

DBIB WEEKLY BULLETIN

WEEK 13

Date: 01.04.2022

Contents:

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



WEEKLY BOURSE WRAP UP...

Week-on-Week Performance

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Safaricom emerged the top traded counter on the bourse recording a weekly turnover of USD 8.91 MN (KES 1.02 BN) representing 52.54% of this week's turnover.

The stock shed 4.0% w-o -w to close at KES 34.50 on Friday.

Foreign investors assumed a **net selling** position on the counter this week by accounting for 96.31% of foreign sales and 70.14% of foreign purchases.

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<u>Top gainers</u>	<u>%</u>
Umeme Ltd	12.2
CIC Insurance	10.0
Standard Group	9.8
Trans-Century Ltd	6.4
Home Afrika Ltd	5.9

(Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
E.A. Cables	(13.6)
Kenya Power	(9.8)
Uchumi	(9.5)
Liberty Kenya	(8.9)
Olympia Capital	(5.7)

(Source: NSE, DBIB Research)



<u>Top traders (Value)</u>	<u>USD MN</u>
Safaricom Ltd	8.91
KCB Group	3.30
Stanbic Holdings	2.34
Equity Group	0.78
E.A Breweries	0.40

(Source: NSE, DBIB Research)

Y-T-D Performance

<u>Top gainers</u>	<u>%</u>
Car & General (K)	97.3
Stanbic Holdings	20.1
Crown Paints	18.0
B.O.C Kenya	14.3
StanChart Bank	11.7

(Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
TPS E.A	(23.3)
NBV Ltd	(21.9)
Kenya Power	(21.1)
Uchumi	(20.8)
Housing Finance	(19.2)

(Source: NSE, DBIB Research)



Weekly Foreign Performance

<u>Top Weekly Buys</u>	<u>% Purchase</u>
Crown Paints	100.0
Kapchorua Tea	100.0
Stanbic Holdings	99.8
Safaricom	70.1
E.A Breweries	65.1

(Source: NSE, DBIB Research)

<u>Top Weekly Sales</u>	<u>% Sold</u>
Safaricom	96.3
Stanbic Holdings	95.3
I&M Group	92.6
Equity Group	74.8
BAT Kenya	74.1

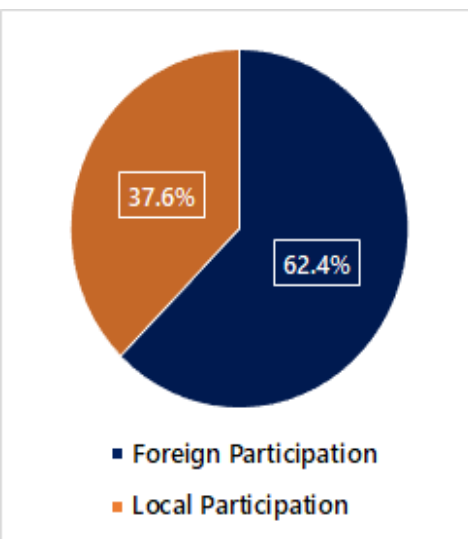
Y-T-D Foreign Performance

<u>Top Foreign Buys</u>	<u>% Purchase</u>
New Gold ETF	100.0
BK Group	97.7
Crown Paints	96.6
BAT Kenya	82.5
NSE	62.9

(Source: NSE, DBIB Research)

<u>Top Foreign Sales</u>	<u>% Sold</u>
New Gold ETF	98.2
BK Group	94.4
Safaricom	83.3
BAT Kenya	79.7
E.A Breweries	71.8

WEEKLY LOCAL VS FOREIGN PARTICIPATION



(Source: NSE, DBIB Research)

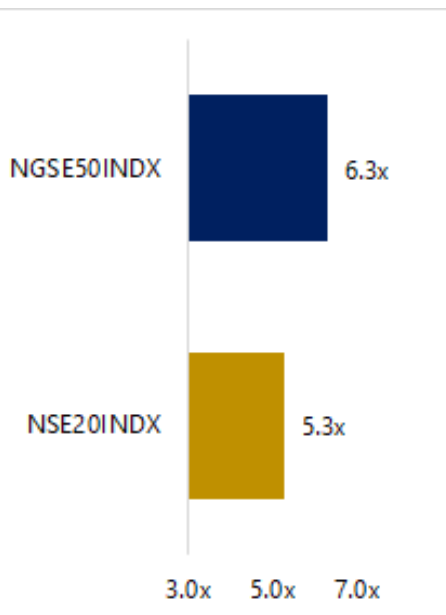
INDICES & MARKET METRICS MOVEMENT

NSE 20 and **NASI** shed 0.9% and 2.7% w-o-w to close at 156.08 and 1,844.27, respectively.

Weekly equity turnover dropped by 16.2% w-o-w to USD 16.97 MN (KES 1.95 BN).

USD | KES: KES weakened 0.2% w-o-w to close at 114.95 (-1.6% YTD).

PEER P/E MULTIPLES



NSE20INDX* - NSE 20 Index
NGSE50INDX* - Nigeria Stock Exchange 50 Index

*LTM Price/EPS

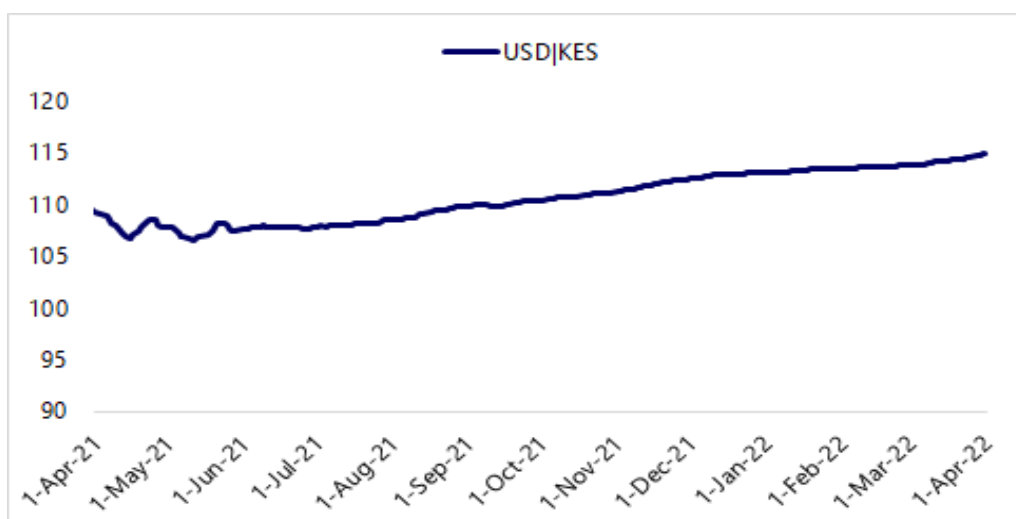
Index	Current	1 wk (%)	3 m (%)	6 m (%)	YTD (%)
NASI	156.08	(2.71)	(6.24)	(13.88)	(6.24)
NSE-20	1,844.27	(0.91)	(3.06)	(9.51)	(3.06)
DBIB Select	98.10	(1.00)	(9.50)	(10.12)	0.36
FTSE 15	200.34	(1.80)	(4.37)	(7.36)	(4.37)
FTSE 25	210.03	(2.57)	(6.40)	(12.67)	(6.40)
FTSE Frontier 50	49,199.16	0.33	(4.33)	(1.85)	(4.33)

(Source: NSE, Bloomberg, DBIB Research)

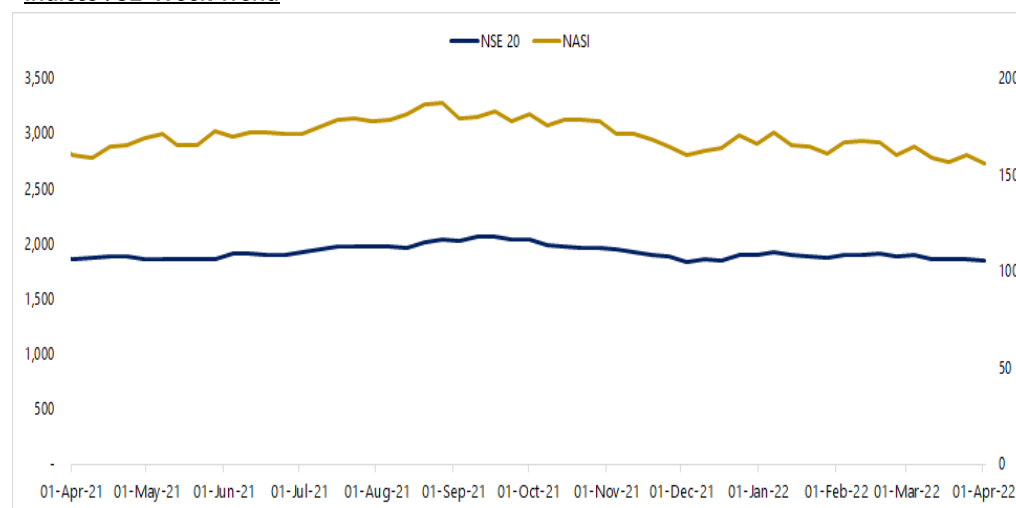
Market Metrics	Current	1 wk (ch)	3 m (ch)	6 m (ch)	12 m (ch)
Market Cap. (USD m)	2,430.87	(2.72)	(5.21)	(6.25)	(13.93)
Market Turnover (USD m)	16.97	(16.23)	(19.86)	179.82	15.34
Market P/E (x)	15.68	7.19	1.28	5.50	(14.79)
Market Div. yld (%) *	6.07	24.17	262.94	267.30	157.30
Market ROE (%) *	39.44	(15.00)	144.51	137.91	696.91

* Changes in % **Changes in bps -Market ROE is market cap weighted -ch: changes
(Source: NSE, DBIB Research)

USD | KES : 52-Week Trend



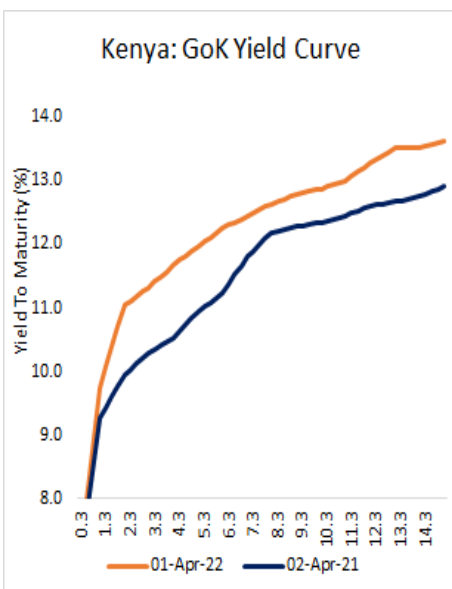
Indices : 52-Week Trend



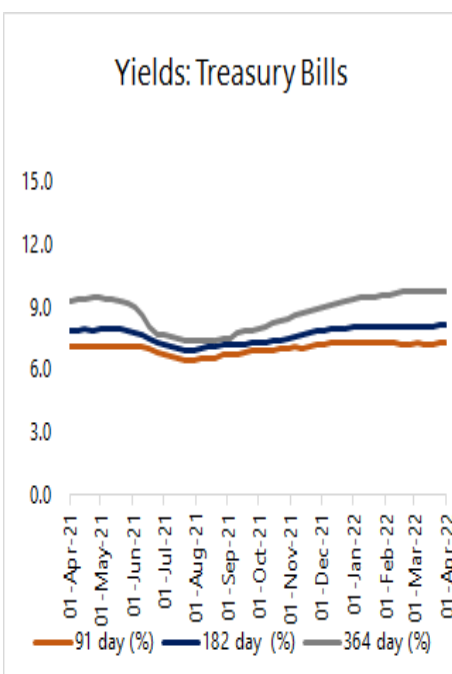
(Source: NSE, DBIB Research)

FROM THE FIXED INCOME DESK

The Bond market's turnover for the week stood at USD 120.77 MN (KES 13.88 BN) representing a 8.9% w-o-w decrease from USD 132.64 MN (KES 15.21 BN) recorded the previous week.



Source: NSE, DBIB Research



Source: NSE, DBIB Research

The Bond market's turnover for the week stood at USD 120.77 MN (KES 13.88 BN) representing a 8.9% w-o-w decrease from USD 132.64 MN (KES 15.21 BN) recorded the previous week. The bond issue number IFB1/2020/11Yr emerged as the top traded bond with a turnover of KES 3.22 BN accounting for 23.2% of the week's turnover. The bond traded between 10.7923% and 12.9000%.

April Issue: FXD1/2022/03 (New) & FXD1/2022/15 (New)

The Central Bank has newly issued an FXD1/2022/03 (3.0 years) and an FXD1/2022/15 (15.0 years). The aim is to raise KES 40.0 BN for the FXD1/2022/03 and KES 30.0 BN for the FXD1/2022/15; for budgetary support. The period of sale for the FXD1/2022/03 runs from 24th March 2022 to 5th April 2022 while that of the FXD1/2022/15 runs from 24th March 2022 to 19 April 2022. Both coupon rates will be market determined.

Top Trades for the week ending 01 April 2022

					Total	
			Coupon	Yield	Price	Value
Trading Date	Issue No.	Years	(%)	(%)	(KES m)	(KES m)
1-Apr	IFB 1/2020/11Yr	9.4	10.9000	12.8000	92.91	900.0
1-Apr	IFB 1/2016/15Yr	9.5	12.0000	12.8000	101.63	412.5
28-Mar	FXD 2/2017/5Yr	0.5	12.5170	9.3000	107.23	400.0
30-Mar	IFB 1/2019/16Yr	13.5	11.7500	13.0500	97.63	400.0
31-Mar	IFB 1/2020/11Yr	9.4	10.9000	12.3500	94.74	392.0
30-Mar	IFB 1/2017/7Yr	2.6	12.5000	10.9000	106.65	381.0
29-Mar	IFB 1/2022/19Yr	18.8	12.9650	13.0000	101.03	350.0
30-Mar	FXD1/2008/20Yr	6.2	13.7500	12.2297	110.47	300.0
31-Mar	IFB 1/2020/11Yr	9.4	10.9000	12.6500	93.50	300.0
28-Mar	IFB 1/2018/20Yr	16.6	11.9500	12.9000	99.23	280.0
28-Mar	FXD 1/2017/5Yr	0.4	12.4650	9.0000	102.52	270.9
30-Mar	IFB 1/2015/9Yr	2.7	11.0000	11.0000	103.41	236.0
29-Mar	FXD1/2021/25Yr	24.0	13.9240	13.8000	106.22	225.0
28-Mar	FXD1/2021/25Yr	24.0	13.9240	13.9500	105.13	200.0
29-Mar	IFB 1/2019/16Yr	13.5	11.7500	13.0000	97.87	200.0
29-Mar	IFB 1/2020/11Yr	9.4	10.9000	12.7000	93.23	200.0

Sell & buy-backs

1-Apr	IFB 1/2014/12Yr	4.5	11.0000	11.0500	104.86	100.0
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(Source: NSE, DBIB Research)

Treasury Bill auction for the week ending 01 April 2022

Instrument	Amount (KES Bn)	Bids Received (KES Bn)	Subscription Rate (%)	Bids Accepted (KES Bn)	Yield (%)	w-o-w bps ch
91-day	4.00	1.52	38.06	1.52	7.302	1.9
182-day	10.00	3.13	31.32	3.13	8.164	3.0
364-day	10.00	2.47	24.71	2.45	9.752	(1.5)

(Source: NSE, DBIB Research)

Salient News

DTB Group FY21 Earnings

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DTB Group released its FY21 results reporting a 25.1% y-o-y improvement in profit after tax to KES 4.4 BN

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DTB Group released its FY21 results reporting a 25.1% y-o-y improvement in profit after tax to KES 4.4 BN on account of a 10.6% y-o-y growth in net interest income to KES 20.0 BN and a 3.0% y-o-y increase in non-funded income to KES 6.3 BN. EPS for the period stood at KES 13.98 compared to KES 11.61 in FY20. **The board has recommended a first and final dividend of KES 3.00 per share (FY20: Nil)**, placing the dividend yield at 5.3% as per current prices.

Net interest income improved by 10.6% y-o-y to KES 20.0 BN following a 9.1% y-o-y rise in interest income to KES 33.9 BN which outweighed the 6.9% y-o-y increase in interest expense to KES 13.9 BN.

Non-funded income grew by 3.0% y-o-y to KES 6.3 BN owing to a 10.8% y-o-y increase in fees and commission income to KES 3.6 BN and a 5.3% y-o-y increase in net income from forex dealings to KES 2.4 BN. Other operating income dropped by 55.4% y-o-y to KES 234.7 MN.

Operating expenses (less loan loss provisions) remained relatively flat at KES 12.3 BN (-0.1% y-o-y) as staff costs inched higher by 2.5% y-o-y to KES 4.8 BN while other operating expenses rose by 7.6% y-o-y to KES 5.0 BN. Cost to income ratio fell by 414 bps y-o-y to 46.9% with the group expecting it to stabilize at 40.0% in the medium-term on account of an expected improvement in total income.

Gross NPLs saw an upswing of 32.0% y-o-y to KES 30.1 BN (+16.8% q-o-q) while interest in suspense soared by 132.8% y-o-y to KES 1.2 BN (+29.6% q-o-q). As such, total NPLs rose by 29.7% y-o-y to KES 28.9 BN (+16.4% q-o-q). According to the group, its NPL ratio stood at 12.7% against an industry NPL ratio of 13.1%. Its NPL coverage ratio slipped by 397 bps y-o-y to 39.4%.

Loan loss provisions edged up by 3.2% y-o-y to KES 7.6 BN pivoting the cost of risk to 3.4%, 8 bps lower y-o-y.

Net customer loans and advances expanded by 5.7% y-o-y to KES 220.4 BN (+7.2% qo-q). Investment securities maintained a similar trajectory as it grew by 13.9% y-o-y to KES 169.0 BN (+7.1% q-o-q).

Customer deposits rose by 11.2% y-o-y to KES 331.5 BN (+2.4% q-o-q) while borrowed funds increased marginally by 1.9% y-o-y to KES 20.2 BN (-0.4% q-o-q). Loans to deposits ratio fell by 346 bps y-o-y to 66.5% while loans to deposits and borrowed funds ratio dropped by 291 bps y-o-y to 62.7%.

DTB is currently trading at a P/E multiple of 4.1x against an industry median of 4.6x; a P/B multiple of 0.2x against an industry median of 0.8x. Its ROE stands at 5.8% while its ROA stands at 0.9%.

(Source: Company filings, DBIB Research).

Salient News cont'd...

I&M Group FY21 Earnings

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I&M Group released its FY21 results reporting a 2.5% y-o-y growth in profit after tax (PAT) to KES 8.6 BN.

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I&M Group released its FY21 results reporting a 2.5% y-o-y growth in profit after tax (PAT) to KES 8.6 BN mainly driven by a 33.8% y-o-y increase in net interest income to KES 20.9 BN but held back by a 69.8% y-o-y rise in loan loss provision expense to KES 4.2 BN. Earnings per share (EPS) for the period came in at KES 4.92 (FY20: KES 4.88). **The board announced a dividend of KES 1.50 per share.** If approved, the dividend will be payable on or around 26th May 2022 to shareholders on the company's register at the close of business on 21st April 2022.

Net interest income rose by 33.8% y-o-y to KES 20.9 BN due to an 18.8% y-o-y rise in interest income to KES 33.1 BN while interest expense remained flat at KES 12.2 BN (-0.4% y-o-y).

Non-funded income (NFI) rose by a marginal 1.1% y-o-y to KES 8.7 BN, following a 31.0% y-o-y advancement in other fees and commissions income to KES 2.9 BN, a 17.7% y-o-y drop in other operating income to KES 2.1 BN and an 8.0% y-o-y decline in net income from forex dealings to KES 1.7 BN. Fees and commissions on loans remained fairly constant at KES 1.9 BN (+0.6% y-o-y). Funded income reliance went up by 614 bps y-o-y to 70.5%.

Operating expenses (less loan provisions) surged by 33.7% y-o-y to KES 13.5 BN, owing to a 36.8% y-o-y increase in other operating expenses to KES 5.0 BN and a 32.1% y-o-y rise in staff costs to KES 5.9 BN. Cost-to-income ratio for the period increased by 394 bps y-o-y to 45.8% as a result of the group's increased investment in digitization.

Gross non-performing loans (NPLs) saw a 9.1% y-o-y drop to KES 21.4 BN (-5.6% q-o-q) while interest in suspense decreased by 25.2% y-o-y to KES 3.7 BN (-6.9% q-o-q). As such total loans fell by 4.9% y-o-y to KES 17.8 BN (-5.3% q-o-q). That said, the gross NPL ratio sunk by 194 bps y-o-y to 9.2%. Cumulative loan loss provisions rose by 7.4% y-o-y to KES 11.6 BN (-3.7% q-o-q) pivoting the NPL coverage ratio to 65.5%, 747 bps higher y-o-y.

Loan loss provision expense inched higher by 69.8% y-o-y to KES 4.2 BN placing the cost of risk at 2.0%, 67 bps higher y-o-y. Gross non-performing loans for the group declined by 9.1% y-o-y to KES 21.4 BN pulling down the NPL ratio by 194 bps y-o-y to 9.2%.

Customer loans and advances grew by 12.4% y-o-y to KES 210.6 BN (+1.5% q-o-q) while investment securities rose by 23.4% y-o-y to KES 125.5 BN (+6.8% q-o-q). Customer deposits advanced by 13.0% y-o-y to KES 296.7 BN (+2.8% q-o-q) placing the loan-to-deposit ratio at 71.0%, 36 bps lower y-o-y. Borrowed funds rose by 32.3% y-o-y to KES 19.5 BN (-3.8% q-o-q) placing the loans to deposits and borrowed funds ratio at 66.6%, 95 bps lower y-o-y.

I&M Group is currently trading at a P/E multiple of 4.1x against a sector median of 4.6x and a P/B multiple of 0.5x against a sector median 0.8x. Its ROE stands at 11.7% while its ROA stands at 2.0%. Its dividend yield stands at 7.4%.

(Source: Company filings, DBIB Research).

Salient News cont'd...

Britam Group FY21 Earnings

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Britam released its FY21 results reporting a profit after tax of KES 72.1 MN, an improvement from a loss after tax of KES 9.1 BN in FY20.
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Britam released its FY21 results reporting a profit after tax of KES 72.1 MN, an improvement from a loss after tax of KES 9.1 BN in FY20. The improved performance was occasioned by an 11.0% y-o-y growth in net earned premiums to KES 25.7 BN, a 15.7% y-o-y increase in investment income to KES 10.9 BN, a 4.3% y-o-y drop in net claims and benefits to KES 17.8 BN and a 15.8% y-o-y decrease in operating and other expenses to KES 11.3 BN. The board did not recommend a dividend for the period.

Net earned premiums grew by 11.0% y-o-y to KES 25.7 BN following a 12.8% y-o-y rise in gross earned premiums and management fees to KES 32.5 BN and a 35.0% y-o-y rise in premiums ceded to KES 6.8 BN. The regional general insurance business recorded a 3.3% y-o-y increase in gross earned premiums to KES 8.1 BN while the general insurance business in Kenya rose by 20.0% y-o-y to KES 9.5 BN. Notably, the group's market share of gross written premiums currently stands at 13.0%.

Investment income rose by 15.7% y-o-y to KES 10.9 BN on account of (i) increased allocation of funds to fixed income securities in a bid to stabilise returns and (ii) fair value gains from its investments in listed equities supported by the improved performance in the stock market. Net unrealized gains on assets held at FVPL stood at KES 1.8 BN compared to a loss of KES 2.5 BN in FY20. Total income advanced by 33.4% y-o-y to KES 40.2 BN.

Net claims and benefits went down by 4.3% y-o-y to KES 17.8 BN pivoting the claims ratio to 69.4% (FY20: 80.6%). Operating and other expenses dwindled by 15.8% y-o-y to KES 11.3 BN owing to the group's cost management initiative. This placed the expense ratio at 44.1% (FY20: 58.1%). Commission payable rose by 8.3% y-o-y to KES 4.1 BN while commission earned rose 19.8% y-o-y to KES 1.5 BN. As a result, acquisition ratio rose to 10.3% (FY20: 11.2%). Altogether, the combined ratio dropped to 123.8% (FY20: 149.9%).

The group's total assets increased by 12.0% y-o-y to KES 153.4 BN on the back of an 11.1% y-o-y rise in investment assets to KES 130.4 BN and a 31.1% y-o-y growth in insurance assets to KES 13.4 BN. Total equity soared by 11.8% y-o-y to KES 19.1 BN while total liabilities inched higher by 12.1% y-o-y to KES 134.3 BN.

Britam is currently trading at a P/E of 239.3x and a P/B of 0.9x against sector median price multiples of 5.6x and 0.6x respectively. Its ROE stands at 0.4% while its ROA stands at 0.05%.

(Source: Company filings, DBIB Research).

Salient News cont'd...

Kenya Re FY21 Earnings

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Kenya Re released its FY21 results reporting a profit after tax of KES 3.0 BN compared to KES 2.9 BN in FY20.

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Kenya Re released its FY21 results reporting a profit after tax of KES 3.0 BN compared to KES 2.9 BN in FY20. Profit before tax remained fairly constant at KES 4.0 BN (+0.4% y-o-y) following an 8.4% y-o-y drop in net earned premiums to KES 19.1 BN, a 3.5% y-o-y decline in investment income to KES 3.7 BN and an 8.5% y-o-y decrease in total expenses to KES 19.2 BN. **The board announced a first and final dividend of KES 0.10 (FY20: KES 0.20).**

Gross written premiums rose by 9.8% y-o-y to KES 20.4 BN while outward reinsurance premium increased by 73.5% y-o-y to KES 1.2 BN placing net earned premiums at KES 19.1 BN, 8.4% lower on a y-o-y basis. Short term business accounted for KES 18.5 BN and KES 17.1 BN of gross written and net earned premiums respectively, while long term business accounted for KES 1.8 BN and KES 2.0 BN of gross written and net earned premiums respectively.

Investment income fell by 3.5% y-o-y to KES 3.7 BN with KES 2.7 BN emanating from the short term business and KES 976.3 MN from the long term business. Altogether, total income shrank by 7.6% y-o-y to KES 22.8 BN.

Net claims and benefits dipped by 15.5% y-o-y to KES 11.4 BN placing the claims ratio at 59.8%, 501 bps lower y-o-y. Cedant acquisition costs shed 9.4% y-o-y to KES 4.8 BN placing the net acquisitions ratio at 24.5%, 76 bps lower y-o-y while operating and other expenses edged up by 6.7% y-o-y to KES 2.1 BN placing the expense ratio at 15.7%, 522 bps higher y-o-y.

Total assets rose by 4.9% y-o-y to KES 55.8 BN mainly supported by a 27.2% y-o-y advancement in deposits with financial institutions to KES 10.6 BN and a 7.5% y-o-y increase in government securities to KES 18.6 BN. Total liabilities remained relatively flat at KES 18.8 BN (-0.3% y-o-y) while total equity went up by 7.7% y-o-y to KES 37.0 BN.

Kenya Re is currently trading at a P/E of 2.1x against an industry median multiple of 5.4x and a P/B of 0.2x against an industry median multiple of 0.6x. Its ROE and ROA stand at 8.0% and 5.3%, respectively.

(Source: Company filings, DBIB Research).

Salient News cont'd...

Jubilee Holdings FY21 Earnings

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Jubilee Holdings released its FY21 results reporting a 67.1% y-o-y growth in profit after tax to KES 6.8 BN.

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Jubilee Holdings released its FY21 results reporting a 67.1% y-o-y growth in profit after tax to KES 6.8 BN. EPS for the period stood at KES 89.88 compared to KES 50.06 in FY20. The board has recommended the payment of a **final dividend of KES 8.00** having already paid an interim dividend of KES 1.00 per share. It has further recommended a **special dividend of KES 5.00 per share** to reflect the impact of the Jubilee Allianz transaction. If approved, both dividends will be paid on or about 25th July 2022 to shareholders on the company register at the close of business on 22nd June 2022.

Net insurance premium revenue recorded a 9.0% y-o-y rise to KES 22.0 BN. Gross earned premiums remained flat at KES 29.5 BN (-0.9% y-o-y) while insurance premiums ceded eased by 21.6% y-o-y to KES 7.6 BN.

Investment income soared by 41.0% y-o-y to KES 15.9 BN while other income fell by a marginal 1.8% y-o-y to KES 1.6 BN. As such, total income advanced by 19.4% y-o-y to KES 39.5 BN.

Net insurance benefits and claims increased by 16.7% y-o-y to KES 23.8 BN placing claims ratio at 108.4%, 714 bps higher y-o-y. Total expenses and commissions inched higher by 2.3% y-o-y to KES 9.1 BN placing expense ratio at 41.3%, 270 bps lower y-o-y.

Profits before tax rose by 66.1% y-o-y to KES 8.4 BN. Notably, the group's share of profits from associates increased by 41.3% y-o-y to KES 1.9 BN.

Total assets went up by 6.5% y-o-y to KES 155.3 BN largely attributable to a 14.3% y-o-y increase in investment assets to KES 125.6 BN and a 94.3% y-o-y rise in insurance assets to KES 9.0 BN. Total liabilities rose by 2.4% y-o-y to KES 113.0 BN while total equity grew by 19.0% y-o-y to KES 42.3 BN.

Jubilee Holdings is currently trading at a P/E multiple of 2.9x against a sector median of 5.7x and a P/B multiple of 0.5x against a sector median of 0.6x. Its ROE stands at 16.2% while its ROA stands at 4.4%. Dividend yield stands at 5.1% (inclusive of the special dividend).

(Source: Company filings, DBIB Research).

UPCOMING EVENTS

Profit Warnings

1. WPP Scangroup
2. Sanlam

<u>Company</u>	<u>Announcement</u>	<u>Book Closure</u>	<u>Payment</u>
E.A Breweries	Interim: KES 3.75	28-Feb-22	27-Apr-22
Car & General (K)	Bonus Issue: 1:1	24-Mar-22	08-Apr-22
I&M Group	First & Final: KES 1.50	21-Apr-22	26-May-22
ABSA Bank	First & Final: KES 1.10	25-Apr-22	26-May-22
StanChart Bank	Final: KES 14.00	27-Apr-22	25-May-22
NCBA Group	Final: KES 2.25	29-Apr-22	05-May-22
Stanbic Holdings	Final: KES 7.30	20-May-22	STA*
Equity Group	First & Final: KES 3.00	20-May-22	30-Jun-22
BAT Kenya	Final: KES 50.0	24-May-22	22-Apr-22
Co-operative Bank	First & Final: KES 1.00	30-May-22	17-Jun-22
Kakuzi	First & Final: KES 22.00	31-May-22	30-Jun-22
NSE	Final: KES 0.40	03-Jun-22	15-Jul-22
NSE	Special: KES 0.50	03-Jun-22	15-Jul-22
Kenya Re	First & Final: KES 0.10	17-Jun-22	29-Jul-22
BK Group	First & Final: FRw 28.7	22-Jun-22	01-Jul-22
Umeme Ltd	Final: USH 54.10	24-Jun-22	22-Jun-22
DTB Kenya	First & Final: KES 3.00	30-Jun-22	28-Jul-22
Fahari-IREIT	First & final: KES 0.50	STA*	STA*

(Source: NSE, DBIB Research)

STA—Subject to approval*

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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