

DBIB WEEKLY BULLETIN

WEEK 38

Date: 23.09.2022

Contents:

Equity Market Sum Up	2
Fixed Income Wrap Up	4
Salient News	5
Corporate Actions	6
Appendix	7

INDICES & MARKET METRICS MOVEMENT

NSE 20 fell by 0.1% to close at 1,746.03 while **NASI** grew by 1.9% w-o-w to close at 134.86.

Index	Current	1 wk (%)	3 m (%)	6 m (%)	YTD (%)
NASI	134.86	1.90	15.06	(24.15)	(18.98)
NSE-20	1,746.03	(0.10)	10.98	(14.40)	(8.23)
DBIB Select	39.88	-	(53.40)	(63.13)	(59.20)
FTSE 15	170.14	-	6.37	(20.82)	(18.79)
FTSE 25	170.32	-	7.13	(28.17)	(24.10)
FTSE Frontier 50	42,417.83	(1.94)	(2.50)	(15.14)	(17.52)

(Source: NSE, Bloomberg, DBIB Research)

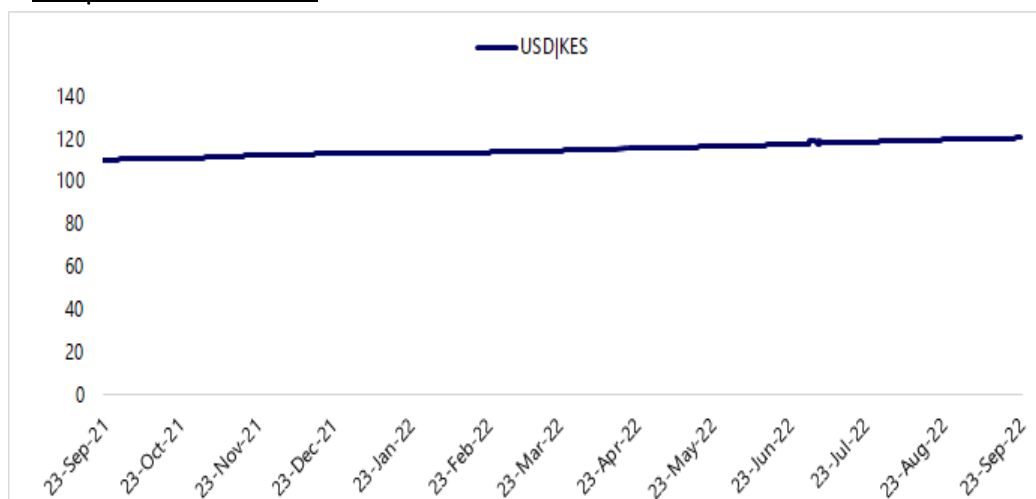
Weekly equity turnover fell by 10.8% w-o-w to USD 20.62 MN (KES 2.49 BN).

Market Metrics	Current	1 wk (ch)	3 m (ch)	6 m (ch)	12 m (ch)
Market Cap. (USD m)	2,101.53	1.91	(2.22)	15.10	(24.16)
Market Turnover (USD m)	20.62	(10.78)	224.20	109.98	(29.28)
Market P/E (x)	1.70	(5.56)	(58.54)	(85.63)	(90.41)
Market Div. yld (%) *	6.90	(10.00)	(65.58)	348.33	106.87
Market ROE (%) *	36.83	16.00	211.37	(100.22)	(275.91)

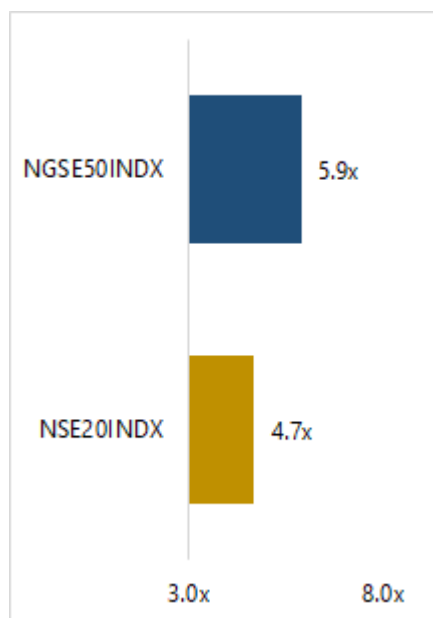
* Changes in % **Changes in bps -Market ROE is market cap weighted -ch: changes
(Source: NSE, DBIB Research)

USD | KES: KES weakened 0.1% w-o-w to close at 120.56 (-6.6% YTD).

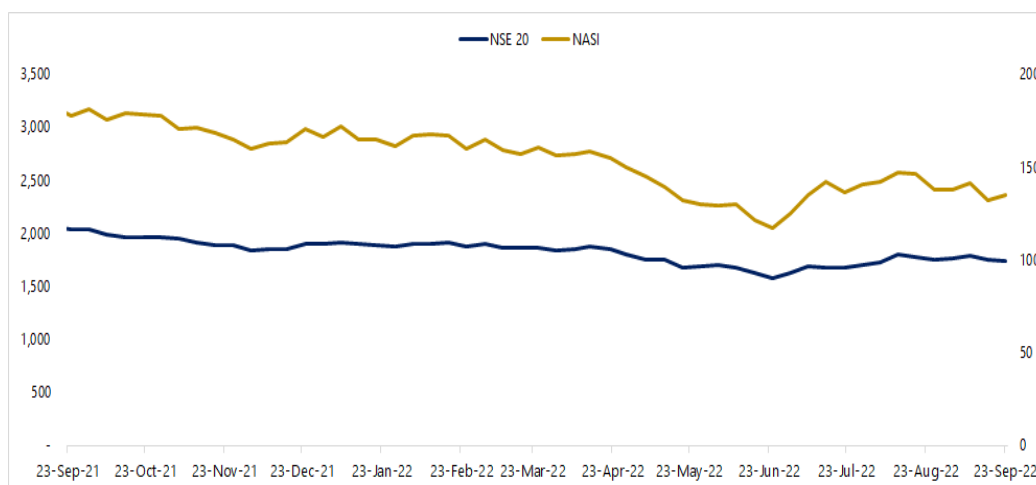
USD | KES : 52-Week Trend



PEER P/E MULTIPLES



Indices : 52-Week Trend



NSE20INDEX* - NSE 20 Index
NGSE50INDEX* - Nigeria Stock Exchange 50 Index

*LTM Price/EPS

(Source: NSE, DBIB Research)

WEEKLY BOURSE WRAP UP...

Safaricom emerged the top traded counter on the bourse recording a weekly turnover of USD 8.19 MN (KES 987.29 MN) representing 39.71% of this week's turnover.

The stock **grew** by 3.2% w-o-w at KES 27.40 on Friday.

Foreign investors assumed a **net selling** position on the counter this week by accounting for 0.39% of foreign sales and 74.71% of foreign purchases.

Week-on-Week Performance

<u>Top gainers</u>	<u>%</u>
Olympia Capital	16.3
Portland Cement	10.0
NCBA	8.4
Sasini	8.1
Eaagads	7.2

(Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
TPS EA	(14.6)
Sanlam	(13.0)
Liberty Kenya	(10.0)
Eveready Kenya	(8.8)
Sameer	(8.4)

(Source: NSE, DBIB Research)



<u>Top traders (Value)</u>	<u>USD MN</u>
Safaricom	8.19
NCBA Group	5.15
KCB Group	2.22
Equity Group	1.72
E.A Breweries	1.55

(Source: NSE, DBIB Research)

Y-T-D Performance

<u>Top gainers</u>	<u>%</u>
Olympia Capital	50.0
Crown Paints	39.3
Limuru Tea	37.8
Car & General	31.1
NCBA Group	31.0

(Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
NBV Ltd	(47.2)
Centum	(30.4)
Safaricom	(27.8)
Eveready	(25.5)
Jubilee Holdings	(22.6)

(Source: NSE, DBIB Research)



Weekly Foreign Performance

<u>Top Weekly Buys</u>	<u>% Purchase</u>
New Gold ETF	100.0
NSE	66.1
E.A Breweries	63.8
DTB Kenya	39.8
Crown Paints	31.7

(Source: NSE, DBIB Research)

<u>Top Weekly Sales</u>	<u>% Sold</u>
New Gold ETF	100.0
NSE	94.4
Carbacid	77.9
Safaricom	74.7
KCB Group	54.3

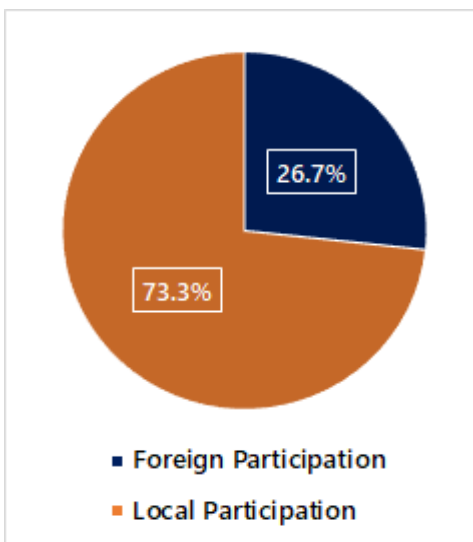
Y-T-D Foreign Performance

<u>Top Foreign Buys</u>	<u>% Purchase</u>
New Gold ETF	100.0
BK Group	86.5
Stanbic	80.1
Crown Paints	78.2
BAT Kenya	71.0

(Source: NSE, DBIB Research)

<u>Top Foreign Sales</u>	<u>% Sold</u>
New Gold ETF	98.6
KPLC	98.5
Safaricom	84.9
BAT Kenya	83.5
E.A Breweries	77.3

WEEKLY LOCAL VS FOREIGN PARTICIPATION



(Source: NSE, DBIB Research)

The Bond market's turnover for the week stood at USD 15.37 MN (KES 13.91 BN) representing a 84.50% w-o-w growth from USD 62.52 MN (KES 7.53 BN) recorded the previous week.

FROM THE FIXED INCOME DESK

The Bond market's turnover for the week stood at USD 115.37 MN (KES 13.91 BN) representing a 84.50% w-o-w growth from USD 62.52 MN (KES 7.53 BN) recorded the previous week. The bond issue number IFB1/2022/19Yr emerged as the top traded bond with a turnover of KES 2.49 BN accounting for 17.82% of the week's turnover. The bond traded between 12.4500% and 13.6700%.

October Bonds Issue: FXD1/2017/10 & FXD1/2020/15 (Re-opens) and FXD1/2022/25

The Central Bank Kenya re-opened the fixed coupon bonds: FXD1/2017/10 (4.9 years) and FXD1/2020/15 (12.3 years) with the intention of raising KES 40.0 BN for budgetary support. It also issued a new bond, FXD1/2022/25 (25 years), with the intention of raising KES 20.0 BN for budgetary support. The coupon rate for FXD1/2017/10 stands at 12.966%, that of FXD1/2020/15 stands at 12.756% while that of FXD1/2022/25 will be market determined. The period of sale of the re-opened bonds runs from 21 September 2022 to 04 October 2022 while that of the new issue runs from 21 September 2022 to 18 October 2022.

Top Trades for the week ending 23 September 2022

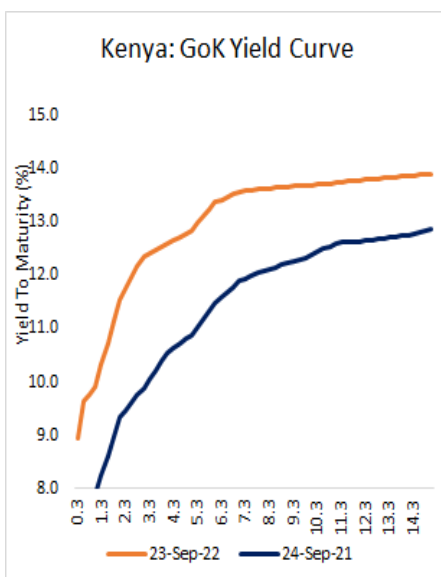
						Total
Trading Date	Issue No.	Years	Coupon (%)	Yield (%)	Price (KES m)	Value (KES m)
21-Sep	IFB 1/2015/12Yr	4.5	11.0000	12.3157	97.33	1,195.0
20-Sep	IFB 1/2015/12Yr	4.5	11.0000	12.4000	97.13	500.0
22-Sep	FXD 1/2017/10Yr	4.8	12.9660	12.7250	102.91	500.0
23-Sep	FXD 1/2017/10Yr	4.8	12.9660	12.6000	103.39	500.0
19-Sep	IFB 1/2022/19Yr	18.4	12.9650	13.5000	97.76	450.0
20-Sep	IFB 1/2022/19Yr	18.4	12.9650	13.2000	99.58	450.0
23-Sep	IFB 1/2022/18Yr	17.7	13.7420	13.4563	105.47	400.0
19-Sep	FXD1/2020/5Yr	2.6	11.6670	12.3000	102.84	300.0
23-Sep	FXD1/2022/15Yr	14.5	13.9420	13.9700	105.70	300.0
19-Sep	FXD3/2019/15Yr	11.8	12.3400	13.9500	92.65	250.0
21-Sep	FXD1/2022/15Yr	14.6	13.9420	13.9250	105.78	250.0
22-Sep	FXD3/2019/15Yr	11.8	12.3400	13.7263	93.95	250.0

(Source: NSE, DBIB Research)

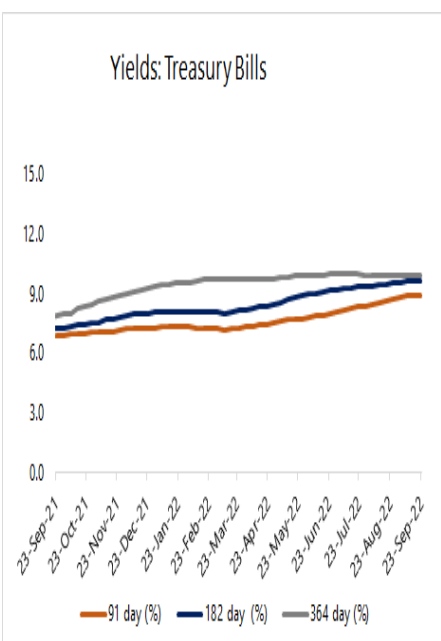
Treasury Bill auction for the week ending 23 September 2022

Instrument	Amount (KES Bn)	Bids Received (KES Bn)	Subscription Rate (%)	Bids Accepted (KES Bn)	Yield (%)	w-o-w bps ch
91-day	4.00	4.71	117.82	3.73	8.951	0.1
182-day	10.00	5.43	54.26	5.32	9.625	1.0
364-day	10.00	1.04	10.42	1.04	9.909	(0.4)

(Source: NSE, DBIB Research)



Source: NSE, DBIB Research



Source: NSE, DBIB Research

Salient News

.....
Jubilee Holdings has completed the sale of a majority stake in its Mauritius subsidiary to Allianz SE. .
.....

Jubilee completes stake sale of its Mauritius subsidiary to Allianz

Jubilee Holdings has completed the sale of a majority stake in its Mauritius subsidiary to Allianz SE. This marked the last transaction of its partial divesture in its general insurance businesses in the region. Jubilee, in 2020, started the process of selling stakes in its general insurance subsidiaries in Kenya Uganda, Tanzania, Mauritius and Burundi to Allianz for KES 10.8 BN. Jubilee Holdings will retain an 8.37% stake in the Mauritius subsidiary and a further 25.6% through its subsidiary (Jubilee Investments Company). Jubilee will receive a total of KES 7.75 BN from the aforementioned transaction.

Source: Company Filings

UPCOMING EVENTS

Profit Warnings

1. Sameer

<u>Company</u>	<u>Announcement</u>	<u>Book Closure</u>	<u>Payment</u>
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>
Eagaads	11:00 am	Virtual	30-Sep-2022

(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.*

DISCLAIMER

While every care has been taken in preparing this report and it has been prepared from sources believed to be reliable, no representation, warranty, or undertaking (express or implied) is given and no responsibility is accepted by Dyer and Blair Investment Bank Limited, its related companies, subsidiaries, affiliates, its employees and agents, as to the accuracy and completeness of the information contained herein or in respect of any reliance on or use thereof. This report is solely intended for distribution to clients of Dyer and Blair Investment Bank Limited. Any information may be changed after distribution at any time without any notice.

RESEARCH TEAM

Email: research@dyerandblair.com | Contact: +254 709 930 128