



# Weekly Report

## Week 50

Week Ending Friday, December 16<sup>th</sup> 2022

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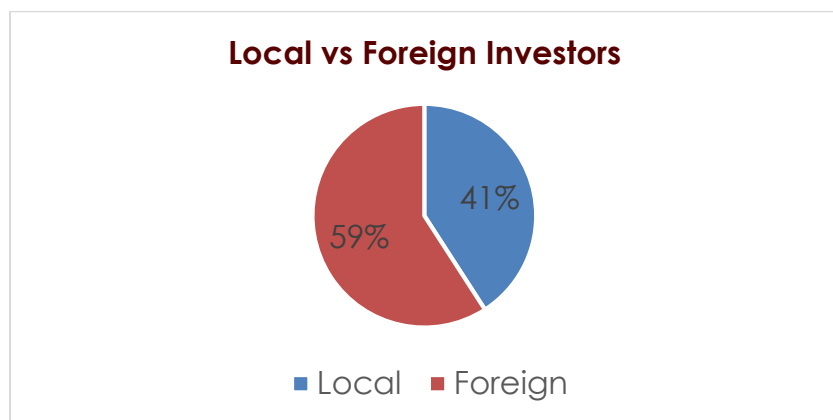
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## Weekly Highlights

**Kenyans crediting rating Downgrades from B+ to B-** Fitch Ratings has downgraded Kenya's credit rating from 'B+' to 'B', attributing the action to the country's growing debt and depleting foreign exchange reserves. They stated Kenya faces extra strain on its foreign reserves driven by elevated external debt servicing obligations in the financial year 2023/24, including the maturity of the \$2 billion (KES 245.82 billion) Eurobond in 2024 combined with high current account deficits. However given Kenya a stable outlook based on the country's fiscal consolidation efforts driven by the International Monetary Fund (IMF), manageable near-term debt commitments and post-pandemic solid growth that is likely to continue over the medium term.

### Foreign Against Local Investors Participation as at 16/12/2022



End Date	Local	Foreign
Friday, December 16 <sup>th</sup> , 2022	352,035,597.95	509,239,687.85
Participation	41%	59%

## Equities Market

### Equity Market Commentary

The All Share Index (NASI) and NSE 25 increased by 1.6% and 1.2% to close the week at 128.49 and 3,127.26 respectively. Equity turnover declined by 36.8% w-o-w to KES 0.86 billion. Volume traded also declined by 23.6% to 27.92 million w-o-w.

### Market Indices Performance

Index	This Week	Previous Week	Weekly Change %	YTD Change %
NASI	128.49	126.46	1.6%	-22.8%
NSE 20	1,652.86	1,646.41	0.4%	-13.1%
NSE 25	3,124.26	3,087.33	1.2%	-16.6%

Source: NSE

### Market Statistics

	This Week	Previous Week	Change %
Market Capitalization (KES Bn)	2,001.95	1,970.24	1.6%
Volume (Mn)	27.92	36.55	(23.6%)
Equity Turnover (KES Mn)	861.28	1,362.91	(36.8%)

Source: NSE

## Equities Performance

	<b>Top Gainers</b>	<b>Previous Price (KES)</b>	<b>Current Price (KES)</b>	<b>Weekly Change %</b>	<b>YTD Change %</b>
1	Liberty	4.47	5.68	27.07%	-18.86%
2	Sanlam	8.9	9.6	7.87%	-16.88%
3	Evereedy	0.69	0.74	7.25%	-24.49%
4	Home Afrika	0.33	0.35	6.06%	-12.50%
5	Trans-Century	0.79	0.84	6.33%	-28.21%

Source: NSE and Faida Investment Bank Analysis

	<b>Top Losers</b>	<b>Previous Price (KES)</b>	<b>Current Price (KES)</b>	<b>Weekly Change %</b>	<b>YTD Change %</b>
1	TPS E.A	12.35	11	-10.93%	-27.87%
2	Total Kenya	25.1	22.9	-8.76%	-8.40%
3	FAHARI I-REIT	6.64	6.08	-8.43%	-2.88%
4	E.A.Portland	7.38	6.8	-7.86%	2.10%
5	NBV	3.46	3.22	-6.94%	-46.86%

Source: NSE and Faida Investment Bank Analysis

	<b>Movers</b>	<b>Previous Price (KES)</b>	<b>Current Price (KES)</b>	<b>Turnover (KES Mn)</b>
1	Safaricom	24.3	24.95	250.19
2	EABL	167	166	226.45
3	Equity	45	45.5	214.67
4	KCB	36.9	37.25	54.67
5	DTB	48.3	48.5	22.80

Source: NSE and Faida Investment Bank Analysis

## Exchange Rates

During the week, the Kenya Shilling continued to depreciate against the dollar from 122.7912 for the week ending December 9 to 122.9882 for this week ending December 16.

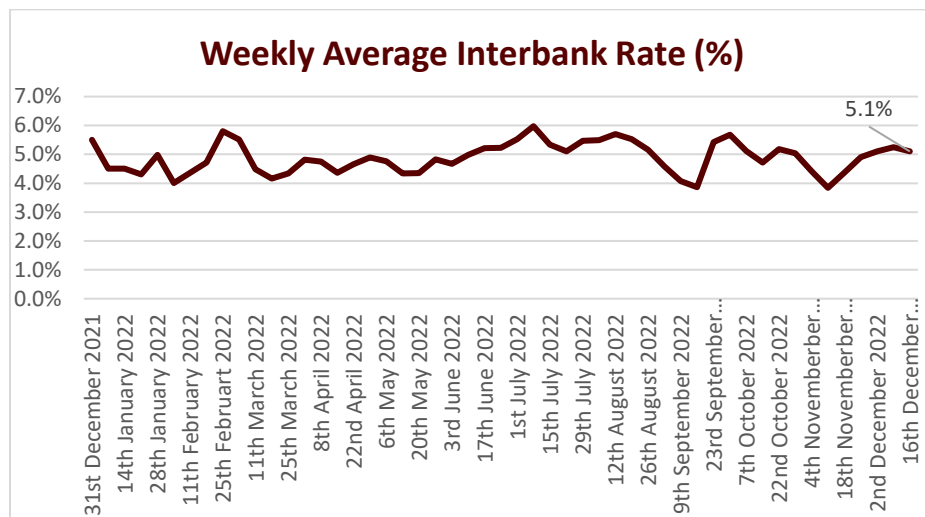
<b>KES</b>	<b>Value</b>	<b>Weekly Change %</b>	<b>YTD Change %</b>
US Dollar	122.9882	0.2%	8.7%
STG Pound	151.8109	1.4%	(0.2%)
EURO	130.6297	1.2%	2.1%

Source: CBK; Negative () = Depreciation, Positive = Appreciation

## Global Markets

<b>Index</b>	<b>Last Price as at 16/12/2022</b>	<b>Weekly Change%</b>
<b>DJI</b>	33,761.05	2.9%
<b>S&amp;P 500</b>	4,280	3.3%
<b>NASDAQ</b>	12,706.79	(2.6%)
<b>DAX</b>	12,706.79	(2.6%)
<b>FTSE 100</b>	7,252.06	(0.4%)
<b>Euro Stoxx 50</b>	3,484.8	(1.7%)
<b>Shanghai</b>	3,126.40	(1.9%)
<b>NIKKEI 225</b>	27,567.65	(0.3%)
<b>Commodities</b>		
<b>Brent Oil (USD/bbl.)</b>	90.97	(2.2%)
<b>Gold (USD/Oz)</b>	1,656.23	(3.3%)

## Interbank Rate



Source: CBK

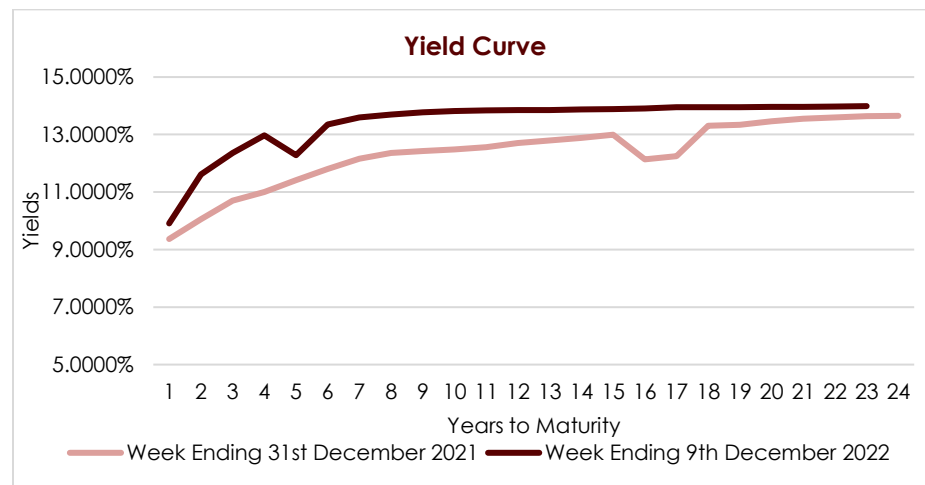
## Treasury Bill Auction Results

	Amount Offered	Bids Received	Subscription Rate	Bids Accepted	Yield This Week	Change*
91 day	4.0	19.5	487.75%	7.7	9.356%	0.03%
182 day	10.0	6.7	67.21%	6.7	9.821%	0.03%
364 day	10.0	3.0	29.90%	3.0	10.299%	0.05%
<b>Total</b>	<b>24.0</b>	<b>29.2</b>	<b>121.75%</b>	<b>17.4</b>		

\*Change = Current Rate – Previous Rate; 1.0% = 100 bps  
Amount Offered, Bids Received and Bids Accepted are in KES Billions

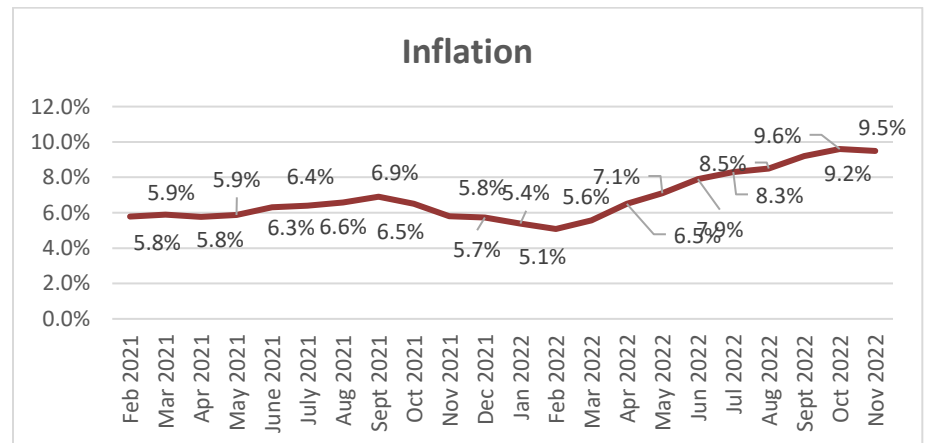
- Treasury bills were oversubscribed during the week's auction –the total subscription rate was 121.75%, which is higher compared to last week's 97.05%.
- Yields on all Treasury bills sustained a stable trend during the week

## Government Securities Yield Curve



Source: NSE

## Inflation



Source: KNBS

- Kenya's monthly inflation slowed in the month of November on reduced prices of food and non-alcoholic beverages transport housing as well as gas. November's inflation dropped to 9.5 per cent from 9.6 per cent in the previous month.

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## Corporate Actions

Counter	Corporate Action	Declared	Date Announced	Books Closure Date	Payment Date
KenGen	First & Final dividend	0.2	30-Nov-22	(Subject to Approval)	(Subject to Approval)
KCB	Interim Dividend	1	16-Nov-22	8-Dec-22	13-Jan-22
Trans Century	Rights Issue	5:01	16-Nov-22	13-Dec-22	28-Feb-23
Standard Chartered	Interim Dividend	6	23-Nov-22	15-Dec-22	29-Dec-22

## Counter Statistics

Banking Sector	Price (KES)	YTD change	% w-o-w Change	Volume Traded	C/I Ratio	P/E (X)	Dividend Yield	P/B (X)	ROE
KCB	37.25	-18.04%	0.95%	124,300	35.6%	3.50	8.1%	0.68	N/A
Equity Bank	45.50	-13.74%	1.11%	472,900	48.5%	4.38	0.0%	1.18	31.1%
NCBA	36.10	43.25%	2.85%	32,900	43.1%	5.81	8.3%	0.62	17.4%
Stanbic	92.75	6.30%	0.82%	-	48.9%	5.09	9.7%	0.66	15.2%
Absa Bank	12.15	2.53%	1.25%	132,100	44.6%	6.39	9.1%	1.13	21.4%
Housing Finance	3.19	-18.21%	1.59%	4,000	120.9%	-2.07	0.0%	0.14	-17.6%
Coop Bank	12.00	-7.34%	-0.83%	395,700	49.9%	4.51	8.3%	0.73	21.8%
DTB	48.50	-18.49%	0.41%	-	38.2%	4.58	6.2%	0.20	6.0%
Stan Chartered	139.00	8.38%	-4.79%	49,200	47.3%	5.92	13.7%	0.85	17.4%
I&M	17.10	-18.96%	2.09%	6,000	48.1%	3.48	8.8%	0.42	N/A
<b>Sector Average</b>					<b>52.5%</b>	<b>4.16</b>	<b>7.2%</b>	<b>0.661</b>	<b>11.3%</b>

### P/B (X) – FY2021

Commercial and Services	Price (KES)	YTD Change	% w-o-w Change	Volume Traded	P/E (X)	Dividend Yield	EPS(KES)	ROE
**Kenya Airways	3.83	0.00%	0.00%	-	N/M	0.0%	N/M	N/M
Nation Media	16.00	-13.28%	0.95%	21,200	6.40	9.4%	2.50	6.2%
WPP Scan group	3.20	-22.71%	0.95%	18,900	-80.00	0.0%	(0.04)	-2.1%
Uchumi	0.27	12.50%	3.85%	17,000	N/M	0.0%	N/M	N/M
Longhorn	3.22	-46.86%	-6.94%	528,500	3.22	0.0%	0.68	25.1%
Eveready	0.74	-24.49%	7.25%	3,600	N/M	0.0%	N/M	N/M
<b>Sector Average</b>					<b>-23.46</b>	<b>1.56%</b>		<b>9.7%</b>

\*\*Suspended \*N/M - Not Meaningful

Agriculture	Price (KES)	YTD Change	% w-o-w Change	Volume Traded	P/E (X)	Dividend Yield	EPS(KES)	ROE
Eaagads	10.70	-20.74%	-	400	41.15	-	0.26	6.90%
Kakuzi Plc	420.00	9.09%	-	-	25.75	3.33%	16.31	5.76%
Kapchorua Tea	110.00	15.18%	-	-	4.02	9.09%	27.35	10.12%
Limuru Tea	420.00	31.25%	-	-	531.65	-	0.79	2.23%
Sasini	22.00	17.65%	-	1,000	8.84	-	2.49	5.53%
Williamson Tea	160.00	23.08%	-	9,600	5.38	6.25%	29.73	6.67%
<b>Sector Average</b>					<b>102.80</b>	<b>3.11%</b>		<b>6.20%</b>

Construction & Allied	Price (KES)	YTD Change	% w-o-w Change	Volume Traded	P/E(X)	Dividend Yield	NPM*	ROE
Bamburi Cement	31.15	-18.03%	-0.95%	11,200	8.70	11.5%	3.2%	4.2%
E.A. Portland Cement	0.80	-33.33%	0.00%	64,200	1.13	0.0%	0.0%	9.5%
<b>Sector Average</b>					<b>4.92</b>	<b>5.75%</b>	<b>1.60%</b>	<b>6.85%</b>

\*NPM - Net Profit Margin

Energy & Petroleum Sector	Price (KES)	YTD Change	% w-o-w Change	Volume Traded	P/E(X)	Dividend Yield	EPS (KES)	ROE
KenGen	3.29	-21.48%	1.86%	179,800	4.57	6.1%	0.72	0.6%
Kenya Power	1.46	-16.57%	-2.01%	926,800	1.46	0.0%	1	N/M
Total Kenya	22.90	-8.40%	-8.76%	10,000	5.26	5.7%	4	6.5%
<b>Sector Average</b>					<b>3.76</b>	<b>3.93%</b>		<b>2.4%</b>

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Insurance Sector	Price (KES)	YTD Change	% w-o-w Change	Volume Traded	P/B(X)	Dividend Yield	P/E(X)	Loss Ratio	Expense Ratio
CIC Insurance	1.96	-11.31%	1.03%	10,800	0.70	-	8.52	69.8%	34.4%
Britam	5.00	-33.33%	0.00%	146,500	0.80	-	299.00	80.6%	58.1%
Jubilee	200.00	-36.86%	0.00%	1,900	0.40	4.50%	2.23	101.3%	44.2%
Kenya Re	1.86	-19.13%	-1.59%	4,600	0.20	10.75%	0.73	67.7%	8.9%
Sanlam	9.60	-16.88%	7.87%	1,200	0.00	-	-3.44	85.8%	35.5%
Liberty	5.68	-18.86%	27.07%	1,800	0.40	-	37.87	119.6%	48.7%
<b>Sector Average</b>					<b>0.42</b>	<b>3.05%</b>	<b>57.48</b>	<b>87.7%</b>	<b>38.3%</b>

Investment Sector	Price (KES)	YTD Change	% w-o-w Change	Volume Traded	P/E(X)	Dividend Yield	P/B(X)	EPS (KES)	ROE
Centum Investment	8.28	-94.98%	1.22%	101,200	-8.90	0.16	0.13	-0.93	-3.0%
Home Afrika Ltd	0.35	-12.50%	6.06%	43,600	<b>cic</b>	<b>N/M</b>	<b>N/M</b>	<b>N/M</b>	2.6%
Trans-Century	0.84	-28.21%	6.33%	24,000	<b>N/M</b>	<b>N/M</b>	<b>N/M</b>	<b>-7.95</b>	4.7%
<b>Sector Average</b>					<b>-8.90</b>	<b>15.70%</b>	<b>0.13</b>	<b>(4.44)</b>	<b>1.4%</b>

\*P/B based on company Net Asset Value

Investment Services	Price (KES)	YTD Change	%w-o-w change	Volume Traded	P/E(X)	Dividend Yield	EPS (KES)	ROE
NSE	6.76	-15.50%	-0.59%	5,500	13.25	7.4%	0.51	4.7%
<b>Sector Average</b>					<b>13.25</b>	<b>7.40%</b>		<b>4.70%</b>

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Manufacturing & Allied Sector	Price (KES)	YTD Change	% w-o-w Change	Volume Traded	P/E(X)	Dividend Yield	EPS (KES)	ROE
**Mumias Sugar	0.27	0.00%	0.00%	-	N/M	0.0%	N/M	-69.4%
EABL	166.00	0.61%	-0.60%	74,300	9.15	0.0%	15.00	105.6%
FTG Holdings	1.10	-12.70%	5.77%	1,000	1.90	0.0%	0.58	N/M
Carbacid	12.50	13.64%	2.88%	61,100	7.67	5.6%	1.63	16.4%
BAT	460.00	4.19%	4.55%	800	7.10	11.6%	64.83	57.3%
<b>Sector Average</b>					<b>6.45</b>	<b>3.45%</b>		<b>22.0%</b>

\*\*Suspended

Real Estate Investment Trust	Price (KES)	YTD Change	% w-o-w Change	Volume Traded	NAVPS*	Dividend Yield	EPS (KES)
ILAM FAHARI I-REIT	6.08	-0.03	-0.08	37,600	20.80	9.87%	(0.68)
<b>Sector Average</b>						<b>NA</b>	

Telecommunication & Technology Sector	Price (KES)	YTD Change	% w-o-w Change	Volume Traded	P/E(X)	Dividend Yield	EPS (KES)	ROE
Safaricom	24.95	-34.26%	2.67%	4,606,000	14.34	5.6%	1.74	50.3%
<b>Sector Average</b>					<b>14.34</b>	<b>5.57%</b>		

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