

DYER & BLAIR INVESTMENT BANK

DAILY MARKET REPORT

Founder Member of the Nairobi Securities Exchange

05TH NOVEMBER 2021



DYER & BLAIR
INVESTMENT BANK

WE KNOW. YOU KNOW.

CURRENCY PERFORMANCE-KES

	Close	1-day	y-t-d
USD/KES	111.55	(0.10)	(2.18)
GBP/KES	151.83	0.13	(2.34)
EUR/KES	128.86	0.18	3.76

KENYAN EQUITY MARKETS

Equity Indices	Close	1-day	y-t-d
NASI	170.94	(1.42)	12.38
NSE-20	1,948.87	(0.38)	4.31
NSE-25	3,757.80	(0.88)	10.03
FTSE 15	206.71	(0.53)	16.03
FTSE 25	227.71	(1.08)	15.25

Market Activity	Close	1-day	y-t-d	Cumm.
Market Cap (USD BN)*	23.91	24.26		24.43
Market Turnover (USD MN)	2.55	3.56		963.80
Foreign Buys (%)	52.78	51.73		56.17
Foreign Sales (%)	32.46	29.71		57.01
Foreign Participation (%)	42.62	40.72		56.59

Top Gainers	VWAP	1-day	Volumes
	(KES)	ch (%)	(shares)
Flame Tree Group	1.35	9.76	300
E.A.Cables	1.41	8.46	4,900
Sanlam Kenya	12.40	7.83	800

Top Losers	VWAP	1-day	Volumes
	(KES)	ch (%)	(shares)
BK Group	26.50	(7.83)	800
Umeme	6.40	(7.25)	900
Kenya Re	2.32	(2.93)	243,600

Top Traders	Turnover	F.buys	F.sales	VWAP	1-day
	(USD mn)	(USD m)	(USD m)	(KES)	ch (%)
Safaricom	1.47	0.74	0.38	40.20	(2.07)
BAT Kenya	0.43	0.42	0.30	430.00	0.12
KCB Group	0.14	0.00	-	43.50	-
Equity Group	0.14	0.13	0.09	49.90	(0.20)
Co-operative Bank	0.12	-	0.01	12.50	-

*Year-to-date refers to Market Capitalization as at 31st December 2020

CURRENCY PERFORMANCE-TSH, USh, RWF

	Close	1-day	y-t-d
KES/USH	31.86	(0.14)	(4.57)
KES/RWF	9.14	(0.09)	0.65
KES/TSH	20.65	0.03	(2.80)
USD/USH	3,553.41	0.04	2.49
USD/RWF	1,019.06	(0.01)	(2.84)
USD/TSH	2,303.01	(0.13)	0.69

EAC EQUITY MARKETS

Equity Indices	Close	1-day	y-t-d
USE ALSI**	1,466.40	(0.08)	11.95
USE LCI**	336.85	0.10	1.51
RSE RSI	104.58	-	(4.97)
RSE RASI	146.16	-	(1.34)
DSE DSEI**	1,875.64	(0.53)	3.23
DSE TSI**	3,471.02	(0.42)	(0.39)

USE**	Turnover (KES MN)	VWAP (KES)	VWAP (L.C)*	1-day ch (%)
BOBU	4,143.69	3.45	110.00	(4.35)
SBU	27,342.05	0.82	26.00	0.39
UMEM	643.53	6.44	205.00	3.54

RSE				
BOK	-	27.37	250.00	-
BLR	-	13.14	120.00	-
IMR	7,388.60	4.93	45.00	-
CMR	-	13.14	120.00	-
MTNR	-	21.89	200.00	-

DSE **				
CRDB	1,433,624.27	12.11	250.00	-
DCB	96.87	9.69	200.00	-
DSE	117,988.39	58.12	1,200.00	(7.69)
JATU	134,136.71	29.55	610.00	(1.61)
NICO	17,315.62	12.11	250.00	-
NMB	1,740,328.68	84.28	1,740.00	-
SWIS	532.79	53.28	1,100.00	-
TCCL	21,795.88	21.80	450.00	-
TICL	169.52	16.95	350.00	-
VODA	372.95	37.30	770.00	-
TPCC	72,971.92	173.74	3,600.00	-

*Local Currency

**Trading data for the previous day.

RESEARCH DEPARTMENT

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SALIENT NEWS

BK Group PLC Unaudited Q3 Earnings.

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BK Group released its 3Q21 earnings reporting a 33.0% y-o-y growth in net income to RWF 36.7 BN (USD 36.6 MN) .

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BK Group released its 3Q21 earnings reporting a 33.0% y-o-y growth in net income to RWF 36.7 BN (USD 36.6 MN) backed by a 22.5% y-o-y advancement in total operating income to RWF 126.1 BN (USD 125.6 MN).

Total interest income rose by 20.1% y-o-y to RWF 129.5 BN (USD 129.0 MN) supported by a 21.4% y-o-y growth in income from loans and advances to RWF 1.1 TN (USD 1.1 BN).

Total interest expenses grew by 18.9% y-o-y to RWF 29.9 BN (USD 29.8 MN) in line with a 19.9% y-o-y growth in customer deposits to RWF 927.5 BN (USD 924.1 MN). As such, net interest income grew by 20.5% y-o-y to RWF 99.6 BN (USD 99.2 MN) placing the net Interest margin at 10.6% compared to 10.7% in FY20. On the other hand, non-funded income stood at RWF 26.5 BN (USD 26.4 MN), a 30.8% y-o-y rise due to increased trade volume and economic activities. **Thus, total operating income rose by 22.5% y-o-y to RWF 126.1 BN (USD 125.6 MN).**

Total operating expenses increased by 26.3% y-o-y to RWF 44.2 BN (USD 44.0 MN).

Pre-provision operating profit increased by 20.6% y-o-y to RWF 82.0 BN (USD 81.6 MN).

Loan loss provisions rose by 1.9% y-o-y to RWF 28.0 BN (USD 27.9 MN) in line with the loan book growth. Asset quality improved with NPL ratio standing at 6.2% as compared to 6.7% in 3Q20 whereas cost of risk stood at 3.7% lower than the 4.0% recorded in 3Q20.

Total assets saw a 28.5% y-o-y advancement to RWF 1.5 TN (USD 1.5 BN) mainly on the back of a 20.4% y-o-y rise in net loans and advances to RWF 989.0 BN (USD 924.1 MN).

The COVID-19 related loans on moratorium to gross loans reduced to 2.6% from 47% restructured facilities.

Total liabilities increased by 31.4% y-o-y to RWF 1.3 TN (USD 1.3 BN) mainly following a 19.9% y-o-y rise in client balances and deposits to RWF 927.5 BN (USD 924.1 MN). Shareholders' equity increased by 16.4% to RWF 278.0 BN (USD 277.0 MN).

As at 3Q21, BK Group was adequately capitalized with Total Capital to Risk Weighted Assets referenced at 21.5%.

On a trailing basis, the counter's P/E and P/B multiples stand at 6.3x and 0.8x against industry median P/E and P/B multiples of 5.9x and 0.7x, respectively. ROE stands at 13.3% against an industry median of 12.6% whereas its ROA stands at 2.4% against an industry median of 2.0%.

(Source: Company filings, DBIB Research).
