

# DBIB WEEKLY BULLETIN

# WEEK 28

Date: 12.07.2024

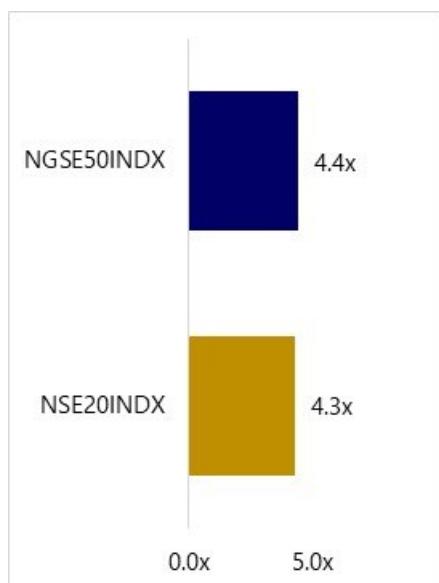
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## INDICES & MARKET METRICS MOVEMENT

### 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	110.03	0.93	(0.54)	18.57	19.45
NSE-20	1,695.78	2.18	(1.69)	12.00	12.96
DBIB Select	89.84	1.24	(0.66)	7.78	9.54
MSCI Kenya (USD)	847.49	0.95	(0.16)	51.51	53.24
MSCI Frontier (USD)	536.25	0.73	2.80	4.57	5.77

(Source: NSE, Bloomberg, DBIB Research)

Market Metrics	Current	1 wk (ch)	3 m (ch)	6 m (ch)	12 m (ch)
Market Cap. (USD m)	1,719.12	0.93	(3.20)	(0.54)	18.57
Market Turnover (USD m)	8.72	14.70	(0.47)	(17.43)	103.80
Market P/E (x)	7.15	(4.12)	(8.27)	(23.97)	(6.88)
Market Div. yld (%) *	8.15	(7.57)	179.07	422.95	(56.47)
Market ROE (%) *	22.06	(13.54)	(55.85)	(345.77)	(734.97)

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

(Source: NSE, DBIB Research)

Exchange Rate Statistics	Current	1 wk (ch)	3 m (ch)	6 m (ch)	12 m (ch)
KES/USD*	129.26	(0.61)	0.84	0.19	0.09
KES/GBP*	166.88	(1.74)	(1.83)	0.18	0.10
KES/EUR*	140.50	(1.08)	(0.30)	0.20	0.11
Fx Reserve (USD MN)*	7,896.00	1.56	8.30	0.16	0.06
Fx reserve: Import Cover**	4.10	10.00	0.30	0.40	0.01
Inflation**	4.60	-	(40.00)	(225.00)	(268.00)
CBR**	13.00	-	-	50.00	250.00

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

(Source: NSE, DBIB Research)

### Weekly Market Summary

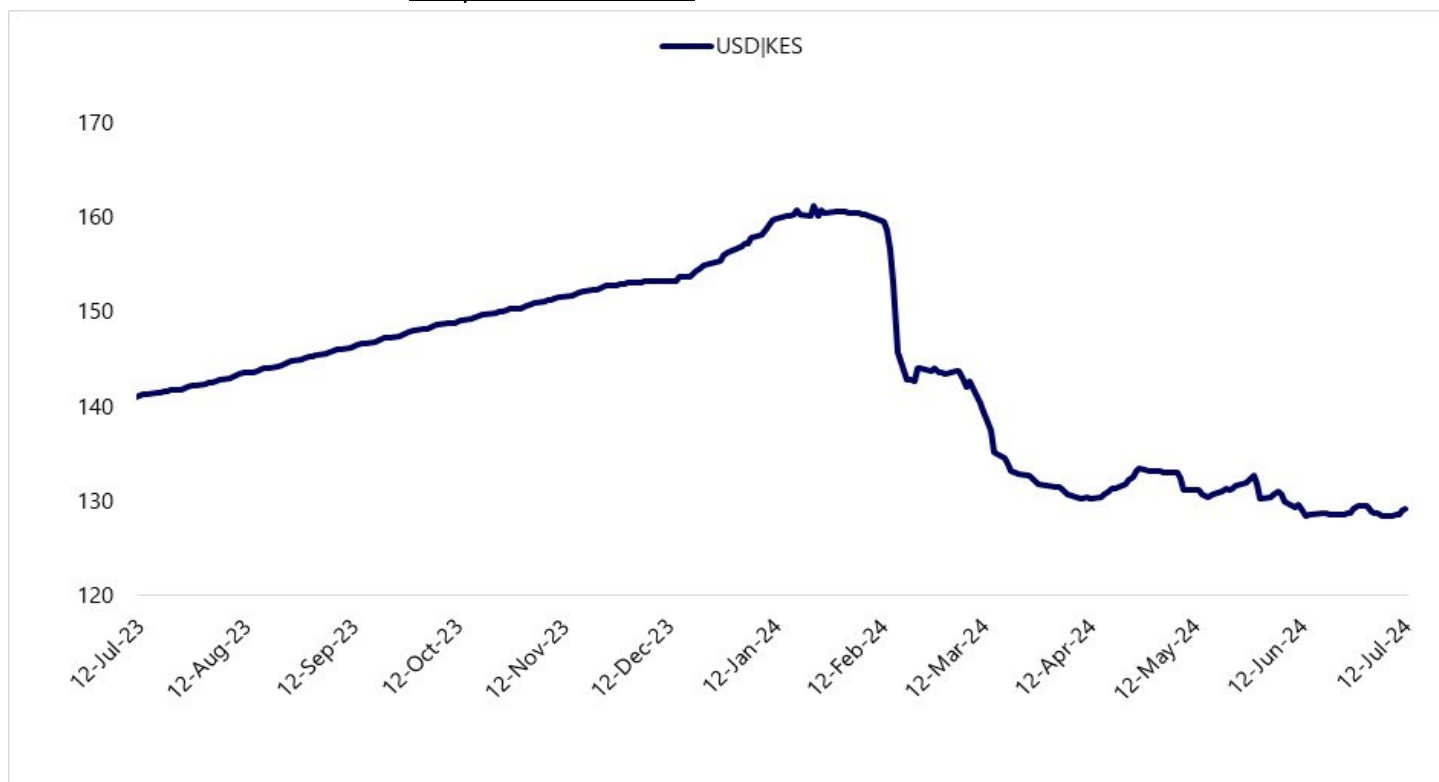
**NSE 20** and **NASI** gained by 2.18% and 0.93% w-o-w to close at 1695.78 and 109.02, respectively.

**Weekly equity turnover** increased by 14.70% w-o-w to close at USD 8.72 MN (KES 1.13 BN).

**USD | KES:** KES weakened by 0.61% w-o-w to close at 129.26 (17.39% year-to-date).

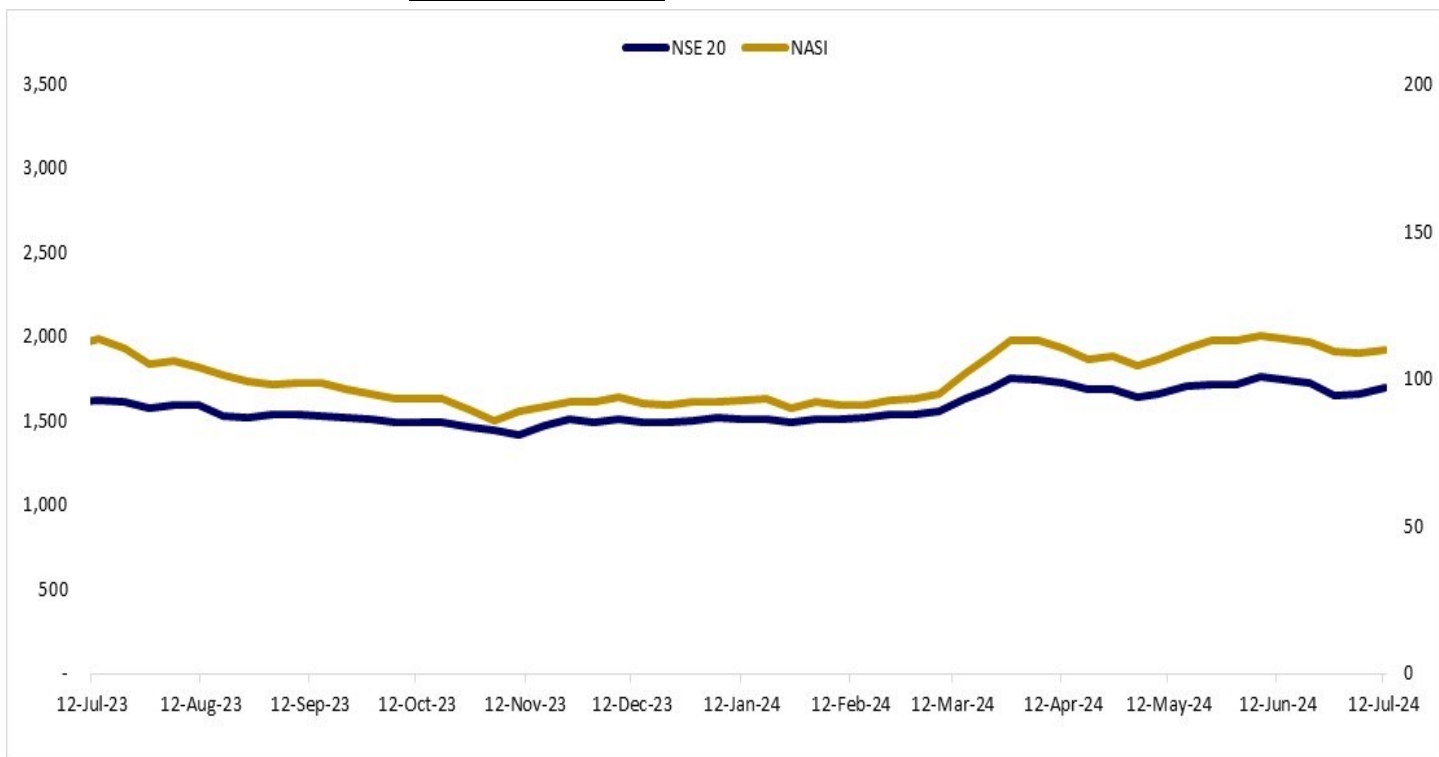
# INDICES & MARKET METRICS MOVEMENT

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 2.88 MN (KES 0.37 BN) representing 33.00% of this week's turnover.

The stock shed 1.4% w-o -w to close at KES 17.05 on Friday.

Foreign investors assumed a **net selling position** on the counter this week by accounting for **73.40%** of foreign sales and **37.20%** of foreign purchases.

## Week-on-Week Performance

<u>Top gainers</u>	<u>%</u>
Bamburi Cement	37.9
Olympia Capital	11.5
Sameer Africa	10.4
Liberty Kenya	10.2
KCB Group	6.7

(Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
Express Kenya	(10.0)
TPS Eastern Africa	(9.6)
Car & General	(9.1)
E.A.Portland Cement	(8.2)
Flame Tree Group	(7.6)

(Source: NSE, DBIB Research)



<u>Top traders (Value)</u>	<u>USD MN</u>
Safaricom	2.88
East African Breweries	1.15
Co-operative Bank	1.14
Equity Group	0.65
Stanbic Holdings	0.59

(Source: NSE, DBIB Research)

## Y-T-D Performance

<u>Top gainers</u>	<u>%</u>
Bamburi Cement	71.5
Liberty Kenya	58.8
East African Breweries	55.9
KCB Group	31.6
Equity Group	28.7

(Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
E.A.Portland Cement	(44.3)
Trans-Century	(28.8)
Unga Group	(26.6)
TPS Eastern Africa	(23.1)
Kenya Re	(22.6)

(Source: NSE, DBIB Research)



## Weekly Foreign Performance

<u>Top Weekly Buys</u>	<u>% Purchase</u>
E.A. Breweries	97.8
Stanbic Holdings	94.3
Equity Group	87.4
Jubilee	46.8
KCB Group	46.1

(Source: NSE, DBIB Research)

<u>Top Weekly Sales</u>	<u>% Sold</u>
BAT Kenya	94.1
E.A. Breweries	92.5
Express Kenya	91.7
Car & General	86.6
Centum	83.4

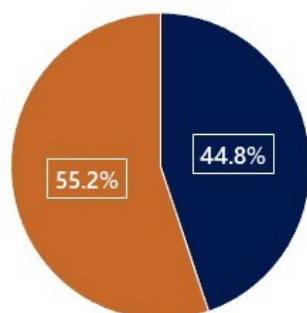
## Y-T-D Foreign Performance

<u>Top Foreign Buys</u>	<u>% Purchase</u>
I&M Group	97.1
BK Group	95.5
Equity Group	75.2
E.A. Breweries	72.3
Crown Paints	70.8

(Source: NSE, DBIB Research)

<u>Top Foreign Sales</u>	<u>% Sold</u>
I&M Group	96.0
Centum	71.8
Equity Group	71.0
Safaricom	69.6
KenGen	67.4

## WEEKLY LOCAL VS FOREIGN PARTICIPATION



- Foreign Participation
- Local Participation

(Source: NSE, DBIB Research)

The **Bond market's turnover** for the week stood at USD 342.87 MN (KES 44.32 BN) representing a 27.96% w-o-w increase from USD 267.96 MN (KES 34.42 BN) recorded the previous week.

## FROM THE FIXED INCOME DESK

The Bond market's turnover for the week stood at USD 342.87 MN (KES 44.32 BN) representing a 27.96% w-o-w increase from USD 267.96 MN (KES 34.42 BN) recorded the previous week. The bond issue number IFB1/2024/8.5Yr emerged as the top traded bond with a turnover of KES 29.14 BN accounting for 65.7% of the week's turnover. The bond traded between 15.8000% and 19.0000%.

### Top Trades for the week ending 12 July 2024

						Total
	Coupon	Yield	Price	Value		
Trading Date	Issue No.	Years	(%)	(%)	(KES m)	(KES m)
9-Jul	IFB1/2024/8.5Yr	8.1	18.4607	18.0510	108.54	3,900.0
8-Jul	IFB1/2024/8.5Yr	8.1	18.4607	18.0000	108.68	2,000.1
8-Jul	IFB1/2024/8.5Yr	8.1	18.4607	17.9800	108.75	2,000.0
10-Jul	IFB1/2024/8.5Yr	8.1	18.4607	17.9000	109.14	1,824.0
9-Jul	IFB1/2024/8.5Yr	8.1	18.4607	18.1000	108.37	1,600.0
8-Jul	FXD1/2020/5Yr	0.8	11.6670	17.5750	97.59	1,500.0
10-Jul	IFB1/2024/8.5Yr	8.1	18.4607	17.1000	112.12	1,310.0
9-Jul	IFB1/2024/8.5Yr	8.1	18.4607	17.6200	110.12	1,000.0
10-Jul	IFB1/2024/8.5Yr	8.1	18.4607	17.6000	110.24	1,000.0
11-Jul	IFB1/2024/8.5Yr	8.1	18.4607	17.6200	110.22	1,000.0
12-Jul	IFB1/2024/8.5Yr	8.1	18.4607	17.6000	110.34	1,000.0
8-Jul	IFB1/2024/8.5Yr	8.1	18.4607	17.8420	109.25	800.0
8-Jul	IFB1/2024/8.5Yr	8.1	18.4607	17.7000	109.77	780.0
8-Jul	IFB1/2024/8.5Yr	8.1	18.4607	17.6750	109.86	780.0
11-Jul	IFB1/2024/8.5Yr	8.1	18.4607	17.9500	109.01	600.0
10-Jul	FXD3/2019/5Yr	0.4	11.4920	17.1500	98.72	599.5
10-Jul	FXD3/2019/5Yr	0.4	11.4920	17.1000	98.74	599.5
10-Jul	FXD3/2019/5Yr	0.4	11.4920	16.5000	98.97	599.5
9-Jul	FXD1/2012/20Yr	8.7	12.0000	14.0500	91.94	526.5
11-Jul	IFB1/2024/8.5Yr	8.1	18.4607	17.8000	109.56	502.0
8-Jul	FXD1/2020/5Yr	0.8	11.6670	17.5000	97.65	500.0
8-Jul	IFB1/2024/8.5Yr	8.1	18.4607	17.7417	109.62	500.0
9-Jul	FXD1/2020/5Yr	0.8	11.6670	17.0000	98.05	500.0
12-Jul	IFB1/2024/8.5Yr	8.1	18.4607	17.1250	112.12	500.0

#### Sell & buy-backs

8-Jul	FXD1/2024/3Yr	2.5	18.3854	18.4800	108.64	19.0
8-Jul	FXD1/2024/3Yr	2.5	18.3854	18.4550	108.69	19.0

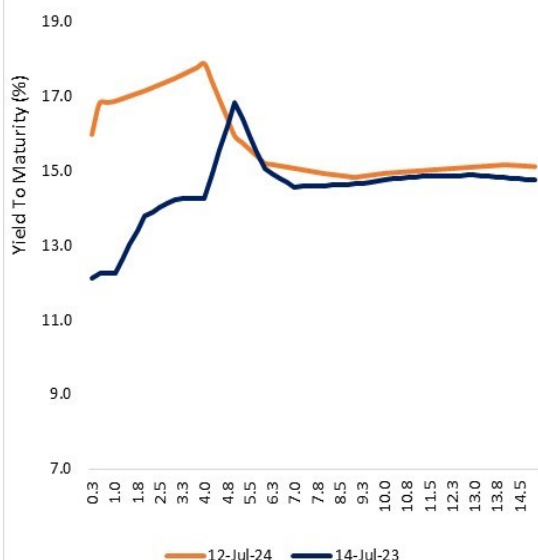
Source: NSE, DBIB Research)

### Treasury Bill auction for the week ending 12 July 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	14.59	364.71	13.07	15.995	0.9
182-day	10.00	10.06	100.65	9.04	16.822	2.7
364-day	10.00	8.30	82.97	8.14	16.880	5.0

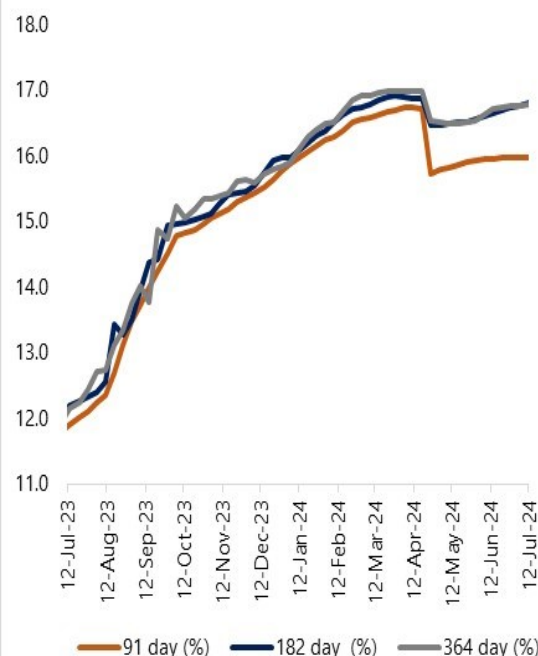
(Source: NSE, DBIB Research)

Kenya: GoK Yield Curve



Source: NSE, DBIB Research

Yields: Treasury Bills



Source: NSE, DBIB Research

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## Salient News

### Bamburi Cement takeover Bid.

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**Amson Industries** has announced its intention to acquire 100% of the ordinary shares of **Bamburi Cement Plc** for an offer price of KES 65.00 per share.

.....

Amson Industries has announced its intention to acquire 100% of the ordinary shares of Bamburi Cement Plc for an offer price of KES 65.00 per share. The offer price represents a premium of 44.44% from Bamburi's volume weighted average price (VWAP) of KES 45.00 on 10th July 2024.

Amson industries also understands that Bamburi may declare and pay a special dividend in relation to the proceeds received from the completed sale of Hima Cement. The special dividend, if declared, will be payable to shareholders on record on the record date and shall not be for the account of Amson Industries.

*(Source: Company filings, DBIB Research).*

## UPCOMING EVENTS

### Profit Warnings

1. Car & General
2. Eaagads

<u>Company</u>	<u>Announcement</u>	<u>Book Closure</u>	<u>Payment</u>
Umeme	Final: UGX 54.20	28-Jun-24	19-Jul-24
BOC Kenya	First & Final: KES 6.05	31-May-24	21-Jul-24
Jubilee Holdings	Final & Special: KES 12.30	25-Jun-24	25-Jul-24
Bamburi Cement	Final: KES 5.47	24-May-24	25-Jul-24
NSE	Final: KES 0.16	30-May-24	31-Jul-24
TotalEnergies	First & Final: KES 1.92	27-Jun-24	31-Jul-24
Kenya Re	First & Final: KES 0.30	25-Jun-24	09-Aug-24
Kenya Re	Bonus Issue 1:1	25-Jun-24	09-Aug-24
Liberty Kenya	Final: KES 0.373	14-Jun-24	24-Aug-24
Safaricom	Final: KES 0.65	31-Jul-24	31-Aug-24
Kapchorua Tea Kenya	Final: KES 15.00	31-Jul-24	02-Sep-24
Williamson Tea Kenya	Final: KES 15.00	31-Jul-24	02-Sep-24

*(Source: NSE, DBIB Research)*

*STA\*—Subject to approval*

## AGM SCHEDULE

<u>Company</u>	<u>Time</u>	<u>Venue</u>	<u>Date</u>
Safaricom	11:00 a.m.	Virtual	25-July-24
Express Kenya	11:00 a.m.	Virtual	26-July-24
Kapchorua Tea Kenya	10:15 a.m.	Virtual	22-Aug-24
Williamson Tea Kenya	11:30 a.m.	Virtual	22-Aug-24

*(Source: Company filings , DBIB Research)*

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