

AFRINVEST WEEKLY UPDATE

Macro Update

Friday, September 23, 2011

Macroeconomic/Socio-Political Update

This week looks set to mark a watershed in the almost 2-year long banking reforms, as shareholders of the 5 remaining rescued banks vote on recapitalization deals with healthy lenders. While reaching out to shareholders to vote in favour of the proposed deals, the chairmen of these rescued lenders have expressed preference for recapitalization to nationalization. Access Bank, FCMB, Ecobank Transnational Incorporated, Sterling Bank and the African Capital Alliance (ACA) consortium have agreed deals to recapitalize Intercontinental Bank, FinBank, Oceanic Bank, Equitorial Trust Bank (ETB) and Union Bank, in that order.

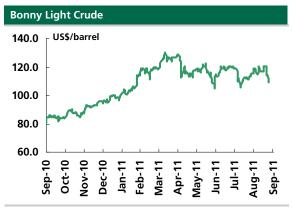
Shareholders of Intercontinental Bank would, at an Extraordinary General Meeting (EGM) on Monday 26 September 2011, vote on the N50.0bn recapitalization deal proposed by Access Bank wherein they stand to receive one new share for every seven held. FCMB's offer to purchase 100.0% of FinBank in exchange for a N6.0bn consideration (cash and/or FCMB shares) will be put to vote by shareholders of both banks at respective EGMs to be held on Thursday, September 29, 2011. ETI will seek shareholder approval for its planned full acquisition (100.0%) of Oceanic Bank at EGMs slated for Tuesday, 27 September 2011. The total purchase consideration is N55.0bn, via a pro rata split of 70.0% in ordinary shares of ETI and 30.0% in Participating Cumulative Convertible Preference Shares of ETI. Sterling Bank plans to issue 3 billion new shares to acquire privately-held Equitorial Trust Bank, with shareholders of both institutions expected to put this to vote on Wednesday, 28 September, 2011. The successful conclusion of these EGMs in favour of the recapitalization deals would pave the way for rescued lenders to recapitalize, ahead of the CBN's September deadline.

Nigeria's Bureau of Public Enterprises on Tuesday September 20, 2011 unveiled plans to sell a 70 percent stake in eleven power distribution companies to new investors as part of the multi-billion Dollar privatization of its electricity. A BPE statement said 10.0% of the remaining shares would be offered to state governments where power plants are located, another 2.0% reserved for the staff of the various companies, while 18.0% will be sold through an initial public offering when the companies start performing.

Macro Statistics			
	Current	Previous	
Y-O-Y CPI Inflation (%) August	9.3	9.4	•
Foreign Reserves (US\$bn)*	33.6	34.4	•
Bonny Light (US\$/barrel)**	107.2	120.4	•
MPR	9.25	8.75	•

Source: NBS, CBN, Bloomberg, Afrinvest Research

^{**}Up to 23rd September, 2011



Source: Bloomberg, Afrinvest Research

^{*} Up to 21th September, 2011



AFRINVEST WEEKLY UPDATE

Equity Market

Friday, September 23, 2011

Equity Market Review and Outlook

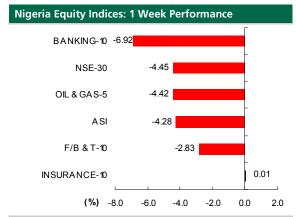
The Nigerian equity market dipped again last week as the NSE All Share Index (ASI) crossed the 21,000 points level to reach a new low. Liquidity level remained fairly unchanged as average daily value traded inched down by 6.0%. The benchmark index cruised southwards, shedding 428bps and pushing year-to-date loss to 18.4%. The BA-30 index also recorded a weekly depreciation of 425bps weighed down by losses in UBA Plc, Oando Plc, and First Bank Plc. All NSE sectoral indices closed on a negative note with the exception of the NSE Insurance Index which inched up by 0.01%.

Neimeth International Pharmaceuticals Plc released its Q1 results ending June, 2011 with a superlative 104.2% increase in turnover, while the company bounced back to profitability with a PAT of N42.9m compared to a loss position in the corresponding period of 2010. C&I Leasing Plc also published its H1 results ending June 2011 with a modest 17.1% growth in turnover, while PAT stood at N152.1m as against a loss position in H1, 2010.

The Nigerian equity market continues to falter on tepid participation by foreign and domestic institutional investors, as global risk aversion for equities persists. We expect the direction of the market this week to be shaped by the conclusions of the expected EGMs and court-ordered meetings regarding the M&A deals of CBN-intervened banks. Successful outcomes of the approval processes should spur a rally in banking counters which is expected to lend support to the broader market. Additionally, we expect Q3 earnings releases to positively impact market momentum in the next few weeks.

Equity Market Statistics		
	23-September-11	
Market Cap (N'bn)	6,442.4	
Week-On-Week Change (%)	-4.3	•
Monthly Performance (%)	-9.7	•
YTD (%)	-18.6	•
Index Value	20,202.5	
Week-On-Week Change (%)	-4.3	•
Monthly Performance (%)	-9.7	•
YTD	-18.6	•
Value Traded (N'bn)	8.4	
Week-On-Week Change (%)	-6.0	•
Volume (Millions)	1,056.4	
Week-On-Week Change (%)	30.5	•

Source: NSE, Afrinvest Research



Source: NSE, Afrinvest Research



Money Market

Friday, September 23, 2011

Money Market Review and Outlook

A delay in the FAAC meeting last week over an unresolved NNPC debt ensured that liquidity levels within the system remained low. As a result, interbank rates increased across board last week, adjusting to the new MPR of 9.25%.

On average, interbank rates (i.e. Call, NIBOR and OBB rates for banks) moved up last week from 11.2% to 11.7% compared to a 10bps rise the previous week. The Secured Open Buy Back (OBB) rate for banks closed at 11.3%, 200bps above the MPR, while the Call Rate and 7-day NIBOR both increased by 63bps and 46bps to close at 11.8% and 12.1% respectively.

We expect to see a moderation in interbank rates towards the end of the week, as a total of N607.0bn eventually approved as arrears for August Statutory Revenue Allocation hits the system.

Foreign Exchange Market Review and Outlook

Demand for the Dollar at the official market stood at US\$974.1m, 11.5% more than the US\$873.4m demanded at both auctions in the previous week. The CBN maintained the total amount on offer for the second week running at US\$700.0m. The Naira depreciated by 37k at Monday's auction, as the CBN's offer was 25.1% below market demand. The Naira closed the week at N154.42/US\$1.00 in the official market from N153.54/US\$1.00, with a cumulative loss of 88k for the week.

The interbank market witnessed increased volatility last week, with the Naira reaching highs of N157.95/US\$1.00 before sizeable FX sales from oil majors strengthened the Naira to N155.95/US\$1.00 during the week. The Naira opened at N156.77/US\$1.00 at the interbank market but closed at N156.57/US\$1.00 by the end of the week, a 20k rise. The Naira also gained 50k at the BDC segment to close at N158.50/US\$1.00, while it lost N1.00 in the parallel market to close at N159.00/US\$1.00.

We expect a slight drop in demand for the Dollar at the official market this week, as we envisage more pressure on the currency at the interbank segment. We also expect the CBN to increase its initial offer at Monday's auction to safeguard the Naira from surpassing the N155.00/US\$1.00 mark.

Market Rates			
	Current	Previous	
Inter Bank			
Call	11.75	11.13	•
OBB (Banks)	11.25	10.75	•
NIBOR			
7 Days	12.08	11.63	•
30 Days	12.50	12.04	•
60 Days	12.79	12.63	•
90 Days	13.25	12.92	•
180 Days	13.50	13.33	•

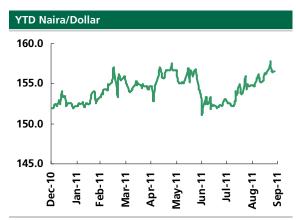
Source: FMDA, Afrinvest Research

FX N/US\$ Rates		
	Close	
CBN WDAS	154.42	
1 Week Change (Naira)	0.88	•
1 Month Change (Naira)	2.57	•
Year-to-Date Change (Naira)	5.25	•
NIFEX	156.57	
BDC	158.50	
Parallel	159.00	

Source: Bloomberg, CBN, FMDA, Afrinvest Research

CBN Wholesale Dutch Action SYSTE	M (WDAS)
Amount offered (US\$ Million)	700.0
Market demand (US\$ Million)	974.1
Amount sold (US\$ Million)	700.0

Source: FMDA, Afrinvest Research



Source: Bloomberg, Afrinvest Research



Fixed Income

Friday, September 23, 2011

Bond Market Review and Outlook

The 50bps hike in the MPR brought mixed sentiments to the bond market last week as yields rose on the shorter tenored instruments (3yr, 5yr and 7yr), but fell on the 10yr instruments and closed flat on the 20yr bonds. The value of units traded dropped by 15.7% from N164.0bn last week to N138.2bn, as a total of 143.5 million units exchanged hands in 894 deals. The most traded bond was the 10.50% FGN March 2014, closing the week with a total traded value of N49.3bn. The yield on this instrument fell by 8bps from 10.54% in the previous week to 10.46% last week.

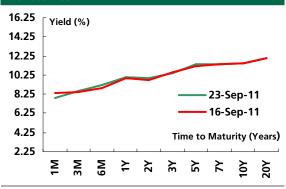
Bearish sentiments deepened on the Nigerian Eurobond as it fell further by US\$5.56, closing at US\$99.38 from US\$104.94 in the previous week. The US\$11.53 dip in the African Bonny Light crude oil price to US\$108.89 may be one of the factors which adversely affected the Eurobond this week. The Eurobond yield subsequently moved up by 79bps from 6.05% at the close of the previous week to 6.84%.

We anticipate mixed sentiments in the market this week as liquidity eases on the back of FAAC inflows.

Lending Rates			
	Current	Previous	
Prime Lending	17.66	17.66	-
Normal Lending	20.40	20.40	-

Source: FMDA, Afrinvest Research

Nigeria Sovereign Yield Curve, September 23, 2011 vs. Previous Week



Source: Bloomberg, Afrinvest Research

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Source: FDHL Analytics, Afrinvest Research

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FGN BOND QUOTES									
BOND QUOTES	Maturity	Original Tenor	ттм	Duration	Coupon	Pric	e (N)	Yield	d (%)
					%	Bid	Offer	Bid	Offer
5.50% FGN FEB 2013	19-Feb-13	3yr	1.41	1.36	5.50	94.25	94.40	9.98	9.86
10.50% FGN MAR 2014	18-Mar-14	3yr	2.48	2.25	10.50	100.02	100.17	10.49	10.42
9.45% FGN JAN 2013	25-Jan-13	5yr	1.34	1.27	9.45	99.39	99.54	9.93	9.81
10.50% FGN NOV 2013	28-Nov-13	5yr	2.18	1.94	10.50	100.00	100.15	10.48	10.41
4.00% FGN APR 2015	23-Apr-15	5yr	3.58	3.27	4.00	78.59	78.89	11.45	11.33
10.75% FGN MAR 2014	30-Mar-14	7yr	2.52	2.16	10.75	100.10	100.25	10.70	10.63
9.20% FGN JUN 2014	29-Jun-14	7yr	2.77	2.45	9.20	96.07	96.22	10.87	10.80
9.25% FGN SEP 2014	28-Sep-14	7yr	3.02	2.57	9.25	95.42	95.72	11.08	10.95
9.35% FGN AUG 2017	31-Aug-17	10yr	5.94	4.59	9.35	91.28	91.58	11.41	11.33
10.70% FGN MAY 2018	30-May-18	10yr	6.69	4.75	10.70	96.56	96.86	11.44	11.38
7.00% FGN OCT 2019	23-Oct-19	10yr	8.09	5.79	7.00	76.62	76.92	11.52	11.45
15.00% FGN NOV 2028	28-Nov-28	20yr	17.19	7.12	15.00	121.96	122.26	11.95	11.92
12.49% FGN MAY 2029	22-May-29	20yr	17.67	7.38	12.49	103.68	103.98	11.98	11.94
8.50% FGN NOV 2029	20-Nov-29	20yr	18.17	7.96	8.50	74.24	74.54	12.01	11.96
10.00% FGN JUL 2030	23-Jul-30	20yr	18.84	7.93	10.00	84.91	85.21	12.04	11.99

Source: FMDA, Afrinvest Research



Afrinvest Coverage: Selected Companies	rage: 9	elected	Compa		(Naira in MM, Ex		cept Where Noted)	Noted)											
			Price			Liquidity	TSO (m)	Mkt Cap	EPS		P/BV	P/E	Profi	Profitability	Div Yield		Price Target	Upside	Recommendation
Company	Current	Previous	Current Previous % Change	e High	າ 12 Mth Low	Value (N'm)	Ordinary	(N'm)	LTM 1YR E		1YR E LTN	LTM 1YR E		ROAE ROAA	LTM 1YR	ш		12Mth	12-Mth
Top-Tier Banks																			
ETI PIc	11.67	12.00	-2.75	17.05	11.65	10.2	9,915.0	115,707.5	1.75 2	2.61 0.5x	5x 6.7x	x 4.5x	10.0%	1.2%	. %0.0	10.1%	18.71	%E'09	BUY
First Bank Plc	9.28	10.40	-10.77	16.12	9.28	126.0	32,632.0	302,825.0	1.21	1.35 0.9x	9x 7.7x	x 6.9x	10.3%	, 1.5%	7.5%	8.7%	16.84	81.5%	BUY
GTBank Plc	12.00	12.80	-6.25	20.50	11.64	269.9	29,146.5	349,757.8	1.41	1.69 1.5x	5x 8.5x	x 7.1x	19.4%	3.4%	8.3%	%8.6	18.24	52.0%	BUY
UBA PIc	3.59	4.15	-13.49	11.70	3.59	29.7	25,868.0	92,866.1	0.14 0	0.70 0.4x	4x 25.7x	′x 5.2x	0.4%	%0:0	1.4%	9.1%	7.59	111.4%	BUY
Zenith Bank Plc	11.90	12.60	-5.56	16.70	11.21	662.7	31,396.5	373,618.3	1.49	1.94 0.9x	9x 8.0x	x 6.1x	10.7%	, 2.1%	7.1%	13.1%	17.69	48.6%	BUY
					Mean	272		1,119,067.1		0.	0.9x 12.5x	6.3x	10.2%	, 1.8%	6.1%	10.3%			
					Median	198				0.9	0.9x 8.3x	x 6.5x	10.5%	1.8%	7.3%	%8.6			
Middle Tier Banks																			
Access Bank Plc	5.21	5.30	-1.70	11.10	2.00	26.5	17,888.3	93,197.8	0.82	0.91 0.5x	5x 6.4x	x 5.7x	%9'9	1.5%	%9.6	8.8%	11.89	128.2%	BUY
Diamond Bank Plc	3.61	3.91	-7.67	9.27	3.61	2.4	14,475.2	52,255.6	0.06	0.24 0.5	0.5x 59.6x	ix 15.3x	k 1.2%	0.2%	%0.0	4.6%	9.31	157.8%	BUY
Ecobank Nigeria	2.53	2.90	-12.76	4.30	2.53	0.5	13,880.0	35,116.4	0.11 0	0.54 0.4	0.4x 24.0x)x 4.7x	2.2%	0.4%	%0.0	%9.6	4.23	67.1%	BUY
FCMB PIc	3.95	4.34	-8.99	8.30	3.95	45.8	16,271.2	64,271.2	0.64 0	0.66 0.4x	4x 6.2x	x 5.9x	%0'9	1.6%	. %6.8	10.1%	8.24	108.6%	BUY
Fidelity Bank Plc	2.06	2.02	1.98	3.20	1.67	30.2	28,962.6	59,662.9	0.20	0.65 0.5x	5x 10.2x	3.2x	4.5%	1.3%	. %8.9	20.5%	3.43	%5'99	BUY
Stanbic IBTC Plc	8.93	9.33	-4.29	11.38	6.95	124.1	18,750.0	167,437.5	0.47 0	0.75 0.5x	5x 18.8x	3x 11.8x	(10.7%	2.4%	4.4%	6.2%	10.17	13.8%	ACCUMULATE
Skye Bank Plc	4.98	5.26	-5.32	10.00	4.98	2.0	13,218.0	65,825.6	0.90	1.15 1.8x	8x 5.6x	x 4.3x	10.4%	, 1.5%	. %0.8	10.4%	10.97	120.2%	BUY
Sterling Bank Plc	1.33	1.49	-10.74	2.91	1.33	2.8	12,563.1	16,708.9	0.30	0.41 0.5x	5x 4.5x	x 3.2x	21.4%	, 2.0%	. %0.0	14.0%	3.39	155.0%	BUY
					Mean	30		554,476.0		0.	0.7x 16.9x	ж 6.8х	7.9%	1.4%	4.7%	10.5%			
					Median	16				0.5x	5x 8.3x	x 5.2x	%E'9	1.5%	2.6%	%6.6			
Cement																			
Ashaka Cem Plc	17.70	19.39	-8.72	30.00	17.70	2.0	1,990.6	35,234.1	1.51	1.56 2.4x	4x 11.7x	/x 11.4x	< 20.5%	, 11.2%	1.5%	1.6%	18.45	4.2%	NEUTRAL
CCNN	7.30	7.30	0.00	15.74	7.15	0.2	1,256.7	9,173.7	1.45	1.48 2.1x	1x 5.0x	x 4.9x	28.0%	, 12.4%	%0.0	%0.0	10.19	39.6%	BUY
Dangote Cem Plc	95.00	100.00	-5.00	30.00	17.70	385.0	15,491.4	1,471,680.2	9.01	8.34 8.6x	6x 10.5x	ix 11.4x	c 56.1%	30.4%	%0.0	0.0%	141.49	48.9%	BUY
Lafarge WAPCO Plc	40.42	43.20	-6.44	30.00	17.70	34.7	3,001.6	121,324.7	1.35 6	6.73 2.8x	8x 29.9x)x 6.0x	10.6%	4.7%	%0.0	%0.0	47.92	18.6%	ACCUMULATE
					Mean	106		1,637,412.6		4.	4.0x 14.3x	8x 8.4x	28.8%	, 14.7%	0.4%	0.4%			
					Median	20				2.0	2.6x 11.1x	x 8.7x	24.3%	11.8%	%0.0	%0.0			
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Housidid TSO (m) MAt Cap EPS PIBY PIE Profitability TSO (m) MAt Cap Pie Pi	Afrinvest Coverage: Selected Companies	age: Se	ected	compa		Nalfalm	IVIIVI, EX	cept with	(Nalla III MIM), Except willere Moledy	,											
Cumposi Previous Casage Figh Column				Price			Liquidity	TSO (m)	Mkt Cap	<u>a</u>		/BV	P/E	_	rofitab	llity	Div Yie		Price arget	Upside	Recommendation
	Company	Current	Previous		12 Mth High	12 Mth Low	Value (N'm)	Ordinary	(N/m)	LTM	1 YR E 1	YR E		IYR E R	OAE RO			ш	2-Mth	12-Mth	12-Mth
15.20 15.50 15.60 1.70 1.20 1.70 1.20 1.70 1.20	Food & Beverage																				
State Stat	Cadbury Nigeria Plc	15.20	16.50	-7.88	33.00	15.20	4.7	3,129.2	47,563.7	0.35									17.70	16.4%	ACCUMULATE
March Marc	Dangote Sugar Plc	8.55	9.30	-8.06	17.73	8.55	8.6	12,000.0	102,600.0	1.08		2.4x	7.9x						8.94	4.6%	NEUTRAL
1.50 1.50	Nestle Foods Nig Plc	401.00	401.00	0.00	470.00	342.00	73.1	660.5	264,878.9	17.66			22.7x						862.20	%2'6-	REDUCE
1.00 1.00	NNFM PIC	22.61	22.61	0.00	43.96	22.61	0.0	178.2	4,029.1	3.45		3.0x	9.9x						34.80	53.9%	BUY
Color Colo	NASCON PIC	4.48	4.28	4.67	6.70	4.00	9.0	2,649.4	11,869.5	0.62		2.2x	7.2x					%0	5.47	22.2%	ACCUMULATE
Hand	Tantalizers Plc	0.50	0.50	0.00	0.75	0.50	0.0	3,211.6	1,605.8	0.05			23.1x						0.48	-4.4%	REDUCE
	Dangote Flour Plc	6.67	6.12	8.99	19.90	5.81	35.2	5,000.0	33,350.0	1.39		1.1x	4.8x						16.24	143.5%	BUY
C 45.50 45.15 C C C C C C C C C						Mean	17.5		465,897.0					12.7x 3	4.4% 13			.5%			
C 45.50 45.15 0.78 46.00 36.65 0.7 512.5 23.317.5 3.74 4.13 2.9x 12.2x 11.0x 22.3x 5.8% 3.9% 4.1% 54.94 20.7%						Median	4.7					2.4x	7.9x					3%			
C C C C C C C C C C	Bottlers/Brewers																				
Harmonia	7 Up Bottling Co Plc	45.50	45.15	0.78	46.00	36.65	0.7	512.5	23,317.5	3.74		2.9x	12.2x	11.0x 2					54.94	20.7%	ACCUMULATE
Horizonta Hori	Guinness Nigeria Plc	221.51	220.00	69.0	255.00	164.00	77.5	1,474.9	326,710.9	9.63				21.6x 3					12.59	-4.0%	REDUCE
Median 49.5 Median 49.	Nigerian Breweries Plc		88.41	-4.45	94.01	00.89	70.4	7,562.6	639,036.7	4.51				21.1x 7					80.43	-4.8%	REDUCE
Macdian Macd						Mean	49.5		989,065.0			10.5x		17.9x 4				%8;			
0.67 0.67 0.67 0.00 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 66.4% 1.07 1.01 5.94 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% 5.1% 5.0% 1.11 3.9% 1.09 1.00 1.00 0.12 0.11 0.14 0.48 4.57 4.76 9.6% 6.2% 10.0% 11.4% 0.97 94.5% 1.00 0.00 0.50 0.50 0.50 0.50 0.50 0.50						Median	70.4							21.1x 3				.1%			
1.07 1.01 5.94 1.31 0.85 0.04 0.0 10,580.1 0.13 0.23 0.28 5.36 5.36 5.36 5.1% 5.0% 5.0% 1.11 0.85 0.04 0.0 10,580.2 0.10 0.06 0.68 1.02 8.60 4.9% 5.1% 5.0% 1.11 3.9% 1.01 0.28 0.24 1.31 0.85 0.04 0.1 12,854.1 0.00 0.49 0.38 4.96 5.10 18.4% 16.1% 3.9% 4.8% 1.3% 8.2% 8.2% 8.2% 1.69 70.2% 1.00 1.00 1.00 0.23 1.00 1.00 1.1718.7 0.11 0.14 0.48 4.57 4.43 14.44 1.4% 0.6% 0.0% 11.4% 0.9% 1.3% 0.5% 0.0% 0.0% 0.50 0.00 0.50 0.50 0.00 0.50 0.5	Insurance																				
107 1.01 5.94 1.31 0.85 0.04 0.0 10,580.2 0.10 0.06 0.6	AllCO Insurance	0.67	0.67	0.00	1.38	0.57	0.61	0.4	5,984.1	0.13		0.2x	5.36					%0	1.11	66.4%	BUY
ed 2.41 2.51 -3.98 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 56.2% 0.99 1.00 -1.00 2.36 1.00 1.00 0.11 0.14 0.46 0.70 0.71 0.71 0.70 0.70 0.70 0.71 0.71 0.70 0.70 0.70 0.71 0.71 0.72 0.70 0.70 0.71 0.71 0.71 0.72 0.70 0.70 0.71 0.71 0.73 4.74 1.70 0.70 0.71 0.71 0.71 0.71 0.71 0.72 0.75 0.00 0.71 0.71 0.73 4.44 1.44	Continental Re	1.07	1.01	5.94	1.31	0.85	0.04	0.0	10,580.2	0.10		0.6x	10.22					4 %	1.11	3.9%	NEUTRAL
0.99 1.00 -1.00 0.12 1.1,000.0 0.11 0.54 9.40 17.09 8.0% 5.3% 8.2% 8.5% 1.69 70.2% 0.50 0.10 1.00 1.718.7 0.11 0.14 0.48 4.57 4.76 9.6% 6.2% 10.0% 11.4% 0.50 9.45% 70.2% 11.4% 0.59 0.00 0.00 0.1718.7 0.11 0.14 0.48 4.57 4.76 9.6% 6.2% 10.0% 11.4% 0.59 9.9% 0.00 0.00 0.00 0.00 4,000.0 0.01 0.01 0.01 0.01 0.01 0.01 0.01 0.01 0.02 0.00 0.00 0.01 0.01 0.01 0.02 0.01 0.02 0.01 0.01 0.01 0.02 0.02 0.02 0.02 0.02 0.02 0.03 0.03 0.03 0.03 0.03 0.03 0.03 0.03 0.03 0.03 0.03 0.03 <td< td=""><td>Custodian and Allied Insurance</td><td>2.41</td><td>2.51</td><td>-3.98</td><td>3.78</td><td>2.22</td><td>0.04</td><td>0.1</td><td>12,854.1</td><td>0.00</td><td></td><td>0.3x</td><td>4.96</td><td></td><td></td><td></td><td></td><td>%8:</td><td>3.76</td><td>56.2%</td><td>BUY</td></td<>	Custodian and Allied Insurance	2.41	2.51	-3.98	3.78	2.22	0.04	0.1	12,854.1	0.00		0.3x	4.96					%8:	3.76	56.2%	BUY
0.50 0.50 0.00 0.61 0.50 0.00 0.01 1,718.7 0.11 0.14 0.48 4.57 4.76 9.6% 6.2% 10.0% 11.4% 0.99 94.5% n- 0.50 0.00 0.50 0.00 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% 0.00 0.00 0.01 0.01 0.01 0.01 0.01 0.04 0.0%	GTA	0.99	1.00	-1.00	2.36	1.07	1.06	1.2	11,000.0	0.12		0.54						2%	1.69	70.2%	BUY
0.50 0.50 0.00 0.66 0.50 0.00 0.05 0.00 0.01 0.01 0.01 0.01	Law Union & Rock Insurance	0.50	0.50	00.00	0.61	0.50	0.00	0.0	1,718.7	0.11		0.48	4.57					.4%	0.97	94.5%	BUY
0.50 0.50 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% 1.50 1.50 1.50 0.00 3.32 1.60 0.20 0.3 3,547.5 0.15 0.17 7.28 5.2% 3.4% 3.6% 3.3% 1.72 14.6% 1.46	Mutual Benefits	0.50	0.50	0.00	0.50	0.50	0.00	0.0	4,000.0	0.01			44.43					.5%	0.50	%0.0	NEUTRAL
1.50 1.50 0.00 3.32 1.60 0.20 0.3 3,547.5 0.15 0.15 0.12 0.3x 11.07 7.28 5.2% 3.4% 3.6% 3.3% 1.72 14.6% 1.46	NEM Insurance Com-	0.50	0.50	0.00	99.0	0.50	4.60	2.3	2,640.3	0.15		0.84	3.26					%0	1.44	187.7%	BUY
0.8 52,324.9 0.5x 11.7x 7.9x 8.3% 6.1% 4.5% 0.1% 0.5x 7.4x 6.2x 7.5% 4.9% 4.5%	Prestige Assurance Plc		1.50	0.00	3.32	1.60	0.20	0.3	3,547.5	0.15		0.3x	11.07					3%	1.72	14.6%	ACCUMULATE
0.1 0.5x 7.4x 6.2x 7.5% 4.9% 4.5%						Mean	0.8		52,324.9				11.7x	- 1				%9:			
						Median	0.1					0.5x	7.4×	6.2x 7		_	_	%6			



Afrinvest Coverage: Selected Companies (Naira in MM, Except Where Noted)	age: Se	elected	Compar) jes	Naira in	MM, Excep	t Where	Noted)											
			Price			Liquidity	TSO (m)	Mkt Cap	EPS		P/BV	P/E	Pro	Profitability	Div	Div Yield	Price Target	Upside	Recommendation
Company	Current	Previous	Current Previous % Change	12 Mth High	ר 12 Mth Low	Value (N'm) Ordinary	Ordinary	(N,m)	LTM 1	1YR E 1Y	1YR E LI	LTM 1YR E	ROAE	E ROAA	LTM	1YR E	12-Mth	12-Mth	12-Mth
Healthcare																			
Fidson Healthcare Plc	1.34	1.42	-5.63	3.20	1.34	0.1	1,500.0	2,010.0	0.24	0.30 0	0.5x 7.	7.7x 6.0x	%0.6 ×	% 6.2%	2.5%	11.1%	2.25	%2'.29	BUY
GSK Plc	27.00	27.00	0.00	29.65	22.49	11.9	956.7	25,831.0	1.73	2.49 2	2.5x 14	14.8x 10.3x	3x 26.1%	% 14.3%	4.7%	2.5%	29.45	9.1%	NEUTRAL
May & Baker Plc	3.25	3.61	-9.97	90.9	3.25	0.7	980.0	3,185.0	0.15	0.19	1.3x 24	24.6x 19.6x	%6.9 x9	% 3.0%	0.0%	%0.0	5.18	59.3%	BUY
Neimeth Int. Plc	1.05	1.15	-8.70	2.29	0.95	0.1	821.6	862.7	0.00	0.08	1.4× N	NA 20.4x	4x -12.5%	% -4.4%	%0.0	%0.0	0.11	-89.3%	SELL
					Mean	3.2		31,888.6		-	1.4x 15	15.7x 14.1x	1x 7.4%	4.8%	2.5%	4.2%			
					Median	0.4				-	1.3x 14	14.8x 14.9x	%0'8 ×6	% 4.6%	2.3%	2.8%			
Chemicals & Paints																			
Berger Paints Plc	9.38	9.38	0.00	12.57	2.67	0.7	217.4	2,038.9	2.04	2.04	1.0x 5.	5.1x 5.1x	x 29.3%	% 18.1%	% 2'9	%2'9	16.45	75.4%	BUY
CAP PIc	19.76	24.23	-18.45	43.98	20.99	0.17	260.0	11,065.6	1.67	1.93 16	16.3x 21	21.6x 18.6x	6x 99.4%	% 38.9%	8.8%	4.1%	45.42	129.9%	BUY
PCMN PIc	0.93	0.93	00.00	3.90	2.10	0.0	792.9	737.4	0.20	0.14	1.2x 7.	7.1x 9.9x	11.7% x	% 8.1%	4.2%	4.5%	1.58	%5'69	BUY
PPNL PIc	5.11	5.11	00.00	5.67	5.27	0.0	400.0	2,044.0	0.00	0.38 2	2.0x N	NA 13.5x	5x 14.4%	% 8.2%	3.1%	3.6%	5.45	%2'9	NEUTRAL
					Mean	0.2		3,971.5		2	5.1x 11	11.3x 11.8x	8x 0.4x	x 0.2x	5.7%	4.7%			
					Median	0.1		2,041.5		-	1.6x 7.	7.1x 11.7x	7x 0.2x	x 0.1x	5.5%	4.3%			
Conglomerates																			
Flour Mills Nigeria Plc	72.95	78.99	-7.65	95.00	56.65	35.6	1,879.2	137,085.6	7.89	5.85 3	3.0x 9.	9.2x 12.5x	5x 37.5%	% 12.1%	, 2.9%	2.1%	75.17	3.0%	NEUTRAL
PZ Industries Plc	30.00	30.07	-0.23	43.50	27.28	24.3	3,176.4	95,291.5	1.44	1.85 2	2.2× 20	20.9x 16.2x	2x 7.3%	4.8%	2.7%	2.9%	21.89	-27.0%	SELL
U A C N Plc	37.07	39.05	-5.00	42.90	31.35	5.3	1,600.7	59,338.7	3.07	2.79 0	0.1× 12	12.1x 13.3x	3x 12.0%	% 5.5%	2.9%	2.8%	41.68	12.4%	ACCUMULATE
Unilever Nigeria Plc	28.00	27.49	1.86	31.25	22.56	7.8	3,783.3	105,932.3	1.11	1.16 12	12.4x 25	25.3x 24.1x	1x 50.6%	% 16.9%	4.1%	4.1%	23.74	-15.2%	SELL
UTC PIc	0.50	0.50	00.00	1.08	0.50	0.1	1,233.4	616.7	90.0	0.08 0	0.5x 7.	7.7x 6.7x	′x 5.4%	% 2.7%	%0.0	%0.0	1.34	167.8%	BUY
					Mean	14.6		398,264.8		m	3.6x 15	15.0x 14.6x	6x 22.5%	8.4%	2.5%	2.4%			
					Median	7.8				7	2.2× 12	12.1x 13.3	13.3x 12.0%	% 2.5%	2.9%	2.8%			



Afrinvest Coverage: Selected Companies (Naira in MM, Except Where Noted)	age: Se	lected (ompan	ies (N	aira in N	/IM, Exce	ot Wher	Noted)												
			Price			Liquidity	TSO (m)	Mkt Cap	EPS		P/BV	P/E	Ā	Profitability		Div Yield	Price Target	_	Upside Re	Recommendation
Company	Current	Current Previous	% Change	12 Mth High	12 Mth 12 Mth High Low	Value (N'm)	Ordinary	(N'm)	LTM 1	YR E 1	1YR E 1YR E LTM		1YR E ROAE	AE RO	ROAA LT	LTM 1YF	1YR E 12-N	12-Mth 12-	12-Mth	12-Mth
Petroleum Marketing																				
Mobil Nigeria Plc	148.00	148.00	0.00	164.35	133.89	4.1	300.5	44,473.4 13.32 11.90	13.32 1	1.90	6.5x 11	11.2x 11.5x 76.7%	.5x 76.	.7% 16.6%		%9.5 %8.9	142.25		-3.9%	REDUCE
MRS Oil Nigeria Plc	63.86	63.86	0.00	81.70	63.86	0.1	254.0	16,219.7	6.76	9.50	0.8x 9.	9.5x 7.	7.8x 19.	19.5% 7.	7.1% 1.9	1.9% 2.3%	61.06		-4.4%	REDUCE
Oando Plc	24.40	28.00	-12.86	78.97	27.99	36.4	1,810.2	50,956.3	69.8	9.12	0.5x 3.	3.2x 3.	3.5x 19.	19.4% 4.!	4.5% 4.5	4.5% 8.3%	64.87		%6:591	BUY
Total Nigeria Plc	203.32	203.32	0.00	250.00	250.00 195.50	9.0	339.5	69,031.6 16.22 11.70 6.9x	16.22 1	1.70		12.5x 12.7x 68.3%	.7x 68.		10.4% 3.9%	9% 4.2%	190.61		-6.2%	REDUCE
					Mean	9.6		45,170.2		-"1	3.7x 9.	9.1x 8.	8.9x 46.	46.0% 9.0	9.6% 4.3	4.3% 5.1%	%			
					Median	1.0					3.6x 10	10.3x 9.	9.6x 43.	43.9% 8.7	8.7% 4.2	4.2% 4.9%	%			



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