filings, DBIB Research)



## UPCOMING EVENTS

<b>Company</b>	<b>Announcement</b>	<b>Book Closure</b>	<b>Payment</b>
BAT Kenya	Interim Div: KES 3.50	19-Aug-19	20-Sep-19
Safaricom Plc	Special Div KES 0.62	02-Sep-19	30-Nov-19
Safaricom Plc	First & Final Div KES 1.25	02-Sep-19	30-Nov-19
Standard group Plc	First & Final Div :KES 0.60	21-Jun-19	23-Aug-19
KCB Group PLC	Interim Div: KES 1.00	05-Sep-19	15-Nov-19
KCB Group PLC	Final Div: KES 2.50	29-Apr-19	N/A
BK Group	First & Final Div: FRW 12.2	N/A	N/A
Crown paints	Final Div KES:KES 0.60	27-Jun-19	N/A
Centum Investments	Final Div: KES 1.20	N/A	N/A
Kapchorua Tea	Final Div: KES 10.0	30-Jul-19	N/A
Williamson Tea	Final Div: KES 20.0	31-Jul-19	N/A
E.A Breweries	Final Div: KES 6.00	N/A	N/A
Liberty Kenya	First & Final Div: KES 0.50	7-Jun-19	N/A

(Source: NSE, DBIB Research)

## AGM SCHEDULE

<b>Company</b>	<b>Time</b>	<b>Venue</b>	<b>Date</b>
E.A Cables	11.00 AM	E.A. Cables, off Enterprise road	22-Aug-19
Safaricom	11.00 A.M	Bomas of Kenya	30-Aug-19
Home Afrika	10.00 AM	Kenya Inst of Curriculum Devt.	05-Sep-19

(Source: Company filings , DBIB Research)

## KCB -NBK Take Over Time Table

<b>Event</b>	<b>Date</b>
Circulation of Offer Document & Circulars to NBK Shareholders	09-Jul-19
Record Date for purposes of the Offer	10-Jul-19
<b>Closing Date of the Offer</b>	<b>30-Aug-19</b>
Announcement of the results of the Offer	09-Sep-19
Settlement of KCB Shares in CDSC Accounts of Shareholders	12-Sep-19
<u>Listing of additional KCB Shares on the NSE</u>	<u>16-Sep-19</u>

(Source: Company Filings, DBIB Research).

Kindly contact us if you have National Bank shares.



## APPENDIX

### COMPANY INVESTMENT RATINGS

**Buy:** Share price may generate more than 15.0% upside over the next 12 months

**Overweight:** Share price may generate between 10.0% and 15.0% upside over the next 12 months

**Hold:** Share price may fall within the range of <+5.0%/ -10.0% over the next 12 months

**Take Profit:** Target price has been attained. Look to accumulate at lower levels. Company fundamentals however remain strong

**Underweight:** Share price may generate between 10.0% and 15.0% downside over the next 12 months

**Sell:** Share price may generate more than 15.0% downside over the next 12 months, significant business and/or financial risks present, industry concerns

**Not Rated:** Counter is not within regular research coverage

### SECTOR INVESTMENT RATINGS

**Overweight:** Industry performance better than that of the whole market

**Equal weight:** Industry performance about the same as that of the whole market

**Underweight:** Industry performance worse than that of the whole market

### DBIB SELECT INDEX

*The DBIB Select Index is an **in-house, bespoke index** designed by **DBIB Research department** to represent the performance of select Kenyan companies listed on the Nairobi Securities Exchange which fall within DBIB Research's class A and B coverage. The Index is market capitalization-weighted and comprises of counters in the Banking, Insurance, FMCG, Investments, Cement, Telco, Utilities and Media space. We believe this provides investors with a complementary index with which to measure the performance of the major capital and industry segments of the Kenyan Stock Market, hence appealing to broad range of investors and intermediaries seeking to develop structured portfolios based on indices*

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