

DBIB WEEKLY BULLETIN

WEEK 23

Date: 11.06.2021

Contents:

Equity Market Sum Up	2
Fixed Income Wrap Up	4
Salient News	5
Corporate Actions	6
Appendix	7



INDICES & MARKET METRICS MOVEMENT

NSE 20 and **NASI** indices gained 0.2% and 1.5% w-o-w to close at 1,911.92 and 172.33, respectively.

Weekly equity turnover advanced 108.1% w-o-w to USD 44.7 MN (KES 4.82 BN).

USD | KES: KES weakened 0.1% w-o-w to close at 107.90 (+1.2% YTD).

Index	Current	1 wk (%)	3 m (%)	6 m (%)	YTD (%)
NASI	172.33	1.45	6.32	17.14	13.29
NSE-20	1,911.92	0.16	(0.58)	6.57	2.33
DBIB Select	107.94	0.60	3.83	21.10	10.60
FTSE 15	202.51	1.41	6.88	18.12	13.67
FTSE 25	228.15	1.39	7.55	19.37	15.47
FTSE Frontier 50	48,790.22	0.30	7.79	11.38	10.73

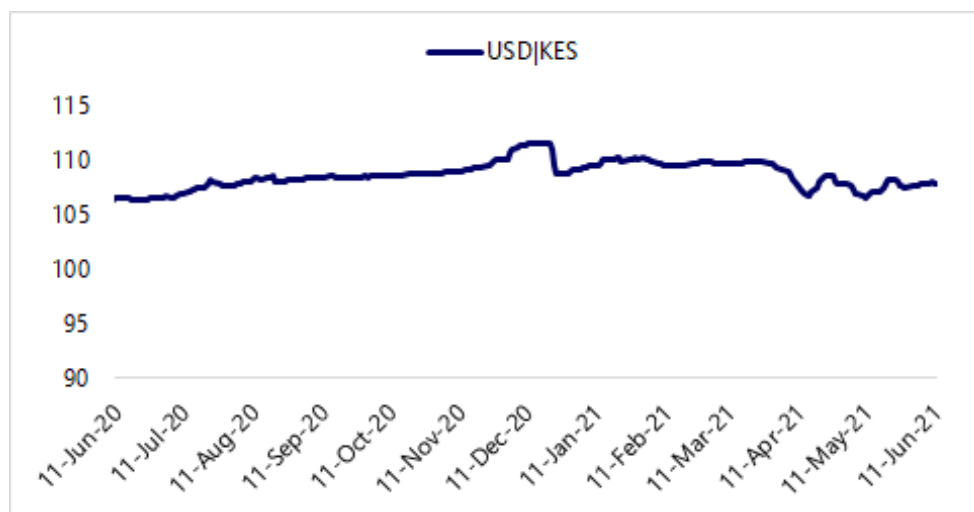
(Source: NSE, Bloomberg, DBIB Research)

Market Metrics	Current	1 wk	3 m	6 m	12m
Market Cap. (USD m)	2,683.56	1.45	3.98	7.76	18.78
Market Turnover (USD m)	44.70	108.05	56.82	50.97	85.78
Market P/E (x)	14.68	2.46	2.94	15.99	6.11
Market Div. yld (%) *	3.45	(5.06)	(120.64)	(110.97)	(174.54)
Market ROE (%) *	33.36	12.23	50.65	(310.39)	(502.29)

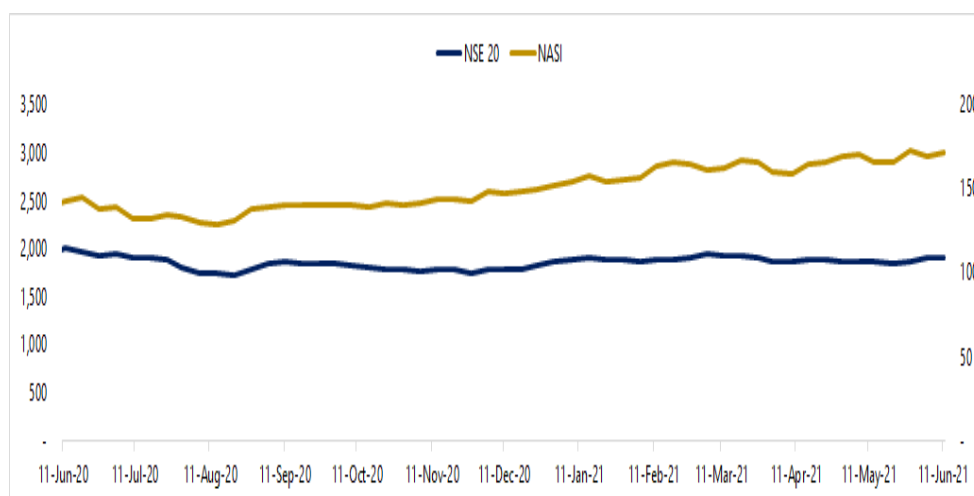
* Changes in bps ** Market ROE is market cap weighted

(Source: NSE, DBIB Research)

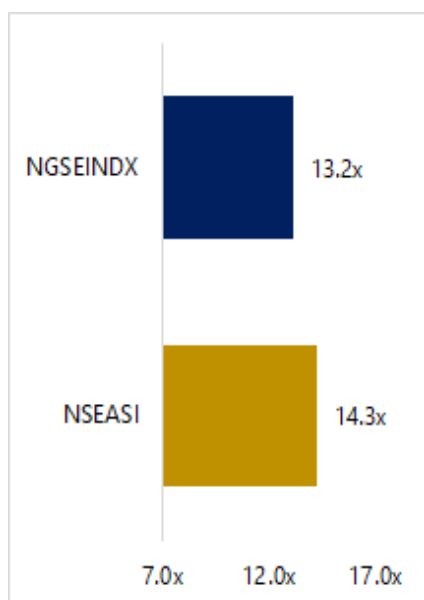
USD | KES : 52-Week Trend



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>
Trans-Century Ltd	18.0
NBV Ltd	16.1
Jubilee Holdings	9.4
Williamson Tea	7.4
E.A.Cables Ltd	6.6

(Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
Eaagads Ltd	(16.1)
Sanlam Kenya	(11.4)
Express Kenya	(8.9)
Sasini Ltd	(7.1)
Umeme Ltd	(6.6)

(Source: NSE, DBIB Research)



.....
Safaricom emerged the top traded counter on the bourse recording a weekly turnover of USD 16.73 MN (KES 1.81 BN) representing 37.43% of this week's turnover.

The stock gained by 1.9% w-o-w to close at KES 41.25 on Friday.

Foreign investors assumed a net selling position on the counter this week by accounting for 93.67% of foreign sales and 77.52% of foreign purchases.

<u>Top traders (Value)</u>	<u>USD MN</u>
Safaricom	16.73
NIC Bank	13.28
E.A Breweries	5.12
Equity Group	4.79
Bamburi Cement	1.25

(Source: NSE, DBIB Research)

Y-T-D Performance

<u>Top gainers</u>	<u>%</u>
Nation Media Group	48.2
NBV Ltd	48.1
BK Group	29.3
BAT Kenya	28.8
E.A Breweries	23.2

(Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
Standard Group	(31.1)
Sanlam Kenya	(28.2)
E.A.Portland	(26.9)
Kenya Power	(22.2)
Umeme Ltd	(22.0)

(Source: NSE, DBIB Research)



Weekly Foreign Performance

<u>Top Weekly Buys</u>	<u>% Purchase</u>
Total Kenya	94.7
Equity Group	91.3
Safaricom	77.5
NSE	63.5
E.A Breweries	44.5

(Source: NSE, DBIB Research)

<u>Top Weekly Sales</u>	<u>% Sold</u>
Bamburi Cement	98.6
E.A Breweries	97.1
Total Kenya	95.9
Safaricom	93.7
Equity Group	84.9

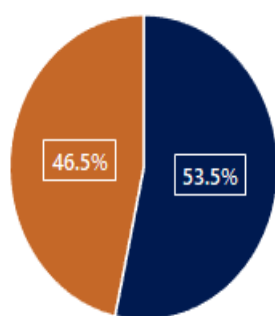
Y-T-D Foreign Performance

<u>Top Foreign Buys</u>	<u>% Purchase</u>
New Gold ETF	100.0
BOC Kenya	87.0
Stanbic Holdings	74.7
Safaricom	73.7
Total Kenya	68.2

(Source: NSE, DBIB Research)

<u>Top Foreign Sales</u>	<u>% Sold</u>
New Gold ETF	99.7
E.A Breweries	76.3
Stanbic Holdings	72.0
KenGen	71.1
Total Kenya	68.3

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 147.20 MN (KES 15.88 BN) representing a 19.1% w-o growth from USD 123.56 MN (KES 13.32 BN) recorded the previous week.

The Bond market's turnover for the week stood at USD 147.20 MN (KES 15.88 BN) representing a 19.1% w-o-w growth from USD 123.56 MN (KES 13.32 BN) recorded the previous week. The bond issue number IFB1/2021/18Yr emerged as the top traded bond with a turnover of KES 4.33 BN accounting for 27.3% of the week's turnover. The bond traded between 10.0000% and 12.6670%.

June Issue: FXD1/2019/20 and FXD1/2012/20 (Re-opened)

This June, the government issued the bond number FXD1/2019/20 (17.9 yrs.) and FXD1/2012/20 (11.4 yrs.) with the aim of raising KES 30.0 BN for budgetary support. The coupon rate of FXD1/2019/20 stands at 12.873% while that of FXD1/2012/20 stands at 12.000%. The period of sale runs from 02 June 2021 to 15 June 2021.

Top Trades for the week ending 11 June 2021

					Total
			Coupon	Yield	Price
Trading Date	Issue No.	Years	(%)	(%)	(KES m)
8-Jun	IFB 1/2021/18Yr	17.8	12.6670	12.1750	105.03
9-Jun	IFB 1/2020/11Yr	10.2	10.9000	11.1250	102.06
7-Jun	FXD1/2012/15Yr	6.2	11.0000	11.4713	100.43
7-Jun	FXD1/2012/15Yr	6.2	11.0000	11.4500	100.53
7-Jun	IFB 1/2021/18Yr	17.8	12.6670	12.2000	104.83
9-Jun	IFB 1/2021/18Yr	17.8	12.6670	12.1750	105.06
10-Jun	FXD 1/2021/2Yr	1.6	9.4860	9.3300	104.12
7-Jun	FXD 1/2019/ 5Yr	2.7	11.3040	10.1500	105.90
10-Jun	FXD1/2013/15Yr	6.7	11.2500	11.7200	101.38
9-Jun	IFB 1/2020/11Yr	10.2	10.9000	10.9500	102.92
11-Jun	IFB 1/2020/9Yr	7.8	10.8500	10.7872	102.02
7-Jun	IFB 1/2020/11Yr	10.2	10.9000	10.9609	102.81
11-Jun	IFB 1/2021/18Yr	17.8	12.6670	12.0900	105.68
10-Jun	FXD1/2021/25Yr	24.8	13.9240	13.5850	103.55
7-Jun	FXD1/2018/20Yr	16.7	13.2000	12.0500	114.51
7-Jun	IFB 1/2020/11Yr	10.2	10.9000	11.1500	101.87
8-Jun	FXD1/2009/15Yr	3.3	12.5000	10.3000	108.02
8-Jun	IFB 1/2020/11Yr	10.2	10.9000	11.0000	102.64

Sell & buy backs

7-Jun	IFB 1/2021/18Yr	17.8	12.6670	10.0000	100.53
8-Jun	IFB 1/2021/18Yr	17.8	12.6670	10.0000	104.83

(Source: NSE, DBIB Research)

Treasury Bill auction for the week ending 11 June 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	8.39	209.70	6.82	7.104	(3.3)
182-day	10.00	10.93	109.33	7.88	7.731	(8.7)
364-day	10.00	24.30	243.01	3.80	8.648	(32.5)

(Source: NSE, DBIB Research)

Salient News

.....

Crown Paints released its FY20 earnings recording an 85.6% improvement in Profit after Tax (PAT) to KES 599.5 MN.

.....

Crown Paints Kenya FY20 Earnings

Crown Paints Kenya released its FY20 earnings recording an 85.6% improvement in Profit after Tax (PAT) to KES 599.5 MN mainly due to increased activities of residential repairs and improvements during the third and fourth quarters of FY20; as well as reduced spending in light of the COVID-19 pandemic. EPS for the period stands at KES 8.42 compared to KES 4.54 in FY19.

Revenue from contracts with customers rose 6.8% y-o-y to KES 9.2 BN.

Total assets grew 2.0% y-o-y to KES 5.6 BN while total liabilities shed 11.7% y-o-y to KES 3.7 BN. Total equity increased 46.1% y-o-y to KES 1.9 BN.

Net cash flows generated from operating activities rose 50.6% y-o-y to KES 1.0 BN.

Net cash flows used in investing activities dropped 33.1% y-o-y to KES 168.0 MN while net cash flows used in financing activities saw a 166.3% upturn to KES 933.3 MN.

Crown paints announced a 1:1 rights issue to be credited on 15th July 2021 to shareholders on the company's register at the close of business on 31st May 2021. *(Source: Company filings, DBIB Research)*

Williamson Tea Kenya announces profit warning

.....

Williamson Tea announced that it expects a 25% y-o-y decline in earnings in FY20.

.....

Williamson Tea Kenya announced that it expects a 25% y-o-y decline in earnings in FY20. This is largely attributable to a loss on revaluation of the group's investment properties as well as rising production costs and lower global market prices arising from the depressed property market occasioned by the COVID-19 pandemic. Nonetheless, the company cited that the loss on revaluation of investment properties had no impact on the group's cash flow position.

UPCOMING EVENTS

Profit Warnings

1. Eaagads
2. E.A. Cables
3. Centum
4. Williamson Tea

Company	Announcement	Book Closure	Payment
NCBA	Final: KES 1.50	20-Apr-21	STA*
KenGen	First & Final: KES 0.30	22-Apr-21	22-Jul-21
KCB Group	First & Final: KES 1.00	26-Apr-21	26-Jun-21
Bamburi Cement	First & Final: KES 3:00	16-May-21	15-Jul-21
BOC Kenya	Final: KES 4.15	25-May-21	19-Jul-21
Jubilee Holdings	Final: KES 8.00	26-May-21	26-Jul-21
Kakuzi	First & Final: KES 18.00	31-May-21	30-Jun-21
Sasini	Interim: KES 0.50	02-Jun-21	15-Jul-2021
NSE	First& Final: KES 0.53	04-Jun-21	30-Aug-21
Umeme Ltd	Final: USH: 12.20	25-Jun-21	19-Jul-21
Total Kenya	First & Final: KES 1.57	25-Jun-21	30-Jul-21
Kenya Re	First & Final: KES 0.20	30-Jun-21	13-Aug-21
Safaricom	Final : KES 0.92	30-Jul-21	31-Aug-21

Rights Issue

Crown Paints	Rights issue: 1:1	31-May-21	15-Jul-21
--------------	-------------------	-----------	-----------

(Source: NSE, DBIB Research)

STA—Subject to approval*

AGM SCHEDULE

Company	Time	Venue	Date
BK Group	9:00 a.m.	Virtual	16-Jun-21
Liberty Kenya	11:00 a.m.	Virtual	17-Jun-21
Standard Group	11:00 a.m.	Virtual	22-Jun-21
Equity Group	10:00 a.m.	Virtual	24-Jun-21
BOC Kenya	11:00 a.m.	Virtual	24-Jun-21
DTB Kenya	11:00 a.m.	Virtual	24-Jun-21
Total Kenya	9:00 a.m.	Virtual	25-Jun-21
Kenya Airways	9:00 a.m.	Virtual	25-Jun-21
Nation Media	3:00 p.m.	Virtual	25-Jun-21
TPS E.A	11:00 a.m.	Virtual	28-Jun-21
CIC Insurance	10:00 a.m.	Virtual	29-Jun-21
Jubilee Holdings	11:00 a.m.	Virtual	29-Jun-21
Kenya Re	11:00 a.m.	Virtual	30-Jun-21
Flame Tree Group	11:00 a.m.	Virtual	30-Jun-21

(Source: Company filings , DBIB Research)

**TBC—To be confirmed*

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*

DISCLAIMER

While every care has been taken in preparing this report and it has been prepared from sources believed to be reliable, no representation, warranty, or undertaking (express or implied) is given and no responsibility is accepted by Dyer and Blair Investment Bank Limited, its related companies, subsidiaries, affiliates, its employees and agents, as to the accuracy and completeness of the information contained herein or in respect of any reliance on or use thereof. This report is solely intended for distribution to clients of Dyer and Blair Investment Bank Limited. Any information may be changed after distribution at any time without any notice.

RESEARCH TEAM

Email: research@dyerandblair.com | Contact: +254 709 930 128