



NAIROBI STOCK EXCHANGE

**SPEECH BY
THE CHAIRMAN OF THE NAIROBI STOCK EXCHANGE
MR. EDDY NJOROGE
DURING THE BELL RINGING CEREMONY TO MARK THE LISTING AND
COMMENCEMENT OF TRADING OF
THE HOUSING FINANCE BOND
AT
NAIROBI STOCK EXCHANGE TRADING FLOOR
WEDNESDAY 10 NOVEMBER 2010**

Your Excellency, The President Hon. Mwai Kibaki, C.G.H., M.P.;

Your Excellency the First Lady, Mrs. Lucy Kibaki, E.G.H.;

Distinguished Guests;

All protocols observed.

Your Excellency,

The Nairobi Stock Exchange is honoured to welcome you to the Bell Ringing Ceremony to mark the listing and commencement of trading of the Kshs.10 Billion Housing Finance 7 year bond.

We wish to take this opportunity to appreciate all the initiatives that the government has undertaken, to support the growth of the capital markets.

In particular, we recognise the increased use of the NSE trading platform by the government to raise Kshs. 123 Billion in Government of Kenya Treasury Bonds in 2010 alone. Out of this Kshs. 47 Billion are Government of Kenya Infrastructure Bonds.

Your Excellency,

The NSE is well positioned to mobilize the resources for infrastructure and economic development as envisioned by Kenya's Vision 2030.

In recognition of this important role, the NSE continues to undertake projects to improve and deepen the capital markets.

Prior to October 2006, trading on the NSE was done manually and annual turnover volumes averaged Kshs. 50 Billion for equities and Kshs. 95 Billion for bonds.

In a 3 year span, the NSE has automated both trading in equities in October 2006 and in bonds in November 2009.

Thus far in 2010, annual turnover to date is Kshs. 75 billion for equities and Kshs. 423 Billion for bonds.

The Exchange believes that its investment in automation has increased liquidity and provided value through efficient and transparent dissemination of prices from a centralized, objective, credible source – the Exchange ATS.

The NSE 20 Share Index is up 44% in 2010, making the NSE the second best market in Africa after Uganda.

Your Excellency,

The NSE is committed towards enhancing its corporate governance through the demutualisation process. We look forward to the passing of The Finance Bill of 2010, which contains provisions that will facilitate the demutualisation process.

With these few remarks, kindly allow me to introduce the Chairman, Board of Housing Finance – Mr. Steve Mainda to make his remarks.

EDDY NJOROGE
CHAIRMAN
NAIROBI STOCK EXCHANGE