



KENYA EQUITIES: INDICES & MARKET METRICS MOVEMENT

Index	0 wk	1 wk	1 m	3 m	6 m	12 m	Y-T-D
NASI	160.29	0.01	(0.00)	0.12	0.07	0.11	0.14
NSE-20	2,621.55	0.00	(0.04)	0.08	(0.03)	(0.07)	(0.07)
DBIB Select	87.70	0.01	(0.02)	0.05	0.03	0.04	0.03
FTSE 15	213.42	0.01	0.02	0.20	0.14	0.18	0.23
FTSE 25	221.14	0.02	(0.02)	0.17	0.13	0.19	0.25
FTSE Frontier 50	44,095.02	(0.01)	(1.00)	0.04	(0.01)	(0.07)	0.02

(Source: NSE, Bloomberg, DBIB Research)

Market Metrics	0 wk	1 wk	1 m	3 m	6 m	12 m
Market Cap. (USD m)	2,446.46	0.01	(0.00)	0.14	0.07	0.13
Market Turnover (USD m)	27.84	(0.13)	(0.52)	(0.07)	1.16	0.96
Market P/E (x)	13.59	0.01	(0.03)	(0.02)	(0.05)	(0.05)
Market Div. yld (%)	5.83	(8.73)	2.95	(75.63)	(40.34)	85.03
Market ROE (%)	44.62	22.42	(25.26)	1,045.94	766.29	811.36

(Source: NSE, DBIB Research)

KENYA FIXED INCOME: YIELDS & MARKET METRICS MOVEMENT

	0 wk	1 wk	1 m	3 m	6 m	12 m
FTSE Bond Index	97.82	(0.00)	(0.00)	(0.01)	0.01	0.03
Market Turnover (USD m)	45.60	(0.36)	(0.64)	(0.65)	(0.66)	(0.33)
91-day T-Bill (%)	7.16	77.20	77.20	78.70	24.70	(18.00)
5 year rate (%)	11.35	20.00	71.25	122.96	75.00	(34.75)
Interbank Lending (%)	6.52	220.00	197.00	65.00	236.00	29.00

(Source: CBK, NSE)

KENYA MACRO METRICS MOVEMENT

	0 wk	1 wk	1m	3m	6m	12m
KES/USD	101.75	(0.00)	0.02	0.01	(0.02)	0.01
KES/GBP	133.50	(0.02)	0.01	(0.04)	(0.00)	0.02
KES/EUR	112.82	(0.00)	0.02	0.01	(0.02)	0.03
FX reserve: Import Cover	5.43	(0.01)	(0.17)	(0.33)	(0.97)	0.11
Inflation	5.56	-	-	173	7	(2)
CBR	8.50	(50.00)	(50.00)	(50.00)	(50.00)	(50.00)

(Source: CBK, NSE)

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IN THIS WEEK'S ISSUE...

EQUITY MARKET SUM UP

Weekly equity turnover saw a 13.3% w-o-w contraction to USD 27.84 MN (KES 2.83 BN).

Both **NSE 20** and **NASI** indices edged up by 0.1% and 1.5% w-o-w to close at 2,621.55 and 160.29 respectively.

Weekly equity turnover recorded a 13.3% w-o-w contraction to USD 27.84 MN (KES 2.83 BN). Both NSE 20 and NASI indices edged up by 0.1% and 1.5% w-o-w to close at 2,621.55 and 160.29 respectively. The banking industry recorded an average w-o-w downside of 0.7% attributable to an 8.0% and 6.3% w-o-w drop in Housing Finance and Stanbic Holdings to close at KES 5.52 and KES 105.00 respectively. On the other hand, I&M Bank and KCB Group saw a 5.7% and 3.0% w-o-w upswing to close at KES 51.75 and KES 51.50 respectively. Below is a highlight of the week's and year to date performance.

Week-on-Week Performance

Top gainers	%	Top Losers	%	Top Traders	USD m
Uchumi	21.9	Home Afrika	(8.3)	Safaricom Ltd	9.74
TPS Eastern Africa	18.3	Housing Finance	(8.0)	Equity Group	8.65
Olympia Capital	12.1	Carbacid	(6.8)	KCB Group	3.59
B.O.C Kenya	9.6	Stanbic Holdings	(6.3)	E.A. Breweries	2.11
E.A. Portland Cement	9.4	Unga Group	(6.0)	NIC Bank	0.56

(Source: NSE, DBIB Research)

Y-T-D Performance

Top gainers	%	Top Losers	%
Sameer Africa	110.3	Kenya Airways	(73.5)
Equity Group	49.9	Mumias Sugar	(53.4)
Longhorn	42.7	Uchumi	(51.3)
Express Kenya	40.0	Nation Media	(43.5)
KCB Group	37.5	Bamburi	(39.6)

(Source: NSE, DBIB Research)

Weekly Foreign Performance

Top Weekly Buys	% Purchase	Top Weekly Sales	% Sold
Safaricom	92.5	B.A.T.(K)	99.6
B.A.T.(K)	92.0	E.A Breweries	98.1
N.S.E.	88.1	Liberty Ins	89.4
Equity Group	82.3	Safaricom	84.2
Flame Tree Group	81.7	Kenya Re	82.1

(Source: NSE, DBIB Research)

Y-T-D Foreign Performance

Top Foreign Buys	% Purchase	Top Foreign Sales	% Sold
Bank of Kigali	99.9	Bank of Kigali	100.0
B.A.T.(K)	96.3	Kakuzi	93.4
Umeme	95.4	B.A.T.(K)	91.9
Crown Paints	91.2	Trans-Century	88.1
Trans-Century	87.7	Jubilee Ins	78.2

(Source: NSE, DBIB Research)

FROM THE FIXED INCOME DESK

The **Bond market's turnover** for the week stood at USD 45.60 MN (KES 4.64 BN) representing a 62.3% w-o-w contraction from USD 119.83 MN (KES 12.32 BN) recorded the previous week.

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December Issue: FXD3/2019/5YR

The government has issued a five year fixed coupon treasury bond [Issue number **FXD3/2019/5**] aiming to raise KES 25.0 BN. The funds raised are to go towards budgetary support. The fixed coupon bond will attain a market determined coupon rate and is on sale between 01/12/19 and 10/12/19. First day of trading will be on 16/12/2019, following the results on the auction date, 11/12/2019.

Top Trades for the Week ending 06 December 2019.

						Total
						Value
Trading Date	Issue No.	Years	Coupon (%)	Yield (%)	Price (%)	(KES m)
2-Dec	IFB 1/2019/16Yr	15.8	11.750	11.750	101.10	510.0
4-Dec	FXD 4/2019/10Yr	9.9	12.280	12.173	100.91	400.0
3-Dec	FXD1/2012/15Yr	7.8	11.000	12.000	97.35	350.0
2-Dec	FXD1/2019/20Yr	19.3	12.873	12.880	101.65	300.0
3-Dec	FXD1/2019/20Yr	19.3	12.873	12.800	102.25	300.0
5-Dec	FXD 3/2019/10Yr	9.7	11.517	12.280	99.12	300.0
6-Dec	IFB 1/2018/20Yr	18.9	11.950	11.850	101.20	273.6
4-Dec	IFB 1/2019/16Yr	15.8	11.750	11.775	101.00	160.1
5-Dec	FXD3/2019/15Yr	14.6	12.340	12.700	101.97	150.0
6-Dec	FXD3/2019/15Yr	14.6	12.340	12.300	104.64	150.0
2-Dec	IFB 1/2019/16Yr	15.8	11.750	11.950	99.80	100.0
2-Dec	IFB 1/2019/16Yr	15.8	11.750	11.900	100.12	100.0
3-Dec	IFB 1/2019/16Yr	15.8	11.750	11.900	100.154	100.0
5-Dec	IFB 1/2019/16Yr	15.8	11.750	11.975	99.732	100.0

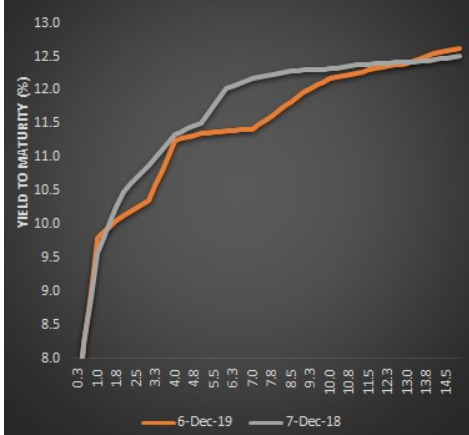
(Source: NSE, DBIB Research)

Treasury Bill auction for the week ending 06 December 2019.

Instrument	Amount Bids Received (KES Bn)	Subscription Bids Accepted (KES Bn)	Rate (%)	Yield (%)	w-o-w bps ch
91-day	4.0	3.553	88.8	7.162	0.0
182-day	10.0	3.583	35.8	8.201	0.3
364-day	10.0	6.123	61.2	9.803	0.3

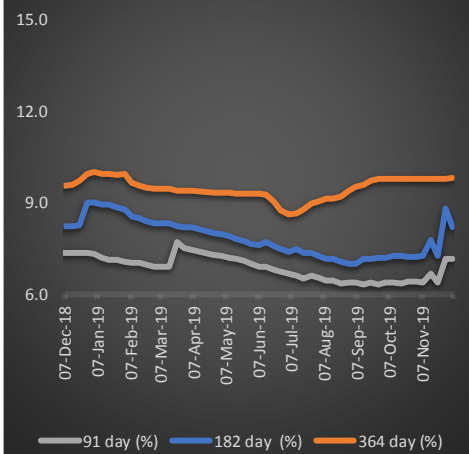
(Source: NSE, DBIB Research)

Kenya: GoK Yield Curve



Source: NSE, DBIB Research

Yields: Treasury Bills



Source: NSE, DBIB Research

EAC MARKETS SNAPSHOT

Rwanda: The RSE RSI and RSE RASI remained constant to close at 123.54 and 135.61 respectively.

Tanzania: The DSE DSEI edged up 0.6% w-o-w to close at 2,038.52 whereas DSE TSI remained constant w-o-w to close at 3,431.10.

Uganda: The USE ALSI saw a 3.1% w-o-w upswing to close at 1,787.15 whereas USE LSI dropped 0.6% w-o-w to close at 348.26 respectively.

Rwanda: The RSE RSI and RSE RASI remained constant w-o-w to close at 123.54 and 135.61 respectively. Total weekly turnover advanced 5.3 times w-o-w to stand at RWF 30.89 MN. This is largely attributable to Crystal Telecom Ltd (CTL) which accounted for 95.2% of the week's turnover.

Tanzania: The DSE DSEI edged up 0.6% w-o-w to close at 2,038.52 whereas DSE TSI remained constant w-o-w to close at 3,431.10. Weekly turnover contracted 3.5% w-o-w to stand at TZS 3.31 BN. Swissport Tanzania (SWIS) emerged as the top traded counter with a turnover of TZS 1.54 BN, accounting for 46.5% of the week's turnover. Tanzania Breweries (TBL) came in second with a turnover of TZS 1.53 BN, accounting for 46.5% of the week's turnover.

Uganda: The USE ALSI saw a 3.1% w-o-w upswing to close at 1,787.15 whereas USE LSI dropped 0.6% w-o-w to close at 348.26 respectively.

	Week's High (L.C)	Week's Low(L.C)	Current Price (L.C)	Price (KES)	w-o-w change %	y-t-d change %	Turnover (L.C MN)	Turnover (KES MN)
Rwanda Stock Exchange (RSE)								
Bank of Kigali	265	265	265	28.87	0.0	(4.7)	1.33	0.14
Bralirwa	139	139	139	15.14	0.0	(7.3)	0.14	0.02
Cyrstal Telecom Ltd	70	70	70	7.63	0.0	34.6	29.41	3.20
I&M Rwanda	90	90	90	9.80	0.0	(1.1)	0.01	0.00
Dar Es Salaam Stock Exchange (DSE)								
CRDB Bank	95	95	95	4.21	0.0	(34.5)	215.87	9.56
Dar Es Salaam Community Bank (DCB)	295	295	295	13.07	0.0	(13.2)	3.63	0.16
DSE	980	980	980	43.41	0.0	(32.9)	2.06	0.09
Maendeleo (MBP)	490	490	490	21.71	0.0	(2.0)	-	-
National Microfinance Bank (NMB)	2,340	2,340	2,340	103.66	0.0	18.2	0.01	0.00
Precision Air Services (PAL)	400	400	400	17.72	0.0	0.0	-	-
Swissport Tanzania (SWIS)	1,600	1,600	1,600	70.88	0.0	(31.6)	1,541.40	68.28
Tanzania Breweries (TBL)	10,900	10,900	10,900	482.85	0.0	(15.5)	1,539.61	68.20
Tanga Cement Company (TCCL)	600	600	600	26.58	0.0	(6.3)	-	-
Tanzania Cigarette Company (TCC)	17,000	17,000	17,000	753.07	0.0	0.0	-	-
Tanzania Portland Cement (TPCC)	2,000	2,000	2,000	88.60	0.0	(3.8)	10.74	0.48
Tanzania Tea Packers (TTP)	120	120	120	5.32	0.0	0.0	-	-
TOL Gases	660	660	660	29.24	0.0	0.0	-	-
Swala	490	490	490	21.71	0.0	0.0	-	-
Mucoba Bank	400	400	400	17.72	0.0	0.0	-	-
YETU	550	550	550	24.36	0.0	(8.3)	-	-
MCB	500	500	500	22.15	0.0	0.0	-	-
MKCB	780	780	780	34.55	0.0	(2.50)	-	-
Vodacom	850	850	850	37.65	0.0	13.3	0.43	0.02
TICL	385	385	385	17.05	0.0	0.0	0.06	0.00
NICO	175	175	175	7.75	0.0	(35.2)	0.70	0.03

(Source: RSE, DSE, DBIB Research)

*L.C refers to Local Currency

Kenya Market News

Delay in Publication of Financial Results

KenGen, Kenya Power and EA Portland Cement have announced a further delay in the publication of their annual results as they await the appointment of a new Auditor-General.

KenGen, Kenya Power, and EA Portland Cement have announced a further delay in the publication of their annual results as they await the appointment of a new Auditor-General. Edward Ouko, who previously held the post, exited office in August 2019 following the expiry of his 8-year non-renewable term. Initial indications were that the selection process would be finalized in time to allow publishing of results by 30th November 2019. The president received a list of 3 individuals interviewed by the Public Service Commission. He is expected to submit one nominee to the National Assembly for vetting. The office of the Auditor-General later advised that this date would not be feasible partly due to the fact that the National Assembly has already started its Christmas recess and the president's recommendation on the new Auditor-General is yet to be received. This is likely to see the process drag into the first three months of 2020. *(Source: Company Filings, DBIB Research)*

Profit Warnings

- Sasini
- Kenya Power
- Eaagads
- BOC Gases

UPCOMING EVENTS

Company	Announcement	Book Closure	Payment
Unga	First & Final Div: KES 0.50	05-Dec-19	15-Jan-20
Longhorn	Final Div: KES 0.52	28-Nov-19	26-Feb-20
Kenya Re	Bonus Issue of 3:1	14-Jun-19	N/A
Carbacid	Final Div: KES 0.70	06-Nov-19	N/A

(Source: NSE, DBIB Research)

APPENDIX

COMPANY INVESTMENT RATINGS

Buy: Share price may generate more than 15.0% upside over the next 12 months

Overweight: Share price may generate between 10.0% and 15.0% upside over the next 12 months

Hold: Share price may fall within the range of <+5.0%/ -10.0% over the next 12 months

Take Profit: Target price has been attained. Look to accumulate at lower levels. Company fundamentals however remain strong

Underweight: Share price may generate between 10.0% and 15.0% downside over the next 12 months

Sell: Share price may generate more than 15.0% downside over the next 12 months, significant business and/or financial risks present, industry concerns

Not Rated: Counter is not within regular research coverage

SECTOR INVESTMENT RATINGS

Overweight: Industry performance better than that of the whole market

Equal weight: Industry performance about the same as that of the whole market

Underweight: Industry performance worse than that of the whole market

DBIB SELECT INDEX

*The DBIB Select Index is an **in-house, bespoke index** designed by **DBIB Research department** to represent the performance of select Kenyan companies listed on the Nairobi Securities Exchange which fall within DBIB Research's class A and B coverage. The Index is market capitalization-weighted and comprises of counters in the Banking, Insurance, FMCG, Investments, Cement, Telco, Utilities and Media space. We believe this provides investors with a complementary index with which to measure the performance of the major capital and industry segments of the Kenyan Stock Market, hence appealing to broad range of investors and intermediaries seeking to develop structured portfolios based on indices*

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