

DBIB WEEKLY BULLETIN

WEEK 01

Date: 05.01.2024

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INDICES & MARKET METRICS MOVEMENT

NSE 20 and NASI rose by 1.1% and 0.5% w-o-w to close at 1518.40 and 92.55 respectively.

Weekly equity turnover dropped by 40.7% w-o-w to close at USD 1.53 MN (KES 0.24 BN).

USD | KES: KES weakened by 0.6% w-o-w to close at 157.39 (-0.59% year-to-date).

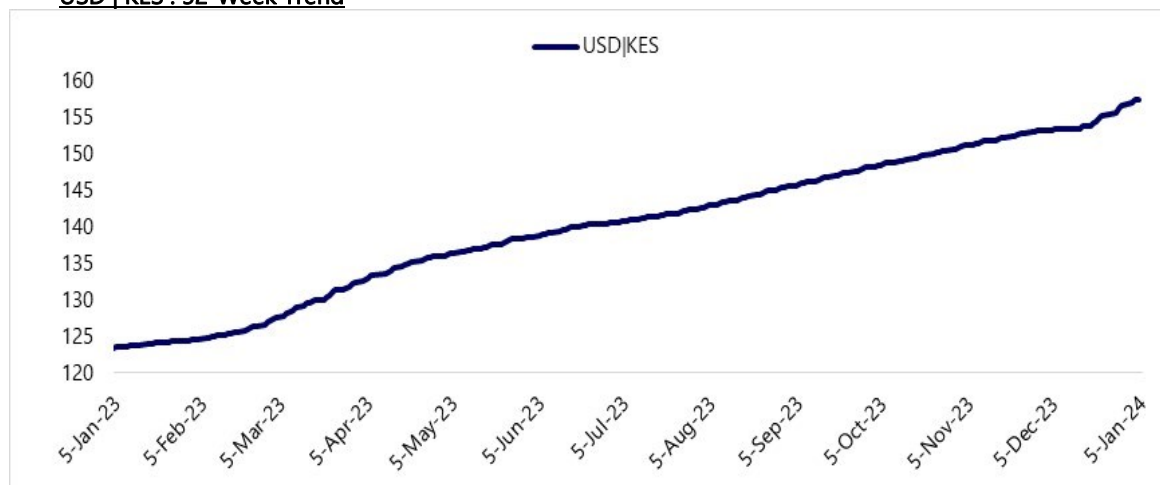
Index	Current	1 wk (%)	3 m (%)	6 m (%)	YTD (%)
NASI	92.55	0.48	(1.01)	(16.90)	0.48
NSE-20	1,518.40	1.15	1.84	(6.16)	1.15
DBIB Select	83.52	1.83	0.29	(6.77)	1.83
MSCI Kenya (USD)	561.00	1.44	(7.87)	(30.56)	1.44
MSCI Frontier (USD)	512.77	1.14	6.14	4.45	1.14

(Source: NSE, Bloomberg, DBIB Research)

Market Metrics	Current	1 wk (ch)	3 m (ch)	6 m (ch)	12 m (ch)
MarkEV Cap. (USD m)	1,446.00	0.49	(1.48)	(1.01)	(16.64)
MarkEV Turnover (USD m)	1.53	(40.72)	(82.72)	(79.72)	(86.48)
MarkEV P/E (x)	7.78	1.18	(2.90)	(8.66)	(14.74)
MarkEV Div. yld (%) *	3.93	(1.91)	(486.41)	(498.42)	(376.63)
MarkEV ROE (%) *	25.47	9.46	(186.83)	(392.13)	(969.53)

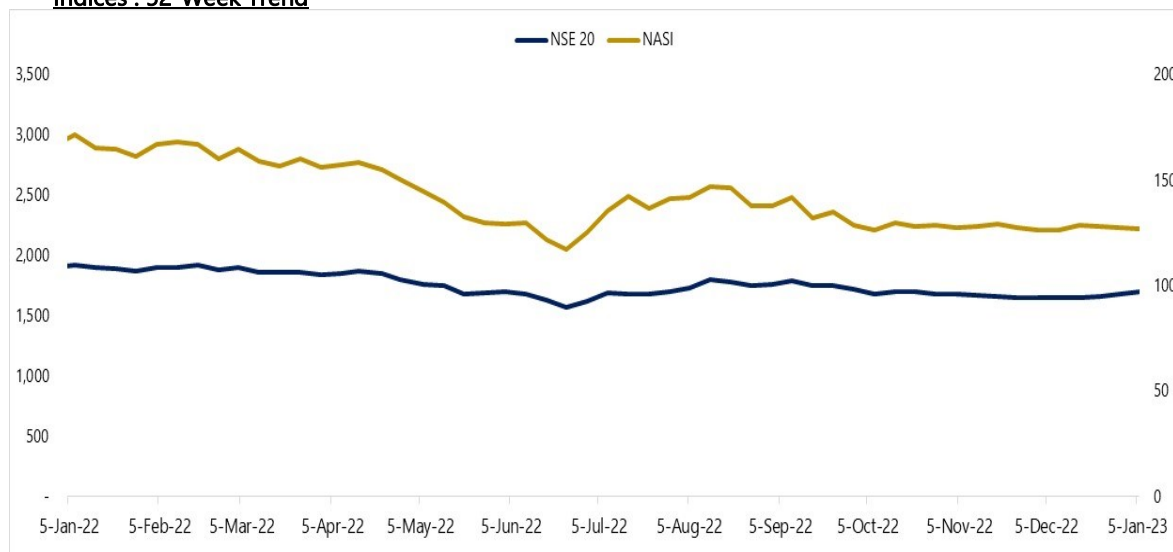
* Changes in % **Changes in bps -Market ROE is market cap weighted -ch: changes
(Source: NSE, DBIB Research)

USD | KES : 52-Week Trend



(Source: CBK, DBIB Research)

Indices : 52-Week Trend



(Source: NSE, DBIB Research)

PEER P/E MULTIPLES



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

*LTM Price/EPS

(Source: Bloomberg, DBIB Research)

WEEKLY BOURSE WRAP UP...

Safaricom emerged as the top traded counter on the bourse recording a weekly turnover of USD 0.73 MN (KES 0.12 BN) representing 47.97% of this week's turnover.

The stock eased by 2.2% w-o-w to close at KES 13.60 on Friday.

Foreign investors assumed a **net buying position** on the counter this week by accounting for 75.12% of foreign sales and 80.24% of foreign purchases.

Week-on-Week Performance

<u>Top gainers</u>	<u>%</u>
Liberty Kenya	14.4
Williamson Tea Kenya	13.9
Eveready E.A.	12.0
Flame Tree Group	8.7
East African Breweries	7.5

(Source: NSE, DBIB Research)

<u>Top traders (Value)</u>	<u>USD MN</u>
Safaricom	0.73
Equity Group	0.43
KCB Group	0.10
Co-operative Bank	0.08
StanChart	0.05

(Source: NSE, DBIB Research)

Y-T-D Performance

<u>Top gainers</u>	<u>%</u>
Liberty Kenya	14.4
Williamson Tea Kenya	13.9
Eveready E.A.	12.0
Flame Tree Group	8.7
East African Breweries	7.5

(Source: NSE, DBIB Research)

<u>Top Losers</u>	<u>%</u>
Longhorn Publishers	(10.0)
Nairobi Business Ventures	(8.9)
Sanlam Kenya	(6.7)
WPP Scangroup	(5.0)
STANLIB FAHARI I-REIT	(3.8)

(Source: NSE, DBIB Research)

<u>Top Losers</u>	<u>%</u>
Longhorn Publishers	(10.0)
Nairobi Business Ventures	(8.9)
Sanlam Kenya	(6.7)
WPP Scangroup	(5.0)
STANLIB FAHARI I-REIT	(3.8)

(Source: NSE, DBIB Research)

Weekly Foreign Performance

<u>Top Weekly Buys</u>	<u>% Purchase</u>
Equity Group	85.5
Safaricom	80.2
StanChart	43.7
NCBA Bank	23.2
E.A. Breweries	21.4

(Source: NSE, DBIB Research)

Y-T-D Foreign Performance

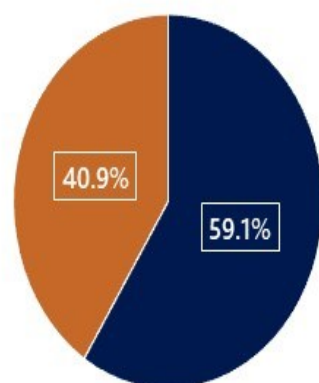
<u>Top Foreign Buys</u>	<u>% Purchase</u>
Equity Group	85.5
Sfaricom	80.2
StanChart	43.7
NCBA Bank	23.2
E.A. Breweries	21.4

(Source: NSE, DBIB Research)

<u>Top Weekly Sales</u>	<u>% Sold</u>
Jubilee Holdings	100.0
Centum	76.7
Safaricom	75.1
DTB Kenya	66.3
Equity Group	50.7

<u>Top Foreign Sales</u>	<u>% Sold</u>
Jubilee Holdings	100.0
Centum	76.7
Safaricom	75.1
DTB Kenya	66.3
Equity Group	50.7

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 4.11 MN (KES 0.65 BN) representing a 76.0% w-o-w drop from USD 17.11 MN (KES 2.68 BN) recorded the previous week.

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Top Trades for the week ending 05 January 2024

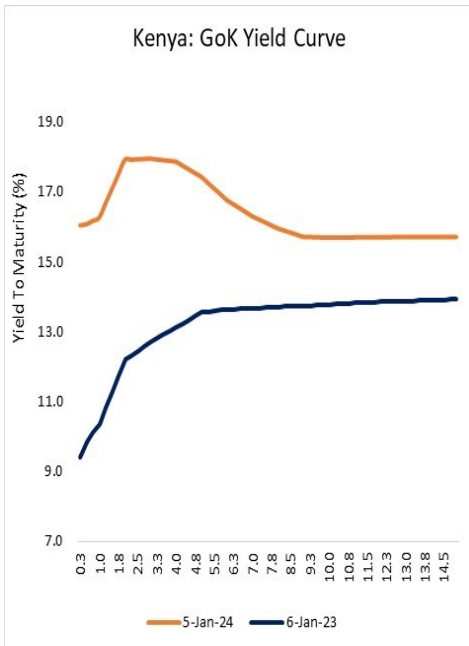
Trading Date	Issue No.	Years	Coupon (%)	Yield (%)	Total	
					Price (KES m)	Value (KES m)
5-Jan	FXD2/2019/5Yr	0.3	10.8720	10.1000	102.01	68.0
2-Jan	IFB1/2022/18Yr	16.4	13.7420	14.4486	97.03	52.0
5-Jan	FXD1/2018/20Yr	14.2	13.2000	15.9000	88.84	40.0
2-Jan	IFB1/2020/9Yr	5.3	10.8500	12.9500	97.38	36.0
3-Jan	IFB1/2023/6.5Yr	6.3	17.9327	16.8000	105.95	33.5
2-Jan	IFB1/2023/6.5Yr	6.3	17.9327	16.6300	106.45	31.9
4-Jan	IFB1/2023/6.5Yr	6.3	17.9327	17.6000	103.50	29.3
4-Jan	IFB1/2020/11Yr	7.6	10.9000	13.4550	95.31	24.0
2-Jan	FXD2/2019/5Yr	0.3	10.8720	10.1000	101.93	23.0
2-Jan	IFB1/2023/6.5Yr	6.3	17.9327	17.4615	103.83	20.0
3-Jan	FXD3/2019/15Yr	10.5	12.3400	17.8000	79.90	19.4
2-Jan	IFB1/2023/6.5Yr	6.3	17.9327	16.8590	105.72	15.5
3-Jan	IFB1/2023/6.5Yr	6.3	17.9327	16.6300	106.49	15.3
2-Jan	IFB1/2023/17Yr	16.1	14.3990	15.9350	96.43	14.0
5-Jan	IFB1/2023/6.5Yr	6.3	17.9327	16.6300	106.59	14.0
5-Jan	IFB1/2021/21Yr	18.6	12.7370	17.0000	83.10	12.0
4-Jan	IFB1/2023/6.5Yr	6.3	17.9327	16.6423	106.50	10.5
2-Jan	IFB1/2023/6.5Yr	6.3	17.9327	17.3000	104.33	10.0
5-Jan	IFB1/2023/6.5Yr	6.3	17.9327	16.8000	106.04	8.0
4-Jan	IFB1/2023/6.5Yr	6.3	17.9327	16.6300	106.54	7.6
5-Jan	IFB1/2023/6.5Yr	6.3	17.9327	17.0903	105.13	7.0
5-Jan	IFB1/2021/16Yr	13.0	12.2570	17.5000	82.68	6.5
5-Jan	IFB1/2018/15Yr	9.0	12.5000	14.0000	99.30	6.0
5-Jan	IFB1/2023/6.5Yr	6.3	17.9327	16.5145	106.96	5.4
2-Jan	IFB1/2023/7Yr	6.4	15.8370	18.5900	92.12	5.2
3-Jan	IFB1/2023/6.5Yr	6.3	17.9327	16.9300	105.54	5.0
4-Jan	IFB1/2019/16Yr	11.8	11.7500	17.5000	76.96	5.0
4-Jan	IFB1/2019/16Yr	11.8	11.7500	17.0000	78.76	5.0

(Source: NSE, DBIB Research)

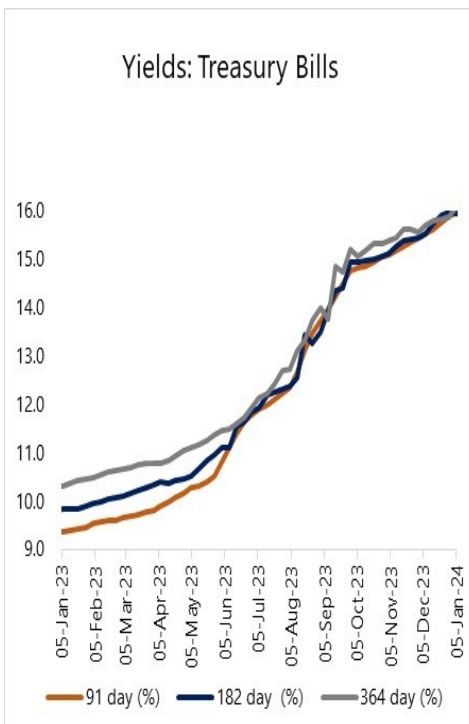
Treasury Bill auction for the week ending 05 January 2024

Instrument	Amount (KES Bn)	Bids Received (KES Bn)	Subscription Rate (%)	Bids Accepted (KES Bn)	Yield (%)	w-o-w bps ch
91-day	4.00	26.31	657.80	25.30	16.0589	7.6
182-day	10.00	4.67	46.72	4.67	16.0915	12.5
364-day	10.00	1.30	12.95	1.30	16.2786	17.9

(Source: NSE, DBIB Research)



Source: NSE, DBIB Research



Source: NSE, DBIB Research

Salient News

Extension of suspension from Trading Kenya Airways Shares

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The Nairobi Securities Exchange issued a public notice on the extension of suspension from trading of Kenya Airways plc shares.
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The Nairobi Securities Exchange issued a public notice on the extension of suspension from trading of Kenya Airways plc shares. This extension of suspension seeks to enable the company to complete its operational and corporate restructuring process.

The extension of suspension from trading the company's shares will remain in force for an additional 12 months with effect from January 5th 2024.

(Source: Company filings, DBIB Research).

Equity Group Completes merger of Cogebanque Bank of Rwanda and Equity Bank Rwanda

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Equity Group Holdings completed the merger of Cogebanque Bank of Rwanda and Equity Bank Rwanda after receipt of all regulatory approvals.
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On December 31st 2023, Equity Group Holdings completed the merger of Cogebanque Bank of Rwanda and Equity Bank Rwanda after receipt of all regulatory approvals. The amalgamated entity is Equity Bank Rwanda Plc with Equity Group Holdings now holding 99.816% shareholding in Equity Bank Rwanda.

On account of the Merger, Cogebanque will be deregistered in accordance with the law governing companies in Rwanda and, hence, will no longer be a subsidiary of Equity Group Holdings.

(Source: Company filings, DBIB Research).

UPCOMING EVENTS

Profit Warnings

1. Nation Media
2. Car & General
3. Sasini
4. Crown Paints
5. WPP Scangroup
6. Sameer Africa
7. Kakuzi
8. Express Kenya

<u>Company</u>	<u>Announcement</u>	<u>Book Closure</u>	<u>Payment</u>
KenGen	First & Final: KES 0.30	30-Nov-23	15-Feb-24
Williamson Tea	Interim: KES 10.00	07-Dec-23	13-Dec-23
Kapchorua Tea	Interim: KES 10.00	07-Dec-23	13-Dec-23
Standard Chartered	Interim: KES 6.00	14-Dec-23	28-Dec-23
Umeme	Interim: UGX 24.00	09-Feb-24	29-Feb-24

(Source: NSE, DBIB Research)

STA—Subject to approval*

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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