

DBIB WEEKLY BULLETIN

WEEK 26

Date: 30.06.2023

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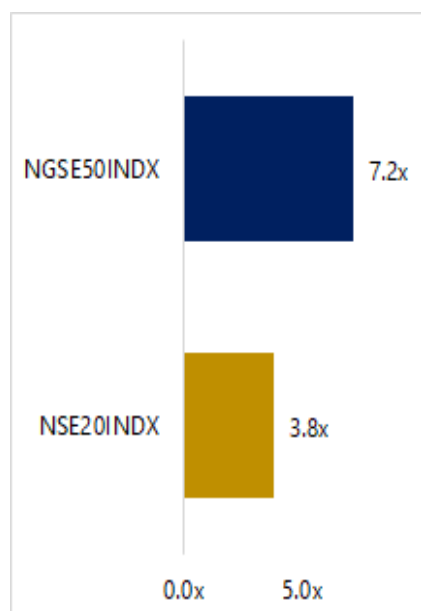
INDICES & MARKET METRICS MOVEMENT

NSE 20 eased by 0.5% w-o-w to close at 1,574.92 while **NASI eased** by 0.2% w-o-w to close at 107.00.

Weekly equity turnover eased by 41.3% w-o-w to close at USD 4.17 MN (KES 585.47 MN).

USD | KES: KES weakened by 0.1% w-o-w to close at 140.52 (-13.9% 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	107.00	(0.22)	(5.11)	(16.06)	(16.06)
NSE-20	1,574.92	(0.48)	(2.91)	(6.04)	(6.04)
DBIB Select	104.32	0.37	(3.29)	(4.55)	(4.55)
MSCI Kenya (USD)	763.21	0.77	(12.94)	(30.89)	(30.89)
MSCI Frontier (USD)	485.70	0.84	0.37	2.83	2.83

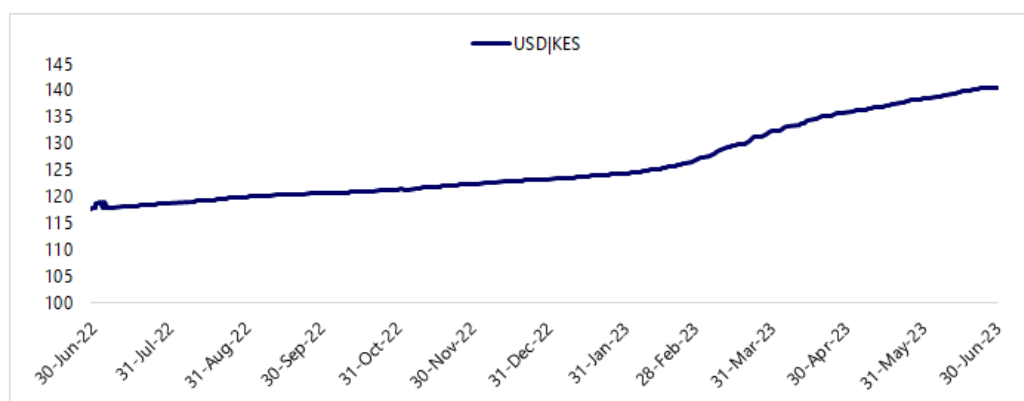
(Source: NSE, Bloomberg, DBIB Research)

Market Metrics	Current	1 wk (ch)	3 m (ch)	6 m (ch)	12 m (ch)
Market Cap. (USD m)	1,666.29	(0.23)	1.82	(5.12)	(16.10)
Market Turnover (USD m)	4.17	(41.26)	(40.69)	(68.43)	(39.21)
Market P/E (x)	8.58	0.05	3.65	1.63	(20.03)
Market Div. yld (%) *	9.28	2.07	15.37	156.36	218.36
Market ROE (%) *	29.18	15.38	(640.87)	(612.38)	(604.90)

* Changes in % **Changes in bps -Market ROE is market cap weighted -ch: changes

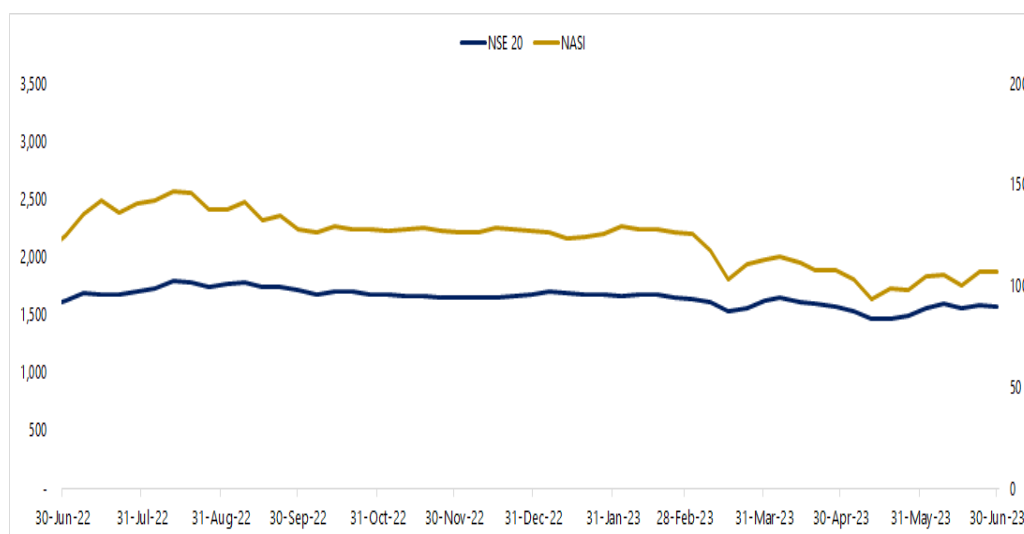
(Source: NSE, DBIB Research)

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 1.41 MN (KES 198.38 MN) representing 19.92% of this week's turnover.

The stock remained flat 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 25.93% of foreign sales and 84.47% of foreign purchases.

Week-on-Week Performance

<u>Top gainers</u>	<u>%</u>
Kapchorua Tea	23.0
Williamson Tea	17.4
Eveready	17.1
Olympia Capital	16.7
Liberty	12.5

(Source: NSE, DBIB Research)

<u>Top Losers</u>	<u>%</u>
Umeme	(25.0)
Express Kenya	(10.0)
Unga Group	(10.0)
B.O.C	(8.7)
Sanlam	(8.5)

Source: NSE, DBIB Research)

<u>Top traders (Value)</u>	<u>USD MN</u>
Safaricom	1.41
Equity Group	0.71
E.A. Breweries	0.64
KCB	0.42
BAT	0.19

(Source: NSE, DBIB Research)

Y-T-D Performance

<u>Top gainers</u>	<u>%</u>
Eveready	108.7
Umeme	77.9
Kapchorua Tea	66.2
HF Group	57.4
Williamson Tea	52.7

Source: NSE, DBIB Research)

<u>Top Losers</u>	<u>%</u>
Unga Group	(52.2)
Car & General	(45.2)
Trans-Century	(29.0)
KenGen	(28.3)
Liberty	(27.7)

(Source: NSE, DBIB Research)

Weekly Foreign Performance

<u>Top Weekly Buys</u>	<u>% Purchase</u>
NSE	98.9
E.A. Breweries	97.6
Kenya Re	87.8
Safaricom	84.5
NBV	81.4

(Source: NSE, DBIB Research)

<u>Top Weekly Sales</u>	<u>% Sold</u>
Unga Ltd	100.0
NSE	80.0
Equity Group	78.3
KCB Group	53.7
Jubilee	45.4

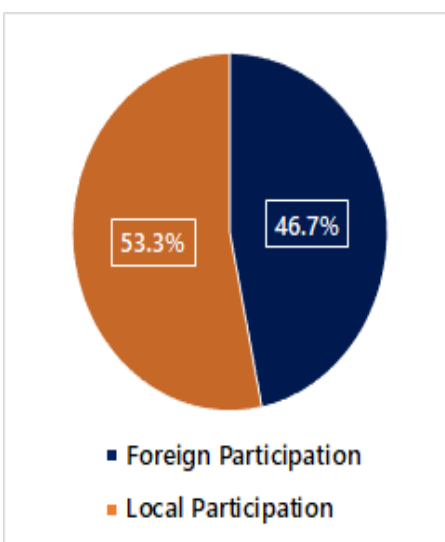
Y-T-D Foreign Performance

<u>Top Foreign Buys</u>	<u>% Purchase</u>
New Gold ETF	91.6
BK Group	89.2
E.A. Breweries	64.5
NSE	61.0
NBV	60.6

(Source: NSE, DBIB Research)

<u>Top Foreign Sales</u>	<u>% Sold</u>
New Gold ETF	95.2
BAT Kenya	88.6
Safaricom	78.3
TPS E.A	76.3
Unga Ltd	74.2

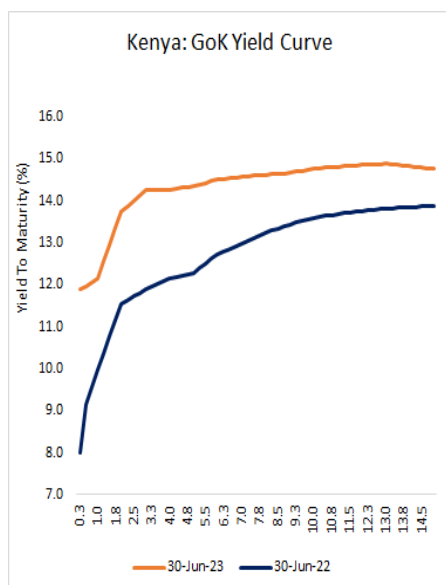
WEEKLY LOCAL VS FOREIGN PARTICIPATION



(Source: NSE, DBIB Research)

FROM THE FIXED INCOME DESK

The **Bond market's** turnover for the week stood at USD 117.16 MN (KES 16.46 BN) representing a 3.3% w-o-w decrease from USD 121.16 MN (KES 17.01 BN) recorded the previous week.



Source: NSE, DBIB Research

The Bond market's turnover for the week stood at USD 117.16 MN (KES 16.46 BN) representing a 3.3% w-o-w decrease from USD 121.16 MN (KES 17.01 BN) recorded the previous week. The bond issue number IFB1/2023/7 emerged as the top traded bond with a turnover of KES 8.66 BN accounting for 52.6% of the week's turnover. The bond traded between 14.4900% and 15.9324%.

July Issue: FXD1/2023/5 (new) and FXD1/2016/10 (re-opened)

The Central Bank of Kenya (CBK) has issued FXD1/2023/5 (5.0 years) and re-opened FXD1/2016/10 (3.2 years) with the intention of raising KES 40.0 BN for budgetary support. The coupon rate for FXD1/2016/10 stands at 15.039% while that of FXD1/2023/5 will be market determined. The period of sale runs from 28 June 2023 to 11 July 2023.

Top Trades for the week ending 30 June 2023

						Total
			Coupon	Yield	Price	Value
Trading Date	Issue No.	Years	(%)	(%)	(KES m)	(KES m)
29-Jun	FXD2/2019/10Yr	5.8	12.3000	12.2400	102.90	900.0
26-Jun	FXD2/2019/10Yr	5.8	12.3000	12.2100	102.92	750.0
30-Jun	IFB1/2023/7Yr	7.0	15.8370	15.6041	101.29	735.0
29-Jun	IFB1/2023/7Yr	7.0	15.8370	15.5500	101.44	700.0
26-Jun	IFB1/2023/7Yr	7.0	15.8370	15.5100	101.46	600.0
27-Jun	IFB1/2023/7Yr	7.0	15.8370	15.5116	101.49	538.0
26-Jun	IFB1/2023/7Yr	7.0	15.8370	15.6000	101.13	500.0
29-Jun	IFB1/2023/7Yr	7.0	15.8370	15.6500	101.08	500.0
30-Jun	IFB1/2023/7Yr	7.0	15.8370	15.6500	101.12	500.0
30-Jun	IFB1/2023/7Yr	7.0	15.8370	15.5500	101.48	500.0
27-Jun	FXD2/2019/10Yr	5.8	12.3000	11.4300	106.20	400.0
27-Jun	FXD1/2021/25Yr	22.8	13.9240	15.0000	94.95	400.0
27-Jun	IFB1/2023/7Yr	7.0	15.8370	15.5000	101.53	390.0
26-Jun	IFB1/2023/7Yr	7.0	15.8370	15.5000	101.49	313.0

(Source: NSE, DBIB Research)

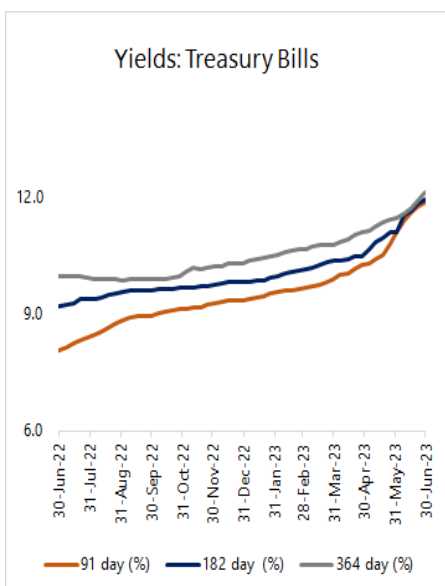
Sell & Buy Backs

26-Jun	FXD1/2021/20Yr	18.1	13.4440	14.2350	99.77	300.0
26-Jun	FXD1/2022/10Yr	8.9	13.4900	13.7420	100.25	150.0
27-Jun	FXD2/2018/10Yr	5.4	12.5020	15.0000	91.41	150.0

Treasury Bill auction for the week ending 30 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	5.78	144.50	2.71	11.904	11.9
182-day	10.00	2.20	21.96	1.30	11.947	8.4
364-day	10.00	1.51	15.14	1.51	12.157	22.3

(Source: NSE, DBIB Research)



Source: NSE, DBIB Research

Salient News

June inflation rate stands at 7.9%

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The annual headline **inflation rate** decreased marginally to 7.9% in June 2023 from 8.0% in May 2023.

.....

The annual headline inflation rate decreased marginally to 7.9% in June 2023 from 8.0% in May 2023. The monthly inflation rate for June 2023 came in at 0.8%, compared to the monthly inflation rate of 0.9% in May 2023. The annual inflation was primarily driven by increased prices of commodities under food and non-alcoholic beverages (index inched higher by 10.3% y-o-y); housing, water, electricity, gas and other fuels (index rose by 9.4% y-o-y); transport (index went up by 9.1%); and restaurants and accommodation services (index increased by 5.7% y-o-y).

Source: KNBS

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>
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
BK Group	First & Final: RWF 32.5	13-Jun-23	01-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
Crown paints	Final: KES 4.00	28-Jun-23	14-Aug-23
Umeme Ltd	Final: USH 63.90	30-Jun-23	20-Jul-23
Williamson Tea	Final: KES 30.00	23-Aug-23	4-Sep-23
Kapchorua Tea	First & Final: KES 25.00	23-Aug-23	4-Sep-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>
-	-	-	-

(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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