

# DBIB WEEKLY BULLETIN

# WEEK 36

Date: 09.09.2022

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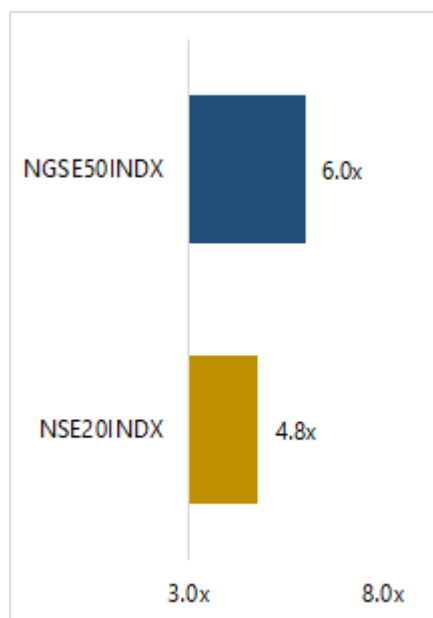
# INDICES & MARKET METRICS MOVEMENT

**NSE 20** and **NASI** grew by 1.4% and 2.6% w-o-w to close at 1,787.48 and 141.64 respectively.

**Weekly equity turnover** fell by 11.4% w-o-w to USD 13.45 MN (KES 1.62 BN).

**USD | KES:** KES weakened 0.2% w-o-w to close at 120.31 (-6.3% 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	141.64	2.63	9.05	(21.37)	(14.91)
NSE-20	1,787.48	1.37	6.61	(13.37)	(6.05)
DBIB Select	39.89	0.01	(55.47)	(63.43)	(59.19)
FTSE 15	170.14	-	(1.85)	(21.44)	(18.79)
FTSE 25	170.32	-	(3.07)	(28.87)	(24.10)
FTSE Frontier 50	44,213.62	0.84	(3.41)	(11.23)	(14.02)

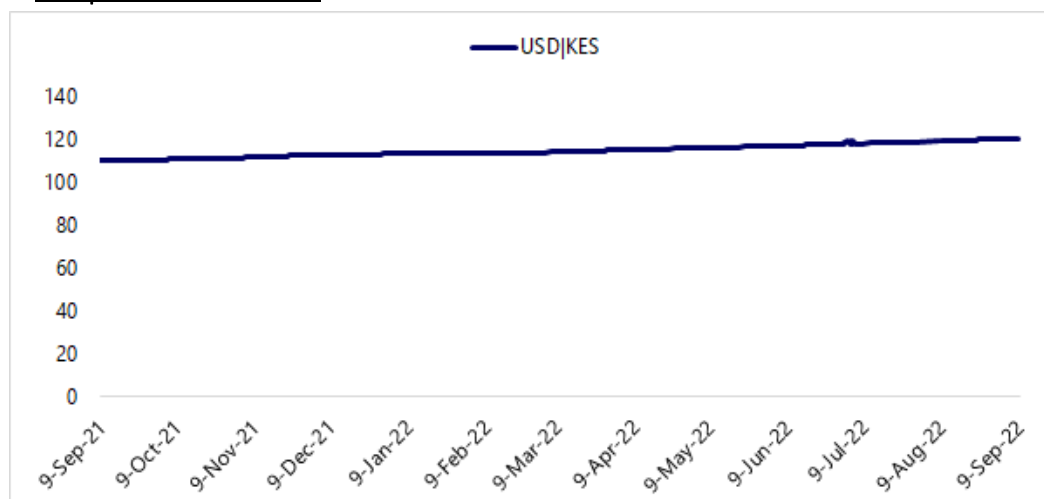
(Source: NSE, Bloomberg, DBIB Research)

Market Metrics	Current	1 wk (ch)	3 m (ch)	6 m (ch)	12 m (ch)
Market Cap. (USD m)	2,207.43	2.64	(3.58)	9.07	21.37
Market Turnover (USD m)	13.45	(11.38)	132.18	(23.93)	(26.75)
Market P/E (x)	4.40	51.72	(11.23)	(66.53)	(75.55)
Market Div. yld (%) *	6.60	(10.00)	(21.44)	321.73	191.06
Market ROE (%) *	37.21	21.00	174.25	(68.98)	(191.24)

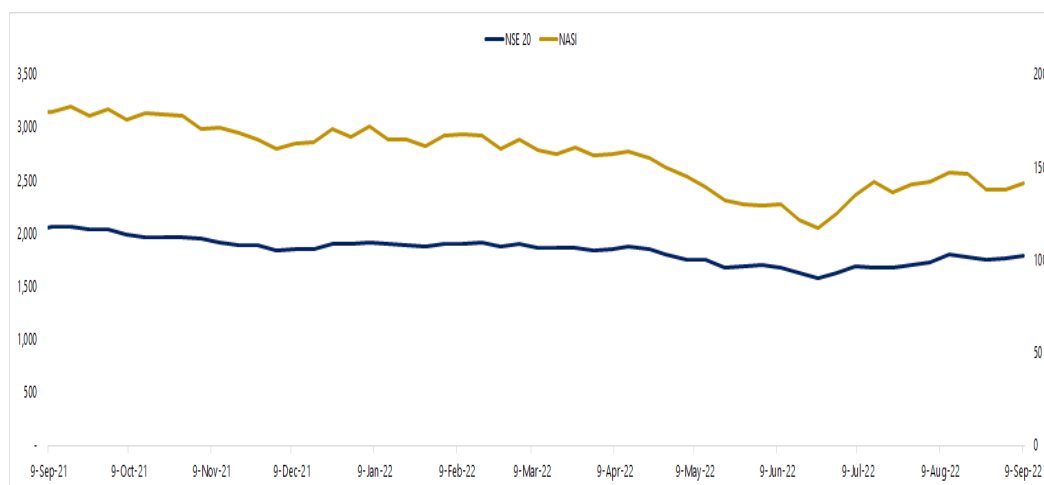
\* Changes in % \*\*Changes in bps -Market ROE is market cap weighted -ch: changes

(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 5.63 MN (KES 676.79 MN) representing 41.84% of this week's turnover.

The stock **grew** by 4.3% w-o-w at KES 29.25 on Friday.

Foreign investors assumed a **net selling** position on the counter this week by accounting for 52.88% of foreign sales and 24.97% of foreign purchases.

.....

<u>Top gainers</u>	<u>%</u>
Uchumi	12.5
NCBA Group	9.3
Standard Group	7.5
KPLC	7.4
<u>Total Kenya</u>	<u>7.3</u>

(Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
Unga Group	(10.8)
Car & General	(9.9)
Portland Cement	(9.0)
Kakuzi	(7.8)
<u>BK Group</u>	<u>(7.2)</u>

(Source: NSE, DBIB Research)



<u>Top traders (Value)</u>	<u>USD MN</u>
Safaricom	5.63
NCBA Group	1.65
Equity Group	1.31
KCB Group	1.18
<u>Co-op</u>	<u>0.83</u>

(Source: NSE, DBIB Research)

## Y-T-D Performance

<u>Top gainers</u>	<u>%</u>
Limuru Tea	59.4
Crown Paints	43.0
Olympia Capital	39.0
NCBA Group	31.0
<u>Sasini</u>	<u>24.1</u>

(Source: NSE, DBIB Research)

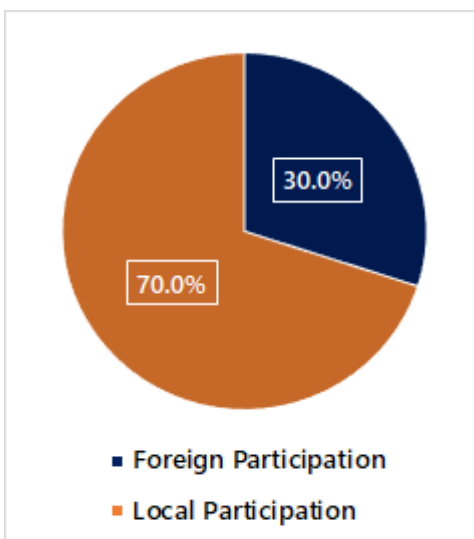


<u>Top Losers</u>	<u>%</u>
NBV Ltd	(47.0)
Centum	(35.5)
Safaricom	(22.9)
Jubilee Holdings	(22.7)
<u>I&amp;M Group</u>	<u>(19.4)</u>

(Source: NSE, DBIB Research)



## WEEKLY LOCAL VS FOREIGN PARTICIPATION



(Source: NSE, DBIB Research)

## Weekly Foreign Performance

<u>Top Weekly Buys</u>	<u>% Purchase</u>
BK Group	97.7
Kapchorua Tea	96.7
TPS EA	96.1
Mumias	92.9
<u>Bamburi</u>	<u>91.1</u>

(Source: NSE, DBIB Research)

<u>Top Weekly Sales</u>	<u>% Sold</u>
Eveready	97.8
BK Group	97.7
TPS EA	96.1
Bamburi	93.1
<u>Mumias</u>	<u>92.9</u>

## Y-T-D Foreign Performance

<u>Top Foreign Buys</u>	<u>% Purchase</u>
New Gold ETF	99.9
Crown Paints	89.4
BK Group	86.6
Stanbic	79.4
<u>BAT Kenya</u>	<u>71.5</u>

(Source: NSE, DBIB Research)

<u>Top Foreign Sales</u>	<u>% Sold</u>
KPLC	98.5
New Gold ETF	97.7
Safaricom	86.4
BAT Kenya	83.9
<u>EABL</u>	<u>79.3</u>



## FROM THE FIXED INCOME DESK

The Bond market's turnover for the week stood at USD 186.89 MN (KES 22.48 BN) representing a 35.70% w-o-w gain from USD 137.78 MN (KES 16.55 BN) recorded the previous week.

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### September re-openings: FXD1/2022/010 and FXD1/2022/015:

The Central Bank of Kenya has re-opened the bonds FXD1/2022/010 (9.6 years) and FXD1/2022/015 (14.5 years) with the aim of raising KES 50.0 BN for budgetary support. The coupon rate for FXD1/2022/010 stands at 13.490% while that of FXD1/2022/015 stands at 13.492%. The period of sale runs from 25th August 2022 to 13th September 2022.

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

						Total
Trading Date	Issue No.	Years	Coupon (%)	Yield (%)	Price (KES m)	Value (KES m)
8-Sep	FXD2/2013/15Yr	5.6	12.0000	13.4846	98.97	1,500.0
6-Sep	FXD2/2013/15Yr	5.6	12.0000	13.5000	98.84	1,492.0
7-Sep	IFB 1/2018/15Yr	10.4	12.5000	13.2000	98.08	693.0
8-Sep	FXD1/2008/20Yr	5.7	13.7500	13.5500	104.01	550.0
9-Sep	FXD1/2008/20Yr	5.7	13.7500	13.2500	105.24	550.0
6-Sep	FXD2/2010/15Yr	3.3	9.0000	12.5000	92.91	389.5
7-Sep	FXD2/2010/15Yr	3.3	9.0000	12.3000	93.44	389.5
8-Sep	IFB 1/2017/7Yr	2.2	12.5000	11.7500	104.45	387.0
5-Sep	IFB 1/2022/18Yr	17.7	13.7420	13.3000	105.73	300.0
8-Sep	FXD 2/2017/5Yr	0.1	12.5170	8.5000	105.32	300.0
9-Sep	FXD2/2010/15Yr	3.2	9.0000	12.5000	93.10	300.0
8-Sep	IFB 1/2016/9Yr	2.7	12.5000	12.1500	104.52	285.9
5-Sep	IFB 1/2022/18Yr	17.7	13.7420	13.3500	105.43	220.0
6-Sep	IFB 1/2022/18Yr	17.7	13.7420	13.2261	106.22	220.0

### Sell & Buy-back

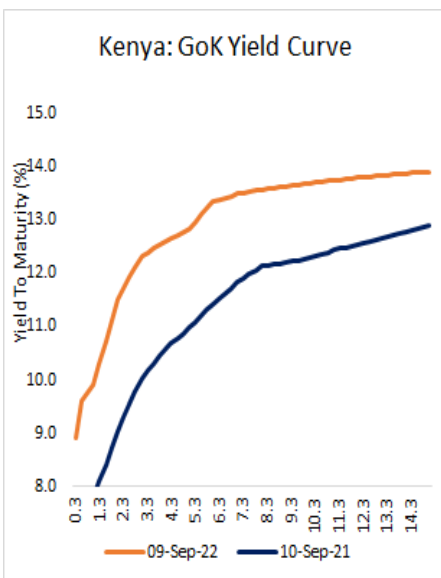
5-Sep	FXD1/2020/15Yr	12.4	12.7560	12.4900	102.14	2,000.0
6-Sep	FXD1/2020/15Yr	12.4	12.7560	12.4400	102.49	2,000.0
5-Sep	FXD1/2020/15Yr	12.4	12.7560	12.3900	102.77	1,500.0
6-Sep	FXD1/2020/15Yr	0.0	12.7560	12.3400	103.12	-

(Source: NSE, DBIB Research)

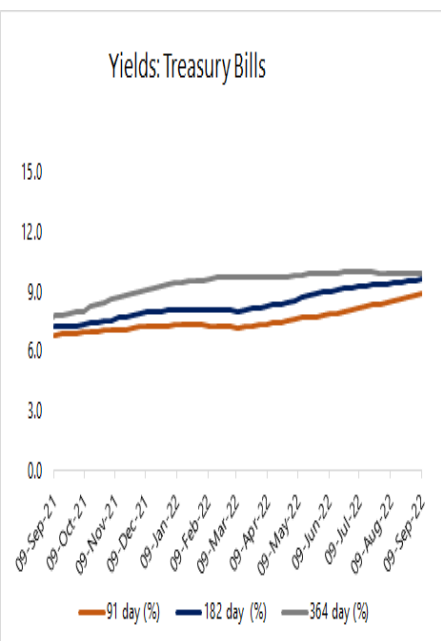
### Treasury Bill auction for the week ending 09 September 2022

Instrument	Amount (KES Bn)	Bids Received (KES Bn)	Subscription Rate (%)	Bids Accepted (KES Bn)	Yield (%)	w-o-w bps ch
91-day	4.00	27.01	675.37	20.16	8.910	5.0
182-day	10.00	6.23	62.27	4.32	9.599	2.3
364-day	10.00	3.48	34.76	3.48	9.915	3.9

(Source: NSE, DBIB Research)



Source: NSE, DBIB Research



Source: NSE, DBIB Research

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## Salient News

.....  
Safaricom and its partners' stake in the Ethiopia venture (Safaricom Telecommunication Ethiopia Plc) might drop by up to 15.5% following an announcement by the International Finance Corporation (IFC).  
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### IFC to purchase stake in Safaricom Telecommunication Ethiopia

Safaricom and its partners' stake in the Ethiopia venture (Safaricom Telecommunication Ethiopia Plc) might drop by up to 15.5% following an announcement by the International Finance Corporation (IFC) of its plan to buy shares worth KES 19.2 BN (\$ 160.0 MN) in the subsidiary. If this plan pushes through, Safaricom's stake could drop from 55.7% to approximately 47.1%.

*Source: Business Daily*

## UPCOMING EVENTS

### Profit Warnings

1. Sameer

<u>Company</u>	<u>Announcement</u>	<u>Book Closure</u>	<u>Payment</u>
BAT Kenya	Interim: KES 5.00	12-Aug-22	16-Sep-22
NCBA Group	Interim: KES 2.00	15-Sep-2022	30-Sep-22
Jubilee Holdings	Interim: KES 1.00	09-Sep-22	11-Oct-22
E.A Breweries	Final: KES 7.25	15-Sep-22	30-Oct-22
ABSA Kenya	Interim: KES 0.20	21-Sep-22	12-Oct-22
BOC Kenya	Interim: KES 1.60	30-Sep-22	22-Oct-22
Centum	Final: KES 0.587	26-Jul-22	STA*

*(Source: NSE, DBIB Research)*

*STA\*—Subject to approval*

## AGM SCHEDULE

<u>Company</u>	<u>Time</u>	<u>Venue</u>	<u>Date</u>
E.A Breweries	11:00 am	Safari Park Hotel	15-Sep-2022
Centum	8:00 am	Virtual	16-Sep-2022
Eagaads	11:00 am	Virtual	30-Sep-2022

*(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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