

# CRDB share finds new price equilibrium

By DAILY NEWS  
Reporter

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CRDB Bank share price has continued with its upward trajectory since the release of striking quarter two financial results.

Equity market analysts predicted the upward-spin to continue and may be amplified further based on quarter three outcomes.

In the last seven days, the largest lender share price

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appreciated 3.13 per cent to 165/- and tipped to gain further to slight below 200/- mark.

Orbit Securities Head of Research and Analytics Imani Muhingo said the bank share had been “undervalued for a long time” and the share finds its new equilibrium.

“CRDB Bank has been on an upward trajectory since the release of quarter two financial results...and it seems to find new resistance,” Mr Muhingo said.

The share was undervalued for long time trading between 95/- and 100/- for almost the entire last year as it was the only active counter when others were almost stagnated.

Mr Muhingo said the bullish trend “fuelled by prospects of better results ahead and this quarter results may trig-

ger price appreciation further. The price may reach 170/- and 175/- toward the end of the year, but may further climb if good performance is posted in quarter three.”

CRDB Bank net profit increase 5.0 per cent to 35.1bn/- in three months to June from 33.5bn/- in the similar quarter last year.

Last year, the bank issued a four-year high dividend, which is over hundred per cent rise and gives investors ‘a very impressive’ return.

The bank announced a 17/- dividend for last year similar to the amount paid four years ago 2016, but up 112.5 per cent compared to 8/- in 2018.

CRDB Bank posted a net profit of 120.1bn/- last year compared to 64.13bn/- in 2018, warranting a hefty dividend to shareholders.