

The Week in Review | Week 6

EQUITIES

The market closed the week with NASI at 128.25, a 0.71% gain year to date. Trading activity was concentrated on Safaricom, KCB, Equity and BAT accounting for 83.8% of the total turnover.

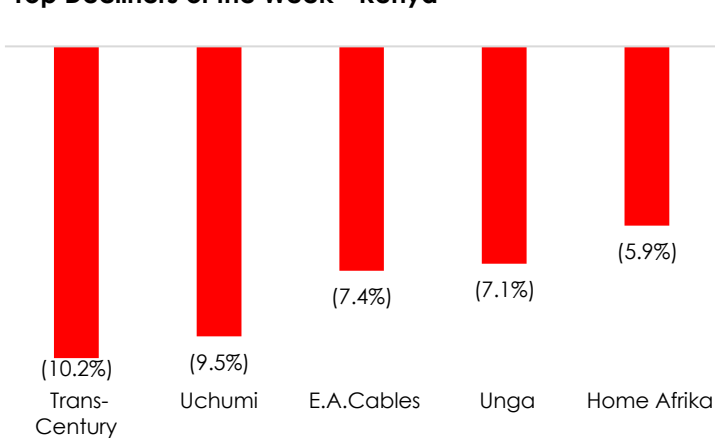
Foreign investors accounted for 44.3% of the total turnover and they were net buyers injecting KES 0.3Bn last week. Local investors were mostly active on KCB, Safaricom, Equity and BAT in that order.

Market Turnover increased by 69.1% to KES 1.4Bn.

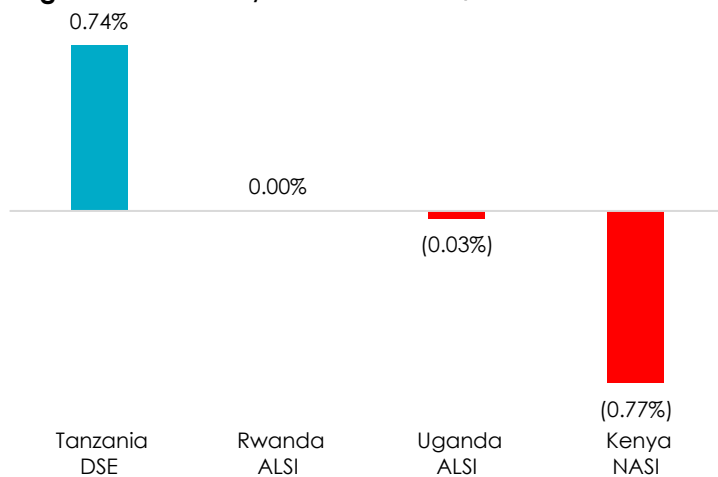
Top Gainers of the week - Kenya



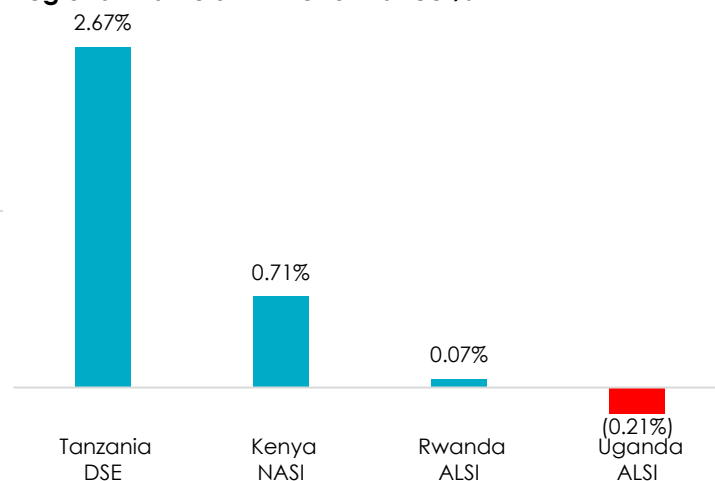
Top Decliners of the Week - Kenya



Regional Markets W/W Performance %



Regional Markets YTD Performance %



Corporate Actions:

COUNTER	Dividend	Book Closure Date	Payment Date
Car & General Plc	KES 0.80	24-Feb-2023	23-March-2023
EABL	KES 3.75	16-Feb-2023	28-Apr-2023

Source: NSE, NCBAIB Research

FIXED INCOME
Primary Market
a) Treasury Bill Results

Treasury bills were oversubscribed, with an acceptance rate of 90.5% and a subscription rate of 187.1% (down from 208.9% the previous week).

The 91-day T-Bill attracted the attention of investors the most, recording a subscription of 780.0% (KES 31.2 billion) and saw its yield increase to 9.60%. The 364-day paper recorded a yield of 10.60%.

b) Results for re-opened 4.5-year & new 10-year treasury bonds FXD1/2017/10 & FXD1/2023/10.

For the two papers, the Central Bank of Kenya received bids totaling 19.5 billion (a 39.1% subscription rate), out of which 16.7 billion were accepted (an acceptance rate of 85.7%).

Here is a summary of the results:

Issue	FXD1/2017/010	FXD1/2023/010
Tenor to Maturity	4.5Yr	10Yr
Offered Amount (KES Mn)	50,000.00	
Bids received (KES Mn)	8,030.13	11,514.95
Amount Accepted (KES Mn)	7,469.52	9,279.28
Coupon Rate (%)	12.966%	14.151%
Weighted Average Rate of Accepted Bids (%)	13.897%	14.151%
Redemption Date	19th-July-2027	31st-Jan-2033

Source: CBK, NCBA IB Research

Secondary Market

In the secondary bonds market, **total turnover** declined to **KES 10.0Bn** from KES 11.4Bn traded in the previous week.

The S&P Sovereign Bond index increased marginally to close at **102.24**.

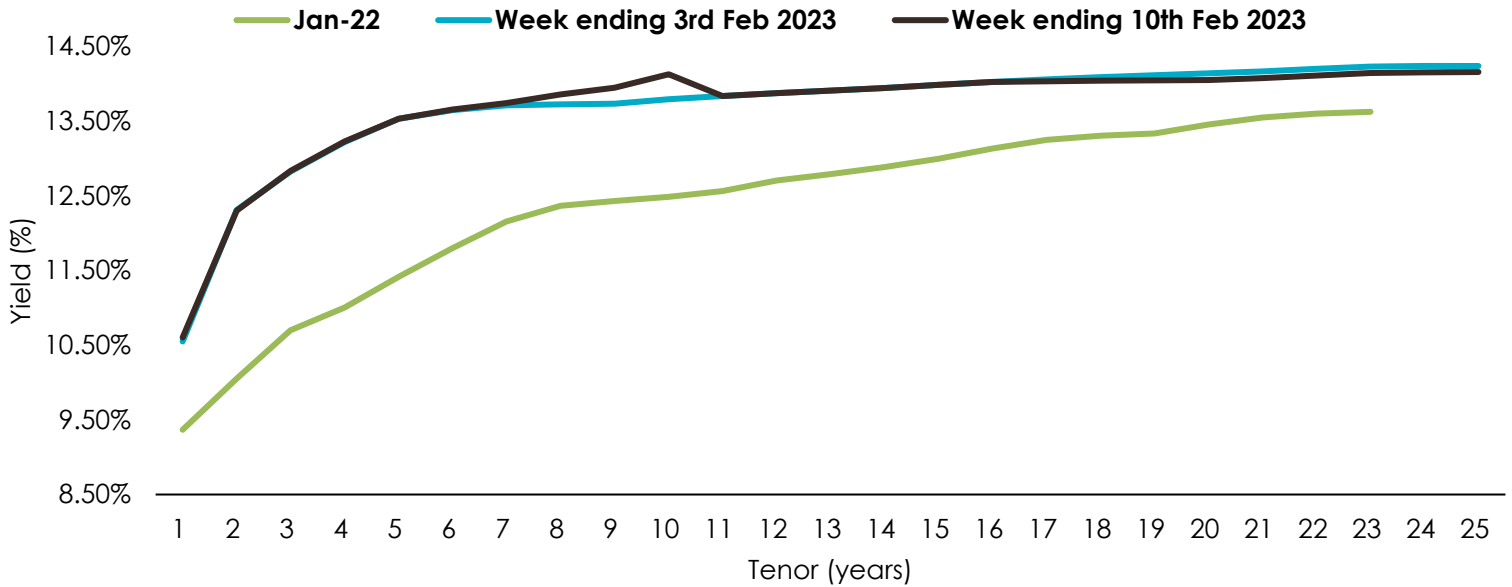
The S&P Kenya Sovereign Bond Index tracks the performance of local currency denominated public government debt and has an inverse relationship to yield curve.

See the top moving bonds below:

Bond Identifier	Years to Maturity	Coupon (%)	Highest Yield (%)	Lowest Yield (%)	Average Yield (%)	Total Value (KES Mn)	Number of Trades
IFB1/2022/14Yr	13.75	13.94	14.08	12.85	13.42	2,817.75	132
IFB1/2022/6Yr	5.81	13.22	13.20	11.98	12.32	1,086.05	97
FXD 1/2021/5Yr	3.75	11.28	11.35	11.35	11.35	839.45	14
FXD 1/2020/5Yr	2.23	11.67	12.68	11.17	12.11	820.10	5
IFB 1/2015/12Yr	4.10	11.35	15.30	12.26	13.42	512.90	7
IFB1/2022/18Yr	17.33	13.74	14.07	12.60	13.34	485.60	70
FXD2/2013/15Yr	5.18	12.00	13.54	13.54	13.54	300.00	1
FXD 1/2019/5Yr	1.02	11.30	12.76	10.87	11.34	285.00	4
FXD1/2008/15Yr	0.08	12.50	9.45	9.00	9.34	239.85	13
IFB1/2019/16Yr	12.70	11.75	14.10	12.50	13.17	235.90	22

Source: NSE, NCBA/IB Research

Government Securities Yield Curve:

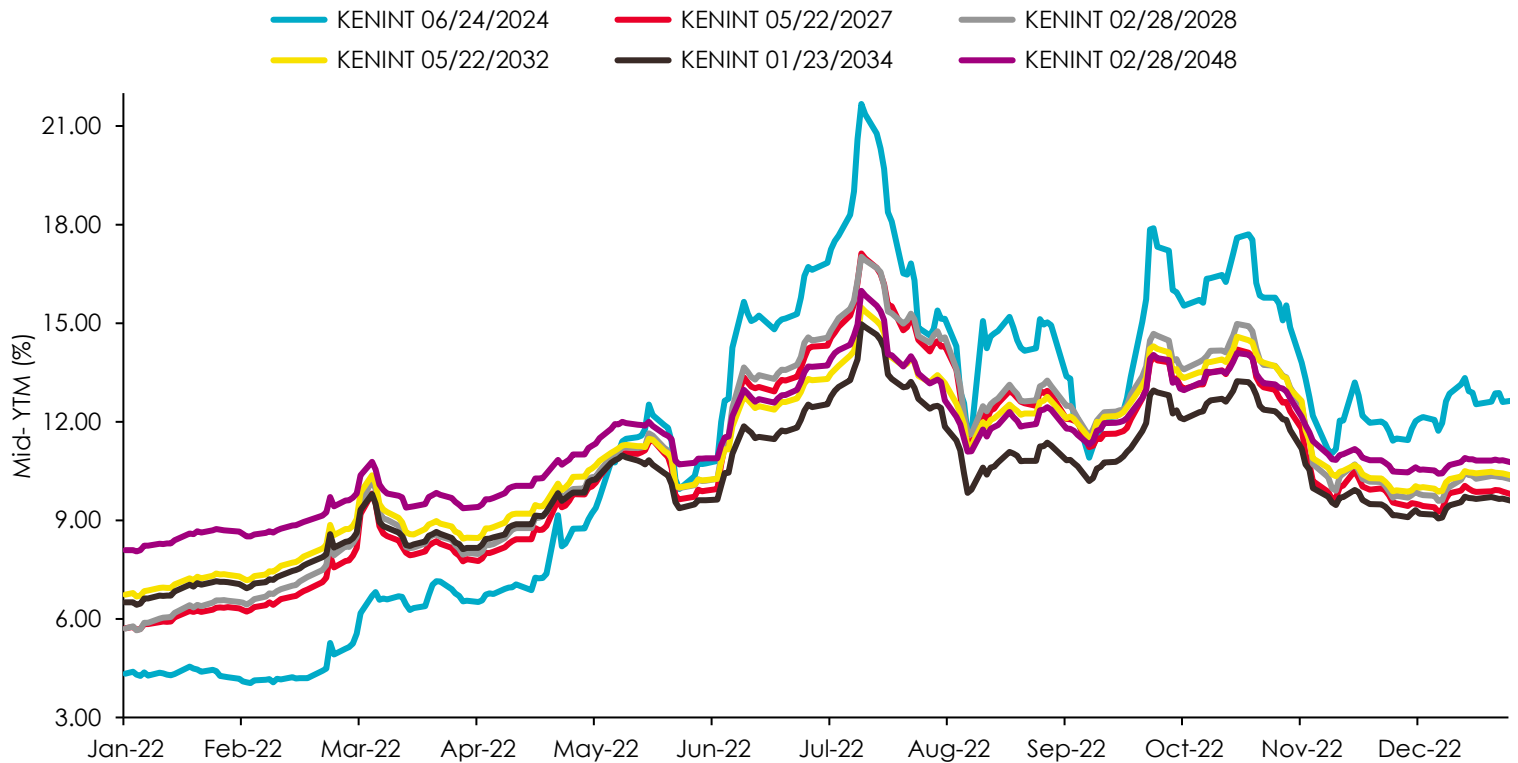


Source: NSE, NCBA IB Research

Kenya International Debt Yield Curves:

Kenyan Eurobonds' yields were on an upward trend – rising by an average of 21.4 bps week on week.

KENINT 2034, which has a tenor of 10.98 years, recorded the largest rise – with its yield inclining by 25.4 bps to 9.78%.



Source: Bloomberg, NCBA IB Research

Macroeconomic statistics:

Prevailing rates	Week 6	Week 5	w/w change (bps)
91 Day	9.601%	9.581%	2.00
182 Day	10.042%	9.997%	4.50
364 Day	10.603%	10.550%	5.30

Statistic	Current	Previous	change (bps)
Central Bank Rate (CBR)	8.75%	8.75%	-
Inflation	9.00%	9.10%	(10)
Average Interbank Rate	6.50%	6.46%	5

Currency	Week 6	Week 5	w/w change (%)
US Dollar	125.08	124.59	(0.4%)
STG Pound	152.06	153.19	0.7%
EURO	134.73	136.41	1.2%
Forex reserves (USD Mn)	6,939.00	6,967.00	(0.4%)

Negative () = Depreciation, Positive = Appreciation

Source: CBK, NCBA IB Research

Kenya Government Debt Maturities Schedule – February 2023:

Coupon payments						
Issue No.	Next Coupon Payment Date	Tenor to Maturity (Yrs)	Outstanding Amount (KES 'Mn)	Fixed Coupon Rate	Coupon payment (KES 'Mn)	Implied Yield to Maturity
FXD1/2013/015	February 13, 2023	4.99	82,473.25	11.25%	4,639.12	13.5321%
FXD3/2019/010	February 13, 2023	6.48	68,743.45	11.52%	3,958.59	13.7040%
SDB1/2011/030	February 13, 2023	17.95	28,144.70	12.00%	1,688.68	14.0170%
FXD1/2021/020	February 13, 2023	18.45	75,984.00	13.44%	5,107.64	14.0301%
FXD1/2019/005	February 20, 2023	1.02	65,359.50	11.30%	3,694.12	10.7264%
FXD1/2016/010	February 20, 2023	3.51	18,306.45	15.04%	1,376.55	13.0239%
FXD1/2018/010	February 20, 2023	5.51	40,584.60	12.69%	2,574.28	13.6009%
FXD1/2019/010	February 20, 2023	6.00	67,524.85	12.44%	4,199.37	13.6576%
FXD1/2020/015	February 20, 2023	11.99	73,156.30	12.76%	4,665.91	13.8753%
IFB1/2017/012	February 20, 2023	6.00	11,402.85	12.50%	712.68	12.7000%
IFB1/2020/011	February 20, 2023	8.50	80,249.60	10.90%	4,373.60	13.3000%
IFB1/2022/019	February 20, 2023	17.97	98,377.55	12.97%	6,377.32	13.6500%
Total					43,367.88	

Source: CBK, NCBA IB Research

Treasury Bills Maturities

Payment Date	Amount KES 'Mn
February 6, 2023	32,843.91
February 13, 2023	33,333.05
February 20, 2023	33,649.67
February 27, 2023	20,180.38
Total	120,007.01

Source: CBK, NCBA IB Research

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