

Standard Bank Namibia Ltd

Standard Bank Namibia Limited (SNO) is a Namibian registered commercial bank and its operations are confined to Namibia, where it has a distribution network of 60 branches and agencies and 436 ATMs throughout Namibia. Being a registered bank, a full range of banking services is offered. Ancillary services such as insurance broking, safe custodianship and wealth management are offered through the holding company



Strategy

Standard Bank's strategy is centred on commitment to Namibia and directs its growth and evolution to the shared benefit of clients and stakeholders. This allows Standard Bank to lead with purpose, to build a better business, and to position its footprint and platform for the future.

Products and Services

Offerings include personal & business banking to individual customers and small-to-medium sized enterprises, as well as corporate & investment banking services. Insurance broking services are offered through Stanfin (Namibia) (Pty) Limited and Standard Insurance Brokers (Namibia) (Pty) Limited and safe custodianship is offered through Standard Bank Namibia Nominees (Pty) Limited.

Opportunities

With expectations of interest rates being higher for longer, SNO has ample opportunity to extend credit while rates remain elevated. The new management team has opportunity to set new goals and strategy to propel the Company forward.

Challenges

The high interest rate environment has adverse impact on credit quality and tangible demand for credit. Alongside strict regulator pressure on non-interest revenue, and management team that will need to reposition the bank, the Company has some obstacles.

Basic valuation

	Year-end Dec			
	FY '22	FY '23f	FY '24f	FY '25f
Net interest Income (NADm)	1,445	1,727	1,987	2,052
Non-Interest income (NADm)	1,283	1,371	1,561	1,660
Profit after tax (NADm)	624	762	859	881
HEPS (NADc)	119	146	164	169
PE (x)	7.1	5.8	5.1	5.0
DPS (NADc)	66	80	90	93
DY (%)	7.8	9.5	10.7	11.0
NAV ps	912	978	1,122	1,198
PB (x)	0.9	0.9	0.8	0.7
ROE (%)	13.7	16.1	15.1	14.5

Source: SNO, Cirrus

Summary data

Share price (NAD)	8.45
12m hi/low (NAD)	8.45/5.19
Shares in issue (m)	522
Market cap (NAD'm)	4,415
Market cap (USD'm)	231
Ave daily traded (USD'000)	9.1
Rolled forward PE	4.7
Target price (NAD)	8.27
One-year absolute return (%)	8.17
Rating	OVERWEIGHT
Bloomberg	SNO NW

Source: Bloomberg, Cirrus
 All prices correct as of 14 Feb '24

Standard Bank Namibia Representatives



Erwin Tjipuka
 Chief Executive Officer