



## Diaspora: Let us have a peaceful election in 2013

Kenyans in the Diaspora are keenly following the events back home as the country gears up to next year's General Election, even as a combination of factors, including logistics, threatens their chances of taking part in the March 4 polls. The Independent Electoral and Boundaries Commission (IEBC) has said only Kenyans living in the five East African Community countries - Kenya, Uganda, Tanzania, Rwanda and Burundi - will have a chance to cast their votes, locking out those in Europe, the Americas, Asia and Australia. Nevertheless, the non-resident Kenyans would like their fellow citizens back home to observe peace during and after what has been billed as one of the most fiercely contested elections in Kenya's history.

Mr Felix Maina, who is based in Asia, appeals to Kenyans to maintain peace and elect leaders who have the greater good of the country at heart and are ready to serve all without fear or favour.

**"ABC Bank has been of great help to me and other Kenyans in the Diaspora"**

"We are appointing our country's CEO (chief executive officer). This is our chance to go for merit and elect leaders who can take our economy to the next level. We need leaders who would not only unite Kenyans, but also propel the country into a middle-income economy as envisaged under Vision 2030," he says.

His sentiments are understandable given that non-resident Kenyans have a big stake in the country -their families and investments in various sectors of the economy -such that a repeat of the 2008 post-election violence would hurt them. And with their continued remittance of billions of shillings -e.g. more than Sh75 billion (\$891 million) in 2011 according to the Central Bank of Kenya (CBK), which is channeled into the economy, they have every reason to vouch for peace.

"We need peace in the country to attract domestic and foreign investment. For instance, I have just acquired a plot in Kenya, which I would like to develop very soon," says Mr Maina, who is an ABC Bank customer. He says he would like the economy to continue improving so that, among others, lending rates would come down. He praises ABC Bank for facilitating him towards achieving his investment objectives.

"ABC Bank has been of great help to me and other Kenyans in the Diaspora, especially by enabling us to send money to our families for their day-to-day needs as well as investing on our behalf without fearing that it would get lost along the way," he says.



Mr Felix Maina: Let us go for merit

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I hope this e-newsletter –the last issue for 2012 -finds you well.

As we head towards the end of this year, I wish to express our sincere gratitude for your goodwill and loyalty to the ABC Bank Group family.

Your support enabled us to perform well over the period ending September 30, 2012 in the face of a tough operating environment.

The tough times notwithstanding, our balance sheet grew to Sh14 billion from

Sh10.9 billion in June 2011 while profit before tax increased by 14 per cent to Sh374.7 million this year up from Sh326.6 million we recorded over the same period in 2011. The feedback –suggestions, complaints, complements etc - we continue to receive from you through our various customer engagement channels has enabled us to innovate, design and roll out products and services geared towards facilitating you to meet your financial needs. Thank you for your valuable input.

For instance, in response to your feedback, we have included a section in which we are giving you crucial tips including on investment. This is our way of reaffirming our commitment to facilitating you to meet investment objectives at all times. We are working round the clock to ensure that in a few months, our MasterCard and upgraded Internet banking services are available to all our customers.

And as our Change Management programme, Nyota Mpya (Swahili for New Star) picks up steam, we will have a lot more in store for you going forward. So stay tuned!

On behalf of the Board of Directors, management and staff of ABC Bank Group and my own behalf, I wish you happy and peaceful year-end festivities and a Happy New Year 2013.

Group Managing Director

## ABC Bank Group signs MoU with Investeq Capital

ABC Bank Group and Investeq Capital Ltd have signed a new memorandum of understanding (MoU), increasing the Bank's offerings to the mutual customers of the two institutions.

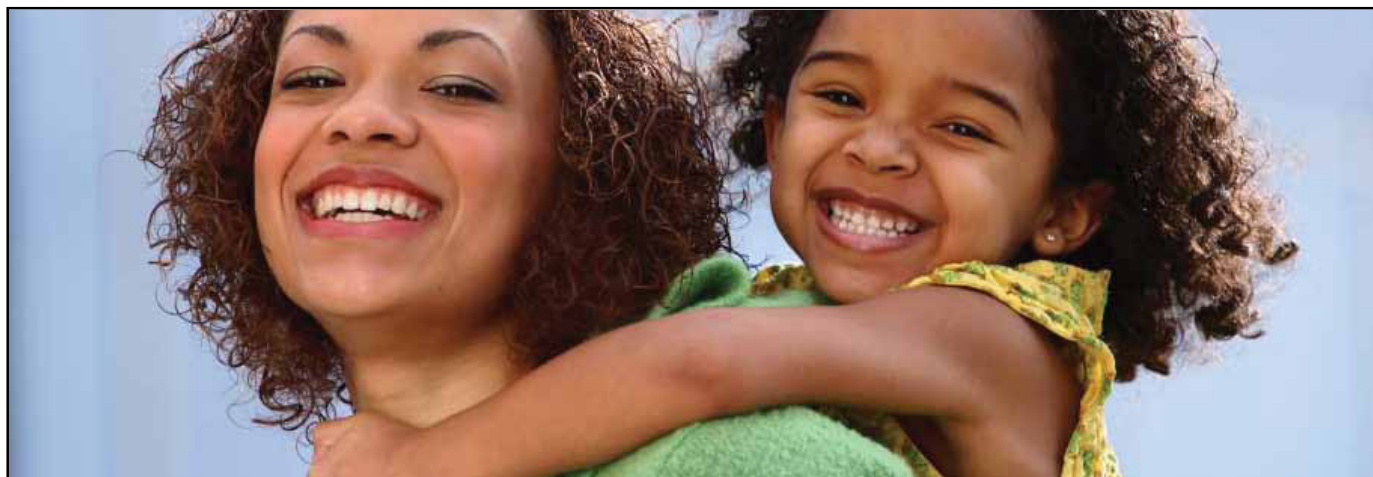
The initial MoU allowed the Bank to support the customers, mainly small and medium enterprises (SMEs), through Guarantees and Invoice Discounting solutions.

"We are taking our relationship to the next level," said Mr Deviinder Gupta, ABC Group Chief Executive Officer (CEO), during the signing of the MoU held on November 30, 2012 at the Bank's Koinange Branch.

Under the new deal, their mutual customers will benefit from the Bank's other financial solutions including personal loans, term loans and asset finance.

"We are glad to have a great partner in ABC Bank," said Mr. Dan Awendo, CEO, Investeq Capital Ltd, which has just re-branded complete with a new logo and name (formerly InvesteQ Capital Limited).

**"We are glad to have a great partner in ABC Bank."**



**Send your love back home quickly and safely.**



## Young athletes benefit from ABC Bank's helping hand

ABC Bank Group sponsored the newly introduced short races in this year's edition of the annual Safaricom Baringo Half Marathon. The event was held on November 4, 2012 in Kabarnet Town. Mr Shamaz Savani, the Group Managing Director, said the Bank supports initiatives aimed at nurturing the talents of the youth. He singled out the talented youth in sports, which has proven to be a viable source of income for many sportspeople besides keeping them off vices, including crime.



Mr Deviinder Gupta (right), ABC Group CEO, presents a certificate to one of the young athletes who took part in the half marathon.

"But majority of the youth are found in far-flung areas of this country thereby limiting their chances of displaying their talents to the country and the world at large. We want to unearth tomorrow's Tergat," Mr Savani said in reference to the event's founder, former world cross country champion, Mr. Paul Tergat. He said the sponsorship of the event for the second year running is also one way of thanking the Bank's customers in the greater Rift Valley region where it has two branches in Nakuru and Eldoret. Mr Tergat, who also hails from Baringo County, said the event has not been appealing to some groups of people because it was limited to one category, 21km.

"It is, therefore, my greatest joy we now have new shorter and fun races targeting the various ages from small children to the youth and professional athletes, thanks to ABC Bank," said Mr Tergat.

The 2012 edition featured 1km and 2km fun run for children aged between seven and 14 years while old men and women ran 2km. The junior youth from 15 years and above tackled the open competitive 5km race.

## ABC Bank gives a facelift to Kamiti Primary School

Kamiti Primary School, a public institution located within the Kamiti Maximum Prison - Nairobi, has a fresh coat of paint -thanks to ABC Bank Group.

The Group, through its Koinange Branch, bought paint, paid for and supervised the painting of the school, as part of its corporate social responsibility (CSR) programme.

"We, as ABC Bank Group, intend to continue supporting the growth and development of education in the country through various initiatives aimed at benefiting the learners, their teachers and the community at large," said Mr George Wanga, the Koinange Branch Manager.

The school, which has a population of around 1,110 pupils -comprising of warders' children and others

from outside -does not receive support from the correctional facility. Instead, it depends on the Ministry of Education under the Free Primary Education Programme.

"We cannot express enough our gratitude to ABC Bank for the good job they have done to us," said Mr Joseph Mwangi, the school's head teacher.



Caption: Mr George Wanga (3rd L), ABC Bank Koinange Branch Manager, staffers Mr Antony Kariuki (2nd right) and Mr. Rooney Mbani (right) with pupils of Kamiti Primary School "flags off" the painting of the school.



Kamiti Primary School after receiving a fresh coat of paint



## Customers: You are doing a good job for us, keep it up!

to achieve their financial and investment objectives.

Some of the customers, who have taken time during their travel to Kenya for leave to visit the Group's offices, say the initiatives have improved their interaction with the Bank.

They cited the Bank's products and services, customer relationship management (CRM) system, Talisma, the feedback email, talk2us@abcthebank.com, and newsletter –ABC Vision, Diaspora edition, as some of the initiatives that are facilitating their efforts, especially to invest in the country.

"We have learnt a lot from the newsletter through which, for instance, you have regularly provided us with information on the Bank's products and services and investment opportunities in the stock market and the property sector," said Mr Joseph Kariuki.

Mr Kariuki, whose story appeared in the September 2012 issue

of the newsletter, visited the Bank on October 26, 2012.

Another customer, Mr Josphat Wachira, paid a courtesy call on the Bank's Diaspora department team on November 8, 2012.

"I am very happy with you (ABC Bank) because your services are swift, which has made my banking experience very enjoyable," said Mr Wachira who graced the front page of the July 2012 issue of the newsletter.



Mr Joseph Kariuki (left) and Rosemary Kiboro of ABC Bank are all smiles during his visit to the Group's Westland Head Office.

A number of Diaspora customers have praised ABC Bank Group for implementing various initiatives geared towards enabling them to

## ABC Bank Group records business growth in 3rd quarter of 2012

ABC Bank Group has registered growth across all its business lines in first nine months of 2012, despite the period being characterised by various challenges - high interest rate regime, volatile exchange rate and subdued business environment. The Group's customer deposits grew by 29 per cent to close at Shs.14.1 billion during the period ending September 30, 2012 up from Sh10.9 billion it reported over the same period in 2011. Mr. Shamaz Savani, the Group Managing Director, said they are satisfied with the performance in what they consider to be a transitional year for the Bank as they prepare to start implementing their new 5-year Strategic Plan from January 2013. He attributed the Group's performance to an increase in loans and advances driven by, among others, improved lending to small and medium enterprises (SMEs) and increased investment in the systems and processes upgrade.

"A close working relationship with our customers, a skilled staff, improved efficiency, tapping into the synergies of our affiliate companies and sound cost management enabled us to overcome the challenges during the period," said Mr Savani. During the period under review, the Group recorded a 20 per cent growth in profit after-tax to Sh262.8 million up from Sh218.2 million it returned in September 2011. Profit before tax increased by 15 per cent to Sh374.7 million up from Sh326.6 million it recorded last year while total assets closed at Sh17.1 billion, a 30 per cent rise over the Sh13.1 billion reported in 2011.



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## We intend to offer our customers extra-ordinary service

Q&A with Mr. Geoffrey Nyambane, Head, Change Management Steering Committee (CMSC)



Mr. Geoffrey Nyambane

### Q: Briefly explain ABC Bank Group's Change Management programme

**A:** ABC Bank Change management is a revolutionary change programme involving the people, processes, procedures and technology. On September 15th, we rolled out the Nyota Mpya project, which marked the start of our cultural transformation programme. In the last two months (October and November), we decided to train all our staff under a paradigm shift programme for three days at Lukenya Getaway so that we can empower them with life-changing skills.

### Q: What are some of the things the staff learnt during the training?

**A:** Our staff learnt about how to manage different areas of their lives such as work, personal life and even financial well-being by identifying the critical areas of success, their purpose, change in organisations and understanding the ABC Bank Group corporate culture. The training was aimed at helping them to understand that change begins with oneself and each one has the power to explore their full potential with the right attitude.

### Q: Why the three-day training for all the staff?

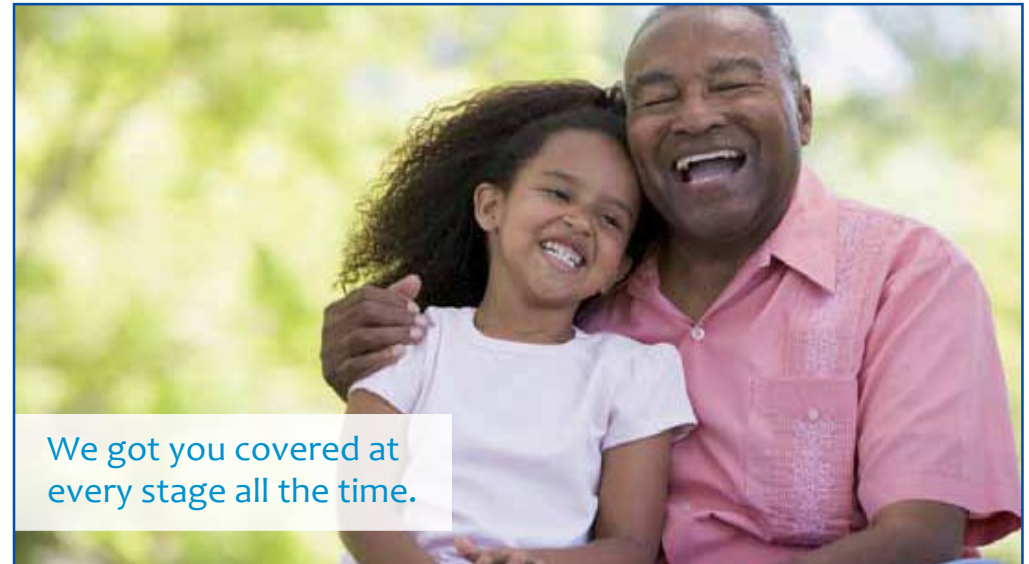
**A:** We appreciate that the needs of our customers are changing every time and we, as a Group, want to be ahead of such changes by predicting them in advance and acting accordingly. We also know that it is through well-trained, fully empowered and happy staff that the Bank would rise to extra-ordinary heights by offering our customers extra-ordinary service. This is why we are focusing on empowering our staff by providing them with an all-round training programme touching on their work, personal life and even financial well-being. If we have to achieve our objective of being an extra-ordinary financial institution, we have to empower our employees because they are our most valuable assets.

### Q: How will the change benefit the Group's customers?

**A:** Our customers will be at the centre of a new ABC Bank where staff performance would be at its best as they offer them (customers) an extra-ordinary service. With the support of our customers and employees, we expect our performance to be better than that of our peers' while our network in the region will expand easing our customers' accessibility to services.

### Q: Is this (3-day training) enough or there are plans to have further trainings?

**A:** We believe that training is a continuous process. We shall be having other trainings in the coming year. We want to empower our employees and, by extension, our customers to attain the extra-ordinary.



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## Kenya shilling's performance to November 20, 2012

By ABC Bank Treasury CEO

The Kenyan shilling opened at 85.20 and closed at 85.65 units to the US dollar during the period between September 17, 2012 and October 19, 2012. This period also witnessed the shilling gradually weakening to a five-month low against the American currency.

There were also been some instances of volatility during the period with the local currency losing and gaining ground against the major currencies, especially the American currency.

Several factors contributed to the shilling's behaviour during the period and they were:-

- Increased demand for the dollar from the energy sector and importers buying goods in anticipation of demand during the Christmas period.
- The reduction of the benchmark lending rate (CBR) by Central Bank of Kenya (CBK)'s Monetary Policy Committee (MPC) by 200 basis points to 11 per cent, which has led to reduced the dollar inflows from foreign investors coming to participate in the Treasury Bill and Treasury Bond auctions.
- Reduced inflows from tea and tourism sectors.

### Highlights:

Opening Rate: 85.20

High for the Period: 85.65

Low for the Period: 84.90

Closing Rate: 85.65

Range for the Period: 84.90 – 85.65

### Outlook on the shilling's performance going forward

Dealers at ABC Bank Treasury expect the shilling to trade in the 85.50 to 86.20 units to the US dollar range in the coming days.

The shilling is expected to fall further due to falling government security (T-Bill and T-Bond) yields and increased dollar demand from importers. Also, the uncertainty about the global economic outlook and renewed Euro zone crisis might lead to further weakening of the shilling.

The shilling, however, will be cushioned from further fall by inflows from the tourism sector as we approach the peak tourism period in Kenya.



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# INVESTMENTS OPPORTUNITIES



## NSE INVESTMENTS

### Steps to your success at the stock market

By ABC Capital Ltd

#### Invest in what you know

It is important for you, as an investor, to understand where your funds (cash) are being invested.

In the case of purchasing shares, it is worth remembering that you are buying a 'piece' of ownership of a company or enterprise whose shares you are investing in thereby transforming you into an owner of either its profit or losses.

Some qualities of a good share include:-

- frequent and good dividend payment,
- a company managed productively, transparently and is accountable to shareholders
- shares are easy to buy and sell quickly in the market

The key rule is, therefore, you should know always what you are investing in.

#### Never ever lose big money in the stock market

Buying a share is easy but the hard part is you knowing when to sell and experience has shown that very few people know how to do that. This is because, especially ordinary investors are mainly ruled by emotions when it comes to investing in the stock market.

Always remember that when you buy a stock, you buy it with the intention of selling it for a profit sometime in the future.

In order to do so (sell) successfully:-

First, you should put as much thought into planning your exit strategy as you put into the research that motivates you to buy the investment (stock/share) in the first place.

Secondly, strip all emotions out of your decisions.

You must have a strategy that allows you to methodically cut your losses and let your winners ride.

#### Buy momentum, sell higher.

The adage of buy low, sell high still holds true. However, an improved way of looking at it when deciding on a share/stock to buy is; buy when the momentum begins (when a stock price rises gradually over a period of time) and sell higher (a higher price than your buying price). This way, you do not just buy dreams, but a dream that is turning into reality. This is supported by market information about the individual company growth prospects and performance.

#### Diversify

Always remember the saying 'never put your eggs in one basket'. This applies aptly to creating your investment portfolio. Thus, your key to building a good investment portfolio is diversification –invest different amounts of money in different companies spread over different sectors.

#### Be disciplined

Truly, this is a difficult advice to follow especially during market volatility and, therefore, requires that you have an investment strategy. Having an investment strategy would help guide you in making your investment decision since it acts as a tool for your financial discipline.

#### Ask an expert

You are always better off and secure by seeking the advice from ABC Bank Group financial advisors –either ABC Capital or ABC Bank Custodial and Financial Services -to help you structure an investment portfolio plan that will suit your investment profile.

# Important tips to your financial success

By ABC Diaspora Department



## US Dollar cash withdrawal

Due to the current cash shortage of the US dollars in the market, notify the bank at least 24 hours in advance via [diaspora@abcthebank.com](mailto:diaspora@abcthebank.com) if you plan to make a cash withdrawal of USD 2,000 or more. This will enable us to better plan for your cash requirements and offer you the superior service you deserve while banking with us.

## Account security

To better secure your finances and ensure confidentiality:

- NEVER share your email passwords, online banking login details. These should ONLY BE KNOWN BY YOU. So avoid writing them down on paper, books or saving them anywhere on the computer
- When using shared computers or accessing computers in public places:
  - < Log-in alone, and do not allow anyone to do this for you
  - < NEVER select any prompted options to 'Remember Me' or 'Automatically Log-In' when visiting websites
  - < Ensure that you completely 'Log-off' ALL websites, applications and close down all windows on the computer when done
  - < ALWAYS remember to DELETE ALL documents that you may have saved onto the computer and/or desktop
  - < Empty the 'Recycling Bin' before shutting down

< ENSURE that you 'log-off' the computer before you walk away.

## Diversify your investments into immovable assets

What is an immovable asset versus a movable asset?

Immovable assets are properties or permanent structures, which cannot be moved without destroying or permanently altering them - they are fixed to the earth. Examples include plain land, buildings or any permanent structure that is either above or below the surface.

Movable assets are personal properties that can be moved from one location to another without damage or permanent alteration to them. Examples include auto-mobiles, machinery, furniture, appliances, household goods and liquid assets (shares, bonds, deposits).

Too many investment plans are focused generally in the same region, or even based on only one kind of asset. Any good investment portfolio should be well expanded across both, with a greater emphasis on the immovable.

Always remember that the golden rule of investing is... Diversify, Diversify, DIVERSIFY!

## Start saving early for retirement

The sooner you start to save, the longer your money has to work for you. It is becoming increasingly clear that depending only on company pensions won't be enough for you to be able to enjoy a comfortable retirement. Making your own provision for retirement is, therefore, becoming increasingly important. For you, the expatriate (working in the Diaspora), an international savings plan can provide flexibility, portability and tax-efficiency.

## Financial protection

Don't overlook your protection needs!

The first step in planning yourself financially should be for you to ensure that you and your family are properly protected against unforeseen situations, like a serious illness or worst case scenario, even death! Think about how your dependants would cope with the sudden loss, not only of you, but also the income you provide to them.

Hence, it is important to start putting together proper protection plans like comprehensive insurance package for all members of the family across a wide range of difficult situations, ensuring that your families will be able to cope with any financial hardship.

By so doing, you will put both your mind and your dependants mind at peace.

## PROPERTY INVESTMENTS



**Silver Prime (Kitengela): Plot size: 1/8 acre**

Offer	Period	Price	Deposit 30%	Installments per month
Platinum	Cash(within 30days)	750,000	-	-
Bronze	6 months	795,000	238,500	92,750
Silver	12 months	840,000	252,000	49,000
Gold	18 months	885,000	265,500	34,417
Gold Plus	24 Months	930,000	279,000	27,125

### Value additions

- Borehole water
- Water piping system
- 24,000-litre storage tank
- Three phase power
- Internal murram roads
- Greening policy- Trees around the property
- Free hold titles
- Caretaker on site
- Resting park



**Savannah Gardens (Kitengela): Plot size: 1/8 acre**

Offer	Period	Price	Deposit 30%	Installments per month	Value additions
Platinum	Cash(within 30 days)	680,500	-	-	<ul style="list-style-type: none"> <li>• Borehole water</li> <li>• Water piping system</li> <li>• 24,000-litre storage tank</li> <li>• Three phase power</li> <li>• Internal murram roads</li> <li>• Greening policy- Trees around the property</li> <li>• Free hold titles</li> <li>• Caretaker on site</li> <li>• Resting park</li> </ul>
Bronze	6 months	721,330	216,399	84,155	
Silver	12 months	762,160	228,648	44,459	
Gold	18 months	802,990	240,897	31,227	
Gold plus	24 Months	843,820	253,146	24,611	



**Imani Breeze neighbourhood (Kitengela)**



**Imani Breeze (Kitengela): Plot size: 1/8 acre**

Offer	Period	Price	Deposit 30%	Installments per month	Value additions
Platinum	Cash(within 30days)	1,195,000	-	-	<ul style="list-style-type: none"> <li>• Borehole water</li> <li>• Water piping system</li> <li>• 24,000-litre storage tank</li> <li>• Three phase power</li> <li>• Internal murram roads</li> <li>• Greening policy- Trees around the property</li> <li>• Free hold titles</li> <li>• Caretaker on site</li> <li>• Resting park</li> </ul>
Bronze	6 months	1,266,700	380,010	147,782	
Silver	12 months	1,338,400	401,520	78,073	
Gold	18 months	1,410,100	423,030	54,837	
Gold Plus	24 Months	1,481,800	444,540	43,219	



Hi, Rosemary. I hope you are doing okay. I had written a standing order but I did not have funds in my account to execute it because of a delay in my deployment by my employer in December 2011 and my travelling in mid October 2012. How do I cancel it and submit a fresh one? Is it possible for me to transfer some amount I have in my account to another account? Secondly, I misplaced my internet banking details. How can I reset them? Thanks and nice weekend. R.M

Dear R.M, Thank you for writing to us. Congratulations now that you have reported to your work station. I would like to know if the standing order had been set up in your account. If it was, I will send you the forms to cancel it. You can transfer the money in your account to another account or bank by giving us instructions to transfer the money for you. I will send you the transfer forms too. We will reset your password tomorrow morning after which I will send you your login details. Thanks again and have a nice day. Kind regards, Rosemary Kiboro, Officer Quality Service

Hi, Rosemary. Thank you very much for your quick response. I followed your advice and got some of the forms, filled and scanned them. Here they are for your perusal and further action. R.M

You are most welcome R.M. I am humbled to serve you. We will act on your requests tomorrow morning. Have a good evening. Kind regards, Rosemary Kiboro, Officer Quality Service



Hallo there. My brother, who is your customer and is based outside the country, recently sent some money to my account in another bank. Later on, he forwarded to me a notification, which I believe is from you, reassuring him that I am going to get the funds "by close of business" on Tuesday November 12, 2012. I checked my account yesterday and today too, but there were no funds. What is the problem? Thanks for your time, T.M.M.

Dear T.M.M. Thank you for writing to us. The transfer was effected yesterday as per the attached swift confirmation. Please use this swift confirmation to enable you follow up with your bank. Thanks again and have a good afternoon. Kind regards, Rosemary Kiboro, Officer Quality Service

Thank you Rosemary. I guess the problem is with my bank. Thanks for the FAST response. Good afternoon. T. M. M



Hi, I applied for internet banking and sent you all the forms that you requested. Please assist. D.N

Dear D.N. Thank you for writing to us. We will reset your password again for online banking and send you the login details this morning. Thank you so much for being our customer. Have a nice day. Kind regards, Rosemary Kiboro, Officer Quality Service

Dear D.N. I hope this email finds you well. We reset your password for online banking and sent you the login details. Kindly confirm if you are now able to login. I look forward to hearing from you. Should you have any challenge in logging in, please do not hesitate to contact me. Thank you so much for being our customer. Have a nice day. Kind regards, Rosemary Kiboro, Officer Quality Service

Hi, I received them. D.N



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