



# Weekly Equities Note

Week Ending : 30<sup>th</sup> September 2022

## Key Highlights:

Weekly Statistics	This Week	Previous Week	w/w % chg
Turnover (KES M)	1,488.16	2,485.92	(40.14)
Volume (M)	56.63	85.87	(34.05)
Foreign Participation (%)	35.47	27.28	30.02
Foreign Buying Volume (KES M)	233.28	240.58	(3.03)
Foreign Selling Volume (KESM)	822.30	1,115.96	(26.31)
NASI	128.41	134.86	(4.78)
NSE-20	1,717.68	1,746.03	(1.62)
NSE-25	3,102.05	3,192.29	(2.83)

Market Movers	Price	Volume (M)	Mkt share (%)
KCB Group	41.45	14.9	26.2
Safaricom	24.95	22.99	40.60
Equity Group	46.45	1.52	2.68
NCBA Group	30.30	2.04	3.60

Top Gainers	This Week	w/w % chg	Volume
Eveready East Africa	0.80	9.59	26,600.00
Bank of Kigali	32.75	6.85	5,100.00
Kapchorua Tea	120.00	6.19	1,400.00
KCB Group	41.45	5.87	14,845,900.00

Top Losers	This Week	w/w % chg	Volume
Olympia Capital Holdings	2.70	-10.00	400.00
Express Kenya	3.17	-9.43	100.00
Safaricom	24.95	-8.94	22,993,300.00
NCBA Group	30.30	-8.18	2,040,700.00

## Week That Was

**Benchmark Indices** - All indices recorded downward trends compared to a mixed performance last week. NASI reversed last week's gains by declining **4.78%** to close the week at **KES 128.41** from **KES 134.86**. NSE-20 added to last week's decline by slipping a further **1.62%** to close the week at **KES 1,717.68** from **KES 1,746.03**.

**Market Performance** - Equity turnover decreased by **40.14%** to **KES 1.49Bn** from **KES 2.49Bn**. Eveready East Africa reversed last week's losses to emerge as the highest gainer appreciating **(+9.59%)** to close at **KES 0.80**. Other top gainers included: Bank of Kigali **(+6.85%)** at **KES 32.75** and Kapchorua Tea **(+6.19%)** at **KES 120.00**. The top losers were Olympia Capital Holdings **(-10.00%)** closing at **KES 2.70**, Express Kenya **(-9.43%)** closing at **KES 3.17**, and Safaricom **(-8.94%)** closing at **KES 24.95**.

**Foreign Participation** – During the week, we saw a decrease in net foreign participation with foreigners recording net outflows of **KES 589.50Mn** in foreign activity from net outflows of **KES 822.79Mn** recorded last week.

## Weekly Highlight

**Safaricom Group (SCOM)**-During the week, SCOM together with the other Fuliza loan product partners, KCB and NCBA Group, announced up to a 50.00% interest reduction in Fuliza borrowing tariffs as well as a reduction in daily maintenance fee for transactions. Borrowers will still pay the 1.00% access fee for the credit service. We foresee the new tariffs as likely to reduce the interest revenue for all the players. However, Fuliza-related fees account for a minor percentage of the total revenues of all the partners. Additionally, we also foresee larger volumes as more borrowers will be enticed to use a “cheaper” Fuliza thus canceling out any revenue losses recorded.

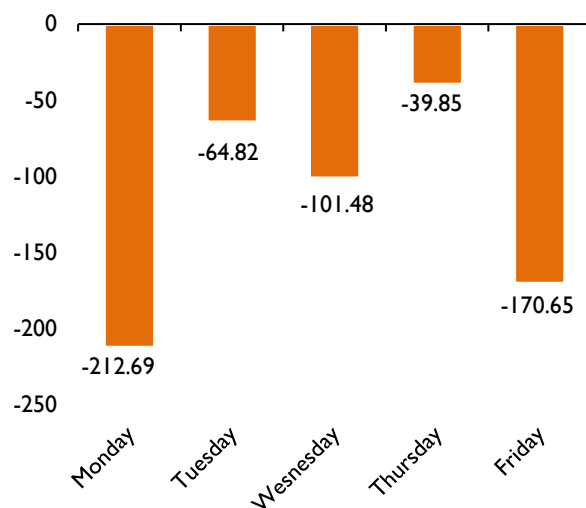
On a w/w basis, both **SCOM** and **NCBA** share prices lost 7.76% while KCB gained 2.35%, following the news to close the week at **KES 24.95**, **KES 30.30** and **KES 41.45**, respectively. As for SCOM's case, the decline was also attributed to the news of a possible business restructuring with Mpesa possibly separating from the Telco business.

We maintain our BUY recommendation on SCOM as we believe the counter is still undervalued. We remain positive on the counter expecting increased revenue from operations in Ethiopia as the telco expands and partnerships around Mpesa brand.

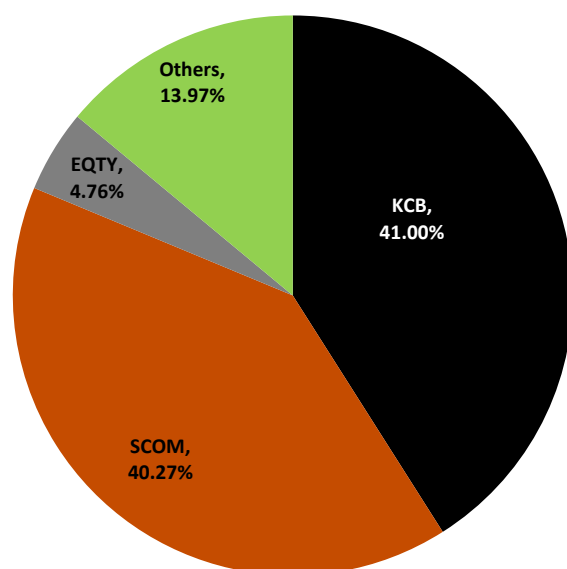
**Kakuzi (KUKZ)**- KUKZ this week petitioned the CMA tribunal to stop the CMA from investigating it over allegations of shifting profits abroad and corporate breaches by its majority shareholder. CMA has been facing delays in prosecuting KUKZ and other disputed cases following a delay in setting up its tribunal. KUKZ has been under CMA investigations and facing negative lawsuits. Additionally, during the week, there was the revelation of a further share accumulation of KUKZ shares by the majority shareholder. We expect a balance of positive and negative impacts on the counter's price. The counter closed the week at **KES 394.50** representing a **1.2%** w/w change.

(Source: Company Filings)

## Weekly Trading Activity - Net Foreign Position



## Weekly Trading Activity by Turnover



## Weekly Equities Summary

Stock	Price	Δ YTD	Δ WoW	M.Cap	M.Cap	P/E	P/B	Div Y	ROE	ROA
	30-Sep	%		USD M	%	x	x	%	%	%
▼ Safaricom	24.95	-27.2	-8.9	8,279.9	53.5	16.0	6.9	5.0	46.6	34.7
— ABSA Group	11.45	18.5	0.0	515.1	3.3	8.4	1.4	9.6	16.7	2.1
▲ Diamond Trust Bank	50.00	-33.3	0.4	110.3	0.7	2.1	0.2	5.4	12.1	1.8
▼ Equity Group	46.45	27.1	-1.4	1,451.9	9.4	7.8	1.6	4.3	21.9	3.6
▲ H. Finance Group	3.38	1.8	3.0	9.9	0.1	-11.7	0.1	0.0	-1.1	-0.2
▲ I&M Holdings	17.00	-62.2	0.6	55.2	0.4	1.4	0.2	15.0	19.5	3.4
▲ KCB Group	41.45	8.8	5.9	1,052.7	6.8	5.3	1.0	8.4	20.7	3.1
▼ NCBA Group	30.30	13.3	-8.2	160.6	1.0	3.8	0.4	0.8	15.3	2.2
— Stanbic Holdings	100.00	17.6	0.0	327.4	2.1	6.2	0.8	7.1	13.6	2.1
▼ Standard Chartered	136.75	-5.2	-0.7	389.1	2.5	6.3	1.1	13.3	17.5	0.0
▼ Co-operative Bank	11.85	-5.2	-1.7	479.9	3.1	4.8	0.9	8.4	19.6	3.3
— Kenya Airways	3.83	0.0	0.0	47.5	0.3	-1.7	-1.2	0.0	0.0	-7.8
— Longhorn Publishers	4.00	-18.0	0.0	12.3	0.1	-4.8	1.5	13.0	-24.6	-9.4
▼ Nation Media Group	16.95	9.7	-4.5	26.5	0.2	4.1	0.5	8.0	10.9	7.3
▼ Standard Group	12.60	-44.0	-1.6	8.5	0.1	-2.4	0.9	0.0	-30.2	-9.7
▼ TPS Eastern Africa	13.00	-18.8	-7.1	19.6	0.1	16.0	0.3	0.0	1.8	0.8
▲ WPP Scangroup	3.46	-42.3	1.8	10.9	0.1	3.5	0.2	0.0	-5.2	-3.0
▼ KenGen	3.50	-25.7	-4.6	181.0	1.2	2.9	0.1	7.1	4.1	2.0
— Kenya Power & Light.	1.88	9.9	0.0	30.4	0.2	14.5	0.1	0.0	0.4	0.1
▼ Total Kenya	23.55	-1.9	-1.9	34.1	0.2	5.8	0.2	5.5	10.8	6.6
▼ Britam Holdings	5.96	-17.9	-4.8	95.7	0.6	4.2	0.5	4.2	13.3	3.1
▼ CIC Insurance Group	2.01	-5.6	-2.9	43.5	0.3	16.8	0.7	0.0	4.1	0.9
▼ Jubilee Holdings	245.00	-13.7	-0.1	133.7	0.9	5.0	0.6	3.7	13.2	2.9
▼ Kenya Re Insurance	1.98	-14.7	-4.3	11.5	0.1	0.8	0.2	22.7	13.2	8.4
▼ Liberty Kenya Hold.	5.80	-24.7	-7.9	25.7	0.2	4.4	0.4	8.6	9.3	1.9
▼ Sanlam Kenya	9.94	-23.2	-0.6	11.9	0.1	12.6	1.0	0.0	8.2	0.4
▲ BOC Kenya	77.00	22.2	0.3	12.5	0.1	26.9	1.0	6.8	3.8	2.7
▼ British. A. Tobacco	440.00	21.9	-2.1	364.4	2.4	11.3	4.5	7.6	40.8	19.4
▼ Carbacid Invest.	11.50	-5.0	-3.8	24.3	0.2	11.1	0.9	6.1	8.6	7.7
▲ East Afr. Breweries	142.00	-7.9	0.5	930.1	6.0	12.6	13.0	6.0	123.9	11.2
▲ Eveready E.A	0.80	-20.0	9.6	1.4	0.0	-0.6	1.5	0.0	-110.8	-73.8
▼ Centum Investment	9.46	-41.1	-3.7	52.1	0.3	1.2	0.2	12.7	13.1	5.2
▲ Nairobi Sec. Exch.	7.38	-9.6	5.1	15.9	0.1	24.6	0.9	1.1	3.9	3.6
▲ Bamburi Cement	34.10	-9.9	0.1	102.5	0.7	19.6	0.4	0.0	2.2	1.3
— E.A Portland Cement	7.46	-32.2	0.0	5.6	0.0	-0.2	0.0	0.0	-14.5	-9.0
▼ Crown Paints Kenya	39.15	3.0	-7.9	23.1	0.1	8.8	2.1	0.0	27.2	5.8
▲ Kakuzi	394.50	8.1	1.2	7.8	0.1	10.8	1.5	3.5	14.4	11.5
▲ Kapchorua Tea	120.00	53.8	6.2	6.3	0.0	-7.5	0.6	8.3	1.2	1.0
▼ Sasini	23.75	21.8	-0.6	23.5	0.2	-17.1	0.4	4.2	-2.7	-2.3
▲ Williamson Tea	162.00	24.4	0.3	0.0	0.0	21.3	0.5	12.3	2.2	1.6
▲ Ilam Fahari I-REIT	7.10	25.9	1.4	10.6	0.1	8.4	1.5	10.6	0.0	0.0

## Corporate Actions

Counter	Interim Dividend	Final Dividend	Book Closure	Dividend Payment
Jubilee Holdings	KES 1.00		9 <sup>th</sup> September	11 <sup>th</sup> October
ABSA Bank	KES 0.20		21 <sup>st</sup> September	12 <sup>th</sup> October
BOC Gases	KES 1.60		30 <sup>th</sup> September	22 <sup>nd</sup> October
EABL		KES 7.25	15 <sup>th</sup> September	30 <sup>th</sup> October

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