

Market Review

For the week ended February 2nd, 2024

- The Nigerian equities market closed in the green zone for the fifth consecutive week in 2024. The All-share index rose by 1.97% to reach a historic high of 104,421.23pts. Also, the Year-to-Date return advanced to 39.65%.
- Across sectoral indices, the performance was mixed as the **NGXCNSMRGDS** (+1.30% WoW), **NGXINDUSTR** (+6.36% WoW) and **MERI-AGRIC** (+0.09% WoW) recorded week-on-week gains while **NGXBNK** (-4.52% WoW) and **NGXINS** (-4.07% WoW), **NGXOILGAS** (-2.47% WoW), and **MERI-TELCO** (-0.44% WoW) recorded declines over the week.
- TRIPPLEG** (+42.05% WoW) was the top gainer for the week, while **DAARCOM** (-22.22% WoW) topped the losers' chart. **FBNH** led the activity chart in both volume and value traded during the week.

Market Preview

For the week commencing February 5th, 2024

- Given that the market breadth has remained below 1x for two consecutive weeks which indicates that more laggards than gainers in those weeks, there are some stocks that present attractive entry prices for investors. Thus, we expect increased buying activities this week. Furthermore, we expect investors to remain responsive to new corporate earnings releases.
- However, we highlight the possibility of limited liquidity ahead of the T-bills auction scheduled this week. Also, we highlight the existing negative undertone in the market as a downside.
- On a balance of factors, we expect the NGXASI to close up.

The Week That Was (A Review)

	Cur. Week	Prev. Week	WoW
NGXASI [pts]	104,421.23	102,401.88	+1.97%
Market Cap [NGN'trn]	57.15	56.04	+1.98%
Market Cap [USD'bn]	39.81	62.83	-36.64%
Volume Traded [bn]	3.87	2.94	+31.58%
Value Traded [NGN'bn]	95.06	57.74	+64.63%

Sectoral Indices

	WtD	MtD	QtD	YtD
NGXASI	1.97%	39.65%	39.65%	+39.65%
NGX-30	2.05%	40.88%	40.88%	+40.88%
NGXBNK	-4.52%	8.74%	8.74%	+8.74%
NGXCNSMRGDS	1.30%	32.02%	32.02%	+32.02%
NGXOILGAS	-2.47%	20.00%	20.00%	+20.00%
NGXINS	-4.07%	29.85%	29.85%	+29.85%
NGXINDSTR	6.36%	108.92%	108.92%	+108.92%
MERI-TELCO	-0.44%	0.99%	7.17%	+7.17%
MERI-AGRIC	0.09%	-0.37%	14.61%	+14.61%

Top Traded by Value (NGN)

		Top Traded by Volume	
FBNH	9,985,786,891.10	FBNH	383,873,860.00
DANGCEM	9,117,530,381.00	TRANSCORP	320,538,140.00
ZENITHBANK	8,829,605,535.00	UBA	256,876,454.00
GTCO	8,747,236,751.20	JAPAULGOLD	236,211,682.00
GEREGU	7,362,831,633.80	ZENITHBANK	229,275,986.00

Highest Gainers

	%	Highest Losers	%
TRIPPLEG	42.05%	DAARCOMM	-22.22%
MEYER	20.79%	ETERNA	-19.49%
CORNERST	20.25%	SUNUASSUR	-19.11%
VERITASKAP	18.64%	DEAPCAP	-16.25%
GEREGU	14.75%	MAYBAKER	-16.00%

	Fundamentals		Trailing			Market Performance			Valuation			
	NM	ROE	EPS	P/E	P/BV	Yr Hi	Yr Lo	Ytd Ret	TP	CP	UPP	RT
Banks												
ACCESSCORP	13%	16%	7.47	3.61x	0.59x	30.00	22.70	+16.63%	27.60	27.00	+2%	HOLD
ETI	16%	19%	13.62	1.95x	0.36x	27.45	20.90	+27.27%	23.26	26.60	-13%	SELL
FCMB	18%	21%	4.82	2.12x	0.44x	12.00	7.50	+38.51%	8.50	10.25	-17%	SELL
FIDELITYBK	21%	2%	3.57	3.58x	0.07x	14.20	10.65	+17.97%	11.46	12.80	-10%	SELL
FBNH	23%	20%	7.84	3.34x	0.68x	29.35	21.70	+11.25%	20.11	26.20	-23%	SELL
GTCO	40%	32%	13.80	3.01x	0.96x	48.20	37.00	+2.59%	44.53	41.55	+7%	HOLD
STANBIC	33%	29%	10.41	6.24x	1.79x	68.50	64.00	-6.75%	66.05	64.95	+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	1.90x	0.54x	33.95	24.40	+9.16%	29.25	28.00	+4%	HOLD
WEMABANK	12%	19%	1.74	6.23x	1.18x	12.03	5.55	+93.75%	6.38	10.85	-41%	SELL
ZENITHBANK	29%	25%	15.41	2.56x	0.65x	47.35	35.10	+2.20%	46.09	39.50	+17%	BUY
Insurance												
AIICO	9%	20%	0.24	5.22x	1.03x	1.54	0.88	+55.00%	1.53	1.24	+23%	BUY
LASACO	6%	7%	0.51	5.02x	0.35x	2.96	1.90	+34.21%	3.20	2.55	+25%	BUY
MANSARD	17%	36%	1.50	4.23x	1.52x	6.60	5.45	+15.27%	6.30	6.34	-1%	HOLD
NEM	15%	179%	1.34	5.58x	10.01x	8.50	5.75	+18.25%	6.17	7.45	-17%	SELL
WAPIC	-7%	-7%	-0.06	-13.11x	0.93x	0.89	0.69	+20.59%	0.65	0.82	-21%	SELL
CORNERST	49%	39%	0.70	2.70x	1.06x	2.04	1.50	+35.71%	1.30	1.90	-32%	SELL
CUSTODIAN	14%	22%	2.93	3.38x	0.73x	10.85	9.00	+10.00%	11.58	9.90	+17%	BUY
Other Financial Services												
UCAP	35%	17.00%	1.73	13.26x	2.25x	27.65	21.85	0.00%	28.39	23.00	+23%	BUY
AFRIPRUD	25%	12%	0.54	15.14x	1.75x	10.00	7.10	+9.46%	9.54	8.10	+18%	BUY
Breweries												
GUINNESS	-11%	-53%	-12.52	-5.09x	2.70x	71.50	61.00	-3.48%	74.51	63.70	+17%	BUY
NB*	-11%	-52%	-5.72	-6.82x	3.56x	42.00	36.55	+8.33%	47.46	39.00	+22%	BUY
INTBREW	-20%	-41%	-1.76	-2.95x	1.21x	6.26	4.69	+8.33%	-	5.20	-	UR
Packaged Foods												
BUAFOODS	20%	50%	7.12	40.02x	20.07x	285.00	193.40	+47.36%	189.73	285.00	-33%	SELL
CADBURY	-34%	183%	-14.71	-1.36x	-2.49x	31.90	16.50	+5.26%	26.37	20.00	+32%	BUY
DANGSUGAR	1%	2%	0.24	337.11x	7.71x	82.65	57.50	+40.35%	67.11	80.00	-16%	SELL
FLOURMILL	1%	9%	4.82	8.56x	0.78x	47.40	33.10	+24.66%	40.17	41.20	-2%	HOLD
NASCON	18%	50%	5.13	13.40x	6.65x	76.50	54.00	+28.00%	67.17	68.80	-2%	HOLD
NESTLE	-7%	82%	-43.21	-25.45x	-20.92x	1,196.00	1,090.00	0.00%	1,325.07	1,100.00	+20%	BUY
UACN	4%	9%	1.60	9.36x	0.86x	16.00	14.05	+16.73%	16.73	15.00	+12%	BUY
UNILEVER	9%	11%	1.49	13.11x	1.50x	21.70	14.90	+31.76%	17.90	19.50	-8%	HOLD
Agricultural												
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
Pharmaceutical												
MAYBAKER	4%	9%	0.45	14.11x	1.29x	8.26	5.20	+20.00%	6.92	6.30	+10%	HOLD
FIDSON	9%	22%	1.88	9.33x	2.09x	19.20	16.95	+0.29%	22.48	17.55	+28%	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	-10.28x	2.29x	2.09	1.90	+7.73%	1.75	2.09	-16%	SELL
Construction												
BUACEMENT*	23%	26%	3.00	61.62x	15.97x	185.00	101.85	+90.72%	82.11	185.00	-56%	SELL
DANGCEM*	23%	33%	26.22	29.10x	9.52x	763.00	319.90	+138.51%	402.51	763.00	-47%	SELL
WAPCO*	12%	14%	3.57	11.53x	1.57x	47.30	31.50	+30.63%	58.43	41.15	+42%	BUY
Chemicals												
CAP	13%	40%	3.41	7.82x	2.48x	24.00	21.00	+15.11%	33.51	24.00	+40%	BUY
BERGER	7%	14%	1.82	9.51x	1.38x	17.35	13.00	+33.46%	19.06	17.35	+10%	HOLD

	Fundamentals			Trailing		Market Performance			Valuation			
	NM	ROE	EPS	P/E	P/BV	Yr Hi	Yr Lo	Ytd Ret	TP	CP	UPP	RT
Energy												
CONOIL	7%	36%	17.25	5.86x	2.08x	112.20	83.90	+20.38%	101.62	101.00	+1%	HOLD
ETERNA	-3%	-61%	-3.90	-5.66x	3.45x	28.10	14.50	+59.57%	14.25	22.10	-36%	SELL
MRS	-3%	-82%	-5.85	10.79x	1.95x	126.00	105.00	+20.00%	114.97	126.00	-9%	HOLD
SEPLAT	3%	18%	11.68	10.79x	1.95x	126.00	105.00	+20.00%	1,883.44	3,074.60	-39%	SELL
TOTAL	8%	2%	55.88	55.03x	1.35x	3,074.60	2,310.00	+33.10%	427.92	346.50	+23%	BUY
Telecoms												
MTNN	10%	76%	11.31	25.64x	19.61x	295.00	264.00	+9.85%	309.33	290.00	+7%	HOLD
AIRTELAFRI	8%	11%	108.30	18.47x	1.97x	2,000.00	2,000.00	+5.99%	1,461.15	2,000.00	-27%	SELL

NM= Net Margin	Yr Lo= Year Low
ROE=Return on Equity	Ytd Ret= Year-to-Date Return
Lev=Leverage	*TP calculated with EV/EBITDA multiple
EPS=Earnings Per Share	TP=Target Price
BVP= Book Value Per Share	CP= Current Price
P/E=Price-to-Earnings	UPP=Upside Potential
P/BV=Price-to-Book Value	RT= Rating
Yr Hi= Year High	UR=Under Review
Data in the Fundamental columns are based on trailing performance.	

Tickers that moved from – SELL/HOLD to BUY

TICKER	TP	CP	UPP	Prev. RT	New RT	Rationale
ZENITHBANK	46.09	39.50	17%	HOLD	BUY	The stock price fell last week to NGN39.50 from NGN43.00. Thus, increasing the upside potential to 17% based on our target price for the stock.
GUINNESS	74.51	63.70	17%	HOLD	BUY	Profit-taking on the stock, last week, pushed the price lower to NGN63.70 from NGN70.75. This presents an upside of 17% this week. Thus, we rate the ticker a BUY.
UACN	16.73	15.00	12%	HOLD	BUY	UACN's share price declined to NGN15.00 last week, from NGN15.30 the previous week. We rate the ticker a BUY this week based on its upside potential which increased to 12% (vs. 9% the previous week.)

Tickers that moved from BUY to SELL/HOLD

TICKER	TP	CP	UPP	Prev. RT	New RT	Rationale
BERGER	19.06	17.35	10%	BUY	HOLD	BERGER'S share price increased to NGN17.35 last week from NGN15.80. As a result, the upside potential declined to 10% from 21% the previous week. Thus, we currently rate the ticker a HOLD.

NGX Exchange

Upcoming Closure Dates

Company	Dividend Declared	Bonus	Dividend Yield	Interim/Final	Declaration Date	Qualification Date	Closure Date
VITAFOAM	1.56	Nil	5.91%	2023Final	28-Dec-23	12-Feb-24	13-Feb-24
GEREGU	8.00	Nil	1.62%	2023Final	30-Jan-24	26-May-23	28-Feb-24

Upcoming Payment Dates

Company	Dividend Declared	Bonus	Dividend Yield	Interim/Final	Declaration Date	Qualification Date	Payment Date
GEREGU	8.00	Nil	1.62%	2023Final	30-Jan-24	26-May-23	28-Feb-24
VITAFOAM	1.56	Nil	5.91%	2023Final	28-Dec-23	12-Feb-24	07-Mar-24

Upcoming AGM Dates

Company	Dividend Declared	Bonus	Dividend Yield	Interim/Final	Declaration Date	Qualification Date	AGM Date
VITAFOAM	1.56	Nil	5.91%	2023Final	28-Dec-23	12-Feb-24	07-Mar-24
GEREGU	8.00	Nil	1.62%	2023Final	30-Jan-24	26-May-23	TBA
CILEASING	NA	2 for 3	NA	NA	13-Nov-23	04-Jan-24	TBA

Dividends Declared in 2024

Company	Dividend Declared	Bonus	Dividend Yield	Interim/Final	Declaration Date	Qualification Date	Closure Date	Payment Date	AGM Date
CILEASING	NA	2 for 3	NA	NA	13-Nov-23	04-Jan-24	05-Jan-24	NA	TBA
GEREGU	8.00	Nil	1.62%	2023Final	30-Jan-24	26-May-23	28-Feb-24	28-Feb-24	TBA
VITAFOAM	1.56	Nil	5.91%	2023Final	28-Dec-23	12-Feb-24	13-Feb-24	07-Mar-24	07-Mar-24

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