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Weekly Equities Note



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Week Ending : 01st September 2023

Key Highlights:

Weekly Statistics	This Week	Previous Week	w/w % chg
Turnover (KES M)	1,767.31	459.77	284.39
Volume (M)	229.46	22.47	921.00
Foreign Participation (%)	34.12	25.15	35.67
NASI	98.14	99.38	-1.25
NSE 20	1,538.64	1,522.49	1.06
NSE 25	2,562.79	2,565.38	-0.10

Market Movers	Price	Volume (M)	Mkt share (%)
Britam	5.32	173.99	75.83
Ilam Fahari I-REIT	9.00	24.28	10.58
Safaricom	15.10	15.12	6.59

Top Gainers	This Week	w/w % chg	Volume
Ilam Fahari I-REIT	9.00	49.50	24,281,000.00
Sameer Africa	2.79	30.37	2,800.00
Eveready East Africa	1.45	14.17	35,700.00

Top Losers	This Week	w/w % chg	Volume
HF Group	4.50	-9.64	284,000.00
Nairobi Business Ventures	2.97	-8.62	4,600.00
East African Cables	0.83	-7.78	40,100.00

Select SSA Indices Returns (Local Currency)

Index	Country	YTD (%)	w/w (%)
NSEASI	Kenya	-23.01	-1.25
UGSINDX	Uganda	-20.81	0.05
DARSDSEI	Tanzania	-5.74	0.74
RSEASI	Rwanda	0.64	-0.10
BRVM	West Africa	3.77	1.55
NGXINDX	Nigeria	31.76	3.00
GGSECI	Ghana	24.84	-0.58
ZHIALLSH	Zimbabwe	526.86	0.88
SEMDEX	Mauritius	-6.14	1.40

Week That Was

Benchmark Indices - All indices recorded mixed trend unlike the previous week. NASI decreased by **-1.25%** to close the week at **KES 98.14** from **KES 99.38** while the NSE-20 increased by **1.06%** to close the week at **KES 1538.64** from **KES 1522.49**.

Market Performance - Equity turnover increased by **284.39%** to **KES 1.77Bn** from **KES 0.46Bn**. Ilam Fahari I-REIT was the highest gainer appreciating **(+49.50%)**, closing at **KES 9.00**. Other top gainers included: Sameer Africa **(+30.37%)** at **KES 2.79** and Eveready East Africa **(+14.17%)** at **KES 1.45**. The top losers were HF Group **(-9.64%)**, closing at **KES 4.50**, Nairobi Business Ventures **(-8.62%)** closing at **KES 2.97**, and East Africa Cables **(-7.78%)** closing at **KES 0.83**.

Foreign Participation - During the week, foreigners were net sellers recording net outflows of **KES 226.76Mn** compared to net inflows of **KES 20.31Mn** recorded last week. The net selling position was led by **SCOM**, which was the highest net seller for the week, with net outflows of **100.03Mn**.

Weekly Highlights

Absa Bank Kenya Plc

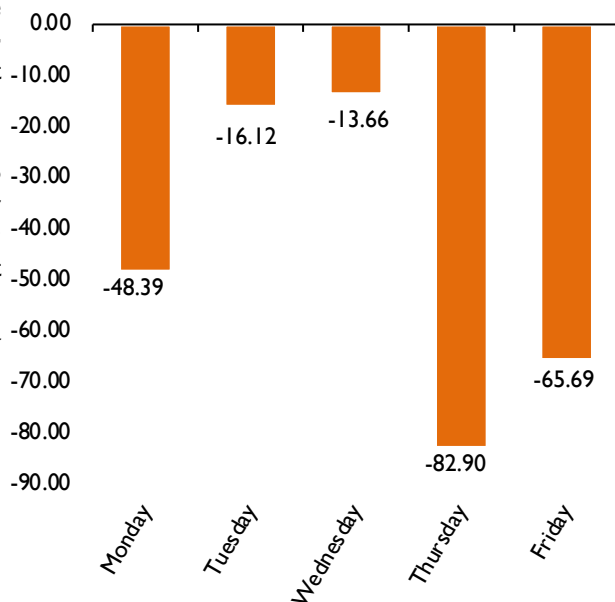
Absa released HY'23 results last week recording the half year period to June 31.95% increase in PAT to KES 8.31Bn. The performance was driven by 36.94% increase in interest income to 25.23Bn as well as non-interest income which increased by 33.23% to 19.22Bn. The positive performance was despite a rise in interest expense and impairment provisioning which increased by 74.42% to KES 5.16Bn attributable to the prevailing tough operating environment. Income from foreign trading increased by 25.94% to KES 3.76Bn. Loan book together with the non-performing loans increased by 21.57% and 62.59% respectively to KES 317.95Bn and KES 32.18Bn respectively.

We see the implementation of the lender's risk-based loan pricing model as well as the expected continued growth of its digital loan business through Timiza App will continue to drive growth in the loan book and interest income. Absa declared interim dividend of KES 0.20 similar to HY'22. The counter closed at KES 11.75 a 5.85% w/w gain, taking the YTD to -4.47%.

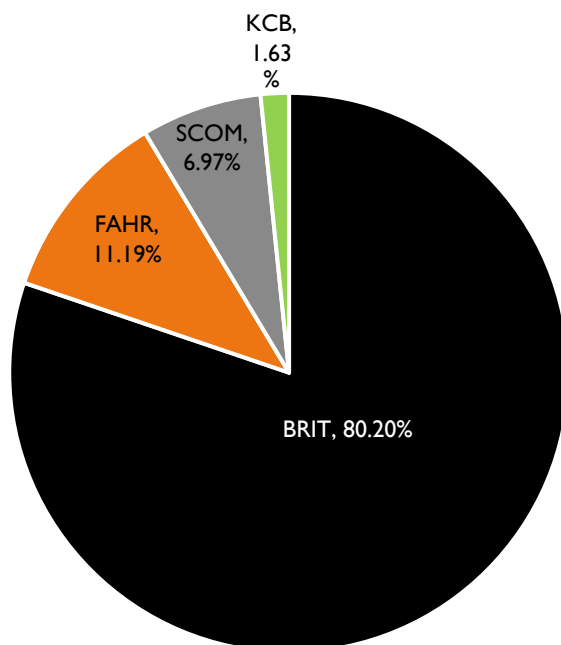
Ilam Fahari I-Reit

During the last week, Ilam Fahari I-REIT announced a move that will see the REIT being delisted from the Nairobi Securities exchange main market segment to NSE Unlisted Shares Platform(USP) as part of the restructuring process. The delisting process which will take place from September 6th to October 6th, with a redemption offer price of KES 11.00 per unit, will deem the I-REIT a restricted trust, limited only to professional investors. Upon increasing their holdings to threshold requirement(units worth KES 5.00Mn), non-professional investors will be part of the professional investors. Any Non-Professional investors left will be bundled together into a Nominee vehicle where collectively, they will meet the Professional investor threshold. They will retain all their rights to their holdings and dividends.

Weekly Trading Activity - Net Foreign Position



Weekly Trading Activity by Turnover



Weekly Highlights

Jubilee Holdings Ltd

JUB released HY'23 results last week recording a -47.83% decrease PAT to KES 2.04Bn. The decline in PAT was driven by an increase in insurance service expenses by 19.61% to KES 9.75Bn as well as a 45.65% increase in re-insurance expenses, despite recording a rise in insurance revenue by 11.42% to KES 9.80Bn.

We expect improved performance from the underwriter in H2'23, driven by growth in underwriting premiums as well as income from subsidiaries. Jubilee declared an interim dividend of KES 2.00, higher than the KES 1.00 declared in HY'22. We expect to see share price rally in short given the announcement of the dividend. The counter closed at KES 176.00 a 2.18% w/w gain, taking to the YTD loss to 11.45%.

Britam Holdings

Britam released HY'23 results recording a 334.50% increase PAT to KES 1.64Bn. The increase in PAT was driven by a significant increase in revenue to KES 1.92Bn, attributable to improved performance from international general insurance business and continued improved performance in life insurance business. Other incomes including interest and dividend income, income from investment property and re-insurance contracts, also contributed to the positive performance. Operating expenses increased by 4.83% to KES 0.82Bn.

We maintain a positive outlook on the underwriters H2'23 driven by growth in subsidiaries located across the East Africa region. We expect the diversified insurance products to further drive revenue growth. The counter closed the previous trading at KES 5.32, a 6.40% w/w gain, taking the YTD gain to 2.31%.

BK Group Plc

Bank of Kigali released HY'23 results posting a 33.33% increase in PAT to KES 4.40Bn, which was driven by growth in interest income by 14.95% to KES 12.30Bn. Net interest income increased by 22.08% to KES 9.40Bn while non-funded income grew 45.83% to KES 3.50Bn. Interest expenses remained flat over the period at KES 2.90Bn. Customer deposits increased by 19.44% while loan book increased by 17.64% to KES 149.40Bn. Impairment provision increased significantly by 466.67% to KES 1.70Bn, attributable to the tough operating and macro environment.

We maintain a positive outlook for HY'23, through improved performance from its core banking and non-banking subsidiaries in different market segments such as corporate finance and wealth management, that will continue to positively impact the growth of the lender. BKG did not recommend interim dividends for the period. The counter closed at KES 36.00, taking to the YTD gain of 14.29%.

Corporate Actions

Counter	Interim Dividend	Final Dividend	Book Closure	Dividend Payment
British American Tobacco	KES 5.00		18 th August 2023	22 nd September 2023
Kapchorua Tea Kenya Plc		KES 25.00	23 rd August 2023	4 th September 2023
Williamson Tea Kenya Plc		KES 30.00	23 rd August 2023	4 th September 2023
Stanbic Holdings Plc	KES 1.15		4 th September 2023	27 nd September 2023
NCBA Group	KES 1.75		14 th September 2023	28 nd September 2023
Jubilee Holdings	KES 2.00		11 th September 2023	11 th October 2023
Absa Bank Kenya Plc	KES 0.20		21 st September 2023	12 th October 2023
East African Breweries		KES 1.75	15 th September 2023	27 th October 2023
Umeme	KES 0.93		9 th February 2024	29 th February 2024
Centum Investments		KES 0.60	To be confirmed	To be confirmed

Weekly Equities Summary

Stock	Price	Δ YTD	Δ WoW %	M.Cap USD M	M.Cap %
▼ Safaricom	15.10	-37.47%	-2.58%	4,233.9	39.47%
▲ ABSA Group	11.75	-4.47%	5.86%	446.6	4.16%
▲ Diamond Trust Bank	48.45	-3.10%	0.62%	94.8	0.88%
▼ Equity Group	38.45	-13.60%	-2.66%	1,015.5	9.47%
▼ H. Finance Group	4.50	41.07%	-9.64%	12.1	0.11%
▼ I&M Holdings	18.05	6.18%	-0.82%	208.9	1.95%
▼ KCB Group	23.45	-38.45%	-1.47%	527.4	4.92%
▲ NCBA Group	40.00	1.65%	4.44%	461.2	4.30%
▼ Stanbic Holdings	111.00	8.82%	-2.63%	307.1	2.86%
▲ Standard Chartered	160.00	12.08%	0.47%	423.1	3.94%
▲ Co-operative Bank	11.85	-3.66%	3.95%	486.6	4.54%
— Kenya Airways	3.83	0.00%	0.00%	152.3	1.42%
▼ Longhorn Publishers	2.62	-12.67%	-4.38%	5.0	0.05%
— Nation Media Group	20.00	25.39%	0.00%	26.6	0.25%
▼ Standard Group	8.16	-21.91%	-1.69%	4.7	0.04%
▼ TPS Eastern Africa	11.50	-13.86%	-3.36%	14.7	0.14%
▼ WPP Scangroup	2.61	-13.29%	-5.09%	7.9	0.07%
▲ KenGen	2.34	-27.33%	1.74%	108.0	1.01%
▲ Kenya Power & Light.	1.50	-3.85%	3.45%	20.5	0.19%
— Total Kenya	18.50	-22.43%	0.00%	22.7	0.21%
▲ Britam Holdings	5.32	2.31%	6.40%	94.0	0.88%
▼ CIC Insurance Group	2.06	5.64%	-0.48%	37.7	0.35%
▲ Jubilee Holdings	176.00	-11.45%	2.18%	89.3	0.83%
▼ Kenya Re Insurance	1.80	-1.64%	-1.64%	35.3	0.33%
▼ Liberty Kenya Hold.	3.65	-34.82%	-4.45%	13.7	0.13%
▲ Sanlam Kenya	8.00	-16.49%	2.56%	8.1	0.08%
— BOC Kenya	73.50	3.89%	0.00%	10.0	0.09%
— British. A. Tobacco	420.00	-8.70%	0.00%	293.9	2.74%
▼ Carbacid Invest.	15.05	25.42%	-5.64%	26.8	0.25%
▲ East Afr. Breweries	135.50	-19.10%	0.93%	749.9	6.99%
▲ Eveready E.A	1.45	110.14%	14.17%	2.1	0.02%
▲ Centum Investment	8.96	7.18%	0.67%	41.7	0.39%
— Home Afrika	0.34	6.25%	0.00%	1.0	0.01%
— Trans-Century	0.52	-44.09%	0.00%	1.4	0.01%
▼ Nairobi Sec. Exch.	5.86	-13.57%	-4.25%	10.6	0.10%
— ARM Cement	5.55	0.00%	0.00%	37.3	0.35%
▼ Bamburi Cement	24.60	-21.90%	-4.47%	62.5	0.58%
— E.A Portland Cement	6.22	-8.53%	0.00%	3.9	0.04%
▲ Crown Paints Kenya	38.55	-7.89%	0.13%	38.4	0.36%
▼ Kakuzi	384.75	-0.06%	-1.09%	52.8	0.49%
▼ Kapchorua Tea	197.25	74.17%	-6.63%	10.8	0.10%
▼ Sasini	23.65	5.35%	-5.40%	37.7	0.35%
▼ Williamson Tea	192.50	20.31%	-6.44%	23.6	0.22%
▲ Ilam Fahari I-REIT	9.00	38.04%	49.50%	4.77	0.04%

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