



DYER & BLAIR
INVESTMENT BANK

DBIB WEEKLY BULLETIN

WEEK 02

Date: 15.01.2021

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INDICES & MARKET METRICS MOVEMENT

NSE 20 and **NASI** indices edged up 1.2% and 2.6% w-o-w to close at 1,919.70 and 158.19 respectively.

Weekly equity turnover rose by 30.4% w-o-w to USD 18.96 MN (KES 2.09 BN).

USD | KES: KES weakened 0.5% w-o-w to close at 110.10 (-0.9% YTD).

Index	Current	1 wk (%)	3 m (%)	6 m (%)	YTD (%)
NASI	158.19	2.60	13.28	19.61	1.36
NSE-20	1,919.70	1.23	5.99	0.54	1.50
DBIB Select	99.61	0.86	14.31	18.69	1.20
FTSE 15	179.70	0.44	4.98	7.97	0.43
FTSE 25	203.47	1.84	10.25	15.79	1.12
FTSE Frontier 50	46,183.65	1.91	17.62	31.55	2.85

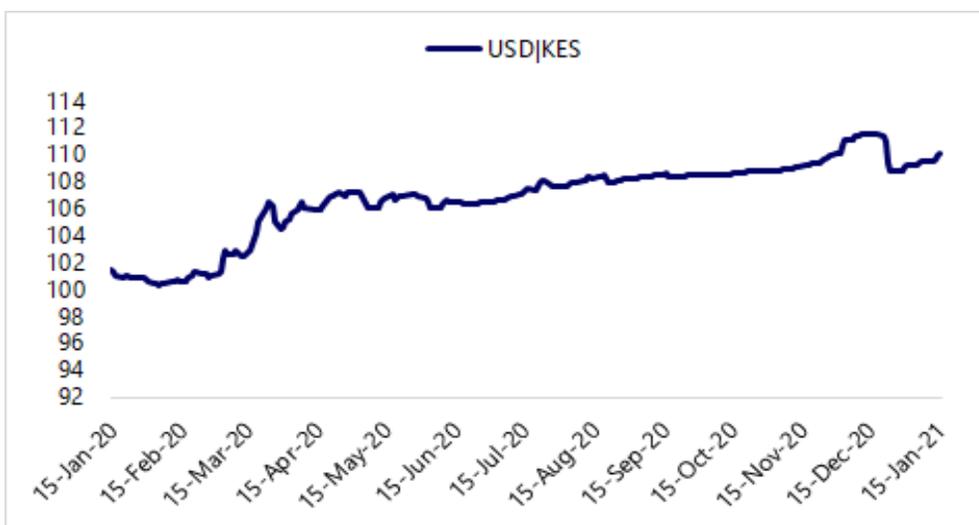
(Source: NSE, Bloomberg, DBIB Research)

Market Metrics	Current	1 wk	3 m	6 m	12m
Market Cap. (USD m)	2,430.39	2.61	6.89	13.35	20.25
Market Turnover (USD m)	18.96	30.36	2.63	56.81	(40.62)
Market P/E (x)	15.70	7.98	12.47	28.83	44.87
Market Div. yld (%) *	4.20	(6.39)	(60.39)	(124.67)	(142.27)
Market ROE (%) *	36.92	138.88	717.21	(74.39)	(861.85)

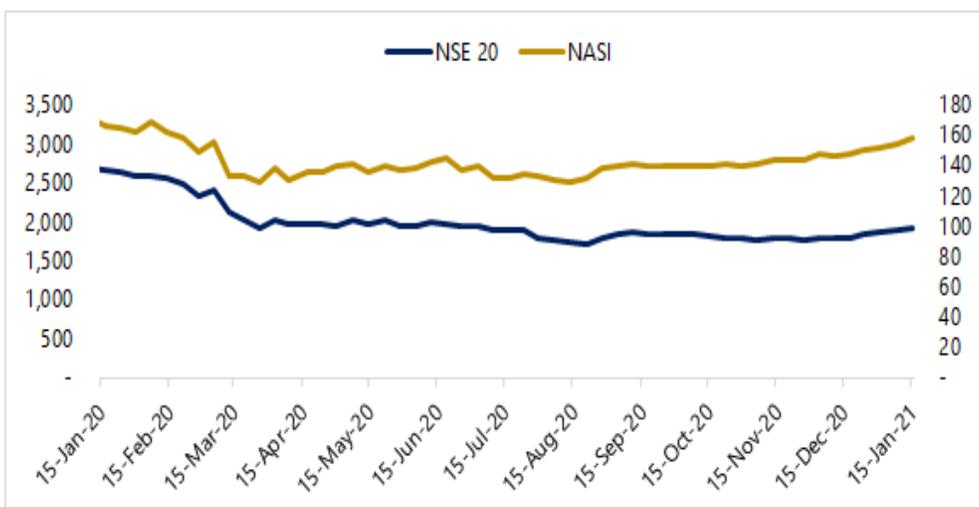
* Changes in bps ** Market ROE is market cap weighted

(Source: NSE, DBIB Research)

USD | KES : 52-Week Trend

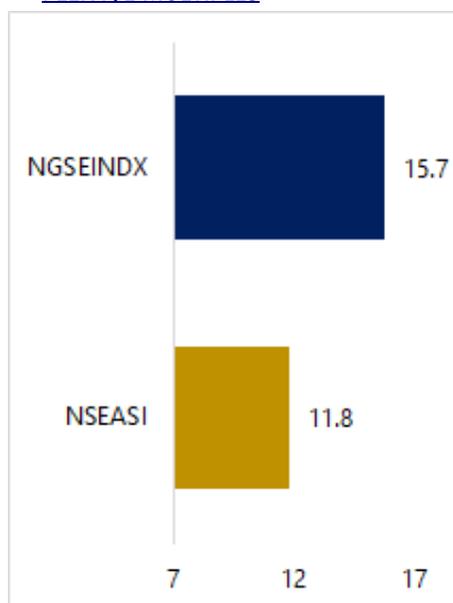


Indices : 52-Week Trend



(Source: NSE, DBIB Research)

PEER P/E MULTIPLES



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

(Source: Bloomberg, DBIB Research)

WEEKLY BOURSE WRAP UP...

Week-on-Week Performance

<u>Top gainers</u>	<u>%</u>
Olympia Capital	15.5
Bamburi	15.1
Sanlam Kenya	10.0
Housing Finance	7.7
<u>BK Group</u>	<u>6.5</u>

(Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
Uchumi	(17.2)
Sameer Africa	(12.5)
Home Afrika	(10.0)
Trans-Century	(9.3)
<u>Express Kenya</u>	<u>(8.6)</u>

(Source: NSE, DBIB Research)



.....
Safaricom emerged the top traded counter on the bourse recording a weekly turnover of USD 8.98 MN (KES 988.74 MN) representing 47.37% of this week's turnover.

The stock rose 4.4% w-o-w to close at KES 36.55 on Friday.

Foreign investors assumed a net buying position on the counter this week by accounting for 34.92% of foreign sales and 84.24% of foreign purchases.

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<u>Top traders (Value)</u>	<u>USD MN</u>
Safaricom	8.98
Equity Group	4.28
KCB Group	0.81
E.African Breweries	0.58
<u>Jubilee</u>	<u>0.56</u>

(Source: NSE, DBIB Research)

Y-T-D Performance

<u>Top gainers</u>	<u>%</u>
Bamburi	19.2
Kenya Re	13.8
Flame Tree Group	11.4
Housing Finance	9.6
<u>Car & General</u>	<u>9.1</u>

(Source: NSE, DBIB Research)

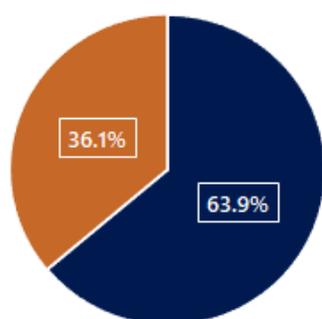


<u>Top Losers</u>	<u>%</u>
Uchumi	(14.3)
Home Afrika	(14.3)
Sasini	(8.7)
Express Kenya	(8.3)
<u>Longhorn</u>	<u>(7.2)</u>

(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>
Safaricom	84.2
Equity	80.3
KCB Group	61.5
NBV	55.3
<u>NSE</u>	<u>45.1</u>

(Source: NSE, DBIB Research)

<u>Top Weekly Sales</u>	<u>% Sold</u>
Umeme	99.4
Uchumi	98.7
EA Breweries	96.2
Equity	79.5
<u>Standard Chartered</u>	<u>72.2</u>

Y-T-D Foreign Performance

<u>Top Foreign Buys</u>	<u>% Purchase</u>
Safaricom	95.2
Equity	64.7
NSE	55.5
EA Breweries	46.9
<u>NBV</u>	<u>43.1</u>

(Source: NSE, DBIB Research)

<u>Top Foreign Sales</u>	<u>% Sold</u>
Umeme	95.3
Britam	94.2
EA Breweries	89.0
Standard Chartered	86.8
<u>Equity Group</u>	<u>84.8</u>

FROM THE FIXED INCOME DESK

The **Bond market's turnover** for the week stood at USD 66.60 MN (KES 7.33 BN) representing a 14.0% w-o-w increase from USD 58.72 MN (KES 6.43 BN) recorded the previous week.

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Top Trades for the week ending 15 January 2021

Trading Date	Issue No.	Years	Coupon (%)	Yield (%)	Price (KES m)	Total Value (KES m)
15-Jan	FXD 1/2017/10Yr	8.4	12.9660	11.1200	114.53	450.0
11-Jan	IFB 1/2018/15Yr	12.0	12.5000	11.0500	114.26	400.0
11-Jan	IFB 1/2019/16Yr	14.7	11.7500	11.2500	105.69	345.0
11-Jan	FXD1/2018/20Yr	17.1	13.2000	13.0000	105.37	300.0
11-Jan	FXD1/2018/20Yr	17.1	13.2000	12.8248	106.59	300.0
12-Jan	IFB 1/2020/9Yr	8.2	10.8500	10.6500	103.58	250.0
14-Jan	IFB 1/2019/16Yr	14.7	11.7500	11.2000	106.12	230.0
15-Jan	FXD1/2018/25Yr	22.4	13.4000	13.1000	103.05	200.0
15-Jan	IFB 1/2020/11Yr	10.6	10.9000	10.8000	104.81	200.0
12-Jan	IFB 1/2019/16Yr	14.7	11.7500	11.1500	106.39	200.0
11-Jan	FXD 1/2019/ 5Yr	3.1	11.3040	10.0500	107.61	200.0
13-Jan	FXD 1/2021/2Yr	2.0	9.4860	9.5000	100.03	200.0
13-Jan	FXD 1/2021/2Yr	2.0	9.4860	9.4000	100.20	200.0
15-Jan	FXD2/2019/15Yr	13.3	12.7340	12.7000	102.51	200.0
15-Jan	FXD2/2019/15Yr	13.3	12.7340	12.3000	105.11	200.0
12-Jan	FXD1/2016/20Yr	15.6	14.0000	12.8900	111.69	177.5
15-Jan	IFB 1/2018/15Yr	12.0	12.5000	11.3000	112.86	150.0
13-Jan	IFB 1/2020/6Yr	5.4	10.2000	10.0500	101.67	139.0
12-Jan	FXD1/2018/25Yr	22.4	13.4000	13.2800	101.64	125.0
15-Jan	FXD1/2018/25Yr	22.4	13.4000	13.2000	102.32	115.3

Sell-Buy Backs

13-Jan	FXD1/2011/20Yr	10.3	10.0000	11.8000	98.46	90.0
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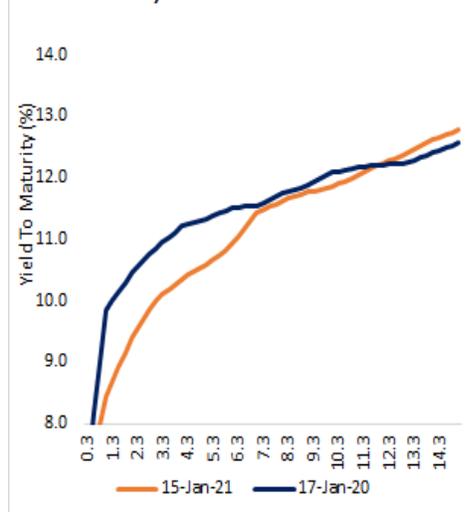
(Source: NSE, DBIB Research)

Treasury Bill auction for the week ending 15 January 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	5.01	125.37	5.01	6.884	(1.1)
182-day	10.00	8.10	81.02	8.10	7.522	4.3
364-day	10.00	13.31	133.15	13.30	8.445	8.2

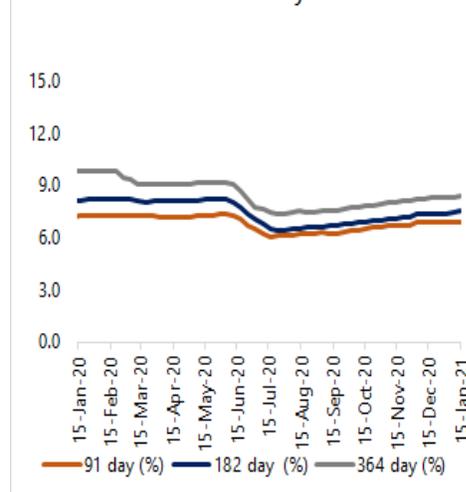
(Source: NSE, DBIB Research)

Kenya: GoK Yield Curve



Source: NSE, DBIB Research

Yields: Treasury Bills



Source: NSE, DBIB Research

Salient News

Sasini FY20 Earnings

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Sasini announced its FY20 results announcing a PAT of KES 12.6 MN compared to a loss after tax of KES 337.7 MN announced last year.
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Sasini announced its FY20 results announcing a PAT of KES 12.6 MN compared to a loss after tax of KES 337.7 MN announced last year largely on the back of a 48.3% y-o-y increase in revenue to KES 4.1 BN. This was on account of improved coffee prices despite low production in the second half of the year. Additionally, the avocado business registered good harvest and improved demand while the tea business registered improved production during the year although these were dampened by low price realization in the auction.

Operating costs rose by 27.8% y-o-y to KES 4.1 BN placing operating profits at KES 34.3 MN, 108.8% higher y-o-y despite a 13.0% y-o-y drop in administration expenses on account of the initiation and complete roll out of mechanization in tea harvesting.

Finance income dropped by 52.7% y-o-y to KES 24.5 MN while finance costs edged down 17.8% y-o-y to KES 17.2 MN.

Total assets remained fairly constant at KES 14.6 BN (-0.7% y-o-y) while total liabilities dropped by 14.8% y-o-y to KES 1.5 BN. Total equity rose by 1.3% y-o-y to KES 13.1 BN. *(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

<u>Company</u>	<u>Announcement</u>	<u>Book Closure</u>	<u>Payment</u>
Carbacid	First & Final: KES 0.70	09-Jan-21	29-Jan-21

(Source: NSE, DBIB Research)

STA—Subject to approval*

AGM SCHEDULE

<u>Company</u>	<u>Time</u>	<u>Venue</u>	<u>Date</u>
Carbacid Investments	10.00 am	Virtual	29-Jan-21

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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