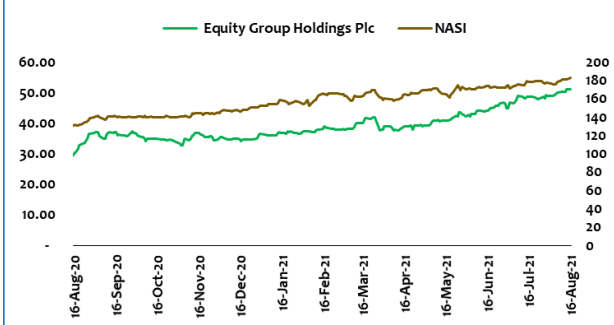


KINGDOM SECURITIES

WEEKLY STOCK PICKS & STOCKMETER

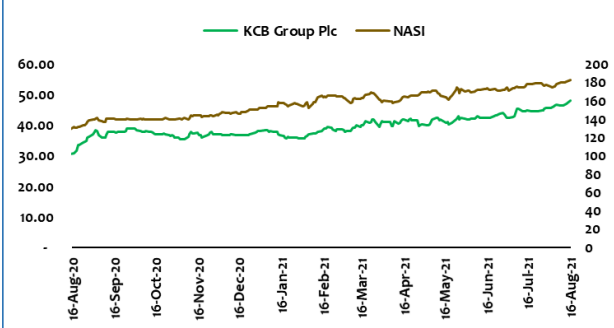
Equity Vs NASI



Equity Group – Long-Term Buy: The counter remained edging higher touching Kes. 51.00 mark for the first time since February 2020, signaling the return to pre-covid-19 prices. The counter has gained 40.7% YTD and 14.0% mid-year to date. On 17th August, the group announced a 97.8% Y/Y growth in its profit after tax (PAT) from Kes. 9.07Bn in H1-2020 to Kes. 19.74Bn in H1-2021. Its assets grew by 50.0% Y/Y to Kes. 1,119.74Bn. The counter did not recommend an interim dividend H1-2021.

It's in line with this that we recommend an entry on the counter to gain on both capital gains and the expected dividend payment for FY-2021, considering that they did not recommend dividend payment FY-2020.

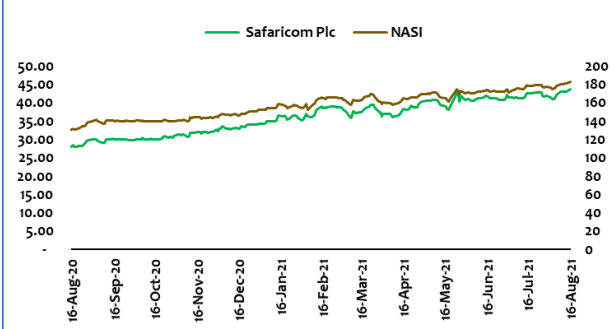
KCB Vs NASI



KCB Group – Long-Term Buy: Currently trading at Kes. 47.25 having gained 22.8% YTD. The group issued a dividend of Kes. 1.00 per share for FY-2020. As at the close of Q1-2021, the counter recorded 1.9% growth in PBT to Kes. 6.38Bn. With the reopened economy, we expect the H1-2021 to improve compared to that of H1-2020.

We therefore anticipate for a price surge on the counter to pre-covid-19 levels of above Kes. 50.00 and advise an entry at the current price.

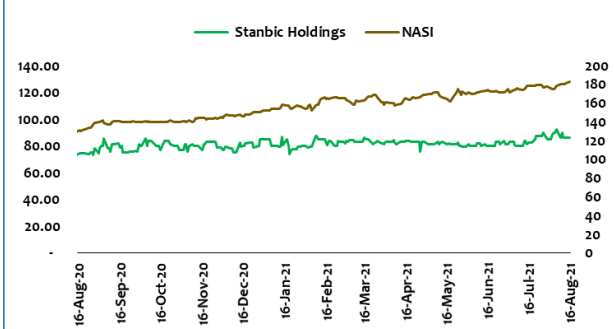
Safaricom Vs NASI



Safaricom -Long-Term Buy: The telecommunications counter resumed on an upward trajectory three days after book closure on 30th July with its dividend payment set for 31st August.

The counter remains lucrative for both long-term and short-term investors following the expected returns from the ongoing business establishment in Ethiopia. Return of M-pesa charges is expected to boost the counter's revenue which will further push the counter's value higher. We therefore retain a buy on the counter.

STANBIC HOLDINGS Vs NASI



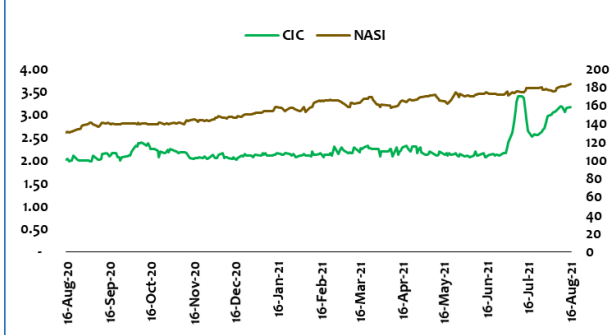
Stanbic Holdings – Long-Term Buy: The bank posted a 15.7% growth in profit before tax (PBT) to Kes. 4.67Bn. The lender's topline of revenue remained on an upward trend gaining 3.3% Q/Q and 2.1% Y/Y to close at Kes. 9.78Bn. Its share has gained 1.2% ytd, 5.8% in the last 3 months and 3.9% M/M to close at Kes. 86.00.

We recommend an entry on the counter at Kes. 86.00 with our valuation standing at Kes. 92.50, an upside of 6.4% from its current price. We fathom a price surge as the banking industry outlook remains positive as it emerges from covid-19 effects.

August 17, 2021

KINGDOM SECURITIES

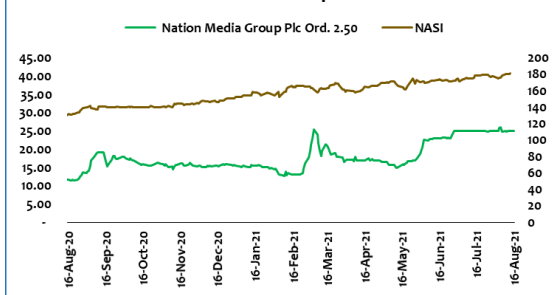
CIC Insurance Vs NASI



CIC Insurance Group – Sell: The insurance group’s current price is Kes. 3.15, having gained 49.3% YTD and 45.8% half year to date, being propelled by the H1-2021 financial results. The firm did not recommend a dividend payment for H1-2021.

Following our advice on a BUY earlier in June, we advise our short-term clientele on a SELL to gain on capital gains on the current price.

Ntion Media Group Vs NASI



Nation Media Group - Sell: The media group’s share buyback program remains in force till before 24th September or before when a 10.0%, a 20.74Mn share acquisition is achieved.

We retain our SELL recommendation at Kes. 25.00 per share for those who would like to exit.

Ongoing Corporate Action List

DIVIDEND PAYMENT							
COUNTER	EVENT	ANNOUNCEMENT DATE	BOOK CLOSURE	PAYMENT DATE	AMOUNT	EPS	PAYOUT
Williamson Tea		30-Jun-21	21-Jul-21	TBA	10.00	8.31	
Kapchora	F&F	30-Jun-21	21-Jul-21	TBA	10.00	0.90	
NSE Ltd	F&F	26-Mar-21	4-Jun-21	30-Aug-21	0.53	0.65	81.5%
Safaricom	F	13-May-21	30-Jul-21	31-Aug-21	0.92	1.71	53.8%
BAT	I	22-Jul-21	12-Aug-21	12-Aug-21	3.50	55.18	6.3%
Centum	F	27-Jul-21	TBA	TBA	0.33	0.93	35.5%
Kenya Re	F&F	2-Jun-21	30-Jun-21	13-Aug-21	0.20	1.00	20.0%
Stanbic	I	13-Aug-21	6-Sep-21	27-Sep-21	1.70	13.13	12.9%

F - Final, F&F - First and Final, I - Interim

KINGDOM SECURITIES

Equity Stock Picks
KSL Stock Meter
August 17, 2021

	52 wk high		Vwap		Performance YTD (%)	Trailing EPS	DPS	BVPS	P/E	P/B	Div Yield (%)	Div Payout (%)	ROE	ROA
			(12/07/2021)	(31/12/2020)										
FAAGADS LTD	15.00	10.00	0.00	12.50	-100.0%	0.05	-	26.34	0.00	0.00	-	-	3.36%	3.02%
KAKUZI PLC	415.00	351.00	8.00	365.00	-97.8%	31.74	18.00	266.24	0.25	0.03	225.00%	56.71%	13.67%	11.04%
KAPCHORUA TEA KENYA PLC ORD 5.00	98.25	71.00	82.25	78.00	5.4%	0.90	10.00	259.86	91.39	0.32	12.16%	1111.11%	-6.18%	-6.18%
THE LIMURU TEA CO. PLC	400.00	263.00	0.00	360.00	-100.0%	0.79	0.70	80.84	0.00	0.00	#DIV/0!	88.61%	0.98%	0.71%
SASINI PLC	20.00	16.50	19.70	19.50	1.0%	0.07	0.50	49.65	281.43	0.40	2.54%	714.29%	-2.98%	-2.30%
WILLIAMSON TEA KENYA PLC	152.25	119.75	131.00	130.25	0.6%	-8.31	10.00	451.14	-	0.29	7.63%	-	1.74%	1.74%
Industry Average									15.08	0.28			1.5%	1.3%
AUTOMOBILES & ACCESSORIES														
Car & General (K) Ltd	35.40	20.00	34.50	22.00	56.8%	6.85	0.80	98.23	5.04	0.35	2.32%	11.68%	9.11%	5.81%
Industry Average									5.04	0.35			9.1%	5.8%
BANKING														
ABSA Bank Kenya Plc	10.25	8.62	9.80	9.66	1.4%	0.69	-	8.56	14.20	1.14	-	-	8.9%	1.1%
BK Group Plc	38.55	12.15	38.55	20.50	88.0%	4.66	-	28.45	8.27	1.35	-	-	16.9%	3.7%
Diamond Trust Bank Kenya Ltd	77.50	58.00	64.25	75.00	-14.3%	10.89	-	244.33	5.90	0.26	-	-	4.8%	0.8%
Equity Group Holdings Plc	51.00	28.10	51.00	36.55	39.5%	5.24	-	36.74	9.73	1.39	-	-	14.3%	1.9%
HF Group Plc	4.99	3.00	4.00	3.32	20.5%	-4.44	-	26.63	-	0.15	-	-	-1.1%	-0.2%
I&M Holdings Plc	50.00	21.10	22.95	45.00	-49.0%	9.77	2.25	36.81	2.35	0.62	9.8%	23.0%	17.7%	3.4%
KCB Group Plc	48.10	30.55	48.10	38.10	26.2%	6.10	1.00	44.32	7.89	1.09	2.1%	16.4%	0.0%	0.0%
National Bank of Kenya Ltd	4.12	4.12	0.00	4.12	-100.0%	1.17	-	0.00	-	-	-	-	0.0%	0.0%
NCBA Group Plc	26.80	20.20	25.30	26.75	-5.4%	2.77	1.50	44.03	9.13	0.57	5.9%	54.2%	6.3%	0.9%
Stanbic Holdings Plc	92.50	73.50	0.00	85.00	-100.0%	13.13	3.80	130.86	0.00	0.00	#DIV/0!	28.9%	10.0%	1.6%
Standard Chartered Bank Kenya Ltd	169.25	127.75	131.00	144.25	-9.2%	13.66	10.50	134.68	9.59	0.97	8.0%	76.9%	10.7%	1.7%
The Co-operative Bank of Kenya Ltd	13.90	10.50	13.80	12.50	10.4%	2.34	1.00	15.69	5.90	0.88	7.2%	42.7%	11.7%	2.0%
Industry Average									6.65	0.87			9.0%	1.4%
COMMERCIAL AND SERVICES														
Deacons (East Africa) Plc	0.45	0.45	0.00	0.45	-100.0%	-6.82	-	2.67	-	0.00	-	-	-255.0%	-54.2%
Eveready East Africa Ltd	1.38	0.87	0.95	1.20	-20.8%	-0.33	-	2.08	-	0.46	-	-	-26.6%	-36.1%
Express Kenya Plc	4.84	2.58	4.14	3.61	14.7%	-1.97	-	-2.87	-	-1.44	-	-	50.9%	-21.7%
Homeboyz Entertainment Plc	4.66	4.66	0.00	4.66	-100.0%	-0.51	-	0.46	-	0.00	-	-	-77.5%	-24.3%
Kenya Airways Ltd	3.83	3.83	0.00	3.83	-100.0%	-6.22	-	-0.44	-	0.00	-	-	303.2%	-5.5%
Longhorn Publishers Plc	4.90	3.97	4.00	4.88	-18.0%	0.68	-	2.70	5.88	1.48	-	-	-30.7%	-9.2%
Nairobi Business Ventures Ltd	12.80	0.55	5.50	4.28	28.5%	-3.20	-	0.18	-	30.08	-	-	-36.5%	-22.9%
Nation Media Group Plc	26.10	10.95	25.00	15.45	61.8%	0.20	-	37.98	125.00	0.66	-	-	14.2%	10.0%
Sameer Africa Plc	4.04	2.61	0.00	3.25	-100.0%	0.16	-	4.06	0.00	0.00	-	-	-46.9%	-20.5%
Standard Group Plc	25.30	15.00	0.00	22.50	-100.0%	-3.79	-	13.70	-	0.00	-	-	26.9%	7.4%
TPS Eastern Africa Ltd	18.00	13.65	14.90	16.00	-6.9%	-6.32	-	50.31	-	0.30	-	-	1.3%	0.8%
Uchumi Supermarket Plc	0.35	0.21	0.23	0.28	-17.9%	-4.60	-	-5.75	-	-0.04	-	-	135.3%	-56.7%
WPP Scangroup Plc	8.54	4.35	4.35	6.00	-27.5%	1.00	-	19.64	4.35	0.22	-	-	7.2%	4.2%
Industry Average									(0.36)	0.58			-40.9%	-5.2%
CONSTRUCTION & ALLIED														
ARM Cement Plc	5.55	0.00	0.00	5.55	-100.0%	-6.83	-	28.95	-	0.00	-	-	-10.1%	-5.5%
Bamburi Cement Ltd	46.35	19.90	38.15	37.85	0.8%	2.89	3.00	83.49	13.20	0.46	7.9%	103.8%	3.7%	3.1%
Crown Paints Kenya Plc	49.00	19.65	25.60	38.00	-32.6%	8.42	-	9.18	3.04	2.79	-	-	24.3%	5.7%
E.A.Cables Ltd	1.93	1.18	1.45	1.38	5.1%	-1.92	-	10.10	-	0.14	-	-	-22.8%	-7.7%
E.A.Portland Cement Co. Ltd	16.00	7.20	0.00	11.00	-100.0%	-16.35	-	187.68	-	0.00	-	-	-8.7%	-5.4%
Average									-2.85	0.23			-4.3%	-2.7%
ENERGY & PETROLEUM														
KenGen Co. Plc	5.92	3.91	4.17	4.71	-11.5%	2.79	0.30	32.04	1.49	0.13	7.2%	10.8%	8.7%	4.5%
Kenya Power & Lighting Co Plc	1.91	1.24	1.40	1.71	-18.1%	0.13	-	28.81	10.77	0.05	-	-	0.5%	0.1%
Total Kenya Ltd	26.30	21.10	24.95	24.00	4.0%	5.24	1.57	129.47	4.76	0.19	6.3%	30.0%	10.2%	5.9%
Umeme Ltd	7.50	0.00	6.86	7.28	-5.8%	0.81	0.37	14.19	8.47	0.48	5.4%	45.7%	16.7%	5.5%
Industry Average									2.19	0.15			7.9%	2.9%
INSURANCE														
Britam Holdings Plc	8.30	6.72	8.22	7.26	13.2%	-3.62	-	6.76	-	1.22	-	-	53.4%	7.3%
CIC Insurance Group Ltd	3.39	1.98	3.16	2.13	48.4%	-0.11	-	3.00	-	1.05	-	-	4.1%	0.9%
Jubilee Holdings Ltd	390.00	215.50	0.00	284.00	-100.0%	50.06	9.00	490.33	0.00	0.00	#DIV/0!	18.0%	11.5%	2.8%
Kenya Re Insurance Corporation Ltd	2.70	2.01	2.51	2.32	8.2%	2.55	0.10	11.41	0.98	0.22	4.0%	3.9%	12.4%	7.9%
Liberty Kenya Holdings Ltd	10.30	6.70	9.24	7.70	20.0%	1.23	-	14.99	7.51	0.62	-	-	9.2%	1.9%
Sanlam Kenya Plc	14.00	9.16	11.50	12.95	-11.2%	0.81	-	12.05	14.20	0.95	-	-	6.6%	0.4%
Sector PE									11.18361464	20.11	0.42		18.0%	4.3%
INVESTMENT														
Centum Investment Co Plc	23.00	14.50	15.55	16.05	-3.1%	-0.93	0.33	79.08	-	0.20	2.1%	-	8.8%	4.5%
Home Afrika Ltd	0.46	0.35	0.37	0.42	-11.9%	-0.60	-	-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	-	0.00	-	-	-8.9%	-3.9%
Olympia Capital Holdings Ltd	2.53	1.80	2.00	2.20	-9.1%	-0.14	-	32.09	-	0.06	-	-	0.4%	0.4%
Trans-Century Plc	1.81	1.03	1.31	1.45	-9.7%	-7.95	-	9.45	-	0.14	-	-	-56.1%	-9.1%
Industry Average									-2.87	0.20			3.2%	1.3%
INVESTMENT SERVICES														
Nairobi Securities Exchange Plc	9.38	6.58	8.82	8.16	8.1%	0.65	0.53	8.04	13.57	1.10	6.0%	81.5%	3.8%	3.6%
Industry Average									13.57	1.10			3.8%	3.6%
MANUFACTURING & ALLIED														
B.O.C Kenya Plc	75.25	0.00	67.75	63.00	7.5%	5.21	4.15	78.03	13.00	0.87	6.1%	79.7%	4.6%	3.2%
British American Tobacco Kenya Plc	499.75	318.75	456.00	361.00	26.3%	55.18	45.00	118.56	8.26	3.85	9.9%	81.6%	46.5%	25.4%
Carbacid Investments Plc	12.85	7.98	12.45	12.10	2.9%	1.38	0.70	8.38	9.02	1.49	5.6%	50.7%	12.4%	7.9%
East African Breweries Ltd	193.75	148.25	177.00	154.25	14.7%	5.51	-	17.70	32.12	10.00	-	-	50.2%	5.8%
Flame Tree Group Holdings Ltd	1.49	1.16	1.32	1.23	7.3%	0.42	-	4.57	3.14	0.29	-	-	4.2%	1.8%
Kenya Orchards Ltd	12.25	10.40	0.00	10.50	-100.0%	0.69	-	1.88	0.00	0.00	-	-	36.7%	7.8%
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	26.10	0.00	31.80	-100.0%	0.45	-	74.09	0.00	0.00	-	-	1.2%	0.5%
Industry Average									-40.48	0.00			-10.0%	-1.2%
TELECOMMUNICATION & TECHNOLOGY														
Safaricom Plc	43.60	27.70	43.60	34.25	27.3%	1.71	1.37	3.57	25.50	12.21	3.1%	80.1%	51.5%	34.5%
Industry Average									25.50	12.21			51.5%	34.5%
REAL ESTATE INVESTMENT TRUST														
STANLIB FAHARI I-REIT	7.16	5.00	6.96	5.64	23.4%	0.82	0.60	20.86	8.49	0.33	8.6%			

KINGDOM SECURITIES

Research analyst certification:

The research analyst(s) primarily responsible for the preparation and content of all or any identified portion of this research report hereby certifies that all of the views expressed herein accurately reflect their personal views. Each research analyst(s) also certify that no part of their compensation was, is, or will be, directly or indirectly, related to the view(s) expressed by that research analyst in this research report.

Terms of use – Disclaimer:

This research report has been prepared by Kingdom Securities Limited and is for information purposes only. This research fareport should not be construed as an offer or solicitation to sell or buy any investment or product. Any opinions expressed herein reflect the analyst's judgment at the date of publication and neither Kingdom Securities Limited, nor any of its affiliates or employees accepts any responsibility in respect of the information or recommendations contained herein. Unless otherwise stated, the opinions contained in this material are as of the date indicated and are subject to change at any time without prior notice. Past performance is not a guarantee or indication of future results.

The information and opinions contained in this Material have been derived from sources believed to be reliable and in good faith or constitute Kingdom Securities' judgement as at the date of this research but no warranty is made as to their accuracy and any opinions are subject to change and may be superseded without notice. In no circumstances will Kingdom Securities or its employees be liable to you for any errors or omissions in this report or for any losses you may incur in following any recommendations in the report. Kingdom Securities is a Subsidiary of Co-operative Bank of Kenya.

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. Co-operative Bank House- 5th Floor,

P.O Box 48231 - 00100 Nairobi, Kenya

Office: 0711049540/0711049956

Email: kingdomresearch@co-opbank.co.ke

Research Department

Willis Nalwenge

wnalenge@co-opbank.co.ke

Shadrack Manyinsa

smanyinsa@co-opbank.co.ke

Equities Dealing

Justus Ogalo

jogalo@co-opbank.co.ke

Andrew Karanja

amkaranja@co-opbank.co.ke