

The Week in Review | Week 15

EQUITIES

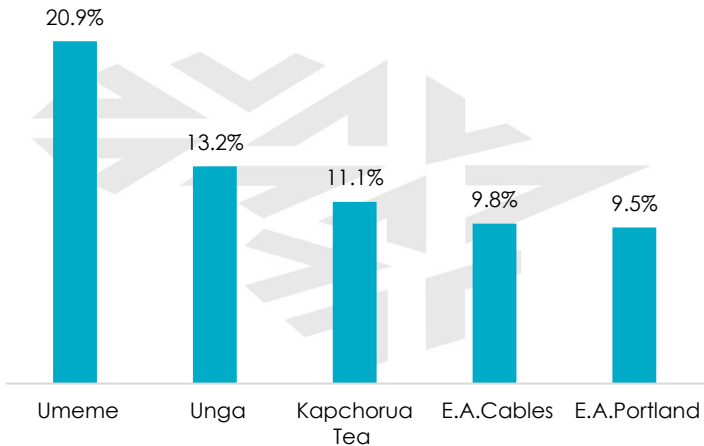
Local Market Performance

The market was down 2.36% with NASI closing the week at 111.56, a 12.39% decline year to date. Trading activity was concentrated on Equity, Safaricom, KCB and Cooperative accounting for 84.7% of the total turnover.

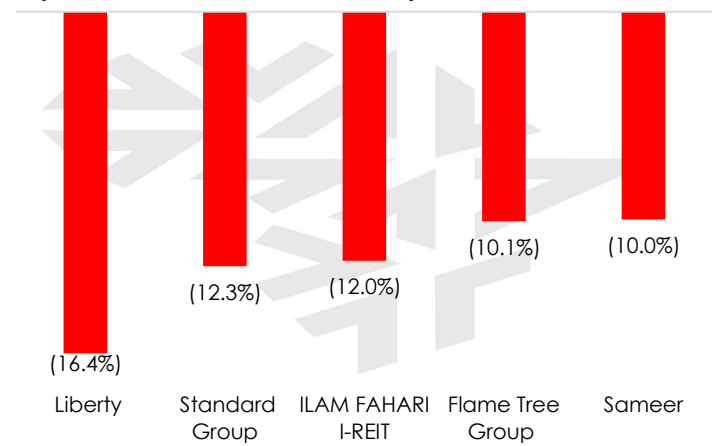
Foreign investors accounted for 46.7% of the total turnover and they were net sellers withdrawing KES 0.20 Bn last week. Local investors were mostly active on KCB, Equity, Safaricom and Cooperative in that order.

Market turnover dipped by 32.5% to KES 1.03 billion from KES 1.53 billion traded the previous week.

Top Gainers of the week - Kenya

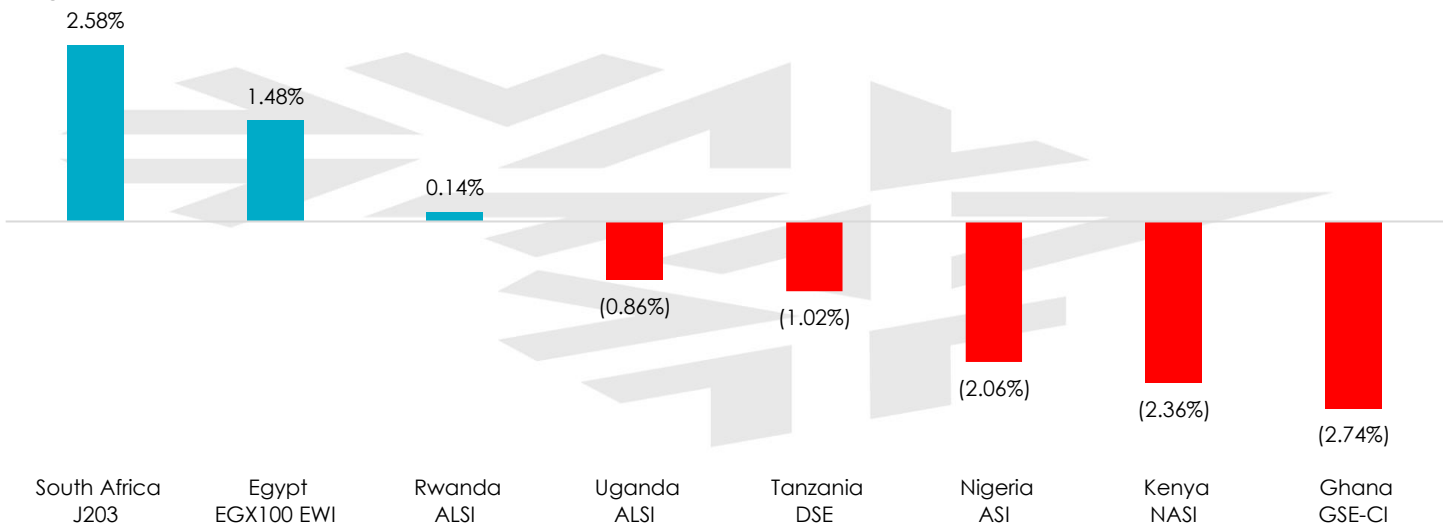


Top Decliners of the Week - Kenya




















Source; NCBA IB Research, NSE

Regional Markets W/W Performance %



Source; NCBA IB Research, NSE

Corporate Actions:

Counter	Dividend	Dividend Yield (%)	Book Closure Date	Payment Date
 NSE nairobi securities exchange	0.20	3.10%	31-May-23	31-Jul-23
 KENYA RE	0.20	10.36%	16-Jun-23	28-Jul-23
 UMEME	2.25	18.37%	27-Jun-23	20-Jul-23
 BANK OF KIGALI Financially transforming lives	3.92	12.56%	22-Jun-23	1-Jul-23
 The Limuru Tea LTD	2.50	0.63%	14-Apr-23	30-Jun-23
 EQUITY	4.00	8.79%	19-May-23	30-Jun-23
 BAT KENYA	57.00	12.34%	26-May-23	15-Jun-23
 KAKUZI	24.00	9.09%	31-May-23	15-Jun-23
 DTB DANSHERO BANK	5.00	9.26%	12-May-23	15-Jun-23
 COOP BANK	1.50	11.41%	24-May-23	9-Jun-23
 I&M Bank LIMITED	2.25	10.79%	20-Apr-23	25-May-23
 Standard Chartered	22.00	12.98%	21-Apr-23	25-May-23
 CIC GROUP	0.13	6.28%	8-May-23	26-May-23
 KCB	2.00	5.53%	6-Apr-23	26-May-23
 absa	1.35	10.47%	28-Apr-23	25-May-23
 Nation Media Group Media of Africa for Africa	1.50	9.40%	16-Jun-23	31-Jul-23
	12.60	11.33%	19-May-23	SUBJECT TO APPROVAL

Source: NSE, NCBAIB Research

FIXED INCOME
Primary Market
a) Treasury Bill Results

Treasury bills were oversubscribed, with a subscription rate of 122.6% (down from 134.8% the previous week) and an acceptance rate of 93.0%.

The 91-day attracted the attention of investors the most recording a subscription of 621.9% with its yield increasing by 6.8 bps to 10.07%. The 182-day paper recorded a yield of 10.93%.

b) Tap Sale Results: IFB1/2023/17

The Central Bank of Kenya received KES 5.119 billion in total, which represents a 51.19% undersubscription, and accepted KES 5.117 billion, a 99.96% acceptance rate.

See below a summary of the results:

Issue	FXD2/2018/10
Tenor to Maturity	17Yr
Offered Amount (KES Mn)	10,000.00
Bids Received (KES Mn)	5,119.00
Amount Accepted (KES Mn)	5,117.00
Allocated Average rate for Accepted Bids (%)	14.399%
Adjusted Average Price (Per KES 100)	101.346
Coupon Rate (%)	14.399%

c) April Bond offers: Re-opened FXD1/2022/03 & FXD1/2019/15

The Central Bank of Kenya, in its capacity as a fiscal agent for the Republic of Kenya, is offering investors an opportunity to participate in the auction of re-opened treasury bonds FXD1/2022/03 and FXD1/2019/15, seeking to raise a total of KES 30.0Bn for budgetary support.

See below a summary of the issue:

Issue	FXD1/2022/03	FXD1/2019/15
Tenor	2.1Yr	10.9Yr
Value Date	24-Apr-23	
Offered Amount (KES Mn)	30,000.00	
Coupon Rate (%)	11.766%	12.857%
Period of Sale	16-Mar-23 to 18-Apr-23	
Redemption Date	7-Apr-25	9-Jan-34
Bidding range	13.20% - 13.50%	14.30% - 14.60%

Source: CBK, NCBA IB Research

Secondary Market

In the secondary bonds market, **total turnover** increased to **KES 8.46 Bn** from KES 6.03 Bn traded in the previous week.

The S&P Sovereign Bond index marginally decreased to close at **101.63**.

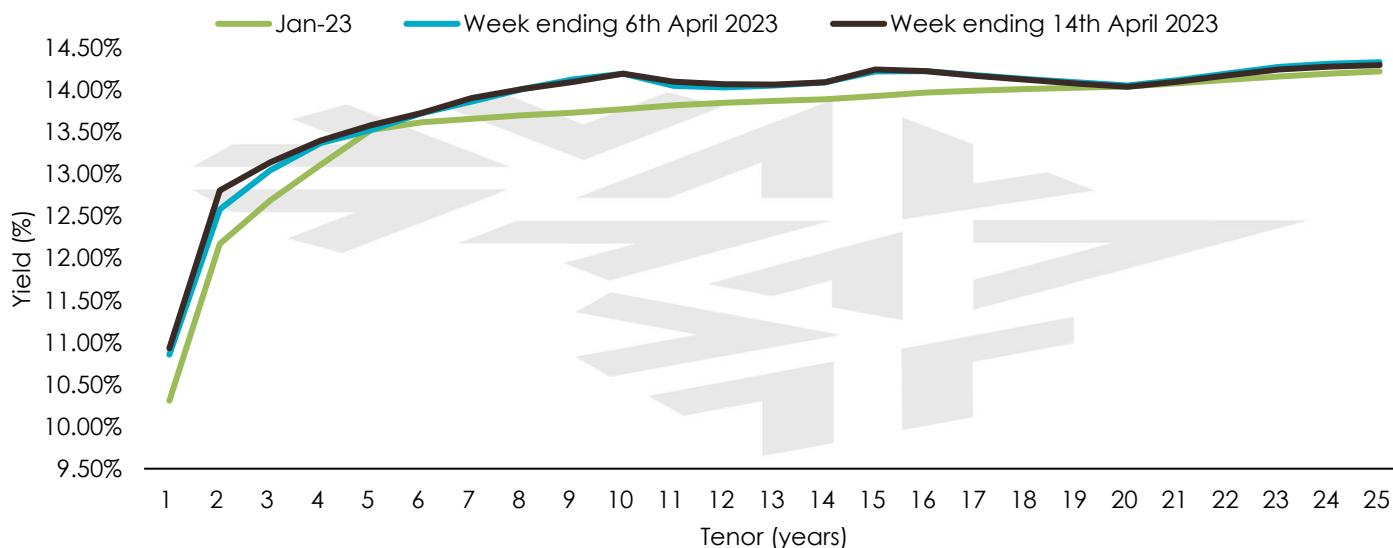
The S&P Kenya Sovereign Bond Index tracks the performance of local currency denominated public government debt and has an inverse relationship to yield curve.

See the top moving bonds below:

Bond Identifier	Years to Maturity	Coupon	Average Yield	Total Value (KES Mn)	Number of Trades
FXD 1/2020/5Yr	2.06	11.67	13.00	2,010.00	7
IFB1/2020/11Yr	8.35	10.90	14.30	1,512.90	27
IFB1/2019/16Yr	12.52	11.75	13.45	1,486.55	15
IFB1/2023/17Yr	16.91	14.40	13.87	861.95	193
FXD1/2021/20Yr	18.33	13.44	14.49	401.50	10

Source: NSE, NCBAIB Research

Government Securities Yield Curve:

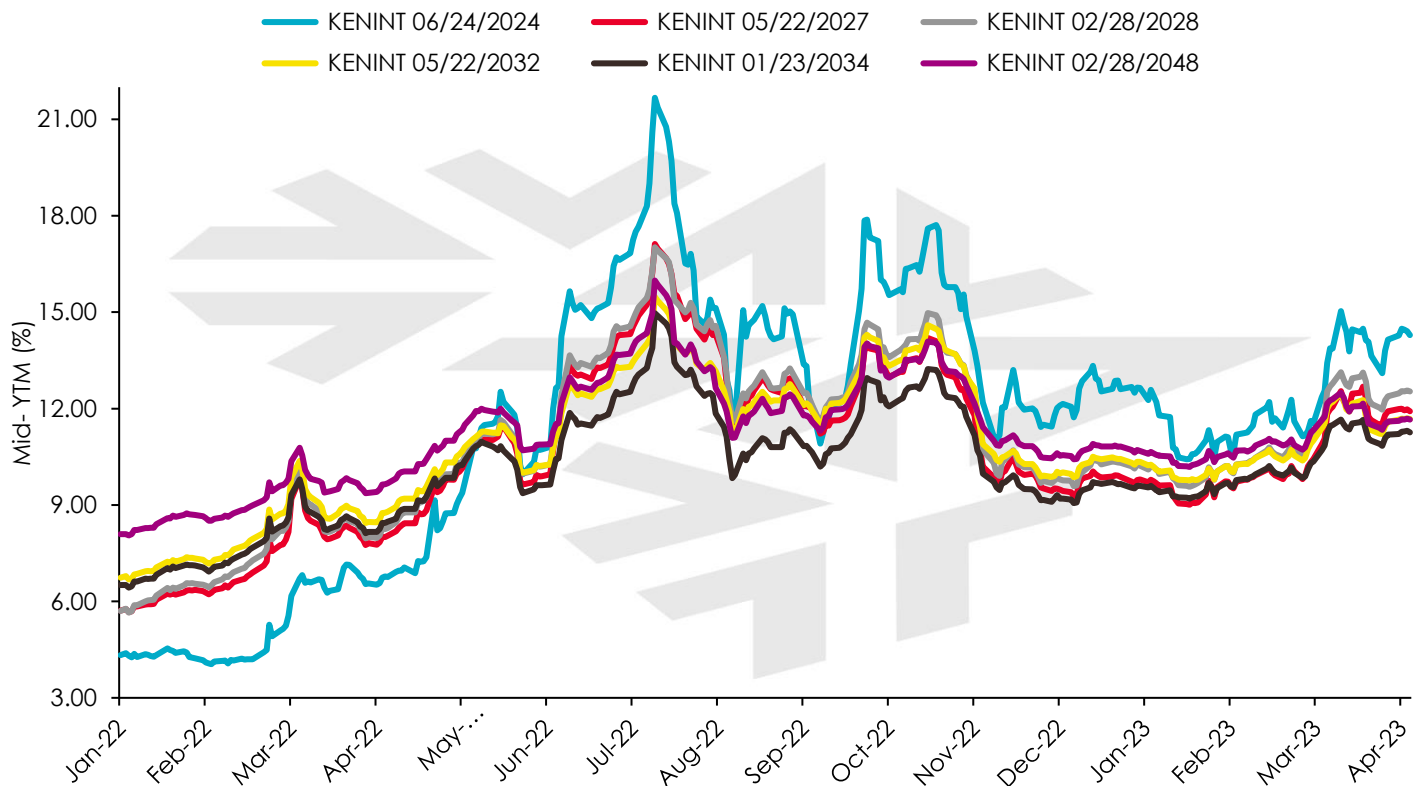


Source: NSE, NCBA IB Research

Kenya International Debt Yield Curves:

Kenyan Eurobonds' yields were on an upward trend – increasing by an average of 26.1 bps week on week. KENINT 2024, which has a tenor of 1.20 years, recorded the largest rise – with its yield increasing by 50.7 bps to 14.28%.

Notably, KENINT 2024 whose principal amount totals USD 2.0Bn matures in June 2024.



Source: Bloomberg, NCBA IB Research

Macroeconomic statistics:

Prevailing rates	Week 15	Week 14	w/w change (bps)
91 Day	10.072%	10.004%	6.80
182 Day	10.428%	10.368%	6.00
364 Day	10.932%	10.857%	7.50

Statistic	Current	Previous	change (bps)
CBR	9.50%	8.75%	75
Inflation	9.20%	9.20%	-
Average Interbank Rate	8.53%	8.33%	20

Exchange rates

Currency	Week 15	Week 14	w/w change (%)
US Dollar	134.35	133.30	(0.8%)
STG Pound	168.23	166.31	(1.1%)
EURO	148.52	145.89	(1.8%)
Forex reserves (USD Mn)	6,376.00	6,446.00	(1.1%)

Negative () = Depreciation, Positive = Appreciation

Source: CBK, NCBA IB Research

Kenya Government Debt Maturities Schedule – April 2023:

Coupon payments						
Issue No.	Next Coupon Payment Date	Tenor to Maturity	Outstanding Amount KES 'Mn	Fixed Coupon Rate	Coupon payment KES 'Mn	Implied Yield to Maturity
FXD2/2013/015	April 17, 2023	5.04	70,859.75	12.00%	4,251.59	13.5869%
FXD2/2018/015	April 17, 2023	10.54	33,411.70	12.75%	2,130.00	14.1471%
IFB1/2014/012	April 17, 2023	3.54	16,631.48	11.00%	914.73	12.5567%
IFB1/2016/015	April 17, 2023	8.54	30,004.70	12.00%	1,800.28	13.5151%
FXD1/2022/015	April 24, 2023	14.06	68,200.07	13.94%	4,754.23	14.0958%
FXD1/2022/025	April 24, 2023	24.56	20,699.83	14.19%	1,468.45	14.3000%
IFB1/2019/016	April 24, 2023	12.56	71,028.55	11.75%	4,172.93	13.5000%
Total					19,492.19	

Source: CBK, NCBA IB Research

Treasury Bills	
Payment Date	Amount KES 'Mn
April 17, 2023	32,796.35
April 24, 2023	25,375.35
Total	58,171.70

Source: CBK, NCBA IB Research

About NCBA Investment Bank

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Physical Address

NCBA Annex,
Hospital Road, Upper Hill, Tel: +254 20 2884444
Mobile: +254 711 056444/+254 732 156444

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Key Contacts: Research Team

victoria.mututu@ncbagroup.com

ncbaibresearch@ncbagroup.com

Key Contacts: Trading Team

dealing@ncbagroup.com