

# DBIB WEEKLY BULLETIN

# WEEK 42

Date: 16.10.2020

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## INDICES & MARKET METRICS MOVEMENT

NSE 20 and NASI indices shed 1.4% and 0.3% w-o-w to close at 1,811.13 and 139.65 respectively.

Index	Current	1 wk (%)	3 m (%)	6 m (%)	YTD (%)
NASI	139.7	(0.30)	5.60	2.74	(16.08)
NSE-20	1,811.1	(1.38)	(5.14)	(8.24)	(31.77)
DBIB Select	87.1	(0.03)	3.83	2.36	(2.60)
FTSE 15	171.2	(0.34)	2.85	3.36	(22.65)
FTSE 25	184.6	(0.36)	5.03	4.53	(19.58)
FTSE Frontier 50	39,266.1	1.03	11.84	23.97	(11.90)

(Source: NSE, Bloomberg, DBIB Research)

Weekly equity turnover edged up 11.0% w-o-w to USD 12.09 MN (KES 1.31 BN).

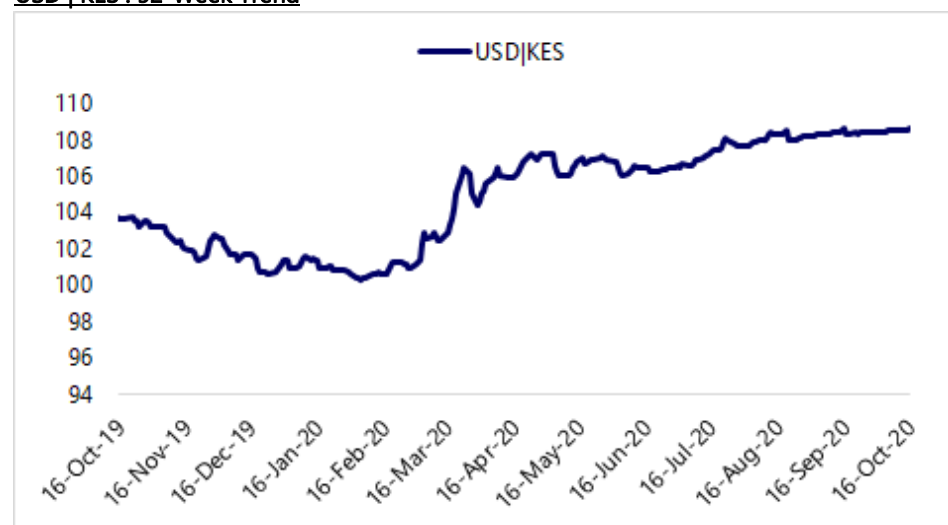
Market Metrics	Current	1 wk	3 m	6 m	12m
Market Cap. (USD m)	2,144.07	(0.30)	(0.42)	6.09	3.21
Market Turnover (USD m)	12.09	10.98	(74.57)	(62.13)	(46.28)
Market P/E (x)	12.19	0.85	0.72	12.45	0.72
Market Div. yld (%) *	4.80	1.84	(64.28)	(219.61)	(150.18)
Market ROE (%) *	29.75	20.54	(791.60)	(1,662.21)	(567.53)

\* Changes in bps

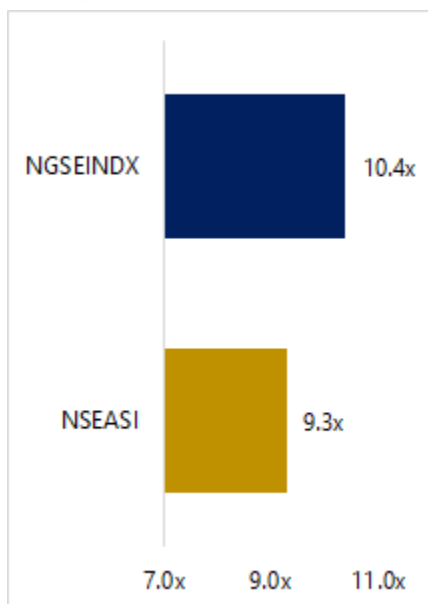
(Source: NSE, DBIB Research)

USD | KES: KES weakened 0.1% w-o-w to close at 108.62 (-7.2% YTD).

USD | KES : 52-Week Trend



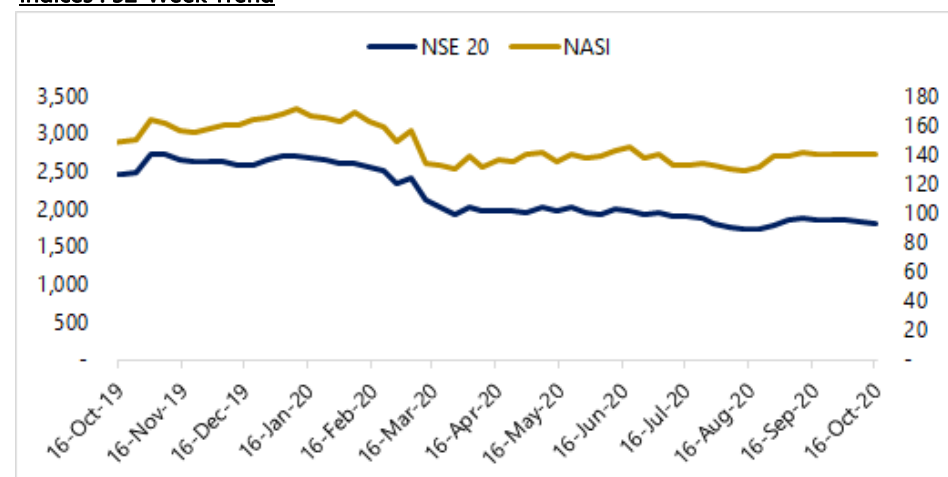
### PEER P/E MULTIPLES



NSEASI - Nairobi All Share Index  
NGSEINDX - Nigeria All Share Index

(Source: Bloomberg, DBIB Research)

Indices : 52-Week Trend



(Source: NSE, DBIB Research)

# WEEKLY BOURSE WRAP UP...

## Week-on-Week Performance

<u>Top gainers</u>	<u>%</u>
Liberty Holdings	10.2
Express Kenya	7.4
Car & General	6.5
Sanlam	6.4
NBV	4.9

(Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
Umeme	(13.6)
Housing Finance	(9.3)
Stanbic Holdings	(8.1)
Olympia Capital	(7.4)
Kapchorua	(6.8)

(Source: NSE, DBIB Research)



<u>Top traders (Value)</u>	<u>USD MN</u>
Safaricom	6.01
Equity Group	1.17
E.A Breweries	0.50
KCB Group	0.32
BAT	0.27

(Source: NSE, DBIB Research)

## Y-T-D Performance

<u>Top gainers</u>	<u>%</u>
Kenya Airways	86.8
Gold ETF	36.3
Eaagads	31.2
Sasini	12.4
Kakuzi	11.8

(Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
Bamburi	(70.9)
Scangroup	(60.0)
Nation Media	(59.9)
BK Group	(50.9)
Flame Tree Group	(47.4)

(Source: NSE, DBIB Research)

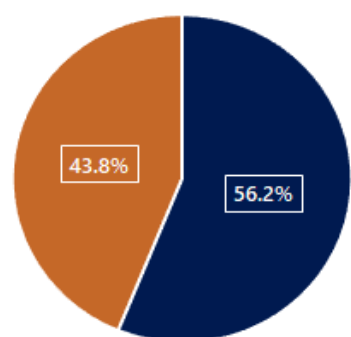


Safaricom emerged the top traded counter on the bourse recording a weekly turnover of USD 6.01 MN (KES 652.53 MN) representing 56.81% of this week's turnover.

The stock held constant w-o-w to close at KES 30.10 on Friday.

Foreign investors assumed a net selling position on the counter this week by accounting for 96.70% of foreign sales and 82.70% of foreign purchases.

## 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	82.7
BAT Kenya	81.8
KCB Group	62.4
Fahari I-REIT	29.9
Centum	19.2

(Source: NSE, DBIB Research)

<u>Top Weekly Sales</u>	<u>% Sold</u>
Centum	98.1
Safaricom	96.7
KCB Group	95.9
Kenya Power	94.1
Equity Group	89.8

## Y-T-D Foreign Performance

<u>Top Foreign Buys</u>	<u>% Purchase</u>
Bank of Kigali	98.2
Crown Paints	81.7
BAT Kenya	81.2
Gold ETF	70.2
Safaricom	69.9

(Source: NSE, DBIB Research)

<u>Top Foreign Sales</u>	<u>% Sold</u>
Bank of Kigali	99.9
BAT Kenya	89.0
Gold ETF	88.2
Stanbic Holdings	86.7
Safaricom	80.9

## FROM THE FIXED INCOME DESK

The Bond market's turnover for the week stood at USD 113.96 MN (KES 12.38 BN) representing a 23.0% w-o decline from USD 147.98 MN (KES 16.06 BN) recorded the previous week.

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### October Issue Results: FXD1/2011/20 and FXD1/2018/25

The Government received a total of KES 69.14 BN from the October issue, 38.27% higher than the total amount offered of KES 50.0 BN. The government accepted a total of KES 60.03 BN; KES 16.99 BN for the FXD1/2011/20 and KES 43.03 BN for the FXD1/2018/25. This placed the performance rate at 138.27%. The average rate of the accepted bids came in at 11.990% and 13.494% for FXD1/2011/20 and FXD1/2018/25 respectively against market weighted average rates of 12.065% and 13.521%. The coupon rate for FXD1/2011/20 was fixed at 10.00% whereas the coupon rate for FXD1/2018/25 was fixed at 13.40%.

### Top Trades for the week ending 16 October 2020

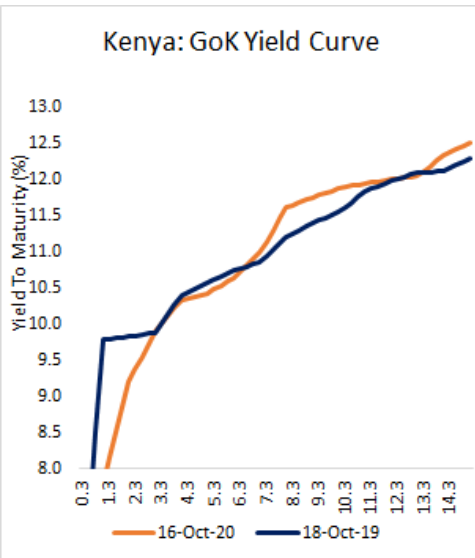
						Total
Trading Date	Issue No.	Years	Coupon (%)	Yield (%)	Price (KES m)	Value (KES m)
15-Oct	FXD 4/2019/10Yr	9.1	12.2800	11.7500	107.7107	1,000.0
13-Oct	FXD 3/2016/ 5Yr	0.9	13.1120	7.5000	105.7811	950.0
12-Oct	FXD 2/2016/ 5Yr	0.8	14.0690	7.3000	108.1910	500.0
16-Oct	FXD2/2007/15Yr	1.6	13.5000	8.8838	111.7061	500.0
14-Oct	FXD 1/2014/10Yr	3.2	12.1800	10.2000	108.2218	407.0
12-Oct	FXD1/2013/15Yr	7.3	11.2500	11.2000	101.9442	350.0
15-Oct	IFB 1/2020/11Yr	10.8	10.9000	10.9250	101.3963	350.0
14-Oct	FXD1/2009/15Yr	4.0	12.5000	10.3000	107.1257	325.0
16-Oct	FXD3/2007/15Yr	2.1	12.5000	9.2000	111.4924	311.4
12-Oct	FXD1/2010/15Yr	4.4	10.2500	10.2000	100.9465	300.0
13-Oct	IFB 1/2020/9Yr	8.5	10.8500	10.5500	101.3837	300.0
15-Oct	IFB 1/2020/11Yr	10.8	10.9000	10.9500	101.2650	300.0
16-Oct	IFB 1/2020/11Yr	10.8	10.9000	10.9000	101.5574	280.0
16-Oct	FXD1/2008/15Yr	2.4	12.5000	9.4800	107.4562	254.0
15-Oct	IFB 1/2018/20Yr	18.0	11.9500	11.1000	110.2236	250.0
12-Oct	IFB 1/2019/16Yr	15.0	11.7500	11.3898	107.7549	240.0
14-Oct	IFB 1/2020/9Yr	8.5	10.8500	10.0100	103.9147	238.5
15-Oct	IFB 1/2019/16Yr	15.0	11.7500	11.2000	109.1212	226.5
12-Oct	IFB 1/2020/11Yr	10.8	10.9000	10.9500	101.1761	202.5

(Source: NSE, DBIB Research)

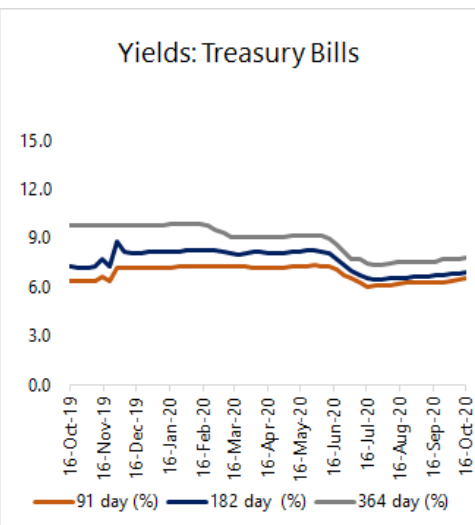
### Treasury Bill auction for the week ending 16 October 2020

Instrument	Amount (KES Bn)	Bids Received (KES Bn)	Subscription Rate (%)	Bids Accepted (KES Bn)	Yield (%)	w-o-w bps ch
91-day	4.00	8.61	215.17	8.11	6.520	5.2
182-day	10.00	7.10	70.97	6.13	6.909	5.6
364-day	10.00	15.89	158.88	15.74	7.800	3.8

(Source: NSE, DBIB Research)



Source: NSE, DBIB Research



Source: NSE, DBIB Research

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## Salient News...

### Nairobi Business Ventures suspended from trading

.....  
The Nairobi Business ventures Ltd was suspended from trading by the Capital Markets Authority for a period of one month .  
.....

The Nairobi Business ventures Ltd was suspended from trading by the Capital Markets Authority for a period of one month to allow completion of the company's restructuring. The suspension is to be effected from October 14th 2020 and is to remain in force for one month.

The company has been in talks with new investors and creditors seeking to invest in the company with the talks at advanced stages as they have met most conditions that are subject to be signed. *(Source: Company filings, DBIB Research)*

## UPCOMING EVENTS

### Profit Warnings

- Sasini
- Eaagads
- NSE
- Eveready
- Nation Media
- Kenya Power

<u>Company</u>	<u>Announcement</u>	<u>Book Closure</u>	<u>Payment</u>
N.S.E.	First & Final Div: KES 0.08	09-Jul-20	STA*
Kapchorua Tea	Final Div: KES 10.00	30-Jul-20	STA*
Williamson Tea	Final Div: KES 20.00	18-Aug-20	STA*
Kenya Re	First & Final: KES 0.10	09-Oct-20	20-Nov-20
KenGen	First & Final: KES 0.25	22-Oct-20	17-Dec-20

<u>Company</u>	<u>Announcement</u>	<u>Book Closure</u>	<u>Crediting Date</u>
Nation Media	Bonus Issue: 1:10	12-Jun-20	STA*

*(Source: NSE, DBIB Research)*

*STA\*—Subject to approval*

## AGM SCHEDULE

<u>Company</u>	<u>Time</u>	<u>Venue</u>	<u>Date</u>
Eveready E.A.	09:30 am	Virtual	27-Oct-20
Co-operative Bank	11:00 am	Virtual	22-Oct-20

*(Source: Company filings , DBIB Research)*

*\*TBC—To be confirmed*

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## 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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