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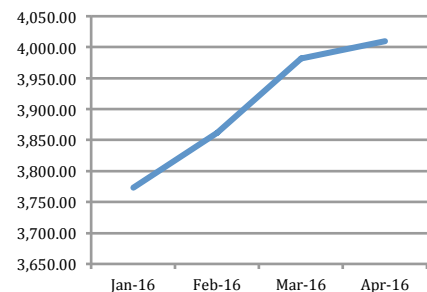
Market Review - April

Month's Biggest Price GAINS/ LOSSES

Company	Current Price	Previous Price	Change
Britam	10.85	13.25cd	+22
ARM Cement	30.25	35.00	+16
Pan Africa Ins.	40.00	46.00	+15
KenGen	7.50	8.55	+13
E. A. Cables	6.55	7.15	+9
National Bank Ke	11.75	9.15	-22
Standard Cht Bank	247.00ca	193.00xa	-22
Uchumi Supmkt	5.10	4.00	-22
WPP Scangroup	30.25	24.00	-21
Crown Paints	62.00	50.00	-19



NSE 20 Share EOM Index 2016



Equity Turnover (MN)	10,038	↓25%	No. Deals	24,756	↓18%	No. Shares (MN)	426	↓20%
Bonds Turnover (MN)	38,899	↓39%	Market Capitalisation (BN)	2071.04	↓0.07%			

Housing Finance Group Ltd

UN-AUDITED FINANCIALS FOR THE PERIOD ENDED

GROUP ACCOUNTS	Mar-16	Mar-15	INC/DEC
	Kshs.000'	Kshs.000'	
Customer Deposits	40,867,229	33,069,616	24%
Loans and Advances to Customers	53,446,774	47,688,648	12%
Total Comprehensive Income	374,098	221,552	69%
EPS (Basic & Dilute)	3.75	2.54	48%

Housing Finance reported a 48% increase in its after tax profit to Kes327.4Million on the back of increased lending. It recorded a 43.5% increase in its property sales to Kes242Mn. The mortgage financier is commissioning a new core banking system and other business software that will provide services such as mobile banking through a new mobile app, salary advances and instant alerts on transactions, which will impact on total operating costs.

Flame Tree Holdings Ltd

AUDITED FINANCIALS FOR THE PERIOD ENDED

GROUP ACCOUNTS	Dec-15	Dec-14	INC/DEC
	Kshs.000'	Kshs.000'	
Revenue	2,283,152	1,764,848	29%
Profit for the Year	178,848	153,126	17%
Total Comprehensive Income	219,834	160,154	37%
EPS	1.10	0.95	16%

Flame Tree Group in its first full listed year, reported an 86% jump in operating profit before gain on disposal of assets (property, plant & equipment). (Kes139Mn in 2014 to Kes259Mn in 2015). The lessor gain in 2015, however saw its overall comprehensive profit rise less sharply, by 37%. Acquisitions made in 2015 centred around cosmetics and snacks brands. Namely, Chirag, a Kenyan food and snack company, (Nature Own, Chio, Homecook and

Carbacid Investments Ltd

UN-AUDITED FINANCIALS FOR THE SIX MONTHS ENDED

GROUP ACCOUNTS	Jan-16	Jan-15	INC/DEC
	Kshs.000'	Kshs.000'	
Revenue	466,522	410,209	14%
Operating Profit	242,767	215,976	12%
Net Profit	238,701	221,200	8%
EPS (Basic & Dilute)	0.94	0.87	8%

Carbacid saw a 14% increase in turnover to Kes466.5Million, a growth attributed to higher demand for its products in local and export markets. Though, Carbacid is East Africa's leading producer of natural, food grade and compressed carbon dioxide, it faces stiff competition from other key players as BOC Gases & Geothermal Development Company. However, growth of the food and beverage industry continues to ensure healthy demand for carbon dioxide as a preservative.

WPP Scangroup Ltd

AUDITED FINANCIALS FOR THE PERIOD ENDED

GROUP ACCOUNTS	Dec-15	Dec-14	INC/DEC
	Kshs.000'	Kshs.000'	
Revenue	5,022,408	5,125,162	-2%
Operating Profit	352,591	646,155	-45%
Total Comprehensive Income	275,304	582,060	-53%
EPS (Basic & Dilute)	1.12	1.50	-25%

WPP Scangroup reported poor results with its after tax profit declining 23% to Kes478.7Mn. It paid a higher corporate tax of Kes396.6Mn as its effective tax rate increased from 31% to 45% due to deferred tax adjustments, further eating into profits. The marketing services firm said it faced a rough trading environment in Kenya over the period. Kenya accounts for 66% of its revenue. It however reported an optimistic outlook of its operations in markets outside of the country, including Ghana, Nigeria, South Africa and

Corporate News cont'd

CDC Group to buy stake in I&M Holdings

CDC Group PLC is seeking to purchase a 10.68% stake in I&M Holdings Ltd through a private share transfer from DEG and Proparco who have stakes of 6.25% and 4.43% respectively. CDC Group PLC is a Development Finance Institution owned by the UK Government with an investment portfolio valued around GBP£2.8Bn. The Group focuses its investments on emerging markets in Asia, Africa and Latin America, with particular emphasis on South Asia and Sub-Saharan Africa. I&M Holdings recently received approval to purchase a 65% stake of Burbidge Capital Ltd, an East African corporate finance advisory firm.

Uchumi Supermarkets Suppliers in talks to convert debt

Uchumi supermarkets has opened talks with its suppliers that could see its creditors convert debt owed to them by the retailer into shares. Five suppliers Ceccagnoli Italiano, Githunguri Dairy, Star Times and Nairobi Bottlers filed a petition to liquidate the retailer over outstanding amounts owed to them. Uchumi is in a negative equity position with a total debt load of Kes6.3Bn against an asset base of Kes6.1Bn. It owes suppliers Kes3.6Bn with another Kes2.5Bn debt held by banks with charged assets. Uchumi had previously opted to sell two of its assets to raise cash, but low bids for the properties saw it change tact, preferring to instead dispose part of the land on which its flagship Ngong road branch is built as well as part-leasing the Lang'ata hyper store. Another source of revenue to retire the debt would come from a strategic investor willing to pump in excess of Kes5Bn in exchange for a controlling stake. The retailer's CEO, Mr Kipng'etich stated that they are eyeing three investors from a pool of 36 who have expressed interest.



NSE reconstitutes the 20 Share Index



CIC Insurance Group and Diamond Trust Bank have replaced Kenya Airways and Standard Chartered Bank as constituent counters of the NSE 20 Index. The price-weighted index calculated as a mean of the top 20 best performing counters, is reviewed periodically to ensure that it reflects an accurate picture of market performance. For a company to be included in the index, it must have at least 20% of its shares quoted on the NSE and a minimum market capitalization of Kes20Mn. Other criteria include shares traded, deal/ liquidity and the turnover of a certain counter. The counters should ideally have superior profitability and dividend record.

Safaricom Ltd Performance highlights for the year ended 31 March 2016



Customer numbers increased by 7.8%
 Active mobile data customers in the last 30 days 21.5%
 Active M-Pesa customers in last 30 days up 19.8%
 Voice service revenue up 3.9%
 SMS revenue up 106%
 Mobile data revenue up 42.7%
 Fixed service revenue up 22%
 M-Pesa revenue up 27.2%

25.16m
 14.08mn
 16.60mn
 Kes.90.80bn
 Kes.17.33bn
 Kes.21.5bn
 Kes.3.82bn
 Kes.41.50bn

Total Revenue up 19.8%
 EBITDA up 16.7%
 Total Comprehensive income up 19.6%

Kes.195.7bn
 Kes.83.07bn
 Kes.38.1bn

Mutual Funds

Cash Management Solution (KES)

Duration of investment	Rate (P.A.)
1 Month	6%
3 Months	11.50%
6 Months	12.00%
12 Months	12.50%

Minimum Investment Kes.1.0Mn

Cash Management Solution (US\$)

Duration of investment	Rate (P.A.)
1 Month	1.50%
3 Months	2.25%
6 Months	2.50%
12 Months	3.00%

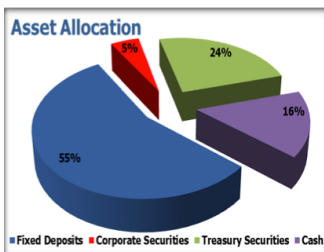
Minimum Investment US\$100,000



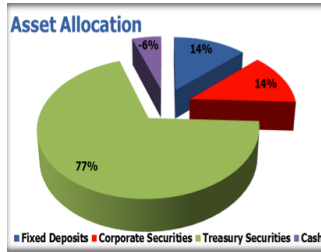
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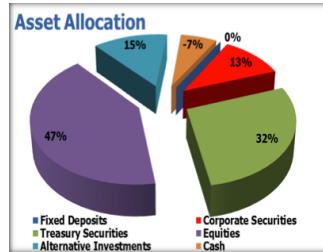
BAAM Money Market Fund



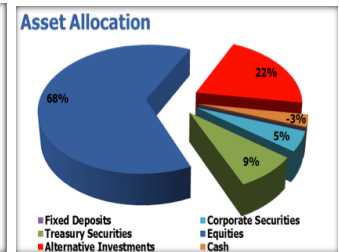
BAAM Bonds Plus Fund



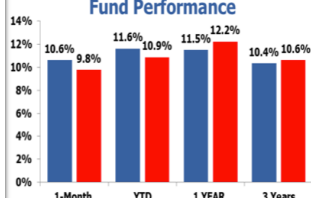
BAAM Balanced Fund



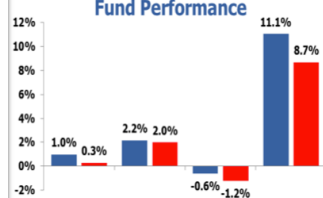
BAAM Equity Fund



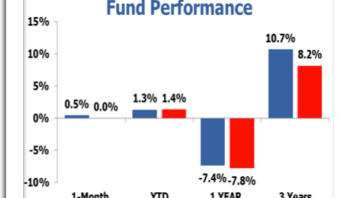
Fund Performance



Fund Performance



Fund Performance



BPO HR/Admin

Operations Management

Our daily routines see us interact with an array of physical objects and services, both of which have generally been manufactured or provided by people in organisations, However as an end user we are rarely aware of the organisational processes that facilitate these goods or services. Consequently operations management gives us insight into the processes that go into supplying such goods and services. Every organisation generally has operation functions. In order to achieve the organisational goal/ mission statement they must plan various elements to ensure the effective organisation and delivery of the organisation’s goods or services. These elements may include resource procurement both financial and human, the conversion of such resources to output (manufacturing or service provision) and distribution to end-users. The bigger and more complex an organisation is, the more operational management is necessary to ensure a common aim and strategy. In private sector companies for example, the mission and operation function is usually expressed in the form of profits, growth and competitiveness. However in a public or voluntary organisation it should ideally be expressed in providing value for money. More succinctly, operations management is concerned with the design, management, and improvement of the systems that create the organisation's goods or services.



The operations manager should oversee the transformation process from inputs to outputs. An understanding of the principles of operations management is important for all managers, because they provide a systematic way of looking at an organisation's processes. The need to manage manufacturing and service operations efficiently, have become increasingly important, especially in an age where global business operations are a common practice.

The role of an Operations Manager

Operations managers generally have two types of responsibilities direct and indirect responsibilities. Direct responsibilities include managing operational processes, embracing design, planning & controls, performance improvement and operations strategy. Alternatively indirect responsibilities include interacting with those managers in other functional areas within the organisation whose roles have an impact on operations. Such areas include marketing, finance, accounting, personnel and the organisation’s core business such as, engineering, research etc.

The Operations managers’ responsibilities include:

- Human Resource Management – People and the way they are managed are a fundamental resource for organisations.
- Asset Management – The organisation’s facilities, equipment and stock must be effectively managed.
- Cost Management - Most of the costs of producing goods or services are directly related to the costs of acquiring resources, manufacturing them, delivering them, thus driving costs down through efficient operations management may give a company a competitive edge.

Operations managers should be able to design, manage and improve the operations system within the company, this may entail deciding on various factors such as:

- The process of which the goods or services are created
- The quality of such goods or services
- The capacity of the operations (production/inventory management)
- The maintenance of human resources

YOUR WILL

Its time to put your life in order



Prince the talented Musician dies Intestate

- Another famous person appears to have died without leaving a Will. The talented musician Prince left all Intestate. The probate court will therefore take over his estate, and will appoint a person to take care of any claims made against the estate, pay off creditors and then distribute the remaining assets. Thus his loved ones will never know what he might have intended for them.
- The process of probate is likely to be long and expensive, with the evaluation of assets necessary.
- The estate is estimated to be worth over \$300Mn with many as yet unvalued assets such as large numbers of unreleased music.
- Whilst Prince has only one evident principal heir, being his sister, there may well have been many others who he held dear and may have wished to share with. There may also be others who feel they should receive something.
- Princes assets were not in a trust, which if they were, his estate may have avoided probate & the process of distributing his assets publicly.

MAKE YOUR OWN DECISIONS TODAY & DON'T LEAVE IT TO CHANCE!

ABIS Limited takes no responsibility for any decisions made on the basis of this information, as well as any inaccuracies. Sources: Sterling Capital Limited (Disclaimer: Whereas the information contained herein is deemed to be from a reliable source), BAAM – Source April Facts Sheet 2016; Daily Nation – Safaricom Highlights; Business Daily – various published articles; Internet – various articles; Central Bank of Kenya - publications.

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