

DBIB WEEKLY BULLETIN

WEEK 49

Date: 08.12.2023

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 and NASI increased by 1.3% and 1.8% w-o-w to close at 1513.19 and 93.94 respectively.

Weekly equity turnover rose by 16.4% w-o-w to close at USD 8.83 MN (KES 1.35 BN).

USD | KES: KES weakened by 0.1% w-o-w to close at 153.34 (-24.29% year-to-date).

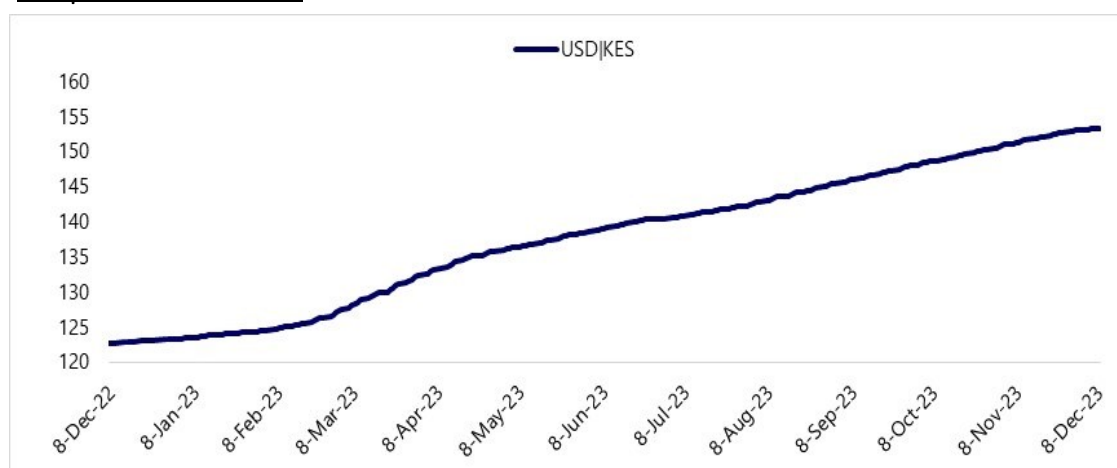
Index	Current	1 wk (%)	3 m (%)	6 m (%)	YTD (%)
NASI	93.94	1.81	(4.82)	(11.24)	(26.30)
NSE-20	1,513.19	1.25	(1.85)	(5.07)	(9.72)
DBIB Select	82.20	0.45	(2.63)	(6.73)	(24.80)
MSCI Kenya (USD)	601.31	1.50	(9.31)	(20.26)	(45.55)
MSCI Frontier (USD)	496.69	0.72	(1.99)	2.44	5.16

(Source: NSE, Bloomberg, DBIB Research)

Market Metrics	Current	1 wk (ch)	3 m (ch)	6 m (ch)	12 m (ch)
MarkEV Cap. (USD m)	1,467.68	1.81	5.61	(4.82)	(10.95)
MarkEV Turnover (USD m)	8.83	16.40	(15.10)	12.07	100.16
MarkEV P/E (x)	8.02	4.59	9.23	(8.81)	(4.39)
MarkEV Div. yld (%) *	3.88	(7.01)	(419.90)	(551.18)	(382.44)
MarkEV ROE (%) *	25.44	(8.34)	(213.31)	(383.90)	(1,012.54)

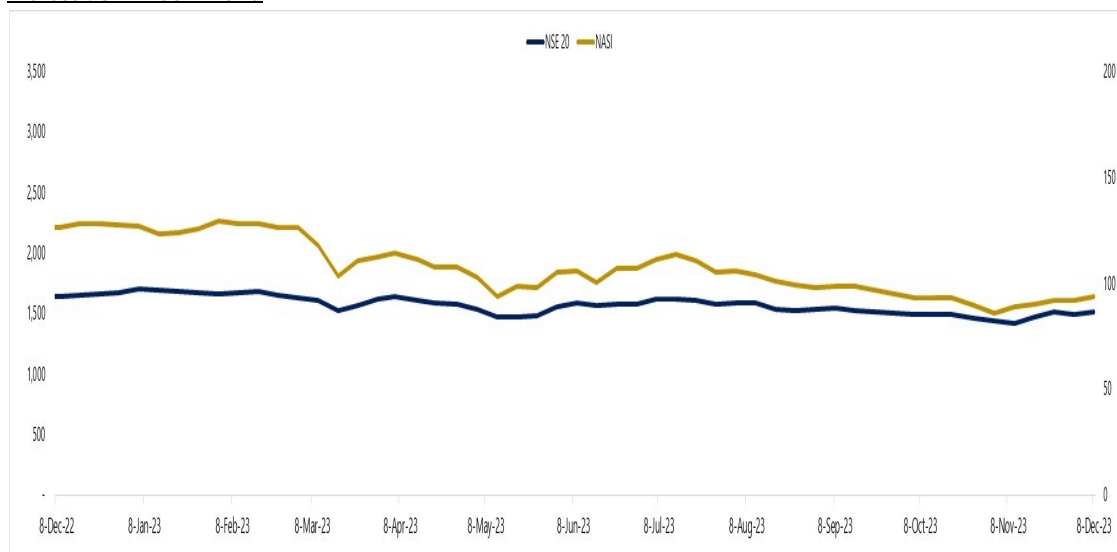
* Changes in % **Changes in bps -Market ROE is market cap weighted -ch: changes
(Source: NSE, DBIB Research)

USD | KES : 52-Week Trend



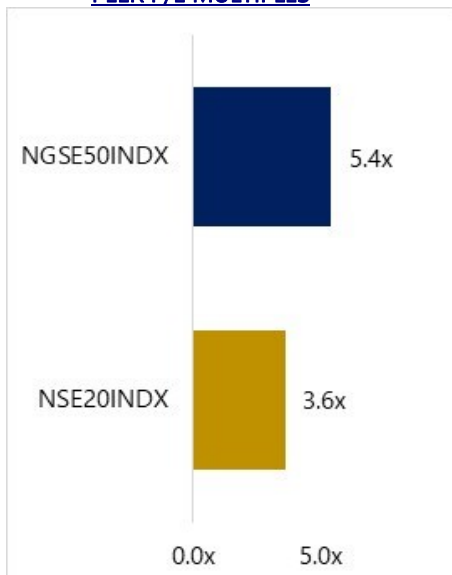
(Source: CBK, DBIB Research)

Indices : 52-Week Trend



(Source: NSE, DBIB Research)

PEER P/E MULTIPLES



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

*LTM Price/EPS

(Source: Bloomberg, DBIB Research)

WEEKLY BOURSE WRAP UP...

Safaricom emerged as the top traded counter on the bourse recording a weekly turnover of USD 7.04 MN (KES 1.08 BN) representing 76.96% of this week's turnover.

The stock rose by 3.6% w-o-w to close at KES 14.55 on Friday.

Foreign investors assumed a **net selling position** on the counter this week by accounting for 92.25% of foreign sales and 17.27% of foreign purchases.

Week-on-Week Performance

<u>Top gainers</u>	<u>%</u>
Bamburi Cement	18.0
Eaagads	9.8
BK Group	9.1
STANLIB FAHARI	8.6
E.A. Cables	6.7

(Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
Eveready E.A.	(14.5)
Home Afrika	(10.0)
Standard Group	(9.9)
Olympia Capital	(9.7)
Housing Finance	(8.9)

(Source: NSE, DBIB Research)



<u>Top traders (Value)</u>	<u>USD MN</u>
Safaricom	7.04
Equity Group	0.37
KCB Group	0.30
Stanbic Kenya	0.28
E.A. Breweries	0.22

(Source: NSE, DBIB Research)

Y-T-D Performance

<u>Top gainers</u>	<u>%</u>
Kapchorua Tea	105.3
Umeme	100.8
Eveready E.A.	87.5
Kenya Orchards	62.3
Williamson Tea	37.2

(Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
Unga Group	(52.2)
Car & General	(49.4)
Safaricom	(49.3)
Trans-Century	(43.0)
KCB Group	(39.8)

(Source: NSE, DBIB Research)



Weekly Foreign Performance

<u>Top Weekly Buys</u>	<u>% Purchase</u>
NSE	95.3
EA Breweries	82.0
KCB Group	69.0
Equity Group	68.0
Kenya Power	56.8

(Source: NSE, DBIB Research)

<u>Top Weekly Sales</u>	<u>% Sold</u>
Safaricom	92.2
Centum	91.4
Equity Group	90.9
Total Kenya	85.4
KCB Group	78.1

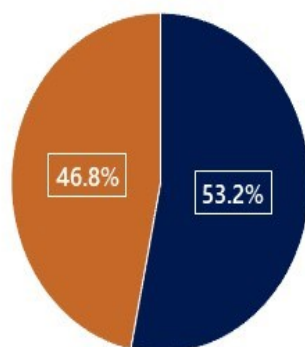
Y-T-D Foreign Performance

<u>Top Foreign Buys</u>	<u>% Purchase</u>
BK Group	89.2
EA Breweries	67.8
New Gold ETF	63.6
Equity	62.4
NBV	59.7

(Source: NSE, DBIB Research)

<u>Top Foreign Sales</u>	<u>% Sold</u>
New Gold ETF	85.9
BAT Kenya	85.8
Safaricom	81.6
BK Group	75.6
Unga Group	62.6

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 84.47 MN (KES 12.95 BN) representing a 28.2% w-o-w increase from USD 65.91 MN (KES 10.10 BN) recorded the previous week.

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IFB1/2023/6.5 Tap sale Results

The Central Bank of Kenya (CBK) had a tap sale for the IFB1/2023/6.5 (6.5 years) with the intention of raising KES 25.0 BN for funding infrastructure projects in the FY2023/2024 budget. From the auction, the CBK received a sum of KES 47.24 BN at face value translating to a subscription rate of 189.0%. In turn, it accepted total bids at cost of KES 47.87 BN. The coupon rate for IFB1/2023/6.5 was already predetermined and stood at 17.9327%

Top Trades for the week ending 08 December 2023

Trading Date	Issue No.	Years	Coupon	Yield	Price	Total Value
			(%)	(%)	(KES m)	(KES m)
6-Dec	FXD1/2021/20Yr	17.6	13.4440	15.5000	91.83	1,100.0
5-Dec	FXD1/2021/20Yr	17.6	13.4440	15.9000	89.70	1,083.5
6-Dec	FXD1/2017/10Yr	3.6	12.9660	18.1500	91.40	500.0
7-Dec	IFB1/2021/16Yr	13.1	12.2570	11.6100	108.09	500.0
8-Dec	FXD1/2017/10Yr	3.6	12.9660	17.5000	93.03	500.0
7-Dec	FXD2/2019/10Yr	5.3	12.3000	12.2700	102.07	450.0
7-Dec	FXD1/2019/10Yr	5.2	12.4380	18.7000	83.35	375.0
8-Dec	FXD1/2019/10Yr	5.2	12.4380	17.7000	86.24	375.0
5-Dec	IFB1/2019/25Yr	20.2	12.2000	16.8714	78.00	300.0
5-Dec	IFB1/2020/11Yr	7.7	10.9000	17.0000	83.87	300.0
6-Dec	IFB1/2020/11Yr	7.7	10.9000	16.7000	84.72	300.0
8-Dec	FXD1/2023/2Yr	1.7	16.9723	17.8000	103.82	300.0
8-Dec	IFB1/2023/6.5Yr	6.4	17.9327	17.7500	101.75	300.0
8-Dec	IFB1/2023/6.5Yr	6.4	17.9327	17.7300	101.81	300.0

Sell & buy-backs

7-Dec	FXD1/2016/10Yr	2.7	15.0390	16.4900	101.32	100.0
7-Dec	FXD2/2019/10Yr	5.3	12.3000	12.2700	102.07	450.0

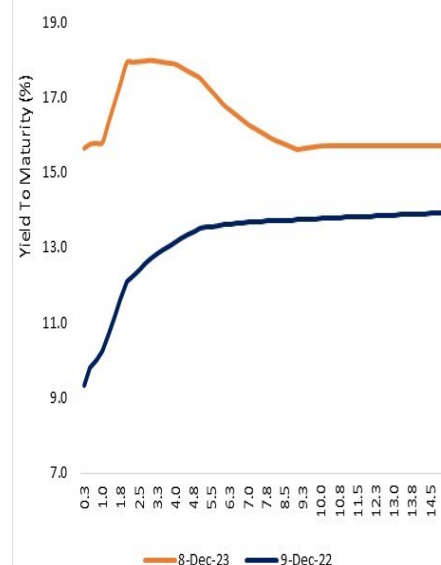
(Source: NSE, DBIB Research)

Treasury Bill auction for the week ending 08 December 2023

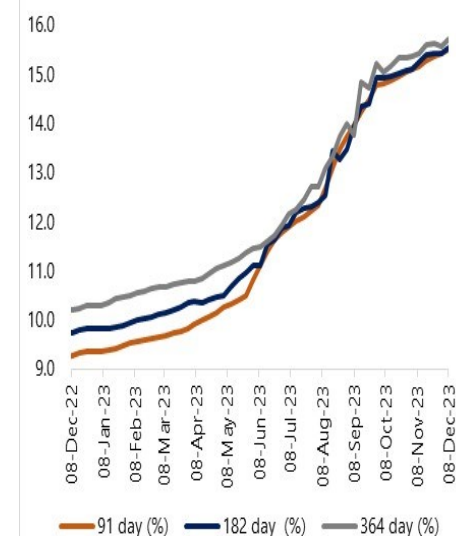
Instrument	Amount	Bids Received	Subscription	Bids Accepted	Yield	w-o-w
	(KES Bn)	(KES Bn)	Rate (%)	(KES Bn)	(%)	bps ch
91-day	4.00	31.44	786.08	29.29	15.6348	10.6
182-day	10.00	5.41	54.12	5.41	15.7487	19.8
364-day	10.00	0.80	8.00	0.80	15.7947	6.8

(Source: NSE, DBIB Research)

Kenya: GoK Yield Curve



Yields: Treasury Bills



Salient News

Express Kenya Issues Profit Warning.

.....
Express Kenya has issued a
profit warning
.....

Express Kenya has issued a profit warning with the board of directors stating that the company has been facing adverse economic challenges throughout the year which has greatly affected its operational efficiency and bottom line. The warehousing business of the company is still significantly low due to decrease in demand and low economic activities leading to reduced income.

(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
8. Kakuzi
9. Express Kenya

<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)

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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