

The EXchange

Issue 1, 2011 Display until May 15 2011

The official magazine of the East African Securities Exchanges

The Launch of
Rwanda Stock
Exchange

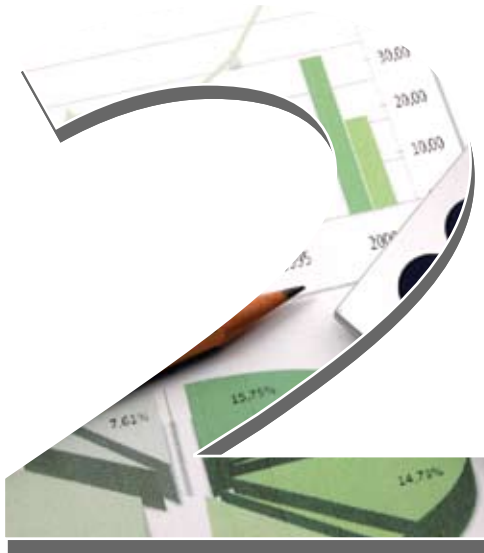
Uganda Political
Scene

Forthcoming Investment
opportunities at the
Nairobi Stock Exchange

Africa's
Potential

Business & Economic Growth

French
Version
Inside



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Saudia Arabia Riyal 16
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United Kingdom £ 3.20

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India INR
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Kenya KSH
Uganda USh
Tanzania TSh
Rwanda Franc

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EXCHANGE TEAM

Chief Editor

Donald Ouma
douma@nse.co.ke

Sub Editor

Susan Kabui
skabui@nse.co.ke

French Translation

Emma Wenani
wenani.emma@gmail.com

The Exchange Committee Members

Joseph Kitamirike (Chairman, CEO - USE)
Peter Mwangi (Member, CEO - NSE)
Donald Ouma (Member - NSE)
Harriet Kiwanuka (Member - USE)
Emanuel Nyalali (Member - DSE)
Celestin Rwabukumba (Member - ROTC)

Contributors

Issac Rutenburg
Eric Musau
Pierre Celestin Rwabukumba
Cathy Mpuhia
Berna Namata
Peter Okoed
James Muchene
Felix O. Okatch
Handerson Mwandembo

Design

Kichimbi Brand Solution
kichimbibrand@gmail.com

Photography

Shutterstock, Image Library

Advertising Sales

info@nse.co.ke
skabui@nse.co.ke
TEL: 254 (020) 2831000

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10 Region Analysis

How the Markets and their Economics are doing.

19 Bulls & Bears

2010 was a rather positive year for East African economies. The Kenya and Uganda bourses performed exceptionally well.

20 Intellectual Property

Most people associate intellectual property rights (IPRs) with patents, trademarks, and copyrights. Some types of IP, however, are difficult to fit into these common forms of protection.

21 Board of Directors

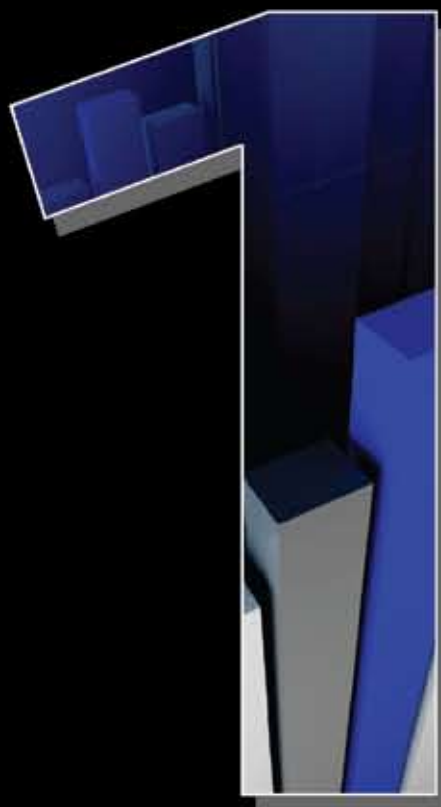
Board of Directors, Need to Interface with Management and Staff for Implementation of Strategic Plans.

23 Uganda's Political Scene

The Republic of Uganda held presidential and parliamentary elections on February 18th 2011. President Yoweri Museveni won a fourth term in office, over his major opponent and long time political rival Dr.Kizza Besigye.

25 Forthcoming Investment

In 2011 the Nairobi Stock Exchange expects to offer several new investment opportunities to the domestic market.





27 A Nairobi Stock Exchange Evaluation

The birth of a new year triggers speculation and expectations on the business and economic front without exception. With the ruts and potholes of 2008 – 2009 seemingly over, there is the feeling of great improvement in terms of overall growth in the Kenyan Stock Market.

31 Optimizing the benefits of your Chama

Chamas have become a common investment vehicle in Kenya whereby a group of friends each contribute a set amount of money periodically, usually monthly into the fund.

35 Book Review

The Author

Malcolm Gladwell is a Journalist who has written for the New Yorker Magazine for over a decade. Before that, he worked for the Washington Post and was at one time its Bureau Chief in New York.

36 The Last Pen

Africa is increasingly being viewed by investors worldwide as a very promising investment destination with strong present and future growth potential.





Chairmans Note

2011 has started on a high note. On February 2 2011, the Rwanda Stock Exchange (RSE), was officially launched as the fourth exchange in the East African Community (EAC). On the same day, the shares of Brasseries et Limonaderies du Rwanda (BRALIRWA); Rwanda's first domestic equity, commenced trading on the Exchange. This nascent market has made history, the Rwanda Stock Exchange is currently the only Exchange company in the EAC that is limited by shares; all the other EAC exchanges are companies limited by guarantee.

The very successful BRALIRWA IPO was a result of successful regional collaborative efforts. The Central Depository and Settlement Corporation of Kenya through their wholly owned subsidiary CDSC Registrars were the registrars for the IPO; which was oversubscribed by 174%. By the end of the second quarter of 2011, we expect at least one, new IPO that will be combined with a regional listing. On February 10, 2011, Centum Investments Ltd., a company listed in Kenya, was cross listed on the Uganda Securities Exchange (USE). On December 17 2010, Tanzania's Capital Markets and Securities Authority approved the application by the Nation Media Group (NMG) to cross list its shares on the Dar es Salaam Stock Exchange (DSE). NMG is already cross listed on the USE and the RSE. The Association must maintain the momentum, by making it easier for investors and issuers to execute transactions from anywhere in the EAC. In 2010, substantive progress was made in the integration process of the EAC Common Market. The EAC Monetary Policy Committee, which includes the EAC Central Banks has commenced work on the interlinking of the EAC payment systems. Connecting our payment systems will make it easier for East Africans to invest and trade in securities listed on the exchanges across the region. The World Bank (WB) has committed USD\$ 70 million towards supporting integration efforts in the region. A key pillar of the WB focus is with regard to supporting capacity building and financial market infrastructure projects. In order to position the markets alongside these efforts, this year EASEA members will be preparing the EASEA Strategic Plan (2011 -2013). As a priority the plan will involve the following projects:-

1. East African Stock Broker guidelines – to facilitate recognition of an East African Stock Broker (EASB); with a harmonized continuous professional development programme to assure standardized capacity of market participants across the region;
2. A Smart Order Routing system – to integrate the trading systems of the respective EAC Exchanges;
3. Regional investor awareness initiatives with capital markets regulators in order to increase the participation of investors and issuers at the regional level so that more products are available and there is an increase in cross border trading;
4. Regional IPOs and Inter-Depository linkages through the utilization of commercial banks with a regional presence for both the receipt of applications and transfer of funds. EASEA is also proposing that IPOs available to investors in the region should be denominated in the local currency of the applicant.
5. Upon full implementation of CDS's in all the four member states, then direct CDS inter-linkages will be implemented.

EASEA will also seek to work with the regional regulatory body, the East African Securities and Regulatory Authorities (EASRA) on key investor protection guidelines such as a timeline for IPO refunds to investors. We expect you, our stakeholders to monitor our progress and hold us to account.



JOSEPH S. KITAMIRIKE
CHAIRMAN
EAST AFRICAN SECURITIES EXCHANGES ASSOCIATION

MEMBERS

**Nairobi Stock Exchange
Member Firms**

Drummond Investment Bank Limited

Hughes Building, 2nd floor,
P.O. Box 45465, 00100
Nairobi.
Tel: 318690/318689
Fax: 2223061
E-mail: info@drummond.co.ke
Web: www.drummond.co.ke

Kingdom Securities Ltd

Co-operative Bank House, 5th Floor,
P.O. Box 48231 00100
Nairobi
Tel: 3276000
Fax: 3276156
info@kingdomsecurities.co.ke

NIC Securities Limited

Ground Floor, NIC House, Masaba Road
P.O. Box 63046 - 00200,
Nairobi
Tel: 2888 444 / 0711 041 444
Fax: 2888 544
E-mail: info@nic-capital.com

**Discount Securities Ltd.
(Under Statutory management)**

NHIF Building
P.O. Box 42489-00100
Nairobi
Tel: 2219552/38, 2773000
Fax: 2230987
E-mail: discount@dsl.co.ke
Web: www.dsl.co.ke

Suntra Investment Bank Ltd

Nation Centre, 7th floor,
P.O. Box 74016-00200
Nairobi
Tel: 2870000/247530/2223330/2211846
0724- 257024, 0733-222216
Fax: 2224327
E-mail: info@suntra.co.ke
Web: www.suntra.co.ke

Genghis Capital Ltd.

Prudential Building, 5th Floor
P.O. Box 1670-00100
Nairobi
Tel: 2337535/36,
8008561, 2373984/968/969
Fax: 246334
E-mail: info@gencap.co.ke

Dyer & Blair Investment Bank Ltd

Pension Towers, 10th floor,
P.O. Box 45396 - 00100
Nairobi
Tel: 3240000/2227803/4/5
Fax: 2218633
E-mail: shares@dyerandblair.com
Web: www.dyerandblair.com

Reliable Securities Ltd.

IPS Building, 6th Floor
P.O. Box 50338 - 00200
Nairobi
Tel: 2241350/4/79
Fax: 2241392
E-mail: info@reliablesecurities.co.ke

Afrika Investment Bank Ltd.

Finance House, 9th Floor.
P.O. Box 11019-00100
Nairobi
Tel: 2210178/2212989
Fax: 2210500
E-mail: info@afrikainvestmentbank.com
Web: www.afrikainvestmentbank.com

African Alliance (Kenya) Securities Ltd

1st Floor, Trans-national Plaza
P.O. Box 27639 - 00506
Nairobi
Tel: 2762000/2762557/0733333140
Fax: 2731162
E-mail: securities@africanalliance.co.ke
Web: www.africanalliance.com

ApexAfrica Capital Ltd

Rehani House, 4th floor
P.O. Box 43676 - 00100
Tel: 311898/313492/310540
Fax: 2215554
E-mail: invest@apexafrica.com
Website: www.apexafrica.com

Standard Investment Bank Ltd

ICEA Building, 16th floor
P.O. Box 13714- 00800
Nairobi
Tel: 2228963/2228967/2228969
Fax: 240297
E-mail: info@standardstocks.com

**Ngenye Kariuki & Co. Ltd.
(Under Statutory Management)**

Corner House, 8th floor,
P.O. Box 12185-00400
Nairobi
Tel: 224333/2220052/2220141
Fax: 2217199/241825
E-mail: ngenyekari@wananchi.com
Web: www.ngenyestockbrokers.co.ke

CFC Stanbic Financial Services

CFC Stanbic House,
P.O. Box 47198 – 00100
Nairobi
Tel: 3638900
Fax: 3752950
E-mail: csfs@stanbic.com
Web: www.csfs.co.ke

ABC Capital Ltd

IPS Building, 5th Floor
P.O. Box 34137- 00100
Nairobi
Tel: 2246036/2245971
Fax: 2245971
E-mail: headoffice@abccapital.co.ke

Faida Investment Bank Ltd.

Windsor House, 1st floor,
P.O. Box 45236-00100
Nairobi
Tel: 2243811/2/3
Fax: 2243814
E-mail: info@faidastocks.com
Web: www.faidastocks.com

Kestrel Capital (EA) Limited

ICEA Building, 5th floor,
P.O. Box 40005-00100
Nairobi
Tel: 251758/2251893,2251815,2250082
Fax: 2243264
E-mail: info@kestrelcapital.com
Web: www.kestrelcapital.com

Renaissance Capital (Kenya) Ltd

Purshottam Place, 6th floor,
Westland, Chiromo Road
P.O. Box 40560-00100
Nairobi
Tel: 3682000
Fax: 3632339
E-mail: infokenya@rencap.com

Sterling Investment Bank Ltd

Barclays Plaza, 5th floor,
P.O. Box 45080- 00100
Nairobi
Tel: 2213914/244077/
0723153219/0734219146
Fax: 2218261
E-mail: info@sterlingstocks.com
Web : www.sterlingstocks.com

Uganda Securities Exchange**Baroda Capital Markets (U) Ltd.**

P.O. Box: 7197 Kampala
Tel: +256-414 233680/3
Fax: +256-414 258263
Email: bob10@calva.com

Crane Financial Services (U) Ltd.

Plot 20/38 Kampala Road
P.O. Box: 22572 Kampala
Tel: +256-414 341414/ 345345
Fax: +256-414 231578

Equity Stock Brokers (U) Ltd.

Orient Plaza Plot 6/6A Kampala Road
P.O. Box: 3072 Kampala
Tel: +256-414 236012/3/4/5
Fax: +256-414 348039
Email: equity@orient-bank.com
Contact Person: Mr.
Edward Ruyonga

MBEA Brokerage Services (U) Ltd.

Lumumba Avenue, Nakasero
Fax: 256-414-342045
P.O. Box: 24613 Kampala
Tel: +256-312-260011 / +256-
414 341448/231960
Email: info@mbea.net
Website: www.mbea.net
Contact Person: Mr. Andrew Owiny

Dyer & Blair (Uganda) Ltd

Rwenzori House Ground Floor
P.O. Box: 36620
Tel: +256-414-233050
Fax: +256 -414 231813
Email: shares@dyerandblair.com

African Alliance (Uganda) Ltd

Workers' House, 6th Floor
Plot 1 Pilkington Road
Tel: +256 414 235 577
Fax: +256- 414 235575
E-mail: securities@africanalliance.co.ug
Contact Person: Mr. Kenneth Kitariko

Renaissance Capital Ltd

Plot 3 Kololo Hill Lane
P.O. Box: 893, Kampala
Tel: +256 312 264775/76.
Fax: +256- 312 264755
E-mail: enquiries@renaissance.co.ug
Contact Person: Mr. Peter
Mushangwe

Crested Stocks and Securities Limited

6th Floor Impala House
Plot 13-15, Kimathi Avenue
P.O. Box 31736,
Kampala, Uganda
Tel: +256 41 4 230900
Fax: +256 41 4 230612
Email: info@crestedsecurities.com
Website: www.crestedsecurities.com
Contact Person Mr. Robert Baldwin

Dar-Es-salaam Stock Exchange

CORE securities Ltd
Ground Floor, Twiga House
Samora Avenue, DSM
Tel: +255 22 212 3103
Fax: +255 22 218 2521
info@coresecurities.co.tz

Orbit Securities Co. Ltd

3rd Floor, Twiga house
Samora Avenue, DSM
Tel: +255 22 211 1758
Fax: +255 22 211 3067
orbit@orbit.co.tz

Rasilimali Ltd

Former TACOSHILI Offices
Sokoine Drive, DSM
Tel: +255 22 211 1708
Fax: +255 22 212 2883
rasilimali@africaonline.co.tz

Solomon Stock Brokers Ltd

Ground Floor, PPF House
Samora Avenue/ Morogoro
Road, DSM
Tel: +255 22 211 2874
Fax: +255 22 213 1969
solomon@simbanet.net

Tanzania Securities Ltd

7th Floor, IPS Building
Samora Avenue/ Azikiwe
Str, DSM
Tel: +255 22 211 2807
Fax: +255 22 211 2809
tsl@muchs.ac.tz

Vertex International Securities Ltd

Annex Building – Zambia
High Commission
Sokoine Drive / Ohio Street, DSM
Tel: +255 22 211 0392
Fax: +255 22 211 0387
vertex@intafrika.com

CMAC MEMBERS**FAIDA Securities Rwanda Ltd**

Rue de l'Akagera
Tel: +254722522724
E mail: bob@faidastocks.com
P.O. Box 6679
KIGALI

African Alliance Rwanda

Tel: +250 08493975
E-Mail: iirame@cdhrwanda.com
P.O. Box 6368
KIGALI.

Continental Discount House

5th Floor Ecobank building
Patrick@cdhrwanda.com
Tel: +250-570785
P.O. Box 6237
KIGALI

DALLAS Securities Brokerage

Mrs. Immy Kamarade
E-Mail :immy1968@yahoo.com
Tel: +250 08-302113
P.O. Box 1028, KIGALI

**MBEA Brokerage Services Rwanda
S.A & MBEA Financial Services Sarl**

i_mutebi@mbea.net.com
+0783 0203745
P.O. Box 92,
KIGALI Avenue de la paix

Dyer and Blair

Simon Kalenzi
+250 08-308080
Chadel Building, Avenue
des milles collines,
P.O. Box 5292, KIGALI
Tel: +250570390

Uganda

How the markets and their economies are doing, the quarterly trends on each market and their likely impact on other markets.



Uganda Securities Exchange

Annual Review

The 2010 calendar year registered improvement in activity levels, with turnover growing by 113% from the previous year's record of Ushs 19.7billion to Ushs. 42billion representing a daily average of approximately 278 million. Volumes increased by approximately 84% from 123 million shares traded in 2009 to 227 million shares. The increase in market activity during the year was due to the increased participation of institutional investors, which saw all equity prices appreciate in value. A case in point is British American Tobacco Uganda whose share price rose from Ushs 250 at the beginning of the year to Ushs 1740 at the end of the year. The secondary market activity trend however was similar to the previous quarter, with the Stanbic Bank Uganda (SBU) and National Insurance Corporation (NIC) counters dominating activity, accounting for 39.51% and 39.02% of the turnover respectively. Uganda Clays Ltd. (UCL) came next with 14% of the turnover followed by Bank of Baroda Uganda (BOBU) and DFCU Ltd., which accounted for 3.8% and 2.7%. The rest of the counters took up less than 1% of the turnover. The listing of Nation Media Group Limited (NMG) on Uganda Securities Exchange (USE) was an additional highlight in the year, making NMG the sixth cross listing on the USE. The NMG listing moved the Market Capitalization to Ushs 12,376 billion from Ushs 11,535.5 billion.

Quarterly Review Equities

The market recorded remarkable growth in activity in the fourth quarter due to increased participation from both the foreign and local institutional investors. The quarter also recorded the largest transaction, with a single session posting a turnover of Ushs. 11 billion, this being the largest single transaction ever recorded. It involved a transaction by institutional investors in Stanbic Bank Uganda. Total turnover rose from the third quarter of Ushs 3.9 billion to Ushs 17.6 billion in the fourth quarter. Volumes transacted were up 238% from 23.1 million shares in the previous quarter to 78 million shares. The deals recorded in the quarter stood at 1,171 up from 1,053.

Performance per Counter

Stanbic Bank Uganda dominated trading, with the counter posting 67.4% of the total turnover followed by National Insurance Corporation which scooped 21.4% of the turnover. Uganda Clays Limited accounted for 8% of the turnover. Bank of Baroda Uganda, DFCU, British American Tobacco Uganda and the New Vision Printing and

Publishing Company Limited., accounted for 1.6%, 1.1%, 0.3% and 0.2% respectively, while Kenya Commercial Bank Group and Nation Media Group realized minimal trades.

USE All Share Index

The ALSI which opened 2010 at 737.99, recorded a steady growth throughout the year, posting 1,023.82 in June. In the second half of the year the ALSI continued on an upward trend, with 1,057.08 being registered in July before rising steadily to an all time high of 1,229.88 in November, and closing the year at 1,190.77. The growth in the ALSI can be attributed to the appreciation of prices across the equities board.

Fixed Income Securities Market Activity (October – December 2010)

Government Bonds:

Trading on the secondary market recorded a turnover of Ushs 104,099,900,000 down from Ushs 468,675,000,000 recorded in the pervious quarter. Please refer to the schedule on page 4 for a detailed breakdown of the secondary market bond activity.

Corporate Bonds:

The Corporate Bonds market recorded on activity throughout the quarter.

TRADING VOLUMES AND ACTIVITY ON A QUARTERLY BASIS:
January - December 2010

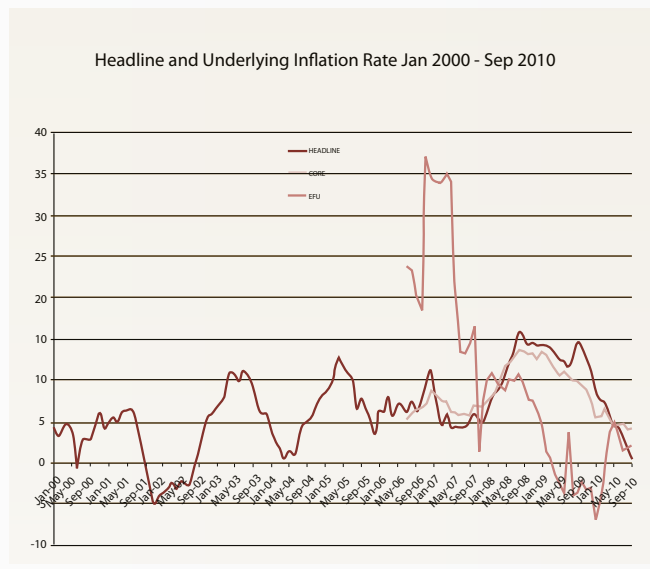
	1st Quarter	2nd Quarter	3rd Quarter	4th Quart
Volume Traded	57,759,935	67,693,055	23,056,763	78,027,58
Turn over (Ushs)	11,852,369.18	188,649,073.520	3,938,305,640	17,607,400
No. of Deals	1,220	1,516	1,053	1,171
Trading Days	36	37	41	38
Daily Avg. Turnover (Ushs)	329.2m	233.8m	96.1m	463.3m
Daily Avg. No. of Trades	34	41	26	31
Market Capitalization (Ushs. Bn)	8,649.8	9,991.9	11,311.8	12,769.2
USE all Share Index	886.30	1,023.82	1,117.90	12,188.0
Exchange Rates 1 USD: Uganda Shs	2,088.40	2,285.00	2,251.30	2,308.30

ECONOMIC AND FINANCIAL INDICATORS – Oct to Dec 2010

Inflation – six year lows

The annual headline inflation rate dipped further to a low of 0.2% in October 2010, the lowest since the July 2004 record of 1.8% and rose to 1.4% in November 2010 closing at 3.1% in December 2010. The increase in inflation was on the back of increases in food crop, clothing, transport and communications indices. Core inflation increased to 2.9% in November from 2.5% in October closing at 4.8% in December. The Energy, Fuel and Utilities (EFU) inflation index declined from

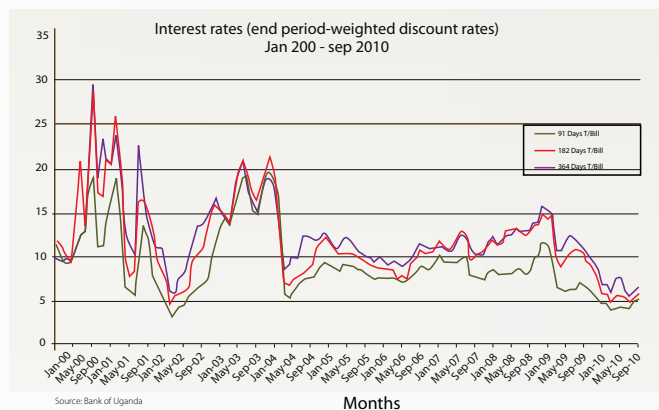
3.9% in October to 3.3% in November closing at 3.2% in December 2010. Although inflation is expected to remain within the Bank of Uganda's (BOU's) target, there are several external factors that may pass through to domestic inflation in the near future. These pressures may arise from some of Uganda's trading partners like China whose inflation rose to 5.1% in November from 4.4% in October 2010. The total trade weight for these two countries is about 13% of Uganda's total trade and is much higher for imports. Should China's inflation continue to rise, it will pass through to Uganda's at least in the short run. Crude oil prices have also steadily risen and are likely to keep rising because of increasing demand against declining production capacity within the Organization of Petroleum Exporting Countries (OPEC).



Source: Bank of Uganda

Interest rates – up

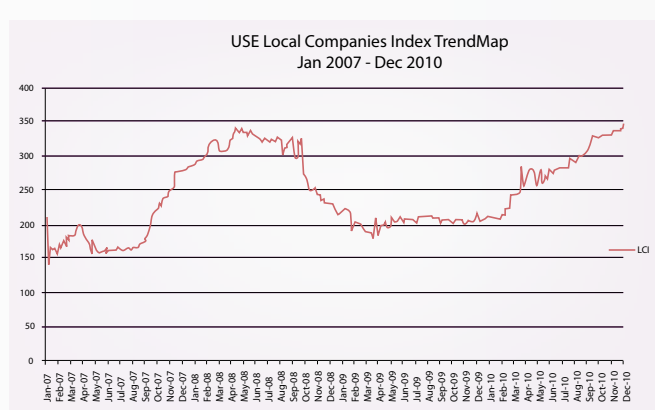
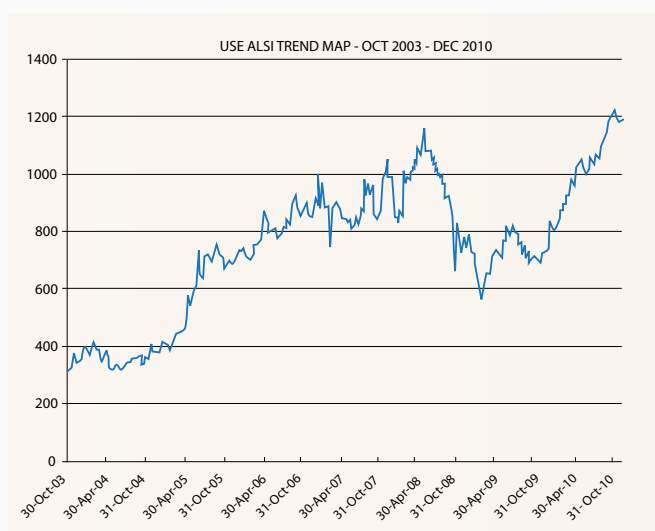
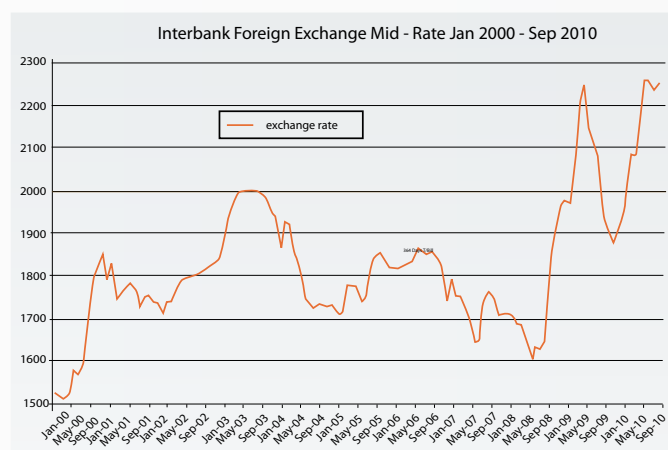
Interest rates rose during the period under review from 5.75%, 7.00% and 7.45% respectively in October for the 91 day, 182 day and 364 day bills to 6.4%, 8.04% and 9.46% respectively in November rising higher and closing at 7.97%, 9.12% and 10.00% in December. According to analysts, the growth in interest rates resulted from increases in the BOU t/bill auction sizes from Ushs. 75billion to Ushs. 95billion coupled with the fewer maturing securities. There was also interbank funding to cover short positions perhaps taken earlier by some players.

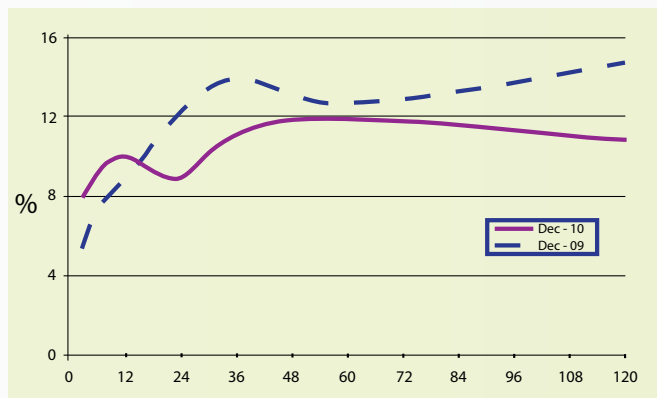


Source: Bank of Uganda

Foreign Exchange rates – Shilling weakens

The interbank foreign exchange monthly average mid-rate (IFEM) increased from Ushs 2,284.72 in October to Ushs 2,313.67 in November declining slightly to close at Ushs 2,308.3 in December. The depreciation pressures were partly driven by global developments, which led to the appreciation of the dollar against major international currencies. The shilling depreciation over and above what can be attributed to global developments arose from the limited inflows which led to a pile up in demand before BOU intervention. The shilling remained weak through out the quarter despite the BOU intervention.





MARKET DEVELOPMENTS:

FOURTH QUARTER

EASEA Conference – Kampala

The East African Securities Exchange Association (EASEA) held its 17th meeting in Kampala, Uganda from 2nd – 3rd December 2010. Key among the strategic initiatives discussed in the meeting, included among other issues; the process of integrating the trading systems in the region, regional inter-depository linkages and regional investor awareness initiatives. Also discussed in the meeting was a harmonized framework that recognizes Stock Brokers in the Region, in order to ensure capacity among the market players in the region.

Nation Media Group Cross Lists on the USE

USE witnessed its sixth cross listing on the Main Investment Market Segment (MIMS). Other companies that have cross listed are East African Breweries, Kenya Airways, Jubilee Holdings Limited, Kenya Commercial Bank Group and Equity Bank Limited. Nation Media Group which is listed on the Nairobi Stock Exchange, was officially listed on the USE on 19th October 2010. The ceremony to mark the cross listing was attended by the NMG Group Chairman Mr. Wilfred Kiboro and other senior representatives from the Uganda financial services sector. In Uganda the NMG Group is represented by the Monitor Publications Limited. The Nation Media Group cross listing in the region is in a bid to foster the ideals of the East African Community Common Market Protocol.

USE Staff Workshop/Training – Mumbai India

USE participated in a five-day training Programme with a focus on Securities Market Operations. The workshop was organized by Bombay Stock Exchange-Mumbai, India. The five day comprehensive programme brought together several market professionals in the securities markets across Africa and Asia. The programme was primarily meant to provide a unique experience of learning various aspects of policy and practice in the Securities Markets. The training was sponsored by the Financial Markets Development Project under the Private Sector Foundation Uganda (PSFU) Programme.

Specialized Training in SWIFT Technologies

USE IT Department participated in a specialized training programme organized by SWIFT Technologies. The training was meant to expose the participants to different types of Institutional Transfer messages, as well as how to use SWIFT reporting messages for follow-up, investigation and reconciliation purposes, and also provide a better understanding of SWIFT and its operations. This training was sponsored by the Financial Markets Development Project under Private Sector Foundation Uganda (PSFU) programme.

Kampala University Educational Tour

Undergraduate students from Kampala University – Finance Class visited the Exchange on a study tour meant to familiarize them with the USE trading activities. The students witnessed trading on the USE Floor, and were given a brief on the operations and relevance of the market to the economy.

Issue No	Value (Ushs)	Turn over (Ushs)	Issue Date	Maturity Date	Rate	Day to Maturity
FXD 4/2004/10	15bn	10,100,000	19/05/2004	8/05/2014	11.00 FIXED	1228
FXD 5/2006/5	40bn	-	31/11/2006	26/05/2011	10.75 FIXED	150
FXD 3/2007/5	40bn	1,280,000,000	25/07/2007	19/07/2012	10.75 FIXED	570
FXD 7/2007/5	60bn	3,463,000,000	14/11/2007	8/11/2012	10.75 FIXED	682
FXD 8/2007/3	51.6bn	1,000,000,000	29/11/2007	26/11/2010	10.25 FIXED	-
FXD 2/2008/3	60bn	-	5/03/2008	3/03/2011	10.25 FIXED	66
FXD 4/2008/3	60bn	25,000,000	30/04/2008	29/04/2011	10.25 FIXED	123
FXD 5/2008/3	40bn	-	14/05/2008	12/04/2011	10.25 FIXED	106
FXD 8/2008/3	30bn	1,000,000,000	30/06/2008	23/06/2011	10.25 FIXED	178
FXD 9/2008/3	50bn	6,000,000,000	20/08/2008	18/08/2011	10.00 FIXED	234
FXD 10/2008/3	45.7bn	150,000,000	12/09/2008	15/09/2011	10.25 FIXED	262
FXD 11/2008/3	60bn	-	12/11/2008	10/11/2011	10.25 FIXED	318
FXD 1/2009/2	40bn	-	12/01/2009	1/06/2011	10.00 FIXED	10
FXD 2/2009/2	50bn	5,250,000,000	4/02/2009	3/02/2011	10.00 FIXED	38
FXD 3/2009/3	60bn	60,000,000	1/04/2009	29/03/2012	10.25 FIXED	458
FXD 4/2009/3	60bn	1,500,000,000	29/04/2009	26/04/2012	10.25 FIXED	404
FXD 5/2009/3	50bn	-	27/05/2009	24/05/2012	10.25 FIXED	514
FXD 6/2009/2	50bn	134,000,000	22/07/2009	21/07/2011	10.00 FIXED	206
FXD 7/2009/3	50bn	2,023,800,000	19/08/2009	16/08/2012	10.25 FIXED	598
FXD 8/2009/5	90bn	-	17/09/2009	11/09/2014	10.75 FIXED	1354
FXD 9/2009/2	60bn	10,000,000	15/10/2009	13/10/2011	10.00 FIXED	290
FXD 10/2009/10	60bn	50,000,000	11/11/2009	31/10/2019	11.00 FIXED	3230
FXD 1/2010/3	60bn	-	6/01/2010	3/01/2013	10.25 FIXED	738
FXD 2/2010/2	50bn	-	3/02/2010	23/01/2012	11.00 FIXED	3314
FXD 3/2010/5	50bn	4,400,000,000	3/03/2010	26/02/2015	10.75 FIXED	1522
FXD 4/2010/3	60bn	-	28/04/2010	25/04/2013	10.25 FIXED	850
FXD 5/2010/2	60bn	-	23/05/2010	21/06/2012	10.00 FIXED	542
FXD 6/2010/2	60bn	500,000,000	27/06/2010	13/09/2012	10.00 FIXED	716
FXD 6/2010/10	80bn	1,000,000,000	21/07/2010	09/07/2020	11.00 FIXED	3482
FXD 8/2010/5	90bn	4,495,000,000	18/08/2010	13/08/2015	10.75 FIXED	1690
FXD 10/2010/3	100bn	4,138,000,000	29/09/2010	26/09/2013	10.25 FIXED	1004
FXD 11/2010/2	50bn	12,380,000,000	13/10/2010	11/10/2012	10.00 FIXED	654
FXD 12/2010/3	100bn	55,231,000,000	27/10/2010	24/10/2013	10.25 FIXED	1032

CORPORATE ANNOUNCEMENTS

National Insurance Corporation

The Board of Directors of National Insurance Corporation announced their financial results for the year ended 31st December 2009 and recommended payment of a dividend of Ushs 5 per share for every ordinary share, which was paid on October 11, 2010, to all shareholders.

British American Tobacco Uganda

British American Tobacco Limited released their half year financial results, and the Board of Directors announced an interim dividend of Ushs 70 per shares amounting to Ushs 3.4 billion. The interim dividend which is subject to a withholding tax was paid on October 11, 2010.

New Vision Printing and Publishing Company Limited

The New Vision Printing and Publishing Company Ltd released their end of year financial results, and the Directors proposed a final dividend of Ushs 15 per ordinary share. The dividend less withholding tax where applicable was paid on December 8, 2010 to members on the share register at close of business on November 18, 2010.

Tanzania

How the EAC markets and their economies are doing, the quarterly trends on each market and their likely impact on other markets.

The International Monetary Fund (IMF) projects that Tanzania GDP growth was 6.5 percent in 2010.

The IMF expects Tanzania GDP growth to rise to 6.7 percent in 2011.

Current Account Balance

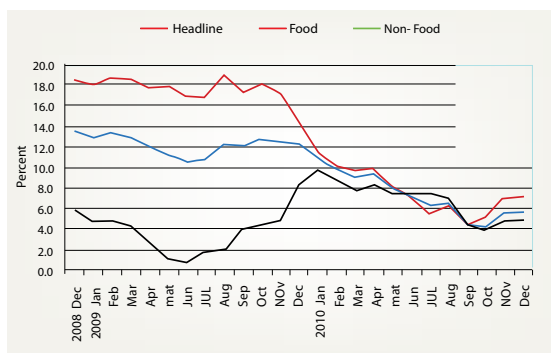
During the year ending December 31 2010, overall balance of payments recorded a surplus of USD 369.8 million, compared with a surplus of USD 366.2 million recorded in the period ending December 31 2009. On December 31, 2010; gross official reserves remained strong at USD 3,947.9 million compared with USD 3,552.5 million on December 31 2009. The level of gross official reserves in December 2010 was sufficient to cover 6.3 months of imports of goods and services.

Export Performance

During the year ending September 2010, the value of exported goods and services increased by 21.9 percent to USD 5,827.2 million. The improvement was largely due to an increase in exports of gold and gold prices, and growth in the transport, telecommunications and manufactured goods subsectors.

Inflation Development

Annual headline inflation rate increased significantly to 5.6 percent in December from 4.5 percent recorded at the end of the last quarter. The 12-month annual headline inflation rate declined to 5.6 percent in December 2010, from 12 percent recorded in December 2009.



Interest Rate Developments

In the money markets, interest rates generally increased in December 2010 compared with the preceding month. In particular, Treasury bill yields increased across all maturities in December 2010, when compared with the yields recorded in the preceding month. As a result, the overall weighted average yields of Treasury bills increased to 6.32 percent in December 2010 from 5.85 percent

recorded in the preceding month. It was still lower than the 6.91 percent recorded in the corresponding period in 2009. The spread between the short-term lending rate (up to one year) and one year time deposit rate narrowed to 5.27 percentage points in December 2010, from 6.17 percentage points recorded in the preceding month. This implies that cost of funds in December 2010 was relatively lower when compared with the preceding month. The overall lending rate increased to 13.45 percent from 12.84 percent in November.

Exchange Rate

During the month, the average value of the Tanzanian Shilling against US Dollar appreciated by 1.95 percent to Tshs. 1,462.88 per US Dollar in December 2010, from Tshs. 1,491.96 per US Dollar recorded in the preceding month. On an annual basis, the Tanzania Shilling depreciated by 9.3 percent from Tshs. 1,327.0 per US Dollar recorded in December 2009. The recent depreciation of the Tanzanian Shilling against US Dollar was mainly driven by seasonal demand for foreign currency.

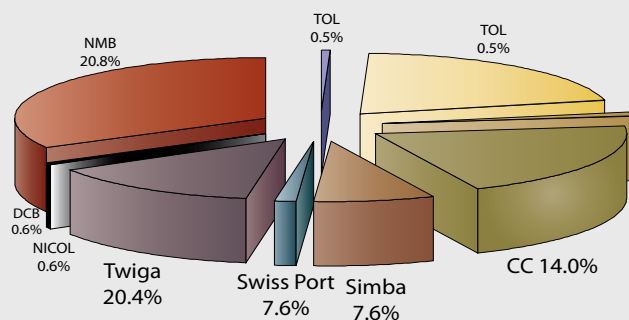
EQUITIES MARKET PERFORMANCE

Market Capitalization

In the fourth quarter, due to a decline in the prices of listed securities, market capitalization declined 0.8 percent to Tshs. 4,895.47 billion from Tshs. 4,938.75 billion on September 30 2010. National Microfinance Bank (NMB) shares continued to drop from Tshs. 680 per share recorded during the end of previous quarter to Tshs. 660 per share in the current quarter ending December 30 2010. However, Tanzania Cigarette Company Ltd. (TCC) shares recorded the highest price increase; the stock appreciated from Tshs. 2,200 per share as on September 30 2010 to Tshs. 2,220 on December 30 2010 recording a gain of Tshs.20 per share.



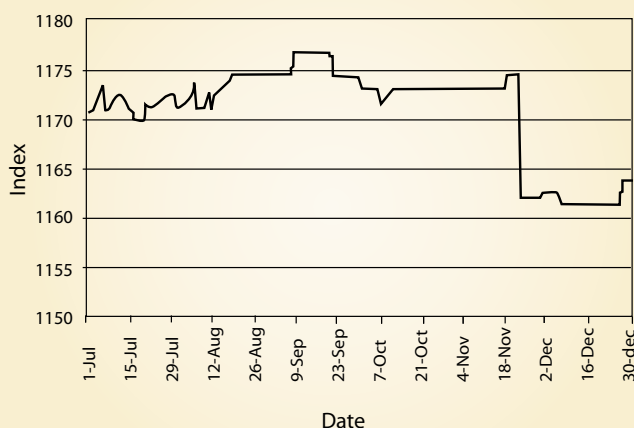
Domestic Market capitalization as at 31st Dec. 2010



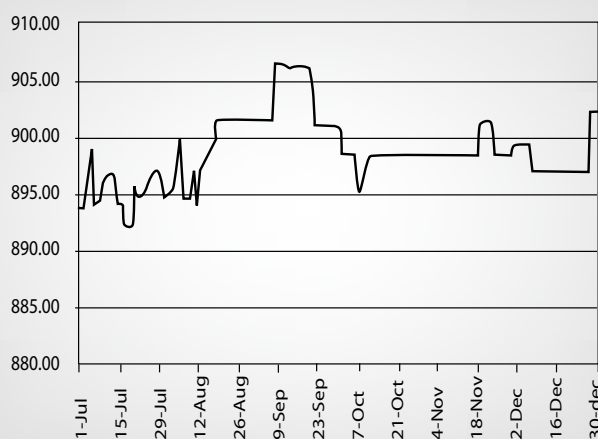
DSE All Share Index

The DSE All Shares Index trend continued to rise during the quarter after falling to the lowest level in the previous quarter. The index recorded an increase of 0.29 percent, moving from 1,170.80 points at the end of the previous quarter to 1,174.18 points by the quarter ended September 30 2010. The banking and investment subsector is the only index which declined during the quarter.

All Share Index



Tanzania Share Index

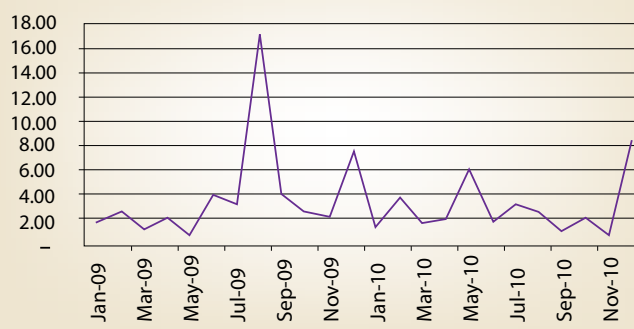


Turnover

During the quarter under review, equity turnover grew by 53.6 percent when compared with the previous quarter. A total turnover of Tshs. 11.3 billion (31.9million shares) was recorded during the quarter; this compares to the previous quarter's turnover of Tshs. 7.4 billion (26.1 million shares). During a 12 month period ended December 31 2010, the Dar-es-Salaam Stock Exchange (DSE) generated a total turnover of Tshs. 35.7 billion, a 21% decline compared to Tshs. 50.1

billion generated in the 12 month period ended December 30, 2009. Traditionally, the market experiences high trading activities in the months following listing events such as the IPOs of National Microfinance Bank (NMB) in November, 2008 and CRDB Bank Public Limited Company (CRDB) in June, 2009. In the period under review, there were no IPOs. CRDB shares were the most traded in the market generating 81% of the turnover followed by Tanzania Portland Cement Company (TWIGA) contributing 9% of the recorded turnover. NMB shares ranked third with a 5% contribution to total quarterly turnover.

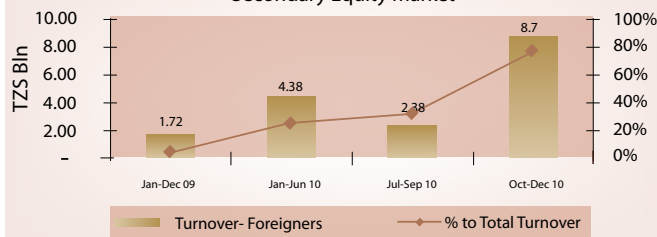
Monthly Turnover for all Shares Traded at DSE



Foreign Investors Participation in Secondary Market

Foreign investors' participation in secondary trading activities at the Exchange continued to grow during the quarter. Out of total turnover of Tshs. 7.39 billion generated during the quarter, Tshs. 2.35 billion was realized from transactions originated from foreign investors. This accounted for 32% of total transactions. Cumulatively, for the nine months to September 30 2010, foreign investors' transactions contributed 27% to the total turnover of Tshs. 24.64 billion. In 2009, the contribution by foreign investors to total revenue was 3.52% (i.e. Tshs. 1.72 billion out of Tshs. 48.70 billion).

Growth of Foreign Investors' Participation in Secondary Equity market



BONDS MARKET PERFORMANCE

Secondary Market Trading

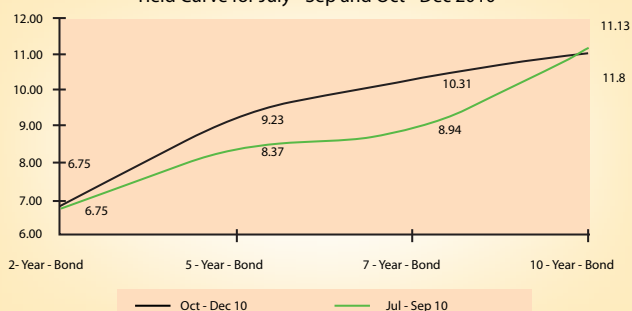
Government bonds with face value of Tshs. 12.5 billion were traded during the quarter. In the preceding quarter, Government bonds of Tshs. 60.3 billion were traded recording a 79.2% decline in the face value of executed trades. For the entire year, Government bonds with face value of Tshs. 205.8 billion were traded in the market in 88 deals. This was 47.6% higher than bond turnover recorded during the previous year in which bonds with face value of Tshs. 139.4 billion was transacted in 50 deals. The bond market was characterized by slow start during the first 5 months and followed by sharp increase during the second half of 2010. This may possibly indicate increased awareness and appetite for investment by institutional investors. By the end of December 2010 cumulative bonds traded for the past 24 months was Tshs. 345.2 billion.

Turnover - Secondary Bond Market (TZS Bn)



Yield Curve on Secondary Bond Market

Yield Curve for July - Sep and Oct - Dec 2010



NEW LISTINGS

Equities

During the quarter under review, there were no new listings relating to equities. However, some initial preparation took place for the cross-listing of National Media Group of Kenya and the IPO and listing of Precision Air.

Treasury Bonds

In the quarter ending September 30 2010, there was an 8.8% growth in value of bonds issued by the Government of Tanzania.

Treasury bonds with different maturity valued at Tshs. 211 billion were issued during the quarter; compared to Treasury bonds valued at Tshs. 194 billion in the previous quarter. On December 31st 2010, Treasury bonds with outstanding amount of Tshs. 1.6 trillion were listed at the Dar-es-Salaam Stock Exchange (DSE).

Corporate Bonds

There were two new listings of corporate bonds during the period under review. Standard Chartered Bank listed the first tranche of a subordinated bond of Tshs. 10 billion while Promotion of Rural Initiative and Development Enterprises Limited (PRIDE Tanzania), issued a bond amounting to Tshs. 14.5 billion. PRIDE Tanzania is a micro finance institution involved in the provision of credit to small and micro entrepreneurs in Tanzania.

CORPORATE ACTIONS

CRDB Bank Public Limited Company reported 35 percent growth in the assets of the Bank from Tshs. 1,645 billion at the end of June 2009 to Tshs 2,221 billion at the end of June 2010. After tax profit was Tshs. 28 billion being 52% higher than the Tshs 19 billion at the end of June 2009. At their Annual General Meeting, the shareholders approved a dividend payment of Tshs 7 per share. This translated to a total amount of Tshs 15.2 Billion; an increase of dividends by 3.5x the Tshs 4.4 billion paid in 2008.

Tanzania Portland Cement Company (TWIGA) reported turnover for the half year ending December 31 2010, was Tshs. 86.4 billion; 2 percent lower than the turnover recorded during the same period in the preceding year. Profit before tax declined 20 percent to Tshs. 28.6 billion. The company did not declare an interim dividend. For the half year, Tanga Cement Company (SIMBA) sales volumes and revenues increased by 16 percent and 8 percent respectively. The company declared an interim dividend of 50% of net profit after tax. This amounted to Tshs.5.1 billion or Tshs.80 per share. Management also reported the resignation of Ms. Jayne Nyimbo as a director of the company, effective from October 12 2010. Tanzania Oxygen Ltd., declared results for 2009/10 showed turnover declined 4 percent to Tshs. 2.5 billion; the company made a loss amounting to Tshs. 347 million The company also announced the appointment of Mr. Daniel Mwangi as the new Managing Director effective from October 17 2010.

Rwanda

How the EAC markets and their economies are doing, the quarterly trends on each market and their likely impact on other markets.



Secondary Market Trading

The equity market recorded a total turnover of Rwf 8,553,560 from 46,500 KCB Group (KCB) and 1,000 Nation Media Group (NMG) shares traded on the Rwanda Over the Counter (OTC) market in 20 deals. The KCB shares averaged Rwf 173 and NMG averaged Rwf 1,198 for the period.

During the period under review, there was no trading activity on the bond market.

Monthly trading statistics (October -December 2010)

	October 2010	November 2010	December 2010	Total
Volumes Traded	—	45,500	2,000	47,500
Turnover (Rwf.)	—	8,553,560	348,000	8,881,560
Daily Avg. Turnover (Rwf)	—	388,798	17,400	203,099
Average Share Price of KCB	—	169	176	173
Average Share Price of NMG	—	1,198	1,198	1,198

Primary Market Activity:

Bonds:

During the period, the Government of Rwanda listed its first treasury bond with a maturity of five years. The bond valued at Rwf 3.5 billion will mature in 2017 and pays a coupon of 11percent per annum. The listing brings the total face value of outstanding bonds issued to Rwf 15 billion.

Equities:

On January 31 2011, Bralirwa Limited.; also known by its French name Brasseries et Limonaderies du Rwanda; became the first domestic company to list on the Rwanda Stock Exchange. The listing follows a successful IPO in which the Government of Rwanda sold a 25percent stake to the public. The offer closed in mid December with a subscription of 274percent, an 147percent oversubscription. The shares of Bralirwa Ltd., opened at Rwf 220 and closed the first day of trading at Rwf 235, a 72% share appreciation from the Rwf 136 IPO price. Bralirwa joins two listed companies, KCB Bank Group and Nation Media Group. NMG cross listed its shares on the Rwanda Exchange on November 2 2010.

Kenya

How the EAC markets and their economies are doing, the quarterly trends on each market and their likely impact on other markets.



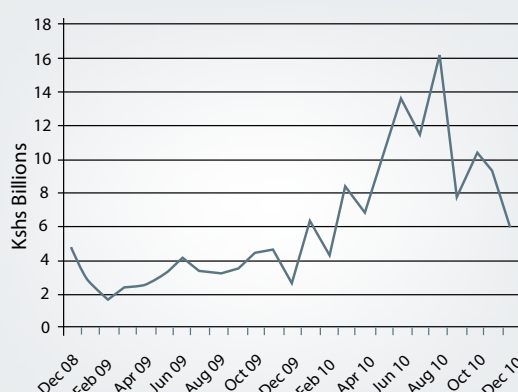
The Nairobi Stock Exchange Market Performance in 2010

Equity trading on the Nairobi Stock Exchange (NSE) remains largely driven by domestic investors. As of December 2010, 71.8% and 28.1% of total equity turnover was represented by domestic and foreign investors respectively.

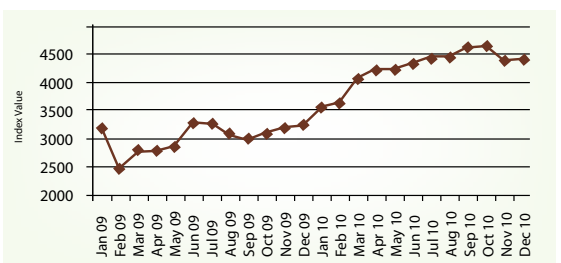
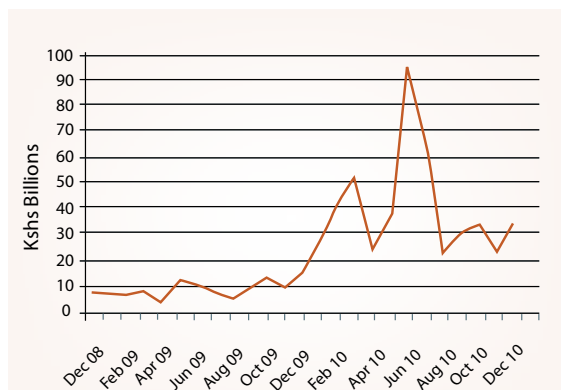
Foreign investor participation in equity market transactions has increased from 0.0% in 2004 to 28.1% in December 2010 and 41.8% in January 2011. This is an advantage in that it acts as shield from the impact of foreign portfolio investment fleeing the market under circumstances similar to the 2008 Global Financial Crisis. Last year, the value of shares traded on the Stock Exchange increased 189.1% to Kshs.110.3 Billion, from Kshs.38.2 Billion in 2009. Equity market liquidity was 9.5%. It was 7.9% in 2005.

Also note that over the same period market capitalization has increased from Kshs.462.5 Billion in 2005 to Kshs. 1,193.9 billion (Friday Feb 11 2011); an increase of 158.1%. Bond market liquidity was 96.6%. It was 6.5% in 2005. The face value of bonds listed on the NSE has increased from Kshs. 209.4 Billion in 2005 to Kshs. 500.5 Billion (Friday Feb 11 2011), an increase of 139.0%.

Equity Market



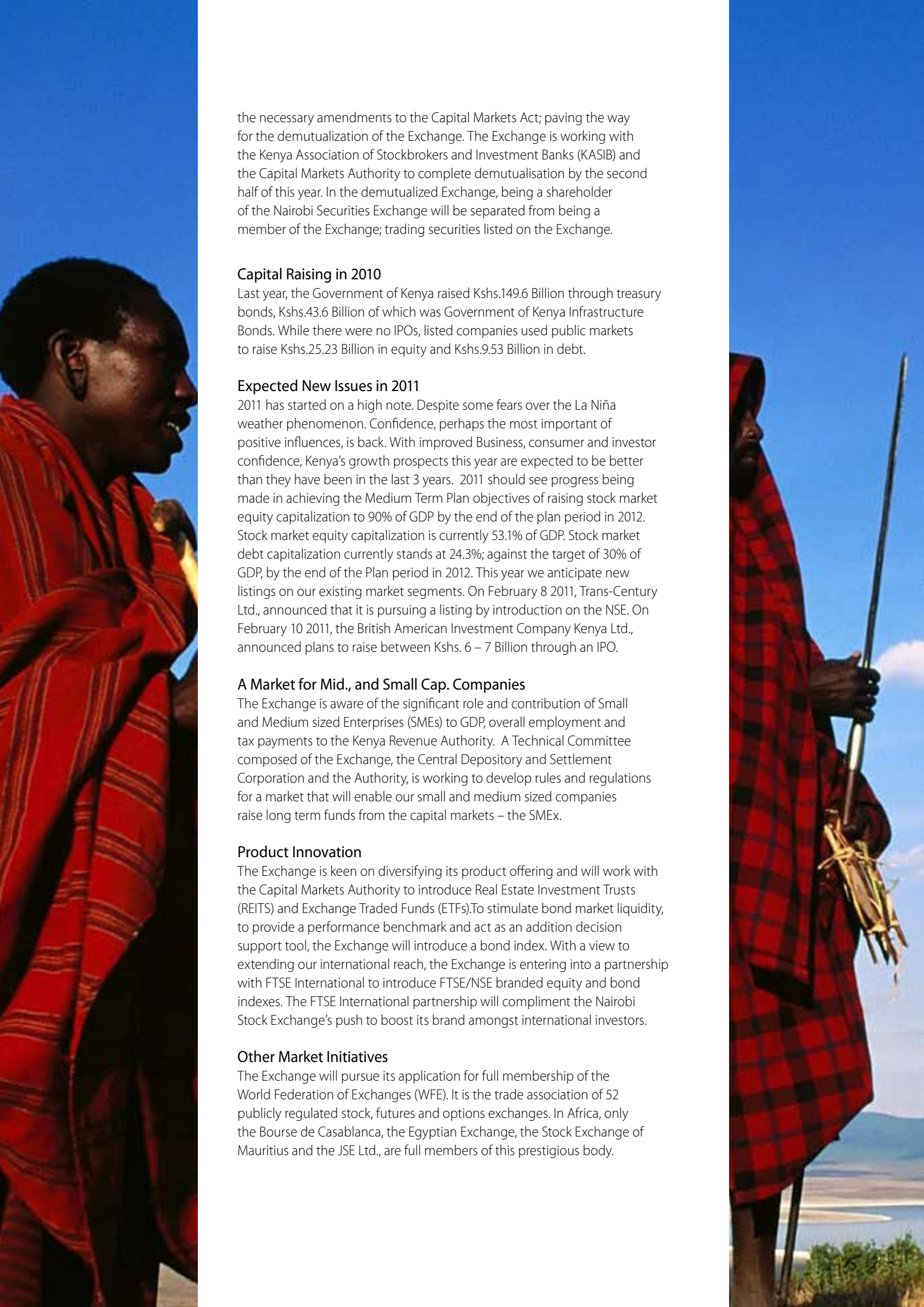
Bond Market



To support continued growth in trading, this year alone, the Exchange will invest Kshs.104.0 Million to improve the integrity of its trading systems. The investment is for the implementation of a standard Broker Back office (BBO) System for the Kenya market. The project is expected to be complete by the end of Q1 2011. The BBO system will be tightly coupled and interfaced with the Automated Trading System (ATS) and Central Depository System (CDS). It will greatly reduce the levels of human interface with client data. The BBO inbuilt alert features are triggered by attempted unauthorized actions. Implementation of the BBO System will reduce the risk of trading in securities listed on the Nairobi Stock Exchange, boost investor confidence and facilitate greater access by enabling internet trading.

Demutualization

The Finance Act 2010, to which His Excellency President Mwai Kibaki, gave his assent, has facilitated



the necessary amendments to the Capital Markets Act; paving the way for the demutualization of the Exchange. The Exchange is working with the Kenya Association of Stockbrokers and Investment Banks (KASIB) and the Capital Markets Authority to complete demutualisation by the second half of this year. In the demutualized Exchange, being a shareholder of the Nairobi Securities Exchange will be separated from being a member of the Exchange; trading securities listed on the Exchange.

Capital Raising in 2010

Last year, the Government of Kenya raised Kshs.149.6 Billion through treasury bonds, Kshs.43.6 Billion of which was Government of Kenya Infrastructure Bonds. While there were no IPOs, listed companies used public markets to raise Kshs.25.23 Billion in equity and Kshs.9.53 Billion in debt.

Expected New Issues in 2011

2011 has started on a high note. Despite some fears over the La Niña weather phenomenon. Confidence, perhaps the most important of positive influences, is back. With improved Business, consumer and investor confidence, Kenya's growth prospects this year are expected to be better than they have been in the last 3 years. 2011 should see progress being made in achieving the Medium Term Plan objectives of raising stock market equity capitalization to 90% of GDP by the end of the plan period in 2012. Stock market equity capitalization is currently 53.1% of GDP. Stock market debt capitalization currently stands at 24.3%; against the target of 30% of GDP, by the end of the Plan period in 2012. This year we anticipate new listings on our existing market segments. On February 8 2011, Trans-Century Ltd., announced that it is pursuing a listing by introduction on the NSE. On February 10 2011, the British American Investment Company Kenya Ltd., announced plans to raise between Kshs. 6 – 7 Billion through an IPO.

A Market for Mid., and Small Cap. Companies

The Exchange is aware of the significant role and contribution of Small and Medium sized Enterprises (SMEs) to GDP, overall employment and tax payments to the Kenya Revenue Authority. A Technical Committee composed of the Exchange, the Central Depository and Settlement Corporation and the Authority, is working to develop rules and regulations for a market that will enable our small and medium sized companies raise long term funds from the capital markets – the SMEx.

Product Innovation

The Exchange is keen on diversifying its product offering and will work with the Capital Markets Authority to introduce Real Estate Investment Trusts (REITS) and Exchange Traded Funds (ETFs). To stimulate bond market liquidity, to provide a performance benchmark and act as an addition decision support tool, the Exchange will introduce a bond index. With a view to extending our international reach, the Exchange is entering into a partnership with FTSE International to introduce FTSE/NSE branded equity and bond indexes. The FTSE International partnership will compliment the Nairobi Stock Exchange's push to boost its brand amongst international investors.

Other Market Initiatives

The Exchange will pursue its application for full membership of the World Federation of Exchanges (WFE). It is the trade association of 52 publicly regulated stock, futures and options exchanges. In Africa, only the Bourse de Casablanca, the Egyptian Exchange, the Stock Exchange of Mauritius and the JSE Ltd., are full members of this prestigious body.

Forthcoming Investment *Opportunities at The* **Nairobi Stock Exchange**





By James Muchene

The birth of a new year triggers speculation and expectations on the business and economic front without exception. With the ruts and potholes of 2008 – 2009 seemingly over, there is the feeling of great improvement in terms of overall growth in the Kenyan Stock Market. The essence of this article is to highlight what the driving factors of anticipated events may be. Like most things in life, there are positive as well as negative elements.

2011 is an exciting year for the Kenyan stock market nevertheless there are factors to be wary of which could suppress growth prospects. The market regulator (Capital Markets Authority), The Nairobi Stock Exchange and its members are relentlessly working towards the improvement of the Kenyan stock market on several levels some of which are outlined in this article.

Inspiring Factors Driving the Kenyan Stock Market

Demutualization:

Transforming from a mutual entity (member owned) to a corporation (shareholder owned) has a significant part to play in paving the road that will guide the Exchange to its vision. The members will exchange their rights of use for shares in the company's new legal identity. The required activities for the transformation are already underway. Stock exchanges owned by members tend to work towards the interest of members alone, which could be detrimental to rights of other stakeholders. Division of ownership between members and external stakeholders could prove to be a more balanced arrangement, removing conflicts of interest, creating greater management accountability, and being more mindful of the interests of other players. In order to remain well-off, stock exchanges require funds. While member-owned stock exchanges have limitations in raising funds, publicly owned stock exchanges can tap capital markets.

Publicly owned stock exchanges can exhibit more professionalism as opposed to member-owned organisations. Accordingly, the roles played by shareholders result in, strengthening of the management and the organization, greater transparency in dealings, accountability and market discipline. Demutualization enhances management flexibility. A publicly held company is better equipped to respond to changes when compared to a closely held mutually owned organization. Consequently, a corporation has the ability to expand through mergers and acquisitions.

New investment opportunities:

5 expected listings

The last Initial Public Offer by the Cooperative Bank of Kenya was in November of 2008. The Exchange is looking forward to welcoming five new listings this year resulting in increased market capitalization and new

investment opportunities. On February 8 2011, the shareholders of Trans-Century passed a special resolution of the Company authorising the Board and Management of the Company to pursue a listing by introduction on the NSE. On February 10 2011, the British American Investment Company Kenya Ltd., announced on the NSE Trading Floor, plans to raise between Ksh. 6 – 7 Billion through an Initial Public Offer (IPO). The NSE expects that both transactions which are subject to CMA approval; are completed by June 30 2011.

The five new listed companies will have the ability to raise the necessary capital to improve and expand their activities with relative ease. Following the intricacies of an economy's structure, the gains from these new listings will eventually find their way into the pockets of stakeholders resulting in enhanced prosperity. It is evident as to why stock exchanges are such a powerful tool in economic development. This point illustrates the efficient allocation of resources, or to put it differently, directing money where it is needed most and will yield more than it would otherwise.

2 expected cross listings

There are currently seven (7) Kenyan companies listed on the Uganda Securities Exchange (USE) and five (5) listed on the Dar-es-Salaam Stock Exchange (DSE). These companies contribute an estimated eighty-four percent (84%) and sixty-five percent (65%) of market capitalization on the USE and the DSE respectively. The cross-listed companies include East African Breweries Ltd (EABL), Kenya Airways Ltd (KQ), Jubilee Holdings Ltd (JHL), Kenya Commercial Bank Group (KCB), and Nation Media Group (NMG) which are listed on the USE and the DSE; Equity Bank and Centum Investment Company Ltd. are also listed on the USE. On the Rwanda Stock Exchange (RSE) are KCB Group and the Nation Media Group. The NSE however does not as yet have companies with a primary listing on the other EAC Exchanges listed on its platform. With a view to offering Kenyan investors access to the economic growth potential of the EAC Partner States, the NSE is targeting two regional cross-listings into Kenyan market by the end of the fourth quarter of 2011. By cross listing on the NSE, issuing companies from the other EAC Partner States can look forward to increased liquidity, and deep pools of capital. Last but by no means least, cross-listing provides a public profile in the Kenyan market through which the listed company can market their goods and services.

Introduction of SMEx:

Our capital markets are playing their role as

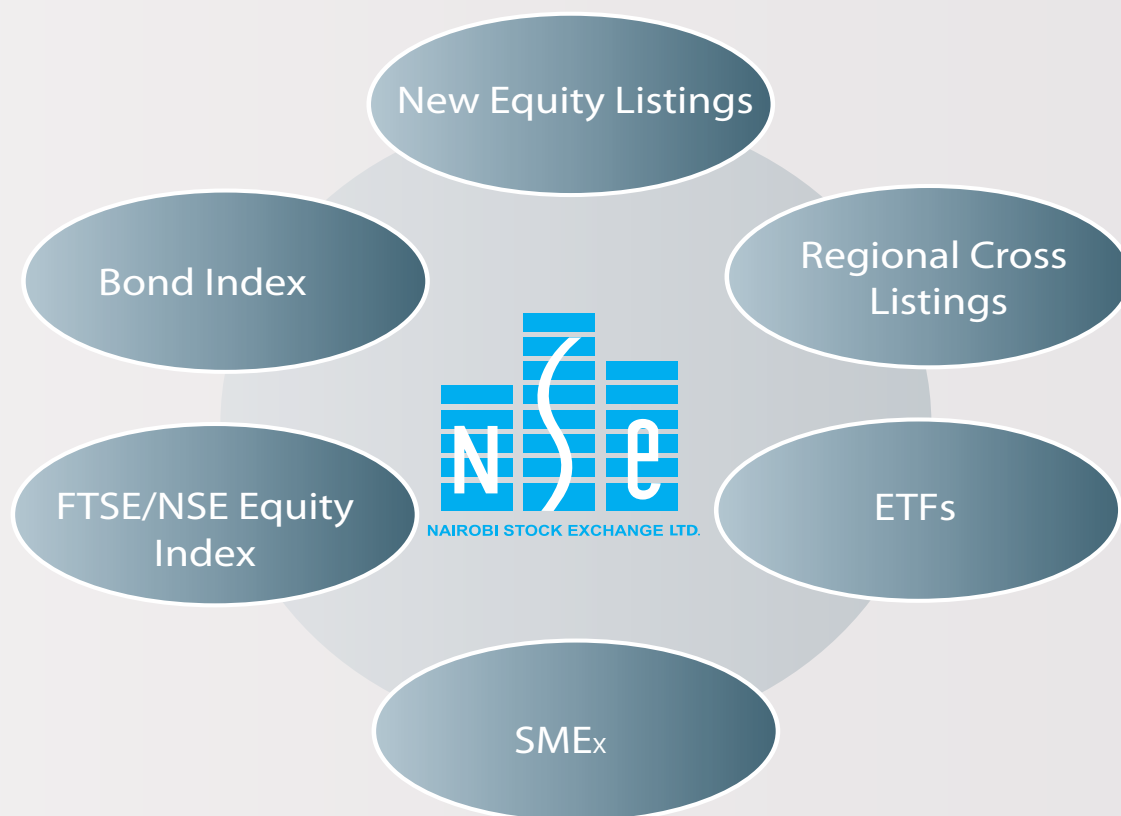
envisaged in the Vision 2030. Progress has been made to achieve the Medium Term Plan objectives of raising stock market equity capitalization from fifty percent (50%) to ninety percent (90%) of GDP and raising stock market debt capitalization from sixteen percent (16%) to thirty percent (30%) of GDP. The Exchange is working together with the Authority to develop rules and regulations for a market that will enable our small and medium sized companies to raise long term funds from the capital markets – the SMEx. The small and medium sized index due to be launched by the 4th quarter of this year will present investors with new, fresh and exciting opportunities with which to grow their money. Small and medium sized companies present the highest growth potential but are in most cases unable to explore that potential because of the difficulty of accessing capital for expansion. As listed companies on The Exchange, these companies will have the ability to grow their operations and returns domestically and in the EAC region; investors will be rewarded for taking on the associated risk. The NSE is aware of the enormously important role that medium and small capitalization firms play in the Kenyan economy. Its objective in this respect is to ensure it delivers a tailored offering to growing businesses which will be the regional multinationals of tomorrow.

Introduction of a bond index:

The debut of the Government of Kenya 30 year Savings Development Bond is an exciting new addition to the fixed income securities market. The Bond which was open to retail investors attracted bids amounting to Kshs.18.26 Billion. The Government of Kenya accepted Kshs.8.13 Billion at an average redemption rate of 12.96 percent; the coupon rate was fixed at 12.0 percent. The listing of the Bond, with lengthen the yield curve to thirty years and additional issues of similar maturity can provide a platform for the pricing of mortgage products of similar maturity for the Kenyan market. In support of Government initiatives to lengthen the yield curve, increase trading in the secondary market and manage the risk of investing in fixed income securities; the NSE will introduce a domestic bond index. The index will provide a benchmark in the performance of fixed income portfolios as well as support tools for decision making in the portfolio management process.

Introduction of FTSE / NSE equity index:

Consistent with the Exchange's corporate objective of enhancing its brand, the NSE intends to collaborate with FTSE International to create new index series. FTSE Group is a world-leader in the creation,



commercialization and management of over 120,000 equity, bond and alternative asset class indices. FTSE was voted 'Global Index Provider of the Year' for the years 2009 and 2010. Increased foreign investment is likely to be drawn in through the adoption of FTSE's globally respected index techniques. Partnering with the FTSE Group will also boost the capacity of the market to introduce index and index related products that conform to world best practise. This new equity index is expected to take-off in the 3rd quarter of this year.

Introduction of ETF's:

The Exchange Traded Fund (ETF) is a listed investment fund security which tracks an index, commodity, or a bundle of assets. It holds the underlying assets which could be the constituent stocks in the index, commodities or bonds. Its value is consistent with the value of the underlying asset it holds. This type of security enables investors to diversify their risk through the purchase of one security. As an added advantage, an ETF can be traded like a stock on an exchange making it a liquid security to own. ETFs are attractive as investments because of their low costs, tax efficiency, and stock-like features. The Exchange is looking to introduce ETFs based on its indexes before the close of 2011.

Measures taken to improve the market

New Technology

Implementation of the Broker Back Office

A joint initiative by the Capital Markets Authority(CMA) , The Central Depository and Settlement Corporation, the Nairobi Stock Exchange, and the Exchange's Member firms through the Kenya Association of Stock brokers and Investment Banks (KASIB) to procure the Broker Back Office(BBO) software for all the licensed stock brokers in

Kenya is going to have a monumental positive impact on the way business is conducted in the capital market. The software developer responsible for the Acquisition, Installation, Testing, Training and Commissioning of a BBO System, and provision of Systems support and maintenance for the provided BBO is Chellasoft. Chellasoft have a dazzling reputation in software development. They have over 200 man years of product development, and some of the leading global financial institutions are their long standing customers. This new interface is without a doubt going to result in capacity building in the Kenyan stock market. The system is going to provide end-to-end automated solutions directly to individual brokerage firms with seamless integration to electronic trading, central depository and the national clearing and payment systems. It will support trading of equity and debt instruments with full internet trading capability, centralized control and in-built risk management mechanisms across the entire trading process. The system will also have a detailed audit trail and log-file tracking with reports.

Reduce the settlement cycle to t+3

Settlement is the post-trade process that ensures securities are exchanged for cash, completing a transaction. A shorter settlement cycle will mitigate liquidity risk in the trading process. This is risk stemming from the inability of an investor to buy or sell an investment quickly enough to prevent or minimize a loss. A reduction in the settlement cycle from t+4(time+4 days)) to t+3 should make a great improvement in the trading of securities in the stock market. Furthermore a shorter settlement cycle will enable higher volumes to be traded as a result of time saving.

The EXchange

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Le lancement
de la Bourse de
Rwanda

S'affrontent
visage
d'Ouganda

Les possibilités
d'investissement à venir
à la Bourse de Nairobi

Potentiels de
l'Afrique

La Croissance Economique Et D'affaires

31
40
430
4.40

Norway Kr
Sweden Kr
Japan ¥
USA \$

Saudia Arabia Riyal 16
Lebanon LLE 9,500
Europe € 3.50
United Kingdom £ 3.20

36.00
650
230
16

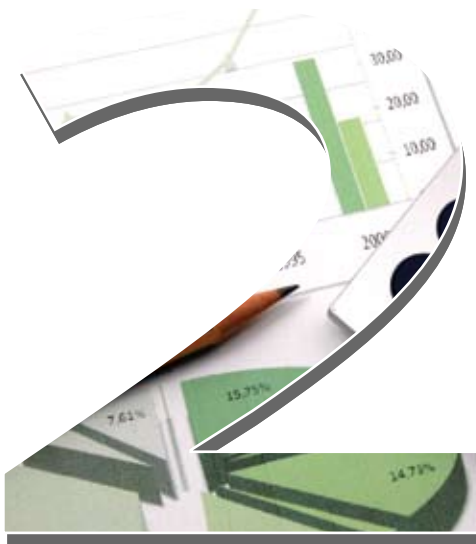
Botswana Pula
Nigeria Naira
India INR
UAE Dirham

10.00
49
24.75
46.00

Sudan P
Ethiopia Birr
Egypt EGP
South Africa Rand

350
8,650
5,700
2,480

Kenya KSH
Uganda USh
Tanzania TSh
Rwanda Franc



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2011 a commencé sur une bonne note. Le 2 Février 2011, le Rwanda Stock Exchange (RSE), a été officiellement lancé en tant que quatrième échange dans la Communauté est-africaine (EAC). Le même jour, les actions de Brasseries et Limonadières du Rwanda (BRALIRWA); du Rwanda première mise en équivalence ménagers, le commerce a commencé à la Bourse. Ce marché naissant a fait l'histoire, le Rwanda Stock Exchange est actuellement la seule entreprise Exchange dans la CAE qui est en commandite par actions, tous les échanges EAC d'autres sont des sociétés anonymes par la garantie. L'introduction en bourse très réussie BRALIRWA est le résultat d'efforts de collaboration régionale réussie. Le dépositaire central et la corporation de localité du Kenya à travers leur filiale en propriété exclusive CDSC registraires sont les bureaux d'enregistrement pour l'introduction en bourse, ce qui a été sursouscrite à hauteur de 174%. À la fin du deuxième trimestre de 2011, nous nous attendons au moins un, IPO nouvelle qui sera combiné avec une liste régionale. Le 10 Février 2011, Placements Centum Ltd, une société cotée au Kenya, a été contre cotées à la Bourse des valeurs mobilières Ouganda (USE). Le 17 Décembre 2010, les marchés de la capitale de la Tanzanie et autorité en valeurs mobilières a approuvé la demande par le Nation Media Group (NMG) de traverser la liste de ses actions sur le Dar es-Salaam Stock Exchange (DSE). NMG est déjà croix figurant sur l'utilisation et la RSE. L'Association doit maintenir l'élan, en le rendant plus facile pour les investisseurs et les émetteurs d'effectuer des transactions n'importe où dans la CAE.

En 2010, des progrès substantiels ont été accomplis dans le processus d'intégration du marché commun de l'EAC. Le CCE Comité de politique monétaire, qui comprend l'EAC banques centrales a commencé à travailler sur l'interconnexion des systèmes de paiement EAC. Connexion nos systèmes de paiement, il sera plus facile pour les Africains de l'Est à investir et le commerce des valeurs mobilières cotées sur les marchés de la région. La Banque mondiale (BM) a engagé 70 millions de dollars vers le soutien aux efforts d'intégration dans la région. Un pilier clé de l'orientation de la BM est en ce qui concerne l'appui au renforcement des capacités et financière des projets d'infrastructure de marché. Afin de positionner sur les marchés à côté de ces efforts, cette année, les membres EASEA sera la préparation du Plan stratégique EASEA (2011 -2013). En priorité, le plan comprendra les projets suivants: -

1. Afrique de l'Est Stock Broker lignes directrices - pour faciliter la reconnaissance d'un courtier en Afrique de l'Est Stock (EASB), avec un programme harmonisé de développement professionnel continu pour assurer la capacité normalisée des participants au marché dans la région;
2. Un routage d'ordres intelligent système- d'intégrer les systèmes de négociation de l'EAC échanges respectifs;
3. Les initiatives régionales de sensibilisation des investisseurs avec les régulateurs des marchés de capitaux afin d'accroître la participation des investisseurs et des émetteurs au niveau régional afin que davantage de produits sont disponibles et il ya une augmentation du commerce transfrontalier;
4. Offices de propriété industrielle régionale et des liens inter-dépôt grâce à l'utilisation des banques commerciales ayant une présence régionale à la fois pour la réception des demandes et le transfert de fonds. EASEA propose également que les offices de propriété intellectuelle à la disposition des investisseurs dans la région devraient être libellés dans la monnaie locale de la requérante.
5. Lors de la mise en œuvre complète de la CDS dans les quatre Etats membres, la CDS direct inter-liens sera mis en œuvre.

EASEA cherchera également à collaborer avec l'organisme régional de réglementation, la Securities Afrique de l'Est et des autorités réglementaires (EASRA) sur les principales lignes directrices de protection des investisseurs, comme un calendrier de remboursement IPO pour les investisseurs. Nous vous attendons, nos parties prenantes de suivre nos progrès et nous demander des comptes.



JOSEPH S. KITAMIRIKE
PRÉSIDENT



CONSEIL D'ADMINISTRATION BESOIN D'INTERFACE AVEC DIRECTION ET DU PERSONNEL ŒUVRE DE PLANS STRATÉGIQUES.

Le conseil d'administration de représenter les intérêts des actionnaires. La réalisation du plan stratégique pour une organisation se manifeste dans l'organisation, la production AO et les résultats d'exploitation. Les actionnaires se récompenser une entreprise qui augmente la valeur des actionnaires par une augmentation du prix de ses titres cotés. Par rapport à ses concurrents, l'entreprise sera également en mesure d'émettre de la dette avec une décote.

En Okatch Owaga Felix



De l'expérience pratique et dans un passé récent, de nombreuses sociétés cotées sur le NSE (Nairobi Stock Exchange), ont mis au point et publiquement fait part de leurs plans stratégiques avec leurs actionnaires lors de forums publics, tels que leurs assemblées générales annuelles et des conférences de presse ou lors de rencontres avec les analystes financiers. De même de nombreuses sociétés non cotées, les entreprises et autres organisations ont développé et partagé leur plan stratégique, vision, mission et valeurs fondamentales avec leurs parties prenantes, mais beaucoup moins publiquement. En fait, le conseil d'administration, sont responsables de l'élaboration d'une organisation, AOS plan stratégique et le suivi des résultats de la même par la direction. Prendre des risques et l'incertitude face sont une partie essentielle de faire des affaires et une surveillance efficace de ces prises de risque est également l'une des responsabilités du Conseil du participant, la clé. Cela signifie que dans la partie supérieure, le conseil établit l'orientation et le ton pour l'entité d'affaires à atteindre à court et plans à moyen terme et apporter des modifications correctives lorsqu'il ya des déviations notables dans l'environnement opérationnel des plans, scénarios AO et également veiller à ce que les plans et objectifs fixés pour l'entité d'affaires sont réalisés. Tout écart prévisible est corrigé dans le temps. Il devrait y avoir des écarts minimes du cours convenu.

Fonctionnellement un conseil a un lien majeur à la réalisation du plan stratégique. Il est, de diriger et de guider le (PDG) chef de la direction et son équipe de gestion à utiliser les ressources disponibles pour réaliser la société la société à court, moyen et long terme énoncées dans les plans stratégiques. Quant à la chef de la direction, il / elle a la haute direction, les chefs de département et le personnel pour atteindre les objectifs généraux du plan stratégique. Ces objectifs doivent être décomposés en unités ou des objectifs de l'article qui doit être mesurables et réalisables avec les délais fixés. Selon la nature de l'entreprise, les délais cible pourrait être mensuelle, trimestrielle et annuelle, même. Certains objectifs peuvent être encore être saisonnière. Les plans doivent tenir compte de la façon d'allouer de manière optimale les ressources limitées de la production comme le travail, la terre, les compétences de gestion et de trésorerie. Maintenant, comment le Conseil peut maintenir une dynamique stratégique pour réaliser le plan stratégique mis-en? Le conseil d'administration doit s'assurer

que les incitations des employés, aligner les actions de la direction et le personnel à la réalisation du plan stratégique d'une organisation non seulement chaque année, mais aussi à long terme. Ce faisant, l'entreprise de maintenir l'élan de prendre des décisions qui créent une valeur durable pour ses actionnaires à long terme. Les comités compétents du Conseil et la haute direction nécessité de veiller à buy-in pour l'application de la planification et la réalisation des objectifs stratégiques d'une organisation. Un traditionnels plan quinquennal, décomposé en budgets trimestriels, annuels et mensuels des revenus et des coûts doit être détenue par le conseil d'administration, la gestion et le personnel. Aux fins de la réalisation des plans stratégiques, mensuels et annuels, le conseil d'administration et comités du conseil doivent tenir des réunions pour examiner les progrès accomplis sur les plans.

Comme les plans stratégiques et annuels obtenir en œuvre, il ya généralement des problèmes externes et environnementaux qui se posent et sont incontrôlables dans le processus de mise en œuvre d'un plan stratégique. Même les meilleurs SWOT (forces, faiblesses, opportunités et menaces et défis) analyse, va manquer à certaines questions PEST (politique, économique, social et technologique). Ces événements imprévus peuvent causer de graves écarts opérationnels dans la réalisation des plans stratégiques. Par conséquent, le conseil d'administration et de gestion doivent être suffisamment souples pour tenir compte des processus de mise en œuvre du plan stratégique. Gestion des risques et l'incertitude sont des activités complexes et dynamiques et des administrateurs de succès des organisations dynamiques doivent se doter des connaissances de vocabulaire et le risque de s'engager efficacement et de superviser l'organisation, les dirigeants participant. Il s'agit de la budgétisation, l'élaboration de plans d'activité, jusque dans les ministères tâches et des individus (à tous les niveaux de l'organisation) sur les tâches à effectuer et des délais. Il comprend également l'allocation de fonds à l'utilisation la plus productive. Il s'agit également de motiver le personnel en créant des systèmes fondée sur le mérite qui utilisent transparentes, objectives de notation afin de récompenser le personnel qui atteignent des objectifs individuels et ministériels. Ces systèmes sont pris en charge par un bon environnement, le travail de suivi et d'évaluation et de gestion qui est prêt à écouter, apprendre et s'adapter.

*The one thing that
was missing...*



The EXchange

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The Exchange is the official magazine of the East African Securities Exchanges, owned by the Nairobi Stock Exchange, Uganda Stock Exchange, Dar-es-Salaam Stock Exchange and the Rwanda CMAC.

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