

DBIB WEEKLY BULLETIN

WEEK 36

Date: 06.09.2024

Contents:

Equity Market Sum Up	2
Fixed Income Wrap Up	5
Salient News	6
Corporate Actions	7
Appendix	8



INDICES & MARKET METRICS MOVEMENT

PEER P/E MULTIPLES



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

*LTM Price/EPS

(Source: Bloomberg, DBIB Research)

Index	Current	1 wk (%)	3 m (%)	6 m (%)	YTD (%)
NASI	105.58	1.84	(7.87)	11.25	14.62
NSE-20	1,707.37	1.74	(3.14)	9.72	13.74
DBIB Select	90.41	0.89	0.17	7.71	10.24
MSCI Kenya (USD)	789.37	3.18	(11.32)	23.69	42.73
MSCI Frontier (USD)	537.61	(0.37)	1.34	3.41	6.04

(Source: NSE, Bloomberg, DBIB Research)

Market Metrics	Current	1 wk (ch)	3 m (ch)	6 m (ch)	12 m (ch)
Market Cap. (USD m)	1,652.78	2.04	3.65	(7.69)	11.47
Market Turnover (USD m)	10.00	(43.74)	(32.70)	(27.61)	85.38
Market P/E (x)	9.41	(1.11)	46.96	19.06	17.07
Market Div. yld (%) *	9.30	(18.95)	149.55	346.64	122.78
Market ROE (%) *	23.63	23.68	112.78	39.80	(395.19)

* 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*	129.19	(0.01)	0.66	0.10	0.12
KES/GBP*	170.23	(0.18)	(2.45)	0.07	0.07
KES/EUR*	143.61	(0.40)	(1.52)	0.08	0.08
Fx Reserve (USD MN)*	7,503.00	0.86	7.48	0.08	0.06
Fx reserve: Import Cover**	3.90	10.00	0.30	0.20	0.09
Inflation**	4.40	-	(24.00)	(130.00)	(238.00)
CBR**	12.75	-	(25.00)	(25.00)	225.00

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

(Source: NSE, DBIB Research)

Weekly Market Summary

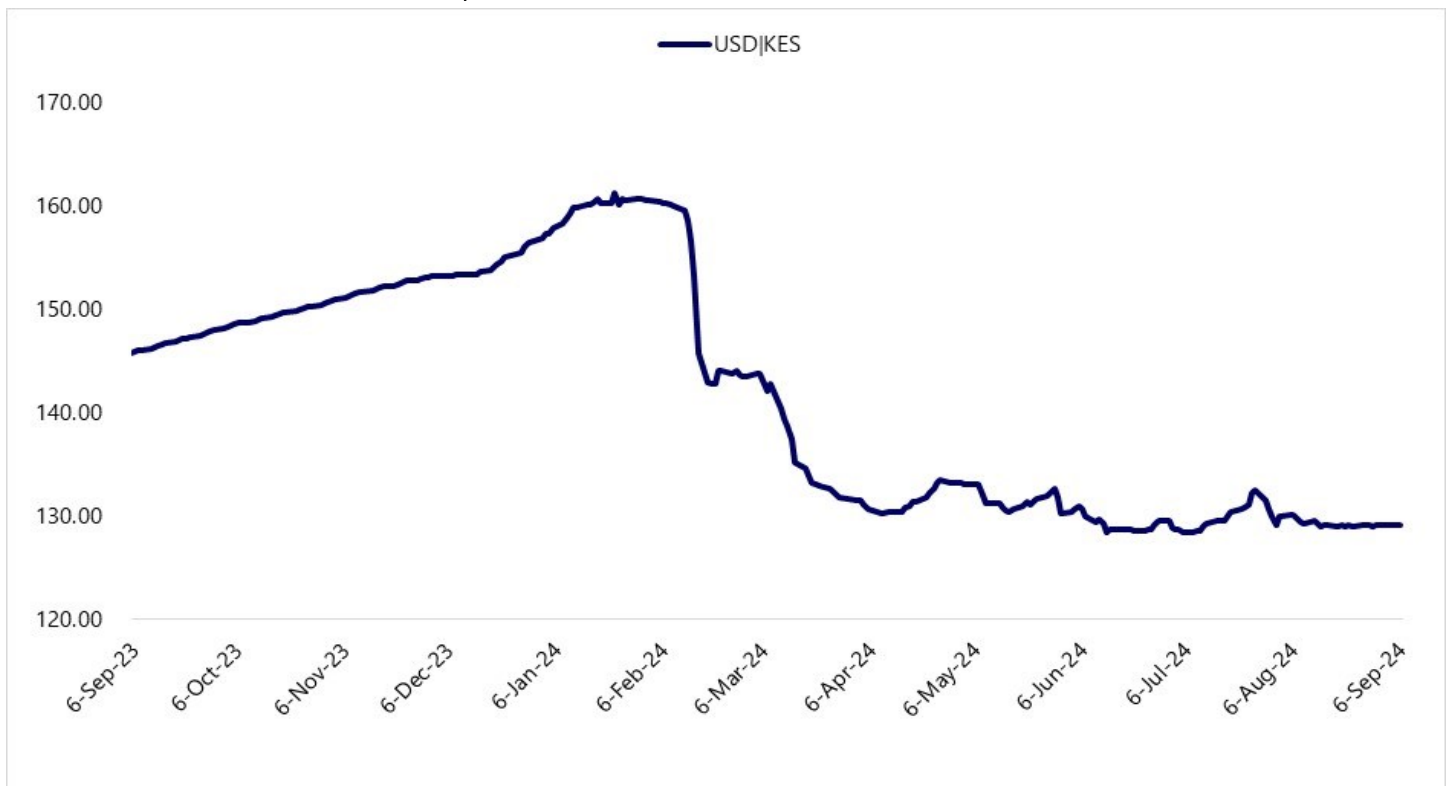
NSE 20 and **NASI** increased by 1.74% and 1.84% w-o-w to close at 1707.37 and 105.58, respectively.

Weekly equity turnover dropped by 43.7% w-o-w to close at USD 10.00 MN (KES 1.29 BN).

USD | KES: KES weakened marginally by 0.01% w-o-w to close at 129.19 (17.43% year-to-date).

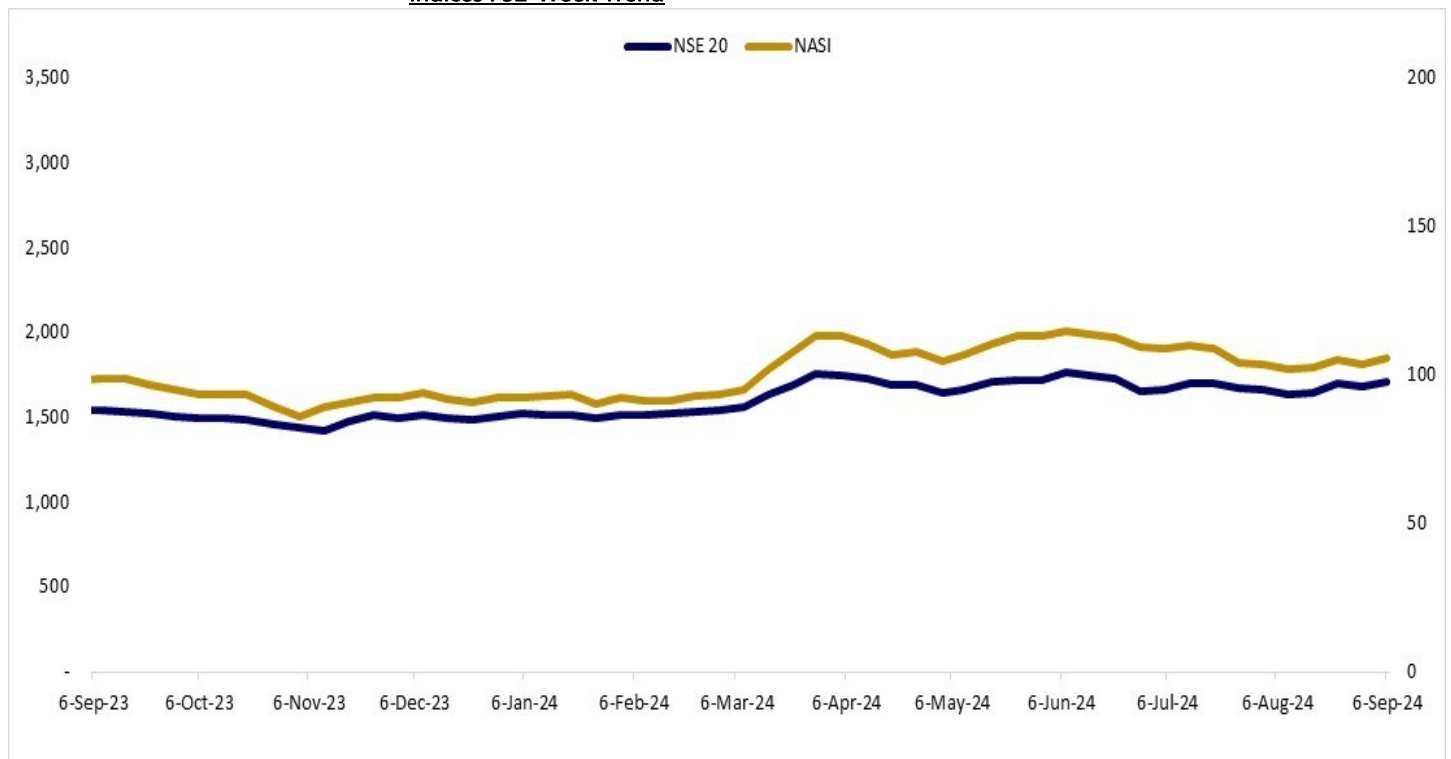
INDICES & MARKET METRICS MOVEMENT

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 5.74 MN (KES 0.74 BN) representing 57.40% of this week's turnover.

The stock went up 2.1% w-o-w to close at KES 14.80 on Friday.

Foreign investors assumed a **net selling position** on the counter this week by accounting for **82.47%** of foreign sales and **50.21%** of foreign purchases.

Week-on-Week Performance

<u>Top gainers</u>	<u>%</u>
Carbacid Investments	41.5
Kenya Power	27.6
E.A.Portland Cement	19.4
Eveready East Africa	15.7
Nairobi Business Ventures	15.1

(Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
Home Afrika	(14.3)
Crown Paints	(6.6)
HF Group	(6.2)
Sanlam Kenya	(6.2)
KenGen	(5.1)

(Source: NSE, DBIB Research)



<u>Top traders (Value)</u>	<u>USD MN</u>
Safaricom	5.74
Bamburi Cement	1.44
KCB Group	0.79
Equity Group	0.50
Co-operative Bank	0.27

(Source: NSE, DBIB Research)

Y-T-D Performance

<u>Top gainers</u>	<u>%</u>
Bamburi Cement	120.4
Kenya Power	82.4
KCB Group	60.3
Carbacid Investments	53.9
Liberty Kenya	51.8

(Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
Kenya Re	(41.5)
Trans-Century	(34.6)
Standard Group	(28.4)
Unga Group	(21.4)
Nation Media Group	(20.4)

(Source: NSE, DBIB Research)



Weekly Foreign Performance

<u>Top Weekly Buys</u>	<u>% Purchase</u>
Jubilee Holdings	94.9
Equity Group	86.4
Nairobi Business Ventures	86.0
KCB Group	65.1
Safaricom	50.2

(Source: NSE, DBIB Research)

<u>Top Weekly Sales</u>	<u>% Sold</u>
Bamburi Cement	86.0
Safaricom	82.5
Nation Media Group	67.5
Jubilee Holdings	31.7
NSE	28.5

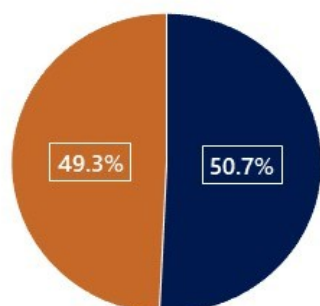
Y-T-D Foreign Performance

<u>Top Foreign Buys</u>	<u>% Purchase</u>
I&M Group	96.8
BK Group	95.0
East African Breweries	74.1
Equity Group	70.0
Crown Paints	67.2

(Source: NSE, DBIB Research)

<u>Top Foreign Sales</u>	<u>% Sold</u>
I&M Group	93.9
Safaricom	72.0
Equity Group	67.6
BAT Kenya	66.7
Centum	61.8

WEEKLY LOCAL VS FOREIGN PARTICIPATION



- Foreign Participation
- Local Participation

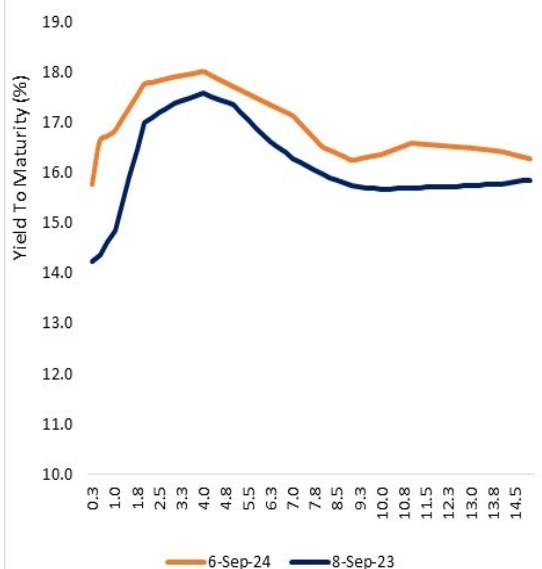
(Source: NSE, DBIB Research)

FROM THE FIXED INCOME DESK

The **Bond market's turnover** for the week stood at USD 242.85 MN (KES 31.37 BN) representing a 60.9% w-o-w increase from USD 150.94 MN (KES 19.50 BN) recorded the previous week.

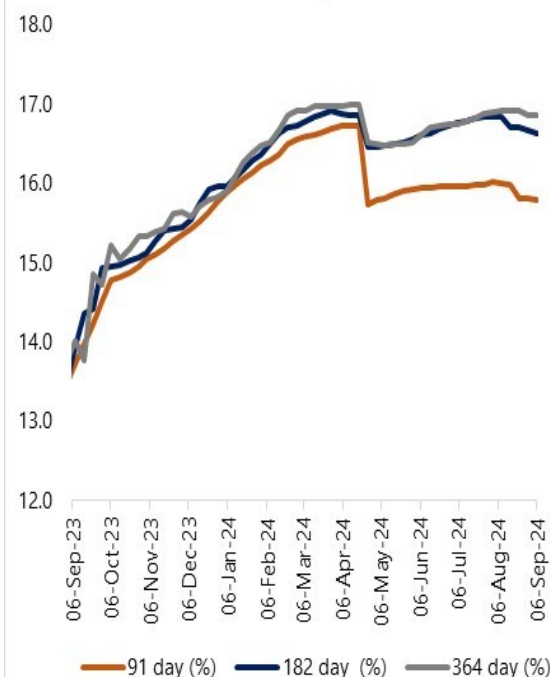
The Bond market's turnover for the week stood at USD 242.85 MN (KES 31.37 BN) representing a 60.9% w-o-w increase from USD 150.94 MN (KES 19.50 BN) recorded the previous week. The bond issue number IFB1/2023/17Yr emerged as the top traded bond with a turnover of KES 14.34 BN accounting for 45.7% of the week's turnover. The bond traded between 14.7689% and 18.2400%.

Kenya: GoK Yield Curve



Source: NSE, DBIB Research

Yields: Treasury Bills



Source: NSE, DBIB Research

Top Trades for the week ending 06 September 2024

						Total
	Coupon	Yield	Price	Value		
Trading Date	Issue No.	Years	(%)	(%)	(KES m)	(KES m)
3-Sep	IFB1/2023/17Yr	15.5	14.3990	17.6779	91.27	7,950.0
3-Sep	IFB1/2023/17Yr	15.5	14.3990	17.7279	91.06	3,331.0
6-Sep	FXD3/2019/5Yr	0.3	11.4920	17.0000	101.38	1,500.0
4-Sep	IFB1/2023/17Yr	15.5	14.3990	17.7381	91.06	1,425.0
4-Sep	IFB1/2023/17Yr	15.5	14.3990	17.7279	91.10	1,425.0
2-Sep	FXD1/2016/10Yr	2.0	15.0390	18.0000	95.84	1,000.0
2-Sep	FXD1/2023/5Yr	3.9	16.8440	17.6250	100.07	900.0
3-Sep	FXD1/2016/10Yr	2.0	15.0390	17.8500	96.11	896.5
2-Sep	FXD1/2020/5Yr	0.7	11.6670	17.0000	100.50	800.0
4-Sep	FXD1/2020/5Yr	0.7	11.6670	16.9941	100.59	800.0
5-Sep	FXD2/2013/15Yr	3.6	12.0000	18.3400	88.46	718.5
6-Sep	FXD1/2024/3Yr	2.3	18.3854	17.8000	103.68	660.0
2-Sep	FXD1/2023/5Yr	3.9	16.8440	17.6077	100.12	600.0
2-Sep	FXD1/2016/10Yr	2.0	15.0390	18.4006	95.22	500.0
3-Sep	FXD1/2023/5Yr	3.9	16.8440	18.4000	98.07	500.0
4-Sep	FXD1/2023/5Yr	3.8	16.8440	18.1179	98.86	500.0
4-Sep	IFB1/2023/6.5Yr	5.7	17.9327	17.6000	106.44	500.0
6-Sep	FXD1/2023/2Yr	0.9	16.9723	17.1000	100.70	500.0
6-Sep	FXD1/2024/3Yr	2.3	18.3854	17.7700	103.74	500.0
5-Sep	FXD1/2016/10Yr	1.9	15.0390	18.0000	95.97	450.0
6-Sep	FXD1/2016/10Yr	1.9	15.0390	17.7500	96.40	450.0
2-Sep	IFB1/2024/8.5Yr	7.9	18.4607	17.6500	103.56	300.0
4-Sep	FXD1/2016/20Yr	12.0	14.0000	16.6250	93.04	210.0
3-Sep	IFB1/2024/8.5Yr	7.9	18.4607	17.3000	104.90	203.5
2-Sep	IFB1/2024/8.5Yr	7.9	18.4607	17.6300	103.64	200.0

Sell & buy-backs

4-Sep	FXD1/2024/3Yr	2.4	18.3854	17.8000	103.59	500.0
-------	---------------	-----	---------	---------	--------	-------

Source: NSE, DBIB Research)

Treasury Bill auction for the week ending 06 September 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	23.21	580.16	21.22	15.768	(1.7)
182-day	10.00	10.17	101.66	10.13	16.626	(0.7)
364-day	10.00	5.57	55.68	5.56	16.823	(1.9)

(Source: NSE, DBIB Research)

Salient News

Bamburi Cement HY24 Results.

.....

Bamburi Cement released its unaudited HY24 earnings reporting a loss of KES 877.0 MN.

.....

Bamburi Cement released its unaudited HY24 earnings reporting a loss of KES 877.0 MN. The loss was mainly attributed to losses booked from discontinued operations which surged 908.6% y-o-y to KES 1.4 BN. The company issued a special dividend of KES 18.25 per share which will be paid on or about 27th September 2024 to shareholders on the register at the close of business on 20th September 2024. The special dividend is in relation to proceeds received from the sale of Hima Cement and is subject to approval of shareholders at the upcoming Extraordinary General Meeting (EGM). The company issued a notice for an Extraordinary General Meeting (EGM) to be held virtually on Tuesday, 17th September 2024.

Turnover increased 3.8% y-o-y to KES 10.9 BN with growth supported by high quality premium products strategy. Total operating costs edged up marginally by 0.2% to KES 10.1 BN.

Net finance income advanced 906.7% y-o-y to KES 151.0 MN.

Net cash generated from operating activities stood at KES 1.2 BN while net cash generated from investing activities was stated as KES 7.8 BN.

(Source: Company filings, DBIB Research).

.....

East African Breweries has announced a tender of purchasing up to 2,177,995 ordinary shares of Uganda Breweries Limited (UBL).

.....

East African Breweries Tender Offer.

East African Breweries has announced a tender of purchasing up to 2,177,995 ordinary shares of Uganda Breweries Limited (UBL). EABL already owns a 98.19% stake (118,293,313 shares) in UBL and is seeking to buy the remaining 1.81% from the minority shareholders. The tender price is UGX 5,630 per share.

(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
BAT Kenya	Interim: KES 5.00	30-Aug-24	27-Sep-24
Stanbic Kenya	Interim: KES 1.84	02-Sep-24	27-Sep-24
NCBA Group	Interim: KES 2.25	11-Sep-24	25-Sep-24
KCB Group	Interim: KES 1.50	12-Sep-24	30-Oct-24
East African Breweries	Final: KES 6.00	16-Sep-24	28-Oct-24
StanChart Kenya	Interim: KES 8.00	18-Sep-24	8-Oct-24
Bamburi Cement	Special: KES 18.25	20-Sep-24	27-Sep-24
BOC Kenya	Interim: KES 2.50	20-Sep-24	14-Oct-24
Absa Bank	Interim: KES 0.20	20-Sep-24	15-Oct-24
Umeme	Interim: UGX 26.00	10-Oct-24	31-Oct-24
Centum	Final KES 0.32	11-Oct-24	STA*

(Source: NSE, DBIB Research)

STA—Subject to approval*

AGM SCHEDULE

<u>Company</u>	<u>Time</u>	<u>Venue</u>	<u>Date</u>
East African Breweries	11:00 a.m.	Safari Park Hotel*	12-Sep-24
Eaagads	11:00 a.m.	Virtual	20-Sep-24
Nairobi Business Ventures	10:00 a.m.	Virtual	26-Sep-24
Centum Plc	10:00 a.m.	Virtual	30-Sep-24

**AGM will also be held virtually.*

(Source: Company filings , DBIB Research)

EGM SCHEDULE

<u>Company</u>	<u>Time</u>	<u>Venue</u>	<u>Date</u>
Bamburi Cement	11:00 a.m.	Virtual	17-Sep-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.*

DISCLAIMER

While every care has been taken in preparing this report and it has been prepared from sources believed to be reliable, no representation, warranty, or undertaking (express or implied) is given and no responsibility is accepted by Dyer and Blair Investment Bank Limited, its related companies, subsidiaries, affiliates, its employees and agents, as to the accuracy and completeness of the information contained herein or in respect of any reliance on or use thereof. This report is solely intended for distribution to clients of Dyer and Blair Investment Bank Limited. Any information may be changed after distribution at any time without any notice.

RESEARCH TEAM

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