

DBIB WEEKLY BULLETIN

WEEK 11

Date: 15.03.2024

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INDICES & MARKET METRICS MOVEMENT

NSE 20 and **NASI** rose by 5.2% and 7.3% w-o-w to close at 1637.74 and 101.82 respectively.

Weekly equity turnover advanced by 276.3% w-o-w to close at USD 20.3 MN (KES 2.74 BN).

USD | KES: KES strengthened by 5.36% w-o-w to close at 135.15 (13.62% year-to-date).

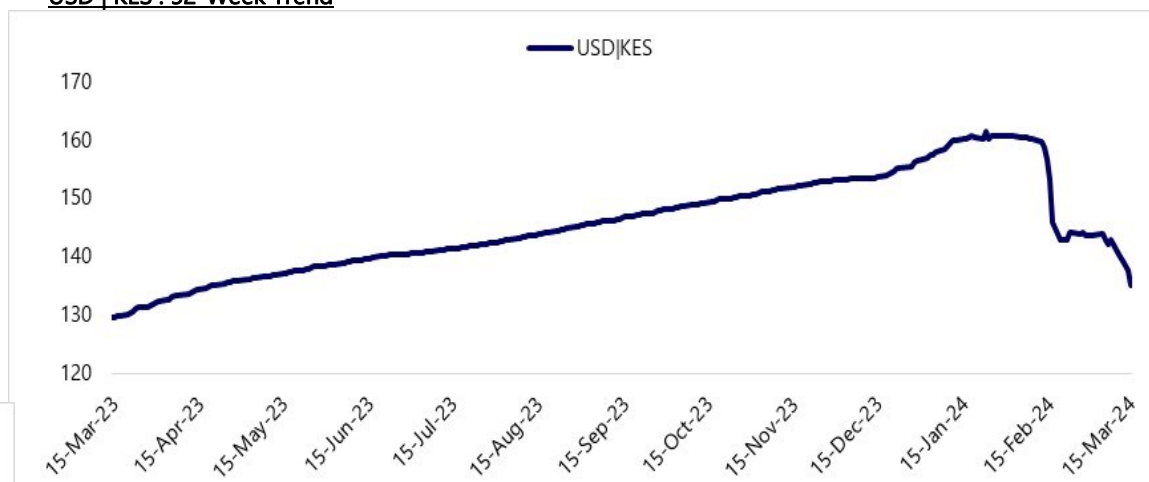
Index	Current	1 wk (%)	3 m (%)	6 m (%)	YTD (%)
NASI	101.82	7.29	10.67	2.92	10.54
NSE-20	1,637.74	5.25	9.77	6.99	9.10
DBIB Select	86.52	3.07	6.01	2.46	5.49
MSCI Kenya (USD)	736.35	15.38	27.64	10.50	33.14
MSCI Frontier (USD)	522.30	0.47	4.74	4.17	3.02

(Source: NSE, Bloomberg, DBIB Research)

Market Metrics	Current	1 wk (ch)	3 m (ch)	6 m (ch)	12 m (ch)
MarkEV Cap. (USD m)	1,590.77	7.29	11.79	10.67	2.92
MarkEV Turnover (USD m)	20.30	276.30	192.44	548.07	168.44
MarkEV P/E (x)	8.52	5.91	10.08	9.19	(6.41)
MarkEV Div. yld (%) *	5.99	14.97	198.57	(231.43)	(351.85)
MarkEV ROE (%) *	23.44	21.23	(198.98)	(416.98)	(1,260.32)

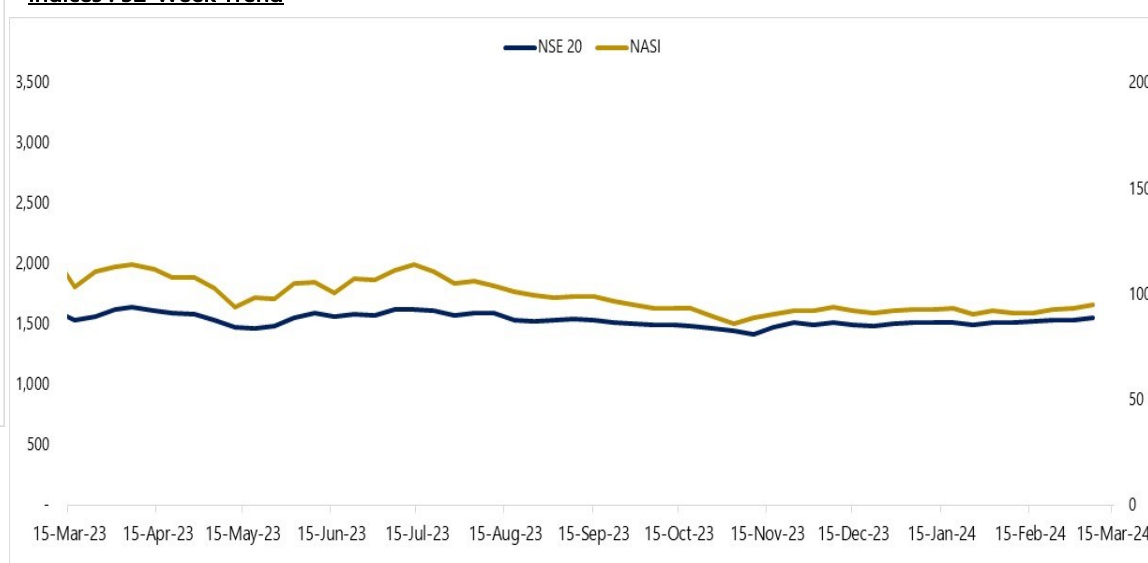
* Changes in % **Changes in bps -Market ROE is market cap weighted -ch: changes
(Source: NSE, DBIB Research)

USD | KES : 52-Week Trend



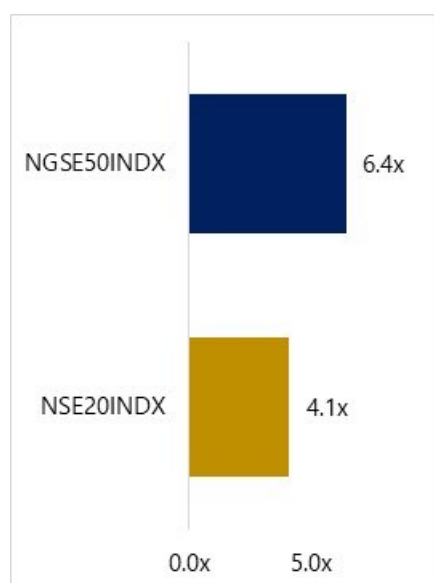
(Source: CBK, DBIB Research)

Indices : 52-Week Trend



(Source: NSE, DBIB Research)

PEER P/E MULTIPLES



NSE20INDEX* - NSE 20 Index
NGSE50INDEX* - 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 11.70 MN (KES 1.58 BN) representing 57.63% of this week's turnover.

The stock rose by 9.4% w-o-w to close at KES 15.20 on Friday.

Foreign investors assumed a **net selling position** on the counter this week by accounting for 90.55% of foreign sales and 87.20% of foreign purchases.

Week-on-Week Performance

<u>Top gainers</u>	<u>%</u>
KCB Group	15.9
StanChart	12.6
NBV	12.3
Standard Group	12.0
Co-operative Bank	11.1

(Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
Eveready E.A.	(8.4)
Sameer Africa	(6.3)
E.A. Portland Cement	(5.6)
Centum Investment	(4.9)
Trans-Century	(4.3)

(Source: NSE, DBIB Research)



<u>Top traders (Value)</u>	<u>USD MN</u>
Safaricom	11.70
Equity Group	3.89
KCB Group	2.56
E.A. Breweries	0.74
Co-operative Bank	0.22

(Source: NSE, DBIB Research)

Y-T-D Performance

<u>Top gainers</u>	<u>%</u>
Liberty Kenya	49.1
Equity Group	26.6
Co-operative Bank	25.5
Bamburi Cement	23.2
ABSA Bank	22.3

(Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
Standard Group	(20.4)
Home Afrika	(13.5)
Unga Group	(13.5)
Umeme	(13.4)
Trans-Century	(10.4)

(Source: NSE, DBIB Research)



Weekly Foreign Performance

<u>Top Weekly Buys</u>	<u>% Purchase</u>
Kenya Power	91.5
Safaricom	87.2
Equity Group	86.3
E.A. Breweries	78.0
KenGen	66.7

(Source: NSE, DBIB Research)

<u>Top Weekly Sales</u>	<u>% Sold</u>
Equity Group	92.7
Kenya Power	91.7
Safaricom	90.5
KenGen	84.0
KCB Group	44.3

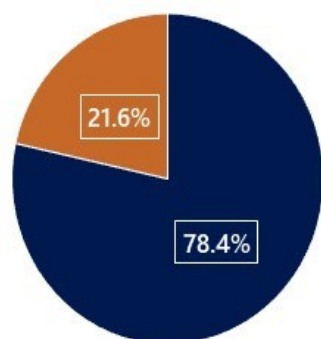
Y-T-D Foreign Performance

<u>Top Foreign Buys</u>	<u>% Purchase</u>
Crown Paints	86.5
Equity Group	75.1
Safaricom	69.5
E.A. Breweries	69.5
NSE	49.9

(Source: NSE, DBIB Research)

<u>Top Foreign Sales</u>	<u>% Sold</u>
Safaricom	85.8
Equity Group	85.0
BK Group	81.5
KenGen	73.8
New ETF Gold	61.0

WEEKLY LOCAL VS FOREIGN PARTICIPATION



■ Foreign Participation
■ Local Participation

(Source: NSE, DBIB Research)

The **Bond market's** turnover for the week stood at USD 251.70 MN (KES 34.02 BN) representing a 30.4% w-o-w drop from USD 253.80 MN (KES 36.24 BN) recorded the previous week.

FROM THE FIXED INCOME DESK

The Bond market's turnover for the week stood at USD 251.70 MN (KES 34.02 BN) representing a 30.4% w-o-w drop from USD 253.80 MN (KES 36.24 BN) recorded the previous week. The bond issue number IFB1/2024/8.5Yr emerged as the top traded bond with a turnover of KES 23.13 BN accounting for 63.8% of the week's turnover. The bond traded between 16.1849% and 19.4100%.

Top Trades for the week ending 15 March 2024

						Total
	Coupon	Yield	Price	Value		
Trading Date	Issue No.	Years	(%)	(%)	(KES m)	(KES m)
11-Mar	FXD1/2020/5Yr	1.2	11.6670	17.5000	98.12	2,000.0
14-Mar	IFB1/2024/8.5Yr	8.4	18.4607	17.2500	105.72	1,500.0
12-Mar	IFB1/2024/8.5Yr	8.4	18.4607	17.7254	103.80	1,405.5
14-Mar	IFB1/2024/8.5Yr	8.4	18.4607	17.7216	103.91	1,405.5
14-Mar	IFB1/2024/8.5Yr	8.4	18.4607	17.7002	103.99	1,405.5
13-Mar	IFB1/2024/8.5Yr	8.4	18.4607	18.9139	99.50	1,300.0
27-May	IFB1/2024/8.5Yr	8.4	18.4607	17.0000	106.75	1,021.9
14-Mar	IFB1/2024/8.5Yr	8.4	18.4607	17.2000	105.92	1,000.0
12-Mar	IFB1/2024/8.5Yr	8.4	18.4607	17.4000	105.05	855.0
11-Mar	IFB1/2024/8.5Yr	8.4	18.4607	17.4000	105.00	820.0
12-Mar	FXD1/2012/20Yr	8.7	12.0000	17.5000	79.81	751.4
12-Mar	FXD1/2012/20Yr	8.7	12.0000	16.9000	82.01	700.0
11-Mar	IFB1/2015/12Yr	4.5	11.0000	16.9000	100.28	592.0
11-Mar	IFB1/2015/12Yr	4.5	11.0000	16.5500	100.55	592.0
14-Mar	IFB1/2023/6.5Yr	6.1	17.9327	17.1318	108.32	582.6
12-Mar	FXD1/2024/3Yr	2.8	18.3854	18.1000	103.41	500.0
14-Mar	FXD1/2021/5Yr	2.7	11.2770	17.9000	90.16	500.0
14-Mar	FXD1/2021/5Yr	2.7	11.2770	17.6000	90.72	500.0
25-May	IFB1/2024/8.5Yr	8.4	18.4607	17.5000	104.81	500.0
14-Mar	IFB1/2018/15Yr	8.8	12.5000	17.4738	83.11	445.0
14-Mar	IFB1/2024/8.5Yr	8.4	18.4607	17.3248	105.43	341.6
14-Mar	FXD1/2022/10Yr	8.1	13.4900	17.3250	88.02	323.0
1-Apr	FXD1/2022/10Yr	8.1	13.4900	17.0000	89.30	323.0
Sell & buy-backs						
12-Mar	IFB1/2023/6.5Yr	6.2	17.9327	16.8000	109.24	2,720.0
13-Mar	FXD1/2015/20Yr	8.7	12.0000	16.1000	85.13	1,095.6
12-Mar	FXD1/2012/15Yr	3.5	11.0000	18.2500	81.87	240.0

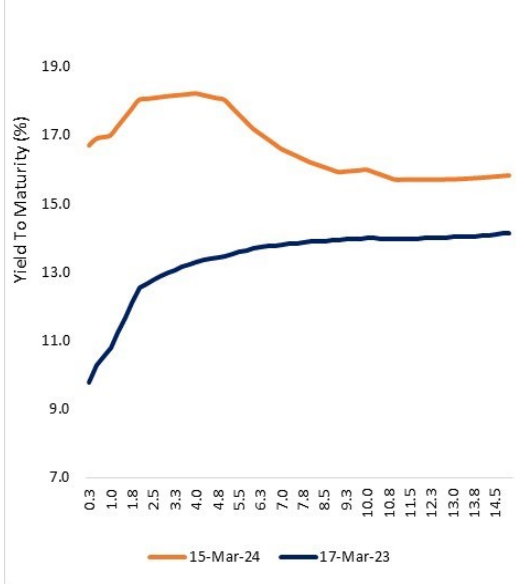
Source: NSE, DBIB Research)

Treasury Bill auction for the week ending 15 March 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	14.06	351.40	13.78	16.70	3.8
182-day	10.00	3.60	36.03	3.28	16.89	4.2
364-day	10.00	4.77	47.75	2.79	16.98	0.4

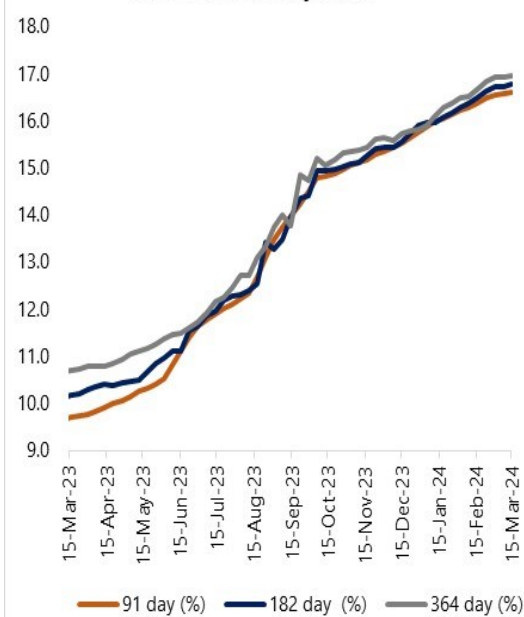
(Source: NSE, DBIB Research)

Kenya: GoK Yield Curve



Source: NSE, DBIB Research

Yields: Treasury Bills



Source: NSE, DBIB Research

Salient News

CARBACID 1H24 RESULTS

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Carbacid has released its 1H24 results reporting a 17.9% y-o-y increase in PAT to KES 485.2 MN.
.....

Carbacid has released its 1H24 results reporting a 17.9% y-o-y increase in PAT to KES 485.2 MN. This was supported by a 26.3% y-o-y increase in turnover to KES 1.1 BN translating to a 33.0% y-o-y increase in operating profit to KES 488.1 MN. Finance income of KES 132.6 MN contributed 20.5% of pre-tax profits. EPS for the period stands at KES 1.90 which marks a 17.3% y-o-y increase compared to 1H23's KES 1.62.

Turnover improved by 26.3% y-o-y to KES 1.1 BN. This growth is attributed to new markets for liquid carbon dioxide within East and Southern Africa region.

Operating profit surged up by 33.0% to KES 488.1 MN toned down by a 27.0% increase in operating costs. Inflation, higher borrowing interest rates and currency fluctuation have contributed to the increased costs.

Finance income increased marginally by 0.3% to KES 132.6 MN.

Loan loss provision expense advanced by 61.8% y-o-y to KES 7.3 BN placing the annualized Total assets grew by 15.0% y-o-y to KES 5.3 BN on the back of a 27.2% y-o-y increase in current assets to KES 836.7 MN and a 12.9% y-o-y increase in non-current assets to KES 4.4 BN. Total liabilities increased by 8.3% y-o-y to KES 4.6 BN as a result of a 12.1% y-o-y increase in non-current liabilities to KES 4.2 MN. Net working capital for the period stood at KES 477.8 MN.

On a trailing basis, Carbacid is trading at a P/E multiple of 4.6x against a sector median of 6.1x and a P/B multiple of 1.0x against a sector median of 0.9x. Its ROE stands at 21.1%, against a sector median of 5.7% whereas ROA stands at 16.9%, against a sector median of 4.3%.

(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
9. Umeme
10. NIC Holdings.

<u>Company</u>	<u>Announcement</u>	<u>Book Closure</u>	<u>Payment</u>
Sasini	Final: KES 0.50	22-Feb-24	22-Mar-24
BAT Kenya	Final: KES 45.00	24-May-24	26-Jun-24
Safaricom	Interim: KES 0.55	15-Mar-24	31-Mar-24
Stanbic	Final: KES 14.20	17-May-24	STA*

(Source: NSE, DBIB Research)

STA—Subject to approval*

AGM SCHEDULE

<u>Company</u>	<u>Time</u>	<u>Venue</u>	<u>Date</u>
BAT Kenya	10:00 a.m.	Virtual	26-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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RESEARCH TEAM

Email: research@dyerandblair.com | Contact: +254 709 930 128