

DYER & BLAIR INVESTMENT BANK

DAILY MARKET REPORT

Founder Member of the Nairobi Securities Exchange

26th May 2020



DYER & BLAIR
INVESTMENT BANK

WE KNOW. YOU KNOW.

CURRENCY PERFORMANCE-KES

	Close	1-day	y-t-d
KES/USD	107.01	(0.04)	(5.60)
KES/GBP	130.38	0.32	1.93
KES/EUR	116.72	0.70	(2.96)

KENYAN EQUITY MARKETS

Equity Indices	Close	1-day	y-t-d
NASI	138.94	(1.03)	(16.51)
NSE-20	2,009.60	(0.26)	(24.29)
NSE-25	3,244.67	(1.07)	(20.87)
FTSE 15	171.64	(1.16)	(22.44)
FTSE 25	182.50	(1.45)	(20.48)

Market Activity	Close	1-day	y-t-d
Market Cap (USD BN)*	19.85	20.05	25.06
Market Turnover (USD MN)	5.50	5.94	670.59
Foreign Buys (%)	48.11	44.58	49.62
Foreign Sales (%)	88.62	79.10	77.42
Foreign Participation (%)	68.37	61.84	63.52

Top Gainers	VWAP	1-day	Volumes
	(KES)	ch (%)	('000 shares)
Kenya Airways	3.46	9.84	428,300
Flame Tree Group	0.96	9.09	80,200
Olympia Capital	2.17	8.50	2,100

Top Losers	VWAP	1-day	Volumes
	(KES)	ch (%)	('000 shares)
Unga Group	27.00	(10.00)	200
Equity Group	34.20	(5.39)	3,632,900
Trans-Century	1.63	(3.55)	22,900

Top Traders	Turnover	F.buys	F.sales	VWAP	1-day
	(USD mn)	(USD m)	(USD m)	(KES)	ch (%)
Safaricom	1.82	1.78	1.79	29.00	(1.19)
KCB Group	1.44	0.01	1.34	35.75	(1.52)
Equity Group	1.16	0.49	0.81	34.20	(5.39)
E.A. Breweries	0.71	0.37	0.70	164.75	1.23
Stanbic Holdings	0.14	-	0.14	85.50	(0.29)

*Year-to-date refers to Market Capitalization as at 31st December 2019

CURRENCY PERFORMANCE-TSH, USH, RWF

	Close	1-day	y-t-d
KES/USH	35.39	0.11	2.15
KES/RWF	8.91	0.03	4.75
KES/TSH	21.62	0.08	4.64
USD/USH	3,787.01	0.08	(3.33)
USD/RWF	953.58	(0.01)	(0.58)
USD/TSH	2,314.01	0.04	(0.70)

EAC EQUITY MARKETS

Equity Indices	Close	1-day	y-t-d
USE ALSI	1,383.91	0.91	(23.15)
USE LCI	340.40	-	(2.81)
RSE RSI	122.00	-	(1.13)
RSE RASI	150.19	-	10.78
DSE DSEI	1,806.88	(0.60)	(12.25)
DSE TSI	3,491.92	(0.01)	1.77

RSE	Turnover (KES MN)	VWAP (KES)	VWAP (L.C)*	1-day ch (%)
BOK	-	29.18	260.00	-
BLR	-	15.49	138.00	-
CTL	-	7.86	70.00	-
IMR	-	10.10	90.00	-

DSE **				
CRDB	41,896.53	6.94	150.00	-
DSE	48,833.05	40.69	880.00	(2.22)
NMB	43,283.84	108.21	2,340.00	-
SWIS	48,093.15	60.12	1,300.00	-
TPCC	18,719.33	101.74	2,200.00	-
VODA	393.07	39.31	850.00	-

*Local Currency

**Trading data for the previous day.

RESEARCH DEPARTMENT

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SALIENT NEWS

Equity Group withdraws Proposed Dividend

In light of these unprecedented times, the BOD has withdrawn the FY19 payment of the first & final dividend of KES 2.50 that had been announced on March 19, 2020. The first positive case of COVID-19 in Kenya was reported on that same week as the initial dividend announcement and since, both the private and public sector have come to appreciate the damage that the virus poses on the domestic economy, both on a macro and micro scale.

By retaining the KES 9.43 BN dividend payment, Equity Group aims to boost its capital and liquidity position through capital preservation so as to have an adequate cushion against various risks posed during this tough economic season. Another key factor is that management expected to complete the acquisition of Commercial Bank of Congo (BCDC) by 2Q20. Equity was expected to pay a cash consideration of USD 105.00 MN to acquire 66.53% of the issued share capital of BCDC. Therefore, the initial dividend payment will be reinvested in a bid to create shareholder value in the long-run. *(Source: Company filings, DBIB Research).*

Standard Chartered defers Proposed Dividend

The bank announced that shareholders will not receive the final dividend of KES 15.00 on May 28, 2020 as earlier proposed and announced. Management alludes that this is because the dividend payment has not been approved by shareholders at an AGM following CMA's guidance to defer all the AGMs that had been scheduled for March, April and May to a later date, due to COVID-19. Management assured that they are exploring the most suitable manner and timing to hold the 34th AGM, which remains postponed at the moment. *(Source: Company filings, DBIB Research).*

Nation Media announces Profit Warning

The Board of NMG issued a profit warning guided by the drastic effects the pandemic has had on the company. This gives guidance that the company's profit after tax for FY20 will be around or below KES 642.0 MN (FY19: KES 856.0 MN). This is attributable to depressed marketing and advertising activities as many businesses are currently focused on achieving cost efficiencies. Newspaper sales have also been dampened due to the general restriction of the mobility of people across the markets NMG operates in. *(Source: Company filings, DBIB Research).*
