



INSIDE THIS ISSUE

PG. 2

New Statutory Deductions on
Employees Pay slips

PG. 3

Dividend Portfolio Management
Tool

PG. 4

Business News

BUSINESS INSIGHTS

BY JANTA

DEAR JANTA COMMUNITY,

Welcome to the latest edition of the Janta Kenya newsletter! This month, we have some exciting content to share with you. We'll be discussing the topics the new Statutory Deductions on Employees Pay slips. We'll also be bringing you the latest news and trends from the world of business.

NEW STATUTORY DEDUCTIONS ON EMPLOYEES' PAYSLIPS

TNHIF is set to increase to 3% and National Housing Fund will take another 3% off your pay slip by this July if it passes in Parliament. NSSF went up to 6% three months ago. What does this mean for the employee and employer.

Employee retention: Retaining top talent can be challenging, especially in industries where competition for skilled workers is high. Organizations need to provide a positive work environment, career growth opportunities, and competitive compensation and benefits to retain their best employees.

Employee engagement: Engaged employees are more productive, innovative, and loyal to their employers. However, many organizations struggle with keeping employees engaged, especially in the face of workplace stress, burnout, and other factors that can negatively impact job satisfaction.

Performance management: Performance management involves setting clear goals and expectations for employees, providing regular feedback and coaching, and recognizing and rewarding employees for their achievements.



However, many organizations struggle with creating effective performance management systems that drive employee performance and align with business objectives.

The new statutory deductions on employees' pay slips, such as the proposed increase in NHIF to 3% and the introduction of a 3% deduction for the National Housing Fund (if passed in Parliament), along with the recent increase in NSSF to 6%, have implications for both employees and employers. For employees, these deductions mean a reduction in their take-home pay, which can affect their financial planning and overall disposable income. It may require employees to adjust their budgets and potentially limit their ability to save or invest for the future. On the other hand, for employers, these increased deductions can impact labor costs and budgeting for employee compensation. It may also necessitate a review of the overall employee benefits package to ensure it remains competitive and attractive. Employers will need to effectively communicate these changes to employees and consider how they can mitigate any potential negative impact on employee morale and engagement.



KEY FEATURES FOR AN EFFECTIVE DIVIDEND PORTFOLIO MANAGEMENT TOOL

Screening for Solid Financials: The tool should allow you to screen and filter stocks based on criteria such as company size, sector, and financial performance, ensuring the selected stocks meet your specific requirements.

Portfolio Monitoring: The ability to track the progress and performance of your dividend portfolio over time is crucial. The tool should provide access to news announcements, earnings calendars, and dividend ex-dates.

Performance Analysis: It's important to assess how each holding in your portfolio is performing. The tool should enable you to monitor changes and take necessary actions if the share price is dropping significantly despite dividend payments.

Dividend Financials: Look for a tool that offers key dividend metrics such as dividend yield, dividend payout ratio, and dividend coverage.

Dividend History & Future Growth: An advanced portfolio management tool should provide information on a company's consecutive years of dividend growth and offer expected dividend growth rates based on historical data and financial outlooks.

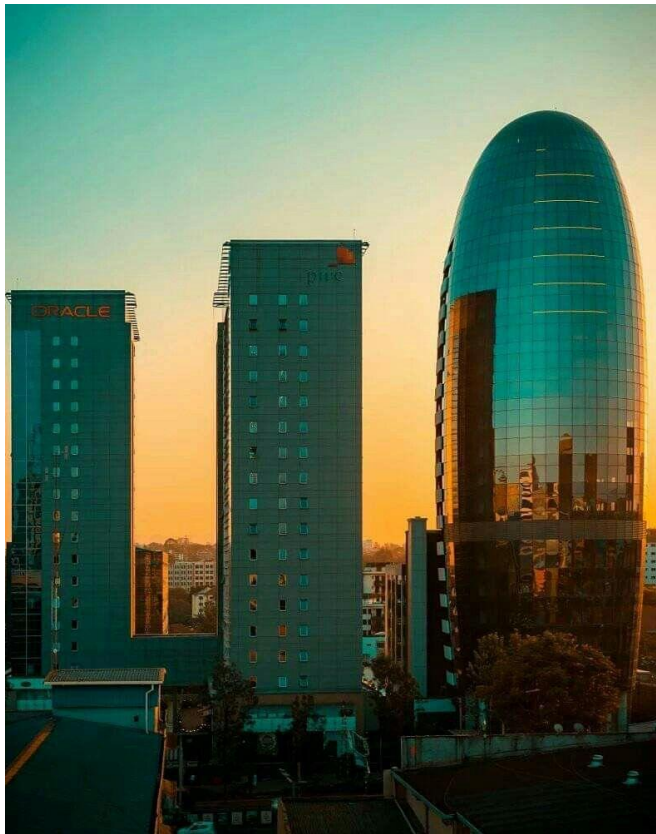
Dividend Forecasting: The tool should have the capability to project your portfolio's future dividend earnings based on current yield, assisting in constructing a well-balanced dividend portfolio.

Historical Charts: A good portfolio management tool should allow you to visualize financial metrics such as earnings per share (EPS), sales, price-to-earnings (PE) ratio, and dividend yield through interactive stock charts.

Portfolio Rebalancing: The tool should include portfolio rebalancing functionality, helping you maintain an optimal asset allocation and manage risk by realigning assets that have become overweight.

Brokerage Connection: Consider a tool that securely connects to your brokerage account, providing real-time earnings reporting and advanced portfolio analysis. This integration saves time and offers valuable insights for easier portfolio rebalancing.

Future Portfolio Value Simulations: Look for a tool that incorporates Monte Carlo analysis, which uses random sampling to estimate the behavior of a dividend portfolio. This feature enables you to predict future portfolio values and make informed investment decisions.



BUSINESS NEWS

Kenya's business landscape has been witnessing significant developments in the fintech, banking, and digital payments sectors. These recent advancements are set to shape the country's economic future and pave the way for a more connected and technologically advanced business environment.

Shara Inc. Acquires Majority Stake in Maisha Microfinance: In a major move, fintech firm Shara Inc. has acquired a majority stake in Maisha Microfinance. This strategic partnership aims to enhance financial inclusion by leveraging Shara's technological expertise and Maisha Microfinance's extensive reach in providing microfinance services to underserved communities.

Abdi Mohamed Becomes CEO and MD of Absa Bank Kenya: Abdi Mohamed has assumed office as the new CEO and Managing Director of Absa Bank Kenya. With his wealth of experience in the banking sector, Mohamed is expected to drive innovation and strengthen Absa Bank Kenya's position as a leading financial institution in the country.

Fingo Africa and Ecobank Collaborate on Mobile App for Banking and Payments: Fingo Africa and Ecobank have joined forces to develop a mobile app that enables instant bank account opening and facilitates mobile payments. This collaboration aims to provide convenient and accessible banking services to individuals and businesses across Kenya, leveraging the power of mobile technology.

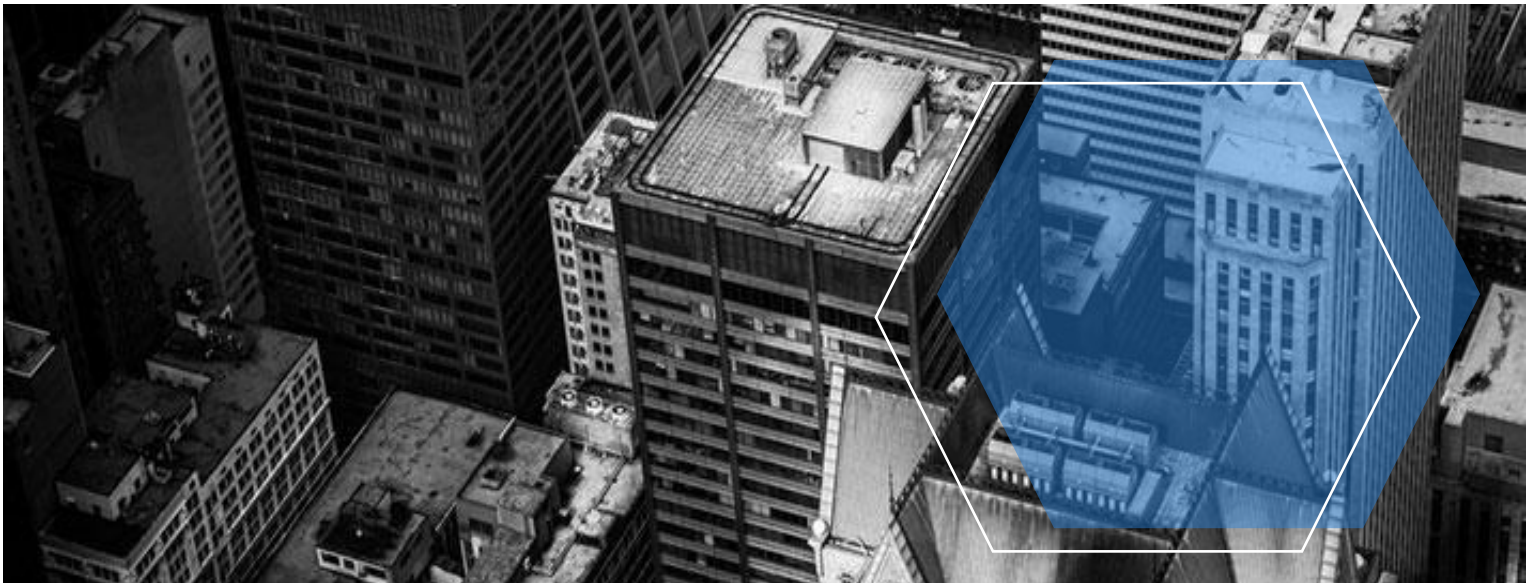
Standardized QR Code System for Digital Payments: To promote seamless and secure digital payments, Kenya has introduced a standardized QR code system. This system will simplify transactions by allowing users to scan QR codes for making payments, reducing the reliance on cash and enhancing the efficiency of digital transactions.

WPP-ScanGroup Records Significant Profit Increase: WPP-ScanGroup has experienced a remarkable turnaround, reporting a 297% increase in profit after tax for the fiscal year 2022. This impressive growth underscores the resilience and positive outlook of the advertising and communication company, indicating a promising future in the Kenyan market.

Introduction of Guidelines for Broker-Dealers: Kenya's capital markets regulator has introduced comprehensive guidelines for broker-dealers. These guidelines aim to ensure transparency, accountability, and fairness in the brokerage industry, promoting investor confidence and fostering a well-regulated capital market environment.

IFC's Funding Platform for Africa's Digital Economy: The International Finance Corporation (IFC) has launched a new funding platform with the objective of helping Africa's digital economy reach a value of \$700 billion by 2050. This initiative seeks to provide financial support and resources to foster innovation and growth in the digital sector across the continent.

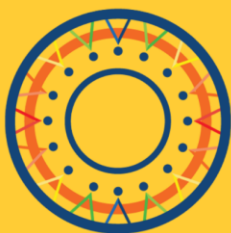
Proposed Tax on Digital Assets: Kenya's Ministry of Finance has included a proposal for imposing taxes on digital assets in the 2023 Finance Bill. This move reflects the government's recognition of the increasing prominence of digital assets and aims to ensure a fair taxation framework for the growing digital economy.



KEEPING YOU INFORMED AND CONNECTED TO THE LATEST BUSINESS NEWS

As we step into the new month of May, we want to express our heartfelt appreciation to all our esteemed clients. Your trust and support have been the driving force behind our success, and we are grateful for the opportunity to serve you. In this month's newsletter, we have exciting updates, valuable insights, and exclusive offers lined up for you. Get ready to discover new opportunities, stay informed about the latest business trends, and take advantage of special promotions crafted just for you. Let's make this month a remarkable one together!

In closing, we would like to remind you that Janta Kenya is here to serve as your trusted partner in all your business endeavors. Whether you need assistance with recruitment and talent acquisition, HR consulting, or any other business solutions, our dedicated team is ready to support you every step of the way. Thank you for being a part of the Janta Kenya community, and we look forward to bringing you more valuable content and services in the coming months.



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