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# Weekly Equities Note



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### Key Highlights:

Weekly Statistics	This Week	Previous Week	w/w % chg
Turnover (KES M)	459.77	1,687.43	(72.75)
Volume (M)	22.47	80.26	(72.00)
Foreign Participation (%)	25.15	50.99	(50.68)
NASI	99.38	101.35	(1.94)
NSE 20	1,522.49	1,532.46	(0.65)
NSE 25	2,565.38	2,620.76	(2.11)

Market Movers	Price	Volume (M)	Mkt share (%)
Safaricom	15.50	7.10	31.57
Equity Group Holdings	39.50	3.65	16.25
KCB Group	23.80	1.89	8.40

Top Gainers	This Week	w/w % chg	Volume
Home Afrika	0.34	9.68	107,600.00
BK Group	36.00	9.09	1,400.00
East African Breweries	134.25	7.19	302,600.00

Top Losers	This Week	w/w % chg	Volume
Williamson Tea Kenya	205.75	-15.59	14,300.00
KCB Group	23.80	-13.45	1,887,100.00
East African Portand Cement	6.22	-11.14	11,100.00

### Select SSA Indices Returns (Local Currency)

Index	Country	YTD (%)	w/w (%)
NSEASI	Kenya	-22.04	-1.94
UGSINDX	Uganda	-20.86	-2.22
DARSDSEI	Tanzania	-6.44	-0.34
RSEASI	Rwanda	0.74	0.00
BRVM	West Africa	2.19	0.25
NGXINDX	Nigeria	27.92	1.29
GGSECI	Ghana	25.57	0.25
ZHIALLSH	Zimbabwe	521.38	0.52
SEMDEX	Mauritius	-7.44	0.35

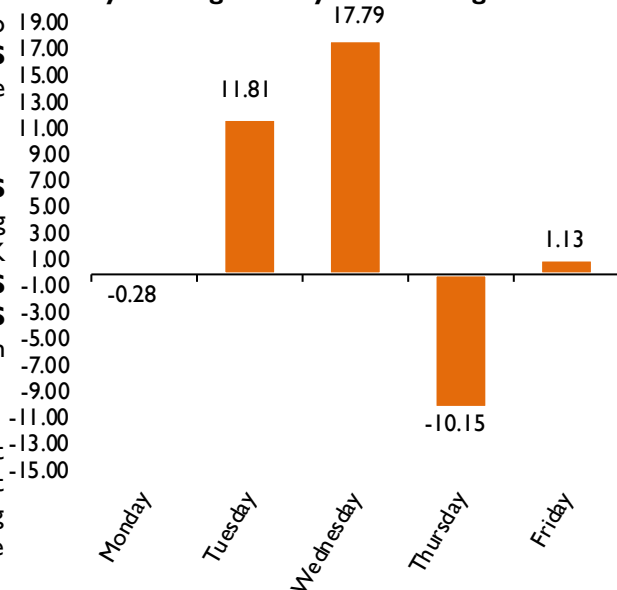
## Week That Was

**Benchmark Indices** - All indices maintained a downward trend similar to the previous week. NASI decreased by **-1.94%** to close the week at **KES 99.38** from **KES 101.35** while the NSE-20 decreased by **-0.65%** to close the week at **KES 1522.49** from **KES 1532.46**.

**Market Performance** - Equity turnover decreased by **-72.74%** to **KES 0.46Bn** from **KES 1.25Bn**. Home Afrika was the highest gainer appreciating **(+9.68%)**, closing at **KES 0.34**. Other top gainers included: BK Group **(+9.09%)** at **KES 36.00** and East African Breweries **(+7.19%)** at **KES 134.25**. The top losers were Williamson Tea Kenya **(-15.59%)**, closing at **KES 205.75**, KCB Group **(-13.45%)** closing at **KES 23.80**, and East African Portland Cement **(-11.14%)** closing at **KES 6.22**.

**Foreign Participation** - During the week, foreigners were net buyers recording net inflows of **KES 20.31Mn** compared to net inflows of **KES 94.22Mn** recorded last week. The net buying position was led by **EABL**, which was the highest net buyer for the week, with net inflows of **25.43Mn**.

## Weekly Trading Activity - Net Foreign Position



## Weekly Highlights

### Bamburi Cement (BAMB)

Bamburi Cement released their HY'23 results last week, recording a 7.37% decline in PAT to 88.00Mn, despite recording an increase in the turnover by 10.56% to 22.26Mn. The decline in PAT was driven by a rise in operational costs attributable to higher costs of energy, Finance costs and the huge tax expense incurred during the period. Bamburi's balance sheet expanded by 14.47% to KES 48.64Bn with net cash increasing and working capital remaining flat.

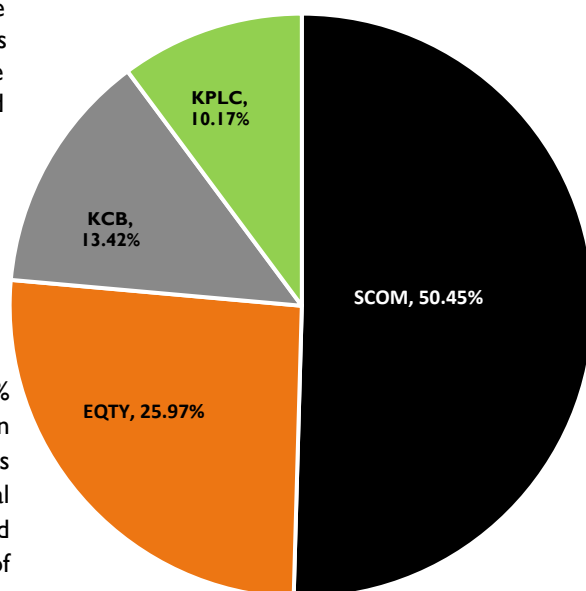
We see the future growth being driven by infrastructure projects in both Kenya and Uganda. Bamburi did not declare interim dividends. The counter closed at KES 24.90 a 3.41% w/w gain, taking to the YTD loss of -18.25%.

### Umeme (UMME)

UMME released its HY'23 results in the last week, posting a 79.51% decrease in PAT to KES 13.19Bn driven largely by 168.11% increase in amortization and Impairment of intangible Assets to KES 210.20Bn, as well as increase in the cost of sales by 16.36% to KES 719.80. The total Assets declined by 6.20% KES 2411.78Bn. We expect to see reduced performance following the handing over of the assets and operations of the Company to the government at the end of the 20-year concession period. The NAV of UMME dipped by KES 9.96Bn to KES 36.00Bn in the 12 months to June

Umeme recommended an interim dividend of KES 0.93 for the HY'23 period. The counter closed at KES 13.80 representing a -2.82% w/w loss taking the YTD to 85.98 %

## Weekly Trading Activity by Turnover



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## Weekly Highlights

### KCB Group Plc

KCB performance declined in the half year period to June, recording a -18.27% decline PAT to 16.06Bn. The performance driven by 60.02% increase in operating expenses to 50.61Bn as well as a 135.98% rise in the impairment provisioning attributable to the tough operating environment. Notably, interest income increased by 28.61% to 70.14Bn. Income from foreign exchange activities increased by 19.78% to 5.91Bn. Loan book together with the non-performing loans increased by 32.10% and 4.94% to KES 964.81Bn and KES 182.00Bn respectively.

We see the continued regional expansion as well as local branch expansion to be key drivers of the company's growth coupled with the investments in digital products. KCB did not declare interim dividends. The counter closed at KES 27.50 a -13.45% w/w loss, taking the YTD to -37.53%.

### Diamond Trust Bank Kenya (DTK)

Diamond Trust Bank released its HY'23 during the last week posting 10.15% increase in PAT to 4.36Bn. The performance was driven by increase in interest income by 32.42% to KES 24.89Bn as well as non-interest income from forex trading activities by 43.86% to 2.75Bn. Consequently, interest expenses rose by 53.72% to KES 11.78Bn. Impairment provisioning during the period was KES 3.26 from KES 2.43 recorded in the previous HY'22 period, a 33.99% y/y increase.

We maintain a positive outlook for H2'23, driven by improved performance from its subsidiaries as well as its ongoing digital transformation and continued branch expansion to drive growth for the lender. We expect the implementation of its risk-based loan pricing model to be positive on interest income and growth in the loan book. DTK did not declare interim dividends for the HY'23 period. The counter closed at KES 47.05 a 2.34% w/w gain, taking the YTD to -3.70%.

### NCBA Group

During the last week NCBA released HY'23 results recording a 20.30% increase in PAT to KES 9.35Bn. The performance was driven by a rise in interest income by 21.72 to KES 30.35Bn despite an increase in total operating expenses by 9.29% to KES 18.66Bn. Non-interest income decreased slightly by 2.61% to KES 13.8Bn. Notably, the counter's impairment provisioning during the period decreased by 20.96% to KES 4.39Bn.

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 M-Shwari and Fuliza will continue to drive growth in the loan book and interest income. NCBA declared interim dividends for the half year period of KES 1.75. The counter closed at KES 38.70 a -1.03% w/w loss, taking the YTD to -2.67%.

### I&M Group Plc

I&M group released HY'23 results posting a KES 2.19Bn PAT which was driven by growth in interest income by 22.10%. Income from forex trading activity saw an increase by 52.91% to KES 2.92Bn, driven by dollar shortage. Interest expenses increased by 31.21% to KES 9.10Bn. Customer deposits increased by 13.92% which saw the loan book increase by 16.74% to KES 269.74Bn. Impairment provision increased significantly by 144.52% to KES 3.20Bn, attributable to the tough operating and macro environment. Gross NPLs increased during the period by 57.53% to KES 36.67Bn.

We maintain a positive outlook for HY'23, through improved performance from its core banking and non-banking subsidiaries in bancassurance and wealth management, that will continue to positively impact the growth of the lender. I&M did not recommend interim dividends for the period. The counter closed at KES 18.45 a -1.36% w/w loss, taking to the YTD gain of 7.06%.

## Weekly Highlights

### Kenya Re-insurance Corporation(KNRE)

KNRE released HY'23 results last week recording 8.66% increase PAT to KES 0.90Bn. The increase in PAT was driven by increase in investment income by 15.74% despite a decline in gross written premiums by 10.07% to KES 9.90Bn. Net claims and cedent acquisition costs declined during the period by -35.92% and -13.15% to KES 4.17Bn and KES 2.47Bn. Notably, provisions for doubtful debts rose significantly, attributable to the challenged macro-economic and operating environment and the expect lower underwriting profits in the insurance sector.

We see the improved performance from KNRE in H2'23, driven by its subsidiaries' performance growth in Uganda, Cote d'Ivoire and Zambia that serve various Sub-Saharan Africa markets to drive overall growth in revenue for the re-insurer. KNRE did not declare interim dividends. The counter closed at KES 1.81 a 1.10% w/w gain, taking to the YTD gain of 0.00%.

### Kakuzi (KUKZ)

KUKZ released HY'23 results during the last week recording decline in PAT by -65.57% to KES 177.50Mn attributable largely to sectoral loss from Macadamia Business by KES 321.00Mn. The counters sales revenue also declined by -14.94% to KES 873.16Mn. KUKZ expanded balance sheet during the period by 3.83% to KES 6,799.03Mn, despite a sharp decline in the Cash from operations by 404.26% to KES 597.00Mn.

We see the company's growth likely to be driven by Consumers product diversification move and the expansion of exports markets such as Europe and China Avocado market. Kakuzi did not declare an Interim dividend during the period. The counter closed at KES 403.50 a -3.59 w/w loss, taking the YTD gain to 1.04%.

### Standard Chartered Bank Kenya Ltd (SCBK)

During the last week SCBK released their half year results recording an increase in PAT by 27.71% to KES 6.91 Bn attributable to interest incomes from loans and government securities. Non-interest income from forex trading rose by 96.45% to 4.46Bn largely attributable to the prevailing dollar shortage. The counters loan book increased by 13.17% to KES 145.44 Bn which also saw NPLs of KES 23.80Bn during the period as compared to KES 22.74Bn recorded in the previous HY'22.

SCBK did not recommend interim dividend for the period. The counter closed at KES 150.25, a 5.99% w/w gain taking the YTD to 11.56%

## Corporate Actions

Counter	Interim Dividend	Final Dividend	Book Closure	Dividend Payment
Safaricom Plc		KES 0.62	28 <sup>th</sup> July 2023	31 <sup>st</sup> August 2023
Kapchorua Tea Kenya Plc		KES 25.00	23 <sup>rd</sup> August 2023	4 <sup>th</sup> September 2023
Williamson Tea Kenya Plc		KES 30.00	23 <sup>rd</sup> August 2023	4 <sup>th</sup> September 2023
BAT Kenya Plc	KES 5.00		18 <sup>th</sup> August 2023	22 <sup>nd</sup> September 2023
East African Breweries		KES 1.75	15 <sup>th</sup> September 2023	27 <sup>th</sup> October 2023
Stanbic Holdings Plc	KES 1.15		4 <sup>th</sup> September 2023	27 <sup>nd</sup> September 2023
NCBA Group	KES 1.75		14 <sup>th</sup> September 2023	28 <sup>nd</sup> September 2023
Umeme	KES 0.93		9 <sup>th</sup> February 2024	29 <sup>th</sup> February 2024
Centum Investments		KES 0.6	To be confirmed	To be confirmed

## Weekly Equities Summary

Stock	Price	Δ YTD %	Δ WoW	M.Cap USD M	M.Cap %
▼ Safaricom	15.50	-35.82%	-3.13%	4,346.1	40.15%
▼ ABSA Group	11.10	-9.76%	-6.72%	421.9	3.90%
▲ Diamond Trust Bank	48.15	-3.70%	2.34%	94.2	0.87%
▼ Equity Group	39.50	-11.24%	-2.71%	1,043.2	9.64%
▼ H. Finance Group	4.98	56.11%	-0.40%	13.4	0.12%
▼ I&M Holdings	18.20	7.06%	-1.36%	210.6	1.95%
▼ KCB Group	23.80	-37.53%	-13.45%	535.2	4.94%
▼ NCBA Group	38.30	-2.67%	-1.03%	441.6	4.08%
▼ Stanbic Holdings	114.00	11.76%	-2.56%	315.4	2.91%
▲ Standard Chartered	159.25	11.56%	5.99%	421.1	3.89%
▼ Co-operative Bank	11.40	-7.32%	-0.44%	468.1	4.32%
— Kenya Airways	3.83	0.00%	0.00%	152.3	1.41%
▲ Longhorn Publishers	2.74	-8.67%	1.48%	5.2	0.05%
— Nation Media Group	20.00	25.39%	0.00%	26.6	0.25%
▼ Standard Group	8.30	-20.57%	-0.48%	4.7	0.04%
▲ TPS Eastern Africa	11.90	-10.86%	3.48%	15.2	0.14%
▼ WPP Scangroup	2.75	-8.64%	-1.43%	8.3	0.08%
▼ KenGen	2.30	-28.57%	-0.86%	106.1	0.98%
▼ Kenya Power & Light.	1.45	-7.05%	-0.68%	19.8	0.18%
▲ Total Kenya	18.50	-22.43%	1.37%	22.7	0.21%
▲ Britam Holdings	5.00	-3.85%	0.81%	88.3	0.82%
▲ CIC Insurance Group	2.07	6.15%	4.02%	37.9	0.35%
▲ Jubilee Holdings	172.25	-13.33%	1.32%	87.4	0.81%
▲ Kenya Re Insurance	1.83	0.00%	1.10%	35.9	0.33%
▼ Liberty Kenya Hold.	3.82	-31.79%	-1.04%	14.3	0.13%
▼ Sanlam Kenya	7.80	-18.58%	-2.50%	7.9	0.07%
▲ BOC Kenya	73.50	3.89%	0.68%	10.0	0.09%
▼ British. A. Tobacco	420.00	-8.70%	-0.12%	293.9	2.72%
▼ Carbacid Invest.	15.95	32.92%	-3.33%	28.4	0.26%
▲ East Afr. Breweries	134.25	-19.85%	7.19%	743.0	6.86%
▲ Eveready E.A	1.27	84.06%	1.60%	1.9	0.02%
▲ Centum Investment	8.90	6.46%	1.14%	41.4	0.38%
▲ Home Afrika	0.34	6.25%	9.68%	1.0	0.01%
▼ Trans-Century	0.52	-44.09%	-1.89%	1.4	0.01%
— Nairobi Sec. Exch.	6.12	-9.73%	0.00%	11.1	0.10%
— ARM Cement	5.55	0.00%	0.00%	37.3	0.34%
▲ Bamburi Cement	25.75	-18.25%	3.41%	65.4	0.60%
▼ E.A Portland Cement	6.22	-8.53%	-11.14%	3.9	0.04%
▼ Crown Paints Kenya	38.50	-8.00%	-3.02%	38.4	0.35%
▼ Kakuzi	389.00	1.04%	-3.59%	53.4	0.49%
▼ Kapchorua Tea	211.25	86.53%	-9.24%	11.6	0.11%
▼ Sasini	25.00	11.36%	-3.85%	39.9	0.37%
▼ Williamson Tea	205.75	28.59%	-15.59%	25.2	0.23%
▼ Ilam Fahari I-REIT	6.02	-7.67%	-0.99%	3.19	0.03%

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