



DYER & BLAIR
INVESTMENT BANK

DBIB WEEKLY BULLETIN

WEEK 26

Date: 01.07.2022

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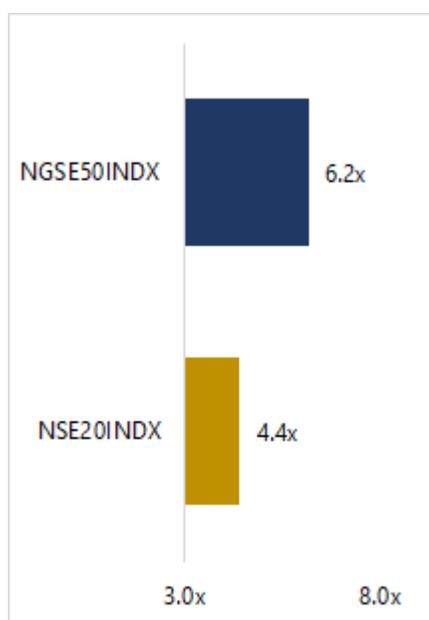
INDICES & MARKET METRICS MOVEMENT

NSE 20 and **NASI** gained 3.15% and 6.60% w-o-w to close at 1,622.85 and 124.94 respectively.

Weekly equity turnover edged up by 97.68% w-o-w to USD 19.41 MN (KES 2.29 BN).

USD | KES: KES weakened 0.2% w-o-w to close at 117.87 (-4.2% YTD).

PEER P/E MULTIPLES



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

*LTM Price/EPS

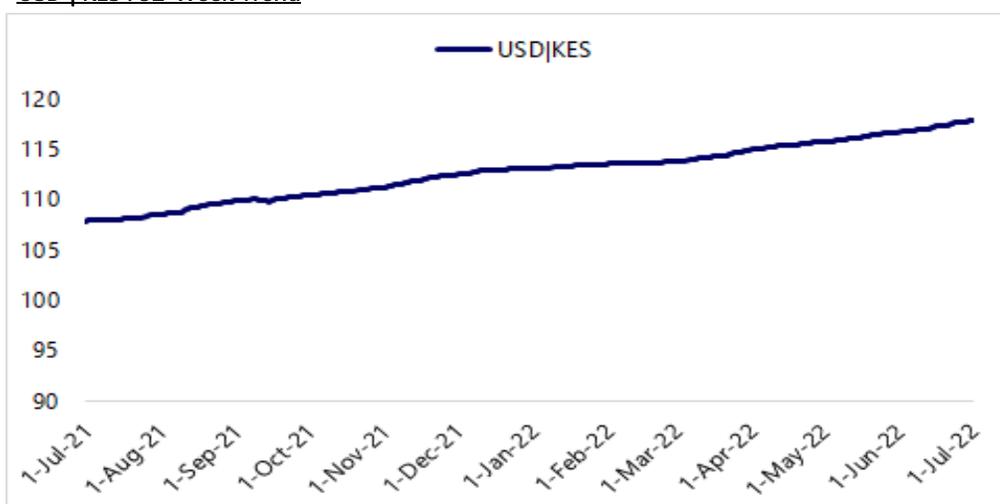
Index	Current	1 wk (%)	3 m (%)	6 m (%)	YTD (%)
NASI	124.94	6.60	(19.95)	(27.25)	(24.94)
NSE-20	1,622.85	3.15	(12.01)	(15.49)	(14.70)
DBIB Select	88.61	3.55	(9.68)	(12.55)	(9.35)
FTSE 15	170.14	6.37	(15.07)	(19.90)	(18.79)
FTSE 25	170.32	7.13	(18.91)	(26.03)	(24.10)
FTSE Frontier 50	43,517.72	0.03	(11.58)	(15.86)	(15.38)

Source: NSE, Bloomberg, DBIB Research)

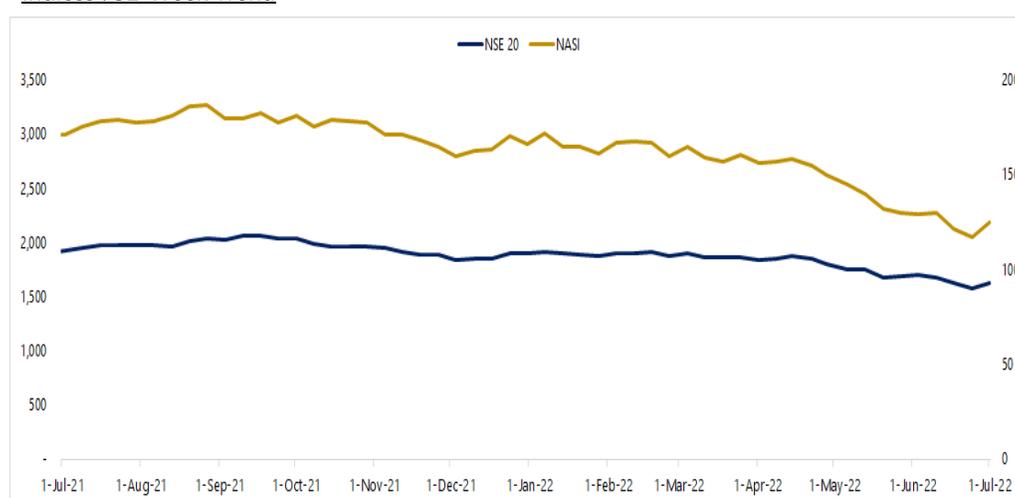
Market Metrics	Current	1 wk (ch)	3 m (ch)	6 m (ch)	12 m (ch)
Market Cap. (USD m)	1,946.60	6.61	(3.46)	(19.92)	(27.24)
Market Turnover (USD m)	19.41	97.68	(2.52)	14.46	14.76
Market P/E (x)	12.40	4.79	(5.86)	(20.91)	(28.74)
Market Div. yld (%) *	7.10	(45.58)	102.70	330.00	370.00
Market ROE (%) *	35.23	51.37	(420.91)	(468.00)	206.00

* 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)

WEEKLY BOURSE WRAP UP...

Week-on-Week Performance

Safaricom emerged the top traded counter on the bourse recording a weekly turnover of USD 7.27 MN (KES 0.86 BN) representing 37.44% of this week's turnover.

The stock rose by 8.4% w-o-w to close at KES 25.05 on Friday.

Foreign investors assumed a net selling position on the counter this week by accounting for 94.7% of foreign sales and 50.9% of foreign purchases.

Top gainers	%
Kapchorua Tea	21.6
E.A Breweries	20.6
Equity	10.3
Housing Finance	10.0
TPS	10.0

(Source: NSE, DBIB Research)



Top Losers	%
Umeme	(17.8)
Sameer	(13.3)
Eveready	(11.4)
Unga Group	(8.5)
NBV Ltd	(8.1)

(Source: NSE, DBIB Research)



Top traders (Value)	USD MN
Safaricom	7.27
E.A Breweries	5.04
Equity	4.21
StanChart	0.73
Britam	0.56

(Source: NSE, DBIB Research)

Y-T-D Performance

Top gainers	%
Crown Paints	36.1
Cars & General	30.3
E.A Portland	26.1
Sameer	21.0
Olympia Capital	15.5

(Source: NSE, DBIB Research)

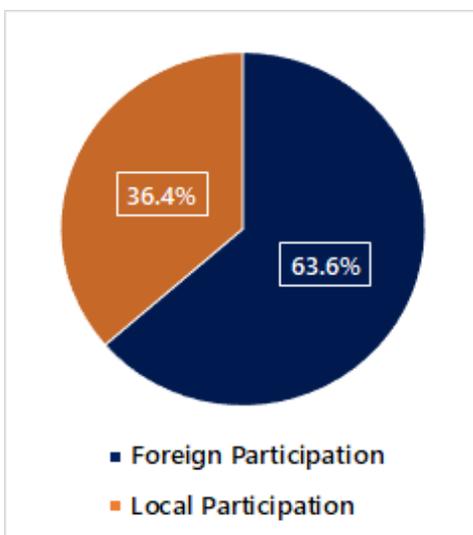


Top Losers	%
NBV Ltd	(43.6)
Centum	(36.0)
Safaricom	(34.0)
Eveready	(28.6)
Uchumi	(25.0)

(Source: NSE, DBIB Research)



WEEKLY LOCAL VS FOREIGN PARTICIPATION



(Source: NSE, DBIB Research)

Weekly Foreign Performance

Top Weekly Buys	% Purchase
DTB	94.3
BAT Kenya	92.9
TPS	84.5
E.A Breweries	56.9
Equity	53.9

(Source: NSE, DBIB Research)

Top Weekly Sales	% Sold
BAT Kenya	96.5
Equity	96.0
Safaricom	94.7
Williamson Tea	94.3
Centum	94.0

Y-T-D Foreign Performance

Top Foreign Buys	% Purchase
New Gold ETF	99.9
BK Group	95.1
Crown Paints	92.1
Stanbic	82.5
BAT Kenya	81.3

(Source: NSE, DBIB Research)

Top Foreign Sales	% Sold
New Gold ETF	97.7
Safaricom	87.4
BAT Kenya	83.3
E.A Breweries	81.5
TPS	77.8

FROM THE FIXED INCOME DESK

The Bond market's turnover for the week stood at USD 158.91 MN (KES 18.73 BN) representing a 44.2% w-o-w fall from USD 110.21 MN (KES 12.97 BN) recorded the previous week.

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July tap sale: IFB1/2018/22

The Central Bank of Kenya (CBK) issued a tap sale on FXD1/2022/03 and FXD1/2022/15 with the aim of raising a total of KES 25.0 BN. The bids were priced at the weighted average rate of accepted bids of 11.766% for FXD1/2022/03 and 13.942% for FXD1/2022/15. From the auction, the CBK received bids worth KES 3.6BN for FXD1/2022/03 and KES 16.0 BN for FXD1/2022/15 (a total of KES 19.6 BN); and accepted KES 3.6 BN for FXD1/2022/03 and KES 16.0 BN for FXD1/2022/15 (a total of KES 19.6 BN). The coupon rates stand at 11.766% for FXD1/2022/03 and 13.942 % for FXD1/2022/15.

July Issue: FXD2/2013/15 & FXD2/2018/15

The CBK has re-opened the fixed coupon bonds: FXD2/2013/15 (5.8 years) and FXD2/2018/15 (11.3 years) with the intention of raising KES 40.0 BN for budgetary support. The coupon rate for FXD2/2013/15 stands at 12.000% while that of FXD2/2018/15 stands at 12.750%. The period of sale runs from 28 June 2022 to 19 July 2022.

Top Trades for the week ending 01 July 2022

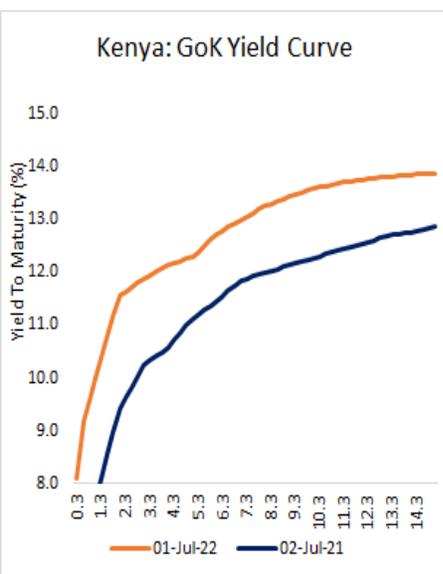
Trading Date	Issue No.	Years	Coupon (%)	Yield (%)	Price (KES m)	Total Value (KES m)
29-Jun	FXD1/2020/15Yr	18.6	12.7560	13.8000	98.27	2,500.0
30-Jun	IFB 1/2022/19Yr	18.8	12.9650	12.9500	104.65	1,900.0
30-Jun	IFB 1/2022/18Yr	18.8	13.7420	13.7300	100.69	642.3
28-Jun	IFB 1/2021/21Yr	18.2	12.7370	13.9500	96.50	500.0
28-Jun	IFB 1/2022/18Yr	18.2	13.7420	13.7313	100.61	500.0

(Source: NSE, DBIB Research)

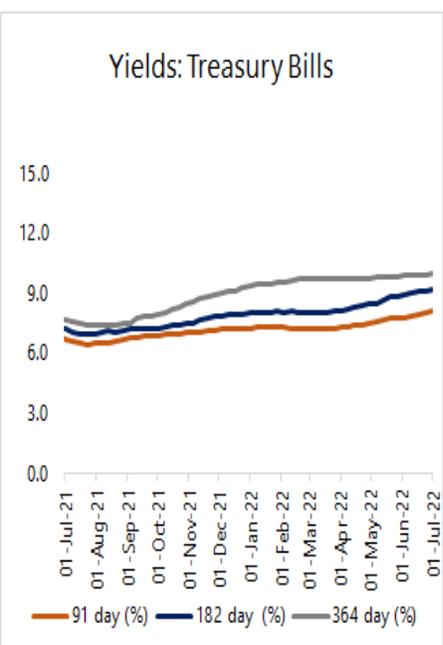
Treasury Bill auction for the week ending 01 July 2022

Instrument	Amount (KES Bn)	Bids Received (KES Bn)	Subscription Rate (%)	Bids Accepted (KES Bn)	Yield (%)	w-o-w bps ch
91-day	4.00	4.72	118.19	3.96	8.097	8.4
182-day	10.00	1.75	17.51	1.60	9.196	3.3
364-day	10.00	2.44	24.36	2.26	9.988	1.1

(Source: NSE, DBIB Research)



Source: NSE, DBIB Research



Source: NSE, DBIB Research

Salient News

Inflation hits 7.9% in June 2022

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The annual headline inflation rate rose to 7.9% in June 2022 from 7.1% in May 2022 (the CPI increased by 0.9% on a month-on-month basis).

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The annual headline inflation rate rose to 7.9% in June 2022 from 7.1% in May 2022 (the CPI increased by 0.9% on a month-on-month basis). The increase in annual inflation was mainly steered by increased prices of food and non-alcoholic beverages (index went up by 13.8% y-o-y); housing, water, electricity, gas and other fuels (index rose by 6.8% y-o-y); transport (index inched higher by 7.1% y-o-y); and furnishings, household equipment and routine household maintenance (index increased by 9.2% y-o-y).

Source: Business Daily

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Safaricom's voice market share dropped from 70.0% (a 4-year high) in 4Q21 to 67.8% in the 1Q22 (January to March).

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Safaricom voice market share drops in 1Q22

Safaricom's voice market share dropped from 70.0% (a 4-year high) in 4Q21 to 67.8% in the 1Q22 (January to March). The lower market share was on the back of the conclusion of various calling offers that were running during the previous quarter. In the wider telco market, there was a 6.93% drop in on and off-net calls from 20.6 BN minutes in 4Q21 to 19.18 BN minutes in 1Q22.

Source: Business Daily

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According to its annual report, **DTB** has indicated that it expects to gradually increase its dividend payments over the coming years

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DTB signals higher dividend payments

According to its annual report, DTB has indicated that it expects to gradually increase its dividend payments over the coming years as it strives to strike a balance between dividend disbursement and capital retention. DTB has maintained a DPS of KES 1.0 from FY18 to FY21.

Source: Business Daily

UPCOMING EVENTS

<u>Company</u>	<u>Announcement</u>	<u>Book Closure</u>	<u>Payment</u>
KCB Group	Final: KES 2.00	25-Apr-22	07-Jul-22
Bamburi Cement	First & Final: KES 3.58	26-May-22	26-Jul-22
BOC Kenya	Final: KES 2.90	27-May-22	19-Jul-22
NSE	Final: KES 0.40	03-Jun-22	15-Jul-22
NSE	Special: KES 0.50	03-Jun-22	15-Jul-22
Nation Media Group	Final: KES 1.50	16-Jun-22	29-Jul-22
Kenya Re	First & Final: KES 0.10	17-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
Umeme Ltd	Final: USH 54.10	24-Jun-22	22-Jul-22
TotalEnergies	First & Final: KES 1.31	24-Jun-22	30-Jul-22
Crown Paints	First & Final: KES 4.00	28-Jun-22	15-Aug-22
DTB Kenya	First & Final: KES 3.00	30-Jun-22	28-Jul-22
Safaricom	Final: KES 0.75	STA*	STA*

(Source: NSE, DBIB Research)

STA—Subject to approval*

AGM SCHEDULE

<u>Company</u>	<u>Time</u>	<u>Venue</u>	<u>Date</u>
Kenya Airways	9:00 a.m.	Virtual	08-Jul-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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