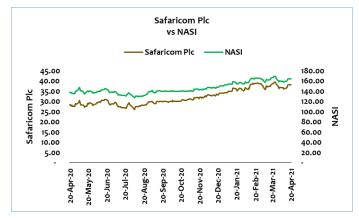
### The season of dividend harvesting

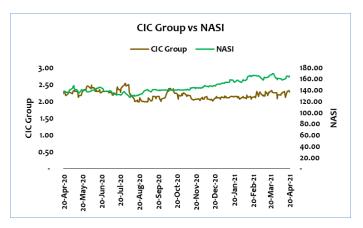
As companies continue to report Fy-2020 results, more company have issued dividend payment compared to same period in 2020. This is a clear indication of positive sentiments company leaders have towards the recovery of the economy.

**Safaricom - BUY - End of Year Rally –** With the close of the financial year having passed on 31<sup>st</sup> March, we expect the company to stick to the tradition of releasing financial results in early May. We expect the teleco to issues a final dividend with a projection a minimum of KES 1.00 per share.

The current price has been sustained by foreigner investors pricing in the expected performance.

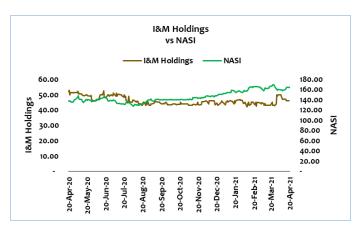


CIC Insurance – Buy – Price Swing – The stock remains return seekers haven with the counter operating on near technical analysis perfection. With the recovery of the economy, the market leader in general insurance and collective investment scheme is expected to see a price gain with the release of Q1-21 insurance industry statistics. We forecast a 7.5% price gain to KES 2.45 from the current KES 2.28. Investors looking for short term returns should aim buying and exiting at price above KES 2.43.



**I&M** - **BUY** – **Bonus Share Price Rise** – The only company to issue a 1:1 bonus share and KES 2.25 per share dividend. We expect the price to rally toward the book closure on the bonus on 10<sup>th</sup> May. The new shares will lead to doubling of available shares from 0.83Bn to 1.65Bn shares leading to easier exit.

The worth of the bonus stock is worth the early entry to await the price surge.

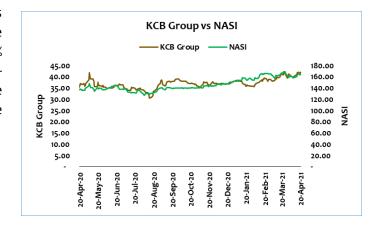


### **Equity Stock Pick**

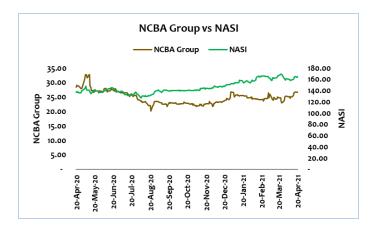
### April 21, 2021

# KINGDOM SECURITIES

KCB Group – SELL - Drive on Book Closure – The counter has gained 4.9% value since release of FY-2020 results and the board proposed a per share dividend of KES 1.00 for a 16.4% payout. Price is expected to ease as the counter goes exdividend upon book closure on Monday April 26<sup>th</sup>, 2021. We advise investors to exit after book closure as we expect the share to retreat towards KES 39.00 – KES 39.50.



NCBA Group – Sell – Dividend or Value – The bank reported full year result as a merged unit. The remains a challenge in synergy gained despite trimming the excess weight. With the counter trading ex-div, we view the counter will recede to the 6-month average price of KES 24.40 which is 8.2% below our valuation price of KES 26.57.



**EXPECTED** 

1,653,621,476

### **Corporate Action**

COUNTER

**I&M Holdings** 

**EVENT** 

BS

DIVIDEND PAYMENT											
COUNTER	EVENT	ANNOUNCEMENT DATE	BOOK CLOSURE	PAYMENT DATE	AMOUNT	EPS	PAYOUT				
Kengen	FF	28-Jan-21	29-Mar-21	22-Jul-21	0.30	2.79	10.8%				
BAT Kenya	FIN	19-Feb-21	16-Apr-21	12-May-21	41.50	55.18	75.2%				
Stanbic Hold	FF	04-Mar-21	21-May-21	STA	3.80	13.13	28.9%				
Co-op Bank	FF	17-Mar-21	13-Apr-21	14-Apr-21	1.00	1.98	50.5%				
KCB Group	FF	17-Mar-21	26-Apr-21	STA	1.00	6.10	16.4%				
Kakuzi Plc	FF	18-Mar-21	31-May-21	30-Jun-21	18.00	31.74	56.7%				
Fahari I-REIT	FF	19-Mar-21	06-Apr-21	30-Apr-21	0.60	0.82	73.2%				
UMEME*	FF	23-Mar-21	25-Jun-21	19-Jul-21	12.20	27.00	45.2%				
Stanchart	FF	25-Mar-21	27-Apr-21	27-May-21	10.50	13.95	75.3%				
NCBA	FF	26-Mar-21	20-Apr-21	09-Jun-21	1.50	2.77	54.2%				
NSE Ltd	FF	26-Mar-21	04-Jun-21	30-Aug-21	0.53	0.65	81.5%				
I&M Holdings	FF	31-Mar-21	10-May-21	21-May-21	2.25	9.77	23.0%				
Total Kenya	FF	06-Apr-21	25-Jun-21	30-Jul-21	1.57	4.03	39.0%				
Jubilee Holdings	FF	16-Apr-21	26-May-21	26-Jul-21	8.00	50.06	16.0%				
			BONUS PA	AYMENT							
COLINTER	EVENT	ANNOUNCEMENT	воок	PAYMENT	ISSUE	ISSUED AND	EVDECTED				

**CLOSURE** 

10-May-21

31-Mar-21

ISSUE

1:1

826,810,738

21-May-21

### **KSL Stock Meter**

21-Apr-2

# KINGDOM SECURITIES

	52 wk high	52 wk low	Vwap (21/04/2021)	Vwap (31/12/2020)	Performance YTD (%)	Trailing EPS	DPS	BVPS	P/E	P/B	Div Viold (%)	Div Payout (%)	ROE	ROA
Eaagads Ltd	15.00	8.24	15.00	12.50	20.0%	-2.18	-	26.34		0.57	Div Held (70)	- Div Fayout (20)	3.36%	3.02%
Kakuzi Plc	397.00	301.00	0.00	365.00	-100.0%	31.74	18.00	266.24	0.00	0.00	#DIV/0!	56.71%	13.67%	11.04%
Kapchorua Tea Kenya Plc Ord 5.00	90.00	66.50	0.00	78.00	-100.0%	2.48	10.00	259.86	0.00	0.00	#DIV/0!	403.23%	-6.18%	-6.18%
The Limuru Tea Co. Plc Sasini Plc	475.00	360.00	0.00	360.00	-100.0%	0.79	0.70	79.49	0.00 260.71	0.00	#DIV/0!	88.61%	-1.92%	-1.74% -2.30%
Williamson Tea Kenya Plc	20.00 147.50	14.85 112.25	18.25 145.00	19.50 130.25	-6.4% 11.3%	0.07 7.59	20.00	49.65 451.14	19.10	0.37	13.79%	263.50%	-2.98% 1.74%	1.74%
Industry Average	147.50	112.25	145.00	150.25	11.570	7.55	20.00	452.24	9.95	0.26	13.7370	203.30%	1.5%	1.3%
			Vwap	Vwap										
AUTOMOBILES & ACCESSORIES	52 wk high			(31/12/2020)	Performance YTD (%)	Trailing EPS	DPS	BVPS	P/E	P/B		Div Payout (%)	ROE	ROA
Car & General (K) Ltd Industry Average	26.00	20.00	0.00	22.00	-100.0%	6.85	0.80	98.23	0.00	0.00	#DIV/0!	11.68%	9.11%	5.81% 5.8%
muusu y Average			Vwap	Vwap					0.00	0.00			5.170	5.6%
BANKING	52 wk high	52 wk low		(31/12/2020)	Performance YTD (%)	Trailing EPS	DPS	BVPS	P/E	P/B	Div Yield (%)	Div Payout (%)	ROE	ROA
ABSA Bank Kenya Plc	11.15	8.62	8.80	9.66	-8.9%	0.69		8.56	12.75	1.03	-	-	8.9%	1.1%
BK Group Plc	25.00	12.15 59.50	0.00	20.50	-100.0%	4.66	-	28.45	0.00	0.00		-	16.9%	3.7% 0.8%
Diamond Trust Bank Kenya Ltd Equity Group Holdings Plc	87.25 42.00	28.10	64.00 39.25	75.00 36.55	-14.7% 7.4%	10.89 5.24		244.33 36.74	5.88 7.49	0.26 1.07		-	4.8% 14.3%	1.9%
HF Group Plc	4.99	3.00	3.87	3.32	16.6%	-4.44		22.26	-	0.17		-	-19.9%	-3.1%
I&M Holdings Plc	52.75	42.10	46.00	45.00	2.2%	9.77	2.25	77.63	4.71	0.59	4.9%	23.0%	12.6%	2.3%
KCB Group Plc	42.05	30.55	42.05	38.10	10.4%	6.10	1.00	44.32	6.89	0.95	2.4%	16.4%	0.0%	0.0%
National Bank of Kenya Ltd NCBA Group Plc	4.12 32.75	4.12 20.20	0.00 26.70	4.12 26.75	-100.0% -0.2%	1.17 2.77	1.50	0.00 44.03	9.64	0.61	5.6%	54.2%	0.0% 6.3%	0.0%
Stanbic Holdings Plc	101.50	73.50	83.00	85.00	-2.4%	13.13	3.80	130.86	6.32	0.63	4.6%	28.9%	10.0%	1.6%
Standard Chartered Bank Kenya Ltd	196.00	133.00	142.25	144.25	-1.4%	13.66	10.50	134.68	10.41	1.06	7.4%	76.9%	10.7%	1.7%
The Co-operative Bank of Kenya Ltd	13.90	10.30	11.65	12.50	-6.8%	2.34	1.00	15.69	4.98	0.74	8.6%	42.7%	11.7%	2.0%
Industry Average									6.78	0.77			8.4%	1.3%
COMMERCIAL AND SERVICES	52 wk high	52 wk low	Vwap (21/04/2021)	Vwap (31/12/2020)	Performance YTD (%)	Trailing EPS	DPS	BVPS	P/E	P/B	Div Yield (%)	Div Payout (%)	ROE	ROA
Deacons (East Africa) Plc	0.45	0.45	0.00	0.45	-100.0%	-6.82		2.67	/ -	0.00	-517-Field (76)		-255.0%	-54.2%
Eveready East Africa Ltd	1.38	0.75	1.10	1.20	-8.3%	-0.33	-	0.20	-	5.64	-	-	-168.4%	-34.3%
Express Kenya Plc	6.00	2.58	0.00	3.61	-100.0%	-1.97	-	-2.87		0.00	-	-	50.9%	-21.7%
Homeboyz Entertainment Plc Kenya Airways Ltd	4.66 3.83	4.66 0.86	0.00	4.66 3.83	-100.0% -100.0%	0.57 -6.22	-	0.63 -11.29	0.00	0.00	-	-	97.6% 56.4%	26.6% -21.1%
Kenya Airways Ltd Longhorn Publishers Plc	5.08	4.06	4.35	3.83 4.88	-100.0% -10.9%	-6.22 0.68		-11.29 2.70	6.40	1.61		-	-30.7%	-21.1% -9.2%
Nairobi Business Ventures Ltd	5.70	0.49	4.41	4.28	3.0%	-3.20	-	0.18	-	24.12		-	-36.5%	-22.9%
Nation Media Group Plc	25.35	9.04	17.00	15.45	10.0%	4.50	1.50	41.78	3.78	0.41	8.8%	33.3%	14.2%	10.0%
Sameer Africa Plc	4.26	2.07	3.53	3.25	8.6%	0.16	-	0.41	22.06	8.57		-	37.9%	4.2%
Standard Group Plc TPS Eastern Africa Ltd	25.30 18.00	18.00 11.75	0.00	22.50 16.00	-100.0% -100.0%	-5.25 0.81	-	17.39 50.31	0.00	0.00		-	-34.1% 1.3%	-11.5% 0.8%
Uchumi Supermarket Plc	0.38	0.21	0.24	0.28	-14.3%	-4.60		-5.75	0.00	-0.04			135.3%	-56.7%
WPP Scangroup Plc	22.10	5.10	5.50	6.00	-8.3%	1.00		19.64	5.50	0.28		-	7.2%	4.2%
Industry Average									(0.27)	-0.27			102.0%	-17.1%
			Vwap	Vwap	n f 1000 (4/)					0.40	B1 10 1140			
CONSTRUCTION & ALLIED  ARM Cement Pic	52 wk high 5,55	52 WK IOW 5.55	(21/04/2021)	(31/12/2020) 5.55	Performance YTD (%) -100.0%	Trailing EPS -6.83	DPS	28.95	P/E	P/B 0.00	Div Yield (%)	Div Payout (%)	-10.1%	-5.5%
Bamburi Cement Ltd	48.50	19.90	38.05	37.85	0.5%	2.89	3.00	93.81	13.17	0.41	7.9%	103.8%	3.3%	2.3%
Crown Paints Kenya Plc	53.00	36.40	40.40	38.00	6.3%	3.14	0.60	18.37	12.87	2.20	1.5%	19.1%	24.3%	5.7%
E.A.Cables Ltd	2.36	1.25	1.35	1.38	-2.2%	-1.92	-	10.10		0.13		-	-22.8%	-7.7%
E.A.Portland Cement Co. Ltd	16.00	7.98	8.00	11.00	-27.3%	-16.35		187.68	-2.45	0.04	-	-	-8.7% -4.1%	-5.4% -2.4%
Average			Vwap	Vwap					-2.45	0.21			-4.176	-2.4%
ENERGY & PETROLEUM	52 wk high	52 wk low	(21/04/2021)	(31/12/2020)	Performance YTD (%)	Trailing EPS	DPS	BVPS	P/E	P/B	Div Yield (%)	Div Payout (%)	ROE	ROA
KenGen Co. Plc	6.04	4.48	4.48	4.71	-4.9%	2.79	0.30	32.04	1.61	0.14	6.7%	10.8%	8.7%	4.5%
Kenya Power & Lighting Co Plc	2.40	1.24	1.48	1.71	-13.5%	0.13		28.81	11.38	0.05			0.5%	0.1%
Total Kenya Ltd Umeme Ltd	27.15 8.56	21.10 6.48	24.40	24.00 7.28	1.7% -100.0%	5.24 0.81	1.57 0.37	153.43 14.19	4.66 0.00	0.16 0.00	6.4% #DIV/0!	30.0% 45.7%	8.9% 16.7%	5.6% 5.5%
Industry Average	8.50	0.40	0.00	7.20	-100.0%	0.01	0.57	14.15	1.76	0.12	#DIV/0:	45.776	7.8%	2.9%
			Vwap	Vwap										
INSURANCE	52 wk high		(21/04/2021)	(31/12/2020)	Performance YTD (%)	Trailing EPS	DPS	BVPS	P/E	P/B	Div Yield (%)	Div Payout (%)	ROE	ROA
Britam Holdings Plc	10.65 2.53	6.02 1.98	6.84 2.28	7.26 2.13	-5.8% 7.0%	1.41 -0.11	0.25	11.64 2.92	4.85	0.59 0.78	3.7%	17.7%	12.1% -3.9%	2.8%
CIC Insurance Group Ltd Jubilee Holdings Ltd	296.00	215.00	288.00	284.00	1.4%	50.06	9.00	490.33	5.75	0.78	3.1%	18.0%	11.5%	2.8%
Kenya Re Insurance Corporation Ltd	2.70	2.00	2.44	2.32	5.2%	2.55	0.10	11.41	0.96	0.21	4.1%	3.9%	12.4%	7.9%
Liberty Kenya Holdings Ltd	10.30	6.80	7.84	7.70	1.8%	1.23	-	14.99	6.37	0.52	-	-	9.2%	1.9%
Sanlam Kenya Plc	16.50	9.58	10.90	12.95	-15.8%	0.81		11.51	13.46	0.95	-	-	-4.7%	-0.2%
			Muse	Muse			Sector PE	11.18361464	3.83	0.50			10.5%	2.8%
INVESTMENT	52 wk high	52 wk low	Vwap (21/04/2021)	Vwap (31/12/2020)	Performance YTD (%)	Trailing EPS	DPS	BVPS	P/E	P/B	Div Yield (%)	Div Payout (%)	ROE	ROA
Centum Investment Co Plc	27.35	15.50	16.05	16.05	0.0%	6.68	1.20	79.08	2.40	0.20	7.5%	18.0%	8.8%	4.5%
Home Afrika Ltd	0.50	0.35	0.40	0.42	-4.8%	-1.54	-	-4.79	-	-0.08	-	-	-45.8%	-20.4%
Kurwitu Ventures Ltd	1500.00	1500.00	0.00	1500.00	-100.0%	-36.00	-	592.46	20.02	0.00	-	-	-8.9% 0.4%	-3.9%
Olympia Capital Holdings Ltd Trans-Century Plc	2.53 2.52	1.92	2.29 1.22	2.20 1.45	4.1% -15.9%	0.11 -7.95		32.09 9.45	20.82	0.07	-	-	-56.1%	0.4% -9.1%
Industry Average	2.32	1.03	1.22	1.43	15.5%			3.43	13.58	0.20			3.2%	1.3%
			Vwap	Vwap										
INVESTMENT SERVICES		52 wk low		(31/12/2020)	Performance YTD (%)	Trailing EPS	DPS	BVPS	P/E			Div Payout (%)	ROE	ROA
Nairobi Securities Exchange Plc Industry Average	9.76	6.58	8.56	8.16	4.9%	0.65	0.53	8.44	13.17 13.17	1.01	6.2%	81.5%	7.4% 7.4%	7.0% 7.0%
maasii y Average			Vwap	Vwap					13.17	1.01			7.4%	7.0%
MANUFACTURING & ALLIED		52 wk low	(21/04/2021)	(31/12/2020)	Performance YTD (%)	Trailing EPS	DPS	BVPS	P/E	P/B		Div Payout (%)	ROE	ROA
B.O.C Kenya Plc	71.00	54.00	0.00	63.00	-100.0%	2.86	2.35	78.03	0.00	0.00	#DIV/0!	82.2%	4.6%	3.2%
British American Tobacco Kenya Plc	499.75	309.50	432.25	361.00	19.7%	55.18	45.00	118.56	7.83	3.65	10.4%	81.6% 50.7%	46.5%	25.4%
Carbacid Investments Plc Fast African Breweries Ltd	12.80 180.00	7.90 148.00	10.90 170.25	12.10 154.25	-9.9% 10.4%	1.38 7.19	0.70 8.50	8.38 17.70	7.90 23.68	1.30 9.62	6.4% 5.0%	50.7% 118.2%	12.4% 50.2%	7.9% 5.8%
Flame Tree Group Holdings Ltd	1.99	0.78	1.39	1.23	13.0%	0.42	-	6.09	3.31	0.23	5.0%	-	6.9%	3.0%
Kenya Orchards Ltd	12.25	10.40	0.00	10.50	-100.0%	0.69	-	1.56	0.00	0.00	-	-	-62.6%	-9.9%
Mumias Sugar Co. Ltd	0.27	0.27	0.00	0.27	-100.0%	-9.90	-	-9.40		0.00	-	-	105.3%	-96.2%
Unga Group Ltd	33.00	27.00	30.20	31.80	-5.0%	0.45		74.09	67.11 -53.59	0.41	-	<u> </u>	1.2% -9.8%	0.5%
Industry Average			Vwap	Vwap					-53.59	8.39			-9.8%	-1.2%
TELECOMMUNICATION & TECHNOLOGY	52 wk high	52 wk low		(31/12/2020)	Performance YTD (%)	Trailing EPS	DPS	BVPS	P/E	P/B	Div Yield (%)	Div Payout (%)	ROE	ROA
Safaricom Plc	39.50	26.15	38.40	34.25	12.1%	1.40	1.86	3.57	27.43	10.75	4.8%	132.9%	43.7%	547.5%
Industry Average									27.43	10.75			43.7%	547.5%
REAL ESTATE INVESTMENT TRUST	52 minhini	52 wk low	Vwap (21/04/2021)	Vwap (31/12/2020)	Performance VTD (94)	Trailing EDS	DDC	DVDC	P/E	D/R	Div Violat (94)	Div Payout (9)	DOE	P.O.A
STANLIB FAHARI I-REIT	52 WK high 8.96	52 WK IOW 5.00	5.98	5.64	Performance YTD (%) 6.0%	Trailing EPS 0.82	0.60	BVPS 20.86	7.29	P/B 0.29	10.0%	Div Payout (%) 73.2%	ROE 3.9%	ROA 3.8%
Industry Average	3.30	3.00	5.56	3.04	5.5%	0.02	3.00	20.00	7.29	0.29	10.070	, 3.2,0	3.5,0	3.573

## KINGDOM SECURITIES

Equity Stock Pick

April 21, 2021

### Research analyst certification:

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#### **Recommendation Guide:**

Analysts' stock ratings are defined as follows:

- Buy A buy rating reflects 1) An analyst has a bullish conviction on a stock 2) A 30% or greater expected return.
- Accumulate An accumulate rating reflects 1) An analyst has a lesser bullish conviction on a stock 2) Expected return falls between 10% and 30%.
- Hold A hold rating reflects 1) An analyst has a neutral conviction (lack of bullish or bearish conviction) on a stock 2) Expected return falls within the range of 5% to 10%.
- **Speculative Buy** A speculative buy rating reflects 1) An analyst has a bullish conviction accompanied by a substantially higher than normal risk 2) Expected return falls above 10%.
- Sell A sell rating reflects 1) An analyst has a bearish conviction on a stock 2) Expected return falls below 5%.

\*Expected Return (ER) represents the sum total of both capital appreciation and the dividend yield.

Kingdom Securities Ltd – A subsidiary of Co-operative Bank Limited.

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