

DBIB WEEKLY BULLETIN

WEEK 40

Date: 06.10.2023

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INDICES & MARKET METRICS MOVEMENT

NSE 20 and NASI shed

1.2% and 1.8% w-o-w to close at 1490.98 and 93.49 respectively.

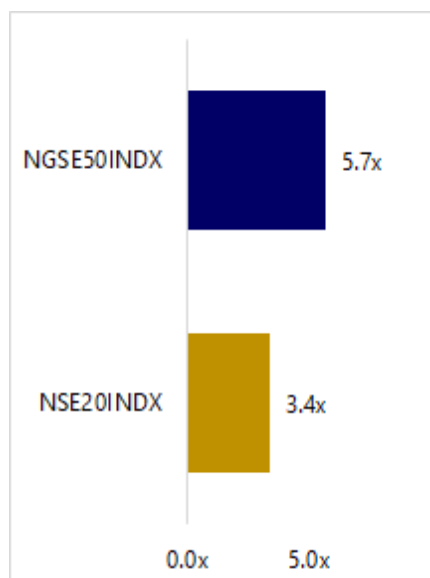
Weekly equity turnover

increased by 117.1% w-o-w to close at USD 7.53 MN (KES 1.12 BN).

USD | KES: KES weakened by

0.4% w-o-w to close at 148.69 (-20.5% 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	93.49	(1.82)	(16.05)	(18.18)	(26.66)
NSE-20	1,490.98	(1.18)	(7.86)	(9.40)	(11.04)
DBIB Select	100.00	(0.69)	(5.92)	(7.15)	(8.51)
MSCI Kenya (USD)	608.89	(2.57)	(24.64)	(30.26)	(44.86)
MSCI Frontier (USD)	483.12	(1.43)	(1.59)	(0.25)	2.29

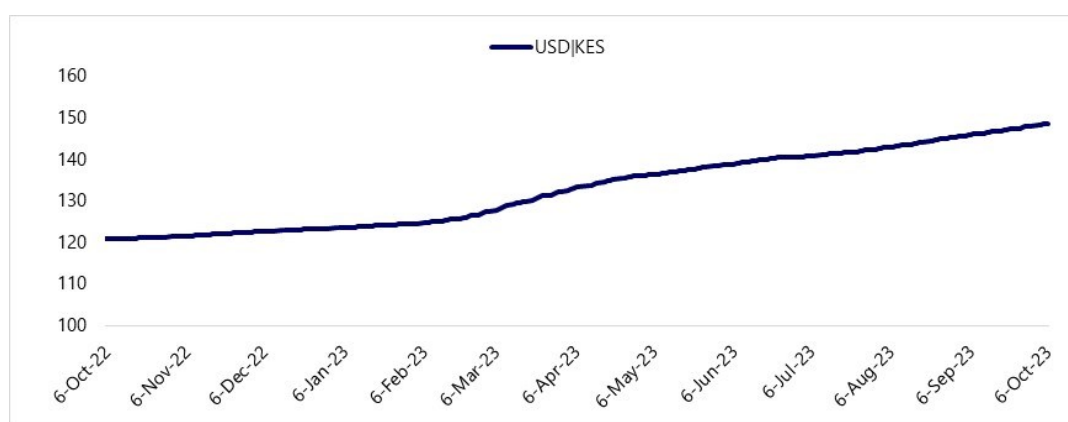
(Source: NSE, Bloomberg, DBIB Research)

Market Metrics	Current	1 wk (ch)	3 m (ch)	6 m (ch)	12 m (ch)
Market Cap. (USD m)	1,460.71	(1.81)	(5.27)	(15.79)	(17.92)
Market Turnover (USD m)	7.53	117.08	(4.51)	(33.32)	(34.28)
Market P/E (x)	8.52	(5.49)	(3.06)	(6.65)	(0.34)
Market Div. yld (%) *	8.80	15.95	(12.01)	(21.49)	139.78
Market ROE (%) *	27.34	(16.44)	(205.29)	(828.23)	(902.70)

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

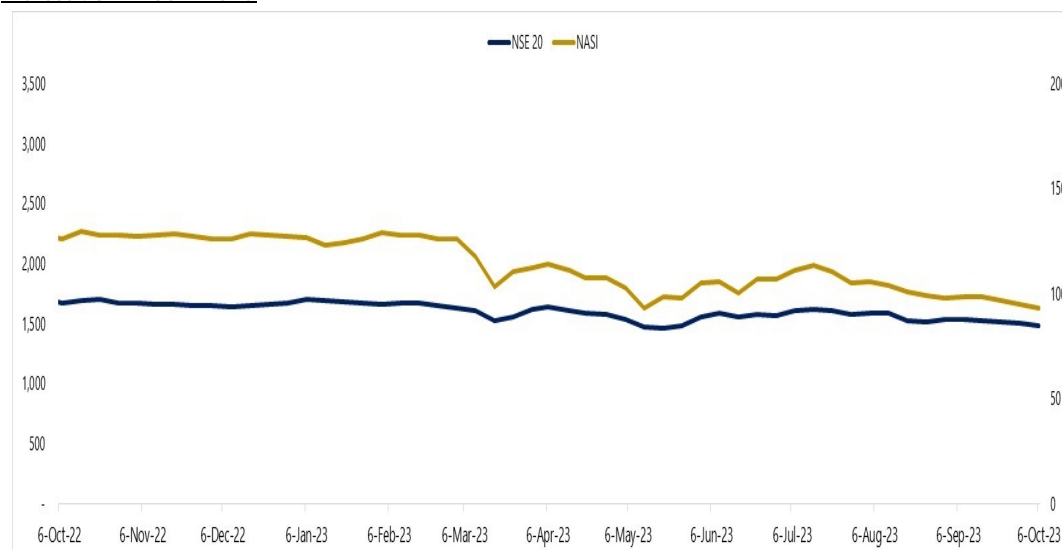
(Source: NSE, DBIB Research)

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 5.29 MN (KES 786.08 MN) representing 70.25% of this week's turnover.

The stock shed by 4.1% w-o-w to close at KES 14.00 on Friday.

Foreign investors assumed a **net selling** position on the counter this week by accounting for 96.65% of foreign sales and 94.68% of foreign purchases.

Week-on-Week Performance

<u>Top gainers</u>	<u>%</u>
Sanlam Kenya	17.7
Longhorn Publishers	9.6
Williamson Tea Kenya	7.7
Kakuzi	5.5
I&M	5.3

(Source: NSE, DBIB Research)

<u>Top Losers</u>	<u>%</u>
Sasini	(10.0)
TPSerena	(9.0)
Home Afrika	(8.8)
Bamburi Cement	(6.9)
NBV	(6.8)

Source: NSE, DBIB Research)

<u>Top traders (Value)</u>	<u>USD MN</u>
Safaricom	5.29
Co-operative Bank	0.85
Equity	0.46
KCB	0.41
StanChart	0.12

(Source: NSE, DBIB Research)

Y-T-D Performance

<u>Top gainers</u>	<u>%</u>
Kenya Orchards	87.5
Eveready	85.5
Umeme	80.1
Kapchorua Tea	79.2
Williamson Tea	38.0

Source: NSE, DBIB Research)

<u>Top Losers</u>	<u>%</u>
_Unga Group	(46.9)
Car & General	(45.9)
Safaricom	(45.2)
KCB	(45.0)
Trans-Century	(42.0)

(Source: NSE, DBIB Research)

Weekly Foreign Performance

<u>Top Weekly Buys</u>	<u>% Purchase</u>
EABL	60.7
NCBA	49.6
NSE	42.1
Safaricom	42.0
StanChart	27.7

(Source: NSE, DBIB Research)

<u>Top Weekly Sales</u>	<u>% Sold</u>
BOC Kenya	100.0
BK Group	98.1
Safaricom	88.8
Standard Group	67.1
Equity	64.0

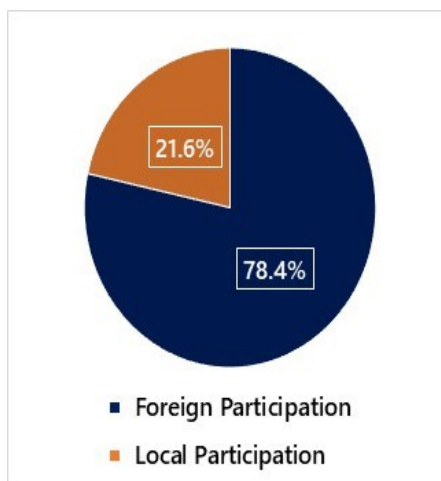
Y-T-D Foreign Performance

<u>Top Foreign Buys</u>	<u>% Purchase</u>
New Gold ETF	90.0
BK Group	89.8
E.A. Breweries	67.0
Equity	61.4
NBV	60.2

(Source: NSE, DBIB Research)

<u>Top Foreign Sales</u>	<u>% Sold</u>
BAT Kenya	87.3
Safaricom	80.0
New Gold ETF	78.7
BK Group	75.8
Unga Ltd	67.2

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 60.34 MN (KES 8.97 BN) representing a 81.50% w-o drop from USD 326.36 MN (KES 48.33 BN) recorded the previous week.

The Bond market's turnover for the week stood at USD 60.34 MN (KES 8.97 BN) representing a 81.50% w-o-w drop from USD 326.36 MN (KES 48.33 BN) recorded the previous week. The bond issue number IFB1/2023/17 (Re-opened) emerged as the top traded bond with a turnover of KES 2.74 BN accounting for 30.6% of the week's turnover. The bond traded between 13.5046% and 17.5000% .

September Issue: FXD1/2023/002 (re-opened) and FXD1/2016/010 (re-opened)

The Central Bank of Kenya (CBK) has re-opened FXD1/2023/002 (1.9 years) and FXD1/2023/05 (4.8 years) with the intention of raising KES 55.0 BN for budgetary support. The coupon rate for FXD1/2023/002 stands at 16.9723% while that of FXD1/2023/05 stood at 16.8440%. The period of sale runs from 02 October 2023 to 11 October 2023.

Top Trades for the week ending 06 October 2023

						Total
Trading Date	Issue No.	Years	Coupon (%)	Yield (%)	Price (KES m)	Value (KES m)
3-Oct	FXD1/2019/5Yr	0.4	11.3040	16.0000	99.62	961.9
2-Oct	IFB1/2023/17Yr	16.4	14.3990	15.4000	95.39	600.0
5-Oct	IFB1/2018/20Yr	15.1	11.9500	16.3000	85.96	540.0
5-Oct	IFB1/2018/20Yr	15.1	11.9500	16.1250	86.60	540.0
5-Oct	IFB1/2018/20Yr	15.1	11.9500	15.0000	90.93	540.0
4-Oct	IFB1/2023/17Yr	16.4	14.3990	15.9000	92.94	500.0
4-Oct	IFB1/2023/17Yr	16.4	14.3990	15.7000	93.93	460.0
2-Oct	IFB1/2023/17Yr	16.4	14.3990	15.7000	93.86	400.0
4-Oct	IFB1/2023/17Yr	16.4	14.3990	15.4000	95.47	400.0
2-Oct	IFB1/2018/15Yr	9.3	12.5000	16.0912	87.78	300.0
4-Oct	FXD1/2016/10Yr	2.9	15.0390	17.9482	95.43	250.0
3-Oct	FXD1/2021/5Yr	3.1	11.2770	18.2250	88.35	227.1
3-Oct	FXD1/2021/5Yr	3.1	11.2770	18.2000	88.41	227.1
4-Oct	FXD1/2021/5Yr	3.1	11.2770	17.7000	89.48	227.1
3-Oct	IFB1/2023/7Yr	6.7	15.8370	15.8000	104.66	200.0
3-Oct	FXD1/2016/10Yr	2.9	15.0390	18.0000	95.28	195.0
5-Oct	IFB1/2022/18Yr	16.6	13.7420	13.8450	103.72	184.0
3-Oct	FXD2/2018/15Yr	10.0	12.7500	13.8110	100.23	100.0

Sell & buy-backs

3-Oct	FXD2/2018/15Yr	10.0	12.7500	13.8110	100.23	100.0
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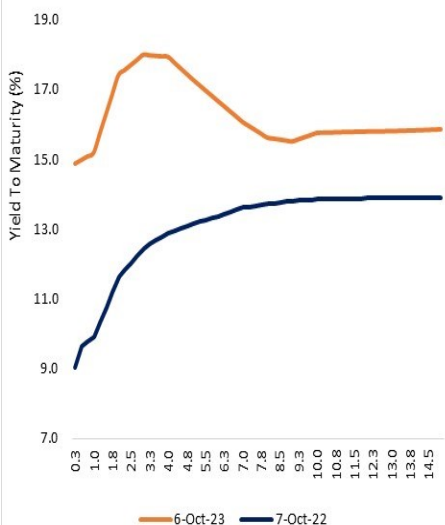
(Source: NSE, DBIB Research)

Treasury Bill auction for the week ending 06 October 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	28.58	714.53	24.29	14.873	5.3
182-day	10.00	1.41	14.06	0.93	14.978	2.8
364-day	10.00	3.16	31.59	2.02	15.187	13.2

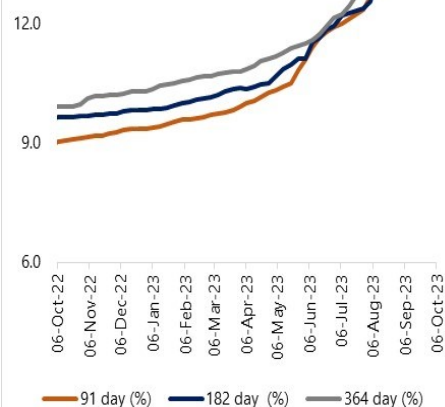
(Source: NSE, DBIB Research)

Kenya: GoK Yield Curve



Source: NSE, DBIB Research

Yields: Treasury Bills



Source: NSE, DBIB Research

Salient News

Liberty Kenya Appoints New Director

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Liberty Kenya Holdings has appointed Ms. Catherine Mitchem to it's board of directors.

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Liberty Kenya Holdings has appointed Ms. Catherine Mitchem to it's board of directors after the resignation of Ms. Gladys Ogallo. Ms. Mitchem has over 20 years' cross-discipline experience in financial services, ICT and the pharmaceutical sector. She also servers on the board of The Heritage Insurance Company Kenya Limited.

Source: Company, Business Daily.

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>
Jubilee Holdings	Interim: KES 2.00	8-Sep-23	11-Oct-23
EABL	Final: KES 1.75	15-Sep-23	27-Oct-23
Absa	Interim: KES 0.20	21-Sep-23	12-Oct-23
Umeme	Interim: UGX: 24.00	09-Feb-24	29-Feb-24
Centum	Final: KES 0.60	STA	STA

(Source: NSE, DBIB Research)

STA—Subject to approval*

(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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