

# DBIB WEEKLY BULLETIN

# WEEK 51

Date: 18.12.2020

## Contents:

Equity Market Sum Up	2
Fixed Income Wrap Up	4
Salient News	5
Corporate Actions	6
Appendix	7

## INDICES & MARKET METRICS MOVEMENT

**NSE 20** and **NASI** indices edged up 0.2% and 0.6% w-o-w to close at 1,796.88 and 148.04 respectively.

**Weekly equity turnover** declined by 23.2% w-o-w to USD 18.47 MN (KES 2.06 BN).

**USD | KES:** KES weakened 0.1% w-o-w to close at 111.57 (-10.1% YTD).

Index	Current	1 wk (%)	3 m (%)	6 m (%)	YTD (%)
NASI	148.04	0.63	5.56	2.39	(11.04)
NSE-20	1,796.88	0.16	(2.74)	(8.76)	(32.31)
DBIB Select	89.17	0.05	2.27	1.46	(0.33)
FTSE 15	170.60	(0.49)	95.66	(3.83)	(22.91)
FTSE 25	191.46	0.17	2.76	0.58	(16.57)
FTSE Frontier 50	44,449.09	1.47	16.57	26.24	(0.27)

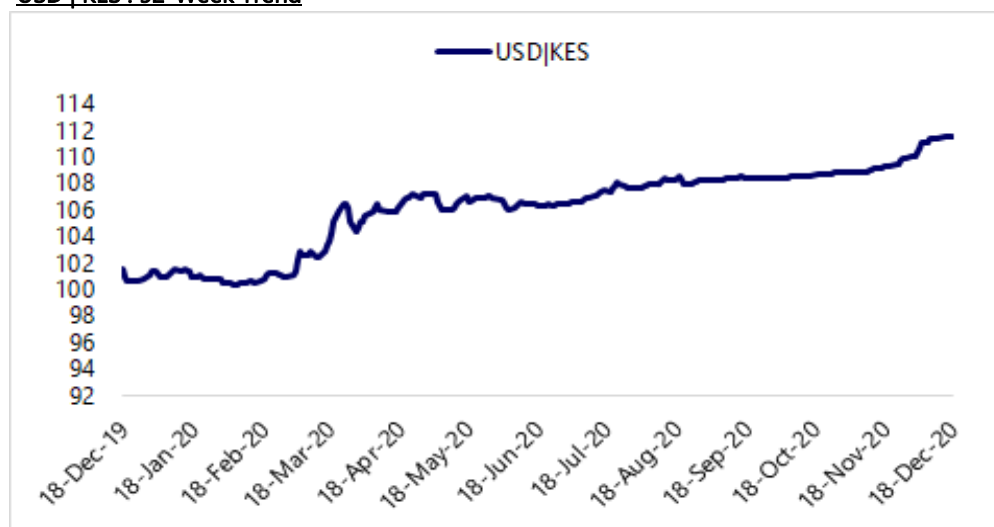
(Source: NSE, Bloomberg, DBIB Research)

Market Metrics	Current	1 wk	3 m	6 m	12m
Market Cap. (USD m)	2,273.77	0.64	3.04	5.60	2.89
Market Turnover (USD m)	18.47	(23.23)	(7.61)	(61.14)	(39.18)
Market P/E (x)	13.96	0.90	5.05	15.37	12.03
Market Div. yld (%) *	4.54	(2.48)	(24.38)	(43.98)	(116.05)
Market ROE (%) *	36.99	52.72	856.82	(167.49)	(796.18)

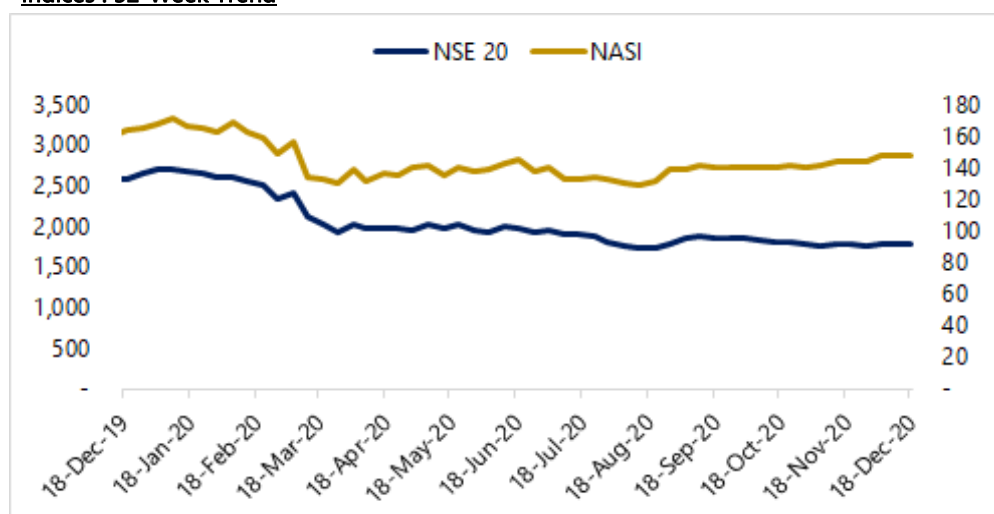
\* Changes in bps \*\* Market ROE is market cap weighted

(Source: NSE, DBIB Research)

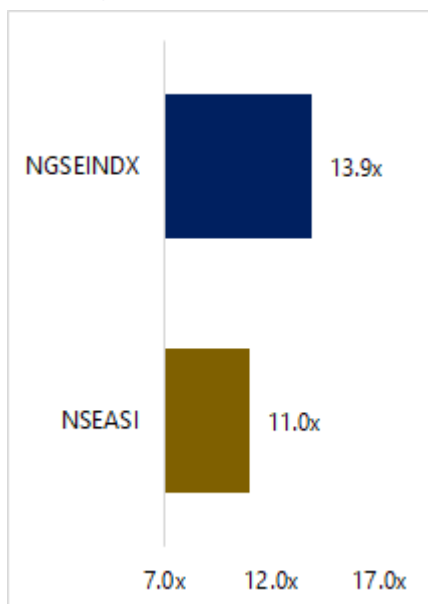
### USD | KES : 52-Week Trend



### Indices : 52-Week Trend



### PEER P/E MULTIPLES



NSEASI\* - Nairobi All Share Index  
NGSEINDX\* - Nigeria All Share Index  
\*LTM Price/EPS

(Source: Bloomberg, DBIB Research)

(Source: NSE, DBIB Research)



# WEEKLY BOURSE WRAP UP...

## Week-on-Week Performance

<u>Top gainers</u>	<u>%</u>
KPLC	23.2
Home Afrika	10.5
TPS E.A Ltd	10.2
Stanbic Holdings	9.0
Car & General (K)	8.7

(Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
Bamburi Cement	(10.0)
Sameer Africa	(9.0)
BK Group	(8.7)
E.A.P.C.C	(8.5)
Olympia Capital	(8.2)

(Source: NSE, DBIB Research)



.....  
**Safaricom** emerged the top traded counter on the bourse recording a weekly turnover of USD 7.58 MN (KES 846.25 MN) representing 41.07% of this week's turnover.

The stock rose 1.8% w-o-w to close at KES 33.55 on Friday.

Foreign investors assumed a net buying position on the counter this week by accounting for 62.52% of foreign sales and 91.22% of foreign purchases.

.....

<u>Top traders (Value)</u>	<u>USD MN</u>
Safaricom	7.58
Equity Group	3.58
KCB Ltd	1.94
E.A Breweries	1.72
BK Group	1.17

(Source: NSE, DBIB Research)

## Y-T-D Performance

<u>Top gainers</u>	<u>%</u>
N.B.V Ltd	560.0
Kenya Airways	86.8
Carbacid Investments	43.8
New Gold ETF	39.5
Eaagads Ltd	25.7

(Source: NSE, DBIB Research)

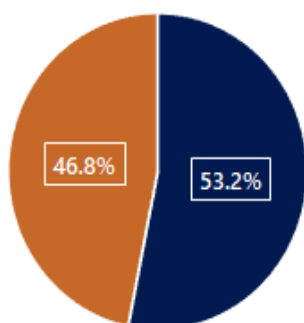


<u>Top Losers</u>	<u>%</u>
Scangroup	(65.0)
Nation Media Group	(61.1)
Express Kenya	(58.6)
Bamburi Cement	(56.3)
Trans-Century Ltd	(50.8)

(Source: NSE, DBIB Research)



## WEEKLY LOCAL VS FOREIGN PARTICIPATION



■ Foreign Participation  
 ■ Local Participation

(Source: NSE, DBIB Research)

## Weekly Foreign Performance

<u>Top Weekly Buys</u>	<u>% Purchase</u>
Safaricom	91.2
I&M Holdings	90.7
Umeme Ltd	88.5
Total Kenya	73.6
Kenya Re	56.0

(Source: NSE, DBIB Research)

<u>Top Weekly Sales</u>	<u>% Sold</u>
Bank of Kigali	99.7
Umeme Ltd	99.6
E.A Breweries	94.3
DTB Kenya	82.7
KenGen Ltd	65.6

## Y-T-D Foreign Performance

<u>Top Foreign Buys</u>	<u>% Purchase</u>
Bank of Kigali	91.0
Crown Paints Kenya	77.9
BAT Kenya	74.1
Safaricom	73.1
New Gold ETF	68.8

(Source: NSE, DBIB Research)

<u>Top Foreign Sales</u>	<u>% Sold</u>
Bank of Kigali	98.0
BAT Kenya	88.1
New Gold ETF	87.8
Stanbic Holdings	87.7
KCB Ltd	79.1

## FROM THE FIXED INCOME DESK

The **Bond market's turnover** for the week stood at USD 134.88 MN (KES 15.05 BN) representing a 15.5% w-o-w increase from USD 116.74 MN (KES 13.01 BN) recorded the previous week.

The Bond market's turnover for the week stood at USD 134.88 MN (KES 15.05 BN) representing a 15.5% w-o-w increase from USD 116.74 MN (KES 13.01 BN) recorded the previous week. The bond issue number IFB1/2020/11Yr emerged as the top traded bond with a turnover of KES 1.99 BN accounting for 13.3% of the week's turnover. The bond traded between 10.0000% and 11.0900%.

### Top Trades for the week ending 18 December 2020

Trading Date	Issue No.	Years	Coupon (%)	Yield (%)	Total	
					Price (KES m)	Value (KES m)
16-Dec	FXD 3/2019/ 5Yr	4.0	11.4920	10.3000	103.89	1,400.0
18-Dec	IFB 1/2020/11Yr	10.6	10.9000	10.8250	103.83	1,000.0
18-Dec	IFB 1/2013/12Yr	4.7	11.0000	10.2500	104.39	917.0
14-Dec	FXD 1/2019/10Yr	8.2	12.4380	11.5250	108.54	500.0
16-Dec	FXD 1/2019/ 5Yr	3.2	11.3040	10.3000	106.18	500.0
18-Dec	FXD1/2009/15Yr	3.8	12.5000	10.3000	109.06	493.9
17-Dec	FXD1/2009/15Yr	3.8	12.5000	10.5700	108.17	479.1
16-Dec	FXD 2/2018/10Yr	8.0	12.5020	11.7000	104.16	440.0
17-Dec	FXD 2/2018/10Yr	8.0	12.5020	11.5000	105.25	440.0
15-Dec	FXD3/2019/15Yr	13.6	12.3400	12.3080	104.96	424.0
18-Dec	FXD 1/2019/ 5Yr	3.2	11.3040	10.5000	105.70	400.0
15-Dec	FXD 1/2012/10Yr	1.5	12.7050	8.7500	105.47	399.0
16-Dec	FXD 1/2012/10Yr	1.5	12.7050	8.4154	105.98	399.0
17-Dec	FXD1/2010/15Yr	4.2	10.2500	10.5500	101.61	343.8
18-Dec	FXD1/2010/15Yr	4.2	10.2500	10.4000	102.14	343.8
14-Dec	FXD 1/2014/10Yr	3.1	12.1800	9.7000	111.40	300.0
18-Dec	IFB 1/2019/16Yr	14.8	11.7500	11.5000	103.28	300.0
18-Dec	IFB 1/2020/11Yr	10.6	10.9000	10.6500	104.75	300.0

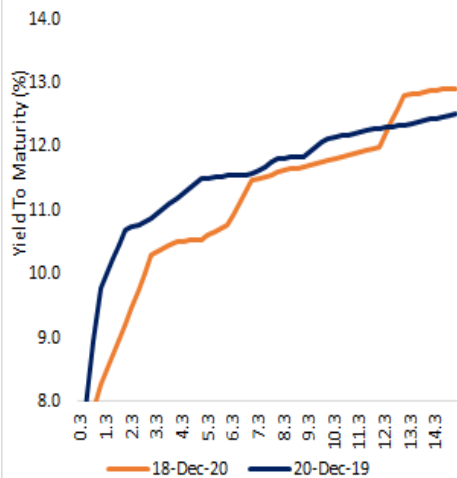
(Source: NSE, DBIB Research)

### Treasury Bill auction for the week ending 18 December 2020

Instrument	Amount (KES Bn)	Bids Received (KES Bn)	Subscription Rate (%)	Bids Accepted (KES Bn)	Yield (%)	w-o-w bps ch
91-day	4.00	8.63	215.75	8.51	6.916	1.5
182-day	10.00	7.86	78.57	7.86	7.399	3.6
364-day	10.00	4.97	52.07	4.97	8.283	3.7

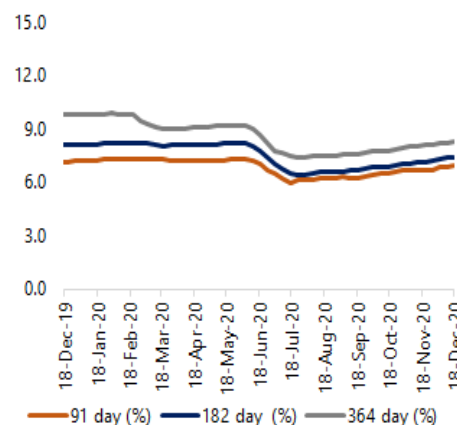
(Source: NSE, DBIB Research)

Kenya: GoK Yield Curve



Source: NSE, DBIB Research

Yields: Treasury Bills



Source: NSE, DBIB Research

---

## Salient News...

### KenGen Plc: Delay in Publication of the Audited Financial Results for the year ended 30th June 2020

.....  
KenGen announced that it will delay the publication of the audited results for the year ended 30th June 2020.  
.....

KenGen announced that it will further delay the publication of the audited financial results for the year ended 30th June 2020. The delay is to allow the Office of the Auditor-General to complete the ongoing annual audit.

Initially, KenGen was granted permission by the Capital Markets Authority (CMA) to delay publishing from the set date of 31st October 2020 to 15th December 2020. KenGen has been further granted permission to extend the deadline to 31st January 2021.

Additionally, KenGen will not hold the company's 68th Annual General Meeting (AGM) for the year ended 30th June 2020 by the required 31st December 2020. The date for the AGM is yet to be communicated. *(Source: Company Filings, DBIB Research)*

## UPCOMING EVENTS

### Profit Warnings

1. Sasini
2. Eaagads
3. NSE
4. Eveready
5. Nation Media
6. Kenya Power
7. E.A. Cables
8. I&M
9. StanChart
10. Sameer
11. HF Group
12. Kenya Airways
13. Britam

<u>Company</u>	<u>Announcement</u>	<u>Book Closure</u>	<u>Payment</u>
Kapchorua Tea	Final Div: KES 10.00	30-Jul-20	STA*
Williamson Tea	Final Div: KES 20.00	18-Aug-20	STA*
Carbacid	First & Final: KES 0.70	09-Jan-21	29-Jan-21

*(Source: NSE, DBIB Research)*

*STA\*—Subject to approval*

---

## 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*

### DISCLAIMER

*While every care has been taken in preparing this report and it has been prepared from sources believed to be reliable, no representation, warranty, or undertaking (express or implied) is given and no responsibility is accepted by Dyer and Blair Investment Bank Limited, its related companies, subsidiaries, affiliates, its employees and agents, as to the accuracy and completeness of the information contained herein or in respect of any reliance on or use thereof. This report is solely intended for distribution to clients of Dyer and Blair Investment Bank Limited. Any information may be changed after distribution at any time without any notice.*

### RESEARCH TEAM

Edwin Chui | Mary Mukuria | Cynthia Wangari

Email: [research@dyerandblair.com](mailto:research@dyerandblair.com) | Contact: +254 709 930 130