

DBIB WEEKLY BULLETIN

WEEK 25

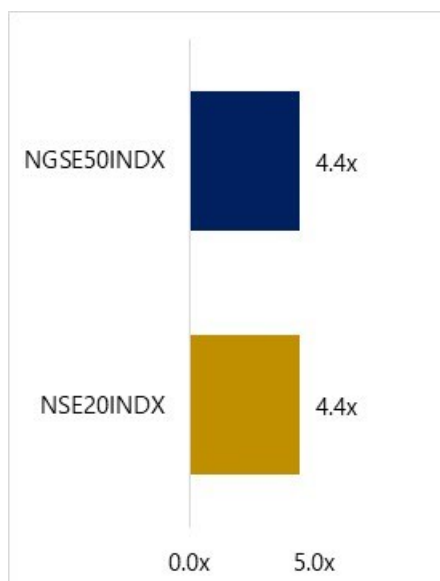
Date: 21.06.2024

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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	112.75	(0.80)	4.73	23.89	22.41
NSE-20	1,730.28	(0.81)	2.56	16.19	15.26
DBIB Select	89.49	(0.55)	1.26	9.64	9.11
MSCI Kenya (USD)	892.35	1.13	13.43	61.34	61.35
MSCI Frontier (USD)	527.66	(0.54)	(0.07)	4.85	4.08

(Source: NSE, Bloomberg, DBIB Research)

Market Metrics	Current	1 wk (ch)	3 m (ch)	6 m (ch)	12 m (ch)
Market Cap. (USD m)	1,761.55	(0.81)	(0.31)	4.73	23.89
Market Turnover (USD m)	9.32	6.35	(45.00)	(51.31)	88.24
Market P/E (x)	7.74	(0.67)	(2.07)	(15.08)	2.24
Market Div. yld (%) *	7.93	6.39	168.61	393.44	(132.81)
Market ROE (%) *	22.53	4.40	(65.38)	(282.80)	(649.94)

* 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*	128.55	0.08	3.29	0.17	0.08
KES/GBP*	163.10	0.62	2.90	0.17	0.09
KES/EUR*	137.94	0.40	4.23	0.19	0.11
Fx Reserve (USD MN)*	8,321.00	18.67	18.50	0.24	0.13
Fx reserve: Import Cover**	4.30	60.00	0.60	0.70	0.24
Inflation**	5.10	-	(60.00)	(153.00)	(278.00)
CBR**	13.00	-	-	50.00	350.00

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

(Source: NSE, DBIB Research)

Weekly Market Summary

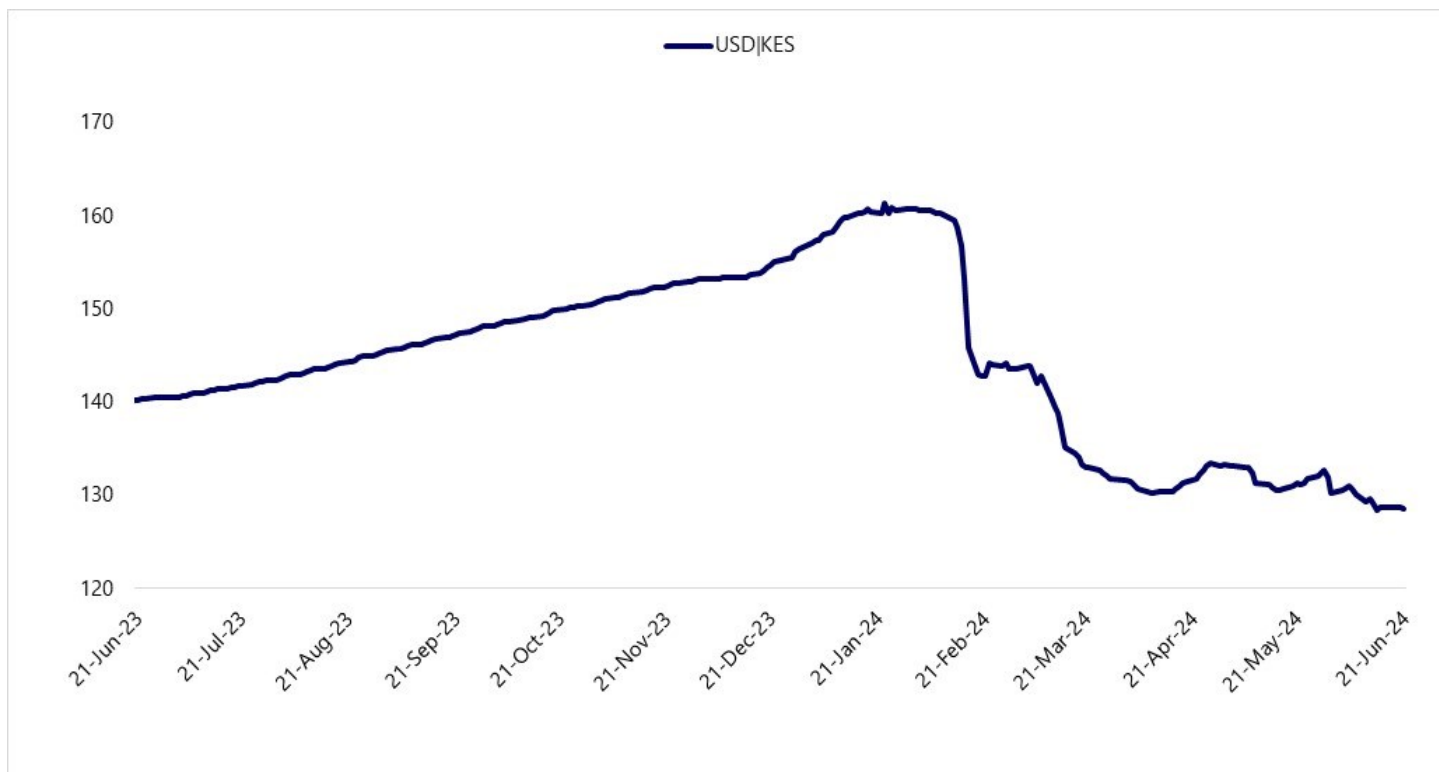
NSE 20 and **NASI** shed 0.81% and 0.80% to close at 1730.28 and 112.75, respectively.

Weekly equity turnover increased by 6.35% w-o-w to close at USD 9.32 MN (KES 1.20 BN).

USD | KES: KES strengthened by 0.08% w-o-w to close at 128.55 (17.84% year-to-date).

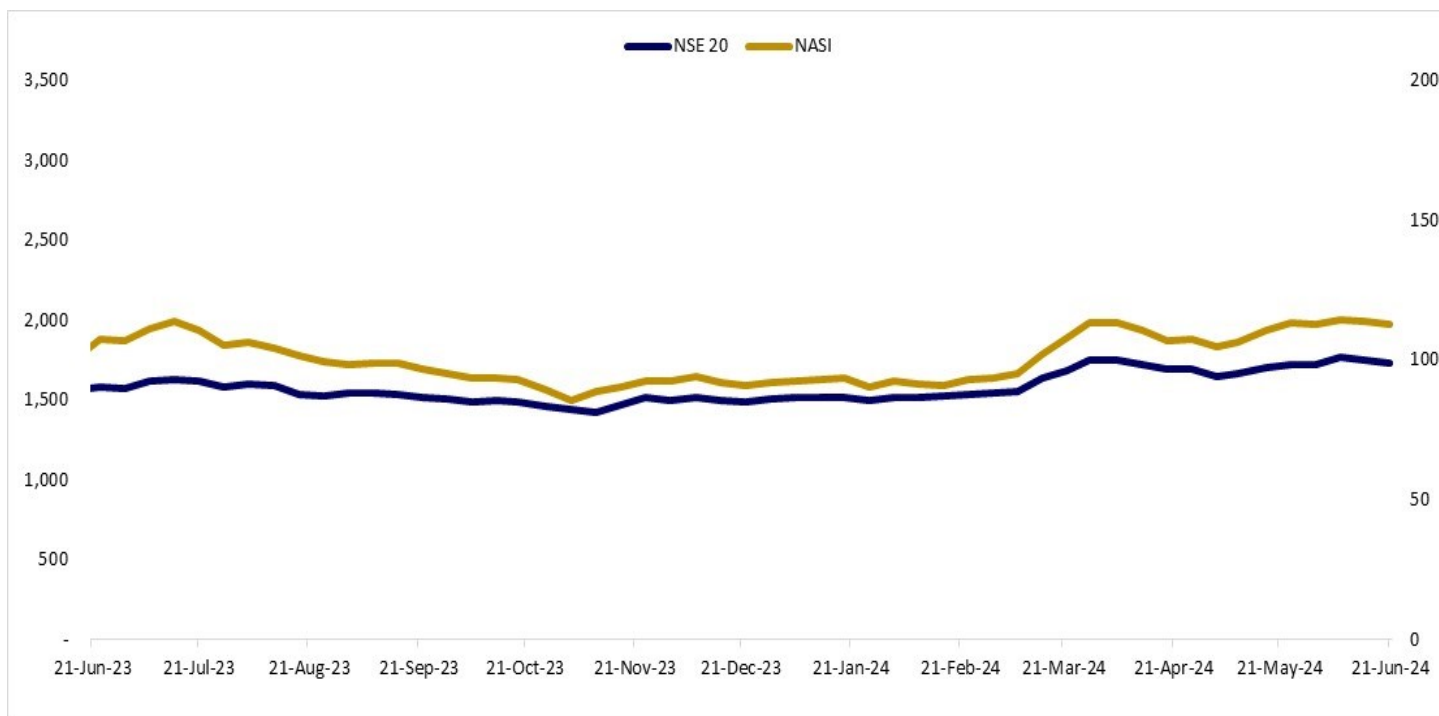
INDICES & MARKET METRICS MOVEMENT

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 2.14 MN (KES 0.28 BN) representing 23.01% of this week's turnover.

The stock decreased 0.3% w-o-w to close at KES 18.15 on Friday.

Foreign investors assumed a **net selling position** on the counter this week by accounting for **45.48%** of foreign sales and **45.48%** of foreign purchases.

Week-on-Week Performance

<u>Top gainers</u>	<u>%</u>
Kapchorua Tea	6.1
Unga Group	4.2
I&M Group	4.1
Flame Tree Group	3.5
Carbacid	2.3

(Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
Trans-Century	(22.4)
Longhorn	(14.6)
Car & General	(12.5)
E.A.Portland Cement	(10.9)
Nairobi Business Ventures	(8.4)

(Source: NSE, DBIB Research)



<u>Top traders (Value)</u>	<u>USD MN</u>
Safaricom	2.14
Equity Group	1.71
ABSA Bank	1.06
KCB Group	0.87
Co-operative Bank	0.79

(Source: NSE, DBIB Research)

Y-T-D Performance

<u>Top gainers</u>	<u>%</u>
Liberty Kenya	57.7
KCB Group	55.9
Eveready E.A.	50.5
Kenya Re	33.3
Williamson Tea Kenya	33.3

(Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
E.A.Portland Cement	(28.3)
Trans-Century	(26.9)
Unga Group	(20.0)
Express Kenya	(19.7)
Car & General	(19.0)

(Source: NSE, DBIB Research)



Weekly Foreign Performance

<u>Top Weekly Buys</u>	<u>% Purchase</u>
I&M Group	95.5
Equity Group	65.2
Jubilee Holdings	60.8
KCB Group	53.6
BAT Kenya	52.0

(Source: NSE, DBIB Research)

<u>Top Weekly Sales</u>	<u>% Sold</u>
Kenya Orchards	90.9
Kakuzi	71.3
BAT Kenya	67.8
HF Group	47.8
Safaricom	45.5

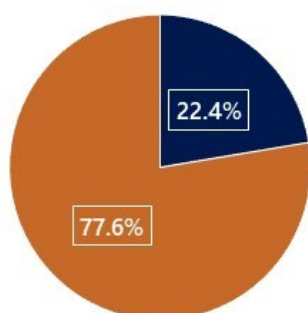
Y-T-D Foreign Performance

<u>Top Foreign Buys</u>	<u>% Purchase</u>
I&M Group	97.2
BK Group	95.8
Equity Group	74.7
Crown Paints	72.0
E.A. Breweries	69.7

(Source: NSE, DBIB Research)

<u>Top Foreign Sales</u>	<u>% Sold</u>
I&M Group	96.2
Centum	73.9
Equity Group	73.0
Safaricom	69.6
KenGen	69.4

WEEKLY LOCAL VS FOREIGN PARTICIPATION



■ Foreign Participation
■ Local Participation

(Source: NSE, DBIB Research)

The **Bond market's turnover** for the week stood at USD 175.68 MN (KES 22.58 BN) representing a 8.3% w-o-w increase from USD 162.17 MN (KES 20.86 BN) recorded the previous week.

FROM THE FIXED INCOME DESK

The Bond market's turnover for the week stood at USD 175.68 MN (KES 22.58 BN) representing a 8.3% w-o-w increase from USD 162.17 MN (KES 20.86 BN) recorded the previous week. The bond issue number IFB1/2024/8.5Yr emerged as the top traded bond with a turnover of KES 6.93 BN accounting for 30.7% of the week's turnover. The bond traded between 15.8236% and 18.0140%.

June Tap Sale Results: FXD1/2023/02, FXD1/2024/03, FXD1/2023/05 and FXD1/2023/10

The Central Bank of Kenya (CBK) issued a tap sale for FXD1/2023/02 (1.2 years) FXD1/2024/03 (2.6 years), FXD1/2023/05 (4.1 years) and FXD1/2023/10 (8.7 years) with the intention of raising KES 20.0 BN for budgetary support. The CBK received total bids worth KES 25.13 BN translating to a subscription rate of 125.7%. In turn they accepted bids worth 23.86 BN. The coupon rates stand at 16.9723% for FXD1/2023/02, 18.3854% for FXD1/2024/03, 16.8440% for FXD1/2023/05 and 14.1510% for FXD1/2023/10.

Top Trades for the week ending 21 June 2024

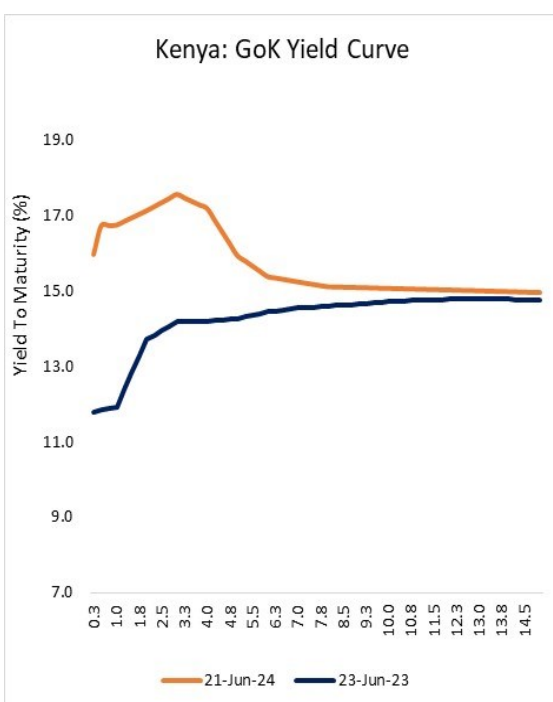
						Total
		Coupon	Yield	Price	Value	
Trading Date	Issue No.	Years	(%)	(%)	(KES m)	(KES m)
19-Jun	FXD1/2010/15Yr	0.7	10.2500	17.1500	98.24	1,500.0
18-Jun	IFB1/2023/7Yr	6.0	15.8370	15.9500	99.70	1,000.0
19-Jun	IFB1/2023/7Yr	6.0	15.8370	15.9250	99.81	1,000.0
20-Jun	FXD1/2020/5Yr	0.9	11.6670	17.1500	97.10	1,000.0
20-Jun	FXD1/2020/5Yr	0.9	11.6670	17.1000	97.14	1,000.0
20-Jun	IFB1/2023/7Yr	6.0	15.8370	15.4000	101.48	1,000.0
20-Jun	IFB1/2024/8.5Yr	8.1	18.4607	17.0000	111.50	819.8
19-Jun	FXD1/2023/5Yr	4.1	16.8440	17.8000	104.49	800.0
18-Jun	IFB1/2024/8.5Yr	8.1	18.4607	16.9500	111.59	770.0
18-Jun	IFB1/2024/8.5Yr	8.1	18.4607	17.0500	111.20	750.0
20-Jun	IFB1/2024/8.5Yr	8.1	18.4607	17.0500	111.30	750.0
19-Jun	IFB1/2024/8.5Yr	8.1	18.4607	17.0130	111.40	600.0
18-Jun	IFB1/2024/8.5Yr	8.1	18.4607	17.0130	111.35	510.0
19-Jun	FXD3/2019/5Yr	0.5	11.4920	16.8000	97.94	500.0
21-Jun	IFB1/2023/6.5Yr	5.9	17.9327	16.6400	105.59	500.0
21-Jun	IFB1/2023/6.5Yr	5.9	17.9327	16.5200	105.95	500.0
21-Jun	IFB1/2024/8.5Yr	8.1	18.4607	17.0500	111.35	500.0

Source: NSE, DBIB Research)

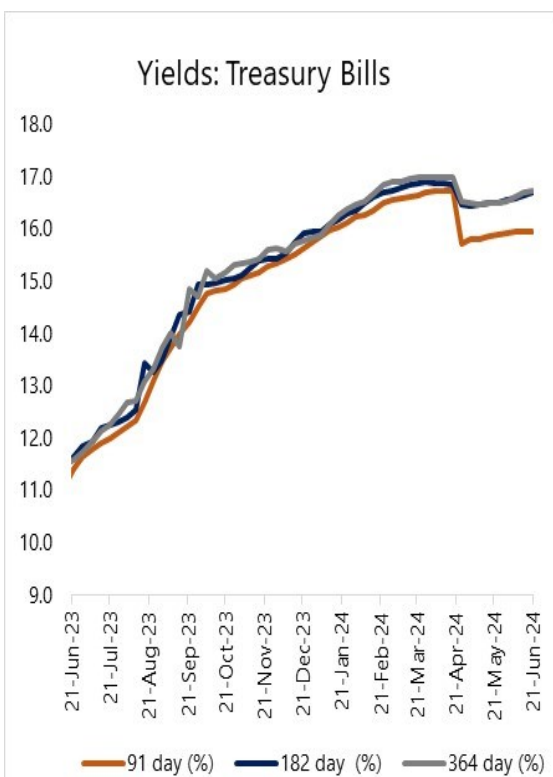
Treasury Bill auction for the week ending 21 June 2024

Instrument	Amount	Bids Received	Subscription	Bids Accepted	Yield	w-o-w
	(KES Bn)	(KES Bn)	Rate (%)	(KES Bn)	(%)	bps ch
91-day	4.00	5.92	147.96	5.08	15.972	(0.0)
182-day	10.00	3.93	39.33	3.86	16.738	3.8
364-day	10.00	4.55	45.53	4.45	16.755	0.1

(Source: NSE, DBIB Research)



Source: NSE, DBIB Research



Source: NSE, DBIB Research

Salient News

Kenya Orchards Cautionary Statement

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Kenya Orchards issued a cautionary announcement on the proposed acquisition of 10,863,537 shares of the company by Africa Mega Agriculture Centre Limited.

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Kenya Orchards issued a cautionary announcement on the proposed acquisition of 10,863,537 ordinary shares of the company by Africa Mega Agriculture Centre Limited (AMAC) by way of private transaction. The aforementioned number of shares constitute 84.42% of the total issued share capital of Kenya Orchards Limited (KOL).

AMAC has also stated that it does not intend to make over a take-over offer to acquire all voting shares in KOL. AMAC (a private limited company incorporated in Kenya) is an agribusiness company specialized in farming equipment leasing, agro-processing, storage solutions, co-farming, market facilitation among others. If the proposed Transaction is completed successfully, AMAC will control directly up to 84.423% of the issued share capital of KOL.

(Source: Company filings, DBIB Research).

UPCOMING EVENTS

Profit Warnings

1. Car & General
2. Eaagads

Company	Announcement	Book Closure	Payment
BAT Kenya	Final: KES 45.00	24-May-24	26-Jun-24
DTB Kenya	First & Final: KES 6.00	24-May-24	28-Jun-24
Equity Group	First & Final: KES 4.00	24-May-24	28-Jun-24
Limuru Tea	Final: KES 1.00	15-Apr-24	30-Jun-24
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
Laptrust Imara I-REIT	First & Final: KES 0.57	STA*	STA*

(Source: NSE, DBIB Research)

STA—Subject to approval*

AGM SCHEDULE

Company	Time	Venue	Date
Car & General Kenya	10:00 a.m.	Hybrid	25-Jun-24
Jubilee Holdings	11:00 a.m.	Virtual	27-Jun-24
Kenya Re	11:00 a.m.	Virtual	25-Jun-24
BAT Kenya	10:00 a.m.	Virtual	26-Jun-24
Equity Group	10:00 a.m.	Virtual	26-Jun-24
Sanlam	10:00 a.m.	Virtual	26-Jun-24
East African Cables	11:00 a.m.	Virtual	26-Jun-24
TotalEnergies	10:00 a.m.	Virtual	27-Jun-24
Home Afrika	10:00 a.m.	Virtual	27-Jun-24
Britam	10:00 a.m.	Virtual	27-Jun-24
Crown Paints	11:00 a.m.	Virtual	27-Jun-24
TPS Eastern Africa	11:00 a.m.	Virtual	27-Jun-24
Trans-Century Plc	11:00 a.m.	Virtual	28-Jun-24
Nation Media Group	3:00 p.m.	Virtual	28-Jun-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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