



Weekly Equities Note

Week Ending : 16th December 2022

Key Highlights:

Weekly Statistics	This Week	Previous Week	w/w % chg
Turnover (KES M)	861.28	1,362.91	(36.81)
Volume (M)	27.92	36.55	(23.61)
Foreign Participation (%)	56.64	46.51	21.78
NASI	128.49	126.46	1.61
NSE-20	1,652.86	1,646.41	0.39
NSE-25	3,124.26	3,087.33	1.20

Market Movers	Price	Volume (M)	Mkt share (%)
Safaricom	24.95	10.05	36.00
Equity Group	45.50	4.71	16.87
KCB Group	37.25	1.48	5.30

Top Gainers	This Week	w/w % chg	Volume
Liberty Holdings	5.68	27.07	5,300.00
Sanlam Insurance	9.60	7.87	9,600.00
Eveready East Africa	0.74	7.25	6,100.00

Top Losers	This Week	w/w % chg	Volume
TPS Eastern Africa	11.00	-10.93	22,200.00
Total Kenya Ltd	22.90	-8.76	12,900.00
Fahari I-Reit	6.08	-8.43	332,400.00

Select SSA Local Currency Returns:

Index	Country	YTD (%)	w/w (%)
NSEASI	Kenya	-22.81%	1.61%
UGSINDX	Uganda	-15.05%	-0.25%
DARSDSEI	Tanzania	-1.73%	-0.25%
RSEASI	Rwanda	1.49%	0.00%
BRVM	West Africa	-1.35%	3.19%
NGXINDX	Nigeria	15.45%	0.89%
GGSECI	Ghana	-12.30%	-0.45%
ZHIALSH	Zimbabwe	44.69%	4.20%
SEMDEX	Mauritius	-2.46%	-0.47%
MXFEM	Emerging Markets	-20.16%	-2.02%

Week That Was

Benchmark Indices - All indices recorded upward trends compared to the mixed performance in the previous week. NASI increased by **1.61%** to close the week at **KES 128.49** from **KES 126.46** while the NSE-20 gained **0.39%** to close the week at **KES 1652.86** from **KES 1,646.41**.

Market Performance - Equity turnover decreased by **36.81%** to **KES 0.86Bn** from **KES 1.36Bn**. Liberty Holdings was the highest gainer appreciating **(+27.07%)** closing at **KES 5.68**. Other top gainers included: Sanlam Insurance **(+7.87%)** at **KES 9.60** and Eveready East Africa **(+7.25%)** at **KES 0.74**. The top losers were TPS Eastern Africa **(-10.93%)** closing at **KES 11.00**, Total Kenya Ltd **(-8.76%)** closing at **KES 22.90** and Fahari I-Reit **(-8.43%)** closing at **KES 6.08**.

Foreign Participation – During the week, we saw a change in foreign participation with foreigners recording net outflows of **KES 240.58Mn** in foreign activity from net inflows of **KES 432.07** recorded last week.

Weekly Highlight

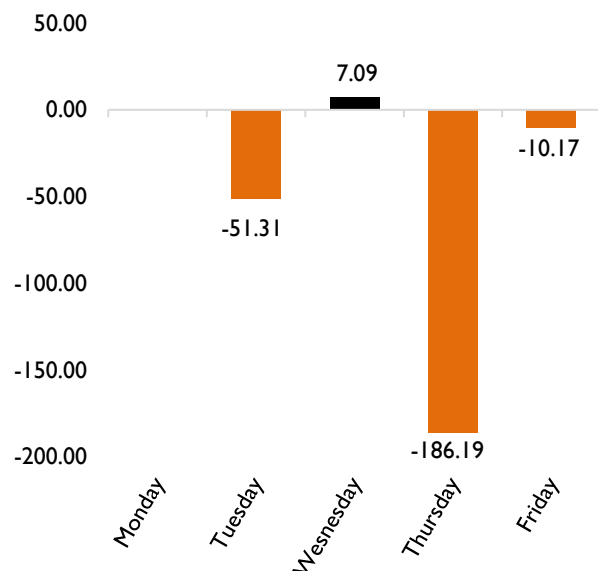
Crown Paints (CRWN) - Crown Paints PLC announced a profit warnings for FY'22. A **profit warning** is when a company expects the net earnings of the current year to decline by more than 25% compared to the previous year. The board attributes the decline to increased cost of input raw materials, volatility in the Forex market and slowdown in economic activity. As such, we expect this news to have a negative impact on the share price, as investors will be worried with the possibility of lower dividends. The counter closed at **KES 40.05**, a **+5.39%** w/w change and **+31.31%** YTD.

KCB Group (KCB) – During the week, KCB announced the completion of the 85.00% acquisition of Trust Merchant Bank of DRC, which was earlier than [our expected completion date of Q1'23](#). KCB paid a cash consideration of KES 15.00Bn with a P/Bv of 1.49x which is 44.66% above the average transaction multiple of 1.03x for regional takeover deals involving Kenyan banks since 2020. We expect the TMB acquisition to open up trade finance opportunities for KCB in the mineral rich region. Additionally, the consolidation and operations with TMB gives KCB access to forex reserves in a highly dollarized DRC economy. The counter closed at **KES 37.25**, a **+0.95%** w/w change and **-18.04%** YTD.

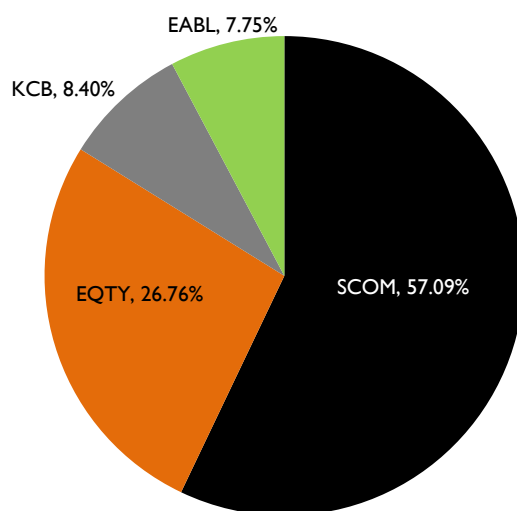
Safaricom (SCOM) - Safaricom added 36,604 new customers in fixed internet service for homes and offices in the 3 months ended September, accounting for more than half of the total industry's additional connections. SCOM's fixed internet market share now stands at 35.60%. Safaricom announced an average of 47.00% cut in the M-Pesa to bank transaction charges (61.00% reduction in bank to M-pesa) beginning 1st January 2023. Reduced transaction charges had been introduced This follows the reintroduction of the charges for transfers that had been scrapped since the outbreak of the Covid-19 pandemic. The counter closed the week at **KES 24.95**, a **+2.67%** w/w change and **-34.26%** YTD.

(Source: Company Filings)

Weekly Trading Activity - Net Foreign Position



Weekly Trading Activity by Turnover



Weekly Equities Summary

Stock	Price 16-Dec	Δ YTD	Δ WoW %	M.Cap USD M	M.Cap %	P/E x	P/B x
▲ Safaricom	24.95	-0.34	0.03	8,127.9	49.93%	14.34	6.95
▲ ABSA Group	12.15	0.03	0.01	536.6	3.30%	10.49	1.17
▲ Diamond Trust Bank	48.50	-0.18	0.00	110.3	0.68%	3.78	0.18
▲ Equity Group	45.50	-0.14	0.01	1,396.1	8.58%	7.23	1.14
▲ H. Finance Group	3.19	-0.18	0.02	10.0	0.06%	24.59	0.15
▲ I&M Holdings	17.10	-0.19	0.02	229.9	1.41%	6.04	0.40
▲ KCB Group	37.25	-0.18	0.01	973.3	5.98%	3.93	0.63
▲ NCBA Group	36.10	0.43	0.03	483.6	2.97%	477.55	94.63
▲ Stanbic Holdings	92.75	0.06	0.01	298.1	1.83%	7.64	0.63
▼ Standard Chartered	139.00	0.08	-0.05	427.1	2.62%	9.71	0.93
▼ Co-operative Bank	12.00	-0.07	-0.01	572.5	3.52%	4.12	0.70
— Kenya Airways	3.83	0.00	0.00	176.9	1.09%	-1.37	-0.26
▲ Longhorn Publishers	3.03	-0.24	0.00	6.7	0.04%	20.68	1.05
▲ Nation Media Group	16.00	-0.13	0.01	24.8	0.15%	6.17	0.38
▲ Standard Group	10.30	-0.24	0.03	6.8	0.04%	-2.80	1.13
▼ TPS Eastern Africa	11.00	-0.28	-0.11	16.3	0.10%	-1.66	0.37
▲ WPP Scangroup	3.20	-0.23	0.01	11.2	0.07%	-32.62	0.27
▲ KenGen	3.29	-0.21	0.02	176.4	1.08%	4.24	0.10
▼ Kenya Power & Light.	1.46	-0.17	-0.02	23.2	0.14%	0.81	0.05
▼ Total Kenya	22.90	-0.08	-0.09	32.6	0.20%	5.04	0.14
— Britam Holdings	5.00	-0.33	0.00	102.6	0.63%	174.94	0.66
▲ CIC Insurance Group	1.96	-0.11	0.01	41.7	0.26%	11.05	1.39
— Jubilee Holdings	200.00	-0.37	0.00	117.9	0.72%	2.23	0.34
▼ Kenya Re Insurance	1.86	-0.19	-0.02	42.3	0.26%	1.75	0.14
▲ Liberty Kenya Hold.	5.68	-0.19	0.27	24.7	0.15%	37.19	0.35
▲ Sanlam Kenya	9.60	-0.17	0.08	11.2	0.07%	-2.55	2.32
— BOC Kenya	70.00	0.00	0.00	11.1	0.07%	12.61	0.86
▲ British. A. Tobacco	460.00	0.04	0.05	374.0	2.30%	7.10	3.07
▲ Carbacid Invest.	12.50	0.14	0.03	25.9	0.16%	4.50	0.84
▼ East Afr. Breweries	166.00	0.01	-0.01	1,067.3	6.56%	22.33	4.97
▲ Eveready E.A	0.74	-0.24	0.07	1.3	0.01%	-18.41	72.65
— Mumias Sugar	0.28	0.04	0.00	3.5	0.02%	-0.06	0.57
▲ Centum Investment	8.28	-0.41	0.01	44.8	0.28%	-4.11	0.12
▲ Home Afrika	0.35	-0.13	0.06	1.2	0.01%	-0.50	0.06
▲ Trans-Century	0.84	-0.28	0.06	2.6	0.02%	-0.20	0.04
▼ Nairobi Sec. Exch.	6.76	-0.16	-0.01	14.3	0.09%	13.24	0.84
— ARM Cement	5.55	0.00	0.00	43.3	0.27%	-5.92	0.19
▼ Bamburi Cement	31.15	-0.18	-0.01	91.9	0.56%	8.19	0.32
▼ E.A Portland Cement	6.80	0.02	-0.08	5.0	0.03%	0.32	0.03
▲ Crown Paints Kenya	40.05	0.31	0.05	46.4	0.28%	7.80	1.66
— Kakuzi	420.00	0.09	0.00	66.9	0.41%	25.75	1.49
— Kapchorua Tea	110.00	0.15	0.00	7.0	0.04%	7.41	0.52
— Sasini	22.00	0.18	0.00	40.8	0.25%	11.95	0.36
— Williamson Tea	160.00	0.23	0.00	22.8	0.14%	12.29	0.45
▼ Ilam Fahari I-REIT	6.08	-0.03	-0.08	8.9	0.00%	-8.88	0.31

Corporate Actions

Counter	Interim Dividend	Final Dividend	Book Closure	Dividend Payment
Standard Chartered	KES 6.00		15 th December 2022	29 th December 2022
KCB Group	KES 1.00		8 th December 2022	13 th January 2023

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