

# DBIB WEEKLY BULLETIN

# WEEK 48

Date: 01.12.2023

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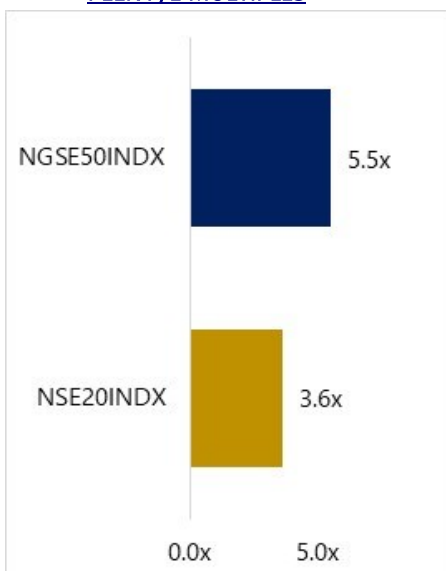
## INDICES & MARKET METRICS MOVEMENT

**NSE 20** shed 1.1% w-o-w to close at 1,494.45 and **NASI** edged up by 3 bps w-o-w to close at 92.27.

**Weekly equity turnover** rose by 123.2% w-o-w to close at USD 7.59 MN (KES 1.16 BN).

**USD | KES:** KES weakened by 0.3% w-o-w to close at 153.24 (-24.20% year-to-date).

### PEER P/E MULTIPLES



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

\*LTM Price/EPS

(Source: Bloomberg, DBIB Research)

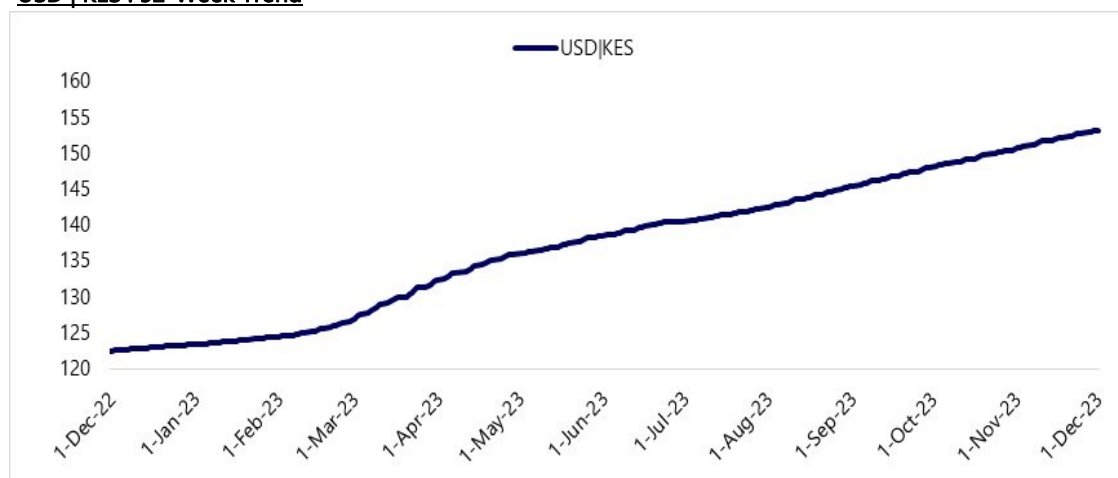
Index	Current	1 wk (%)	3 m (%)	6 m (%)	YTD (%)
NASI	92.27	0.03	(5.98)	(12.21)	(27.61)
NSE-20	1,494.45	(1.05)	(2.87)	(3.99)	(10.84)
DBIB Select	81.83	(0.29)	(3.29)	(20.91)	(25.13)
MSCI Kenya (USD)	592.41	0.63	(11.15)	(21.94)	(46.36)
MSCI Frontier (USD)	493.14	0.31	(3.09)	3.06	4.41

(Source: NSE, Bloomberg, DBIB Research)

Market Metrics	Current	1 wk (ch)	3 m (ch)	6 m (ch)	12 m (ch)
MarkEV Cap. (USD m)	1,441.59	0.04	7.61	(5.98)	(11.91)
MarkEV Turnover (USD m)	7.59	123.21	84.06	(37.53)	8.02
MarkEV P/E (x)	7.66	1.13	20.11	(11.89)	(7.40)
MarkEV Div. yld (%) *	3.95	(0.14)	(417.46)	(550.73)	(785.42)
MarkEV ROE (%) *	25.53	22.63	(200.98)	(366.23)	(1,723.20)

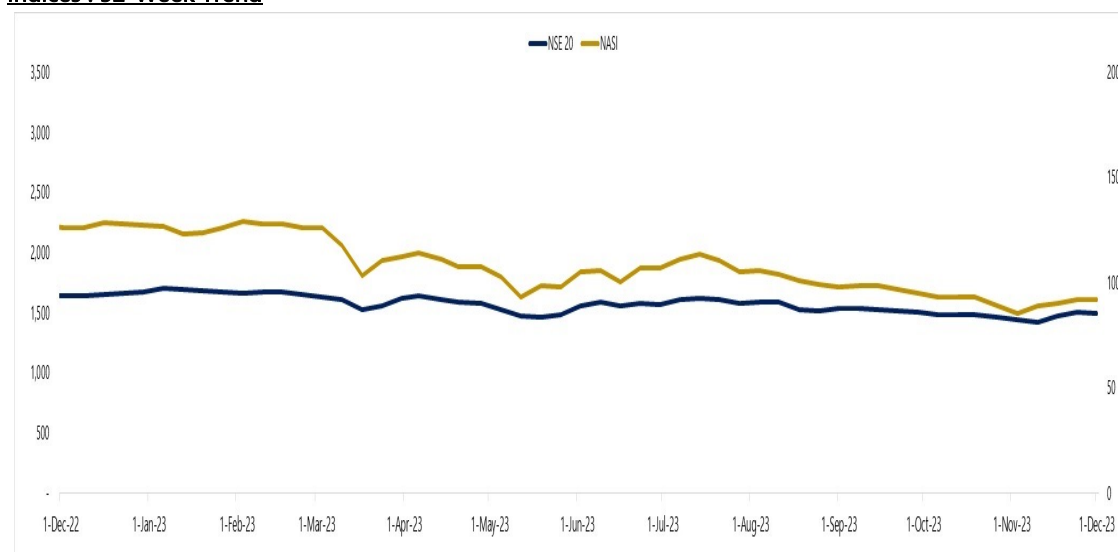
\* Changes in % \*\*Changes in bps -Market ROE is market cap weighted -ch: changes  
(Source: NSE, DBIB Research)

### USD | KES : 52-Week Trend



(Source: CBK, DBIB Research)

### Indices : 52-Week Trend



(Source: NSE, DBIB Research)



# WEEKLY BOURSE WRAP UP...

Safaricom emerged as the top traded counter on the bourse recording a weekly turnover of USD 3.93 MN (KES 0.60 BN) representing 51.80% of this week's turnover.

The stock rose by 2.6% w-o-w to close at KES 14.05 on Friday.

Foreign investors assumed a **net selling position** on the counter this week by accounting for **93.50%** of foreign sales and **91.92%** of foreign purchases.

## Week-on-Week Performance

<u>Top gainers</u>	<u>%</u>
Olympia Capital	17.0
Standard Group	16.0
Uchumi Supermarket	11.8
Liberty Kenya	11.7
Sanlam Kenya	10.0

(Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
Flame Tree Group	(14.5)
Carbacid	(10.4)
WPP Scangroup	(10.2)
BK Group	(9.6)
KenGen	(7.0)

(Source: NSE, DBIB Research)



<u>Top traders (Value)</u>	<u>USD MN</u>
Safaricom	3.93
Equity Group	1.87
KCB Bank	0.54
Stanbic	0.49
KenGen	0.17

(Source: NSE, DBIB Research)

## Y-T-D Performance

<u>Top gainers</u>	<u>%</u>
Kapchorua Tea	111.3
Umeme	92.7
Kenya Orchards	89.9
Eveready E.A.	87.5
Williamson Tea	44.8

(Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
KCB Bank	(50.1)
Unga Group	(48.6)
Safaricom	(47.2)
Trans-Century	(46.2)
Car & General	(41.8)

(Source: NSE, DBIB Research)



## Weekly Foreign Performance

<u>Top Weekly Buys</u>	<u>% Purchase</u>
Jubilee Holdings	94.4
Safaricom	91.9
Equity Group	88.3
E.A. Breweries	78.0
NSE	71.6

(Source: NSE, DBIB Research)

<u>Top Weekly Sales</u>	<u>% Sold</u>
Total Kenya	94.8
KenGen	94.6
Safaricom	93.5
Sameer Africa	93.3
Equity Group	92.9

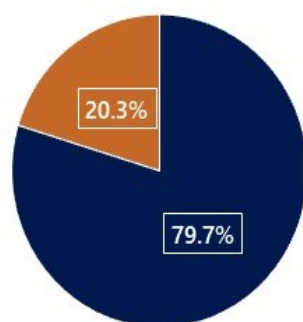
## Y-T-D Foreign Performance

<u>Top Foreign Buys</u>	<u>% Purchase</u>
BK Group	89.2
EA Breweries	67.6
New Gold ETF	63.6
Equity	62.4
NBV	59.7

(Source: NSE, DBIB Research)

<u>Top Foreign Sales</u>	<u>% Sold</u>
BAT	86.0
New Gold ETF	85.9
Safaricom	81.2
BK Group	75.6
Unga Group	62.7

## WEEKLY LOCAL VS FOREIGN PARTICIPATION



■ Foreign Participation  
■ Local Participation

(Source: NSE, DBIB Research)

## FROM THE FIXED INCOME DESK

The **Bond market's turnover** for the week stood at USD 65.91 MN (KES 10.10 BN) representing a 29.9% w-o drop from USD 94.06 MN (KES 14.37 BN) recorded the previous week.

The Bond market's turnover for the week stood at USD 65.91 MN (KES 10.10 BN) representing a 29.9% w-o-w drop from USD 94.06 MN (KES 14.37 BN) recorded the previous week. The bond issue number IFB1/2023/6.5Yr emerged as the top traded bond with a turnover of KES 2.74 BN accounting for 27.2% of the week's turnover. The bond traded between 18.2000% and 16.6600%.

### Top Trades for the week ending 01 December 2023

						Total
						Value
Trading Date	Issue No.	Years	Coupon (%)	Yield (%)	Price (KES m)	(KES m)
1-Dec	FXD2/2019/5Yr	0.4	10.8720	17.6000	101.81	1,600.0
30-Nov	FXD1/2017/10Yr	3.6	12.9660	18.4000	90.55	1,000.0
29-Nov	FXD1/2017/10Yr	3.6	12.9660	18.4500	90.39	500.0
29-Nov	IFB1/2023/6.5Yr	6.4	17.9327	17.8000	101.17	500.0
1-Dec	FXD1/2017/10Yr	3.6	12.9660	18.1800	91.11	500.0
29-Nov	FXD1/2023/2Yr	1.7	16.9723	17.7000	103.53	300.0
29-Nov	IFB1/2023/6.5Yr	6.4	17.9327	17.8250	101.09	300.0
29-Nov	IFB1/2023/6.5Yr	6.4	17.9327	17.7750	101.24	300.0
30-Nov	IFB1/2023/6.5Yr	6.4	17.9327	17.8000	101.21	300.0
1-Dec	FXD1/2017/10Yr	3.6	12.9660	18.3500	90.71	250.0
27-Nov	FXD2/2019/5Yr	0.4	10.8720	17.8000	97.78	200.0
28-Nov	FXD1/2023/2Yr	1.7	16.9723	17.7000	103.48	200.0
27-Nov	IFB1/2022/19Yr	17.2	12.9650	14.2277	96.41	180.5
30-Nov	IFB1/2023/6.5Yr	6.4	17.9327	17.8250	101.14	175.0
1-Dec	IFB1/2023/6.5Yr	6.4	17.9327	17.8000	101.26	175.0
27-Nov	IFB1/2022/14Yr	12.9	13.9380	17.4000	84.88	160.0
1-Dec	IFB1/2022/14Yr	12.9	13.9380	14.8100	96.33	160.0
29-Nov	IFB1/2019/16Yr	11.9	11.7500	16.8000	78.24	137.0
29-Nov	IFB1/2019/16Yr	11.9	11.7500	16.3000	80.14	137.0
30-Nov	IFB1/2019/16Yr	11.9	11.7500	14.8000	86.32	137.0
27-Nov	IFB1/2022/19Yr	17.2	12.9650	17.4000	81.88	130.0
1-Dec	IFB1/2023/6.5Yr	6.4	17.9327	16.7400	104.61	110.8
28-Nov	IFB1/2021/16Yr	13.1	12.2570	15.3851	89.43	100.0
28-Nov	IFB1/2022/19Yr	17.2	12.9650	14.1875	96.66	100.0
1-Dec	IFB1/2022/18Yr	16.5	13.7420	16.8250	91.51	100.0
1-Dec	IFB1/2022/18Yr	16.5	13.7420	16.4000	93.34	100.0
29-Nov	IFB1/2022/18Yr	16.5	13.7420	16.6250	92.28	90.0
29-Nov	IFB1/2022/18Yr	16.5	13.7420	16.3000	93.71	90.0
30-Nov	IFB1/2023/6.5Yr	6.4	17.9327	16.7543	104.51	75.8

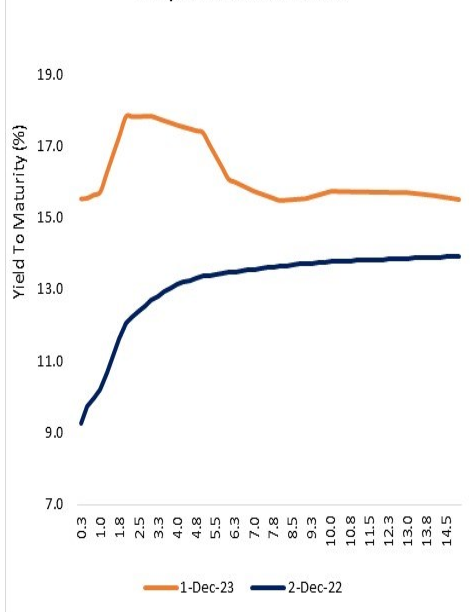
(Source: NSE, DBIB Research)

### Treasury Bill auction for the week ending 01 December 2023

Instrument	Amount (KES Bn)	Bids Received (KES Bn)	Subscription Rate (%)	Bids Accepted (KES Bn)	Yield (%)	w-o-w bps ch
91-day	4.00	19.40	484.97	18.29	15.529	8.7
182-day	10.00	2.70	26.98	2.70	15.550	10.6
364-day	10.00	2.00	19.66	1.85	15.727	14.4

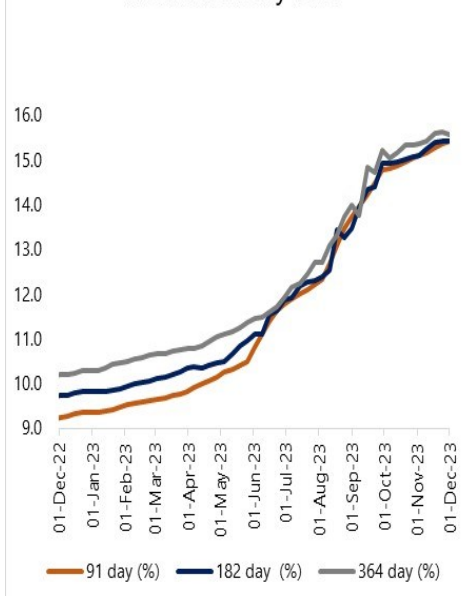
(Source: NSE, DBIB Research)

Kenya: GoK Yield Curve



Source: NSE, DBIB Research

Yields: Treasury Bills



Source: NSE, DBIB Research

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## Salient News

### Eaagads Ltd HY23 Earnings

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**Eaagads** released its HY23 earnings reporting an after tax loss of KES 33.1 MN.  
.....

**Eaagads released its HY23 earnings reporting an after tax loss of KES 33.1 MN.** The loss was primarily driven by the significantly minimal coffee sales made owing to the ongoing government initiated coffee reforms which have negatively impacted the Company's ability to do direct coffee sales as has been the practice.

**Operating loss stood at KES 16.99 MN** .Finance costs for the period stood at 17.9 MN.

**Total assets increased 12.1% y-o-y to KES 1.5 BN** after a 9.6% y-o-y increase in non-current assets to KES 1.2 BN and a 28.1% y-o-y increase in current assets to KES 232.2 MN.

**Total liabilities increased 184.4% y-o-y to KES 346.9 MN** following a 156.3% y-o-y increase in non-current liabilities to KES 215.2 MN and a 246.5% y-o-y increase in current liabilities to KES 131.7 MN. Total equity for the period decreased 5.2% y-o-y to KES 1.1 BN.

**Net cash from operating activities stood at 98.1 MN.** Net cash used in investing activities was stated as KES 9.1MN while net cash generated from financing activities stood at KES 108.3 MN.

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

### Centum Investment PLC HY23 Earnings

.....  
**Centum Investments plc** released its H23 earnings reporting a profit after tax of KES 1.43 BN.  
.....

**Centum Investments plc (The Entity) released its H23 earnings reporting a profit after tax of KES 1.43 BN.** which was a significant increase from 244.03 MN reported in the prior period.

**Investments and other income increased 151.6% y-o-y to 1.8 BN.** This increase was attributed to an overall improvement in performance of the underlying portfolio leading to an increase in annuity income and gains.

**Operating Profit stood at KES 1.35 BN** while other income stood at KES 4.8 BN. Finance costs for the period decreased 33.8% y-o-y to 142.1 MN.

**Total assets increased 16.4% y-o-y to KES 48.6 BN** after 15.6%y-o-y increase in non-current assets to KES 47.8 BN and a 116.1% y-o-y increase in current assets to KES 752.0 MN

**Total liabilities increased 17.5% y-o-y to KES 6.8 BN** following a 2.5% y-o-y decrease in non-current liabilities to KES 2.2 BN and a 30.3% y-o-y increase in other liabilities to KES 4.6 BN. Total equity for the period increased 16.2% y-o-y to KES 41.80 BN.

**Net cash from operating activities stood at 842.0 MN.** Net cash used in investing activities was stated as KES 167.0 MN while net cash used from financing activities stood at KES 417.0 MN.

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

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## Salient News

### HF Group PLC 3Q23 Earnings

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**HF Group** released its 3Q23 results reporting a 283.9% y-o-y upswing in after-tax profits to KES 236.2 MN  
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HF Group released its 3Q23 results reporting a 283.9% y-o-y upswing in after-tax profits to KES 236.2 MN steered by a 20.6% y-o-y increase in non-funded income to KES 908.4 MN a 21.3% y-o-y increase in net interest income to KES 1.9 BN and a 23.9% y-o-y increase in loan loss provisions to KES 4.6 BN. EPS for the period stood at KES 0.82 (3Q22: KES 0.21).

**Net interest income went up by 23.9% y-o-y to KES 1.9 BN** following a 20.3% y-o-y increase in interest income to KES 3.8 BN which offset a 19.3% y-o-y rise in interest expense to KES 1.9 BN.

**Loan loss provision increased by 23.9% y-o-y to KES 4.6 BN .**

**Total assets increased 10.1% y-o-y to KES 60.7BN. Total liabilities increased 10.2% y-o-y to KES 346.9 MN** Total equity for the period increased 9.6% y-o-y to KES 8.7BN.

**Customer deposits stood at KES 43.8 BN while Customer loans and advances increased by 9.3% y-o-y to KES 38.5 BN** while investment securities increased by 8.5% y-o-y to KES 9.3 BN.

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

### Bamburi Cement to hold EGM on the sale of Hima Cement.

.....  
**Bamburi Cement** has issued a circular to all its shareholders, informing them of an Extraordinary General Meeting with the main purpose of selling of it's 70% indirect shareholding in Hima Cement Uganda.  
.....

**Bamburi Cement** has issued a circular to all its shareholders informing them of an Extraordinary General Meeting (EGM) with the main purpose of selling of it's 70% indirect shareholding in Hima Cement Uganda. The sale is to be made to Rwimi Holdings Limited which is a wholly owned subsidiary of Sarrai Group Limited and Sarrai Group Limited.

The EGM is to be held virtually on 14<sup>th</sup> December 2023 at 10:00 a.m.

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

## UPCOMING EVENTS

### Profit Warnings

1. Longhorn
2. Nation Media
3. Car & General
4. Sasini
5. Crown Paints
6. WPP Scangroup
7. Sameer Africa

<u>Company</u>	<u>Announcement</u>	<u>Book Closure</u>	<u>Payment</u>
Carbacid	First & Final: KES 1.70	24-Nov-23	15-Dec-23
BK Group	Interim: FRw 8.44	29-Nov-23	20-Dec-23
KenGen	First & Final: KES 0.30	30-Nov-23	15-Feb-24
Williamson Tea	Interim: KES 10.00	07-Dec-23	13-Dec-23
Kapchorua Tea	Interim: KES 10.00	07-Dec-23	13-Dec-23
Standard Chartered	Interim: KES 6.00	14-Dec-23	28-Dec-23
Umeme	Interim: UGX 24.00	09-Feb-24	29-Feb-24

*(Source: NSE, DBIB Research)*

*STA\*—Subject to approval*

## AGM SCHEDULE

<u>Company</u>	<u>Time</u>	<u>Venue</u>	<u>Date</u>
Carbacid	11:00 a.m.	Virtual	15-Dec-23

*(Source: NSE, DBIB Research)*

## EGM SCHEDULE

<u>Company</u>	<u>Time</u>	<u>Venue</u>	<u>Date</u>
Bamburi Cement	10:00 a.m.	Virtual	14-Dec-23

*(Source: NSE, 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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