

DBIB WEEKLY BULLETIN

WEEK 45

Date: 08.11.2024

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INDICES & MARKET METRICS MOVEMENT

PEER P/E MULTIPLES



NSE20INDEX* - NSE 20 Index
 NGSE50INDEX* - Nigeria Stock Exchange
 50 Index

*LTM Price/EPS

Index	Current	1 wk (%)	3 m (%)	6 m (%)	YTD (%)
NASI	115.59	(1.72)	13.26	8.56	25.49
NSE-20	1,927.51	1.15	17.99	16.11	28.40
DBIB Select	97.56	0.48	11.24	8.71	18.95
MSCI Kenya (USD)	870.01	(1.70)	15.19	6.46	57.31
MSCI Frontier (USD)	539.34	0.29	3.24	3.83	6.38

(Source: NSE, Bloomberg, DBIB Research)

Market Metrics	Current	1 wk (ch)	3 m (ch)	6 m (ch)	12 m (ch)
Market Cap. (USD m)	1,809.49	(1.71)	4.96	13.48	8.77
Market Turnover (USD m)	17.03	93.93	145.66	14.61	96.48
Market P/E (x)	11.19	(1.55)	10.98	74.71	48.75
Market Div. yld (%) *	8.46	14.47	(36.32)	22.81	281.49
Market ROE (%) *	22.88	(95.92)	(60.80)	78.16	(251.42)

* 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*	129.21	(0.00)	0.04	0.02	0.15
KES/GBP*	167.56	(0.14)	(1.65)	(0.02)	0.10
KES/EUR*	139.34	0.59	1.27	0.01	0.14
Fx Reserve (USD MN)*	9,323.00	8.58	27.02	0.30	0.36
Fx reserve: Import Cover**	4.80	40.00	1.00	1.00	1.10
Inflation**	2.72	-	(164.00)	(238.00)	(408.00)
CBR**	12.00	-	(75.00)	(100.00)	150.00

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

(Source: NSE, DBIB Research)

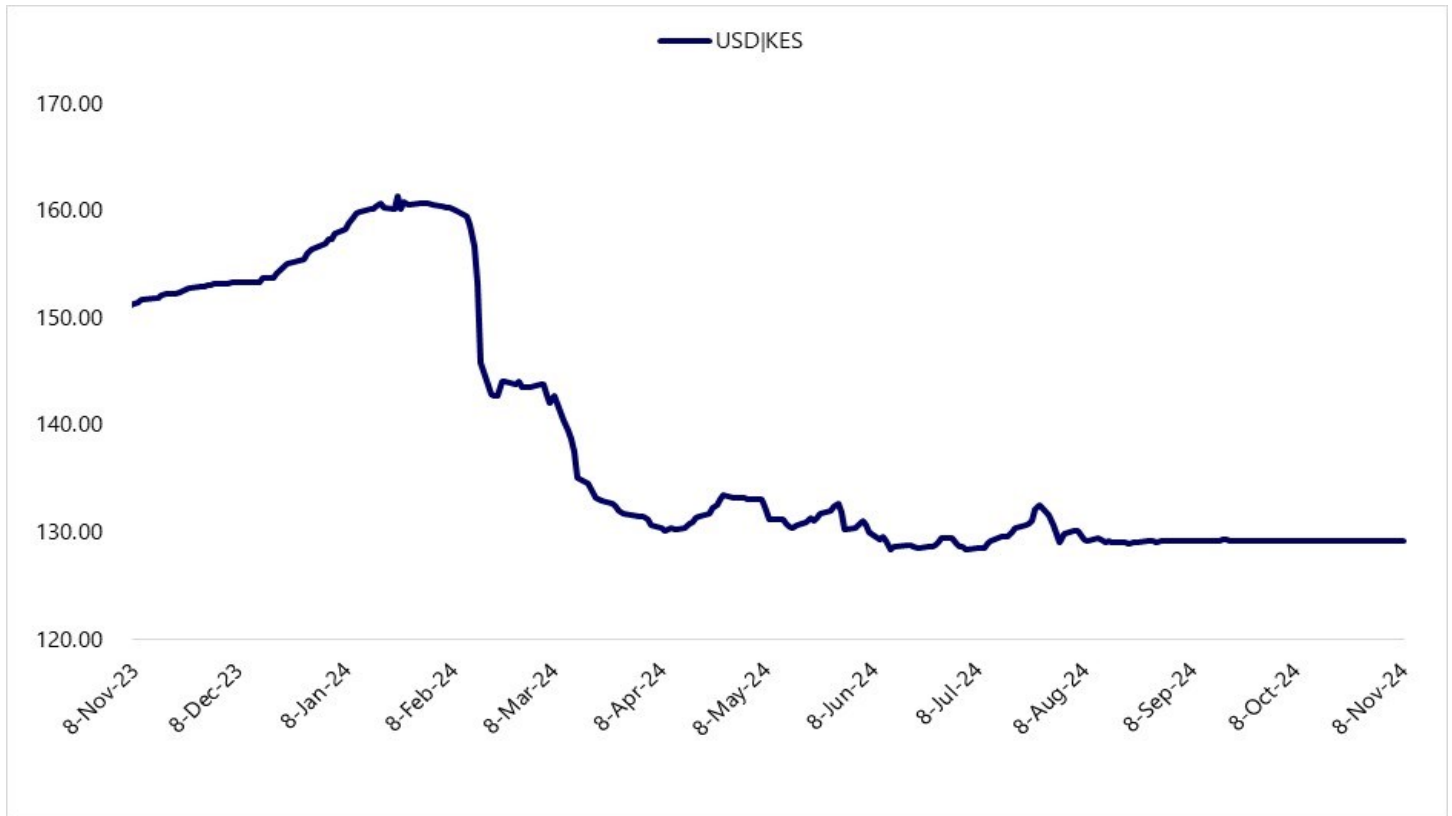
Weekly Market Summary

NSE 20 rose by 1.2% while **NASI** eased by 1.72% w-o-w to close at 1927.51 and 115.59 respectively.

Weekly equity turnover increased by 93.94% w-o-w to close at USD 17.03 MN (KES 2.20 BN).

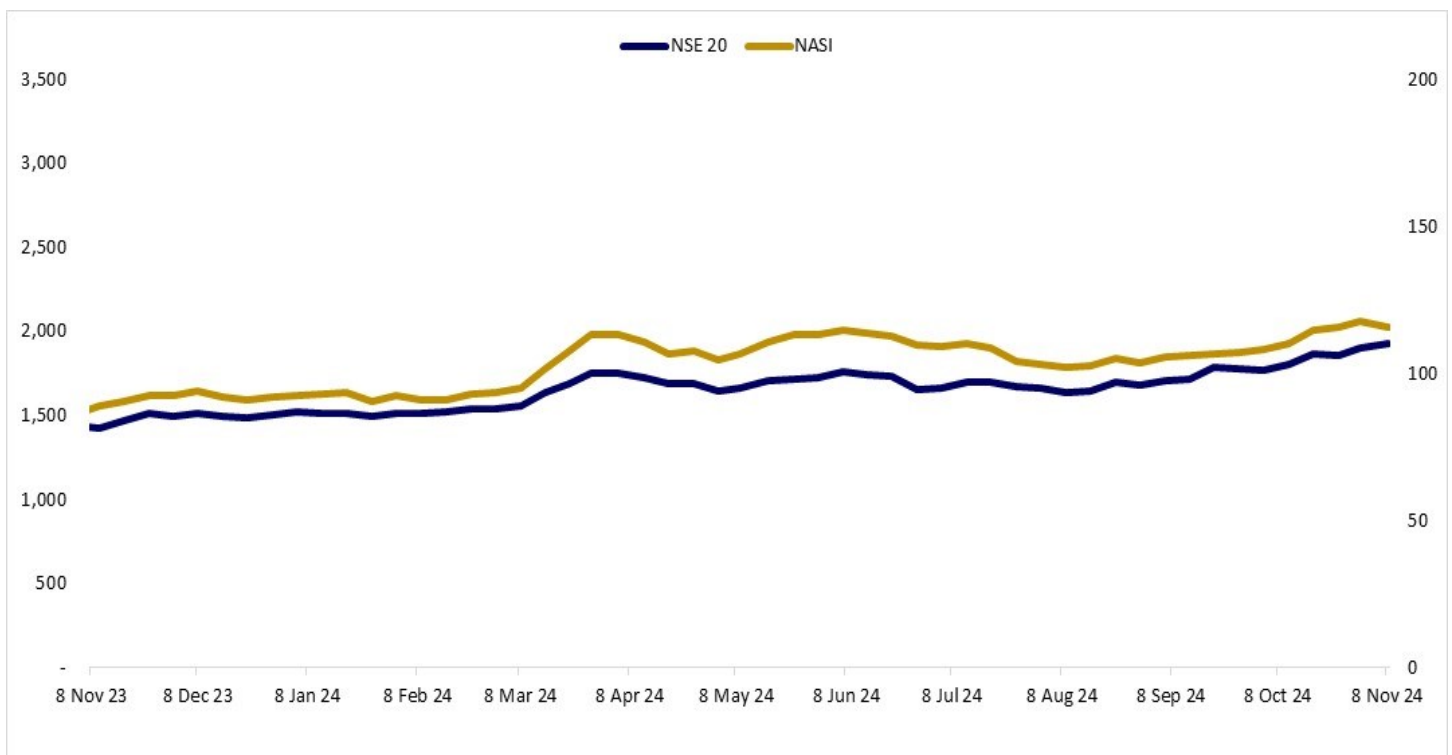
USD | KES: KES weakened marginally by 0.01% w-o-w to close at 129.21 (17.42% year-to-date).

INDICES & MARKET METRICS MOVEMENT



(Source: CBK, DBIB Research)

Indices : 52-Week Trend



(Source: NSE, DBIB Research)

WEEKLY BOURSE WRAP UP...

LAPTRUS I-REIT emerged as the top traded counter on the bourse recording a weekly turnover of USD 4.64 MN (KES 0.60 BN) representing 27.27% of this week's turnover.

The stock maintained its price w-o-w to close at KES 20.00 on Friday.

Foreign investors assumed a **net selling position** this week by accounting for **38.9%** of foreign sales and **27.6%** of foreign purchases.

Week-on-Week Performance

Top Gainers	%
Unga Group	0.17
Trans-Century	0.11
Uchumi	0.11
E.A.Portland	0.10
TPS EA	0.09

(Source: NSE, DBIB Research)



Top Losers	%
HF Group	(0.13)
Crown Paints	(0.12)
Express Kenya	(0.10)
Carbacid	(0.08)
Williamson Tea	(0.07)

Source: NSE, DBIB Research)



Top Traders (Value)	USD MN
LAPTRUST I-REIT	4.64
Safaricom	2.70
KCB Group	1.84
E.A. Breweries	1.82
BAT Kenya	1.65

(Source: NSE, DBIB Research)

Y-T-D Performance

Top Gainers	%
E.A.Portland	3.40
Kenya Orchards	2.59
Kenya Power	2.35
Liberty Kenya	1.17
KenGen	0.98

Source: NSE, DBIB Research)



Top Losers	%
Kenya Re	(0.39)
Nation Media Group	(0.26)
Standard Group	(0.23)
Trans-Century	(0.21)
NBV	(0.20)

(Source: NSE, DBIB Research)



Weekly Foreign Performance

Top Weekly Buys	% Purchase
Stanbic Holdings	93.3%
E.A. Breweries	92.2%
Jubilee	39.3%
Kenya Re	37.9%
Crown	34.9%

(Source: NSE, DBIB Research)

Top Weekly Sales	% Sold
New Gold ETF	100.0%
BAT Kenya	99.1%
Centum	86.0%
Safaricom	66.4%
E.A. Breweries	44.1%

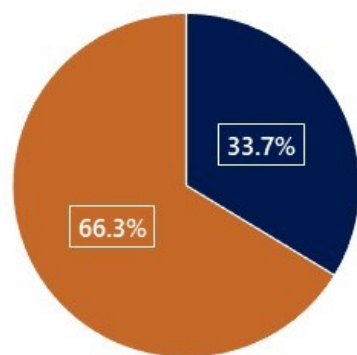
Y-T-D Foreign Performance

Top Foreign Buys	% Purchase
BK Group	98.2%
I&M	95.1%
E.A. Breweries	78.1%
Equity Group	68.2%
Crown	62.9%

(Source: NSE, DBIB Research)

Top Foreign Sales	% Sold
I&M Group	92.4%
Safaricom	71.5%
BAT Kenya	69.6%
Equity Group	65.6%
New Gold ETF	62.9%

WEEKLY LOCAL VS FOREIGN PARTICIPATION



- Foreign Participation
- Local Participation

(Source: NSE, DBIB Research)

The **Bond market's turnover** for the week stood at USD 202.57 MN (KES 26.17 BN) representing a 6.27% w-o-w decrease from USD 216.12 MN (KES 27.92 BN) recorded the previous week.

FROM THE FIXED INCOME DESK

The Bond market's turnover for the week stood at USD 202.57 MN (KES 26.17 BN) representing a 6.27% w-o-w decrease from USD 216.12 MN (KES 27.92 BN) recorded the previous week. The bond issue number IFB1/2024/8.5Yr emerged as the top traded bond with a turnover of KES 9.87 BN accounting for 37.70% of the week's turnover. The bond traded between 13.7700% and 16.7842%.

November Issue Results: Re-opened FXD1/2023/10 and FXD1/2022/15 .

The Central Bank of Kenya (CBK) had re-opened FXD1/2023/10 (8.3 years) and FXD1/2022/15 (12.5 years) with the intention of raising KES 45.0 BN for budgetary support. From the auction, the CBK received bids worth KES 16.3BN for FXD1/2023/10 and KES 16.7 BN for FXD1/2022/15. In turn, it accepted bids worth KES 10.29 BN for FXD1/2023/10 and KES 15.40 BN for FXD1/2022/15. The coupon rate for FXD1/2023/10 stands at 14.1510% while that of FXD1/2022/15 stands at 13.9420%.

Top Trades for the week ending 08 November 2024

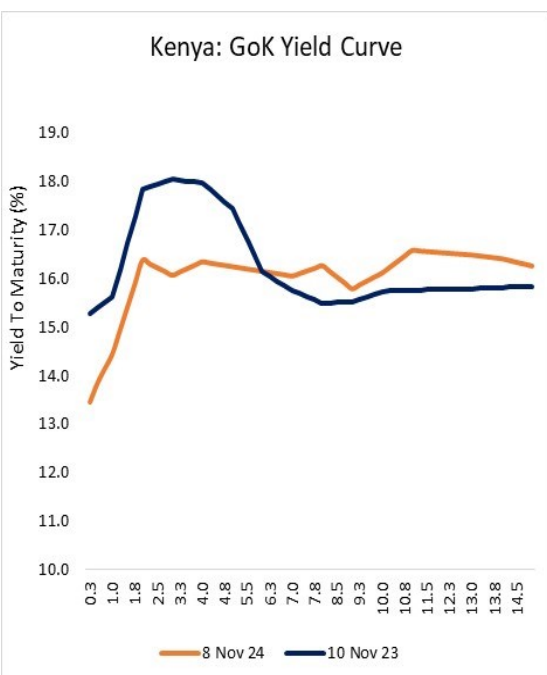
						Total
	Coupon	Yield	Price	Value		
Trading Date	Issue No.	Years	(%)	(%)	(KES m)	(KES m)
4-Nov	IFB1/2024/8.5Yr	7.8	18.4607	14.8000	117.65	1,000.0
5-Nov	FXD1/2020/5Yr	0.5	11.6670	15.4000	98.31	1,000.0
6-Nov	FXD1/2020/5Yr	0.5	11.6670	14.0000	98.98	1,000.0
5-Nov	FXD1/2017/10Yr	2.7	12.9660	16.6000	96.03	980.2
6-Nov	FXD1/2016/10Yr	1.8	15.0390	15.5000	102.50	751.6
6-Nov	IFB1/2023/6.5Yr	5.5	17.9327	14.6500	117.89	750.0
6-Nov	IFB1/2023/6.5Yr	5.5	17.9327	14.6250	117.97	750.0
4-Nov	IFB1/2024/8.5Yr	7.8	18.4607	14.8750	117.33	700.0
4-Nov	IFB1/2024/8.5Yr	7.8	18.4607	14.8500	117.44	600.0
23-Jan	IFB1/2024/8.5Yr	7.8	18.4607	14.7500	118.04	567.0
5-Nov	FXD1/2023/10Yr	8.2	14.1510	15.9000	95.34	550.0
7-Nov	IFB1/2024/8.5Yr	7.8	18.4607	14.9000	117.37	545.2
4-Nov	FXD1/2016/10Yr	1.8	15.0390	16.0000	101.67	500.0

(Source: NSE, DBIB Research)

Treasury Bill auction for the week ending 08 November 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	27.44	686.12	10.58	13.450	(51.6)
182-day	10.00	42.78	427.80	22.94	13.840	(12.6)
364-day	10.00	28.15	281.48	20.23	14.448	(7.6)

(Source: NSE, DBIB Research)



Source: NSE, DBIB Research



Source: NSE, DBIB Research

SAFARICOM: 1H25 EARNINGS SNAPSHOT

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Safaricom announced its 1H25 results recording a 17.7% y-o-y decline in net income attributable to equity holders to KES 28.1 BN

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Safaricom PLC announced its 1H25 results recording a 17.7% y-o-y decline in net income attributable to equity holders of the company to KES 28.1 BN largely impacted by a 59.6% y-o-y increase in operating expenses to KES 37.7 BN and an 11.5% y-o-y rise in direct costs to KES 49.5 BN. Service revenue, on the other hand, rose by 13.1% y-o-y to KES 179.9 BN. **The Group's profit after tax declined by 63.2% y-o-y to KES 10.0 BN. No interim dividend was recommended.**

Kenyan Business: One month active customer ARPU went up by 8.2% y-o-y to KES 849.85 supported by a 13.1% y-o-y rise in M-PESA ARPU to KES 389.27, with one month active M-PESA customers increasing by 4.1% y-o-y to 33.46 MN. The number of chargeable transactions per one month active customer stood at 37.37, up 25.6% y-o-y compared to 29.87 transactions in 1H24. M-PESA transaction volumes grew by 30.6% y-o-y to 17.09 BN transactions compared to 13.09 BN transactions in 1H24. Mobile data ARPU increased by 13.5% y-o-y to KES 263.25, supporting mobile data revenue growth alongside 10.5% y-o-y increase in one month active chargeable mobile data customers to 28.83 MN and 9.8% y-o-y growth in MBs per subscriber to 4.1GB. Voice ARPU eased by 4.1% y-o-y to KES 239.84 while SMS ARPU rose by 5.7% y-o-y to KES 48.46.

Ethiopian Business: One month active customers stood at 4.48 MN. One month active customer ARPU settled at KES 186.99, with voice ARPU at KES 30.10 (-20.6% y-o-y), mobile data ARPU at KES 196.76 (+9.1% y-o-y) and messaging ARPU at KES 7.13 (+55.0% y-o-y). One month active customers for voice stood at 3.57 MN, mobile data at 3.50 MN and SMS at 1.87 MN. Registered M-PESA customer numbers stood at 8.31 MN while volumes transacted stood at 86.50 MN.

(Source: Company filings, DBIB Research).

UPCOMING EVENTS

Profit Warnings

1. Eaagads
2. Sasini

<u>Company</u>	<u>Announcement</u>	<u>Book Closure</u>	<u>Payment</u>
Laptrust Imara	Interim: KES 0.38	21-Aug-24	30-Nov-24
Centum	Final: KES 0.32	11-Oct-24	13-Dec-24
Carbacid	Final KES 1.70	26-Nov-24	18-Dec-24
Kenya Power	Final KES 0.70	02-Dec-24	31-Jan-25
KenGen	Final KES 0.65	STA*	STA*

(Source: NSE, DBIB Research)

STA—Subject to approval*

AGM SCHEDULE

<u>Company</u>	<u>Time</u>	<u>Venue</u>	<u>Date</u>
Longhorn Publishers	11:00 a.m.	Virtual	21-Nov-24
Carbacid	10:00 a.m.	Virtual	18-Dec-24

**AGM will also be held virtually.*

(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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