



Weekly Equities Note

Week Ending : 21st October 2022

Key Highlights:

Weekly Statistics	This Week	Previous Week	w/w % chg
Turnover (KES M)	628.20	1,189.03	(47.17)
Volume (M)	24.97	55.22	(54.78)
Foreign Participation (%)	28.99	49.93	(41.94)
Foreign Buying Volume (KES M)	122.57	678.08	(81.92)
Foreign Selling Volume (KESM)	241.53	508.98	(52.55)
NASI	128.30	129.90	(1.23)
NSE-20	1,704.60	1,700.22	0.26
NSE-25	3,108.64	3,125.96	(0.55)

Market Movers	Price	Volume (M)	Mkt share (%)
Safaricom	24.95	5.24	20.99
KCB Group	36.55	6.01	24.07
East African Breweries	168.95	0.97	3.88
Limuru Tea	420.00	0.44	1.76

Top Gainers	This Week	w/w % chg	Volume
Flametree Group Holdings	1.30	13.04	33,300.00
TPS East Africa	14.45	11.15	11,100.00
Nairobi Business Ventures	3.80	10.79	236,000.00
Olympia Capital Holdings	2.50	9.65	600.00

Top Losers	This Week	w/w % chg	Volume
Car & General	35.35	-17.31	7,900.00
Longhorn Publishers	3.37	-14.68	106,400.00
Kapchorua Tea	105.00	-10.83	3,300.00
Unga Group	27.00	-10.00	700.00

Weekly Corporate Calendar:

Company	Event	Date***
East African Breweries	Payment	30 th October 2022

Week That Was

Benchmark Indices - All indices recorded mixed trends opposite to the previous week's performance. NASI decreased **1.23%** to close the week at **KES 128.30** from **KES 129.90** while the NSE-20 gained **0.26%** to close the week at **KES 1,704.60** from **KES 1,700.22**.

Market Performance - Equity turnover decreased by **47.17%** to **KES 0.63Bn** from **KES 1.19Bn**. Flame Tree Group was the highest gainer appreciating **(+13.04%)** closing at **KES 1.30**. Other top gainers included: TPS East Africa **(+11.15%)** at **KES 14.45** and Nairobi Business Ventures **(+10.79%)** at **KES 3.80**. The top losers were Car and General **(-17.31%)** closing at **KES 35.35**, Longhorn Publishers **(-14.68%)** closing at **KES 3.37**, Kapchorua Tea **(-10.83%)** closing at **KES 105.00**.

Foreign Participation - During the week, we saw a change in foreign participation with foreigners recording net outflows of **KES 121.36Mn** in foreign activity from net inflows of **KES 289.02Mn** recorded last week.

Weekly Highlight

East African Breweries(EABL)

Diageo Plc's proposed purchase of additional **118,394,897** shares in EABL from all other existing shareholders valued the company at **KES 151Bn** which signals an undervaluation of the brewer at the prevailing market price. Currently, Diageo Kenya owns **50.03%** of the issued share capital of EABL. And if the proposal is successful the ownership will increase to **65.00%**. The EABL share price stood at **KES 168.75** representing a **-0.7%** w/w change.

We expect EABL share price to continue rising in the coming trading sessions beyond our target price of **KES 205.00**. We expect the counter to continue gaining in the coming trading sessions in line with our BUY recommendation.

Centum Plc (CTUM)

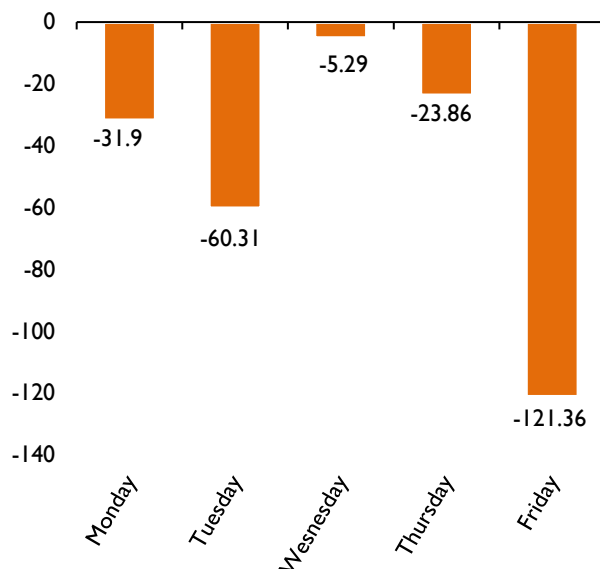
During the week, Global Credit Rating (GCR) affirmed CTUM's A+ and A1 credit ratings citing the investment firm's strong liquidity position and the ongoing debt restructuring strategy. Additionally, the real estate arm, Centum RE also got a rating of BBB+. The rating firm shared our sentiments on the limited nature of CTUM's acquisitions and exits with the company indicating that their investment strategy for to FY2024 largely involves portfolio rebalancing focusing on reducing exposure to real estate. The counter closed the week at **KES 9.22** representing a **-2.22%** w/w change.

BOC Kenya (BOC)

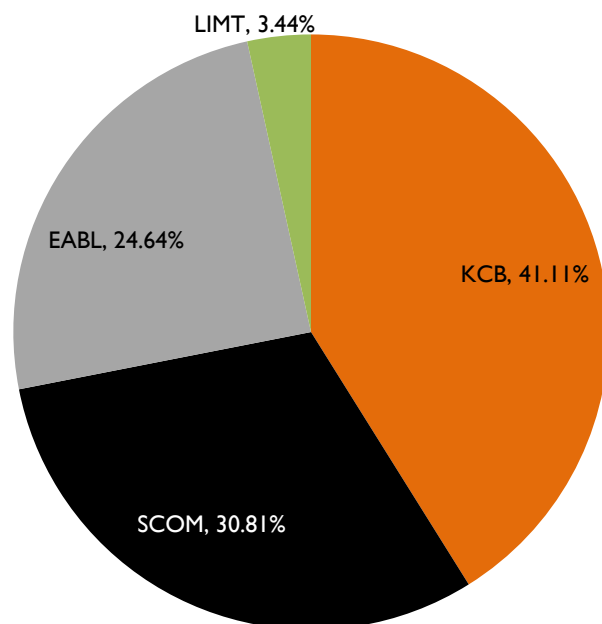
A petition by a former director seeking to stop the takeover of BOC by Carbacid Investments Plc was dismissed by the High Court. The director argues that the BOC takeover offer of **KES 1.2 Bn** did not fully price the firm's worth. Dismissal of the case clears the obstacles that have delayed the deal. Carbacid Investment placed a joint bid to acquire up to **100%** of the issued share capital of BOC. The counter price stood at **KES 84.00** representing a **-0.30%** w/w change.

(Source: Company Filings, Business Daily)

Weekly Trading Activity - Net Foreign Position



Weekly Trading Activity by Turnover



Weekly Equities Summary

Stock	Price 21-Oct	Δ YTD %	Δ WoW	M.Cap USD M	M.Cap %	P/E x	P/B x	Div Y %
▼ Safaricom	24.95	-27.2	-2.3	8,237.4	53.5	16.0	6.9	5.0
▲ ABSA Group	11.60	20.1	4.0	519.2	3.4	8.5	1.4	9.5
▲ Diamond Trust Bank	49.00	-34.7	0.2	107.5	0.7	2.0	0.2	5.5
▲ Equity Group	45.35	24.1	2.8	1,410.2	9.2	7.6	1.5	4.4
▼ H. Finance Group	2.95	-11.1	-5.1	8.6	0.1	-10.2	0.1	0.0
▼ I&M Holdings	16.95	-62.3	-0.3	54.8	0.4	1.4	0.2	15.0
▼ KCB Group	36.55	-4.1	-5.8	923.5	6.0	4.7	0.9	9.6
▼ NCBA Group	30.25	13.1	-0.8	159.5	1.0	3.8	0.3	0.8
▲ Stanbic Holdings	98.00	15.3	0.8	319.2	2.1	6.1	0.8	7.2
▲ Standard Chartered	138.50	-4.0	0.2	392.0	2.5	6.4	1.1	13.1
— Co-operative Bank	12.00	-4.0	0.0	483.5	3.1	4.8	0.9	8.3
— Kenya Airways	3.83	0.0	0.0	47.2	0.3	-1.7	-1.2	0.0
▼ Longhorn Publishers	3.37	-30.9	-14.7	10.3	0.1	-4.1	1.3	15.4
▲ Nation Media Group	16.00	3.6	0.6	24.9	0.2	3.9	0.4	8.5
▼ Standard Group	10.95	-51.3	-8.8	7.4	0.0	-2.1	0.8	0.0
▲ TPS Eastern Africa	14.45	-9.7	11.2	21.7	0.1	17.8	0.3	0.0
▲ WPP Scangroup	3.30	-45.0	2.2	10.3	0.1	3.3	0.2	0.0
▲ KenGen	3.40	-27.8	0.6	174.9	1.1	2.8	0.1	7.4
▲ Kenya Power & Light.	1.92	12.3	8.5	30.9	0.2	14.8	0.1	0.0
▲ Total Kenya	23.20	-3.3	1.3	33.5	0.2	5.8	0.2	5.6
▲ Britam Holdings	6.20	-14.6	2.6	99.0	0.6	4.4	0.5	4.0
▲ CIC Insurance Group	2.01	-5.6	5.8	43.3	0.3	16.8	0.7	0.0
▼ Jubilee Holdings	237.50	-16.4	-1.0	128.9	0.8	4.8	0.6	3.8
▼ Kenya Re Insurance	1.86	-19.8	-7.0	10.7	0.1	0.7	0.2	24.2
▲ Liberty Kenya Hold.	5.90	-23.4	7.7	26.0	0.2	4.5	0.4	8.5
▼ Sanlam Kenya	9.08	-29.9	-8.1	10.8	0.1	11.5	0.9	0.0
▼ BOC Kenya	84.00	33.3	-0.3	13.5	0.1	29.4	1.1	6.2
▼ British. A. Tobacco	434.00	20.2	-0.9	357.6	2.3	11.2	4.5	7.7
▲ Carbacid Invest.	12.55	3.7	6.8	26.4	0.2	12.1	1.0	5.6
▼ East Afr. Breweries	168.75	9.4	-0.7	1,099.6	7.1	15.0	15.4	5.0
▼ Eveready E.A	0.71	-29.0	-9.0	1.2	0.0	-0.5	1.4	0.0
▲ Centum Investment	9.22	-42.6	2.2	50.6	0.3	1.2	0.2	13.0
▼ Nairobi Sec. Exch.	7.46	-8.6	-0.5	16.0	0.1	24.9	1.0	1.1
▼ Bamburi Cement	33.85	-10.6	-0.4	101.2	0.7	19.5	0.4	0.0
▲ E.A Portland Cement	8.00	-27.3	1.3	5.9	0.0	-0.2	0.0	0.0
▲ Crown Paints Kenya	41.95	10.4	1.1	24.6	0.2	9.4	2.3	0.0
— Kakuzi	420.00	15.1	0.0	6.8	0.0	11.5	1.6	3.3
▼ Kapchorua Tea	105.00	34.6	-10.8	6.2	0.0	-6.5	0.6	9.5
▼ Sasini	20.95	7.4	-0.2	24.0	0.2	-15.1	0.4	4.8
▼ Williamson Tea	166.00	27.4	-0.6	0.0	0.0	21.9	0.5	12.0
▼ Ilam Fahari I-REIT	6.50	15.2	-7.1	9.7	0.1	7.6	1.4	11.5

Corporate Actions

Counter	Final Dividend	Book Closure	Dividend Payment
EABL	KES 7.25	15 th September	30 th October
Centum	KES 0.59	30 th September	TBC

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