

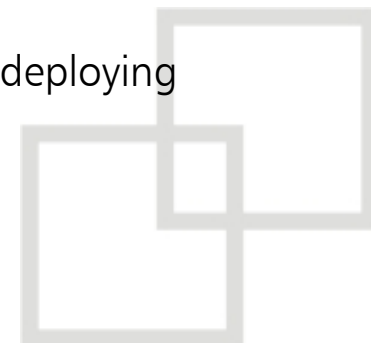


Weekly Stock Recommendation



	Closing Price (N)	Forecast EPS(N)	YE Forecast PE(x)	YE Forecast Div Yield (%)	YE Forecast Earnings yield (%)	Vol. Traded (m)	Val. Traded (m)	52 week High (N)	52 week Low (N)	Market cap (Nbn)	Year end
Monday 25 th Jan 2010	39.80	5.11	7.79	6.4	12.8	2.64	104.01	41.96	22.46	50.71	Dec 31 st

- Founded in 1879, UAC is one of the largest diversified conglomerates in Nigeria; primarily focused on the consumer foods sector, but with operations also spanning manufacturing, real estate, logistics, and automotive sectors
- The group controls two publicly traded mid-sized subsidiaries: CAP Plc, a leading paints manufacturer and UPDC Plc, the leading listed real estate developer
- Ongoing restructuring of the business has seen UAC strategically refocus its activities on the fast growing consumer foods portion of its business.
- Strong cash generative business, particularly with recent one time gains from disposals of non-core assets over the last few years
- Management remains focused on divesting from non-core businesses and deploying freed up cash in the core foods business

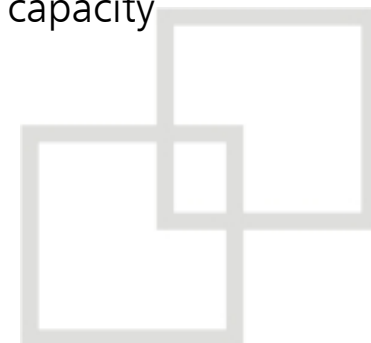


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Monday 25 th Jan 2010	58.00	4.46	13.01	7.3	7.7	2.25	130.32	60.70	28.72	438.63	Dec 31 st

- Largest alcoholic beverage company in Nigeria and a subsidiary of Heineken B.V of the Netherlands (54.1% interest)
- The company currently controls a leading market share in the Nigerian lager and malt segments, with limited export exposure to other West African markets
- Recent investments in capacity expansion and new product lines have paid off.
- Continuous investments in capacity expansion and product re-branding, re-packaging and re-launching has been a positive for the company.
- Strong sales growth, as product demand remains relatively inelastic backed by increasing consumption.
- Healthy capital structure with little or no external borrowings
- Consistent corporate action policy.
- Recently declared an interim dividend of N1.50 for its third quarter result ended September 2009. Closure and payment date are January 27th 2010 and February 8th 2010 respectively.

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Monday 25 th Jan 2010	30.11	2.77	10.85	4.60	9.20	0.33	9.81	35.40	11.89	90.38	Dec 31 st

- WAPCO was established in 1959 with its first factory in Ogun state in 1960.
- Lafarge SA of France, the largest cement manufacturer in the world, is the single largest shareholder in WAPCO after a successful takeover in 2001.
- Positive earnings announcement expected on the back of the renewed focus by government on infrastructure spend
- With a control of over 35% of total market share, WAPCO is an industry leader by volume
- YE forecast PE valuation of 10.85x is one of the lowest in the industry.
- Forecast earnings Yield of 9.20% and forecast dividend yield of 4.60% are above industry and market averages
- Significant scope for turnover growth on the back of ongoing production capacity expansion expected to provide an additional 2.2 million metric tones



	Closing Price (N)	Forecast EPS(N)	YE Forecast PE(x)	YE Forecast Div Yield (%)	YE Forecast Earnings yield (%)	Vol. Traded (m)	Val. Traded (m)	YTD High (N)	YTD Low (N)	Market cap (Nbn)	Year end
Monday 25 th Jan 2010	38.00	6.29	6.04	8.3	16.6	0.095	3.60	42.99	11.00	59.02	March 31 st

- Flour Mills of Nigeria Plc was incorporated in 1960 and listed on the Nigeria Stock Exchange in 1978.
- Their activities span flour milling, pasta manufacturing, port operations, fertilizer blending, agricultural business among others
- The Flour Mills group currently consists of 8 subsidiary companies (including NNFM and Bagco) and holds interests in 3 other companies
- YE forecast PE valuation of 6.29x is below its peer average of 15.97x
- Recently released half year results show an impressive 96% rise in PAT from N2.49bn to N4.87bn.



	Closing Price (N)	Forecast EPS(N)	YE Forecast PE(x)	YE Forecast Div Yield (%)	YE Forecast Earnings yield (%)	Vol. Traded (m)	Val. Traded (m)	52 week High (N)	52 week Low (N)	Market cap (Nbn)	Year end
Monday 25 th Jan 2010	15.07	1.61	9.34	5.9	10.7	5.31	78.81	29.00	10.11	252.34	Dec 31 st

- Strong management team with very aggressive banking culture.
- One of the most capitalized stock on the exchange with market capitalization of N252.34 billion.
- At the heart of the Zenith Bank's strategy is a focus on mobilizing low cost deposits (corporate, public sector and retail) and lending to low risk, large corporate customers.
- Exceptional asset quality over the years.
- In Partnership with JP Morgan for the management of Nigeria's foreign reserves.
- Highly respected as one of the major players in the banking sector
- Profit after tax and exceptional items for fourth quarter ended September 30th 2009 stood at N16.39 billion after making a full provision of N26.14 billion for loan loss as recommended by the CBN following the recently concluded CBN/NDIC special examination.
- Was adjudged to have adequate capital and liquidity to support its current level of operation and future growth following the audit test conducted by CBN in the banking industry.

