

The Week in Review | Week 17

EQUITIES

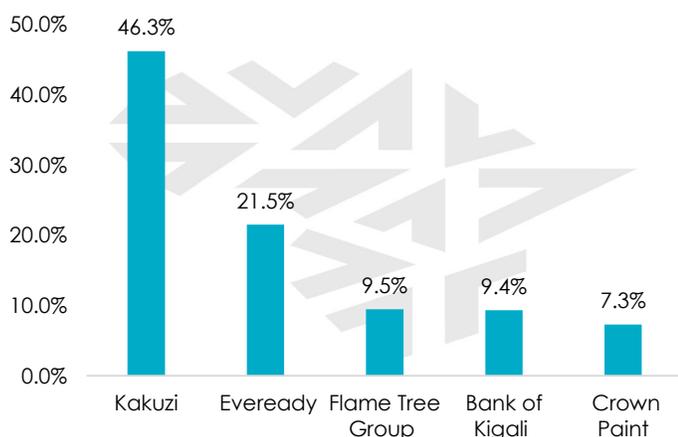
Local Market Performance

The market was down with NASI closing the week at **107.63**, a **15.48%** decline year to date. Trading activity was concentrated on Safaricom, NCBA, KCB, Equity, BAT, and KCB accounting for 85.3% of the total turnover.

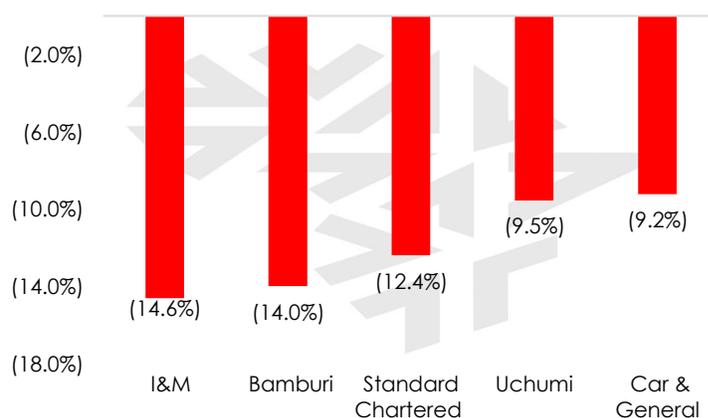
Foreign investors accounted for **35.5%** of the total turnover and they were net sellers withdrawing KES 0.17Bn last week. Foreign investors were mostly active on Safaricom, BAT, EABL, KCB, and NBV in that order.

Market turnover rose by 63.09% to **KES 1.03Bn** from KES 0.63Bn traded the previous week.

Top Gainers of the week - Kenya

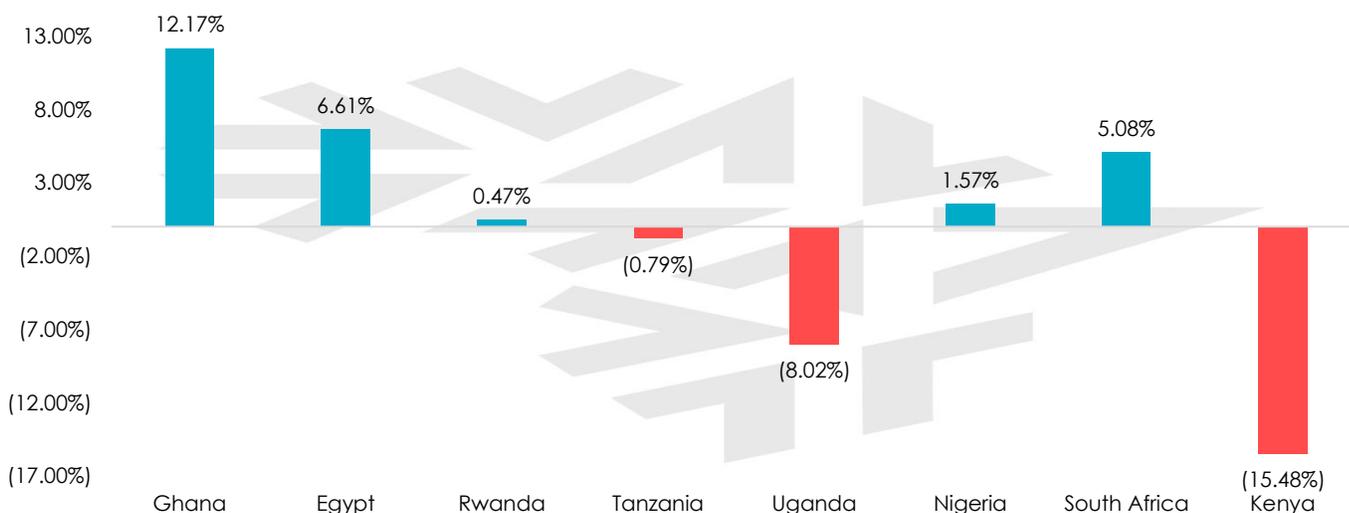


Top Decliners of the Week - Kenya



Source: NCBA IB Research, NSE

Regional Markets YTD Performance



Source: NCBA IB Research, NSE

Corporate Actions:

Counter	ANNOUNCEMENT	Dividend	SPx (As at 28/4/2023)	Dividend Yield (%)	Book Closure Date	Payment Date
 NSE nairobi securities exchange	First and final dividend	0.20	6.00	3.33%	31-May-23	31-Jul-23
 KENYA RE	final dividend	0.20	1.89	10.58%	16-Jun-23	28-Jul-23
 UMEME	final dividend	2.25	14.15	15.90%	27-Jun-23	20-Jul-23
 BANK OF KIGALI Financially transforming lives	First and final dividend	3.92	34.50	11.36%	22-Jun-23	1-Jul-23
 EQUITY	First and final dividend	4.00	45.80	8.73%	19-May-23	30-Jun-23
 BAT KENYA	final dividend	57.00	470.00	12.13%	26-May-23	15-Jun-23
 KAKUZI	First and final dividend	24.00	424.50	5.65%	31-May-23	15-Jun-23
 DTB DIVERSIFIED TRADING BANK	First and final dividend	5.00	54.75	9.13%	12-May-23	15-Jun-23
 GO BANK	First and final dividend	1.50	13.05	11.49%	24-May-23	9-Jun-23
 CIC GROUP	final dividend	0.13	1.81	7.18%	8-May-23	26-May-23
 Nation Media Group Media of Africa for Africa	final dividend	1.50	15.55	9.65%	16-Jun-23	31-Jul-23
	final dividend	12.60	116.00	10.86%	19-May-23	Subject To Approval
 TotalEnergies	First and final dividend	1.31	19.75	6.63%	15-Jun-23	31-Jul-23
 Jubilee	final dividend	8.00	180.00	4.44%	14-Jun-23	26-Jul-23
 Jubilee	special dividend	3.00	180.00	1.67%	14-Jun-23	26-Jul-23

Source: NSE, NCBA/IB Research

FIXED INCOME

Primary Market

Treasury Bill Results

Treasury bills were undersubscribed, with a subscription rate of **37.5%** (down from 146.5% the previous week) and an acceptance rate of 99.4%.

Subscription	Amount offered KES Bn	Week 17	Week 16	w/w change (%)
91 day	4.00	6.69	31.98	(79.1%)
182 day	10.00	0.87	2.15	(59.4%)
364 day	10.00	1.44	1.02	41.9%
Total	24.00	9.00	35.15	(74.4%)

Source: CBK, NCBA IB Research

May Bond offer | New fixed coupon treasury bond - FXD1/2023/003

The Central Bank of Kenya is offering investors an opportunity to participate in the auction of a new fixed coupon treasury bond **FXD1/2023/003** seeking to raise a total of **KES 20.0Bn** for budgetary support.

See below a summary of the offer:

Issue Number	FXD1/2023/003
Tenor	3 years
Redemption Date	11 th May 2026
Coupon (%)	Market Determined
Amount (KES Mn)	20,000.00
Period of Sale	26 th April 2023 to 9 th May 2023
Value Date	15 th May 2023

Source: CBK, NCBA IB Research

Secondary Market

In the secondary bonds market, **total turnover** increased to **KES 12.93Bn** from KES 11.27Bn traded in the previous week.

The S&P Sovereign Bond index was relatively unchanged at **101.08**.

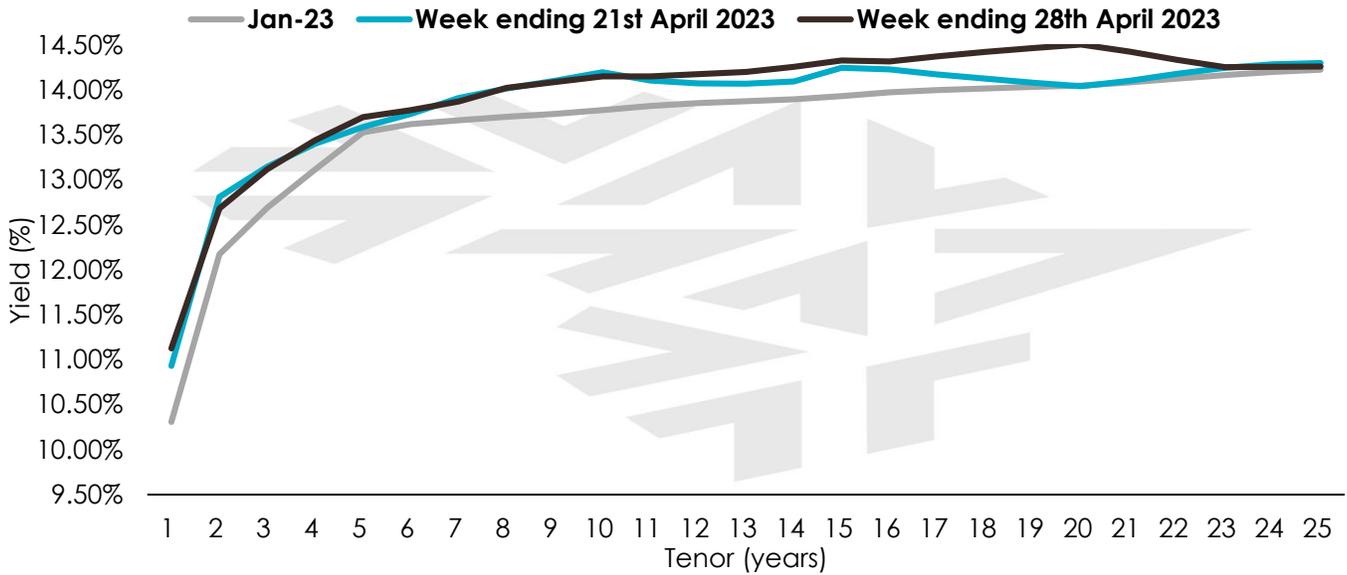
The S&P Kenya Sovereign Bond Index tracks the performance of local currency denominated public government debt and has an inverse relationship to yield curve.

See the top moving bonds below:

Bond Identifier	Years to Maturity	Coupon	Average Yield	Total Value (KES Mn)	Number of Trades
IFB1/2020/11Yr	8.30	10.90%	14.38%	2,309.20	32
FXD2/2018/20Yr	15.23	13.20%	14.74%	1,849.80	20
IFB1/2023/17Yr	16.86	14.40%	13.91%	1,513.15	156
IFB1/2021/18Yr	15.94	12.67%	13.56%	1,472.15	10
IFB1/2018/15Yr	9.73	12.50%	13.29%	1,053.40	17

Source: NSE, NCBAIB Research

Government Securities Yield Curve:

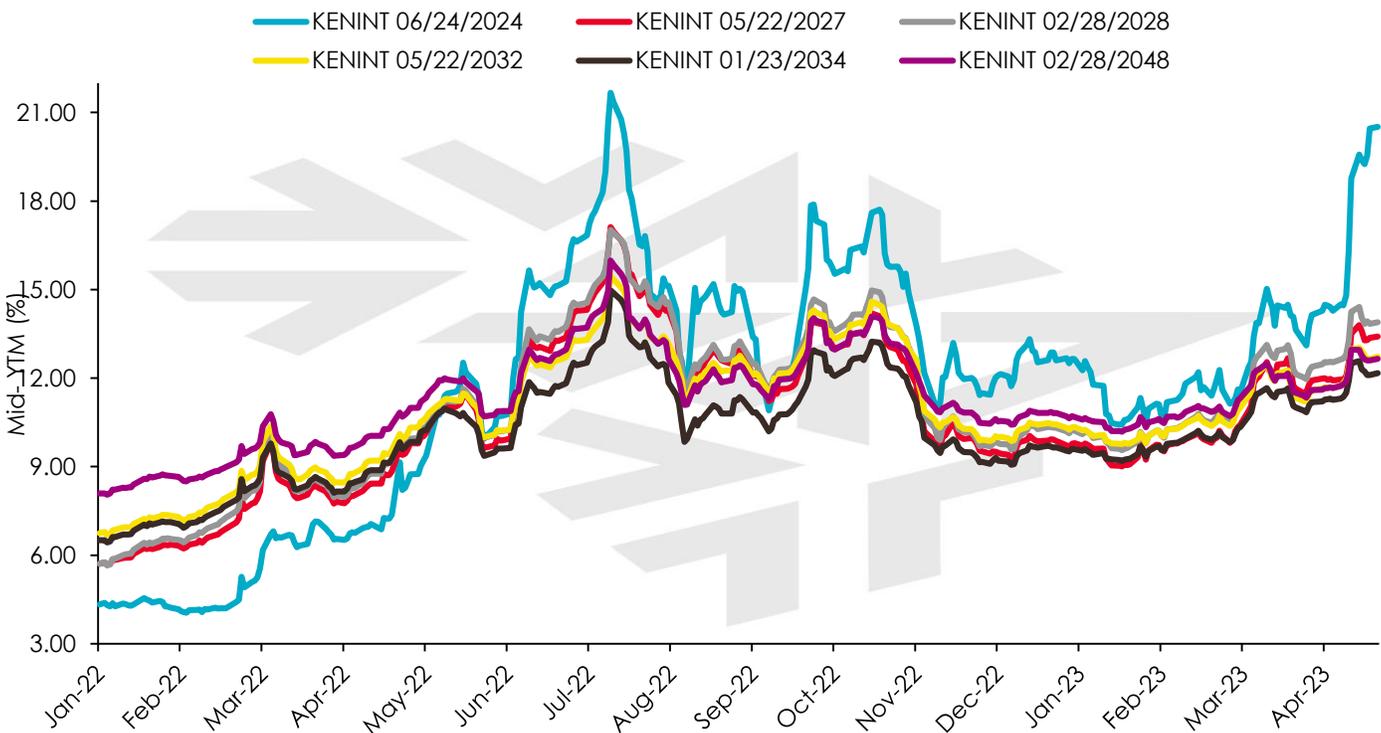


Source: NSE, NCBA IB Research

Kenya International Debt Yield Curves:

Kenyan Eurobonds' yields were on an upward trend – increasing by an average of 6.63 bps week on week.

KENINT 2024, whose principal amounts to **USD 2.0Bn** matures in **June 2024** and is currently trading at **20.52%**.



Source: Bloomberg, NCBA IB Research

Macroeconomic statistics:

Prevailing interest rates	Week 17	Week 16	w/w change (bps)
91 Day	10.275%	10.159%	11.60
182 Day	10.511%	10.477%	3.40
364 Day	11.124%	11.059%	6.50

Statistic	Current	Previous	change (bps)
CBR	9.50%	8.75%	75
Inflation	7.90%	9.20%	(130)
Average Interbank Rate	9.37%	8.81%	55

Currency	Week 17	Week 16	w/w change (%)
US Dollar	135.91	135.19	(0.5%)
STG Pound	169.37	168.28	(0.6%)
EURO	149.72	148.16	(1.0%)
Forex reserves (USD Mn)	6,508.00	6,531.00	(0.4%)

Negative () = Depreciation, Positive = Appreciation

Source: CBK, NCBA IB Research

Kenya Government Debt Maturities Schedule – May 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
FXD2/2019/005	May 8, 2023	1.02	39,201.40	10.87%	2,130.99	11.4279%
FXD1/2020/005	May 8, 2023	2.02	103,609.22	11.67%	6,044.04	12.7492%
FXD2/2019/015	May 8, 2023	11.02	81,644.75	12.73%	5,198.32	13.8739%
FXD1/2021/025	May 8, 2023	23.02	90,490.00	13.92%	6,299.91	14.1770%
FXD1/2021/005	May 15, 2023	3.54	66,075.85	11.28%	3,725.69	13.1358%
FXD1/2011/020	May 15, 2023	8.04	37,029.40	10.00%	1,851.47	13.8658%
FXD1/2022/010	May 15, 2023	9.04	60,705.30	13.49%	4,094.57	13.9400%
FXD1/2012/020	May 15, 2023	9.54	87,285.65	12.00%	5,237.14	14.1125%
IFB1/2016/009	May 15, 2023	2.04	28,035.40	12.50%	1,752.21	12.2671%
IFB1/2022/014	May 15, 2023	13.54	94,258.60	13.94%	6,568.88	13.6138%
IFB1/2018/020	May 15, 2023	15.54	36,787.30	11.95%	2,198.04	13.2000%
FXD4/2019/010	May 22, 2023	6.55	89,972.85	12.28%	5,524.33	13.7155%
FXD1/2018/015	May 22, 2023	10.05	76,351.65	12.65%	4,829.24	13.8150%
IFB1/2017/007	May 22, 2023	1.55	21,262.25	12.50%	1,328.89	12.1300%
IFB1/2020/006	May 29, 2023	3.07	20,226.65	10.20%	1,031.56	12.2600%
Total					57,815.30	

Treasury Bills	
Payment Date	Amount KES 'Mn
May 1, 2023	27,507.95
May 8, 2023	29,612.28
May 15, 2023	47,938.50
May 22, 2023	46,133.31
May 29, 2023	27,763.99
Total	178,956.03

Source: CBK, NCBA IB Research

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