

# DBIB WEEKLY BULLETIN

# WEEK 38

Date: 22.09.2023

## Contents:

Equity Market Sum Up	2
Fixed Income Wrap Up	4
Salient News	5
Corporate Actions	6
Appendix	7



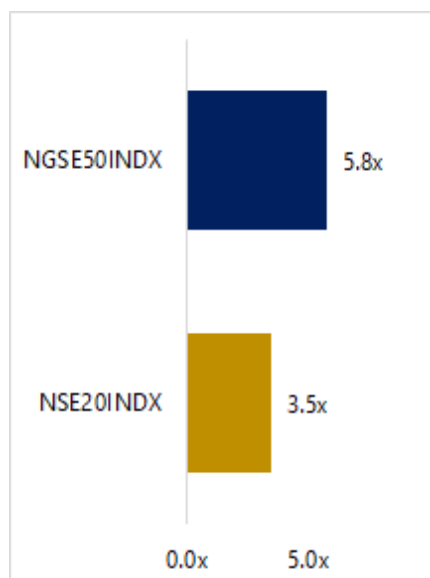
## INDICES & MARKET METRICS MOVEMENT

**NSE 20 and NASI shed**  
0.8% and 2.2% w-o-w to  
close at 1,519.26 and  
96.79 respectively.

**Weekly equity turnover**  
**Increased** by 17.7% w-o-w  
to close at USD 8.87 MN  
(KES 1.31 BN).

**USD | KES:** KES weakened by  
0.4% w-o-w to close at  
147.36 (-19.4% 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	96.79	(2.16)	(9.74)	(12.75)	(24.07)
NSE-20	1,519.26	(0.75)	(3.99)	(2.87)	(9.36)
DBIB Select	100.80	(0.36)	(3.02)	(4.73)	(7.78)
MSCI Kenya (USD)	644.91	(3.22)	(14.85)	(25.59)	(41.60)
MSCI Frontier (USD)	495.60	(1.15)	2.89	3.29	4.93

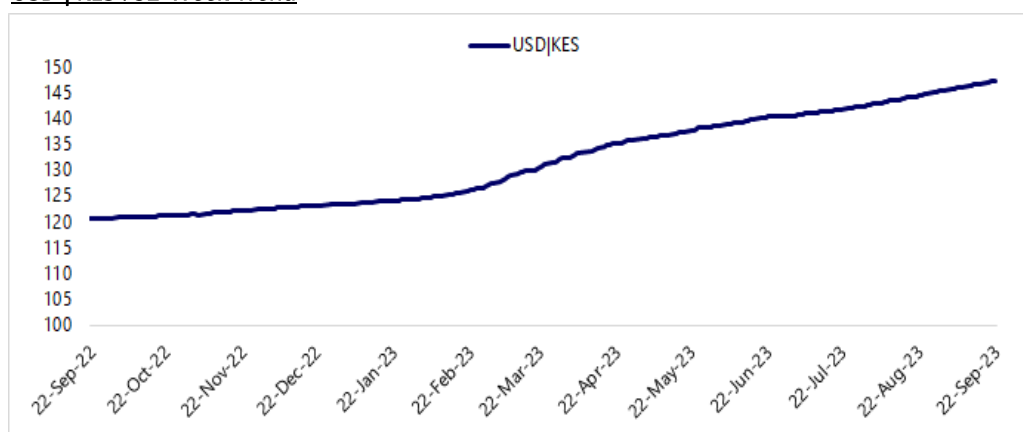
(Source: NSE, Bloomberg, DBIB Research)

Market Metrics	Current	1 wk (ch)	3 m (ch)	6 m (ch)	12 m (ch)
Market Cap. (USD m)	1,512.23	(2.16)	(2.26)	(9.45)	(12.47)
Market Turnover (USD m)	8.87	17.27	179.23	25.02	(95.47)
Market P/E (x)	9.10	-	(1.05)	6.11	3.22
Market Div. yld (%) *	8.50	19.81	(76.49)	(38.20)	159.81
Market ROE (%) *	27.52	(9.08)	(150.80)	(901.39)	(931.08)

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

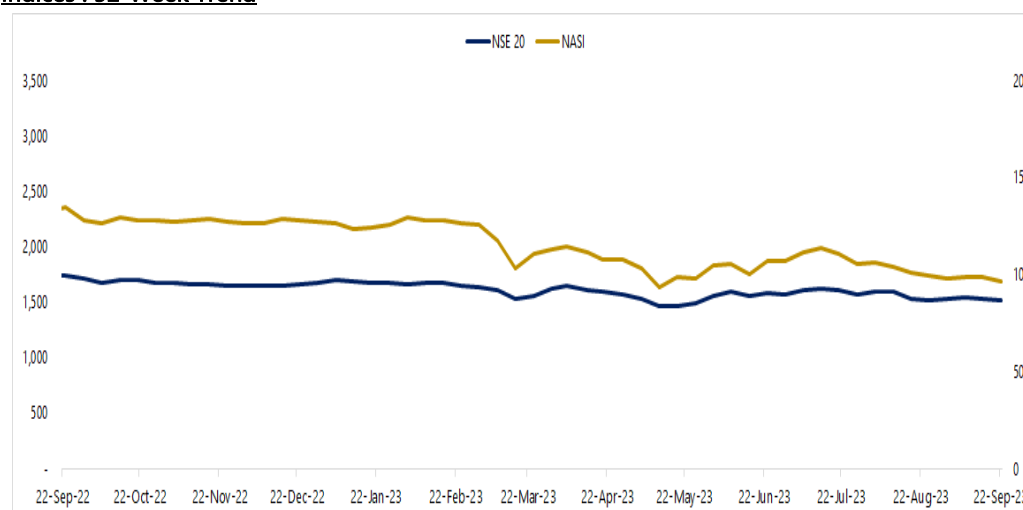
(Source: NSE, DBIB Research)

### 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 4.55 MN (KES 671.16 MN) representing 51.36% of this week's turnover.

The stock shed by 4.8% w-o-w to close at KES 15.00 on Friday.

Foreign investors assumed a net selling position on the counter this week by accounting for 98.15% of foreign sales and 35.05% of foreign purchases.

## Week-on-Week Performance

Top gainers	%
B.O.C Kenya	13.3
Sasini Ltd	12.6
Uchumi	9.5
Crown Paints Kenya	7.6
Nairobi Business Ventures	7.1

(Source: NSE, DBIB Research)

Top Losers	%
Longhorn Publishers	(21.2)
Car & General	(14.9)
Home Afrika	(11.4)
Jubilee Holdings	(9.4)
Olympia Capital	(9.1)

Source: NSE, DBIB Research

Top traders (Value)	USD MN
Safaricom	4.55
Equity Group	1.67
BAT Kenya	1.17
Co-operative Bank	0.53
Centum	0.17

(Source: NSE, DBIB Research)

## Y-T-D Performance

Top gainers	%
Eveready East Africa	97.1
Kenya Orchards	87.5
Kapchorua Tea	77.9
Umeme	64.7
Housing Finance	39.8

Source: NSE, DBIB Research

Top Losers	%
Unga	(43.3)
Trans-Century	(43.0)
Longhorn Publishers	(41.3)
Safaricom	(37.9)
KCB	(33.0)

(Source: NSE, DBIB Research)

## Weekly Foreign Performance

Top Weekly Buys	% Purchase
BAT Kenya	97.1
StanChart	79.5
Equity Bank	49.3
Diamond Trust Bank	47.2
Safaricom	35.0

(Source: NSE, DBIB Research)

Top Weekly Sales	% Sold
BAT Kenya	98.8
Safaricom	98.2
Co-operative Bank	92.6
Centum	76.3
KenGen	55.5

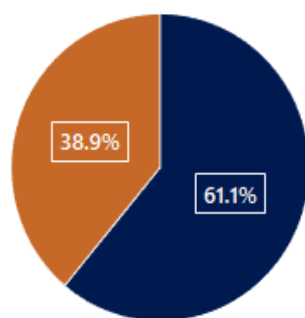
## Y-T-D Foreign Performance

Top Foreign Buys	% Purchase
New Gold ETF	91.0
BK Group	90.0
E.A. Breweries	67.1
Equity	61.7
NBV	60.3

(Source: NSE, DBIB Research)

Top Foreign Sales	% Sold
BAT Kenya	87.6
Safaricom	80.0
New Gold ETF	79.6
BK Group	75.7
Unga Ltd	67.3

## 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 104.61 MN (KES 15.42 BN) representing a 6.6% w-o-w drop from USD 111.98 MN (KES 16.44 BN) recorded the previous week.

The Bond market's turnover for the week stood at USD 104.61 MN (KES 15.42 BN) representing a 6.6% w-o-w drop from USD 111.98 MN (KES 16.44 BN) recorded the previous week. The bond issue number FXD1/2012/15 emerged as the top traded bond with a turnover of KES 3.63 BN accounting for 23.6% of the week's turnover. The bond traded between 18.2000% and 18.4200%.

### 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 FXD1/2016/010 (2.9 years) with the intention of raising KES 15.0 BN for budgetary support. The coupon rate for FXD1/2023/002 stands at 16.9723% while that of FXD1/2016/010 stood at 15.0390%. The period of sale runs from 22 September 2023 to 28 September 2023.

### Top Trades for the week ending 22 September 2023

						Total
			Coupon	Yield	Price	Value
Trading Date	Issue No.	Years	(%)	(%)	(KES m)	(KES m)
22-Sep	FXD1/2021/5Yr	3.1	11.2770	18.2000	87.94	1,000.0
22-Sep	FXD1/2012/15Yr	4.0	11.0000	18.4000	80.10	855.1
21-Sep	FXD1/2012/15Yr	4.0	11.0000	18.4000	80.06	800.0
21-Sep	FXD1/2012/15Yr	4.0	11.0000	18.3000	80.30	800.0
20-Sep	FXD1/2016/10Yr	2.9	15.0390	18.0500	94.59	745.5
22-Sep	FXD1/2012/15Yr	4.0	11.0000	18.3000	80.33	655.1
20-Sep	FXD1/2023/5Yr	4.8	16.8440	17.5000	100.85	640.0
20-Sep	IFB1/2021/21Yr	18.9	12.7370	13.2630	97.23	430.0
22-Sep	FXD1/2012/15Yr	4.0	11.0000	18.2000	80.57	320.0
18-Sep	FXD1/2016/10Yr	2.9	15.0390	18.4500	93.66	289.1
19-Sep	IFB1/2021/21Yr	18.9	12.7370	15.9900	83.46	265.0
21-Sep	IFB1/2021/21Yr	18.9	12.7370	15.2000	87.16	265.0
20-Sep	FXD1/2020/5Yr	1.6	11.6670	17.4000	96.44	250.0
21-Sep	FXD1/2020/5Yr	1.6	11.6670	17.3700	96.52	250.0

#### Sell & buy-backs

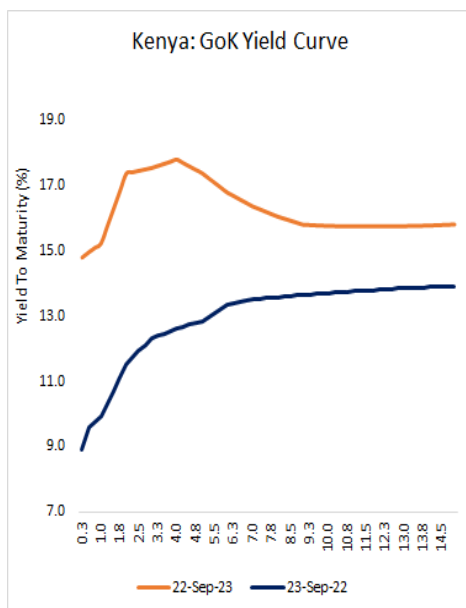
19-Sep	IFB1/2021/21Yr	18.9	12.7370	13.2700	97.15	430.0
21-Sep	FXD1/2022/10Yr	8.6	13.4900	13.7420	103.48	235.0
21-Sep	FXD2/2019/10Yr	5.5	12.3000	13.6320	100.45	190.0

(Source: NSE, DBIB Research)

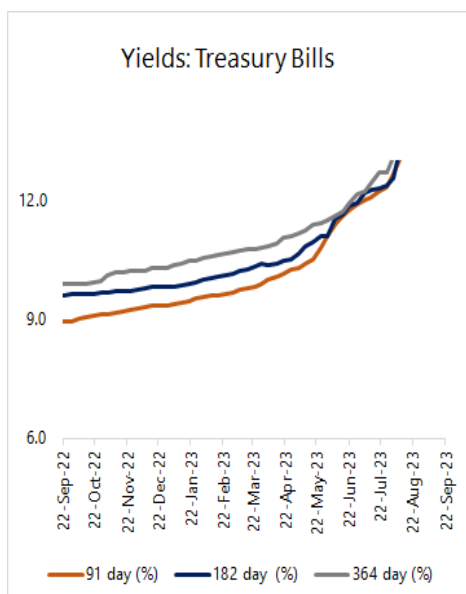
### Treasury Bill auction for the week ending 22 September 2023

Instrument	Amount	Bids Received	Subscription	Bids Accepted	Yield	w-o-w
	(KES Bn)	(KES Bn)	Rate (%)	(KES Bn)	(%)	bps ch
91-day	4.00	16.07	401.67	15.53	14.787	27.2
182-day	10.00	1.58	15.83	1.58	14.940	5.3
364-day	10.00	2.53	25.27	1.67	15.221	49.3

(Source: NSE, DBIB Research)



Source: NSE, DBIB Research



Source: NSE, DBIB Research

---

## Salient News

### Equity Bank & MasterCard sign a Customer Business Agreement

.....

**Equity Bank and MasterCard** have signed a Customer business agreement that will enable the bank's customers to access multiple payment solutions.

.....

Equity Bank and MasterCard have signed a Customer business agreement that will enable the bank's customers to access multiple MasterCard payment solutions.

The payment solutions offered by MasterCard include cross-border remittances , e-commerce payments, QR payments, Tap on phone solutions etc. Both companies have also pledged to come up with new payment solutions in line with the changing customer needs.

*Source: Company, Business Daily.*

### Stanbic raises Sanlam loan cap

.....

**Stanbic Bank Kenya** has increased the credit line with **Sanlam Kenya** by 67 percent to Sh5 billion.

.....

Stanbic Bank Kenya has increased the credit line with Sanlam Kenya by 67.0% to KES 5 BN. The loan is secured by Sanlam's parent firm, Sanlam Limited South Africa, which owns 57.14% of Sanlam Kenya.

In 2020, Sanlam Emerging Markets (SEM), part of Sanlam Limited, entered into a performance guarantee agreement with Stanbic Bank Kenya to provide Sanlam Kenya with a revolving credit facility with an aggregate amount of KES 3.00 BN. According to Sanlam limited, Sanlam Kenya had already utilized KES 3.4 BN by end of June 2023. The upward review will support Sanlam Kenya which has been experiencing liquidity challenges.

*Source: Company, Business Daily.*

### Eveready appoints new CEO

.....

**Ms. Winnie Chepkomei** was appointed as the Managing Director and Chief Executive Officer of **Eveready East Africa PLC**, succeeding Mr. Thomas Mong'are, who had served as the Acting Managing Director since March 10, 2021.

.....

Ms. Winnie Chepkomei was appointed as the Managing Director and Chief Executive Officer of Eveready East Africa PLC, succeeding Mr. Thomas Mong'are, who had served as the Acting Managing Director since March 10, 2021.

*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
Stanbic Holdings	Interim: KES 1.15	4-Sep-23	27-Sep-23
EABL	Final: KES 1.75	15-Sep-23	27-Oct-23
NCBA	Interim: KES 1.75	14-Sep-23	28-Sep-23
Absa	Interim: KES 2.20	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*

## AGM SCHEDULE

<u>Company</u>	<u>Time</u>	<u>Venue</u>	<u>Date</u>
Centum	10:00 a.m.	Electronic	27-Sep-23
Eaagads	11:00 a.m.	Electronic	28-Sep-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.*

### DISCLAIMER

*While every care has been taken in preparing this report and it has been prepared from sources believed to be reliable, no representation, warranty, or undertaking (express or implied) is given and no responsibility is accepted by Dyer and Blair Investment Bank Limited, its related companies, subsidiaries, affiliates, its employees and agents, as to the accuracy and completeness of the information contained herein or in respect of any reliance on or use thereof. This report is solely intended for distribution to clients of Dyer and Blair Investment Bank Limited. Any information may be changed after distribution at any time without any notice.*

### RESEARCH TEAM

Email: [research@dyerandblair.com](mailto:research@dyerandblair.com) | Contact: +254 709 930 128