

### Market Review

For the week ended February 9<sup>th</sup>, 2024

- After five consecutive weeks of the Nigerian equities market closing in the green zone, the All-Share Index (NGX-ASI) lost 2.45% for the first time in 2024 to reach 101,858.37pts. As a result, the Year-to-Date return declined to 36.22%.
- Sectoral performance was broadly negative with all sectors closing down: **NGXBNK** (-6.86% WoW), **NGXCNSMRGDS** (-0.14% WoW), **NGXOILGAS** (-0.40% WoW), **NGXINS** (-1.48% WoW), **NGXINDUSTR** (-4.16% WoW), **MERI-AGRIC** (-2.51% WoW), and **MERI-TELCO** (-1.61% WoW).
- MEYER** (+60.70% WoW) led the top gainers’ chart for the week, while **ETERNA** (-18.78% WoW) led the laggard’s chart for the week. **FBNH** led the activity chart in both volume and value traded during the week.

### Market Preview

For the week commencing February 12<sup>th</sup>, 2024

- This week, we anticipate the market to close on a positive note driven by increased bargain hunting activity especially as investors seek value in fundamentally sound that present attractive upside potential.
- However, higher yields in the fixed income market and potential jitters over the Monetary Policy Committee (MPC) actions may limit inflows into the Nigerian equities market. Additionally, there is a prevailing negative sentiment as market breadth remaining below 1x for the third consecutive week.
- Overall, we project that the local bourse should end the week in the positive territory.

The Week That Was (A Review)	Cur. Week	Prev. Week	WoW
NGXASI [pts]	101,858.37	104,421.23	-2.45%
Market Cap [NGN'trn]	55.74	57.15	-2.47%
Market Cap [USD'bn]	37.92	39.81	-4.75%
Volume Traded [bn]	2.47	3.87	-36.20%
Value Traded [NGN'bn]	41.78	95.06	-56.05%

Sectoral Indices	WtD	MtD	QtD	YtD
NGXASI	-2.45%	36.22%	36.22%	36.22%
NGX-30	-2.47%	37.40%	37.40%	37.40%
NGXBNK	-6.86%	1.28%	1.28%	1.28%
NGXCNSMRGDS	-0.14%	31.83%	31.83%	31.83%
NGXOILGAS	-0.40%	19.52%	19.52%	19.52%
NGXINS	-1.48%	27.92%	27.92%	27.92%
NGXINDSTR	-4.16%	100.23%	100.23%	100.23%
MERI-TELCO	-1.61%	-0.63%	5.45%	+5.45%
MERI-AGRIC	-2.51%	-2.87%	11.74%	+11.74%

Top Traded by Value (NGN)	Top Traded by Volume
<b>FBNH</b> 10,732,432,686.25	<b>FBNH</b> 403,172,502.00
<b>GTCO</b> 4,111,374,194.40	<b>TRANSCORP</b> 183,453,361.00
<b>UBA</b> 3,292,226,148.50	<b>JAIZBANK</b> 146,178,375.00
<b>ZENITHBANK</b> 3,203,982,010.70	<b>UNIVINSURE</b> 136,434,985.00
<b>GEREGU</b> 3,161,601,784.10	<b>UBA</b> 129,156,821.00

Highest Gainers	%	Highest Losers	%
<b>MEYER</b>	60.70%	<b>ETERNA</b>	-18.78%
<b>CORNERST</b>	17.37%	<b>ABBEYBDS</b>	-18.39%
<b>MAYBAKER</b>	11.75%	<b>UNITYBNK</b>	-17.79%
<b>CADBURY</b>	9.50%	<b>MBENEFIT</b>	-17.57%
<b>MRS</b>	7.14%	<b>STERLINGNG</b>	-15.45%

	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	3.61x	0.59x	30.00	22.70	+16.63%	27.60	24.75	+12%	BUY
ETI	16%	19%	13.62	1.90x	0.35x	27.45	20.90	+23.92%	23.26	25.90	-10%	SELL
FCMB	18%	21%	4.82	1.87x	0.39x	12.00	7.50	+21.62%	8.50	9.00	-6%	HOLD
FIDELITYBK	21%	2%	3.57	3.07x	0.06x	14.20	10.65	+0.92%	11.46	10.95	+5%	HOLD
FBNH	23%	20%	7.84	3.25x	0.67x	29.35	21.70	+8.28%	20.11	25.50	-21%	SELL
GTCO	40%	32%	13.80	2.90x	0.92x	48.20	37.00	-1.23%	44.53	40.00	+11%	BUY
STANBIC	33%	29%	10.41	5.76x	1.65x	68.50	60.00	-13.85%	66.05	60.00	+10%	BUY
STERLINGNG	10%	10%	0.58	9.67x	0.97x	7.59	4.35	+30.07%	6.27	5.58	+12%	BUY
UBA	32%	28%	14.72	1.73x	0.49x	33.95	24.40	-0.78%	29.25	25.45	+15%	BUY
WEMABANK	12%	19%	1.74	5.62x	1.06x	12.03	5.55	+75.00%	6.38	9.80	-35%	SELL
ZENITHBANK	29%	25%	15.41	2.39x	0.60x	47.35	35.10	-4.66%	46.09	36.85	+25%	BUY
<b>Insurance</b>												
AIICO	9%	20%	0.24	5.22x	1.03x	1.54	0.88	+55.00%	1.53	1.18	+30%	BUY
LASACO	6%	7%	0.51	5.18x	0.36x	2.96	1.90	+38.42%	3.20	2.63	+21%	BUY
MANSARD	17%	36%	1.50	4.02x	1.45x	6.60	5.45	+9.64%	6.30	6.03	+4%	HOLD
NEM	15%	179%	1.34	5.77x	10.35x	8.50	5.75	+22.22%	6.17	7.70	-20%	SELL
WAPIC	-7%	-7%	-0.06	-12.31x	0.87x	0.89	0.69	+13.24%	0.65	0.77	-16%	SELL
CORNERST	49%	39%	0.70	3.17x	1.25x	2.23	1.50	+59.29%	1.30	2.23	-42%	SELL
CUSTODIAN	14%	22%	2.93	3.04x	0.66x	10.85	8.90	-1.11%	11.58	8.90	+30%	BUY
<b>Other Financial Services</b>												
UCAP	35%	17%	1.73	12.37x	2.10x	27.65	21.00	-6.74%	28.39	21.45	+32%	BUY
AFRIPRUD	25%	12%	0.54	15.14x	1.75x	10.00	7.10	+9.46%	9.54	7.95	+20%	BUY
<b>Breweries</b>												
GUINNESS	-11%	-53%	-12.52	-4.59x	2.44x	71.50	57.50	-12.88%	74.51	57.50	+30%	BUY
NB*	-11%	-52%	-5.72	-6.65x	3.47x	42.00	36.55	+5.56%	47.46	38.00	+25%	BUY
INTBREW	-20%	-41%	-1.76	-3.03x	1.25x	6.26	4.69	+11.25%	-	5.34	-	UR
<b>Packaged Foods</b>												
BUAFOODS	20%	50%	7.12	40.02x	20.07x	285.00	193.40	+47.36%	189.73	295.90	-36%	SELL
CADBURY	-34%	183%	-14.71	-1.36x	-2.49x	31.90	16.50	+5.26%	26.37	21.90	+20%	BUY
DANGSUGAR	1%	2%	0.24	303.40x	6.94x	82.65	57.50	+26.32%	67.11	72.00	-7%	HOLD
FLOURMILL	1%	9%	4.82	8.31x	0.76x	47.40	33.10	+21.03%	40.17	40.00	+0%	HOLD
NASCON	18%	50%	5.13	12.08x	6.00x	76.50	54.00	+15.35%	67.17	62.00	+8%	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	8.76x	0.81x	16.00	14.05	+9.34%	16.73	14.05	+19%	BUY
UNILEVER	9%	11%	1.49	12.44x	1.43x	21.70	14.90	+25.00%	17.90	18.50	-3%	HOLD
<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	11.83x	4.80x	259.00	204.00	+26.42%	245.90	244.00	+1%	HOLD
<b>Pharmaceutical</b>												
MAYBAKER	4%	9%	0.45	15.77x	1.44x	8.26	5.20	+34.10%	6.92	7.04	-2%	HOLD
FIDSON	9%	22%	1.88	8.93x	2.01x	19.20	16.80	-4.00%	22.48	16.80	+34%	BUY
NEIMETH	-35%	-22%	-0.20	-8.85x	1.98x	2.16	1.80	-7.22%	1.75	1.80	-3%	HOLD
<b>Construction</b>												
BUACEMENT*	23%	26%	3.00	61.62x	15.97x	185.00	101.85	+90.72%	82.11	166.50	-51%	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	10.43x	1.42x	47.30	31.50	+18.10%	58.43	37.20	+57%	BUY
<b>Chemicals</b>												
CAP	10%	32%	3.07	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
<b>Energy</b>												
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	-4.60x	2.80x	28.10	14.50	+29.60%	14.25	17.95	-21%	SELL
MRS	3%	18%	11.68	11.56x	2.09x	135.00	105.00	+28.57%	114.97	135.00	-15%	SELL
SEPLAT	8%	2%	55.88	55.03x	1.35x	3,074.60	2,310.00	+33.10%	1,883.44	3,074.60	-39%	SELL
TOTAL	2%	23%	38.09	9.10x	2.10x	385.00	346.50	-10.00%	427.92	346.50	+23%	BUY
<b>Telecoms</b>												
MTNN	10%	76%	11.31	24.31x	18.60x	295.00	264.00	+4.17%	309.33	275.00	+12%	BUY
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
<b>Data in the Fundamental columns are based on trailing performance.</b>	

## Tickers that moved from – SELL/HOLD to BUY

TICKER	TP	CP	UPP	Prev. RT	New RT	Rationale
ACCESSCORP	27.60	24.75	12%	HOLD	BUY	The stock price fell last week to NGN24.75 from NGN27.00. Thus, increasing the upside potential to 12% based on our target price for the stock.
GTCO	44.53	40.00	11%	HOLD	BUY	Profit-taking on the stock, last week, pushed the price lower to NGN40.00 from NGN41.55. This presents an upside of 11% this week. Thus, we rate the ticker a BUY.
STANBIC	66.05	60.00	10%	HOLD	BUY	STANBIC's share price declined to NGN60.00 last week, from NGN64.95 the previous week. We rate the ticker a BUY this week based on its upside potential which increased to 10%.
STERLINGNG	6.27	5.58	12%	HOLD	BUY	Profit-taking on the stock, last week, pushed the price lower to NGN5.58 from NGN6.60. This presents an upside of 12% this week. Thus, we rate the ticker a BUY.
UBA	29.25	25.45	15%	HOLD	BUY	Profit-taking on the stock, last week, pushed the price lower to NGN25.45 from NGN28.00. This presents an upside of 15% this week. Thus, we rate the ticker a BUY.
MTNN	309.33	275.00	12%	HOLD	BUY	The stock price fell last week to NGN275.00 from NGN290. Thus, increasing the upside potential to 12% based on our target price for the stock.

## Tickers that moved from BUY to SELL/HOLD

TICKER	TP	CP	UPP	Prev. RT	New RT	Rationale
-	-	-	-	-	-	-

## NGX Exchange

## Upcoming Closure Dates

Company	Dividend Declared	Bonus	Dividend Yield	Interim/Final	Declaration Date	Qualification Date	Closure Date
VITAFOAM	1.56	Nil	6.00%	2023Final	28-Dec-23	12-Feb-24	13-Feb-24
GEREGU	8.00	Nil	1.18%	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	1.18%	2023Final	30-Jan-24	26-May-23	28-Feb-24
VITAFOAM	1.56	Nil	6.00%	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	6.00%	2023Final	28-Dec-23	12-Feb-24	07-Mar-24
GEREGU	8.00	Nil	1.18%	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	1.18%	2023Final	30-Jan-24	26-May-23	28-Feb-24	28-Feb-24	TBA
VITAFOAM	1.56	Nil	6.00%	2023Final	28-Dec-23	12-Feb-24	13-Feb-24	07-Mar-24	07-Mar-24

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