

DBIB WEEKLY BULLETIN

WEEK 41

Date: 13.10.2023

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INDICES & MARKET METRICS MOVEMENT

NSE 20 rose by 0.1% w-o-w to close at 1,492.16 while **NASI** shed by 0.1% w-o-w to close at 93.37.

Weekly equity turnover dropped by 58.2% w-o-w to close at USD 3.15 MN (KES 0.47 BN).

USD | KES: KES weakened by 0.3% w-o-w to close at 149.13 (-20.9% year-to-date).

PEER P/E MULTIPLES



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

*LTM Price/EPS

(Source: Bloomberg, DBIB Research)

Index	Current	1 wk (%)	3 m (%)	6 m (%)	YTD (%)
NASI	93.37	(0.13)	(18.05)	(16.31)	(26.75)
NSE-20	1,492.16	0.08	(8.16)	(7.54)	(10.97)
DBIB Select	83.62	0.41	(7.47)	(22.30)	(23.50)
MSCI Kenya (USD)	606.67	(0.36)	(27.23)	(29.13)	(45.07)
MSCI Frontier (USD)	488.12	1.03	(3.03)	0.56	3.35

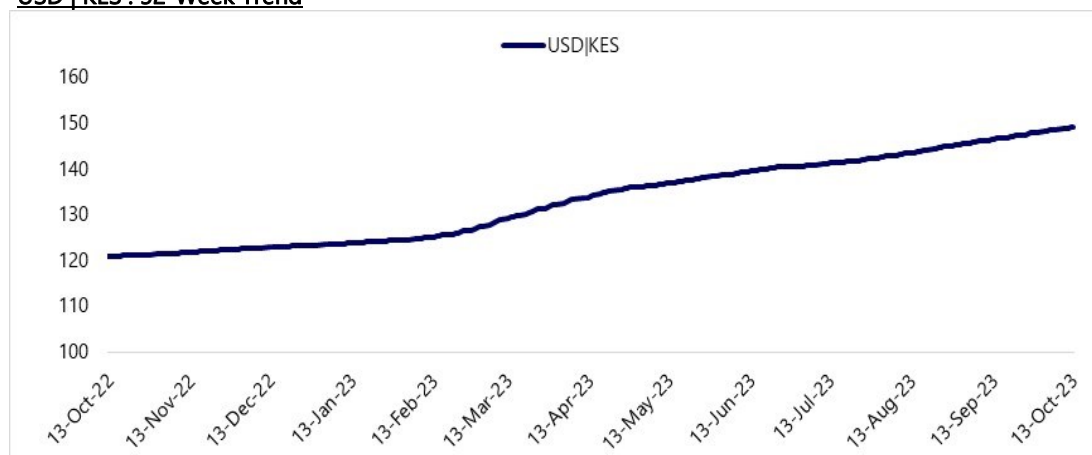
(Source: NSE, Bloomberg, DBIB Research)

Market Metrics	Current	1 wk (ch)	3 m (ch)	6 m (ch)	12 m (ch)
Market Cap. (USD m)	1,458.80	(0.13)	(5.62)	(17.79)	(16.04)
Market Turnover (USD m)	3.15	(58.21)	(58.41)	(46.72)	(58.97)
Market P/E (x)	8.51	(0.18)	(6.52)	(7.99)	11.05
Market Div. yld (%) *	8.81	1.16	9.19	(39.06)	170.94
Market ROE (%) *	27.41	6.45	(200.35)	(816.25)	(935.25)

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

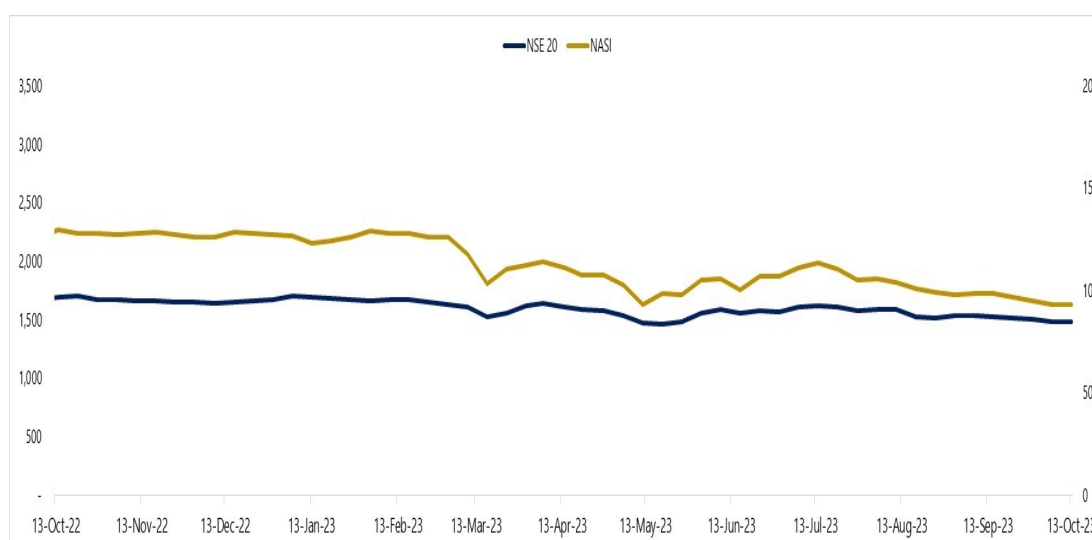
(Source: NSE, DBIB Research)

USD | KES : 52-Week Trend



(Source: CBK, DBIB Research)

Indices : 52-Week Trend



(Source: NSE, DBIB Research)

WEEKLY BOURSE WRAP UP...

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Equity emerged as the top traded counter on the bourse recording a weekly turnover of USD 0.98 MN (KES 145.97 MN) representing 31.12% of this week's turnover.

The stock **shed** by 0.3% w-o-w to close at KES 36.45 on Friday.

Foreign investors assumed a **net buying position** on the counter this week by accounting for 18.64% of foreign sales and 63.94% of foreign purchases.

Week-on-Week Performance

<u>Top gainers</u>	<u>%</u>
Liberty Kenya	11.1
Uchumi	10.0
Standard Group	9.8
Home Afrika	9.7
TPS Serena	7.8

(Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
Olympia Capital	(14.2)
Unga Group	(11.8)
Sameer Africa	(8.5)
Crown Paints	(6.3)
B.O.C Kenya	(5.9)

Source: NSE, DBIB Research)



<u>Top traders (Value)</u>	<u>USD MN</u>
Equity	0.98
Safaricom	0.82
Standard Chartered	0.28
East African Breweries	0.23
Co-operative Bank	0.18

(Source: NSE, DBIB Research)

Y-T-D Performance

<u>Top gainers</u>	<u>%</u>
Eveready	88.4
Kenya Orchards	87.5
Umeme	85.4
Kapchorua Tea	73.2
Williamson Tea	37.5

Source: NSE, DBIB Research)

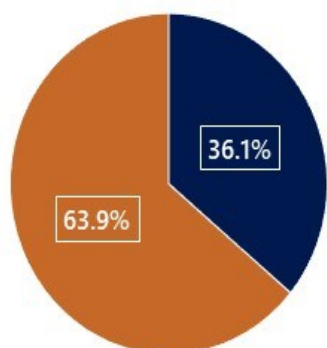


<u>Top Losers</u>	<u>%</u>
Unga Group	(53.1)
KCB Bank	(45.1)
Safaricom	(44.1)
Car & General	(43.1)
Trans-Century	(42.2)

(Source: NSE, DBIB Research)



WEEKLY LOCAL VS FOREIGN PARTICIPATION



■ Foreign Participation
 ■ Local Participation

(Source: NSE, DBIB Research)

Weekly Foreign Performance

<u>Top Weekly Buys</u>	<u>% Purchase</u>
East African Breweries	60.7
NCBA Group	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
East African Breweries	67.4
Equity	61.4
NBV	60.1

(Source: NSE, DBIB Research)

<u>Top Foreign Sales</u>	<u>% Sold</u>
BAT Kenya	86.7
Safaricom	80.5
New Gold ETF	78.7
BK Group	75.8
Unga Ltd	66.7

FROM THE FIXED INCOME DESK

The Bond market's turnover for the week stood at USD 25.19 MN (KES 3.76 BN) representing a 58.3% w-o-w drop from USD 60.34 MN (KES 8.97 BN) recorded the previous week.

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October Auction Results: FXD1/2023/002 (re-opened) and FXD1/2023/005 (re-opened)

The Central Bank of Kenya (CBK) had re-opened FXD1/2023/002 (1.9 years) and FXD1/2023/005 (4.8 years) with the intention of raising KES 35.0 BN for budgetary support revised down from KES 55.0 BN. From the auction, the CBK received a sum of KES 12.30 BN (FXD1/2023/002: KES 6.51 BN, FXD1/2023/005: KES 5.79 BN) translating to a subscription rate of 35.14%. In turn, it accepted KES 4.83 BN for FXD1/2023/002 and KES 1.48 BN for FXD1/2023/005. The coupon rate for FXD1/2023/002 came in at 16.9723% while that of FXD1/2023/005 stands at 16.8440%.

Top Trades for the week ending 13 October 2023

					Total	
Trading Date	Issue No.	Years	Coupon (%)	Yield (%)	Price (KES m)	Value (KES m)
12-Oct	IFB1/2018/20Yr	15.0	11.9500	16.3602	86.00	450.0
13-Oct	FXD1/2016/10Yr	2.8	15.0390	18.3669	95.11	300.0
13-Oct	FXD1/2022/15Yr	13.5	13.9420	15.4000	98.38	300.0
11-Oct	FXD1/2016/10Yr	2.9	15.0390	18.1750	95.28	200.0
11-Oct	FXD1/2016/10Yr	2.9	15.0390	17.9000	95.85	200.0
13-Oct	IFB1/2018/20Yr	15.0	11.9500	16.3500	86.07	200.0
11-Oct	FXD1/2016/10Yr	2.9	15.0390	19.3323	92.93	193.0
9-Oct	IFB1/2023/7Yr	6.7	15.8370	15.8000	104.93	100.0
12-Oct	FXD2/2019/10Yr	5.5	12.3000	18.5134	79.23	100.0
12-Oct	FXD2/2019/10Yr	5.5	12.3000	17.8000	81.31	100.0
12-Oct	FXD2/2019/10Yr	5.5	12.3000	17.7800	81.37	100.0
12-Oct	IFB1/2023/7Yr	6.7	15.8370	15.8000	105.06	100.0
13-Oct	FXD1/2020/15Yr	11.3	12.7560	16.0080	85.03	60.0
11-Oct	FXD1/2018/15Yr	9.6	12.6500	14.0148	97.81	50.0

Sell & buy-backs

9-Oct	IFB1/2019/25Yr	20.4	12.2000	15.5000	82.13	10.0
9-Oct	IFB1/2021/21Yr	18.9	12.7370	15.5000	86.38	6.6

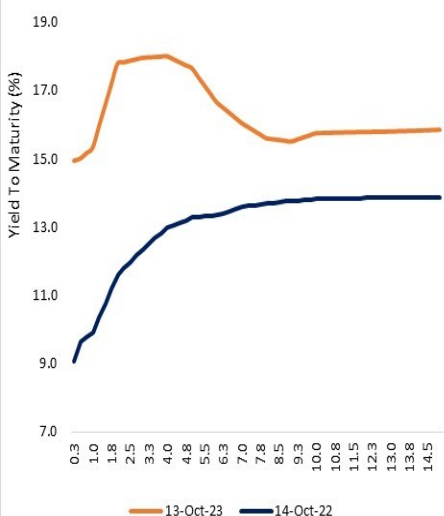
(Source: NSE, DBIB Research)

Treasury Bill auction for the week ending 13 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	37.50	937.42	35.31	14.960	8.7
182-day	10.00	2.78	27.77	2.67	15.023	4.5
364-day	10.00	2.96	29.63	2.96	15.337	15.0

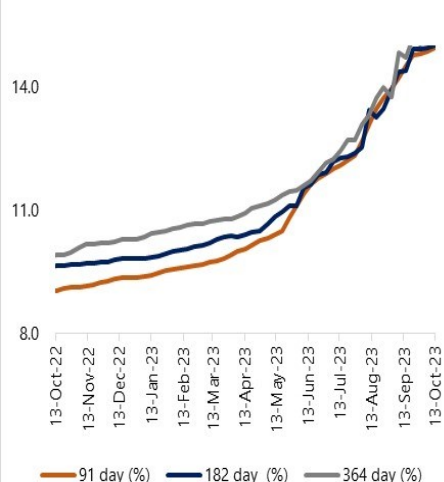
(Source: NSE, DBIB Research)

Kenya: GoK Yield Curve



Source: NSE, DBIB Research

Yields: Treasury Bills



Source: NSE, DBIB Research

Salient News

I&M Group changes its Shares Registrar.

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I&M Group has changed its shares registrar from CDSC Registrars Limited to Image Registrars Limited with immediate effect.

.....

I&M Group has changed its shares registrar from CDSC Registrars Limited to Image Registrars Limited with Immediate effect. Image Registrars will now handle all shareholder services in relation to I&M Group shares.

(Source: Company, NSE, DBIB Research)

UPCOMING EVENTS

Profit Warnings

1. Kenya Power
2. Longhorn

<u>Company</u>	<u>Announcement</u>	<u>Book Closure</u>	<u>Payment</u>
EABL	Final: KES 1.75	15-Sep-23	27-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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RESEARCH TEAM

Email: research@dyerandblair.com | Contact: +254 709 930 128