

# The Week in Review | Week 18

## EQUITIES

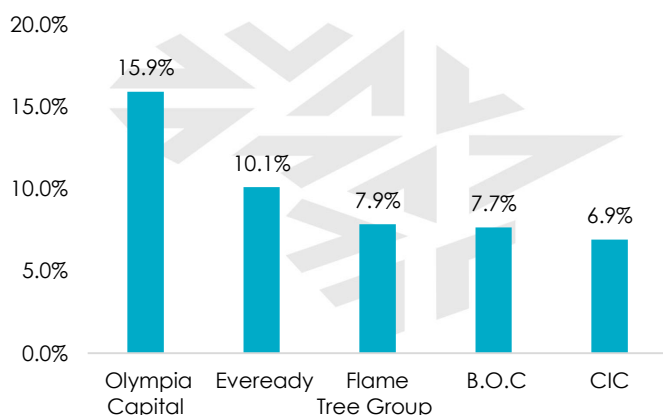
### Local Market Performance

The market was down with NASI closing the week at **103.05**, a **19.1%** decline year to date. Trading activity was concentrated on Safaricom, EABL, Equity, KCB, and I&M accounting for **89.5%** of the total turnover.

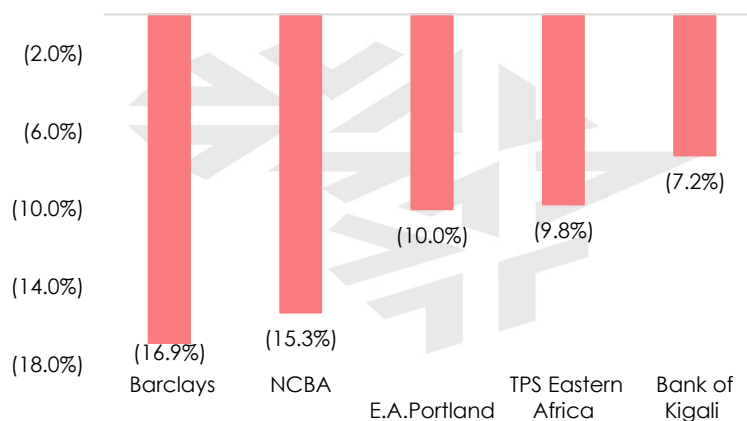
Foreign investors accounted for **55.7%** of the total turnover and they were net sellers withdrawing KES 0.37Bn last week. Foreign investors were mostly active on Safaricom, EABL, I&M, NSE, and Co-op in that order.

Market turnover declined by 13.1% to **KES 0.89Bn** from KES 1.03Bn traded the previous week.

**Top Gainers of the week - Kenya**

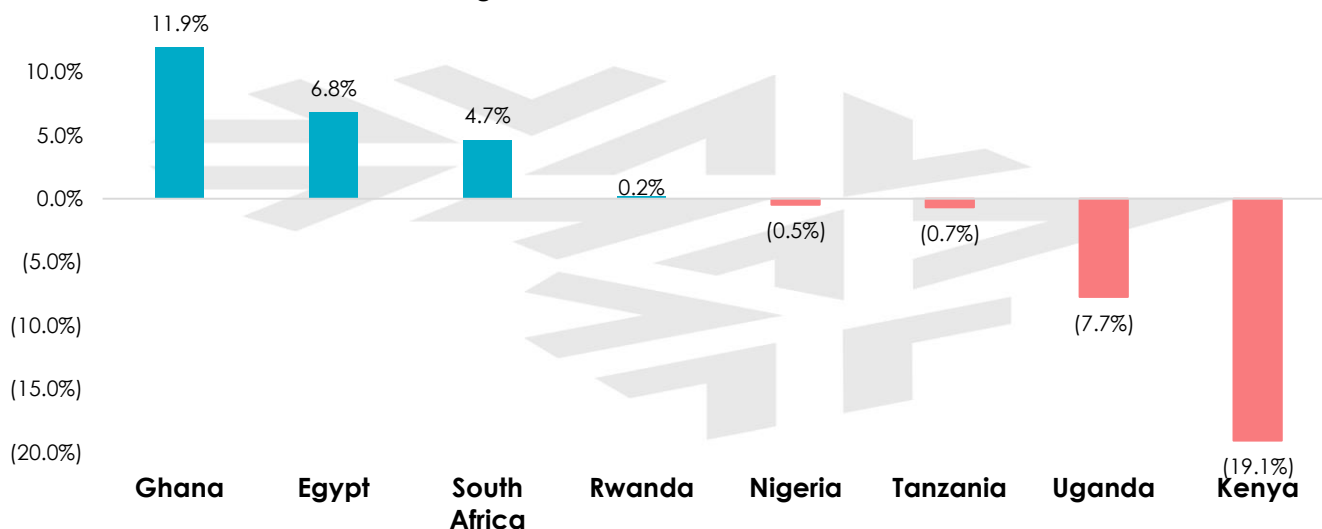


**Top Decliners of the Week - Kenya**


















Source: NCBA IB Research, NSE

**Regional Markets Performance- YTD%**



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
 EQUITY	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 **110.7%** (up from 37.5% the previous week) and an acceptance rate of 96.1%.

Subscription	Amount offered KES Bn	Bids received Week 18	Bids received Week 17	w/w change (%)
91 day	4.00	20.32	6.69	203.9%
182 day	10.00	5.34	0.87	511.8%
364 day	10.00	0.92	1.44	(36.5%)
<b>Total</b>	<b>24.00</b>	<b>26.57</b>	<b>9.00</b>	<b>195.1%</b>

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 <sup>th</sup> May 2026
Coupon (%)	Market Determined
Amount (KES Mn)	20,000.00
Period of Sale	26 <sup>th</sup> April 2023 to 9 <sup>th</sup> May 2023
Value Date	15 <sup>th</sup> May 2023
<b>Bidding guide</b>	<b>14.10% - 14.50%</b>

Source: CBK, NCBA IB Research

### Secondary Market

In the secondary bonds market, **total turnover** increased to **KES 14.94Bn** from KES 12.93Bn traded in the previous week.

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

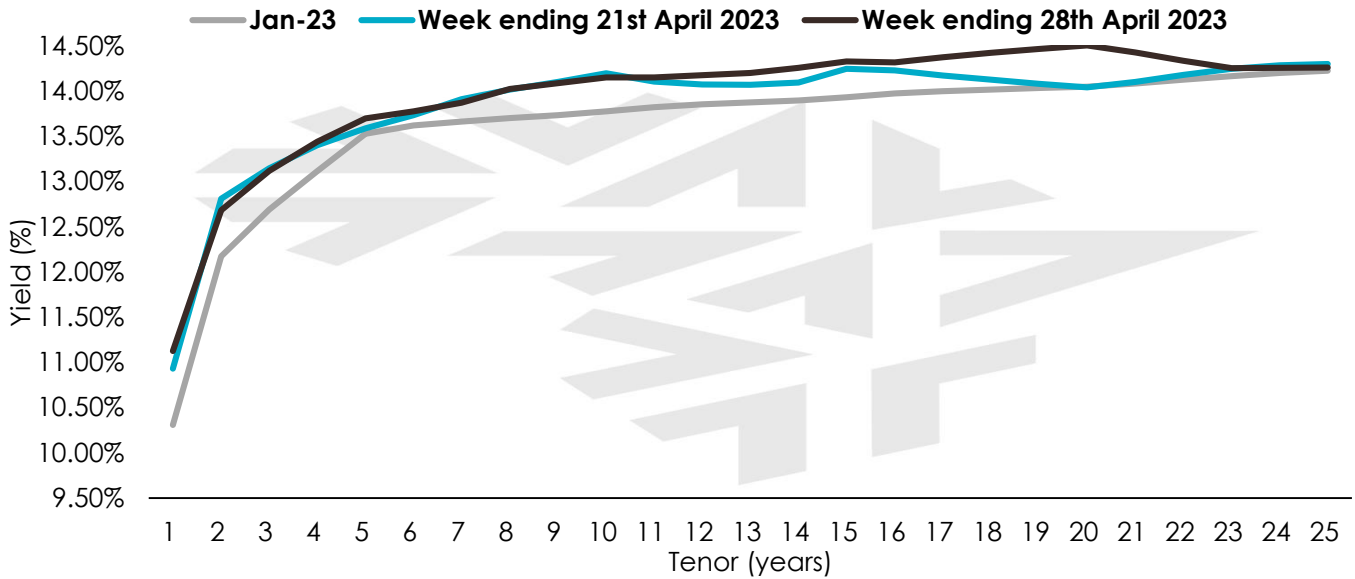
*The S&P Kenya Sovereign Bond Index tracks the performance of local currency denominated public government debt and has an inverse relationship to yield curve.*

See the top moving bonds below:

Bond Identifier	Years to Maturity	Coupon	Average Yield	Total Value (KES Mn)	Number of Trades
FXD3/2019/10Yr	6.28	11.49%	<b>14.36%</b>	<b>6,600.20</b>	22
FXD1/2013/15Yr	4.78	11.25%	<b>14.13%</b>	<b>1,500.10</b>	7
IFB1/2023/17Yr	16.85	14.40%	<b>13.89%</b>	<b>1,374.20</b>	168
IFB1/2020/11Yr	8.30	10.90%	<b>16.18%</b>	<b>1,014.40</b>	11
IFB1/2018/20Yr	15.53	11.95%	<b>14.95%</b>	<b>1,000.00</b>	2

Source: NSE, NCBAIB Research

### Government Securities Yield Curve:

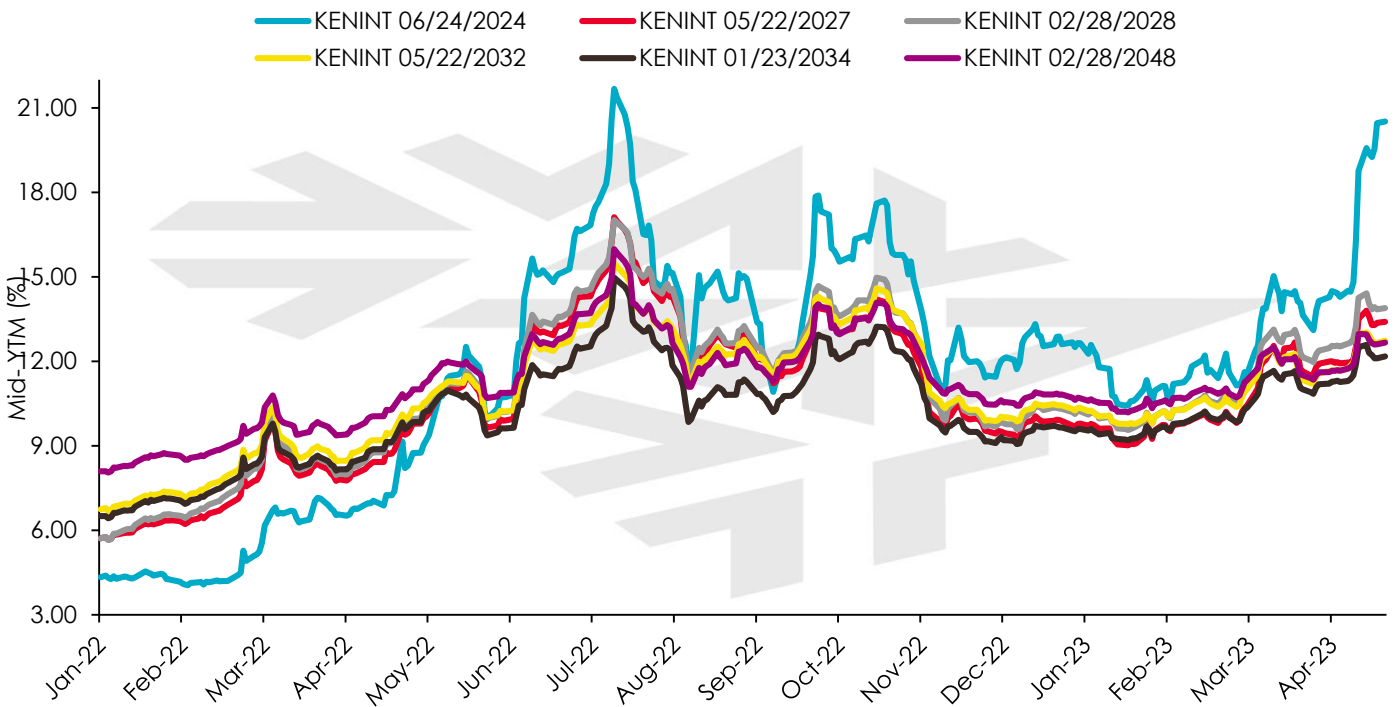


Source: NSE, NCBA IB Research

### 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 **18.99%**.



Source: Bloomberg, NCBA IB Research

**Macroeconomic statistics:**

Prevailing interest rates	Week 18	Week 17	w/w change (bps)
91 Day	10.318%	10.275%	4.30
182 Day	10.678%	10.511%	16.70
364 Day	11.170%	11.124%	4.60

Statistic	Current	Previous	change (bps)
CBR	9.50%	8.75%	75
Inflation	7.90%	9.20%	(130)
Average Interbank Rate	9.73%	9.37%	36

Currency	Week 18	Week 17	w/w change (%)
US Dollar	136.40	135.91	(0.4%)
STG Pound	171.43	169.37	(1.2%)
EURO	150.40	149.72	(0.5%)
Forex reserves (USD Mn)	6,492.00	6,508.00	(0.2%)

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

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
<b>Total</b>	<b>178,956.03</b>

Source: CBK, NCBA IB Research

## About NCBA Investment Bank

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