



STERLING INVESTMENT BANK

Members of the Nairobi Stock Exchange

NSE MARKET STATISTICS

WEEK ENDED FRIDAY JUNE 05, 2009

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Company	P.V	T.S	WAP*	% Price Δ	Shares Traded	Shares Issued	Mkt. Cap. Kshs Mn.	Trailing EPS	Year end	EPS TP	Book Value	Q1'09 EPS	Annualized 2009 EPS	DPS	Historical P/E	Div. Yld	Projected ¹ P/E	Investment Comment(s)
MAIN INVESTMENT MARKET SEGMENT (MIMS)																		
AGRICULTURAL SECTOR																		
Kakuzi	5/-	xd	26.00	7.22%	3,100	19,599,999	509.60	13.12	31-Dec	5.17 Months	64.59	--	--	1.00	1.98	0.00%	1.93	Recently announced relatively good end-year results. Biological assets a key factor. Forex fluctuations and weather effects added to input costs likely to influence earnings. Expected to be fairly stable.
Rea Vipingo	5/-	xd	13.55	(2.87%)	400	60,000,000	813.00	2.80	30-Sep	8.17 Months	14.59	1.31*	2.62*	0.20	4.84	1.48%	5.00	Increased volumes and turnover as a result of adequate Sisal fibre harvest in the second half. Future performance depends on weather conditions and shilling fluctuations.
Sasini Ltd	1/-	cd	6.00	-0.83%	87,700	228,055,500	1,368.33	3.84	30-Sep	8.17 Months	20.15	0.68*	1.36*	--	1.56	0.00%	4.00	Diversification to value addition a plus, lower export volumes due to adverse weather effects added to high input costs likely to influence earnings growth. Biological assets value a key factor.
COMMERCIAL & ALLIED SECTOR																		
Access Kenya	1/-	cd	24.50	8.89%	1,116,000	203,581,223	4,897.20	0.99	31-Dec	5.17 Months	1.78	--	--	0.40	24.75	1.22%	20.42	Has increased international bandwidth capacity to more than 300 MB. Competition and rapid technological changes likely to remain a challenge. Made an acquisition recently. A growth stock though.
Car & Gen	5/-		33.00	0.00%	--	22,279,616	735.23	9.50	30-Sep	8.17 Months	50.31	4.33*	8.66*	0.67	3.47	2.03%	3.42	Improved profitability amid reduced demand due to slowing of domestic economy. Second hand imports competition still a challenge.
CMC	0.50/-		12.25	6.06%	263,700	582,709,440	7,138.19	1.59	30-Sep	8.17 Months	8.30	1.52*	3.04*	0.35	7.70	2.86%	3.95	Relatively more liquid following recent corporate actions. Recently recorded relatively lower FY08/09 earnings. Competition likely to remain a challenge.
Kenya Airways	5/-		20.00	(8.05%)	622,700	461,615,483	9,232.31	(8.8)	31-Mar	2.17 Months	56.05	--	--	1.00	--	8.75%	--	Recently reported a 189 percent drop in earnings for the year ended March 31 st 2009. Fuel price hedging was identified as the major reason. Earnings likely to be under pressure in FY10.
Marshalls	5/-		24.00	0.00%	--	14,393,106	345.43	(11.80)	31-Mar	14.94 Months	12.21	--	--	0.00	--	0.00%	--	Increased competition from imports remains a big challenge. Peugeot franchise business discontinued earlier. Earnings losses registered in the H1'2008 results. Challenges abound.
NMG	5/-	xd	128.00	0.79%	66,000	142,610,520	18,254.15	9.00	31-Dec	5.17 Months	30.26	--	--	5.50	14.22	4.10%	12.59	Recorded a 19.3 percent growth in pre-tax profit for the FY ended 2008. Plans to launch EATN TV and an online radio. Modest prospects.
Safaricom	0.05/-	cd	2.85	3.64%	54,133,200	40,000,000,000	114,000.00	0.26	31-Mar	2.17 Months	1.17	--	--	0.10	8.24	1.75%	12.39	Competition is stiff. Drop from IPO price a turn-off. FY08 results show a 23.3% decrease in profitability amid stiffening competition. ICT Act 09 portends new opportunities and threats. Competition challenges real.
Scangroup	1/-	xd	24.00	4.35%	34,400	220,689,655	5,296.55	1.79	31-Dec	5.17 Months	9.42	--	--	0.62	16.22	3.75%	12.00	More billings and acquisitions boosted FY08 earnings. Appears to have room for growth. Modest prospects.
Standard Group	5/-		44.75	(2.72%)	16,100	73,275,029	3,279.06	3.57	31-Dec	5.17 Months	13.62	--	--	1.10	14.87	2.46%	11.62	Improved sales revenue and cost minimization responsible for the modest EPS growth in FY08. ICT Act implementation may promote competition. Fair prospects in 2009.
TPS (EA)	1/-	xd	38.75	0.00%	19,400	105,864,742	4,102.26	2.10	31-Dec	5.17 Months	35.43	--	--	1.25	18.45	3.23%	16.85	Tourist bookings now picking up albeit, at a slow pace. Future anchored on robust economy performance and recovery from the global crisis.
Uchumi	5/-	S	14.50	0.00%	--	180,000,000	2,610.00	0.53	30-Jun	11.17 Months	--	--	--	0.00	41.43	0.00%	26.36	Recorded a dramatic turn-around growth in profit before tax to Kshs. 106Mn from a loss of Ksh. 256Mn in the latest results. Still has some ground to cover before the suspension from trading is lifted.

Company	P.V	T.S	WAP*	% Price Δ	Shares Traded	Shares Issued	Mkt. Cap. Kshs Mn.	Trailing EPS	Year end	EPS TP	Book Value	Q1'09 EPS	Annualized 2009 EPS	DPS	Historical P/E	Div. Yld	Projected [†] P/E	Investment Comment(s)
FINANCE & INVESTMENT SECTOR																		
Barclays Bank	2/-		46.25	2.21%	170,000	1,357,884,000	62,802.14	5.00	31-Dec	5.17 Months	15.07	1.10	4.40	2.00	9.25	3.57%	8.41	Has increased outlets & marketing staff to boost earnings. A stable bank that regularly pays dividends. Innovative strategies required to up customer deposit base. 2009 growth prospects forecasted to be fair.
Centum Investment	0.50/-		13.45	3.07%	353,700	549,951,880	7,396.85	0.57	31-Mar	2.17 Months	14.79	--	--	0.00	23.59	3.35%	22.48	Recently announced end-year results. Future anchored on robust economy performance.
CFC Stanbic Holdings	5/-		59.00	7.27%	21,300	273,684,211	16,147.37	4.94	31-Dec	5.17 Months	67.71	--	--	1.90	11.94	3.22%	11.57	Short term future (2009) prospects likely to be modest.
Diamond Trust	4/-	xd	68.00	0.00%	10,500	163,037,108	11,086.52	6.28	31-Dec	5.17 Months	36.22	1.56	6.24	1.40	10.83	2.06%	10.71	Recently announced a 36% growth in Q109 earnings and has plans to expand. Recently got a term loan from IFC. Future prospects fairly good.
Equity Bank Ltd	5/-		13.95	0.36%	5,578,100	3,702,777,020	51,653.74	1.06	31-Dec	5.17 Months	5.28	0.25	1.00	0.30	13.16	2.15%	10.10	Has been on a rapid growth path (latest Q1 figures show a 29% earnings jump). New initiatives a foray into Southern Sudan welcome. Company projects a 30-40% earnings growth in 2009. A growth stock.
HFCK	5/-	xd	16.75	9.48%	169,400	230,000,000	3,852.50	0.59	31-Dec	5.17 Months	15.92	--	--	0.30	28.39	1.49%	19.03	Recently registered a 153% growth in Q1 earnings. Mortgage income has grown significantly. It intends to revive its subsidiary the Kenya Building Society (KBS). Likely to register rapid growth in 2009.
Jubilee Holdings	5/-	cd	116.00	2.65%	6,300	45,000,000	5,220.00	14.14	31-Dec	5.17 Months	63.80	--	--	4.25	8.20	3.66%	7.20	Insurance industry facing a number of challenges. Generally a stable counter albeit fairly illiquid. Earnings likely to be stable.
K.C.B	1/-	xd	19.10	-0.26%	2,460,700	2,217,777,777	42,359.56	1.97	31-Dec	5.17 Months	9.04	0.47	1.88	1.00	9.70	3.66%	8.67	Recently registered a 5% growth in earnings. Plans for pan-African expansion by 2012 on high gear. Appears to have good prospects.
Kenya Reinsurance	2.50/-	cd	13.15	1.15%	448,500	600,000,000	7,890.00	1.97	31-Dec	5.17 Months	13.33	--	--	0.50	6.68	2.66%	5.57	Has a raised post-IPO Company profile. Is exploring new opportunities like mortgage lending. Recorded a significant improvement in profit after tax in recent end-year results. Has fair prospects.
National Bank	5/-		35.25	6.02%	22,800	200,000,000	7,050.00	4.50	31-Dec	5.17 Months	31.04	1.11	4.44	0.00	7.83	0.00%	7.34	NPLs now substantially reduced. Is in the process of getting new shareholders. Recently Announced a 9% rise in earnings. A counter to watch long term.
NIC Bank	5/-		35.75	2.14%	72,200	326,361,621	10,606.75	3.89	31-Dec	5.17 Months	18.76	--	--	0.50	10.24	0.70%	7.74	Is planning to open new branches and has activated its share and investment subsidiary. Appears to have good prospects.
Olympia Capital	5/-		8.80	-6.38%	7,000	40,000,000	352.00	0.51	31-Dec**	17.17 Months	13.75	0.43*	0.86*	0.00	17.25	2.27%	10.23	Future prospects to depend on management effort and reduction of high gearing.
PAI	5/-		46.00	2.22%	5,000	48,000,000	2,208.00	-2.00	31-Dec	17.17 Months	29.96	--	--	1.60	--	3.48%	--	Future prospects appear mixed and will most likely depend on economy performance and management effort.
Standard Chartered	5/-	xd	135.00	-1.46%	27,100	271,967,810	36,715.65	11.34	31-Dec	5.17 Months	42.28	3.81	15.24	10.00	11.90	7.41%	10.73	A stable counter with one of the best dividend yields in the sector. A share split/bonus unlikely in the near term. Aggressively trying to up customer deposit base.
Co-op Bank	1/-	xd	7.35	3.52%	2,507,100	3,499,212,000	25,719.21	0.80	31-Dec	5.17 Months	3.87	0.22	0.88	0.10	11.14	12.52%	7.35	Plans are underway for the bank to put up new branches, enter into mortgage business. Recorded a 29% growth in profits for period ended Mar 2009. Appears to be a growth stock.

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INDUSTRIAL & ALLIED SECTOR																		
Athi River Mining	5/-	cd	81.00	1.25%	55,800	99,055,000	8,023.46	5.08	31-Dec	5.17 Months	21.48	--	--	1.25	15.94	1.54%	14.57	Earnings for FY 2007/08 relatively better. Demand for cement and fertilizer still on the up. Fairly good prospects.
BOC (K)	5/-	S	160.00	0.00%	-	19,525,446	3,124.07	10.26	31-Dec	5.17 Months	77.34	--	--	6.80	15.59	5.78%	15.58	Suspended. Posted reduced earnings in the latest financial results.
Bamburi	5/-	xd	120.00	0.00%	68,400	362,959,275	43,555.11	8.78	31-Dec	5.17 Months	45.74	--	--	6.00	13.67	4.58%	13.41	A fairly stable counter. Demand for cement expected to rise. Registered a drop in earnings in the latest figures. Fair prospects.
BAT(K)	10/-		155.00	0.65%	25,000	100,000,000	15,500.00	17.01	31-Dec	5.17 Months	48.94	--	--	17.00	9.11	10.97%	8.81	Despite a ban on smoking in public places and tax hikes, earnings remain strong. Has one of the highest dividend yields in the market. A stable counter.
Carbacid	5/-	S	137.00	0.00%	-	11,326,755	1,551.77	14.72	31-Jul	10.17 Months	91.58	8.88*	17.76*	10.00	9.31	7.30%	8.46	Suspended. Posted improved earnings in latest results. Some stake was recently sold to Centum Ltd.
Crown Berger	5/-	cd	24.00	9.09%	34,100	23,727,000	569.45	2.69	31-Dec	5.17 Months	34.64	--	--	1.00	8.92	4.17%	8.26	Has been expanding regionally and may have benefited from diversification. Challenges abound.
E.A.Cables	0.50/-		22.00	4.76%	56,300	202,500,000	4,455.00	1.94	31-Dec	5.17 Months	5.67	0.56	2.24	1.00	11.34	4.55%	9.56	Could benefit from higher cable demand arising from the TEAMS project. Latest results show a marginal earnings drop. Future prospects fair.
E.A.Portland	5/-		75.00	0.00%	-	90,000,000	6,750.00	5.96	30-Jun	11.17 Months	44.74	(4.35)*	(8.70)*	0.00	12.58	0.00%	--	Shifting to coal to save on energy cost. Latest results show a significant earnings drop. Future performance to depend on shortening procurement bureaucracy, minimizing cost and management effort.
E.A.Breweries	2/-		124.00	4.20%	157,100	790,774,356	98,056.02	9.55	30-Jun	11.17 Months	24.74	5.13*	10.26*	8.05	12.98	6.49%	12.15	Has a strong financial base despite tax hikes, is exploring regional markets. Recently had management changes. Appears stable.
Eveready East Africa	1/-		2.55	0.00%	74,600	210,000,000	535.50	0.085	30-Sep	8.17 Months	1.74	0.00	--	0.00	30.00	0.00%	--	Recently reported an 86% drop in profitability. Income and earnings prospects for the next financial year likely to remain depressed.
Kenol	0.50/-	xd	56.00	(1.75%)	49,500	147,174,120	8,241.86	6.55	31-Dec	5.17 Months	72.21	--	--	8.56	8.55	3.21%	7.78	Competition, upfront taxation and international fuel price fluctuations a challenge. Synergy effects of the Kobil takeover and regional subsidiaries likely. Modest growth anticipated.
Kenya Power & Lighting Co.	20/-		120.00	3.45%	84,500	79,128,000	9,495.36	22.30	30-Jun	11.17 Months	318.19	18.51*	37.02*	4.00	5.38	3.33%	5.02	Operational efficiency being pursued. Power demand up. Recently struck a deal on bulk power purchase rate. Fair prospects.
KenGen	2.50/-		12.95	10.21%	1,323,400	2,198,361,456	28,468.78	2.19	30-Jun	11.17 Months	30.99	0.50*	1.00*	0.90	5.91	6.95%	5.88	Hydrology a challenge to ensure sustained power generation. Has recently struck a deal on bulk power purchase rate. Future prospects to depend on investment in more power generation.
Mumias	2/-		4.85	16.87%	3,263,200	1,530,000,000	7,420.50	0.79	30-Jun	11.17 Months	5.62	0.11*	0.22*	0.40	6.14	8.25%	6.06	Quota deal with COMESA and KSB & farmers' wrangles could dampen sales in the medium-term, TARDA sugar project facing legal hurdles. Co-generation a plus, Weather, competition & input cost issues a challenge.
Sameer Africa	5/-		5.25	(2.78%)	65,900	278,342,393	1,461.30	0.54	31-Dec	5.17 Months	7.67	--	--	0.00	9.72	0.00%	11.27	High cost of inputs and competition likely to markedly affect earnings. Not out of the woods yet.
Total	5/-	xd	32.50	12.07%	371,800	173,013,000	5,622.92	4.02	31-Dec	5.17 Months	29.00	(0.63)	(2.52)	2.50	8.08	7.69%	10.26	Acquisition of Chevron well on course. Competition, upfront taxation, inventory levels and fuel price fluctuations likely to determine earnings growth rate.
Unga	5/-		8.35	1.83%	6,200	75,708,873	632.17	3.67	30-Jun	11.17 Months	27.07	0.42*	0.84*	0.00	2.28	0.00%	2.98	Demand for its products portfolio is on the up. However, recent maize shortage and shilling depreciation has affected bottom-line. End-year earnings likely to be relatively lower.

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ALTERNATIVE INVESTMENT MARKET SEGMENT																		
A. Baumann	5/-	S	11.10	0.00%	-	3,840,066	42.62	(2.75)	31-Mar	38.17 Months	--	--	--	0.00	--	0.00%	--	A quiet counter. Is in earnings loss territory and is under suspension.
City Trust	5/-		148.00	0.00%	-	5,728,314	770.72	6.27	31-Jul	10.17 Months	37.93	(0.02)*	(0.08)*	0.50	23.60	0.34%	--	Fairly illiquid, is in profit making territory. 1 st half of the year was in loss making territory. End-year performance likely to be dull.
Eaagads	1/25	cd	29.00	(6.45%)	100	16,078,500	233.14	1.85	31-Dec	5.17 Months	23.97	--	--	0.625	15.68	0.00%	--	A quiet counter. Is in loss-making territory. The coffee sector is doing poorly. Future prospects to depend on international coffee price fluctuations and management effort.
Express	5/-		9.00	0.00%	1,700	35,403,790	318.63	2.08	31-Dec	17.17 Months	10.82	--	--	0.50	4.33	5.56%	5.49	A fairly liquid counter, operating in profit-making territory, Latest earnings lower than preceding period.
Williamson Tea	5/-		49.00	2.08%	1,200	8,756,320	429.06	(9.91)	31-Mar	14.17 Months	282.46	3.75*	7.50*	0.50	--	1.02%	7.00	FY08 show that the company is in loss-making territory. HY08/09 registered some improvement. Modest prospects.
Kapchorua	5/-		65.00	3.17%	2,800	3,912,000	254.28	(17.84)	31-Mar	14.17 Months	161.68	3.36*	6.72*	0.50	--	0.77%	10.83	FY08 show that the company is in loss-making territory. HY08/09 registered some improvement. Modest prospects.
K.Orchads	5/-		3.00	0.00%	-	12,868,124	38.60	(0.61)	31-Dec	5.17 Months	0.13	--	--	0.00	--	0.00%	--	FY08 show that the company is in loss-making territory. 2009 unlikely to be any better.
Limuru Tea	20/-	xd/cb	305.00	0.00%	-	600,000	183.00	14.11	31-Dec	5.17 Months	60.20	--	--	5.00	21.63	1.64%	21.16	Fairly quiet, earnings have improved. Shilling strengthening, lower export volumes due to adverse weather effects, added to rising fertilizer prices could continue to depress export earnings.

Legend:

cr = cum rights
EPS= earnings per share
xs = ex split
xb = ex bonus
xd = ex dividend
ca = cum all
s = suspended
xr = ex rights
cb = cum bonus
xr = ex rights
cd = cum dividend
xa = ex all
WAP = Weighted Average Price
P/E = WAP*/EPS
cs=Cum Split
Market Cap. = Issued shares x weighted average Price for the week
DPS = Dividend per Share (Annual)
PE = price to earnings ratio
TP - Trailing Period
Div. Yld = Dividend Yield
Dividend Yield = DPS/WAP*

* For the week ended 05/06/2009

P.V = Par Value

T.S = Trading Status

NB: The figures for projected earnings are annual indicative figures; for those companies that announced recently, the projected earnings are for the succeeding year
For counters with negative EPS in H1, no P/E projections have been given.

† The projections are according to information available to the SIB Research Team hitherto

Book values have been computed out of the latest available company net asset values

Q1 = Quarter 1, please note, quarterly results are for the latest quarter announced results

*The EPS figures shown are for the first half of the year

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