



Weekly Equities Note

Week Ending: 26th August 2022

Key Highlights:

Weekly Statistics	This Week	Previous Week	w/w % chg
Turnover (KES M)	760.17	1,075.01	(29.29)
Volume (M)	29.60	39.50	(25.06)
Foreign Participation (%)	39.97	46.64	(14.30)
Foreign Buying Volume (KES M)	178.90	8.23	2,073.75
Foreign Selling Volume (KESM)	428.47	490.31	(12.61)
NASI	137.91	146.32	(5.75)
NSE-20	1,749.16	1,779.19	(1.69)
NSE-25	3,266.62	3,382.52	(3.43)

Market Movers	Price	Volume (M)	Mkt share (%)
Safaricom	31.25	15.6	52.9
Equity Group	49.20	2.47	8.36
KPLC	1.47	1.70	5.73
Kengen	3.71	1.63	5.51

Top Gainers	This Week	w/w % change	Volume
Olympia	2.60	23.81	26,000.00
BOC Kenya	84.75	18.95	4,100.00
NCBA	28.55	10.66	501,900.00
BK Group	32.15	9.73	500.00

Top Losers	This Week	w/w % change	Volume
Uchumi	0.24	-11.11	71,100.00
Safaricom	28.05	-10.24	15,643,700.00
EAAGADS	12.50	-9.42	18,100.00
Car General	39.50	-8.14	5,600.00

Weekly Corporate Calendar:

Company	Event	Date***
HF Group	HY'22 Earnings Release	30 th August 2022
Insurance Sector	HY'22 Earnings Release	29 th - 31 st August 2022

*** Date – These are tentative dates and could change

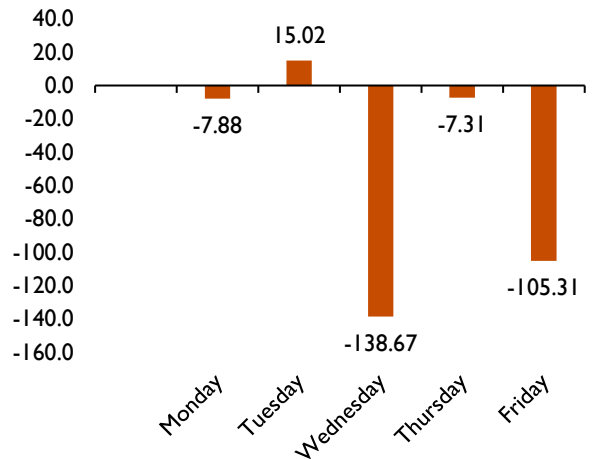
Week That Was

Benchmark Indices - All indices recorded a downward trend as similar to the performance the previous week. NASI lost **5.75%** to close the week at **KES 137.91** from **KES 146.32**, while the NSE-20 lost **1.69%** to close the week at **KES 1,749.16** from **KES 1,779.19**.

Market Performance - Equity turnover decreased **29.29%** to **KES 0.76Bn** from **KES 1.08Bn**. Olympia was the highest gainer appreciating **(+23.80%)** closing at **KES 2.60**. Other top gainers included: BOC Kenya **(+18.90%)** at **KES 84.75** and NCBA **(+10.70%)** at **KES 28.55**. The top losers were Uchumi **(-11.10%)** closing at **KES 0.24**, Safaricom **(-10.20%)** closing at **KES 12.50**, EAAGADS **(-9.40%)** closing at **KES 12.50**

Foreign Participation - We saw a change in foreign participation with foreigners' recording net outflows of **KES 244.15Mn** in foreign activity from net inflows of **KES 8.231Mn** last week.

Weekly Trading Activity - Net Foreign Position



Weekly Highlight

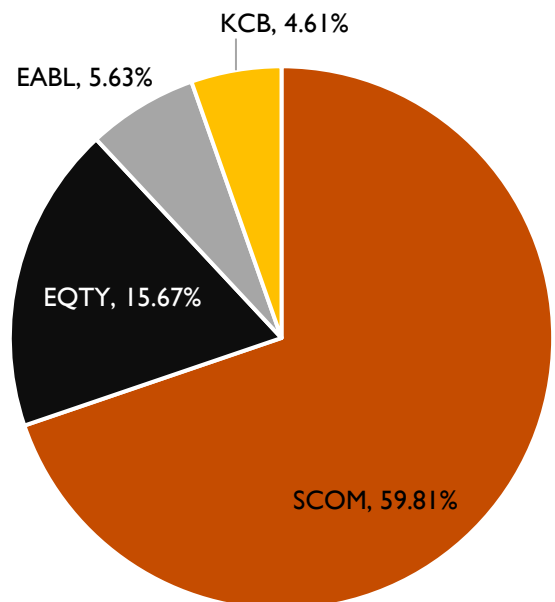
Banking Sector HY'2022 Results

KCB GROUP - Net earnings edged up 27.59% to **KES 19.52Bn** while the EPS also grew 27.63% to **KES 12.15**. The impressive numbers were mainly powered by a 10.23% y/y growth in operating income despite a concurrent a 9.18% y/y growth in Total Operating Expenses. The lack of an interim dividend will likely see a sell-off by investors. We attribute the lack an interim dividend to the cash flow needs to complete the TMB Acquisition by the end of Q4'22. We maintain our **BUY** recommendation as we see it as a long-term value counter. The counter closed the week at **KES 40.95** being a 5.32% w/w loss.

CO-OP GROUP - HY'22 EPS increased 54.76% y/y, to **KES 1.95** higher than our expectations. PAT increased 55.70% y/y to **KES 11.47Bn** driven by a 17.83% y/y increase in Total operating income to **KES 34.35Bn** supported by income from government papers and a reduction in loan loss provisioning. Revenue growth was driven by income from government securities and non- interest income. Lack of interim dividend could slow the counter's recent rally. However, at the current growth rate we expect the lender to better last year's performance and is likely to offer higher dividends. However, the counter remains a long-term value play, therefore, we maintain our **BUY** recommendation. The counter closed the week at **KES 12.05** being a 4.37% w/w loss.

NCBA GROUP PLC - HY'22 EPS edged up 66.78% while PAT edged up 66.85% y/y to **KES 7.77Bn** driven by a 20.10% increase in Total Operating Income from government securities, Non-interest income and reduced impairment provisioning. Payment of an interim dividend is likely to excite investors and we could see a share price rally in the coming days. The counter closed yesterday at **KES 26.58** being 0.49% higher than the previous day. As such, we upgrade our recommendation to **BUY** as we monitor market movements. The counter closed the week at **KES 28.55** being a 10.66% w/w gain.

Weekly Trading Activity by Trading Volume



(Source: Company Filings)

Weekly Equities Summary

Stock	Price 26-Aug	Δ YTD %	Δ WoW	M.Cap USD M	M.Cap %	P/E x	P/B x	Div Y %	ROE %	ROA %
▼ Safaricom	28.05	-18.1	-10.2	9,436.9	55.7	18.0	7.8	4.5	46.6	34.7
▼ ABSA Group	11.70	21.1	-5.3	533.6	3.1	8.5	1.4	9.4	16.7	2.1
▲ Diamond Trust Bank	51.50	-31.3	2.5	115.2	0.7	2.1	0.2	5.2	12.1	1.8
▲ Equity Group	49.20	34.6	2.5	1,559.0	9.2	8.3	1.7	4.1	21.9	3.6
▼ H. Finance Group	3.36	1.2	-6.7	9.9	0.1	-11.6	0.1	0.0	-1.1	-0.2
▲ I&M Holdings	17.15	-61.9	1.2	56.5	0.3	1.4	0.2	14.9	19.5	3.4
▼ KCB Group	40.95	7.5	-5.3	1,054.3	6.2	5.2	1.0	8.5	20.7	3.1
▲ NCBA Group	28.55	6.7	10.7	153.4	0.9	3.6	0.3	0.8	15.3	2.2
— Stanbic Holdings	99.00	16.5	0.0	328.6	1.9	6.1	0.8	7.1	13.6	2.1
▼ Standard Chartered	136.00	-5.7	-1.6	392.3	2.3	6.2	1.1	13.4	17.5	0.0
▼ Co-operative Bank	12.05	-3.6	-4.4	494.7	2.9	4.9	0.9	8.3	19.6	3.3
— Kenya Airways	3.83	0.0	0.0	48.1	0.3	-1.7	-1.2	0.0	0.0	-7.8
▼ Longhorn Publishers	3.72	-23.8	-6.5	11.6	0.1	-4.5	1.4	14.0	-24.6	-9.4
▼ Nation Media Group	18.20	17.8	-4.5	28.8	0.2	4.4	0.5	7.5	10.9	7.3
▲ Standard Group	14.70	-34.7	8.9	10.1	0.1	-2.8	1.0	0.0	-30.2	-9.7
▲ TPS Eastern Africa	16.95	5.9	1.5	25.9	0.2	20.9	0.4	0.0	1.8	0.8
▼ WPP Scangroup	3.64	-39.3	-1.6	11.6	0.1	3.6	0.2	0.0	-5.2	-3.0
▼ KenGen	3.71	-21.2	-1.3	194.5	1.1	3.1	0.1	6.7	4.1	2.0
▲ Kenya Power & Light.	1.47	-14.0	1.4	24.1	0.1	11.3	0.1	0.0	0.4	0.1
▲ Total Kenya	24.35	1.5	1.5	35.8	0.2	6.0	0.2	5.3	10.8	6.6
▲ Britam Holdings	6.44	-11.3	5.2	104.8	0.6	4.6	0.6	3.9	13.3	3.1
▲ CIC Insurance Group	2.14	0.5	4.4	47.0	0.3	17.8	0.7	0.0	4.1	0.9
▲ Jubilee Holdings	258.00	-9.2	2.3	142.7	0.8	5.3	0.7	3.5	13.2	2.9
▼ Kenya Re Insurance	2.09	-9.9	-3.2	12.3	0.1	0.8	0.2	21.5	13.2	8.4
▼ Liberty Kenya Hold.	7.14	-7.3	-0.8	32.1	0.2	5.5	0.5	7.0	9.3	1.9
▼ Sanlam Kenya	11.50	-11.2	-1.3	13.9	0.1	14.6	1.1	0.0	8.2	0.4
▲ BOC Kenya	84.75	34.5	18.9	13.9	0.1	29.6	1.1	6.1	3.8	2.7
▼ British. A. Tobacco	440.00	21.9	-0.1	369.5	2.2	11.3	4.5	7.6	40.8	19.4
▼ Carbacid Invest.	11.95	-1.2	-0.8	25.6	0.2	11.5	1.0	5.9	8.6	7.7
▼ East Afr. Breweries	153.00	-0.8	-0.5	1,015.9	6.0	13.6	14.0	5.6	123.9	11.2
▼ Eveaready E.A	0.77	-23.0	-1.3	1.4	0.0	-0.5	1.5	0.0	-110.8	-73.8
▼ Centum Investment	9.56	-40.4	-2.8	53.4	0.3	1.2	0.2	12.6	13.1	5.2
▼ Nairobi Sec. Exch.	7.58	-7.1	-5.0	16.5	0.1	25.3	1.0	1.1	3.9	3.6
▼ Bamburi Cement	35.15	-7.1	-8.0	107.1	0.6	20.2	0.4	0.0	2.2	1.3
▼ E.A Portland Cement	7.50	-31.8	-1.3	5.7	0.0	-0.2	0.0	0.0	-14.5	-9.0
▼ Crown Paints Kenya	42.00	10.5	-2.1	25.1	0.1	9.4	2.3	0.0	27.2	5.8
▲ Kakuzi	400.00	9.6	8.6	6.3	0.0	11.0	1.5	3.5	14.4	11.5
▼ Kapchorua Tea	95.25	22.1	-4.8	7.7	0.0	-5.9	0.5	10.5	1.2	1.0
▼ Sasini	21.70	11.3	-2.5	22.4	0.1	-15.6	0.4	4.6	-2.7	-2.3
▲ Williamson Tea	152.50	17.1	1.7	0.0	0.0	20.1	0.4	13.1	2.2	1.6
▼ Ilam Fahari I-REIT	7.14	26.6	-0.3	10.9	0.1	8.4	1.5	10.5	0.0	0.0

Corporate Actions

Counter	Interim Dividend	Final Dividend	Book Closure	Dividend Payment
BAT Kenya Plc		KES 5.00	12-Aug-22	16-Sep-22
Safaricom		KES 0.75	29-Jul-22	31-Aug-22
East African Breweries Plc		KES 7.25	15-Sep-22	30-Oct-22
NCBA Group		KES 2.00	15-Sep-22	30-Sep-22
BOC Gases		KES 1.60	30-Sep-22	22-Oct-22
Centum Investments Plc		KES 0.59	30-Sep-22	TBC
ABSA Bank		KES 0.20	TBC	TBC

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