



Somalia: Potential opportunities and challenges for Kenyan businesses

Over a year since the Kenya Defence Forces (KDF) troops and tanks rolled into Somalia in pursuit of the Al-Shabaab insurgents, Kenyan businesspeople and professionals are exploring the possibilities of venturing into the Horn of Africa country. The Nairobi Securities Exchange (NSE) is leading the way after signing a memorandum of understanding with the Somalia Stock Exchange Investment Corporation (SSE) to establish a Somali stock market and professionals are not far behind. “We have a large base of trained professionals in education and general management. Anything that they can do to stabilise Somalia’s politics can help. For security and stability in Somalia, Kenya’s professionals must take interest in the country,” Mr Ibrahim Mwathane, the chairman of the Land Development and Governance Institute, told members of the Institute of Certified Public Secretaries of Kenya (ICPSK) in Nairobi last month. The heightened interest in the war-ravaged country shows how positively the military intervention by KDF, the African Union Mission in Somalia (AMISOM) and the Somalia National Army (SNA) is being viewed internationally. With Somalia’s economic, social and political fortunes looking brighter than ever before since it plunged into civil war in 1991, more Kenyans would be headed there soon.

“ABC Bank has supported me since I came to Somalia”

It is a prospect Kenyans living in Somalia are encouraging even as they warn that it is “too early” for law and order to be fully restored across the country after years of lawlessness.

“The expected reconstruction of a new Somalia means demand for contractors to put up schools, hospitals, roads and housing and professionals such as teachers, doctors and engineers to manage the process,” says Mr Ashford Gitau Ng’ang’a, one of the Kenyans who went to Somalia in 2011.

More openings are also expected in the country’s nascent services sector, including in banking, retail and telecommunications. Mr Ng’ang’a, who is a customer of ABC Bank and is a chef with one of the multinational firms offering food supply and catering services, says insecurity is a major issue.

“We live in constant fear of land mines and stray bullets besides contending with unreliable communication and a hostile weather where temperatures shoot up to 40 degrees Celsius,” he says. However, the benefits far out weights the challenges.

Like other non-resident Kenyans, he has to stay away from his family for long periods, a challenge made bearable by the support of his bankers.

“ABC Bank has supported me since I came to Somalia. I am able to send money to my family at home with total confidence that it is in safe hands,” he says.



Mr Ashford Gitau Ng’ang’a

Start saving for your future with the
ABC Pure Savers Account
and enjoy interest rates of up to 9.25 % p.a

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Email: talk2us@abcthebank.com





One of our greatest ambitions as a Bank has been to facilitate for all your needs as a non resident Kenyan, working and living away from home. The diaspora market is one that is close to our hearts, because we recognise the various challenges emigrants face abroad. And with many of our staff having lived and worked out of Kenya at one point in their careers, we understand how important it is for us to be receptive and responsive to your needs.

We hope you have, over time, noted an improvement in our product offering and service levels. While we cannot say that we have attained excellence yet, we can assure you, our esteemed customer, that we have a team of dedicated individuals who are working round the clock to ensure that we exceed your expectations. You, our customer, really are the reason we come to work every day. And we appreciate you for your support and loyalty to us even when we do not get things right.

Please keep your messages and feedback coming – your interactions with us have enriched our understanding of your aspirations, enabling us to design, develop and roll-out products and services that satisfy your needs. Even if they go outside the sphere of traditional banking products and services, we will do our best to meet your needs.

So keep writing- talk2us@abcthebank.com!

Group Managing Director

Foreign currency accounts made easy

In this issue, we are focus on foreign currency denominated current accounts, which are best suited for diaspora customers since they conduct some of their transactions in foreign currencies.

“We are offering our Diaspora customers the flexibility of operating a current account in various foreign currencies, including in US Dollar, Euro and Sterling (British) Pound,” says Ms. Amanda Corline, Head of Retail Banking at ABC Bank.

We are offering our Diaspora customers the flexibility of operating a current account in various foreign currencies

Key features

- The account opening balance is USD500, GBP 500 or Euro 500
- There is no minimum balance on this account
- It is an interest earning account
- No monthly charges

What are the benefits of opening a foreign currency account?

- The customer has the freedom of conducting unlimited transactions
- He/she has access to cheque book facility
- He/she has access to an overdraft
- Free internal transfers
- Automatic sweep facility
- Free monthly statements
- There are no monthly charges

Interested? Contact us via talk2us@abcthebank.com

ABC Insurance: You and your investments are safe in our hands

A Q&A with Mr. Gerald Kommo, General Manager,
ABC Insurance Brokers Ltd

Q: Does ABC Insurance have customers in the Diaspora?

A: Yes, we have customers in the Diaspora. Their number has

been growing steadily as more and more Kenyans leave the country in search of greener pastures, mainly, in form of jobs and further education. They are mainly in America, Europe, Asia, South Africa and Australia.

Q: What are some of their needs?

A: They need professional and value-added solutions to risk management that touch on their investments; be they property, money, life or their health and that of their loved ones.

Q: What are some of the insurance solutions you offer them?

A: Our solutions cover, but not limited to, travel, life, health, motor and property. We also arrange investment packages according to their goals with a view of guaranteeing them high returns from mid-term to long-term.

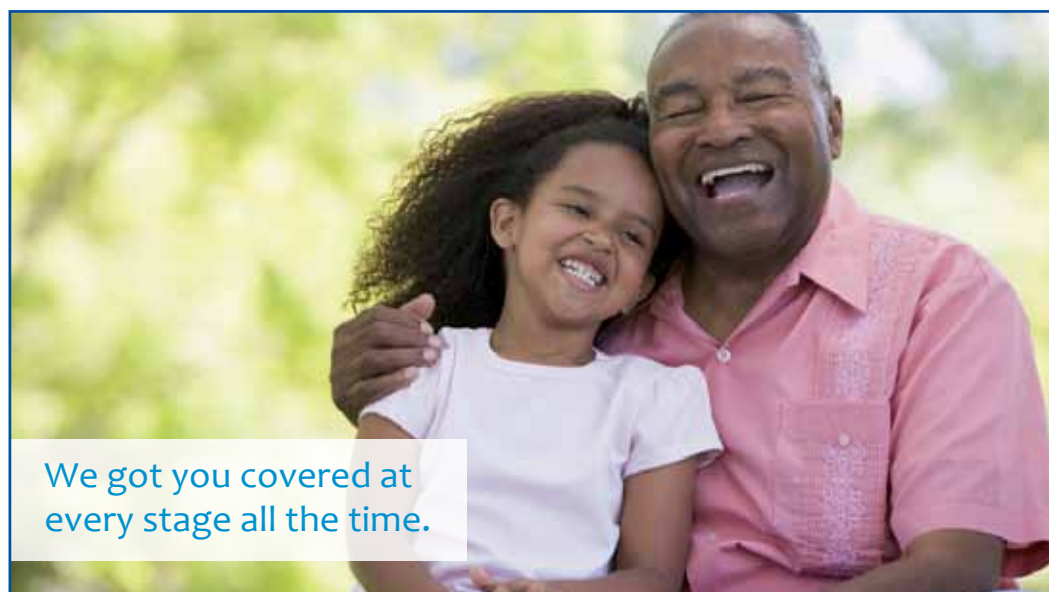
Q: How are you facilitating these customers to achieve their goals?

A: Most Kenyans in Diaspora invest heavily in property, travel and their families, including educating their siblings and children. This is why they remit a lot of funds home, which are then channeled into the property market, Nairobi Securities Exchange (NSE), own bank accounts and, to some extent, directly to their relatives' accounts. Yet, any form of investment they make has an inherent risk element. Our role, as ABC Insurance, is to offer them a wide range of risk management solutions covering travel, life, property and health. We arrange suitable insurance cover packages with leading players in the industry ensuring that non-resident Kenyans not only return home in comfort and security, but also get value for their money.

Q: Why should they choose ABC Insurance Brokers Limited?

A: Besides being part of a financially and technically sound organisation, ABC Banking Group, we have other attributes that gives us an edge over other players. These include:-

- ease of transactions
- one point of contact for seamless interaction via our diaspora team
- in-depth understanding of diaspora needs



ABC Insurance Brokers Ltd is a leading composite Insurance Brokerage firm, offering a wide range of insurance and risk management solutions in general, life and health to all our Bank's and non- Bank clients.

Talk to us on:
+254 (20) 4450873 / 4441162
insurance@abcthebank.com





Kenya shilling's performance to October 19, 2012

By ABC Bank Treasury

The Kenyan shilling opened at 84.30 and closed at 85.20 between September 17, 2012 and October 19, 2012. During the period, it reached a high of 85.35 units to the dollar. The period, therefore, witnessed some instances of volatility 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. They included:-

- Increased demand for the dollar from the energy and oil sectors because they had to import oil in US dollars.
- A reduction in the dollar inflows (of US dollars and other currencies) from foreign investors especially after government security yields dropped to below 10 per cent, which has seen a decrease in foreign investor participation in the Treasury Bill and Treasury bond auctions. This has reduced the amount of other currencies circulating in the market thereby increasing its demand and by extension its value.
- Anticipation for the benchmark lending rate (CBR) cut by Central Bank of Kenya (CBK) in the Monetary Policy Committee (MPC) meeting due next month especially after inflation dropped to 5.3 per cent.

Highlights

Opening Rate: 84.30

High for the Period: 85.35

Low for the Period: 84.10

Closing Rate: 85.20

Range for the Period: 84.10 – 85.35

Outlook on the shilling's performance going forward

Dealers at ABC Bank Treasury expect the shilling to trade in the 84.50 to 86.00 units range to the US dollar in the coming days.

An MPC rate setting decision meeting is set for early this month (November). The market expects a further rate cut especially with inflation now at 5.30 per cent and CBK's monetary easing stance. This will continue to see a drop in government securities and other Kenya shilling-denominated assets hence a weaker shilling. The shilling will be under pressure also due to increased demand for the dollar by oil importers.



Research is at the core of our business.

We now conveniently offer you custodial and financial services at your nearest ABC Bank branch countrywide.

- Shares trading
- Custodial Services
- Treasury bills and bonds trading
- Portfolio Management

For more information contact us on talk2us@abcthebank.com or
Tel: (020) 2251540 Ext 3330) or (020)4263000 Ext 1258)



Benefits of using a travel agent when planning for a trip

By Charleston Travel Ltd

Travel Assistance

Charleston Travel Ltd's primary emergency handling office is located at the Jomo Kenyatta

International Airport, 1st Floor, International Arrivals section. The office operates on a 24/7 basis and is fully staffed. It provides reliable support in cases of emergency ticket issuance and changes to reservations in addition to working closely with our fully fledged transport operation for transfers to and from the airport.

We also operate an international rescue line for the provision of emergency services, lost luggage support, lost credit card alerts, vital document registry and language translation services, among others.

Unlike booking online, our 24/7 hour operational offices gives our travelers the peace of mind they require when travelling overseas and these contacts will always show on ones itinerary.

Travel tips

- **Organise before the day:** Ensure all visa, passport and foreign currency exchange matters have been organized prior to departure.
- **Leave copies of itinerary and passport data page:** Leave copies of your itinerary, passport data page and visas with family or friends, so you can be contacted in case of an emergency.
- **Familiarise yourself with local conditions and laws:** While in a foreign country, you are subject to its laws.
- **Take precautions to avoid being a target of crime:** To avoid being a target of crime, do not wear conspicuous clothing or jewelry and do not carry excessive amounts of money. Also, do not leave unattended luggage in public areas and do not accept packages from strangers.

NB- Charleston Travel Ltd is a partner of global travel solutions provider, FCm Travel Solutions



- **Pack Smart:** Be aware of what not to bring in checked baggage on airlines and airline carry-on baggage. Put all your important documents and electronics in your hand-luggage.
- **Update immunisations:** If traveling abroad, check with public health authorities for advisable additional vaccines.



DISCOUNTS ON YOUR FLIGHT BACK HOME

ABC Bank has entered into a partnership with Charleston Travel Ltd, allowing the Bank's Diaspora customers to benefit from competitive air fare rates when coming back home. The agreement is part of the Bank's continuous quest to facilitate its Diaspora customers through services, including negotiated rates of products and services, offers etc, on top of its world class financial products and services.

This is one of the value added services the Bank has come up with to make its innovative products and services even better. In view of this, the Bank will be organising a get-together for those of you travelling next month (December). Kindly book your air tickets stating your preferred travel dates to the email addresses provided below to ensure we have captured all those travelling during this time as well as assist us to plan accordingly.

- diaspora@abcthebank.com or talk2us@abcthebank.com

INVESTMENT OPPORTUNITIES



PROPERTY INVESTMENTS



Juja farm plots in the Juja Farm area in Thika District

Number of plots -35 Size -1/8 acre Price –Starting at Kshs. 400,000

The plots are approximately 12 Km from Thika Super Highway next to a small town known as Juja Farm. The town has all basic facilities including a shopping area, schools and basic amenities like electricity. The plots are located next to the main road, which is slated for development into an all-weather tarmac road in the near future. There are many developments on this road including schools and the upcoming Juja South Estate, which consists of 81 townhouses



Plots for sale in Kitengela

Plot size	No.	Landmark feature	Location	
1/8 Acre	50	Near Konza ICT City	Nbi-Msa Railway line	200,000
1/8 Acre	54	Near ILUniversity	on Kite-Rongai Bypass	250,000
1/4Acre	45	Near Acacia School	Kite-NamangaH/way	850,000
1/4acre	8	Near Acacia School	Kite-NamangaH/way	850,000
1/4 Acre	2	Near E.A. University	Kite-Namanga H/way	800,000
1/4 Acre	2	Near Thorn Groove Sch.	Kite-NamangaH/Way	1,100,000

talk2us@abcthebank.com for more information.



Plots for sale off Kitengela-Namanga H/way

PLOT SIZE	LANDMARK FEATURE	DISTANCE	UNIT S/ PRICE (Kshs)
2 Acres	Near ILUniversity	6km off Kite-Namanga H/Way	1,500,000/acre
60 Acres	Next to KCA University	10km off Kite-Namanga H/Way	1,000,000/acre
35 Acres	Near Acacia School	3Km off Kite-Namanga H/Way	3,500,000/acre
6.8 Acres	Near Kampala University	1Km off kite-Namanga H/Way	3,800,000/acre

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Alpha Court -Kitengela

- Controlled development
- 3-bedroom with master en-suite
- Spacious luxury homes
- Perimeter wall with low level internal hedges and common playground
- Ample parking and security
- Large front and rear balconies
- Decra roofing tiles

Rent per month: Kshs 30,000

Sale price : Kshs 6 million



Chania Gardens - Thika

A gated development a short distance from Thika Town.

Features:-

- A quiet location with a great view
- Set on 10 acres
- It has 136 semi-detached maisonettes of 3-bedrooms each
- Ample security
- It has a boundary wall topped with electric fencing.

Sale price : Kshs 7.5 million



Jacaranda Gardens

Features:-

- Built on 20 acres of scenic land
- Incorporates over 40% of expansive manicured lawns and mature gardens
- Dedicated recreation spaces and pedestrian routes
- A well equipped state-of-the-art gymnasium, business centre, restaurants, meeting rooms, hospital, nursery school and a swimming pool (500 sqm)

Sale price : 2-bedroom 98m2 Kshs 6.4m
2-bedroom 102m2 Kshs 6.6m
3-bedroom 119m2 Kshs 7.6m



Langata Paradise

3-bedroom and 2-bedroom apartments available for sale and to let in Langata Dam area.

- 3-bedroom has 3-bathrooms (2 en-suite)
- 2-bedroom has one toilet and bathroom
- Both 2- and 3-bedrooms to let
- Available furnished or unfurnished

Sale price : 3-bedroom Kshs 12.5m
2-bedroom Kshs 7.5m

INVESTMENTS OPPORTUNITIES



NSE INVESTMENTS

We would like to bring to your attention other equally good investment options you should consider even as you invest in property and shares at the Nairobi Securities Exchange (NSE). For instance, we have the bond market where you can invest in Treasury (government) and corporate (company) bonds. According to analysts at ABC Capital, which is a member of the NSE, they performed very well in the period between June 1 and September 30, 2012.

“The most attractive securities at the NSE were government bonds, equities (shares) and corporate bonds in that order respectively,” say the analysts.

On the overall, they say the capital markets defied poor economic outlook in third-quarter 2012 and the heightened political activities relating to the 2013 General Election to record an impressive 30 per cent overall growth rate. You have a chance to access a wealth of expertise from a team of investment analysts built over time at ABC Group by talking to either ABC Capital or ABC Bank Custodial and Financial Services. They have the knowledge and skills to work out with you as you diversify and grow your portfolio at the NSE.

“We are ready, willing and able to guide our Diaspora customers on how best they can sustainably grow their wealth at the capital markets,” says Mr. Samwel Kiraka, the General Manager of ABC Capital.

Equities (Shares)

Rights Issues –Ksh.18.4 billion

The rights issues conducted so far this year have added Ksh.18.369 billion to the investors, according to ABC Capital. The three successful rights issues undertaken so far is Kenya Airways, Diamond Trust Bank and NIC Bank. Two other rights issue -Cfc Stanbic Bank and Standard Chartered Bank -valued at Ksh.7.2 billion are underway.

	Equities	Amounts (Ksh)	Status	Total (Ksh)
	Rights Issue	18,369,613,819	Done	
	Rights Issue underway CFC Stanbic & Standard Bank	7,214,035,019	In progress	Ksh. 25,583,543,122

Umeme IPO

Uganda’s power distributor, Umeme Ltd, is selling its shares to the public through an initial public offer (IPO). The 622.38 million shares on offer are selling at at Ush275 (Ksh.9.5) per share.

The IPO is open to East Africans, who the capital markets regulator is treating as domestic investors in the share sale. Non-Ugandan investors, however, have to open central depository (CDS) accounts registered in the country to participate in the offer.

The IPO opened on October 15, 2012 and is scheduled to be concluded on November 7 with the announcement of results expected on November 14.


Fixed income markets (bonds etc)

Bonds –Corporate and commercial paper



As at September 2012, investors had committed Ksh.28.2 billion in new fixed income securities. The investments are distributed in Treasury bonds, corporate bonds and commercial paper at Ksh.21.8 billion, Ksh.2.9 billion and Ksh.3.4 billion respectively. The government bonds take the lion’s share at 77 per cent of Ksh. 28.2 billion issued.

More power to you!
Buy into the Umeme IPO today!

IPO Opening date: 15th October 2012
IPO closing date: on 7th November 2012
Price per share: Kes.10 per share (Ush.275.00)
Minimum Number of offer shares application 1,000

 **UMEME**

*Umeme is the principal power distribution company in Uganda.

For more details, contact ABC Capital on allstaff@abccapital.co.ke or talk2us@abcthebank.com to benefit from professional expertise as you grow your wealth through a diversified portfolio.



Customer Feedback



Hello. I need to request for Visa Card. Please advise me how I can get it since I am out of the country. G.A

Dear G.A. Thank you for writing to us. At the moment we do not have Visa Cards. However, the ATM cards in use are Kenswitch-enabled. But we are in the process of upgrading our cards to be MasterCard compliant. We will communicate to you when we launch them. Thanks again and have a nice day. Kind regards, Rosemary Kiboro, Officer Quality Service



Dear all. Do I open another account to enjoy ABC Bank's Pure Savers Account's benefits such as attractive interest rates of up to 9.25 per cent? J.W.N

Dear J.W.N. The Pure savers account is made to enable you save money for a rainy day. I would suggest that we open one for you. I am sure it will add so much value to you and your family. I look forward to hearing from you. Thank you so much for banking with us. Have a good evening. Kind regards, Rosemary Kiboro, Officer Quality Service



Dear all. I would like to know how I can credit some cash in my wife's account in another bank since this is my first time to utilise my internet banking with ABC Bank. I.O

Dear I.O. Thank you for writing to us. At the moment, you cannot transfer funds from your account directly through online banking. We are, however, working to enhance this service for customers to be able to transact directly from their accounts. We will be communicating to you in due course. At the moment, you are required to send us instructions to effect a transfer from your account by completing the attached forms. Please fill, sign, scan and send them back to us to enable us to effect your request. We look forward to hearing from you. Thank you so much for banking with us. Have a nice day. Kind regards, Rosemary Kiboro, Officer Quality Service



Dear ABC Bank. I would like to enquire if my dollar account is active. R.M.M

Dear R.M.M. Thank you for writing to us. I have confirmed that your account is active. Thank you for being our customer. Have a nice day. Kind regards, Rosemary Kiboro, Officer Quality Service.

Hi, thanks for your quick response and polite approach. I am proud of ABC Bank. I wish u nice Mashujaa Day as a person and as an ABC Bank team. R.M.M

You are most welcome R.M.M and we are humbled to serve you. Happy Mashujaa Day to you too. Rosemary Kiboro, Officer Quality Service



To whom it may concern. I don't have an account with your bank but I am traveling to Kenya from the United States. If I show up at ABC Bank with US\$800, can I buy Kenya Shillings at the exchange rate listed on your website (e.g. Ksh.84 per US dollar)? Are there additional taxes or fees? Thank you. A.O

Dear A.O. Thank you for writing to us. I wish to advise you that we will exchange for you the money with the rate applicable on that day. Please note that the rates fluctuate depending on the market dynamics (supply and demand). There are no additional taxes or fees. Thanks again and have a nice day. Kind regards, Rosemary Kiboro, Officer Quality Service



You are the reason we came to work today.

Dear Customer,
Are you in Kenya or in any other country in the world?
No matter where you are, you can now easily send us your complaints, compliments and queries. We are all ears on:

For more information contact us via:-



+254 (20) 4263300 Ext. 1258 or 2251540 Ext. 3330



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