

DBIB WEEKLY BULLETIN

WEEK 06

Date: 10.02.2023

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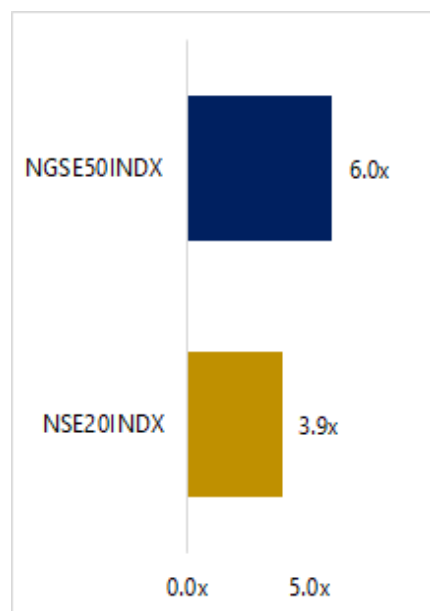
INDICES & MARKET METRICS MOVEMENT

NSE 20 rose by 0.5% w-o-w to close at 1,671.86 while **NASI** dropped by 0.8% w-o-w to close at 128.25.

Weekly equity turnover rose by 61.3% w-o-w to close at USD 11.05 MN (KES 1.38 BN).

USD | KES: KES weakened 0.4% w-o-w to close at 125.08 (-1.4% year-to-date).

PEER P/E MULTIPLES



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

*LTM Price/EPS

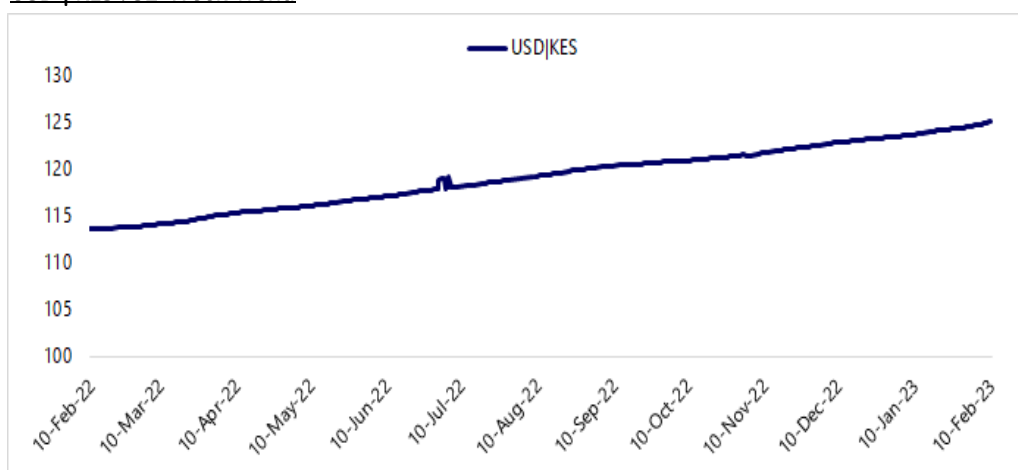
Index	Current	1 wk (%)	3 m (%)	6 m (%)	YTD (%)
NASI	128.25	(0.77)	0.12	(12.68)	0.61
NSE-20	1,671.86	0.46	0.32	(7.09)	(0.25)
DBIB Select	110.51	(0.06)	13.97	177.14	1.11
MSCI Kenya (USD)	1,106.26	(1.20)	(3.24)	(19.28)	0.17
MSCI Frontier (USD)	494.17	(0.48)	8.67	(7.85)	4.63

(Source: NSE, Bloomberg, DBIB Research)

Market Metrics	Current	1 wk (ch)	3 m (ch)	6 m (ch)	12 m (ch)
Market Cap. (USD m)	1,998.33	(0.76)	4.06	0.13	(12.71)
Market Turnover (USD m)	11.05	61.28	17.93	10.16	90.86
Market P/E (x)	10.72	(1.81)	6.16	215.35	116.31
Market Div. yld (%) *	7.61	5.47	21.42	104.42	361.42
Market ROE (%) *	37.66	(10.84)	225.08	76.49	(208.92)

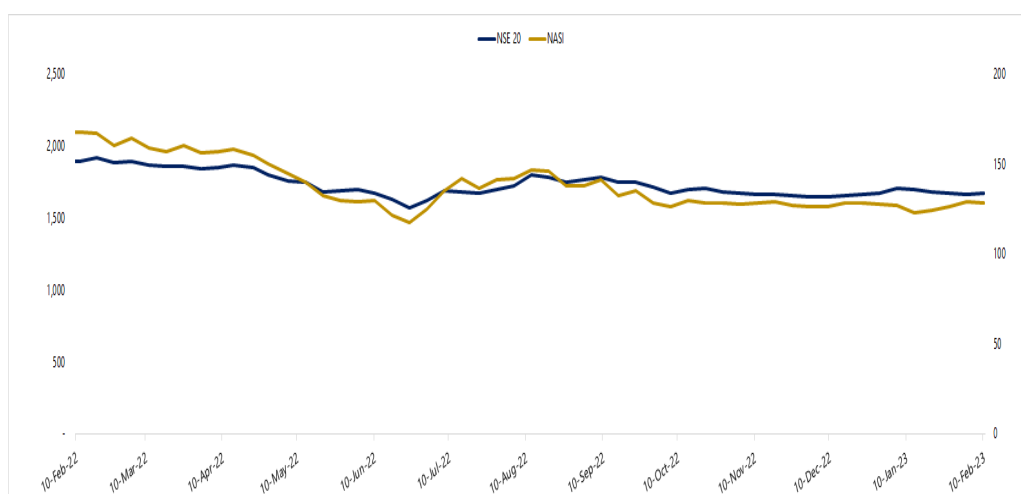
* Changes in % **Changes in bps -Market ROE is market cap weighted -ch: changes
(Source: NSE, DBIB Research)

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 3.86 MN (KES 483.38 MN) representing 34.96% of this week's turnover.

The stock shed 2.4% w-o-w to close at KES 23.90 on Friday.

Foreign investors assumed a **net buying** position on the counter this week by accounting for 32.86% of foreign sales and 76.78% of foreign purchases.

Week-on-Week Performance

<u>Top gainers</u>	<u>%</u>
Housing Finance	9.6
Express Kenya	9.1
Liberty Kenya	8.5
NCBA Group	5.8
Williamson Tea	5.6

(Source: NSE, DBIB Research)

<u>Top Losers</u>	<u>%</u>
Trans-Century	(10.2)
Uchumi	(9.5)
E.A. Cables	(7.4)
Unga Group	(7.1)
Home Afrika	(5.9)

(Source: NSE, DBIB Research)

<u>Top traders (Value)</u>	<u>USD MN</u>
Safaricom	3.86
KCB Group	2.71
Equity Group	1.56
BAT Kenya	1.16
StanChart Bank	0.42

(Source: NSE, DBIB Research)

Y-T-D Performance

<u>Top gainers</u>	<u>%</u>
Kenya Orchards	44.2
Umeme Ltd	30.7
Trans-Century	22.6
Housing Finance	11.3
StanChart Bank	10.7

(Source: NSE, DBIB Research)

<u>Top Losers</u>	<u>%</u>
Car & General	(24.1)
Unga Group	(18.8)
Uchumi	(17.4)
Crown Paints	(15.3)
Sanlam Kenya	(13.2)

(Source: NSE, DBIB Research)

Weekly Foreign Performance

<u>Top Weekly Buys</u>	<u>% Purchase</u>
Safaricom	76.8
E.A Breweries	73.5
Equity Group	64.8
KCB Group	52.4
NBV Plc	39.9

(Source: NSE, DBIB Research)

<u>Top Weekly Sales</u>	<u>% Sold</u>
Kakuzi	100.0
NSE	87.1
BAT Kenya	80.5
KPLC	80.0
Unga Ltd	79.0

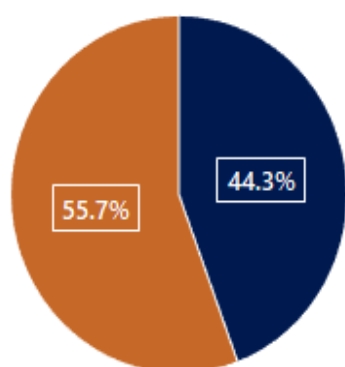
Y-T-D Foreign Performance

<u>Top Foreign Buys</u>	<u>% Purchase</u>
New Gold ETF	100.0
E.A Breweries	78.0
Stanbic	57.5
Equity Group	50.7
NBV Plc	50.2

(Source: NSE, DBIB Research)

<u>Top Foreign Sales</u>	<u>% Sold</u>
New Gold ETF	98.2
BAT Kenya	90.7
Safaricom	79.3
BK Group	75.0
NSE	73.2

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 79.92 MN (KES 10.00 BN) representing a 12.9% w-o-w decrease from USD 91.76 MN (KES 11.43 BN) recorded the previous week.

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February Auction Results: FXD1/2017/10 (re-opened) and FXD1/2023/10 (new)

The Central Bank of Kenya (CBK) re-opened FXD1/2017/10 (4.5 years) and FXD1/2023/10 (10.0 years) with the intention of raising KES 50.0 BN for budgetary support. From the auction, the CBK received a sum of KES 19.5 BN (FXD1/2017/10: KES 8.0 BN, FXD1/2023/10: KES 11.5 BN) translating to a subscription rate of 39.1% (FXD1/2017/10: 16.1%, FXD1/2023/10: 23.0%). In turn, it accepted KES 7.5 BN for FXD1/2017/10 and KES 9.3 BN for FXD1/2023/10. The coupon rate for FXD1/2017/10 stands at 12.966% while that of FXD1/2023/10 came in at 14.151%.

Top Trades for the week ending 10 February 2023

Trading Date	Issue No.	Years	Coupon (%)	Yield (%)	Total	
					Price (KES m)	Value (KES m)
7-Feb	FXD1/2021/5Yr	3.8	11.2770	11.3500	102.38	639.5
10-Feb	IFB1/2022/14Yr	13.7	13.9380	13.8500	103.78	500.0
9-Feb	IFB1/2022/14Yr	13.7	13.9380	13.7500	104.29	313.0
8-Feb	IFB1/2022/14Yr	13.7	13.9380	13.8500	103.71	300.0
9-Feb	FXD1/2020/5Yr	2.2	11.6670	12.6750	101.05	300.0
9-Feb	FXD2/2013/15Yr	5.2	12.0000	13.5427	98.13	300.0
10-Feb	FXD1/2020/5Yr	2.2	11.6670	12.6500	101.13	300.0
7-Feb	FXD1/2019/5Yr	1.0	11.3040	10.8750	105.65	220.0
6-Feb	FXD2/2019/5Yr	1.2	10.8720	11.3900	102.09	200.0
6-Feb	FXD1/2021/5Yr	3.8	11.2770	11.3500	102.34	200.0
6-Feb	IFB1/2015/12Yr	4.5	11.0000	12.6500	101.26	200.0
6-Feb	IFB1/2022/14Yr	13.7	13.9380	13.7250	104.31	200.0
7-Feb	IFB1/2015/12Yr	4.5	11.0000	12.3500	101.81	200.0
8-Feb	FXD1/2020/5Yr	2.2	11.6670	11.6400	102.99	200.0
8-Feb	IFB1/2022/6Yr	5.8	13.2150	13.2000	102.36	200.0
9-Feb	FXD1/2009/15Yr	1.7	12.5000	12.1000	104.74	200.0

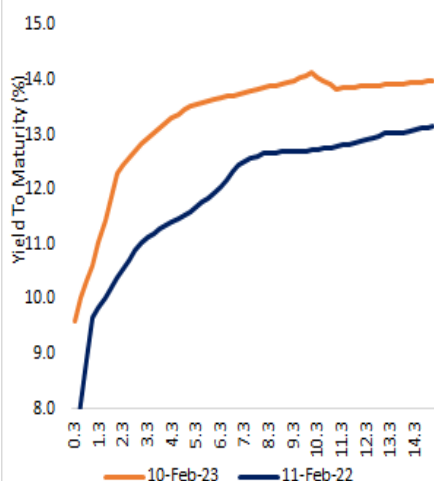
(Source: NSE, DBIB Research)

Treasury Bill auction for the week ending 10 February 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	31.20	779.96	27.03	9.601	2.0
182-day	10.00	9.33	93.26	9.23	10.042	4.5
364-day	10.00	4.38	43.76	4.38	10.603	5.3

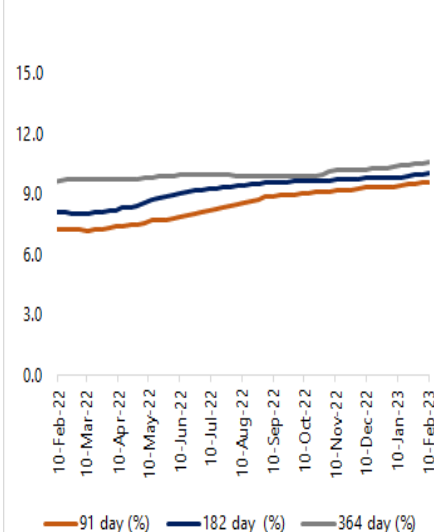
(Source: NSE, DBIB Research)

Kenya: GoK Yield Curve



Source: NSE, DBIB Research

Yields: Treasury Bills



Source: NSE, DBIB Research

Salient News

Centum authorizes its share buyback program

.....
Centum announced that it has authorized to undertake a share buyback program aimed at purchasing up to 66.54 MN ordinary shares translating to 10.0% of the company's issued and paid up share capital.
.....

Centum announced that it has authorized to undertake a share buyback program aimed at purchasing up to 66.54 MN ordinary shares translating to 10.0% of the company's issued and paid up share capital. The buyback will be through on market purchases at the NSE at a maximum price of KES 9.03 per share and a minimum price of KES 0.50 per share and it will run until 08 August 2024 (18 months from the date of the resolution).

(Source: Company Filings)

UPCOMING EVENTS

Profit Warnings

1. NSE
2. Bamburi
3. Crown Paints
4. Flame Tree
5. Eveready
6. Kenya Airways

<u>Company</u>	<u>Announcement</u>	<u>Book Closure</u>	<u>Payment</u>
TransCentury	Rights issue: 5:1	13-Dec-22	28-Feb-23
KenGen	Final: KES 0.20	26-Jan-23	30-Mar-23
E.A Breweries	Interim: KES 3.75	16-Feb-23	28-Apr-23
Car & General	First & Final: KES 0.80	24-Feb-23	23-Mar-23

(Source: NSE, DBIB Research)

STA—Subject to approval*

AGM SCHEDULE

<u>Company</u>	<u>Time</u>	<u>Venue</u>	<u>Date</u>
Sasini	11:00 a.m.	Virtual	03-Mar-23

(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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