

## Market Review

For the week ended January 26<sup>th</sup>, 2024

- The Nigerian equities market maintained its positive momentum for the fourth consecutive week in 2024, with the All-share index rising by 8.32% WoW to reach a historic milestone, surpassing 100,000pts for the first time ever at 102,401.88pts. The Year-to-Date return also climbed to 36.95%.
- Sector performance remained predominantly bullish, with **NGXCNSMRGDS** (+5.29% WoW), **NGXOILGAS** (+11.57% WoW), **NGXINDUSTR** (+23.20% WoW) **MERI-TELCO** (+0.43% WoW) and **MERI-AGRIC** (+0.11% WoW) recording gains week-on-week while **NGXBNK** (-1.63% WoW) and **NGXINS** (-4.10% WoW) experienced declines over the week.
- TRIPPLEG** (+32.24% WoW) was the top gainer for the week, while **VERITASKAP** (-23.38% WoW) recorded the most decline. **TRANSCORP** led the activity chart in terms of volume and **UBA** was the most actively traded stock by value.

## Market Preview

For the week commencing January 29<sup>th</sup>, 2024

- We expect the market to sustain its positive momentum this week, hinged on buying activities across sectors. We also envisage increased activity levels as investors react to more corporate earnings releases.
- However, we note the significant decline in market breadth last week (0.72x vs. 5.50x in the previous week), which indicates more losers than gainers during the week. Thus, we do not rule out profit taking activities, particularly on tickers that have realized substantial price appreciation during the period.
- On a balance of factors, we expect the NGXASI to record positive gains this week, howbeit marginally.

The Week That Was (A Review)	Cur. Week	Prev. Week	WoW
NGXASI [pts]	102,401.88	94,538.12	+8.32%
Market Cap [NGN'trn]	56.04	51.74	+8.32%
Market Cap [USD'bn]	62.83	57.33	+9.60%
Volume Traded [bn]	2.94	5.14	-42.72%
Value Traded [NGN'bn]	57.74	77.28	-25.29%

Sectoral Indices	WtD	MtD	QtD	YtD
NGXASI	8.32%	36.95%	36.95%	36.95%
NGX-30	8.42%	38.05%	38.05%	38.05%
NGXBNK	-1.63%	13.89%	13.89%	13.89%
NGXCNSMRGDS	5.29%	30.33%	30.33%	30.33%
NGXOILGAS	11.57%	23.03%	23.03%	23.03%
NGXINS	-4.10%	35.35%	35.35%	35.35%
NGXINDSTR	23.20%	96.43%	96.43%	96.43%
MERI-TELCO	0.43%	7.64%	7.64%	7.64%
MERI-AGRIC	0.11%	14.64%	14.64%	14.64%

Top Traded by Value (NGN)	Top Traded by Volume
UBA	TRANSCORP
DANGCEM	UBA
TRANSCORP	STERLINGNG
ZENITHBANK	JAPAULGOLD
ACCESSCORP	UNIVINSURE

Highest Gainers	%	Highest Losers	%
TRIPPLEG	32.24%	VERITASKAP	-23.38%
DANGCEM	28.82%	CADBURY	-20.86%
SUNUASSUR	25.00%	DEAPCAP	-19.19%
JAPAULGOLD	23.20%	UNITYBNK	-16.57%
SEPLAT	21.00%	AFRIPRUD	-16.50%

	Fundamentals		Trailing			Market Performance			Valuation			
	NM	ROE	EPS	P/E	P/BV	Yr Hi	Yr Lo	Ytd Ret	TP	CP	UPP	RT
<b>Banks</b>												
ACCESSCORP	13%	16%	7.47	3.83x	0.62x	30.00	23.55	+23.54%	27.60	28.60	-4%	HOLD
ETI	16%	19%	13.62	1.95x	0.36x	27.45	20.90	+26.79%	23.26	26.50	-12%	SELL
FCMB	18%	21%	4.82	2.30x	0.48x	12.00	7.50	+50.00%	8.50	11.10	-23%	SELL
FIDELITYBK	21%	2%	3.57	3.58x	0.07x	14.20	11.40	+17.97%	11.46	12.80	-10%	SELL
FBNH	23%	20%	7.84	3.39x	0.69x	29.35	23.65	+12.95%	20.11	26.60	-24%	SELL
GTCO	40%	32%	13.80	3.18x	1.02x	48.20	40.10	+8.52%	44.53	43.95	+1%	HOLD
STANBIC	33%	29%	10.41	6.25x	1.79x	68.50	64.00	-6.68%	66.05	65.00	+2%	HOLD
STERLINGNG	10%	10%	0.58	11.44x	1.15x	7.59	4.35	+53.85%	6.27	6.60	-5%	HOLD
UBA	32%	28%	14.72	2.07x	0.59x	33.95	26.00	+18.91%	29.25	30.50	-4%	HOLD
WEMABANK	12%	19%	1.74	6.02x	1.14x	12.03	5.55	+87.50%	6.38	10.50	-39%	SELL
ZENITHBANK	29%	25%	15.41	2.79x	0.70x	47.35	39.00	+11.25%	46.09	43.00	+7%	HOLD
<b>Insurance</b>												
AIICO	9%	20%	0.24	5.64x	1.11x	1.54	0.88	+67.50%	1.53	1.34	+14%	BUY
LASACO	6%	7%	0.51	4.88x	0.34x	2.96	1.90	+30.53%	3.20	2.48	+29%	BUY
MANSARD	17%	36%	1.50	4.37x	1.57x	6.60	5.45	+19.09%	6.30	6.55	-4%	HOLD
NEM	15%	179%	1.34	6.36x	11.42x	8.50	5.75	+34.92%	6.17	8.50	-27%	SELL
WAPIC	-7%	-7%	-0.06	-13.75x	0.97x	0.89	0.69	+26.47%	0.65	0.86	-24%	SELL
CORNERST	49%	39%	0.70	2.24x	0.88x	2.04	1.50	+12.86%	1.30	1.58	-18%	SELL
CUSTODIAN	14%	22%	2.93	3.45x	0.74x	10.85	9.00	+12.22%	11.58	10.10	+15%	BUY
<b>Other Financial Services</b>												
UCAP	35%	17.00%	1.73	13.26x	2.25x	27.65	23.00	0.00%	28.39	23.00	+23%	BUY
AFRIPRUD	25%	12%	0.54	15.61x	1.80x	10.00	7.30	+12.84%	9.54	8.35	+14%	BUY
<b>Breweries</b>												
GUINNESS	-11%	-53%	-12.52	-5.65x	3.00x	71.50	61.00	+7.20%	74.51	70.75	+5%	HOLD
NB*	-11%	-52%	-5.72	-6.77x	3.54x	42.00	36.55	+7.50%	47.46	38.70	+23%	BUY
INTBREW	-20%	-41%	-1.76	-3.01x	1.24x	6.26	4.69	+10.42%	-	5.30	-	UR
<b>Packaged Foods</b>												
BUAFOODS	20%	50%	7.12	38.16x	19.14x	271.80	193.40	+40.54%	189.73	271.80	-30%	SELL
CADBURY	-34%	183%	-14.71	-1.56x	-2.86x	31.90	16.50	+20.79%	26.37	22.95	+15%	BUY
DANGSUGAR	1%	2%	0.24	348.28x	7.97x	82.65	57.50	+45.00%	67.11	82.65	-19%	SELL
FLOURMILL	1%	9%	4.82	9.13x	0.83x	47.40	33.10	+32.98%	40.17	43.95	-9%	HOLD
NASCON	18%	50%	5.13	14.90x	7.40x	76.50	54.00	+42.33%	67.17	76.50	-12%	SELL
NESTLE	-7%	82%	-43.21	-25.45x	-20.92x	1,196.00	1,100.00	0.00%	1,325.07	1,100.00	+20%	BUY
UACN	4%	9%	1.60	9.54x	0.88x	16.00	14.10	+19.07%	16.73	15.30	+9%	HOLD
UNILEVER	9%	11%	1.49	14.09x	1.62x	21.70	14.90	+41.55%	17.90	20.95	-15%	SELL
<b>Agricultural</b>												
OKOMUOIL	27%	44%	20.02	13.48x	5.92x	270.00	260.00	+3.85%	263.56	270.00	-2%	HOLD
PRESCO	21%	41%	20.62	12.56x	5.10x	259.00	204.00	+34.20%	245.90	259.00	-5%	HOLD
<b>Pharmaceutical</b>												
MAYBAKER	4%	9%	0.45	16.80x	1.54x	8.26	5.20	+42.86%	6.92	7.50	-8%	HOLD
FIDSON	9%	22%	1.88	9.41x	2.11x	19.20	17.50	+1.14%	22.48	17.70	+27%	BUY
GLAXOSMITH	5%	8%	0.62	27.63x	2.18x	17.00	16.80	0.00%	17.42	17.00	+2%	HOLD
NEIMETH	-35%	-22%	-0.20	-9.79x	2.18x	2.05	1.90	+2.58%	1.75	1.99	-12%	SELL
<b>Construction</b>												
BUACEMENT*	23%	26%	3.00	59.84x	15.51x	179.65	101.85	+85.21%	82.11	179.65	-54%	SELL
DANGCEM*	23%	33%	26.22	26.47x	8.66x	694.10	319.90	+116.97%	402.51	694.10	-42%	SELL
WAPCO*	12%	14%	3.57	12.33x	1.67x	47.30	31.50	+39.68%	58.43	44.00	+33%	BUY
<b>Chemicals</b>												
CAP	13%	40%	3.41	6.87x	2.75x	24.00	21.00	+12.23%	33.51	23.40	+43%	BUY
BERGER	7%	14%	1.82	8.66x	1.26x	15.80	13.00	+21.54%	19.06	15.80	+21%	BUY

	Fundamentals			Trailing		Market Performance			Valuation			
	NM	ROE	EPS	P/E	P/BV	Yr Hi	Yr Lo	Ytd Ret	TP	CP	UPP	RT
<b>Energy</b>												
<b>CONOIL</b>	7%	36%	17.25	6.50x	2.31x	112.20	83.90	+33.73%	101.62	112.20	-9%	<b>HOLD</b>
<b>ETERNA</b>	-3%	-61%	-3.90	-7.03x	4.29x	28.10	14.50	+98.19%	14.25	27.45	-48%	<b>SELL</b>
<b>MRS</b>	-3%	-82%	-5.85	10.79x	1.95x	126.00	105.00	+20.00%	114.97	126.00	-9%	<b>HOLD</b>
<b>SEPLAT</b>	3%	18%	11.68	55.03x	1.35x	3,074.60	2,310.00	+33.10%	1,883.44	3,074.60	-39%	<b>SELL</b>
<b>TOTAL</b>	8%	2%	55.88	8.15x	2.18x	385.00	346.50	-10.00%	427.92	346.50	+23%	<b>BUY</b>
<b>Telecoms</b>												
<b>MTNN</b>	10%	76%	11.31	25.98x	19.88x	295.00	264.00	+11.33%	309.33	293.90	+5%	<b>HOLD</b>
<b>AIRTELAFRI</b>	8%	11%	108.30	18.47x	1.97x	2,000.00	2,000.00	+5.99%	1,461.15	2,000.00	-27%	<b>SELL</b>

NM= Net Margin

ROE=Return on Equity

Lev=Leverage

EPS=Earnings Per Share

BVP= Book Value Per Share

P/E=Price-to-Earnings

P/BV=Price-to-Book Value

Yr Hi= Year High

Yr Lo= Year Low

Ytd Ret= Year-to-Date Return

\*TP calculated with EV/EBITDA multiple

TP=Target Price

CP= Current Price

UPP=Upside Potential

RT= Rating

UR=Under Review

**Data in the Fundamental columns are based on trailing performance.**

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