

DBIB WEEKLY BULLETIN

WEEK 16

Date: 22.04.2022

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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 11.03 MN (KES 1.3 BN) representing 65.65% of this week's turnover.

The stock **dropped** by 3.1% w-o-w to close at KES 34.20 on Friday.

Foreign investors assumed a **net selling** position on the counter this week by accounting for 87.71% of foreign sales and 32.06% of foreign purchases.

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<u>Top gainers</u>	<u>%</u>
Sasini	8.5
NBV Ltd	7.7
Olympia Capital	6.4
Sameer Africa	5.2
Nation Media	4.4

(Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
Car & General	(25.6)
Uchumi	(10.5)
Liberty Kenya	(7.7)
Kenya Power	(6.7)
WPP Scangroup	(6.5)

(Source: NSE, DBIB Research)



<u>Top traders (Value)</u>	<u>USD MN</u>
Safaricom	11.03
Equity Group	2.74
StanChart Bank	0.74
Umeme Ltd	0.46
Stanbic Holdings	0.36

(Source: NSE, DBIB Research)

Y-T-D Performance

<u>Top gainers</u>	<u>%</u>
Crown Paints	25.1
Nation Media	21.7
Umeme Ltd	21.7
Stanbic Holdings	14.6
StanChart Bank	13.1

(Source: NSE, DBIB Research)

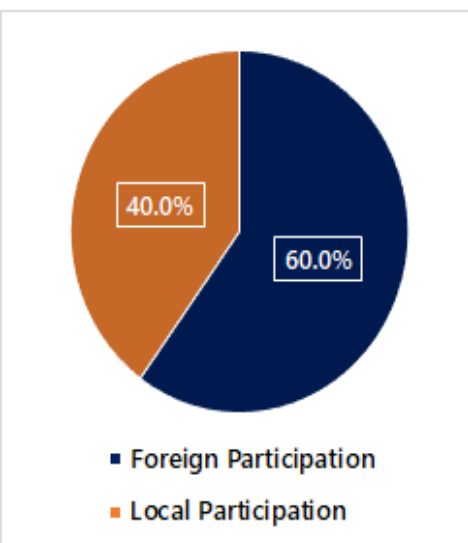


<u>Top Losers</u>	<u>%</u>
NBV Ltd	(30.7)
Uchumi	(29.2)
Housing Finance	(21.8)
Liberty Kenya	(21.7)
TPS E.A	(21.3)

(Source: NSE, DBIB Research)



WEEKLY LOCAL VS FOREIGN PARTICIPATION



(Source: NSE, DBIB Research)

Weekly Foreign Performance

<u>Top Weekly Buys</u>	<u>% Purchase</u>
Stanbic Holdings	98.9
Umeme Ltd	96.9
Crown Paints	95.8
Equity Group	89.1
Trans-Century	78.6

(Source: NSE, DBIB Research)

<u>Top Weekly Sales</u>	<u>% Sold</u>
New Gold ETF	100.0
TPS E.A	99.2
Umeme Ltd	96.8
NSE	96.5
E.A Breweries	93.6

Y-T-D Foreign Performance

<u>Top Foreign Buys</u>	<u>% Purchase</u>
New Gold ETF	99.8
BK Group	98.1
Crown Paints	98.0
Umeme Ltd	89.3
BAT Kenya	81.2

(Source: NSE, DBIB Research)

<u>Top Foreign Sales</u>	<u>% Sold</u>
New Gold ETF	91.8
TPS E.A	89.1
Safaricom	84.2
BAT Kenya	79.7
Umeme Ltd	78.2

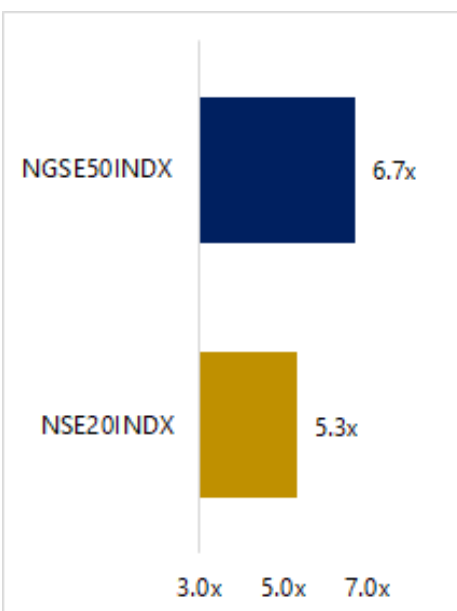
INDICES & MARKET METRICS MOVEMENT

NSE 20 and **NASI** shed 1.0% and 2.1% w-o-w to close at 1,853.74 and 154.85, respectively.

Weekly equity turnover rose by 44.8% w-o-w to USD 16.80 MN (KES 1.94 BN).

USD | KES: KES weakened 0.1% w-o-w to close at 115.60 (-2.2% YTD).

PEER P/E MULTIPLES



NSE20INDX* - NSE 20 Index
 NGSE50INDX* - Nigeria Stock Exchange 50 Index
 *LTM Price/EPS

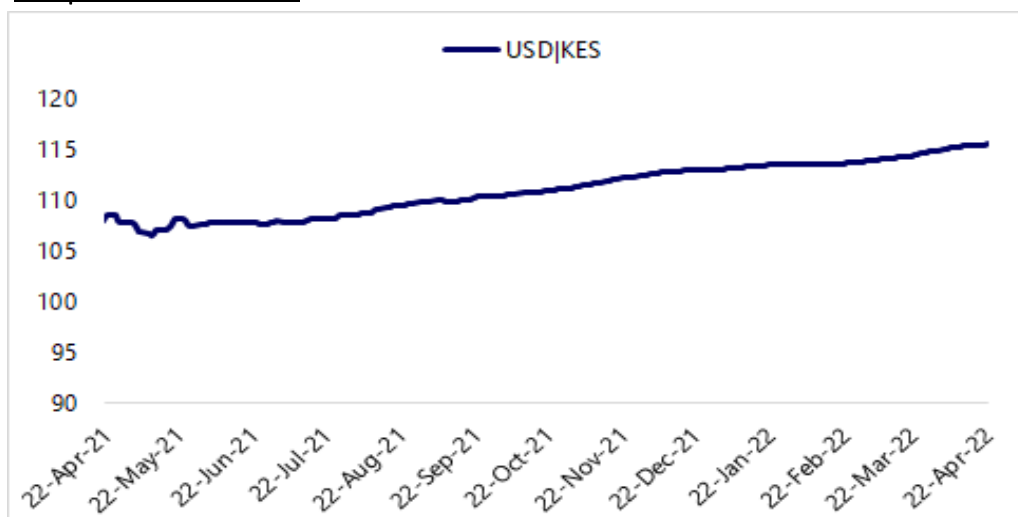
Index	Current	1 wk (%)	3 m (%)	6 m (%)	YTD (%)
NASI	154.85	(2.13)	(5.96)	(13.27)	(6.97)
NSE-20	1,853.74	(1.00)	(2.05)	(5.46)	(2.57)
DBIB Select	97.49	(1.05)	(1.92)	(9.95)	(0.27)
FTSE 15	199.28	(1.10)	(3.67)	(5.33)	(4.88)
FTSE 25	208.33	(1.83)	(5.85)	(11.66)	(7.16)
FTSE Frontier 50	49,020.11	(1.80)	(4.05)	(5.14)	(4.68)

(Source: NSE, Bloomberg, DBIB Research)

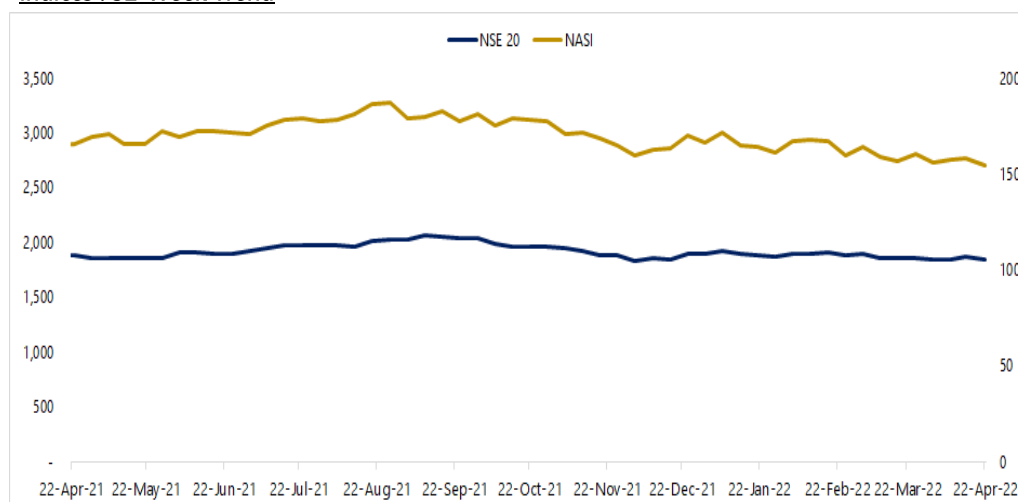
Market Metrics	Current	1 wk (ch)	3 m (ch)	6 m (ch)	12 m (ch)
Market Cap. (USD m)	2,413.88	(2.14)	(3.40)	(5.88)	(13.22)
Market Turnover (USD m)	16.80	44.78	(17.07)	22.91	(41.89)
Market P/E (x)	15.68	(2.10)	7.23	(4.26)	(13.91)
Market Div. yld (%) *	6.13	14.34	227.98	272.97	174.92
Market ROE (%) *	39.37	(21.99)	(10.19)	108.51	11.63

* 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 102.50 MN (KES 11.85 BN) representing a 22.3% w-o-w decrease from USD 131.83 MN (KES 15.22 BN) recorded the previous week.

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April auction results: FXD1/2022/15 (New)

The Central Bank issued an FXD1/2022/15 (15.0 years) with the aim of raising KES 30.0 BN for budgetary support. As a result, it received KES 32.5 BN, translating to a subscription rate of 108.49%; and accepted KES 27.6 BN. The bond's coupon rate stands at 13.942%.

Top Trades for the week ending 22 April 2022

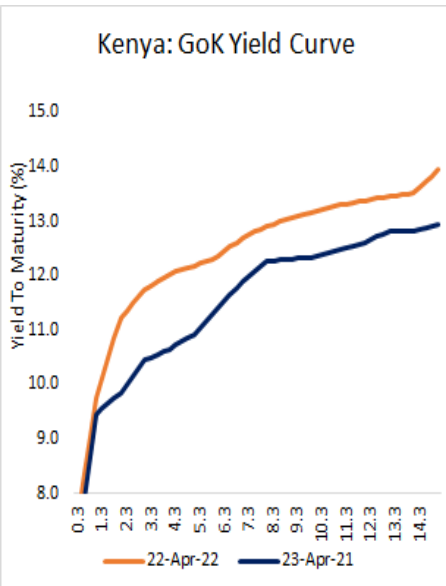
						Total
			Coupon	Yield	Price	Value
Trading Date	Issue No.	Years	(%)	(%)	(KES m)	(KES m)
20-Apr	FXD 1/2017/5Yr	0.3	12.4650	8.6000	103.23	2,000.0
22-Apr	FXD 1/2022/3Yr	3.0	11.7660	11.7000	100.51	850.0
21-Apr	FXD1/2020/5Yr	3.0	11.6670	11.8250	104.85	650.0
22-Apr	FXD1/2020/5Yr	3.0	11.6670	11.8000	104.94	501.2
20-Apr	IFB 1/2022/19Yr	18.8	12.9650	13.0000	101.80	500.0
19-Apr	FXD 3/2019/5Yr	2.6	11.4920	11.7500	103.40	400.0
20-Apr	FXD1/2021/25Yr	24.0	13.9240	13.9500	106.03	400.0
20-Apr	IFB 1/2016/9Yr	3.1	12.5000	11.0392	108.39	400.0
20-Apr	IFB 1/2016/9Yr	3.1	12.5000	11.0150	108.44	400.0
21-Apr	IFB 1/2016/9Yr	3.1	12.5000	11.0299	108.44	400.0
22-Apr	FXD1/2021/25Yr	24.0	13.9240	13.6555	108.18	400.0
22-Apr	IFB 1/2022/19Yr	18.8	12.9650	13.0500	101.56	350.0
19-Apr	IFB 1/2019/16Yr	13.5	11.7500	13.0819	98.14	300.0
19-Apr	IFB 1/2019/16Yr	13.5	11.7500	12.8000	99.66	300.0
20-Apr	IFB 1/2021/21Yr	20.3	12.7370	12.6250	101.97	300.0
20-Apr	IFB 1/2021/21Yr	20.3	12.7370	12.6000	102.13	300.0
22-Apr	IFB 1/2013/12Yr	3.4	11.0000	11.0000	100.95	270.0
22-Apr	IFB 1/2020/11Yr	9.3	10.9000	12.6000	94.40	270.0
22-Apr	IFB 1/2022/19Yr	18.8	12.9650	12.9750	102.03	250.0
22-Apr	IFB 1/2022/19Yr	18.8	12.9650	12.9000	102.50	165.0
21-Apr	FXD1/2013/15Yr	5.8	11.2500	12.2625	97.88	102.6

(Source: NSE, DBIB Research)

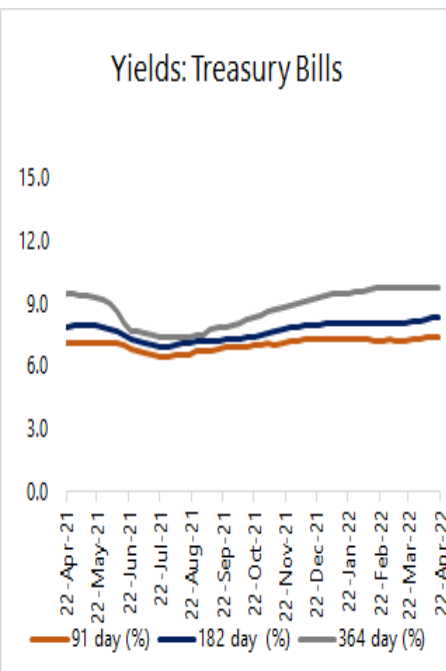
Treasury Bill auction for the week ending 22 April 2022

Instrument	Amount	Bids Received	Subscription	Bids Accepted	Yield	w-o-w
	(KES Bn)	(KES Bn)	Rate (%)	(KES Bn)	(%)	bps ch
91-day	4.00	8.18	204.50	8.17	7.448	2.4
182-day	10.00	9.02	90.19	9.02	8.373	5.8
364-day	10.00	6.54	65.37	6.54	9.755	1.0

(Source: NSE, DBIB Research)



Source: NSE, DBIB Research



Source: NSE, DBIB Research

Salient News

Sameer Africa FY21 earnings

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Sameer Africa released its FY21 results reporting a five-fold y-o-y advancement in after tax profits to KES 217.4 MN.

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Sameer Africa released its FY21 results recording a five-fold y-o-y advancement in after tax profits to KES 217.4 MN as a result of a significant reduction in costs. EPS for the period stood at KES 0.78 as compared to KES 0.16 in FY20.

Revenue for the period contracted by 14.0% y-o-y to KES 651.6 MN mainly due to the disruption in the global supply chain and rent rebates extended to tenants owing to the COVID-19 pandemic. Cost of sales dipped by 68.8% y-o-y to KES 160.5 MN.

Other operating income went down by 88.2% y-o-y to KES 4.5 MN while other operating expenses dwindled by 0.2% y-o-y to KES 117.7 MN.

Net finance costs decreased by 37.4% y-o-y to KES 67.8 MN.

Total assets inched higher by 7.3% y-o-y to KES 1.1 BN backed by an 8.0% y-o-y increase in non-current assets to KES 781.3 MN and a 6.0% y-o-y rise to KES 342.7 MN.

Total equity rose by 191.2% y-o-y to KES 334.1 MN while total liabilities eased by 15.3% y-o-y to KES 790.0 MN.

Net cash generated from operating activities grew by 39.9% y-o-y to KES 280.0 MN while net cash used in investing activities increased by 22.0% y-o-y to KES 55.7 MN. Net cash absorbed by financing activities stood at KES 248.2 MN as compared to KES 289.0 MN generated from financing activities in FY20. As such, there was a KES 23.9 MN decrease in cash and cash equivalents.

Sameer is currently trading at a P/E multiple of 3.1x and a P/B multiple of 2.0x. Its ROE stands at 65.1% while its ROA stands at 19.3%.

(Source: Company, DBIB Research)

Salient News cont'd

Nation Media Group FY21 earnings

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Nation Media announced their FY21 results reporting a 10-fold y-o-y growth in its profit after tax to KES 493.1 MN.
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Nation Media announced its FY21 results reporting a 10-fold y-o-y growth in its profit after tax to KES 493.1 MN mainly on account of improved advertising and broadcasting revenues as part of its recovery from the effects of the COVID-19 pandemic. EPS for the period stood at KES 2.50, an advancement from KES 0.20 in FY20. **The board recommended a first and final dividend of KES 1.50.** If approved, the dividend will be paid on or about 29th July 2022 to shareholders registered at the close of business on 16th June 2022.

Turnover for the period rose by 11.8% y-o-y to KES 7.6 BN due to a recovery of print advertising sales, increased revenue from digital products and services, and continued growth of broadcasting revenue.

Total assets increased by 7.0% y-o-y to KES 12.7 BN following a 16.8% y-o-y rise in current assets to KES 8.1 BN which offset the 6.9% y-o-y decline in current assets to KES 4.5 BN.

Total equity edged up by 2.0% y-o-y to KES 8.1 BN while total liabilities went up by 17.4% y-o-y to KES 4.6 BN.

Net cash generated from operating activities grew 3-fold y-o-y to KES 1.4 BN while net cash used in financing activities rose 3-fold to KES 556.0 MN. Net cash used in investing activities closed off at KES 161.4 MN as compared to KES 23.6 MN generated from investing activities in FY20.

Nation Media is currently trading at a P/E and P/B multiple of 8.1x and 0.5x respectively. Its ROE stands at 6.2% while its ROA stands at 3.9%.

(Source: Company, 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
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
KCB Group	Final: KES 2.00	25-Apr-22	STA*
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	08-Apr-22	30-Apr-22
Nation Media Group	Final: KES 1.50	16-Jun-22	29-Jul-22
Jubilee Holdings	Final: KES 8.00	22-Jun-22	25-Jul-22
Jubilee Holdings	Special: KES 5.00	22-Jun-22	25-Jul-22
TotalEnergies	First & Final: KES 1.31	24-Jun-22	30-Jul-22

(Source: NSE, DBIB Research)

STA—Subject to approval*

AGM SCHEDULE

<u>Company</u>	<u>Time</u>	<u>Venue</u>	<u>Date</u>
NCBA Group	10:00 a.m.	Virtual	05-May-22
CIC Group	10:00 a.m.	Virtual	13-May-22

(Source: Company filings , DBIB Research)

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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