

Market Review

For the week ended March 15th, 2024

- The Nigerian Equities market continued its bullish run, registering a week-on-week gain of 3.71%, as the All-Share Index (NGXASI) rose to 105,085.25pts. Consequently, the Year-to-Date return improved to 40.54%.
- Across sectors, performance was predominantly positive, with the **NGXBNK** (+12.84% WoW), **NGXCNSMRGDS** (+1.41% WoW), **NGXINS** (+2.52% WoW), **MERI-TELCO** (+2.94% WoW) and **NGXINDUSTR** (+0.20% WoW) indices recording weekly gains, while the **MERI-AGRIC** (-0.23% WoW) and **NGXOILGAS** (-0.11% WoW) closed in the negative territory.
- JBERGER** (+30.58% WoW) topped the charts as the highest gainer during the week, while **INTENEGINS** (-27.38% WoW) was the highest loser. **TRANSCORP** and **TRANSPOWER** emerged as the most actively traded stock by volume and value, respectively.

Market Preview

For the week commencing March 18th, 2024

- We expect the positive momentum in the Nigerian Equities market to continue this week. This expectation is premised on the upbeat mood in the local bourse as investors seek capital gains and attractive dividend yield opportunities across fundamentally sound tickers (especially on banking stocks). Furthermore, we expect a muted impact from fixed income activities this week.
- However, a potential rate hike from the Monetary Policy Committee (MPC) in its meeting next week poses a threat to the positive outlook of the equities market.
- Notwithstanding, we expect the NGXASI to close in the green zone this week.

The Week That Was (A Review)	Cur. Week	Prev. Week	WoW
NGXASI [pts]	105,085.25	101,330.85	+3.71%
Market Cap [NGN'trn]	59.42	57.29	+3.71%
Market Cap [USD'bn]	37.07	35.21	+5.29%
Volume Traded [bn]	1.77	2.11	-16.08%
Value Traded [NGN'bn]	52.80	98.14	-46.20%

Sectoral Indices	WtD	MtD	QtD	YtD
NGXASI	3.71%	5.11%	40.54%	40.54%
NGX-30	3.30%	3.60%	40.04%	40.04%
NGXBNK	12.84%	14.14%	8.07%	8.07%
NGXCNSMRGDS	1.41%	0.56%	45.59%	45.59%
NGXOILGAS	-0.11%	-0.96%	23.72%	23.72%
NGXINS	2.52%	-1.74%	12.28%	12.28%
NGXINDSTR	0.20%	-1.70%	77.10%	77.10%
MERI-TELCO	2.94%	12.45%	2.81%	12.45%
MERI-AGRIC	-0.23%	3.01%	-0.16%	3.01%

Top Traded by Value (NGN)	Top Traded by Volume
TRANSPOWER	TRANSCORP
GTCO	GTCO
TRANSCORP	ACCESSCORP
FBNH	FBNH
ACCESSCORP	UBA

Highest Gainers	%	Highest Losers	%
JBERGER	30.58%	INTENEGINS	-27.38%
OMATEK	23.08%	SUNUASSUR	-19.11%
MTNN	20.96%	LASACO	-14.53%
NEM	20.91%	CONHALLPLC	-13.07%
GTCO	17.88%	SKYAVN	-10.00%

	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	3.08x	0.50x	30.00	17.45	-0.65%	27.60	23.00	+20%	BUY
ETI	16%	19%	13.62	1.71x	0.32x	27.45	20.00	+11.48%	23.26	23.30	-0%	HOLD
FCMB	18%	21%	4.82	1.75x	0.36x	12.00	7.20	+14.19%	8.50	8.45	+1%	HOLD
FIDELITYBK	18%	23%	3.50	2.86x	0.67x	14.20	9.65	-7.83%	11.46	10.00	+15%	BUY
FBNH	20%	18%	8.64	4.28x	0.78x	37.00	21.70	+57.11%	20.11	37.00	-46%	SELL
GTCO	40%	32%	13.80	3.51x	1.12x	48.45	36.00	+19.63%	44.53	48.45	-8%	HOLD
STANBIC	31%	28%	10.85	4.97x	1.38x	68.50	53.00	-22.54%	66.05	53.95	+22%	BUY
STERLINGNG	10%	12%	0.75	6.69x	0.79x	7.59	4.14	+16.55%	6.27	5.00	+25%	BUY
UBA	32%	28%	14.72	1.65x	0.47x	33.95	20.50	-5.26%	29.25	24.30	+20%	BUY
WEMABANK	11%	19%	1.82	4.29x	0.82x	12.03	5.55	+39.29%	6.38	7.80	-18%	SELL
ZENITHBANK	29%	25%	15.41	2.58x	0.65x	47.35	32.45	+2.72%	46.09	39.70	+16%	BUY
Insurance												
AIICO	9%	20%	0.24	4.16x	0.82x	1.54	0.88	+23.75%	1.53	0.99	+55%	BUY
LASACO	6%	7%	0.51	3.94x	0.28x	2.96	1.90	+5.26%	3.20	2.00	+60%	BUY
MANSARD	17%	36%	1.50	3.40x	1.23x	6.60	5.00	-7.27%	6.30	5.10	+24%	BUY
NEM	15%	179%	1.34	4.98x	8.94x	8.50	5.50	+5.56%	6.17	6.65	-7%	HOLD
WAPIC	-7%	-7%	-0.06	-10.71x	0.76x	0.89	0.66	-1.47%	0.65	0.67	-3%	HOLD
CORNERST	49%	39%	0.70	3.13x	1.23x	2.67	1.50	+57.14%	1.30	2.20	-41%	SELL
CUSTODIAN	14%	22%	2.93	3.07x	0.66x	10.85	8.50	0.00%	11.58	9.00	+29%	BUY
Other Financial Services												
UCAP	35%	17%	1.73	12.11x	2.06x	27.65	19.95	-8.70%	28.39	21.00	+35%	BUY
AFRIPRUD	25%	12%	0.54	14.11x	1.63x	10.00	6.85	+2.03%	9.54	7.55	+26%	BUY
Breweries												
GUINNESS	-11%	-53%	-12.52	-3.67x	1.95x	71.50	42.05	-30.30%	74.51	46.00	+62%	BUY
NB*	-18%	-168%	-10.35	-2.88x	4.84x	42.00	29.00	-17.22%	47.46	29.80	+59%	BUY
Packaged Foods												
BUAFOODS	20%	50%	7.12	53.34x	26.76x	379.90	193.40	+96.43%	189.73	379.90	-50%	SELL
CADBURY	-34%	183%	-14.71	-1.29x	-2.37x	31.90	16.50	0.00%	26.37	19.00	+39%	BUY
DANGSUGAR	-17%	-93%	-6.07	-10.09x	9.39x	82.65	46.00	+7.46%	67.11	61.25	+10%	HOLD
FLOURMILL	1%	9%	4.82	7.27x	0.66x	47.40	30.55	+5.90%	40.17	35.00	+15%	BUY
NASCON	17%	50%	5.18	11.00x	5.50x	76.50	43.35	+6.05%	67.17	57.00	+18%	BUY
NESTLE	-15%	102%	-100.26	-8.99x	-9.15x	1,196.00	900.00	-18.09%	1,266.56	901.00	+41%	BUY
UACN	4%	9%	1.60	7.86x	0.72x	16.00	12.30	-1.95%	16.73	12.60	+33%	BUY
UNILEVER	9%	11%	1.49	10.76x	1.23x	21.70	14.60	+8.11%	17.90	16.00	+12%	BUY
Agricultural												
OKOMUOIL	27%	44%	20.02	12.14x	5.33x	270.00	243.00	-6.54%	263.56	243.00	+8%	HOLD
PRESCO	21%	41%	20.62	11.23x	4.55x	259.00	204.00	+19.95%	245.90	231.50	+6%	HOLD
Pharmaceutical												
MAYBAKER	5%	11%	0.57	8.95x	1.01x	8.26	5.08	-2.86%	6.92	5.10	+36%	BUY
FIDSON	6%	17%	1.43	11.20x	1.94x	19.20	15.15	-8.57%	22.48	16.00	+40%	BUY
NEIMETH	-117%	-156%	-0.60	-2.81x	4.40x	2.16	1.70	-12.37%	1.75	1.70	+3%	HOLD
Construction												
BUACEMENT*	15%	18%	2.05	68.75x	12.40x	185.00	101.85	+45.36%	82.11	141.00	-42%	SELL
DANGCEM*	21%	26%	26.74	25.69x	6.78x	763.00	319.90	+114.66%	402.51	686.70	-41%	SELL
WAPCO*	13%	12%	3.18	11.28x	1.33x	47.30	31.50	+13.65%	58.43	35.80	+63%	BUY
Chemicals												
CAP	10%	32%	3.07	7.66x	2.43x	25.10	21.00	+12.71%	33.51	23.50	+43%	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	5%	29%	13.87	6.55x	1.92x	112.20	83.90	+8.34%	101.62	90.90	+12%	BUY
ETERNA	-5%	-259%	-7.16	-2.12x	5.48x	28.10	14.25	+9.39%	14.25	15.15	-6%	HOLD
MRS	3%	21%	14.40	9.37x	1.96x	135.00	105.00	+28.57%	114.97	135.00	-15%	SELL
SEPLAT	8%	2%	55.88	60.31x	1.48x	3,370.00	2,310.00	+45.89%	1,883.44	3,370.00	-44%	SELL
TOTAL	2%	23%	38.09	9.10x	2.10x	385.00	346.50	-10.00%	427.92	346.50	+23%	BUY
TRANSCORP	18%	18%	0.84	18.48x	3.29x	19.20	9.52	+78.98%	21.23	15.50	+37%	BUY
Telecoms												
MTNN	-6%	335%	-6.53	-41.02x	-137.62x	295.00	183.00	+1.44%	266.87	267.80	-0%	HOLD
AIRTELAFRI	4%	6%	60.93	36.10x	2.17x	2,200.00	2,000.00	+16.59%	1,461.15	2,200.00	-34%	SELL

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.

Tickers that moved from – SELL/HOLD to BUY

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

Tickers that moved from – BUY to SELL/HOLD

TICKER	TP	CP	UPP	Prev. RT	New RT	Rationale
ETI	23.26	23.30	-0%	BUY	HOLD	Buying activities on the ticker made the price rise to NGN23.26 last week which resulted in a downside potential of -0%.
FCMB	8.50	8.45	+1%	BUY	HOLD	FCMB's stock price increased to NGN8.45 from NGN7.50 in the previous week. This resulted in an upside potential of +1% from our 2024FY target price.
NEM	6.17	6.65	-7%	BUY	HOLD	Buying activities on the ticker made the price rise to NGN6.65 last week which resulted in a downside potential of -7% from our 2024FY target price.
DANGSUGAR	67.11	61.25	+10%	BUY	HOLD	The stock price increased to NGN61.25 from NGN55.65 in the previous week. This resulted in an upside potential of +10% from our 2024FY target price.
MTNN	266.87	267.80	-0%	BUY	HOLD	MTNN's stock price rallied during the week to NGN267.80. Coupled with a downward review of our 2024TP, this resulted in an upside potential of -0%.

NGX Exchange

Upcoming Closure Dates

Company	Dividend Declared	Bonus	Dividend Yield	Interim/Final	Declaration Date	Qualification Date	Closure Date
BUACEMENT	2.00	Nil	1.42%	2023Final	01-Mar-24	09-Aug-24	16-Aug-24
DANGCEM	30.00	Nil	4.37%	2023Final	29-Feb-24	15-Apr-24	16-Apr-24
MECURE	0.15	Nil	1.54%	2023Final	04-Mar-24	17-May-24	24-May-24
MULTIVERSE	0.05	Nil	0.33%	2023Final	20-Feb-24	18-Apr-24	19-Apr-24
NASCON	Nil	2 for 100	NA	NA	27-Feb-24	03-May-24	08-May-24
WAPCO	1.90	Nil	5.31%	2023Final	29-Feb-24	28-Mar-24	05-Apr-24
AFRIPRUD	0.45	Nil	5.96%	2023Final	05-Mar-24	15-Mar-24	22-Mar-24
NGXGROUP	0.75	Nil	3.41%	2023Final	03-Mar-24	26-Mar-24	27-Mar-24
SEPLAT	TBA	Nil	NA	2023Final	29-Feb-24	26-Apr-24	29-Mar-24

Upcoming Payment Dates

Company	Dividend Declared	Bonus	Dividend Yield	Interim/Final	Declaration Date	Qualification Date	Payment Date
BUACEMENT	2.00	Nil	1.42%	2023Final	01-Mar-24	09-Aug-24	29-Aug-24
CILEASING	NA	2 for 3	NA	NA	13-Nov-23	04-Jan-24	NA
DANGCEM	30.00	Nil	4.37%	2023Final	29-Feb-24	15-Apr-24	29-Apr-24
GEREGU	8.00	Nil	0.80%	2023Final	30-Jan-24	27-Feb-24	28-Mar-24
MECURE	0.15	Nil	1.54%	2023Final	04-Mar-24	17-May-24	03-Jun-24
MULTIVERSE	0.05	Nil	0.33%	2023Final	20-Feb-24	18-Apr-24	09-May-24
NASCON	Nil	2 for 100	NA	NA	27-Feb-24	03-May-24	NA
WAPCO	1.90	Nil	5.31%	2023Final	29-Feb-24	28-Mar-24	26-Apr-24
AFRIPRUD	0.45	Nil	5.96%	2023Final	05-Mar-24	15-Mar-24	28-Mar-24
NGXGROUP	0.75	Nil	3.41%	2023Final	03-Mar-24	26-Mar-24	NA
SEPLAT	TBA	Nil	NA	2023Final	29-Feb-24	26-Apr-24	29-May-24

Upcoming AGM Dates

Company	Dividend Declared	Bonus	Dividend Yield	Interim/Final	Declaration Date	Qualification Date	AGM Date
BUACEMENT	2.00	Nil	1.42%	2023Final	01-Mar-24	09-Aug-24	29-Aug-24
CILEASING	NA	2 for 3	NA	NA	13-Nov-23	04-Jan-24	TBA
DANGCEM	30.00	Nil	4.37%	2023Final	29-Feb-24	15-Apr-24	29-Apr-24
GEREGU	8.00	Nil	0.80%	2023Final	30-Jan-24	27-Feb-24	28-Mar-24
MECURE	0.15	Nil	1.54%	2023Final	04-Mar-24	17-May-24	03-Jun-24
MULTIVERSE	0.05	Nil	0.33%	2023Final	20-Feb-24	18-Apr-24	09-May-24
NASCON	Nil	2 for 100	NA	NA	27-Feb-24	03-May-24	TBA
WAPCO	1.90	Nil	5.31%	2023Final	29-Feb-24	28-Mar-24	26-Apr-24
AFRIPRUD	0.45	Nil	5.96%	2023Final	05-Mar-24	15-Mar-24	28-Mar-24
NGXGROUP	0.75	Nil	3.41%	2023Final	03-Mar-24	26-Mar-24	TBA

Dividends Declared in 2024

Company	Dividend Declared	Bonus	Dividend Yield	Interim/Final	Declaration Date	Qualification Date	Closure Date	Payment Date	AGM Date
BUACEMENT	2.00	Nil	1.42%	2023Final	01-Mar-24	09-Aug-24	16-Aug-24	29-Aug-24	29-Aug-24
CILEASING	NA	2 for 3	NA	NA	13-Nov-23	04-Jan-24	05-Jan-24	NA	TBA
DANGCEM	30.00	Nil	4.37%	2023Final	29-Feb-24	15-Apr-24	16-Apr-24	29-Apr-24	29-Apr-24
GEREGU	8.00	Nil	0.80%	2023Final	30-Jan-24	27-Feb-24	28-Feb-24	28-Mar-24	28-Mar-24
MECURE	0.15	Nil	1.54%	2023Final	04-Mar-24	17-May-24	24-May-24	03-Jun-24	03-Jun-24
MULTIVERSE	0.05	Nil	0.33%	2023Final	20-Feb-24	18-Apr-24	19-Apr-24	09-May-24	09-May-24
NASCON	Nil	2 for 100	NA	NA	27-Feb-24	03-May-24	08-May-24	NA	TBA
VITAFOAM	1.56	Nil	7.34%	2023Final	28-Dec-23	12-Feb-24	13-Feb-24	07-Mar-24	07-Mar-24
WAPCO	1.90	Nil	5.31%	2023Final	29-Feb-24	28-Mar-24	05-Apr-24	26-Apr-24	26-Apr-24
AFRIPRUD	0.45	Nil	5.96%	2023Final	05-Mar-24	15-Mar-24	22-Mar-24	28-Mar-24	28-Mar-24
NGXGROUP	0.75	Nil	3.41%	2023Final	03-Mar-24	26-Mar-24	27-Mar-24	NA	TBA
SEPLAT	TBA	Nil	NA	2023Final	29-Feb-24	26-Apr-24	29-Apr-24	29-May-24	28-Feb-24

Contact Information

Brokerage and Retail Services

topeoludimu@meristemng.com
adaezeonyemachi@meristemng.com
contact@meristemng.com

(+234 905 569 0627)
 (+234 808 369 0213)

Investment Banking/Corporate Finance

rasakisalawu@meristemng.com
davidadu@meristemng.com

(+234 806 022 9889)
 (+2348109404836)

Wealth Management

funmilolaadekola-daramola@meristemng.com
crmwealth@meristemng.com

(+234 803 355 0008)
 (+234 810 940 4836)

Registrars

oluseyiowoturo@meristemregistrars.com
www.meristemregistrars.com

(+234 802 321 0561)
 (+234 01-280 9250)

Group Business Development

sulaimanadedodokun@mersitemng.com
ifeomaanyanwu@meristemng.com
info@meristemng.com

(+234 803 301 3331)
 (+234 802 394 2967)

Trust Services

damilolahassan@meristemng.com
trustees@meristemng.com

(+234 803 613 9123)

Investment Research

research@meristemng.com
praiseihansekhien@meristemng.com

(+234 817 007 1512)

Client Services

adefemitaiwo@meristemng.com
brandandcomms@meristemng.com

(+234 803 694 3034)
 (+234 01-280 9250)

Finance

olasokomubo@meristemfinance.com
matthewawotundun@meristemfinance.com

(+234 803 324 7996)
 (+234 802 390 6249)

Corporate websites:

www.meristemng.com www.meristemwealth.com www.meristemregistrars.com

Meristem Research can also be accessed on the following platforms:

Meristem Research Portal: research.meristemng.com

Bloomberg: MERI <GO>

Capital IQ: www.capitaliq.com

ISI Emerging Markets: www.securities.com/ch.html?pc=NG

Reuters: www.thomsonreuters.com

FactSet: www.factset.com

Analyst's Certification and Disclaimer

This research report has been prepared by the research analyst(s), whose name(s) appear(s) on the cover of this report. Each research analyst hereby certifies, with respect to each security or issuer covers in this research that:

- (1) all of the views expressed in this report accurately reflect his or her personal views about any and all of the subject securities or issuers (the Issuer); and
- (2) no part of any of the research analyst's compensation was, is, or will be directly or indirectly related to the specific recommendations or views expressed by the research analyst(s) in this report. Research analysts' compensation is determined based upon activities and services intended to benefit the investor clients of Meristem Securities Limited (the Firm). Like all of the Firm's employees, research analysts receive compensation that is impacted by overall Firm profitability, which includes revenues from other business units within the Firm.
- (3) each research analyst and/or persons connected with any research analyst may have interacted with sales and trading personnel, or similar, for the purpose of gathering, synthesizing and interpreting non-material non-public or material public market information.

As at the date of this report, any ratings, forecasts, estimates, opinions or views herein constitute a judgment, and are not connected to research analysts' compensations. In the case of non-currency of the date of this report, the views and contents may not reflect the research analysts' current thinking. This document has been produced independently of the Issuer. While all reasonable care has been taken to ensure that the facts stated herein are accurate and that the ratings, forecasts, estimates, opinions and views contained herein are fair and reasonable, neither the research analysts, the Issuer, nor any of its directors, officers or employees, shall be in any way responsible for the contents hereof, and no reliance should be placed on the accuracy, fairness or completeness of the information contained in this document. No person accepts any liability whatsoever for any loss howsoever arising from any use of this document or its contents or otherwise arising in connection therewith.

Analysts' Compensation: The equity research analysts responsible for the preparation of this report receive compensation based upon various factors, including the quality and accuracy of research, client feedback, competitive factors, and overall firm revenues, which include revenues from, among other business units, Investment Banking.

Important Disclosure

For U.S. persons only: This research report is a product of Meristem Securities, which is the employer of the research analysts who has prepared the research report. The research analysts preparing the research report are resident outside the United States (U.S.) and are not associated persons of any U.S. regulated broker-dealer and therefore the analysts are not subject to supervision by a U.S. broker-dealer, and are not required to satisfy the regulatory licensing requirements of FINRA or required to otherwise comply with U.S. rules or regulations regarding, among other things, communications with a subject company, public appearances and trading securities held by a research analyst account.

This report is intended for distribution by Meristem Securities only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the U.S. Securities and Exchange Act, 1934 (the Exchange Act) and interpretations thereof by U.S. Securities and Exchange Commission (SEC) in reliance on Rule 15a 6(a)(2). If the recipient of this report is not a Major Institutional Investor as specified above, then it should not act upon this report and return the same to the sender. Further, this report may not be copied, duplicated and/or transmitted onward to any U.S. person, which is not the Major Institutional Investor.

Legal entity disclosures

Meristem Securities Limited is a member of The Nigerian Stock Exchange and is authorized and regulated by the Securities and Exchange Commission to conduct investment banking and financial advisory business in Nigeria. However, the company through its subsidiaries carries out stock broking, wealth management, trustees and registrars' businesses which are regulated by the SEC and ICMR.

Copyright 2024 Meristem Securities Limited. All rights reserved. This report or any portion hereof may not be reprinted, sold or redistributed without the written consent of Meristem Securities Limited.

IMPORTANT INFORMATION: DISCLAIMER

Meristem Securities Limited ("Meristem") equity reports and its attendant recommendations are prepared based on publicly available information and are meant for general information purposes only and it may not be reproduced or distributed to any other person. All reasonable care has been taken to ensure that the information contained herein is not misleading or untrue at the time of publication; **Meristem** can neither guarantee its accuracy nor completeness as they are an expression of our analysts' views and opinions.

Meristem and any of its associated or subsidiary companies or the employees thereof cannot be held responsible for any loss suffered by relying on the said information as this information as earlier stated, is based on publicly available information, analysts' estimates and opinions and is meant for general information purposes and should not be construed as an offer to buy or sell or a solicitation of an offer to buy or sell securities or any financial instruments. The value of any investment is subject to fluctuations, i.e. may fall and rise. Past performance is no guide to the future. The rate of exchange between currencies may cause the value of investment to increase or diminish. Hence investors may not get back the full value of their original investment. Meristem Securities is registered with the Securities and Exchange (SEC) and is also a member of The Nigerian Exchange Group (The NGX). Meristem Securities' registered office is at 20A Gerrard Ikoyi, Lagos, Nigeria. Website: www.meristemng.com; Email: research@meristemng.com. © **Meristem Securities Limited 2024**.