



Weekly Equities Note

Week Ending : 2nd December 2022

Key Highlights:

Weekly Statistics	This Week	Previous Week	w/w % chg
Turnover (KES M)	1,501.61	1,439.44	4.32
Volume (M)	39.72	45.47	(12.65)
Foreign Participation (%)	38.85	52.94	(26.62)
NASI	126.42	127.28	(0.68)
NSE-20	1,649.99	1,652.06	(0.13)
NSE-25	3,082.19	3,106.90	(0.80)

Market Movers	Price	Volume (M)	Mkt share (%)
East African Breweries	164.25	2.05	5.16
Safaricom	24.35	12.81	32.25
Equity Group	45.05	4.70	11.83

Top Gainers	This Week	w/w % chg	Volume
Nairobi Business Ventures	3.79	14.16	488,900.00
Kakuzi	418.00	10.00	100.00
Bank of Kigali	29.65	9.81	100.00

Top Losers	This Week	w/w % chg	Volume
Carbacid Investments	11.75	-13.60	36,300.00
Longhorn Publishers	3.02	-11.18	12,300.00
Trans-Century	0.89	-11.00	123,500.00

Select SSA Local Currency Returns:

Index	Country	YTD (%)	w/w (%)
NSEASI	Kenya	-24.05%	-1.82%
UGSINDX	Uganda	-14.06%	-0.72%
DARSDEI	Tanzania	-1.29%	0.15%
RSEASI	Rwanda	1.35%	-0.16%
BRVM	West Africa	-5.96%	-1.82%
NGSE	Nigeria	12.73%	9.41%
GGSECI	Ghana	-11.81%	0.01%
ZHIALLSH	Zimbabwe	39.89%	8.05%
SEMDEX	Mauritius	-10.81%	-9.76%

Week That Was

Benchmark Indices - All indices recorded downward trends similar to the performance in the previous week. NASI decreased by **0.68%** to close the week at **KES 126.42** from **KES 127.28** while the NSE-20 lost **0.12%** to close the week at **KES 1649.99** from **KES 1,652.06**.

Market Performance - Equity turnover decreased by **10.94%** to **KES 1.28Bn** from **KES 1.44Bn**. Nairobi Business Ventures was the highest gainer appreciating **(+14.16%)** closing at **KES 3.79**. Other top gainers included Kakuzi **(+10.00%)** at **KES 418.00** and Bank of Kigali **(+9.81%)** at **KES 29.65**. The top losers were Carbacid Investments **(-13.60%)** closing at **KES 11.75**, Longhorn Publishers **(-11.18%)** closing at **KES 3.02** and Trans Century **(-11.00%)** closing at **KES 0.89**.

Foreign Participation – During the week, we saw a change in foreign participation with foreigners recording net outflows of **KES 10.02Mn** in foreign activity from net outflows of **470.82Mn** recorded last week.

Weekly Highlight

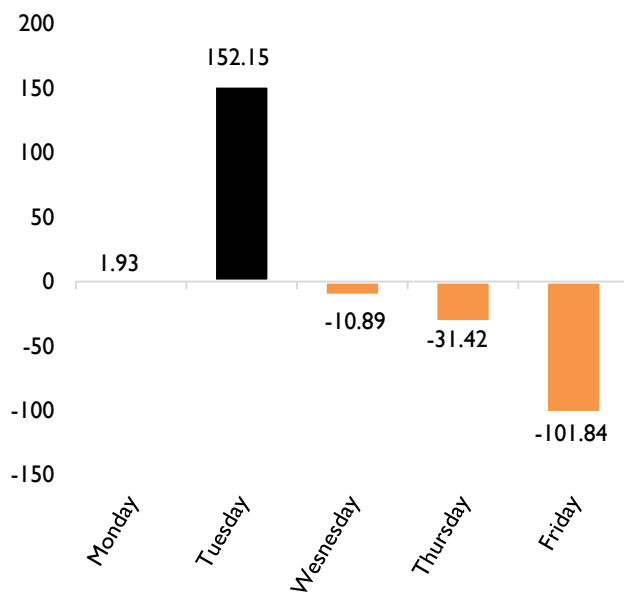
ABSA Group (ABSA) - ABSA Group released their Q3'22 results where their bottom-line growth was driven mainly by an increase in net interest income. We observed that the increase in revenue was additionally driven up by notable increase in foreign trading income. Furthermore, NPL increased y/y by **(+2.05%)** driven by the difficult economic environment and high inflation in the operating market. We expect the lender to report stronger FY'22 results on the back of increased foreign trading income. The counter is trading at a P/E multiple of 5.70x against an industry median of 3.6x and a P/TB multiple of 1.04x. Furthermore, the lack of an interim dividend is likely to provide minimal upside potential for the counter until the release of the FY'22. The counter on Friday closed at KES 11.80 being a **+1.29%** w/w gain.

KenGen (KEGN) - KenGen released their FY'22 results where bottom-line growth was driven by relaxed Covid-19 restrictions which saw the resumption of economic activities. Additionally, revenue increase was reported as a result of geothermal projects ongoing in Ethiopia. We expect sustained revenue growth on the back of increased electricity consumption driven by expansion in economic activity. The counter is currently trading at a P/E multiple of 4.56x and a P/B multiple of 0.08x. The counter on Friday closed at KES3.27 which was similar to the close of the previous week. We continue to view KenGen as a HOLD with limited upside potential.

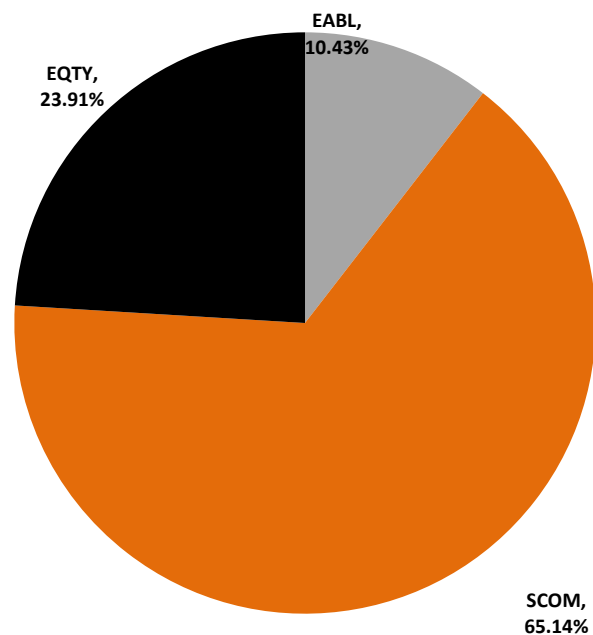
Centum Plc (CTUM)—Centum announced a proposed sharebuy back on 10.00% of the issued shares (66,000 shares). The buyback will happen through an on-market purchase at the NSE across an 18-month period with prices ranging between KES 7.98 - 9.03. Pending shareholder approval, we expect the buyback to record a dismal performance largely on account of the price range being lower than the average purchase price of the majority shareholders. As such, shareholders do not see any value creation in participating in the buyback. The counter closed the week at KES 8.08 being a **42.70%** YTD loss.

(Source: Company Filings)

Weekly Trading Activity - Net Foreign Position



Weekly Trading Activity by Turnover



Weekly Equities Summary

Stock	Price	Δ YTD	Δ	M.Cap	M.Cap	P/E	P/B
	2-Dec	%	WoW	USD M	%	x	x
▼ Safaricom	24.35	-0.36	-0.01	7,961.9	49.53%	13.99	6.78
▲ ABSA Group	11.80	0.00	0.01	523.1	3.25%	10.18	1.14
▲ Diamond Trust Bank	48.00	-0.19	0.02	109.5	0.68%	3.74	0.18
▼ Equity Group	45.05	-0.15	-0.02	1,387.4	8.63%	7.16	1.13
▲ H. Finance Group	3.37	-0.14	0.07	10.6	0.07%	25.98	0.16
▼ I&M Holdings	16.75	-0.21	-0.01	226.0	1.41%	5.92	0.39
▲ KCB Group	37.75	-0.17	0.00	990.0	6.16%	3.98	0.64
▲ NCBA Group	33.00	0.31	0.00	443.7	2.76%	436.54	86.50
▲ Stanbic Holdings	98.00	0.12	0.03	316.2	1.97%	8.08	0.67
▲ Standard Chartered	146.25	0.14	0.02	451.0	2.81%	10.21	0.98
▼ Co-operative Bank	12.05	-0.07	-0.03	577.0	3.59%	4.14	0.70
— Kenya Airways	3.83	0.00	0.00	177.6	1.10%	-1.37	-0.26
▼ Longhorn Publishers	3.02	-0.25	-0.11	6.7	0.04%	20.61	1.05
▼ Nation Media Group	16.05	-0.13	-0.01	24.9	0.16%	6.19	0.38
▲ Standard Group	10.00	-0.26	0.01	6.7	0.04%	-2.72	1.10
▼ TPS Eastern Africa	12.40	-0.19	-0.03	18.4	0.11%	-1.87	0.42
▲ WPP Scangroup	3.15	-0.24	0.06	11.1	0.07%	-32.11	0.26
— KenGen	3.27	-0.22	0.00	176.0	1.09%	4.21	0.10
▼ Kenya Power & Light.	1.49	-0.15	-0.02	23.7	0.15%	0.83	0.05
▼ Total Kenya	23.00	-0.08	-0.08	32.9	0.20%	5.06	0.14
▼ Britam Holdings	5.30	-0.29	-0.04	109.2	0.68%	185.44	0.70
▼ CIC Insurance Group	1.82	-0.18	-0.05	38.8	0.24%	10.26	1.29
▼ Jubilee Holdings	197.50	-0.38	-0.01	116.8	0.73%	2.20	0.34
▲ Kenya Re Insurance	1.88	-0.18	0.01	43.0	0.27%	1.77	0.14
▼ Liberty Kenya Hold.	4.70	-0.33	-0.02	20.5	0.13%	30.77	0.29
▲ Sanlam Kenya	9.00	-0.22	0.03	10.6	0.07%	-2.39	2.18
— BOC Kenya	70.00	0.00	0.00	11.2	0.07%	12.61	0.86
▲ British. A. Tobacco	435.00	-0.01	0.02	355.0	2.21%	6.71	2.90
▼ Carbacid Invest.	11.75	0.07	-0.14	24.4	0.15%	4.23	0.79
▼ East Afr. Breweries	164.25	0.00	-0.01	1,060.0	6.59%	22.10	4.92
▼ Eveready E.A	0.68	-0.31	-0.08	1.2	0.01%	-16.92	66.76
— Mumias Sugar	0.28	0.04	0.00	3.5	0.02%	-0.06	0.57
▲ Centum Investment	8.08	-0.43	0.01	43.9	0.27%	-4.01	0.11
▼ Home Afrika	0.37	-0.08	-0.03	1.2	0.01%	-0.53	0.06
▼ Trans-Century	0.89	-0.24	-0.11	2.7	0.02%	-0.21	0.04
▼ Nairobi Sec. Exch.	6.86	-0.14	-0.01	14.5	0.09%	13.43	0.85
— ARM Cement	5.55	0.00	0.00	43.5	0.27%	-5.92	0.19
▼ Bamburi Cement	31.50	-0.17	-0.06	93.3	0.58%	8.28	0.32
▼ E.A Portland Cement	7.92	0.19	-0.01	5.8	0.04%	0.38	0.03
▼ Crown Paints Kenya	35.00	0.15	-0.11	40.7	0.25%	6.81	1.45
▲ Kakuzi	418.00	0.09	0.10	66.9	0.42%	25.62	1.48
— Kapchorua Tea	105.00	0.10	0.00	6.7	0.04%	7.07	0.49
▼ Sasini	21.95	0.17	-0.02	40.9	0.25%	11.92	0.36
▲ Williamson Tea	150.00	0.15	0.08	21.4	0.13%	11.52	0.42
— Ilam Fahari I-REIT	6.48	0.04	0.00	9.6	0.00%	-9.46	0.33

Corporate Actions

Counter	Interim Dividend	Final Dividend	Book Closure	Dividend Payment
KCB Group	KES 1.00		8 th December 2022	13 th January 2023
Standard Chartered	KES 6.00		15 th December 2022	29 th December 2022
Carbacid Investment Plc		KES 1.70	25 th November 2022	16 th December 2022

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