

STOCK RECOMMENDATION – APRIL 11TH, 2022

MARKET REVIEW

For the week ended April 8th, 2022

- The Nigerian Equities market ended the week in the negative region again as the All-Share Index lost 0.45%WoW to end the week at 46,631.46pts. Thus, the Year-to-date return was dragged further downward to +9.17% from +9.66%.
- On a sectoral basis, the **NGXOILGAS** (+3.14%WoW) and **NGXBNK** (+1.51%WoW) closed positive, while the **NGXCNSMRGDS** (-0.35%WoW), **NGXINDUSTR** (-0.42%WoW), and **NGXINS** (-0.21%WoW) declined.
- MEYER** (+56.94%WoW) ended the week as the top gainer, while **NPFMCRCFBK** (-16.06%WoW) led the losers' chart. **FIDELITYBK** and **ZENITBANK** retained their position as the week's top traded stock by volume and value, respectively.

MARKET *P*REVIEW*For the week commencing April 11th, 2022*

- The mood in the market for the past four weeks has been predominantly negative. This week, we expect the market to close in the positive region, given the decent upsides on some tickers (especially large cap stocks). Thus, we expect the prevalence of bargain hunting activities, as investors take position on tickers that have been marked down in the previous weeks.
- Also, we note do not expect any significant rerouting of funds out of the equities market, as rate in the fixed income market remain quite unattractive.
- Overall, we expect the market to close in the positive region this week.

THE WEEK THAT WAS (A REVIEW)

			Cur. Week	Prev. Week
NGXASI			46,631.46	46,842.86
Market Cap [NGN'tr]			25.14	25.25
Market Cap [USD 'bn]			60.29	60.56
Volume Traded [bn]			1.09	1.22
Value Traded [NGN'bn]			10.81	13.08
NSEASI & Sectoral Indices [Return Profile]				
	WtD	MtD	QtD	YtD
NGXASI	-0.45%	-0.71%	-0.71%	9.17%
NGX-30	0.23%	0.60%	0.60%	0.26%
NGX-B10	1.51%	1.53%	1.53%	2.34%
NGX-FB10	-0.35%	-0.36%	-0.36%	-6.30%
NGX-OG5	3.14%	-0.02%	-0.02%	27.63%
NGX-INS10	-0.21%	-0.81%	-0.81%	-6.79%
NGX-IND	-0.42%	-0.49%	-0.49%	4.87%
Value (NGN)		Volume		
ZENITHBANK	1,586,742,815	FIDELITYBK	237,364,534	
GTCO	1,305,159,748	TRANSCORP	147,535,935	
MTNN	1,229,187,685	ZENITHBANK	69,899,125	
FIDELITYBK	819,621,828	ACCESSCORP	62,410,596	
ACCESSCORP	608,776,200	GTCO	58,507,918	
Highest Gainers	%	Highest Losers		%
MEYER	56.94%	NPFMCRCFBK	-16.06%	
REGALINS	19.35%	UACN	-13.68%	
CONOIL	16.85%	ROYALEX	-12.84%	
WEMABANK	14.81%	CWG	-9.26%	
LIVESTOCK	11.97%	CORNERST	-9.09%	

	Fundamentals				Trailing				Market Performance			Valuation						
	AT	NM	ROE	ROA	Lev	EPS	BVP	P/E	P/BV	Yr Hi	Yr Lo	YtD Return	Target PE	Exp. EPS	2022 TP	Last Wk. Pr	UPP	RT
Financial Services																		
Banks																		
ACCESSCORP	0.08	16%	15%	1%	11.17	4.51	29.54	2.17x	0.33x	10.25	9.60	+5.38%	2.21	5.43	11.99	9.80	+22%	BUY
ETI	0.08	15%	16%	1%	12.73	5.95	37.32	1.96x	0.31x	13.10	8.60	+33.91%	2.21	6.60	14.56	11.65	+25%	BUY
FCMB	0.08	9%	8%	1%	10.25	0.99	11.92	3.49x	0.29x	3.67	2.85	+15.05%	-	-	-	3.44	-	UR
FIDELITYBK	0.07	15%	12%	1%	11.26	1.13	9.76	3.15x	0.36x	3.56	2.50	+39.61%	-	-	-	3.56	-	UR
FBNH	0.07	10%	8%	1%	11.29	1.74	20.99	6.79x	0.56x	12.40	11.00	+3.51%	4.34	2.68	11.63	11.80	-1%	HOLD
GTCO	0.08	39%	20%	3%	6.15	5.94	30.01	3.87x	0.77x	28.00	21.50	-11.54%	4.29	7.80	33.51	23.00	+46%	BUY
STANBIC	0.07	27%	16%	2%	7.63	5.13	32.43	6.66x	1.05x	38.00	33.90	-5.14%	8.15	5.21	42.45	34.15	+24%	BUY
STERLNBANK	0.09	5%	8%	1%	11.25	0.40	4.78	3.67x	0.31x	1.73	1.47	-2.65%	-	-	-	1.47	-	UR
UBA	0.08	18%	15%	1%	10.61	3.47	23.53	2.26x	0.33x	8.85	7.50	-2.48%	2.36	3.87	9.15	7.85	+17%	BUY
UBN	0.06	11%	6%	1%	9.68	0.59	9.09	10.25x	0.66x	6.50	5.40	+1.69%	7.16	0.96	6.90	6.00	+15%	BUY
WEMABANK	0.08	10%	13%	1%	17.02	0.21	1.65	14.62x	1.88x	3.10	0.78	+330.56%	-	-	-	3.10	-	UR
ZENITHBANK	0.08	32%	19%	3%	7.38	7.79	40.76	2.95x	0.56x	27.40	22.00	-8.55%	3.71	7.98	29.59	23.00	+29%	BUY
Insurance																		
AIICO	0.32	5%	6%	1%	5.87	0.11	1.75	6.10x	0.38x	0.84	0.64	-4.29%	-	-	-	0.67	-	UR
LASACO	0.49	5%	3%	1%	2.24	0.15	6.05	6.73x	0.17x	1.15	1.00	-1.90%	5.69	0.25	1.42	1.03	+38%	BUY
MANSARD	0.47	9%	7%	2%	3.06	0.07	1.00	32.37x	2.41x	2.50	2.15	+3.88%	6.05	0.46	2.77	2.41	+15%	BUY
NEM	0.78	10%	31%	17%	1.81	0.60	1.94	6.65x	2.06x	4.50	3.01	-11.11%	4.96	0.96	4.76	4.00	+19%	BUY
WAPIC	0.32	-7%	-5%	-3%	1.80	-0.04	0.96	-9.14x	0.42x	0.53	0.40	-28.57%	25.92	0.02	0.52	0.40	+30%	BUY
CUSTODIAN	0.46	8%	20%	6%	3.06	2.00	10.05	3.25x	0.65x	8.00	6.50	-17.72%	4.21	1.87	7.87	6.50	+21%	BUY

*TP calculated with EV/EBITDA multiple; TP=Target Price, Last Wk. Pr= Last Week Price, CP= Current Price, UPP=Upside Potential, RT= Rating, Exp. EPS= 2021 Dec Expected EPS, BVP= Book Value Per Share, P/E=P/E, AT=Asset Turnover, OM=Operating Margin, NM= Net Margin, Lev=Leverage, UR=Under Review. Data in the Fundamental columns are based on trailing performance.

	Fundamentals					Trailing				Market Performance			Valuation					
	AT	NM	ROE	ROA	Lev	EPS	BVP	P/E	P/BV	Yr Hi	Yr Lo	YtD Return	Target PE	Exp. EPS	2022 TP	Last Wk. Pr	UPP	RT
Other Financial Services																		
UCAP	0.04	62%	37%	2%	14.85	1.88	5.09	6.98x	2.57x	14.15	9.95	+32.32%	5.50	2.33	12.82	13.10	-2%	HOLD
Consumer Staples & Discretionary																		
Breweries																		
GUINNESS	0.78	2%	-16%	-8%	2.10	-5.53	34.18	-12.67x	2.05x	74.00	39.00	+79.49%	13.09	5.37	70.31	70.00	+0%	HOLD
NB	0.89	4%	6%	2%	2.67	1.19	20.87	33.85x	1.93x	48.50	40.00	-19.60%	-	-	-	40.20	-	UR
INTBREW	0.38	-7%	-6%	-2%	2.50	-0.35	5.55	-14.01x	0.87x	6.00	4.40	-2.02%	-	-	-	4.85	-	UR
Packaged Foods & Meats																		
CADBURY	0.94	5%	10%	4%	2.87	0.81	7.84	9.84x	1.02x	9.50	8.00	-9.09%	-	-	-	8.00	-	UR
DANGSUGAR	0.77	8%	15%	6%	2.65	1.54	10.05	10.09x	1.54x	18.30	15.50	-10.92%	8.10	2.95	23.90	15.50	+54%	BUY
HONYFLOUR	0.90	0%	2%	1%	2.45	0.13	7.26	27.01x	0.48x	4.02	3.20	+1.76%	23.17	0.13	3.01	3.46	-13%	SELL
FLOURMILL	1.48	2%	15%	4%	3.80	6.63	45.11	4.60x	0.68x	35.10	28.10	+7.58%	6.48	6.27	40.63	30.50	+33%	BUY
NASCON	0.82	9%	20%	7%	2.77	1.12	5.52	10.48x	2.13x	14.50	11.75	-10.98%	12.54	1.26	15.80	11.75	+34%	BUY
NESTLE	1.10	13%	118%	13%	8.80	51.55	43.80	27.06x	31.85x	1,556.50	1,395.00	-10.38%	26.61	63.15	1,680.42	1,395.00	+20%	BUY
UACN	1.09	1%	8%	4%	1.75	1.31	17.26	7.69x	0.59x	12.20	8.90	+6.32%	-	-	-	10.10	-	UR
UNILEVER*	0.76	2%	-1%	-1%	1.58	-0.14	11.10	-92.85x	1.20x	14.50	13.00	-8.28%	-	-	-	13.30	-	UR
Agricultural Products																		
OKOMUOIL	0.59	37%	36%	24%	1.52	15.08	41.83	9.42x	3.39x	149.70	127.80	0.00%	10.11	15.63	158.02	142.00	+11%	BUY
PRESCO	0.45	40%	33%	16%	2.04	14.01	42.83	9.50x	3.11x	133.00	87.80	+51.48%	7.42	13.07	96.98	133.00	-27%	SELL
Household & Personal Products																		
PZ	0.79	1%	-20%	-8%	2.55	-1.71	8.76	-5.84x	1.14x	11.20	6.10	+63.93%	-	-	-	10.00	-	UR
VITAFOAM	1.14	13%	46%	19%	2.39	3.92	8.55	5.69x	2.61x	24.45	20.25	-0.89%	6.00	4.90	29.40	22.30	+32%	BUY

	Fundamentals					Trailing				Market Performance			Valuation					
	AT	NM	ROE	ROA	Lev	EPS	BVP	P/E	P/BV	Yr Hi	Yr Lo	YtD Return	Target PE	Exp. EPS	2022 TP	Last Wk. Pr	UPP	RT
Healthcare																		
Pharmaceuticals																		
MAYBAKER	0.69	11%	16%	7%	2.25	0.67	4.11	6.44x	1.05x	5.45	4.02	+6.97%	-	-	-	4.30	-	UR
FIDSON	0.80	11%	21%	8%	2.66	1.22	5.91	6.54x	1.35x	8.55	6.22	+28.62%	5.98	1.73	10.35	8.00	+29%	BUY
GLAXOSMITH	0.91	1%	4%	1%	2.68	0.26	7.30	21.99x	0.77x	6.40	5.65	-5.04%	-	-	-	5.65	-	UR
NEIMETH	0.45	-161%	19%	3%	5.66	0.11	0.58	13.09x	2.44x	1.98	1.42	-18.86%	2.55	0.86	2.19	1.42	+54%	BUY
Materials																		
Construction Materials																		
BUACEMENT*	0.34	35%	23%	12%	1.92	2.66	11.76	26.60x	6.02x	71.95	68.00	+5.52%	13.66	5.42	70.83	70.75	+0%	HOLD
DANGCEM*	0.58	26%	37%	15%	2.43	21.39	57.73	12.79x	4.74x	284.90	250.00	+6.42%	6.90	44.81	287.81	273.50	+5%	HOLD
WAPCO*	0.56	17%	13%	10%	1.39	3.17	23.50	6.95x	0.94x	27.00	21.80	-8.14%	6.46	38.65	38.65	22.00	+76%	BUY
Specialty Chemicals																		
CAP	1.27	9%	40%	13%	3.07	1.61	3.98	11.20x	4.53x	19.80	17.55	-7.46%	12.38	1.32	16.34	18.00	-9%	HOLD
BERGER	0.87	4%	6%	4%	1.59	0.65	10.75	9.47x	0.58x	8.55	6.15	-27.49%	11.11	1.23	13.67	6.20	+120%	BUY
Energy																		
CONOIL	2.67	2%	9%	4%	2.31	2.77	30.43	9.38x	0.85x	26.50	21.30	+18.18%	7.81	4.05	31.58	26.00	+21%	BUY
ETERNA	1.98	1%	11%	5%	2.52	1.19	10.47	4.20x	0.48x	6.35	4.99	-0.99%	7.00	0.65	4.55	5.00	-9%	HOLD
ARDOVA	2.61	1%	6%	2%	3.83	0.93	14.62	13.75x	0.88x	13.85	11.55	-1.54%	8.21	2.08	17.08	12.80	+33%	BUY
MRS	1.11	0%	-7%	-3%	2.20	-3.95	55.28	-3.09x	0.22x	13.55	12.20	-1.21%	55.23	0.20	11.05	12.20	-9%	HOLD
SEPLAT	0.18	16%	7%	3%	2.28	79.75	1,195.29	12.04x	0.80x	1,034.00	650.00	+47.69%	13.14	86.37	1,134.94	960.00	+18%	BUY
TOTAL	1.33	5%	32%	6%	5.69	31.42	96.67	7.59x	2.47x	264.90	221.90	+7.48%	5.60	53.36	298.86	238.50	+25%	BUY
Telecommunications																		
MTNN	0.73	18%	113%	13%	8.53	14.67	13.02	14.04x	15.82x	214.00	185.50	+4.57%	13.00	18.28	237.64	206.00	+15%	BUY
AIRTELAFRI*	0.43	15%	25%	9%	2.82	97.26	392.30	12.96x	3.21x	1,271.00	955.00	+31.98%	4.81	180.86	869.94	1,260.40	-31%	SELL

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BUY: Target Price of the stock is above the current market price by at least **10 percent**

HOLD: Target Price of the stock ranges between **-10 percent and 10 percent** from the current market price.

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