

DBIB WEEKLY BULLETIN

WEEK 26

Date: 28.06.2024

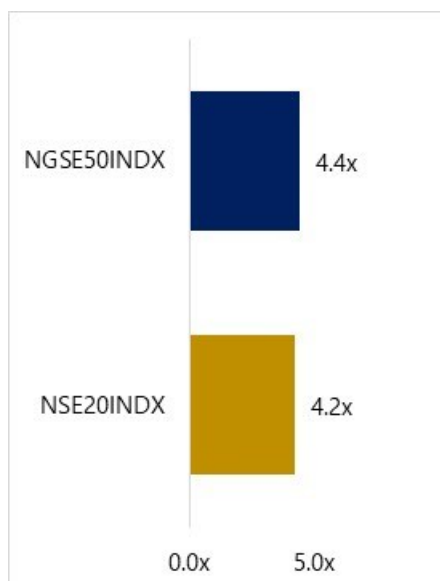
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INDICES & MARKET METRICS MOVEMENT

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	109.49	(2.89)	(3.18)	18.87	18.87
NSE-20	1,656.50	(4.26)	(5.47)	10.35	10.35
DBIB Select	89.16	(0.37)	(1.53)	8.71	8.71
MSCI Kenya (USD)	832.04	(6.76)	(2.59)	50.45	50.45
MSCI Frontier (USD)	523.38	(0.81)	(1.40)	3.23	3.23

(Source: NSE, Bloomberg, DBIB Research)

Market Metrics	Current	1 wk (ch)	3 m (ch)	6 m (ch)	12 m (ch)
Market Cap. (USD m)	1,710.64	(2.89)	(3.09)	(3.19)	18.87
Market Turnover (USD m)	6.91	(25.87)	(92.28)	(82.79)	168.24
Market P/E (x)	7.58	(2.14)	(5.25)	(19.56)	(1.50)
Market Div. yld (%) *	8.19	25.84	196.15	424.04	(109.04)
Market ROE (%) *	22.51	(2.08)	(40.21)	(287.31)	(667.40)

* 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*	129.53	(0.76)	1.72	0.17	0.08
KES/GBP*	163.90	(0.50)	1.59	0.18	0.08
KES/EUR*	138.87	(0.67)	2.67	0.20	0.09
Fx Reserve (USD MN)*	7,800.00	(6.26)	10.05	0.18	0.04
Fx reserve: Import Cover**	4.10	(20.00)	0.30	0.60	(0.02)
Inflation**	4.60	-	(110.00)	(203.00)	(328.00)
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

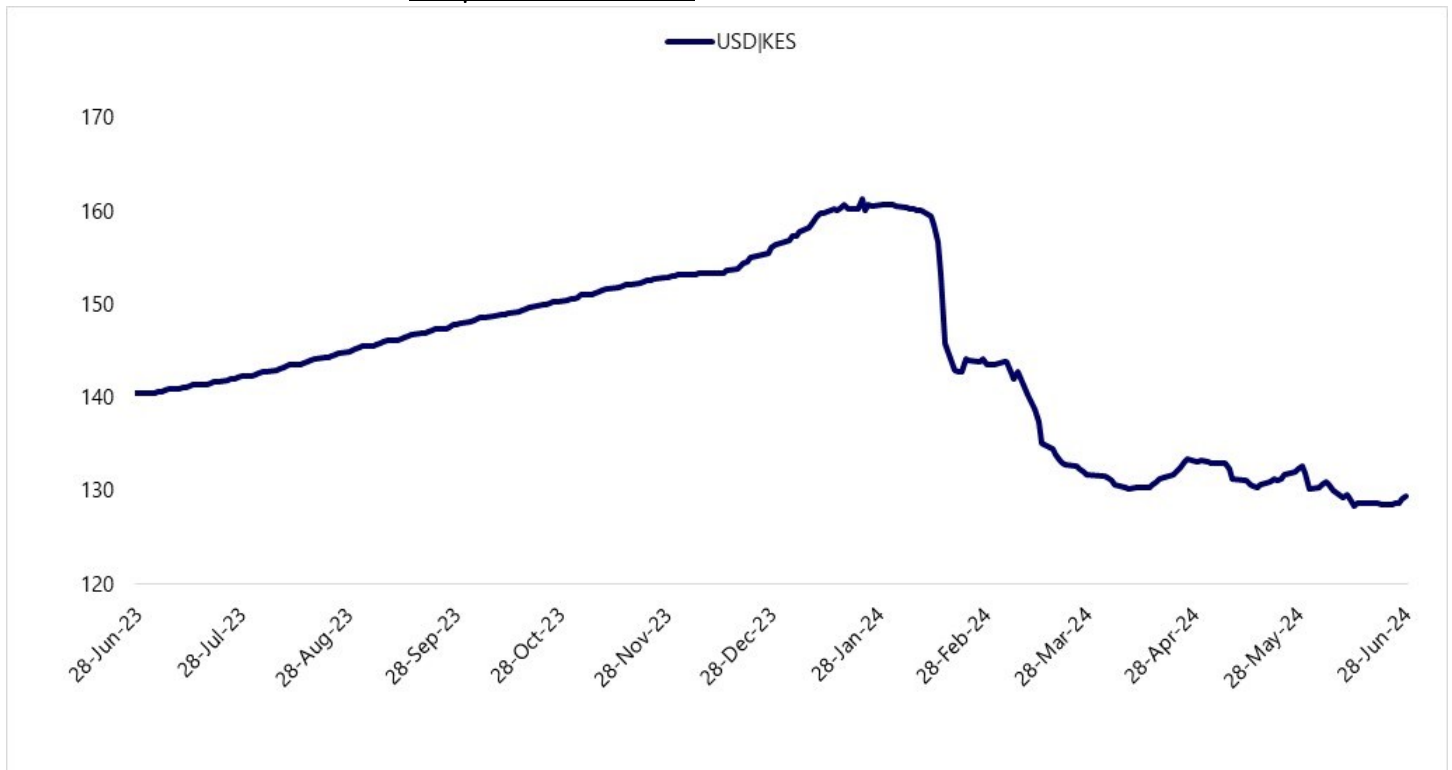
NSE 20 and **NASI** shed 4.26% and 2.89% to close at 1656.50 and 109.49, respectively.

Weekly equity turnover decreased by 25.87% w-o-w to close at USD 6.91 MN (KES 0.89 BN).

USD | KES: KES weakened by 0.76% w-o-w to close at 129.53 (17.21% year-to-date).

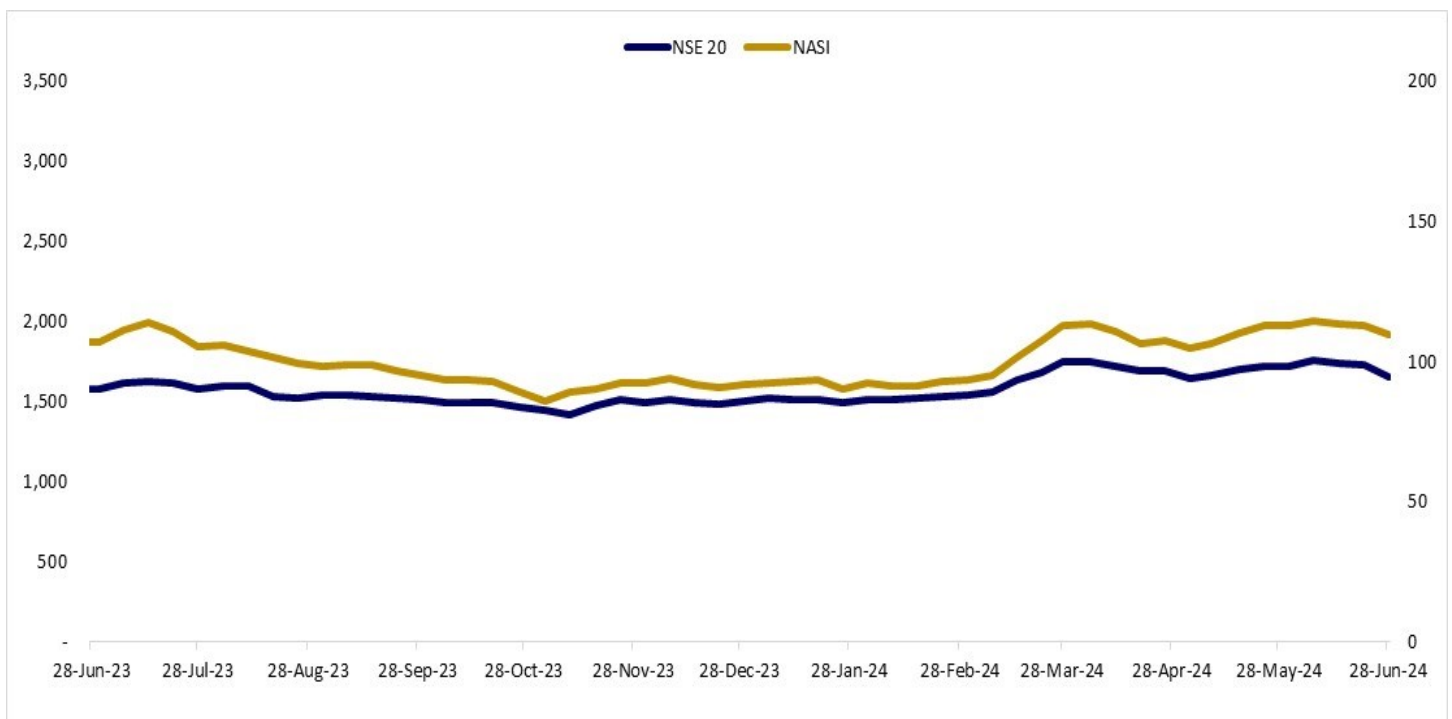
INDICES & MARKET METRICS MOVEMENT

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 4.12 MN (KES 0.53 BN) representing 59.70% of this week's turnover.

The stock decreased 4.7% w-o-w to close at KES 17.30 on Friday.

Foreign investors assumed a **net selling position** on the counter this week by accounting for **63.18%** of foreign sales and **32.86%** of foreign purchases.

Week-on-Week Performance

<u>Top gainers</u>	<u>%</u>
Car & General	12.8
Olympia Capital	10.0
Flame Tree Group	9.4
Express Kenya	8.4
Trans-Century	7.9

(Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
Kenya Re Insurance	(49.8)
Eveready East Africa	(15.3)
Uchumi	(14.3)
E.A.Portland Cement	(13.1)
Liberty Kenya	(8.9)

(Source: NSE, DBIB Research)



<u>Top traders (Value)</u>	<u>USD MN</u>
Safaricom	4.12
E.A. Breweries	0.57
BAT Kenya	0.53
KCB Group	0.53
Equity Group	0.24

(Source: NSE, DBIB Research)

Y-T-D Performance

<u>Top gainers</u>	<u>%</u>
Liberty Kenya	43.6
KCB Group	42.7
E.A. Breweries	30.3
Williamson Tea Kenya	28.7
Britam Holdings	26.1

(Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
E.A.Portland Cement	(37.6)
Unga Group	(25.5)
NBV	(24.5)
Trans-Century	(21.2)
Kenya Re Insurance	(18.9)

(Source: NSE, DBIB Research)



Weekly Foreign Performance

<u>Top Weekly Buys</u>	<u>% Purchase</u>
E.A. Breweries	88.0
Equity Group	79.8
Absa Bank	73.1
Safaricom	32.9
Co-operative Bank	25.2

(Source: NSE, DBIB Research)

<u>Top Weekly Sales</u>	<u>% Sold</u>
Kenya Orchards	93.7
E.A Breweries	83.6
Safaricom	63.2
NSE	57.7
Kakuzi	44.4

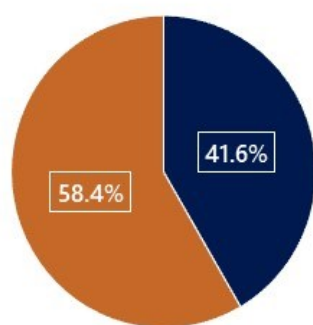
Y-T-D Foreign Performance

<u>Top Foreign Buys</u>	<u>% Purchase</u>
I&M Group	97.2
BK Group	95.7
Equity Group	74.7
Crown Paints	71.9
E.A. Breweries	70.6

(Source: NSE, DBIB Research)

<u>Top Foreign Sales</u>	<u>% Sold</u>
I&M Group	96.1
Centum	72.8
Equity Group	72.7
Safaricom	69.3
KenGen	68.9

WEEKLY LOCAL VS FOREIGN PARTICIPATION



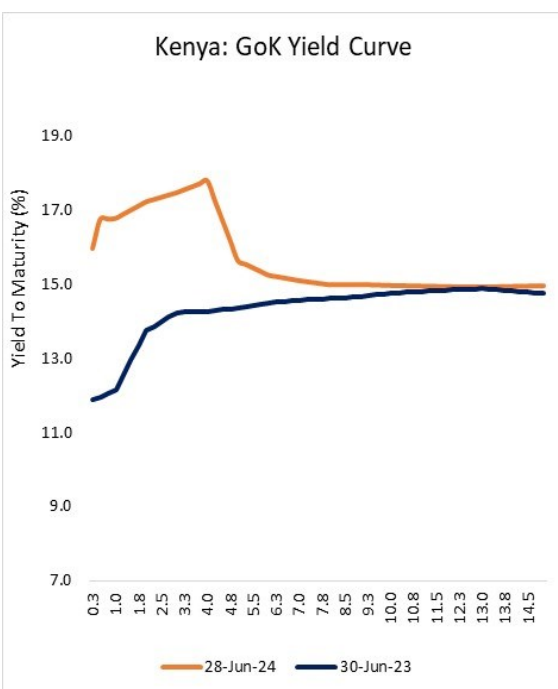
- Foreign Participation
- Local Participation

(Source: NSE, DBIB Research)

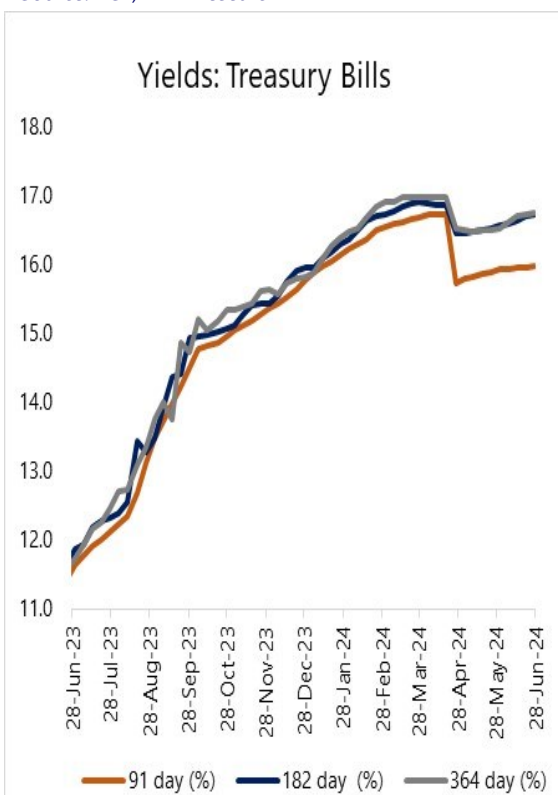
FROM THE FIXED INCOME DESK

The **Bond market's** turnover for the week stood at USD 256.53 MN (KES 33.23 BN) representing a 46.0% w-o-w increase from USD 175.68 MN (KES 22.58 BN) recorded the previous week.

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Source: NSE, DBIB Research



Source: NSE, DBIB Research

July offers: Re-opened FXD1/2024/10 and FXD1/2008/20

The Central Bank of Kenya (CBK) has re-opened FXD1/2024/10 (9.7 years) and FXD1/2008/20 (3.9 years) with the intention of raising KES 30.0 BN for budgetary support. The period of sale runs from 26th June 2024 to 17th July 2024. The coupon rates stand at 16.0000% for FXD1/2024/10 and 13.7500% for FXD1/2008/20.

July Tap Sale: FXD1/2023/02

The Central Bank of Kenya (CBK) has opened a tap sale for FXD1/2023/02 (9.7 years) with the intention of raising KES 20.0 BN for budgetary support. The period of sale runs from 26th June 2024 to 04th July 2024. The coupon rates stand at 16.9723%.

Top Trades for the week ending 28 June 2024

						Total
	Coupon	Yield	Price	Value		
Trading Date	Issue No.	Years	(%)	(%)	(KES m)	(KES m)
28-Jun	IFB1/2024/8.5Yr	8.1	18.4607	17.4000	110.38	2,226.5
24-Jun	IFB1/2024/8.5Yr	8.1	18.4607	17.0200	111.62	2,000.0
27-Jun	IFB1/2024/8.5Yr	8.1	18.4607	17.1000	111.46	1,900.0
27-Jun	IFB1/2024/8.5Yr	8.1	18.4607	17.1250	111.37	1,500.0
27-Jun	IFB1/2024/8.5Yr	8.1	18.4607	17.1150	111.41	1,500.0
28-Jun	IFB1/2024/8.5Yr	8.1	18.4607	17.1400	111.36	1,300.0
24-Jun	IFB1/2024/8.5Yr	8.1	18.4607	16.9250	111.98	1,150.0
24-Jun	IFB1/2024/8.5Yr	8.1	18.4607	17.0500	111.50	1,000.0
28-Jun	IFB1/2024/8.5Yr	8.1	18.4607	17.3000	110.75	1,000.0
28-Jun	IFB1/2024/8.5Yr	8.1	18.4607	17.1500	111.32	950.0
24-Jun	IFB1/2024/8.5Yr	8.1	18.4607	17.0000	111.70	700.0
25-Jun	IFB1/2023/17Yr	15.7	14.3990	12.1000	118.23	622.3
26-Jun	FXD1/2022/3Yr	0.8	11.7660	17.0100	98.80	555.9

Source: NSE, DBIB Research

Treasury Bill auction for the week ending 28 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	4.36	109.03	2.75	15.977	0.5
182-day	10.00	1.49	14.94	1.48	16.764	2.6
364-day	10.00	1.83	18.34	1.83	16.791	3.7

(Source: NSE, DBIB Research)

Salient News

Kapchorua Tea FY24 Earnings

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Kapchorua Tea released its FY24 earnings reporting a 27.0% y-o-y growth in PAT to KES 399.4 MN.

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Kapchorua Tea released its FY24 earnings reporting a 27.0% y-o-y growth in PAT to KES 399.4 MN. Earnings per share for the period stood at KES 51.04 (FY23 : 40.20). The board recommended a final dividend of KES 15.00 payables to shareholders who appear on the books at the close of business on 31st July 2024 and will be paid out on or about 02nd September 2024.

Revenue increased 23.7% y-o-y to KES 2.2 BN while gains from operations before tax increased by 48.7% y-o-y to KES 459.6 MN.

Net Finance income went down by 68.4% y-o-y to KES 26.8 MN.

Total assets went up by 17.5% y-o-y to KES 2.9 BN after a 29.1% y-o-y increase in current assets to KES 1.3 BN and a 9.4% y-o-y rise in non-current assets to KES 1.6 BN.

Total liabilities surged up by 40.3% y-o-y to KES 855.5 MN following a 1.4% y-o-y increase in non-current liabilities to KES 457.2 MN and 150.4% y-o-y advancement in current liabilities to KES 398.4 MN. Total equity for the period increased by 10.0% y-o-y to KES 2.1 BN.

(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>
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)

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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