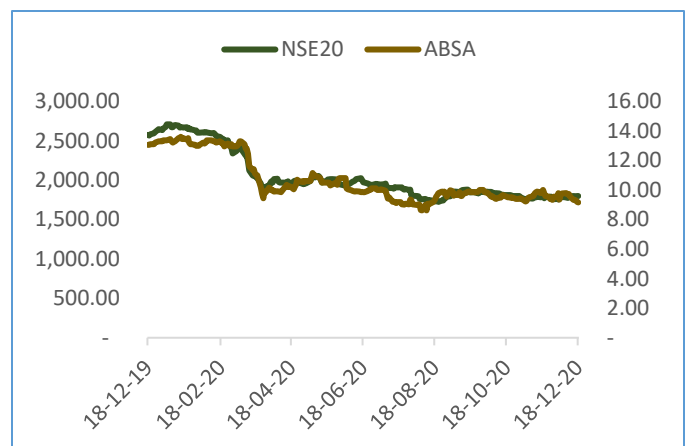
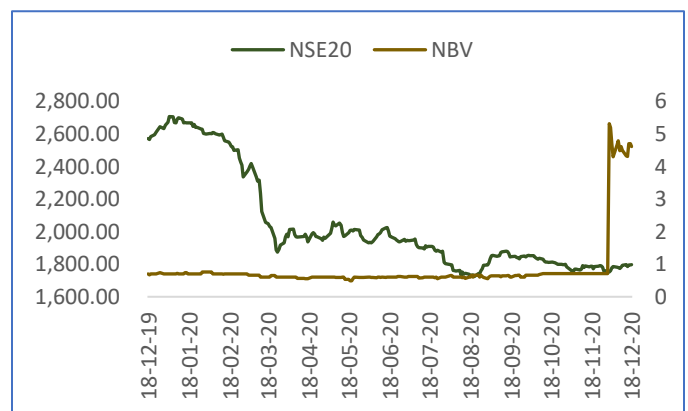
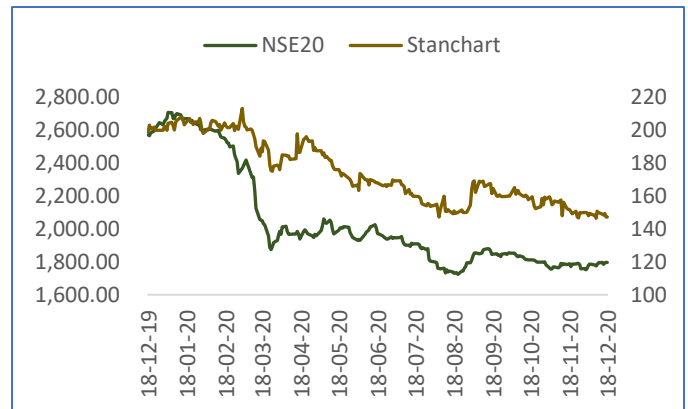


## Equity Stock Picks

**Standard Chartered – Buy** – We hold an entry opinion on the Standard Chartered Bank, currently trading at Kes 147.25, a 27.3% y-t-d value erosion on the stock. The counter has a 6-month average of Kes 155.85, a 5.52% upside potential from the current price hence presenting an opportunity accumulation. With the dividend payout ratio averaging >80%, we recommend investors to eye both the dividend income coupled with an opportunity for capital gains.

**Nairobi Business ventures – Sell** – On resumption to the bourse after suspension due to restructuring, NBV registered a price jump 649.3% to close at Kes 5.32 on Dec 1, 2020. The company signed a sellout deal of Kes 83Mn, which is 84%, to Delta International FZE, a Dubai based firm whose portfolio is trading and manufacturing. With the intention of the NBV to restructure and eventually shift from the leather industry, there's a likelihood of strategic investors exiting, hence a downturn of the stock value. The stock is currently trading at Kes 4.62

**ABSA Bank – Buy** – Currently trading at Kes 9.16, this stock has shed 31.4% on year to date basis. The counter is trading at a discount of 3.75% of its 6-months average hence being an ideal entry point. The company registered a q/q PAT and PBT growth of 112.9% and 226.5% in 3Q2020, a scenario that was boosted by a 51.3% q/q growth of Net Interest Income. The company utilized Kes 1.94Bn in rebranding from Barclays to ABSA Bank, a one-off cost that will not recur.



# KSL Stock Meter

22-Dec-20



	52 wk high	52 wk low	Current Price	Vwap (FY19)	Performance YTD (%)	Trailing EPS	DPS	BVPS	P/E	P/B	Div Yield (%)	Div Payout (%)	ROE	ROA	
<b>Industry Average</b>									13.91	0.61			1.8%	1.4%	
<b>AUTOMOBILES &amp; ACCESSORIES</b>															
<b>Car &amp; General (K) Ltd</b>	26.00	20.00	25.00	26.00	-3.8%	4.27	0.80	89.87	5.85	5.85	0.28	3.20%	18.74%	6.26%	2.22%
<b>Industry Average</b>									5.85	0.28			6.3%	2.2%	
<b>BANKING</b>															
<b>ABSA Bank Kenya Plc</b>	13.60	8.62	9.16	13.35	-31.4%	0.47	1.10	8.32	19.49	1.10	12.01%	234.04%	16.50%	1.99%	
<b>BK Group Plc</b>	28.00	12.15	18.40	28.00	-34.3%	4.54	1.58	28.45	4.05	0.65	8.59%	34.80%	16.90%	3.66%	
<b>Diamond Trust Bank Kenya Ltd</b>	120.25	59.50	67.25	109.00	-38.3%	20.44	2.70	230.74	3.29	0.29	4.01%	13.21%	10.52%	1.76%	
<b>Equity Group Holdings Plc</b>	55.00	28.10	34.55	53.50	-35.4%	5.27	-	29.62	6.56	1.17	-	-	20.03%	3.32%	
<b>HF Group Plc</b>	7.34	3.63	3.24	6.46	-49.8%	-0.29	-	26.63	-	0.12	-	-	-1.08%	-0.20%	
<b>I&amp;M Holdings Plc</b>	58.25	43.00	45.20	54.00	-16.3%	12.47	2.55	73.61	3.62	0.61	5.64%	20.45%	17.69%	3.42%	
<b>KCB Group Plc</b>	55.00	30.55	36.80	54.00	-31.9%	8.34	3.50	40.37	4.41	0.91	9.51%	41.97%	19.40%	2.80%	
<b>National Bank of Kenya Ltd</b>	4.12	4.12	4.12	4.12	0.0%	1.17	-	-	-	-	-	-	0.00%	0.00%	
<b>NCBA Group Plc</b>	39.45	20.20	23.50	36.85	-36.2%	8.69	0.25	40.82	2.70	0.58	1.06%	2.88%	11.66%	1.58%	
<b>Stanbic Holdings Plc</b>	118.50	73.50	82.00	109.25	-24.9%	16.14	7.05	124.04	5.08	0.66	8.60%	43.68%	12.86%	2.08%	
<b>Standard Chartered Bank Kenya Ltd</b>	217.00	147.25	147.25	202.50	-27.3%	14.67	20.00	126.40	10.04	1.16	13.58%	136.33%	17.25%	2.73%	
<b>The Co-operative Bank of Kenya Ltd</b>	16.55	10.30	11.70	16.35	-28.4%	1.67	1.00	13.52	7.01	0.87	8.55%	59.88%	18.04%	3.13%	
<b>Industry Average</b>									5.39	0.82			16.4%	2.59%	
<b>COMMERCIAL AND SERVICES</b>															
<b>Deacons (East Africa) Plc</b>	0.45	0.45	0.45	0.45	0.0%	-6.82	-	2.67	-	0.17	-	-	-254.96%	-54.19%	
<b>Eveready East Africa Ltd</b>	1.21	0.75	1.20	1.10	9.1%	-1.45	-	2.08	-	0.58	-	-	-26.59%	-36.12%	
<b>Express Kenya Plc</b>	7.34	3.78	2.83	6.84	-58.6%	-1.97	-	-2.87	-	-0.99	-	-	50.92%	-21.71%	
<b>Kenya Airways Ltd</b>	3.83	0.86	3.83	2.05	86.8%	-2.23	-	-0.44	-	-8.73	-	-	303.17%	-5.53%	
<b>Longhorn Publishers Plc</b>	7.50	4.35	4.80	6.76	-29.0%	0.68	-	2.70	7.06	1.78	-	-	-30.74%	-9.22%	
<b>Nairobi Business Ventures Ltd</b>	0.90	0.49	4.62	0.70	560.0%	-3.20	-	0.18	-	25.27	-	-	-36.50%	-22.86%	
<b>Nation Media Group Plc</b>	43.00	9.04	15.50	39.80	-61.1%	4.50	1.50	37.98	3.44	0.41	9.68%	33.33%	14.19%	9.98%	
<b>Sameer Africa Plc</b>	4.30	2.00	2.73	3.45	-20.9%	-3.82	-	4.06	-	0.67	-	-	-46.86%	-20.45%	
<b>Standard Group Plc</b>	31.00	18.00	22.80	27.55	-17.2%	-5.25	-	17.39	-	1.31	-	-	-34.06%	-11.54%	
<b>TFS Eastern Africa Ltd</b>	18.60	11.50	15.60	17.55	-11.1%	0.81	-	50.31	19.26	0.31	-	-	1.30%	0.79%	
<b>Uchumi Supermarket Plc</b>	0.38	0.25	0.29	0.29	0.0%	-4.60	-	-5.75	-	-0.05	-	-	135.25%	-56.71%	
<b>WPP Ssangroup Plc</b>	22.10	6.14	6.02	17.20	-65.0%	1.00	-	19.64	6.02	0.31	-	-	7.21%	4.24%	
<b>Industry Average</b>									(2.19)	1.49			-43.5%	-5.6%	
<b>CONSTRUCTION &amp; ALLIED</b>															
<b>ARM Cement Plc</b>	5.55	5.55	5.55	5.55	0.0%	-6.83	-	28.95	-	0.19	-	-	-10.08%	-5.48%	
<b>Bamburi Cement Ltd</b>	97.50	19.90	35.00	80.00	-56.3%	1.74	-	79.08	20.11	0.44	-	-	1.25%	0.97%	
<b>Crown Paints Kenya Plc</b>	72.00	41.85	37.00	62.50	-40.8%	3.14	0.60	18.37	11.78	2.01	1.62%	19.11%	24.27%	5.75%	
<b>E.A.Cables Ltd</b>	3.00	1.43	1.35	2.50	-46.0%	-1.92	-	10.10	-	0.13	-	-	-22.79%	-7.72%	
<b>E.A.Portland Cement Co. Ltd</b>	16.70	12.60	10.25	14.50	-29.3%	-16.35	-	187.68	-	0.05	-	-	-8.71%	-5.38%	
<b>Average</b>									-2.86	0.28			-5.4%	-3.3%	
<b>ENERGY &amp; PETROLEUM</b>															
<b>KenGen Co Plc</b>	6.10	4.14	4.52	5.72	-21.0%	1.20	-	29.56	3.77	0.15	-	-	4.04%	1.96%	
<b>Kenya Power &amp; Lighting Co Plc</b>	3.38	1.69	1.54	2.81	-45.2%	0.13	-	28.81	11.85	0.05	-	-	0.47%	0.08%	
<b>Total Kenya Ltd</b>	29.85	21.10	23.40	27.50	-14.9%	3.67	1.30	129.47	6.38	0.18	5.56%	35.42%	10.20%	5.89%	
<b>Umeme Ltd</b>	8.56	6.00	7.04	8.28	-15.0%	2.36	1.13	14.19	2.98	0.50	16.05%	47.88%	16.69%	5.47%	
<b>Industry Average</b>									3.82	0.16			4.8%	1.7%	
<b>INSURANCE</b>															
<b>Britam Holdings Plc</b>	10.65	6.00	7.02	9.00	-22.0%	1.41	0.25	11.64	4.98	0.60	3.56%	17.73%	12.06%	2.83%	
<b>CIC Insurance Group Ltd</b>	3.30	1.98	2.05	2.68	-23.5%	0.12	-	3.00	17.08	0.68	-	-	4.10%	0.91%	
<b>Jubilee Holdings Ltd</b>	360.25	215.00	285.00	351.00	-18.8%	49.07	9.00	160.96	5.81	1.77	3.16%	18.34%	15.94%	1.89%	
<b>Kenya Re Insurance Corporation Ltd</b>	3.26	2.00	2.25	3.03	-25.7%	2.55	0.10	11.41	0.88	0.20	4.44%	3.92%	12.41%	7.88%	
<b>Liberty Kenya Holdings Ltd</b>	10.75	6.88	7.36	10.35	-28.9%	1.31	-	14.99	5.62	0.49	-	-	9.22%	1.94%	
<b>Sanlam Kenya Plc</b>	18.70	12.00	11.80	17.20	-31.4%	0.79	-	12.05	14.94	0.98	-	-	6.59%	0.39%	
<b>Industry Average</b>									11.183613	3.62	0.61		11.6%	2.8%	
<b>INVESTMENT</b>															
<b>Centum Investment Co Plc</b>	30.95	18.05	15.50	29.50	-47.5%	6.68	1.20	79.08	2.32	0.20	7.74%	17.96%	8.79%	4.54%	
<b>Home Afrika Ltd</b>	0.64	0.31	0.42	0.60	-30.0%	-1.54	-	-4.79	-	-0.09	-	-	-45.79%	-20.44%	
<b>Kurwitu Ventures Ltd</b>	1500.00	1500.00	1500.00	1500.00	0.0%	-36.00	-	592.46	-	2.53	-	-	-8.90%	-3.90%	
<b>Olympia Capital Holdings Ltd</b>	2.70	1.98	2.02	2.01	0.5%	0.11	-	32.09	18.36	0.06	-	-	0.45%	0.35%	
<b>Trans-Century Plc</b>	3.20	1.48	1.23	2.50	-50.8%	-7.95	-	9.45	-	0.13	-	-	-56.07%	-9.11%	
<b>Industry Average</b>									13.33	0.20			3.2%	1.3%	
<b>INVESTMENT SERVICES</b>															
<b>Nairobi Securities Exchange Plc</b>	12.60	6.58	7.92	12.35	-35.9%	0.30	0.08	8.04	26.40	0.99	1.01%	26.67%	3.84%	3.61%	
<b>Industry Average</b>									26.40	0.99			3.8%	3.6%	
<b>MANUFACTURING &amp; ALLIED</b>															
<b>B.O.C Kenya Plc</b>	72.00	54.00	57.50	58.00	-9.9%	2.86	2.35	78.03	20.10	0.74	4.09%	82.17%	4.57%	3.24%	
<b>British American Tobacco Kenya Plc</b>	545.00	309.50	390.00	500.00	-22.0%	38.85	33.50	97.15	10.04	4.01	8.59%	86.23%	39.99%	36.36%	
<b>Carbacid Investments Plc</b>	9.26	7.52	11.50	8.00	43.8%	1.38	0.70	8.38	8.33	1.37	6.09%	50.72%	12.39%	7.93%	
<b>East African Breweries Ltd</b>	221.75	135.25	150.25	198.50	-24.3%	5.17	8.50	17.70	29.06	8.49	5.66%	164.41%	50.17%	5.84%	
<b>Flame Tree Group Holdings Ltd</b>	2.72	0.78	1.25	2.47	-49.4%	0.26	-	4.57	4.81	0.27	-	-	4.16%	1.84%	
<b>Kenya Orchards Ltd</b>	12.60	11.05	10.50	12.50	-16.0%	0.69	-	1.88	15.22	5.57	-	-	36.65%	7.76%	
<b>Mumias Sugar Co. Ltd</b>	0.27	0.27	0.27	0.27	0.0%	-9.90	-	-9.40	-	-0.03	-	-	105.26%	-96.22%	
<b>Unga Group Ltd</b>	35.70	26.10	31.00	34.00	-8.8%	0.45	-	74.09	68.89	0.42	-	-	1.18%	0.55%	
<b>Industry Average</b>									-24.71	8.49			-19.5%	-2.3%	
<b>TELECOMMUNICATION &amp; TECHNOLOGY</b>															
<b>Safaricom Plc</b>	32.90	24.35	33.55	31.50	6.5%	1.35	1.40	3.60	24.85	9.31	4.17%	103.70%	43.29%	32.47%	
<b>Industry Average</b>									24.85	9.31			43.3%	32.5%	
<b>REAL ESTATE INVESTMENT TRUST</b>															
<b>STANLIB FAHARI I-REIT</b>	9.80	5.00	5.58	9.42	-40.8%	0.97	0.75	20.58	5.75	0.27	13.44%	77.32%	5.20%	5.02%	
<b>Industry Average</b>									5.75	0.27					

# KINGDOM SECURITIES

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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.**

**Co-operative Bank House- 5th Floor, P.O Box 48231 - 00100 Nairobi, Kenya**

**Office: 0711049540/0711049956**

**Email: [kingdomresearch@co-opbank.co.ke/](mailto:kingdomresearch@co-opbank.co.ke)**

## Research Department

Willis Nalwenge

[wnalwenge@co-opbank.co.ke](mailto:wnalwenge@co-opbank.co.ke)

Fred Mwireri

[fmwireri@co-opbank.co.ke](mailto:fmwireri@co-opbank.co.ke)

## Equities Trading

Justus Ogalo

[jogalo@co-opbank.co.ke](mailto:jogalo@co-opbank.co.ke)

Andrew Karanja

[amkaranja@co-opbank.co.ke](mailto:amkaranja@co-opbank.co.ke)