



ABIS LIMITED

Apposite Business & Investment Services

Markets Newsletter August 2014

Nairobi Securities Exchange

ABIS Limited is an Agent of Sterling Capital Limited

Month's Biggest Price GAINS

Kenya Orchards
 1st August – Kshs.10.25
 29th August –Kshs.15.20
+48%

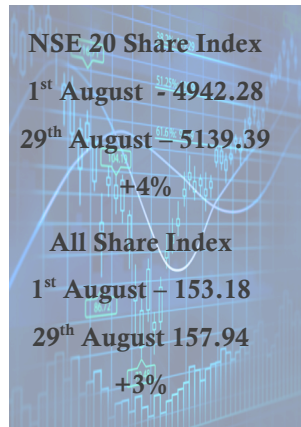
Home Afrika
 1st August – Kshs.3.30
 29th August Kshs.4.55
+38%

Kenya Power
 1st August – Kshs.12.95
 29th August– Kshs.15.75
+22%

NIC Bank
 1st August – Kshs.61.00
 29th August– Kshs.74.00
+21%

KENGEN
 1st August – Kshs.9.35
 29th August – Kshs.10.90
+17%

NSE INDEX



Month's Biggest Price DROPS

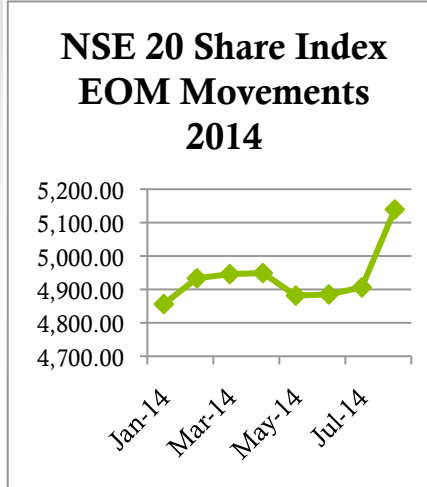
Express Kenya
 1st August – Kshs.6.70
 29th August – Kshs.5.70
-15%

Sameer Africa
 1st August – Kshs.7.80
 29th August – Kshs.6.75
-13%

TransCentury Ltd
 1st August – Kshs.24.25
 29th August –Kshs.21.50
-11%

Eaagads Ltd
 1st August – Kshs.34.50
 29th August–Kshs.31.00
-10%

Olympia Holdings
 1st August – Kshs.5.30
 29th August–Kshs.4.80
-9%



No. of Deals 46,946 ↑ 13%
 Total share volumes (MN) 629 ↑ 0.5%

Equity turnover. (Kshs. MN)15,513 ↑ 1.3%
 Mkt Cap. (Kshs. BN) 2216.57 ↑ 4.3%
 Bonds Turnover (Kshs.MN) 53,355 ↑ 7%

Improved activity and continued price rises seeing the Index once again above the 5,000 mark

Source: Sterling Capital Limited Disclaimer: Whereas the information contained herein is deemed to be from a reliable source, ABIS Limited takes no responsibility for any decisions made on the basis of this information, as well as any inaccuracies.

Corporate Announcements (Extracts)

BAMBURI CEMENT LTD

HALF YEAR UN-AUDITED FINANCIAL REPORT

GROUP ACCOUNTS	Jun-14	Jun-13	INC/DEC
	Kshs.000'	Kshs.000'	
Total Turnover	17,290,000	15,841,000	9%
EPS (Basic)	4.38	6	-27%
Profit After Tax	1,658,000	2,305,000	-28%

Margins in Uganda, though better than the comparative quarter of 2013, half year comparative results show a decline. This, together with higher costs driven by a 25% increase in power prices, the introduction of a mining levy in Kenya and use of more imported clinker in both countries led to a 29% reduction in the Group's operating profit. Bamburi however expects a stronger second half in both countries. The easing of margin pressure in Uganda together with demand growth in domestic and export markets in both countries being sited. Kenya's issuance of its eurobond is also expected to provide funds for infrastructure projects in turn expected to fuel demand for cement.

NATIONAL BANK OF KENYA

HALF YEAR UN-AUDITED FINANCIAL REPORTS

GROUP ACCOUNTS	Jun-14	Jun-13	INC/DEC
	Kshs.000'	Kshs.000'	
Customer Deposits	91,271,433	59,985,316	52%
Loans and Advances to Customers	54,717,166	27,521,231	99%
Total Comprehensive Income	776,366	666,243	17%
EPS (Diluted)	8.49	5.57	52%

The company's half year results showed a 15% increase in after-tax profits to Ksh 766.37Mn, with interest income advancing by 20% to Ksh 4.83Bn. This was evident from loans and advances that grew by 98.82% to Ksh 54.72Bn, triggered by the growth in customer deposits of 52%. Operating expenses stood at Ksh 3.53Bn from Ksh 2.96Bn over a similar period last year. The bank's significant turnaround has been attributed to the new management's better corporate governance, restructuring and a re-branding exercise. Its focus on Islamic banking has also proved to be a revenue driver.

EAST AFRICA BREWERIES

AUDITED FINANCIAL REPORTS YR ENDED 30/06/14

GROUP ACCOUNTS	Jun-14	Jun-13	INC/DEC
	Kshs.000'	Kshs.000'	
Total Turnover	61,292,176	59,061,875	4%
EPS (Diluted)	8.21	8.54	-4%
Total Comprehensive Income	6,833,549	6,332,500	8%

According to the Group's MD, the company's profitability was weighed down by the introduction of new taxes on senator keg and political instability in South Sudan where it opened a depot in the 1st quarter. Kenya remains the group's biggest market contributing 64% of the total sales. Uganda and Tanzania followed contributing 18% and 11% respectively. Other markets in which EABL is present across the region contributed 7%.

I&M HOLDINGS LTD

HALF YEAR UN-AUDITED FINANCIAL REPORTS

GROUP ACCOUNTS	Jun-14	Jun-13	INC/DEC
	Kshs.000'	Kshs.000'	
Customer Deposits	106,220,323	96,930,094	10%
Loans and Advances to Customers	102,095,020	83,986,547	22%
Profit For the Year	2,621,765	2,390,520	10%
EPS (Diluted)	12.46	12.21	2%

The group posted a 9.7% increase in profit after tax to Ksh 2.62Bn, with interest income advancing by 20.18% to Ksh 4.98Bn. This growth was anchored by an increase in loans and advances by over 20%. Operating expenses went up by 13.9% to Ksh 2.55Bn, while customer deposits grew albeit by a small margin of 9.6%.

Corporate Announcements Cont'd (Extracts)

BRITAM

HALF YEAR UN-AUDITED FINANCIAL REPORTS

GROUP ACCOUNTS	Jun-14	Jun-13	INC/DEC
	Kshs.000'	Kshs.000'	
Net written premiums	5,441,326	4,091,845	33%
Net Claims & Policyholder benefits	3,598,834	2,497,180	
EPS (Basic & diluted)	1.45	1.14	27%
Total Comprehensive Income	6,065,534	3,677,112	65%

The Group continued to implement its growth and diversification strategy both locally & regionally, with new product offerings, IT enabled business transformation and capacity enhancement. The company has additionally registered major milestones in the implementation of the Real Estate and Private Equity initiatives. A ksh 6.0Bn corporate bond was successfully issued, achieving 147% oversubscription, a sign of the confidence investors have in Britam.

SAMEER AFRICA LTD

HALF YEAR UN-AUDITED FINANCIAL REPORTS

GROUP ACCOUNTS	Jun-14	Jun-13	INC/DEC
	Kshs.000'	Kshs.000'	
Total Revenue	1,962,876	194,187	911%
Gross Profit	567,810	469,286	21%
Total Comprehensive Income	102,649	350,717	-71%
EPS (Basic & diluted)	0.29	1.09	-73%

NIC BANK ISSUES KSHS.88BN CORPORATE BOND

Following the CMA's approval of NIC Bank's plan to issue a Kshs8Bn corporate bond, with the first Ksh3Bn tranche opened on the 21st August, 2014. The remaining amount is set to be raised over the next 5 years. The initial tranche will offer investors a 12.5% yield. The lender's Managing Director, said the money would be used to strengthen the bank's core capital base to support planned growth in lending to the retail and business segments. The bank is currently operating on thin capital adequacy cover with its total capital to risk weighted assets ratio being only 0.52% points above the 12% statutory minimum. The CBK has issued fresh guidelines seeking all banks to raise this ratio to 14.5% by the end of this year. This has triggered off a race for funding from shareholders and bond creditors.

JUBILEE HOLDINGS

HALF YEAR UN-AUDITED FINANCIAL REPORTS

GROUP ACCOUNTS	Jun-14	Jun-13	INC/DEC
	Kshs.000'	Kshs.000'	
Net written premiums	11,157,578	8,779,547	27%
Net Claims & Policybenefits	6,393,342	5,831,090	
EPS (Basic & diluted)	18	13.3	35%
Total Comprehensive Income	1,412,652	1,347,335	5%

Financial services firm Jubilee Holdings grew its net profit 35.6% in the half year ended June 2014, with higher premiums and investment income. The firm made a net profit of Ksh 1Bn in the review period, up from Ksh 793.8Mn a year earlier. Gross premiums rose by 28.5% to Ksh 12.9Bn while investment income increased 12% to Ksh.1.8Bn. The Group's chairman attributed improved performance to ambitious and innovative product development strategies and enhanced relations with insurance brokers.

"The main factor that affected the financial performance in 2014 as compared to 2013 was a Ksh.255Mn profit on sale of leasehold land recorded in 2013, and not expected to recur in 2014", according to a profit warning statement issued by the Tyre Maker. The company is geared towards launching its economy brand- SUMMIT- which is expected to increase its competitive position in the discount segment.

Corporate Announcements Cont'd (Extracts)

NSE SHARE SALE OVERSUBSCRIBED

Investors who subscribed to the recent Nairobi Securities Exchange Initial Public Offering (IPO) will each be guaranteed 500 shares only. Additional shares will be allocated on a prorata basis in multiples of 100 shares following an oversubscription of 663%. The NSE said investors applied for 504,189,700 new shares worth Ksh4.8Bn against the target of Ksh627Mn. The NSE sold the 66Mn shares on offer at a price of Ksh9.50 each. The allocated shares will be rounded down to the nearest 100 shares, thus avoiding odd lot allocations. The NSE chairman stated that the offer brought in 17,859 new shareholders, which was previously owned by 22 member firms.

K-REP STAKE SET TO EARN IFC KSHS.500MN

The World Bank's private sector lending arm, IFC, is set to earn nearly half a billion shillings from the impending sale of its stake in K-Rep Bank, nearly seven times the amount the lender invested in the micro-finance in 2011. The corporation will sell its entire 346,000 shares to Investment Co. Centum, following their July offer of Ksh2.5Bn for 65.9% of K-Rep. This effectively prices the tier three bank at about Ksh3.8Bn. K-Rep is ranked 28th in size out of Kenya's 44 banks, with 230,000 deposit accounts and 47,000 loan accounts-giving it a market share of 1.5% of the banking credit market in Kenya. Centum currently owns 1.66% of K-Rep; the additional shares it is seeking will make it the majority shareholder with a 67.54% stake.

KWFT TO SELL 25% STAKE

The microfinance provider, Kenya Women's Finance Trust (KWFT), is to sell a 25% stake to two International development institutions in a move that is designed to bring the lenders shareholding in line with regulatory requirements. KWFT is set to create new shares, adding up to a quarter of the institution's share capital, and which is expected to be taken up by Rural Impulse Fund, a Luxembourg-based firm, and NMI AS from Norway. The entry of the two overseas investors will be a boost for the lender, which has seen its capital come under pressure from new Central Bank regulation.

Mutual Funds Performance

Ranked* By Effective Annual Yield		
1	Britam	11.16 %
2	CIC	10.97 %
3	Stanbic	10.40 %
4	ICEA	8.70 %
5	Old Mutual	7.23 %



*ABIS Limited
is an Agent of BAAM*

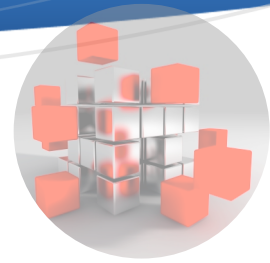
From BAAM Team

'Dear Client, Top up your Britam Money Market Investment via MPESA Paybill 500005 and enjoy 11.05% p.a. Contact us on [0731306920](tel:0731306920) ."

Direct all calls and queries to relationshipandsales@britam.co.ke

ABIS Limited

Other Services offered by ABIS Limited



BPO – Some of our Admin & HR Services

- Employee Data & Records Management
- Updating & Maintenance of employee personnel files
- Monitoring benefits
- Guidance HR Management – Learning & Development, Performance Management
- Development & guidance on appraisal system
- Providing periodic reports

- You may choose to replace some of these areas with other HR & Admin areas considered necessary to be outsourced*



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ABIS LIMITED
Apposite Business & Investment Services

Apposite Business & Investment Services (ABIS)
 focusing on providing the missing services for businesses and individuals in East Africa

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