

# DBIB WEEKLY BULLETIN

# WEEK 25

Date: 23.06.2023

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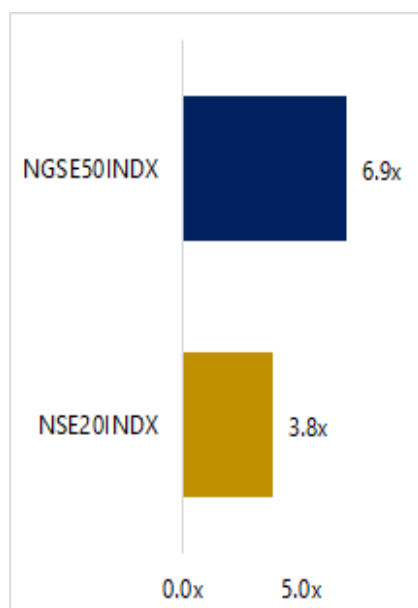
## INDICES & MARKET METRICS MOVEMENT

**NSE 20 rose** by 1.1% w-o-w to close at 1,582.47 and **NASI rose** by 6.9% w-o-w to close at 107.24.

**Weekly equity turnover eased** by 39.9% w-o-w to close at USD 7.09 MN (KES 1.00 BN).

**USD | KES:** KES weakened by 0.4% w-o-w to close at 140.40 (-13.8% year-to-date).

### PEER P/E MULTIPLES



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

\*LTM Price/EPS

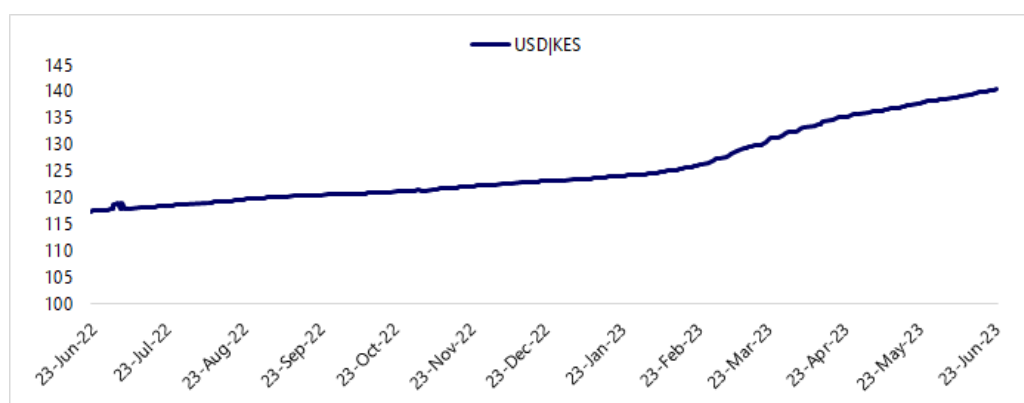
Index	Current	1 wk (%)	3 m (%)	6 m (%)	YTD (%)
NASI	107.24	6.87	(3.33)	(16.28)	(15.87)
NSE-20	1,582.47	1.13	1.17	(4.86)	(5.59)
DBIB Select	103.93	0.88	(1.76)	(4.84)	(4.91)
MSCI Kenya (USD)	757.37	8.25	(12.61)	(32.47)	(31.42)
MSCI Frontier (USD)	481.66	0.01	0.38	1.39	1.98

(Source: NSE, Bloomberg, DBIB Research)

Market Metrics	Current	1 wk (ch)	3 m (ch)	6 m (ch)	12 m (ch)
Market Cap. (USD m)	1,670.05	6.89	9.55	(3.34)	(16.32)
Market Turnover (USD m)	7.09	(39.88)	(30.30)	(96.37)	(29.60)
Market P/E (x)	8.58	9.29	12.84	(2.72)	171.52
Market Div. yld (%) *	9.26	(63.96)	38.29	161.99	170.72
Market ROE (%) *	29.03	0.95	(750.59)	(648.47)	(568.90)

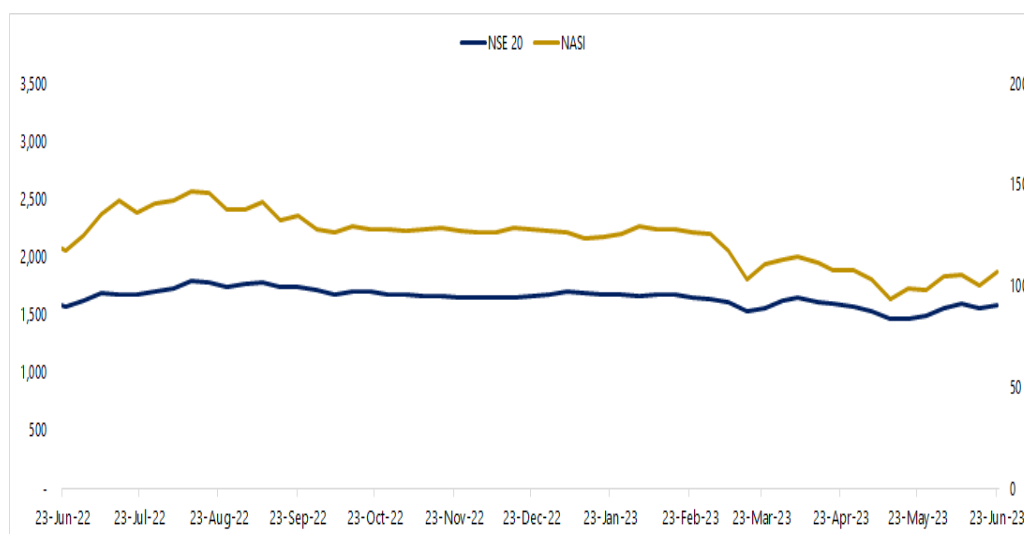
\* Changes in % \*\*Changes in bps -Market ROE is market cap weighted -ch: changes  
(Source: NSE, DBIB Research)

### 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 2.32 MN (KES 325.89 MN) representing 32.72% of this week's turnover.

The stock **gained** by 17.4% w-o-w to close at KES 17.50 on Friday.

Foreign investors assumed a **net buying** position on the counter this week by accounting for 62.20% of foreign sales and 67.96% of foreign purchases.

## Week-on-Week Performance

<u>Top gainers</u>	<u>%</u>
Express Kenya	17.6
Safaricom	17.4
Umeme	10.3
Kapchorua Tea	8.5
Eaagads	8.3

(Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
Trans-Century	(19.1)
E.A. Cables	(12.0)
Unga Group	(10.5)
Olympia Capital	(9.5)
Kenya Re	(8.6)

Source: NSE, DBIB Research



<u>Top traders (Value)</u>	<u>USD MN</u>
Safaricom	2.32
NCBA	0.95
E.A. Breweries	0.87
BK Group	0.71
Equity	0.70

(Source: NSE, DBIB Research)

## Y-T-D Performance

<u>Top gainers</u>	<u>%</u>
Umeme	137.2
Eveready	78.3
HF Group	56.7
Kenya Orchards	44.2
Kapchorua Tea	35.1

Source: NSE, DBIB Research



<u>Top Losers</u>	<u>%</u>
Unga Group	(46.9)
Car & General	(43.8)
Liberty	(35.7)
Safaricom	(27.5)
Longhorn	(26.7)

(Source: NSE, DBIB Research)



## Weekly Foreign Performance

<u>Top Weekly Buys</u>	<u>% Purchase</u>
NBV	97.7
BK Group	94.5
E.A. Breweries	93.1
Equity Group	86.0
Safaricom	68.0

(Source: NSE, DBIB Research)

<u>Top Weekly Sales</u>	<u>% Sold</u>
Equity Group	79.6
BK Group	69.4
Safaricom	62.2
Carbacid	61.2
E.A. Breweries	58.2

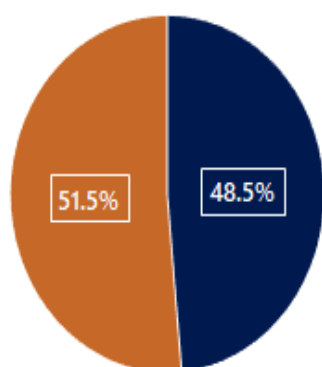
## Y-T-D Foreign Performance

<u>Top Foreign Buys</u>	<u>% Purchase</u>
New Gold ETF	91.6
BK Group	89.2
E.A. Breweries	62.7
NBV	60.0
Equity Group	56.1

(Source: NSE, DBIB Research)

<u>Top Foreign Sales</u>	<u>% Sold</u>
New Gold ETF	95.2
BAT Kenya	90.2
Safaricom	78.9
TPS E.A	76.3
Unga Ltd	72.4

## 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 121.16 MN (KES 17.01 BN) representing a 317.8% w-o-w increase from USD 29.00 MN (KES 4.06 BN) recorded the previous week.

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### June Tap Sale Results: FXD1/2023/03

CBK issued a third tap sale on FXD1/2023/03 (3.0 yrs.) with the intention of raising KES 15.0 BN. From the auction, it received bids worth KES 18.56 BN translating to a subscription rate of 123.73%. In turn, it accepted bids worth KES 18.52 BN. The coupon rate remained fixed at 14.228%.

### Top Trades for the week ending 23 June 2023

						Total
Trading Date	Issue No.	Years	Coupon (%)	Yield (%)	Price (KES m)	Value (KES m)
21-Jun	IFB1/2023/7Yr	7.0	15.8370	15.7000	100.82	1,000.0
21-Jun	IFB1/2023/7Yr	7.0	15.8370	15.9520	99.68	835.0
21-Jun	IFB1/2023/7Yr	7.0	15.8370	15.6000	100.93	800.0
20-Jun	FXD2/2019/10Yr	5.8	12.3000	12.1800	102.85	750.0
22-Jun	FXD2/2019/10Yr	5.8	12.3000	12.1500	103.03	750.0
23-Jun	FXD2/2019/10Yr	5.8	12.3000	12.2400	102.70	750.0
21-Jun	IFB1/2023/7Yr	7.0	15.8370	15.7500	100.39	600.8
21-Jun	IFB1/2023/7Yr	7.0	15.8370	15.6250	100.84	600.0
21-Jun	IFB1/2023/7Yr	7.0	15.8370	15.9900	99.55	500.0
22-Jun	IFB1/2023/7Yr	7.0	15.8370	15.6750	100.70	500.0
19-Jun	FXD1/2018/10Yr	5.2	12.6860	14.3000	98.34	470.0
22-Jun	IFB1/2023/7Yr	7.0	15.8370	15.5000	101.33	401.9
19-Jun	FXD1/2021/25Yr	22.8	13.9240	15.4500	92.01	400.0
21-Jun	IFB1/2023/7Yr	7.0	15.8370	15.7250	100.48	400.0
21-Jun	IFB1/2023/7Yr	7.0	15.8370	15.6647	100.70	400.0
22-Jun	IFB1/2023/7Yr	7.0	15.8370	15.7000	100.61	400.0

(Source: NSE, DBIB Research)

### Sell & Buy Backs

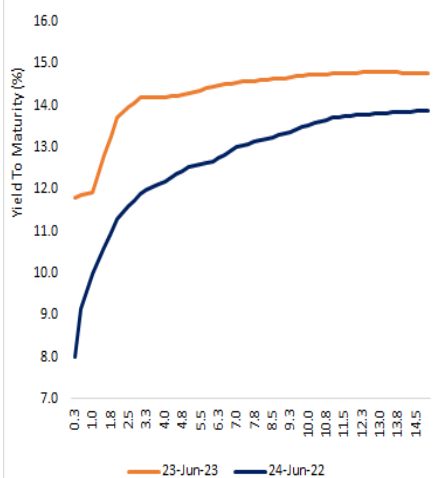
22-Jun	FXD1/2022/10Yr	8.9	13.4900	13.7420	100.10	150.0
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### Treasury Bill auction for the week ending 23 June 2023

Instrument	Amount (KES Bn)	Bids Received (KES Bn)	Subscription Rate (%)	Bids Accepted (KES Bn)	Yield (%)	w-o-w bps ch
91-day	4.00	11.01	275.34	10.97	11.785	14.5
182-day	10.00	1.99	19.89	1.99	11.863	21.4
364-day	10.00	2.34	23.35	2.33	11.934	20.0

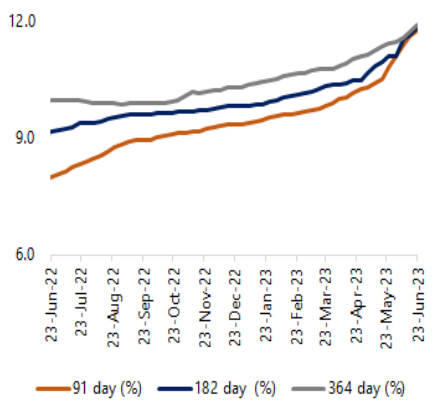
(Source: NSE, DBIB Research)

Kenya: GoK Yield Curve



Source: NSE, DBIB Research

Yields: Treasury Bills



Source: NSE, DBIB Research

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## Salient News

### Equity Group plans to lend KES 800.0 MN to its insurance subsidiary

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Equity Group plans to lend KES 800.0 MN to its insurance subsidiary — Equity Group Insurance Holdings — to fund share capital and initial operating expenses associated with the general insurance business.

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Equity Group plans to lend KES 800.0 MN to its insurance subsidiary — Equity Group Insurance Holdings — to fund share capital and initial operating expenses associated with the general insurance business.

According to the Insurance Act, KES 600.0 MN is required to establish a general insurance company while KES 150,000 is required as registration fees, implying that about KES 149.0 MN will be utilized for initial operating costs.

The news come after Equity Group revealed that it had received approval by the Insurance Regulatory Authority (IRA) to start a general insurance business.

Equity plans to formally seek approval from shareholders in its upcoming AGM to set up and operate the general insurance business through its wholly-owned subsidiary, Equity Group Insurance Holdings.

Equity Group Insurance Holdings, which was launched in FY22, offers life insurance services through its subsidiary Equity Life Assurance Kenya Limited (ELAK).

*Source: Company filings, DBIB Research*

## UPCOMING EVENTS

### Profit Warnings

1. Kenya Power
2. Longhorn
3. Unga Group

<u>Company</u>	<u>Announcement</u>	<u>Book Closure</u>	<u>Payment</u>
Limuru Tea	Final: KES 2.50	14-Apr-23	30-Jun-23
Equity Group	First & Final: KES 4.00	19-May-23	30-Jun-23
Bamburi	First & Final: KES 0.75	27-May-23	27-Jul-23
NSE	First & Final: KES 0.20	31-May-23	31-Jul-23
BOC Kenya	Final: KES 4.45	31-May-23	21-Jul-23
Sasini	Interim: KES 1.00	02-Jun-23	03-Jul-23
Jubilee Holdings	Special & Final: KES 11.00	14-Jun-23	26-Jul-23
TotalEnergies	First & Final: KES 1.31	15-Jun-23	31-Jul-23
Kenya Re	Final: KES 0.20	16-Jun-23	28-Jul-23
Nation Media	Final: KES 1.50	16-Jun-23	31-Jul-23
BK Group	First & Final: RWF 32.5	13-Jun-23	01-Jul-23
Umeme Ltd	Final: USH 63.90	30-Jun-23	20-Jul-23
Crown paints	Final: KES 4.00	28-Jun-23	14-Aug-23
Safaricom	Final: KES 0.62	STA*	STA*

*(Source: NSE, DBIB Research)*

*STA\*—Subject to approval*

## AGM SCHEDULE

<u>Company</u>	<u>Time</u>	<u>Venue</u>	<u>Date</u>
Crown Paints	11:00 a.m.	Virtual	27-Jun-23
Sameer	10:00 a.m.	Virtual	27-Jun-23
TPS Eastern Africa	11:00 a.m.	Virtual	27-Jun-23
Britam	10:00 a.m.	Virtual	28-Jun-23
Equity Group	10:00 a.m.	Virtual	28-Jun-23
Express Kenya	11:00 a.m.	Virtual	29-Jun-23
Home Afrika	10:00 a.m.	Virtual	29-Jun-23
Flame Tree	11:00 a.m.	Virtual	30-Jun-23
Jubilee	10:00 a.m.	Virtual	30-Jun-23
Kenya Airways	9:00 a.m.	Virtual	30-Jun-23
NMG	3:00 p.m.	Virtual	30-Jun-23
Trans-Century	11:00 a.m.	Virtual	30-Jun-23
Scangroup	11:00 a.m.	Virtual	30-Jun-23

*(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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