

DBIB WEEKLY BULLETIN

WEEK 06

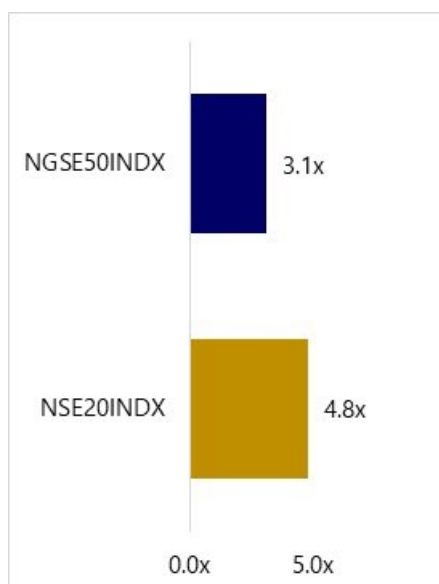
Date: 07.02.2025

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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

Index	Current	1 wk (%)	3 m (%)	6 m (%)	YTD (%)
NASI	129.58	1.01	12.10	26.96	4.94
NSE-20	2,194.48	1.48	13.85	34.33	9.14
DBIB Select	103.02	1.01	5.60	17.46	1.57
MSCI Kenya (USD)	948.74	3.26	9.05	25.61	3.79
MSCI Frontier (USD)	548.54	(0.04)	1.71	5.01	2.98

(Source: NSE, Bloomberg, DBIB Research)

Market Metrics	Current	1 wk (ch)	3 m (ch)	6 m (ch)	12 m (ch)
Market Cap. (USD m)	2,035.56	2.61	(0.05)	12.49	27.66
Market Turnover (USD m)	21.08	21.54	(1.74)	23.81	41.90
Market P/E (x)	8.51	(0.76)	(8.46)	(23.95)	32.86
Market Div. yld (%) **	8.27	(21.63)	(18.81)	(55.13)	477.32
Market ROE (%) **	22.65	(6.19)	(23.80)	(84.60)	(126.42)

* 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	0.01	(0.00)	0.00	0.19
KES/GBP*	160.09	0.40	4.46	0.03	0.21
KES/EUR*	133.90	0.44	3.90	0.05	0.22
Fx Reserve (USD MN)*	9,219.00	3.85	(1.12)	0.26	0.29
Fx reserve: Import Cover**	4.70	20.00	(0.10)	0.90	0.90
Inflation**	3.30	-	55.00	(106.00)	(301.00)
CBR**	10.75	(50.00)	(125.00)	(200.00)	(225.00)

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

Weekly Market Summary

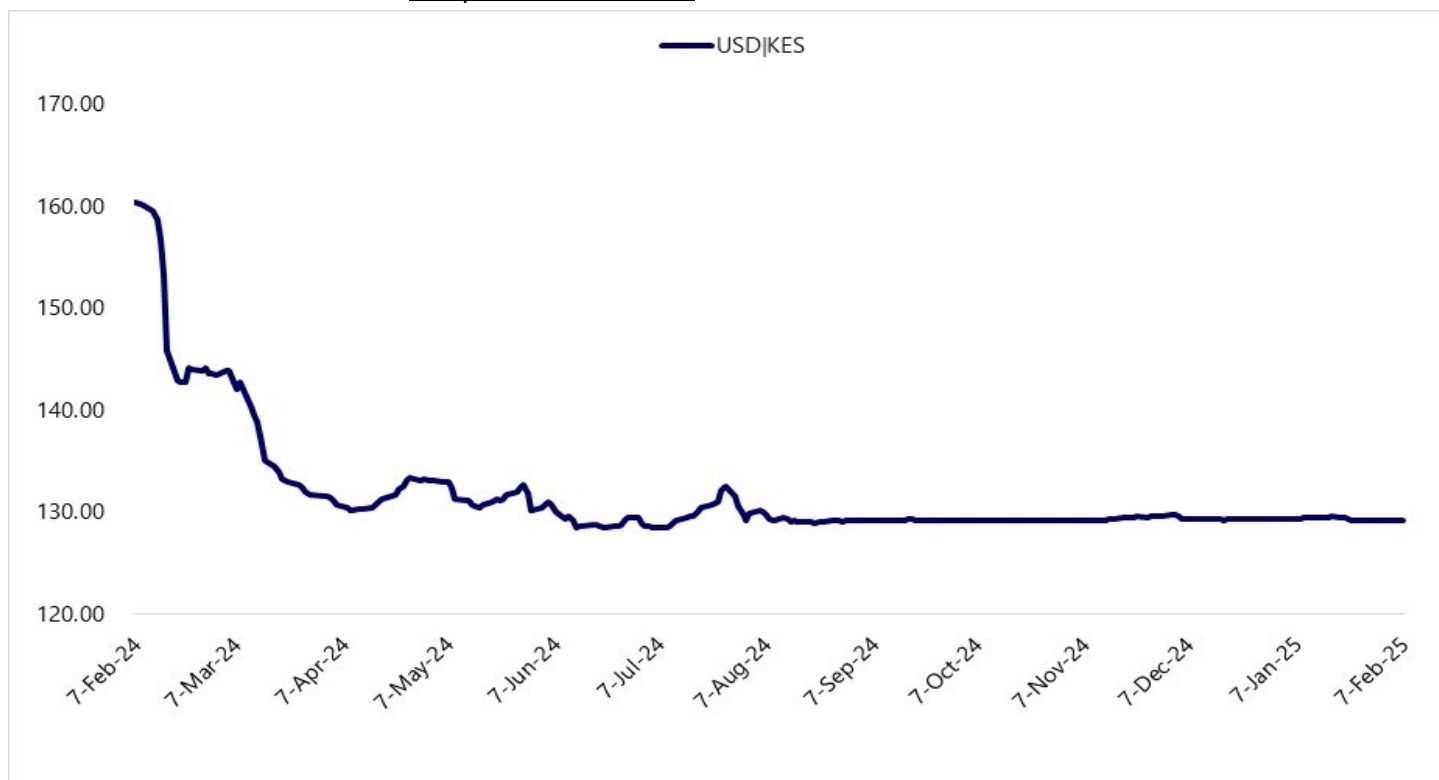
NSE 20 and **NASI** increased by 1.48% and 1.01% w-o-w to close at 2,194.48 and 129.58, respectively.

Weekly equity turnover went up by 21.5% w-o-w to close at USD 21.08 MN (KES 2.72 BN).

USD | KES: KES strengthened by 0.01% w-o-w to close at 129.21 (0.06% year-to-date).

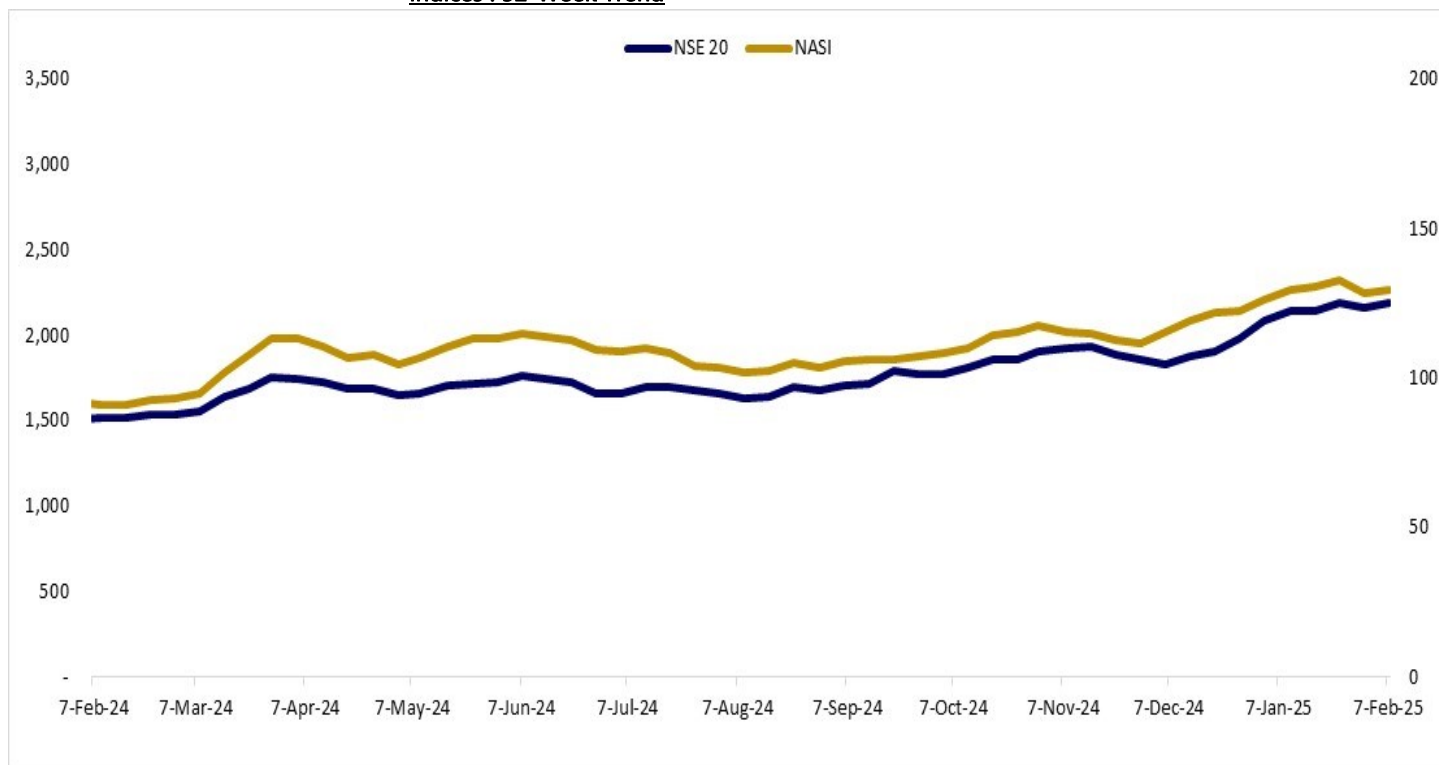
INDICES & MARKET METRICS MOVEMENT

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 8.09 MN (KES 1.05 BN) representing 38.39% of this week's turnover.

The stock **rose by 4.4%** w-o-w to close at KES 17.95 on Friday.

Foreign investors assumed a **net selling position** on the counter this week by accounting for **89.95%** of foreign sales and **41.59%** of foreign purchases.

Week-on-Week Performance

<u>Top Gainers</u>	<u>%</u>
Home Afrika	47.8
Uchumi	35.7
Standard Group	27.6
Eveready East Africa	24.0
HF Group	19.4

(Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
The Limuru Tea	(8.8)
Kenya Power	(7.9)
Sanlam Kenya	(7.9)
Kakuzi	(7.8)
B.O.C Kenya	(7.0)

(Source: NSE, DBIB Research)



<u>Top Traders (Value)</u>	<u>USD MN</u>
Safaricom	8.09
KCB Group	4.27
Equity Group	3.11
Kenya Power	0.67
Co-operative Bank	0.66

(Source: NSE, DBIB Research)

Y-T-D Performance

<u>Top Gainers</u>	<u>%</u>
Trans-Century	246.2
Home Afrika	175.7
Uchumi	124.1
E.A.Cables	123.5
Flame Tree Group	90.0

(Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
Kenya Orchards	(18.9)
The Limuru Tea	(14.0)
Crown Paints Kenya	(9.9)
Williamson Tea Kenya	(6.7)
B.O.C Kenya	(5.6)

(Source: NSE, DBIB Research)



Weekly Foreign Performance

<u>Top Weekly Buys</u>	<u>% Purchase</u>
New Gold ETF	100.0
Jubilee Holdings	96.2
E.A. Breweries	72.5
Carbacid	57.6
Safaricom	41.6

(Source: NSE, DBIB Research)

<u>Top Weekly Sales</u>	<u>% Sold</u>
BAT Kenya	94.0
Safaricom	90.0
Jubilee Holdings	76.4
NBV	76.2
BK Group	63.9

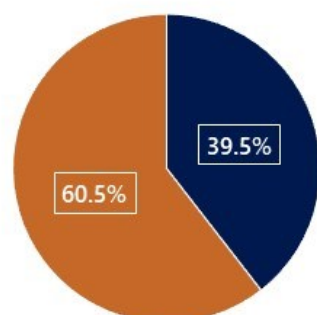
Y-T-D Foreign Performance

<u>Top Foreign Buys</u>	<u>% Purchase</u>
New Gold ETF	100.0
E.A. Breweries	82.4
NSE	76.1
BK Group	73.0
Stanbic Holdings	66.6

(Source: NSE, DBIB Research)

<u>Top Foreign Sales</u>	<u>% Sold</u>
BK Group	94.0
Safaricom	81.4
NSE	79.9
E.A. Breweries	71.5
BAT Kenya	65.9

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 301.14 MN (KES 38.91 BN) representing a 38.8% w-o-w increase from USD 217.01 MN (KES 28.04 BN) recorded the previous week.

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February Issue: Re-opened IFB1/2022/14 and IFB1/2023/17.

The Central Bank of Kenya (CBK) had re-opened IFB1/2012/14 (11.8 years) and IFB1/2023/17 (15.1 years) with the intention of raising KES 70.0 BN for funding of infrastructure projects in the FY 2024/2025. The period of sale runs from 23/01/2025 to 12/02/2025. The coupon rate for IFB1/2022/14 stands at 13.9380% while IFB1/2023/17 stands at 14.3990%.

Top Trades for the week ending 07th February 2025

						Total
	Coupon	Yield	Price	Value		
Trading Date	Issue No.	Years	(%)	(%)	(KES m)	(KES m)
5-Feb	FXD1/2016/10Yr	1.5	15.0390	12.0000	111.15	1,912.0
3-Feb	FXD2/2013/15Yr	3.2	12.0000	13.3500	100.23	1,000.0
5-Feb	FXD1/2023/10Yr	8.0	14.1510	14.1500	106.88	1,000.0
6-Feb	FXD1/2016/10Yr	1.5	15.0390	11.9000	111.33	1,000.0
7-Feb	FXD1/2023/2Yr	0.5	16.9723	10.1200	111.44	1,000.0
5-Feb	FXD2/2018/10Yr	3.8	12.5020	13.7000	98.46	950.0
6-Feb	FXD2/2018/10Yr	3.8	12.5020	13.3200	99.59	950.0
6-Feb	FXD2/2018/10Yr	3.8	12.5020	13.3000	99.64	950.0
6-Feb	IFB1/2024/8.5Yr	7.5	18.4607	13.8500	126.00	826.0
4-Feb	IFB1/2024/8.5Yr	7.5	18.4607	13.9250	125.59	714.0
4-Feb	FXD2/2013/15Yr	3.2	12.0000	13.2000	100.64	700.0
4-Feb	FXD1/2023/10Yr	8.0	14.1510	12.6500	114.26	673.5
4-Feb	IFB1/2024/8.5Yr	7.5	18.4607	13.9500	125.48	614.0

Sell & buy-backs

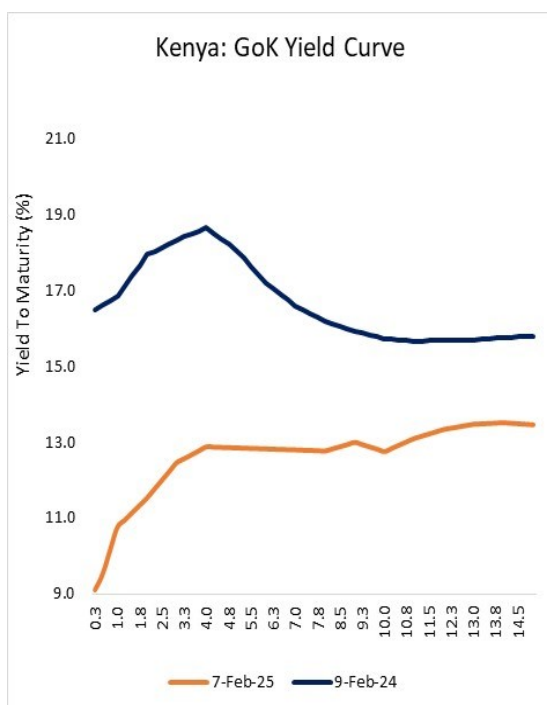
6-Feb	FXD1/2023/2Yr	0.5	16.9723	10.2000	111.37	1,000.0
3-Feb	FXD1/2020/5Yr	0.2	11.6670	10.1850	103.24	600.0
6-Feb	FXD2/2018/10Yr	3.8	12.5020	13.7000	98.50	542.8
5-Feb	IFB1/2023/17Yr	15.0	14.3990	12.8400	114.86	350.0

Source: NSE, DBIB Research)

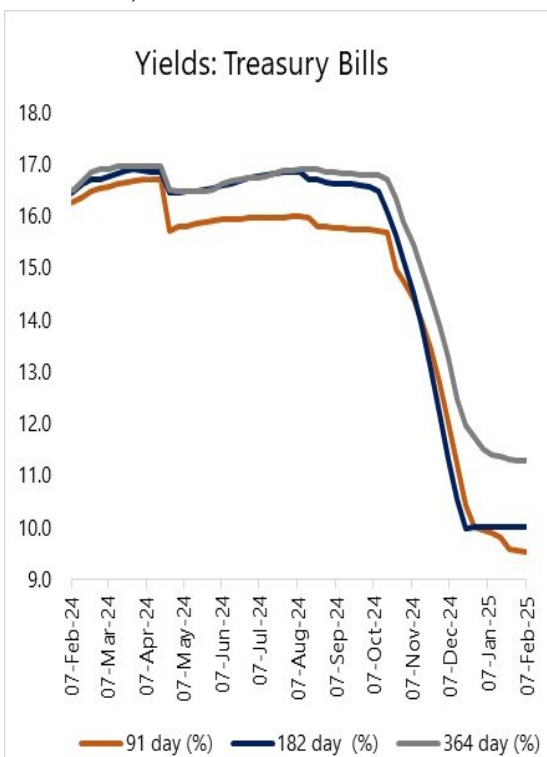
Treasury Bill auction for the week ending 07th February 2025

Instrument	Amount	Bids Received	Subscription	Bids Accepted	Yield	w-o-w
	(KES Bn)	(KES Bn)	Rate (%)	(KES Bn)	(%)	bps ch
91-day	4.00	10.00	250.00	9.93	9.116	(40.6)
182-day	10.00	24.00	239.98	15.08	9.519	(50.9)
364-day	10.00	37.18	371.85	34.73	10.758	(55.5)

(Source: NSE, DBIB Research)



Source: NSE, DBIB Research



Source: NSE, DBIB Research

Salient News

KenGen 1H25 Results.

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KenGen released its 1H25 results reporting a 79.0% y-o-y surge in PAT to KES 5.3 BN.

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KenGen released its 1H25 results reporting a 79.0% y-o-y surge in PAT to KES 5.3 BN. The improvement in profitability was primarily attributable to a 30.5% increase in finance income to KES 2.4 BN while finance costs dropped by 23.8% to KES 1.1 BN. EPS for the period stood at KES 0.80 (1H24: KES 0.45).

Gross revenue edged down by 3.6% y-o-y to KES 27.5 BN. Due to a decline in gross revenues and an increase in 9.1% y-o-y in total reimbursable expenses to KES 4.1 BN, net revenue decreased by 5.6% y-o-y to KES 23.4 BN.

Total other income advanced by 415.7% y-o-y to KES 954.0 MN supported by other gains (net forex and fair valuation of financial assets) standing at KES 394.0 MN as other income rose by 86.7% y-o-y to KES 560.0 MN. Given the improvement in total other income curtailed by a decline in net revenue, operating income edged down by 2.4% y-o-y to KES 24.3 BN.

The company's operating profit settled at KES 6.6 BN, 49.4% higher y-o-y. Owing to the decline in expenses vis-à-vis growth in operating income, the operating profit margin for the period increased to 24.2% in 1H25 from 15.6% realized in 1H24.

Finance costs went down by 23.8% y-o-y to KES 1.1 BN. Finance income increased by 30.5% y-o-y to KES 2.4 BN.

Total assets declined by 7.2% y-o-y to KES 494.8 BN while total liabilities decreased by 16.5% y-o-y to KES 215.7 BN. Total equity edged up by 1.4% y-o-y to KES 279.1 BN

Cash and cash equivalents at the end of the year increased by 15.8% y-o-y to KES 27.2 BN predominantly due to a 47.7% y-o-y drop in net cash used in financing activities to KES 3.0 BN. Net cash generated from operating activities declined by 45.5% y-o-y to KES 9.2 BN while net cash used in investing activities edged up by 17.1% y-o-y to KES 4.5 BN.

(Source: Company filings, DBIB Research).

UPCOMING EVENTS

Profit Warnings

1. WPP Scangroup
2. Kakuzi
3. Total Energies.
4. Express Kenya
5. Limuru Tea

<u>Company</u>	<u>Announcement</u>	<u>Book Closure</u>	<u>Payment</u>
KenGen	Final: KES 0.65	29-Nov-24	13-Feb-25
E.A. Portland Cement	First & Final: KES 1.00	31-Dec-24	28-Feb-25
E.A. Breweries	Interim: KES 2.50	21-Feb-24	30-Apr-25
Kenya Power	Interim: KES 0.20	28-Feb-25	11-Apr-25

(Source: NSE, DBIB Research)

STA—Subject to approval*

AGM SCHEDULE

<u>Company</u>	<u>Time</u>	<u>Venue</u>	<u>Date</u>
E.A. Portland Cement	12:00 p.m.	Virtual	28-Feb-25
Sasini	11:00 a.m.	Virtual	06-Mar-25

**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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