

# The Exchange Bulletin

## NSE Chief Executive's Foreword



Welcome to the first edition of the 2020 Exchange Bulletin.

The year 2020 started on a low and challenging note with the world struggling with the outbreak and spread of COVID-19.

Our country has continued to experience the systemic impact of the spread of the virus which has affected demand from Kenya's export markets, disrupted supply chains as well as local production. The resultant effect will hamper economic growth with the Central Bank of Kenya Monetary Policy Committee recently revising GDP growth rate downwards from a baseline estimate of 6.2% to 3.4% in 2020.

Our market has also experienced significant pressures as a result of the

outbreak. Investors have understandably continued to practice cautious investing, reallocating investments to safer asset classes such as bonds and hard assets such as gold through the listed Exchange Traded Fund.

Subsequent price corrections resulting from portfolio shifts have exerted pressure on our benchmark indices causing significant drops. We foresee impact on our business in the medium to long term and have taken precautionary measures to ensure that we continue providing a platform where investors and issuers can efficiently access the market from all over the world. Equally, we have also continued to ensure the safety of our staff and brokerage community who can easily access the market remotely through our upgraded Automated Trading System.

The events that have characterized the first quarter of 2020 are a strong reminder of how swiftly conditions can change. That is why we continue to enhance our business to focus more on factors we can control. To put this into perspective, we have for instance engaged a consultant to support the growth of our data business as we seek to enhance annuity income from that business line. We have also commenced engaging institutions of higher learning in enhancing our training offering.

In January 2020, we commenced the

implementation of our new strategy (2020-2024). Having successfully achieved majority of the key priority targets in our previous strategy (2015-2019), the new strategy will build on the already established foundation to propel our next phase of growth.

Our new strategy is aimed at positioning the NSE as the ultimate avenue for linking capital to opportunities in Kenya and regionally. It will guide our initiatives as we seek to offer best-in class investment and capital raising services in Africa and globally.

The strategy will place investors and issuers at the core of our initiatives. It will be driven by technological innovation to support the business consolidate its continued attractiveness among institutional investors whilst growing our retail footprint especially in Kenya.

As we steer our business through this period, we will continue making informed decisions to ensure accessibility and reliability of our platform to investors worldwide. I continue to reiterate the importance of staying safe and follow directives by the Government and global health agencies.

**Geoffrey O. Odundo**  
*Chief Executive*

## INSIDE

03



Absa Bank Kenya PLC change their ticker from BBK to ABSA

04



NSE 2020 Ring the Bell for Gender Equality

07



Voices from Our Women Leaders

# NSE Gears Efforts to Boost Data Business through the Appointment of a Data Monetization Consultant

On February 14, 2020, the NSE appointed SCL Advisory Limited to assist in expanding its portfolio of information products and services and clients in major investment markets across the globe as well as generate additional value from existing and new data sets. This is in line with NSE's strategy to enhance data revenues through expansion of its client base.

SCL Advisory Limited will support the NSE's efforts to provide professionals with essential data, analytics and services that will support investors make more informed investment and business decisions and give them greater insight into Kenya's capital market.

Through this partnership, SCL Advisory Limited will play

a significant role in expanding NSE's data client base and cementing NSE's position as a leading Exchange in providing reliable and credible market information to international and local investors.

The appointment underscores NSE's commitment to diversify the Group's revenue streams as well as offer investors and issuers an all-inclusive trading platform anchored on the latest technology and data dissemination channels.

SCL Advisory Limited is a strategic consultancy firm based in Monaco that focuses on helping institutions monetize their data as well as supporting with the development of capital markets in Africa and the Middle East.

## NSE and Riara University Ink Deal to Enhance Financial Inclusion

On March 9, 2020 the NSE and Riara University sealed a partnership that will see the two organizations collaborate in enhancing the quality of financial literacy and education among its students.

Through the partnership that was symbolized through the signing of a Memorandum of Understanding, the NSE will structure and develop content for financial based courses to be offered by Riara University, provide instructors to deliver the course as well as provide technical and eLearning support services to students. Additionally, the NSE will review course outcomes by evaluating the students and offer market

recognised certificates to students. The NSE will also provide essential capital markets data and analytics to the students.

The NSE Chief Executive Mr. Geoffrey Odundo expressed confidence in the partnership's potential to ensure all graduates from Riara University have requisite knowledge and skills about the Capital Markets and products and services offered at the NSE. He emphasized that the NSE will bridge the gap between theory and practice through offering quality training supported by data from NSE.



(Left) Prof. Robert Gateru, Vice-Chancellor, Riara University and NSE Chief Executive Mr. Geoffrey Odundo sign the MoU to enable the two organization's work together in enhancing financial education.



NSE and Riara University teams pose for a photo following the signing of the MoU.

# Absa Bank Kenya PLC change their ticker from BBK to ABSA



Absa Bank Kenya PLC Chairman, Mr. Charles Muchene is joined by NSE and Absa Bank Kenya Board members and Management teams as he rings the bell to mark the commencement of trading at the NSE during the Bank's change of ticker ceremony at the NSE.

On February 19, 2020, Absa Bank Kenya PLC marked the official change of its stock ticker code from BBK to ABSA marking the successful completion of their transition from Barclays Bank of Kenya to Absa Bank Kenya PLC.

The change of name follows a 2018 decision by the parent company, Absa Group Limited, to rebrand all its operations across the continent to Absa. This is after Barclays Bank Plc reduced its majority shareholding in Barclays Africa Group (the former parent company) to 14.9% and the subsequent renaming of Barclays Africa Group to Absa Group Limited.



Absa Bank Kenya PLC Managing Director & Chief Executive Officer Mr. Jeremy Awori shares his remarks during the change of stock ticker from BBK to ABSA.

# NSE 2020 Ring the Bell for Gender Equality

In commemoration of the 2020 International Women's Day, the NSE joined 75 stock Exchanges globally to Ring the Bell for Gender Equality on March 13, 2020. The annual event held in partnership with International Finance Corporation, UN Sustainable Stock Exchanges (SSE) Initiative, UN Global Compact Network Kenya and UN Women is aimed at raising awareness of the fundamental importance of gender equality to both business growth and sustainable economic development.

The event was graced by Prof. Margaret Kobia, Cabinet Secretary, Public Service, Youth and Gender Affairs who was the chief guest. Speaking during the bell ringing ceremony, she said *"Women continue to be highly underrepresented in both leadership and management of leading companies in Kenya. Today, we continue to emphasize the business case for having Gender Balance in our various sectors"*.

The ceremony culminated with a C-Suite dialogue on gender equality among private sector companies, social organizations as well as Government agencies. The dialogue brought together CEOs and HR Directors of companies in Kenya and focused on promotion of gender balance in leadership and the workforce as well as well developing policies and frameworks to enhance gender equality.

Gender Equality has proven to offer competitive advantages to enterprises through leveraging on women's unique abilities to drive business growth and efficiency.

As a member of the UN SSE Initiative, the NSE is committed to undertaking strategic initiatives to realize UN Sustainable Development Goal Five (SDG 5) of achieving gender equality and empowering all women and girls.



Prof. Margaret Kobia 'Rings The Bell For Gender Equality' joined by Ms. Rose Lumumba, IFC (Left), NSE Chief Executive Mr. Geoffrey Odundo (Second from left), UN Global Compact Network Kenya Board Member, Ms. Flora Mutahi (Centre) and Ms. Anna Mutavati, Country Director, UN Women (Right).

# Merican Limited and Prafulchandra and Brothers Limited Join the NSE Ibuka Program

Merican Limited and Prafulchandra and Brothers Limited joined the NSE Ibuka Program on February 27, 2020 and March 4, 2020 respectively joining a select group of ambitious companies looking for their next growth opportunity through the capital markets.

Merican Limited is a reputable organisation specializing in tailor made stainless-steel fabrication and commercial food and beverage equipment solutions whilst Prafulchandra and Brothers Limited has a five decade heritage in the distribution of lighting, kitchen as well as flooring solutions.

The NSE Ibuka Program is aimed at growing the visibility, brand recognition and business opportunities among hostee companies. Additionally, the program will assist in inculcating improved corporatization, develop capabilities to access capital markets as well as provide a roadmap to long term corporate sustainability.

The admission of the two organizations brings the total number of companies on the program to 24 since its inception in December 2018.



Prafulchandra and Brothers Limited is joined by a team from the NSE and as they receive their Ibuka Hosting Certificate following their admission to the NSE Ibuka Program.



Merican Limited team is joined by a team from the NSE and KASIB as they receive their Ibuka Hosting Certificate following their admission to the NSE Ibuka Program.

# Enhancing our Productivity as we work from Home



Our year started well until, very unexpectedly, the spread of COVID-19 grew faster than expected, affecting the workforce globally.

Following the confirmation of the first COVID-19 case in Kenya on March 12, 2020 normality, as we knew it, was about to take an instant change forcing most companies to require their employees to work from home.

Subsequently, on March 18, 2020 the NSE commenced the work from home program to maintain business continuity whilst prioritizing employee safety.

The sudden and unforeseen change in routine for most employees as we work from home is expected to impact productivity. Further, the rising cases of new infections as well as the continued uncertainty of the future surely has the potential to weigh heavily on the general ability to deliver and on staff morale as well.

So how do we enhance our productivity as we work from home?

## **Allocate a Dedicated Workspace**

The first step to being effectively productive as we work from home is to designate a comfortable workspace. This should have easy internet connectivity for quick communication. The workspace should also be far from easy distractors such as the television, fridge or family conversations. The key to productivity is to get uninterrupted time for task-driven work.

## **Formulate a regular routine**

This will help maintain productivity as your schedule and that of your household will be aligned. When creating your schedule, take into account the other commitments in your life and find a routine that lets you take care of those as well. Remember to have time for relaxation and exercise regularly.

## **Set Daily Targets**

Set simple manageable targets to enable you achieve major milestones. Begin every day by identifying what you need to do that day and how you intend to do it. Commit to achieving daily targets to sustain your productivity.

## **Maintain Effective Communication**

Distance can marginally affect effective communication. To ensure productivity, make a point of enhancing communication with your line managers or reports. This will help ensure your goals are aligned and most work is completed without much strain. A regular morning call can help align short term objectives with team members. You are encouraged to remain connected as much as possible.

## **Take Advantage of Online Meeting Platforms**

Online meeting platforms offer modern ways to stay close to colleagues. Having video calls and constant messaging can help create a satisfying group feeling during this uncertain times. Additionally, they create a platform to meet with various project teams aligning on deliverables easily. Let us use this facility, which has been made available to us, to stay abreast of what others are doing and also to keep up a rapport that might otherwise go neglected from not sharing a workplace.

## **Get professional help**

If experiencing difficulty, seek help from a trusted person or otherwise talk to the professional counsellors as provided within the Staff Medical Scheme.

I hope the above tips will help keep you productive at this time.

Please remember to practice self-care, prioritize your own health and safety, maintain highest possible levels of hygiene by constantly washing your hands with soap and water, sanitizing and above all maintaining social distancing. Also, eat healthy and remain connected!

Looking forward to seeing you, physically, when all this is over. This day is surely coming!

**Lucy Kamar**

*Head of Human Resources*

# Voices from Our Women Leaders; Loise Wangui, Head of Regulatory Affairs



## 1. What is it like being a woman in leadership at the NSE

It is a breath of fresh air being “at the table”, airing my opinions and being heard. It’s fulfilling contributing to the decisions geared to make NSE a greater company. For a woman, it takes an extra push of self to get to the top. That’s why the women who emerge on top, on merit, are extraordinarily strong and capable. As a young woman in the leadership of the NSE, I am also conscious of the many young ladies and gents who look up to me. I therefore realize the need to deliberately lead by example in a manner that inspires the younger team members.

## 2. What one thing would you credit your current success to?

I have a strong character founded on solid professional and personal ethos. I believe that having top qualifications without strong ethics compromises career development opportunities.

## 3. What would you tell your 20 something self-right now?

Trust yourself and always do the right thing. Keep your word and go above and beyond what people expect of you. The right person will notice.

## 4. Working in a predominantly male field, how do you deal with the issue of oneness e.g. finding yourself as the only woman in a meeting?

It starts with believing in myself – knowing that I am at the meeting as an expert in a subject matter and not as a woman. Secondly, I never attend meetings unprepared. Preparation is key. It builds my confidence when I contribute knowledgeably to a subject of discussion. That said, there is power in being the only executive woman in the room, everyone pays attention. It’s important to take advantage of this and say something smart!

# Lucy Kamar, Head of Human Resources

## 1. What is it like being a woman in leadership at the NSE

It’s rewarding. This could be attributed to the fact that the NSE appreciates and recognizes the significant role played by women in organizations. One gets the opportunities and support needed.

## 2. What one thing would you credit your current success to?

God. It has been a long journey, with challenges and a lot of expectations. Coming this far could not have been possible by my own means.

## 3. What would you tell your 20 something self-right now?

Keep the focus, one step at a time, appreciate the little wins and keep going, maintaining discipline, commitment and determination. Above all, be ambitious!

## 4. Working in a predominantly male field, how do you



## deal with the issue of oneness e.g. finding yourself as the only woman in a meeting?

It’s about being me, the person, and not me the only woman in a meeting. I go into a meeting knowing that we are all equally qualified to be at the meeting and so it does not even occur to me that I am alone or we, as the women in the room, are a minority. I just play my part!

## The NSE Offers Premium Training Services in:

- Trading and Investments
- Trading Systems and Technology
- Corporate Governance
- Risk and Compliance
- Sacco Training

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