

DBIB WEEKLY BULLETIN

WEEK 44

Date: 30.10.2020

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INDICES & MARKET METRICS MOVEMENT

NSE 20 and **NASI** indices shed 0.9% and 0.8% w-o-w to close at 1,783.68 and 140.04 respectively.

Index	Current	1 wk (%)	3 m (%)	6 m (%)	YTD (%)
NASI	140.0	(0.83)	5.11	0.25	(15.85)
NSE-20	1,783.7	(0.87)	(1.13)	(8.91)	(32.80)
DBIB Select	86.1	(1.29)	2.00	(0.93)	(3.79)
FTSE 15	167.7	(1.27)	3.03	(5.78)	(24.21)
FTSE 25	182.0	(1.78)	3.42	(2.08)	(20.70)
FTSE Frontier 50	39,734.1	(0.61)	12.86	24.15	(10.85)

(Source: NSE, Bloomberg, DBIB Research)

Weekly equity turnover rose by 27.4% w-o-w to USD 15.46 MN (KES 1.68 BN).

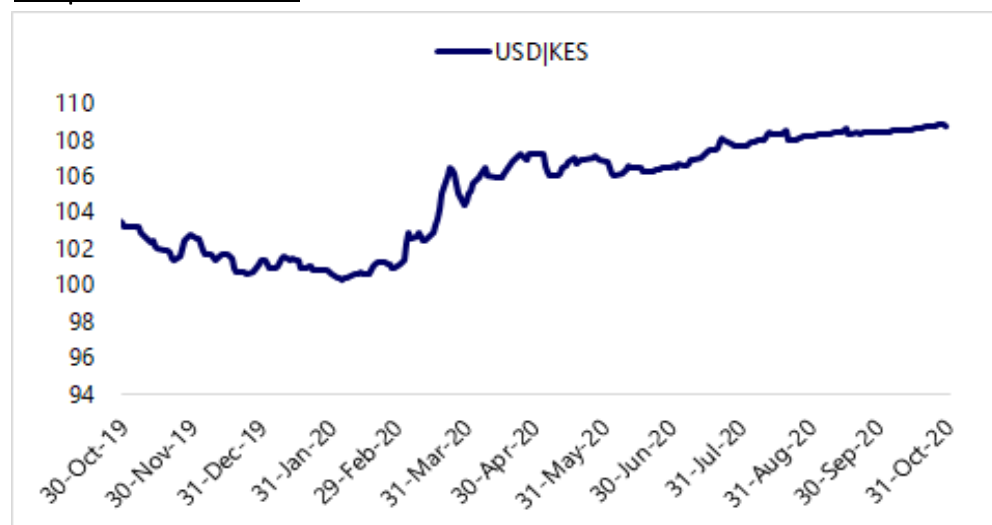
Market Metrics	Current	1 wk	3 m	6 m	12m
Market Cap. (USD m)	2,150.06	(0.83)	(0.13)	5.60	0.70
Market Turnover (USD m)	15.46	27.32	9.94	(49.47)	2.39
Market P/E (x)	12.31	(1.17)	1.71	6.09	6.09
Market Div. yld (%) *	4.79	4.29	(41.40)	(108.63)	(91.40)
Market ROE (%) *	30.70	70.52	(649.06)	(762.52)	(1,431.68)

* Changes in bps ** Market cap weighted

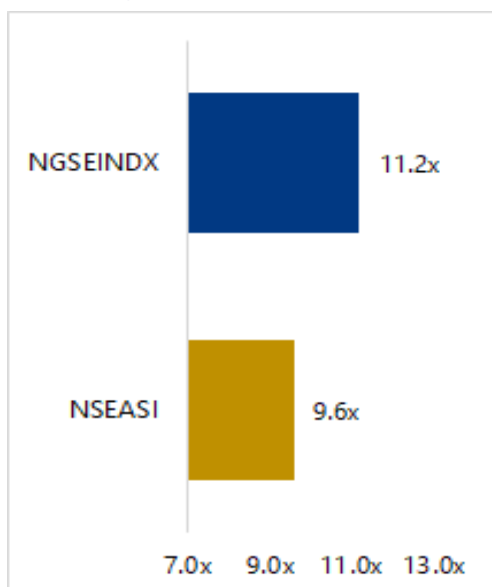
(Source: NSE, DBIB Research)

USD | KES: KES weakened 0.04% w-o-w to close at 108.82 (-7.4% YTD).

USD | KES : 52-Week Trend



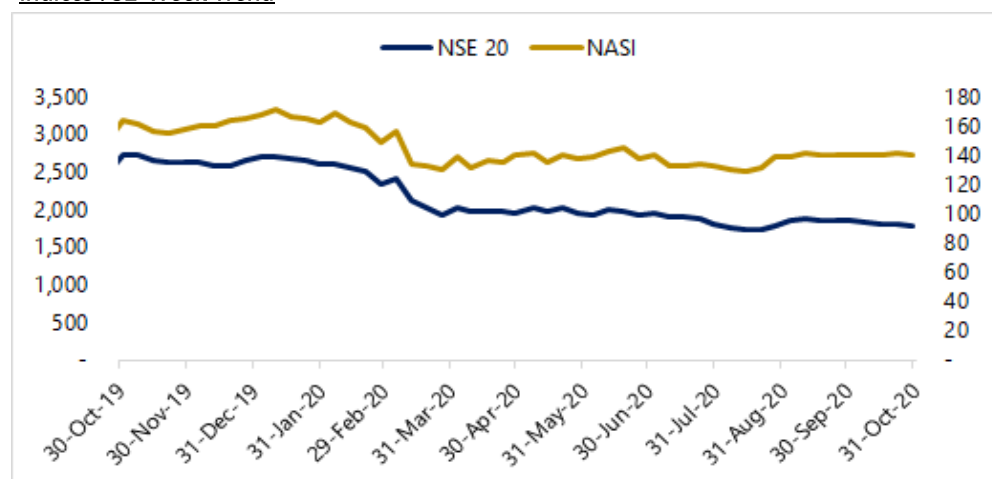
PEER P/E MULTIPLES



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

(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>
Standard Group	15.8
Kapchorua Tea	6.7
Eveready E.A.	6.5
Sasini Ltd	5.3
<u>Nation Media</u>	<u>5.2</u>

(Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
Express Kenya	(13.1)
Sameer Africa	(11.4)
TPS Eastern Africa	(8.3)
Uchumi	(6.7)
<u>Flame Tree Group</u>	<u>(6.0)</u>

(Source: NSE, DBIB Research)



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Safaricom emerged the top traded counter on the bourse recording a weekly turnover of USD 6.67 MN (KES 725.48 MN) representing 43.13% of this week's turnover.

The stock dropped by 0.3% w-o-w to close at KES 30.85 on Friday.

Foreign investors assumed a net buying position on the counter this week by accounting for 61.18% of foreign sales and 81.80% of foreign purchases.

<u>Top traders (Value)</u>	<u>USD MN</u>
Safaricom	6.67
KCB Group	2.40
Equity Group	2.14
E.A. Breweries	2.06
<u>BK Group</u>	<u>0.70</u>

(Source: NSE, DBIB Research)

Y-T-D Performance

<u>Top gainers</u>	<u>%</u>
Kenya Airways	86.8
ABSA Gold ETF	37.5
Eaagads	31.2
Sasini Ltd	18.3
<u>E.A.Portland Cement</u>	<u>10.3</u>

(Source: NSE, DBIB Research)

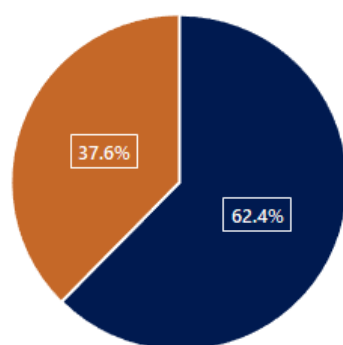


<u>Top Losers</u>	<u>%</u>
Bamburi Cement	(70.0)
Scangroup	(62.6)
Nation Media	(59.3)
BK Group	(54.5)
<u>DTB Group</u>	<u>(43.8)</u>

(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>
BK Group	95.6
Safaricom	81.8
Bamburi Cement	67.9
Equity Group	41.6
<u>E.A. Breweries</u>	<u>28.6</u>

(Source: NSE, DBIB Research)

<u>Top Weekly Sales</u>	<u>% Sold</u>
BK Group	100.0
E.A. Breweries	99.8
Stanbic Holdings	98.3
WPP Scangroup	95.9
<u>ABSA Bank</u>	<u>89.4</u>

Y-T-D Foreign Performance

<u>Top Foreign Buys</u>	<u>% Purchase</u>
BK Group	97.9
B.A.T. Kenya	80.6
Crown Paints	79.9
ABSA Gold ETF	70.2
<u>Safaricom</u>	<u>70.1</u>

(Source: NSE, DBIB Research)

<u>Top Foreign Sales</u>	<u>% Sold</u>
BK Group	99.9
B.A.T. Kenya	89.0
ABSA Gold ETF	88.2
Stanbic Holdings	87.0
<u>Safaricom</u>	<u>80.4</u>

FROM THE FIXED INCOME DESK

The Bond market's turnover for the week stood at USD 110.98 MN (KES 12.08 BN) representing a 9.0% w-o-w decline from USD 121.98 MN (KES 13.27 BN) recorded the previous week.

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Top Trades for the week ending 30 October 2020

						Total
						Value
Trading Date	Issue No.	Years	Coupon (%)	Yield (%)	Price (KES m)	(KES m)
27-Oct	IFB 1/2016/15Yr	10.9	12.0000	10.7000	106.1004	700.0
28-Oct	FXD1/2018/25Yr	22.6	13.4000	13.4500	104.3141	450.0
26-Oct	FXD1/2018/25Yr	22.6	13.4000	13.4000	104.5920	400.0
26-Oct	FXD3/2007/15Yr	2.0	12.5000	9.2000	111.7683	311.4
30-Oct	FXD 3/2019/ 5Yr	4.1	11.4920	10.1000	108.9007	300.0
26-Oct	FXD1/2008/15Yr	2.4	12.5000	9.2132	108.3130	254.0
26-Oct	IFB 1/2020/11Yr	10.8	10.9000	10.8500	102.1170	250.0
26-Oct	SDB 1/2011/30Yr	20.2	12.0000	12.7513	99.9334	200.0
26-Oct	IFB 1/2020/9Yr	8.4	10.8500	9.7400	105.5283	200.0
27-Oct	FXD1/2018/25Yr	22.6	13.4000	13.4500	104.2768	200.0
27-Oct	FXD1/2018/25Yr	22.6	13.4000	13.4250	104.4528	200.0
27-Oct	FXD1/2018/25Yr	22.6	13.4000	13.3500	105.0212	200.0
27-Oct	SDB 1/2011/30Yr	20.2	12.0000	12.7500	96.8925	200.0
27-Oct	SDB 1/2011/30Yr	20.2	12.0000	12.9100	95.8031	200.0
28-Oct	IFB 1/2017/7Yr	4.1	12.5000	10.0000	111.7243	200.0
30-Oct	FXD1/2010/15Yr	4.4	10.2500	10.1500	101.6177	200.0
30-Oct	FXD1/2018/25Yr	22.6	13.4000	13.4000	104.7412	200.0
30-Oct	FXD1/2018/25Yr	22.6	13.4000	13.2552	105.7743	200.0
28-Oct	FXD1/2018/25Yr	22.6	13.4000	13.3750	104.8436	170.2
26-Oct	FXD1/2009/15Yr	3.9	12.5000	10.3000	107.4810	160.0
28-Oct	FXD1/2011/20Yr	10.5	10.0000	11.8000	93.7599	160.0
26-Oct	IFB 1/2015/9Yr	4.1	11.0000	9.7000	106.4827	150.0
27-Oct	IFB 1/2015/9Yr	4.1	11.0000	9.4547	106.9513	150.0

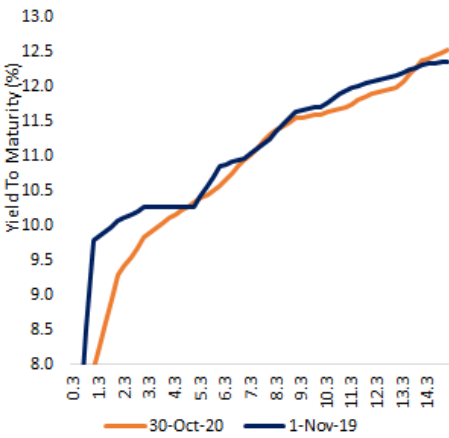
(Source: NSE, DBIB Research)

Treasury Bill auction for the week ending 30 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	3.00	74.92	2.51	6.653	6.4
182-day	10.00	3.31	33.07	3.31	7.038	7.1
364-day	10.00	10.72	110.10	10.72	7.933	9.3

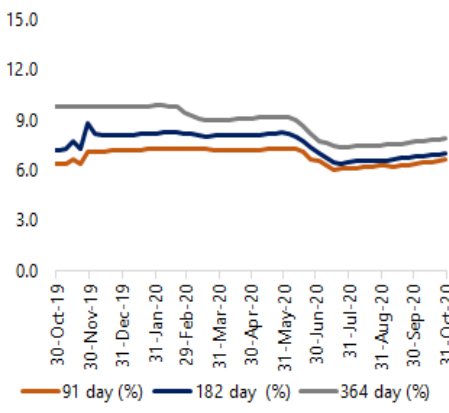
(Source: NSE, DBIB Research)

Kenya: GoK Yield Curve



Source: NSE, DBIB Research

Yields: Treasury Bills



Source: NSE, DBIB Research

Salient News...

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KenGen and Kenya Power both announced that the CMA has granted approval to delay publication of the companies' financial results for the year ended June 30, 2020.
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KenGen & KPLC announce delay in FY20 Financial Results

KenGen and Kenya Power both announced on October 30, 2020 that the CMA has granted approval to delay publication of the companies' financial results for the year ended June 30, 2020. This was occasioned by the delayed appointment of the Auditor-General and the delegated auditors which in turn delayed the annual audit process. KenGen will publish its FY20 financial results on or before December 15, 2020 whereas Kenya Power will publish its FY20 results on or before January 31, 2021.

.....
I&M Rwanda announced that it had received a total subscription of 112.0% for its rights issue.
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I&M Rwanda Rights Issue Results and Allocation

I&M Rwanda announced that it had received a total subscription of 112.0% for its rights issue, raising circa FRW 8.9 BN in new equity. The 1:5 rights issue at a price of FRW 39.60 aimed to raise circa FRW 8.0 BN before expenses.

The table below depicts the offering and subsequent results.

Results

No. of new shares on offer	202,000,000
Total no. of new shares applied for under Entitlement and Application for additional shares	225,584,700
Total subscription performance rate (%)	112.0
New shares allocated under Entitlement	166,341,100
New shares allocated under Application for additional shares	35,658,900
<u>Total no. of issued and fully paid up shares after the rights issue</u>	<u>1,212,000,000</u>

(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	03-Nov-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>
KenGen	11:00 am	Virtual	03-Nov-20
Kenya Power	11:00 am	Virtual	13-Nov-20

(Source: Company filings , 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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RESEARCH TEAM

Edwin Chui | Mary Mukuria | Cynthia Wangari

Email: research@dyerandblair.com | Contact: +254 709 930 130