

# DBIB WEEKLY BULLETIN

# WEEK 02

Date: 10.01.2025

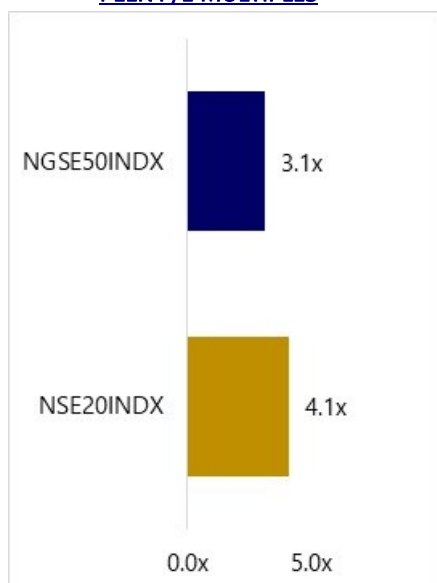
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## INDICES & MARKET METRICS MOVEMENT

### PEER P/E MULTIPLES



NSE20INDX\* - NSE 20 Index  
 NGSE50INDX\* - Nigeria Stock Exchange  
 50 Index  
 \*LTM Price/EPS

(Source: Bloomberg, DBIB Research)

Index	Current	1 wk (%)	3 m (%)	6 m (%)	YTD (%)
NASI	129.64	2.60	17.72	17.82	4.99
NSE-20	2,145.27	2.70	18.75	26.51	6.70
DBIB Select	104.22	1.37	12.60	16.01	2.74
MSCI Kenya (USD)	943.04	1.47	12.55	11.27	3.16
MSCI Frontier (USD)	535.14	(0.71)	(0.93)	(0.21)	0.47

(Source: NSE, Bloomberg, DBIB Research)

Market Metrics	Current	1 wk (ch)	3 m (ch)	6 m (ch)	12 m (ch)
Market Cap. (USD m)	2,036.52	2.60	9.25	18.13	18.46
Market Turnover (USD m)	21.46	405.78	40.00	209.54	146.04
Market P/E (x)	9.30	(7.66)	(16.89)	(7.80)	30.00
Market Div. yld (%) **	8.14	(21.14)	(68.19)	(1.23)	421.72
Market ROE (%) **	22.78	(9.95)	(74.83)	71.59	(274.18)

\* 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*	129.49	(0.15)	(0.22)	(0.00)	0.19
KES/GBP*	159.14	0.75	5.59	0.05	0.22
KES/EUR*	133.27	0.08	5.68	0.05	0.24
Fx Reserve (USD MN)*	9,178.00	(0.22)	10.59	0.16	0.34
Fx reserve: Import Cover**	4.70	-	0.40	0.60	1.00
Inflation**	2.80	-	8.00	(151.00)	(405.00)
CBR**	11.25	-	(75.00)	(175.00)	(125.00)

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

### Weekly Market Summary

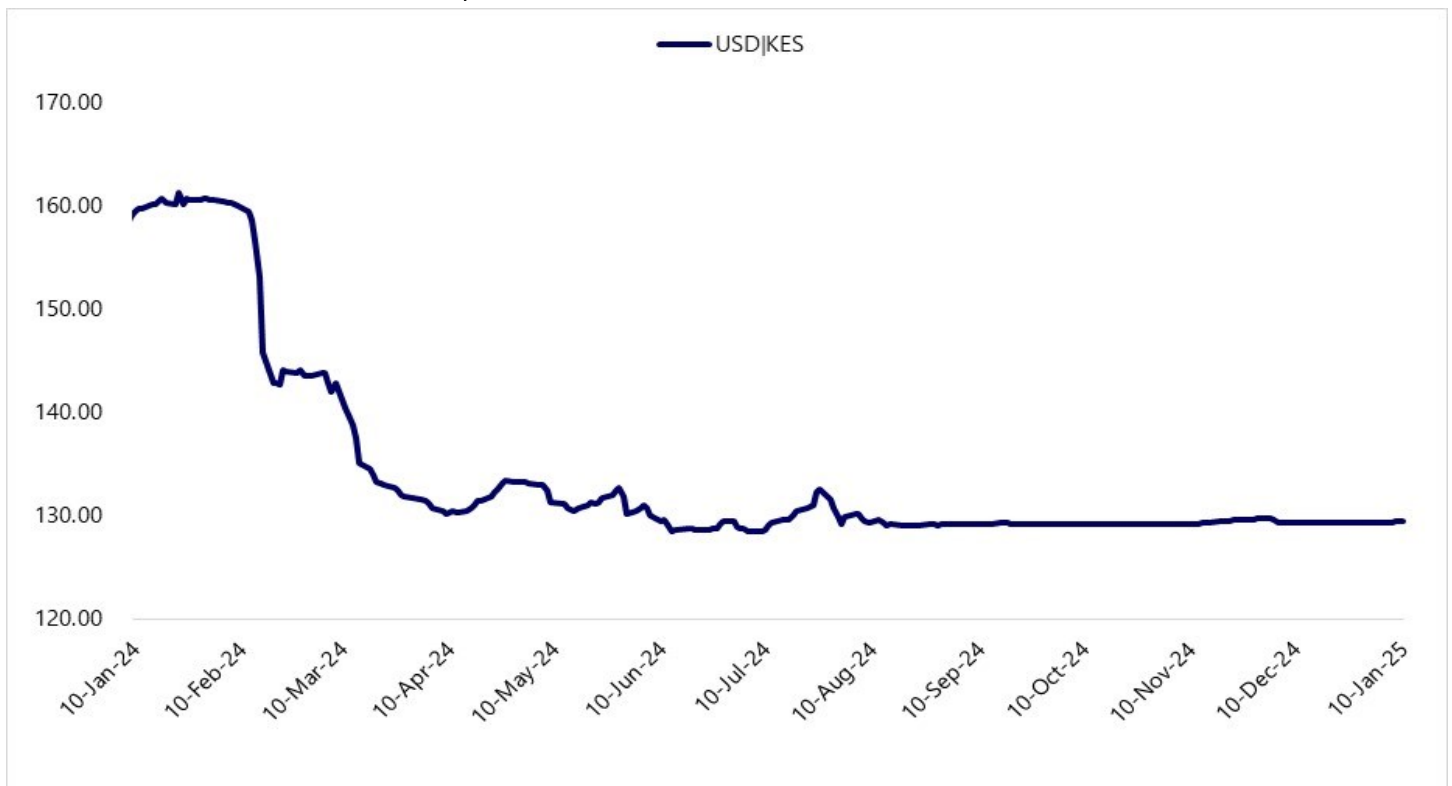
**NSE 20** and **NASI** rose by 2.80% and 2.60% w-o-w to close at 2145.27 and 129.64, respectively.

**Weekly equity turnover** went up by 405.8% w-o-w to close at USD 21.46 MN (KES 2.78 BN).

**USD | KES:** KES weakened by 0.15% w-o-w to close at 129.49 (-0.15% year-to-date).

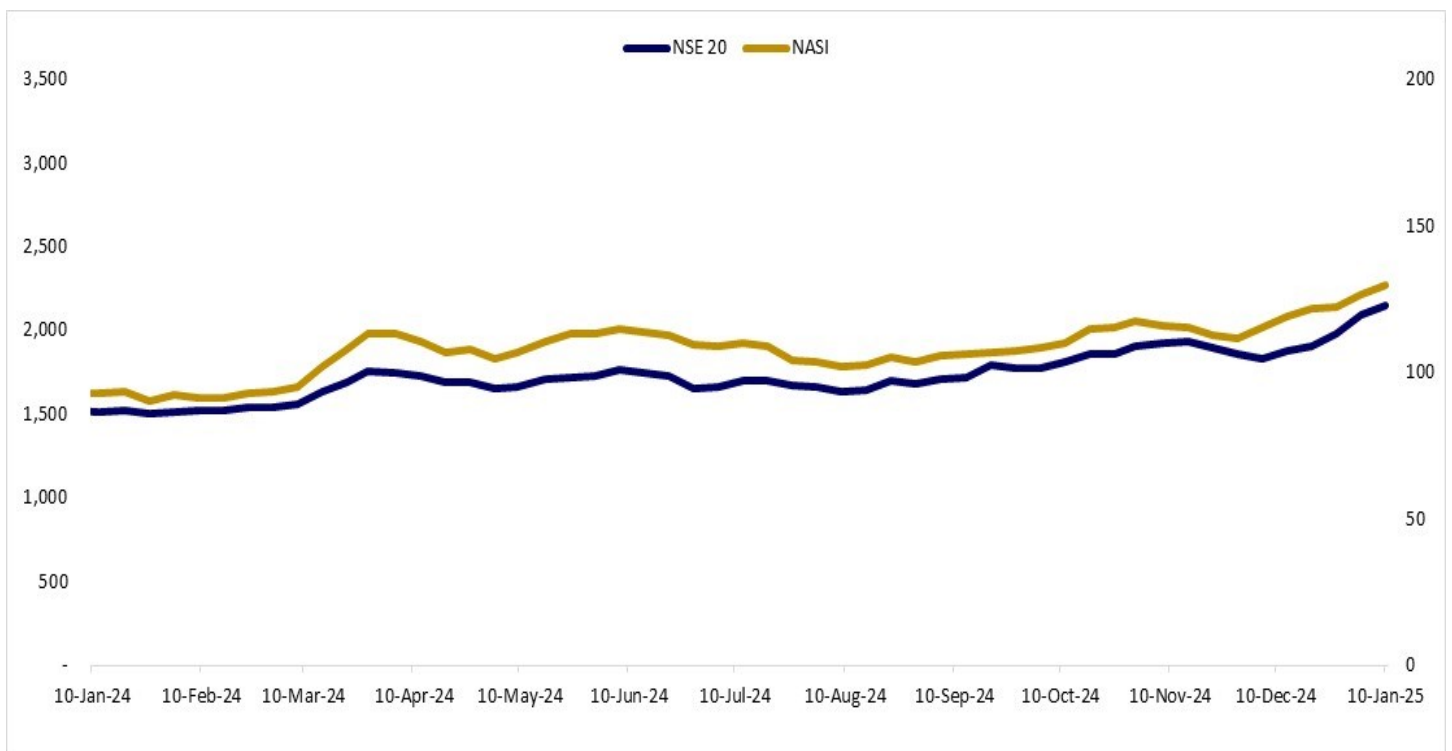
# INDICES & MARKET METRICS MOVEMENT

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 5.24 MN (KES 0.68 BN) representing 24.43% of this week's turnover.

The stock **rose** 4.3% w-o-w to close at KES 18.10 on Friday.

Foreign investors assumed a **net selling position** on the counter this week by accounting for **77.78%** of foreign sales and **12.90%** of foreign purchases.

## Week-on-Week Performance

<u>Top Gainers</u>	<u>%</u>
Kenya Airways	49.9
Kenya Power	28.0
WPP Scangroup	25.1
HF Group	22.4
Unga Group	18.1

(Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
E.A. Portland Cement	(10.4)
Crown Paints Kenya	(10.0)
Express Kenya	(9.9)
Nation Media Group	(8.8)
I&M Group	(6.1)

Source: NSE, DBIB Research)



<u>Top Traders (Value)</u>	<u>USD MN</u>
Safaricom	5.24
KCB Group	2.72
Equity Group	2.63
E.A. Breweries	2.56
ABSA Bank Kenya	2.28

(Source: NSE, DBIB Research)

## Y-T-D Performance

<u>Top Gainers</u>	<u>%</u>
Kenya Airways	49.9
Kenya Power	44.3
Kenya Re	28.6
HF Group	19.5
KenGen	18.1

Source: NSE, DBIB Research)



<u>Top Losers</u>	<u>%</u>
Express Kenya	(13.9)
E.A. Portland Cement	(10.1)
Standard Group	(7.6)
I&M Group	(6.3)
Carbacid Investments	(6.2)

(Source: NSE, DBIB Research)



## Weekly Foreign Performance

<u>Top Weekly Buys</u>	<u>% Purchase</u>
BK Group	94.7
NSE	62.7
E.A. Breweries	61.9
BOC Gases	61.5
Equity Group	47.8

(Source: NSE, DBIB Research)

<u>Top Weekly Sales</u>	<u>% Sold</u>
Standard Group	99.4
BK Group	96.0
Uchumi	87.0
Unga Group	86.0
Safaricom	77.8

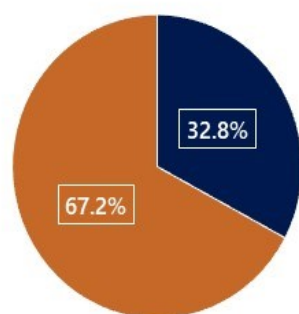
## Y-T-D Foreign Performance

<u>Top Foreign Buys</u>	<u>% Purchase</u>
BK Group	96.0
NSE	86.4
E.A. Breweries	61.5
BOC Gases	61.5
Equity Group	46.8

(Source: NSE, DBIB Research)

<u>Top Foreign Sales</u>	<u>% Sold</u>
Standard Group	98.9
BK Group	94.7
NSE	90.8
Unga Group	85.1
Uchumi	81.8

## WEEKLY LOCAL VS FOREIGN PARTICIPATION



- Foreign Participation
- Local Participation

(Source: NSE, DBIB Research)

The **bond market's turnover** for the week stood at USD 236.20 MN (KES 30.58 BN) representing a 356.7% w-o-w decrease from USD 51.72 MN (KES 6.69 BN) recorded the previous week.

## FROM THE FIXED INCOME DESK

The bond market's turnover for the week stood at USD 236.20 MN (KES 30.58 BN) representing a 356.7% w-o-w decrease from USD 51.72 MN (KES 6.69 BN) recorded the previous week. The bond issue number FXD1/2016/10Yr (Re-opened) emerged as the top traded bond with a turnover of KES 8.05 BN accounting for 26.3% of the week's turnover. The bond traded between 12.0000% and 12.8250%.

### January Issue: Re-opened FXD1/2018/15 and re-opened FXD1/2022/25.

The Central Bank of Kenya (CBK) has re-opened FXD1/2018/15 (8.3 years) and FXD1/2022/25 (22.8 years) with the intention of raising KES 30.0 BN for budgetary support. The period of sale runs from 13/12/2024 to 15/01/2025. The coupon rate for FXD1/2018/15 stands at 12.6500% while FXD1/2022/25 stands at 14.1880%.

### Top Trades for the week ending 10<sup>th</sup> January 2025

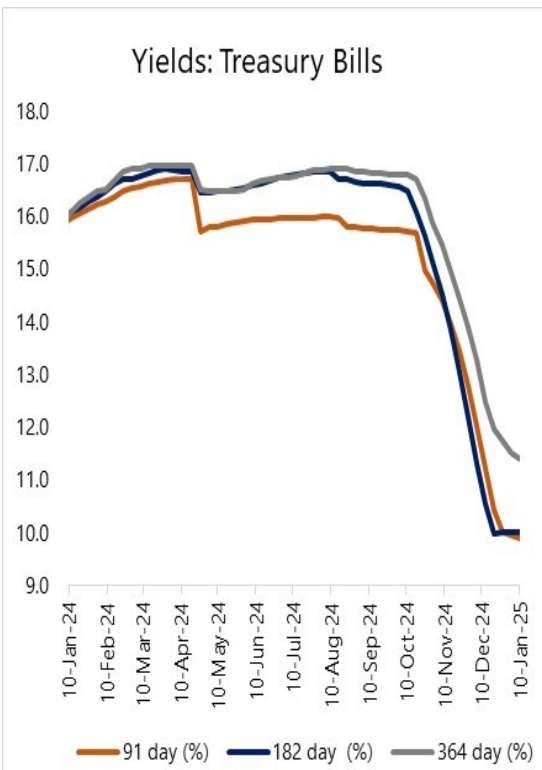
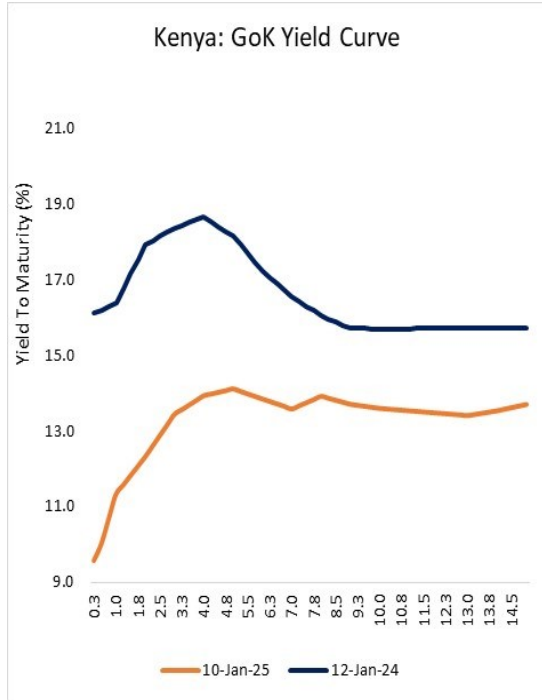
						Total
	Coupon	Yield	Price	Value		
Trading Date	Issue No.	Years	(%)	(%)	(KES m)	(KES m)
10-Jan	FXD1/2016/10Yr	1.6	15.0390	12.8250	109.03	7,199.4
10-Jan	FXD1/2023/3Yr	1.3	14.2280	12.5000	104.36	3,000.0
10-Jan	FXD1/2023/3Yr	1.3	14.2280	12.6500	104.18	2,044.8
7-Jan	FXD1/2023/5Yr	3.5	16.8440	13.6000	116.97	2,000.0
7-Jan	FXD1/2023/5Yr	3.5	16.8440	13.6797	116.74	1,700.0
7-Jan	FXD1/2023/5Yr	3.5	16.8440	13.7148	116.64	1,600.0
6-Jan	FXD1/2023/5Yr	3.5	16.8440	13.6000	116.93	1,150.0
9-Jan	FXD1/2024/10Yr	9.2	16.0000	14.2250	113.64	700.0
7-Jan	IFB1/2024/8.5Yr	7.6	18.4607	13.8000	124.83	529.4
8-Jan	IFB1/2024/8.5Yr	7.6	18.4607	13.9750	124.13	500.0
10-Jan	FXD1/2023/3Yr	1.3	14.2280	12.2000	104.73	500.0
10-Jan	FXD1/2016/10Yr	1.6	15.0390	12.5000	109.50	500.0
7-Jan	FXD1/2023/2Yr	0.6	16.9723	11.0000	109.98	400.0
10-Jan	FXD1/2024/10Yr	9.2	16.0000	14.0000	114.90	370.0
8-Jan	FXD1/2023/10Yr	8.1	14.1510	14.3000	105.05	350.0
8-Jan	FXD1/2023/10Yr	8.1	14.1510	14.2700	105.20	350.0
10-Jan	IFB1/2023/6.5Yr	5.3	17.9327	13.5500	114.96	350.0
6-Jan	FXD1/2023/5Yr	3.5	16.8440	14.0000	115.78	300.0
9-Jan	IFB1/2024/8.5Yr	7.6	18.4607	13.9000	124.49	300.0

Source: NSE, DBIB Research)

### Treasury Bill auction for the week ending 10<sup>th</sup> January 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	13.32	333.12	9.43	9.594	(23.2)
182-day	10.00	9.71	97.11	9.68	10.025	(0.1)
364-day	10.00	10.11	101.07	5.35	11.334	(3.7)

(Source: NSE, DBIB Research)



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## Salient News

### Limuru Tea issues Profit Warning.

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**Limuru Tea** has issued a profit warning expecting its 2024 full year profit after tax to decrease more than 25% compared to its full year 2023 results

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Limuru Tea has issued a profit warning expecting its 2024 full year profit after tax to decrease more than 25% compared to its full year 2023 results. The decline in profitability was attributed to high operational costs driven by rising costs and the adverse market conditions.

*(Source: Company filings, DBIB Research).*

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## 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
Kenya Power	Final: KES 0.70	02-Dec-24	31-Jan-25
I&M Group	Final: KES 1.30	16-Dec-24	14-Jan-25

*(Source: NSE, DBIB Research)*

*STA\*—Subject to approval*

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## 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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