

DBIB WEEKLY BULLETIN

WEEK 36

Date: 10.09.2021

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INDICES & MARKET METRICS MOVEMENT

NSE 20 and **NASI** gained 1.9% and 0.4% w-o-w to close at 2,063.44 and 180.14, respectively.

Weekly equity turnover increased 1.7% w-o-w to USD 18.36 MN (KES 2.02 BN).

USD | KES: KES strengthened 0.1% w-o-w to close at 109.87 (-0.6% YTD).

Index	Current	1 wk (%)	3 m (%)	6 m (%)	YTD (%)
NASI	180.14	0.37	4.53	11.14	18.43
NSE-20	2,063.44	1.88	7.93	7.30	10.44
DBIB Select	109.08	0.29	1.06	4.93	11.77
FTSE 15	216.56	0.71	6.94	14.29	21.56
FTSE 25	239.44	0.62	4.95	12.87	21.19
FTSE Frontier 50	49,805.88	0.42	2.08	10.03	13.04

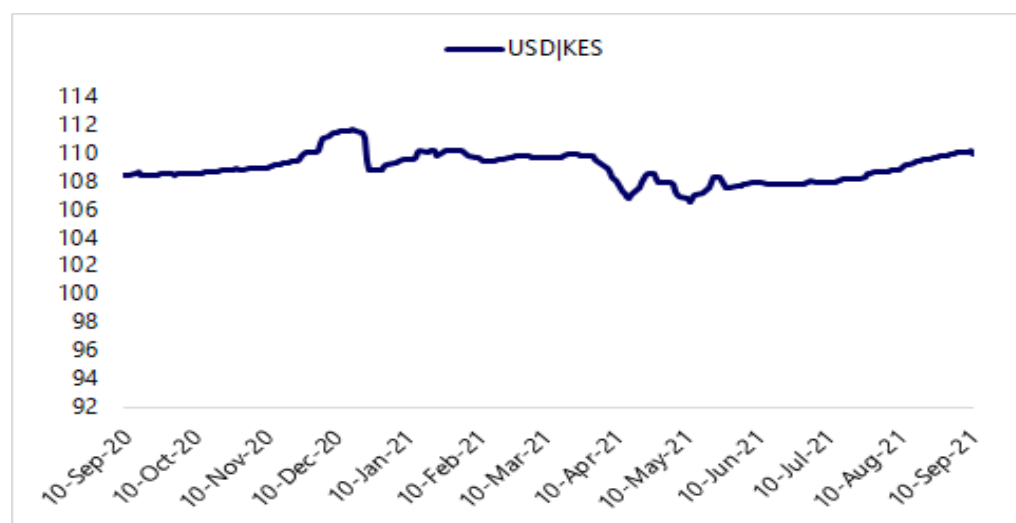
(Source: NSE, Bloomberg, DBIB Research)

Market Metrics	Current	1 wk	3 m	6 m	12m
Market Cap. (USD m)	2,807.19	0.37	(0.57)	4.61	12.73
Market Turnover (USD m)	18.36	1.68	(18.24)	(58.93)	(38.00)
Market P/E (x)	17.99	0.94	(1.67)	22.59	42.18
Market Div. yld (%) *	3.38	(0.79)	(7.18)	(127.82)	(138.33)
Market ROE (%) *	37.90	10.26	454.27	504.92	885.81

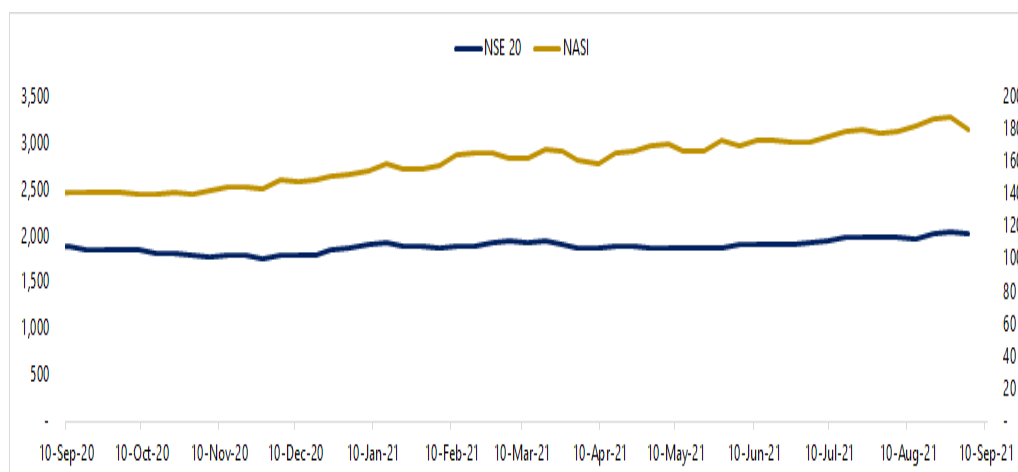
* Changes in bps ** Market ROE is market cap weighted

(Source: NSE, DBIB Research)

USD | KES : 52-Week Trend

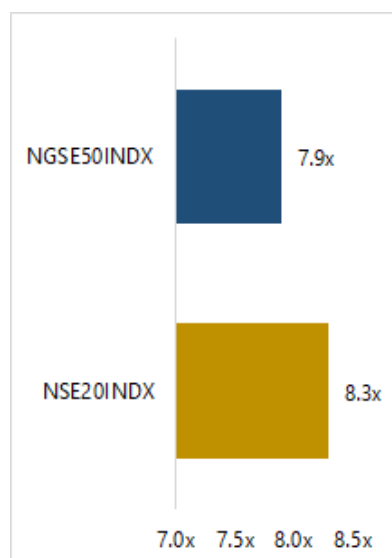


Indices : 52-Week Trend



(Source: NSE, DBIB Research)

PEER P/E MULTIPLES



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

*LTM Price/EPS

(Source: Bloomberg, DBIB Research)

WEEKLY BOURSE WRAP UP...

Week-on-Week Performance

<u>Top gainers</u>	<u>%</u>
WPP Scangroup	20.1
Kenya Power	16.2
B.O.C Kenya	10.4
Sasini Ltd	7.8
<u>KenGen</u>	<u>5.3</u>

(Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
BK Group	(17.2)
Eveready E.A	(9.8)
Olympia Capital	(8.6)
Liberty Kenya	(8.0)
<u>Sanlam Kenya</u>	<u>(5.5)</u>

(Source: NSE, DBIB Research)



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Safaricom emerged the top traded counter on the bourse recording a weekly turnover of USD 9.34 MN (KES 1.03 BN) representing 50.86% of this week's turnover.

The stock edged up 0.8% w-o-w to close at KES 42.50 on Friday.

Foreign investors assumed a **net buying** position on the counter this week by accounting for 36.17% of foreign sales and 47.93% of foreign purchases.

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<u>Top traders (Value)</u>	<u>USD MN</u>
Safaricom	9.34
Equity Group	4.00
KCB Group	1.56
Bamburi Cement	1.23
<u>E.A Breweries</u>	<u>0.57</u>

(Source: NSE, DBIB Research)

Y-T-D Performance

<u>Top gainers</u>	<u>%</u>
Nation Media	65.4
NBV Ltd	59.3
Car & General	52.3
BK Group	45.4
<u>Equity Group</u>	<u>39.5</u>

(Source: NSE, DBIB Research)

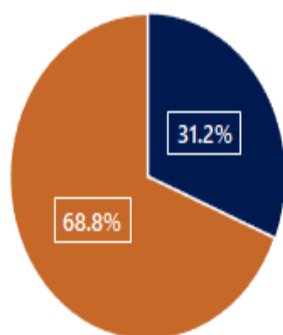


<u>Top Losers</u>	<u>%</u>
Sanlam Kenya	(23.4)
Eveready E.A	(23.3)
E.A. Portland	(22.0)
Standard Group	(20.0)
<u>Longhorn Publishers</u>	<u>(18.0)</u>

(Source: NSE, DBIB Research)



WEEKLY LOCAL VS FOREIGN PAR-



■ Foreign Participation
 ■ Local Participation

(Source: NSE, DBIB Research)

Weekly Foreign Performance

<u>Top Weekly Buys</u>	<u>% Purchase</u>
ABSA Bank	77.2
Total Kenya	75.1
Kenya Re	65.8
KCB Group	60.9
<u>Crown Paints</u>	<u>57.3</u>

(Source: NSE, DBIB Research)

<u>Top Weekly Sales</u>	<u>% Sold</u>
BAT Kenya	84.7
BK Group	47.9
BOC Kenya	37.5
Safaricom	36.2
<u>E.A Breweries</u>	<u>35.7</u>

Y-T-D Foreign Performance

<u>Top Foreign Buys</u>	<u>% Purchase</u>
New Gold ETF	100.0
BOC Kenya	89.6
Safaricom	73.6
Stanbic Holdings	71.5
<u>Equity Group</u>	<u>61.9</u>

(Source: NSE, DBIB Research)

<u>Top Foreign Sales</u>	<u>% Sold</u>
New Gold ETF	99.7
E.A Breweries	79.4
Stanbic Holdings	68.9
BAT Kenya	67.3
<u>BK Group</u>	<u>65.0</u>

FROM THE FIXED INCOME DESK

The **Bond market's** turnover for the week stood at USD 104.94 MN (KES 11.53 BN) representing a 6.1% w-o-w increase from USD 98.91 MN (KES 10.89 BN) recorded the previous week.

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September Issue Results: IFB1/2021/21

Following the IFB1/2021/21 bond issue, the government offered a total of KES 75.0 BN for the funding of infrastructure projects in the full year 2021/2022 budget estimates. Consequently, it received a total of KES 151.3 BN placing the performance rate at 201.7%. As such, the government accepted KES 106.8 BN, 70.6% of the amount received. The coupon rate of the bond stands at 12.737%.

Top Trades for the week ending 10 September 2021

						Total
Trading Date	Issue No.	Years	Coupon (%)	Yield (%)	Price (KES m)	Value (KES m)
7-Sep	FXD1/2009/15Yr	3.1	12.5000	10.9000	109.20	690.9
10-Sep	FXD1/2019/20Yr	17.5	12.8730	13.2200	102.93	640.0
6-Sep	FXD1/2021/20Yr	19.9	13.4440	13.4300	100.89	500.0
8-Sep	FXD1/2021/20Yr	19.9	13.4440	13.3251	101.65	500.0
9-Sep	IFB 1/2020/6Yr	4.7	10.2000	8.9000	106.28	500.0
10-Sep	IFB 1/2014/12Yr	5.1	11.0000	9.4000	108.73	500.0
10-Sep	IFB 1/2020/6Yr	4.7	10.2000	8.8500	106.45	500.0
6-Sep	FXD 1/2021/2Yr	1.3	9.4860	8.2500	102.98	450.0
6-Sep	FXD1/2019/20Yr	17.5	12.8730	13.2250	102.78	300.0
6-Sep	IFB 1/2014/12Yr	5.1	11.0000	9.7500	107.62	300.0
7-Sep	IFB 1/2014/12Yr	5.1	11.0000	9.4500	108.50	300.0
8-Sep	FXD1/2021/20Yr	19.9	13.4440	13.2500	102.18	300.0
10-Sep	FXD1/2021/20Yr	19.9	13.4440	13.2602	102.18	300.0
9-Sep	FXD1/2021/20Yr	19.9	13.4440	13.3000	101.86	245.0
7-Sep	FXD1/2021/25Yr	24.6	13.9240	13.4500	107.92	219.5
9-Sep	FXD1/2009/15Yr	3.1	12.5000	10.0300	111.55	208.0
9-Sep	FXD1/2009/15Yr	3.1	12.5000	10.0000	111.63	200.0

Sell & buy-backs

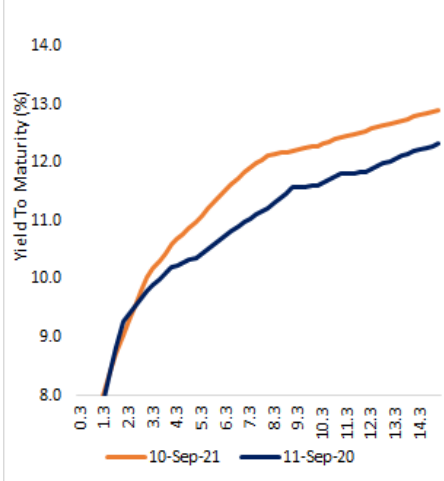
8-Sep	FXD1/2009/15Yr	3.1	12.5000	10.9000	101.65	200.0
9-Sep	FXD1/2019/20Yr	17.5	12.8730	13.2200	106.28	250.0
10-Sep	FXD1/2021/25Yr	24.6	13.9240	13.0550	108.73	200.0

(Source: NSE, DBIB Research)

Treasury Bill auction for the week ending 10 September 2021

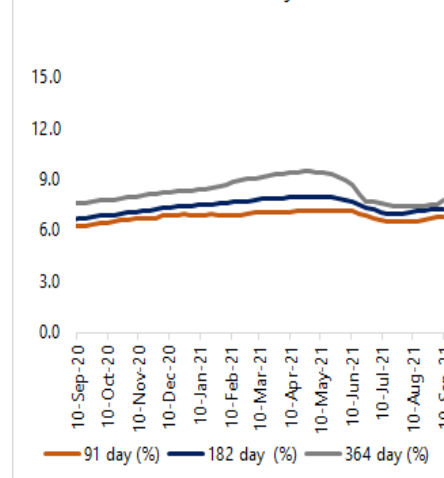
Instrument	Amount (KES Bn)	Bids Received (KES Bn)	Subscription Rate (%)	Bids Accepted (KES Bn)	Yield (%)	w-o-w bps ch
91-day	4.00	6.90	172.53	6.90	6.781	0.7
182-day	10.00	7.70	77.03	7.70	7.253	2.7
364-day	10.00	2.83	28.31	2.83	7.777	26.0

Kenya: GoK Yield Curve



Source: NSE, DBIB Research

Yields: Treasury Bills



Source: NSE, DBIB Research

Salient News

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WPP Scangroup announced an ongoing delay in the publications of the unaudited half year results for the Period 30th June 2021.

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WPP Scangroup Delays Publication of 1H21 Results

WPP Scangroup announced an ongoing delay in the publications of the unaudited half year results for the Period 30th June 2021. This delay has been brought about by the late publication of the full year 2020 results due to ongoing investigations previously announced following management changes at the company.

The unaudited half year results will be published on or before 30th September 2021

(Source: Company filings, DBIB Research)

UPCOMING EVENTS

Profit Warnings

1. E.A. Cables

<u>Company</u>	<u>Announcement</u>	<u>Book Closure</u>	<u>Payment</u>
Kapchorua Tea	First & Final: KES 10.00	21-Jul-21	STA*
Williamson Tea	First & Final: KES 10.00	21-Jul-21	STA*
Centum Investment	Final: KES 0.33	STA*	STA*
BAT Kenya	Interim: KES 3.50	12-Aug-21	16-Sep-21
Stanbic Holdings	Interim: KES 1.70	06-Sep-21	27-Sep-21
Jubilee Holdings	Interim: KES 1.00	10-Sep-21	11-Oct-21
BOC Kenya	Interim: KES 1.50	24-Sep-21	18-Oct-21
NCBA Group	Interim: KES 0.75	28-Sep-21	12-Oct-21

(Source: NSE, DBIB Research)

STA—Subject to approval*

AGM SCHEDULE

<u>Company</u>	<u>Time</u>	<u>Venue</u>	<u>Date</u>
E.A Breweries	11:00 a.m.	Virtual	14-Sep-21
Centum	11:00 a.m.	Virtual	24-Sep-21
Eaagads	11:00 a.m.	Virtual	28-Sep-21
Home Afrika	10:00 a.m.	Virtual	30-Sep-21
WPP Scangroup	11:00 a.m.	Virtual	30-Sep-21
Express Kenya	11:00 a.m.	Virtual	01-Oct-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.*

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