Macro Update

Friday, October 14, 2011

Macroeconomic/Socio-Political Update

Members of Nigeria's legislature on Wednesday, October 17, pledged to investigate fuel subsidies expected to cost the country N1.2tn (US$7.8 billion) this year. Nigeria produces more than 2 million barrels per day of crude oil but huge gaps in infrastructure (especially domestic refining capacity) means almost all of this is exported, while refined fuel products have to be imported. The 2011 budget included N240.0bn of subsidy costs but actual costs are estimated to have gone up by almost five times, thereby undermining government's spending plans.

The government said it would use the savings accrued from ending the subsidies to provide safety nets for poor segments of society but this has not convinced many residents in a country which is thwarted by corruption and mismanagement. Fuel subsidies have been a long-standing policy for Nigerian governments to ease the cost pressures on her citizens. The 36 state governors have however pledged their support to government, thus leaving the potentially more difficult task of convincing lawmakers to back the plans. While many Nigerians view the subsidy as the only benefit they derive from living in an oil-rich state, foreign investors are generally optimistic about ending the subsidy which is seen to be holding the country back from reforming its downstream oil sector.

Equity Market Review and Outlook

The Nigerian equity market closed the week in bearish territory, despite a marginal rally on the last trading day. Consequently, the benchmark Index shed 176bps, while the average value of transactions for the week rose by 45.2%, relative to the previous week. Similarly, the BA-30 Index recorded a weekly depreciation of 144bps, weighed down by losses in UBA,UACN, Fidelity Bank and Dangote Sugar. All NSE sectoral indices closed on a negative note, with losses between 0.2% and 2.0%.

First Bank Plc released its 9-month results to September, 2011, with a 19.3% growth in gross earnings to N211.2bn and a 31.7% rise in PAT to N42.9bn. Similarly, ETI Plc, in its third quarter ended September, 2011, posted increases of 32.9% and 55.5% in turnover and PAT to N124.2bn and N19.1bn respectively. PZ Cussons also released first quarter results to August, 2011, which saw turnover up 30.9% to N15.7bn. A 62.2% rise in the company's cost profile led to an erosion in profits, with PAT down by 23.6% to N448.3bn.

Oceanic Bank International Plc and Intercontinental Bank Plc were delisted from the Official List of the NSE during the week, following the shareholders' votes in favour of all resolutions passed after their court-ordered meetings last month.

We expect equity market activities to remain flat this week as attractive rates in money and fixed income markets will lure investors from this market, despite anticipation that the release of results this week will boost the level of activities. We, however, reiterate our expectations that renewed confidence in the banking sector will lend support to equities in the medium term to long term.

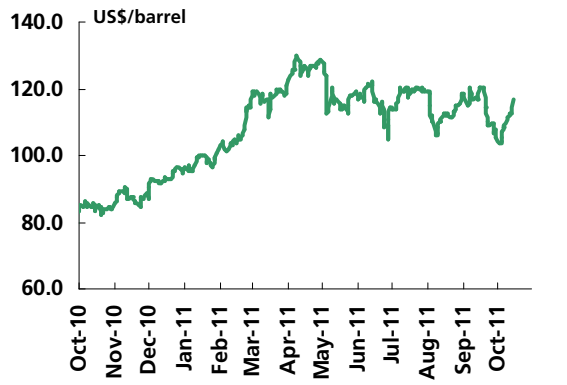
Macro Statistics

	Current	Previous	
Y-O-Y CPI Inflation (%) June	10.3	9.3	↑
Foreign Reserves (US$bn)*	32.9	30.0	↑
Bonny Light (US$/barrel)**	116.7	108.3	↑
MPR	12.0	9.25	↑

Source: NBS, CBN, Bloomberg, Afrinvest Research

* Up to 13th October, 2011
**Up to 14th October, 2011

Bonny Light Crude



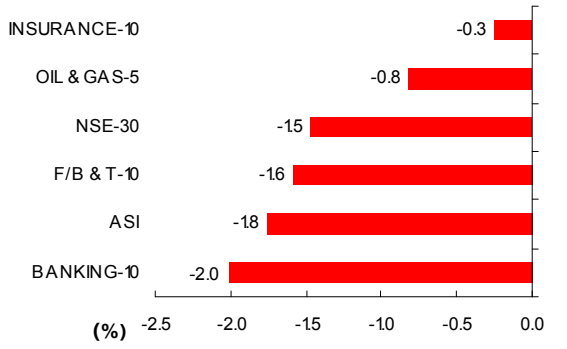
Source: Bloomberg, Afrinvest Research

Equity Market Statistics

	14-October-11	
Market Cap (N'bn)	6,297.9	
Week-On-Week Change (%)	-2.4	↓
Monthly Performance (%)	-6.8	↓
YTD (%)	-20.4	↓
Index Value	19,869.9	
Week-On-Week Change (%)	-1.8	↓
Monthly Performance (%)	-6.3	↓
YTD	-19.8	↓
Value Traded (N'bn)	11.5	
Week-On-Week Change (%)	45.2	↑
Volume (Million)	1,305.9	
Week-On-Week Change (%)	55.3	↑

Source: NSE, Afrinvest Research

Nigeria Equity Indices: 1 Week Performance



Source: NSE, Afrinvest Research

Friday, October 14, 2011

Money Market Review and Outlook

A hike in the MPR last week led to corresponding hikes in money market rates across board. A dearth of liquidity within the system saw rates skyrocket during the week, with slight moderation on Friday as proceeds from AMCON bond sales to the tune of N450.0bn were credited into the system.

On average, interbank rates (i.e. Call, NIBOR and OBB rates for banks) jumped last week from 11.7% to 15.3% compared to a 40bps increase the previous week. The Secured Open Buy Back (OBB) rate for banks closed at 14.00%, 200bps above the MPR, while the Call Rate and 7-day NIBOR both grew by 425bps and 433bps to close at 16.0% and 16.5% respectively.

We expect a decline in system liquidity this week on the back of an upcoming bond auction. Interbank rates should adjust upward by the end of the week, as liquidity within the system eases out.

Foreign Exchange Market Review and Outlook

Demand for the Dollar at the official market stood at US$1.3bn, 93.8% higher than the US$685.4m on demand at the single auction in the previous week. The CBN's offer of US$400.0m at Monday's auction was 45.7% short of the US$736.9m on demand, depreciating the Naira by 151k to close at N156.91/US$1.00. The CBN however reacted decisively at Wednesday's auction by surpassing its initial offer of US$400.0m to meet a total demand of US$591.7m, leading to a 691k appreciation in the Naira to close at N150.00/US$1.00.

The CBN's new regulation, restricting multinationals and oil marketers from sourcing Dollars from the official market, put the interbank segment under severe pressure. Extreme volatile trading saw the Naira move up to N167.50/US$1.00 then drop as low as N156.15/US$1.00, with the CBN directly supplying the interbank market on one day and diverting NNPC supply from the market on another. The Naira eventually closed at N160.50/US$1.00 from N160.13/US$1.00, with a 47k cumulative loss. The Naira gained N4.00 at the BDC segment to close at N162.00/US$1.00, while it lost N1.50 in the parallel market to close at N165.00/US$1.00.

We expect to see slight depreciation in the Naira this week at the official market, with an appreciation at the interbank segment. We also expect the CBN to help ease supply gaps for the Greenback at the interbank, in a bid to limit the growing premium between markets.

Market Rates

	Current	Previous	
Inter Bank			
Call	16.00	11.75	↑
OBB (Banks)	14.00	11.25	↑
NIBOR			
7 Days	16.50	12.17	↑
30 Days	16.96	12.57	↑
60 Days	17.46	12.96	↑
90 Days	17.75	13.33	↑
180 Days	18.04	13.67	↑

Source: FMDA, Afrinvest Research

FX N/US$ Rates

	Close
CBN WDAS	150.00
1 Week Change (Naira)	5.40
1 Month Change (Naira)	3.54
Year-to-date Change (Naira)	-0.83
NIFEX	160.50
BDC	162.00
Parallel	165.00

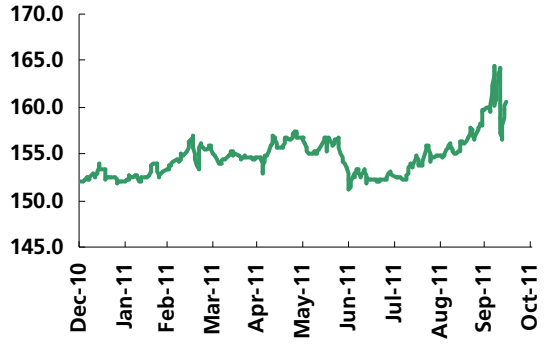
Source: Bloomberg, FDHL Analytics, Afrinvest Research

CBN Wholesale Dutch Action SYSTEM (WDAS)

Amount offered (US$ Million)	800.0
Market demand (US$ Million)	1,328.6
Amount sold (US$ Million)	991.7

Source: FMDA, Afrinvest Research

YTD Naira/Dollar



Source: Bloomberg, Afrinvest Research

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Bond Market Review and Outlook

The 275bps hike in the MPR to 12.0% last week saw yields in the bond market adjust upwards by at least 300bps apiece on all securities at the end of the week. Although inflation for September came in at 10.3%, 100bps above the 9.3% reported for August 2011, these instruments will continue to generate real returns for investors based on current yields. The value of units traded increased by 5.7% from N180.3bn to N190.5bn, as a total of 225.8 million units exchanged hands in 1,880 deals. The 10.00% FGN July 2030 was the most traded bond, closing the week with a total traded value of N63.0bn at a yield of 16.39%, 318bps higher than the 13.21% reported in the previous week.

There was respite for the Nigerian Eurobond as its price increased by US$1.85 from US$97.50 to US$99.35 at the end of the week, following relative strengthening in the Naira and a US$8.43 increase in the African Bonny Light crude oil price last week. The Eurobond yield subsequently fell by 28bps from 7.12% at the close of the previous week to 6.84%.

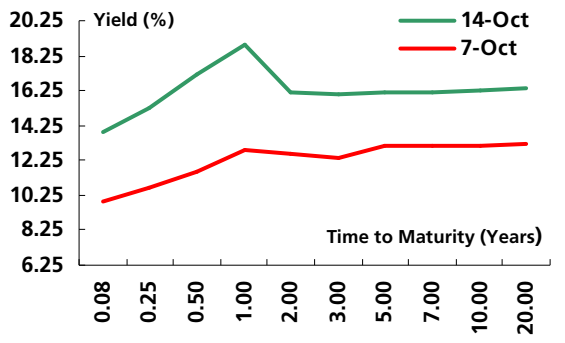
Despite an inflow of N450.0bn from the sale of AMCON bonds by certain banks late last week, liquidity is expected to tighten slightly this week on account of T-bills and bond auctions. This may lead to a further increase in yields, albeit marginally.

Lending Rates

	Current	Previous	
Prime Lending	17.84	17.66	▲
Normal Lending	20.52	20.45	▲

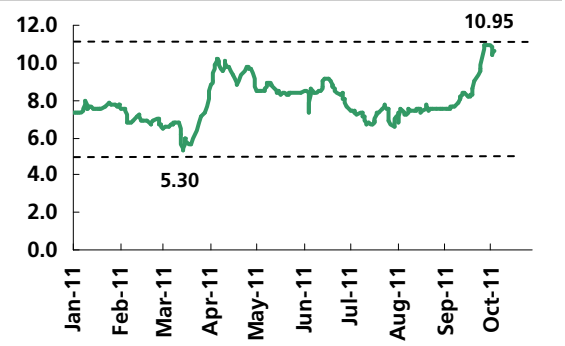
Source: FMDA

Nigeria Sovereign Yield Curve, October 14, 2011 vs. Previous Week



Source: Bloomberg, Afrinvest Research

91 Day T-bill Rate



Source: FDHL Analytics, Afrinvest Research

FGN BOND QUOTES

BOND QUOTES	Maturity	Original Tenor	TTM	Duration	Coupon	Price (N)		Yield (%)	
					%	Bid	Offer	Bid	Offer
5.50% FGN FEB 2013	19-Feb-13	3yr	1.35	1.30	5.50	87.50	87.65	16.17	16.03
10.50% FGN MAR 2014	18-Mar-14	3yr	2.43	2.17	10.50	88.98	89.13	16.15	16.07
9.45% FGN JAN 2013	25-Jan-13	5yr	1.28	1.21	9.45	92.58	92.73	16.05	15.91
10.50% FGN NOV 2013	28-Nov-13	5yr	2.13	1.87	10.50	90.22	90.37	16.10	16.01
4.00% FGN APR 2015	23-Apr-15	5yr	3.53	3.18	4.00	68.00	68.30	16.29	16.14
10.75% FGN MAR 2014	30-Mar-14	7yr	2.46	2.20	10.75	89.40	89.55	16.13	16.05
9.20% FGN JUN 2014	29-Jun-14	7yr	2.71	2.36	9.20	85.16	85.31	16.16	16.08
9.25% FGN SEP 2014	28-Sep-14	7yr	2.96	2.61	9.25	84.12	84.42	16.22	16.07
9.35% FGN AUG 2017	31-Aug-17	10yr	5.88	4.37	9.35	74.37	74.67	16.28	16.18
10.70% FGN MAY 2018	30-May-18	10yr	6.63	4.43	10.70	77.80	78.10	16.29	16.20
7.00% FGN OCT 2019	23-Oct-19	10yr	8.03	5.35	7.00	59.13	59.43	16.31	16.21
15.00% FGN NOV 2028	28-Nov-28	20yr	17.14	5.88	15.00	92.00	92.30	16.40	16.34
12.49% FGN MAY 2029	22-May-29	20yr	17.62	6.03	12.49	77.55	77.85	16.41	16.35
8.50% FGN NOV 2029	20-Nov-29	20yr	18.12	6.43	8.50	54.50	54.80	16.42	16.34
10.00% FGN JUL 2030	23-Jul-30	20yr	18.79	6.44	10.00	62.83	63.13	16.43	16.35

Source: FMDA, Afrinvest Research

Afrinvest Coverage: Selected Companies (Naira in MM, Except Where Noted)

	Price					Liquidity	TSO (Bn)	Mkt Cap	EPS		P/BV	P/E		Profitability		Div Yield		Price Target	Upside	Recommendation
Company	Current	Previous	% Change	12 Mth High	12 Mth Low	Value (N'm)	Ordinary	(N'bn)	LTM	1YR E	1YR E	LTM	1YR E	ROAE	ROAA	LTM	1YR E	12-Mth	12Mth	12-Mth
Top-Tier Banks																				
ETI Plc	11.68	12.40	-5.81	17.05	11.16	0.3	9,915.0	116,996.4	1.75	2.61	0.5x	6.8x	4.5x	10.0%	1.2%	0.0%	10.0%	18.71	60.2%	BUY
First Bank Plc	9.10	9.07	0.33	16.12	8.50	343.8	32,632.0	293,688.0	1.34	1.51	0.8x	6.7x	5.9x	10.3%	1.5%	7.8%	10.1%	19.40	113.2%	BUY
GTBank Plc	12.60	12.30	2.44	20.50	11.64	372.7	29,146.5	352,672.4	1.41	1.69	1.5x	8.6x	7.2x	19.4%	3.4%	8.3%	9.8%	18.24	44.7%	BUY
UBA Plc	3.58	4.12	-13.11	11.70	3.40	17.8	25,868.0	97,263.7	0.14	0.70	0.4x	27.0x	5.4x	0.4%	0.0%	1.3%	9.3%	7.59	111.9%	BUY
Zenith Bank Plc	11.87	12.10	-1.90	16.70	11.21	261.1	31,396.5	367,339.0	1.49	1.94	0.9x	7.9x	6.0x	10.7%	2.1%	7.3%	13.3%	17.69	49.0%	BUY
					Mean	249		1,110,963.1			0.9x	12.5x	6.1x	10.2%	1.8%	6.2%	10.6%			
					Median	302					0.9x	8.2x	6.0x	10.5%	1.8%	7.5%	9.9%			
Middle Tier Banks																				
Access Bank Plc	5.00	5.23	-4.40	11.10	4.90	101.3	17,888.3	88,368.0	0.82	0.91	0.5x	6.0x	5.4x	6.6%	1.5%	10.1	9.2%	11.89	137.8%	BUY
Diamond Bank Plc	3.23	3.39	-4.72	9.27	3.28	7.1	14,475.2	49,071.1	0.06	0.24	0.4x	56.0x	14.3x	1.2%	0.2%	0.0%	4.9%	9.31	188.1%	BUY
Ecobank Nigeria	2.25	2.65	-15.09	4.30	2.34	2.1	13,880.0	32,479.2	0.11	0.54	0.4x	22.2x	4.3x	2.2%	0.4%	0.0%	10.4%	4.23	87.9%	BUY
FCMB Plc	4.00	4.16	-3.85	8.30	3.73	0.7	16,271.2	65,084.8	0.64	0.66	0.3x	6.2x	6.0x	6.0%	1.6%	8.8%	10.0%	8.24	105.9%	BUY
Fidelity Bank Plc	1.79	2.01	-10.95	3.20	1.67	9.6	28,962.6	50,974.2	0.20	0.65	0.5x	8.7x	2.7x	4.5%	1.3%	8.0%	24.0%	3.43	91.6%	BUY
Stanbic IBTC Plc	9.30	9.50	-2.11	11.38	6.95	7.7	18,750.0	172,500.0	0.47	0.75	0.5x	19.4x	12.2x	10.7%	2.4%	4.2%	6.0%	10.17	9.3%	NEUTRAL
Skye Bank Plc	4.72	4.70	0.43	10.00	4.68	8.2	13,218.0	61,992.4	0.90	1.15	1.9x	5.2x	4.1x	10.4%	1.5%	8.5%	11.0%	10.97	132.3%	BUY
Sterling Bank Plc	1.31	1.40	-6.43	2.91	1.15	0.6	12,563.1	16,834.5	0.30	0.41	0.5x	4.5x	3.2x	21.4%	2.0%	0.0%	13.9%	3.39	158.8%	BUY
					Mean	17		537,304.1			0.6x	16.0x	6.5x	7.9%	1.4%	4.9%	11.2%			
					Median	7					0.5x	7.5x	4.9x	6.3%	1.5%	6.1%	10.2%			
Cement																				
Ashaka Cem Plc	14.00	16.17	-13.42	30.00	14.00	10.4	1,990.6	27,868.8	1.51	1.64	2.9x	9.2x	8.6x	20.5%	11.2%	1.3%	1.4%	19.20	37.1%	BUY
CCNN	5.96	7.25	-17.79	15.74	5.96	0.6	1,256.7	7,489.8	1.45	1.48	2.1x	4.1x	4.0x	28.0%	12.4%	0.0%	0.0%	10.19	71.0%	BUY
Dangote Cem Plc	96.00	99.00	-3.03	135.00	95.00	4.9	15,491.4	1,487,171.5	9.01	8.34	7.0x	10.7x	11.5x	56.1%	30.4%	0.0%	0.0%	141.49	47.4%	BUY
Lafarge WAPCO Plc	40.01	40.10	-0.22	48.05	36.51	64.1	3,001.6	120,094.0	1.35	6.73	2.5x	29.6x	5.9x	10.6%	4.7%	0.0%	0.0%	47.92	19.8%	ACCUMULATE
					Mean	20		1,642,624.1			3.6x	13.4x	7.5x	28.8%	14.7%	0.3%	0.3%			
					Median	8					2.7x	10.0x	7.2x	24.3%	11.8%	0.0%	0.0%			

Afrinvest Coverage: Selected Companies (Naira in MM, Except Where Noted)

	Price					Liquidity	TSO (Bn)	Mkt Cap	EPS		P/BV	P/E		Profitability		Div Yield		Price Target	Upside	Recommendation
Company	Current	Previous	% Change	12 Mth High	12 Mth Low	Value (N'm)	Ordinary	(N'bn)	LTM	1YR E	1YR E	LTM	1YR E	ROAE	ROAA	LTM	1YR E	12-Mth	12-Mth	12-Mth
Food & Beverage																				
Cadbury Nigeria Plc	14.00	14.00	0.00	33.00	13.91	1.7	3,129.2	43,808.6	0.35	0.53	2.9x	40.3x	26.4x	9.1%	4.4%	0.0%	0.0%	17.63	25.9%	BUY
Dangote Sugar Plc	6.50	7.24	-10.22	17.73	6.65	30.5	12,000.0	79,800.0	1.08	1.32	1.8x	6.2x	5.0x	27.3%	16.0%	3.8%	7.4%	10.35	59.2%	BUY
Nestle Foods Nig Plc	400.50	400.01	0.12	470.00	342.00	309.2	792.7	317,855.2	16.18	18.98	21.7x	24.8x	21.1x	99.2%	23.4%	3.4%	3.1%	372.96	-6.9%	REDUCE
NNFM Plc	21.48	22.61	-5.00	43.96	21.48	0.0	178.2	3,827.7	3.45	2.81	2.8x	6.2x	7.6x	39.4%	15.4%	63.5%	129.4%	34.05	58.5%	BUY
NASCON Plc	4.18	4.50	-7.11	6.70	3.99	1.4	2,649.4	10,571.3	0.73	0.66	2.1x	5.5x	6.0x	43.1%	23.3%	11.5%	12.1%	5.24	25.4%	BUY
Tantalizers Plc	0.50	0.50	0.00	0.75	0.50	0.0	3,211.6	1,605.8	0.02	0.03	0.5x	23.1x	14.5x	1.6%	1.1%	3.8%	0.0%	0.47	-6.2%	REDUCE
Dangote Flour Plc	6.49	6.57	-1.22	19.90	5.81	3.0	5,000.0	32,450.0	1.39	1.47	1.1x	4.7x	4.4x	20.9%	8.4%	5.0%	10.2%	16.30	151.2%	BUY
					Mean	49.4		489,918.6			4.7x	15.8x	12.2x	34.4%	13.1%	13.0%	23.2%			
					Median	1.7					2.1x	6.2x	7.6x	27.3%	15.4%	3.8%	7.4%			
Bottlers/Brewers																				
7 Up Bottling Co Plc	48.00	48.00	0.00	48.00	36.65	2.6	640.6	30,748.3	4.23	4.13	3.9x	11.4x	11.6x	22.3%	5.8%	4.5%	3.2%	54.94	14.4%	ACCUMULATE
Guinness Nigeria Plc	205.00	210.00	-2.38	255.00	164.00	150.0	1,474.9	302,359.8	9.63	10.23	8.5x	21.3x	20.0x	39.1%	18.0%	3.5%	4.2%	212.58	3.7%	NEUTRAL
Nigerian Breweries Plc	86.01	82.00	4.89	94.01	68.00	191.2	7,562.6	642,893.6	4.51	4.01	19.6x	18.8x	21.2x	73.6%	28.5%	3.4%	3.1%	80.42	-6.5%	REDUCE
					Mean	114.6		976,001.7			10.7x	17.2x	17.6x	45.0%	17.4%	3.8%	3.5%			
					Median	150.0					8.5x	18.8x	20.0x	39.1%	18.0%	3.5%	3.2%			
Insurance																				
AIICO Insurance	0.57	0.59	-3.39	1.38	0.57	0.61	0.4	5,984.1	0.13	0.23	0.2x	5.36	3.10	7.0%	4.6%	5.1%	5.0%	1.11	95.6%	BUY
Continental Re	1.09	1.04	4.81	1.31	0.85	0.04	0.0	10,580.2	0.10	0.06	0.6x	10.22	8.60	4.9%	3.0%	5.4%	8.4%	1.11	2.0%	NEUTRAL
Custodian and Allied Insurance	2.23	2.31	-3.46	3.78	2.22	0.04	0.1	12,854.1	0.00	0.49	0.3x	4.96	5.10	18.4%	16.1%	3.9%	4.8%	3.76	68.8%	BUY
GTA	1.16	1.17	-0.85	2.36	1.07	1.06	1.2	11,000.0	0.12	0.11	0.54	9.40	17.09	8.0%	5.3%	8.2%	8.5%	1.69	45.3%	BUY
Law Union & Rock Insurance	0.50	0.50	0.00	0.61	0.50	0.00	0.0	1,718.7	0.11	0.14	0.48	4.57	4.76	9.6%	6.2%	10.0%	11.4%	0.97	94.5%	BUY
Mutual Benefits Assurance Plc	0.50	0.50	0.00	0.50	0.50	0.00	0.0	4,000.0	0.01	0.01	0.73	44.43	14.44	1.4%	0.6%	0.0%	3.5%	0.50	0.0%	NEUTRAL
NEM Insurance	0.50	0.50	0.00	0.66	0.50	4.60	2.3	2,640.3	0.15	0.14	0.84	3.26	3.17	12.3%	9.9%	0.0%	0.0%	1.44	187.7%	BUY
Prestige Assurance Plc	1.43	1.50	-4.67	3.32	1.60	0.20	0.3	3,547.5	0.15	0.12	0.3x	11.07	7.28	5.2%	3.4%	3.6%	3.3%	1.72	20.2%	ACCUMULATE
					Mean	0.8		52,324.9			0.5x	11.7x	7.9x	8.3%	6.1%	4.5%	5.6%			
					Median	0.1					0.5x	7.4x	6.2x	7.5%	4.9%	4.5%	4.9%			

Afrinvest Coverage: Selected Companies (Naira in MM, Except Where Noted)

	Price					Liquidity	TSO (Bn)	Mkt Cap	EPS		P/BV	P/E		Profitability		Div Yield		Price Target	Upside	Recommendation
Company	Current	Previous	% Change	12 Mth High	12 Mth Low	Value (N'm)	Ordinary	(N'bn)	LTM	1YR E	1YR E	LTM	1YR E	ROAE	ROAA	LTM	1YR E	12-Mth	12-Mth	12-Mth
Healthcare																				
Fidson Healthcare Plc	1.20	1.16	3.45	3.20	1.16	0.1	1,500.0	1,740.0	0.24	0.30	0.5x	7.7x	6.0x	9.0%	6.2%	5.5%	11.1%	2.25	87.3%	BUY
GSK Plc	27.00	27.00	0.00	29.65	22.49	0.4	956.7	25,831.0	1.73	2.49	2.5x	14.8x	10.3x	26.1%	14.3%	4.7%	5.5%	29.45	9.1%	NEUTRAL
May & Baker Plc	3.14	3.00	4.67	6.06	3.00	2.2	980.0	2,940.0	0.15	0.19	1.3x	24.6x	19.6x	6.9%	3.0%	0.0%	0.0%	5.18	64.9%	BUY
Neimeth Int. Plc	1.03	0.95	8.42	2.29	0.95	0.0	821.6	780.5	0.00	0.08	1.4x	NA	20.4x	-12.5%	-4.4%	0.0%	0.0%	0.11	-89.1%	SELL
					Mean	0.7		31,291.5			1.4x	15.7x	14.1x	7.4%	4.8%	2.5%	4.2%			
					Median	0.3					1.3x	14.8x	14.9x	8.0%	4.6%	2.3%	2.8%			
Chemicals & Paints																				
Berger Paints Plc	9.36	9.36	0.00	12.57	5.67	0.7	217.4	2,034.6	2.04	2.04	1.0x	5.1x	5.1x	29.3%	18.1%	6.7%	6.7%	16.45	75.8%	BUY
CAP Plc	18.91	18.69	1.18	43.98	20.99	0.17	560.0	10,589.6	1.67	1.93	16.3x	21.6x	18.6x	99.4%	38.9%	8.8%	4.1%	45.42	140.2%	BUY
PCMN Plc	0.71	0.81	-12.35	3.90	2.10	0.0	792.9	563.0	0.20	0.14	1.2x	7.1x	9.9x	11.7%	8.1%	4.2%	4.5%	1.58	122.1%	BUY
PPNL Plc	5.11	5.11	0.00	5.67	5.27	0.0	400.0	2,044.0	0.00	0.38	2.0x	NA	13.5x	14.4%	8.2%	3.1%	3.6%	5.45	6.7%	NEUTRAL
					Mean	0.2		3,807.8			5.1x	11.3x	11.8x	0.4x	0.2x	5.7%	4.7%			
					Median	0.1		2,039.3			1.6x	7.1x	11.7x	0.2x	0.1x	5.5%	4.3%			
Conglomerates																				
Flour Mills Nigeria Plc	58.50	58.20	0.52	95.00	56.65	151.3	1,879.2	107,112.8	7.89	5.85	2.4x	7.2x	9.7x	37.5%	12.1%	2.9%	2.4%	69.04	18.0%	ACCUMULATE
PZ Industries Plc	30.55	30.00	1.83	43.50	27.28	4.2	3,970.5	121,298.1	1.28	1.51	2.9x	23.9x	20.2x	14.3%	8.9%	2.7%	2.5%	21.38	-30.0%	SELL
U A C N Plc	29.80	33.56	-11.20	42.90	29.80	26.9	1,600.7	47,701.5	3.52	3.50	0.9x	8.5x	8.5x	12.0%	5.5%	2.9%	3.1%	46.40	55.7%	BUY
Unilever Nigeria Plc	27.00	27.50	-1.82	31.25	22.56	89.7	3,783.3	102,149.0	1.38	1.44	11.9x	19.6x	18.8x	50.6%	16.9%	4.1%	5.1%	24.20	-10.4%	SELL
UTC Plc	0.50	0.50	0.00	1.08	0.50	0.0	1,233.4	616.7	0.06	0.07	0.6x	7.7x	7.0x	5.8%	3.0%	0.0%	0.0%	1.62	224.6%	BUY
					Mean	54.4		378,878.1			3.7x	13.4x	12.9x	24.0%	9.3%	2.5%	2.6%			
					Median	26.9					2.4x	8.5x	9.7x	14.3%	8.9%	2.9%	2.5%			

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Company	Current	Previous	% Change	12 Mth High	12 Mth Low	Value (N'm)	Ordinary	(N'bn)	LTM	1YR E	1YR E	LTM	1YR E	ROAE	ROAA	LTM	1YR E	12-Mth	12-Mth	12-Mth
Petroleum Marketing																				
Mobil Nigeria Plc	140.00	140.00	0.00	164.35	133.89	0.6	300.5	42,069.4	13.32	11.90	6.1x	10.6x	10.9x	76.7%	16.6%	6.8%	5.6%	142.25	1.6%	NEUTRAL
MRS Oil Nigeria Plc	63.86	63.86	0.00	81.70	63.86	0.4	254.0	16,219.7	6.76	9.50	0.8x	9.5x	7.8x	19.5%	7.1%	1.9%	2.3%	61.06	-4.4%	REDUCE
Oando Plc	25.00	25.50	-1.96	78.97	20.99	49.8	1,810.2	45,254.2	8.69	9.80	0.4x	2.9x	3.2x	19.4%	4.5%	4.5%	8.3%	64.87	159.5%	BUY
Total Nigeria Plc	200.00	200.00	0.00	250.00	195.50	0.7	339.5	67,904.4	16.22	11.70	6.8x	12.3x	12.5x	68.3%	10.4%	4.0%	4.3%	190.61	-4.7%	REDUCE
					Mean	12.8		42,861.9			3.5x	8.8x	8.6x	46.0%	9.6%	4.3%	5.1%			
					Median	0.6					3.5x	10.0x	9.3x	43.9%	8.7%	4.3%	5.0%			

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