



Weekly Equities Note

Week Ending : 14th October 2022

Key Highlights:

Weekly Statistics	This Week	Previous Week	w/w % chg
Turnover (KES M)	1,189.03	1,860.32	(36.08)
Volume (M)	55.22	101.36	(45.52)
Foreign Participation (%)	49.93	47.62	4.85
Foreign Buying Volume (KES M)	678.08	369.41	83.56
Foreign Selling Volume (KESM)	508.98	2,009.98	(74.68)
NASI	129.90	126.32	2.83
NSE-20	1,700.22	1,676.77	1.40
NSE-25	3,125.96	3,034.74	3.01

Market Movers	Price	Volume (M)	Mkt share (%)
Safaricom	25.55	26.72	48.39
Equity Group	44.10	3.52	6.37
EABL	170.00	0.49	0.89
Gold	2005.00	0.06	0.11

Top Gainers	This Week	w/w % chg	Volume
East African Breweries	170.00	24.09	492,600.00
Nairobi Business Ventures	3.43	5.86	620,900.00
Liberty Holdings	5.48	5.79	17,600.00
Longhorn Publishers	3.95	4.77	58,700.00

Top Losers	This Week	w/w % chg	Volume
Flame Tree Group	1.15	-9.45	47,100.00
Eagads	11.80	-9.23	600.00
Sasani	21.00	-8.89	22,400.00
Olympia Capital Holdings	2.28	-8.43	5,800.00

Weekly Corporate Calendar:

Company	Event	Date***
BOC Gases	Payment	22 nd October 2022

Week That Was

Benchmark Indices - All indices were on an upward trend reversing the declines recorded the previous week mainly driven by recovery by blue chip counters such as SCOM and EABL. NASI increased **2.83%** to close the week at **KES 129.90** from **KES 126.32**, while the NSE-20 gained **1.40%** to close the week at **KES 1,700.22** from **KES 1,676.77**.

Market Performance - Equity turnover decreased by **36.08%** to **KES 1.19Bn** from **KES 1.86Bn**. EABL was the highest gainer appreciating **(+24.09%)** closing at **KES 170.00** mainly driven by the takeover offer by the majority shareholder, Diageo Kenya. Other top gainers included: Nairobi Business Ventures **(+5.86%)** at **KES 3.43** and Liberty Holdings **(+5.79%)** at **KES 5.48**. The top losers were counters reversing gains made the previous week led including: Flame Tree Group **(-9.45%)** closing at **KES 1.15**, Eaagads **(-9.23%)** closing at **KES 11.80** Sasani **(-8.89%)** closing at **KES 21.00**.

Foreign Participation – During the week, we saw a change in foreign participation with foreigners returning to the market by recording net inflows of **KES 289.02Mn** in foreign activity from net outflows of **KES 1,700.08Mn** recorded last week.

Weekly Highlight

East African Breweries(EABL)

During the week, Diageo Kenya issued a notice to acquire an additional **118,394,897** shares of EABL from all other existing shareholders. Currently, Diageo Kenya owns **50.03%** of the issued share capital of EABL. If successful, Diageo will own **65.00%** of the issued shares of EABL. The proposed tender price is **KES 192.00** representing a **39.13%** premium from the closing price of **KES 138.00**, the day before the offer day.

Additionally, Diageo has applied to CMA for an exemption of a takeover offer as they intend to keep EABL as a listed entity. If approved and the exemption granted by CMA, the tender offer will open on 30th January 2023 and will be open to shareholders on the register of EABL as at close of business on 16th January 2023.

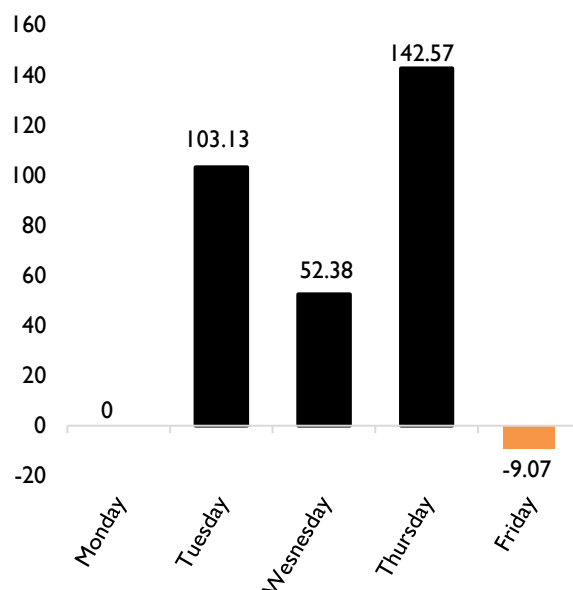
The information excited investors as the counter was the largest gainer w/w at **24.09%** to close the week at **KES 170.00**. We expect the counter to continue gaining in the coming trading sessions, in line with our BUY recommendation.

NCBA Group (NCBA)

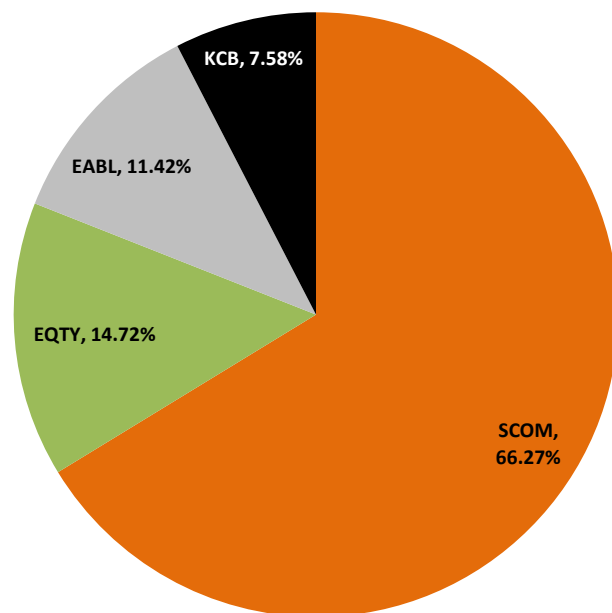
During the week, it came to light of the intentions of NCBA to consolidate its financial technology business which includes Mshwari and other technology platforms into one standalone company. The separate fintech company will host digital loan platforms in Kenya and the other five countries where the bank operates. The lender aims to create a personalized and feature-rich digital banking service for its customers. We view this as a positive growth driver for revenue as digital loans grew **24.63% y/y** **KES 339.00Bn** in H1'22. The counter closed at **KES 30.50** representing a **-4.50%** w/w change.

(Source: Company Filings)

Weekly Trading Activity - Net Foreign Position



Weekly Trading Activity by Volumes Traded



Weekly Equities Summary

Stock	Price	Δ YTD	Δ WoW	M.Cap	M.Cap	P/E	P/B	Div Y	ROE	ROA
	14-Oct	%	%	USD M	%	x	x	%	%	%
▲ Safaricom	25.55	-25.4	3.2	8,462.2	54.1	16.4	7.1	4.9	46.6	34.7
▲ ABSA Group	11.15	15.4	1.8	500.6	3.2	8.1	1.3	9.9	16.7	2.1
▼ Diamond Trust Bank	48.90	-34.8	-1.0	107.7	0.7	2.0	0.2	5.5	12.1	1.8
▼ Equity Group	44.10	20.7	-0.9	1,375.7	8.8	7.4	1.5	4.5	21.9	3.6
▼ H. Finance Group	3.11	-6.3	-6.3	9.1	0.1	-10.7	0.1	0.0	-1.1	-0.2
▲ I&M Holdings	17.00	-62.2	0.6	55.1	0.4	1.4	0.2	15.0	19.5	3.4
▼ KCB Group	38.80	1.8	-2.0	983.4	6.3	5.0	1.0	9.0	20.7	3.1
▼ NCBA Group	30.50	14.0	-4.5	161.3	1.0	3.9	0.4	0.7	15.3	2.2
▲ Stanbic Holdings	97.25	14.4	0.3	317.8	2.0	6.0	0.8	7.2	13.6	2.1
▲ Standard Chartered	138.25	-4.2	2.6	392.6	2.5	6.3	1.1	13.2	17.5	0.0
▲ Co-operative Bank	12.00	-4.0	1.3	485.0	3.1	4.8	0.9	8.3	19.6	3.3
— Kenya Airways	3.83	0.0	0.0	47.4	0.3	-1.7	-1.2	0.0	0.0	-7.8
▲ Longhorn Publishers	3.95	-19.1	4.8	12.1	0.1	-4.8	1.5	13.2	-24.6	-9.4
▼ Nation Media Group	15.90	2.9	-3.9	24.8	0.2	3.9	0.4	8.6	10.9	7.3
— Standard Group	12.00	-46.7	0.0	8.1	0.1	-2.3	0.8	0.0	-30.2	-9.7
▼ TPS Eastern Africa	13.00	-18.8	-7.1	19.6	0.1	16.0	0.3	0.0	1.8	0.8
▲ WPP Scangroup	3.23	-46.2	3.9	10.1	0.1	3.2	0.2	0.0	-5.2	-3.0
▼ KenGen	3.38	-28.2	-2.6	174.5	1.1	2.8	0.1	7.4	4.1	2.0
▼ Kenya Power & Light.	1.77	3.5	-3.8	28.6	0.2	13.6	0.1	0.0	0.4	0.1
▼ Total Kenya	22.90	-4.6	-3.6	33.1	0.2	5.7	0.2	5.7	10.8	6.6
▲ Britam Holdings	6.04	-16.8	3.1	96.8	0.6	4.3	0.5	4.1	13.3	3.1
▼ CIC Insurance Group	1.90	-10.8	-5.0	41.1	0.3	15.8	0.6	0.0	4.1	0.9
— Jubilee Holdings	240.00	-15.5	0.0	130.7	0.8	4.9	0.6	3.8	13.2	2.9
▲ Kenya Re Insurance	2.00	-13.8	1.0	11.6	0.1	0.8	0.2	22.5	13.2	8.4
▲ Liberty Kenya Hold.	5.48	-28.8	5.8	24.3	0.2	4.2	0.4	9.1	9.3	1.9
▼ Sanlam Kenya	9.88	-23.7	-0.6	11.8	0.1	12.5	1.0	0.0	8.2	0.4
— BOC Kenya	84.25	33.7	0.0	13.6	0.1	29.5	1.1	6.2	3.8	2.7
▲ British. A. Tobacco	438.00	21.3	1.0	362.1	2.3	11.3	4.5	7.6	40.8	19.4
▲ Carbacid Invest.	11.75	-2.9	0.4	24.8	0.2	11.3	1.0	6.0	8.6	7.7
▲ East Afr. Breweries	170.00	10.2	24.1	1,111.3	7.1	15.1	15.6	5.0	123.9	11.2
▲ Eveready E.A	0.78	-22.0	2.6	1.4	0.0	-0.5	1.5	0.0	-110.8	-73.8
▲ Centum Investment	9.02	-43.8	0.7	49.6	0.3	1.2	0.1	13.3	13.1	5.2
▲ Nairobi Sec. Exch.	7.50	-8.1	3.0	16.1	0.1	25.0	1.0	1.1	3.9	3.6
▲ Bamburi Cement	34.00	-10.2	3.8	102.0	0.7	19.5	0.4	0.0	2.2	1.3
▼ E.A Portland Cement	7.90	-28.2	-1.3	5.9	0.0	-0.2	0.0	0.0	-14.5	-9.0
▲ Crown Paints Kenya	41.50	9.2	4.5	24.4	0.2	9.3	2.3	0.0	27.2	5.8
— Kakuzi	420.00	15.1	0.0	7.6	0.0	11.5	1.6	3.3	14.4	11.5
▼ Kapchorua Tea	117.75	51.0	-1.1	6.2	0.0	-7.3	0.6	8.5	1.2	1.0
▼ Sasini	21.00	7.7	-8.9	24.2	0.2	-15.1	0.4	4.8	-2.7	-2.3
▼ Williamson Tea	167.00	28.2	-1.0	0.0	0.0	22.0	0.5	12.0	2.2	1.6
▼ Ilam Fahari I-REIT	7.00	24.1	-0.6	10.5	0.1	8.2	1.5	10.7	0.0	0.0

Corporate Actions

Counter	Interim Dividend	Final Dividend	Book Closure	Dividend Payment
BOC Gases	KES 1.60		30 th September	22 nd October
EABL		KES 7.25	15 th September	30 th October

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