



CAPITAL WEEKLY

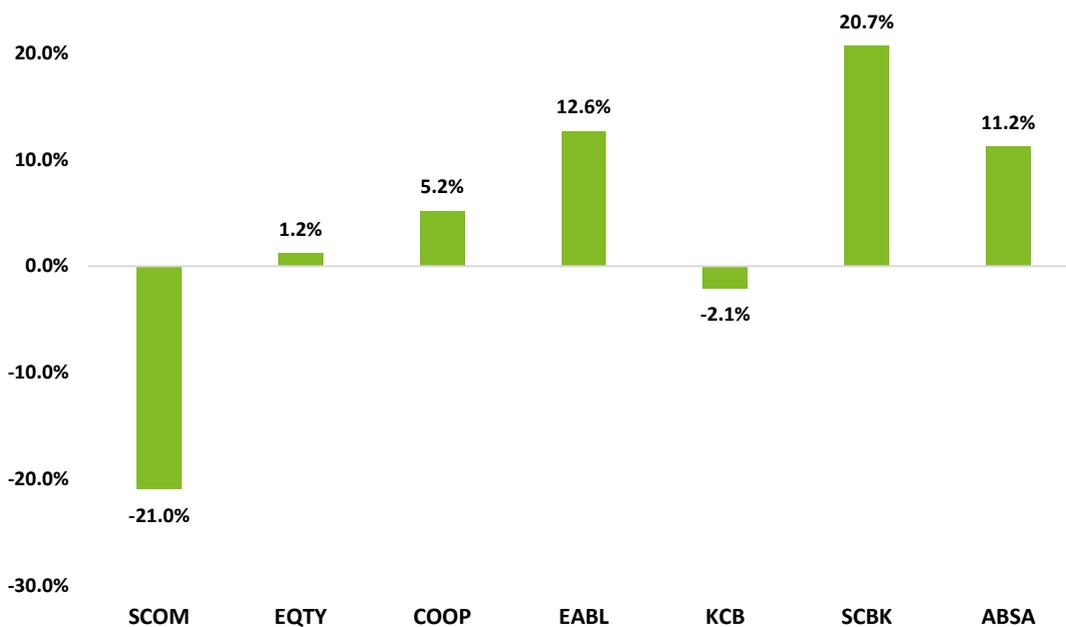
CAPITAL WEEKLY

EQUITIES

Market Summary

- The major averages ticked higher in afternoon trading Friday to end the day on an upbeat note as investors assessed tougher language from Federal Reserve speakers and pored over the latest earnings reports. The Dow Jones Industrial Average rose 199.37 points, or 0.59%, to 33,745.69, while the S&P 500 climbed 0.48% to 3,965.34. The Nasdaq Composite finished just 0.01% above the flat line at 11,146.06. All of the major averages posted losses for the week. The Dow ended 0.01% lower. The S&P 500 lost 0.69% for the week, while the Nasdaq ended 1.57% lower. All three indexes are positive for the month, however.
- At the local bourse, market activity improved during the week with a 98.8% spiral in shares traded. The NSE 20 was down 0.1% w/w while the NASI gained 0.7% w/w. Equities turnover rose 65.3% w/w to KES 2.0Bn, with SCOM, BAT, ABSA and EABL being the four top traded counters. Foreigners remained net sellers during the week, with net outflows worth KES 220.7Mn, responsible for 60.9% of market activity. Going into the week, we expect to see foreigners maintain a net selling position.

YTD performance relative to NSE 20
'how are the key counters performing compared to the market'



Source: NSE, KCB Capital

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SSA Markets

YTD, Nigeria and Egypt are the top market gainers under our SSA universe coverage, up 4.2% and 4.7% respectively, while Uganda and Kenya are the major losers, shedding 13.4% and 12.5% respectively.

On a week-on-week basis, Kenya and BVRM were the top losers while Egypt was the top gainer.

SSA Markets Performance			
Country	Index Code	W/W	YTD
Kenya	KNSMIDX	-0.1%	-12.5%
Nigeria	NGSEINDX	1.3%	4.2%
Ghana	GGSECI	0.1%	-11.7%
Uganda	UGSINDX	2.1%	-13.4%
Tanzania	DARSDSEI	1.3%	-1.4%
Rwanda	RSEASI	0.0%	1.5%
Egypt	EGX30	6.5%	4.7%
Mauritius	SEMDEX	1.2%	-1.7%
BRVM	ICXCOMP	-0.7%	-4.3%

Source: Bloomberg, KCB Capital (Figures at 12pm GMT)

CORPORATE ACTIONS

Corporate Actions					
Dividend/Bonus					
Company	NSE Ticker	Interim	Final	Book Closure	Payment/Crediting Date
KCB Group	KCB	KES 1.00		8-Dec-22	13-Jan-22
Carbacid Investments	CARB		KES 1.70	25-Nov-22	16-Dec-22
Centum Investment	CTUM		KES 0.587	30-Sep-22	30-Nov-22

Source: NSE, KCB Capital

Stock Picks

We recently released a list of counters that stand out as top recommendations this month. To read the full report [click here](#)

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MACRO ECONOMIC

Key Highlights

Currency

The Kenya Shilling remained stable against major international and regional currencies during the week ending November 17. It exchanged at KES 121.98 per US dollar, compared to KES 121.74 per US dollar on November 10. The forex reserves currently stand at USD 7.19Mn (4.03 months of import cover), compared to USD 7.24Mn (4.05 months of import cover) the previous week.

Currency Performance		
Notation Pair	W/W	YTD
USDKES	-0.2%	-7.9%
USDGBP	1.4%	-13.8%
USDCNY	-0.2%	-12.0%
USDZAR	0.2%	-8.3%
USDNGN	0.0%	-4.5%
USDGHS	-0.3%	-134.4%
USDUGX	0.7%	-5.0%
USDZS	0.1%	-1.0%
USDZWF	-0.1%	-3.4%

Source: CBK, KCB Capital

Remittances

Remittance inflows remained strong at USD 332.6Mn in October compared to USD 318.0Mn in September, an increase of 4.6%. The cumulative inflows for the 12 months to October totaled USD 3,996Mn compared to USD 3,605Mn in October 2021, an increase of 10.9%. The remittance inflows continue to support the current account and the foreign exchange market. The US remains the largest source of remittances into Kenya, accounting for 57.6% in October.

Money Market

Liquidity in the money market increased during the week ending November 17, as government payments more than offset tax remittances. Commercial banks' excess reserves stood at KES 5.7Bn in relation to the 4.25 percent cash reserves requirement (CRR). Open market operations remained active. During the week, the average number of interbank deals increased to 26 from 19 in the previous week, while the average value traded increased to KES 17.8Bn from KES 13.1Bn.

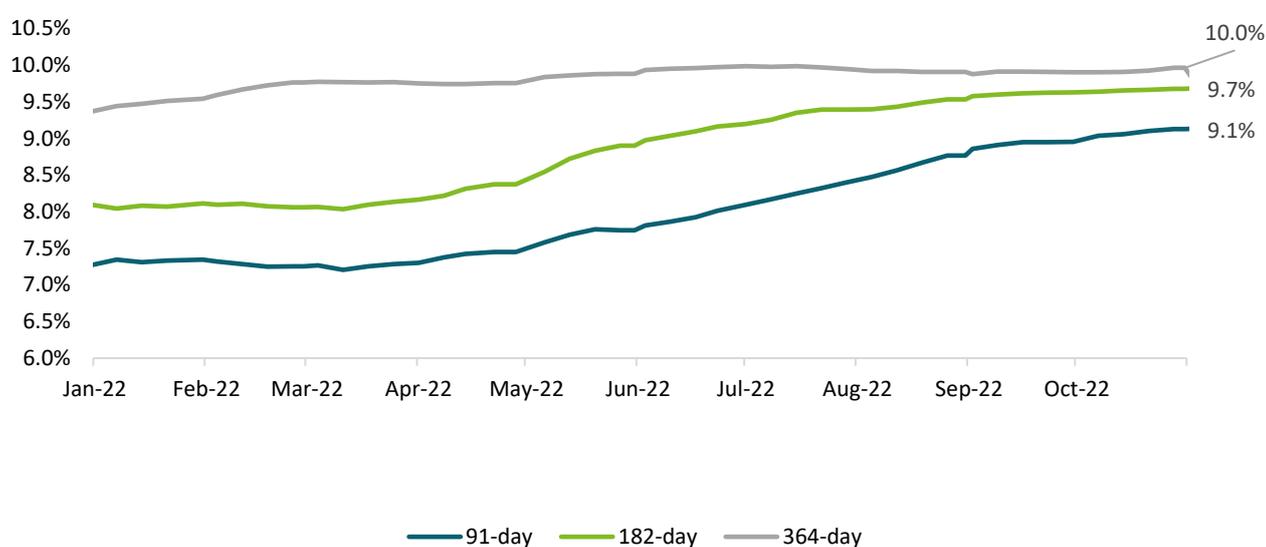
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FIXED INCOME

Key Highlights

- The Treasury bill auction of November 17, received bids totaling KES 41.0Bn, representing a performance of 170.8%. Interest rates remained stable, with the 364-day rate decreasing while those of the 91-day and 182-day Tenors increasing marginally.

T-Bill Rates



Source: CBK, KCB Capital

Interest Rates

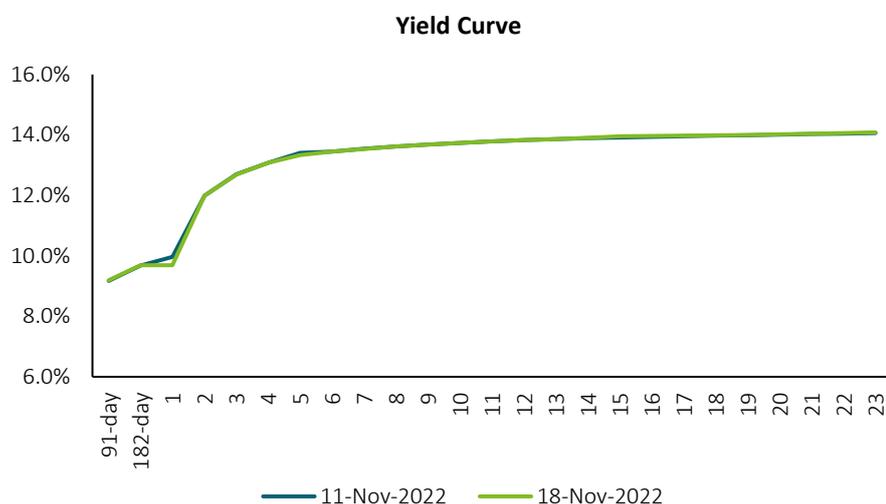
Key rates	This Week	Last Week
91-day T-Bill	9.19%	9.17%
182-day T-Bill	9.69%	9.69%
364-day T-Bill	9.69%	9.69%
2-Year	12.00%	12.00%
5-Year	13.33%	13.33%
10-Year	13.73%	13.73%
15-Year	13.96%	13.96%
Average Interbank Rate	4.49%	4.20%

Source: CBK, KCB Capital

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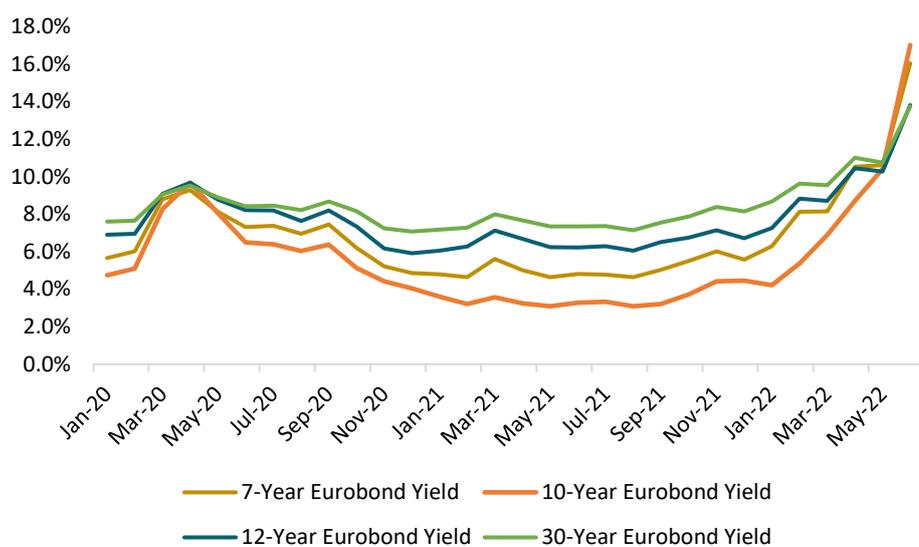
FIXED INCOME

Key Highlights



Source: CBK, KCB Capital

- Bond turnover in the domestic secondary market declined by 1.8 percent during the week ending November 17. In the international market, yields on Kenya's Eurobonds declined by an average of 94.4 basis points, with the 2024 maturity declining by 134.0 basis points. The yields on the 10-Year Eurobonds for Ghana and Angola also declined.

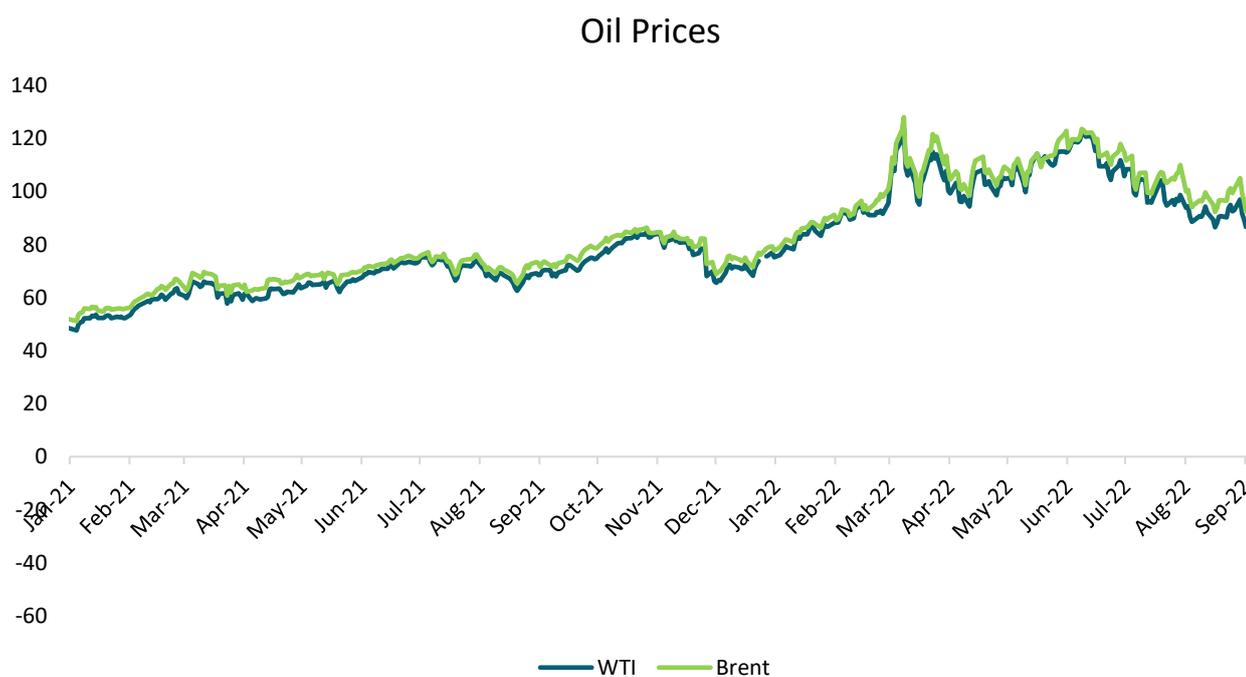


Source: CBK, KCB Capital

GLOBAL MARKETS

Key Highlights

- Concerns about inflation in advanced economies persisted during the week ending November 17. Inflation in Germany increased to 10.4% from 10.0% in September while that of UK increased to 11.1% in October compared to 10.1% in September. The index of the US dollar against a basket of major currencies weakened by 1.3% during the week.
- International oil prices increased during the week ending November 17. Murban oil price rose to USD 91.46 per barrel on November 17 from USD 91.00 per barrel on November 10.



Source: Bloomberg, KCB Capital (Figures at 12pm GMT)

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