

Market Report

March 2002

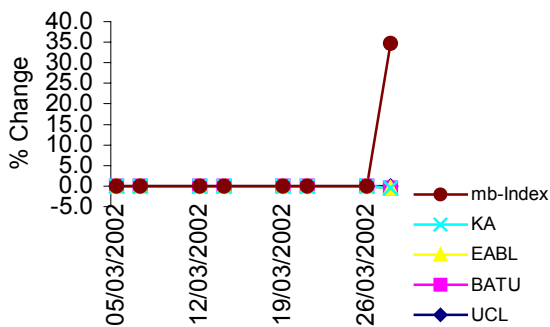


In UGX.	Par Value	Year End	Issued Shares	End month Price	Turnover ('000 UGX)	Market Cap. (UGX Bn)	EPS UGX	DPS UGX	DY%	P/E	NAV /Share	PBV
UCL	1000	Dec	500,000	4600	8,630	2.300	252.10	600.00	13.06	18.23	6437.74	0.71
BATU	1.25	Dec	49,080,000	1190	32,726	58.405	80.10	180.00	15.06	14.92	540.18	2.20
EABL	230	Jun	109,030,506	1790	-	195.165	342.24	207.00	11.56	5.23	2117.57	0.85
KA	105	Mar	461,615,484	195	2,228	90.015	43.24	13.80	7.08	4.51	381.80	0.51
TOTAL			620,225,990		43,584	345.885						
TOTAL (Excl. EABL & KA)						60.705						
PTA BOND Monthly Avg. Price		108.09										
Avg. Weighted Market P/E		5.74										
Market DY %		8.71										
Turnover (no. of shares) Ratio %		0.066										
mb-Index		15,355.60										
1USD/UGX		1,778.00										

EQUITY MARKET

On 28th March, Kenya Airways (KA) became the second company to be cross-listed on 2 different national stock exchanges when it was listed on the Uganda Securities Exchange (USE). The company was first listed on the Nairobi Stock Exchange (NSE) in 1996, and is ranked 6th on the NSE in terms of Market Capitalisation. Its inception on the USE ranks it 2nd in terms of Market Capitalisation, bringing total equity Market Capitalisation on the USE to UGX 346 billion from UGX 256 billion. On the first day of trading, a total of 11,500 shares were traded in 2 deals. KA's market price opened at UGX 185 and closed at UGX 195. 32,726 BATU shares were traded in the month and the share price closed at UGX 1,190. 1,876 UCL shares were traded at UGX 4,600 in March.

Share Price vs mb-Index



NB: The 35% increase in the mb-index was a result of the increased Market Capitalisation arising from the cross listing of Kenya Airways (KA) on the USE. There was no change in KA's price since 28th March was its first day of trading on the USE.

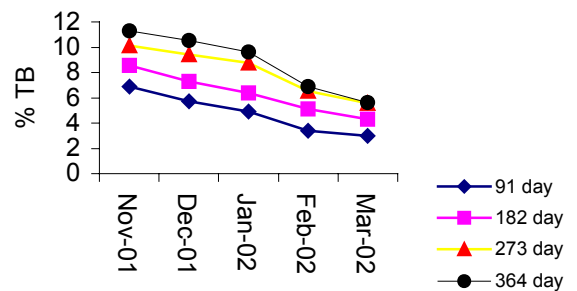
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DEBT MARKET

The 91-day T-bill, which opened at 2.93% in the 1st week increased by 82 basis points in the 4th week to 3.51% at the end of the month. The 273-day T-bill, which opened at 5.37% moved upwards 175 basis points to 6.79% in the 4th week. For the 182-day and 364-day T-Bills, an increase of 178 and 56 basis points by the 4th week led to a close of 5.51% and 6.00% respectively at the end of the month. However, for the 2nd consecutive month, all T-Bills reached new 12-month low levels. Investing in Treasury Bills at the moment is unattractive, as interest rates are so low. Hopefully, commercial banks will lower their lending rates to attract potential borrowers and therefore increase their earning assets in order to maintain total earnings, albeit at a higher risk (i.e. lending risk).

Avg. Monthly Treasury Bill rate:
Nov 2001-Mar 2002



FOREIGN EXCHANGE

The Central Bank sold a total of \$27 million in a move to stabilise the depreciating local currency unit with \$11million in the 1st week, \$8 million in the 2nd week and another \$8 million in the 3rd week.

“Remember, Share Prices Can Go Up or Down”

Any recommendation in this Market Report may not be suitable for all investors, and the opinions expressed herein are subject to change without notice. We may from time to time have a long or short position in and buy or sell some of the securities referred to herein. The information and statistics in this Market Report are based upon sources we believe to be reliable, but have not been independently verified by this.
The information, comments, and opinions, if any, are not intended to be, and should not be relied upon as complete.
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Graphs below-

Company share prices compared with mb-Index show over, under or par performance as against the mb-Index

