

www.aib-axysafrica.com



Weekly Equities Note



research@aib-axysafrica.com

AIB:AXYS
AFRICA

Key Highlights:

Weekly Statistics	This Week	Previous Week	w/w % chg
Turnover (KES M)	1,029.91	1,526.44	(32.53)
Volume (M)	39.61	71.96	(44.96)
Foreign Participation (%)	46.08	56.71	(18.74)
NASI	111.56	114.26	(2.36)
NSE-20	1,613.85	1,645.65	(1.93)
NSE-25	2,920.59	2,981.80	(2.05)

Market Movers	Price	Volume (M)	Mkt share (%)
Safaricom	17.80	12.74	32.16
Equity Group	44.50	9.55	24.11
KCB Group	33.90	5.19	13.10

Top Gainers	This Week	w/w % chg	Volume
Umeme	15.05	20.88	136,700.00
Unga Group	20.95	13.24	1,200.00
Kapchorua Tea Kenya	127.75	11.09	800.00

Top Losers	This Week	w/w % chg	Volume
Liberty Kenya Holdings	3.71	-16.44	107,600.00
Standard Group	8.16	-12.26	1,400.00
Stanlib Fahari I-REIT	6.02	-11.99	42,400.00

Select SSA Indices Returns (Local Currency)

Index	Country	YTD (%)	w/w (%)
NSEASI	Kenya	-12.48%	-2.36%
UGSINDX	Uganda	-6.89%	-0.86%
DARSDSEI	Tanzania	-0.49%	-1.02%
RSEASI	Rwanda	0.27%	0.14%
BRVM	West Africa	-1.72%	0.05%
NGXINDX	Nigeria	1.25%	-2.08%
GGSECI	Ghana	9.96%	-2.56%
ZHIALLSH	Zimbabwe	85.57%	-5.74%
SEMDEX	Mauritius	-11.85%	-0.57%

Week That Was

Benchmark Indices - All indices recorded a downward trend unlike an upward trend in the previous week. NASI decreased by **2.36%** to close the week at **KES 111.56** from **KES 114.26** while the NSE-20 decreased by **1.93%** to close the week at **KES 1,613.85** from **KES 1,645.65**.

Market Performance - Equity turnover decreased by **32.53%** to **KES 1.03Bn** from **KES 1.53Bn**. Umeme was the highest gainer appreciating **(+20.88%)**, a YTD gain of **(102.83%)** closing at **KES 15.05**. Other top gainers included: Unga Group **(+13.24%)** at **KES 20.95** and Kapchorua Tea Kenya **(+11.09%)** at **KES 127.75**. The top losers were Liberty Kenya Holdings **(-16.44%)** closing at **KES 3.71**, Standard Group **(-12.26%)** closing at **KES 8.16** and Stanlib Fahari I-REIT **(-11.99%)** closing at **KES 6.02**.

Foreign Participation – During the week, we saw a change in foreign participation, with foreigners being net buyers recording net inflows of **KES 200.83Mn** compared to net outflows of **KES 171.42Mn** recorded last week. We believe the increased net buying position was driven by investors taking up positions in banking sector counters, specifically **EQTY**, which was the highest net buyer, given its upside potential and an 8.99% dividend yield.

Weekly Highlights

Sanlam Kenya PLC (SLAM)

Sanlam Kenya released its FY'22 results recording a third year of loss making driven by poor performance in the general business despite the life unit being profitable. We observed a decline in premiums, an increase in fair value losses on financial assets, and a decline in insurance claims. However, the loss (from 542.36Mn to 54.07Mn) is a 90.03% improvement from the one experienced in FY'21.

We expect the joint venture between Sanlam Limited and Allianz, which is set to be completed in June 2023, to push the Kenyan unit towards profitability soon as the group continues to pursue avenues of revenue growth strategies and synergies.

The counter closed at KES 8.00 a -6.76% w/w loss taking the YTD loss to -16.49%.

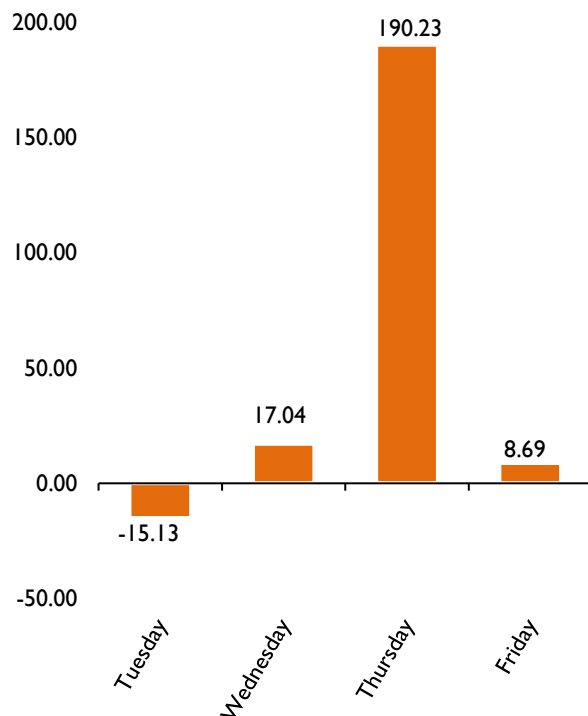
Trans Century (TCL)

TCL announced the results of the rights issue which was undersubscribed, in line with our previous expectation. The company was looking to raise KES 2.06Bn through the issuance of an additional 1.88Bn shares at a price of KES 1.10. Investors took up 528.08Mn shares representing a 25.59% subscription rate raising KES 580.08Mn. Given the recent poor financial performance and delays in releasing results, TCL does not offer a compelling growth story for investors. As such, most investors did not see value in participating in the rights issue, which could slow down the company's growth plans. On the positive side, the majority shareholder, Kuramo Capital, converted a part of the previously held debt into equity easing financing pressure on TCL.

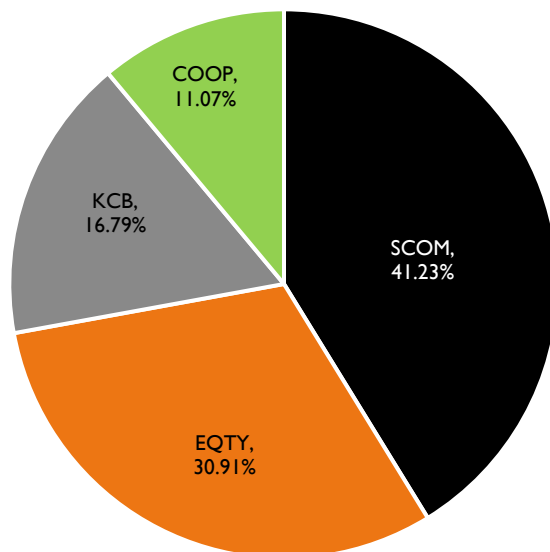
The counter closed at KES 0.92 a 4.55% w/w gain taking the YTD gain to -11.53%.

(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 USD M	M.Cap %
▼ Safaricom	17.80	-26.29%	-4.30%	5,308.3	41.04%
▼ ABSA Group	12.70	3.25%	-1.17%	513.4	3.97%
— Diamond Trust Bank	53.00	6.00%	0.00%	110.3	0.85%
▼ Equity Group	44.50	0.00%	-2.20%	1,249.9	9.66%
▼ H. Finance Group	3.81	19.44%	-8.85%	10.9	0.08%
▼ I&M Holdings	20.55	20.88%	-1.67%	252.9	1.96%
▼ KCB Group	33.90	-11.02%	-5.57%	810.8	6.27%
▲ NCBA Group	37.00	-5.97%	1.23%	453.7	3.51%
▲ Stanbic Holdings	110.75	8.58%	3.50%	325.9	2.52%
▲ Standard Chartered	170.00	19.09%	0.59%	478.1	3.70%
▼ Co-operative Bank	13.00	5.69%	-0.38%	567.7	4.39%
— Kenya Airways	3.83	0.00%	0.00%	162.0	1.25%
▼ Longhorn Publishers	2.30	-23.33%	-8.37%	4.7	0.04%
▼ Nation Media Group	15.35	-3.76%	-7.53%	21.7	0.17%
▼ Standard Group	8.16	-21.91%	-12.26%	5.0	0.04%
▲ TPS Eastern Africa	14.95	11.99%	8.33%	20.3	0.16%
▲ WPP Scangroup	2.85	-5.32%	0.71%	9.2	0.07%
— KenGen	2.40	-25.47%	0.00%	117.8	0.91%
▼ Kenya Power & Light.	1.52	-2.56%	-5.59%	22.1	0.17%
▼ Total Kenya	21.10	-11.53%	-4.09%	27.5	0.21%
▼ Britam Holdings	4.57	-12.12%	-2.77%	85.8	0.66%
▼ CIC Insurance Group	1.94	-0.51%	-4.43%	37.8	0.29%
▼ Jubilee Holdings	158.75	-20.13%	-5.93%	85.6	0.66%
▼ Kenya Re Insurance	1.82	-0.55%	-9.00%	37.9	0.29%
▼ Liberty Kenya Hold.	3.71	-33.75%	-16.44%	14.8	0.11%
▼ Sanlam Kenya	8.00	-16.49%	-6.76%	8.6	0.07%
— BOC Kenya	77.00	8.83%	0.00%	11.2	0.09%
▲ British. A. Tobacco	472.00	2.61%	4.77%	351.3	2.72%
▼ Carbacid Invest.	12.15	1.25%	-2.02%	23.0	0.18%
▼ East Afr. Breweries	168.50	0.60%	-1.32%	991.8	7.67%
— Eveready E.A	0.69	0.00%	0.00%	1.1	0.01%
▲ Centum Investment	8.70	4.07%	1.40%	43.1	0.33%
— Home Afrika	0.31	-3.13%	0.00%	0.9	0.01%
▲ Trans-Century	0.92	-1.08%	4.55%	2.6	0.02%
▼ Nairobi Sec. Exch.	6.20	-8.55%	-3.73%	12.0	0.09%
— ARM Cement	5.55	0.00%	0.00%	39.7	0.31%
▼ Bamburi Cement	28.20	-10.48%	-6.00%	76.2	0.59%
▲ E.A Portland Cement	6.90	1.47%	9.52%	4.6	0.04%
▼ Crown Paints Kenya	35.00	-16.37%	-1.41%	37.1	0.29%
— Kakuzi	264.00	-31.43%	0.00%	38.5	0.30%
▲ Kapchorua Tea	127.75	12.80%	11.09%	7.4	0.06%
▼ Sasini	27.20	21.16%	-6.21%	46.2	0.36%
▼ Williamson Tea	170.00	6.25%	-2.30%	22.2	0.17%
▼ Ilam Fahari I-REIT	6.02	-7.67%	-11.99%	8.1	0.00%

Counter	Interim Dividend	Final Dividend	Book Closure	Dividend Payment
EABL	KES 3.75		16 th February 2023	28 th April 2023
B.A.T Kenya Plc		KES 52.00	26 th May 2023	15 th June 2023
Stanbic Holdings Plc		KES 12.60	19 th May 2023	TBA
Standard Chartered Bank Kenya Plc		KES 16.00	21 st April 2023	25 th May 2023
Absa Bank Kenya Plc		KES 1.15	28 th April 2023	25 th May 2023
KCB Group Plc		KES 1.00	6 th April 2023	26 th May 2023
Co-operative Bank of Kenya Plc		KES 1.50	24 th May 2023	9 th June 2023
Kakuzi Plc		KES 24.00	31 st May 2023	15 th June 2023
CIC Insurance Group Plc		KES 0.13	8 th May 2023	26 th May 2023
Nairobi Securities Exchange Plc		KES 0.20	31 st May 2023	31 st July 2023
Kenya Re Insurance Corporation		KES 0.20	16 th June 2023	28 th July 2023
Umeme Limited		KES 2.30	27 th June 2023	20 th July 2023
BK Group Plc		KES 3.95	22 nd June 2023	1 st July 2023
Limuru Tea Plc		KES 2.50	14 th April 2023	30 th June 2023
Equity Group Holdings Plc		KES 4.00	19 th May 2023	30 th June 2023
Diamond Trust Bank Kenya Ltd		KES 5.00	12 th May 2023	15 th June 2023
NCBA Group Plc		KES 2.25	28 th April 2023	31 st May 2023
I&M Group Plc		KES 2.25	20 th April 2023	25 th May 2023
ILAM FAHARI I-REIT		KES 0.65	6 th April 2023	30 th April 2023
Nation Media Group Plc		KES 1.50	16 th June 2023	31 st July 2023

CONTACTS:

Research Desk

Solomon Kariuki
Research Analyst

Lawrence Musyoka

Email: research@aib-axysafrica.com

Equities Dealing

Nina Goswami

Bernard Kung'u

Benard Gichuru

Brian Tanui

Samuel Githinji

Sheema Shah

Samuel Wachira

Benson Ngugi

Bond Dealing

Crispus Otieno

Titus Marenye

Aundrina Musyoka

Kenneth Minjire

Email: trading@aib-axysafrica.com

Disclaimer

AIB-AXYS Africa and its parent company AXYS Group seek to do business with companies covered in their research reports. Consequently, a conflict of interest may arise that could affect the objectivity of this report. This document should only be considered a single factor used by investors in making their investment decisions. The reader should independently evaluate the investment risks and is solely responsible for their investment decisions. The opinions and information portrayed in this report may change without prior notice to investors.

This publication may not be distributed to the public media or quoted or used by the public media without prior and express written consent of AIB-AXYS Africa or AXYS Group. This document does not constitute an offer, or the solicitation of an offer, for the sale or purchase of any security. Whilst every care has been taken in preparing this document, no representation, warranty or undertaking (express or implied) is given and no responsibility or liability is accepted by AIB-AXYS Africa or any of its employees as to the accuracy of the information contained and opinions expressed in this report.