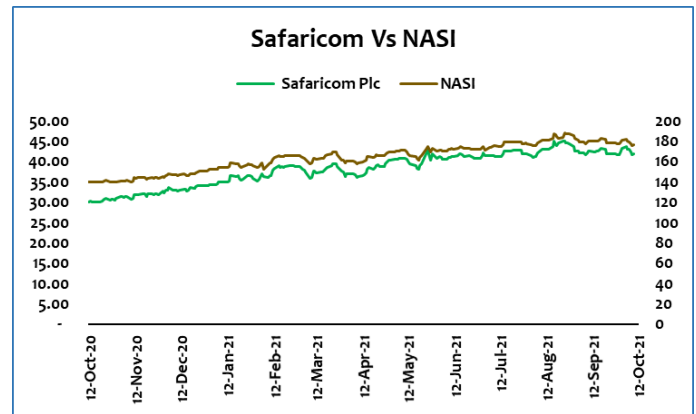


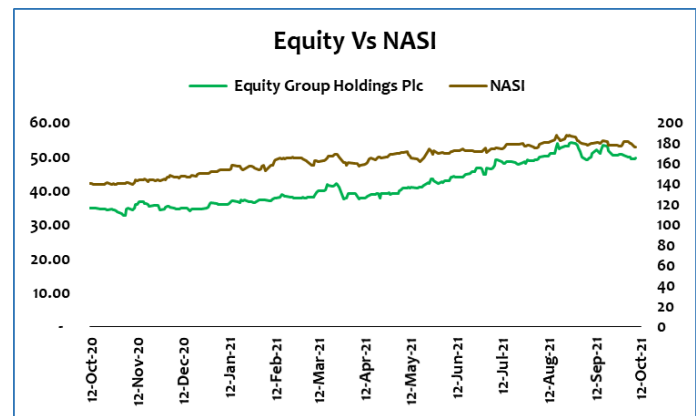
SAFARICOM - Long-Term Buy: Currently trading at Kes. 41.85, having gained 22.2% YTD and 1.0% mid-year to date. The counter hit a high of Kes. 44.95 in late August. The counter has lost 1.5% M/M paving way to a good entry for investors yet to invest in the telecon.

With the return of M-pesa charges we expect the H1-2021 financial to perform better as it contributes over 30% of its total income. We expect the counter to issue a final dividend of Kes. 2.50. Long-term gains from the Ethiopian market remains key on its long-term revenue. It's in line with this that we retain our Long-term Buy recommendation on the counter.



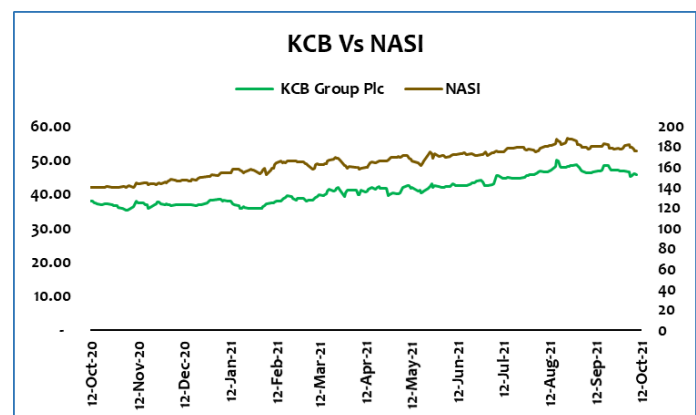
EQUITY GROUP - Long-Term Buy: The counter has gained 36.6% YTD, 10.6% Mid-year to date while shedding 0.7% M/M to the current price of Kes. 49.50. The last 3- and 6-months average price for the counter stands at Kes. 50.49 and Kes. 46.44 respectively. The lender recorded a high of Kes.54.25 and a low of Kes. 32.75 in the last one year.

The group shed 9.9% from its highest price in August on the “no interim dividend” payment for the H1-financials. In the FY-2021 financials we expect the counter issue a dividend of Kes. 2.50 based on the projected impressive results signaled by the H1-2021 performance.

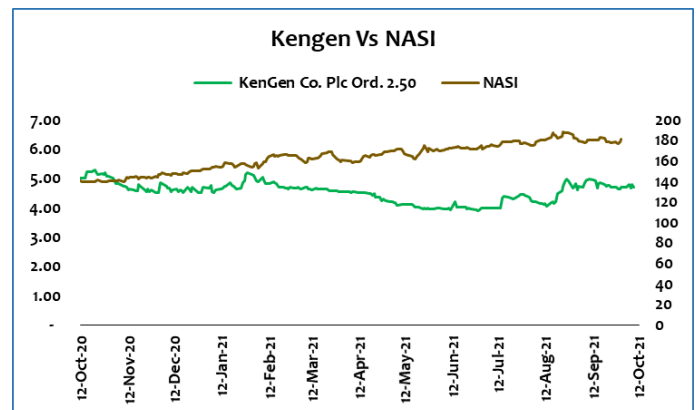


KCB – Long-Term Buy: The Kenyan asset market leader remains lucrative for investment especially for long-term investors, having gained 20.1% YTD and 8.1% from mid-year to date. In the last 3 and 6-months, the lender's average price stands at Kes.46.63 and Kes. 44.38 respectively.

With the re-opened economy and from the impressive H1-2021 performance, we fathom a better Q3-2021 performance and the overall performance for FY-2021, and therefore retain our Long-term Buy recommendation.



KENGEN – SELL: Currently trading at Kes. 4.70 having gained 19.3% in the last three months. Following our May and June recommendations on buying, we advise a SELL on the counter to those who bought by accumulated by then. With an average return of between 15% and 19.3%, we maintain a sell on the counter.



Ongoing Corporate Action List

COUNTER	EVENT	ANNOUNCEMENT DATE	BOOK CLOSURE	PAYMENT DATE	AMOUNT	DIVIDEND PAYMENT	
						EPS	PAYOUT
Williamson Tea	F&F	30-Jun-21	21-Jul-21	TBA	10.00	8.31	120.3%
Kapchora	F&F	30-Jun-21	21-Jul-21	TBA	10.00	0.90	1111.1%
Centum	F	27-Jul-21	8-Oct-21	TBA	0.33	0.93	35.5%
BOC	I	26-Aug-21	26-Sep-21	18-Oct-21	1.50	5.21	28.8%
NCBA	I	30-Aug-21	28-Sep-21	12-Oct-21	0.75	2.77	27.1%
JUB	I	30-Aug-21	10-Sep-21	11-Oct-21	1.00	50.06	2.0%

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

	52 wk high	52 wk low	Vwap (12/10/2021)	Vwap (31/12/2020)	Performance YTD (%)	Trailing EPS	DPS	BVPS	P/E	P/B	Div Yield (%)	Div Payout (%)	ROE	ROA
EAAGADS LTD	15.00	10.50	12.00	12.50	-4.0%	0.05	-	31.40	240.00	0.38	-	-	17.61%	15.93%
Kakuzi Plc	415.00	351.00	8.00	365.00	-97.8%	31.74	18.00	259.37	0.25	0.03	225.00%	56.71%	12.24%	9.36%
Kapchorua Tea Kenya Plc Ord 5.00	98.25	71.00	89.00	78.00	14.1%	0.90	10.00	189.96	98.89	0.47	11.24%	1111.11%	0.48%	0.34%
The Limuru Tea Co. Plc	400.00	263.00	0.00	360.00	-100.0%	0.79	0.70	79.18	0.00	0.00	#DIV/0!	88.61%	-0.63%	-0.58%
Sasini Plc	20.75	16.50	19.85	19.50	1.8%	0.07	0.50	57.76	283.57	0.34	2.52%	714.29%	-2.56%	-2.21%
Williamson Tea Kenya Plc	152.25	128.00	135.00	130.25	3.6%	-8.31	10.00	340.32	-	0.40	7.41%	-	-2.45%	-1.82%
Industry Average										16.16	0.30		1.2%	1.0%
AUTOMOBILES & ACCESSORIES														
Car & General (K) Ltd	36.00	20.00	0.00	22.00	-100.0%	6.85	0.80	111.95	0.00	0.00	#DIV/0!		12.70%	8.59%
Industry Average									0.00	0.00			12.7%	8.6%
BANKING														
ABSA Bank Kenya Plc	11.00	8.62	10.15	9.66	5.1%	0.69	-	10.21	14.71	0.99	-	-	16.5%	2.4%
BK Group Plc	40.00	12.50	0.00	20.50	-100.0%	4.66	-	28.45	0.00	0.00	-	-	16.9%	3.7%
Diamond Trust Bank Kenya Ltd	77.50	58.00	60.25	75.00	-19.7%	10.89	-	262.23	5.53	0.23	-	-	5.5%	0.9%
Equity Group Holdings Plc	54.25	32.75	49.50	36.55	35.4%	5.24	-	45.14	9.45	1.10	-	-	17.0%	2.1%
HF Group Plc	4.99	3.00	3.70	3.32	11.4%	-4.44	-	17.79	-	0.21	-	-	-20.6%	-2.7%
I&M Holdings Plc	50.00	21.10	21.55	45.00	-52.1%	9.77	2.25	43.14	2.21	0.50	10.4%	23.0%	13.3%	2.4%
KCB Group Plc	49.90	35.40	45.80	38.10	20.2%	6.10	1.00	50.79	7.51	0.90	2.2%	16.4%	16.7%	2.6%
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	28.15	21.70	25.05	26.75	-6.4%	2.77	1.50	46.67	9.04	0.54	6.0%	54.2%	8.6%	1.2%
Stanbic Holdings Plc	95.25	74.00	0.00	85.00	-100.0%	13.13	3.80	141.40	0.00	0.00	#DIV/0!	28.9%	11.0%	2.1%
Standard Chartered Bank Kenya Ltd	161.50	127.75	129.00	144.25	-10.6%	13.66	10.50	134.64	9.44	0.96	8.1%	76.9%	13.9%	2.1%
The Co-operative Bank of Kenya Ltd	13.95	11.15	13.10	12.50	4.8%	2.34	1.00	17.59	5.60	0.74	7.6%	42.7%	10.6%	1.8%
Industry Average									6.44	0.72			13.2%	2.0%
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	1.05	1.20	-12.5%	-0.33	-	0.20	-	5.38	-	-	-284.0%	-36.1%
Express Kenya Plc	4.61	2.58	0.00	3.61	-100.0%	-1.97	-	-2.87	-	0.00	-	-	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	-	-13.00	-	0.00	-	-	15.6%	-7.5%
Longhorn Publishers Plc	4.90	3.96	3.99	4.88	-18.2%	0.68	-	2.16	5.87	1.84	-	-	-86.4%	-20.7%
Nairobi Business Ventures Ltd	12.80	0.68	6.32	4.28	47.7%	-3.20	-	0.30	-	20.89	-	-	22.1%	18.5%
Nation Media Group Plc	26.10	12.65	22.45	15.45	45.3%	0.20	-	39.03	112.25	0.58	-	-	8.8%	8.3%
Sameer Africa Plc	3.88	2.61	3.14	3.25	-3.4%	0.16	-	1.38	19.63	2.28	-	-	67.0%	21.3%
Standard Group Plc	25.30	15.00	0.00	22.50	-100.0%	-3.79	-	13.00	-	0.00	-	-	-5.3%	-1.4%
TPS Eastern Africa Ltd	18.00	13.65	0.00	16.00	-100.0%	-6.32	-	39.35	-	0.00	-	-	-15.7%	-8.2%
Uchumi Supermarket Plc	0.31	0.21	0.24	0.28	-14.3%	-4.60	-	-5.75	-	-0.04	-	-	135.3%	-56.7%
WPP Scangroup Plc	7.28	3.57	4.95	6.00	-17.5%	1.00	-	12.19	4.95	0.41	-	-	-32.9%	-19.8%
Industry Average									(0.31)	-0.24			33.6%	-8.9%
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	22.80	36.30	37.85	-4.1%	2.89	3.00	93.81	12.56	0.39	8.3%	103.8%	3.5%	2.4%
Crown Paints Kenya Plc	42.80	19.65	30.00	38.00	-21.1%	8.42	-	17.22	3.56	1.74	-	-	28.0%	10.3%
E.A.Cables Ltd	1.60	1.18	1.52	1.38	10.1%	-1.92	-	10.10	-	0.15	-	-	-22.8%	-7.7%
E.A.Portland Cement Co. Ltd	16.00	7.20	8.20	11.00	-25.5%	-16.35	-	187.68	-	0.04	-	-	-8.7%	-5.4%
Average									-2.96	0.22			-3.6%	-2.1%
ENERGY & PETROLEUM														
KenGen Co. Plc	5.28	3.91	4.70	4.71	-0.2%	2.79	0.30	32.04	1.68	0.15	6.4%	10.8%	8.7%	4.5%
Kenya Power & Lighting Co Plc	1.84	1.24	1.77	1.71	3.5%	0.13	-	28.81	13.62	0.06	-	-	0.5%	0.1%
Total Kenya Ltd	26.30	21.85	24.65	24.00	2.7%	5.24	1.57	129.47	4.70	0.19	6.4%	30.0%	10.2%	5.9%
Umeme Ltd	7.50	0.00	6.80	7.28	-6.6%	0.81	0.37	14.19	8.40	0.48	5.4%	45.7%	16.7%	5.5%
Industry Average									2.38	0.16			7.9%	2.9%
INSURANCE														
Britam Holdings Plc	8.38	6.72	7.64	7.26	5.2%	-3.62	-	6.76	-	1.13	-	-	53.4%	7.3%
CIC Insurance Group Ltd	3.39	2.01	2.81	2.13	31.9%	-0.11	-	3.00	-	0.94	-	-	4.1%	0.9%
Jubilee Holdings Ltd	390.00	261.75	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	2.50	2.32	7.8%	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	0.00	7.70	-100.0%	1.23	-	14.99	0.00	0.00	-	-	9.2%	1.9%
Sanlam Kenya Plc	14.00	9.16	12.00	12.95	-7.3%	0.81	-	12.05	14.81	1.00	-	-	6.6%	0.4%
Sector PE								11.18361464	16.68	0.35			18.0%	4.3%
INVESTMENT														
Centum Investment Co Plc	18.70	14.50	17.20	16.05	7.2%	-0.93	0.33	79.08	-	0.22	1.9%	-	8.8%	4.5%
Home Afrika Ltd	0.45	0.35	0.40	0.42	-4.8%	-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	2.50	1.80	0.00	2.20	-100.0%	-0.14	-	32.09	-	0.00	-	-	0.4%	0.4%
Trans-Century Plc	1.67	1.03	1.40	1.45	-3.4%	-7.95	-	9.45	-	0.15	-	-	-56.1%	-9.1%
Industry Average									-3.15	0.22			3.2%	1.3%
INVESTMENT SERVICES														
Nairobi Securities Exchange Plc	10.15	7.40	9.30	8.16	14.0%	0.65	0.53	8.04	14.31	1.16	5.7%	81.5%	3.8%	3.6%
Industry Average									14.31	1.16			3.8%	3.6%
MANUFACTURING & ALLIED														
B.O.C Kenya Plc	75.25	0.00	70.00	63.00	11.1%	5.21	4.15	78.03	13.44	0.90	5.9%	79.7%	4.6%	3.2%
British American Tobacco Kenya Plc	499.75	335.50	445.00	361.00	23.3%	55.18	45.00	118.56	8.06	3.75	10.1%	81.6%	46.5%	25.4%
Carbacid Investments Plc	12.85	8.00	11.80	12.10	-2.5%	1.38	0.70	8.38	8.55	1.41	5.9%	50.7%	12.4%	7.9%
East African Breweries Ltd	193.75	148.25	164.75	154.25	6.8%	5.51	-	17.70	29.90	9.31	-	-	50.2%	5.8%
Flame Tree Group Holdings Ltd	1.49	1.16	1.35	1.23	9.8%	0.42	-	4.57	3.21	0.30	-	-	4.2%	1.8%
Kenya Orchards Ltd	11.05	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	33.15	26.10	30.00	31.80	-5.7%	0.45	-	74.09	66.67	0.40	-	-	1.2%	0.5%
Industry Average									-38.65	8.42			-10.0%	-1.2%
TELECOMMUNICATION & TECHNOLOGY														
Safaricom Plc	44.95	30.05	41.85	34.25	22.2%	1.71	1.37	3.57	24.47	11.72	3.3%	80.1%	51.5%	34.5%
Industry Average									24.47	11.72			51.5%	34.5%
REAL ESTATE INVESTMENT TRUST														
STANLIB FAHARI I-REIT	7.20	5.24	6.50	5.64	15.2%	0.82	0.60	20.86	7.93	0.31	9.2%	73.2%	3.9%	3.8%
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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.

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