



Weekly Equities Note

Week Ending: 22nd July 2022

Key Highlights:

Weekly Statistics	This Week	Previous Week	w/w % chg
Turnover (KES M)	1,829.23	1,306.33	40.03
Volume (M)	60.24	53.13	13.38
Foreign Buying Volume (KES M)	622.71	293.81	111.94
Foreign Selling Volume (KESM)	1,252.17	752.81	66.33
NASI	136.57	142.33	(4.05)
NSE-20	1,676.51	1,682.49	(0.36)
NSE-25	3,151.28	3,043.40	3.54

Market Movers	Price	Volume (M)	Mkt share (%)
Safaricom	29.00	25.3	40.1
Equity Group	45.00	11.98	29.47
Kenya Commercial Bank	38.50	8.48	17.85
Kenya Power	1.40	5.30	0.41

Top Gainers	This Week	w/w % chg	Volume
Stanbic Group	106.00	17.78	2,500.00
Trans-Century Ltd	1.19	11.21	8,400.00
Standard Group	12.90	9.32	7,200.00
Crown Paints	42.50	8.97	2,000.00

Top Losers	This Week	w/w % chg	Volume
Olympia Capital	2.41	-10.74	2,000.00
Express Kenya	3.24	-10.00	1,000.00
Safaricom	29.00	-7.79	25,284,400.00
Bamburi Cement	33.35	-7.10	43,900.00

Weekly Corporate Calendar:

Company	Event	Date
Centum Real Estate	FY'22 Earnings Release	25 th July 2022

Week That Was

Benchmark Indices - All indices were on a downward trend after recent weeks of rallying. NASI lost **4.05%** to close the week at **KES 136.57** from **KES 142.33** taking the YTD loss to 17.73%, while the NSE-20 lost **0.36%** to close the week at **KES 1,676.51** from **KES 1,682.49**.

Market Performance - Equity turnover increased **40.03%** to **KES 1.83Bn** from **KES 1.33Bn**. Stanbic Holdings was the highest gainer (**+17.78%**) closing at KES 106.00. Other top gainers included: Tran-Century (**+11.21%**) at KES 1.19, Standard Group (**+9.32%**) at KES 12.90 and Crown Paints (**+8.97%**) at KES 42.50. The top losers were Olympia Capital Holdings (**-10.74%**) closing at KES 2.41, Express Kenya (**-10.00%**) closing at KES 3.24, Safaricom (**-7.79%**) closing at KES 29.00 and Bamburi Cement (**-7.10%**) closing at KES 33.35.

Foreign Participation - Foreign trades drove the most active counters which were EQTY, KCB and KPLC. We continued to see foreigners' exit with net foreign activity increasing to outflows of KES 629.49Mn.

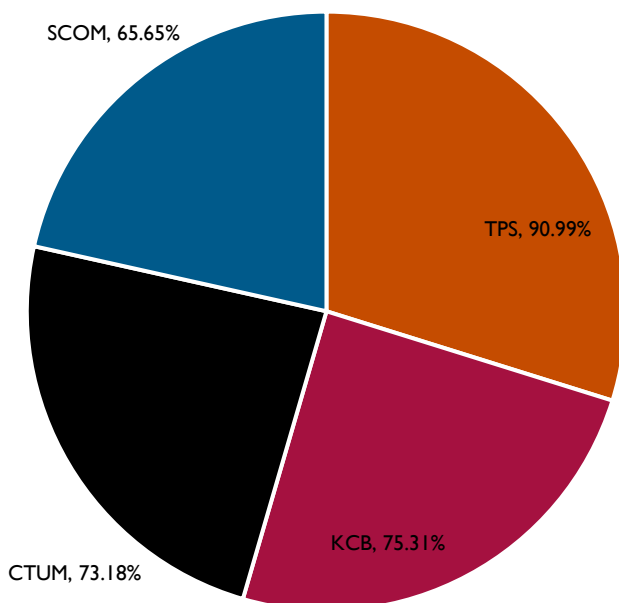
Weekly Highlight

BAT Kenya (BAT) – PAT and EPS both grew 8.41% to **KES 2.93Bn** and **KES 29.25**, respectively. Gross revenue grew by 8.00% to **KES 21.86Bn** largely driven by pricing benefit in the domestic market and growth in export markets in Somalia and DRC. However, the effect of a tough operating environment through increased cost of inputs and raw materials was reflected in 15.00% jump in operating expenses to **KES 9.93Bn**.

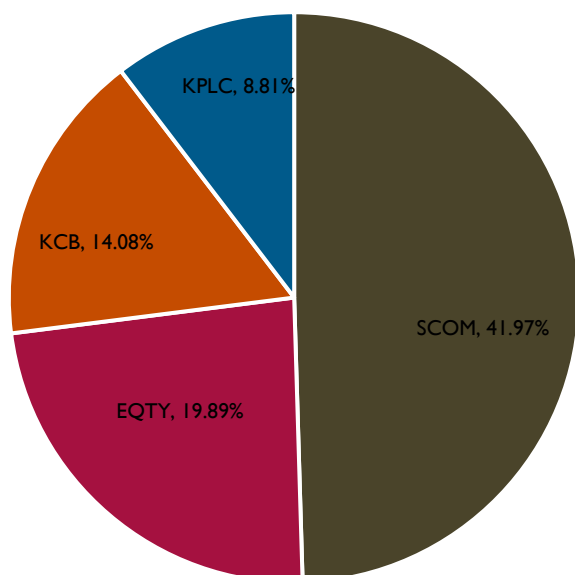
We remain concerned with the effects of rising prices of commodities globally that impose inflationary pressure on consumers' disposable income, which eventually might negatively affect the Gross revenues of BAT. Additionally, the consistent surge in excise duty rates in addition to the rising cost of inputs, is expected to exert pressure on consumer affordability and operating margins, respectively. Investors were excited by the dividend as the counter gained **5.08%** w/w to close at **KES 445.00** taking the YTD gain to **0.79%**.

ILAM Fahari I-REIT (FAHR) - The REIT recorded an impressive increase in net profit of 104.12% to **KES 86.16Mn** mainly attributed to a significant increase from the contribution of rental income from the new anchor tenant at Greenspan Mall which was leased in early 2022. However, during the comparative period, there was loss of revenue occasioned by the absence of an anchor tenant at the Mall. Interest income also increased due to increased cash available for investment as a result of the higher rental income. Property expenses decreased mainly due to a significant reduction in provision for irrecoverable withholding tax. We view the Greenspan Mall occupancy as a key boost to the Trust's revenue. Additionally, we await the regulator's approval and REIT Managers' communication on the details of the proposed fund review. The counter gained **3.12%** w/w to close at **KES 6.62** taking the YTD loss to **5.75%**. (Source: Company Filings)

Weekly Trading Activity by Foreign Participation



Weekly Trading Activity by Trading Volume



Stock	Price 22-Jul	Δ YTD %	Δ WoW	M.Cap USD M	M.Cap %	P/E x	P/B x	Div Y %	ROE %	ROA %
▼ Safaricom	29.00	-15.3	-7.8	9,799.3	57.9	18.6	8.0	4.3	46.6	34.7
▼ ABSA Group	10.45	8.2	-3.7	478.7	2.8	7.6	1.3	10.5	16.7	2.1
▼ Diamond Trust Bank	49.05	-34.6	-1.8	110.2	0.7	2.0	0.2	5.5	12.1	1.8
▲ Equity Group	45.00	23.1	1.0	1,432.2	8.5	7.6	1.5	4.4	21.9	3.6
▼ H. Finance Group	3.39	2.1	-1.7	10.1	0.1	-11.7	0.1	0.0	-1.1	-0.2
▲ I&M Holdings	17.05	-62.1	0.3	56.4	0.3	1.4	0.2	15.0	19.5	3.4
▼ KCB Group	38.50	1.0	-4.8	995.6	5.9	4.9	1.0	9.1	20.7	3.1
▲ NCBA Group	24.50	-8.4	1.9	132.2	0.8	3.1	0.3	0.9	15.3	2.2
▲ Stanbic Holdings	106.00	24.7	17.8	353.4	2.1	6.6	0.9	6.7	13.6	2.1
▲ Standard Chartered	132.00	-8.5	1.0	382.4	2.3	6.1	1.0	13.8	17.5	0.0
▲ Co-operative Bank	11.25	-10.0	1.8	463.9	2.7	4.5	0.8	8.9	19.6	3.3
— Kenya Airways	3.83	0.0	0.0	48.3	0.3	-1.7	-1.2	0.0	0.0	-7.8
▲ Longhorn Publishers	3.31	-32.2	7.1	10.3	0.1	-4.0	1.3	15.7	-24.6	-9.4
▼ Nation Media Group	18.05	16.8	-5.0	28.7	0.2	4.4	0.5	7.6	10.9	7.3
▲ Standard Group	12.90	-42.7	9.3	8.9	0.1	-2.5	0.9	0.0	-30.2	-9.7
▲ TPS Eastern Africa	14.70	-8.1	8.9	22.6	0.1	18.1	0.3	0.0	1.8	0.8
— WPP Scangroup	3.30	-45.0	0.0	10.5	0.1	3.3	0.2	0.0	-5.2	-3.0
— KenGen	3.50	-25.7	0.0	184.3	1.1	2.9	0.1	7.1	4.1	2.0
▼ Kenya Power & Light.	1.40	-18.1	-0.7	23.0	0.1	10.8	0.0	0.0	0.4	0.1
▲ Total Kenya	23.00	-4.2	1.1	34.0	0.2	5.7	0.2	5.7	10.8	6.6
▲ Britam Holdings	6.00	-17.4	0.3	98.1	0.6	4.3	0.5	4.2	13.3	3.1
▼ CIC Insurance Group	2.02	-5.2	-2.9	44.6	0.3	16.8	0.7	0.0	4.1	0.9
▲ Jubilee Holdings	249.00	-12.3	0.1	138.4	0.8	5.1	0.6	3.6	13.2	2.9
▼ Kenya Re Insurance	2.05	-11.6	-1.9	12.1	0.1	0.8	0.2	22.0	13.2	8.4
▲ Liberty Kenya Hold.	5.50	-28.6	3.0	24.8	0.1	4.2	0.4	9.1	9.3	1.9
▲ Sanlam Kenya	11.60	-10.4	5.5	14.1	0.1	14.7	1.2	0.0	8.2	0.4
— BOC Kenya	80.00	27.0	0.0	13.2	0.1	28.0	1.1	6.5	3.8	2.7
▲ British. A. Tobacco	445.00	23.3	5.1	375.3	2.2	11.5	4.6	7.5	40.8	19.4
▼ Carbacid Invest.	11.40	-5.8	-0.4	24.5	0.1	11.0	0.9	6.1	8.6	7.7
▲ East Afr. Breweries	143.50	-7.0	2.9	957.0	5.7	12.8	13.1	5.9	123.9	11.2
▼ Eveaready E.A	0.74	-26.0	-5.1	1.3	0.0	-0.5	1.4	0.0	-110.8	-73.8
▼ Centum Investment	9.58	-40.3	-3.6	53.8	0.3	1.2	0.2	12.5	13.1	5.2
▲ Nairobi Sec. Exch.	7.74	-5.1	0.3	16.9	0.1	25.8	1.0	1.0	3.9	3.6
▼ Bamburi Cement	33.35	-11.9	-7.1	102.1	0.6	19.2	0.4	0.0	2.2	1.3
▲ E.A Portland Cement	7.70	-30.0	5.2	5.8	0.0	-0.2	0.0	0.0	-14.5	-9.0
▲ Crown Paints Kenya	42.50	11.8	9.0	25.5	0.2	9.5	2.3	0.0	27.2	5.8
▼ Kakuzi	400.00	9.6	-2.3	7.1	0.0	11.0	1.5	3.5	14.4	11.5
▼ Kapchorua Tea	107.00	37.2	-1.2	6.4	0.0	-6.7	0.6	9.3	1.2	1.0
▼ Sasini	21.90	12.3	-0.5	22.1	0.1	-15.8	0.4	4.6	-2.7	-2.3
▼ Williamson Tea	149.75	15.0	-1.6	0.0	0.0	19.7	0.4	13.4	2.2	1.6
▼ Ilam Fahari I-REIT	6.62	17.4	3.1	10.1	0.1	7.8	1.4	11.3	0.0	0.0

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CONTACTS:

Research Desk
Solomon Kariuki
Research Analyst

Agnes Mbuvi

Email: research@aib-axysafrica.com

Equities Dealing

Bernard Kung'u

Benard Gichuru

Brian Tanui

Samuel Githinji

Sheema Shah

Samuel Wachira

Email: trading@aib-axysafrica.com

Bond Dealing

Crispus Otieno

Titus Marenye

Email:
trading@aib-axysafrica.com

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