

# DBIB WEEKLY BULLETIN

# WEEK 06

Date: 11.02.2022

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# INDICES & MARKET METRICS MOVEMENT

**NSE 20 dropped** 0.2% w-o  
-w to close at 1,897.34  
while **NASI** gained 0.6% w  
-o-w to close at 167.94.

Index	Current	1 wk (%)	3 m (%)	6 m (%)	YTD (%)
NASI	167.94	0.55	(2.06)	(7.31)	0.89
NSE-20	1,897.34	(0.20)	(1.18)	(3.25)	(0.27)
DBIB Select	100.47	0.09	(5.18)	(7.87)	2.78
FTSE 15	209.91	(0.85)	0.80	(2.70)	0.20
FTSE 25	225.46	(0.12)	(1.52)	(6.30)	0.47
FTSE Frontier 50	51,312.59	0.65	(1.31)	4.10	(0.22)

(Source: NSE, Bloomberg, DBIB Research)

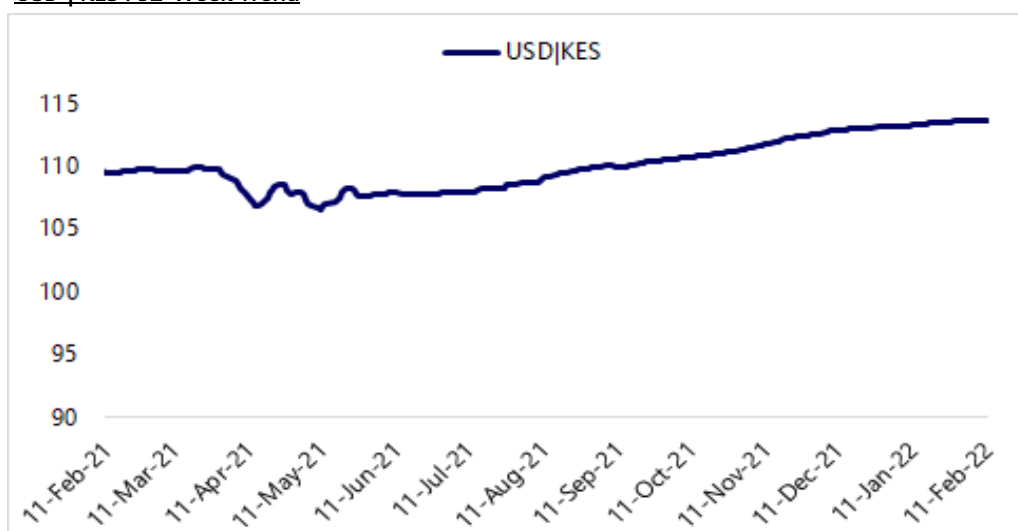
**Weekly equity turnover**  
**edged down** 2.5% w-o-w  
to USD 23.06 MN (KES  
2.62 BN).

Market Metrics	Current	1 wk (ch)	3 m (ch)	6 m (ch)	12 m (ch)
Market Cap. (USD m)	2,615.91	0.55	1.73	(2.23)	(7.35)
Market Turnover (USD m)	23.06	(2.47)	66.08	(26.24)	2.71
Market P/E (x)	16.10	1.53	(2.26)	(1.77)	(12.02)
Market Div. yld (%) *	4.00	(2.68)	44.66	70.00	(69.49)
Market ROE (%) *	39.75	12.12	(8.92)	245.00	607.19

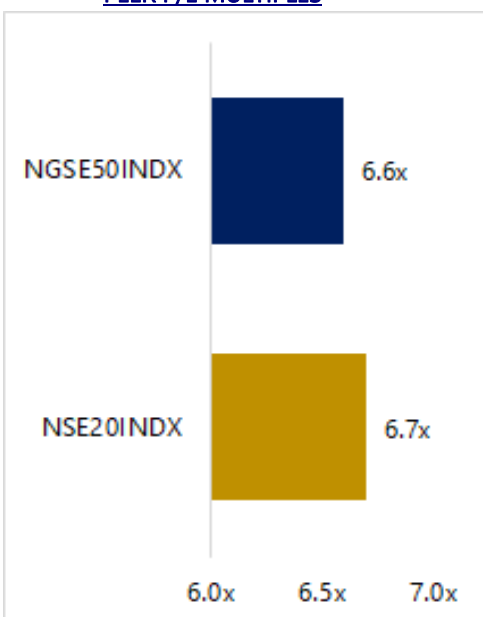
\* Changes in % \*\*Changes in bps -Market ROE is market cap weighted -ch: changes  
(Source: NSE, DBIB Research)

**USD | KES:** KES held constant  
w-o-w to close at 113.63 (-  
0.4% YTD).

## USD | KES : 52-Week Trend

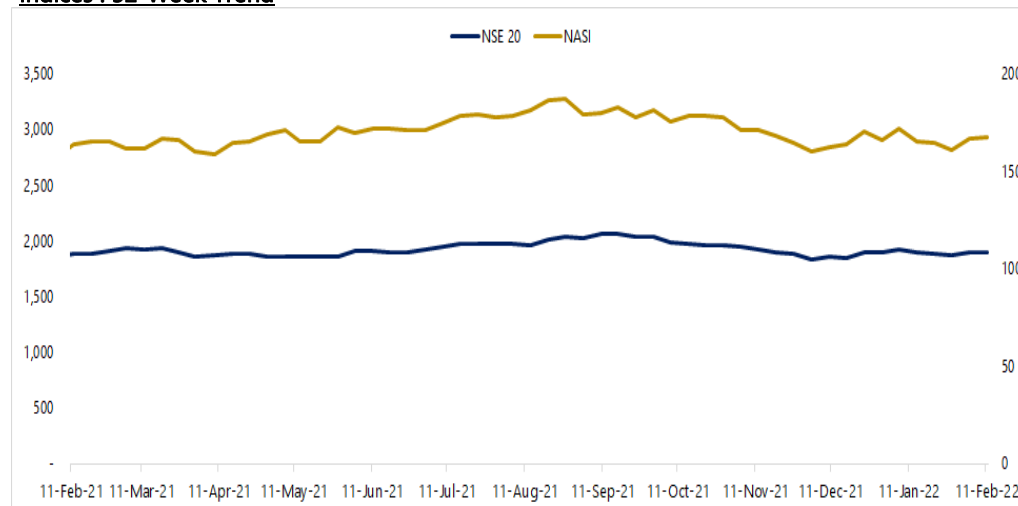


## PEER P/E MULTIPLES



NSE20INDEX\* - NSE 20 Index  
NGSE50INDEX\* - Nigeria Stock Ex-  
change 50 Index  
\*LTM Price/EPS

## Indices : 52-Week Trend



(Source: NSE, DBIB Research)

(Source: Bloomberg, DBIB Research)

# WEEKLY BOURSE WRAP UP...

## Week-on-Week Performance

.....  
Safaricom emerged the top traded counter on the bourse recording a weekly turnover of USD 13.27 MN (KES 1.51 BN) representing 57.55% of this week's turnover.

The stock **gained** 1.3% w-o-w to close at KES 38.50 on Friday.

Foreign investors assumed a **net buying** position on the counter this week by accounting for 77.74% of foreign sales and 83.59% of foreign purchases.

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<u>Top gainers</u>	<u>%</u>
Sanlam	12.9
Unga Group	9.4
Stanbic Kenya	7.7
Car & General	7.0
Sasini	6.2

(Source: NSE, DBIB Research)

<u>Top Losers</u>	<u>%</u>
TPS Eastern Africa	(12.1)
Kenya Power 4% Pref 20	(9.3)
Olympia Capital	(9.0)
Flame Tree Group	(5.8)
Carbacid Investments	(5.5)

((Source: NSE, DBIB Research))

<u>Top traders (Value)</u>	<u>USD MN</u>
Safaricom	13.27
Equity Group	5.27
E.A Breweries	1.63
KCB Group	1.23
BAT Kenya	0.56

(Source: NSE, DBIB Research)

## Y-T-D Performance

<u>Top gainers</u>	<u>%</u>
Car & General	79.7
Unga Group	19.7
Sasini	19.3
Crown Paints	19.0
Standard Group	10.7

(Source: NSE, DBIB Research)

<u>Top Losers</u>	<u>%</u>
NBV	(17.2)
TPS Eastern Africa	(11.5)
Umeme	(11.0)
Kenya Power 4% Pref 20	(9.3)
Kenya Power	(9.1)

(Source: NSE, DBIB Research)

## Weekly Foreign Performance

<u>Top Weekly Buys</u>	<u>% Purchase</u>
Eaagads	99.0
Eveready	92.3
Safaricom	83.6
Standard Group	81.8
BOC Kenya	67.0

(Source: NSE, DBIB Research)

<u>Top Weekly Sales</u>	<u>% Sold</u>
Eaagads	98.7
BAT Kenya	96.4
E.A Breweries	84.3
Safaricom	77.7
TPS Eastern Africa	55.4

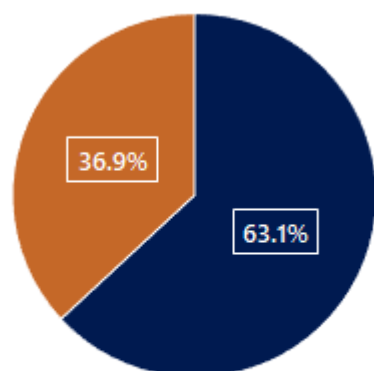
## Y-T-D Foreign Performance

<u>Top Foreign Buys</u>	<u>% Purchase</u>
New Gold ETF	100.0
BK Group	98.8
Eaagads	98.6
Crown Paints	95.7
Eveready	90.5

(Source: NSE, DBIB Research)

<u>Top Foreign Sales</u>	<u>% Sold</u>
Eaagads	98.4
BK Group	95.5
Safaricom	83.2
E.A Breweries	80.6
TPS Eastern Africa	48.1

## WEEKLY LOCAL VS FOREIGN PAR-



- Foreign Participation
- Local Participation

(Source: NSE, DBIB Research)



## FROM THE FIXED INCOME DESK

The Bond market's turnover for the week stood at USD 121.66 MN (KES 13.82 BN) representing a 30.9% w-o-w increase from USD 92.96 MN (KES 10.56 BN) recorded the previous week.

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### February Issue: IFB1/2022/19

This February, the government has issued an IFB1/2022/19 with the aim of funding infrastructure projects in FY2021/2022 budget estimates. The period of sale runs from 31st January 2022 to 15th February 2022. The coupon rate will be market determined.

### Top Trades for the week ending 11 February 2022

Trading Date	Issue No.	Years	Total			
			Coupon (%)	Yield (%)	Price (KES m)	Value (KES m)
7-Feb	FXD 1/2012/10Yr	0.3	12.7050	8.7500	103.25	1,115.3
9-Feb	FXD 1/2012/10Yr	0.3	12.7050	8.9000	103.24	900.0
7-Feb	FXD 1/2021/2Yr	0.9	9.4860	9.6000	100.62	800.0
8-Feb	FXD1/2021/20Yr	19.9	13.4440	13.7500	104.43	774.0
10-Feb	FXD1/2020/5Yr	3.2	11.6670	11.2400	104.11	605.1
7-Feb	FXD1/2021/20Yr	19.9	13.4440	13.8000	104.07	562.0
7-Feb	FXD 1/2019/5Yr	2.0	11.3040	10.3500	106.92	500.0
7-Feb	FXD1/2018/20Yr	16.1	13.2000	13.4500	103.41	500.0
8-Feb	FXD2/2013/15Yr	6.2	12.0000	12.0500	103.47	500.0
8-Feb	FXD1/2018/20Yr	16.1	13.2000	13.2500	104.75	500.0
11-Feb	FXD 1/2014/10Yr	1.9	12.1800	10.2500	104.12	500.0
9-Feb	FXD2/2013/15Yr	6.2	12.0000	11.9000	104.15	472.0
7-Feb	FXD1/2021/5Yr	4.8	11.2770	11.4000	102.12	450.0
7-Feb	FXD1/2021/20Yr	19.9	13.4440	13.8150	103.97	350.0
7-Feb	FXD1/2008/15Yr	1.1	12.5000	9.9500	107.61	337.0
7-Feb	FXD1/2021/20Yr	19.9	13.4440	13.9000	103.41	300.0
7-Feb	FXD1/2021/20Yr	19.9	13.4440	13.8500	103.74	300.0
11-Feb	FXD 4/2019/10Yr	7.8	12.2800	12.6500	100.89	300.0
8-Feb	FXD1/2021/20Yr	19.9	13.4440	13.7500	104.43	295.0

### Sell & buy backs

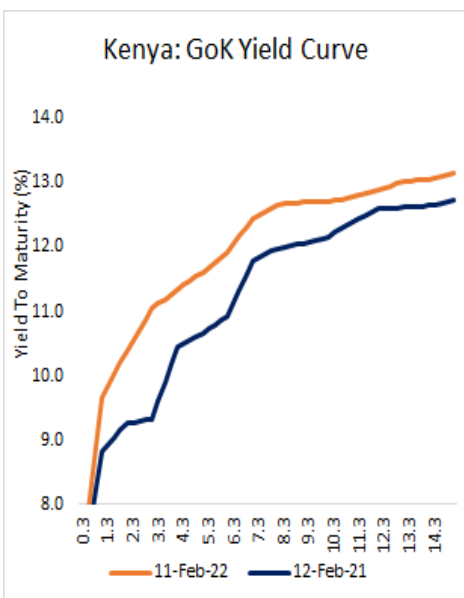
7-Feb	FXD1/2021/20Yr	19.9	13.4440	13.0750	109.04	100.0
7-Feb	FXD1/2021/20Yr	19.9	13.4440	13.0500	109.22	100.0
7-Feb	FXD1/2021/20Yr	19.9	13.4440	13.0250	109.40	100.0

(Source: NSE, DBIB Research)

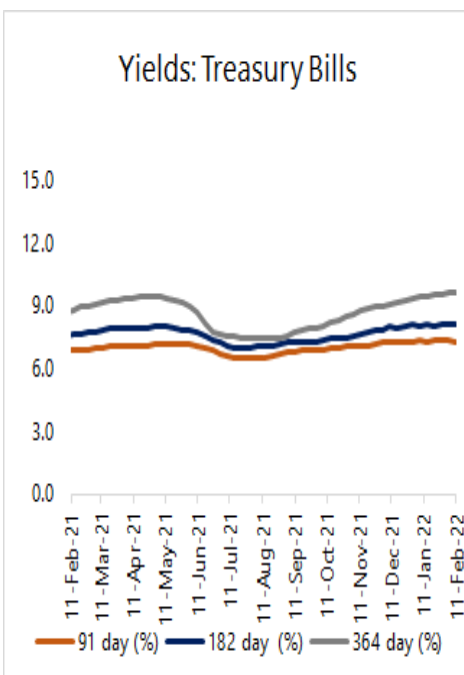
### Treasury Bill auction for the week ending 11 February 2022

Instrument	Amount (KES Bn)	Bids Received (KES Bn)	Subscription Rate (%)	Bids Accepted (KES Bn)	Yield (%)	w-o-w bps ch
91-day	4.00	2.89	72.25	2.76	7.285	(3.2)
182-day	10.00	6.40	63.98	6.40	8.108	1.3
364-day	10.00	10.76	107.58	10.76	9.668	7.4

(Source: NSE, DBIB Research)



Source: NSE, DBIB Research



Source: NSE, DBIB Research

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## Salient News

### Eveready East Africa FY21 Earnings.

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**Eveready E.A** released its FY21 results, reporting a loss of KES 34.7 MN, a 49.7% reduction from a loss of KES 69.0 MN in FY20.  
.....

**Eveready E.A** released its FY21 results, reporting a loss of KES 34.7 MN, a 49.7% reduction from a loss of KES 69.0 MN in FY20. The loss was attributed to the continued operational challenges brought by COVID-19 restrictions with the reduction in losses being brought about by the company redefining its supply chain strategy in order to mitigate risk. The company recorded a loss per share of KES 0.17.

**Sales dropped by 32.8% y-o-y to KES 89.8 MN**, attributed to lower sale numbers due to the COVID-19 pandemic. Cost of sales reduced 35.0% y-o-y to KES 68.7 MN following strict cost saving measures employed by the company in the wake of the pandemic.

**Gross profit decreased by 24.4% y-o-y to KES 21.1 MN** while other income increased by 14.7% y-o-y to KES 10.4 MN.

**Total assets decreased by 20.8% y-o-y to KES 159.2 MN** following a 26.3% y-o-y decline in current assets to KES 116.3 MN and a 0.7% y-o-y reduction in non-current assets to KES 42.9 MN.

**Total liabilities decreased by 4.5% y-o-y to KES 152.9 MN** following a 91.5% y-o-y drop in non-current liabilities to KES 0.7 MN while current liabilities edged up by 0.2% to KES 152.2 MN.

**Total equity declined 84.6% y-o-y to KES 6.3 MN.**

**Net cash used in operating activities stood at KES 35.8 MN.** Net cash used in financing activities dropped 81.5% y-o-y to KES 2.4 MN.

*(Source: Company filings, DBIB Research).*

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## UPCOMING EVENTS

### Profit Warnings

1. WPP Scangroup
2. Kakuzi
3. Sanlam

<u>Company</u>	<u>Announcement</u>	<u>Book Closure</u>	<u>Payment</u>
Sasini	Final: KES 0.50	22-Feb-22	15-Mar-22
Car & General (K)	First & Final: KES 3.20	25-Feb-22	24-Mar-22
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

*(Source: NSE, DBIB Research)*

*STA\*—Subject to approval*

## AGM SCHEDULE

<u>Company</u>	<u>Time</u>	<u>Venue</u>	<u>Date</u>
Sasini	11:00AM	Virtual	04-Mar-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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