

DBIB WEEKLY BULLETIN

WEEK 05

Date: 05.02.2021

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INDICES & MARKET METRICS MOVEMENT

NSE 20 edged down 0.8% w-o-w to close at 1,865.93 whereas **NASI** edged up 1.0% w-o-w to close at 157.11.

Weekly equity turnover rose by 24.6% w-o-w to USD 28.50 MN (KES 3.13 BN).

USD | KES: KES strengthened 0.3% w-o-w to close at 109.82 (-0.6% YTD).

Index	Current	1 wk (%)	3 m (%)	6 m (%)	YTD (%)
NASI	157.11	0.98	11.17	20.32	3.29
NSE-20	1,865.93	(0.85)	5.45	6.13	(0.13)
DBIB Select	100.75	1.54	16.31	20.10	3.23
FTSE 15	180.52	2.17	7.53	13.81	1.33
FTSE 25	203.50	1.62	10.29	18.51	3.00
FTSE Frontier 50	46,003.85	1.61	14.37	28.02	4.41

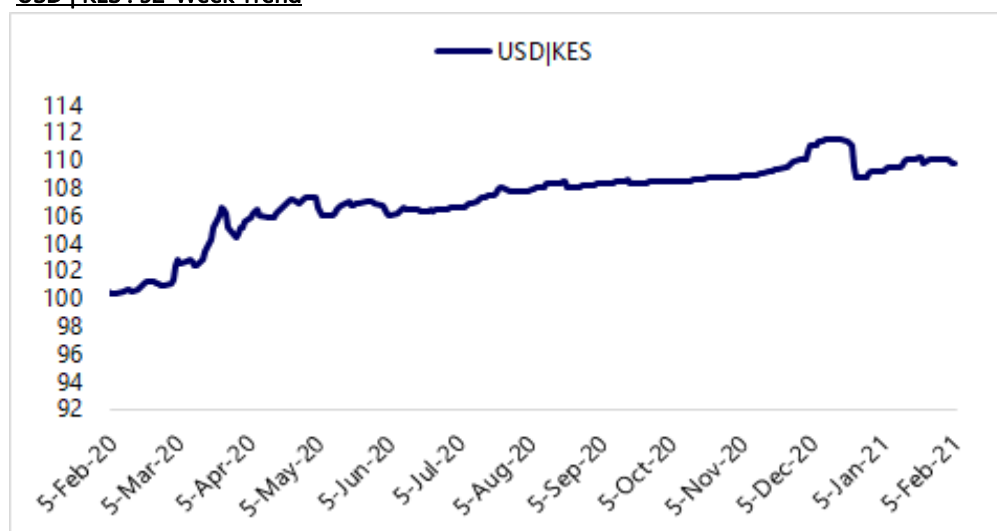
(Source: NSE, Bloomberg, DBIB Research)

Market Metrics	Current	1 wk	3 m	6 m	12m
Market Cap. (USD m)	2,413.71	0.98	1.90	11.24	20.41
Market Turnover (USD m)	28.50	24.61	96.01	(1.09)	4.70
Market P/E (x)	12.59	(1.65)	(13.42)	0.19	10.00
Market Div. yld (%) *	4.14	(6.46)	(60.40)	(131.79)	(121.46)
Market ROE (%) *	33.04	(20.38)	199.79	(429.27)	(1,274.38)

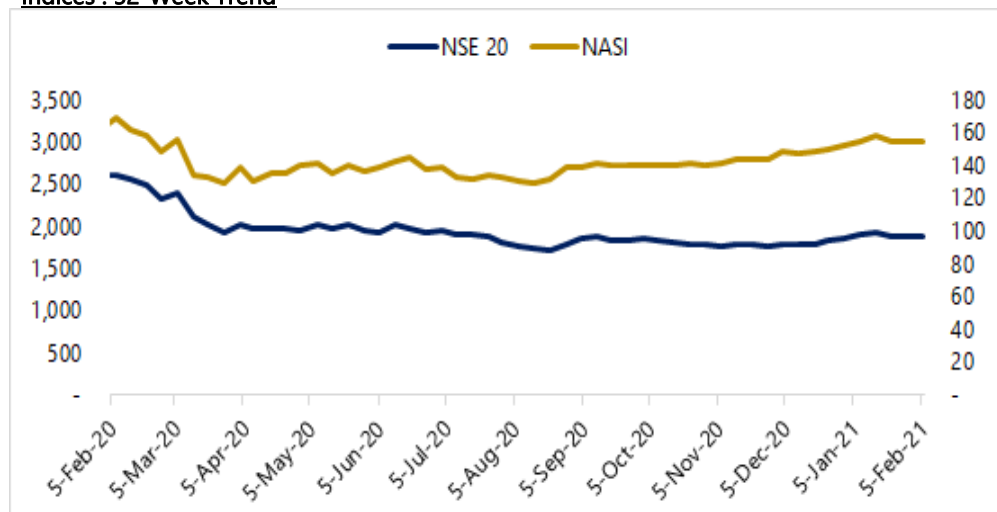
* Changes in bps ** Market ROE is market cap weighted

(Source: NSE, DBIB Research)

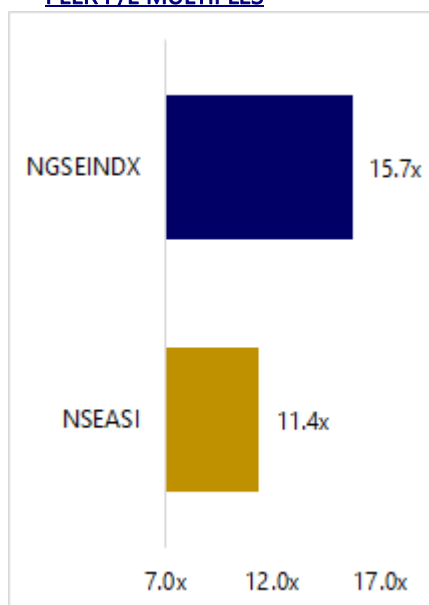
USD | KES : 52-Week Trend



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...

.....
Safaricom emerged the top traded counter on the bourse recording a weekly turnover of USD 14.13 MN (KES 1.56 BN) representing 49.72% of this week's turnover.

The stock gained 1.0% w-o-w to close at KES 36.20 on Friday.

Foreign investors assumed a net buying position on the counter this week by accounting for 49.35% of foreign sales and 49.94% of foreign purchases.

Week-on-Week Performance

<u>Top gainers</u>	<u>%</u>
E.A Breweries	10.4
Flame Tree Group	7.0
Eveready E.A	6.7
Express Kenya	5.4
<u>Liberty Kenya</u>	<u>5.3</u>

(Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
Nation Media Group	(12.8)
DTB Kenya	(9.9)
Sanlam Kenya	(9.6)
Sasini Ltd	(7.6)
<u>Standard Group</u>	<u>(7.3)</u>

(Source: NSE, DBIB Research)



<u>Top traders (Value)</u>	<u>USD MN</u>
Safaricom	14.13
KCB Ltd	6.21
Equity Group	3.95
E.A Breweries	0.78
<u>Stanchart Bank</u>	<u>0.75</u>

(Source: NSE, DBIB Research)

Y-T-D Performance

<u>Top gainers</u>	<u>%</u>
NBV Ltd	30.4
Housing Finance	16.3
BAT Kenya	12.5
Bamburi Cement	11.1
<u>Eaagads Ltd</u>	<u>10.8</u>

(Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
Home Afrika Ltd	(14.3)
Eveready E.A	(13.3)
KPLC	(12.3)
BK Group	(9.8)
<u>Standard Group</u>	<u>(8.9)</u>

(Source: NSE, DBIB Research)



Weekly Foreign Performance

<u>Top Weekly Buys</u>	<u>% Purchase</u>
Stanbic Holdings	99.0
Equity Group	98.3
BAT Kenya	59.4
E.A Breweries	56.2
<u>Bank of Kigali</u>	<u>55.4</u>

(Source: NSE, DBIB Research)

<u>Top Weekly Sales</u>	<u>% Sold</u>
KCB	94.5
Bank of Kigali	89.2
Equity Group	86.0
Nation Media Group	82.7
<u>Stanchart Bank</u>	<u>66.9</u>

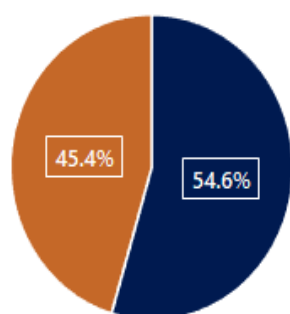
Y-T-D Foreign Performance

<u>Top Foreign Buys</u>	<u>% Purchase</u>
<u>Safaricom</u>	<u>81.7</u>
Equity Group	79.9
Stanbic Holdings	66.7
NSE	61.5
<u>Kenya Re</u>	<u>52.6</u>

(Source: NSE, DBIB Research)

<u>Top Foreign Sales</u>	<u>% Sold</u>
KCB	91.7
Umeme Ltd	82.8
Equity Group	81.8
Britam Holdings	80.3
<u>E.A Breweries</u>	<u>76.3</u>

WEEKLY LOCAL VS FOREIGN PARTICIPATION



■ Foreign Participation
 ■ Local Participation

(Source: NSE, DBIB Research)

FROM THE FIXED INCOME DESK

The **Bond market's turnover** for the week stood at USD 193.51 MN (KES 21.25 BN) representing a 37.7% w-o-w decrease from USD 310.63 MN (KES 34.21 BN) recorded the previous week.

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February Issue Results : FXD1/2013/15 & FXD1/2012/20 (Re-opens)

The Government received a total of KES 41.86 BN, 16.28% lower than the total offered amount of KES 50.00 BN; KES 13.55 BN and KES 28.31 BN from the reopen of FXD1/2013/15 and FXD1/2012/20. The government accepted KES 9.41 BN and KES 22.71 BN from FXD1/2013/15 and FXD1/2012/20 respectively. The average rate of the accepted bids on FXD1/2013/20 came in at 11.784% while that of FXD1/2012/20 came in at 12.587% against a weighted market average rates of 11.880% and 12.687% respectively. The coupon rate on FXD1/2013/15 and FXD1/2012/20 stood at 11.250% and 12.000% respectively.

Top Trades for the week ending 05 February 2021

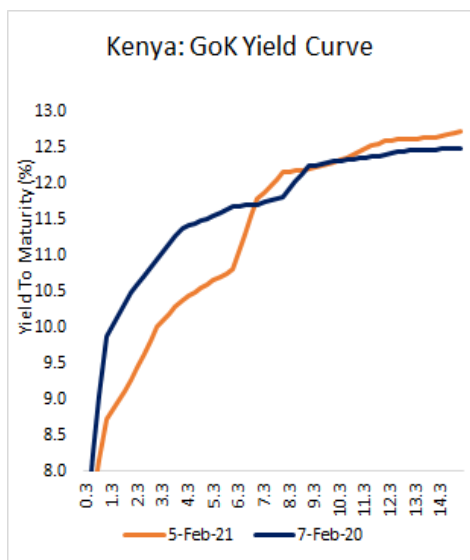
						Total
Trading Date	Issue No.	Years	Coupon (%)	Yield (%)	Price (KES m)	Value (KES m)
2-Feb	IFB 1/2021/16Yr	15.9	12.2570	11.8250	102.97	1,200.0
4-Feb	IFB 1/2021/16Yr	15.9	12.2570	11.8250	103.04	1,199.5
3-Feb	IFB 1/2021/16Yr	15.9	12.2570	11.8500	102.85	800.0
2-Feb	IFB 1/2021/16Yr	15.9	12.2570	11.7500	103.45	600.0
4-Feb	FXD2/2019/15Yr	13.2	12.7340	12.3553	105.44	600.0
4-Feb	FXD2/2019/15Yr	13.2	12.7340	12.5000	104.49	500.0
4-Feb	IFB 1/2020/6Yr	5.3	10.2000	10.2500	101.67	500.0
4-Feb	IFB 1/2020/11Yr	10.5	10.9000	10.8500	105.16	500.0
3-Feb	IFB 1/2021/16Yr	15.9	12.2570	11.8000	103.17	430.0
3-Feb	FXD 2/2018/10Yr	7.8	12.5020	11.5000	106.81	420.0
5-Feb	FXD 2/2018/10Yr	7.8	12.5020	11.5000	106.88	420.0
2-Feb	FXD2/2019/15Yr	13.2	12.7340	12.6000	103.78	400.0
2-Feb	FXD1/2018/25Yr	22.3	13.4000	13.3000	102.25	400.0
3-Feb	FXD1/2010/15Yr	4.1	10.2500	10.5500	103.00	400.0
3-Feb	FXD2/2019/15Yr	13.2	12.7340	12.3500	105.44	400.0
3-Feb	FXD1/2018/25Yr	22.3	13.4000	13.2000	103.01	400.0

(Source: NSE, DBIB Research)

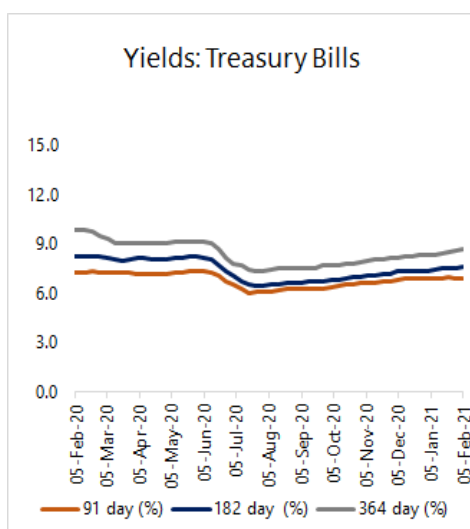
Treasury Bill auction for the week ending 05 February 2021

Instrument	Amount (KES Bn)	Bids Received (KES Bn)	Subscription Rate (%)	Bids Accepted (KES Bn)	Yield (%)	w-o-w bps ch
91-day	4.00	0.54	12.62	0.49	6.873	(2.4)
182-day	10.00	2.09	20.85	2.02	7.594	1.6
364-day	10.00	14.21	142.10	12.37	8.716	9.3

(Source: NSE, DBIB Research)



Source: NSE, DBIB Research



Source: NSE, DBIB Research

Salient News

Eveready E.A Extension of time to publish the audited financial statements for the period ended 30 September 2020

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Eveready E.A announced that it will delay its year end reporting and publishing of the 30 September 2020 audited financial results.
.....

Eveready E.A announced that it will delay its year end reporting and publishing of the 30 September 2020 audited financial results. The extension is to enable its directors to issue additional confirmations and assurances on the financial statements. They will need to conclude the impact of the COVID-19 pandemic on the company's performance and to review the progress of implementation of the initiatives undertaken in the year to guide the company's response and recovery to the pandemic and future prospects. *(Source: Company Filings, DBIB Research)*

BOC Kenya update on circulation of Takeover Offer Documents

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BOC Kenya announced that the Takeover Offer Documents will not be circulated to shareholders by 5th February 2021 as earlier anticipated..
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BOC Kenya announced that the Takeover Offer Documents will not be circulated to shareholders by 5th February 2021 as earlier anticipated, to allow for consultations on certain issues that have arisen relating to the proposed transaction and the impact of the Takeover Documents. As soon as the consultations are complete, and the Takeover Documents are finalized and approved, they will be circulated to shareholders. A further update on the status of the same will be issued at the earliest opportunity and in any event within the next 14 days. *(Source: Company Filings, DBIB Research)*

UPCOMING EVENTS

Profit Warnings

1. Eaagads
2. NSE
3. Eveready
4. Nation Media
5. Kenya Power
6. E.A. Cables
7. I&M
8. StanChart
9. Sameer
10. HF Group
11. Kenya Airways
12. Britam
13. ABSA
14. DTB
15. Co-op Bank
16. CIC Insurance

<u>Company</u>	<u>Announcement</u>	<u>Book Closure</u>	<u>Payment</u>
Car & General	First & Final: KES 0.80	22-Feb-21	25-Mar-21
KenGen	First & Final: KES 0.30	29-Apr-21	22-Jul-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*

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