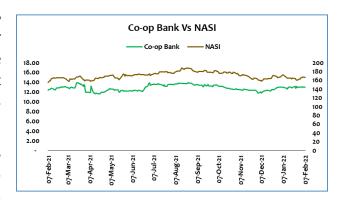
## **Equity Stock Picks**

8<sup>™</sup> February 2022

## WEEKLY STOCK PICKS SELECTION – FEBRUARY 8<sup>TH</sup> 2022

**Co-op Bank Group - Long-Term Buy:** Currently trading at KES 12.95, having gained 4.4% in the last 3 months, the counter remains on a recovery mode to the pre-covid levels of above Kes. 15.00. The group saw a 21.6% growth on its top line, interest income in Q3-2021, signaling of a better performance on its expected its FY-2021.

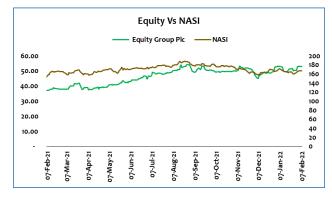
Counting on the counter's fundamental of rewarding its shareholders, we anticipate a dividend payment of at least KES 1.10 which is expected to drive its share price further up. This represents a dividend yield of 8.5% on the current counter's price. To gain on both dividend and the anticipated price recovery, we recommend an entry on the counter at the current price of KES 12.95.



**Equity Group - Long-Term Buy:** As the counter strengthens its muscles regionally, we foresee the counter to nearly double its profits before tax (PBT) in FY-2021 compared to that of FY-2020.

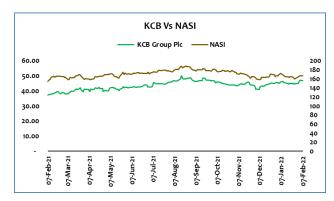
The lender's price jumped 47.2% to the current price f KES 53.00 after recording a high of KES 54.24 and a low of KES 36.00 in 2021. The counter has maintained a rising momentum on its regional penetration, acquisitions, and the recent approval to venture the insurance industry.

In line with this and as we fathom the lender to revert to the precovid levels of dividend issue of at least Kes. 2.50, we retain our BUY recommendation.



KCB Group - Long-Term Buy: The group recorded a high of KES 55.00 in 2020 and Kes. 49.90 in 2021 on recovery efforts from the ravages of covid-19. On betterment to the pre-covid levels, the lender has gained 23.0% Y/Y to the current price of KES 46.75.

On signs of superior returns, the lender issued a Q3-2021 interim dividend of KES 1.00 after it recorded a 131.1% growth in profits after tax (PAT) from KES 10.89Bn to KES 25.17Bn. In the awaited FY-2021 financials we expect the counter to issue a final dividend of KES 2.00 to rally its price to the pre-covid levels of above KES. 50.00 and therefore retain our BUY recommendation.



## **Equity Stock Picks**

8<sup>Th</sup> February 2022

Absa - Long-Term Buy: Currently trading at KES 11.40, the lender has gained 21.3% Y/Y from that of KES 9.18 in Feb 2021. Its last 3-, 6- and 12-months average stood at KES 11.28, KES 10.80, and KES 10.06 respectively.

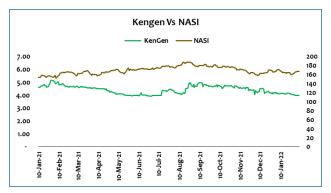
The bank recorded a 249.9% growth in Q3-2021 PBT from KES 3.39Bn to KES 11. 86Bn.With the performance, we fathom a return to KES 1.00 dividend per share in the awaited FY-2021 results.



**Kengen - Short-Term Buy:** Currently trading at KES 3.99, the counter has shed 11.7% Y/Y and 13.4% in the last three months, paving way to a good entry for short-term investors.

The largest wind power producer in East Africa remains optimistic on price recovery on its competitiveness on international standard of operation and skewness to green energy.

Our target price is KES 4.45, an upside of 11.5% from the current price of Kes. 3.99.



**Ongoing Corporate Action List** 

DIVIDEND PAYMENT											
COUNTER	EVENT	ANNOUNCEMENT DATE	BOOK CLOSURE	PAYMENT DATE	AMOUNT	EPS	PAYOUT				
EABL	1	27-Jan-22	28-Feb-22	27-Apr-22	3.75	8.45	44.4%				
Kengen	F&F	1-Nov-21	16-Dec-21	10-Feb-22	0.30	0.18	166.7%				
Car General	F&F	6-Jan-22	25-Feb-22	24-Mar-22	3.20	22.30	14.3%				
Sasin	F	11-Jan-22	22-Feb-22	15-Mar-22	0.50	2.49	20.1%				

	F -Final, F&F	- First and Final, SD - S	be Advised								
BONUS PAYMENT											
COUNTER	EVENT	ANNOUNCEMENT	воок	PAYMENT	ISSUED	ISSUED AND	SHARES				
		DATE	CLOSURE	DATE		PAID					
Car General	<b>Bonus Share</b>	06-01-22	24-03-22	08-04-22	1:1	40,103,308	80,206,616				

## **KSL Stock Meter**

	52 wk high	52 wk low	Vwap (07/2/2022)	Vwap (31/12/2021)	Performance YTD (%)	Trailing EPS	DPS	BVPS	P/E	P/B	Div Yield (%)	Div Payout (%)	ROE	ROA
aagads Ltd	52 WK high 15.00	10.50	13.50	13.50	Performance YID (%) 0.0%	0.05	DPS -	31.40	270.00	P/B 0.43	Div Yield (%) L	Div Payout (%)	17.61%	15.93°
akuzi Plc	423.50	351.00	8.00	385.00	-97.9%	31.74	18.00	259.37	0.25	0.03	225.00%	56.71%	12.24%	9.36
apchorua Tea Kenya Plc Ord 5.00	101.00	78.00	92.00	95.50	-3.7%	0.90	10.00	189.96	102.22	0.48	10.87%	1111.11%	0.48%	0.34
ne Limuru Tea Co. Plc	360.00	263.00	320.00	320.00	0.0%	0.79	0.70	79.18	405.06	4.04	0.22%	88.61%	-0.63%	-0.58
asini Plc	22.40	16.55	21.00	18.70	12.3%	2.49	0.50	57.76	8.43	0.36	2.38%	20.08%	-2.56%	-2.21
/illiamson Tea Kenya Plc	152.25	126.00	135.00	130.00	3.8%	-8.31	10.00	340.32		0.40	7.41%		-2.45%	-1.82
dustry Average			Vwap	Vwap					8.75	0.34			1.2%	1.0
UTOMOBILES & ACCESSORIES	52 wk high	52 wk low	(07/2/2022)	(31/12/2021)	Performance YTD (%)	Trailing EPS	DPS	BVPS	P/E	P/B	Div Yield (%)	Div Pavout (%)	ROE	RO
ar & General (K) Ltd	72.75	20.00	61.50	33.95	81.1%	22.43	3.20	111.95	2.74	0.55	5.20%	14.27%	12.70%	8.59
dustry Average									2.74	0.55			12.7%	8.6
			Vwap	Vwap										
ANKING	52 wk high	52 wk low	(07/2/2022)	(31/12/2020)	Performance YTD (%)	Trailing EPS	DPS	BVPS	P/E		Div Yield (%)	Div Payout (%)	ROE	2.37
BSA Bank Kenya Plc K Group Plc	12.00 40.00	8.62 19.00	11.40 28.05	11.85 29.00	-3.8% -3.3%	0.69 4.66	-	10.21 28.45	16.52 6.02	1.12 0.99	-	-	16.48% 16.90%	3.66
iamond Trust Bank Kenya Ltd	77.00	54.75	59.00	59.50	-0.8%	10.89		262.23	5.42	0.99	-	-	5.53%	0.87
quity Group Holdings Plc	54.25	37.05	53.00	52.75	0.5%	5.24	-	45.14	10.11	1.17	_	-	17.00%	2.09
F Group Plc	4.99	3.31	3.50	3.90	-10.3%	-4.44	-	17.79	-	0.20	-	-	-20.63%	-2.72
&M Holdings Plc	50.00	20.35	21.45	21.10	1.7%	9.77	2.25	43.14	2.20	0.50	10.49%	23.03%	13.28%	2.37
CB Group Plc	49.90	37.45	46.75	45.45	2.9%	6.10	1.00	50.79	7.66	0.92	2.14%	16.39%	16.74%	2.59
CBA Group Plc	28.15	22.95	25.55	25.20	1.4%	2.77	1.50	46.67	9.22	0.55	5.87%	54.15%	8.58%	1.19
anbic Holdings Plc	95.25	76.00	87.25	87.25	0.0%	13.13	3.80	141.40	6.65	0.62	4.36%	28.94%	10.99%	2.07
tandard Chartered Bank Kenya Ltd he Co-operative Bank of Kenya Ltd	146.75 13.95	124.00 11.60	137.25 12.95	128.25 12.95	7.0% 0.0%	13.66 2.34	10.50 1.00	134.64 17.59	10.05 5.53	1.02 0.74	7.65% 7.72%	76.87% 42.74%	13.93% 10.64%	2.06 1.84
dustry Average	13.55	11.00	12.93	12.55	0.0%	2.34	1.00	17.55	7.17	0.74	7.72%	42.74%	13.2%	2.0
austry meruge			Vwap	Vwap						0.02			151270	
DMMERCIAL AND SERVICES	52 wk high	52 wk low	(07/2/2022)	(31/12/2021)	Performance YTD (%)	Trailing EPS	DPS	BVPS	P/E		Div Yield (%)	Div Payout (%)	ROE	RC
eacons (East Africa) Plc	0.45	0.45	0.45	0.45	0.0%	-6.82	-	2.67	-	0.17	-	-	-254.96%	-54.19
veready East Africa Ltd	1.22	0.85	0.96	0.98	-2.0%	-0.33	-	0.20	-	4.92	-	-	-283.95%	-36.12
xpress Kenya Plc	4.61	3.37	3.87	4.10	-5.6%	-1.97	-	-2.87	-	-1.35	-	-	50.92%	-21.71
omeboyz Entertainment Plc enya Airways Ltd	4.66 3.83	4.66 3.83	4.66 3.83	4.66 3.83	0.0% 0.0%	-0.51 -6.22	-	0.46 -13.00	-	10.15 -0.29	-	-	-77.47% 15.55%	-24.29 -7.49
enya Airways Ltd onghorn Publishers Plc	3.83 4.79	3.64	4.00	4.00	0.0%	0.68	-	2.16	5.88	1.85	-		-86.38%	-7.49
lairobi Business Ventures Ltd	12.80	3.81	5.10	6.06	-15.8%	-3.20	-	0.11	-	46.36	-	-	22.12%	18.52
lation Media Group Plc	26.10	12.65	18.75	18.45	1.6%	0.20	-	42.54	93.75	0.44	-		8.75%	8.29
ameer Africa Plc	3.88	2.52	2.66	2.86	-7.0%	0.16	-	1.38	16.63	1.93	-	-	66.97%	21.33
tandard Group Plc	21.35	13.50	15.50	13.55	14.4%	-3.79	-	13.00	-	1.19	-	-	-5.34%	-1.41
PS Eastern Africa Ltd	18.00	13.70	14.00	15.25	-8.2%	-6.32	-	39.35	-	0.36	-	-	-15.71%	-8.16
John Supermarket Plc	0.29 6.24	0.21 3.57	0.21 4.19	0.24 4.14	-12.5% 1.2%	-4.60 1.00	-	-5.75 12.19	4.19	-0.04 0.34	-	-	135.25% -32.89%	-56.71 -19.82
VPP Scangroup Plc dustry Average	0.24	3.37	4.19	4.14	1.2/6	1.00		12.19	(0.94)	-0.76			33.6%	-8.9
			Vwap	Vwap					(=== -,					
ONSTRUCTION & ALLIED	52 wk high	52 wk low	(07/2/2022)	(31/12/2021)	Performance YTD (%)	Trailing EPS	DPS	BVPS	P/E	P/B	Div Yield (%)	Div Payout (%)	ROE	RO
RM Cement Plc	5.55	5.55	5.55	5.55	0.0%	-6.83	-	28.95	-	0.19	-	-	-10.08%	-5.48
amburi Cement Ltd	43.15	33.55	38.65	38.00	1.7%	2.89	3.00	93.81	13.37	0.41	7.76%	103.81%	3.47%	2.399
rown Paints Kenya Plc	42.80	19.65	36.30	30.50	19.0%	8.42	-	17.22	4.31	2.11	-	-	27.98%	10.25
A.Cables Ltd	1.60	1.13	1.20 6.70	1.20 6.66	0.0%	-2.15	-	10.10	0.32	0.12 0.04	-	-	-22.79%	-7.72
.A.Portland Cement Co. Ltd verage	10.20	6.06	6.70	0.00	0.6%	20.97	-	187.68	-8.57	0.30		خصف	-8.71% -3.6%	-5.389 -2.19
veruge			Vwap	Vwap					0.57	0.50			3.070	
NERGY & PETROLEUM	52 wk high	52 wk low	(07/2/2022)	(31/12/2021)	Performance YTD (%)	Trailing EPS	DPS	BVPS	P/E	P/B	Div Yield (%)	Div Payout (%)	ROE	RO
lenGen Co. Plc	5.04	3.91	3.99	4.19	-4.8%	0.18	0.30	32.04	22.17	0.12	7.52%	166.67%	8.70%	4.45
Cenya Power & Lighting Co Plc	2.02	1.28	1.60	1.75	-8.6%	0.76	-	28.81	2.11	0.06	-	-	0.47%	0.08
otal Kenya Ltd	26.30	21.85	23.45	25.00	-6.2%	5.24	1.57	129.47	4.48	0.18	6.70%	29.96%	10.20%	5.89
Imeme Ltd dustry Average	7.20	0.00	5.98	6.74	-11.3%	0.81	0.37	14.19	7.38 8.82	0.42	6.19%	45.68%	16.69% 7.9%	5.47 2.9
uusti y Average			Vwap	Vwap					0.02	0.14			7.370	2.9
ISURANCE	52 wk high	52 wk low	(07/2/2022)	(31/12/2021)	Performance YTD (%)	Trailing EPS	DPS	BVPS	P/E	P/B	Div Yield (%)	Div Payout (%)	ROE	RO
Fritam Holdings Plc	8.38	6.72	7.10	7.50	-5.3%	-3.62	-	6.76		1.05	-	-	53.39%	7.28
IC Insurance Group Ltd	3.39	2.00	2.29	2.21	3.6%	-0.11	-	3.00	-	0.76	-	-	4.10%	0.91
ubilee Holdings Ltd	390.00	261.75	300.00	316.75	-5.3%	50.06	9.00	490.33	5.99	0.61	3.00%	17.98%	11.50%	2.80
Kenya Re Insurance Corporation Ltd	2.68	2.22	2.27	2.30	-1.3%	2.55	0.10	11.41	0.89	0.20	4.41%	3.92%	12.41%	7.88
liberty Kenya Holdings Ltd Ganlam Kenya Plc	10.30 12.50	6.52 9.16	6.84 9.74	7.00 11.55	-2.3% -15.7%	1.23 0.81	-	14.99 12.05	5.56 12.02	0.46 0.81	-	•	9.22% 6.59%	1.94 0.39
aman nenya i it	12.30	3.10	9.74	11.55	-13./%		ector PE	11.18361464	26.92	0.81	ضيرا	في ر	18.0%	4.3
			Vwap	Vwap		·							3.070	113
IVESTMENT	52 wk high	52 wk low	(07/2/2022)	(31/12/2021)	Performance YTD (%)	Trailing EPS	DPS	BVPS	P/E		Div Yield (%)	Div Payout (%)	ROE	RO
Centum Investment Co Pic	17.85	14.05	14.15	14.10	0.4%	-0.93	0.33	79.08	-	0.18	2.33%	-	8.80%	4.54
lome Afrika Ltd	0.45	0.35	0.38	0.40	-5.0%	-0.60	-	-4.79	-	-0.08	-	-	-45.79%	-20.44
Curwitu Ventures Ltd	1500.00 2.35	1500.00	1500.00 2.05	1500.00	0.0% 2.5%	-36.00	-	592.46	-	2.53 0.06	-	-	-8.90% 0.45%	-3.90 0.35
Dlympia Capital Holdings Ltd rans-Century Plc	2.35 1.53	1.76 1.03	1.28	2.00 1.17	2.5% 9.4%	-0.14 -7.95	-	32.09 9.45	-	0.06	-		-56.07%	-9.11
dustry Average	1.53	1.03	1.20	1.17	5.4%	-7.55		3,43	-2.67	0.19	شيري	فيري	3.2%	1.3
			Vwap	Vwap										
NVESTMENT SERVICES	52 wk high	52 wk low	(07/2/2022)	(31/12/2021)	Performance YTD (%)	Trailing EPS	DPS	BVPS	P/E		Div Yield (%)		ROE	RO
lairobi Securities Exchange Plc	10.15	7.74	8.00	8.00	0.0%	0.65	1.03	8.04	12.31	1.00	12.9%	158.5%	3.8%	3.69
dustry Average									12.31	1.00			3.8%	3.6
IANUFACTURING & ALLIED	C2.vdc.bd.el	E2 whole	Vwap (07/2/2022)	Vwap (31/12/2021)	Porformence VTD (64)	Trailing EPS	DPS	BVPS	P/E	P/B	Div Yield (%)	Div Payent (00)	ROE	RO
JANUFACTURING & ALLIED J.O.C Kenya Pic	52 wk high 77.50	52 wk low 57.00	77.00	70.00	Performance YTD (%) 10.0%	5.21	4.15	78.03	P/E 14.78	0.99	5.39%	79.65%	4.57%	3.24
ritish American Tobacco Kenya Plc	499.75	420.00	448.75	441.50	1.6%	55.18	45.00	118.56	8.13	3.79	10.03%	81.55%	46.54%	25.42
arbacid Investments Plc	13.25	10.00	10.90	11.00	-0.9%	1.63	1.60	8.38	6.69	1.30	14.68%	98.16%	12.39%	7.93
ast African Breweries Ltd	193.75	148.25	162.75	165.00	-1.4%	5.51	-	17.70	29.54	9.20	-	-	50.17%	5.84
lame Tree Group Holdings Ltd	1.43	1.16	1.33	1.26	5.6%	0.42	-	4.57	3.17	0.29	-	-	4.16%	1.84
enya Orchards Ltd	10.40	10.40	10.40	10.40	0.0%	0.69	-	1.88	15.07	5.52	-	-	36.65%	7.76
Numias Sugar Co. Ltd	0.27	0.27	0.27	0.27	0.0%	-9.90	-	-9.40	-	-0.03	-	-	105.26%	-96.22
	33.15	26.10	30.25	27.65	9.4%	0.45		74.09	67.22	0.41	ضير	ف و	1.18%	0.55
nga Group Ltd			Vivon	Vivian					-39.02	8.39			-10.0%	-1.2
nga Group Ltd			Vwap	Vwap		Tarilla - FDC	DPS	BVPS	P/E	P/B	Di VI-14 (00)	Div Payout (%)	ROE	RC
nga Group Ltd dustry Average	52 wk bigb	52 wk low		(31/12/2021)	Performance VTD (%)									, KU
inga Group Ltd dustry Average ELECOMMUNICATION & TECHNOLOGY	52 wk high 44.95	52 wk low 35.90	(07/2/2022)	(31/12/2021)	Performance YTD (%) 0.3%	Trailing EPS 1.71								34.5
Inga Group Ltd idustry Average ELECOMMUNICATION & TECHNOLOGY afaricom Pic	52 wk high 44.95	52 wk low 35.90		(31/12/2021) 37.95	Performance YTD (%) 0.3%	1.71	1.37	3.57	22.25	10.65 10.65	3.6%	80.1%	51.5% 51.5%	34.5 34.5
Inga Group Ltd dustry Average ELECOMMUNICATION & TECHNOLOGY afaricom Plc			(07/2/2022)						22.25	10.65			51.5%	
Inga Group Ltd dustry Average ELECOMMUNICATION & TECHNOLOGY			(07/2/2022) 38.05 Vwap	37.95					22.25	10.65 10.65		80.1%	51.5%	

# Equity Stock Picks 8<sup>Th</sup> February 2022

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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 fallsbetween 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 substantiallyhigher 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%.

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