

# DBIB WEEKLY BULLETIN

# WEEK 03

Date: 22.01.2021

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## INDICES & MARKET METRICS MOVEMENT

**NSE 20** and **NASI** indices edged down 1.7% and 2.1% w-o-w to close at 1,887.23 and 154.84 respectively.

**Weekly equity turnover** rose by 27.4% w-o-w to USD 24.15 MN (KES 2.65 BN).

**USD | KES:** KES strengthened 0.3% w-o-w to close at 109.81 (-0.6% YTD).

Index	Current	1 wk (%)	3 m (%)	6 m (%)	YTD (%)
NASI	154.84	(2.12)	9.65	15.05	1.79
NSE-20	1,887.23	(1.69)	4.89	0.02	1.01
DBIB Select	98.91	(0.70)	13.43	16.15	1.35
FTSE 15	176.85	(1.59)	4.10	6.61	(0.73)
FTSE 25	200.08	(1.67)	7.99	12.74	1.27
FTSE Frontier 50	45,772.70	(0.89)	14.49	30.22	3.89

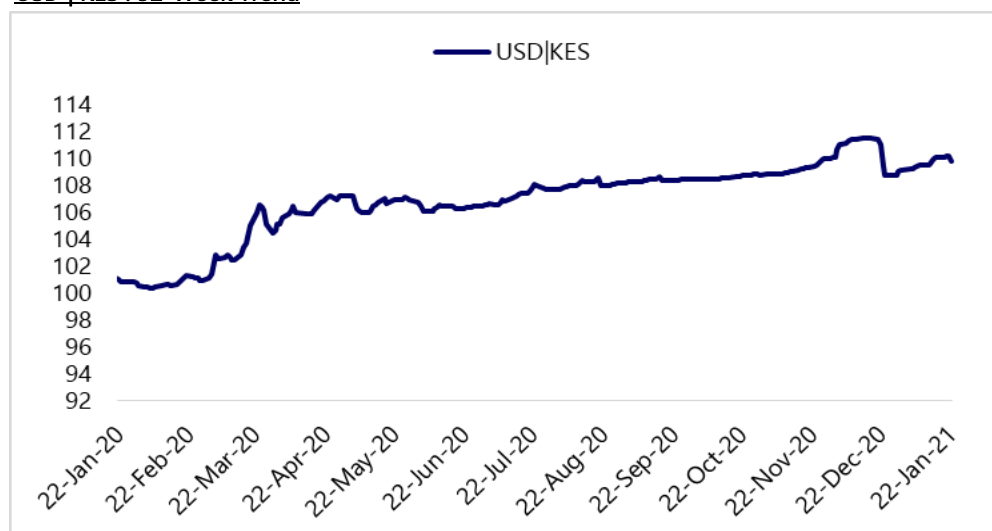
(Source: NSE, Bloomberg, DBIB Research)

Market Metrics	Current	1 wk	3 m	6 m	12m
Market Cap. (USD m)	2,378.76	(2.12)	3.11	9.72	15.64
Market Turnover (USD m)	24.15	27.41	92.49	98.92	(21.05)
Market P/E (x)	15.22	(3.07)	7.14	22.21	35.20
Market Div. yld (%) *	4.32	12.28	(42.03)	(102.93)	(133.72)
Market ROE (%) *	8.01	(2,891.21)	(2,198.63)	(3,024.65)	(3,714.21)

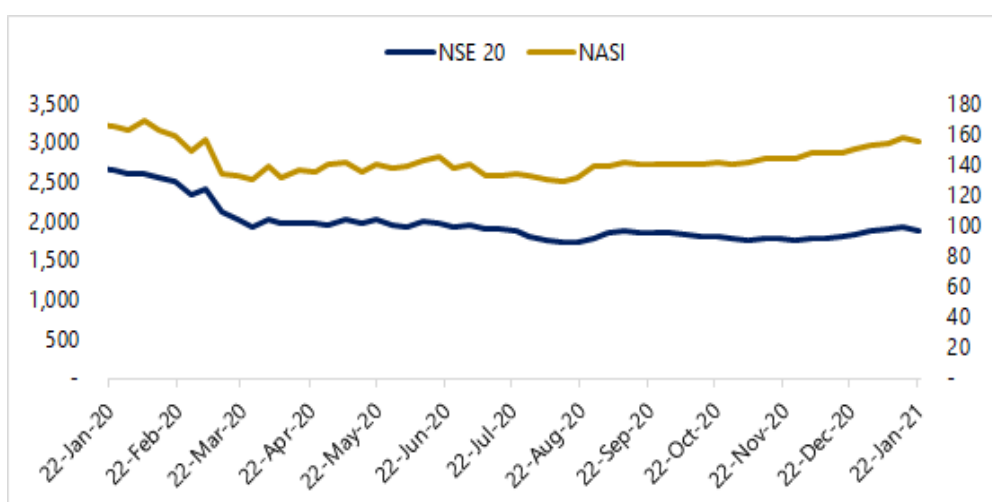
\* Changes in bps \*\* Market ROE is market cap weighted

(Source: NSE, DBIB Research)

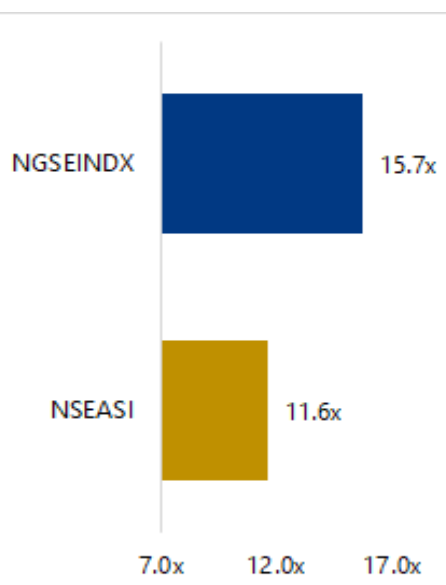
### USD | KES : 52-Week Trend



### 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>
Express Kenya	12.7
Uchumi Supermarket	12.5
Home Afrika Ltd	11.1
E.A.P.C.C	9.8
Housing Finance Co.	6.9

(Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
Eveready E.A	(13.4)
BK Group	(9.8)
Unga Group	(7.7)
Liberty Kenya	(7.3)
Centum Investment	(6.0)

(Source: NSE, DBIB Research)



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**Safaricom** emerged the top traded counter on the bourse recording a weekly turnover of USD 7.66 MN (KES 843.12 MN) representing 31.79% of this week's turnover.

The stock dropped 2.7% w-o-w to close at KES 35.55 on Friday.

Foreign investors assumed a net buying position on the counter this week by accounting for 36.35% of foreign sales and 90.63% of foreign purchases.

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<u>Top traders (Value)</u>	<u>USD MN</u>
Safaricom	7.66
KCB	5.01
Equity Group	4.17
Bamburi Cement	3.30
BK Group	1.51

(Source: NSE, DBIB Research)

## Y-T-D Performance

<u>Top gainers</u>	<u>%</u>
Bamburi Cement	21.7
Housing Finance Co.	17.2
FAHARI I-REIT	11.7
Flame Tree Group	11.4
Eaagads Ltd	10.8

(Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
Eveready E.A	(14.2)
Sasini Ltd	(12.6)
BK Group	(9.8)
Stanbic Holdings	(8.5)
B.O.C Kenya	(7.9)

(Source: NSE, DBIB Research)



## Weekly Foreign Performance

<u>Top Weekly Buys</u>	<u>% Purchase</u>
I & M Holdings	99.2
Equity Group	93.4
Safaricom	90.6
NSE	83.2
E.A Breweries	46.3

(Source: NSE, DBIB Research)

<u>Top Weekly Sales</u>	<u>% Sold</u>
KCB	94.3
Equity Group	80.3
E.A Breweries	77.2
Umeme Ltd	68.9
Uchumi	63.0

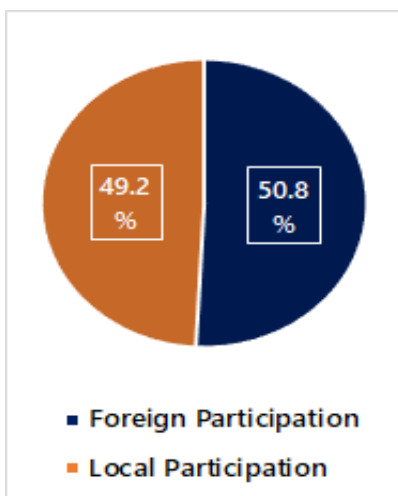
## Y-T-D Foreign Performance

<u>Top Foreign Buys</u>	<u>% Purchase</u>
Safaricom	93.9
NSE	75.8
Equity Group	75.2
E.A Breweries	46.6
NBV Ltd	32.7

(Source: NSE, DBIB Research)

<u>Top Foreign Sales</u>	<u>% Sold</u>
Britam Holdings	88.0
KCB	87.9
Umeme Ltd	83.8
Equity Group	83.1
E.A Breweries	82.4

## WEEKLY LOCAL VS FOREIGN PARTICIPATION



(Source: NSE, DBIB Research)

## FROM THE FIXED INCOME DESK

The **Bond market's turnover** for the week stood at USD 43.15 MN (KES 4.74 BN) representing a 35.2% w-o-w decrease from USD 66.60 MN (KES 7.33 BN) recorded the previous week.

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### January Issue Results: IFB1/2021/16

The Government received a total of KES 125.47 BN from the issue of IFB1/2021/16, 251.0% higher than the total amount offered of KES 50.00 BN. The government accepted KES 81.05 BN. The average rate of the accepted bids came in at 12.257% against market weighted average rate of 12.407%. The coupon rate was therefore set at 12.257%.

### Top Trades for the week ending 22 January 2021

						Total
			Coupon	Yield	Price	Value
Trading Date	Issue No.	Years	(%)	(%)	(KES m)	(KES m)
18-Jan	FXD 1/2021/2Yr	2.0	9.4860	9.3500	100.42	500.0
19-Jan	FXD 1/2021/2Yr	2.0	9.4860	9.4000	100.36	500.0
18-Jan	FXD1/2010/15Yr	4.1	10.2500	10.4000	103.02	300.0
18-Jan	FXD2/2010/15Yr	4.9	9.0000	10.6000	94.85	200.0
18-Jan	IFB 1/2018/15Yr	12.0	12.5000	11.1164	114.09	200.0
19-Jan	FXD1/2018/25Yr	22.4	13.4000	13.3570	101.34	200.0
21-Jan	FXD1/2020/15Yr	14.0	12.7560	12.7560	105.23	200.0
19-Jan	IFB 1/2020/9Yr	8.2	10.8500	10.6474	103.80	142.4
19-Jan	FXD3/2007/15Yr	1.8	12.5000	9.2659	107.67	130.0
19-Jan	IFB 1/2019/16Yr	14.7	11.7500	11.4000	104.96	103.1
18-Jan	FXD 1/2021/2Yr	2.0	9.4860	9.2000	100.69	100.0
18-Jan	FXD1/2018/25Yr	22.4	13.4000	13.3500	101.36	100.0
19-Jan	FXD1/2018/25Yr	22.4	13.4000	13.2500	102.11	100.0
20-Jan	FXD2/2019/15Yr	13.3	12.7340	12.0000	107.29	100.0
21-Jan	IFB 1/2015/9Yr	3.9	11.0000	10.7500	101.93	100.0
21-Jan	IFB 1/2020/9Yr	8.2	10.8500	-	-	100.0
22-Jan	FXD2/2019/15Yr	13.3	12.7340	12.0000	107.36	100.0

### Sell-Buy Backs

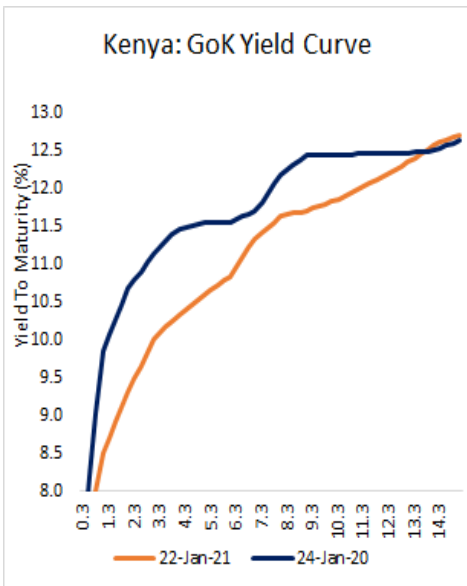
18-Jan	FXD3/2007/15Yr	1.8	12.5000	9.3500	94.85	130.0
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(Source: NSE, DBIB Research)

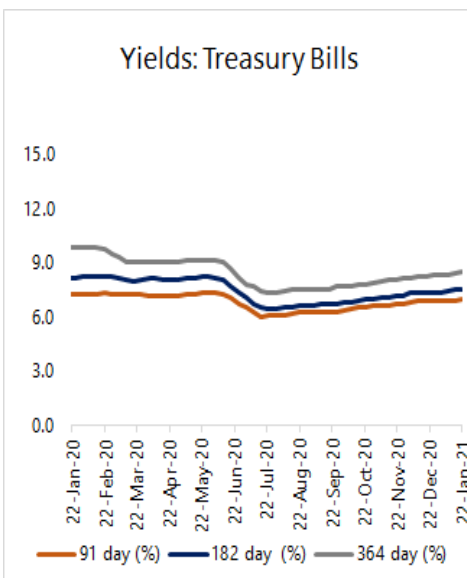
### Treasury Bill auction for the week ending 22 January 2021

Instrument	Amount	Bids Received	Subscription	Bids Accepted	Yield	w-o-w
	(KES Bn)	(KES Bn)	Rate (%)	(KES Bn)	(%)	bps ch
91-day	4.00	2.15	53.74	2.15	6.983	9.9
182-day	10.00	0.92	9.16	0.91	7.508	(1.4)
364-day	10.00	17.22	172.20	14.47	8.508	6.3

(Source: NSE, DBIB Research)



Source: NSE, DBIB Research



Source: NSE, DBIB Research

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## Salient News

### BOC Extension of time for service of offeree circular

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**BOC Kenya** announced that it had obtained approval from the CMA to serve BOC shareholders with the Takeover Offer Document and the Offeree Circular in line with the proposed takeover offer by Carbacid Investments and Aksaya Investments by 5th February, 2021, an extension from 25th January, 2021.  
.....

BOC Kenya announced that it had obtained approval from the Capital Markets Authority to serve BOC shareholders with the Takeover Offer Document and the Offeree Circular in line with the proposed takeover offer by Carbacid Investments and Aksaya Investments by 5th February, 2021, an extension from 25th January, 2021. BOC received the Takeover Offer Document on 6th January, 2021. On receipt of the document, the board of directors of BOC immediately appointed an independent adviser to provide a fair opinion to their shareholders as required by the CMA regulations, 2002. The extension is to ensure that the independent advisor has sufficient time to value BOC and render the Fairness Opinion. This is also to afford the board adequate time to consider the Fairness Opinion and issue its shareholders with the required recommendation under the Regulations. *(Source: Company Filings, DBIB Research)*

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## 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
<i>(Source: NSE, DBIB Research)</i> <i>STA*—Subject to approval</i>			

## AGM SCHEDULE

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

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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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