

DBIB WEEKLY BULLETIN

WEEK 02

Date: 12.01.2024

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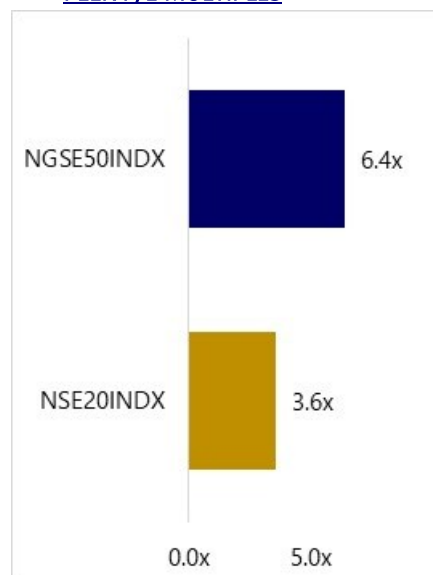
INDICES & MARKET METRICS MOVEMENT

NSE 20 eased by 0.29% w-o-w to close at 1,514.07 while **NASI rose** by 0.29% w-o-w to close at 92.80.

Weekly equity turnover rose by 181.20% w-o-w to close at USD 4.28 MN (KES 0.68 BN).

USD | KES: KES weakened by 1.2% w-o-w to close at 159.85 (-2.17% 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	92.80	0.27	(0.61)	(18.55)	0.75
NSE-20	1,514.07	(0.29)	1.47	(6.81)	0.86
DBIB Select	83.35	(0.20)	(0.32)	(7.77)	1.63
MSCI Kenya (USD)	559.35	(0.29)	(7.80)	(32.90)	1.14
MSCI Frontier (USD)	512.80	0.01	5.06	1.87	1.15

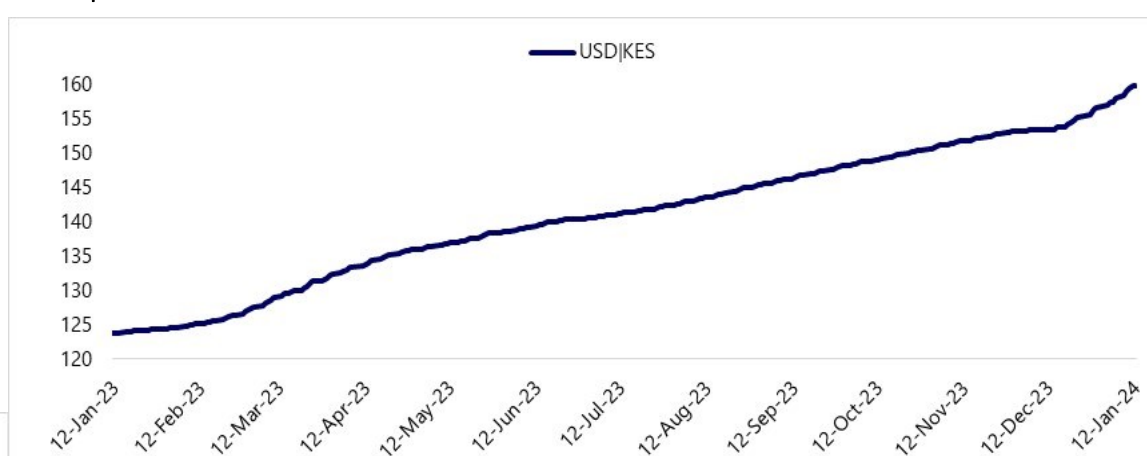
(Source: NSE, Bloomberg, DBIB Research)

Market Metrics	Current	1 wk (ch)	3 m (ch)	6 m (ch)	12 m (ch)
MarkEV Cap. (USD m)	1,449.84	0.27	0.87	(0.61)	(18.30)
MarkEV Turnover (USD m)	4.28	181.23	36.63	36.07	(27.51)
MarkEV P/E (x)	7.68	(1.33)	(1.52)	(9.71)	(16.92)
MarkEV Div. yld (%) *	3.92	(1.04)	(488.61)	(479.41)	(397.67)
MarkEV ROE (%) *	25.52	4.43	(188.85)	(389.20)	(930.10)

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

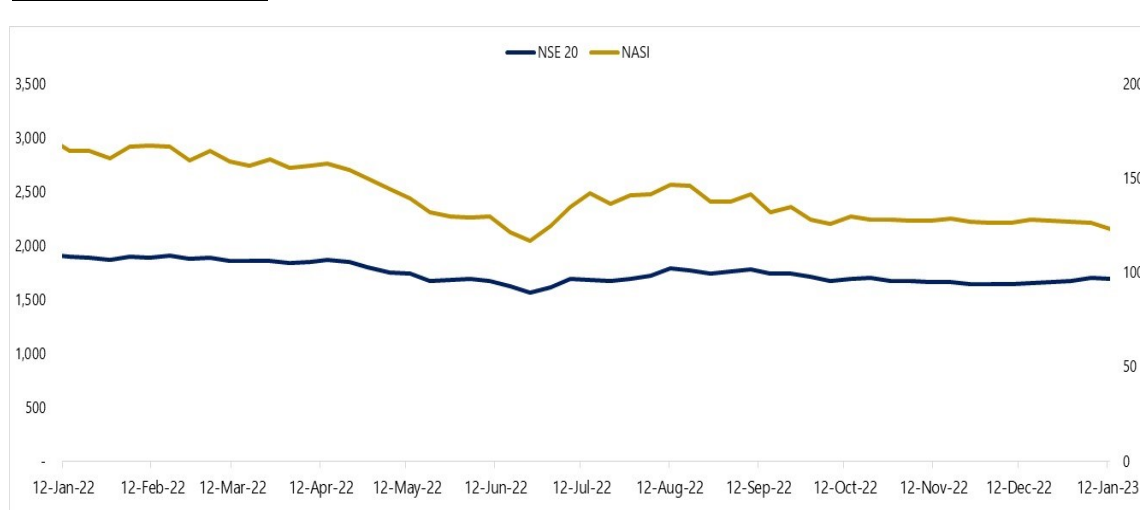
(Source: NSE, DBIB Research)

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 1.56 MN (KES 0.25 BN) representing 36.38% of this week's turnover.

The stock eased by 2.2% w-o-w to close at KES 13.90 on Friday.

Foreign investors assumed a **net buying position** on the counter this week by accounting for **87.67%** of foreign sales and **91.30%** of foreign purchases.

Week-on-Week Performance

Top gainers	%
Liberty Kenya	18.5
Sasini	10.0
WPP Scangroup	7.2
Sanlam	7.1
Kenya Re	6.6

(Source: NSE, DBIB Research)



Top Losers	%
NBV	(12.2)
E.A. Cables	(11.1)
Home Afrika	(10.3)
Eaagads	(7.5)
Bamburi Cement	(6.7)

(Source: NSE, DBIB Research)



Top traders (Value)	USD MN
Safaricom	1.56
Bamburi	1.17
Equity	0.53
KCB	0.45
Co-operative	0.11

(Source: NSE, DBIB Research)

Y-T-D Performance

Top gainers	%
Liberty Kenya	35.5
Eveready	12.0
Sasini	10.6
Williamson Tea	10.0
Flame Tree	9.6

(Source: NSE, DBIB Research)



Top Losers	%
NBV	(20.0)
E.A. Cables	(9.3)
Longhorn Publishers	(8.1)
Eaagads	(7.5)
Umeme	(7.1)

(Source: NSE, DBIB Research)



Weekly Foreign Performance

Top Weekly Buys	% Purchase
Safaricom	91.3%
KCB	85.5%
New Gold ETF	79.8%
Equity	79.5%
EABL	73.2%

(Source: NSE, DBIB Research)

Top Weekly Sales	% Sold
Jubilee	96.8%
Safaricom	87.7%
Bamburi	76.2%
KCB	56.1%
Equity	53.7%

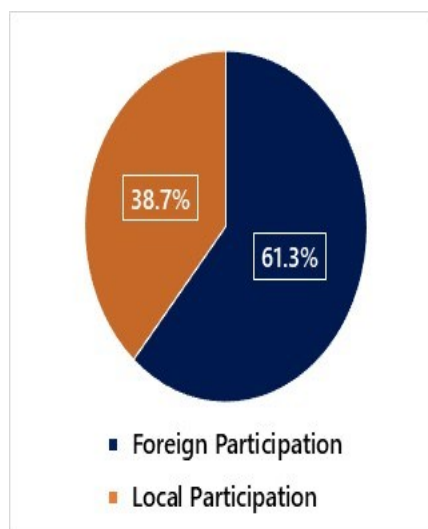
Y-T-D Foreign Performance

Top Foreign Buys	% Purchase
Safaricom	87.8%
Equity	82.2%
New Gold ETF	79.8%
KCB	70.2%
EABL	68.4%

(Source: NSE, DBIB Research)

Top Foreign Sales	% Sold
Jubilee	96.8%
Safaricom	83.7%
Bamburi	75.9%
Centum	63.9%
Equity	52.4%

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 63.13 MN (KES 10.09 BN) representing a 1439.2% w-o-w increase from USD 4.10 MN (KES 0.65 BN) recorded the previous week.

The Bond market's turnover for the week stood at USD 63.13 MN (KES 10.09 BN) representing a 1439.2% w-o-w drop from USD 4.10 MN (KES 0.65 BN) recorded the previous week. The bond issue number IFB1/2023/6.5Yr emerged as the top traded bond with a turnover of KES 3.82 BN accounting for 37.8% of the week's turnover. The bond traded between 18.8876% and 16.2923%.

January Bond Results: FXD1/2024/03 (re-opened) and FXD1/2023/05 (re-opened)

The Central Bank of Kenya (CBK) re-opened FXD1/2024/03 (3.0 years) and FXD1/2023/05 (4.7 years) with the intention of raising KES 35.0 BN for budgetary support. From the auction, the FXD1/2024/03 bond received bids worth KES 29.1 BN (translating to a subscription rate of 83.11%) while FXD1/2023/05 received bids worth KES 8.7 BN (translating to a subscription rate of 23.04%). The CBK accepted KES 22.1 BN for the FXD1/2024/03 and KES 2.9 BN for the FXD1/2023/05. The coupon rates remained fixed at 18.3854% and 16.8440% for FXD1/2024/03 and FXD1/2023/05, respectively.

Top Trades for the week ending 12 January 2024

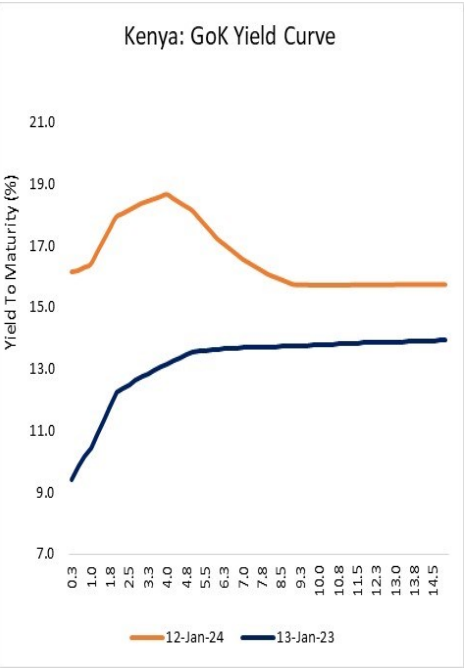
						Total
		Coupon	Yield	Price	Value	
Trading Date	Issue No.	Years	(%)	(%)	(KES m)	(KES m)
10-Jan	IFB1/2023/6.5Yr	6.3	17.9327	17.5000	104.09	1,200.0
10-Jan	FXD1/2020/5Yr	1.3	11.6670	17.6500	95.24	1,000.0
11-Jan	FXD1/2020/5Yr	1.3	11.6670	17.6500	95.28	1,000.0
10-Jan	FXD1/2022/3Yr	1.2	11.7660	17.6500	96.62	700.0
11-Jan	IFB1/2023/6.5Yr	6.3	17.9327	17.5000	104.14	318.0
10-Jan	FXD3/2019/15Yr	10.5	12.3400	16.0000	87.39	303.8
8-Jan	IFB1/2023/6.5Yr	6.3	17.9327	17.6000	103.69	300.0
11-Jan	IFB1/2023/6.5Yr	6.3	17.9327	17.5100	104.11	300.0
11-Jan	IFB1/2023/6.5Yr	6.3	17.9327	17.4750	104.22	300.0
11-Jan	IFB1/2023/6.5Yr	6.3	17.9327	17.4000	104.45	300.0
10-Jan	FXD1/2022/10Yr	8.3	13.4900	16.9000	87.13	225.0
11-Jan	FXD1/2022/10Yr	8.3	13.4900	16.2000	89.97	225.0

(Source: NSE, DBIB Research)

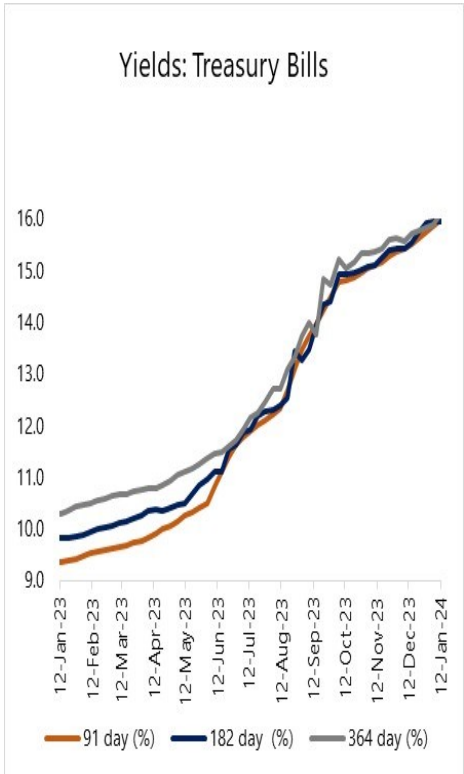
Treasury Bill auction for the week ending 12 January 2024

Instrument	Amount	Bids Received	Subscription	Bids Accepted	Yield	w-o-w
	(KES Bn)	(KES Bn)	Rate (%)	(KES Bn)	(%)	bps ch
91-day	4.00	44.58	1114.40	34.87	16.1452	8.6
182-day	10.00	10.10	101.02	8.67	16.1874	9.6
364-day	10.00	3.29	32.90	2.43	16.3917	11.3

(Source: NSE, DBIB Research)



Source: NSE, DBIB Research



Source: NSE, DBIB Research

Salient News

SASINI GROUP PLC FY23 Earnings

.....
Sasini Group released its audited FY23 earnings reporting a decrease 53.5% y-o-y of profit after tax to KES 542.5 MN.
.....

Sasini Group released its audited FY23 earnings reporting a decrease 53.5% y-o-y of profit after tax to KES 542.5 MN. This was largely attributed to the prolonged drought in the first half of the financial year which resulted in a substantial loss in tea production.

Revenue for the period decreased 22.1% y-o-y to KES 5.8 BN driven by extreme challenging environment passed by the prolonged adverse weather conditions.

Operating profit decreased 31.2% y-o-y to KES 1.7 BN while other income decreased 20.2% y-o-y to KES 115.4 MN. Finance costs for the period stood at 55.65 MN.

Total assets decreased 0.3% y-o-y to KES 16.3 BN after a 1.2% y-o-y decrease in non-current assets to KES 12.9 BN and a 3.1% y-o-y increase in current assets to KES 3.4 BN.

Total liabilities eased 17.6% y-o-y to KES 1.6 BN following a 0.8% y-o-y reduction in non-current liabilities to KES 1.2 BN and a 45.5% y-o-y increase in current liabilities to KES 419.4 MN. Total equity for the period increased 2.1% y-o-y to KES 14.5 BN.

Net cash used in operating activities stood at 283.5 MN. Net cash generated in investing activities was stated as KES 304.8 MN while net cash used in financing activities stood at KES 221.2 MN.

(Source: Company filings, DBIB Research).

UPCOMING EVENTS

Profit Warnings

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

<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
Sasini	Final: KES 24.00	22-Feb-24	22-Mar-24

(Source: NSE, DBIB Research)

STA—Subject to approval*

AGM SCHEDULE

<u>Company</u>	<u>Time</u>	<u>Venue</u>	<u>Date</u>
Sasini	11:00 a.m.	Virtual	07-Mar-24

(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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