

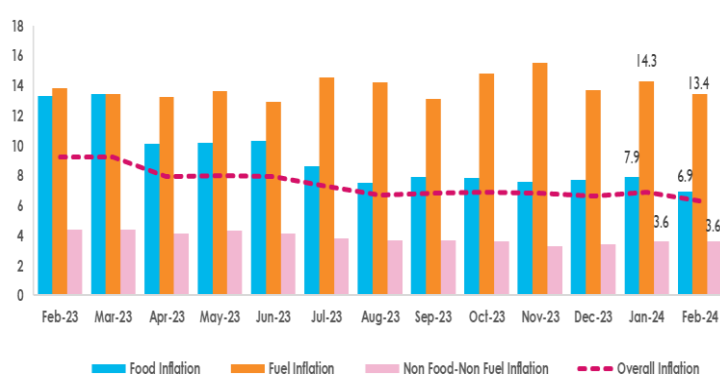
CPF Asset Managers

Weekly Market Review

Inflation and Macro Economic Indicators

The y/y inflation in February decreased to 6.3% from 6.9% recorded in January 2024. Performance was driven by easing of staple food prices and decline in electricity prices.

Inflation

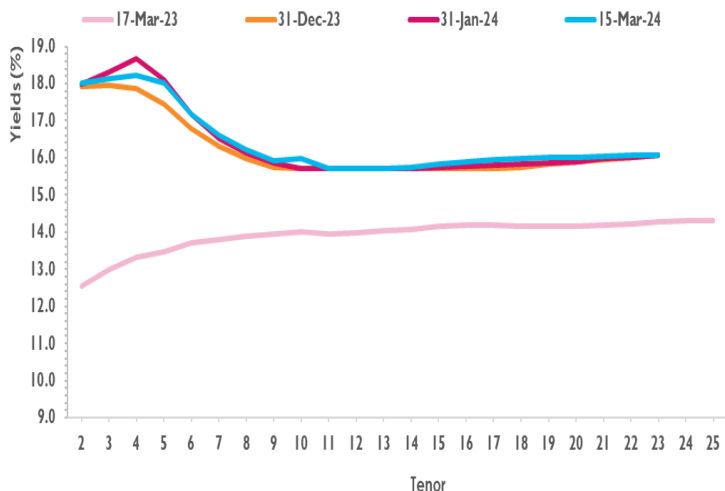


Source: KNBS

Food inflation declined to 6.9% from 7.9% in January, supported by easing prices of key food items following favorable weather conditions. Fuel inflation remained elevated but eased to 13.4% from 14.3% in January 2024 on account of a decline in electricity costs. Non-food-non-fuel (NFnF) (Core) inflation remained stable at 3.6 percent, reflecting stabilizing price pressures.

Fixed Income, Money Market and Interest Rates

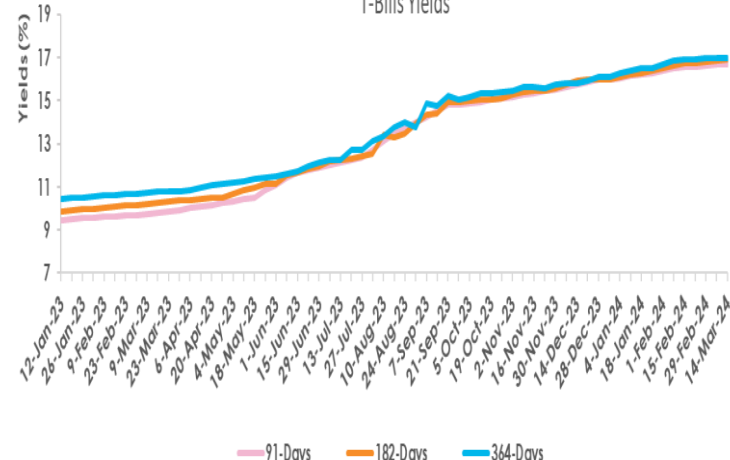
The yield curve edged downwards by 4 basis points on average week-on-week.



Source: NSE

During the week, the 182-day T-Bills went up 4.23 basis points, yields on 91-day T-bills were up 3.79 basis points while 364-day T-bills yields rose 0.44 basis points. The 91-day T-bills, 182-day T-bills and 364-day T-bills closed the week at 16.7%, 16.89% and 16.99% respectively.

T-Bills Yields



Source: CBK

During the week T-bills were undersubscribed with the overall undersubscription rate coming in at 93.47%.

	Current Week	Previous Week	w/w% Chg	YTD	Subscription Rate w/w
91-Days	16.70	16.66	▲0.23%	+4.47%	351.40%
182-Days	16.89	16.85	▲0.25%	+5.78%	36.03%
364-Days	16.99	16.98	▲0.03%	+5.52%	47.75%
Interbank rate	13.32	13.00	▲2.49%	(7.74%)	

Source: CBK

During the week, liquidity in the money market eased with the average interbank rate decreasing to 13.2% from 13.5.

Forex

In During the week the shilling gained against USD by 5.4% to close the week at Kes 135.15 from Kes 142.80 recorded the previous week.

The forex reserves slightly increased to USD 6,974 Mn from to USD 6,919 million. The current reserves now offer 3.7 months of import cover – below the CBK's statutory requirement of 4 months.

	Close	W/W% Chg	YTD
USD/KES	135.15	▲5.36%	+13.62%
GBP/KES	172.35	▲5.42%	+13.74%
EUR/KES	147.31	▲5.37%	+15.23%
KES/TSH	18.88	▲5.70%	+17.43%
KES/USH	28.75	▲5.12%	+18.83%
KES/RWF	9.49	▲5.86%	+17.92%
Fx Reserves(USD mn)	6,974	▲0.79%	+5.47%
Import Cover(Months)	3.70	▲0.00%	+5.71%

Source: CBK

Stock Market

The **Nairobi All Share Index(NASI)** gained **7.29%** while the **NSE-20** gained **5.25%** week-on-week.

	Close	W/W% Chg	YTD
NSE 20	1,637.74	▲5.25%	+9.10%
NASI	101.82	▲7.29%	+10.54%
NSE 25	2,702.28	▲7.02%	+13.53%
NSE-10	1,041.88	▲7.88%	+14.81%

Large Cap Stocks performance

	Previous	Current	W/W% Chg	YTD
Safaricom	13.90	15.20	+9.35%	+9.35%
Equity Group	40.00	42.60	+6.50%	+26.60%
KCB Bank	20.70	24.00	+15.94%	+9.59%
EABL	115.00	119.75	+4.13%	+5.04%
Co-operative Bank	12.65	14.05	+11.07%	+23.25%
ABSA Bank	12.95	14.00	+8.11%	+22.27%
Stanchart Bank	162.50	183.00	+12.62%	+12.96%
BAT	415.00	413.75	(0.30%)	+1.53%
NCBA Bank	39.70	41.55	+4.66%	+6.68%
Stanbic Holdings	119.75	118.00	(1.46%)	+8.51%
I&M Bank	18.10	19.90	+9.94%	+13.71%
Bamburi Cement	42.90	45.00	+4.90%	+25.52%

Source: NSE

During the week, **Safaricom** was the most traded counter, accounting for 57.64% of total turnover, trailed by **Equity Bank** at 19.18%, **KCB Group** at 12.59%, **EABL** at 3.63% and **Co-operative Bank** at 1.10%

Listed Companies and other News

During the week standard chartered released FY23 financial results recording a 14.74% y/y growth in profit after tax to Kes 13.84 billion. Performance was mainly driven by a 31.96% y/y increase in net interest income and a 5.53% y/y increase in Non-funded income(NFI). The board of directors recommended a final dividend of Kes 23, added to interim dividend of Kes 6 brings total dividend to Kes 29.

Global Market

Global markets closed the week mixed as the focus shifts to a week dominated by major central bank meetings, with most expected to hold rates steady.

	Close	W/W% Chg	YTD
S & P 500	5,117.09	▼(0.13%)	+7.28%
Djones	38,714.77	▼(0.02%)	+2.72%
Nasdaq Composite	15,973.17	▼(0.70%)	+6.41%
FTSE 100	7,727.42	▲0.88%	(0.08%)
Nikkei225	38,707.64	▼(2.47%)	+15.67%
Shanghai Composite	3,054.64	▲0.28%	+2.68%
MSCI World	3,363.03	▼(0.51%)	+6.12%
MSCI Emerging Markets	1,034.74	▼(0.23%)	+1.07%
MSCI Frontier Markets	522.30	▲0.61%	+3.02%
Brent Oil	85.34	▲3.97%	+10.77%
Gold	2,161.50	▼(1.10%)	+4.33%

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