

22-Oct-2009

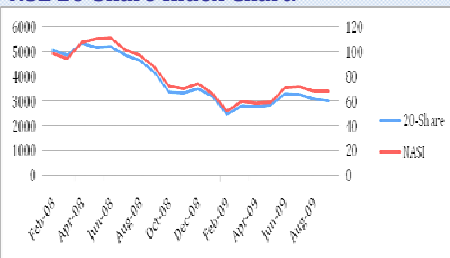
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NSE 20-Share Index Chart:



Daily Market Report

MARKET INDICATORS

EQUITY MARKET

NSE-20 Index:	3,049.99	▲	18.89 points
NSE All Index:	66.97	▲	0.23 points
Volume: (Mil)	13.52	▼	5.54%
Turnover: (Kshs M)	125.69	▼	19.60%
Turnover: (USD M)	1.67	▼	19.60%
Market Cap: (Kshs Bn)	775.81	▲	0.38%
Market Cap: (USD Bn)	10.33	▲	0.38%

MARKET GAINERS

	Price	% Change
Crown	25.00	5.26%
Kenya Airways	23.75	4.40%
Unga	9.70	4.30%
Eveready	2.60	4.00%
Express	9.35	3.89%

MARKET LOSERS

	Price	% Change
TPS	41.00	-2.38%
Centum	10.80	-1.82%
Sameer	4.75	-1.04%
CMC	10.30	-0.96%
Total	29.50	-0.84%

FIXED INCOME MARKET

Treasury Instruments	Benchmark	Rate	Change
T-Bill Rates:	91-Day	7.248%	- 00.00 bps
	182-Day	7.991%	▼ 00.22 bps
Bonds:	2Yr	10.00%	▼ 00.19 bps
	5Yr	11.10%	▲ 00.20 bps
	10Yr	11.90%	- 00.00 bps
	15Yr	13.15%	- 00.00 bps
	20Yr	14.00%	- 00.00 bps

EXCHANGE RATES

	Bid (Kshs)	Ask (Kshs)	Ave (Kshs)
USD	75.0	75.2	75.1
GBP	124.4	124.7	124.6
EURO	112.3	112.7	112.5
Rand	10.1	10.2	10.2
TZ Shs	17.6	17.8	17.7
UG Shs	25.0	25.1	25.1

Repo rates

The Central Bank of Kenya was in the reverse repo market today to inject Kshs 2,000M. The bid spans for 7 days. Bids worth 2,000M were accepted at an average repo rate of 3.426%.



Fixed income report

Daily Equity report

The market turnover today closed at Kshs 125M. Both local and foreign participation was evident. The main contributors to today's turnover were EABL, Safaricom and KCB, having been virtually supported by locals.

Bamburi ARM exit heralds cement wars

Safaricom biggest taxpayer

Co-op Bank expands its Network

BONDS MARKET COMMENTARY

The bond market transacted 3 deals today with a turnover of Kshs 8.4Mn as compared to yesterday's turnover of Kshs 212.8Mn.

DEALERS REPORT

[Centum](#) fell below the Kshs 11 mark towards end of day after supply overwhelmed the on-board demand. The security however managed to attain a high of Kshs 11.35 but later slumped to close the day at Kshs 10.60.

[EABL](#) had significant block trades at prices of between Kshs 141-142. The shares traded today were foreign-provisioned supply pushing the security's price up to end the day at Kshs 144. Activity is expected to be maintained and we may close the week at levels of Kshs 140 and above.

[KCB](#) regained ground from yesterday's lows of Kshs 19.50 to close the day at Kshs 19.95. It was the third largest contributor to the day's turnover fully supported by locals. The security opened the day at Kshs 19.90 and steadily moved up to Kshs 20 as its session's high. Most of the demand on this counter was pegged at Kshs 19.60-19.65 by the end of session.

[Safaricom](#) continued to attract foreign interest with support at Kshs 3.80-3.85. Having opened at Kshs 3.80, the midday session saw the security trade at highs of Kshs 3.85. Over 10.7M shares changed hands today. This is bound to continue to the end of the week.

NEWS HIGHLIGHTS

A consortium of foreign investors have bought a 10.1% stake in building solutions firm Athi River Mining (ARM) from rivals Bamburi Cement in a deal that will set off fresh realignment in the local cement market. The Kshs 985 million-deal saw the investors buy 10 million shares at the Nairobi Stock Exchange on Monday resulting in Lafarge-owned Bamburi Cement reduce its stake from 14.1% to 4%. The deal marks one of the single largest daily transactions at the bearish NSE this year, a sign that foreign investors are beginning to angle for the undervalued blue chip stocks as they race to boost their exposure in emerging countries.

Source: The Business Daily (22/10/09, P.1)

Safaricom topped the list of top taxpayers for the third year running. The company won the award ahead of East African Breweries Limited (EABL) and the Teachers Service Commission respectively. The Kenya Revenue Authority (KRA) did not disclose individual details of how much each of the top taxpayers gave treasury. Also on the list were Barclays Bank Kenya, Standard Chartered Kenya, and KCB who came fifth, seventh and ninth position respectively.

Source: The Standard (22/10/09, P.28)

Co-operative Bank has launched three new branches in Embakasi, Kajiado and Kangemi, with spacious banking halls, two ATMs each and secure parking space. In addition, M-Pesa agents can now access their float at any Co-op Bank branch country wide.

Source: Daily Nation (22/10/09, P.27)



Carbacid FY09 Summary of Results

CARBACID INVESTMENT LTD RESULTS FOR THE YEAR ENDED 31ST JULY 2009

Kshs. 000	31.07.2009	31.07.2008	Growth
Turnover	552,853	387,115	42.81%
Profit before taxation	367,027	241,940	51.70%
Net profit	256,377	166,760	53.74%
EPS - Basic & Diluted	22.63	14.72	53.74%

Carbacid announced its end year results. The main highlights of the results are listed below.

- Turnover increased by 43% from Kshs 387M in 2008 to Kshs 553M in 2009.
- Profit before tax up by 52% from Kshs 242M in 2008 to Kshs 367M in 2009.
- Net profit up by 54% from Kshs 167M in 2008 to Kshs 256M in 2009.
- The Directors have resolved to pay a Final Dividend of Kshs 5.00 per share and a Special Dividend of Kshs 5.00 per share to shareholders on the register at the close of business on 12th November 2009.
- The Directors have resolved to increase Share Capital of the Company from Kshs 60,000,000 to Kshs 250,000,000 by the creation of 38,000,000 additional Ordinary Shares of Kshs 5 each.
- The Directors have resolved to recommend a Bonus of 2:1 which is subject to approval by the Capital Markets Authority and the shareholders.

Recently, BOC Gases withdrew its offer from Carbacid Investments, paving way for the possibility of re-listing of both companies' shares at the Nairobi Stock Exchange (NSE).