

# DBIB WEEKLY BULLETIN

# WEEK 49

Date: 09.12.2022

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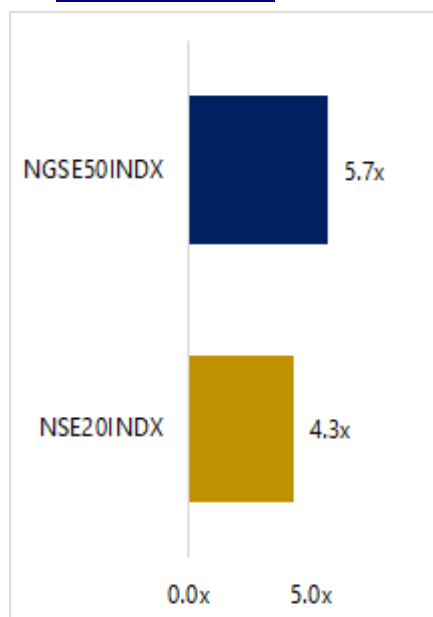
## INDICES & MARKET METRICS MOVEMENT

**NSE 20** and **NASI** fell by 0.1% and 0.7% w-o-w to close at 1,649.99 and 126.42, respectively.

**Weekly equity turnover** grew by 4.13% w-o-w to USD 12.26 MN (KES 1.50 BN).

**USD | KES:** KES weakened 0.2% w-o-w to close at 122.79 (-8.5% year-to-date).

### PEER P/E MULTIPLES



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

\*LTM Price/EPS

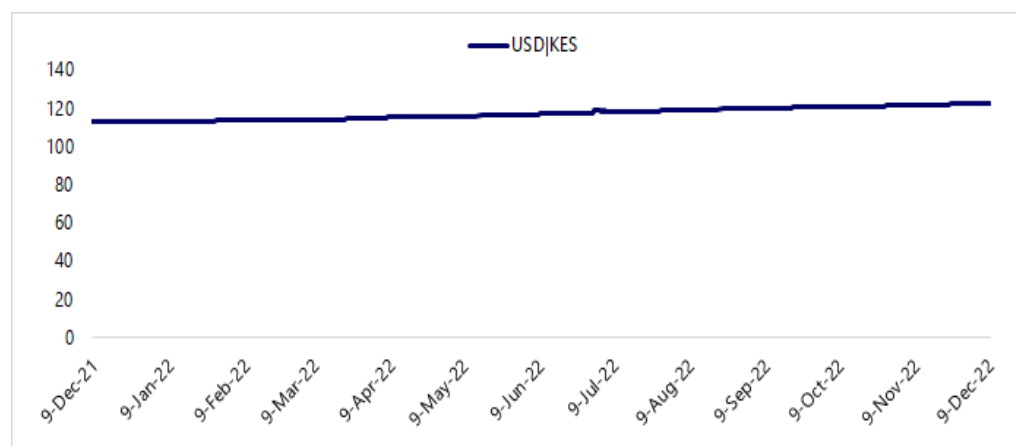
Index	Current	1 wk (%)	3 m (%)	6 m (%)	YTD (%)
NASI	126.46	0.03	(10.72)	(22.31)	(24.03)
NSE-20	1,646.41	(0.22)	(7.89)	(11.31)	(13.46)
DBIB Select	108.45	11.30	171.86	5.22	10.94
MSCI Kenya (USD)	1,116.70	(0.21)	(13.47)	(31.09)	(33.30)
MSCI Frontier (USD)	486.97	(0.71)	(7.18)	(26.18)	(26.84)

(Source: NSE, Bloomberg, DBIB Research)

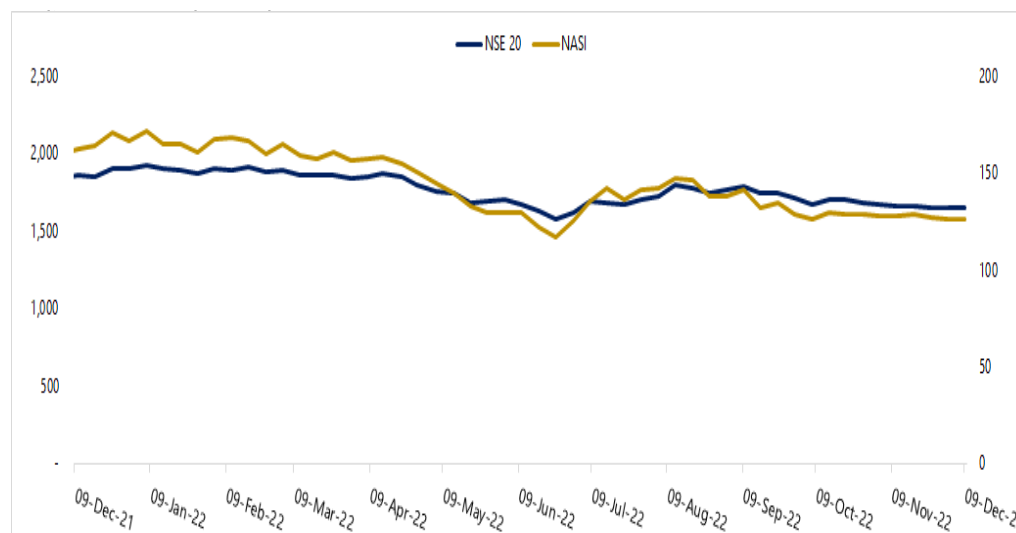
Market Metrics	Current	1 wk (ch)	3 m (ch)	6 m (ch)	12 m (ch)
Market Cap. (USD m)	1,970.24	0.03	(1.28)	(10.75)	(22.28)
Market Turnover (USD m)	11.10	(9.45)	10.62	(17.45)	(68.29)
Market P/E (x)	3.30	(5.71)	(2.94)	(25.00)	(78.50)
Market Div. yld (%) *	7.70	(410.00)	110.00	399.70	88.56
Market ROE (%) *	35.57	(719.00)	(164.00)	(433.85)	10.25

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

### USD | KES : 52-Week Trend



(Source: CBK, DBIB Research)



(Source: NSE, DBIB Research)

# WEEKLY BOURSE WRAP UP...

Safaricom emerged as the top traded counter on the bourse recording a weekly turnover of USD 3.50 MN (KES 429.25 MN) representing 31.50% of this week's turnover.

The stock **shrunk** by 0.2% w-o-w to close at KES 24.30 on Friday.

Foreign investors assumed a **net selling** position on the counter this week by accounting for 92.4% of foreign sales and 26.0% of foreign purchases.

## Week-on-Week Performance

<u>Top gainers</u>	<u>%</u>
Total Energies	9.1
Crown Paints	8.6
Williamson Tea	6.7
Unga Group	6.7
CIC Insurance	6.6

(Source: NSE, DBIB Research)

<u>Top Losers</u>	<u>%</u>
Trans-Century	(11.2)
Home Afrika	(10.8)
NBV Ltd	(8.7)
E.A Cables	(8.0)
HF Group	(6.8)

(Source: NSE, DBIB Research)

<u>Top traders (Value)</u>	<u>USD MN</u>
Safaricom	3.50
New Gold ETF	2.05
BAT Kenya	1.70
KCB Group	0.97
StanChart	0.89

(Source: NSE, DBIB Research)

## Y-T-D Performance

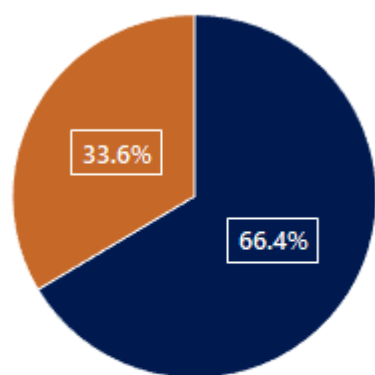
<u>Top gainers</u>	<u>%</u>
NCBA Group	39.3
Olympia Capital	32.5
Limuru Tea	31.3
Crown Paints	24.6
Williamson Tea	23.1

(Source: NSE, DBIB Research)

<u>Top Losers</u>	<u>%</u>
NBV Ltd	(42.9)
Centum	(42.0)
Jubilee Holdings	(36.9)
Liberty Kenya	(36.1)
Safaricom	(36.0)

(Source: NSE, DBIB Research)

## WEEKLY LOCAL VS FOREIGN PARTICIPATION



■ Foreign Participation  
■ Local Participation

## Weekly Foreign Performance

<u>Top Weekly Buys</u>	<u>% Purchase</u>
New Gold ETF	100.0
Crown Paints	97.3
Equity Group	64.5
BAT Kenya	58.9
Kenya Power	26.8

(Source: NSE, DBIB Research)

<u>Top Weekly Sales</u>	<u>% Sold</u>
New Gold ETF	100.0
BAT Kenya	99.9
Safaricom	92.4
E.A Breweries	84.0
I&M Group	55.9

## Y-T-D Foreign Performance

<u>Top Foreign Buys</u>	<u>% Purchase</u>
New Gold ETF	99.9
BK Group	85.2
Stanbic Holdings	79.3
Crown Paints	77.0
Kapchorua Tea	64.5

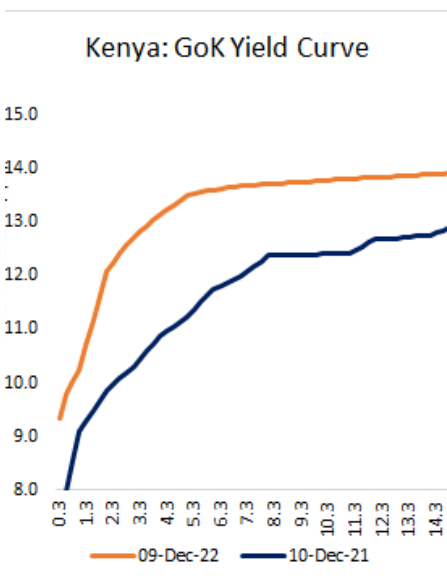
(Source: NSE, DBIB Research)

<u>Top Foreign Sales</u>	<u>% Sold</u>
New Gold ETF	99.3
Kenya Power	98.5
BAT Kenya	89.4
Safaricom	84.2
E.A Breweries	73.8

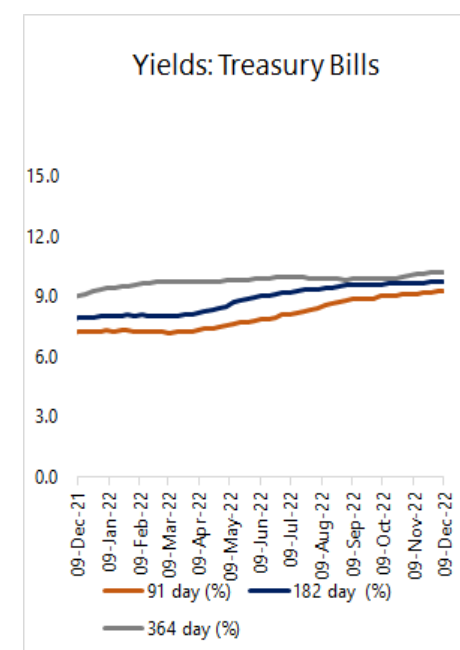


## FROM THE FIXED INCOME DESK

The Bond market's turnover for the week stood at USD 98.77 MN (KES 12.12 BN) representing a 16.0% w-o fall from USD 117.63 MN (KES 14.41 BN) recorded the previous week.



Source: NSE, DBIB Research



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The Bond market's turnover for the week stood at USD 98.77 MN (KES 12.12 BN) representing a 16.0% w-o fall from USD 117.63 MN (KES 14.41 BN) recorded the previous week. The bond issue number IFB1/2022/6Yr emerged as the top traded bond with a turnover of KES 3.24 BN accounting for 26.74% of the week's turnover. The bond traded between 12.1800% and 13.2850%.

### December Bond Results: FXD1/2008/20 (re-opened) and FXD1/2022/25 (re-opened)

The Central Bank Kenya re-opened the fixed coupon bonds: FXD1/2008/20 (5.6 years) and FXD1/2022/25 (24.9 years) with the intention of raising KES 40.0 BN for budgetary support. From this auction, it received total bids worth KES 30.6 BN translating to a subscription rate of 76.4% (KES 17.3 BN for FXD1/2008/20 and KES 13.2 BN for FXD1/2022/25). The weighted average rate of accepted bids came in at 13.830% for FXD1/2008/20 while that of FXD1/2022/25 stood at 14.439%. The coupon rates remained fixed at 13.750% for FXD1/2008/20 and 14.188% for FXD1/2022/25.

### Top Trades for the week ending 09 December 2022

						Total
			Coupon	Yield	Price	Value
Trading Date	Issue No.	Years	(%)	(%)	(KES m)	(KES m)
8-Dec	IFB1/2022/6Yr	6.0	13.2150	13.2850	99.88	1,120.0
9-Dec	IFB1/2022/6Yr	6.0	13.2150	13.1000	100.51	1,000.0
6-Dec	IFB1/2013/12Yr	2.8	11.0000	12.4015	99.10	951.7
5-Dec	IFB1/2022/14Yr	13.9	13.9380	13.7000	102.08	622.0
5-Dec	FXD2/2013/15Yr	5.4	12.0000	13.3784	96.42	500.0
6-Dec	IFB1/2018/15Yr	10.1	12.5000	13.7500	98.73	475.1
7-Dec	IFB1/2018/15Yr	10.1	12.5000	13.7581	98.73	355.5
6-Dec	IFB1/2022/14Yr	13.9	13.9380	13.8000	101.57	334.2
5-Dec	FXD1/2017/10Yr	4.6	12.9660	13.4000	103.23	300.0
5-Dec	FXD1/2022/10Yr	9.4	13.4900	13.8000	99.15	300.0
6-Dec	FXD1/2017/10Yr	4.6	12.9660	13.2500	103.77	300.0
6-Dec	FXD1/2022/10Yr	9.4	13.4900	13.7000	99.70	300.0
8-Dec	FXD1/2012/15Yr	4.7	11.0000	13.4000	94.33	300.0
9-Dec	IFB1/2022/6Yr	6.0	13.2150	13.2000	100.19	300.0

(Source: NSE, DBIB Research)

### Treasury Bill auction for the week ending 09 December 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	16.65	416.34	13.68	9.327	5.2
182-day	10.00	4.49	44.91	21.48	9.796	4.4
364-day	10.00	2.15	21.48	1.85	10.245	2.0

(Source: NSE, DBIB Research)

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## Salient News

### Umeme Ltd to exit Uganda in 2025

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**Umeme** has announced that it will exit Uganda in 2025 after receiving notice from the Government of the Republic of Uganda that their 20-year concession will not be renewed upon expiry in March 2025.  
.....

Umeme has announced that it will exit Uganda in 2025 after receiving notice from the Government of the Republic of Uganda that their 20-year concession will not be renewed upon expiry in March 2025. Umeme has been operating the electricity distribution infrastructure on behalf of Uganda Electricity Distribution Company Limited (UEDCL) -- a government entity. Upon the expiration of the Concession Agreement, UEDCL will take over the responsibility of running the electricity distribution infrastructure. According to media reports, the government's decision to end the Concession Agreement was partly motivated by the need to lower the cost of electricity to consumers.

*Source: Company Filings*

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## UPCOMING EVENTS

### Profit Warnings

1. Sameer
2. NSE
3. Bamburi

<u>Company</u>	<u>Announcement</u>	<u>Book Closure</u>	<u>Payment</u>
Carbacid	Final: KES 1.70	25-Nov-22	16-Dec-22
KenGen	Final: KES 0.20	STA*	STA*
KCB Group	Interim: KES 1.00	08-Dec-22	13-Jan-22

*(Source: NSE, DBIB Research)*

*STA\*—Subject to approval*

## AGM SCHEDULE

<u>Company</u>	<u>Time</u>	<u>Venue</u>	<u>Date</u>
Carbacid	10:00am	Virtual	16-Dec-22
KPLC	11:00am	Virtual	16-Dec-22

*(Source: Company filings , DBIB Research)*

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## 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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