FNB Namibia Holdings

Trading Statement

FNB Namibia today released a trading statement in which the company gave guidance as to what we can expect from the FY14 financial year. Results are expected to be release on SENS on 4 September 2014 and in the press on 5 September 2014. Guidance is as follows:

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<th>FNB Guidance</th>
<th>IJG Forecast</th>
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Our forecast for HEPS is 1.7ppt below the lower end of the guidance range, thus implying a slight beat and a positive surprise by FNB. The 25% to 30% range suggests HEPS of between 289cps and 300cps relative to IJG’s projected HEPS of 285cps. The range is also a positive surprise when compared to Bloomberg Consensus forecast that is projecting HEPS of 278cps.

Earnings forecast and outlook

No change.

Target price and recommendation

At first glance we are optimistic about the guidance and continue to recommend a **BUY** on the stock.

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