

DBIB WEEKLY BULLETIN

WEEK 42

Date: 22.10.2021

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 dropped

0.5% and 0.2% w-o-w to close at 1,960.75 and 178.54, respectively.

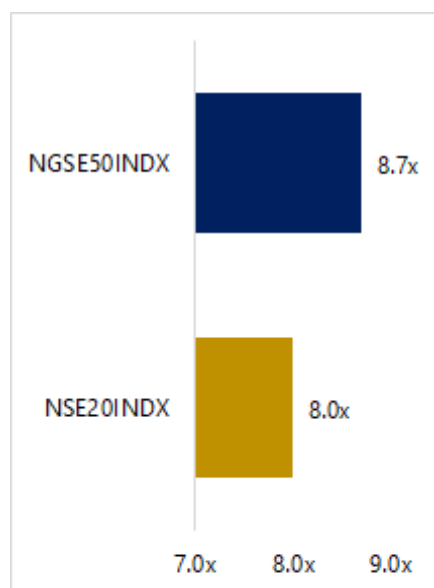
Weekly equity turnover

rose 53.0% w-o-w to USD 28.91 MN (KES 3.21 BN).

USD | KES: KES weakened

0.2% w-o-w to close at 111.06 (-1.7% YTD).

PEER P/E MULTIPLES



NSE20INDEX* - NSE 20 Index
NGSE50INDEX* - Nigeria Stock Exchange 50 Index

*LTM Price/EPS

(Source: Bloomberg, DBIB Research)

Index	Current	1 wk (%)	3 m (%)	6 m (%)	YTD (%)
NASI	178.54	(0.18)	(0.25)	7.81	17.38
NSE-20	1,960.75	(0.49)	(1.07)	3.84	4.94
DBIB Select	108.25	0.10	(0.60)	4.31	10.92
FTSE 15	210.49	(0.18)	(0.20)	11.40	18.15
FTSE 25	235.84	(0.20)	(0.46)	9.60	19.36
FTSE Frontier 50	51,676.53	(0.07)	8.45	10.40	17.29

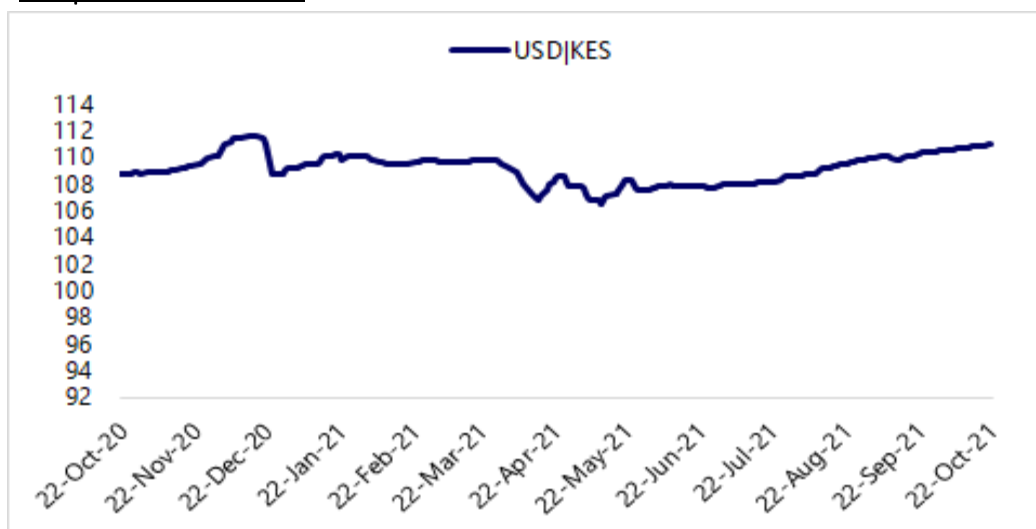
(Source: NSE, Bloomberg, DBIB Research)

Market Metrics	Current	1 wk (ch)	3 m (ch)	6 m (ch)	12 m (ch)
Market Cap. (USD m)	2,781.74	(0.18)	0.39	(0.26)	9.32
Market Turnover (USD m)	28.91	52.95	(0.88)	70.28	30.03
Market P/E (x)	18.22	(0.29)	2.74	28.93	32.08
Market Div. yld (%) *	3.40	0.63	(96.68)	(98.05)	(133.99)
Market ROE (%) *	38.29	1.80	481.79	(96.88)	829.36

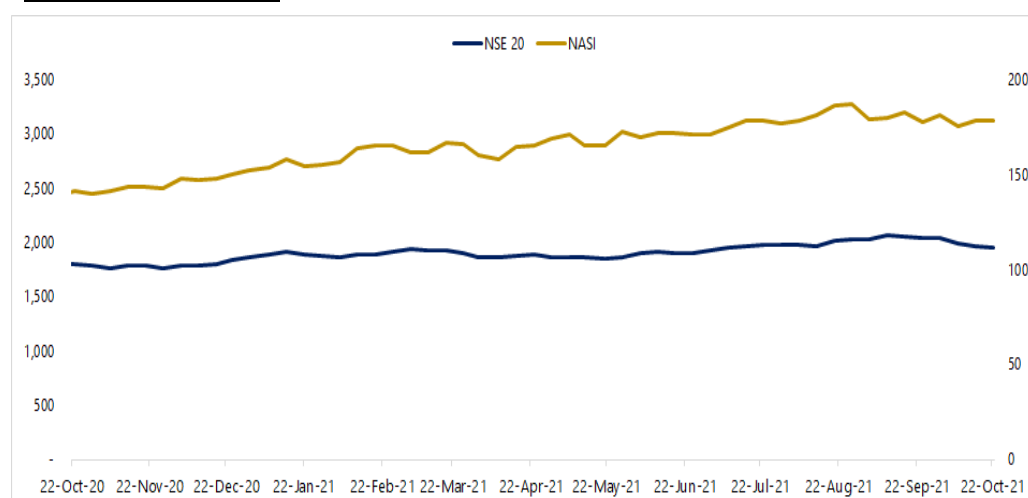
* Changes in % **Changes in bps -Market ROE is market cap weighted -ch: changes

(Source: NSE, DBIB Research)

USD | KES : 52-Week Trend



Indices : 52-Week Trend



(Source: NSE, DBIB Research)

WEEKLY BOURSE WRAP UP...

Week-on-Week Performance

<u>Top gainers</u>	<u>%</u>
Sasini	10.2
STANLIB Fahari	6.7
Stanbic Holdings	4.7
KenGen	3.3
Crown Paints	3.0

(Source: NSE, DBIB Research)

<u>Top Losers</u>	<u>%</u>
Eveready E.A	(17.4)
NBV	(14.8)
Express Kenya	(11.8)
Standard Group	(9.5)
WPP Scangroup	(6.5)

(Source: NSE, DBIB Research)

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Safaricom emerged the top traded counter on the bourse recording a weekly turnover of USD 9.22 MN (KES 1.02 BN) representing 31.91% of this week's turnover.

The stock **decreased** 0.3% w-o-w to close at KES 42.95 on Friday.

Foreign investors assumed a **net buying** position on the counter this week by accounting for 51.49% of foreign sales and 90.93% of foreign purchases.

<u>Top traders (Value)</u>	<u>USD MN</u>
Safaricom	9.22
E.A Breweries	7.48
Equity Group	5.30
KCB Group	1.98
Sasini	1.92

(Source: NSE, DBIB Research)

Y-T-D Performance

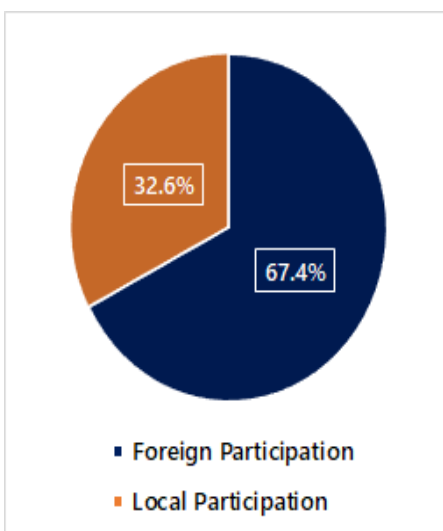
<u>Top gainers</u>	<u>%</u>
Car & General	63.6
Nation Media Group	40.8
Equity Group	36.7
BK Group	36.6
Safaricom	25.4

(Source: NSE, DBIB Research)

<u>Top Losers</u>	<u>%</u>
Standard Group	(32.0)
E.A.Portland	(30.7)
Eveready E.A	(25.0)
WPP Scangroup	(23.5)
DTB Kenya	(22.3)

(Source: NSE, DBIB Research)

WEEKLY LOCAL VS FOREIGN PARTICIPATION



(Source: NSE, DBIB Research)

Weekly Foreign Performance

<u>Top Weekly Buys</u>	<u>% Purchase</u>
Crown Paints	93.1
Safaricom	90.9
Total Energies	80.1
BAT Kenya	80.0
E.A Breweries	79.0

(Source: NSE, DBIB Research)

<u>Top Weekly Sales</u>	<u>% Sold</u>
Equity Group	95.0
KCB Group	91.4
E.A Breweries	89.1
BAT Kenya	82.5
Stanbic Holdings	79.4

Y-T-D Foreign Performance

<u>Top Foreign Buys</u>	<u>% Purchase</u>
New Gold ETF	99.8
BOC Kenya	88.8
Safaricom	72.3
SBIC.O0000	66.3
Equity Group	61.3

(Source: NSE, DBIB Research)

<u>Top Foreign Sales</u>	<u>% Sold</u>
New Gold ETF	99.8
E.A Breweries	80.1
BAT Kenya	67.0
Safaricom	65.6
BK Group	65.0

FROM THE FIXED INCOME DESK

The **Bond market's** turnover for the week stood at USD 137.85 MN (KES 15.31 BN) representing a 47.8% w-o-w rise from USD 93.30 MN (KES 10.34 BN) recorded the previous week.

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Top Trades for the week ending 22 October 2021

						Total
						Value
Trading Date	Issue No.	Years	Coupon (%)	Yield (%)	Price (KES m)	(KES m)
18-Oct	FXD1/2021/25Yr	24.5	13.9240	13.7250	107.53	1,350.0
19-Oct	FXD1/2021/25Yr	24.5	13.9240	13.7250	107.57	950.0
18-Oct	IFB 1/2021/21Yr	20.9	12.7370	12.5000	102.73	700.0
19-Oct	IFB 1/2021/21Yr	20.9	12.7370	12.5000	102.76	581.2
18-Oct	FXD2/2007/15Yr	0.6	13.5000	7.6000	108.50	531.0
18-Oct	FXD1/2021/25Yr	24.5	13.9240	13.7900	107.11	500.0
21-Oct	FXD2/2007/15Yr	0.6	13.5000	7.5800	108.58	481.0
19-Oct	IFB 1/2021/21Yr	20.9	12.7370	12.6053	102.08	380.5
19-Oct	FXD2/2007/15Yr	0.6	13.5000	7.6354	108.50	375.0
21-Oct	FXD1/2021/25Yr	24.5	13.9240	13.9539	106.05	350.0
22-Oct	FXD3/2007/15Yr	1.0	12.5000	9.6000	108.56	350.0
18-Oct	IFB 2/2009/12Yr	0.1	12.0000	9.0000	105.11	335.6
19-Oct	IFB 2/2009/12Yr	0.1	12.0000	8.5000	105.18	335.6
22-Oct	IFB 1/2021/21Yr	20.9	12.7370	12.6000	102.21	300.0
22-Oct	FXD1/2013/15Yr	6.3	11.2500	11.8700	99.33	240.0
18-Oct	FXD 1/2013/10Yr	1.7	12.3710	9.6000	108.20	218.5
21-Oct	IFB 1/2021/21Yr	20.9	12.7370	12.5750	102.34	215.0
21-Oct	IFB 1/2021/21Yr	20.9	12.7370	12.6000	102.18	200.9
18-Oct	FXD 1/2017/10Yr	5.8	12.9660	11.3200	109.78	200.0
18-Oct	FXD1/2012/20Yr	11.0	12.0000	12.4000	102.68	200.0
18-Oct	FXD1/2012/20Yr	11.0	12.0000	12.2000	103.86	200.0
18-Oct	FXD1/2021/25Yr	24.5	13.9240	13.8000	107.00	200.0
18-Oct	IFB 1/2021/21Yr	20.9	12.7370	12.5500	102.40	200.0
19-Oct	FXD 1/2017/10Yr	5.7	12.9660	11.3577	109.65	200.0
19-Oct	IFB 1/2015/9Yr	3.1	11.0000	9.4000	107.02	200.0
21-Oct	FXD 1/2012/10Yr	0.6	12.7050	8.3000	107.19	200.0
21-Oct	IFB 1/2015/9Yr	3.1	11.0000	9.3280	107.21	200.0
21-Oct	IFB 1/2015/9Yr	3.1	11.0000	9.2500	107.36	200.0
22-Oct	FXD 1/2016/10Yr	4.8	15.0390	10.9000	117.68	200.0

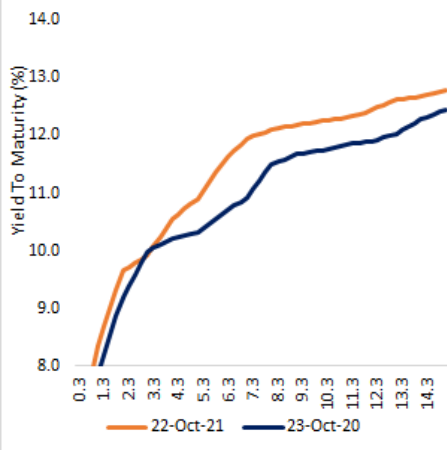
(Source: NSE, DBIB Research)

Treasury Bill auction for the week ending 22 October 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	6.52	163.01	6.52	7.020	6.8
182-day	10.00	6.53	65.33	4.61	7.417	(1.1)
364-day	10.00	4.76	47.63	4.72	8.355	13.0

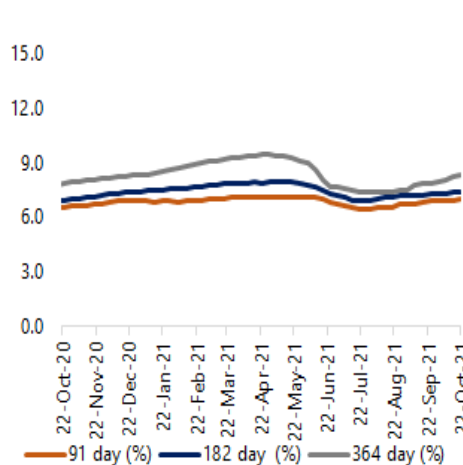
(Source: NSE, DBIB Research)

Kenya: GoK Yield Curve



Source: NSE, DBIB Research

Yields: Treasury Bills



Source: NSE, DBIB Research

Salient News

OLYMPIA CAPITAL HOLDINGS 1H21 Earnings

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Olympia Capital Holdings released its 1H21 results reporting a 60.2% y-o-y increase in profit after tax (P.AT.) to KES 14.9 MN..

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Olympia Capital Holdings released its 1H21 results reporting a 60.2% y-o-y increase in profit after tax (P.AT.) to KES 14.9 MN. This was attributable to a 35.6% y-o-y increase in operating profit to KES 18.7 MN and an decrease of 15.3% in tax charge to KES 3.8 MN. Earnings per share increased by 59.9% to KES 0.235. The directors of the company did not recommend payment of an interim dividend.

Revenue for the period increased 13.5% y-o-y to KES 263.3 MN

Profit from operations rose 47.1% to KES 22.1 MN while finance costs advanced 172.2% to KES 3.5 MN.

Total assets decreased 18.3% y-o-y to KES 1.5 BN mainly attributable to a 33.4% y-o-y drop in non-current assets to KES 935.6. Current assets increased by 38.6% to KES 517.2 MN.

Total liabilities decreased 13.2% y-o-y to KES 333.2 MN following a 67.1% y-o-y decrease in non-current liabilities to KES 60.7 MN and a 36.6% y-o-y increase in current liabilities to KES 272.5 MN.

Total equity for the period dropped 19.7% y-o-y to KES 1.1 BN.

(Source: Company filings, DBIB Research).

SAFARICOM HY21 Earnings Results Date

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Safaricom plc is set to announce its **half year results** on **Wednesday, 10th November 2021** through a virtual meeting.

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UPCOMING EVENTS

Profit Warnings

1. WPP Scangroup

<u>Company</u>	<u>Announcement</u>	<u>Book Closure</u>	<u>Payment</u>
Centum Investment	Final: KES 0.33	08-Oct-21	STA*
<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>
E.A Cables	11.00 am	Virtual	02-Nov-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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