

# HISANET AFRICA INVESTMENT SERVICES

## WEEKLY MARKET REPORT

WEEK 6(4<sup>th</sup> to 8<sup>th</sup> February 2008)

Issue No. 5



### STOCK MARKET PERFORMANCE REPORT

With concern about the performance of the economy heightening, price action at the bourse was predominantly bearish, with most counters yo-yoing between the same ranges at which they were trading over the previous week. The shilling continued being weighed down, closing the week at Kshs 72.30/72.50 against the dollar.

All market indicators pointed towards a decline in performance, with the 20share index shedding 138 points to close the week at 4657.60points. The number of shares changing hands stood at 36mn, a 31% decline from 53mn recorded in the previous week. Equity Turnover stood at Kshs1.16bn while market capitalization was Kshs771.75bn.

30 of the active counters captured declines, 10 appreciated and 5 remained constant. KCB was the highest mover of the week, trading 19mn shares at between Kshs23.75 and Kshs25.50. Barclays went down by 3%, to Kshs67, moving 1.8mn shares. In the Commercial and Services Sector, Access Kenya moved 4,5mn shares, while CMC moved 1mn shares.

Mumias and Kengen we're the most active in the Industrial and Allied sector, moving 5mn and 2.5mn shares respectively.

### WEEK'S MOVERS

Top 5 Gainers	Stock Price Kshs	%Δ
Unilever	54	8%
Unga	12.95	7.92%
NMG	302	4.5%
Jubilee	189	4.42%
Sasini	14.50	3.57%

Top 5 Losers	Stock Price Kshs	%Δ
CMC	12.95	-21.99%
Williamson	78.50	-12.78%
EAC	37.50	-10.71%
Standard Group	45	-10%
Kakuzi	25.50	-8.93%



### WEEKLY HIGHLIGHTS

#### KCB

The Bank has in the past week announced plans of seeking to raise Kshs5bn through a rights issue to finance regional expansion.

With its presence already established in Tanzania, Southern Sudan and more recently Uganda, it now has its eyes on getting into Burundi and Rwanda.

The issue is expected to raise Kshs 5bn which will also go into supporting the Bank's lending business. The Bank is expected to maintain a certain level of capitalization in relation to the size of money it has lent out to its customers and its deposits.

The issue is however subject to approval from the CMA, NSE and KCB Shareholders.

The counter remains one of the most liquid counters at the bourse, moving the highest volume of shares.

#### TransCentury

The firm, which is one of Kenya's most prestigious Investment firms, is opening its doors to the public through an initial public offering. Initially the firm planned to raise funds through a private placement that would have seen it sell its shares to a limited number of investors, among them Insurance firms, pension schemes and mutual funds.

The firm had interests in East African Cables, Rift Valley Railways, Development Bank, Equity Bank and a number of Private equity firms, including Helios investments, which owns 24.99% of equity.

#### Sasini

The agricultural counter posted its year end results for the year ended 30<sup>th</sup> September, recording a loss after tax of Kshs40mn, compared to a profit of Kshs240mn recorded in the previous year.

Sasini is among the companies whose bottom line earnings we're hard hit by the weakening US dollar over the past year.

The company is still being affected this year, with most of the tea and coffee estates experiencing tense conditions, which may affect productivity over the first quarter of this year.



### OUTLOOK

The coming week may see some improvement at the bourse as the mediation talks reach the most crucial point and most Kenyans expecting positive outcome from the on going talks. Demand for counters may increase though this trend depends on the outcome of the talks.

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