

## Stock Recommendation

Company	*Fair Value (KES)	Closing Price (KES)	Upside/downside (%)	Current Rating
Safaricom	33.27	18.65	78.4%	BUY
Equity bank	54.37	47.10	15.4%	BUY
KCB bank	74.22	39.75	86.7%	BUY
Co-op bank	18.33	16.15	13.5%	HOLD
ABSA bank	11.52	18.10	-36.4%	SELL
StanChart bank	245.66	300.25	-18.2%	SELL
NCBA bank	40.63	54.00	-24.8%	SELL
I&M bank	38.37	31.60	21.4%	BUY
Stanbic bank	118.55	165.50	-28.4%	SELL
DTB bank	109.36	75.00	45.8%	BUY
EABL	341.24	185.75	83.7%	BUY
BAT Kenya	411.34	374.75	9.8%	HOLD

## Kenya Market Summary

### Equity market commentary and outlook

- During the week, trading of Umeme Limited Shares on NSE was temporarily suspended from 31<sup>st</sup> March 2025 to 11<sup>th</sup> April 2025 or such other period as directed by the NSE, following the proposed buyout. KCB Bank touched a fourteen-week low after trading ex-dividend. Local investors led trading for the week at 50.2%, and foreign investors emerged as net buyers at USD 1.0m (KES 134.8 m). Safaricom registered the highest net foreign inflows at USD 0.7m (KES 94.5m), while BAT Kenya posted the highest net foreign outflows at USD 36.2k (KES 4.7m).

### Debt market commentary and outlook

- Total subscription rates rose to 169.5% from 61.4% the previous week. Investors remained skewed towards the 364-Day T-Bill, and activity improved for all three T-Bills. The yield on all three T-Bills fell, with that of the 91-Day T-Bill declining for the thirty-seventh week, the 182-Day T-Bill maintaining an eleven-week decline, and the 364-Day T-Bill falling repeatedly for the ninth week.

## Key Market Indicators

Index	Level	1w	1m	3m	6m	12m	ytd (%)
Kenya NSE 20 Index	2,225.1	34.0%	31.7%	47.0%	54.2%	45.0%	10.7%
Kenya NASI	131.5	25.6%	23.4%	41.7%	53.4%	27.6%	6.5%

Source: NSE, Kestrel Research

## NSE versus other markets

Index Returns (USD)	1w (%)	1m (%)	3m (%)	6m (%)	12m (%)	ytd (%)
Nairobi All Share Index	0.7%	-2.6%	6.2%	16.4%	-3.7%	-10.8%
Johannesburg Index	-12.4%	0.4%	7.3%	-8.5%	23.1%	-11.3%
Nigeria Stock Exchange	-0.1%	-2.4%	4.9%	11.9%	-27.5%	23.2%
Ghana Stock Exchange	-2.0%	3.1%	17.1%	20.8%	6.4%	-22.2%
Egyptian Stock Exchange	-1.1%	3.7%	3.2%	-9.8%	9.0%	1.7%
MSCI EFM ex SA Index	-4.2%	1.0%	5.6%	0.9%	0.6%	-1.5%

## Other market statistics

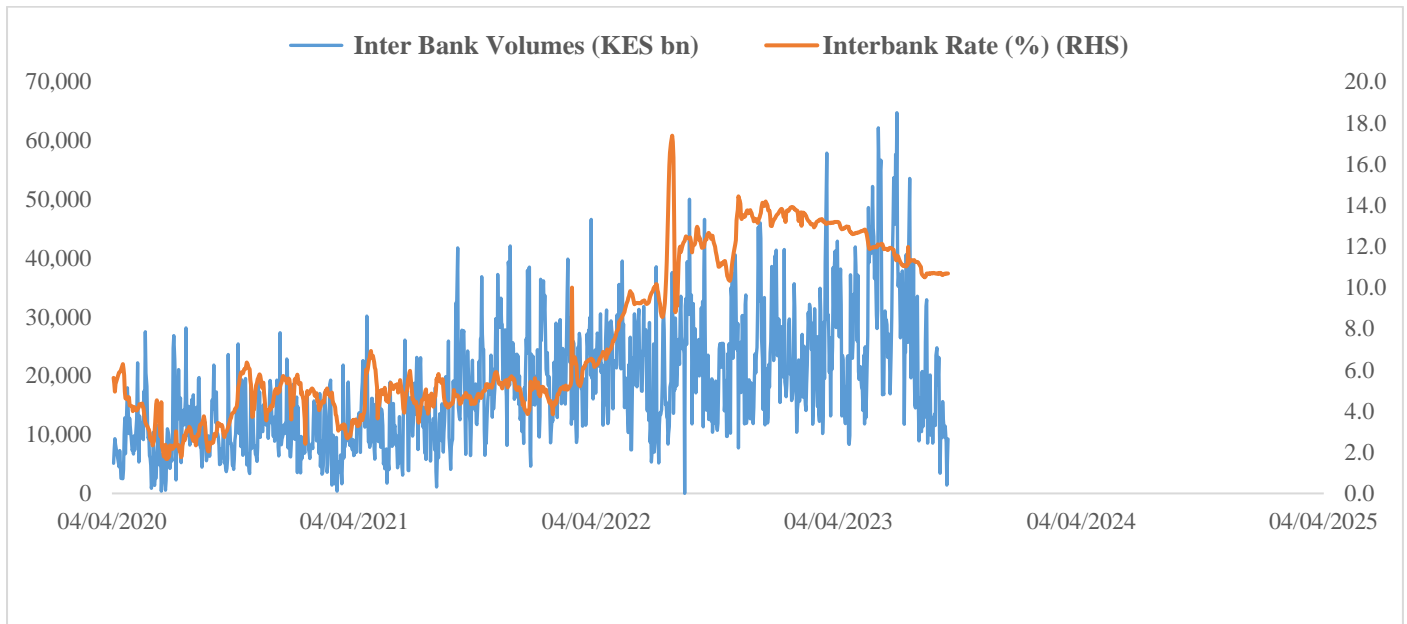
Currencies	Level	1w (%)	1m (%)	3m (%)	6m (%)	12m (%)	ytd (%)
USD/KES	129.24	0.0%	0.0%	0.0%	-0.2%	0.7%	0.0%
USD/ZAR	19.14	-3.8%	-4.9%	-2.2%	-9.4%	-2.3%	-2.2%
USD/EGP	50.59	0.0%	0.2%	0.4%	-4.7%	-6.8%	0.4%
USD/NGN	1535.76	0.2%	-1.4%	0.6%	5.5%	-23.1%	0.6%
USD/GHS	15.50	0.0%	0.0%	-5.4%	2.2%	-16.1%	-5.4%

### NSE most active counters

Counter	Value Traded (KES m)	Foreign Investor Net Buying/(Selling) (KES m)	Foreign Investor Activity as % of total	Weekly Price Change (%)	YTD (%)	% Below 12-month high	% Above 12-month low
Safaricom	645.5	94.5	90.0%	1.9%	9.4%	-1.8%	29.5%
Laptrust Imara I-REIT	600.0	0.0	0.0%	0.0%	0.0%	0.0%	0.0%
Stanbic Bank	204.7	-3.3	93.6%	2.3%	20.6%	-1.8%	52.2%
KCB Bank	165.4	19.3	70.4%	-5.7%	-4.4%	-13.2%	47.2%
BK Group	109.4	-0.1	99.5%	0.0%	4.5%	-8.5%	12.8%

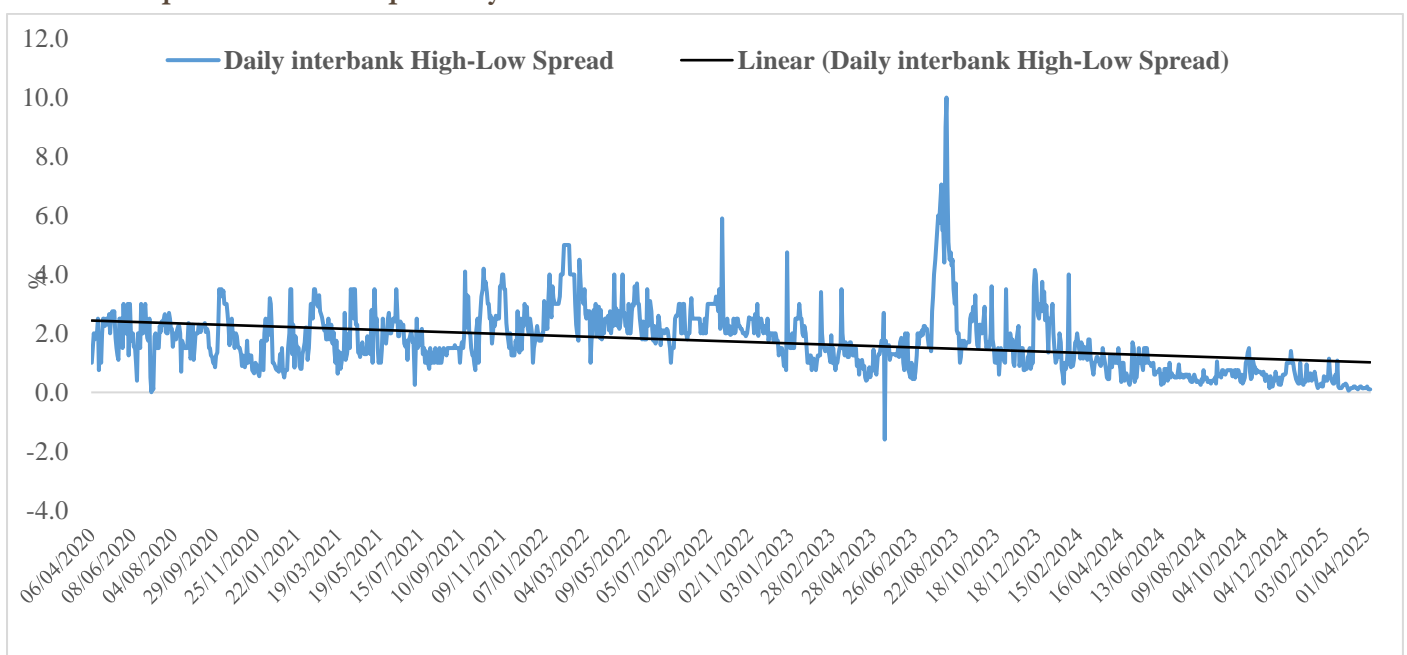
### Key Rates and Spreads

Interbank rates rise, maintaining a two-week gaining streak.



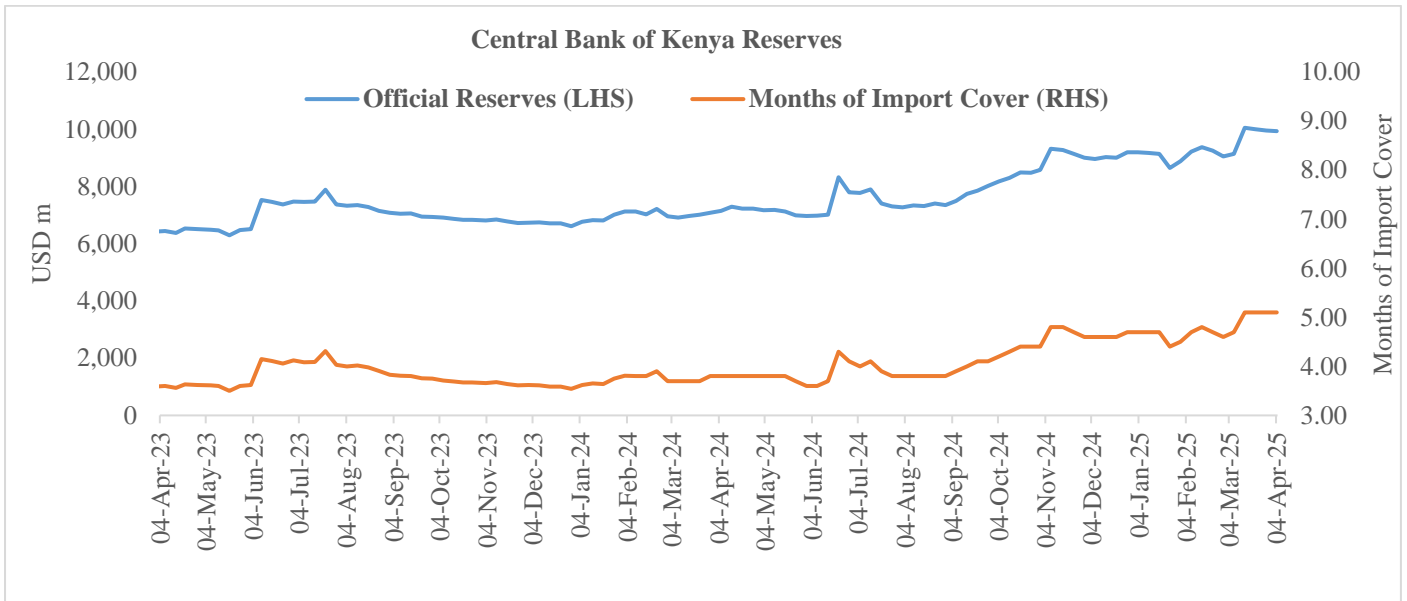
Source: CBK

Interbank spreads narrow repeatedly for the second week.



Source: CBK

**CBK Reserves remain steady at 5.1 months of import cover**

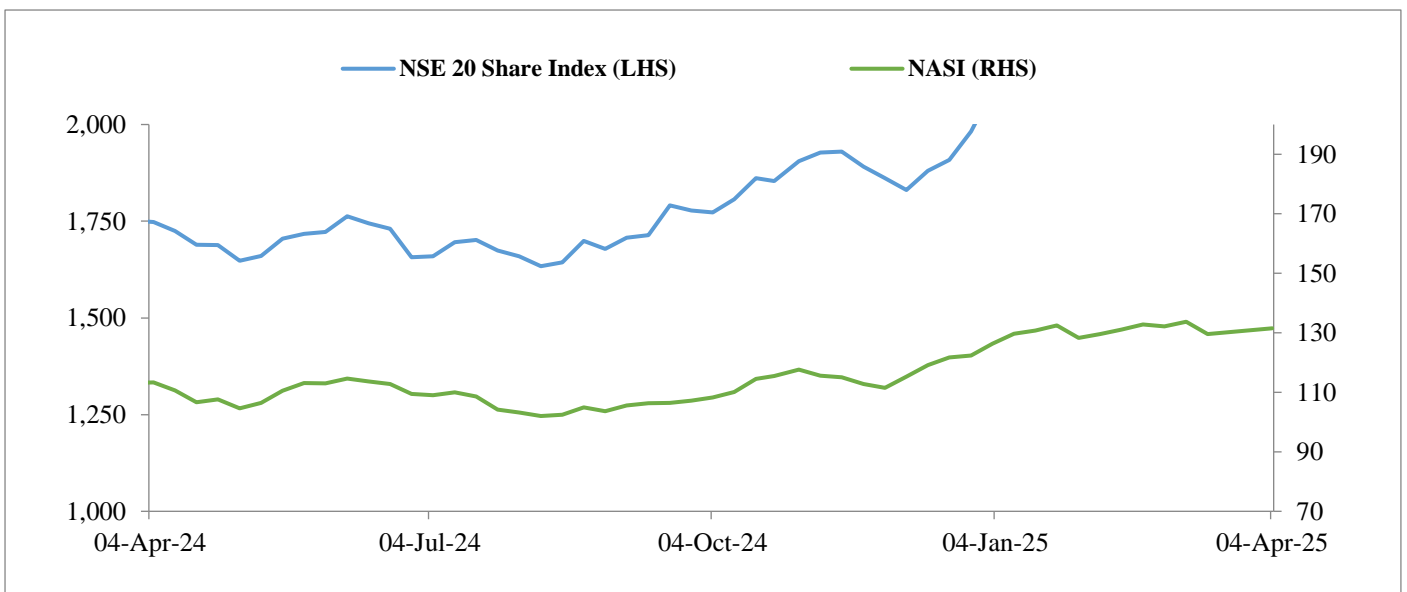


Source: CBK

**Equity market trading commentary**

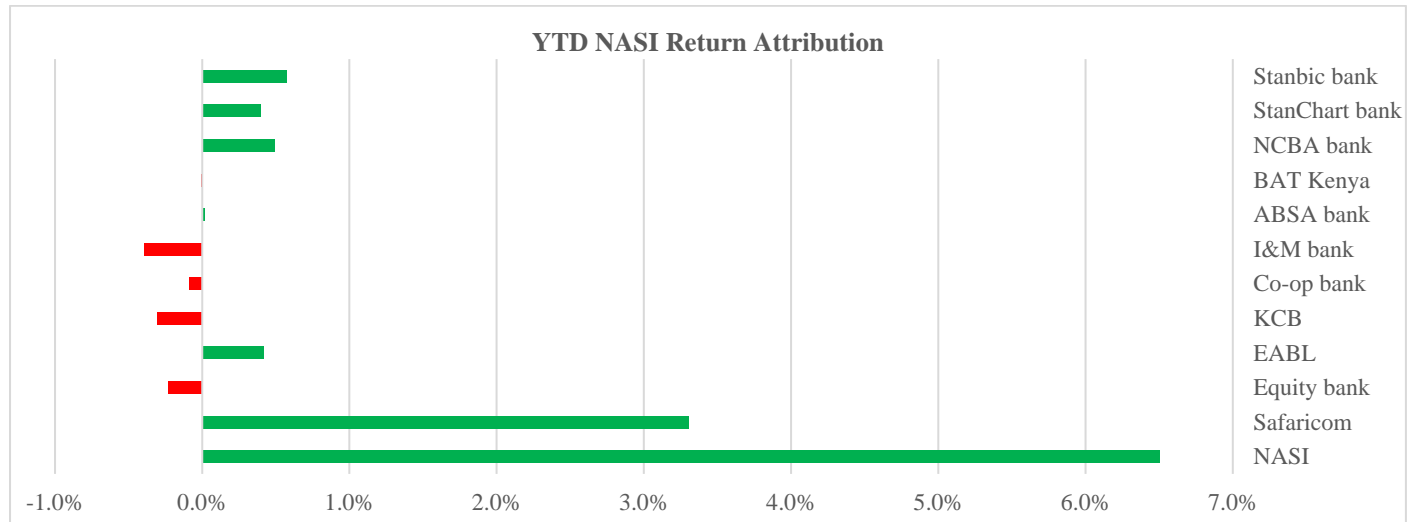
Total market turnover grew by 56.6%, settling at USD 16.1m (KES 2.1bn). The NASI climbed by 0.5% to end at 131.51, maintaining a three-week climbing streak; conversely, the NSE-20 shed 0.1%, concluding at 2225.10. Local investors led trading for the week at 50.2%, and foreign investors emerged as net buyers at USD 1.0m (KES 134.8m). Safaricom registered the highest net foreign inflows at USD 0.7m (KES 94.5m), while BAT Kenya posted the highest net foreign outflows at USD 36.2k (KES 4.7m).

**Market performance over the past 12 months**



Source: NSE

### NASI performance: Year-to-date (YTD) Return Attribution



Source: Kestrel Research

### Debt market trading commentary

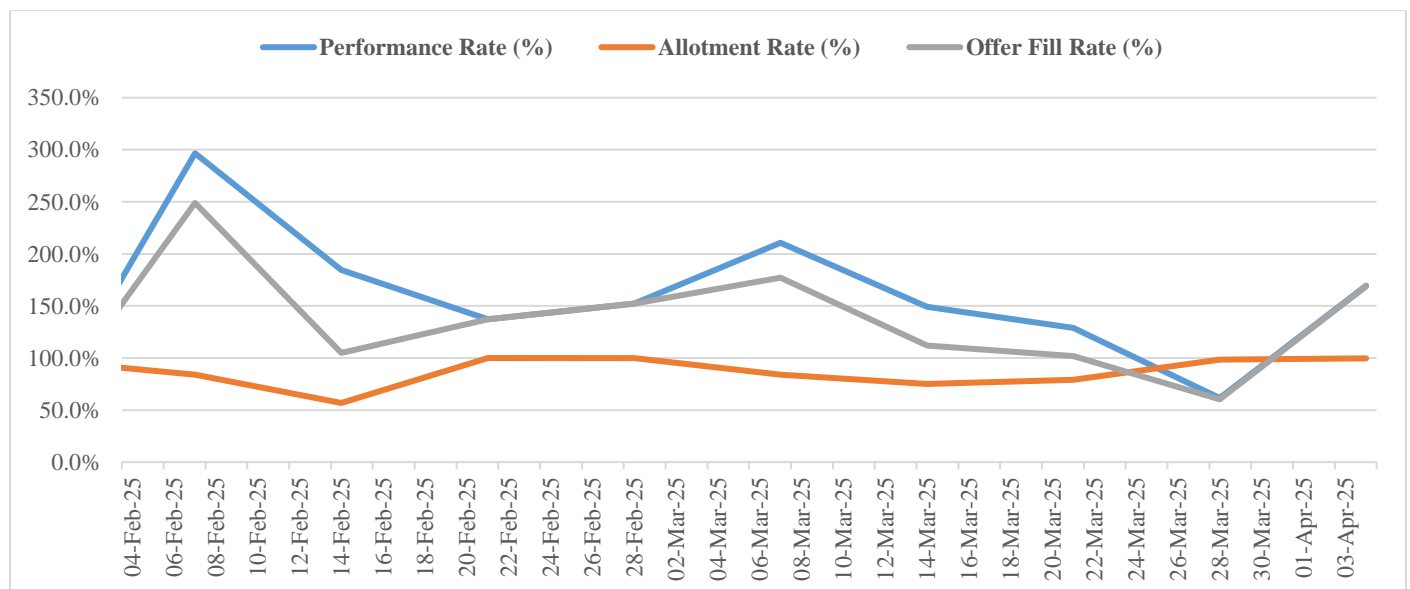
Total subscription rates rose to 169.5% from 61.4% the previous week. Investors remained skewed towards the 364-Day T-Bill, and activity improved for all three T-Bills. The yield on all three T-Bills fell, with that of the 91-Day T-Bill declining for the thirty-seventh week, the 182-Day T-Bill maintaining an eleven-week decline, and the 364-Day T-Bill falling repeatedly for the ninth week.

The CBK also offered KES 4.0bn for the 91-Day T-Bill and KES 10.0bn each for the 182-Day T-Bill and the 364-Day T-Bill. It received bids worth KES 11.2bn for the 91-Day T-Bill, implying a subscription rate of 279.51%. It accepted bids worth KES 11.2bn at an average yield of 8.629% (-16.13 bps w/w).

The 182-Day T-Bill received bids worth KES 4.5bn, implying a performance rate of 44.95%. It accepted bids worth KES 4.5bn at an average yield of 9.035% (-2.33 bps w/w).

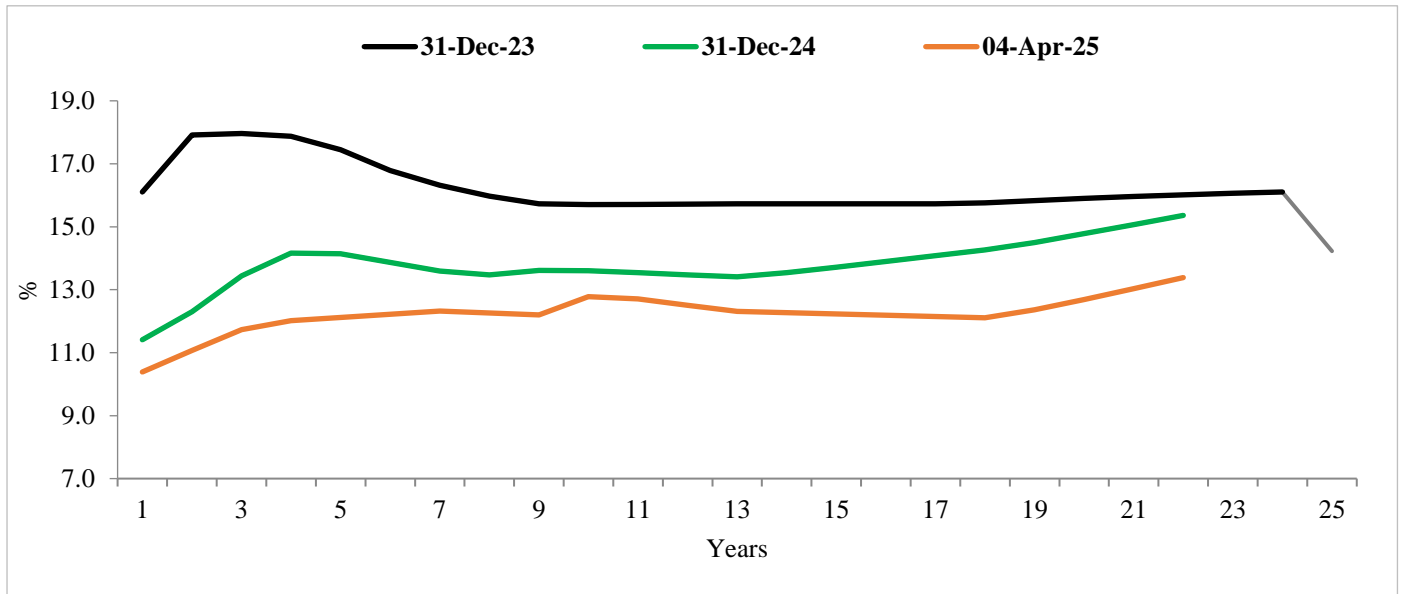
The 364-Day T-Bill received bids worth KES 25.0bn, implying a performance rate of 250.12%. It accepted bids worth KES 24.9bn at an average yield of 10.387% (-2.52 bps w/w).

### T-Bills Performance rates



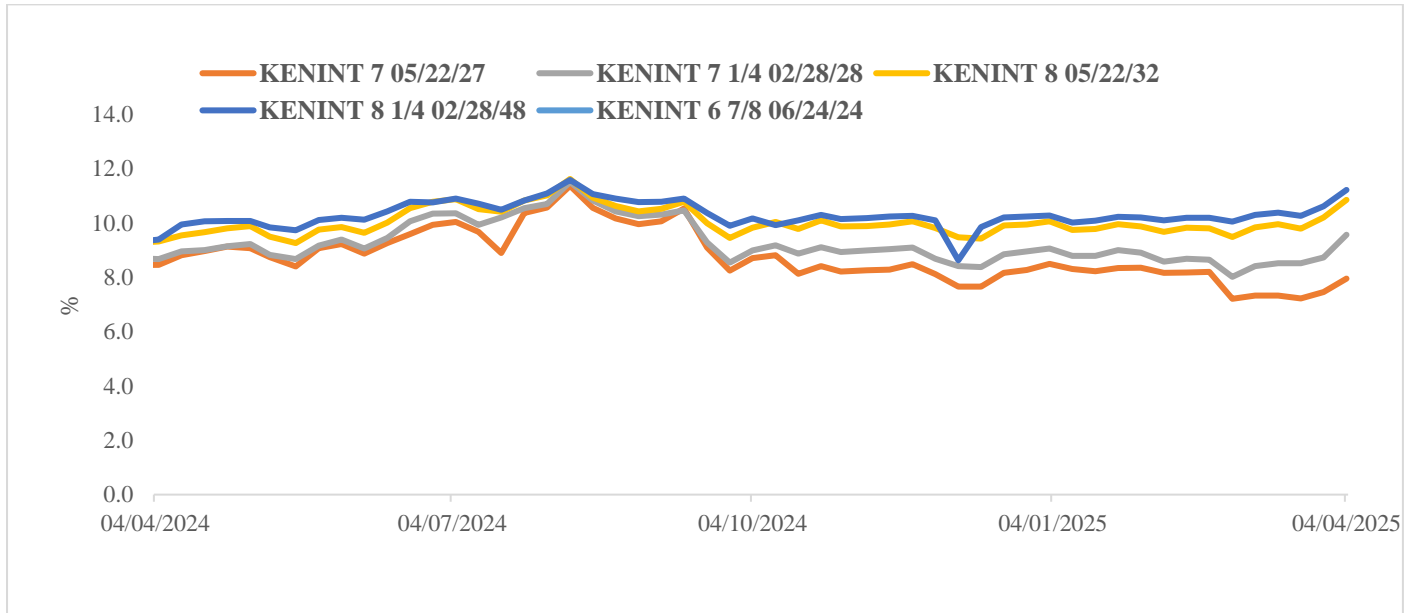
Source: CBK

### Kenya Domestic Yield Curve



Source: CBK

### Kenya Eurobond Yields



Source: Bloomberg

## Top counters by market capitalization

Company	Sector	Year end	12 M High	12 M Low	Price	YTD %	Market <sup>1</sup> cap (USD m)	Weighting	EPS	DPS	NAV	P/E ratio x	Div yld %	P/B ratio x	ROE %	Daily Trading <sup>1</sup> vol (USD)
Safaricom	Telecom	Mar	19.00	14.40	18.65	9.4	5,770	36.0%	1.06	1.20	4.7	17.5	6.4	4.0	22.7	1,027,256
Equity Bank	Banking	Dec	50.00	38.50	47.10	-2.5	1,372	8.6%	16.10	4.25	48.7	2.9	9.0	1.0	33.0	317,691
EA Breweries	Breweries	Jun	199.75	135.50	185.75	5.8	1,134	7.1%	15.46	7.50	27.1	12.0	4.0	6.9	57.1	167,681
KCB Bank	Banking	Dec	45.80	27.00	39.75	-4.4	986	6.2%	19.22	3.00	68.1	2.1	7.5	0.6	28.2	673,806
StanChart Bank	Banking	Dec	309.50	164.75	300.25	7.3	876	5.5%	53.09	45.00	158.0	5.7	15.0	1.9	33.6	86,706
Absa Bank	Banking	Dec	19.30	11.95	18.10	0.3	759	4.7%	3.84	1.75	12.0	4.7	9.7	1.5	32.0	109,981
Co-op Bank	Banking	Dec	17.80	12.00	16.15	-1.8	732	4.6%	4.34	1.50	18.4	3.7	9.3	0.9	23.6	88,811
NCBA Bank	Banking	Dec	54.00	37.55	54.00	12.0	687	4.3%	13.27	5.50	53.7	4.1	10.2	1.0	24.7	35,785
Stanbic Bank	Banking	Dec	168.50	108.75	165.50	20.6	505	3.2%	34.69	20.17	140.8	4.8	12.2	1.2	24.6	102,102
I&M Holdings	Banking	Dec	36.55	17.15	31.60	-12.8	425	2.6%	9.57	3.00	45.5	3.3	9.5	0.7	21.1	57,475
BAT Kenya	Tobacco	Dec	414.00	331.75	374.75	-0.3	289	1.8%	44.83	50.00	163.8	8.4	13.3	2.3	27.4	53,986
KenGen	Power	Jun	5.26	2.18	4.99	37.1	254	1.6%	1.03	0.65	41.6	4.8	13.0	0.1	2.5	59,347
BK Group	Banking	Dec	37.15	30.15	34.00	4.5	235	1.5%	9.48	-	46.8	3.6	-	0.7	20.2	35,936
Kenya Airways	Airlines	Dec	8.50	3.83	4.96	29.5	218	1.4%	2.63	-	(14.7)	1.9	-	-	-	20,474
Umeme Ltd.	Power	Dec	17.45	14.50	16.00	-4.5	201	1.3%	0.26	0.92	22.0	61.2	5.8	0.7	1.2	5,841
DTB Bank	Banking	Dec	82.75	43.25	75.00	8.7	162	1.0%	31.54	7.00	256.8	2.4	9.3	0.3	12.3	40,262
Bamburi Cement	Cement	Dec	82.00	41.15	56.50	2.7	158	1.0%	(0.28)	5.47	82.1	-	98.6	0.1	(0.3)	6,370
Britam	Insurance	Dec	8.54	5.10	7.32	26.2	143	0.9%	1.99	-	9.2	3.7	-	0.8	21.6	10,082
Jubilee Insurance	Insurance	Dec	225.25	150.00	210.00	21.0	118	0.7%	65.15	13.50	613.8	3.2	6.4	0.3	10.6	28,755
Total Oil	Oil	Dec	24.00	17.30	22.30	11.5	108	0.7%	5.12	1.92	48.0	4.4	8.6	0.5	10.7	1,785
Housing Finance	Banking	Dec	9.42	3.67	6.84	51.7	100	0.6%	0.28	-	4.2	24.6	-	1.6	6.7	78,128
Kenya Power	Power	Jun	7.56	1.50	6.48	34.7	98	0.6%	20.36	0.90	29.1	0.3	13.9	0.2	69.9	76,505
Centum Investment	Finance	Mar	15.65	7.88	13.30	34.6	68	0.4%	(8.95)	0.32	55.8	-	2.4	0.2	(16.1)	9,503
Kakuzi	Agric	Dec	440.00	353.50	400.50	4.0	61	0.4%	34.98	24.00	303.5	11.4	6.0	1.3	11.5	732
CIC Insurance	Insurance	Dec	3.12	1.98	2.98	38.6	60	0.4%	1.09	0.13	3.3	2.7	4.4	0.9	33.4	4,953
Liberty K. Holdings	Insurance	Dec	11.05	4.81	11.05	65.4	46	0.3%	2.56	0.37	15.9	4.3	3.3	0.7	16.1	78,497
ARM Cement	Cement	Dec	5.55	5.55	5.55	0.0	41	0.3%	(7.77)	-	19.8	-	-	0.3	(39.2)	-
Carbacid	Gases	July	24.10	16.50	19.95	-4.8	39	0.2%	4.01	1.70	13.6	5.0	8.5	1.5	29.4	9,284
Kenya Re	Insurance	Dec	2.87	1.04	1.66	29.7	36	0.2%	1.58	-	13.4	1.0	-	0.1	11.8	47,972
Crown Paints	Manufac.	Dec	40.00	29.50	32.55	-1.1	36	0.2%	(0.47)	4.00	24.1	-	7.1	2.3	(2.0)	355
EA Portland	Cement	Jun	50.75	4.46	40.00	30.7	28	0.2%	(14.13)	-	239.8	-	-	0.0	(5.9)	1,161
Sasini Tea & Coffee	Agric	Sept	20.95	14.40	15.25	1.7	27	0.2%	3.11	0.50	61.7	4.9	3.3	0.2	5.0	2,054
TPSEA Serena	Tourism	Dec	20.05	11.75	14.95	0.3	21	0.1%	8.08	-	33.3	1.9	-	0.4	24.3	682
Nation Media	Media	Dec	22.00	11.75	13.50	-6.3	20	0.1%	(5.09)	-	43.1	-	-	0.3	(11.8)	2,827
Unga Ltd	Food	Jun	27.35	11.45	27.35	82.3	16	0.1%	(18.92)	-	58.3	-	-	0.5	(32.4)	280
NSE	Finance	Dec	7.46	5.44	7.46	24.3	15	0.1%	0.45	0.32	7.1	16.6	4.3	1.0	6.3	7,793
BOC Kenya	Gases	Dec	95.00	67.00	80.50	-9.3	12	0.1%	10.73	8.55	85.1	7.5	10.6	0.9	12.6	879
WPP Scangroup	Media	Dec	3.87	1.90	2.95	19.0	10	0.1%	0.06	-	11.9	46.4	-	0.2	0.5	878
Sanlam Kenya	Insurance	Dec	8.60	3.90	8.60	73.7	10	0.1%	2.27	-	3.9	3.8	-	2.2	58.6	441
Longhorn	Publishing	Jun	3.46	2.02	3.30	43.5	7	0.0%	(2.45)	-	2.8	-	-	1.2	(88.1)	298
Car & Gen	Motors	Sept	29.00	18.85	22.00	-3.3	7	0.0%	(7.68)	-	135.8	-	-	0.2	(5.7)	391
Limuru Tea	Agric	Dec	380.00	299.00	310.00	-11.4	6	0.0%	(6.34)	-	80.9	-	-	3.8	(7.8)	312
TransCentury	Finance	Dec	1.62	0.32	1.40	259.0	4	0.0%	(6.72)	-	(9.5)	-	-	-	-	5,116
Standard Newspapers	Media	Dec	7.00	4.51	6.10	21.5	4	0.0%	(10.05)	-	0.4	-	-	13.9	(2,284)	164
											<b>Average</b>	<b>11.8</b>	<b>8.5</b>	<b>2.5</b>	<b>24.9</b>	<b>3,273,362</b>

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